

REVIEW OF STOCK MARKETS

Before the opening of trading some moderately negative external background formed on the Russian market on October 7. Last Friday, the major U.S. indices finished the growth of 0.5-0.9% on hopes for the completion of the fiscal crisis in the United States. In particular, the reason for optimism was the statement of the Speaker of the House of Representatives Republican John Boehner, whom President of the United States placed a personal responsibility for the impasse in the negotiations, said he will not allow a default, even if they have to compromise with Democrats. At the same time, Asia-Pacific stock indices lost an average of about one percent, and the U.S. index futures were down more than half a percent on media reports that Republicans are still going not to vote in the House of Representatives for the renewal of the government funding and an increase in the limit of the state debt, unless the White House makes concessions in the area of health insurance reform. The same speaker of the lower house of Congress John Boehner this time has already said that the U.S. president runs the risk of leading the country into default if he does not start realistic negotiations. November Brent traded near \$109 a barrel, at the level of our closing on Friday.

For the most of the day the Russian market had moderate – mostly within half a percent – minus on the MICEX Index. European markets looked somewhat worse, where the decline in major indices in the first half of the day reached one percent. However, investors still consider U.S. politicians to reach agreements on the budget and the debt ceiling as the main scenario of the government crisis development. This, in particular, was said by Moody's CEO, who also noted that the U.S. government is unlikely to announce a default, even if the politicians fail to agree on raising the debt ceiling by 17 October. At the end of the day, the Russian indices were able to gain a foothold in positive territory, and the European indices could play back most of the losses after not so negative, as it was testified by the dynamics of futures, trading start in the United States.

Following the results of the trades, the MICEX index gained 0.41% to close trading at 1,480.20 points, and the RTS Index rose by 0.08% to close at 1,444.32 points. The MicexPWR Sector Index fell by 0.61%, reaching 1,062.28 points. On Western exchanges the European DJStoxx 600 Index was down 0.23%, and the American S&P 500 Index fell by 0.85%.

ELECTRIC POWER INDUSTRY NEWS

The court invalidated orders of the Ministry of Energy on tenders for the status of suppliers of last resort in 11 regions at the suit of "Russian Grids"

"Russian Grids", temporarily supplying electricity to consumers in 11 regions, were able to delay coming there of specialized power retailers. Holding made in the court cancel the orders of the Ministry of Energy to conduct tenders in these regions on the status of electricity suppliers of last resort. Holding insisted that the terms of the tender should include repayment of old debts of the power retailers to the electric grid companies.

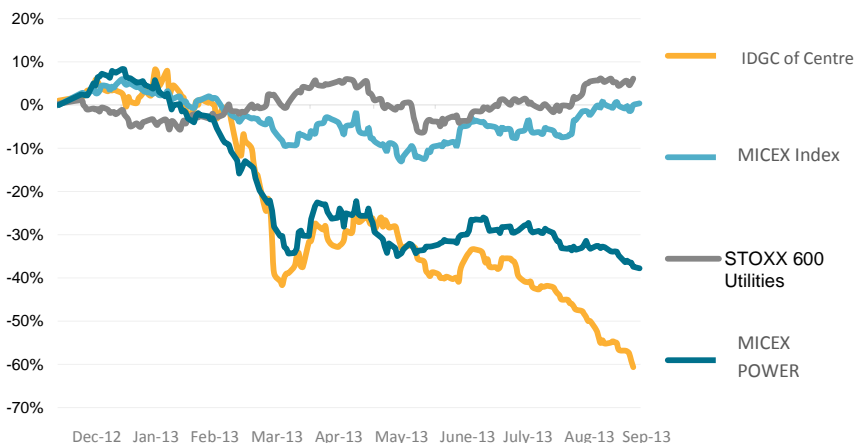
To read full text: <http://www.kommersant.ru/doc/2314488>

COMPANY NEWS

All branches IDGC of Centre got Certificates of readiness for the winter

To read full text: http://www.mrsk-1.ru/ru/press/news/company/?id_4=88831

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change for the day fr 31.12.12	
MICEX	1 480,20	0,41%	0,37%
S&P 500	1 676,12	-0,85%	17,52%
FTSE 100	6 437,28	-0,26%	9,15%
DAX	8 591,58	-0,36%	12,86%
DJStoxx 600	309,18	-0,23%	10,55%
STOXX Utilities	274,78	0,90%	6,10%
Nikkei	13 853,32	-1,22%	33,27%
Sensex	19 895,10	-0,10%	2,41%
CSI300	2 409,04	0,00%	-4,51%
Bovespa	52 417,10	-0,82%	-14,00%

Source: Bloomberg, Company calculations

Currency rates	Value	Change for the day fr 31.12.12	
Euro/USD	1,36	0,13%	2,86%
USD/RUB	32,10	-0,08%	5,69%
Euro/RUB	43,73	0,09%	8,71%

Source: Bloomberg, Company calculations

Raw	Value	Change for the day fr 31.12.12	
Gold, USD/oz	1 323,10	0,92%	-21,03%
Brent*, USD/bbl	109,68	0,20%	-1,29%

* - November futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,2360
Capitalisation**, billion RUB	9,96
Capitalisation**, million USD	310,38

Source: Central Bank of Russia, Company calculations

** - at the price of last transaction at MICEX

Russian indexes	Change for the day from 31.12.12	
MICEX-Power Index	-0,61%	-37,78%
Shares of IDGC of Centre**	-3,67%	-60,67%

Source: MICEX, Company calculations

Grid companies	Change** for the day fr 31.12.12	
JSC Russian Grids	-1,59%	-52,58%
FGC UES	-0,77%	-52,12%
IDGC of Volga	-0,58%	-59,46%
MOESK	-1,02%	-21,97%
IDGC of Northern Caucasus	0,12%	-36,19%
IDGC of Centre and Volga Reg	-2,11%	-52,42%
IDGC of North-West	0,92%	-47,66%
IDGC of Urals	-2,29%	-61,38%
IDGC of Siberia	0,00%	-12,50%
IDGC of South	1,04%	-36,08%
Lenenergo	0,36%	-53,55%

Source: MICEX, Company calculations

** - at the price of last transaction at MICEX

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Tickers

Moscow Exchange

Bloomberg

Reuters

MRKC
MRKC.RX
MRKC.MM