

## REVIEW OF STOCK MARKETS

Before the opening of trading some moderately negative external background formed on the Russian market on July 1. Last Friday, the major U.S. indices closed mixed: S&P500 and DJIA lost 0.4% and 0.8%, respectively, and Nasdaq rose by conditional 0.04%. The market was under pressure due to weak data on manufacturing activity and consumer confidence of Chicago and recurrent statements of the Fed's representatives about the QE-3 prospects. In particular, one of the Governors of the Federal Reserve suggested that the American Central Bank will start to cut down the asset purchase program in September, and the head of the Federal Reserve Bank of Richmond said that he was opposed to the continuation of redemption of bonds as the economic recovery in the U.S. is limited by structural factors, not controlled by the Fed. Asia-Pacific markets traded without any dynamics. On the one hand, some negative backdrop for investors was the reduction of the official version of industrial PMI in China in June to 50.1 points - the lowest level since February of this year, on the other hand, the Japanese Tankan index - an indicator of confidence in major manufacturing companies - in the second quarter exceeded the zero mark for the first time since September 2011. August Brent traded near \$102 a barrel - a dollar below the levels of our closing on Friday.

After the volatile dynamics at the beginning of the trading session, Russian and European indices were able to gain a foothold in positive territory after the publication of statistics for the Eurozone - data on manufacturing activity in June and unemployment in May were better than expected. Sentiment in the western exchanges was significantly improved by good statistics on manufacturing activity in the U.S. in June - ISM Manufacturing Index rose more than expected - to 50.9 points from 49 points in May. After the release of this report the growth of the main European indices accelerated to an average of one percent, the American session began with the same plus. The reaction of the Russian market, having once again ignored western optimism, was more modest - the growth of the MICEX Index did not exceed half a percent.

At closing, the MICEX Index gained 0.43% to close trading at 1,336.17 points, the RTS Index rose by 0.11% to close at 1,276.85 points. The MICEXPWR Sector Index rose by 0.54%, reaching 1,155.33 points. At the western exchanges the European DJStoxx 600 Index closed with a gain of 1.15%, the US S&P 500 Index rose by 0.54%.

## ELECTRIC POWER INDUSTRY NEWS

**Russian Grids has not yet considered the issue of conversion of FGC's minority shareholders' shares into shares of the company**

The merger of "Russian Grids" and FGC has completed. FGC has become a subsidiary in that share, which belonged to the state. The government has kept one golden share. Minority shareholders of FGC remain minority shareholders of FGC," underlined Chairman of the Board of Directors of "Russian Grids" Georgy Boos.

To read full text: <http://energo-news.ru/archives/110733>

## COMPANY NEWS

**Power engineers of IDGC of Centre — Bryanskenergo division quickly restored power supply, interrupted by adverse weather conditions**

To read full text: [http://www.mrsk-1.ru/ru/press/news/branches/?id\\_4=88598](http://www.mrsk-1.ru/ru/press/news/branches/?id_4=88598)

## DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change for the day	Change for 31.12.12
MICEX	1 336,17	0,43%	-9,40%
S&P 500	1 614,96	0,54%	13,24%
FTSE 100	6 307,78	1,49%	6,95%
DAX	7 983,92	0,31%	4,88%
DJStoxx 600	288,29	1,15%	3,08%
STOXX Utilities	249,19	-0,34%	-3,78%
Nikkei	13 852,50	1,28%	33,26%
Sensex	19 577,39	0,94%	0,78%
CSI300	2 213,32	0,58%	-12,27%
Bovespa	47 229,59	-0,48%	-22,51%

Source: Bloomberg, Company calculations

Currency rates	Value	Change for the day	Change for 31.12.12
Euro/USD	1,31	0,34%	-1,08%
USD/RUB	32,71	-0,51%	7,69%
Euro/RUB	42,72	-0,27%	6,19%

Source: Bloomberg, Company calculations

Raw	Value	Change for the day	Change for 31.12.12
Gold, USD/oz	1 252,52	1,46%	-25,24%
Brent*, USD/bbl	103,00	0,82%	-7,30%

\* - August futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,3678
Capitalisation**, billion RUB	15,53
Capitalisation**, million USD	474,72

\*\* - at the price of last transaction at MICEX

Source: Central Bank of Russia, Company calculations

Russian indexes	Change for the day	Change from 31.12.12
MICEX-Power Index	0,54%	-32,33%
Shares of IDGC of Centre	1,49%	-38,70%

Source: MICEX, Company calculations

Grid companies	Change for the day	Change for 31.12.12
IDGC of Volga	-1,46%	-26,84%
MOESK	0,17%	-19,64%
IDGC of Northern Caucasus	4,55%	-41,89%
IDGC of Centre and Volga Reg	-0,74%	-24,32%
IDGC of North-West	-0,81%	-41,67%
IDGC of Urals	0,00%	-20,97%
IDGC of Siberia	0,37%	-4,62%
IDGC of South	1,24%	-30,67%
Lenenergo	2,51%	-28,34%

Source: MICEX, Company calculations

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## Tickers

Moscow Exchange  
Bloomberg  
Reuters

MRKC  
MRKC.RX  
MRKC.MM