



IDGC OF CENTRE

DAILY MARKET REVIEW

24 October, Friday

2014

REVIEW OF STOCK MARKETS

Before the opening of trading on 23 October some moderately negative external background formed on the Russian market. On Wednesday the U.S. indices DJIA and S&P500 closed the session with decrease of 0.9% and 0.7%, respectively, consolidating after rising the previous sessions, as well as on the background of worse than expected reporting of a number of companies. On Thursday U.S. futures traded in the conventional black, and the composite MSCI Asia Pacific stock index lost about one-third per cent. During the trading the index fall reached 0.5%, but some decline was played back by the publication of the preliminary PMI index value in the industrial sector in China in October, which grew to 50.4 points from 50.2 points a month earlier, while experts did not expect changes in the indicator. December futures for Brent traded around \$84.7 per barrel – \$2 below our closing on 22 October. Pressure on oil prices was put by the data of the American Petroleum Institute, which reported a stronger-than-expected weekly growth of oil reserves in the United States.

On Thursday at the opening the Russian stock market continued its decline against the background of the situation on world markets, the continuing uncertainty about the agreement on the "gas issue", as well as on expectations of a possible downgrade of Russia's rating by Standard & Poor's. With the continued weakening of the ruble RTS updated its minimum for more than 5 years – since August 2009. Negative opening of European markets gave additional pressure. In the afternoon the MICEX Index was able to win back some of its losses against the background of European markets after the publication of data on the better-than-expected preliminary values of the manufacturing and composite Eurozone PMI index calculated by Markit Economics. Preliminary index of activity in the non-manufacturing sector was also better than expected. A rebound in oil prices after the announcement of the reduction of oil supply by Saudi Arabia in September contributed to further correction. Released better than expected American statistics on applications for unemployment benefits – the average number of applications over the past four weeks was the lowest since May 2000, and the stronger than expected growth of the index of leading indicators provided additional support to the Russian market. Nevertheless, at the end of the day the MICEX Index failed to hold in positive territory and closed the trading session slightly below zero.

During the entire trading session the MicexPWR Sector Index looked worse than the MICEX Index changes. The main, about 75% contribution to the underperformance of the index was made by stocks of E.On Russia, FGC UES and RusHydro. On Western exchanges the European DJStoxx Index gained 0.66%, and the U.S. S&P Index rose by 1.23%.

ELECTRIC POWER INDUSTRY NEWS

FTS: it is impossible to raise electricity tariffs for the population at "inflation+6.8%"

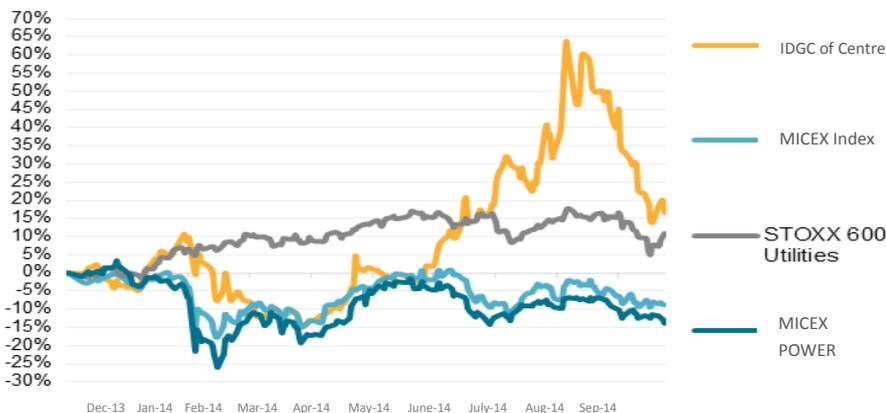
To read full text: http://ejnews.ru/news_energy/2014/10/23/27003

COMPANY NEWS

Belgorodenergo modernizes power supply circuits for 30 settlements in the region

To read full text: <http://www.kommersant.ru/doc/2596296?isSearch=True>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change for the day fr 31.12.13	
MICEX	1 372,92	-0,09%	-8,72%
S&P 500	1 950,82	1,23%	5,54%
FTSE 100	6 419,15	0,30%	-4,89%
DAX	9 047,31	1,20%	-5,29%
DJStoxx 600	328,26	0,66%	0,00%
STOXX Utilities	308,76	0,86%	10,93%
Nikkei	15 138,96	-0,37%	-7,07%
Sensex	26 851,05	0,24%	26,83%
CSI300	2 395,94	-0,94%	2,83%
Bovespa	50 713,26	-3,24%	-1,54%

Source: Bloomberg, Company calculations

Currency rates	Value	Change for the day fr 31.12.13	
Euro/USD	1,26	-0,17%	-8,32%
USD/RUB	40,97	-0,20%	25,17%
Euro/RUB	52,14	-0,96%	15,94%

Source: Bloomberg, Company calculations

Raw	Value	Change for the day fr 31.12.13	
Gold, USD/oz	1 231,84	-0,76%	2,51%
Brent*, USD/bbl	86,83	2,50%	-18,34%

* - December futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,2550
Capitalisation**, billion RUB	10,77
Capitalisation**, million USD	262,79

Source: Central Bank of Russia, Company calculations

Russian indexes	Change for the day fr 31.12.13	
MICEX-Power Index	-0,84%	-13,67%
Shares of IDGC of Centre**	-2,86%	16,65%

Source: MOEX, Company calculations

Grid companies	Change** for the day fr 31.12.13	
JSC Russian Grids	-0,72%	-34,61%
FGC UES	-1,48%	-40,33%
IDGC of Volga	-0,21%	3,82%
MOESK	0,53%	-31,26%
IDGC of Northern Caucasus	-1,59%	0,06%
IDGC of Centre and Volga Reg	-1,21%	32,95%
IDGC of North-West	-1,85%	-6,72%
IDGC of Urals	0,00%	-11,40%
IDGC of Siberia	0,00%	26,24%
IDGC of South	-1,08%	13,74%
Lenenergo	2,57%	3,23%

Source: MOEX, Company calculations

** - at the price of last transaction at MOEX

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Tickers

Moscow Exchange

Bloomberg

Reuters

MRKC

MRKC.RX

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