



IDGC OF CENTRE

DAILY MARKET REVIEW

19 September, Friday

2014

REVIEW OF STOCK MARKETS

Before the opening of trading on 18 September some moderately positive external background formed on the Russian market. On Wednesday the U.S. indices DJIA and S&P500 gained 0.1%, and the DJIA updated its historical maximum. On Thursday the growth of the main indices of the Asia-Pacific region averaged about half a percent, and U.S. futures were slightly up. The reason for the optimism of investors was the outcome of the Fed meeting – contrary to the fears of some analysts, the regulator retained the wording in the text to keep rates at a low level for a significant time period after the completion of the quantitative easing program. As for the asset purchase program, the next reduction of \$10 billion was not a surprise for investors. Thus, says Bloomberg, in October the Fed will buy securities of \$15 billion and this will complete the QE-3. November Brent futures traded around \$98.5 per barrel – half a dollar below the level of our closing on 17 September. Pressure on oil prices was given by an increase in oil inventories in the United States last week being a surprise to analysts.

Most of the trading session the Russian market had a slight increase on the MICEX Index – the rise of the market was held back by negative news of AFK "Sistema". At the same time, the European indices added an average about one percent both on news from the Fed, and the information about the next step of the Central Bank of China to stimulate the economy – the regulator reduced the cost of short-term loans for banks. According to experts, this is the second after giving the previous day loans for \$81 billion to five major banks, the sudden decision of the People's Bank of China for the monetary easing was the reaction of the authorities to the weak statistical data, which had pointed to the deteriorating situation in the Chinese economy. In addition, these steps raised market expectations for the adoption of more aggressive control measures to stimulate economic growth – writes WSJ, similar actions of the Central Bank of China in the past were preceded with adjusting the key interest rate. Against this background, the ambiguous statistics of the United States, where data on applications for unemployment benefits were better than expected, and data on the number of new buildings and construction permits in August were significantly worse than expected, did not affect the mood of foreign investors. At the end of the trading session, despite the strengthening of the positive dynamics of the western markets, sellers became active again at the Russian market – the MICEX Index dropped below zero.

By the end of the trading session the dynamics of the MicexPWR Sector Index looked better than the market. All "heavy" index securities evenly contributed to a small increase on the MicexPWR, except shares of Russian Grids, which closed the day with a small loss. On Western exchanges the European DJStoxx added 0.98%, and the U.S. S&P Index gained 0.49%.

ELECTRIC POWER INDUSTRY NEWS

At the forecast of rates the Ministry of Economic Development adheres to a decision on indexation of not more than the consumer price index level

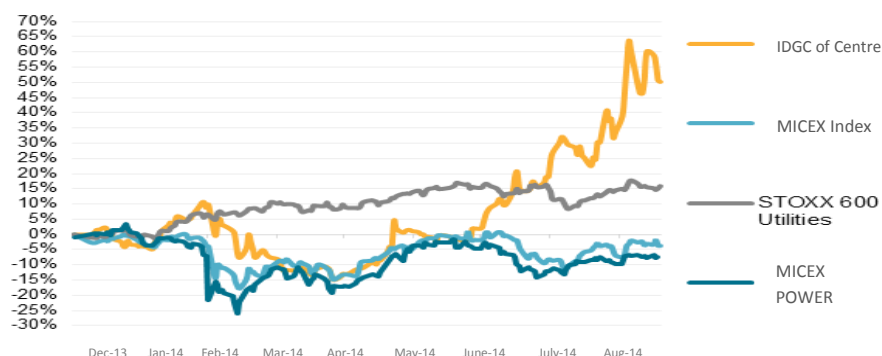
To read full text: <http://www.bigpowernews.ru/news/document58691.phtml>

COMPANY NEWS

Tver power engineers of IDGC of Centre carried out a comprehensive overhaul of power facilities in the region

To read full text: http://www.mrsk-1.ru/ru/press/news/branches/?id_4=89670

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change for the day	fr 31.12.13
MICEX	1 448,63	-0,05%	-3,69%
S&P 500	2 011,36	0,49%	8,82%
FTSE 100	6 819,29	0,57%	1,04%
DAX	9 798,13	1,41%	2,58%
DJStoxx 600	347,78	0,98%	5,95%
STOXX Utilities	322,71	0,67%	15,95%
Nikkei	16 067,57	1,13%	-1,37%
Sensex	27 112,21	1,81%	28,06%
CSI300	2 408,66	0,31%	3,37%
Bovespa	58 374,48	-1,24%	13,33%

Source: Bloomberg, Company calculations

Currency rates	Value	Change for the day	fr 31.12.13
Euro/USD	1,29	-0,22%	-6,28%
USD/RUB	38,37	-0,86%	17,24%
Euro/RUB	49,69	-0,73%	10,50%

Source: Bloomberg, Company calculations

Raw	Value	Change for the day	fr 31.12.13
Gold, USD/oz	1 225,15	0,13%	1,96%
Brent*, USD/bbl	97,70	-1,28%	-8,53%

* - November futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,3283
Capitalisation**, billion RUB	13,86
Capitalisation**, million USD	361,20

Source: Central Bank of Russia, Company calculations

Russian indexes	Change for the day	fr 31.12.13
MICEX-Power Index	0,32%	-7,50%
Shares of IDGC of Centre**	-0,45%	50,18%

Source: MOEX, Company calculations

Grid companies	Change** for the day	fr 31.12.13
JSC Russian Grids	-0,19%	-31,79%
FGC UES	0,99%	-37,97%
IDGC of Volga	-1,12%	12,16%
MOESK	0,18%	-27,83%
IDGC of Northern Caucasus	-0,29%	12,37%
IDGC of Centre and Volga Reg	-1,47%	48,23%
IDGC of North-West	-0,75%	6,58%
IDGC of Urals	1,29%	-4,83%
IDGC of Siberia	-0,01%	24,82%
IDGC of South	-2,99%	18,12%
Lenenergo	1,87%	15,09%

Source: MOEX, Company calculations

** - at the price of last transaction at MOEX

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Tickers

Moscow Exchange

Bloomberg

Reuters

MRKC

MRKC.RX

MRKC.MM