



IDGC OF CENTRE

# DAILY MARKET REVIEW

15 December, Monday

2014

## REVIEW OF STOCK MARKETS

Before the opening of trading on 12 December some neutral external background formed on the Russian market. On Thursday the U.S. indices DJIA and S&P500 rose by 0.4-0.5% on good statistics: retail sales growth in November was the highest in eight months, and data on applications for unemployment benefits were better than expected. At the same time at the session highs the indices were adding 1.3-1.4%, the reason for profit-taking in the afternoon was a decline in oil prices and expectation of the outcome of the budget battle in Congress. According to Bloomberg, the current government funding was approved on 11 December, and the failure of a bill that renews it could shutdown the government. Already after the close of the exchanges it became known that the bill on the government spending after a stormy debate at the last moment was yet approved by the House of Representatives. On Friday the major indices of the Asia-Pacific region showed mixed trends with changes within an average of half a percent – the positive growth of the U.S. market was offset by the fall in oil prices and released worse than expected statistics on industrial production in China in November. January Brent futures traded at \$63.5 per barrel – a dollar below the level of our closing on 11 December. Price wars of the largest OPEC producers – Saudi Arabia, Iraq and Kuwait continue putting pressure on the oil market, which try to keep the market share with retaining the level of oil production and lower prices of supplies to consumers.

Lower oil prices triggered a drop in the MICEX Index by 3% in early trading. However, the next anti-records of the ruble – the dollar and the euro came close to 58 and 72 rubles respectively – returned investors' interest to strong dividend stocks. Lukoil and Norilsk Nickel led the rebound of the Russian market, and in the second half of the day the MICEX Index added more than a percent, despite a 1.5% decline in the major European indices. In turn, the negative sentiment in Europe, in addition to weak statistics from the PRC and falling oil prices, was due to released worse than expected data on industrial production in the Eurozone in October, and political problems of Greece, which have questioned the financial stability of the Eurozone's largest debtor. Statistics from the United States, having recorded an increase in consumer confidence in December to a maximum since January 2007, did not have a significant impact on investors' sentiment. At the same time, falling prices for January Brent contract to around \$62.5 per barrel after the deterioration of the IEA oil demand forecast in 2015 was the occasion for profit taking on the Russian market – the MICEX Index growth got reduced to one-third per cent.

By the end of the trading session the MicexPWR Sector Index looked much worse than the market mainly due to active sales in shares of companies with state participation. In particular, shares of FGC UES updated their historic low, stocks of Russian Grids stopped at 2% of this significant milestone, and shares of RusHydro fell to lows since June 2013. On Western exchanges the European DJStoxx Index lost 2.58%, and the U.S. S&P Index was 1.62% minus.

## ELECTRIC POWER INDUSTRY NEWS

**Mr. Putin established an interagency working group to improve the efficiency of the Russian electric power industry**

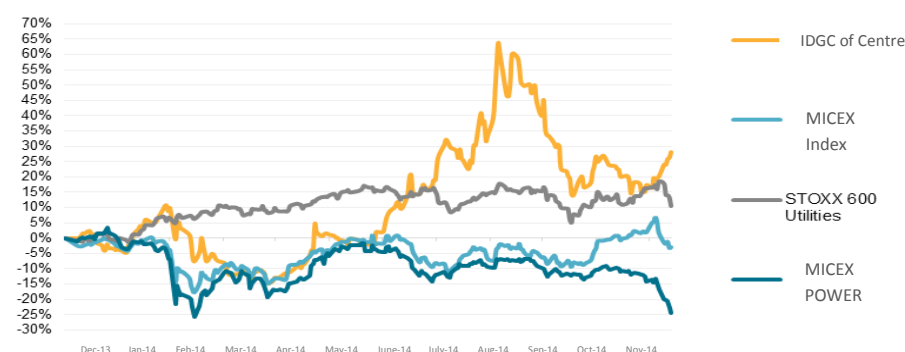
To read full text: <http://www.bigpowernews.ru/news/document60662.phtml>

## COMPANY NEWS

**IDGC of Centre held a meeting of the Board of Directors, the Company's Business Plan, including the Investment Program, for 2015 was approved**

To read full text: [http://www.mrsk-1.ru/ru/press/news/company/?id\\_4=89876](http://www.mrsk-1.ru/ru/press/news/company/?id_4=89876)

## DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change for the day	fr 31.12.13
MICEX	1 459,68	0,32%	-2,95%
S&P 500	2 002,33	-1,62%	8,33%
FTSE 100	6 300,63	-2,49%	-6,64%
DAX	9 594,73	-2,72%	0,45%
DJStoxx 600	330,54	-2,58%	0,69%
STOXX Utilities	307,48	-2,50%	10,47%
Nikkei	17 371,58	0,66%	6,63%
Sensex	27 350,68	-0,91%	29,19%
CSI300	3 193,23	0,32%	37,05%
Bovespa	48 001,98	-3,73%	-6,81%

Source: Bloomberg, Company calculations

Currency rates	Value	Change for the day	fr 31.12.13
Euro/USD	1,25	0,61%	-9,62%
USD/RUB	54,79	0,95%	67,41%
Euro/RUB	68,29	1,63%	51,87%

Source: Bloomberg, Company calculations

Raw	Value	Change for the day	fr 31.12.13
Gold, USD/oz	1 222,59	-0,42%	1,74%
Brent*, USD/bbl	61,85	-2,87%	-41,59%

\* - January futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,2800
Capitalisation**, billion RUB	11,82
Capitalisation**, million USD	215,74

Source: Central Bank of Russia, Company calculations

Russian indexes	Change for the day	fr 31.12.13
MICEX-Power Index	-2,25%	-24,55%
Shares of IDGC of Centre**	1,45%	28,09%

Source: MOEX, Company calculations

Grid companies	Change** for the day	fr 31.12.13
JSC Russian Grids	-4,10%	-45,51%
FGC UES	-4,61%	-52,07%
IDGC of Volga	2,78%	5,36%
MOESK	3,12%	-16,86%
IDGC of Northern Caucasus	-1,52%	-16,13%
IDGC of Centre and Volga Reg	-1,08%	36,36%
IDGC of North-West	-2,08%	-17,28%
IDGC of Urals	0,17%	-9,68%
IDGC of Siberia	0,00%	27,52%
IDGC of South	-2,42%	0,06%
Lenenergo	-0,24%	-8,84%

Source: MOEX, Company calculations

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

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## Tickers

Moscow Exchange  
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