



DAILY

MARKET REVIEW

2013

| 17 October, Thursday

## REVIEW OF STOCK MARKETS

Before the opening of trading some moderately negative external background formed on the Russian market on October 16. Major U.S. indices ended the trading session on Tuesday, falling by 0.6-0.9%, most of the markets in the Asia-Pacific region on Wednesday declined due to another political impasse on budget issues in the United States. Already on Tuesday afternoon it was reported that the Senate leaders are close to a compromise, which involves the resumption of government funding at the level of the last financial year for the period up to January 15, as well as raising the debt limit until February 7. However, in the evening of the same day it was reported that the parties cut the talks short because the Republicans in the House of Representatives as a condition for adopting this option once again put forward the demand to postpone financing the health care reform program. Fitch Agency in response to the prolonged uncertainty has put the U.S. rating on review for possible downgrade, noting that "brinkmanship and reduced financial flexibility may increase the risk of a default in the United States". December Brent was trading around the level of \$109.5 – half a dollar below our closing on Tuesday.

Russian and European indices throughout the day showed volatile dynamics near zero. The markets were held from active sales, firstly, with the information that the U.S. Senate on Wednesday tried to take another compromise version of the bill on the budget and the debt ceiling, which could be approved by the lower house of Congress, and secondly, released better than expected reports of some U.S. companies, including Bank of America and Bank of New York Mellon. The MICEX index by the end of the day could not determine the direction of movement, despite more than a percent rise of the U.S. market in early trading and the coming of the main European indices into a half-point plus and a renewed rise in oil prices.

At the end of the day, the MICEX Index lost 0.01% to close trading at 1,531.57 points, and the RTS Index rose by 0.33% to close at 1,500.25 points. The MicexPWR Sector Index rose by 0.84%, reaching 1,087.27 points. On Western exchanges the European DJStoxx 600 Index rose by 0.23%, and the American S&P 500 Index increased by 1.38%.

## ELECTRIC POWER INDUSTRY NEWS

**The government plans to authorize the Ministry of Energy to set up targets for investment programs and quality standards for grid companies**

The government plans to authorize the Ministry of Energy with a set of additional powers, according to materials for the planned government meeting today.

To read full text: <http://www.bigpowernews.ru/news/document52546.phtml?1&q=>

**Investment programs of Russian Grids will be revised to reflect the actual needs of the regions**

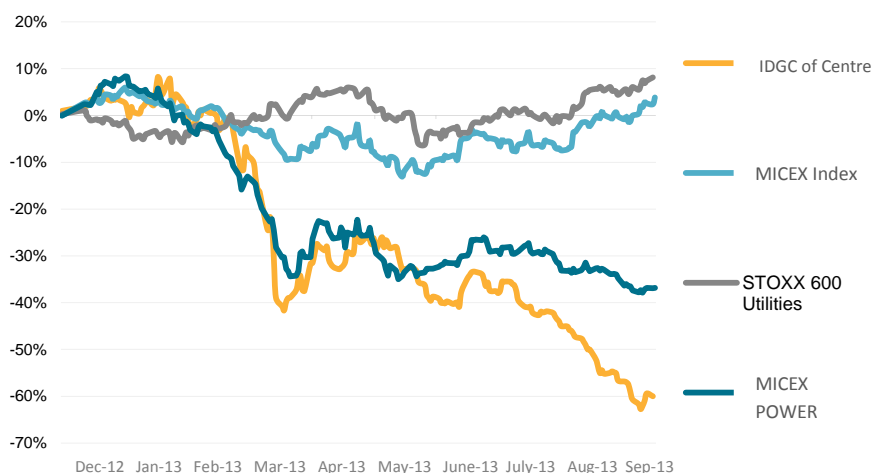
To read full text: [http://www.rugrids.ru/press/news/?ELEMENT\\_ID=14829](http://www.rugrids.ru/press/news/?ELEMENT_ID=14829)

## COMPANY NEWS

**Voronezhenergo took part in a review of readiness of the forces and means of emergency management in the region**

To read full text: [http://www.mrsk-1.ru/ru/press/news/branches/?id\\_4=88841](http://www.mrsk-1.ru/ru/press/news/branches/?id_4=88841)

## DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



| World indexes   | Value     | Change for the day | fr 31.12.12 |
|-----------------|-----------|--------------------|-------------|
| MICEX           | 1 531.57  | -0,01%             | 3,85%       |
| S&P 500         | 1 721,54  | 1,38%              | 20,71%      |
| FTSE 100        | 6 571,59  | 0,34%              | 11,42%      |
| DAX             | 8 846,00  | 0,47%              | 16,21%      |
| DJStoxx 600     | 315,55    | 0,23%              | 12,83%      |
| STOXX Utilities | 281,42    | 0,48%              | 8,66%       |
| Nikkei          | 14 467,14 | 0,18%              | 39,17%      |
| Sensex          | 20 547,62 | 0,00%              | 5,77%       |
| CSI300          | 2 421,37  | -1,87%             | -4,03%      |
| Bovespa         | 55 973,03 | 1,80%              | -8,17%      |

Source: Bloomberg, Company calculations

| Currency rates | Value | Change for the day | fr 31.12.12 |
|----------------|-------|--------------------|-------------|
| Euro/USD       | 1,35  | 0,09%              | 2,37%       |
| USD/RUB        | 32,27 | 0,00%              | 6,24%       |
| Euro/RUB       | 43,76 | 0,00%              | 8,79%       |

Source: Bloomberg, Company calculations

| Raw             | Value    | Change for the day | fr 31.12.12 |
|-----------------|----------|--------------------|-------------|
| Gold, USD/oz    | 1 282,51 | 0,01%              | -23,45%     |
| Brent*, USD/bbl | 110,59   | 1,07%              | -0,47%      |

\* - November futures

Source: Bloomberg, Company calculations

| Shares of IDGC of Centre      | Value  |
|-------------------------------|--------|
| Last transaction, RUB         | 0,2410 |
| Capitalisation**, billion RUB | 10,17  |
| Capitalisation**, million USD | 315,32 |

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          | 0,84%              | -36,32%       |
| Shares of IDGC of Centre** | 0,42%              | -59,83%       |

Source: MICEX, Company calculations

| Grid companies               | Change** for the day | fr 31.12.12 |
|------------------------------|----------------------|-------------|
| JSC Russian Grids            | 1,67%                | -56,41%     |
| FGC UES                      | 2,67%                | -50,10%     |
| IDGC of Volga                | 0,26%                | -59,92%     |
| MOESK                        | 6,28%                | -15,43%     |
| IDGC of Northern Caucasus    | 0,70%                | -40,04%     |
| IDGC of Centre and Volga Reg | -0,65%               | -57,01%     |
| IDGC of North-West           | 1,16%                | -47,34%     |
| IDGC of Urals                | -0,84%               | -64,31%     |
| IDGC of Siberia              | 0,00%                | -12,27%     |
| IDGC of South                | 2,19%                | -33,54%     |
| Lenenergo                    | 0,33%                | -53,93%     |

Source: MICEX, Company calculations

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

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## Tickers

Moscow Exchange

Bloomberg

Reuters

MRKC

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