



IDGC OF CENTRE

DAILY MARKET REVIEW

22 January, Thursday

2015

REVIEW OF STOCK MARKETS

Before the opening of trading on 21 January some moderately positive external background formed on the Russian market. Volatile trading session on Tuesday in the US resulted in a small, in the range of 0.2%, increase of the DJIA and S&P500 due to, as noted in Bloomberg, rising stocks of high-tech companies. Most of the major exchanges of the Asia-Pacific region were trading in positive territory, the composite index of the Asia-Pacific region MSCI Asia Pacific added 0.7%. Of The Japanese Nikkei decrease differed from the overall dynamics – negative background for investors was the deterioration by the Bank of Japan of forecasts for inflation, and growth of the Chinese CSI300 by 4.5% while correcting after the 8% fall on Monday. March Brent traded near \$48.3 per barrel – a little below our closing on 20 January.

On Wednesday the MICEX Index was actively recovering after two days of decline – in the second half of the trading session the index growth exceeded 2%, despite some moderately negative dynamics of western exchanges. The Russian market could be supported with growth of oil to around \$49 per barrel and expectations of constructive outcome of the yesterday's Norman format meeting of the foreign ministers on Ukraine. For the rest there was no significant news background for such dynamics of the MICEX Index. From the current news one can note the Izvestia newspaper with reference to a meeting of the National Financial Council at the Central Bank, which took place in late December 2014, that the Central Bank might cut its interest rate by 2.3 percentage points already in the first quarter. Given the increased media attention to the news, the Bank of Russia was forced to make a statement that it would be ready to cut its key interest rate in the formation of a stable downward trend in inflation and inflationary expectations, but they are still high. At the end of the day the MICEX Index growth rate accelerated to 3% – buyers were supported with positive reaction of Western markets to released better than expected statistics from the US on the number of new buildings in December and a message of Bloomberg that the ECB is planning to launch the asset repurchase program in the amount of €50 billion a month till the end of 2016.

Most of the trading session the MicexPWR Sector Index corresponded to the dynamics of the MICEX Index. Nevertheless, at the end of the day MicexPWR looked significantly worse than the market mainly due to a sharp decline in shares of E.ON Russia, Inter RAO and FGC UES in the trades closing. On Western exchanges the European DJStoxx Index rose by 0.61%, and the US S&P Index gained 0.47%.

ELECTRIC POWER INDUSTRY NEWS

JSC "Russian Grids" proposed establishment of a commission to monitor the status of payments for electricity supplied and services for its transmission with companies of the electricity sector

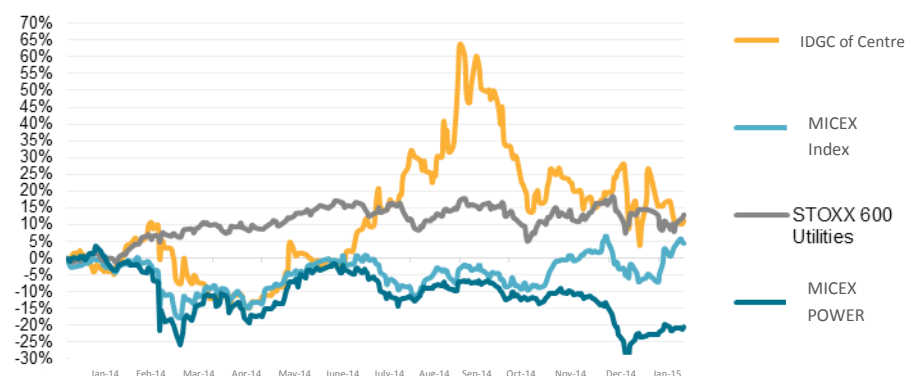
To read full text: <http://www.energyland.info/news-show-tek-electro-131664>

COMPANY NEWS

Kurskenergo provides reliable power supply to consumers during the winter peak loads

To read full text: <http://www.46tv.ru/line/kursk/036466/>

DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY



World indexes	Value	Change for the day	fr 31.12.14
MICEX	1 618,17	3,00%	15,86%
S&P 500	2 032,12	0,47%	-1,30%
FTSE 100	6 728,04	1,63%	2,47%
DAX	10 299,23	0,41%	5,03%
DJStoxx 600	358,12	0,61%	4,55%
STOXX Utilities	315,61	0,37%	0,05%
Nikkei	17 280,48	-0,49%	-0,98%
Sensex	28 888,86	0,36%	5,05%
CSI300	3 548,89	4,50%	0,43%
Bovespa	49 224,08	2,81%	-1,57%

Source: Bloomberg, Company calculations

Currency rates	Value	Change for the day fr 31.12.14
Euro/USD	1,16	0,23%
USD/RUB	64,99	0,02%
Euro/RUB	75,27	0,13%

Source: Bloomberg, Company calculations

Raw	Value	Change for the day fr 31.12.14
Gold, USD/oz	1 293,09	-0,17%
Brent*, USD/bbl	49,03	2,17%

* - March futures

Source: Bloomberg, Company calculations

Shares of IDGC of Centre	Value
Last transaction, RUB	0,2440
Capitalisation**, billion RUB	10,30
Capitalisation**, million USD	158,51

Source: Central Bank of Russia, Company calculations

Russian indexes	Change for the day	fr 31.12.14
MICEX-Power Index	0,96%	3,83%
Shares of IDGC of Centre**	0,41%	-3,37%

Source: MOEX, Company calculations

Grid companies	Change** for the day	fr 31.12.14
JSC Russian Grids	2,19%	8,00%
FGC UES	0,83%	14,64%
IDGC of Volga	-1,37%	-9,50%
MOESK	-0,88%	-9,60%
IDGC of Northern Caucasus	-0,77%	6,20%
IDGC of Centre and Volga Reg	0,11%	-5,90%
IDGC of North-West	-3,38%	1,58%
IDGC of Urals	-0,67%	-3,27%
IDGC of Siberia	1,81%	-0,11%
IDGC of South	0,95%	2,91%
Lenenergo	1,39%	4,00%

Source: MOEX, Company calculations

** - at the price of last transaction at MOEX

IDGC of Centre, JSC

127018, Moscow, 2nd Yamskaya, 4

+7 (495) 747 92 92

<http://mrsk-1.com/en/investors/>

IR Division

+7 (495) 747 92 92, ext. 33-34

ir@mrsk-1.ru

Tickers

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