

**DAILY**

MARKET REVIEW

2014

| 27 January, Monday

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| **REVIEW OF STOCK MARKETS**  IDGC OF CENTRE | |  | |  |  |  |  |  |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | | World indexes | Value | | | Change | | | | | | | | | for the day | | | | fr 31.12.13 | | | | | MICEX | | 1 494,58 | | | -0,15% | | -0,63% | | | | | | | S&P 500 | | 1 790,29 | | | -2,09% | | -3,14% | | | | | | | FTSE 100 | | 6 663,74 | | | -1,62% | | -1,26% | | | | | | | DAX | | 9 392,02 | | | -2,48% | | -1,68% | | | | | | | DJStoxx 600 | | 324,75 | | | -2,39% | | -1,07% | | | | | | | STOXX Utilities | | 278,19 | | | -1,76% | | -0,05% | | | | | | | Nikkei | | 15 391,56 | | | -1,94% | | -5,52% | | | | | | | Sensex | | 21 133,56 | | | -1,12% | | -0,18% | | | | | | | CSI300 | | 2 245,68 | | | 0,62% | | -3,62% | | | | | | | Bovespa | | 47 787,38 | | | -1,10% | | -7,22% | | | | | | | *Source: Bloomberg, Company calculations* | | | | | | | | | | | | | | Currency rates | | Value | | | | Change | | | | | | | | F for the day | | fr 31.12.13 | | | | | | Euro/USD | | 1,37 | | | | 0,02% | | -0,80% | | | | | | USD/RUB | | 34,03 | | | | 0,49% | | 3,98% | | | | | | Euro/RUB | | 46,11 | | | | 0,42% | | 2,52% | | | | | | *Source: Bloomberg, Company calculations* | | | | | | | | | | | | | | Raw | | Value | | | | Change | | | | | | | | for the day | | | | fr 31.12.13 | | | | Gold, USD/oz | | 1 270,06 | | | | 0,47% | | | 5,69% | | | | | Brent\*, USD/bbl | | 107,88 | | | | 0,28% | | | -2,40% | | | | | *\* - March futures*  *Source: Bloomberg, Company calculations* | | | | | | | | | | | | | | Shares of IDGC of Centre | | | | | | Value | | | | | | | | Last transaction, RUB | | | | | | 0,2116 | | | | | | | | Capitalisation\*\*, billion RUB | | | | | | 8,93 | | | | | | | | Capitalisation\*\*, million USD | | | | | | 262,49 | | | | | | | | *Source: Central Bank of Russia, Company calculations*  *\*\* - at the price of last transaction at MICEX* | | | | | | | | | | | | | | Russian indexes | | | Change | | | | | | | | | | | for the day | | | | from 31.12.13 | | | | | | | MICEX-Power Index | | | -1,56% | | | | 1,94% | | | | | | | Shares of IDGC of Centre\*\* | | | -1,21% | | | | -3,20% | | | | | | | *Source: MICEX, Company calculations* | | | | | | | | | | | | | |  | | | | | | | | | | | | | | Grid companies | | | | | Change\*\* | | | | | | | | | for the day | | | | | | fr 31.12.13 | | | JSC Russian Grids | | | | | -1,72% | | | | | | 2,70% | | | FGC UES | | | | | -2,43% | | | | | | 0,01% | | | IDGC of Volga | | | | | -1,47% | | | | | | 0,35% | | | MOESK | | | | | -2,26% | | | | | | -6,43% | | | IDGC of Northern Caucasus | | | | | -0,66% | | | | | | -2,20% | | | IDGC of Centre and Volga Reg | | | | | -1,79% | | | | | | 1,82% | | | IDGC of North-West | | | | | -2,89% | | | | | | -2,99% | | | IDGC of Urals | | | | | -1,33% | | | | | | -0,99% | | | IDGC of Siberia | | | | | 2,29% | | | | | | -4,96% | | | IDGC of South | | | | | 0,40% | | | | | | -5,66% | | | Lenenergo | | | | | -2,40% | | | | | | 19,40% | | | *Source: MICEX, Company calculations*  *\*\* - at the price of last transaction at MICEX* | | | | | | | | | | | | |   **IDGC of Centre**  127018, Russia, 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](mailto:ir@mrsk-1.ru)   |  |  | | --- | --- | | **Tickers** |  | | Moscow Exchange | [MRKC](http://moex.com/en/issue.aspx?board=EQBR&code=MRKC) | | | Bloomberg | [MRKC RX](http://www.bloomberg.com/quote/MRKC:RX) | | | Reuters | [MRKC.MM](http://www.reuters.com/finance/stocks/overview?symbol=MRKC.MM) | | |
| Before the opening of trading some negative external background formed on the Russian market. The U.S. indices S&P500 and DJIA closed Thursday with a percent decline on weak data from China, where industrial January PMI fell below the key level of 50 points for the first time since last July. In addition, the pressure on the market was given by ambiguous corporate statements and the slightly worse than expected December statistics on home sales in the secondary market and index of forward-looking economic indicators. Loss of major APR stock indices averaged about one percent, the composite MSCI Asia Pacific index decreased by 1.4%. March Brent was trading around $107.7 per barrel – at the level of our closing on Thursday. Oil prices were support by the U.S. Department of Energy data, which recorded more than expected decline in distillate stocks, and a smaller than expected increase in oil inventories.  In the absence of significant news the main guide for the movement of Russian and European indices was dynamics of futures for U.S. indices. Accelerating the pace of decline of S&P500 futures up to half a percent in the second half of the session was the occasion to strengthen sales in Europe, where the decline of the major indices exceeded on an average one percent. The MICEX Index looked more stable – its reduction did not exceed half a percent. At the end of the day, the MICEX Index was able to play back two-thirds of the losses, including due to the growth of Gazprom’s shares on the Interfax news that the company is considering buying back its own shares from the market and "carefully studying the experience of ExxonMobil on this issue". Meanwhile, the Russian market ignored the more than half-point decline in U.S. indices in early trading and the accelerating fall of European exchanges.  Following the results of the day the MICEX Index fell by 0.15% to close trading at 1,494.58 points. In the first half of the day dynamics of the MicexPWR Sector Index was better than the market mainly due to the continued growth in shares of Inter RAO, the turnover of which today was the highest for these securities trading on the Moscow Stock Exchange. Nevertheless, the loss MicexPWR by the end of the trading session far exceeded losses of the MICEX index after reduction of Inter RAO’s growth, which as a result was fully offset by active sales of other heavy index stocks. The main contribution to the daytime reduction of MicexPWR, more than 45%, was made by shares of E.ON Russia and FGC, which lost for the day 3.6% and 2.4%, respectively. On Western exchanges the European DJStoxx 600 Index fell by 2.39%, and the American S&P 500 Index closed with a loss of 2.09%. | |
| **ELECTRIC POWER INDUSTRY NEWS** | |
| **Russia plans to abandon the power market in the long term**  The Russian Ministry of Energy offers in the future to correct the model of the wholesale electric energy and power market while considering the possibility of transition to an electric energy market exclusively, the Ministry said in a draft energy strategy of Russia until 2035.  To read full text: <http://www.bigpowernews.ru/news/document54291.phtml>  **FGC has approved its investment program for 2014−2019 of nearly 680 billion rubles, having reduced its investment plans for 2014−2017 by 24% — up to 470 billion rubles**  To read full text: <http://www.bigpowernews.ru/news/document54314.phtml> | |
| **COMPANY NEWS** | |
| **IDGC of Centre has received the status of the supplier of last resort in the Tver region instead of Tveroblenergosbyt**  To read full text: <http://www.bigpowernews.ru/news/document54308.phtml> | |
| **DYNAMICS OF KEY INDEXES AND SHARES OF THE COMPANY** | |
| IDGC of Centre  Dec-12 Jan-13 Feb-13 Mar-13 Apr-13 May-13 June-13 July-13 Aug-13 Sep-13 Oct-13 Nov-13 Dec-13  MICEX POWER  MICEX Index | |
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