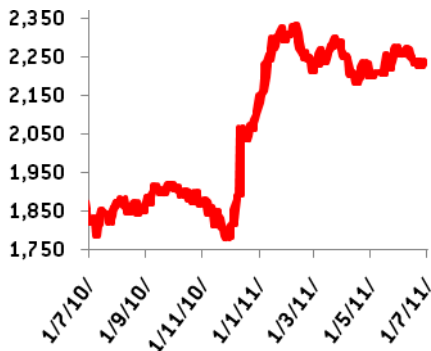




CROBEX 52wks PERFORMANCE:



INDICES:	CLOSE	1D	1M	Y-T-D
CROBEX	2,236.62	+0.26%	-1.57%	+5.95%
CROBEX10	1,210.10	+0.20%	-2.86%	+4.83%

COMMENT:

The Crobex recovered on Friday, but still recorded a 0.2 % loss on weekly level, which was accompanied by a significant decline in trading activity. After news of completion of EU talks failed to push the broad market investors turned attention to some beaten-down shares in troubled companies like Magma or HG Spot, as well as industrial holding **Đuro Đaković**, which continue to occupy top spots on the list of the most active names. Sluggish performance of the broad market is expected to be repeated this week.

OUTLOOK:

The market is expected to open mixed today.

TURNOVER- HRK	MN
Total turnover:	15.55
Regular turnover:	10.48
OTC turnover:	75.45
Reported turnover:	5.07

Market Cap: HRK 162.42 bn

FX MARKET

EUR/HRK	7.387439
USD/HRK	5.097950

MARKET BREADTH

ADVANCERS	33
DECLINERS	19
UNCHANGED	9

UP VOLUME

7,675,658.05 HRK

DOWN VOLUME

2,198,035.68 HRK

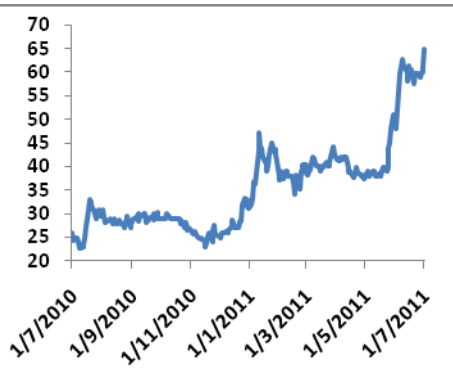
TOP PERCENTAGE GAINERS:

MGMA-R-A	+23.91%
MDKA-R-A	+18.66%
SNHO-R-A	+11.69%
LURA-R-A	+7.77%
DDJH-R-A	+6.31%

TOP PERCENTAGE LOSERS:

BD62-R-A	-4.27%
THNK-R-A	-4.10%
AUHR-R-A	-2.79%
KSST-R-A	-1.96%
IGH-R-A	-1.67%

DDJH 52wks PERFORMANCE:



RIISING ON UNUSUALLY HIGH TURNOVER:

**Đuro Đaković (Industrials)**

FALLING ON UNUSUALLY HIGH TURNOVER:

None

Contacts:

**Niko Delić**

niko.delic@momentum-brokeri.hr

Tel: + 385 (0)1 63 96 678

Tel: + 385 (0)1 63 96 671

**Željka Rubinić**

zeljka.rubinic@momentum-brokeri.hr

Tel: + 385 (0)1 63 96 672

POLITICS :

Leaders of the opposition parties rejected yesterday claims by the centre-right daily „Večernji list“ that their coalition might fall apart because of mutual discontent. The leader of the smaller HNS party Radimir Čačić said yesterday that none of the four members of the coalition intends to leave the coalition and boasted of excellent results shown by big nation-wide polls, which indicate coalition's victory in all 10 electoral units. At the same time, **SDP's leader Milanović warned that it is too early to speculate on election results**, but stressed that opposition parties have already defined their mutual elections and that SDP will respect HNS' demand for posts of Foreign affairs and Economy in the new government despite recent decline in party's popularity. The date of the new elections is expected to be announced this week.

MACROECONOMY :

After a temporary pick up in April Croatia's industrial production fell again in May. The data by the Bureau of Statistics showed that ind.production decreased by seasonally adjusted 2.6 % m/m and the annual growth turned to negative 0.4 %. The latest data were indeed very weak as three of the five groupings posted big declines and growth of the remaining two was moderate at best. The biggest decline was reported by production of consumer durables, which plunged by 10.8 % m/m, followed by production of intermediate goods (down 5 % m/m) and energy (down 4.8 %). At the same time production of consumer non-durables rose by only 0.5 % m/m and production of capital goods advanced 2.8 % m/m.

The „Večernji list“ daily reported today about new tensions between the IMF and the Croatian central bank (CNB), which was attacked again for its FX policy. The Fund allegedly reiterated its demand for internal devaluation by reducing salaries and lowering prices of goods and urged immediate build up of FX reserves, which in its opinion, are currently too small. In its reply to IMF the CNB officials stressed that country's FX reserves have a significant role in managing FX rate expectations and rejected claims that stable FX rate contributed to Euroisation-related vulnerabilities. CNB sees latest IMF's statement as not analytically based.



## MACROECONOMY 2:

Croatia's current account deficit in Q1'11 rose 10.9 % y/y to EUR 1.48 bn and its share in country's GDP rose to 1.41 %, showed the most recent data by the CNB. The deficit reflects increase of import and traditionally weak tourist season in the first quarter of the year, which is expected to be offset in the second- and especially third quarter of the year. After decline in May the latest data indicate that both June and first days of July saw an increase in number of tourists on the coast compared to same month last year.

## IN FOCUS :

**Đuro Đaković (Industrial holding)** - Signed contracts with JANAF, Croatian Railways in total amount of HRK 303 mn

The company announced during the weekend that it had signed a HRK 218 mn contract with JANAF on construction of new oil tank on island of Krk and another HRK 83 mn contract with Croatian Railways on delivery of **100 wagons**. The company's CEO Zdravko Stipetić reiterated that the company expects revenues of HRK 900 mn and net profit of HRK 20 mn this year.

## 20 MOST LIQUID:

STOCK	OPEN	HIGH	LOW	CLOSE	CHANGE %	VOLUME	TURNOVER
HT-R-A	256.50	257.09	256.50	257.00	0.38%	8,237	2,114,027.91
DDJH-R-A	61.50	64.85	60.25	64.85	6.31%	17,042	1,077,324.46
MGMA-R-A	7.15	8.91	7.14	8.50	23.91%	93,028	756,915.73
PTKM-R-A	205.21	209.89	202.26	204.49	-0.05%	3,304	682,011.68
ADRS-P-A	256.07	259.47	256.03	259.47	0.96%	2,540	652,400.50
KORF-R-A	80.20	83.50	80.00	82.00	3.80%	5,407	439,475.70
BLJE-R-A	97.30	99.00	97.00	97.62	0.31%	4,035	393,629.98
KABA-R-A	85.30	89.00	82.00	89.00	-1.11%	4,144	367,669.00
INGR-R-A	15.41	15.95	15.41	15.86	2.99%	19,586	308,166.67
ZABA-R-A	289.80	289.99	289.00	289.89	0.76%	909	263,323.89
KOEI-R-A	635.09	640.00	633.00	640.00	0.00%	412	261,682.77
KODT-P-A	1,194.55	1,239.50	1,194.55	1,239.50	3.72%	184	221,095.01
KNZM-R-A	213.20	216.99	213.20	216.99	3.33%	938	202,851.36
DLKV-R-A	231.00	234.00	230.16	232.00	0.43%	870	202,016.43
ADPL-R-A	128.00	128.50	127.01	128.25	0.88%	1,526	195,140.36
AUHR-R-A	357.00	357.00	347.00	347.03	-2.79%	500	174,989.79
LEDO-R-A	6,029.00	6,100.00	6,015.00	6,100.00	1.67%	27	164,208.94
KRAS-R-A	465.94	475.00	465.94	465.95	0.00%	340	160,597.20
LKPC-R-A	1,180.00	1,189.00	1,160.00	1,165.00	-1.38%	110	129,517.04
ERNT-R-A	1,425.00	1,426.95	1,420.00	1,421.00	-0.42%	87	123,857.50

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