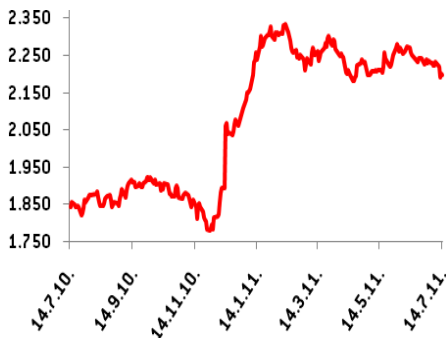




CROBEX 52wks PERFORMANCE:



INDICES:	CLOSE	1D	1M	Y-T-D
CROBEX	2,196.73	-0.19%	-2.67%	+4.06%
CROBEX10	1,187.12	-0.09%	-3.61%	+2.84%

COMMENT:

Croatian market extended its weeks-long decline and liquidity continued to evaporate. The fact that regular turnover reached only HRK 7.5 mn gave another evidence that vast majority of investors already departed to the seaside and decided to wait for more positive economic environment before placing buy orders. Shares in Croatian Telecom and Zagrebačka banka were the only with generated turnover in excess of HRK 1 mn, but both headed lower.

OUTLOOK:

Weak sentiment on European markets might send Croatian shares down today.

TURNOVER- HRK	MN
Total turnover:	7.47
Regular turnover:	7.47
OTC turnover:	73.44
Reported turnover:	0.00

Market Cap: HRK 159.37 bn

FX MARKET

EUR/HRK	7.434612
USD/HRK	5.233431

MARKET BREADTH	
ADVANCERS	22
DECLINERS	26
UNCHANGED	12

UP VOLUME  
1,664,048.70 HRK

DOWN VOLUME  
4,268,667.97 HRK

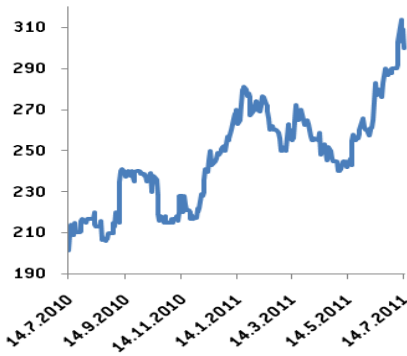
TOP PERCENTAGE GAINERS:

PUNT-R-A	+17.11%
JAKT-R-A	+9.96%
FMPS-R-A	+8.95%
SNHO-R-A	+5.32%
HDEL-R-A	+3.12%

TOP PERCENTAGE LOSERS:

INDG-R-A	-18.21%
LCDS-R-A	-9.94%
HGSP-R-A	-8.41%
OPTE-R-A	-4.63%
VDKT-R-A	-4.58%

ZABA 52wks PERFORMANCE:



POLITICS :

The leaders of the four opposition parties SDP, HNS, IDS and HSU should meet today and announce their joint participation on upcoming general elections. In addition, their meeting should provide the public with more details of their economic plan if and when they assume power, although we doubt that the four will disclose all details, especially politically sensitive plans of some budget cuts. Their calculation shows that they might end up with as many as 77 deputies, which along a traditional support of 5 representatives of minorities would assure a necessary 2/3 majority in the parliament.

Beside the meeting of opposition parties today we also expect a meeting of the ruling coalition, which might result in announcement of date of general elections.

MACROECONOMY :

Croatia's foreign debt rose in March '11 by 1.5 % m/m and reached a new record high of EUR 47.1 bn. According to central bank's data, it was also 6 % higher than at the end of 2010, making 102.5 % of country's GDP. The increase in March was predominantly driven by new government borrowing, which increased 7.4 % m/m to EUR 7 bn, followed by a 1.5 % m/m rise of borrowing by banks to EUR 11 bn and a 0.8 % increase in borrowing by corporate sector to EUR 21.9 bn. At the same time debt from direct investments fell 1.4 % m/m to EUR 7.2 bn.

The consumer price index fell in June by 0.5 % m/m and its annual growth rate slowed to 2 %. The latest data by the Bureau of Statistics showed that the decline came mostly on the back of lower food and non-alcoholic beverages, which fell 1.2 % m/m, as well as the 3.6 % price drop in prices of clothing and footwear. Other two groups with lower prices were transport (down 0.3 % m/m) and health care (down 0.1 % m/m).

RIISING ON UNUSUALLY HIGH TURNOVER:  
None

FALLING ON UNUSUALLY HIGH TURNOVER:  
None

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**IN FOCUS :**

Podravka (Food/Pharma) – Unilever declined to comment interest in 10.6 % stake in Podravka

Press reports of Unilever's interest in participation of upcoming auction of a 10.6 % stake in Podravka was not confirmed yesterday, as spokesperson of Unilever declined to comment the issue. According to Croatian media Unilever was expected to submit its offer for Podravka's shares that will be auctioned next week, but recent news that the government prefers domestic buyer probably prompted Unilever to reconsider its participation.

**20 MOST LIQUID:**

STOCK	OPEN	HIGH	LOW	CLOSE	CHANGE %	VOLUME	TURNOVER
HT-R-A	256.00	256.70	255.50	255.52	-0.19%	5,256	1,344,838.68
ZABA-R-A	310.01	319.00	296.00	300.01	-2.91%	3,634	1,114,069.99
PTKM-R-A	199.94	205.00	197.02	202.01	1.51%	4,457	902,988.06
ATPL-R-A	634.40	634.40	622.53	622.53	-0.40%	544	340,027.72
ADRS-P-A	251.13	251.50	250.38	251.50	-0.20%	1,310	329,235.52
ERNT-R-A	1,405.00	1,405.00	1,399.98	1,399.99	-0.16%	198	277,442.94
ADPL-R-A	123.12	124.00	122.00	122.00	-1.92%	1,368	167,660.38
IGH-R-A	1,565.65	1,565.65	1,552.01	1,552.01	-2.57%	88	137,381.34
BLJE-R-A	93.83	94.00	93.72	94.00	0.18%	1,420	133,287.00
DLKV-R-A	221.23	221.27	220.68	220.68	-0.19%	587	129,699.15
KSST-R-A	2,350.00	2,400.01	2,350.00	2,400.00	0.00%	44	104,770.15
DDJH-R-A	62.50	64.50	62.50	64.50	0.33%	1,565	98,374.23
KNZM-R-A	202.06	202.07	202.00	202.00	0.00%	448	90,500.46
LKPC-R-A	1,009.00	1,018.95	986.00	990.05	-3.22%	85	85,711.42
THNK-R-A	1,425.43	1,425.52	1,415.28	1,425.09	0.01%	53	75,294.45
ATGR-R-A	700.00	700.00	685.01	690.00	-0.72%	106	73,430.21
ULPL-R-A	564.51	569.95	564.01	564.01	0.27%	122	68,897.33
INGR-R-A	14.56	14.79	14.56	14.60	-1.28%	4,191	61,238.94
KRAS-R-A	470.00	470.00	467.22	467.30	0.06%	113	52,882.70
LEDO-R-A	5,790.00	5,900.00	5,622.00	5,900.00	1.90%	9	52,611.00

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