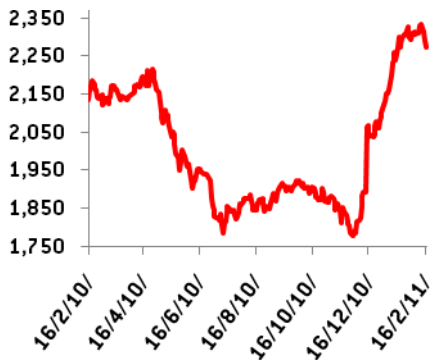




CROBEX 52wks PERFORMANCE:



INDICES:	CLOSE	1D	1M	Y-T-D
CROBEX	2,272.34	-0.75%	-0.06%	+7.65%
CROBEX10	1,257.21	-0.81%	-0.04%	+8.03%

COMMENT:

The Crobex fell for the third day in a row on a broad based sell-off. Hardest hit were shares in food producer Belje, which plunged 18.4 % for the day after previously doubling in price since December. In terms of liquidity the market was again dominated by shares in Croatian Telecom, which initially dropped to as low as HRK 285 but closed the day near the upper range of its trading range. In addition, its shares accounted for some 42 % of the total daily turnover of HRK 52.4 mn.

OUTLOOK:

After three days of losses the market could recover today.

TURNOVER- HRK	MN
Total turnover:	67.37
Regular turnover:	52.42
OTC turnover:	14.95
Reported turnover:	0.00

Market Cap: HRK 204.76 bn

FX MARKET

EUR/HRK	7.410514
USD/HRK	5.478718

MARKET BREADTH	
ADVANCERS	22
DECLINERS	55
UNCHANGED	11

UP VOLUME
6,708,770.11 HRK

DOWN VOLUME
44,233,322.39 HRK

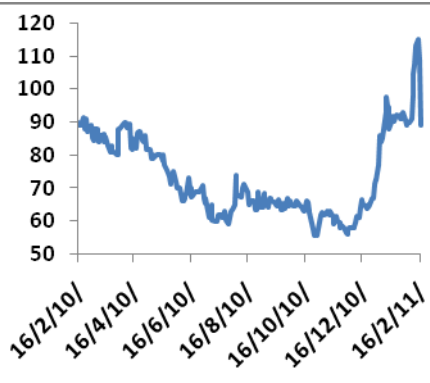
TOP PERCENTAGE GAINERS:

ULJN-R-A	+17.16%
PRFC-R-A	+8.23%
ARNT-R-A	+6.79%
BD62-R-A	+5.07%
JDGT-R-A	+4.33%

TOP PERCENTAGE LOSERS:

ATLS-R-A	-23.39%
MIV-R-A	-22.46%
BLJE-R-A	-18.36%
ZVCV-R-A	-15.16%
DIOK-R-A	-9.49%

BLJE 52wks PERFORMANCE:



POLITICS :

The European Parliament adopted yesterday a resolution on Croatia's EU progress, which stated that the country could complete accession talks by the end of June if it continues with implementation of reforms in remaining chapters. Once again the emphasis was put on reforms in public administration, justice and fight against corruption, which along the restructuring of shipyards are seen as the key for completion of talks in the planned period. The next important date for Croatia is early March, when European Commission will release its Progress report and state whether the country met requirements in key chapters.

MACROECONOMY :

After direct questions from several journalists of local dailies **Minister of Economy Popijač** finally confirmed that the number of unemployed persons advanced in January to more than 334,000, hitting a new **8-yr high**. **Although Mr. Popijač tried to diminish the importance** of latest data by using the ILO methodology of calculation and claiming that part of registered unemployed persons work in gray economy, the fact is that more than 20,000 newly unemployed persons were recorded last month. Taking into account that the most of February traditionally doesn't bring increase in demand for workers in sectors characterized by seasonal activity, it is expected that it will bring another rise of unemployment.

RIISING ON UNUSUALLY HIGH TURNOVER:
None

FALLING ON UNUSUALLY HIGH TURNOVER:
HT (Telecom), Belje (Food)

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IN FOCUS :

Banking sector – Banks promised cheaper housing loans, PM Kosor forgot bank tax

The acting PM Kosor and Finance minister Dalić met yesterday with representatives of 7 biggest banks to discuss the possibility of decrease in lending rates and possible introduction of the bank tax. The two biggest banks, Zagrebačka and Privredna were even not represented by their CEOs, sending their deputies, who along the other five bankers promised to help finance the state-subsidized model of housing. The model envisages a 4.95 % interest rate and government's obligation to pay for unpaid installments of loan users. The words „bank tax“ were allegedly not mentioned and local press reports today that it is very likely that the government (temporarily ?) gave up this idea.

Ledo (Food) – Revenues down 2.7 % y/y in 2010, net profit slightly higher

In its unaudited consolidated statement the company reported a 2.7 % y/y decrease in revenues in 2010 to HRK 1.14, but due to a 2.9 % y/y fall of expenses to HRK 1.01 bn the company managed to increase net profit by 0.4 % y/y to HRK 101.7 mn. The company commented results by saying that sales were hit by difficult economic conditions and bad weather in Q2'10, which hit its ice cream segment.

20 MOST LIQUID:

STOCK	OPEN	HIGH	LOW	CLOSE	CHANGE %	VOLUME	TURNOVER
HT-R-A	290.00	292.00	285.00	290.00	-1.02%	76,210	22,067,754.76
DLKV-R-A	275.00	281.75	269.01	275.00	-4.51%	14,809	4,096,582.97
INA-R-A	3,650.00	3,680.00	3,622.00	3,680.00	0.82%	970	3,540,157.95
ATPL-R-A	780.25	780.25	770.00	779.00	-0.76%	1,927	1,492,089.85
INGR-R-A	15.00	15.14	14.41	14.80	-4.21%	100,488	1,489,060.31
ATGR-R-A	785.50	802.00	785.50	795.00	1.40%	1,795	1,429,985.76
VIRO-R-A	475.02	475.02	451.01	465.01	-1.07%	2,710	1,244,289.53
PODR-R-A	325.29	329.68	321.01	326.97	0.30%	3,683	1,197,984.84
ULPL-R-A	640.02	643.00	640.00	640.50	-0.23%	894	572,261.12
ERNT-R-A	1,484.49	1,484.49	1,450.32	1,460.00	-1.35%	287	422,502.28
KORF-R-A	44.70	45.00	44.35	44.40	-0.67%	8,974	401,251.58
ADRS-P-A	278.02	278.27	277.90	278.00	-1.70%	1,293	359,457.87
ADRS-R-A	321.06	321.06	316.00	316.00	-4.24%	1,000	316,022.64
IGH-R-A	2,122.46	2,150.00	2,081.18	2,084.00	-3.52%	136	288,077.06
LKPC-R-A	1,538.93	1,538.93	1,391.00	1,454.99	-3.96%	185	273,147.61
DDJH-R-A	36.20	36.20	33.96	34.00	-6.98%	6,832	234,909.98
THNK-R-A	1,460.00	1,480.00	1,445.00	1,445.00	-2.89%	160	233,381.90
KOEI-R-A	580.00	580.00	577.50	577.50	-0.86%	370	214,191.13
TISK-R-A	194.07	200.02	193.21	195.51	-2.25%	970	190,049.43
LKRI-R-A	226.00	230.00	219.34	219.34	-3.80%	792	177,728.10

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