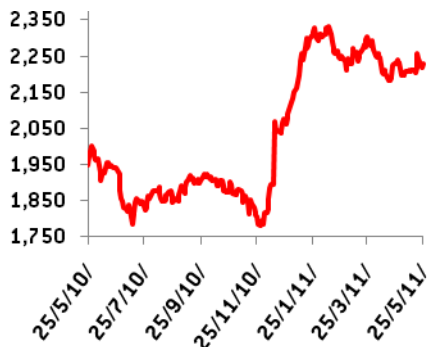



**CROBEX 52wks PERFORMANCE:**


INDICES:	CLOSE	1D	1M	Y-T-D
CROBEX	2,219.33	+0.35%	-0.18%	+5.50%
CROBEX10	1,222.90	+0.31%	-1.87%	+6.27%

**COMMENT:**

The Crobex ended its 3-day losing streak, closing the session with a gain of 0.4 %. The market was led higher mostly by mid caps, like DOM Holding (+6.6 %), Kraš and construction sector companies, all of which moved higher on modest volume. Shares in Croatian Telecom bucked the trend and headed lower, but were still the only one with turnover in excess of HRK 1 mn. Total turnover for the day reached HRK 13.1 mn.

**OUTLOOK:**

Improved sentiment on global markets could lead to extension of gains on the ZSE.

TURNOVER- HRK	MN
Total turnover:	95.91
Regular turnover:	13.13
OTC turnover:	82.78
Reported turnover:	0.00

Market Cap: HRK 204.27 bn

**FX MARKET**

EUR/HRK	7.431731
USD/HRK	5.277843

**MARKET BREADTH**

ADVANCERS	39
DECLINERS	26
UNCHANGED	7

**UP VOLUME**

5,026,823.48 HRK

**DOWN VOLUME**

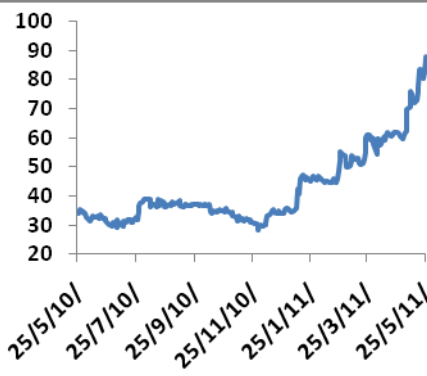
7,232,807.42 HRK

**TOP PERCENTAGE GAINERS:**

PRFC-R-A	+24.42%
ELKL-R-A	+24.14%
SLDM-R-A	+20.29%
PKMI-R-A	+20.00%
INDG-R-A	+12.86%

**TOP PERCENTAGE LOSERS:**

FNVC-R-A	-22.03%
SUNH-R-A	-11.75%
ZVCV-R-A	-5.59%
MGMA-R-A	-4.71%
LRH-R-A	-3.95%

**KORF 52wks PERFORMANCE:**

**POLITICS :**

Opposition party SDP's lead over ruling HDZ party widened slightly in May, showed the most recent popularity polls by Ipsos Puls agency. The poll revealed that support for SDP party remained at 30 %, which was 10 percentage points more than the support for HDZ (20 % vs. 21 % in April), while support for opposition parties' coalition fell to 38 % on decline of popularity of HNS (4.4 % in May). The polls confirmed low popularity of the government as 76 % of respondents said the government is leading the country in the wrong direction, but support for EU membership climbed to surprisingly high 56 % vs. 39 % opposition to EU membership.

**MACROECONOMY :**

No news today

**RIISING ON UNUSUALLY HIGH TURNOVER:**

None

**FALLING ON UNUSUALLY HIGH TURNOVER:**

Croatian Telecom (Telecom)

**Contacts:**

**Niko Delić**

[niko.delic@momentum-brokeri.hr](mailto:niko.delic@momentum-brokeri.hr)

Tel: + 385 (0)1 63 96 678

**Venesa Ferić**

[venesa.feric@momentum-brokeri.hr](mailto:venesa.feric@momentum-brokeri.hr)

Tel: + 385 (0)1 63 96 671

**Željka Rubinić**

[zeljka.rubinic@momentum-brokeri.hr](mailto:zeljka.rubinic@momentum-brokeri.hr)

Tel: + 385 (0)1 63 96 672



## IN FOCUS :

### Banking sector – Bad loans to top in 2012

Despite payment of HRK 3.76 bn dividends in 2010, the banks still boast of high capital adequacy ratio, which range between 16 % at Erste & Steiermaerkische bank to as high as 29 % at Hypo Alpe Adria bank. The „Poslovni dnevnik“ daily reported today that banks believe that bad loans will top next year, with their share in total loans rising from current 11.2 % to up 15 % of total loans, although possible arrangement with the IMF could slightly raise the upper range. However, due to high net profit banks continued to pay out dividend in 2011, with exception of Zagrebačka banka, which might decide on dividend in September this year just like it was the case in 2010.

## 20 MOST LIQUID:

STOCK	OPEN	HIGH	LOW	CLOSE	CHANGE %	VOLUME	TURNOVER
HT-R-A	259.60	260.00	258.51	258.90	-0.24%	23,677	6,134,577.31
KORF-R-A	83.97	88.32	83.00	87.95	6.61%	9,448	806,040.93
INGR-R-A	13.20	13.46	13.19	13.32	1.06%	37,575	502,325.64
DDJH-R-A	39.76	44.00	39.40	44.00	10.66%	11,335	476,613.21
CKML-R-A	3,999.99	4,000.00	3,999.99	4,000.00	2.56%	95	379,999.91
TISK-R-A	180.05	189.00	180.05	186.92	3.84%	1,490	278,092.04
KRAS-R-A	449.01	460.00	449.01	460.00	2.45%	589	270,300.80
DLKV-R-A	243.78	245.51	241.33	244.87	2.03%	1,012	246,430.86
ULPL-R-A	585.05	587.00	585.00	587.00	-0.34%	415	243,177.48
BLJE-R-A	92.00	92.59	91.63	92.03	0.20%	2,558	235,608.24
ATPL-R-A	696.99	698.00	687.11	698.00	1.64%	296	204,427.97
ERNT-R-A	1,440.00	1,457.95	1,430.00	1,457.67	0.53%	139	201,094.98
JDRA-R-A	420.00	420.00	420.00	420.00	5.02%	409	171,780.00
PLAG-R-A	1,710.00	1,710.00	1,710.00	1,710.00	0.00%	100	171,000.00
VPIK-R-A	67.25	71.40	67.25	69.22	1.82%	2,235	155,574.28
SNBA-R-A	112.00	115.00	112.00	115.00	0.01%	1,360	153,162.18
LKRI-R-A	184.00	187.03	182.52	183.50	-0.27%	758	139,282.27
LKPC-R-A	1,242.03	1,279.99	1,230.00	1,279.99	1.03%	107	131,833.24
ADPL-R-A	134.21	134.97	134.00	134.97	0.57%	914	122,875.35
VART-R-1	26.38	26.79	23.50	26.00	4.00%	4,965	122,257.97

Momentum brokers Ltd. has issued this report for information purposes only. All the information contained in this report is based upon information available to the public and has been obtained from sources believed to be reliable, but Momentum brokers Ltd. does not guarantee its accuracy or completeness. The opinions expressed herein are our present opinions only, and are subject to change without prior notice. Investors should understand that financial projections, fair value estimates and statements regarding future prospects may not be realized. Momentum brokers Ltd. recommends to all investors to do additional investment analysis. Momentum brokers Ltd. is not under any obligation to update or keep current the information and the opinions expressed herein. This report is not, and should not be construed as, an offer or a solicitation to buy or sell any securities or related financial instruments. The investment discussed or recommended in this report may be unsuitable for investors depending on their specific investment objectives and financial position. Where an investment is denominated in a currency other than the investor's currency, changes in rates of exchange may have an adverse effect on the value, price of, or income derived from the investment. Past performance is not necessarily a guide to future performance.