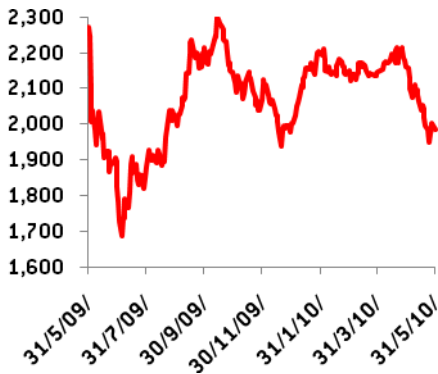



CROBEX 52wks PERFORMANCE:


INDICES:	CLOSE	1D	1M	Y-T-D
CROBEX	1,986.40	-0.81%	-8.09%	-0.54%
CROBEX10	1,078.90	-0.73%	-7.90%	+1.57%

COMMENT:

The Crobex drifted lower again Monday, closing the day with a loss of 0.8 %. Beside the fact that the Crobex returned below the 2,000 points level, yesterday's trading session was marked by extremely low regular turnover of only HRK 6.5 mn, which was one of the lowest in several months. The only stock with turnover above HRK 1 mn was Croatian Telecom (HT), which ended the day virtually unchanged.

OUTLOOK:

The market looks poised for another down day.

TURNOVER- HRK	MN
Total turnover:	8.33
Regular turnover:	6.50
OTC turnover:	1.83
Reported turnover:	0.00

Market Cap: HRK 176.18 bn

FX MARKET

EUR/HRK	7,266285
USD/HRK	5,909471

MARKET BREADTH

ADVANCERS	23
DECLINERS	39
UNCHANGED	6

UP VOLUME

661,712.10 HRK

DOWN VOLUME

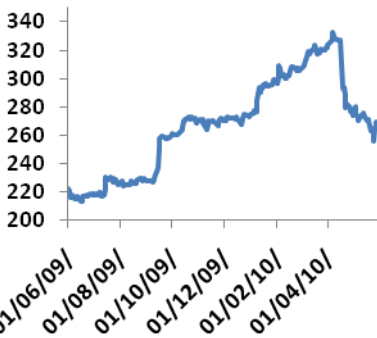
5,296,405.86 HRK

TOP PERCENTAGE GAINERS:

NVBA-R-A	+38.44%
DKVS-R-A	+15.00%
MAIS-R-A	+10.53%
CEBA-R-A	+6.52%
AUHR-R-A	+5.74%

TOP PERCENTAGE LOSERS:

SUNH-R-A	-14.94%
HDEL-R-A	-7.89%
RIVP-R-A	-6.25%
BLSC-R-A	-6.25%
LRH-R-A	-4.76%

HT 52wks PERFORMANCE:

POLITICS :

The most recent popularity polls showed further decline of support for PM Kosor, but opposition party SDP's lead over ruling HDZ narrowed compared to previous month. According to agency Ipsos/Puls, which prepared polls for private TV station Nova, In May PM Kosor was supported by only 45 % of respondents, down from 57 % in April and 71 % in January, while SDP's leader Milanović received support from 49 % of those that participated in polls. Regarding parties, SDP was backed by 30 % and HDZ by 28 % of respondents, while centre-left opposition block received support of 42 % vs. 33.8 % support for centre-right block.

MACROECONOMY :

Croatia's trade gap continued to narrow in April. The latest data by the Bureau of Statistics show that country's export rose 2.2 % y/y to EUR 657.9 mn, which along a 6 % y/y decline of import to EUR 1.26 bn resulted in a 13.7 % y/y lower trade gap of EUR 597.8 mn. On cumulative level Croatia's trade deficit in the first four months of 2010 was almost 23 % y/y lower, amounting to EUR 1.93 bn and reflecting mostly the fact that import of transport equipment (down 13.7 % y/y to EUR 459.3 mn) and capital goods (down 26.6 % y/y to EUR 715.3 mn) remain weak.

RIISING ON UNUSALLY HIGH TURNOVER:

None

FALLING ON UNUSALLY HIGH TURNOVER:

None

Contacts:

Niko Delić

niko.delic@momentum-brokeri.hr

Tel: + 385 [0]1 63 96 678

Venesa Ferić

venesa.feric@momentum-brokeri.hr

Tel: + 385 [0]1 63 96 671

Željka Lapić

zeljka.lapic@momentum-brokeri.hr

Tel: + 385 [0]1 63 96 672

According to first estimate released by the Bureau of Statistics the month of April brought further slowdown of retail sales. After improvement in March, when retail sales fell 2.1 y/y in nominal- and 2.8 % y/y in real terms, in April the decline was 8.5 % y/y in nominal- and 8.7 % y/y in real terms. Bearing in mind that the Q1'10 GDP drop of 2.5 % y/y was largely attributable to lower household and government consumption, another weak retail sales reading indicates that country's GDP could post another negative surprise in Q2'10.



IN FOCUS :

Podravka (Food, Pharma) – Supervisory board confirmed Miroslav Vitković as company's CEO

The 7-member Supervisory board of Podravka decided yesterday to retain Mr. Miroslav Vitković on the top position of the company, following huge political pressure from Mr. Vitković' political party HSS. Local media report that not only HSS leader Friščić pressured PM Kosor to instruct government's representative in Supervisory board to give a vote to Mr. Vitković, but that potential candidates chosen by a group of institutional investors, who by the way, own the largest single stake in the company, were faced with physical threats (the „Poslovni dnevnik“ daily). Finally, Mr. Vitković received support of 4 members of the Supervisory board, two were against and one sustained from voting. As a consequence of the meeting, during which the head of Supervisory board installed by the government, Ljubo Jurčić sustained from voting, it is expected that he will submit his resignation shortly, while the group of institutional investors might decide to jointly sell their stakes.

20 MOST LIQUID:

STOCK	OPEN	HIGH	LOW	CLOSE	CHANGE %	VOLUME	TURNOVER
HT-R-A	269.20	270.00	267.51	269.00	-0.07%	9,304	2,500,249.52
INGR-R-A	32.33	32.33	31.00	31.82	-3.58%	19,768	622,070.71
IGH-R-A	2,350.00	2,440.00	2,350.00	2,440.00	-0.37%	127	298,720.00
LRH-R-A	2,463.03	2,500.00	2,380.00	2,381.01	-4.76%	112	270,937.35
DLKV-R-A	339.18	342.80	334.04	342.80	0.82%	715	241,600.09
KOEI-R-A	463.75	463.75	450.03	450.06	-4.57%	414	190,820.37
INA-R-A	1,723.01	1,724.01	1,723.01	1,724.01	-0.69%	107	184,431.08
ULPL-R-A	602.00	603.00	600.00	603.00	-2.27%	218	131,078.40
THNK-R-A	1,250.00	1,250.00	1,200.00	1,250.00	0.00%	104	128,577.67
ERNT-R-A	1,470.00	1,470.00	1,452.50	1,460.00	-0.68%	81	118,469.98
JDBA-R-A	2,850.06	2,850.06	2,850.00	2,850.00	3.64%	39	111,151.64
HTPK-R-A	93.00	93.00	87.01	90.00	-2.17%	1,205	106,568.75
ATPL-R-A	955.10	955.10	940.01	950.00	-0.73%	97	91,792.31
ATGR-R-A	702.00	705.00	702.00	702.00	-1.13%	127	89,191.00
RIVP-R-A	154.01	154.01	150.00	150.00	-6.25%	542	81,595.83
KORF-R-A	35.02	35.03	34.10	34.50	-1.71%	1,906	65,422.25
ZABA-R-A	223.50	223.50	220.52	220.52	-1.55%	276	61,255.90
LEDO-R-A	6,100.00	6,100.00	6,100.00	6,100.00	0.00%	10	61,000.00
VIRO-R-A	330.01	337.00	330.00	337.00	2.12%	183	60,818.46
LKPC-R-A	1,700.00	1,700.00	1,680.00	1,700.00	-1.73%	35	59,300.00

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