

July 1, 2009

**FX MARKET**

EUR / HRK 7.278712

USD / HRK 5.154895

**MARKET BREADTH**

ADVANCERS: 29

DECLINERS: 43

UNCHANGED: 9

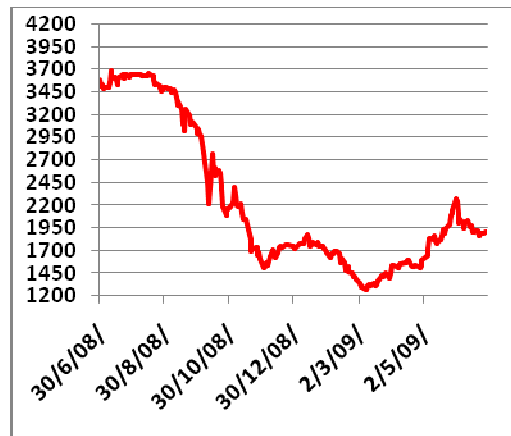
**UP VOLUME:**

5,797,489.17 HRK

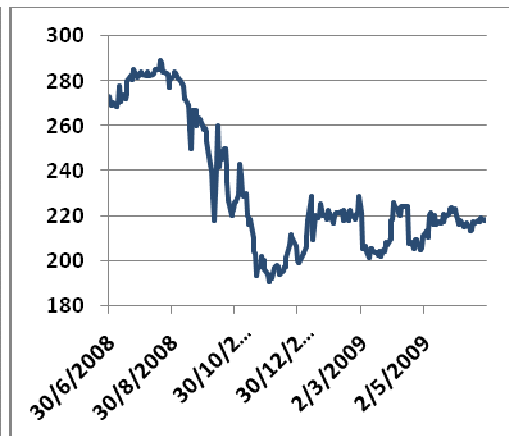
**DOWN VOLUME:**

10,855,364.53 HRK

**CROBEX 52wks PERFORMANCE:**



**HT 52 wks PERFORMANCE:**



INDICES:	CLOSE	1D	1M	Y-T-D
CROBEX	1,896.36	-0.47%	-11.56%	+10.11%

**MARKET STATISTICS:**

Total turnover:	Regular turnover:	Reported turnover:	Institutional turnover:	Market Cap:
HRK 32.74 mn	HRK 17.90 mn	HRK 0.00 mn	HRK 14.83 mn	HRK 177.91 bn

**COMMENT:**

Renewed negative trend on foreign markets, caused mostly by the end of quarter window-dressing, was reflected again on the Croatian equity market. The Crobex recorded a small loss in a slower trading day, during which total regular turnover with stocks dropped below HRK 20 mn. Shares in HT remained on the top in terms of liquidity and performance, as it was the only stock among the 10 most liquid that closed in positive territory. Beside the HT only two other stocks generated turnover in excess of HRK 1 mn.

**OUTLOOK:**

The beginning of the new quarter seems to have brought positive trend on foreign markets, which is expected to be slightly manifested on the ZSE as well.

**POLITICS :**

No news today.

**MACROECONOMY :**

CNB Govenor Željko Rohatinski warned yesterday that the central bank will have to tighten monetary policy if Kuna comes under pressure in autumn. Mr.Rohatinski's comment comes only a day after the release of Croatia's Q1'09 GDP, which fell by 6.7 % y/y and at the fastest rate in 18 years. In his statement central bank's governor also stressed that the government will have to tighten fiscal policy or face the need of inviting IMF. In his words, the planned budget deficit of 4 % of the GDP after the expected second budget revision in mid July or in September is not acceptable and in order to avoid support by the IMF the government will have to cut further the budget deficit and keep the current account deficit at or below 6 % of the GDP. However, despite forecasted 4.5 % y/y decline in GDP this year Mr.Rohatinski doesn't see immediate threat for stability of Kuna.

**TOP PERCENTAGE GAINERS:**

TKPR-R-A	+29.64%
BZJK-R-A	+17.32%
ADRS-R-A	+15.90%
PLJK-R-A	+11.73%
SLPF-R-A	+11.20%

**TOP PERCENTAGE LOSERS:**

ZTNJ-R-A	-20.00%
ULJN-R-A	-19.50%
LPLH-R-A	-13.05%
VLHO-R-A	-10.58%
PUNT-R-A	-10.00%

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## MACROECONOMY 2:

Croatia's trade deficit continued to narrow, driven predominantly by decrease in import. According to Bureau of Statistics' data in May export fell 24 % y/y to EUR 639.6 mn, which along a 29.4 % y/y decline of import to EUR 1.27 bn resulted in a 34.2 % y/y drop in country's trade gap. On top of that it should be noted that import is still weak across the board, as cumulative rate of decline of import of capital goods in the first five months of 2009 climbed to 46.5 % y/y, import of durable consumer goods plunged 40.8 % y/y, import of energy shrank by 40.5 % y/y and rate of decline of import of intermediate goods reached 34.7 % y/y. Slightly less scary data are only those related to rate of import of non-durable consumer goods, which fell by „only“ 19.3 % y/y.

## IN FOCUS :

### T-HT (Telecom) – Intends to lay-off 190 employees

The company announced yesterday that it will lay-off 190 employees, for which purpose it will HRK 86.4 mn in severance pay. The surplus of employees was identified in several divisions, but according to company's spokesperson, all will be given „reasonable“ time to find a new job.

### RISE ON UNUSUALLY HIGH TURNOVER:

None

### FALLING ON UNUSUALLY HIGH TURNOVER:

None

## 20 MOST LIQUID:

STOCK	OPEN	HIGH	LOW	CLOSE	CHANGE %	VOLUME	TURNOVER
HT-R-A	217.00	218.50	215.02	218.50	0.22%	21,076	4,572,508.18
IGH-R-A	3,803.00	3,803.00	3,600.00	3,700.00	-2.68%	860	3,162,973.36
ATPL-R-A	1,139.88	1,139.88	1,115.51	1,127.96	-1.06%	1,577	1,769,585.75
INGR-R-A	44.50	44.50	39.03	42.98	-3.63%	21,397	907,849.05
JDPL-R-A	195.99	196.50	191.70	193.10	-0.04%	3,825	740,933.63
ULPL-R-A	701.64	713.00	690.00	700.00	-3.05%	996	693,180.60
INA-R-A	1,370.01	1,371.01	1,364.00	1,364.00	-0.44%	485	662,256.91
ERNT-R-A	1,259.00	1,259.00	1,248.00	1,250.00	0.00%	527	658,934.06
DLKV-R-A	402.00	402.00	382.56	390.00	-2.26%	1,439	562,175.90
LKPC-R-A	1,331.00	1,335.00	1,260.27	1,330.00	-3.62%	331	432,055.06
KOEI-R-A	391.01	391.01	381.10	390.00	0.00%	962	372,112.88
PTKM-R-A	124.59	125.00	121.00	125.00	-3.44%	2,813	349,845.46
KORF-R-A	41.36	42.20	41.00	42.17	-0.78%	7,583	311,209.21
AUHR-R-A	430.01	430.01	400.00	430.00	-7.53%	646	264,286.10
ADRS-P-A	217.01	222.94	216.03	222.94	1.57%	1,148	249,066.00
THNK-R-A	1,869.49	1,869.97	1,805.01	1,848.99	3.88%	87	161,208.70
INDG-R-A	573.00	590.00	573.00	590.00	1.90%	225	132,201.99
VIRO-R-A	325.00	325.00	315.65	315.65	-2.88%	392	126,817.75
PBZ-R-A	530.00	530.00	530.00	530.00	0.00%	200	106,000.00
ZAPI-R-A	3,964.99	3,979.90	3,964.99	3,979.90	-0.14%	25	99,244.05

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