

November 5, 2009

FX MARKET

EUR / HRK 7.241159

USD / HRK 4.905270

MARKET BREADTH

ADVANCERS: 48

DECLINERS: 19

UNCHANGED: 6

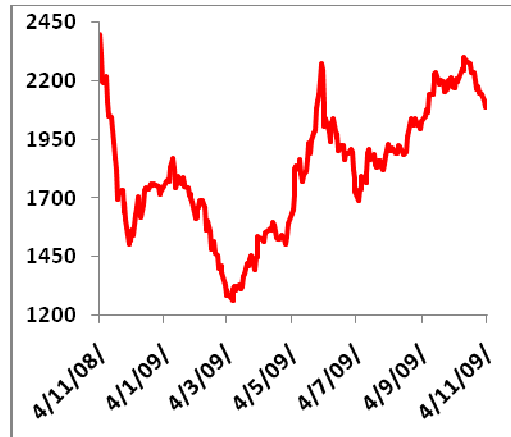
UP VOLUME:

19,549,089.61 HRK

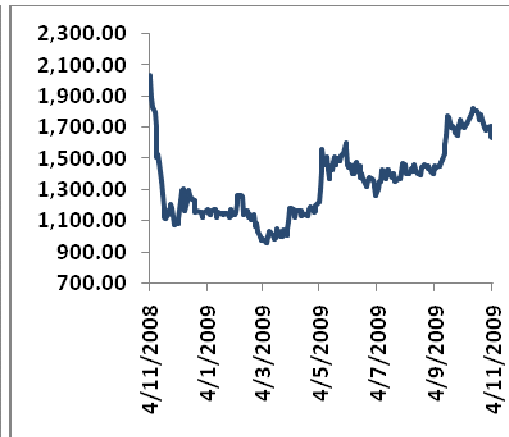
DOWN VOLUME:

2,815,573.19 HRK

CROBEX 52wks PERFORMANCE:



INA 52 wks PERFORMANCE:



INDICES:

	CLOSE	1D	1M	Y-T-D
CROBEX	2,110.30	+1.09%	-2.63%	+22.53%
CROBEX10	1,105.73	+1.00%	-3.85%	

MARKET STATISTICS:

Total turnover:	Regular turnover:	OTC turnover:	Reported turnover:	Market Cap:
HRK 63.56 mn	HRK 22.43 mn	HRK 27.46 mn	HRK 13.67 mn	HRK 174.97 bn

COMMENT:

The Crobex ended the 5-day losing streak and closed yesterday with a gain of 1 %. As expected, the recovery was triggered by positive sentiment on European markets, which encouraged domestic investors to increase their positions in stocks. The main beneficiaries of the renewed optimism were shares in Atlantska plovidba and construction companies Ingra and Dalekovod, although it should be noted that trading activity measured by total turnover, was significantly lower than in previous days.

OUTLOOK:

As European equities started the day lower, Croatian stocks are expected to reverse previous day's trend again.

POLITICS :

The PMs of Croatia and Slovenia signed yesterday an arbitrage agreement on solving the border dispute according to which a 5-member tribunal should decide on the sea and land border between two countries. The agreement still needs to be ratified in parliaments of both countries, with possibility that Slovenia additionally holds additional referendum. As we already stated, the agreement is very sensitive for Croatia, which according to some domestic legal experts risks a loss of a significant part of its sea territory due to the fact that arbitration body will not apply only the principles of international law, but also the principle of equity. After initially very negative reactions in domestic public, yesterday the discontent subsided, but it will be interesting to see the next popularity polls.

After several weeks long hide-and-seek game with local press and citizens, the mayor of Zagreb Milan Bandić announced today his candidacy for the presidential post. Before officially entering the presidential race Mr.Bandić will have to collect 10,000 signatures of support within the next 10 days, but knowing his base of supporters, it is almost certain that he will become independent candidate. We say independent because his candidacy, which was announced today in, so far the most populist way, will prompt cancellation of his membership in largest opposition party SDP, which might be now faced with internal rows. Mr.Bandić, whose name is indirectly mentioned in almost all corruption affairs in and around the city of Zagreb, recently came severe pressure by his opponents in SDP, which stopped a city of Zagreb's revision for 2009, in which Mr.Bandić intended to carry forward a debt of HRK 1.8 bn to budget for 2010.

TOP PERCENTAGE GAINERS:

UNPR-R-A	+34.55%
VJSN-R-A	+17.26%
HTPK-R-A	+11.54%
VERN-R-A	+10.27%
BLSC-R-A	+8.16%

TOP PERCENTAGE LOSERS:

SM86-R-A	-34.55%
DIOK-R-A	-5.66%
CEBA-R-A	-4.82%
KODT-R-A	-4.66%
PBZ-R-A	-4.56%

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MACROECONOMY:

No news today.

IN FOCUS :

INA (Oil & Gas) – MOL threatens to raise prices of gas as talks on spin-off on INA's gas business stalled

The local daily „Poslovni dnevnik“ reports today that the government, INA and MOL failed to reach final agreement on spin-off of INA's gas business and probably postponed the whole process for at least a year. According to same source, the main reason is government's fear that it will have to finance another loss-making company, which seems to be less acceptable than likely consequence of the postponement. As it seems, under the influence of MOL INA will have to raise prices of gas for big corporate clients, while MOL will delay the settlement of INA's HRK 2 bn debt to the state. There are also rumours that MOL might start talks on selling INA to Russian Surgutneftegas, but this is highly unlikely as according to contract with MOL Croatian government has pre-emptive rights in case of sale of MOL's stake in INA.

RISING ON UNUSUALLY HIGH TURNOVER:

Ingra (Construction)

FALLING ON UNUSUALLY HIGH TURNOVER:

Končar – Distributivni i specijalni transformatori (Industrials)

20 MOST LIQUID:

STOCK	OPEN	HIGH	LOW	CLOSE	CHANGE %	VOLUME	TURNOVER
HT-R-A	270.51	271.50	270.50	270.72	0.23%	15.542	4.210.761.76
ATPL-R-A	999.80	1.028.99	993.00	1.020.77	3.00%	2.962	3.005.811.88
INGR-R-A	49.05	50.74	49.05	50.10	3.34%	39.341	1.962.357.87
KODT-R-A	2.200.00	2.250.00	2.200.00	2.250.00	-4.66%	548	1.208.250.00
ADRS-P-A	260.00	264.11	260.00	262.00	0.77%	4.560	1.199.117.24
LEDO-R-A	7.083.01	7.100.00	7.082.00	7.100.00	1.92%	130	921.639.14
DLKV-R-A	382.01	393.79	382.01	387.99	2.57%	2.242	875.183.89
INA-R-A	1.641.51	1.660.00	1.602.00	1.632.20	-0.48%	510	837.500.39
KODT-P-A	1.950.00	1.960.00	1.950.00	1.960.00	4.20%	410	799.568.00
JNAF-R-A	3.170.00	3.332.99	3.170.00	3.280.00	6.07%	234	767.556.47
BLSC-R-A	351.01	383.99	351.01	383.99	8.16%	1.808	670.229.15
VIRO-R-A	429.83	434.99	425.50	429.00	1.54%	1.468	630.951.33
PTKM-R-A	151.03	155.20	151.00	152.00	1.33%	3.933	602.781.87
UNPP-R-A	1.480.00	1.480.00	1.480.00	1.480.00	34.55%	300	444.000.00
ULPL-R-A	675.01	692.00	675.01	691.00	2.37%	604	413.077.47
IGH-R-A	3.578.00	3.616.15	3.523.00	3.523.00	-0.98%	110	391.289.95
JDPL-R-A	185.01	191.00	184.00	187.00	2.41%	2.051	385.883.24
THNK-R-A	1.821.00	1.925.99	1.800.00	1.850.00	2.78%	189	352.830.51
KOEI-R-A	458.00	463.98	458.00	460.00	1.77%	452	207.716.40
ADPL-R-A	74.60	74.99	72.50	73.50	0.68%	2.731	202.261.00

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