

July 7, 2009

FX MARKET

EUR / HRK 7.307630

USD / HRK 5.251621

MARKET BREADTH

ADVANCERS: 10

DECLINERS: 59

UNCHANGED: 6

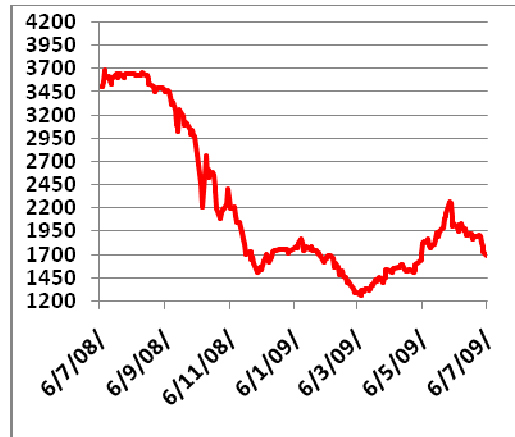
UP VOLUME:

3,084,181.41 HRK

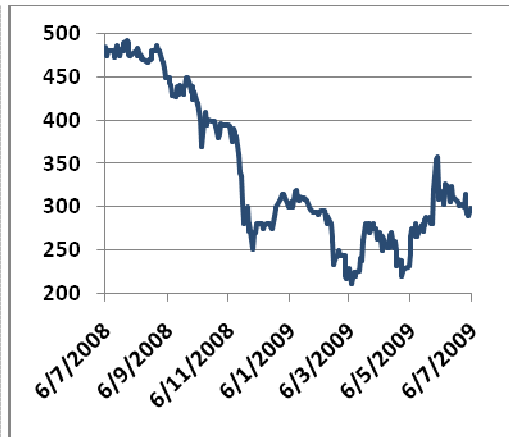
DOWN VOLUME:

35,594,903.99 HRK

CROBEX 52wks PERFORMANCE:



KRAS 52 wks PERFORMANCE:



INDICES:	CLOSE	1D	1M	Y-T-D
CROBEX	1,687.08	-2.22%	-15.06%	-2.04%

MARKET STATISTICS:

Total turnover:	Regular turnover:	Reported turnover:	Institutional turnover:	Market Cap:
HRK 38.84 mn	HRK 38.84 mn	HRK 0.00 mn	HRK 0.00 mn	HRK 169.98 bn

COMMENT:

The Croatian equity market continued to slide for the fifth day in a row, pushing the Crobex into negative territory for the year. The decline broad-based, with biggest hits suffered by shares in construction and shipping sector, among which shares in Atlantska plovidba topped the list of the most liquid shares. The winner of the day were shares in Podravka, which jumped 11%. The improved liquidity has approached daily average in the month of June.

OUTLOOK:

Slightly higher European opening indicates possible positive reversal today on the ZSE.

POLITICS :

Late last night the Parliament approved the new government led by PM Jadranka Kosor. At the end the new government received support of 83 deputies, 5 more than was expected before the vote, while 45 deputies opposed. In her first speech PM Kosor announced two budget revisions this year, with first planned within the next ten days and the second one in September, but other than promising cuts in allowances and representation for state officials her first comments were short of any concrete plans how to significantly reduce expenditures. As it seems, the new government intends to proceed with some of the most expensive infrastructural projects and keep subsidies in agriculture, salaries in public sector and pensions unchanged until autumn. Time will tell whether it will be two late. The appointment of PM Kosor and her cabinet overshadowed big dispute within its coalition member HSS (Peasants party), where some deputies sharply criticized party's leader Josip Frišćić and his deputy Božidar Pankretić for political trade with ruling HDZ. Only a week ago Mr.Pankretić was a minister of Agriculture, but after resignation of Ivo Sanader he left the post to become the Vice President in the new government. Number of HSS members yesterday complained that HSS shouldn't have left the ministry of Agriculture, speaking even about betrayal of membership. Should internal rows within HSS intensify, it might be expected that the victory of Mr.Frišćić' opponents will increase demands on HDZ and thus create crises within the coalition.

TOP PERCENTAGE GAINERS:

IMZV-R-A	+24.66%
PIVK-R-A	+23.32%
PDBA-R-A	+19.70%
PODR-R-A	+11.13%
FRNK-R-A	+3.81%

TOP PERCENTAGE LOSERS:

KOES-R-A	-67.28%
HSPT-R-A	-23.08%
HPDG-R-A	-20.13%
VLDS-R-A	-11.50%
KODT-R-A	-11.33%

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MACROECONOMY :

No news today.

IN FOCUS :

INA (Oil and Gas) – Price cuts of fuel by up to 3.2 %

After several hikes during May and June INA yesterday finally decided to cut prices of fuel with effect as of today. Price cuts vary between 1.3 % and 3.2 %, with price of 1 litre of the most popular Eurosuper 95 being cut 3.2 % to HRK 7.65, price of a litre of Super plus 98 lowered 3.1 % to HRK 7.72 and price of 1 litre of diesel being reduced 1.3 % to HRK 6.83.

Kraš (Confectionery) – Proposed dividend HRK 18 per share

The company decided to propose to AGM payment of HRK 18 per share dividend, which should be paid out from retained earnings from 2006. and 2007. The AGM will discuss the proposal on August 22nd this year.

Liburnia Riviera Hotels (Tourist) – Sold two hotels to SN Holding

The AGM of the company, scheduled for July 10th, this year should give approval to management's plan to sell two hotels located in Lovran to SN Holding. Liburnia plans to sell hotel Jadran for EUR 1.82 mn and hotel Danica for EUR 1.62 mn respectively.

RIISING ON UNUSALLY HIGH TURNOVER:

Podravka (Food/Pharma)

FALLING ON UNUSALLY HIGH TURNOVER:

IGH (Construction), Dalekovod (Construction), Adris (Tobacco/Tourism)

20 MOST LIQUID:

STOCK	OPEN	HIGH	LOW	CLOSE	CHANGE %	VOLUME	TURNOVER
ATPL-R-A	956.11	959.00	915.03	934.50	-5.13%	7,680	7,192,780.60
HT-R-A	217.55	218.01	216.50	218.00	-0.23%	32,290	7,009,168.27
IGH-R-A	3,075.00	3,118.00	2,935.00	3,044.99	-1.78%	1,451	4,417,518.20
DLKV-R-A	325.00	328.68	312.00	320.00	-5.88%	9,084	2,918,136.16
ADRS-P-A	200.00	204.00	192.00	199.00	-2.83%	11,752	2,338,066.20
ERNT-R-A	1,161.01	1,161.01	1,112.01	1,125.00	-4.24%	1,620	1,853,420.16
KOEI-R-A	345.01	345.01	315.00	318.00	-8.86%	5,055	1,648,818.02
PODR-R-A	220.50	244.48	220.50	244.48	11.13%	6,598	1,582,292.64
INA-R-A	1,250.00	1,300.00	1,249.99	1,300.00	3.17%	1,099	1,386,582.32
JDPL-R-A	160.00	160.00	147.80	152.99	-5.85%	7,951	1,211,680.77
ULPL-R-A	565.00	565.00	525.00	541.90	-5.16%	1,443	781,748.35
PTKM-R-A	105.00	106.00	100.00	102.00	-5.60%	7,289	747,258.85
INGR-R-A	38.51	39.09	37.00	38.20	-5.07%	17,801	670,200.49
THNK-R-A	1,563.99	1,564.00	1,451.96	1,451.96	-8.91%	367	549,449.94
VIRO-R-A	265.00	265.00	248.00	260.00	-5.45%	2,049	529,793.56
KORF-R-A	37.01	37.01	36.38	36.38	-7.90%	13,679	506,012.89
LEDO-R-A	3,570.00	3,750.00	3,500.00	3,500.00	-3.31%	127	455,186.92
ZABA-R-A	180.00	188.89	170.00	170.02	-5.54%	1,875	326,015.19
LKPC-R-A	1,051.05	1,100.00	1,017.07	1,070.00	-4.89%	248	261,403.15
LKRI-R-A	167.40	168.95	160.00	160.00	-4.48%	1,490	242,702.96

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