

May 18, 2009

FX MARKET

EUR / HRK 7.352927

USD / HRK 5.420514

MARKET BREADTH

ADVANCERS: 38

DECLINERS: 22

UNCHANGED: 8

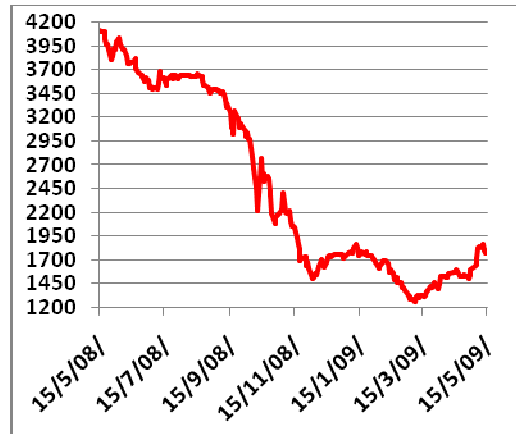
UP VOLUME:

21,717,160.14 HRK

DOWN VOLUME:

18,358,382.46 HRK

CROBEX 52wks PERFORMANCE:



INA 52 wks PERFORMANCE:



INDICES:	CLOSE	1D	1M	Y-T-D
CROBEX	1,800,12	+1.59%	+15.06%	+4.52%

MARKET STATISTICS:

Total turnover:	Regular turnover:	Reported turnover:	Institutional turnover:	Market Cap:
HRK 41.03 mn	HRK 40.70 mn	HRK 0.00 mn	HRK 0.32 mn	HRK 194.61 bn

COMMENT:

Another volatile session ended on Friday with the Crobex' return above the 1,800 points level, but losses from previous days still kept it 2 % below last week's closing level. Direction of the Crobex was again determined by profit takers, which decide to cash in big gains generated since early March and were accompanied by other investors who simply followed developments on foreign markets. As earnings season ended and macroeconomic data continue to show mostly bleak picture, the market seems to offer rather limited upside potential, which might be changed only by another upside move on foreign markets.

OUTLOOK :

Another day of indecisive trend is ahead of us, which might slowly turn on positive side in the lack of any negative news.

POLITICS :

The first unofficial results of local elections showed a painful defeat of the ruling party in all major cities, but the ruling coalition is still set to improve its results in counties. In two largest cities, Zagreb and Split, HDZ's candidates came only third, gaining support of less than 20 % of voters, with depressing picture being partly offset by victories in much smaller cities of Zadar and Velika Gorica. Still, election results indicate that HDZ and its coalition partners HSS and HSLs might be on power in 15 out of 21 counties, which would represent better results than in 2009.

MACROECONOMY :

The World Bank urged the government to balance public spending, by reducing public expenditures by 7 % of the GDP with simultaneous improvement of the quality of public services. According to Mrs. Sanja Madžarević Šujster, the senior chief economist for Croatia, public spending, currently at 49 % of the GDP is still too high compared to 39% of the GDP in 10 transition EU members and the government needs to focus on spending cuts in eight sectors (transport, environment, education, health care, pensions, social care, subsidies, public administration). Among measures are spending cuts by 1.5 % in social care system and reduction of medical spending from 7 % of the GDP to 2 % of the GDP.

TOP PERCENTAGE GAINERS:

KABA-R-A	+13.73%
MIV-R-A	+13.63%
LRH-R-A	+12.58%
ATLN-R-A	+12.50%
PBZ-R-A	+9.77%

TOP PERCENTAGE LOSERS:

KOKA-R-A	-30.00%
MNDS-R-A	-16.34%
ZTNJ-R-A	-15.53%
SLPF-R-A	-14.69%
MMTZ-R-A	-12.64%

Niko Delić
niko.delic@momentum-brokeri.hr
 Tel: + 385 (0)1 63 96 678

Željka Lapić
zeljka.lapic@momentum-brokeri.hr
 Tel: + 385 (0)1 63 96 672

Vilim Klemen
vilim.klemen@momentum-brokeri.hr
 Tel: + 385 (0)1 63 96 679



MACROECONOMY 2 :

In a separate piece of news "Poslovni dnevnik" reported today that the government started a roadshow related to Eurobond issue. As it seems, the government will try to sell at least EUR 750 bonds, which should be issued with maturity of 5 years and bear interest rate of about 6 %.

IN FOCUS :

INA (Oil & Gas) – HRK 572 mn loss in Q1'09

After a huge loss in 2008 the company started the new year with another set of unimpressive results, with net sales dropping in Q1'09 by 21 % y/y to HRK 4.5 bn and net loss mounting to HRK 572 mn. According to management, the company was profitable on operating level (HRK 480 mn), but the bottom line was hit by HRK 306 mn loss in gas business, HRK 266 loss in other activities, as well as by FX losses and climbing interest expenses. Still, the management said it sees improvement in Q2'09, although without setting any financial details.

RISING ON UNUSUALLY HIGH TURNOVER:

None

FALLING ON UNUSUALLY HIGH TURNOVER:

Koka (Food)

20 MOST LIQUID:

STOCK	OPEN	HIGH	LOW	CLOSE	CHANGE %	VOLUME	TURNOVER
KOKA-R-A	140.00	140.00	140.00	140.00	-30.00%	79,547	11,136,580.00
HT-R-A	216.87	218.44	215.57	217.00	0.06%	40,993	8,923,031.25
ATPL-R-A	877.01	901.00	875.03	890.00	1.95%	3,355	2,987,206.92
DLKV-R-A	384.57	392.91	378.57	383.03	-1.03%	4,823	1,866,787.61
IGH-R-A	3,400.00	3,429.01	3,334.50	3,362.10	-0.50%	511	1,728,658.45
INA-R-A	1,400.00	1,486.99	1,399.00	1,450.00	6.07%	954	1,358,973.90
BLSC-R-A	370.00	409.00	370.00	382.00	-1.55%	3,075	1,215,228.68
JDPL-R-A	131.82	134.57	128.72	130.50	1.79%	7,869	1,037,389.67
ERNT-R-A	1,445.00	1,477.00	1,430.01	1,473.00	0.62%	710	1,032,396.08
ZABA-R-A	196.00	196.01	192.50	195.00	2.62%	5,253	1,027,918.45
PBZ-R-A	519.95	519.95	495.00	500.00	9.77%	1,966	983,164.40
ADRS-P-A	201.13	205.00	201.13	205.00	2.49%	4,511	915,509.20
HDEL-R-A	277.77	294.95	275.00	286.98	4.36%	2,842	809,349.20
KOEI-R-A	374.00	384.00	370.05	380.00	2.34%	2,081	785,196.42
INGR-R-A	53.11	55.00	53.11	53.32	-0.34%	13,207	715,501.31
PTKM-R-A	98.97	100.00	96.00	97.50	3.72%	5,012	493,156.90
KORF-R-A	37.00	38.10	36.98	37.00	0.00%	10,173	377,853.46
LEDO-R-A	4,175.00	4,249.00	4,175.00	4,185.00	-0.36%	71	298,295.93
HUPZ-R-A	1,831.05	1,950.00	1,800.02	1,950.00	-2.01%	150	277,138.33
VDKT-R-A	288.00	299.95	282.18	282.18	1.87%	827	241,629.68

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