

July 21, 2009

FX MARKET

EUR / HRK 7.335598

USD / HRK 5.154661

MARKET BREADTH

ADVANCERS: 35

DECLINERS: 19

UNCHANGED: 8

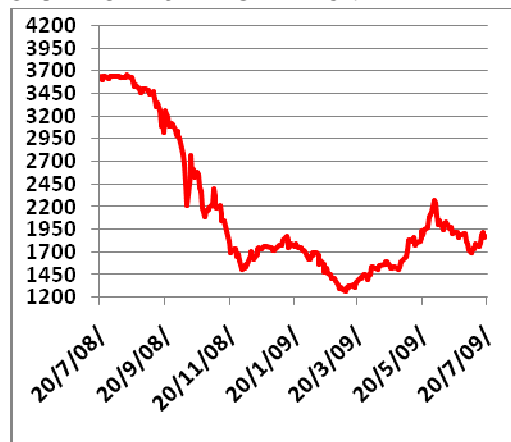
UP VOLUME:

16,530,259.02HRK

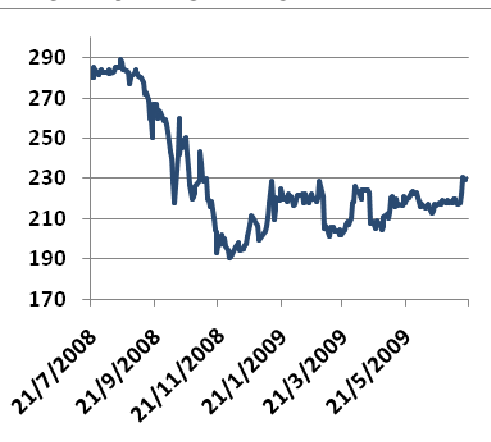
DOWN VOLUME:

1,505,816.88 HRK

CROBEX 52wks PERFORMANCE:



HT 52 wks PERFORMANCE:



INDICES:	CLOSE	1D	1M	Y-T-D
CROBEX	1,877.18	+0.34%	-2.34%	+9.00%

MARKET STATISTICS:

Total turnover:	Regular turnover:	Reported turnover:	Institutional turnover:	Market Cap:
HRK 18.28 mn	HRK 18.28 mn	HRK 0.00 mn	HRK 00.00 mn	HRK 173.37 bn

COMMENT:

Strong gains on European market provoked only mild reaction on the Croatian equity market, as the first sign of possible decoupling. The Crobex ended the day with the gain of 0.7 %, predominantly driven by upside move of the shipping sector and Dalekovod. The underperformance of the broad market compared to European peers was accompanied with extremely low regular turnover, out of which shares in HT and Atlantska plovidba accounted for more than 55 % of the total.

OUTLOOK:

Small gains on European markets indicate higher opening on the ZSE today.

POLITICS :

No news today

MACROECONOMY :

The government and the representatives of public sector employees held yesterday the first talks on planned 6 % cut of salaries. The press reports that the government met rather cold reaction of several labour unions, which still demand from government the reduction of other expenditures before it begins with wage cuts. The main argument of the government seems to be empty vault, with Finance minister Šuker warning that in current circumstances both the payment of salaries and pensions in September are doubtful. Government's advisor from Economic Institute, Željko Lovrinčević, stressed his opinion that if talks end with failure the government will have to turn to IMF, which might lead not to very unpopular economic measures, but also cause a further delay in EU accession.

TOP PERCENTAGE GAINERS:

ARNT-R-A	+15.00%
PUNT-R-A	+8.54%
OPTE-R-A	+6.60%
ADRS-R-A	+5.94%
LKRI-R-A	+5.64%

TOP PERCENTAGE LOSERS:

ATLS-R-A	-13.04%
ZVZD-R-A	-11.31%
KOSN-R-A	-9.77%
MAIS-R-A	-6.79%
LRH-R-A	-6.38%

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MACROECONOMY 2 :

Standard & Poor's credit rating agency announced yesterday that it may cut Croatia's credit rating should the government fail to make deeper cuts in budget expenditures. The agency said that the two budget revision are not sufficient to meet the country's growing financing needs and warned that there are other risks associated with country's economic stability, like continuing financing of the private sector's foreign debt. The agency believes the government is not decisive in cutting expenditures, because of expectations that revenues from tourism will fill the gaps, as well as because of fears that cuts might endanger political cohesion prior to next year's presidential election.

IN FOCUS :

T-HT (Telecom) – Faced with two new investigations

Croatian Antimonopoly agency raised two new investigations on alleged price dumping by Croatian Telecom. The two competitors, B.Net and Amis telecom raised a complaint before the Antimonopoly agency, accusing Croatian Telecom and its daughter company Iskon for price dumping in area of broadband internet. Total value of disputed cases that are led against Croatian Telecom on Magistrate Court has already reached HRK 1.1 bn.

INA (Oil & Gas) – Another 2.6 % cut of prices of fuel

The company announced yesterday another 2.6 % cut of prices of fuel, affective from today. The price of the most popular fuel, Eurosuper 95, dropped by 2.8% to HRK 7.44 per litre, while the prices of Super 95 and Super plus 98 reached HRK 7.36 and HRK 7.50 per litre respectively (down by 2.6% and 2.8% respectively as compared with two weeks ago).

RISING 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	227.09	229.95	227.09	229.09	0.37%	22,823	5,228,564.31
ATPL-R-A	1,136.00	1,174.40	1,136.00	1,160.24	3.11%	4,305	4,994,819.12
JDPL-R-A	190.00	195.45	188.00	192.98	3.74%	10,358	1,998,843.63
IGH-R-A	3,400.00	3,455.00	3,363.00	3,417.17	0.29%	372	1,271,186.84
DLKV-R-A	357.00	370.93	357.00	366.10	1.06%	2,296	840,557.52
ULPL-R-A	692.00	712.48	691.05	698.68	2.20%	873	609,951.70
INGR-R-A	40.97	41.59	40.54	41.11	-1.07%	13,926	572,451.79
ZABA-R-A	192.00	195.95	190.00	191.98	0.49%	1,818	349,011.25
ATGR-R-A	530.00	530.00	516.00	520.44	-1.77%	621	323,192.00
VIRO-R-A	305.00	320.00	305.00	316.36	1.65%	647	204,686.15
PTKM-R-A	122.92	124.48	119.02	120.32	2.56%	1,165	140,170.24
BLJE-R-A	77.00	80.00	77.00	77.23	-0.03%	1,721	132,916.58
VLHO-R-A	25.01	30.80	23.01	24.09	1.00%	4,570	110,084.44
INA-R-A	1,400.00	1,410.00	1,375.20	1,381.36	-1.71%	68	93,932.15
VDKT-R-A	303.20	313.00	303.20	304.65	2.62%	269	81,949.60
THNK-R-A	1,667.01	1,704.99	1,667.01	1,672.24	0.03%	49	81,939.64
IPKK-R-A	205.01	205.01	200.00	202.20	-4.76%	401	81,081.06
ZAPI-R-A	3,789.00	3,870.00	3,789.00	3,829.50	2.14%	20	76,590.00
ADPL-R-A	43.89	44.00	41.50	42.10	2.27%	1,704	71,734.19
ERNT-R-A	1,263.00	1,292.26	1,262.00	1,263.39	0.16%	55	69,486.51

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