

May 28, 2009

FX MARKET

EUR / HRK 7.280710

USD / HRK 5.217277

MARKET BREADTH

ADVANCERS: 82

DECLINERS: 10

UNCHANGED: 7

UP VOLUME:

109,087,280.81 HRK

DOWN VOLUME:

464,389.13 HRK

CROBEX 52wks PERFORMANCE:



LKRI 52 wks PERFORMANCE:



INDICES:	CLOSE	1D	1M	Y-T-D
CROBEX	2,082.10	+4.69%	+36.64%	+20.89%

MARKET STATISTICS:

Total turnover:	Regular turnover:	Reported turnover:	Institutional turnover:	Market Cap:
HRK 111.76 mn	HRK 109.96 mn	HRK 0.00 mn	HRK 1.79 mn	HRK 189.40 bn

COMMENT:

Dispart of the global concerns about economic recovery, the Croatian market surged yesterday extending the gains and bringing the Crobex over 2.000 points, first time in six months. Except news that demand for the upcoming issue of government bonds exceeded expectations it was hard to find any logical reason for another price surge on the Croatian equity market. Due to double digit gains trading was renewedly halted with at least 10 shares, while total trading activity, expressed in regular daily turnover, jumped to the highest level in seven months.

OUTLOOK :

Mixed sentiment is expected today as the investors will be waiting for the signal from foreign markets before extending gains.

POLITICS :

No news today.

MACROECONOMY :

The local daily „Poslovni dnevnik“ reported today that final demand for the upcoming Eurobond issue reached EUR 1.25 bn, but the government still decided to sell only EUR 750 mn. The first Eurobond issue in five years is expected to be priced at the mid range of the Euro midswap (350-375 basis points) or at 360 basis points, meaning that the bond will yield 6.50 %. The bond will be issued on a 5.5 years period, with maturity on January 5th, 2015. Despite predominantly positive comments the fact is that EUR 500 of the EUR 750 is already spent, as the government took the EUR 250 mn bridging loan from Unicredito ahead of the issue and EUR 250 mn will be spent as soon as in June on repayment of the JPY 25 bn bonds. With other EUR 250 mn obligations toward CNB, the government will basically just cover the existing holes.

The press also speculates that one of the reasons why the government opted not to enlarge the issue are plans for issuing bonds by other Croatian companies (INA, Electricity board) and state-owned Bank for Reconstruction and Development (HBOR), which will probably attract interest of the same group of investors, although after offering them higher yield.

TOP PERCENTAGE GAINERS:

HZDZ-R-A	+164.79%
HRDH-R-A	+101.52%
PIKR-R-A	+42.86%
ZLTO-R-A	+42.80%
HMDN-R-A	+40.78%

TOP PERCENTAGE LOSERS:

SLDM-R-A	-33.87%
PLVA-R-A	-20.78%
HPDG-R-A	-13.33%
AUHR-R-A	-5.93%
ATLS-R-A	-5.31%

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IN FOCUS :

Luka Rijeka (Port) – Q1'09 net profit rose 19.6 % y/y

The company reported a 5.1 % y/y decline in consolidated net sales in Q1'09 to HRK 53.5 mn, reflecting a 7 % y/y decline in total cargo traffic to 1.38 mn tones. Operating expenses rose 1.3 % y/y to HRK 54.4 mn, mostly driven by a 40.1 % y/y surge in other operating costs to HRK 11.8 mn. Still, the company reduced substantially financial expenses (down 67.6 % y/y to HRK 1.5 mn), which helped lifting the net profit by 19.6 % y/y to HRK 3.2 mn.

RISING ON UNUSALLY HIGH TURNOVER:

Broad market

FALLING ON UNUSUALLY HIGH TURNOVER:

None

20 MOST LIQUID:

STOCK	OPEN	HIGH	LOW	CLOSE	CHANGE %	VOLUME	TURNOVER
HT-R-A	222.00	223.40	221.00	223.00	0.52%	73,171	16,282,202.44
ATPL-R-A	981.20	1,020.00	973.00	1,020.00	8.51%	13,133	12,988,364.73
IGH-R-A	4,310.00	4,395.00	4,290.00	4,349.98	6.16%	2,958	12,797,338.38
DLKV-R-A	445.00	454.99	442.00	453.00	4.57%	15,121	6,763,029.54
ULPL-R-A	746.00	800.00	746.00	797.00	7.27%	7,588	5,825,615.27
ERNT-R-A	1,505.00	1,530.00	1,483.50	1,500.00	0.67%	3,504	5,243,082.66
LEDO-R-A	4,950.00	5,149.00	4,901.00	4,972.00	3.58%	1,004	5,049,706.11
JDPL-R-A	196.00	206.00	196.00	204.90	7.84%	24,490	4,902,403.35
ADRS-P-A	245.75	259.00	245.75	255.00	5.59%	18,927	4,737,705.12
INGR-R-A	58.38	69.90	58.38	69.00	20.82%	64,155	3,968,828.45
VLDS-R-A	26.16	37.00	26.16	28.40	11.90%	110,987	3,218,769.94
KOEI-R-A	441.00	455.00	430.60	444.00	2.07%	5,876	2,570,055.65
THNK-R-A	2,323.00	2,499.00	2,300.00	2,300.00	9.53%	806	1,927,002.91
ZAPI-R-A	3,400.00	3,400.00	3,400.00	3,400.00	1.49%	511	1,737,400.00
VDKT-R-A	444.00	469.85	444.00	445.00	1.83%	3,740	1,697,515.06
HDEL-R-A	395.00	410.00	372.01	385.49	0.95%	4,101	1,614,677.71
PTKM-R-A	144.72	156.95	135.71	148.91	11.96%	10,606	1,539,116.73
KNZM-R-A	157.93	157.93	150.00	154.91	4.68%	9,576	1,464,805.88
LKPC-R-A	1,352.00	1,455.00	1,352.00	1,430.00	8.83%	947	1,326,350.47
VIRO-R-A	349.99	355.00	341.00	355.00	5.53%	3,583	1,244,279.30

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