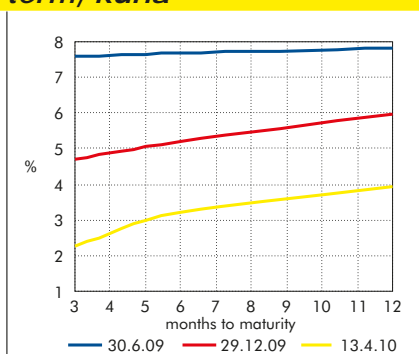


Raiffeisen Weekly Report

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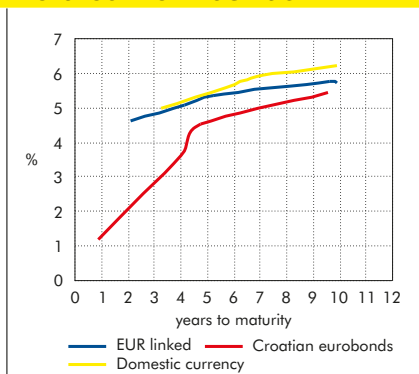
Positive sentiment prevailed on CEE market

Yield curve – short term, kuna



Sources: Ministry of Finance, CNB

Yield curve – bonds



Sources: Raiffeisen Research, Bloomberg

Last Week's Overview

The CEE government bonds moved south as positive sentiment prevailed on the market, partially attributable to the local trends but also buoyed by the Greek rescue package. After a minor correction, Polish yields resumed their downward trend along the entire yield curve. The tragic plane crash had no impact on the financial markets in Poland. Nor did yields react to the FX interventions when the NBP sold zloty to slow down appreciation. The Hungarian election result has been taken positively by the markets and last week HUF has strengthened again. The governor of the Czech National Bank unexpectedly announced his resignation. This announcement does not imply a significant instability, but shortly before the upcoming parliamentary election it could increase the degree of uncertainty and worsen the market perception. Demand for Croatian government bonds with longest maturity has continued. The 10-year yields on HRK-denominated and EUR-denominated bonds remained stable, around 5.8% and 6.3%. Croatian Eurobond reported decline of yields along the curve.

This Week's Expectations

This week looks thin in terms of economic data in the CEE region. However, several bond auctions are announced (5-year T-bond in Poland, 15y T-bond reopening in Czech Republic, 10y T-bond in Romania and 3y, 5y and 10y T-bond in Hungary). On the domestic market we see limited space for further 10y-yields declines, particularly in EUR-denominated 10-year bond. Eurobonds will continue to track movements on the core market.

Government bonds in domestic market

Indexed to foreign currency (eur/hrk)	Coupon	Maturity date	Price*		Ytm		Change**		Spread BUND	Spread EUROSAP
			Bid	Ask	Bid	Ask	Price-Ask	Yield-Ask		
RHMF-O-125A	6.875	23.5.2012	104.00	104.50	4.85	4.60	-0.20	0.09	385	333
RHMF-O-142A	5.500	14.6.2014	101.00	101.50	5.23	5.09	-0.20	0.05	355	305
RHMF-O-157A	4.250	14.7.2015	94.50	95.00	5.47	5.36	0.00	0.00	325	281
RHMF-O-19BA	5.375	29.11.2019	96.70	97.20	5.83	5.76	0.00	0.00	275	247
RHMF-O-203E	6.500	5.3.2020	105.20	105.70	5.80	5.74	0.20	-0.03	271	257
Domestic currency										
RHMF-O-137A	4.500	11.7.2013	98.00	98.50	5.18	5.01	-0.05	0.02	-	-
RHMF-O-15CA	5.250	15.12.2015	98.00	98.50	5.67	5.56	-0.10	0.02	-	-
RHMF-O-172A	4.750	8.2.2017	93.00	93.50	6.02	5.92	-0.10	0.02	-	-
RHMF-O-203A	6.750	5.3.2020	103.30	103.80	6.30	6.23	0.00	0.00	-	-

* Raiffeisen Research; ** in comparison with end of last week

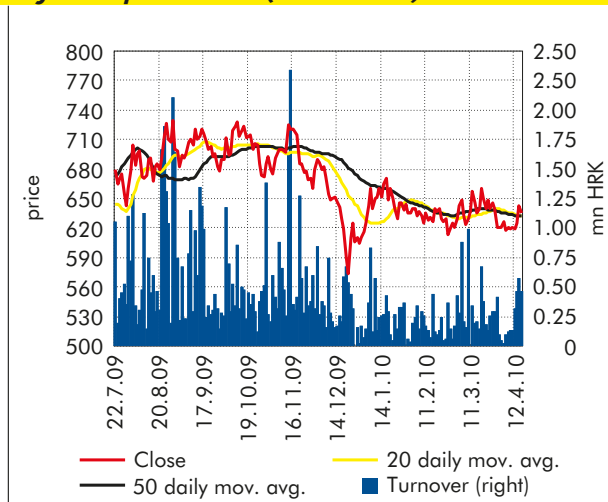


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Uljanik plovidba

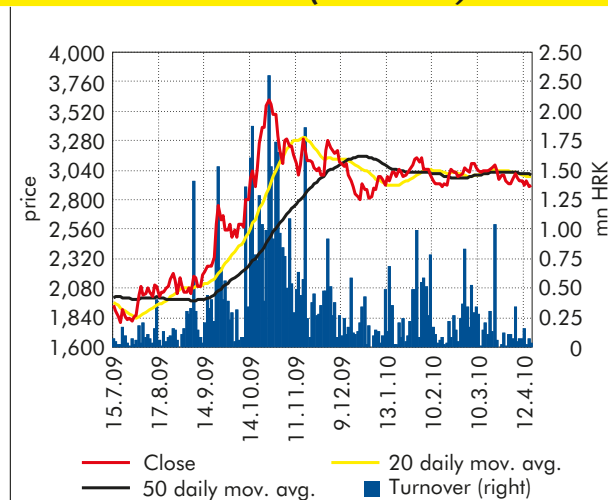
taps Official market

Uljanik plovidba (6 months)



Sources: ZSE, Raiffeisen research

Jadranski naftovod (6 months)



Sources: ZSE, Raiffeisen research

Although last week lacked significant corporate announcements, trading volumes were slightly higher. The average daily turnover was around 61 million kuna, excluding Zagrebačka pivovara trading, while the average daily turnover in the week before was around 49 million kuna. Also, stock indices **CROBEX** and **CROBEX10** posted 0.95% and 1.06% w/w change, respectively. The reporting season in US began sending mixed signals about the recovery.

Jadranski naftovod announced new contract with Optima Group from BiH for 2010. The contract is related to transportation of 1.2 million tons of crude oil for Rafinerija Nafta in Bosanski Brod needs. The contracted quantity is around 15% higher than last year. Jadranski naftovod is the member of CROBEX with the highest sale and earnings increase in 2009. The top line figure of 447.3 million kuna is 40% higher yoy and both segments, crude oil transportation and storage, saw an increase last year. Storage business makes up for over a quarter of revenues and company currently holds 60,000 cubic meters of storage capacities but plans to build additional storages. Net income in 2009 was more than doubled yoy and amounted to 119 million kuna.

HT shares were in focus last week due to 34.05 kuna per share dividend announced. Friday was ex-dividend day and share registered 15 million kuna turnover. Dividend payment is scheduled for May 17, 2010. **Uljanik plovidba** submitted the request to the ZSE for listing ULPL-R-A shares in the Official market. The sponsor for listing and the specialist for Uljanik plovidba shares will be Raiffeisenbank Austria.

Market performance

Index	1 w %	ytd %	Value on 16.4.2010
ATX (AT)	-0.43	10.36	2,754
BELEX15 (RS)	7.31	15.32	765
BETI (RO)	-0.69	29.35	6,067
BUX (HU)	-2.12	15.98	24,620
CROBEX (HR)	0.95	9.53	2,195
PX (CZ)	5.09	16.09	1,297
RTSI (RU)	1.16	14.27	1,651
SBI20 (SI)	-0.78	-3.54	3,934
SOFIX (BG)	0.06	-0.85	424
SASX10 (BH)	1.00	-2.96	1,022
NTX (SEE,CE,EE)	0.89	13.95	1,319
WIG20 (PL)	1.70	8.72	2,597.04

Source: Bloomberg

Top/Flop – CROBEX index

Share	1 w %	Price on 16.4.2010	Share	1 w %	Price on 16.4.2010
Ericsson NT	5.09	1,639	Zagrebačka b.	0.21	256
Uljanik plovidba	4.35	647	PBZ	0.00	600
Viro TŠ	4.02	385	Luka Ploče	-0.01	1,640
Kraš	3.25	365	HT	-0.34	327
Adris grupa (P)	3.08	309	INA	-0.56	1,760
Končar	2.65	491	Ledo	-0.60	6,410
Jadroplov	2.41	170	Viadukt	-0.67	312
Atlantska plov.	2.41	979	Dom holding	-1.73	40
Dalekovod	2.35	369	JANAF	-1.86	2,900
Petrokemija	2.28	133	Podravka	-1.96	348
Atlantić Grupa	1.17	711	IGH	-3.49	2,477
Belišće	0.63	483	Tehnika	-4.67	1,430
Kraš	0.08	354	Ingra	-5.21	37

Source: ZSE, Raiffeisen research



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Abbreviations

GDP – Gross Domestic Product
 kn, HRK – Kuna
 EUR – Euro
 USD – Dollar
 DZS – Croatian Bureau of Statistics

HNB – Croatian National Bank
 ECB – European Central Bank
 FED – Federal Reserve System
 IMF – International Monetary Fund
 MoF – Ministry of Finance

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