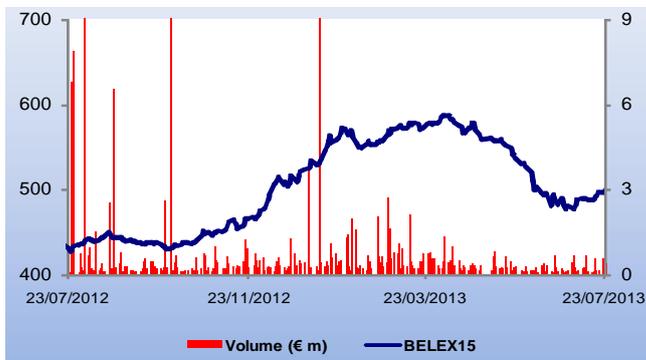


## SERBIAN EQUITIES DAILY



### Market Comment:

The week began with indexes sliding; Belex15 lost 0.69%, while BelexLine dropped 0.24%. Trading was average with volumes of €560k. Energoprojekt keeps trading in chunks, as investors seem to feel that the construction jobs home and abroad will yield better results for Serbia's largest builder.

BELEX15	
Value	496.35
Daily Change %	-0.69%
YTD Change	-27.54
YTD Change %	-5.26%

BELEXline	
Value	980.83
Daily Change %	-0.24%
YTD Change	-24.73
YTD Change %	-2.46%

Market info	
MCap (€ bn)	6.7
MCap / GDP2013e	20%
2013e P/E*	5.4
2013e P/B*	0.6
2013e P/S*	0.7
Av. Daily Vol.YTD (€m)	0.4

\*multiples refer to Eurobank Brokerage Universe

EUR / RSD	114.0934	0.3%
USD / RSD	85.9137	-0.3%
EUR / USD	1.3280	0.6%

### Economy News:

#### Economy: Fitch affirms Serbia's ranking at BB-

Fitch rating agency reaffirms Serbia's long term foreign and local currency issuer default ratings at BB-, with a negative outlook. This is the second consecutive such rating awarded by Fitch, after August 2012. Fitch reiterated Serbia's uncertain outlook for public finances, projecting the budget gap to hit 6% in 2013 and 5% in 2014. Local estimates are somewhat brighter at 4.7% and 3.5% respectively. Fitch also projects debt to continue to rise and to hit 65% of the GDP by 2014, a lot worse than what our Ministry is presenting and probably much closer to the real number using the generally accepted methodology. Fitch agrees with local projections of a GDP growth of 2% for this year. Yesterday, as a result, the yield on Serbia's 10-year Eurobond maturing in 2021 rose to 6,461%, a full 200bps rise from May this year, and also is the lowest since the bond was sold in 2011. (source: Bloomberg)  
Ivan Radovic, ([ivan.radovic@eurobank.rs](mailto:ivan.radovic@eurobank.rs), tel: +381 11 3027 535)

#### Economy: Telekom - a tough sell

The government will resume negotiations in the fall with two strategic investors interested in the Serbian Telekom. The pause in negotiations came after neither investor was willing to pay €2bn for the 78,5% package in the company. If the sale does not happen, citizens and employees will be granted additional shares from retained earnings. (source: Blicnews). The timing for the sale of Telekom is obviously not the greatest. The promise of distributing new shares has no logical explanation, except for purely marketing purposes. The only thing certain is that Telekom will not be listed anytime soon. Ivan Radovic, ([ivan.radovic@eurobank.rs](mailto:ivan.radovic@eurobank.rs), tel: +381 11 3027 535)

## SERBIAN EQUITIES DAILY

Daily activity	
Daily turnover RSD	64,112,514
Daily turnover EUR	561,930
Shares participation (%)	31.55%
Bonds participation (%)	68.45%
FIS	20.66%
FIB	7.31%

Most Traded Stocks		
Symbol	Closing Price	Turnover (RSD)
ENHL	645	7,622,247
NIIS	832	2,387,775
VBSE	849	690,996
AERO	407	585,412
NEOP	500	363,000

Top Gainers			
Company	Symbol	Closing price	Change
Energoprojekt holding	ENHL	645	7.50%
Tigar	TIGR	186	2.76%
Aerodrom Nikola Tesla	AERO	407	0.49%

Top Losers			
Company	Symbol	Closing price	Change
Valjaonica bakra Sevojno	VBSE	849	-10.63%
Energoprojekt Visokogradnja	EPVI	256	-6.91%
Galenika Fitofarmacija	FITO	2,921	-5.29%
AIK banka	AIKB	1,351	-3.43%
Veterinarski zavod Subotica	VZAS	312	-2.50%

Foreign Exchange Savings Bonds				
Maturity	Last Price	Daily Change	Current Yield	Daily Volume (€)
A2014	96,65	-	4,15%	98.083
A2015	92,72	+0,01%	4,20%	158.094
A2016	88,71	+0,01%	4,31%	128.440

## SERBIAN EQUITIES DAILY

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