

Stock Exchange

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Turnover on the Ljubljana Stock Exchange, SIT million	First six months		Growth rates, in % Jan-June 03/Jan-June 02
	2002	2003	
Total turnover	206,210	156,287	-24.2
Turnover of long-term securities in official A and B markets			
Total	136,176	99,228	-27.1
Shares	97,709	43,139	-55.8
Bonds	38,467	56,089	45.8
Turnover of long-term securities in the free market			
Total	29,264	29,081	-0.6
Shares	18,142	17,686	-2.5
Bonds	11,122	11,395	2.5
Turnover of short-term securities	0	348	N/R
Turnover of shares of authorised investment companies	38,974	27,631	-29.1

Source of data: LSE, author's calculations. Notes: N/R – not reasonable.

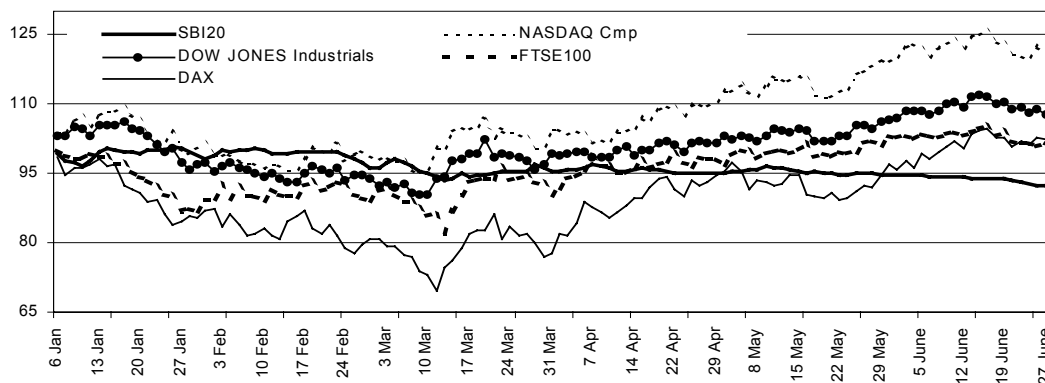
Indices on the Ljubljana Stock Exchange continued to decline in the **second quarter**; the SBI20 index, which totalled 3,079.9 points on 30 June, dropped by 3.2% compared to the first quarter and by 7.8% compared to the end of 2002 (in the same period last year it climbed by 33.5%). The index rose by just 7.2% year on year, 17.6 percentage points less than at the end of the first quarter. The turnover ratio of shares, measured as a ratio of a double six-month turnover to market capitalisation of all shares listed on the stock exchange, was 0.12 (0.21 in the same period last year), while the bond turnover ratio was 0.17 (0.19 last year) because of a leap in the market capitalisation of bonds.

The **market capitalisation** of all securities traded on the stock exchange (including the shares of investment funds) totalled SIT 2,046.8 billion at the end of June, 4.2% more than at the end of the first quarter and 5.9% less than at the end of last year in nominal terms. The **market capitalisation of bonds** increased by 12.5% over the end of 2002 and by 48.4% over the end of June 2002. This rise was mainly due to new bonds listed on the stock exchange. The **market capitalisation of shares** edged up 0.5% in nominal terms compared to the first quarter because of May's listing of Aktiva Invest shares in the free market; it totalled SIT 1,044.4 billion, 15.3% less than at the end of 2002. If there is no strong revival of the capital market or new enterprises go public, the market capitalisation of shares is likely to drop further as a result of the announced withdrawal of Banka Koper and some other enterprises from the stock exchange (the bank's market capitalisation totalled SIT 29.3 billion at the end of June).

As far as **industrial sector indices** are concerned, the only rise was seen in the transport index, up 1%, while the biggest fall was seen in the food and beverages index, down 8.2%; this index dropped by 2.9% in the first six months despite the 5.9% rise seen in the first quarter. While the **BIO bond index** reached a peak in mid-June, amounting to 115.1 points, its value dropped by 0.1% over the first quarter; the index was still 3.1% higher than at the end of 2002 because of the rise seen in the first quarter.

Turnover on the Ljubljana Stock Exchange totalled SIT 156.3 billion in the first six months, going down by 24.2% in nominal terms over the same period last year. This strong fall was mainly due to the 31.5% nominal drop in the second over the first quarter (the same period last year saw a rise of 10.4%). Bonds remained the most traded securities; their turnover amounted to SIT 67.5 billion, 36.1% more than in the first six months of last year. Turnover in shares totalled SIT 60.8 billion (a similar value was seen in the second quarter of 2002 alone) and fell by 47.5% from the same period last year in nominal terms. **Non-residents' turnover** amounted to SIT 3.4 billion, which represented only 36.0% of the value of the same period in 2002.

Graph: **Movements in the SBI20 and selected leading world stock exchange indices**
(the benchmark is the value of the index on 31 December 2002)



Source of data: LSE, www.finance.yahoo.com.