

Stock Exchange

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Turnover on the Ljubljana Stock Exchange, SIT million	January-September		Growth rates, in % Jan-Sept 03/Jan-Sept 02
	2002	2003	
Total turnover	326,054	234,638	-28.0
Turnover of long-term securities in official A and B markets			
Total	223,648	146,501	-34.5
Shares	169,976	66,727	-60.7
Bonds	53,672	79,774	48.6
Turnover of long-term securities in the free market			
Total	43,118	46,417	7.7
Shares	24,936	29,222	17.2
Bonds	18,181	17,195	-5.4
Turnover of short-term securities	0	348	N/R
Turnover of shares of authorised investment companies	56,890	41,377	-27.3

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

After falling in the first half of 2003, all main stock exchange indices reached an all-time high in the **third quarter**. The SBI20 index totalled 3,614 points at the end of September after having risen by 17.3% in the third quarter, the most after the first quarter of 2002 when growth was 18.5%. In the first nine months, the SBI20 index climbed by just 8.2% (up 53.9% in the same period last year) because of its 7.8% fall in the first half of the year. About 245,000 deals were closed in this period, 18.7% more than a year ago.

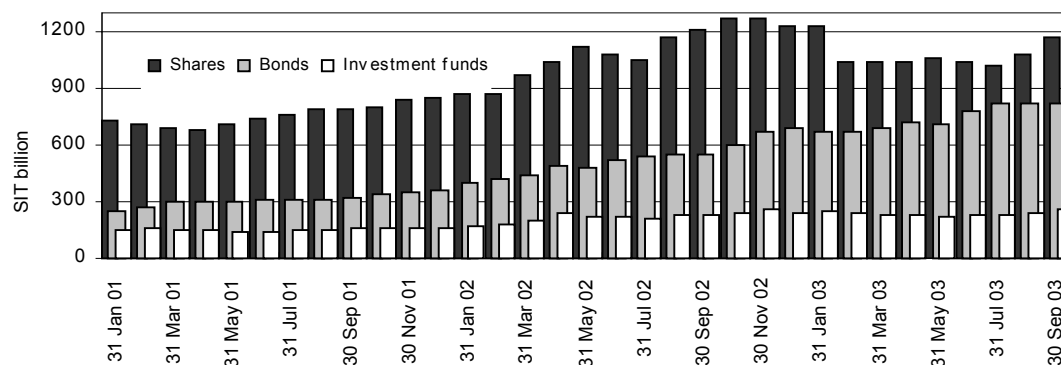
The **market capitalisation** of all securities traded on the stock exchange, excluding the shares of investment funds (SIT 257.4 billion), climbed by 9.4% in nominal terms in the third over the second quarter and totalled SIT 1,992.9 billion at the end of September. This value was 3.2% higher than at the end of 2002 (the same period last year saw a rise of 45.3%). In the third quarter, the **market capitalisation of shares** rose the most (SIT 1,173.8 billion), going up by 12.4% in nominal terms, but it was still 4.8% lower than at the end of 2002 because some important shares were withdrawn from the market. The **market capitalisation of bonds** climbed by 5.4% in the third quarter, 0.2 of a percentage point more than a year ago, and by 18.6% from the end of 2002 mainly as a result of extending the listing of 52nd and 53rd issues of government bonds.

Following the overall rise in securities prices, **industrial sector indices** also climbed in the third quarter. The biggest rise was seen in the oil and gas index, up 25.8% over the second quarter, however, the index rose by 12.9% from the end of 2002 because of falls recorded in the first half of the year. In the first nine months, the transport index rose the most (up 25.6%), while the chemicals index rose the least (up 2.5%). The **BIO bond index** reached an all-time high in the third quarter and totalled 116.1 points at the end of September, 1.5% more than at the end of the second quarter. In the first nine months, it climbed by 4.6% (it edged down 0.6% a year ago).

Turnover on the Ljubljana Stock Exchange totalled SIT 78.4 billion in the third quarter, 34.6% less than in the same period last year. This fall was mainly due to the ongoing decline in share turnover, which amounted to SIT 35.1 billion, 55.6% less than in the third quarter of last year. Turnover in bonds, on the other hand, climbed by 32.4% to SIT 29.5 billion. **Turnover of non-residents** amounted to SIT 7.7 billion in the first nine months and only equalled 28.6% of turnover of the same period last year. Its share in market capitalisation was 6% at the end of September, 3.5 percentage points less than a year ago.

Positive trends on the Ljubljana Stock Exchange helped strengthen net inflows into **mutual funds**. These inflows totalled SIT 3.2 billion in September, twice the amount of this year's average monthly inflow. Mutual funds held as much as SIT 75 billion in September, 35.5% more than at the end of 2002. Mutual funds recorded an average monthly return of 4.9%, while their average annual return was 14.2%, one percentage point higher than in August.

Graph: Market capitalisation of shares, bonds and investment funds on the Ljubljana Stock Exchange



Source of data: LSE.