

Standard questions

What's a stock?

Every corporation has a capital. The capital of corporation is divided on more similar parts, named stocks. In the matter of the fact, stock is portion of a company, in other words of corporation. That valuable paper gives to its owner civil right, proprietary right and govern right. Main civil right is that stock owner participates in realised corporation profit distribution-in the form of dividend.

What's dividend?

Dividend is part of profit, that is distributed to stocks and it's payed off to all stockholders. Stockholder interests are succesful managing and making as much as possible profit for corporation that he belongs-and dividend would be higher.

What's capital profit?

Every stockholder who has stocks or buy stocks from new issue or on the market (stock market) expects earning, he believes that corporation will make profit in the future and because of that, value of his stocks will go higher on the stock market. He expects that he will sell stocks more expensive than he has bought them. That earning, which represents substract between price that stock was sold and price that stock was bought is capital profit.

Stock price

Stock price is formed on stock market, from supply-demand relation. That stock market price is the price of stock that buyer is prepared to pay and its owner is prepared to sell. Stock price depends on many circumstances, in the first place it depends on corporation economic-financial situation, whose stocks are. If corporation is bigger and if chances for good managing in the future are bigger, stock price will be higher.

What are bonds on the basis of old foreign exchange saving ?

Montenegro has brought the Law about taking on payment obligation of old foreign exchange saving to citizens, from Republic Budget, with fixed time and dynamics of obligations settlement and foreign exchange saving payment by years till 2017th year.

In the aim of regulation these obligations about foreign exchange saving, Government of Montenegro will issue bonds on the name of every client, which will be transferable, meaning, they can be sold and bought on the market. Beside, bond owners will be able to buy public firms' stocks and also stocks of

firms that belongs to public funds, but which are in process of operating in private sector, before their due.

Also, bond holders before their due will be able to buy apartments, residence offices, office space, land or other state ownership property Government decided that can be bought by them. Then, bond holders will be able to pay tax obligations but only with those bonds that fall in due of payment in a year that tax obligations are according to. Government should make a decision about bond issue, regulate the way and conditions for bond realisation and also say how to use bonds before the due term

, what is expected in the beginning of 2004th year.

All important information you'll find on our site.

Note : bond trade procedure, in essence will be the same as stock market trade.

What is investment unit?

During MVP a lot of people has put their coupons in some of Montenegrin funds; instead of stocks, that funds have given them investment unions, as valid as stocks on the stock market. When privatisation funds become investment funds (what will be regulate by special law of Republic Montenegro), they'll be able to issue stocks to citizens with invested coupons and instead investment unions citizens'll have stocks.

Market trade with investment unions is the same as stocks' trade.