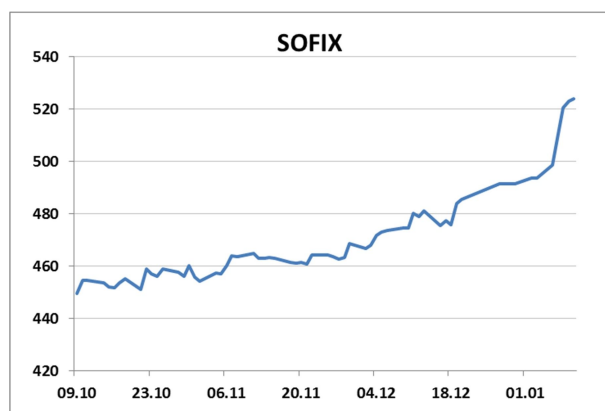


## Indices

	Last quote	1-day change	5-day change	1 month	1 year
<b>SOFIX</b>	523.87	0.19%	6.14%	10.43%	44.86%
<b>BGBX40</b>	104.96	0.04%	4.67%	-	-
<b>BGTR30</b>	364.73	0.04%	4.43%	7.89%	34.19%
<b>BGREIT</b>	88.81	-0.22%	0.36%	1.80%	10.41%

## Market Trend



## Market Capitalization in BGN

Premium Equities Segment	1 751 946 126
Standard Equities Segment	5 742 773 217
Special Purpose Vehicles Segment	510 435 657
<b>Total</b>	<b>8 004 825 000</b>

## SOFIX components

Stock	Last Price	Weekly Change	Bid	Ask
Advance Terrafund REIT	2.40	1.39%	2.40	2.42
Albena	55.00	-6.78%	54.71	57.00
Bulgaria Real Estate Fund REIT	0.53	-0.38%	0.53	0.53
Bulgartabac Holding	100.00	-4.76%	99.20	103.33
Central Cooperative Bank	1.42	41.86%	1.41	1.43
Chimimport	2.08	30.57%	2.08	2.10
M+S Hydraulic	9.60	2.01%	9.58	9.75
Eurohold Bulgaria	0.91	3.41%	0.91	0.95
First Investment Bank	2.90	15.75%	2.87	2.95
Industrial Holding Bulgaria	0.90	7.14%	0.90	0.92
Monbat	7.30	7.35%	7.30	7.39
Neochim	52.00	-5.45%	51.10	53.00
Sopharma	3.97	1.61%	3.96	3.99
Stara Planina Hold	3.48	17.97%	3.35	3.46
Zarneni Hrani Bulgaria	0.52	12.61%	0.50	0.52

## Strong start of the new year

Bulgarian stocks began the year with solid increase as investors returned on Monday with very optimistic view toward blue chips. The performance mirrored the increase of January 2013 and prices managed to keep up on yearly basis. Moreover, the same stocks that led the explosive gains were again in top three by volumes and price increases. Chimimport (**6C4**) and its subsidiary Central Cooperative bank (**4CF**) topped the market with 30 and 41% increase for a week. Both positions are indicators for the sentiment of domestic speculators due to two main reasons:

- The valuation is attractive. Chimimport has very low price-to-earnings ratio and despite it is mainly due to operations with securities, the stock looks cheap to many investors. CCB is traded at low price-to-book ratio, which is essential for valuation of a commercial bank.
- High liquidity is also essential for the demand. Both stocks are among the most actively traded and have higher free-float than most other Bulgarian shares.

The question that is bothering the market is how long will gains of Chimimport persist. Historically, the rally continues for about one and a half month. Considering that the stock jumped 30% for a week, it is possible to slow-down the increase. It will repeat the nominal gains from the last year and we expect the price to reach BGN 2.50.

First Investment Bank (**5F4**) also deserves special attention. Majority shareholders issued a tender offer to minority investors as there were blocks from off-shore companies to the largest shareholders. This is related to the transparency of ownership and will not lead to delisting of the company. Nevertheless, the market reacted very positively and the stock was also among the best performing in SOFIX last week.

Few positions were unchanged or declined last week. Most of the losses were due to large spreads between bid and ask prices, while the trading was very low. Neochim's decline followed the solid increase in December, when the stock jumped 40%. REITs are lagging and will underperform the broad market.

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**Regulatory Authority:** Financial Supervisory Commission, *Shar Planina* Street 33, 1303 Sofia, Bulgaria

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<b>BUY</b>	More than 5% higher as compared to SOFIX and BG40 performance
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<b>HOLD</b>	Market performance, +/-5% as compared to SOFIX and BG40
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<b>SELL</b>	More than 5% lower as compared to SOFIX and BG40 performance
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**Frequency of Recommendations:** No schedule of recommendations is available. The frequency of recommendations depends on specific factors to individual companies and the opinion of the analyst(s) for the necessity of minor or major changes.

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**For more information, please contact:**

**Research analyst**  
Tsvetoslav Tsachev

**Phone:**  
+359 2 810 00 23

**E-mail:**  
[tsachev@elana.net](mailto:tsachev@elana.net)

**Internet:**  
[www.elana.net](http://www.elana.net)