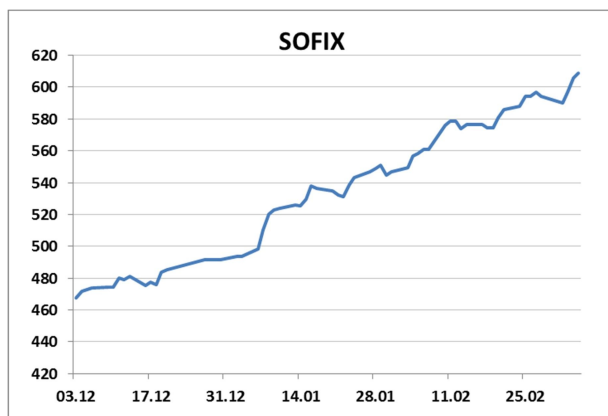


Indices

	Last quote	1-day change	5-day change	1 month	1 year
SOFIX	608.65	0.45%	2.39%	8.49%	57.68%
BGBX40	122.14	0.27%	2.21%	9.25%	-
BGTR30	444.63	0.35%	3.62%	13.42%	56.07%
BGREIT	97.85	2.71%	5.01%	8.55%	16.61%

Market Trend



Market Capitalization in BGN

Premium Equities Segment	2 080 456 519
Standard Equities Segment	6 411 009 804
Special Purpose Vehicles Segment	563 904 936
Total	9 055 371 259

SOFIX components

Stock	Last Price	Weekly Change	Bid	Ask
Advance Terrafund REIT	2.67	1.91%	2.66	2.67
Albena	56.95	1.33%	54.11	56.00
Bulgaria Real Estate Fund REIT	0.60	4.35%	0.59	0.60
Bulgartabac Holding	99.25	1.59%	99.25	100.00
Central Cooperative Bank	1.58	7.18%	1.59	1.61
Chimimport	2.30	6.13%	2.29	2.30
M+S Hydraulic	13.79	2.06%	13.50	13.70
Eurohold Bulgaria	1.11	4.72%	1.09	1.11
First Investment Bank	3.94	1.08%	3.90	3.96
Industrial Holding Bulgaria	1.39	7.36%	1.39	1.41
Monbat	9.00	4.05%	9.00	9.15
Neochim	55.00	-0.90%	54.55	56.00
Sopharma	4.50	0.25%	4.46	4.50
Stara Planina Hold	4.57	-3.79%	4.57	4.64
Zarneni Hrani Bulgaria	0.62	6.90%	0.62	0.63

Positive market bias amid geopolitical risks

The short trading week was interesting as Bulgarian investors digested the rising geopolitical risks, while foreign investors did not exit the market. The latest developments in Ukraine overshadowed the few positive corporate reports for the last year that showed improvements in profits. Although few positions managed to exploit the interest of local investors to their shares, most positions started the week on the downside. Selling pressure was stronger in the beginning of the session on Tuesday. Local players were selling stocks but volumes were absorbed by buyers. The positive bias returned on Wednesday.

Bulgarian indices jumped as most stocks made solid gains in good trading volumes. They followed the recovered of international markets from the previous day. Bulgarian investors are cautious and our market is lagging at least a day from the global trends. However, investors are not eager to sell, despite that indices are 50% higher on yearly basis. The temptation to take profits is substantial.

The report of First Investment Bank that showed profit from the acquisition of MKB Unionbank at the amount of BGN 150 million. This should improve the equity of the bank, albeit insignificantly. Equity-to-assets ratio remains at 8% as compared to 13% for the banking sector. Moreover, further losses from NPLs are possible and investors should expect more impairment.

Eurohold Bulgaria (**4EH**) was among the best performing position last week, although the stock is lagging significantly as compared to its peaks from the last several years. This is due to the absence of huge recovery of corporate profits. However, the company showed better results last year and will benefit from the recovery of insurance operations in Bulgaria and the synergy of its vehicle distribution business. We expect to see better profits and renewed buying interest from local investors. Among the news last week was the information that the holding will guarantee the loan at the amount of EUR 15 million for its car-leasing subsidiary. The creditor is VTB Bank Austria and funds will be used to expand operations.

BULGARIA WEEKLY REPORT

10 March 2014

Earning per share forecasts

		2013	2014 - quarterly				2014	Analyst
Albena	6AB	4.42	-1.16	-1.69	9.08	-1.60	4.63	T. Tsachev
	<i>y-o-y</i>	-11.30%	0.15%	-3.78%	6.88%	37.14%	4.86%	
Central Cooperative Bank	4CF	0.10	0.03	0.03	0.02	0.03	0.11	T. Tsachev
	<i>y-o-y</i>	0.68%	16.38%	41.14%	-24.38%	-7.39%	6.67%	
Chimimport	6C4	0.36	0.13	0.13	0.10	0.02	0.39	T. Tsachev
	<i>y-o-y</i>	-16.95%	9.83%	0.27%	40.58%	-36.38%	7.13%	
Corporate Commercial Bank	6C9	10.87	2.32	3.40	1.87	5.30	12.89	T. Tsachev
	<i>y-o-y</i>	25.85%	37.04%	39.12%	15.41%	3.73%	18.62%	
First Investment Bank	5F4	0.24	0.08	0.09	0.04	0.02	0.22	T. Tsachev
	<i>y-o-y</i>	-10.55%	19.10%	-33.79%	58.26%	62.97%	-6.63%	
M+S Hydraulic	5MH	0.82	0.26	0.35	0.17	0.26	1.04	T. Tsachev
	<i>y-o-y</i>	-2.70%	14.80%	15.33%	20.05%	81.75%	27.80%	
Monbat	5MB	0.70	0.15	0.10	0.23	0.37	0.85	T. Tsachev
	<i>y-o-y</i>	48.44%	12.68%	0.15%	17.11%	37.07%	21.56%	
Neochim	3NB	-2.07	5.81	1.47	-2.71	-5.05	-0.48	T. Tsachev
	<i>y-o-y</i>	-41.72%	31.89%	82.89%	-26.56%	40.80%	-76.75%	
Sopharma	3JR	0.23	0.12	0.10	0.08	0.04	0.34	T. Tsachev
	<i>y-o-y</i>	-9.34%	-11.65%	20.18%	436%	12130%	43.54%	
Sopharma Trading	SO5	0.31	0.10	0.10	0.14	0.07	0.41	T. Tsachev
	<i>y-o-y</i>	38.33%	35.10%	24.40%	40.95%	22.98%	31.89%	
Bulgartabac Holding	57B	8.89	3.45	2.15	2.09	4.03	11.71	T. Tsachev
	<i>y-o-y</i>	-24.79%	19.55%	25.77%	53.44%	37.37%	31.81%	
Speedy	OSP	2.00	0.89	0.21	1.00	0.31	2.41	T. Tsachev
	<i>y-o-y</i>	16.56%	11.58%	22.38%	20.22%	56.76%	20.51%	

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BUY	More than 5% higher as compared to SOFIX and BG40 performance
HOLD	Market performance, +/-5% as compared to SOFIX and BG40
SELL	More than 5% lower as compared to SOFIX and BG40 performance

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