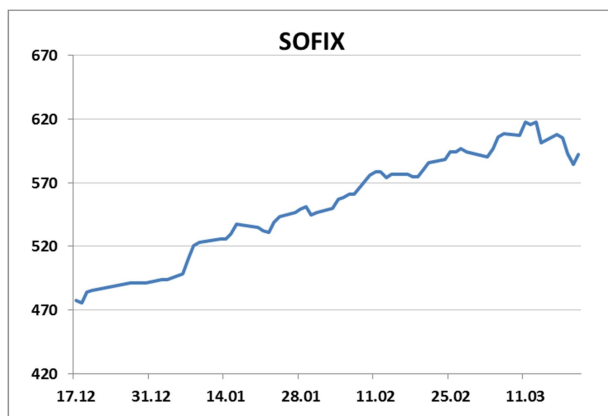


Indices

	Last quote	1-day change	5-day change	1 month	1 year
SOFIX	592.20	1.37%	-1.57%	1.07%	56.08%
BGBX40	119.14	1.46%	-1.20%	1.94%	-
BGTR30	435.86	1.49%	-0.61%	5.83%	54.69%
BGREIT	98.10	2.08%	0.36%	8.57%	14.46%

Market Trend



Market Capitalization in BGN

Premium Equities Segment	2 052 064 018
Standard Equities Segment	6 184 317 905
Special Purpose Vehicles Segment	575 356 779
Total	8 811 064 018

SOFIX components

Stock	Last Price	Weekly Change	Bid	Ask
Advance Terrafund REIT	2.77	3.56%	2.72	2.75
Albena	52.10	-8.52%	53.56	55.50
Bulgaria Real Estate Fund REIT	0.63	4.17%	0.64	0.65
Bulgartabac Holding	87.00	-12.34%	86.10	94.85
Central Cooperative Bank	1.43	-9.42%	1.45	1.47
Chimimport	2.16	-6.39%	2.16	2.17
M+S Hydraulic	13.70	-0.65%	14.10	14.39
Eurohold Bulgaria	1.05	-5.41%	1.09	1.10
First Investment Bank	4.00	1.52%	4.00	4.06
Industrial Holding Bulgaria	1.41	1.88%	1.43	1.45
Monbat	9.00	0.00%	8.72	9.00
Neochim	51.00	-7.27%	52.95	53.95
Sopharma	4.60	2.22%	4.52	4.61
Stara Planina Hold	4.33	-5.25%	4.33	4.49
Zarneni Hrani Bulgaria	0.56	-10.00%	0.58	0.59

Small correction despite the positive market bias and good corporate news

The correction deepened last week and the main index SOFIX fell under the sell-off of most liquid shares. The pressure was constant and came from investment intermediaries that usually work with Bulgarian investors. The decline was more sizable in liquid shares like Chimimport (**6C4**) and Central Cooperative Bank (**4CF**). The flow of orders also suggested that local investors were closing positions. Reasons are probably related to the rising geopolitical risks. Buy orders prevailed on Friday, although the gains were limited by selling pressure before the end of the trading. However, the profit taking could be over and local investors are becoming more positive in light of the positive trading on Friday.

Among important corporate news was the announcement of courier company Speedy (**OSP**) for the acquisition of the two subsidiaries of French company GeoPost SA. The company is part of La Poste Group and is developing the international courier operations of the group. It is the second largest company in the sector in Europe with revenues of EUR 4.4 billion. As part of the deal, GeoPost will acquire initially up to 25% of the capital of Speedy as a strategic investor. GeoPost also have the option to increase its stake to majority participation in the company in 2020. This news resulted to 4% gain of Speedy's shares on Thursday. The entry of large foreign investor is very positive for both stock price and fundamental performance of the company. The market reacted also to the news of started procedure of revoking the licenses of electricity distribution companies from the regulatory body. However, companies have a week to pay their debts to the National Electric Company. We don't expect to see any license revoked. The situation is consequence of the government's effort to show control on the sector. Moreover, the society has negative view on the work of monopolies and the pressure on electricity distributors is easy tool for improvement of confidence.

The producer of hydraulic elements M+S Hydraulic (**5MH**) will decrease the annual dividend by 8% and will distribute stock dividend. Cash dividend should be BGN 0.55 per share or 4% dividend yield. The number of shares will be increased three times to 39 055 200. This will improve the trading volumes and is regarded as reason for the price increase.

BULGARIA WEEKLY REPORT

24 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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For more information, please contact:

Research analyst
Tsvetoslav Tsachev

Phone:
+359 2 810 00 23

E-mail:
tsachev@elana.net

Internet:
www.elana.net