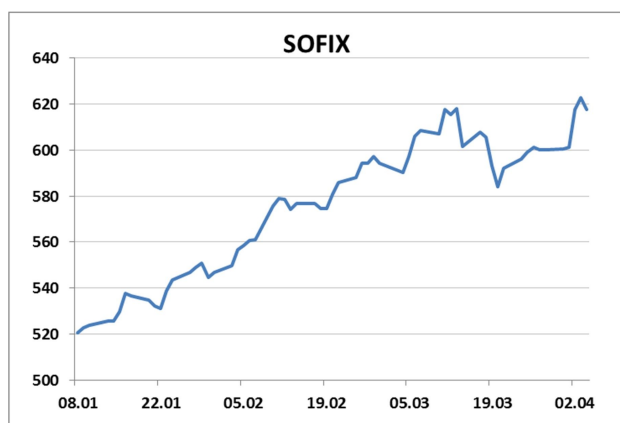


Bulgaria Weekly Report

Indices

	Last quote	1-day change	5-day change	1 month	1 year
SOFIX	617.61	-0.84%	2.94%	4.66%	61.35%
BGBX40	124.43	-0.80%	3.40%	4.77%	-
BGTR30	456.56	-0.46%	3.73%	6.90%	61.12%
BGREIT	99.64	0.72%	2.03%	7.05%	13.59%

Market Trend



Market Capitalization in BGN

Premium Equities Segment	2 143 473 411
Standard Equities Segment	6 424 979 581
Special Purpose Vehicles Segment	573 397 757
Total	9 141 850 749

SOFIX components

Stock	Last Price	Weekly Change	Bid	Ask
Advance Terrafund REIT	2.71	-0.84%	2.71	2.73
Albena	53.35	2.60%	53.35	53.80
Bulgaria Real Estate Fund REIT	0.67	3.85%	0.65	0.67
Bulgartabac Holding	95.00	1.39%	91.50	95.49
Central Cooperative Bank	1.52	5.61%	1.52	1.53
Chimimport	2.35	8.06%	2.34	2.35
M+S Hydraulic	15.50	6.90%	14.95	15.48
Eurohold Bulgaria	1.14	2.15%	1.14	1.16
First Investment Bank	4.41	7.56%	4.41	4.43
Industrial Holding Bulgaria	1.43	1.79%	1.43	1.49
Monbat	9.07	1.90%	9.11	9.39
Neochim	58.60	12.69%	58.50	60.00
Sopharma	4.55	-1.09%	4.53	4.55
Stara Planina Hold	4.45	1.04%	4.52	4.56
Zarneni Hrani Bulgaria	0.61	7.21%	0.61	0.62

The last week was very positive for Bulgarian stocks, although the demand was limited. Large buyer entered the market and acquired packages from several blue chips and smaller companies. This entry supported stock prices. Among the best performing positions were Neochim (**3BN**) and Chimimport (**6C4**). Rumors on the market pointed that this was not pension fund. Individual investors were cautious and did not follow the buying with enthusiasm. As a result, the price increase was limited to few sessions and volumes decreased after the initial gains. We expect that the market will continue to consolidate on general. Although another wave of buying is possible, share will remain unchanged until the end of April when Bulgarian stocks will announce their quarterly results.

The week was poor on corporate news. The courier company Speedy will increase its capital by 20%, according to the announcement for the planned issue of ordinary shares. The number of shares will be increased by 889 320 to 5 335 920 at the issue value of BGN 23 per share. The capital will be used for the acquisitions of DPD Romania and GeoPost Bulgaria. Recently, Speedy announced its agreement with GeoPost to buy its subsidiaries in the region. At the same time, GeoPost is expected to acquire up to 25% of the capital of Speedy. We expect this to happen during the capital increase as the minimum number of shares for the issue to be successful is 711 456.

The Ministry of Finance improved its 2014 GDP growth forecast by 0.3 p.p. to 2.1%. The positive economic review is due to higher GDP increase in the last quarter of 2013 (1.6% y-o-y). The average CPI for the entire year is expected to remain negative at 0.2% y-o-y, due mainly to favorable developments on international commodity markets. Fiscal consolidation will continue, as the budget deficit will drop to 1.8% of GDP in 2014 and below 1% in 2017. The government debt in the next three-year period will be around 20.1% - 22.9% of GDP. MoF also plans state capital expenditure to be around 6% of GDP on average each year in the period 2015-2017. This is expected to support the forecasted growth acceleration of the economy to 3.4% y-o-y as of end of the period.

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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Regulatory Authority: Financial Supervisory Commission, *Budapest* Street 16, 1303 Sofia, Bulgaria

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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
Lyubomir Peshev

Phone:
+359 2 810 00 23
+359 2 810 00 27

E-mail:
tsachev@elana.net
peshev@elana.net

Internet:
www.elana.net
www.elana.net