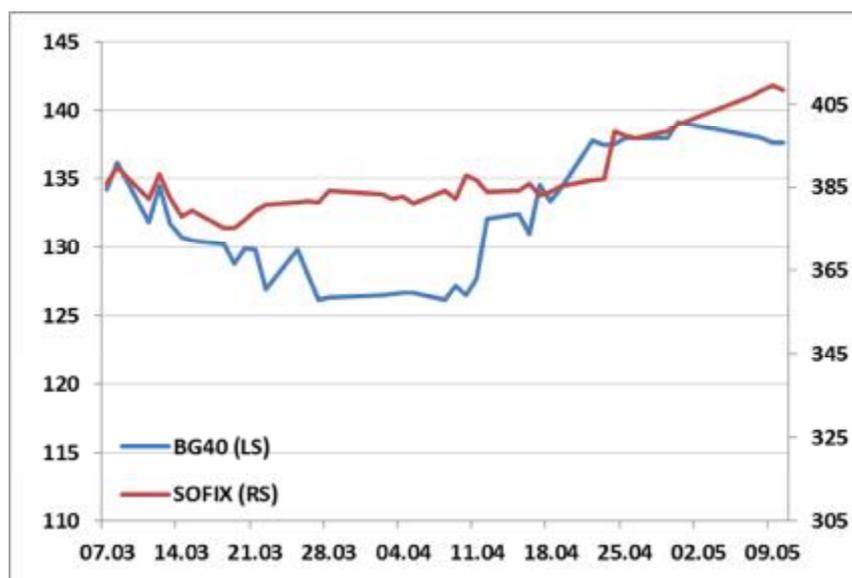
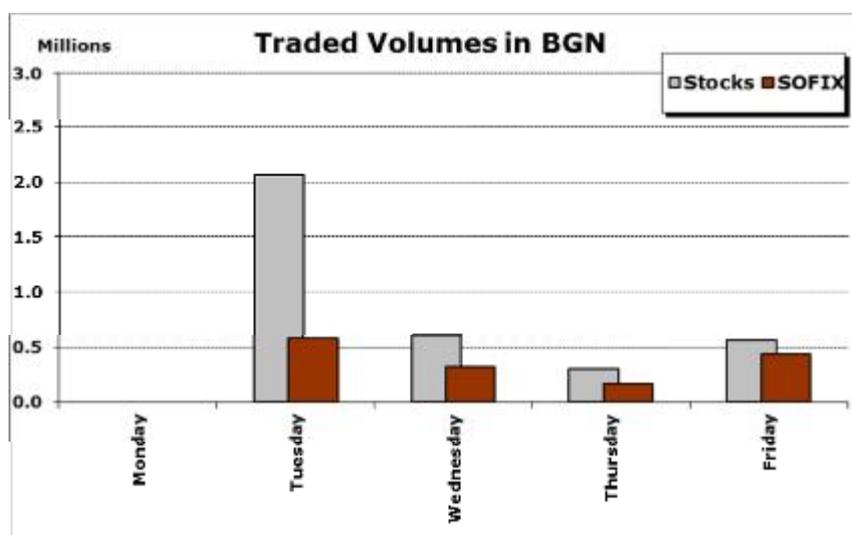


Market Trend



SOFIX gained 2% on weekly basis but the interest toward the main index's components remained extremely low. However, the index stayed above 400 points and neared its recent high level. On Monday, we will see the influence of the parliamentary elections on the trading. The political uncertainty may have some negative impact but in our opinion, the investors will remain passive. The stock market has the interesting practice of ignoring the political events as it is counting on the succession in financial discipline and the high economic growth of the recent past until 2008. The 1Q 2013 unconsolidated reports also were unnoticed and didn't change the picture.

Trading Activity



The overall activity remained thin if we exclude the deals with ELARG Agricultural Land Opportunity Fund REIT (4EC). The last trading day of the company was May 09 2013 and we expect the BSE's volumes to decrease sizably. The REIT Company contributed BGN 77 million to the volumes on Thursday in several deals. The last price of the position was BGN 2.52 per share. The liquidation stake will be pay off on May 15 2013.

**SOFIX**

SOFIX's Components				
Stock	Last Price	Weekly Change	Bid	Ask
Advance Terrafund REIT	2.62	1.16%	2.61	2.65
Albena	48.00	6.67%	45.50	48.00
Bulgaria Real Estate Fund REIT	0.60	0.00%	0.59	0.60
Bulgartabac Holding	99.39	0.50%	93.50	99.39
Central Cooperative Bank	0.91	2.82%	0.91	0.92
Chimimport	1.44	2.86%	1.44	1.45
M+S Hydraulic	7.24	2.72%	7.22	7.45
Eurohold Bulgaria	0.99	3.13%	0.98	1.00
First Investment Bank	1.84	3.03%	1.81	1.84
Industrial Holding Bulgaria	0.75	1.49%	0.75	0.76
Kaolin	3.50	1.45%	3.50	3.59
Monbat	6.31	1.45%	6.15	6.31
Sopharma	2.70	3.05%	2.66	2.71
Stara Planina Hold	2.59	-0.38%	2.60	2.65
Zarneni Hrani Bulgaria	0.40	6.08%	0.40	0.40

The most of SOFIX components closed up on weekly basis. Stara Planina Hold (5SR) was the only component in the red but in tight range. The banking sector increased. Its components showed mixed results for the 1Q 2013. First Investment Bank (5F4) was the best performer with 12% profit growth y-o-y to BGN 7 million, whereas Corporate Commercial Bank (6C9) underperformed with 36% decline to BGN 11 million. The credit portfolios of the banks increased on yearly basis. The non-performing loans are maintaining their levels, albeit high, whereas loss exposures continued to rise. During the first quarter of 2013 the trend of decrease of exposures past due less than 180 days resumed, which is good news for the banking sector and the economy.

**News**

- **07 May 2013:** BSE-Sofia has received the following information submitted by Industrial Holding Bulgaria (4ID):  
In April 2013 Industrial Holding Bulgaria has bought back 51 218 own shares at the average price of BGN 0.718 per share. The total number of own shares held by Industrial Holding Bulgaria as of April 30 2013 has been 193 306 at the average price of BGN 0.733 per share.
- **07 May 2013:** On April 29 2013 Sopharma (3JR) has sold 20 000 shares of the capital of Doverie United Holding, after which transaction the participation of Sopharma in the capital of the Doverie United Holding A has amounted to 14.93%.
- **07 May 2013:** Trace group Hold (T57) begins construction highway E 75 in the Republic of Serbia. The value of the project has amounted to RSD 3 828 528 232.75 as the funding has been provided by the European Investment Bank, EBRD, World bank and the national budget of Republic of Serbia. The term for performance of the construction works is 720 days and starts at May 15, 2013.
- **07 May 2013:** The shareholders of Sopharma Trading (S05) will vote the allocation of BGN 0.20 dividend per share. The rest of the profit will be set as reserves. The GMS will be lead on June 21 2013.
- **08 May 2013:** For the April 2013, Sopharma (3JR) has attained its sales when compared to the same month of the preceding year. The sales in the first months of the current year have decreased by 3%, including of a 4% drop on the internal market and a 6% drop of the export where compared to the same period of 2012.

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<b>Outperform</b>	More than 5% higher as compared to SOFIX and BG40 performance
<b>Market Perform</b>	Market performance, +/-5% as compared to SOFIX and BG40
<b>Underperform</b>	More than 5% lower as compared to SOFIX and BG40 performance

**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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