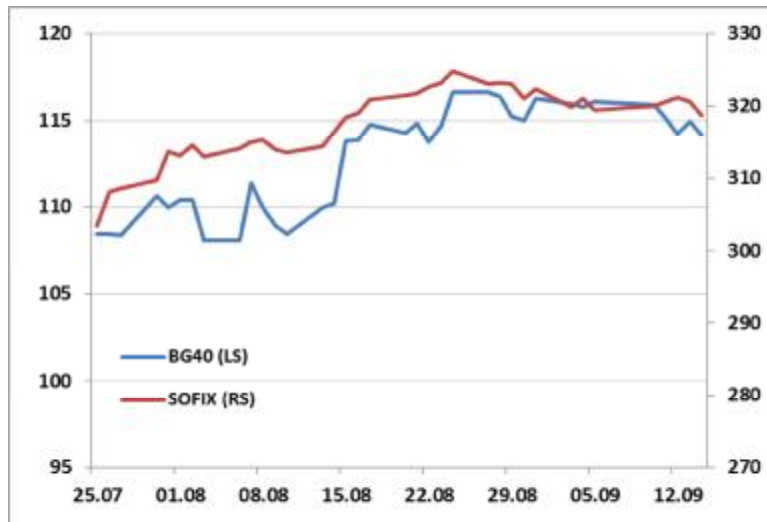
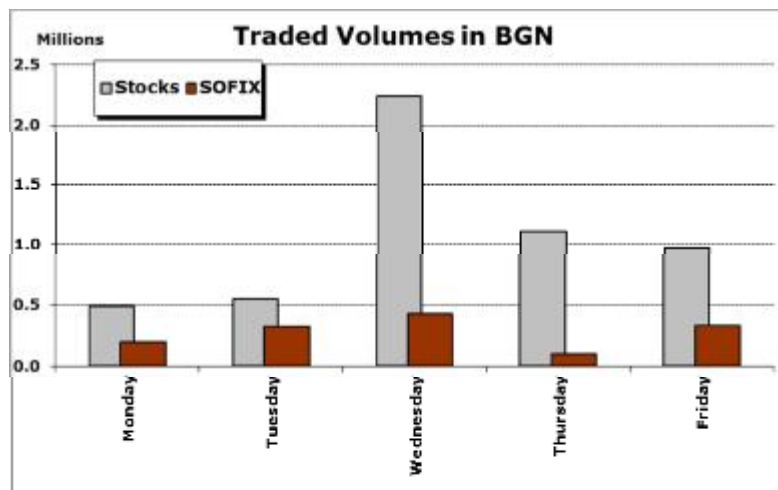


Market Trend



The stock market was under pressure at the end of the week. However, volumes declined before the week-end and investors choose to continue watch the situation abroad. Bulgarian stocks did not follow the market optimism from the current round of QE stimulus. Among the most traded stocks were positions that are traded less frequent and were subject of block deals. SOFIX closed the week with modest decrease and remained close to 320 points. The stock market operator announced that will not implement any changes in the structure of SOFIX due to the lack of share satisfying the conditions of inclusion. Despite all those factors, stock prices were very volatile. Spreads are rising.

Trading Activity



Registered Compensatory Vouchers (BLKC) again topped the market activity by volumes traded. The approaching tenders for government and municipality land could decrease the demand. Shares of Eurohold Bulgaria (4EH) were among the top positions by volumes traded and the position was one of the few components of SOFIX that exceeded the average volumes.

**SOFIX**

SOFIX's Components				
Stock	Last Price	Weekly Change	Bid	Ask
Advance Terrafund REIT	2.00	0.05%	2.00	2.01
Bulgartabac Holding	58.98	7.20%	56.51	59.90
ELARG Opportunity Fund REIT	1.96	-1.01%	1.96	1.96
Central Cooperative Bank	0.59	-0.34%	0.59	0.61
Chimimport	0.76	-3.82%	0.76	0.77
Neochim	29.00	-15.20%	29.00	30.00
M+S Hydraulic	6.87	6.51%	6.55	6.75
Eurohold Bulgaria	0.93	-1.60%	0.93	0.94
First Investment Bank	1.64	4.81%	1.61	1.69
Industrial Holding Bulgaria	0.74	-0.13%	0.74	0.75
Kaolin	2.50	2.04%	2.50	2.65
Monbat	4.75	-3.06%	4.80	4.85
Sopharma	2.38	-1.04%	2.38	2.39
Stara Planina Hold	2.23	-2.96%	2.23	2.36
Bulgaria Real Estate Fund REIT	0.54	2.09%	0.54	0.54

The most volatile position in SOFIX was fertilizer producer Neochim (3NB), which shares were under pressure after portfolio liquidation of domestic investors. Tobacco company Bulgartabac Holding (57B) added the most and managed to offset of the nine declining stocks.

**News**

- **13 September 2012:** Bulland Investments REIT has notified herewith that in result of transactions executed on BSE–Sofia and settled on September 04, 2012, the following changes in the shareholdings of holders of more than 5% of the capital of the Company have occurred:
  - Allianz Bulgaria Mandatory Universal Pension Fund has sold 909,353 shares, as a result of which their voting right at the General Meeting of Shareholders of Bulland Investments REIT has changed from 6.99% to 0%;
  - Allianz Bulgaria Voluntary Pension Fund has sold 911,252 shares, as a result of which their voting right at the General Meeting of Shareholders of Bulland Investments REIT has changed from 7.00% to 0%;
  - Euro Finance AD has acquired 647,086 shares, as a result of which their voting right at the General Meeting of Shareholders of Bulland Investments REIT has changed from 10.35% to 15.32%.
- **14 September 2012:** Assets of Lead and Zinc Complex (50TZ) were sold from the creditor. The buyer is planning to restart the production of zinc. The assets were sold on the behalf of the creditor First Investment Bank.

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**Financial Interest:** ELANA Trading may trade or own shares of the analyzed companies. The research analyst(s) is not holding shares of the analyzed companies, unless otherwise noted.

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

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**Valuation Methods:** Company valuations are based on the following methods: multiple-based (P/E, P/B, EV/EBITDA), historical valuation approaches, peer comparisons, discount models (DCF, DDM) or asset-based evaluation methods. Valuation models are dependent on macroeconomic factors, including interest rates, foreign exchange rates, prices of raw materials, and any expectations about the economy, the market sentiment. The valuation is based on expectations that might change rapidly and without notice, depending on developments specific to individual industries and countries. Recommendations and target prices derived from the models might therefore change accordingly. The application of models depends on forecasts of a range of economic variables, thus there is a range of reasonable variations within models. Any valuation is dependent upon inputs that are based on the subjective opinion of the analysts carrying out this valuation.

**Recommendations:** Analyst(s) recommendations are based on the specific factors for the company, sector, country and global developments, as compared to market indices. Recommendations and opinions reflect ELANA Trading's expectations over the 12-month period following publication from the perspective of long-only investment clients. ELANA Trading reserves the right to express different or contrary recommendations and opinions for different timescales or for other types of investment client. Except as otherwise noted, expected performance over next 12 months vary for different recommendations for Bulgarian stocks as follows:

<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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