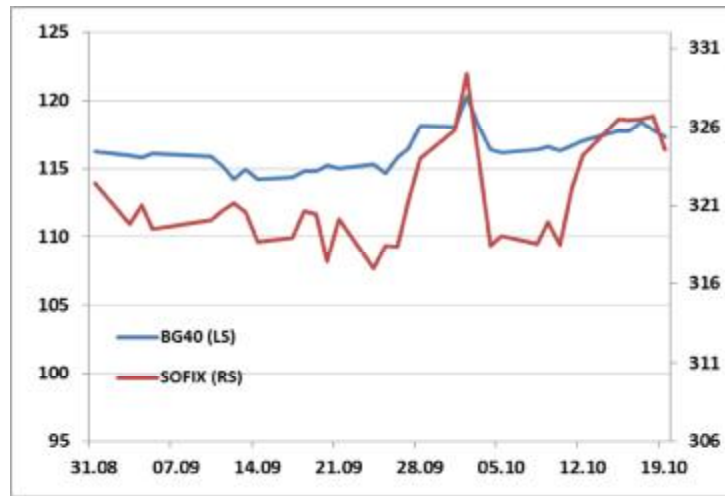
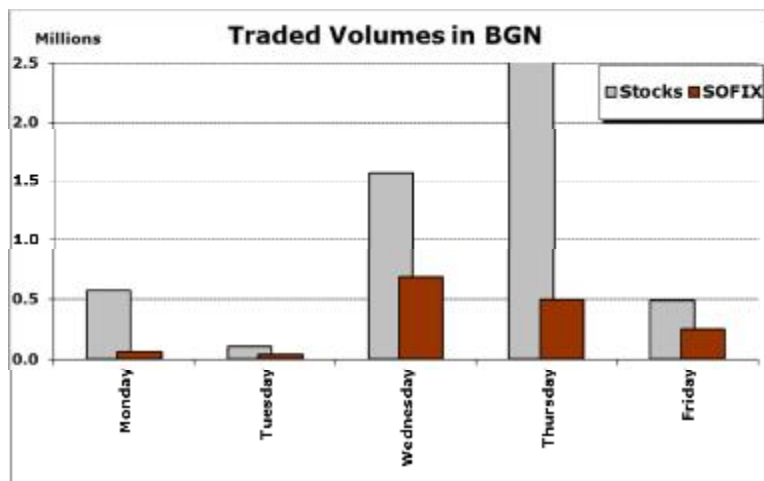


Market Trend



The main indices closed the week flat despite the slight weakness on Friday. SOFIX stayed above 320 points in preliminary low volumes. The main news from the last week was that the auction for the Government's stakes of CEZ Electro Bulgaria (1CZ) and CEZ Distribution Bulgaria (3CZ) will occur on October 29. The minimum prices are not announced yet.

Trading Activity



The overall volumes remained low despite several large package transactions mainly with REIT companies. On Thursday, almost 22% of Agro Finance REIT (6AG) changed hands at the beginning of the session for totally BGN 15 million and boosted the turnover. Advance Terrafund REIT (6A6) stayed in focus. The activity remained low.

SOFIX

Stock	Last Price	Weekly Change	Bid	Ask
Advance Terrafund REIT	2.05	1.48%	2.05	2.09
Bulgartabac Holding	65.50	0.77%	63.00	66.88
Corporate Commercial Bank	77.50	-3.11%	77.50	79.97
Central Cooperative Bank	0.62	-2.84%	0.61	0.63
Chimimport	0.72	-0.14%	0.73	0.77
Neochim	28.95	3.39%	28.55	28.90
M+S Hydraulic	6.64	2.96%	6.50	6.64
Eurohold Bulgaria	0.87	0.11%	0.87	0.89
First Investment Bank	1.55	-0.64%	1.54	1.58
Industrial Holding Bulgaria	0.74	0.54%	0.74	0.74
Kaolin	2.70	0.00%	2.68	2.72
Monbat	4.83	0.69%	4.82	4.83
Sopharma	2.38	0.38%	2.38	2.39
Stara Planina Hold	2.25	-2.17%	2.25	2.30
Bulgaria Real Estate Fund REIT	0.53	1.35%	0.53	0.54

Chimimport (6C4) lost ground during on Friday and erased all previous sessions' gains. The holding company lagged behind the market but rapidly reversed as the buying orders predominated at the beginning of the week. The followed decrease was mainly due to the individual investors. The banking sector declined.

News

- **17 October 2012:** Trace group Hold (T57) announced that in result of a going procedure for repurchase of own shares as of October 12 2012, Trace group Hold has acquired 4 353 own shares representing 0.0002% of the capital of the Company.
- **18 October 2012:** BSE-Sofia has received an application for admission to trading on the BSE Main Market, Standard Equities Segment, as follows:
 - Company: CEZ Distribution Bulgaria - Sofia;
 - Issue's ISIN code: BG1100025110;
 - Issue's amount: BGN 1 928 000
 - Nominal value per share: BGN 10.00
 - BSE ticker: 3CZ
- **18 October 2012:** BSE-Sofia has received an application for admission to trading on the BSE Main Market, Standard Equities Segment, as follows:
 - Company: CEZ Electro Bulgaria - Sofia;
 - Issue's ISIN code: BG1100024113;
 - Issue's amount: BGN 50 000
 - Nominal value per share: BGN 10.00
 - BSE ticker: 1CZ

Disclaimer

Analyst Certification: The research analyst(s) certifies that: (1) all of the views expressed in this document accurately reflect his or her personal views about any and all of the subject securities or issuers; (2) no part of any of the research analyst's compensation was, is, or will be directly or indirectly related to the specific recommendations or views expressed by the research analyst(s) in this document.

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

Information Disclosure: All reasonable care has been taken to ensure the facts stated are accurate and opinions given are fair and reasonable. Our recommendations are based on information available to the public that we consider to be reliable but for the completeness and accuracy of which we assume no liability. Neither ELANA Trading, nor its directors, officers or employees shall in any way be responsible for its contents. The views expressed may differ from the views of other firm departments or representatives. Additional information is available upon request. Unless otherwise noted, sources for all information in charts and tables are ELANA Trading's calculations.

Risks for Investors: Information in this document should not be regarded as an offer to buy or sell any financial instruments. The investment possibilities discussed in this document may not be suitable for certain investors depending on their specific investment objectives and time horizon or in the context of their overall financial situation. In particular, the risks associated with an investment in the securities or the financial instruments under discussion are not explained in its entirety.

The prices or values of the securities may go down as well as up and can fluctuate and fall against the investor. The securities or investments may cause the investor to lose the amount invested. Past performance is not a guide to future performance. Changes in exchange rates may have an adverse effect on the value, price or income of the securities or investments.

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:

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

For more information, please contact:

Research analyst
Tsvetoslav Tsachev
Tamara Becheva

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

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

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