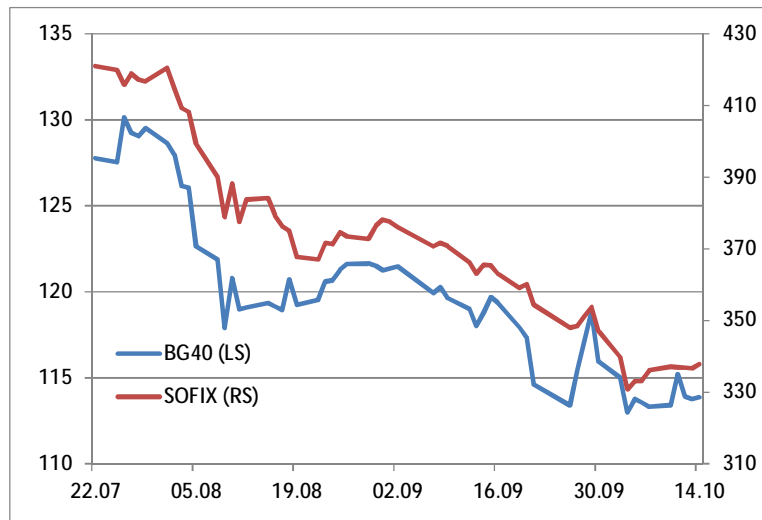
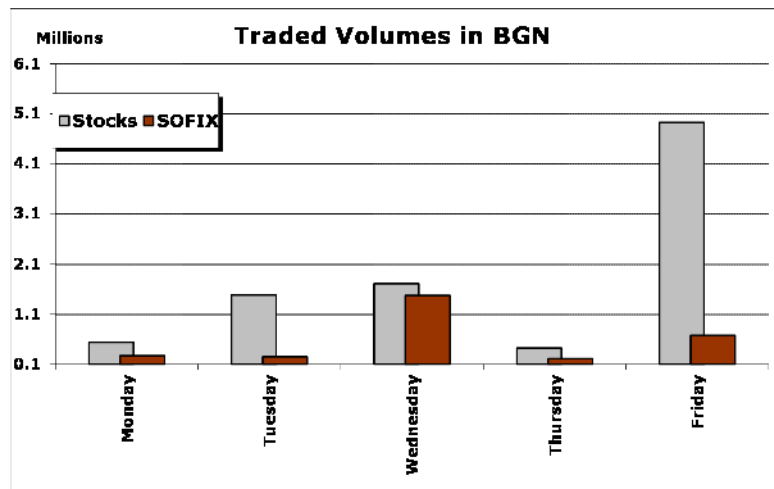


Market Trend



The main indices closed flat as the market entered in its usual non-volatile mode. SOFIX closed unchanged as the trading activity reached the temperature outside – 0°C. The capital rises were the main news on the market. Bulgarian-American Credit Bank (5BN) successfully closed its procedure, the new share of Trace Group Hold (T57) were led for trading on Monday, Central Cooperative Bank (4CF) and Eurohold Bulgaria (4EH) will start the procedure on October 25 – both at BGN 1.50 per new share.

Trading Activity



BSE's turnover received support from large package transactions with usually non-liquid companies. The overall picture remained the same. The institutional investors were the most active participants. Among stocks in focus Monbat (5MB), Sopharma (3JR) and Central Cooperative Bank (4CF) attracted attention. The bank closed at BGN 0.96 per share and managed to move away from its recent low.

SOFIX

Stock	Last Price	Weekly Change	Bid	Ask
Advance Terrafund REIT	1.34	0.00%	1.35	1.35
Albena	58.00	-1.19%	58.20	58.49
Corporate Commercial Bank	77.00	0.00%	77.00	79.90
Central Cooperative Bank	0.96	4.35%	0.97	0.98
Chimimport	1.81	-2.22%	1.79	1.81
Neochim	32.55	1.72%	33.50	34.00
M+S Hydraulic	7.63	0.26%	7.57	7.63
Eurohold Bulgaria	1.20	-0.08%	1.18	1.20
First Investment Bank	2.35	4.54%	2.27	2.35
Industrial Holding Bulgaria	0.65	4.03%	0.65	0.67
Kaolin	2.26	-3.83%	2.28	2.30
Monbat	6.17	-0.32%	6.15	6.17
Sopharma	3.25	4.13%	3.24	3.25
Stara Planina Hold	2.81	-4.68%	2.82	2.90
Bulgaria Real Estate Fund REIT	0.58	4.29%	0.58	0.58

For every component of SOFIX rising one fell during the session and the main index closed on the flat line in insignificant volumes. Central Cooperative Bank (4CF) outperformed, whereas Stara Planina Hold (5SR) closed on the other side. The conjuncture will remain the same in short term – low volumes and insignificant number of deals.

News

- **10 October 2011:** Trace Group Hold (T57) informed that on October 3, 2011 the following change within the management of Trace Commerce, with parent company Trace group Hold, has been recorded in the Companies' Register: Mr. Manol Denev has been discharged from the position of a Manager and replaced by Mr. Manol Kavrakov. Trace Commerce is a subsidiary of Trace group Hold AD and operates in the field of trade with products and materials used in the construction sector.
- **12 October 2011:** With reference to the Eurobonds issued by Petrol (5PET) in the year 2006 on the international capital markets under the UK legislation, the Company does hereby advise that on October 12, 2011 it has purchased back Eurobonds having total nominal value of Euro 11 779 000.
- **13 October 2011:** The public offering of shares of Bulgarian-American Credit Bank (5BN) has concluded on the announced final date of the subscription October 10, 2011 with the following results:
 - Total number of the shares subscribed to: 12.06 million /representing 95.58% of all offered 12.6 million new shares/
 - Total value remitted to the accumulation account of BACB with UniCredit Bulbank depository-bank: BGN 48.3 million
 - The subscription has successfully concluded and the capital of BACB shall be increased by the amount of the shares subscribed to and paid, i.e. to BGN 24 691 313.
- **14 October 2011:** Central Cooperative Bank (4CF) does hereby notify of the beginning of an initial public offering of 30 million new dematerialised common shares, each having nominal value of BGN 1.00 and issuing value of BGN 1.50, in accordance with the decision of the Management Board dated July 27, 2001 regarding increase in the capital of the Company from BGN 83million to BGN 113 million. The Prospectus on public offering of shares has been endorsed by the Financial Supervision Commission under a Decision № 621–E dated October 6, 2011.

Macro News

- The consumer price index (CPI) in September 2011 compared to August 2011 was 100.0%, i.e. the monthly inflation was 0.0%. The harmonized index of consumer prices (HICP) in September 2011 compared to August 2011 was 100.0%, i.e. the monthly inflation was 0.0%.
- In the period January-July 2011 the Bulgarian exports to the EU increased by 38.2% compared to the corresponding period of the previous year and amounted to BGN 13.8 billion while the import increased by 20.2% and amounted BGN 14.3 billion. In July 2011 the exports to the EU increased by 15.5% compared to the corresponding month of the previous year and exceeded BGN 2.2 billion while the imports increased by 18.4% and exceeded BGN 2.1 billion.
- The preliminary data showed that the Industrial Production Index, seasonally adjusted, decreased by 2.0% in August 2011 as compared to July 2011. In August 2011 working day adjusted Industrial Production Index rose by 1.0% as compared to the same month of 2010.

On annual bases in August 2011 the Index, calculated from working day adjusted data in the mining and quarrying industry grew by 7.1%, in the manufacturing by 1.0%, while in the electricity, gas, steam and air conditioning supply a decrease by 0.6% was seen. Increase was registered in the production of intermediate goods by 4.1% and in the production of energy by 3.3%, while the production of investment goods went down by 11.4%.

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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.

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