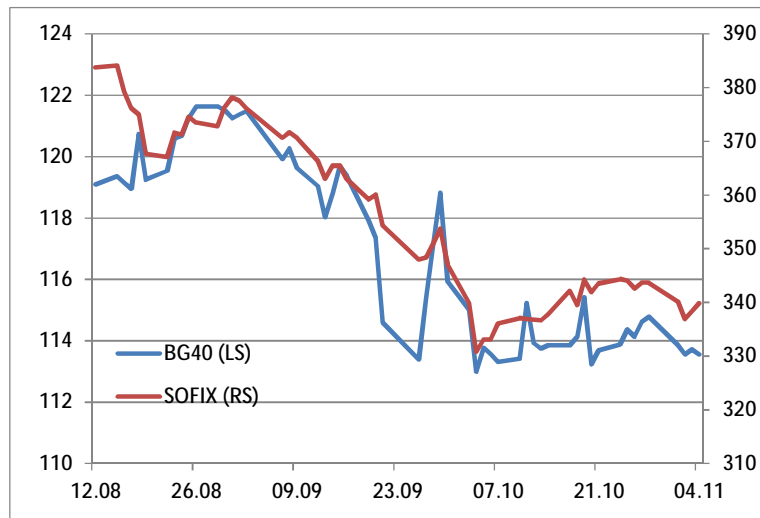
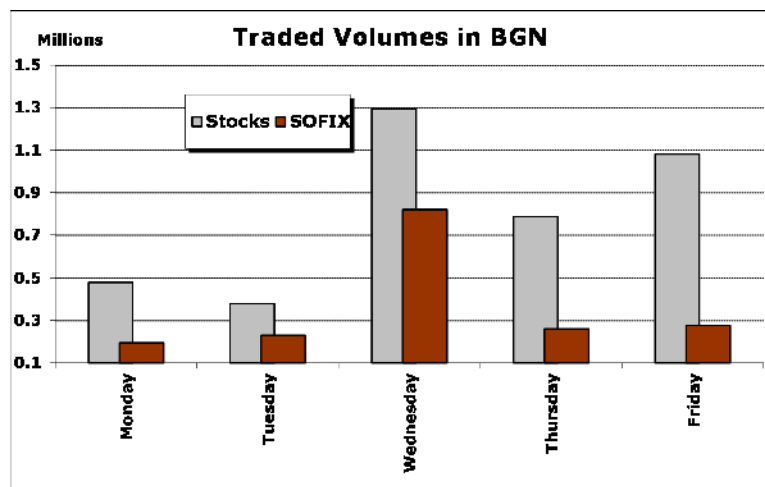


Market Trend



The main Bulgarian indices fell on weekly basis and SOFIX lost 1%. The overall trading remained flat and the positions swung between positive and negative territory. The negative moods abroad slightly pressured the Bulgarian market and the positivism on the international markets didn't affect the trading. The banking sector attracted attention. The 9M financial reports of the financial institutions showed good profits but the impairments continued to be a problem as well as the decreasing interest income.

Trading Activity



The overall volume remained thin as well as the investors' activity. Only block deals with some positions supported the turnover. The institutional participants remained most active.

SOFIX

Stock	Last Price	Weekly Change	Bid	Ask
Advance Terrafund REIT	1.34	-0.37%	1.35	1.36
Albena	58.00	0.00%	57.90	58.04
Corporate Commercial Bank	77.25	-1.28%	77.25	82.00
Central Cooperative Bank	0.92	-3.88%	0.92	0.93
Chimimport	1.74	-2.74%	1.72	1.74
Neochim	34.50	2.65%	34.01	34.80
M+S Hydraulic	8.09	-0.72%	8.09	8.10
Eurohold Bulgaria	1.28	2.16%	1.26	1.28
First Investment Bank	2.17	-7.02%	2.16	2.27
Industrial Holding Bulgaria	0.68	-4.23%	0.67	0.70
Kaolin	2.25	2.79%	2.25	2.34
Monbat	5.90	-3.30%	5.80	5.90
Sopharma	3.27	-0.06%	3.27	3.27
Stara Planina Hold	2.90	0.00%	2.84	2.95
Bulgaria Real Estate Fund REIT	0.68	-1.58%	0.67	0.68

Kaolin (6K1) and Neochim (3NB) outperformed the main index but weren't enough to provide support. The banking sector closed on negative. The interest toward the most liquid positions remained slight. On Wednesday, Corporate Commercial Bank (6C9) announced that has sold 8.24% of Petrol's (5PET) capital. The sale is part of the repo-deal. The transaction's registration date in Central Depository is November 01, 2011 CORP has sold 9 million shares of Petrol.

News

- **31 October 2011:** For the first nine months of 2011 Kaolin (6K1) generated consolidated operating incomes of BGN 125 million, which is more than 10% increase compared to the same period of the preceding year. There is also a substantial growth (of more than 25%) in the sales proceeds on individual basis compared to the first nine months of the year 2010.
- **31 October 2011:** Railway Infrastructure-Holding Company (RA8) does hereby notify all its shareholders and interested parties that on October 27, 2011, the Holding company has deposited requests on the grounds of Art. 625 et seq. of the CA for opening of bankruptcy proceedings on three of its subsidiaries, namely Remontno-vazstanovitелno predpriyatие Kyone AD-Sofia, Zavod za stomanobetonovi konstruktsii i izdeliya EOOD- Svishtov and Natsionalen izsledovatel'ski institut po transporta EOOD-Sofia.
- **01 November 2011:** On October 31, 2011 the Central Depository has registered the subscribed and paid up shares of the capital increase of Bulgarian American Credit Bank (5BN). According to the data in the Registration Act of the Central Depository, the major shareholder in BACB, namely CSIF has increased its participation in the capital of BACB and as at October 31, 2011 CSIF holds 56.375% of the current amount of the Bank's capital.
- **02 November 2011:** Under a contract for a repo-transaction in financial instruments, the transaction's registration date with Central Depository being November 01, 2011, Corporate Commercial Bank (6C9) sold 9 million shares of Petrol (5PET), constituting 8.24% of the said capital of Petrol.
- **03 November 2011:** Sopharma (3JR) notify that in October 2011 the Company has retained the volume of its sales compared to the same month of the last year, both on the internal market and export. The sales for the ten months of the current year increased by 1%, including a 1% drop on the internal market and a 2% increase of the export when compared to the same period of 2010.

Macro News

- In the third quarter of 2011, the municipal authorities have issued building permits for construction of 1 335 residential buildings with 2 538 dwellings, of 61 administrative buildings/offices and 1 433 other buildings. The construction of 721 residential buildings with 1 689 dwellings, of 31 administrative buildings/offices and 565 other buildings has been started.
- In October 2011 the total business climate indicator marks a decrease of 0.7 percentage points in comparison with level from the previous month because of the more moderate managers' assessments of the present business situation of the enterprises in industry and service sector .
- In October 2011 the total consumer confidence indicator decreases by 3.0 percentage points compared to its level 3 months ago. The reduction is due to the decreased confidence of both urban and rural inhabitants by 3.5 and 1.7 percentage points, respectively .

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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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