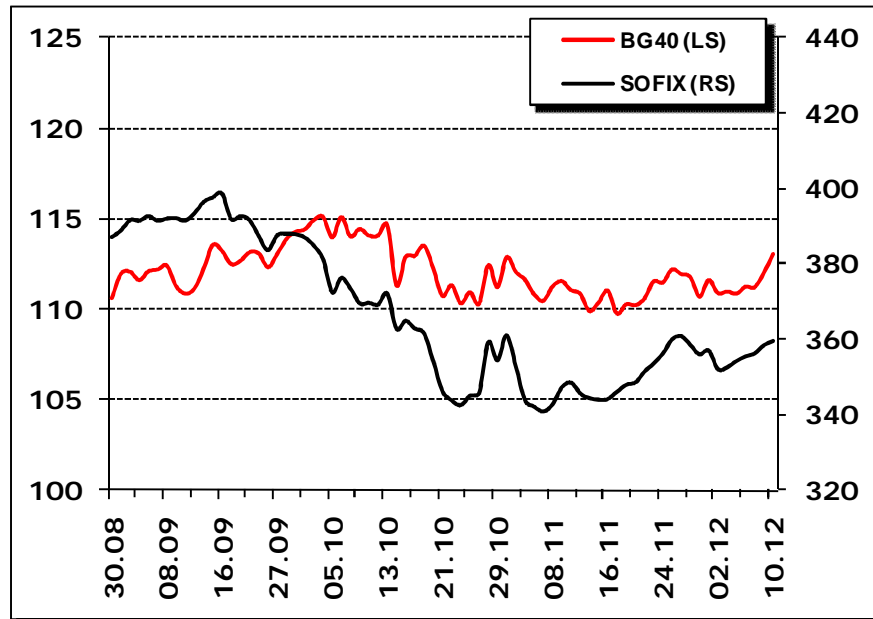
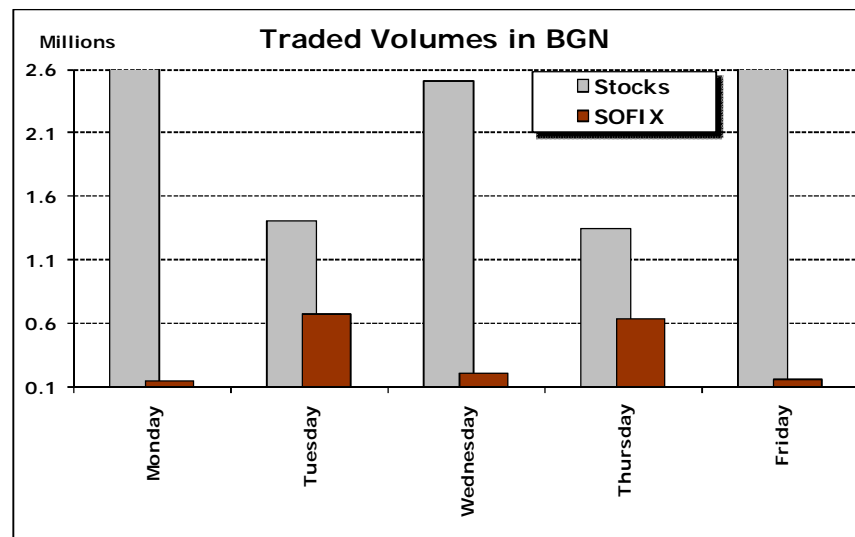


Market Trend



The main indices closed almost 2% up and erased the middle of November decline. The most of the blue-chips recovered and supported the indices. This probably won't be a permanent trend, moreover the low liquidity still persist. There are no signs for Santa rally on BSE despite that the main index is on the green. In fact, SOFIX is on the downside since the beginning of the year.

Trading Activity



The overall activity remained thin but the BSE's volumes significantly improved due to block deals. On Monday 4% of Bulgartabac Holding (57B) were transferred for the total amount of BGN 8.5 million probably as a results of the Government's plans for privatization of the holding next year. On Tuesday 16.09% of Cibank's (57E) capital (totally for BGN 141 million) changed hands and KBC Group became the only shareholder of the bank. KBC intends to delist the position from the Public register. 2.7% of another public bank – Corporate Commercial Bank (6C9) was traded in two deals on Friday to the amount of BGN 9.8 million. Two of Generali Group's subsidiaries acquired minority share in CORP, the bank announced. The institutional investors continued to set up the market's volumes as the individuals are aside so far.

SOFIX

Stock	Last Price	Weekly Change	Bid	Ask
Advance Terrafund REIT	1.15	5.53%	1.14	1.16
Albena	49.88	-0.24%	47.20	49.88
Bulgarian-American Credit Bank	9.93	6.20%	9.83	9.97
Central Cooperative Bank	0.99	0.20%	0.99	1.00
Chimimport	2.44	-1.81%	2.43	2.45
Doverie United Holding	3.03	6.35%	3.03	3.15
Enemona	6.97	1.00%	6.81	6.97
Eurohold Bulgaria	0.85	4.29%	0.85	0.86
First Investment Bank	2.08	3.48%	2.05	2.10
Industrial Holding Bulgaria	1.10	0.09%	1.09	1.10
Kaolin	4.67	7.09%	4.46	4.67
Monbat	6.32	-0.16%	6.26	6.32
Sopharma	3.85	0.16%	3.86	3.89
Stara Planina Hold	2.62	5.65%	2.53	2.62
Zyrneni Hrani Bulgaria	0.59	4.08%	0.58	0.59

The main index's components improved on weekly basis, led by Doverie United Holding (5DOV) and Bulgarian-American Credit Bank (5BN). Despite the support, SOFIX won't be able to close the year in the green as the index is 16% down YTD.

News

- **06 December 2010:** Monbat (5MB) announced that the companies included in the economic group require a change in the date for announcing the monthly results for November, 2010 from December 20th to December 27th 2010."
- **06 December 2010:** Biovet notified the discharge as of December 03 2010 of a contractual mortgage of own immovable property in the town of Peshtera. The mortgage has been created on the basis of a decision taken by the AGM dated June 20 2008 for provision of security on behalf of Biovet for a bank credit contract between the borrower Advance Properties and CB Piraeus Bank Bulgaria, Piraeus Bank S.A. -Greece and Corporate Commercial Bank. The loan amounts to EUR 160 000 000 denominated in U.S. dollars.
- **08 December 2010:** PSI, a company in Trace Group Hold's structure, signed on a contracts with Sliven Municipality for the period 2010–2014 concerning:
 - Construction of parts of the technical infrastructure on the territory of the municipality of Sliven at the value of BGN 168 606 000;
 - Construction of new buildings and sites, reconstructions and major repairs of existing buildings, including energy saving measures for buildings at the value of BGN 16 800 000.
- **09 December 2010:** Enemona (E4A) has appointed an EGM on January 10, 2011.
- **10 December 2010:** On December 09, 2010, Yugo Kaolin, a 100% subsidiary of Kaolin, has acquired the rights and assets of Belorecki Pescar-Bor, Serbia. The transaction is to the amount of EUR 1 million as the company plans to invest another EUR 850 000 within a period of five years. Yugo Kaolin has developed a special social program and has entered into certain commitments towards the employees of Belorecki Pescar. This is the fifth transaction of a company within the Group of Kaolin AD in Serbia in continuation of its successful regional expansion in Southeastern Europe.
- **10 December 2010:** The Management of Corporate Commercial Bank (6C9) informs herewith the public that two insurance companies within Generali Group, Italy namely Fata Assicurazioni Danni S.p.A and Fata Vita S.p.A have acquired minority shareholding of the capital of CB Corporate Commercial Bank.

Upcoming Events

- **13 December 2010:** Ministry of Finance will lead an Auction for Government Bonds.
- **14 December 2010:** National Statistic Institute will announce the inflation in November.
- **14 December 2010:** Bulgarian National Bank will announce the October Balance of Payments.

Macro-
economy

- In the third quarter of 2010 GDP at current prices amounts to BGN 19 403 million. In Euro terms GDP reached EUR 9 920.6 million or 1 319.8 euro per capita. According to the seasonally adjusted data, the GDP growth rate in the third quarter of 2010 is 0.7% compared with the second quarter of the year and 0.5% compared with the same quarter of the previous year.
- The preliminary data showed that the Industrial Production Index (seasonally adjusted) decreased by 0.6% in October 2010 as compared to September 2010. The working day adjusted Industrial Production Index rose by 4.3% as compared to the same month of 2009.
- In the period January - September 2010 the Bulgarian exports to the EU increased by 23.9% compared to the corresponding period of the previous year and amounted BGN 13.4 billion while the imports increased by 6.6% and amounted to BGN 15.5 billion. In September 2010 the exports to the EU increased by 22.6% compared to the corresponding month of the previous year and reached to BGN 1.7 billion while the imports increased by 10.1% and amounted to BGN 1.9 billion.
- In the period January - October 2010 the Bulgarian exports to third countries increased by 47% compared to the corresponding period of the previous year and amounted BGN 9.6 billion while the imports increased by 11.7% and reached to BGN 12.4 billion. In the period January - October 2010 the total value of the exported goods was for BGN 24.8 billion and compared to the corresponding period of 2009 the exports increased by 31.6% while the total value of the imported goods were for BGN 29.9 billion and increased by 8.9%.
- By preliminary seasonally adjusted data of NSI in October 2010 the turnover in Retail trade, except of motor vehicles and motorcycles at constant prices fell by 0.6% compared to the previous month.
- According to the preliminary data of the NSI, the production in section 'Construction', calculated on the base of seasonally adjusted data, registered a decrease by 0.1% in October 2010, compared to the previous month.

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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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