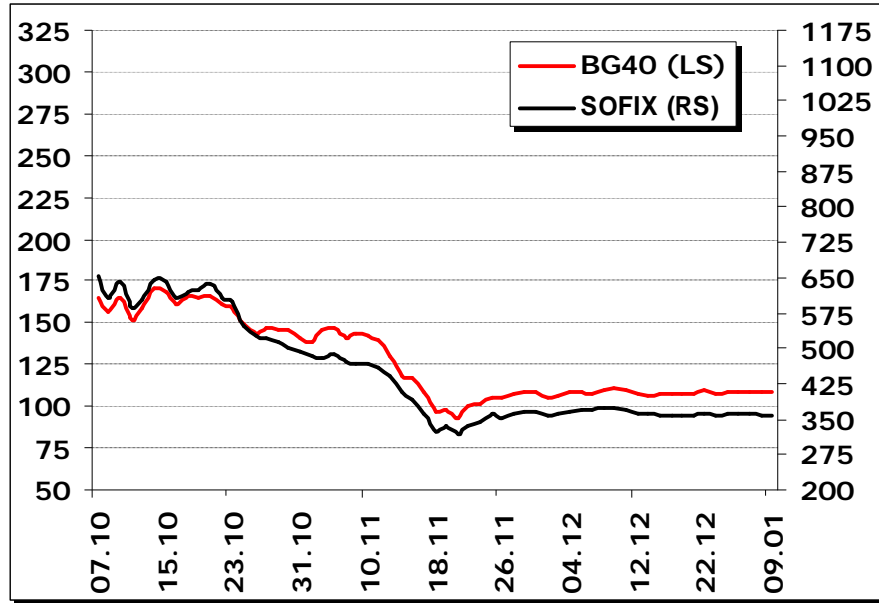
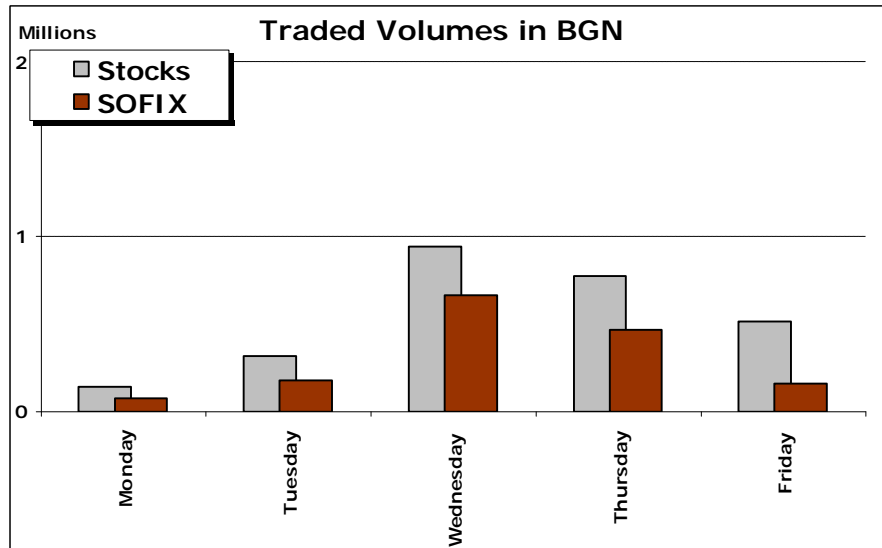


Market Trend



Nothing really happened on BSE during the first week for the year. Traded volumes were insignificant and investors were far away of the market. The gas crisis additionally weighted on the market as most of the companies will be hit. However, the sell orders were missing and the main indices stayed near the flat line on weekly basis. BG40 added 0.56%, whereas SOFIX lost 0.96% pushed down by most of its components.

Trading Activity



The overall volumes remained insignificant as most investors were in holiday mood and stayed aside of the market. Even usually liquid positions were traded in thin volumes. Compensatory notes attracted market's attention and were most actively traded during the week.

**SOFIX**

Stock	Last Price	Weekly Change	Bid	Ask
Albena	26.9	-2.58%	25.60	26.90
Bulgarian-American Credit Bank	11.809	-1.60%	11.75	11.88
Central Cooperative Bank	1.077	-4.69%	1.06	1.09
Chimimport	2.09	0.87%	2.08	2.10
Corporate Commercial Bank	70.33	8.17%	70.01	71.00
Elana Opportunity Land Fund	.921	3.14%	0.92	0.95
Enemona	8.589	22.98%	8.40	8.60
Euro Ins	2.71	-7.51%	2.71	2.97
First Investment Bank	2.363	-6.34%	2.32	2.35
Holding Roads	2.93	-6.98%	2.94	2.95
Industrial Holding Bulgaria	1.5	-6.07%	1.50	1.54
Kaolin	3.098	-8.21%	3.08	3.10
Lead and Zink Complex	6.72	-1.83%	6.89	6.99
M+S Hydraulic	3.62	-16.26%	3.65	3.90
Monbat	4.627	-2.26%	4.52	4.65
Neochim	37.465	-10.13%	36.89	37.50
Orgachim	82	-2.79%	82.00	85.00
Sopharma	2.226	-0.63%	2.23	2.25
Sparky Eltos	1.855	1.59%	1.88	0.00
Toplivo	5.561	-7.32%	5.55	5.80

Enemona (E4A) outperformed the market and added above 20% on weekly basis, driven by the news for the contract with the Ministry of Justice for the construction of administrative building at the total amount of above BGN 100 m. Investors supported the position and E4A almost hit BGN 9.00. Corporate Commercial Bank (6C9) also managed to sustain higher price levels despite the slight reverse at the end of the week. The gas crisis pushed down the shares of Neochim (3NB) as the natural gas set up above 80% of the total Neochim's costs.

**News**

- **06 January 2009:** Due to the fact that Bulgartransgas stopped the natural gas transmission on January 06, 2009 Neochim (3NB) started emergently taking out of operation its production capacities.
- **06 January 2009:** Euro Ins (51C) announced that during the recent capital increase procedure the majority shareholder Euroins Insurance Group (EIG) subscribed the maximum amount of shares of the new issue allowed by the law. Euroins Insurance Group subscribed 1 753 542 shares. The final day for subscription of shares from the capital increase is January 23, 2009.
- **07 January 2009:** Sopharma (3JR) reported that in December 2008, company's sales amounted around BGN 15 m. The preliminary sales for 2008 amounted BGN 167 m.
- **07 January 2009:** Sigma Consulting has acquired 100% of the registered capital of Cigarette Factory Plovdiv (4CV).
- **08 January 2009:** CCB Real Estate Fund REIT (5CK) announced that the company has effected a sale on December 29, 2008 for EUR 1.25 m of owned land in the town of Razgrad.
- **10 January 2009:** The GMS of Trace Group Hold (T57) took a decision for buying back of up to 3% of the capital at maximum price 75% of the daily average maximum price per share on the floor of the Exchange during 52 weeks preceding the date of redemption.

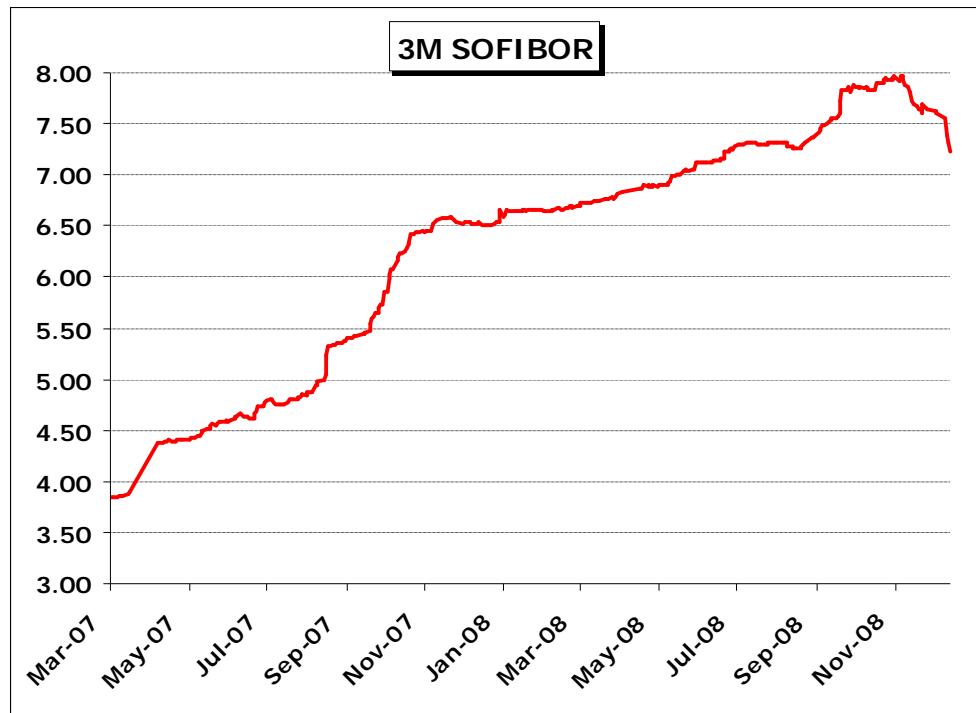
**Upcoming Events**

- **12 January 2009:** On Monday will be held the auction for the unused rights from the recent capital increase of Euro Ins (51C). Four rights allow the subscription of one new share with BGN 4 issue value.
- **15 January 2009:** The shares from the recent capital increase of Lomsko Pivo should be subscribed until Thursday.
- **18 January 2009:** The GMS of Albena (6AB) will vote a proposal for the sale of Albena's stake in Albena Invest Holding and the acquisition of 100% of the capital Intersky.

**Macro-economy**

- Bulgarian industrial production fell in November, led by the lower output in mining and quarrying as the demand weakened because of the global economic slowdown, Bloomberg reported. Production fell by 8.8% y-o-y. The decrease was the most since at least September 2002, according to Bloomberg data. Industrial sales shrank 11.5% on the year, after a revised 5.1% fall in October.
- Bulgarian National Bank announced that in the period January-November 2008 the Bulgarian banking sector made a profit of BGN 1.318 billion, or 25.8% more than the same period last year. The expectations are the profit to reach BGN 1.5 billion for the entire 2008.

**Bonds**



Source: Bloomberg

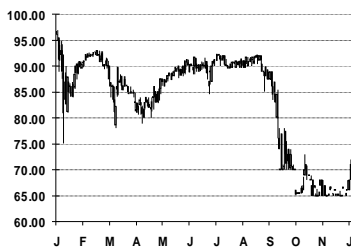
The money market continued to react positively to the improved conditions after the decrease of minimum required reserves from the central bank. The 3-month SOFIBOR fell significantly during the previous weeks. Factor for the continuing decline is also the maturing of bonds for BGN 180 million in January.

**WEEKLY HIGHLIGHTS**

**ALBENA /6AB/**



**CORPORATE COMMERCIAL BANK /6C9/**



**ENEMONA /E4A/**



**EURO INS /51C/**



**TRACE GROUP HOLD /T57/**



FINANCIAL SECTOR		Daily Average Price	Previous Close	Volume	Market Capitalization	Valuation Ratios (ttm)	
Company	Ticker	Price	Close			P/E	P/B
First Investment Bank	5F4	2.363	2.39	10054	259 930 000	5.12	0.72
Bulgarian American Credit Bank	5BN	11.809	12	560	149 085 378	2.54	0.83
CB Economic & Investment Bank	5EC	110.34	110.34	0	769 296 659	21.34	3.77
Central Cooperative Bank	4CF	1.077	1.08	2850	89 558 034	7.44	0.31
Corporate Commercial Bank	6C9	70.33	71	187	421 980 000	12.01	2.01
DZI Insurance & Reinsurance	6D5	188	188	0.00	725 680 000	n/a	2.49
Bulstrad Insurance & Reinsurance	4BI	42.36	47	34	83 618 640	84.98	1.85
Insurance Company Euro Ins	51C	2.71	2.71	0.00	27 099 978	n/a	1.49
Chimimport	6C4	2.09	2.105	6275	313 499 967	2.52	0.44
Eurohold Bulgaria	4EH	1.567	1.64	38926	97 933 796	0.89	0.50

INDUSTRIAL SECTOR		Daily Average Price	Previous Close	Volume	Market Capitalization	Valuation Ratios (ttm)	
Company	Ticker	Price	Close			P/E	P/B
Monbat	5MB	4.627	4.48	1960	180 453 000	6.47	1.72
Bulgarian River Shipping	5BR	2.5	2.5	0	72 396 688	11.85	1.63
Synergon Holding	6S7	2.039	2.08	25345	37 433 693	1.54	0.11
Industrial Holding Bulgaria	4ID	1.5	1.5	13015	65 635 100	4.58	0.33
Stara Planina Hold	5SR	1.807	1.804	977	37 947 000	5.38	0.67
Odessos	5ODE	116.49	113	13	68 337 927	5.16	1.27
M+S Hydraulic	5MH	3.62	3.62	0	47 126 608	7.3	1.25
Albena Holding	5ALB	3.989	3.8	5	21 939 500	69.87	0.14
Moststroy	5MY	3.253	3.15	400	3 626 900	0.49	0.28
Doverie United Holding	5DOV	5.117	5.2	350	67 287 772	8.73	0.51
Emka	57E	1.21	1.1	25	13 010 994	7.24	0.70
Hydraulic Elements & Systems	4HE	3.896	3.86	53	11 813 810	4.2	0.52

BASIC MATERIALS SECTOR		Daily Average Price	Previous Close	Volume	Market Capitalization	Valuation Ratios (ttm)	
Company	Ticker	Price	Close			P/E	P/B
Druzha Staklarski Zavodi	4DR	n/a	4	0.00	26 758 248	0.96	0.14
Lead and Zink Complex	5OTZ	6.72	6.9	215	56 537 779	n/a	0.98
Kaolin	6K1	3.098	3.081	170	77 450 000	7.13	0.65
Kremikovtzi	4KW	n/a	1.15	0.00	21 295 177	n/a	n/a
Alcomet	6AM	n/a	2.012	0.00	36 121 354	12.91	0.51
Svilosa	3MZ	n/a	1	0.00	31 754 944	n/a	0.70
Orgachim	5ORG	82	82	10	41 230 830	n/a	0.57
Neochim	3NB	37.465	37	15	99 445 522	1.74	0.75
Biovet	53B	3.167	3.3	220	21 482 958	109.05	0.37
Fazerles	4F6	38	40	25	19 570 000	3.26	0.89
Polimeri	51P	n/a	1.779	0.00	9 472 309	n/a	0.04
Kauchuk	4KU	n/a	42	0	39 567 822	57.34	1.71

CYCLICAL CONSUMER SECTOR		Daily Average Price	Previous Close	Volume	Market Capitalization	Valuation Ratios (ttm)	
Company	Ticker	Price	Close			P/E	P/B
Albena	6AB	26.9	27.4	20	114 947 089	7	0.41
T oplivo	3TV	5.561	5.6	4815	30 122 986	3.03	0.22
Zlatni Pyasatsi	3ZL	n/a	3	0	19 480 731	4.24	0.18
Katex	5KTE	2.681	2.6	294	6 551 399	n/a	0.09
Slanchev Bryag	3JL	n/a	3.887	0	7 610 000	n/a	0.08
Pamporovo	4PN	n/a	2.99	0	7 532 700	n/a	0.33
SS Konstantine And Elena Holding	3NJ	n/a	13.45	0	31 063 595	15.32	1.54

ENERGY SECTOR		Daily Average Price	Previous Close	Volume	Market Capitalization	Valuation Ratios (ttm)	
Company	Ticker	Price	Close			P/E	P/B
Petrol	5PET	10.594	10.09	3	1 157 390 390	5.04	3.95
Oil & Gas Exploration & Production	4O1	3.4	3.3	500	41 575 411	6.51	0.76

OTHER		Daily Average Price	Previous Close	Volume	Market Capitalization	Valuation Ratios (ttm)	
Company	Ticker	Price	Close			P/E	P/B
Bulgarian Telecommunication Company	5BT	n/a	5.01	0.00	3 392 986 870	26.11	2.84
Sopharma	3JR	7.13	7.12	12700	941 160 000	33.2	4.81
Blagoevgrad BT	55B	32.499	32	1517	154 076 708	10.43	0.80

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<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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