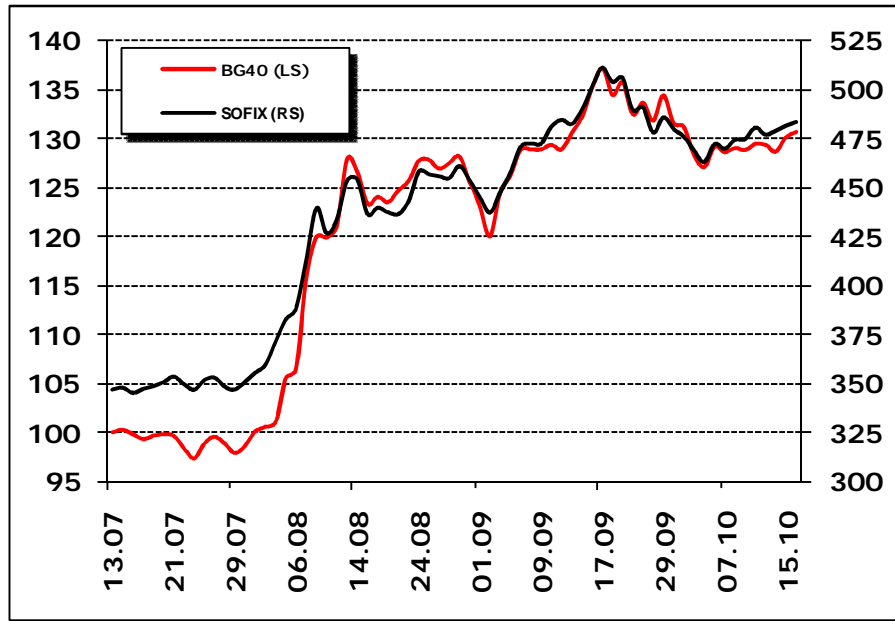
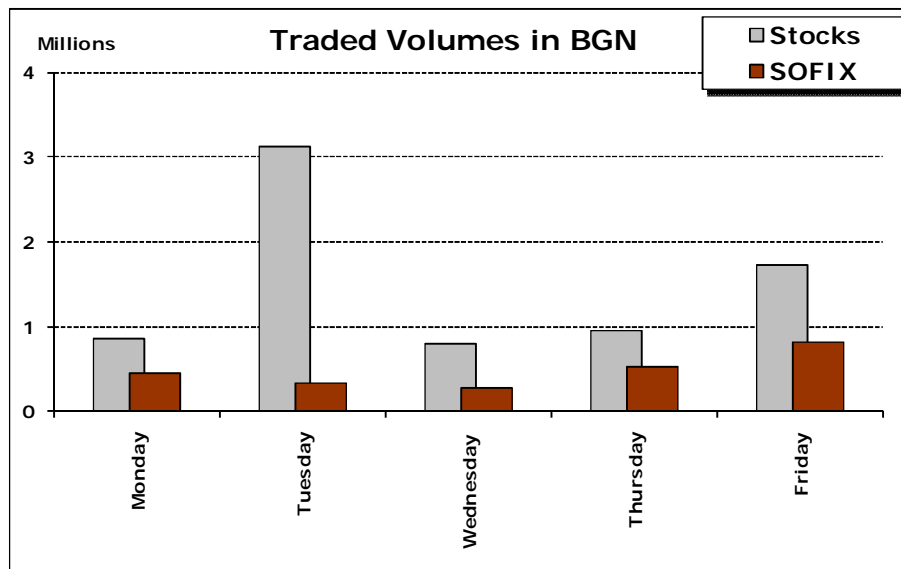


Market Trend



The main indices kept the positive direction and closed the week in the green. The daily volatility was low and liquid shares remained in the current tight range and we didn't see any sharp price movements. The buyers were more active but the main reason for the absence of any significant selling pressure was the positive trend of international markets. The demand from large investors was low. However, the supply was even lower and the price action was determinate only by the individual investors.

Trading Activity



The total volumes were around BGN 1 million and the number of deals continued to decrease. On Tuesday block deal with Balkan Progetti management (59W) supported the turnover as 18% of the company's capital changed hands at BGN 110.00 per share. On Friday Sopharma (3JR) set up 25% from the turnover. BSE lagged behind the international markets as the correlation weakened. The trading could become more active after the announcement of the 3Q reports at the end of the month.

SOFIX

Stock	Last Price	Weekly Change	Bid	Ask
Albena	38.231	-2.09%	38.00	41.50
Bulgarian-American Credit Bank	19.721	4.07%	19.51	20.00
Central Cooperative Bank	1.528	6.26%	1.53	1.53
Chimimport	2.57	4.64%	2.56	2.58
Corporate Commercial Bank	58.99	5.71%	58.00	58.99
Elana Opportunity Land Fund	.933	0.54%	0.94	0.97
Enemona	11.988	6.98%	12.00	12.10
Eurohold Bulgaria	1.596	11.84%	1.59	1.60
First Investment Bank	2.952	3.22%	2.95	2.95
Holding Roads	3.375	-0.18%	3.37	3.39
Industrial Holding Bulgaria	2.175	3.37%	2.15	2.17
Kaolin	6.189	13.08%	6.19	6.21
Lead and Zink Complex	15.57	6.06%	15.57	15.58
M+S Hydraulic	5.945	-2.54%	5.72	6.00
Monbat	7.299	1.11%	7.25	7.39
Neochim	36.8	1.35%	36.55	38.00
Orgachim	96.943	0.29%	95.80	97.94
Sopharma	4.26	3.27%	4.25	4.28
Sparky Eltos	2.23	5.69%	2.13	0.00
Trace Group Hold	76	-1.44%	76.40	76.98

On Friday Enemona (E4A) announced the parameters for the forthcoming preferred shares emission. Almost 6 million shares will be issued and will be converted at the end of the seventh year to common shares at 1:1 ratio. The issue price is BGN 9.92 per share and the guaranteed annual cumulative dividend is 10% from the issue price. The news probably will have short-lived influence over the position on Monday. Kaolin (K1) outperformed the main index during the week and easily breached the key level of BGN 6.00 on October, 12 and managed to sustain the price in moderate volumes. Eurohold Bulgaria (4EH) also increased after the news for the sale of its subsidiary, followed by Central Cooperative Bank (4CF).

News

- **12 October 2009:** Eurohold Bulgaria (4EH) sold on October 09, 2009 100% of its participation in the subsidiary Auto Union Center. The transaction amounts EUR 27.3 million in total, and part of the funds will be spent by the repayment of a credit of EUR 16.8 million.
- **14 October 2009:** On 05 October 2009, Trace Group Hold (T57) signed with the Ministry of Environment and Water an agreement for construction of the second stage of Sofia Water Cycle, an integrated water project for construction of water pipelines and sewage collectors. The agreement is to the amount of EUR 9.9 million, funded by the EU and the Republic of Bulgaria. The period for completing this stage of the project is 29 months.
- **16 October 2009:** The Board of Directors of Enemona (E4A) adopted the final parameters of the preferred shares emission. The amount of the issue is up to 5 966 800 shares at BGN 9.92 issuing price. Every share entitles its owner to a guaranteed cumulative dividend in the amount of 10% of its issuing value i.e. of BGN 0.992. Date of conversion is the date after the expiry of seven calendar years as of the date of registration with the Central Depository.

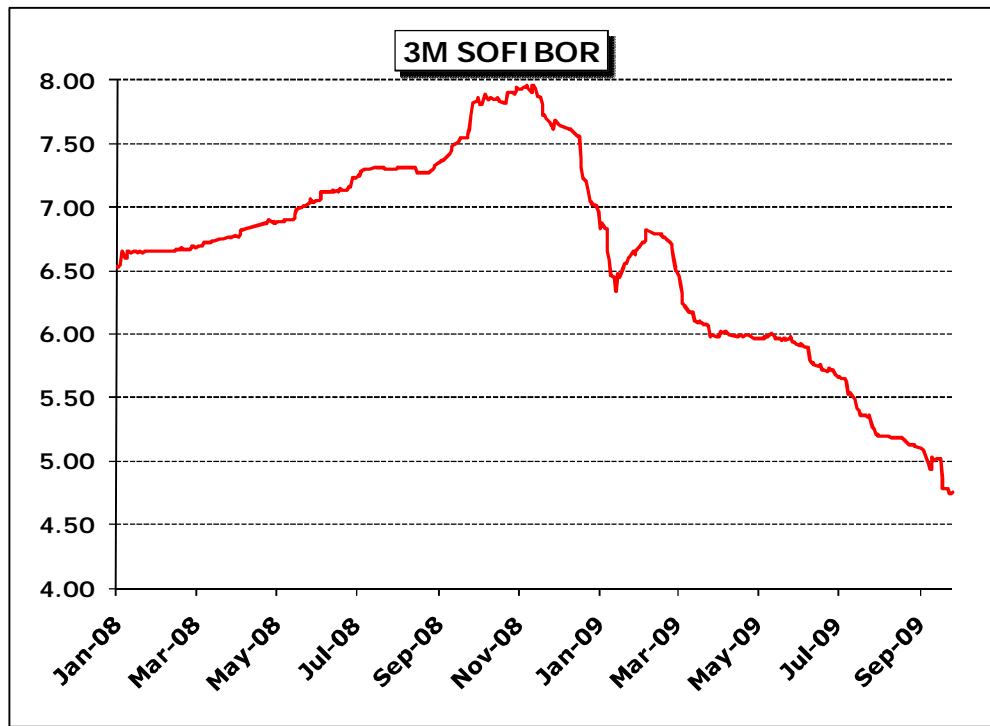
Upcoming Events

- No major corporate news are expected.

Macro-economy

- The annual inflation rate decelerated to 0.2% in September as the monthly figure was unchanged.
- The trade deficit decreased again in August, the National statistic announced. The monthly trade deficit shrunk 54% whereas from the beginning of the year the decline is 44%.

Bond Market



Source: Bloomberg

The 3-month SOFIBOR remained stable last week. However, the reports from the Central bank and comments of leading Bulgarian bankers are showing growing concerns about the bad loans and we can expect that credit conditions will remain too tight.

WEEKLY HIGHLIGHTS

CORPORATE COMMERCIAL BANK /6C9/



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	2.952	2.94	4593	324 500 000	7.07	0.82
Bulgarian American Credit Bank	5BN	19.721	19.8	610	246 308 385	5.27	1.17
CB Economic & Investment Bank	5EC	110.34	110.34	0	769 296 659	40.46	3.63
Central Cooperative Bank	4CF	1.528	1.55	17174	126 395 740	5.69	0.53
Corporate Commercial Bank	6C9	58.99	58.99	0	353 940 000	7.22	1.45
DZI Insurance & Reinsurance	6D5	155	155	0	598 300 000	n/a	2.05
Bulstrad Insurance & Reinsurance	4BI	47	47	0	92 778 000	94.29	2.05
Insurance Company Euro Ins	5IC	1.907	1.89	1593	18 699 985	n/a	1.28
Chimimport	6C4	2.57	2.568	6941	383 999 959	2.95	0.44
Eurohold Bulgaria	4EH	1.596	1.575	14338	99 996 218	n/a	0.57

DEVIN /6D3/



INDUSTRIAL SECTOR		Daily Average Price	Previous Close	Volume	Market Capitalization	Valuation Ratios (ttm)	
Company	Ticker	Price	Close			P/E	P/B
Monbat	5MB	7.299	7.18	360	282 830 080	14.27	2.61
Bulgarian River Shipping	5BR	2.068	2.005	750	61 392 391	9.88	1.34
Synergon Holding	6S7	2.541	2.465	2007	47 182 242	3.37	0.15
Industrial Holding Bulgaria	4ID	2.175	2.15	2181	94 952 111	7.97	0.47
Stara Planina Hold	5SR	2	2	700	42 000 000	21.15	0.84
Odessos	5ODE	119	119	11	69 810 398	5.92	1.15
M+S Hydraulic	5MH	5.945	5.95	100	77 459 480	13.7	1.96
Albena Holding	5ALB	6.304	6.052	185	35 200 000	19.52	0.39
Moststroy	5MY	4.699	4.69	420	26 201 090	n/a	2.43
Doverie United Holding	5DOV	4.004	3.94	1375	52 730 890	n/a	0.40
Emka	57E	2.262	2.25	236	24 193 998	n/a	1.39
Hydraulic Elements & Systems	4HE	5.1	5.1	0	15 464 689	26.57	0.67

ENEMONA /E4A/



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	5	0.00	33 447 810	1.08	0.18
Lead and Zink Complex	5OTZ	15.57	15.579	223	131 080 149	n/a	2.53
Kaolin	6K1	6.189	6.22	1674	150 000 000	20.22	1.32
Kremikovtzi	4KW	.302	.33	500	5 555 264	n/a	n/a
Alcomet	6AM	n/a	3.23	0.00	57 988 058	n/a	0.93
Svilosa	3MZ	n/a	.88	0.00	27 944 351	n/a	0.82
Orgachim	5ORG	96.943	97	125	47 918 270	n/a	0.82
Neochim	3NB	36.8	37	1500	97 680 374	4.94	0.83
Biovet	53B	5.878	5.999	280	41 989 110	69.4	0.72
Fazerles	4F6	44.496	44.3	176	23 175 000	8.53	1.06
Polimeri	51P	n/a	1.98	0.00	10 542 536	23.32	0.05
Kauchuk	4KU	n/a	34.5	0.00	32 502 140	47.1	1.40

EUROHOLD BULGARIA /4EH/



CYCLICAL CONSUMER SECTOR		Daily Average Price	Previous Close	Volume	Market Capitalization	Valuation Ratios (ttm)	
Company	Ticker	Price	Close			P/E	P/B
Albena	6AB	38.231	40	3094	177 334 729	6	0.60
Toplivo	3TV	n/a	5.597	0	30 334 242	13.4	0.24
Zlatni Pyasatsi	3ZL	n/a	4	0	25 974 308	5.98	0.23
Katex	5KTE	3.6	3.61	831	8 797 104	1759.42	0.12
Slanchev Bryag	3JL	n/a	6.498	0	12 725 752	n/a	0.14
Pamporovo	4PN	n/a	3.69	0	4 304 400	n/a	0.19
SS Konstantine And Elena Holding	3NJ	11.01	12	15	25 428 267	12.54	1.26

KAOLIN /6K1/



ENERGY SECTOR		Daily Average Price	Previous Close	Volume	Market Capitalization	Valuation Ratios (ttm)	
Company	Ticker	Price	Close			P/E	P/B
Petrol	5PET	5	5.1	80	546 248 060	2.66	18.51
Oil & Gas Exploration & Production	4O1	3.25	3.27	20	39 741 202	5.11	0.67

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	3.597	0.00	1 039 553 424	24.94	1.52
Sopharma	3JR	4.26	4.27	103843	561 000 000	26.2	2.47
Blagoevgrad BT	55B	40	42.2	20	108 105 040	6.38	0.54

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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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