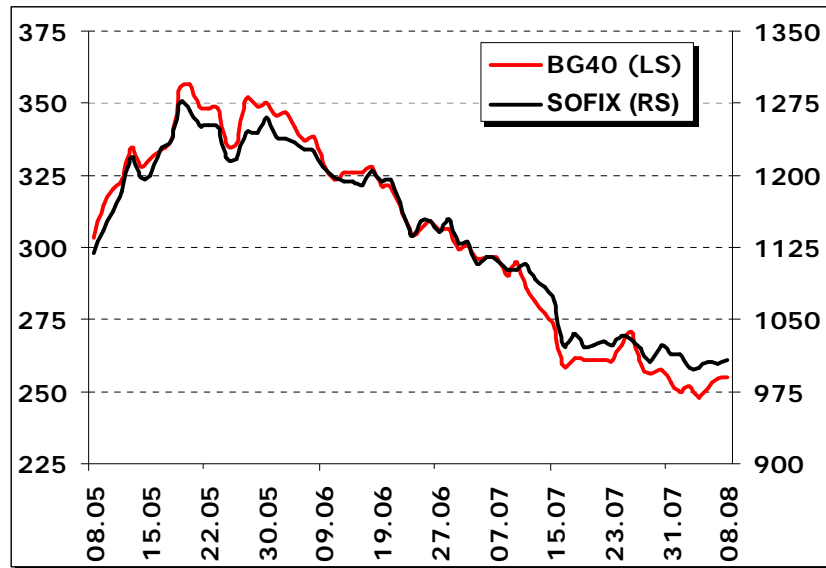
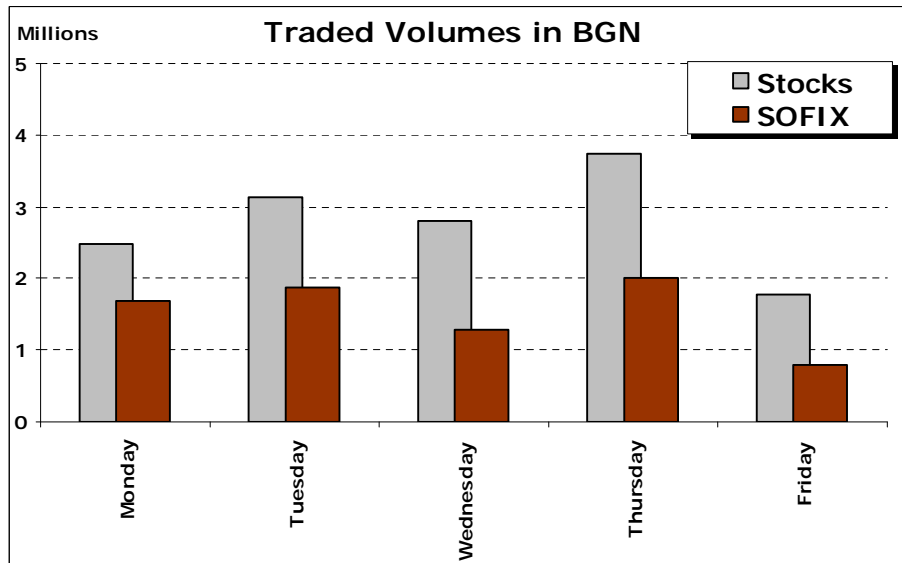


Market Trend



BG40 outperformed during the week supported mainly by Orgachim (5ORG), whereas SOFIX closed in the red but only 0.35% down. The paint producer started the week around BGN 170.00 and closed at BGN 182.00 in moderate volumes. The level of 1 000 points provided support of the main index, despite the slight predomination of the negative moods. The summer lethargy obsessed the market and is less probable to see significant rally or deeper losses in short term as even 1H non-consolidated reports couldn't influence the market.

Trading Activity



Overall activity remained subdued and most of the deals were for small amounts. 52% from the orders were placed through the on-line system COBOS and the speculators remained the main market drivers but we saw some institutional investors' movement. On Thursday several large deals with Corporate Commercial Bank (6C9) improved the turnover.

SOFIX

Stock	Last Price	Weekly Change	Bid	Ask
Albena	66.726	6.50%	62.50	66.00
Bulgarian-American Credit Bank	59.999	-1.22%	57.03	60.00
Central Cooperative Bank	3.583	-0.33%	3.56	3.60
Chimimport	8.073	2.53%	8.00	8.12
Corporate Commercial Bank	89.658	-2.47%	89.80	90.50
Elana Opportunity Land Fund	1.903	-4.85%	1.88	1.91
Euro Ins	7.05	2.22%	7.00	7.28
First Investment Bank	5.753	-0.16%	5.75	5.79
Holding Roads	15.976	0.38%	15.87	16.50
Industrial Holding Bulgaria	5.919	-1.33%	5.98	6.04
Kaolin	7.37	-1.13%	7.31	7.40
Lead and Zink Complex	29.97	0.33%	30.00	30.15
M+S Hydraulic	6.8	0.24%	6.62	6.65
Monbat	10.612	-1.50%	10.55	10.70
Neochim	76	1.63%	75.40	76.36
Orgachim	182	8.25%	180.00	187.00
Sopharma	4.6	-1.46%	4.52	4.60
Sparky Eltos	8	-0.83%	7.70	8.00
Toplivo	15.01	-0.85%	15.20	15.30

Orgachim (5ORG) outperformed SOFIX's components, followed by Albena (6AB). 6AB was subject of volatile trading and managed to close at BGN 69.00. The non-consolidated 1H 2008 report wasn't very good but the summer season is seasonally strongest for the company and we expect improved 3Q financial results. The banking sector remained under pressure. The battery producer Monbat (5MB) declined as the new shares from the recent capital increase were registered for trading. The repurchasing of up to 0.29% of 5MB's capital probably supported the price.

News

- **04 August 2008:** Severcoop Gamza Holding (6S4) has submitted its corrected 2007 annual consolidated report.
- **05 August 2008:** The GMS of Slantze Stara Zagora Tabac (3JO) decided the 2007 profit of BGN 3 m to be use for covering of accumulated loss of BGN 1.5 m and the rest of the profit to be set aside to the company's reserves. The shareholders authorised persons to negotiate and sign a contract with Bulgartabac Holding AD (57B) and to sell to 57B a minority package of 487 000 shares representing 21.20% of the registered capital of Bulgartabac-Trading AD, held by 3JO.
- **05 August 2008:** Neochim (3NB) appointed an extraordinary GMS on September 26, 2008. Voting right will have all shareholders registered in the Central Depository by September 12, 2008.
- **07 August 2008:** Cigarette Factory Plovdiv (4CV) has appointed an extraordinary GMS on September 30, 2008. Voting right will have all shareholders registered in the Central Depository by September 16, 2008.

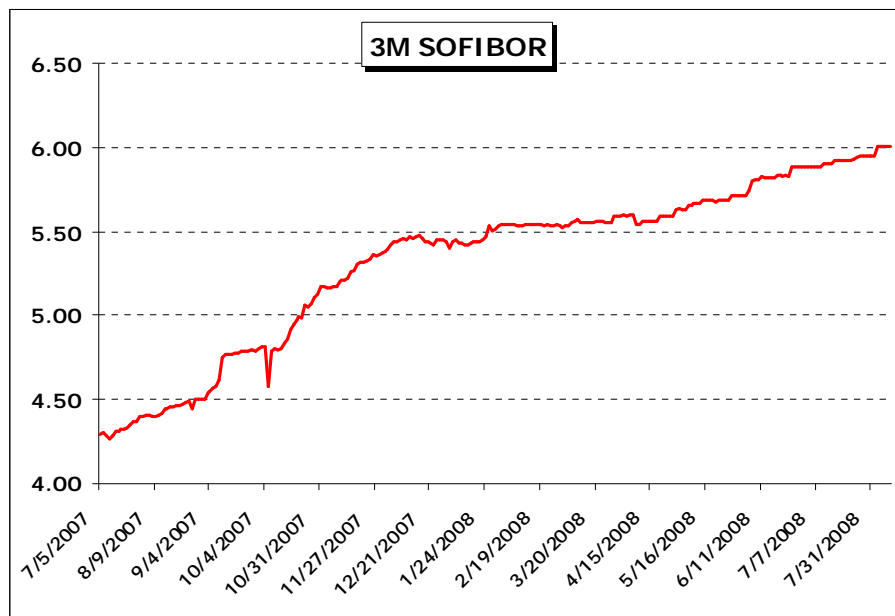
**Upcoming Events**

- **11 August 2008:** Bulgarian Stock Exchange (BSE) and Black Sea Investment REIT (6B4) will start dividend payment. BSE will pay its shareholders BGN 0.4025 gross dividend per share and the REIT will distribute BGN 0.3675 dividend per share.
- **15 August 2008:** The trading with the rights issued in accordance with the capital increase of Advance Terrafund REIT (6A6) will start on Thursday. The REIT will raise its capital from BGN 44.05 m to BGN 110.14 m through the issuing of 66.08 m new shares at BGN 1.90.
- **15 August 2008:** The last day for dividend payment of M+S Hydraulic (5MH). The company will distribute BGN 0.0947 dividend per share.

**Macro-economy**

- The Republican Budget's revenues amounts BGN 14 billion for the first half of the year, which is increase by 24.7% (BGN 2.7 billion) as compared to the same period last year. The revenues from taxes improved by 21.9% y-o-y.
- The total net amount of assets accumulated by pension funds in Bulgaria amounted BGN 2.39 billion (EUR 1.22 billion) on June 30, which is an increase of 29.05% compared with the same period a last year. Net assets were up by 3.09% year to date, while those of voluntary and professional assets decreased by 8.96% and 2.76% respectively.

**Bonds**



The tight money market received another confirmation by the rising interbank rates. 3-month SOFIBOR moved above the level of 6%.

**WEEKLY HIGHLIGHTS**

**CHIMIMPORT /6C4/**



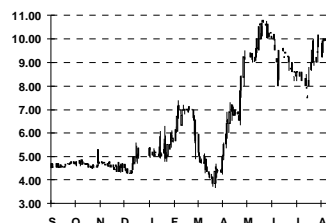
**EURO INS /5IC/**



**ORGACHIM /5ORG/**



**PETROL /5PET/**



**SOPHARMA /3JR/**



FINANCIAL SECTOR		Daily Average Price	Previous Close	Volume	Market Capitalization	Valuation Ratios (ttm)	
Company	Ticker					P/E	P/B
First Investment Bank	5F4	5.753	5.78	22524	632 830 000	11.55	1.81
Bulgarian American Credit Bank	5BN	59.999	59.999	0	757 470 875	12.76	4.52
CB Economic & Investment Bank	5EC	110.34	110.34	0	769 296 659	21.34	3.77
Central Cooperative Bank	4CF	3.583	3.585	5172	297 944 695	16.69	0.98
Corporate Commercial Bank	6C9	89.658	89.51	2283	537 948 000	16.56	2.86
DZI Insurance & Reinsurance	6D5	122.5	122.5	0.00	472 850 000	n/a	1.62
Bulstrad Insurance & Reinsurance	4BI	149.924	149	37	295 949 976	300.76	6.54
Insurance Company Euro Ins	5IC	7.05	7.004	565	70 499 944	22.70	3.33
Chimimport	6C4	8.073	7.945	21339	1 210 949 871	9.34	1.83
Eurohold Bulgaria	4EH	4.593	4.58	1810	287 051 642	2.35	1.42

INDUSTRIAL SECTOR		Daily Average Price	Previous Close	Volume	Market Capitalization	Valuation Ratios (ttm)	
Company	Ticker					P/E	P/B
Monbat	5MB	10.612	10.735	4474	413 868 000	17.5	4.25
Bulgarian River Shipping	5BR	4.145	4	500	120 033 708	32.03	3.10
Synergon Holding	6S7	6.351	6.68	90185	116 597 050	9.96	0.38
Industrial Holding Bulgaria	4ID	5.919	5.9	4640	258 996 103	20.29	5.92
Stara Planina Hold	5SR	4.239	4.3	875	89 019 000	9.92	1.65
Odessos	5ODE	241.05	244	38	141 410 054	15.77	2.63
M+S Hydraulic	5MH	6.8	6.8	0	88 525 120	18.4	2.51
Albena Holding	5ALB	9.172	9.22	628	50 446 000	4.76	0.33
Moststroy	5MY	20.167	20.217	897	22 484 995	3.01	1.75
Doverie United Holding	5DOV	5.198	5.163	920	68 352 910	6.08	0.54
Emka	57E	3.6	3.6	0	19 355 198	8.41	1.07
Hydraulic Elements & Systems	4HE	18	18	0	54 581 256	19.42	2.41

BASIC MATERIALS SECTOR		Daily Average Price	Previous Close	Volume	Market Capitalization	Valuation Ratios (ttm)	
Company	Ticker					P/E	P/B
Druzha Staklarski Zavodi	4DR	8.8	11	10	58 868 146	2.1	0.34
Lead and Zink Complex	5OTZ	29.97	29.85	602	252 148 399	175.96	3.63
Kaolin	6K1	7.37	7.45	760	184 250 000	10.16	1.59
Kremikovtzi	4KW	1.94	1.87	1529	35 924 037	n/a	n/a
Alcomet	6AM	5.005	5.15	8578	89 854 560	50.51	1.30
Svilosa	3MZ	n/a	2.97	0.00	94 312 184	n/a	1.93
Orgachim	5ORG	n/a	182	0	91 512 330	50.23	1.26
Neochim	3NB	76	76	1488	201 731 208	5.8	1.72
Biovet	53B	7.713	8.235	235	52 320 195	264.24	0.90
Fazerles	4F6	135.601	139.9	5	69 834 515	11.81	3.38
Polimeri	51P	3.664	3.7	1230	19 509 016	n/a	0.09
Kauchuk	4KU	n/a	36	0	33 915 276	49.15	1.46

CYCLICAL CONSUMER SECTOR		Daily Average Price	Previous Close	Volume	Market Capitalization	Valuation Ratios (ttm)	
Company	Ticker					P/E	P/B
Albena	6AB	66.726	63	86	285 128 605	13	1.00
Toplivo	3TV	15.01	15.4	51	81 306 603	13.35	0.61
Zlatni Pyasatsi	3ZL	7.001	8.5	40	45 461 533	n/a	0.47
Katex	5KTE	n/a	6.2	0	15 150 568	1.04	0.20
Slanchev Bryag	3JL	9	10.99	140	17 620 272	n/a	0.19
Pamporovo	4PN	n/a	3	0	12 428 955	n/a	0.54
SS Konstantine And Elena Holding	3NJ	24	20	2	55 429 464	27.33	2.76

ENERGY SECTOR		Daily Average Price	Previous Close	Volume	Market Capitalization	Valuation Ratios (ttm)	
Company	Ticker					P/E	P/B
Petrol	5PET	9.937	9.9	270	1 085 613 394	n/a	11.36
Oil & Gas Exploration & Production	4O1	7.006	7	750	85 669 802	13.57	1.76

OTHER		Daily Average Price	Previous Close	Volume	Market Capitalization	Valuation Ratios (ttm)	
Company	Ticker					P/E	P/B
Bulgarian Telecommunication Company	5BT	n/a	8.5	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	68	68	100	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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