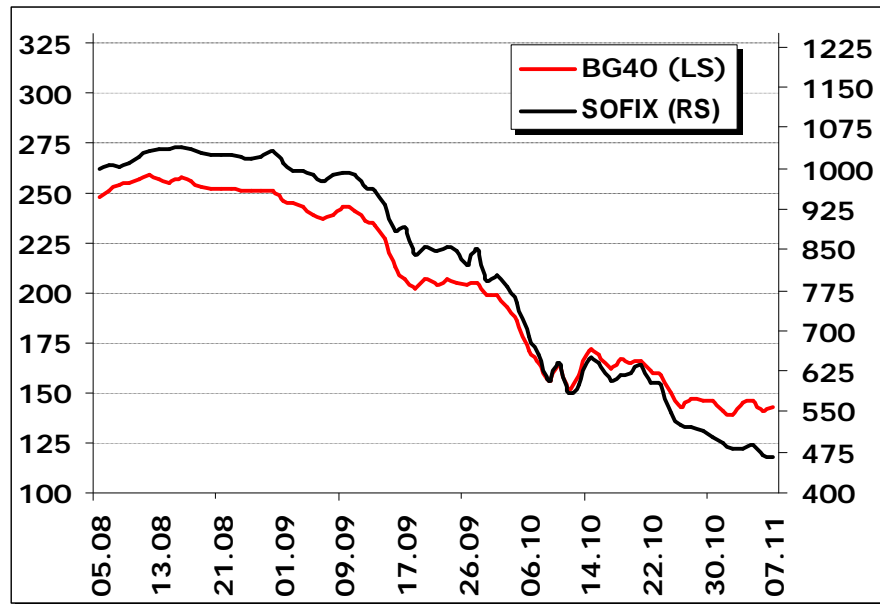
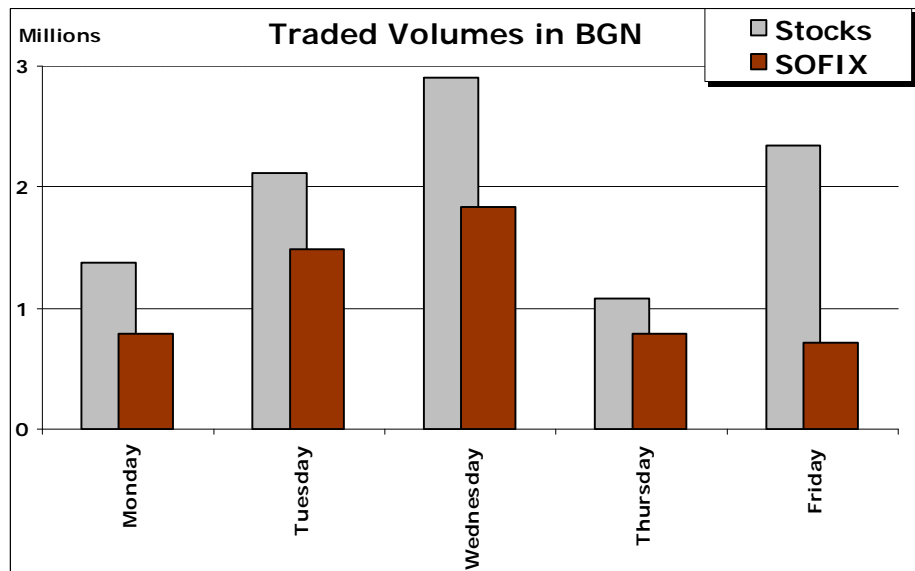


Market Trend



The lack of buyers, the international markets and the increased liquidity of Holding Roads (6H2) drove the Bulgarian market during the week. SOFIX remained below 500 points in low volumes and the trailing P/E ratio of the market improved to 6. Most positions look attractive at current price levels but the buyers remained cautious and stayed aside of the market or placed buy orders with discount. The closing of REPO deals also weighted on the market.

Trading Activity



The overall activity was subdued more than usual. The turnover on Thursday was BGN 1 m and Central Cooperative Bank (4CF) set up 25% of it. Holding Roads (6H2) settled among the most traded positions after the new shares were listed for trading. However, the investors' enthusiasm remained near zero temperature.

SOFIX

Stock	Last Price	Weekly Change	Bid	Ask
Albena	36.268	0.66%	36.00	38.90
Bulgarian-American Credit Bank	17.724	-2.43%	17.65	18.00
Central Cooperative Bank	1.259	-1.87%	1.23	1.26
Chimimport	2.92	5.34%	2.92	2.97
Corporate Commercial Bank	68.35	3.99%	68.00	70.50
Elana Opportunity Land Fund	1.12	2.75%	1.09	1.12
Enemona	7.396	-2.01%	7.35	7.42
Euro Ins	2.962	-3.86%	3.01	3.15
First Investment Bank	3.777	-1.20%	3.75	3.78
Holding Roads	3.99	-50.11%	4.01	4.05
Industrial Holding Bulgaria	2.563	-12.11%	2.55	2.64
Kaolin	3.879	-3.56%	3.90	3.94
Lead and Zink Complex	11.371	-2.38%	11.45	11.48
M+S Hydraulic	5.362	-2.67%	5.44	5.44
Monbat	6.093	1.41%	6.05	6.13
Neochim	65.019	-4.81%	64.79	66.00
Orgachim	97.182	1.37%	95.00	97.45
Sopharma	2.111	-2.27%	2.12	2.15
Sparky Eltos	3.746	3.54%	3.62	3.90
Toplivo	7.824	-2.88%	7.70	7.99

Holding Roads (6H2) was the worst performer among SOFIX's components. The new shares of the infrastructure company were listed for trading on Tuesday and begun the session with decrease of 50% (at BGN 3.50) as compared to the last session but rapidly soared and breached the level of BGN 5.00. Until Friday the share settled around BGN 4.00. Orgachim (5ORG) swung between positive and negative territory after the lower non-consolidated net profit.

News

- **03 November 2008:** Neochim (3NB) appointed an extraordinary GMS on December 19, 2008 with main item in the agenda changes within the management bodies of the company. Voting right will have all shareholders registered in the Central Depository by December 05, 2008.
- **04 November 2008:** Monbat (5MB) announced that for the period October 27 - October 31 the company bought back 44 300 own shares at average price of BGN 6.10 per share.
- **05 November 2008:** Industrial Holding Bulgaria (4ID) has appointed its first GMS of Bondholders on November 20, 2008 with main items in the agenda election of a representative of the bondholders and fixing of remuneration of the bondholders' representative.
- **05 November 2008:** Sopharma (3JR) announced 6% sales growth in October as compared to the same month of 2007, which includes 24% growth of the domestic sales and 2% decline on the export. The sales for the first nine months of 2008 increased by 9%, including an increase of 22% from export. The company has not registered a sales' growth on the domestic market in that period mainly due to the reconstruction of the ampoule production as well as to the situation on the pharmaceutical market in Bulgaria.

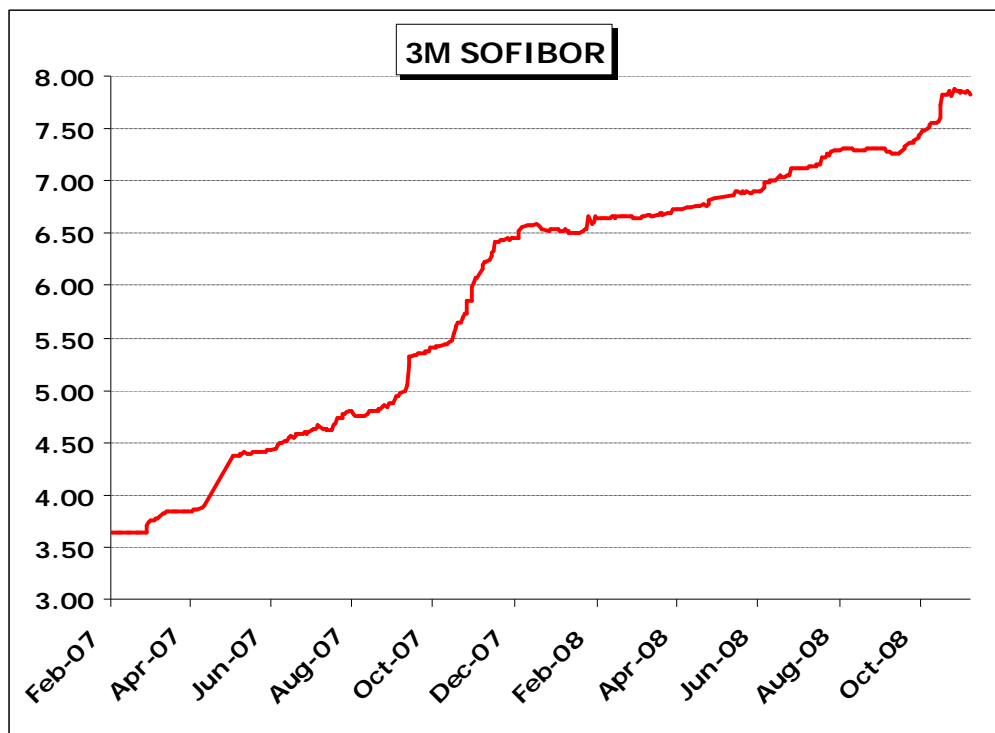
Upcoming Events

- **11 November 2008:** Tuesday is the last day for trading the rights for the recent capital increase of Holding Varna (5V2). The company plans to rise its capital from BGN 2.1 m to BGN 5.23 m through issuing of new shares with BGN 22 issue value each. The auction for the unused rights is scheduled for November 18, and the deadline for the subscription of the new shares is December 3.
- **12 November 2008:** The last day for deals with Euro Ins (5IC), this will enable participation in the upcoming GMS of the insurance company. The shareholders will decide for increasing the capital from BGN 10 m to BGN 12.5 m through issuing of 2.5 m shares with BGN 4 issue value per share.

Macro-economy

- According to the national statistic the consumer confidence indicator kept its level from three months before (-38.5%). The assessments regarding the set-in changes in the financial situation of households in the last 12 months as well as expectations for the next 12 months improved, as the increase of balance indicators compared to the previous (July) survey was 5.2 and 3.3 percentage points respectively.
- Retail sales increased 3% y-o-y during September; mainly due to the auto sales that jumped 14.3%. However, on monthly basis the increase is 0.6% and the auto sales are falling 0.2%.
- The industrial production jumped 7.1% during September as the manufacturing production soared 8.1%, following the huge drop in August.

Bonds



Source: Bloomberg

The three months overnight rate was unchanged last week. It remains a clear sign that the interbank money market is tight. On Monday is the auction for 10-year treasury notes that will show the current demand.

WEEKLY HIGHLIGHTS

CHIMIMPORT /6C4/



HOLDING ROADS /6H2/



MONBAT /5MB/



PETROL /5PET/



SOPHARMA /3JR/



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	3.777	3.75	5453	415 470 000	8.19	1.15
Bulgarian American Credit Bank	5BN	17.724	18.888	5080	223 760 626	3.81	1.24
CB Economic & Investment Bank	5EC	110.34	110.34	0	769 296 659	21.34	3.77
Central Cooperative Bank	4CF	1.259	1.314	101548	104 692 261	8.69	0.36
Corporate Commercial Bank	6C9	68.35	71	3215	410 100 000	11.67	1.95
DZI Insurance & Reinsurance	6D5	188	188	0.00	725 680 000	n/a	2.49
Bulstrad Insurance & Reinsurance	4BI	53	53.2	1	104 622 000	106.32	2.31
Insurance Company Euro Ins	5IC	2.962	3.035	1630	29 619 976	n/a	1.63
Chimimport	6C4	2.92	2.9	9401	437 999 953	3.51	0.63
Eurohold Bulgaria	4EH	2.171	2.23	4239	135 682 368	1.15	0.67

INDUSTRIAL SECTOR		Daily Average Price	Previous Close	Volume	Market Capitalization	Valuation Ratios (ttm)	
Company	Ticker	Price	Close			P/E	P/B
Monbat	5MB	6.093	6.151	15271	237 627 000	9.37	2.40
Bulgarian River Shipping	5BR	2.389	2.389	0	69 182 275	13.53	1.62
Synergon Holding	6S7	2.795	2.8	211	51 312 983	5.46	0.17
Industrial Holding Bulgaria	4ID	2.563	2.65	7555	112 148 507	8.4	0.57
Stara Planina Hold	5SR	2.15	2.15	0	45 150 000	5.62	0.83
Odessos	5ODE	153.832	146	8	90 244 312	6.82	1.68
M+S Hydraulic	5MH	5.362	5	334	69 804 661	14.51	1.98
Albena Holding	5ALB	5.3	5.3	0	29 150 000	2.88	0.19
Moststroy	5MY	6.049	6.3	310	6 744 272	0.9	0.52
Doverie United Holding	5DOV	7.319	7.5	1725	96 243 738	7.9	0.70
Emka	57E	2.317	2.25	800	24 914 441	10.82	1.38
Hydraulic Elements & Systems	4HE	5.4	5.501	50	16 374 377	5.83	0.72

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	5.8	5.8	390	38 799 460	1.38	0.23
Lead and Zink Complex	5OTZ	11.371	11.498	685	95 668 317	66.76	1.38
Kaolin	6K1	3.879	3.86	650	96 975 000	8.65	0.86
Kremikovtzi	4KW	1.073	1	2050	19 869 326	n/a	n/a
Alcomet	6AM	3.11	3.05	500	55 833 702	19.95	0.79
Svilosa	3MZ	n/a	1.25	0.00	39 693 680	n/a	0.88
Orgachim	5ORG	97.182	95	52	48 864 567	26.85	0.68
Neochim	3NB	65.019	65.73	27	172 583 703	3.08	1.32
Biovet	53B	5.354	5.77	359	36 318 206	165.08	0.63
Fazerles	4F6	62.796	66.777	191	32 339 940	5.39	1.47
Polimeri	51P	n/a	2.18	0.00	11 607 438	n/a	0.05
Kauchuk	4KU	35.5	35.95	5	33 444 231	48.47	1.44

CYCLICAL CONSUMER SECTOR		Daily Average Price	Previous Close	Volume	Market Capitalization	Valuation Ratios (ttm)	
Company	Ticker	Price	Close			P/E	P/B
Albena	6AB	36.268	40	11	154 977 734	7	0.54
T oplivo	3TV	7.824	8.04	710	42 381 270	4.26	0.31
Zlatni Pyasatsi	3ZL	n/a	3.014	0	19 571 641	n/a	0.20
Katex	5KTE	3.219	3.491	38	7 866 077	0.54	0.10
Slanchev Bryag	3JL	5.807	5.808	52	11 368 991	n/a	0.13
Pamporovo	4PN	n/a	2.1	0	4 577 729	n/a	0.20
SS Konstantine And Elena Holding	3NJ	15.899	13.051	2	36 719 710	18.11	1.83

ENERGY SECTOR		Daily Average Price	Previous Close	Volume	Market Capitalization	Valuation Ratios (ttm)	
Company	Ticker	Price	Close			P/E	P/B
Petrol	5PET	8.984	9.49	4061	981 498 514	4.37	3.81
Oil & Gas Exploration & Production	4O1	4.12	4.743	550	50 379 615	7.98	1.03

OTHER		Daily Average Price	Previous Close	Volume	Market Capitalization	Valuation Ratios (ttm)	
Company	Ticker	Price	Close			P/E	P/B
Bulgarian Telecommunication Company	5BT	5.4	6	100	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	n/a	40	0.00	154 076 708	10.43	0.80

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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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