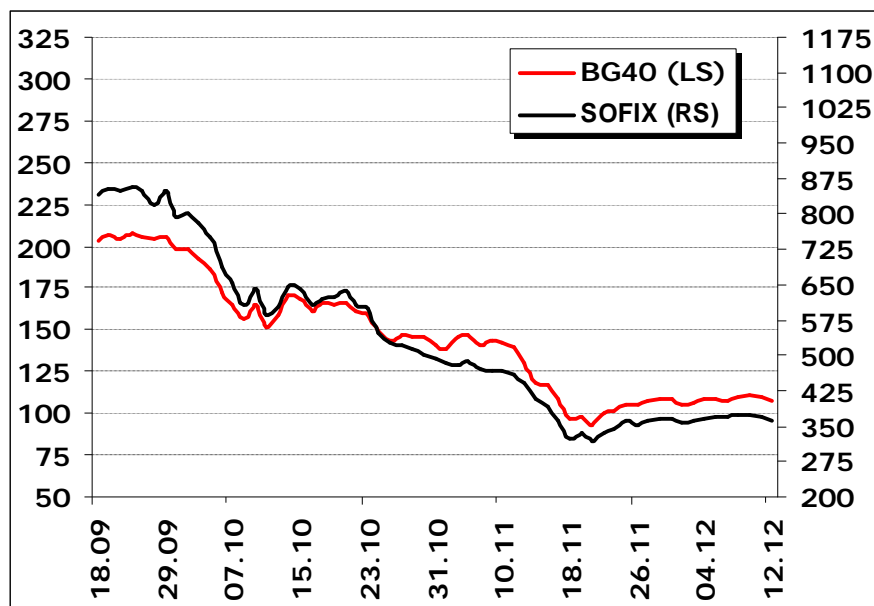
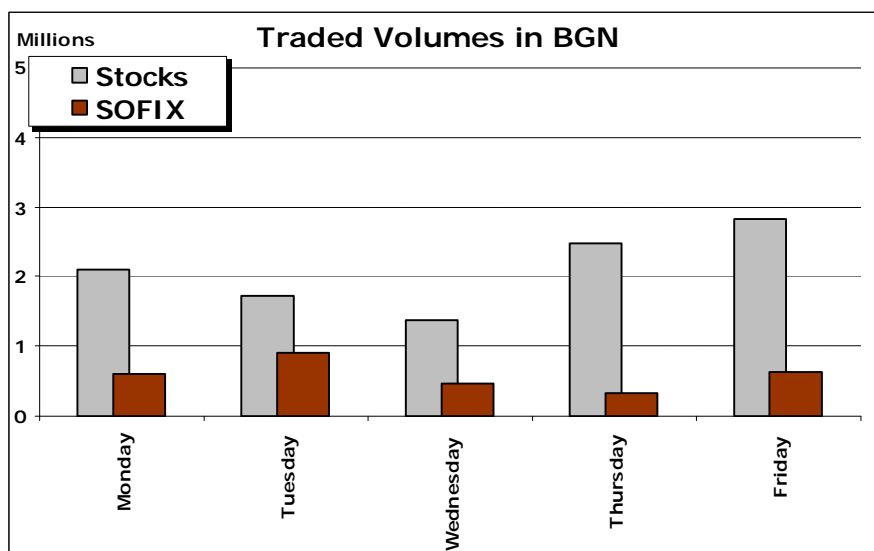


Market Trend



BSE began the week on the upside but couldn't sustain the direction as the buyers backed off. Monbat (5MB) announced lower forecasts for 2009 financial results as compared to the preliminary projections. The new expectations are based on average lead price of 1 250 USD per tone in 2009. The news had slight impact over the trading with the position. The banking sector declined, led by First Investment Bank (5F4). Low liquid small caps attracted investors' attention.

Trading Activity



The overall volumes remained thin. Several large package transactions, mainly with REITs supported the turnover. Kaolin (6K1) also was subject of large deal and set up 15% of Monday's volumes. The mining company announced that will cut up to 10% of its employees and will operate with reduced capacity of some products during the winter months, aimed at optimizing the expenses and mainly to avoiding a considerable consumption of natural gas, as its price was increased and it is expected to additionally soar during the first quarter of 2009. The news didn't weight on 6K1.

SOFIX

Stock	Last Price	Weekly Change	Bid	Ask
Albena	29	-2.48%	28.10	29.90
Bulgarian-American Credit Bank	12.173	-3.37%	12.10	12.50
Central Cooperative Bank	1.102	-4.51%	1.07	1.10
Chimimport	2.125	-1.12%	2.10	2.13
Corporate Commercial Bank	65.1	-2.11%	65.10	66.00
Elana Opportunity Land Fund	.89	-1.11%	0.89	0.91
Enemona	6.847	-1.69%	6.95	7.05
Euro Ins	2.982	3.36%	3.00	3.08
First Investment Bank	2.608	-6.89%	2.60	2.67
Holding Roads	3.217	-0.34%	3.20	3.24
Industrial Holding Bulgaria	1.595	-4.38%	1.59	1.67
Kaolin	3.431	-0.26%	3.33	3.49
Lead and Zink Complex	6.809	-3.31%	6.68	6.80
M+S Hydraulic	4.299	-1.01%	4.07	4.49
Monbat	4.735	0.25%	4.68	4.74
Neochim	39.385	1.46%	39.00	40.49
Orgachim	80.954	7.80%	79.01	81.00
Sopharma	2.204	1.99%	2.20	2.24
Sparky Eltos	2.101	-6.37%	2.10	0.00
Toplivo	5.904	-2.09%	5.88	5.96

Orgachim (5ORG) outperformed the main index but wasn't enough to lead it in the green. Enemona (E4A) was actively traded and breached the level of BGN 7.00 but it was unsustainable as most of investors locked in profits. Albena (6AB) made a reverse after Monday's rally and closed the week 2.5% down. The level of BGN 30.00 couldn't provide support. The large price spread between best bid and ask offers makes the positions volatile.

News

- **08 December 2008:** The extraordinary GMS of Toplivo (3TV) held on December 06, 2008 election an Audit Committee of the company, election a certified accountant and authorised the Board of Directors and the Executive Directors of the company to make deals pursuant to Art. 114 of the POSA.
- **08 December 2008:** The public offering of the capital increase of Holding Varna to BGN 5 m through issuance of 3 m new shares was successfully concluded. Total sum obtained from the shares subscribed to and paid was almost BGN 69 m at BGN 22 issuing value per share.
- **08 December 2008:** Kaolin (6K1) adopted a decision to reduce with approximately 10% the number of all employees, working by present for the company. The company shall operate within a regime of reduced production of some products during the winter months, aimed at optimizing the expenses and mainly at avoiding a considerable consumption of natural gas, as its price was increased and it is expected to additionally grow up during the first quarter of 2009.
- **09 December 2008:** Billboard (5BP) signed a contract for advertising space on December 05, 2008 with Sofia city railroad transportation company for a duration till the end of 2010.
- **10 December 2008:** Albena (6AB) informed about a loan contract signed on December 09, 2008 between Albena and Albena Invest Holding (5ALB), by virtue of which Albena Invest Holding grants Albena a loan on amount of EUR 2.5 m to be returned till December 31, 2015. Purpose of the loan is modernisation and renovation of the existing base in Albena.
- **10 December 2008:** Monbat (5MB) announced 2009 forecast about the development outlook of the company.
- **12 December 2008:** Naftex Petrol acquired 1.57% of Petrol's (5PET) capital and the direction shareholding after transaction improved to 40.32%.

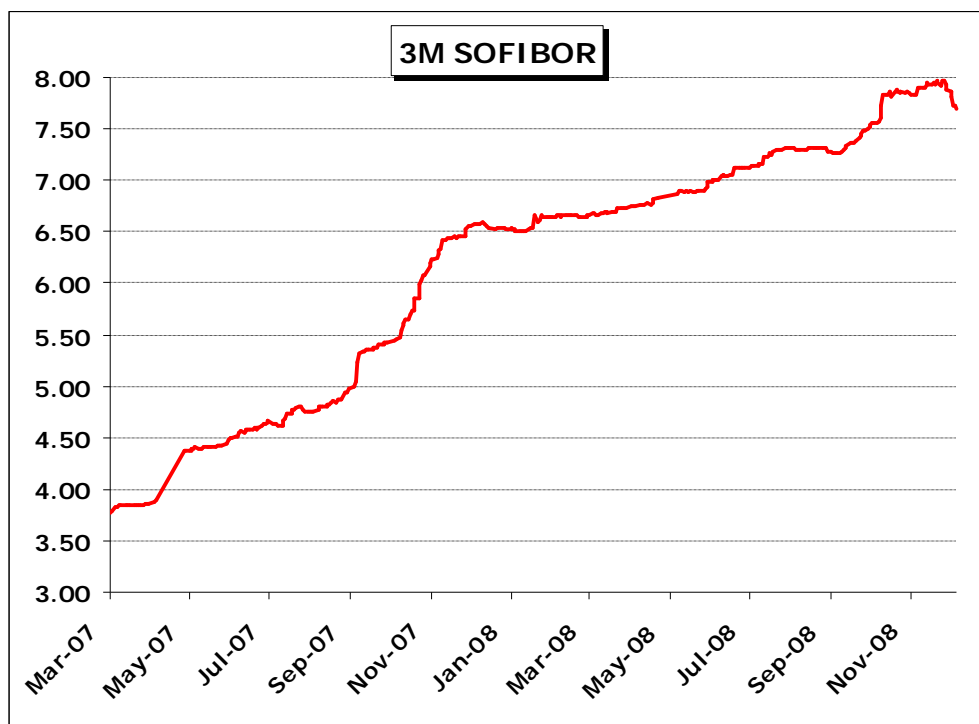
Upcoming Events

- **16 December 2008:** The rights issued as part of the capital raise of Lomsko Pivo will be traded on Tuesday. The company plans to hike its capital to BGN 6 m through offering of 4.5 m rights. Three rights allow the subscription of 1 new share with BGN 2.5 issue value.
- **19 December 2008:** The GMS of Holding Roads (6H2) will be lead on Friday.
- **19 December 2008:** The GMS of Neochim (3NB) will vote a proposal for changes to the management bodies of the company.

Macro-economy

- According to the National Statistic Institute (NSI) preliminary results the industrial production in October declined by 1.9% as compared to the same month last year. However on monthly basis the indicator posted 0.6% increase.
- Consumer price index fell 0.1% in November to 9.1% y-o-y. The transportation and communications services were the only categories that posted lower prices during November.

Bonds



Source: Bloomberg

The demand on the 10-year treasury notes improved and the offered amount on Monday had been bought on 7.20% yield. The money market is also reacting to the improved conditions after the decrease of minimum required reserves from the central bank and the 3-month SOFIBOR fell significantly.

WEEKLY HIGHLIGHTS

CENTRAL COOPERATIVE BANK /4CF/



ENEMONA /E4A/



MOSTSTROY /5MY/



PETROL /5PET/



SYNERGON HOLDING /6S7/



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	2.608	2.7	17142	286 880 000	5.65	0.79
Bulgarian American Credit Bank	5BN	12.173	12.5	70	153 680 777	2.62	0.85
CB Economic & Investment Bank	5EC	110.34	110.34	0	769 296 659	21.34	3.77
Central Cooperative Bank	4CF	1.102	1.151	80827	91 636 911	7.61	0.32
Corporate Commercial Bank	6C9	65.1	65.1	0	390 600 000	11.12	1.86
DZI Insurance & Reinsurance	6D5	188	188	0.00	725 680 000	n/a	2.49
Bulstrad Insurance & Reinsurance	4BI	45.447	48	38	89 712 378	91.17	1.98
Insurance Company Euro Ins	5IC	2.982	3.012	850	29 819 976	n/a	1.64
Chimimport	6C4	2.125	2.21	34779	318 749 966	2.56	0.44
Eurohold Bulgaria	4EH	1.81	1.841	4747	113 120 721	1.03	0.58

INDUSTRIAL SECTOR		Daily Average Price	Previous Close	Volume	Market Capitalization	Valuation Ratios (ttm)	
Company	Ticker	Price	Close			P/E	P/B
Monbat	5MB	4.735	4.7	7471	184 665 000	6.62	1.76
Bulgarian River Shipping	5BR	2.07	2.07	0	59 944 457	9.82	1.35
Synergon Holding	6S7	2.048	2.1	2366	37 598 923	1.55	0.11
Industrial Holding Bulgaria	4ID	1.595	1.675	2625	69 791 989	5.22	0.36
Stara Planina Hold	5SR	1.886	1.912	13452	39 606 000	5.62	0.70
Odessos	5ODE	113.125	118	16	66 363 876	5.01	1.24
M+S Hydraulic	5MH	4.299	4.4	50200	55 966 102	8.66	1.48
Albena Holding	5ALB	3.82	3.85	20	21 010 000	66.91	0.14
Moststroy	5MY	3.79	3.9	736	4 225 623	0.57	0.33
Doverie United Holding	5DOV	6.294	6.475	125	82 765 143	10.73	0.62
Emka	57E	1.37	1.4	2965	14 731 457	8.19	0.80
Hydraulic Elements & Systems	4HE	4.8	4.8	0	14 555 002	5.18	0.64

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	4.935	4.498	97	33 012 988	1.19	0.18
Lead and Zink Complex	5OTZ	6.809	6.99	1474	57 286 568	n/a	1.00
Kaolin	6K1	3.431	3.4	220	85 775 000	7.9	0.72
Kremikovtzi	4KW	1.25	1.38	135	23 146 931	n/a	n/a
Alcomet	6AM	2.133	2.07	30	38 293 662	13.69	0.55
Svilosa	3MZ	1	1	140	31 754 944	n/a	0.70
Orgachim	5ORG	80.954	85	1028	40 704 886	n/a	0.56
Neochim	3NB	39.385	38.62	210	104 541 890	1.83	0.78
Biovet	53B	3.121	3.16	793	21 170 923	107.47	0.37
Fazerles	4F6	37.223	39.5	2590	19 169 845	3.2	0.87
Polimeri	51P	1.9	1.98	310	10 116 575	n/a	0.05
Kauchuk	4KU	32.426	33.5	15	30 548 243	44.27	1.32

CYCLICAL CONSUMER SECTOR		Daily Average Price	Previous Close	Volume	Market Capitalization	Valuation Ratios (ttm)	
Company	Ticker	Price	Close			P/E	P/B
Albena	6AB	29	29	30	123 920 654	8	0.45
T oplivo	3TV	5.904	6.3	1284	31 980 958	3.22	0.23
Zlatni Pyasatsi	3ZL	3.3	3	15	21 428 804	4.66	0.20
Katex	5KTE	2.5	2.495	100	6 109 100	n/a	0.08
Slanchev Bryag	3JL	n/a	4.1	0	8 027 013	n/a	0.09
Pamporovo	4PN	n/a	1.69	0	8 070 750	n/a	0.35
SS Konstantine And Elena Holding	3NJ	9.029	7.8	52	20 853 026	10.28	1.04

ENERGY SECTOR		Daily Average Price	Previous Close	Volume	Market Capitalization	Valuation Ratios (ttm)	
Company	Ticker	Price	Close			P/E	P/B
Petrol	5PET	10.87	10.87	14	1 187 543 282	5.17	4.05
Oil & Gas Exploration & Production	4O1	2.914	3.2	300	35 632 573	5.58	0.65

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	5.001	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	n/a	35	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
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Market Perform	Market performance, +/-5% as compared to SOFIX and BG40
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Underperform	More than 5% lower as compared to SOFIX and BG40 performance
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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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