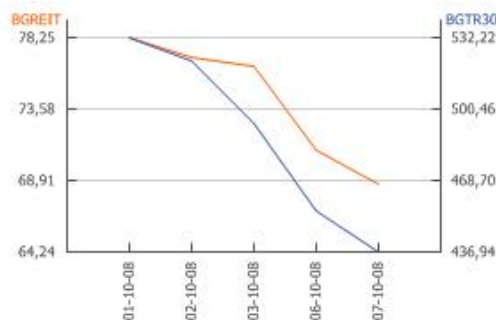
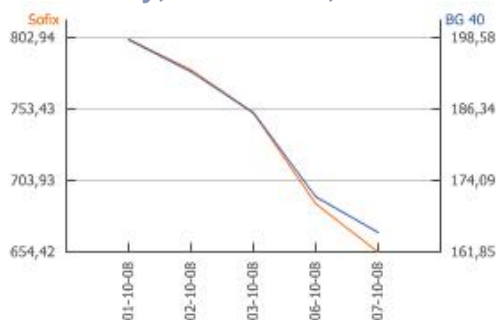




Wednesday, October 08, 2008



	Sofix	BG 40	BGREIT	BGTR30
Value	654.42	165.26	68.78	436.94
1-day change (%)	-4.92	-3.63	-3.04	-4.08
7-day change (%)	-17.42	-16.78	-12.36	-17.30
90-day change (%)	-40.56	-43.95	-26.04	-41.48
365-day change (%)	-66.33	-73.34	-31.22	-56.31

<b>BSE Daily Volume (shares)</b>	4 616 144
<b>BSE Daily Volume (BGN)</b>	10 925 108
<b>Avg Daily Turnover YTD (BGN)</b>	11 119 516
<b>Avg Daily Turnover 12 mo. (BGN)</b>	18 496 371

Note: BG REIT and BG TR30 started 31 August 2007

### MARKET WRAP-UP

The negative trend continued on Tuesday as the trading session started in total panic as predominantly local retail investors were selling and pushing the prices heavily down. The top loser SOFIX lost 4.92% to 654.42 bps, BGTR30 reached 436.94 bps. (-4.08%), BG40 also closed negative at 165.26 bps (-3.63 %), while BGREIT lost 3.04% to 68.78bps. Among the top losers of the session were M+S Hydraulic (5MH, BGN 6.30, -16.00%), Bulgarian American Credit Bank (5BN, BGN 29.00, -11.50%), Industrial Capital Holding (4I8, BGN 3.80, -21.33%) and Moststroy (5MY, BGN 9.61, -14.95%). The day gainer was Kaolin (6K1, BGN 4.90, +6.06%) followed by Industrial Holding Bulgaria (4ID, BGN 4.92, +5.81). The most liquid company was First Investment Bank (5F4, BGN 3.29, +2.97%) where more than 548k shares change hands. On REIT territory the main issue to pull down the index was Agro Finance (6AG) BGN 1.09 which lost 15.96% with 268K shares turnover.

Most recent macro data	
Inflation (HICP, M/M August)	-0.1%
Inflation (HICP, cum. 2008)	7.1%
LEONIA Reference Rate	5.76%
SOFIBOR /3 months/	7.519%
GDP Growth (Y/Y H1 2008)	7.1%
Unemployment (August 2008)	5.89%

	Exchange rates	
	Current	Change
<b>BGN/USD</b>	1.43473	0.00021
<b>BGN/EUR</b>	1.95583	Fixed
<b>EUR/USD</b>	1.3632	-0.0002

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## DAILY TRADING (selected stocks)

All figures in BGN (BGN/EUR rate fixed at 1.95583)

Ticker	Name	Volume	High	Low	Last	Avr.	Ch.% (last)	Bid	Ask	Market Capitalisation
6A6	Advance Terrafund ADSIC	64 900	1.70	1.50	1.50	1.56	-11.76	1.52	1.60	68 727 450
6AB	Albena AD	423	41.00	38.51	41.00	39.72	-2.38	39.50	40.99	169 728 565
6AM	Alcomet AD	2 531	4.06	3.90	3.95	3.97	-7.28	3.75	4.00	71 273 247
5BP	Billboard AD	12 163	4.40	3.00	4.00	3.70	-1.11	3.85	4.00	55 500 000
55B	Blagoevgrad-BT AD	5	45.12	45.12	45.12	45.12	-0.06	45.00	49.90	121 942 485
5BN	Bulgarian American Credit Bank	423	32.00	28.00	29.00	29.48	-11.50	28.80	29.80	372 176 893
5BU	Bulgarian Real Estate Fund	31	1.25	1.05	1.24	1.12	19.23	1.20	1.24	67 704 000
3KN	Captain Diado Nikola AD	114	25.50	22.00	23.60	24.38	7.27	23.42	24.95	8 996 976
4CF	Central Cooperative Bank AD	109 462	2.62	2.30	2.35	2.36	-9.62	2.34	2.35	196 246 017
6C4	Chimimport AD	92 180	4.50	4.09	4.13	4.18	-9.54	4.13	4.17	626 999 933
6C9	Corporate Commercial Bank AD	10 295	78.00	74.00	74.00	75.30	-7.49	74.00	76.00	451 800 000
5DOV	Doverie-Obedinen Holding AD	15 809	5.55	5.35	5.45	5.46	1.49	5.45	5.60	76 473 268
E4A	Enemona AD-Kozloduy	5 471	10.95	10.00	10.15	10.21	-8.02	10.15	10.43	121 842 056
4EH	Evrohold Bulgaria AD	40 735	2.80	2.50	2.70	2.63	-4.63	2.68	2.70	164 368 783
4F6	Fazerles AD	303	78.50	66.00	72.50	75.06	-3.46	72.00	74.40	38 655 900
5F4	First Investment Bank	548 627	3.63	3.00	3.30	3.03	2.97	3.30	3.32	333 300 000
4ID	Industrial Holding Bulgaria AD	7 014	4.98	4.53	4.92	4.84	5.81	4.92	4.97	211 779 611
5IC	Insurance Company Euro Ins AD	1 209	4.29	3.70	3.95	3.83	-1.25	3.95	4.10	38 299 969
6K1	Kaolin AD-Senovov	6 913	4.99	4.23	4.90	4.72	6.06	4.60	4.95	118 000 000
5MB	Monbat AD	47 425	6.70	6.00	6.55	6.22	-5.07	6.50	6.55	242 580 000
3NB	Neohim AD	705	69.70	62.62	69.70	68.10	0.00	68.29	69.00	180 761 780
5ODE	Odessos Shiprepair Yard AD	113	181.00	171.02	180.00	178.56	-1.10	184.00	185.00	104 750 796
5ORG	Orgachim AD	147	113.00	93.11	108.00	104.02	-5.23	108.00	109.00	52 302 816
3JR	Sopharma AD	14 413	2.39	2.21	2.35	2.30	-2.04	2.35	2.35	303 600 000
SL9	Sparki Eltos AD	170	4.90	4.67	4.90	4.87	-2.97	4.89	4.90	81 501 008
6S7	Synergon Holding AD	15 782	4.11	3.81	3.85	3.87	5.16	3.82	3.85	71 048 746
3TV	Toplivo AD	5 567	11.15	9.50	10.99	10.22	-4.44	10.15	10.99	55 359 992

### Compensatory Instruments

Ticker	Issuer	Volume	High	Low	Last	Avr.	Ch.%	Bid	Ask
BLKB	Jilishtni Kompensatorni Zapisi	9 100	0.30	0.30	0.30	0.30	0.00	0.28	0.32
BLKD	Kompensatorni zapisi	51 100	0.31	0.30	0.30	0.31	0.00	0.28	0.30
BLKC	Poimenni kompensacionni bonove	162 076	0.33	0.27	0.28	0.29	-10.97	0.28	0.30

## ECONOMY AND POLITICS

### *Financial sector*

#### **Leonia increases 0.5 pp MoM to 5.76%**

Leonia rate which is used for the calculation of base interest rate in Bulgaria reached record levels of 5.76% on October 8 as compared to 5.25% on September 8, BNB data shows.

Main reason for the hike is increased demand in the interbank market seen in the significant BGN 278m turnover on Friday. The turnover on Tuesday was also above average levels and reached BGN 199m.

Source: *Investor.bg; FFBH*

### *Financial sector*

#### **BNB licenses six cash transfer firms**

Bulgarian National Bank said it has issued permits to six companies allowing them to operate on the money transfer market. The list includes MoneyGram Payment Systems Bulgaria, Coinstar Money Transfer (Bulgaria), Master Envios Bulgaria, Bankservice, Change-Center Bulgaria and M Secured. The cash transfer firms were to apply for a licence with the central bank under domestic payments legislation.

Three of the applicants did not match the licence criteria and were turned away - XPRESSMONEY Services Limited of the UAE, Spain's Money Exchange SA, and Russia's Unistream Commercial Bank.

Western Union has told the central bank it would operate on the market via agents of Western Union International Bank, which is watched by the Austrian financial regulator.

The companies are required to have a registered capital of BGN 50 000 and present the regulator with their annual earnings reports plus data about the volume of transferred and received cash.

Source: *Dnevnik*

### *Pension funds*

#### **Pension funds 24-months average annual yield shrinks but remains positive**

The Bulgarian pension funds reported positive average profitability for the 24-month period from Sep 29, 2006 – Sep 30, 2008 but it shrank from record-high level in end-Summer 2007. The average annual yield of the universal funds over the period was 2.36%, while professional pension funds reported 1.44%.

The Financial Supervision Commission set the minimum annual yield, which is calculated on monthly return, for the last 2-year period at negative 0.64% for universal pension funds and negative 1.56% for professional funds. Lukoil Garant was the only universal fund above the upper limit of 5.36% with 5.7%.

For the first half-year the insurance system in the country has been managing assets at BGN 2.39bn and insured 3.5m people.

Source: *Dnevnik, FSC, FFBH*

## CORPORATE NEWS

### *Investor.BG AD [4IN]*

#### **Investor.BG monthly sales growth reaches 107% YoY in September 2008**

Investor.BG September 2008 sales reached BGN 242k, up 107% YoY. For comparison August 2008 sales were BGN 157k, up 85% YoY. The largest portion of sales came from advertising.

In 9mo 2008 sales growth reached 102% YoY and revenues stood at BGN 1.8m. The sales growth in Jan-Aug 2008 was 101% YoY.

Source: *Investor.bg; FFBH*

### *Pending listing*

#### **FairPlay Agricultural Fund approved to go public**

Financial Supervision Commission (FSC) approved the public offering prospectus of FairPlay Agricultural Fund, a unit of Bulgarian property developer FairPlay International. The fund will offer to investors 4m new ordinary shares with par value of BGN 1 each and an issue price in the range BGN 1.9 to 2.7. About 90% of the company's current registered capital is held by FairPlay International, a company active in purchase, lease and exploitation of farmland and other real estate.

*Source: Dnevnik*

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