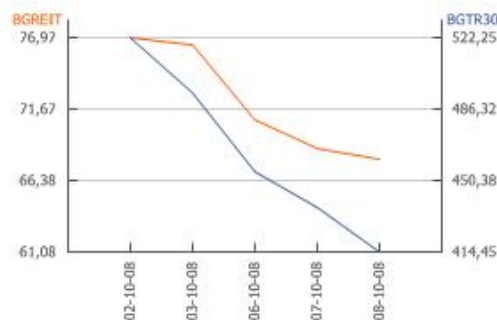
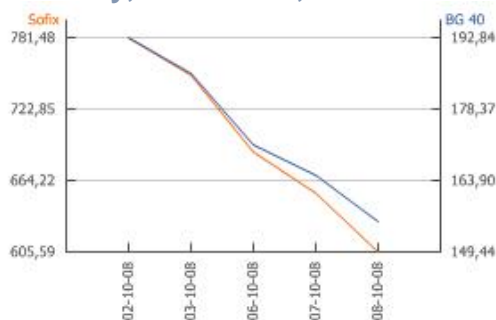




Thursday, October 09, 2008



	Sofix	BG 40	BGREIT	BGTR30
Value	605.59	155.93	67.97	414.45
1-day change (%)	-7.46	-5.65	-1.18	-5.15
7-day change (%)	-24.58	-21.48	-13.14	-22.13
90-day change (%)	-45.29	-45.54	-26.79	-43.20
365-day change (%)	-68.15	-74.14	-32.03	-58.55

BSE Daily Volume (shares)	5 132 549
BSE Daily Volume (BGN)	17 430 121
Avg Daily Turnover YTD (BGN)	11 152 045
Avg Daily Turnover 12 mo. (BGN)	18 492 106

Note: BG REIT and BG TR30 started 31 August 2007

MARKET WRAP-UP

The gains from the last 4 years have already been erased during the last 12 months. The last drop in SOFIX 605.59 (-7.46%) on Wednesday moved the index down to the levels from November 2004. Almost every stock was under heavy sell pressure and some of the names even registered double digit losses. The only gainer in the index was First Investment Bank (5F4) which advanced 1.67% to BGN 3.35 with over 722k traded, after the huge drops from the last several days made the levels attractive and provoked buying interest. Bulgarian American Credit Bank (5BN) lost 24.14% down to BGN 22.00 after more than 159k changed hands in a single trade at BGN 23.00. The price weighted BG40 lost 5.65% to 155.93 bps and the equally weighted BGTR30 declined 5.15% to set the new bottom level at 414.45. Descent volumes changed hands in Chimimport (6C4, BGN 3.785, -8.24%), Eurohold Bulgaria (4EH, BGN 2.381, -11.78%) and Sopharma (3JR, BGN 2.20, -6.38%).

Most recent macro data	
Inflation (HICP, M/M August)	-0.1%
Inflation (HICP, cum. 2008)	7.1%
LEONIA Reference Rate	5.79%
SOFIBOR /3 months/	7.541%
GDP Growth (Y/Y H1 2008)	7.1%
Unemployment (August 2008)	5.89%

	Exchange rates	
	Current	Change
BGN/USD	1.42439	-0.01034
BGN/EUR	1.95583	Fixed
EUR/USD	1.3731	0.0099

PLEASE REFER TO THE TEXT AT THE END OF THIS REPORT FOR OUR DISCLAIMER AND ALL RELEVANT DISCLOSURES

FFBH Research Team

FFBH Trading and Sales

Sofia (359 2) 810 64 51
ffbh@ffbh.bg

Sofia (359 2) 810 64 18
ffbh@ffbh.bg

FIRST FINANCIAL BROKERAGE HOUSE

2, Enos Str., 1408 Sofia, Bulgaria Tel:(359 2)810 64 00 Fax:(359 2)810 64 01 ffbh@ffbh.bg

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	53 885	1.50	1.40	1.50	1.43	0.00	1.50	1.60	63 000 163
6AB	Albena AD	183	39.10	38.51	39.00	38.57	-4.88	37.31	39.00	164 814 470
6AM	Alcomet AD	1 653	4.00	3.75	4.00	3.83	1.24	3.76	3.97	68 759 833
5BP	Billboard AD	8 388	3.88	3.06	3.50	3.47	-12.48	3.50	3.68	52 050 000
55B	Blagoevgrad-BT AD	85	41.00	33.30	33.30	37.84	-26.19	35.13	40.00	102 267 368
5BN	Bulgarian American Credit Bank	168 016	26.92	22.00	22.00	22.99	-24.14	22.50	23.00	290 242 428
5BU	Bulgarian Real Estate Fund	407 327	1.28	1.05	1.28	1.10	2.98	1.23	1.28	66 495 000
3KN	Captain Diado Nikola AD	4 215	27.20	20.00	27.20	26.12	15.25	20.25	25.00	9 639 090
4CF	Central Cooperative Bank AD	13 861	2.35	2.00	2.30	2.17	-2.13	2.26	2.29	180 446 550
6C4	Chimimport AD	71 211	3.95	3.61	3.79	3.79	-8.24	3.77	3.79	568 499 939
6C9	Corporate Commercial Bank AD	99 953	70.01	70.00	70.00	70.00	-5.41	70.00	72.00	420 000 000
5DOV	Doverie-Obedinen Holding AD	58 372	5.30	5.18	5.30	5.22	-2.75	5.19	5.30	73 111 805
E4A	Enemona AD-Kozloduy	23 784	9.60	8.50	8.60	8.64	-15.27	8.50	8.65	103 106 304
4EH	Evrohold Bulgaria AD	72 620	2.48	2.36	2.38	2.41	-11.78	2.38	2.40	150 619 303
4F6	Fazerles AD	295	69.99	63.10	63.20	64.69	-12.83	63.20	67.99	33 315 350
5F4	First Investment Bank	722 582	3.35	3.00	3.35	3.04	1.67	3.10	3.37	334 400 000
4ID	Industrial Holding Bulgaria AD	14 632	4.83	4.25	4.79	4.58	-2.64	4.78	4.79	200 403 020
5IC	Insurance Company Euro Ins AD	1 380	3.94	3.51	3.90	3.68	-1.34	3.55	3.89	36 799 971
6K1	Kaolin AD-Senovov	1 762	4.49	4.20	4.49	4.34	-8.37	4.35	4.48	108 500 000
5MB	Monbat AD	37 629	6.44	5.51	6.11	6.11	-6.70	6.11	6.18	238 290 000
3NB	Neohim AD	995	68.96	63.01	63.20	65.65	-9.32	66.39	67.00	174 258 603
5ODE	Odessos Shiprepair Yard AD	185	185.00	171.00	180.00	173.64	0.00	178.14	179.98	101 864 517
5ORG	Orgachim AD	143	104.44	97.01	103.90	100.61	-3.80	101.00	103.90	50 588 217
3JR	Sopharma AD	37 037	2.29	2.14	2.20	2.20	-6.38	2.18	2.24	290 400 000
SL9	Sparki Eltos AD	2 363	4.87	4.00	4.87	4.42	-0.61	4.20	4.85	73 970 114
6S7	Synergon Holding AD	13 184	3.65	3.47	3.50	3.63	-9.09	3.47	3.50	66 642 622
3TV	Toplivo AD	8 322	10.80	9.70	10.38	10.14	-5.51	10.17	10.20	54 926 646

Compensatory Instruments

Ticker	Issuer	Volume	High	Low	Last	Avr.	Ch.%	Bid	Ask
BLKB	Jilishtni Kompensatorni Zapisi	3 400	0.28	0.26	0.26	0.28	-13.00	0.22	0.32
BLKD	Kompensatorni zapisi	7 000	0.27	0.27	0.27	0.27	-10.00	0.27	0.30
BLKC	Poimenni kompensacionni bonove	183 492	0.26	0.23	0.26	0.25	-3.99	0.24	0.26

ECONOMY AND POLITICS

Financial sector

Interbank loans grow 39% costlier

The price at which Bulgarian banks trade loans has soared by 39% YoY in the 12 months to October, the central bank said. LEONIA (LEv OverNight Index Average) Reference Rate was 5.76% on October 7 compared to 4.14 in the same period last year. The index forms Bulgaria's base interest rate, which was hiked to a record 5.38% for October.

In addition, the Sofia interbank offered rate, Sofibor, rose to 7.1% for a one-month period and to 7.5% for three-month deposits at noon on October 8.

The liquidity squeeze is intensifying over the crisis of confidence clogging the worldwide markets, financiers say. Lenders are shifting part of the growing cost of resource to loan borrowers and lending is tightening. Insecurity is driving banks away from large-scale projects as businesses are taking their time and revising projects, bankers say.

Source: Dnevnik

Energy sector

Sofia to boost stake in troubled heating utility by BGN 55m cash injection

The Sofia municipal council will raise its stake in the capital's heating utility by pumping in up to BGN 55m to help pay out debt to gas supplier Bulgargaz. The move will strip the energy ministry of its blocking quota in Toplofikatsia Sofia, which clashes with mayor Boiko Borisov's previous urge for the state to assume its debts and control.

Bulgargaz threatened turning the tap on Toplofikatsia unless it paid down its debts to the company estimated at some BGN 60m.

Source: Dnevnik

Transport Sector

New Bulgaria-Romania ferryboat line

New ferryboat line between Nikopol-Bulgaria and Turnu Magurele-Romania is ready and will be opened by the end of October. The total amount of the Bulgarian investment is EUR 6.2m. Two thirds of the money comes from the PHARE programme, the rest is from the state budget. Bulgarian River Shipping Company was elected as main carrier on the route.

Source: Pari

CORPORATE NEWS

Industrial Holding Bulgaria AD [4ID]

Industrial Holding Bulgaria auctions off bond rights 9 Oct

Blue-chip company Industrial Holding Bulgaria (IHB) will auction off all unsubscribed rights from its convertible bonds issue on 9 October. The company will offer 17 055 586 rights for which no convertible bonds have been subscribed. Orders will be accepted from 13:15h till 13:45h local time. The bonds are available for subscription by 24 October.

The holding company's second convertible bond issuance is aimed at attracting some BGN 22m to invest in its future shipping business and in the extension and modernisation of Dockyard Port Bourgas.

The bonds carry an annual interest rate fixed at 8% with coupon payments due semi-annually, and mature three years after the issue date but have the option to be converted into shares at the end of the second year also. The conversion ratio is 12.

Source: Dnevnik; FFBH

Disclaimer

FFBH is regulated by the Financial Supervision Commission (<http://www.fsc.bg>).

This report is for the use of the addressees only, for your information and may not be reproduced, redistributed or passed on to any other person or published, in whole or in part, for any purpose, without the prior written consent of FFBH.

This report has no regard to the individual investment objectives, financial situation or particular needs of any specific recipient and should not to be relied upon as authoritative, or taken in substitution for the exercise of judgement by any receiver. Each recipient should consider the appropriateness of any investment decision having regard to their own circumstances, the full range of information available and appropriate professional advice, and should consult their advisors to make sure all involved risks are fully understood.

The information and opinions in this report constitute judgement as at the date of this report, have been compiled or arrived at from sources believed to be reliable, but no representation or warranty, express or implied, is made as to their accuracy, completeness or correctness. Opinions expressed herein are subject to change without notice. This report is not intended to be a complete statement or summary of the securities, markets or developments mentioned in this report.

Any forward looking statements shown for companies discussed in this report may not be achieved due to multiple risk factors including, without limitation, market volatility, sector volatility, corporate actions, the unavailability of complete and accurate information and/or the subsequent transpiration that underlying assumptions made by FFBH, or by other sources relied upon in the report, were inapposite. FFBH accepts no liability whatsoever for any loss or damage arising from any use of this report or its contents.

The recipient should presume that FFBH, or persons or entities associated with it, or any of its clients, own or have a position in any securities or investments mentioned in this study, which position may change at any time. FFBH or its Affiliates may buy, sell or offer to buy or sell, such securities or any related investments as principal or agent on the open market. FFBH does not act as market maker in the securities mentioned herein.

The analysts certify that their views regarding the companies in this report are independent and that they have not received nor will receive direct or indirect compensation in exchange for publishing specific views in this report. The views have not been derived as a result of an agreement between FFBH and the companies mentioned in this report and they have not been presented to the said companies.

The analysts or persons related to the analysts may hold 5% or more in companies mentioned in this report. The analysts or persons related to the analysts may hold executive positions or positions of control in companies mentioned in this report. None of the companies mentioned in this report hold 5% or more in First Financial Brokerage House.

FFBH provides corporate finance services to companies and may have provided such services to the companies mentioned in this report in the last 12 months. FFBH may provide in the future corporate finance services, or solicit such business, for the issuers of the securities mentioned in this report.

FFBH is under no obligation to update or keep current the information contain herein.

The procedures undertaken by FFBH to avoid conflicts of interest with regard to investment research publications are described at <http://www.ffbh.bg/Disclaimer.aspx?lan=EN&pid=36>.

PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS.

INVESTMENTS IN EMERGING MARKETS INVOLVE HIGH RISKS.

**THIS REPORT IS PUBLISHED FOR INFORMATION PURPOSES ONLY AND SHOULD NOT BE
CONSTRUED AS A SOLICITATION OR AN OFFER TO BUY OR SELL ANY SECURITIES OR
RELATED FINANCIAL INSTRUMENTS.**

ADDITIONAL INFORMATION ON THE CONTENTS OF THIS REPORT IS AVAILABLE ON REQUEST.