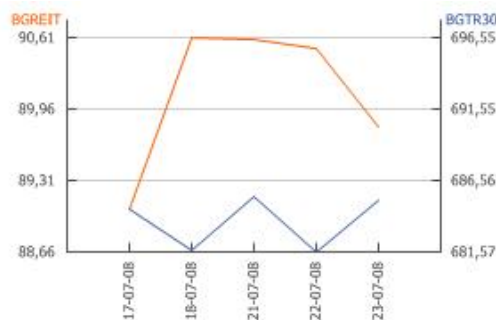
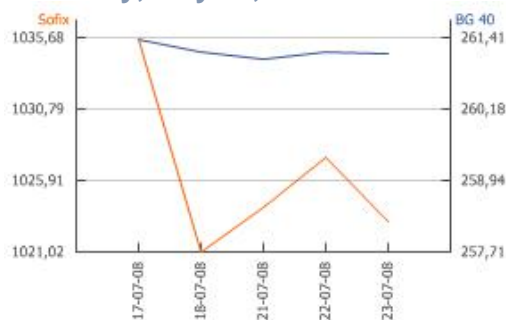




Thursday, July 24, 2008



	Sofix	BG 40	BGREIT	BGTR30
Value	1 023.11	261.16	89.80	685.29
1-day change (%)	-0.43	-0.01	-0.80	0.55
7-day change (%)	0.04	0.95	0.70	0.61
90-day change (%)	-10.19	-20.47	-4.09	-11.61
365-day change (%)	-32.89	-29.04	-10.20	-31.47

BSE Daily Volume (shares)	938 444
BSE Daily Volume (BGN)	5 142 343
Avg Daily Turnover YTD (BGN)	12 972 061
Avg Daily Turnover 12 mo. (BGN)	34 292 278

Note: BG REIT and BG TR30 started 31 August 2007

MARKET WRAP-UP

The market consolidated on Wednesday. Although the volumes were below the average again the sellers were not that aggressive and the buyers appeared to be a bit more active. In the first minutes of the session the moves were predominantly positive but later most of the names stepped back and eventually SOFIX 1023.11 (-0.43%) and BG40 261.16 (-0.01%) got coloured in red. Among the top losers were Lead and Zink Complex (5OTZ, BGN 31.25, -7.27%) which declined after two consecutive strong upward moves and the beer manufacturer Lomsko Pivo (6L1, BGN 2.801, -9.62%) which hit a new all-time-low with only 1 300 shares traded. The most active by volume were Chimimport (6C4, BGN 7.999, +0.44%) and First Investment Bank (5F4, BGN 6.14, +2.33%) where more than 27k and 31k changed hands respectively. Vouchers also remained in the investor's focus as close to 390k BLKC were traded at levels around the average of BGN 0.39.

Most recent macro data	
Inflation (HICP, M/M June)	0.5%
Inflation (HICP, cum. 2008)	5.7%
LEONIA Reference Rate	5.32%
SOFIBOR /3 months/	7.255%
GDP Growth (Y/Y Q1 2008)	7%
Unemployment (June 2008)	5.97%

	Exchange rates	
	Current	Change
BGN/USD	1.24251	0.0139
BGN/EUR	1.95583	Fixed
EUR/USD	1.5741	-0.01781

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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	70 000	1.84	1.83	1.83	1.84	0.11	1.83	1.89	81 063 147
6AB	Albena AD	30	68.01	68.01	68.01	68.01	0.01	65.20	68.00	290 615 299
6AM	Alcomet AD	250	6.00	5.60	5.60	5.87	0.18	5.70	5.80	105 383 869
5BP	Billboard AD	2 249	5.30	5.00	5.23	5.10	2.57	5.02	5.23	38 250 000
5BN	Bulgarian American Credit Bank AD	10	61.50	59.00	59.00	59.25	-3.28	58.73	59.00	748 014 956
5BU	Bulgarian Real Estate Fund	70	1.55	1.55	1.55	1.55	0.00	1.55	1.60	93 697 500
3KN	Captain Diado Nikola AD	73	45.56	44.50	44.50	44.55	0.00	44.50	55.00	16 440 331
4CF	Central Cooperative Bank AD	9 499	4.18	4.09	4.15	4.12	2.72	4.10	4.15	342 598 979
6C4	Chimimport AD	27 107	8.03	7.95	8.00	8.00	0.44	7.97	8.00	1 199 999 872
6C9	Corporate Commercial Bank AD	155	91.25	90.00	91.00	91.04	0.00	90.00	91.00	546 240 000
5DOV	Doverie-Obedinen Holding AD	625	5.30	5.20	5.26	5.25	0.98	5.26	5.38	73 531 988
E4A	Enemona AD-Kozloduy	1 167	17.20	17.00	17.20	17.13	0.52	17.07	17.20	204 422 568
4EH	Evrohold Bulgaria AD	3 915	4.99	4.88	4.90	4.91	0.64	4.90	4.95	306 863 393
4F6	Fazerles AD	120	142.80	140.00	140.01	141.00	1.46	140.01	141.50	72 615 000
5F4	First Investment Bank	31 354	6.18	6.10	6.14	6.14	2.33	6.14	6.15	675 400 000
4ID	Industrial Holding Bulgaria AD	1 605	6.00	6.00	6.00	6.00	-0.17	5.97	6.00	262 536 708
5IC	Insurance Company Euro Ins AD	1 185	7.67	7.00	7.20	7.19	1.98	7.20	7.35	71 899 942
6K1	Kaolin AD-Senovno	1 563	8.45	8.35	8.38	8.40	0.56	8.38	8.39	210 000 000
5MB	Monbat AD	3 113	11.16	11.00	11.09	11.09	0.82	11.00	11.09	432 510 000
3NB	Neohim AD	40	70.22	70.22	70.22	70.22	-3.81	71.90	72.00	186 389 019
5ODE	Odessos Shiprepair Yard AD	734	225.00	215.00	225.00	218.05	3.21	218.00	225.00	127 917 288
5ORG	Orgachim AD	191	214.90	203.00	207.00	207.75	-0.48	206.10	207.00	104 459 816
3JR	Sopharma AD	2 150	4.75	4.70	4.75	4.71	1.06	4.71	4.75	621 720 000
SL9	Sparki Eltos AD	13 091	9.00	8.80	8.80	8.88	-3.28	8.71	8.87	148 609 642
6S7	Synergion Holding AD	196	7.31	7.26	7.31	7.30	0.86	7.30	7.50	134 019 598
3TV	Toplivo AD	949	16.45	16.30	16.45	16.31	2.17	16.05	16.50	88 348 481

Compensatory Instruments

Ticker	Issuer	Volume	High	Low	Last	Avr.	Ch.%	Bid	Ask
BLKD	Kompensatorni zapisi	40 499	0.41	0.40	0.41	0.41	0.00	0.42	0.41
BLKC	Poimenni kompensacionni bonove	388 414	0.40	0.38	0.38	0.39	-1.28	0.38	0.38

ECONOMY AND POLITICS

Macroeconomic news and statistics **Gross external debt at EUR 31bn at end May, 10.2% up YTD**

The gross external debt amounted to EUR 31bn (94.4% of GDP) as at the end of May 2008, an increase of EUR 2.9bn (10.2%) against the end of 2007 (EUR 28.1bn, 97.3% of GDP), data of the Bulgarian National Bank (BNB) shows. Banks' external debt amounted to EUR 6.4bn (19.6% of GDP) increasing by EUR 687.m (12%) against the end of 2007. Loans and deposits received from non-residents came to EUR 3.8bn (11.7% of GDP) in January – May 2008, compared to EUR 3.2bn (11.2% of GDP) for the same period in 2007.

The net external debt came to EUR 14.2bn (43.3% of GDP) for the period, an increase by EUR 3.1bn (28%) against the end of 2007 (EUR 11.1bn, 38.4% of GDP).

Source: Profit.bg

Macroeconomic news and statistics **Broad money at BGN 44bn in June 2008**

In June 2008, the annual growth rate of broad money (monetary aggregate M3) was 24.4% compared to 27.3% in May, the Bulgarian National Bank said. M3 amounted to BGN 44bn (68.5% of GDPe) in May. Its most liquid component – the monetary aggregate M1 – increased by 14.2% YoY in June to BGN 20.3bn (20.7% YoY growth in May).

Source: BNB; FFBH

Real estate **Residential property prices up by 6% QoQ in Q2 2008**

Residential property prices in Bulgaria marked a 5.9% QoQ increase in the second quarter of 2008, compared to the first three months of the year, data of the National Statistical Institute shows.

Prices in Sofia went up by 6.9% QoQ to BGN 2 313 per sq. m, thus the capital retained its first place in terms of highest residential property prices, followed by Varna where price went up by 1.8% QoQ to BGN 2 137 per sq.m.

Source: Profit.bg

Insurance **General insurance market GWP up 24% YoY**

For the period January – May 2008, general insurance market gross written premiums (GWP) stood at BGN 592m, up by 23.9% YoY, shows data released by the Financial Supervision Commission. For comparison in Q1 2008 they grew by 18.1% YoY. The biggest share of the market continues to be occupied by the Motor and Motor Third Party Liability insurances, which together accounted for 69.5% of total gross written premium's income followed by the Fire & Natural Perils and Property Insurances, which combined share was 17.3%. The largest increases in terms of percentage were registered by the Railway vehicle insurance – 72.2% YoY and the Loans insurance– 50.6% YoY. Life insurance market reached BGN 111m in GWP income for the period January – May 2008, 27.6% up YoY. The largest share in the premium income was generated by the Life and Annuity insurances – BGN 82.4m in total, 74.3% of total GWP income. GWP of the health insurance market for the first four months of the year came at BGN 13m, 3% down YoY. The number of health insured people as of end April was 274k, 4.6% up MoM.

Source: FSC; FFBH

CORPORATE NEWS

Central Cooperative Bank AD [4CF] **Solid growth at CORP in H1 of 2008**

In H1 Corporate Commercial Bank /4CF, CORP/ reported strong results with solid loan portfolio growth, strong retail deposit expansion as well as improvements in both asset structure and operating profitability. However, the provisioning level remains far below any industry standards. Total assets came in at BGN 1.7bn (up 44% YoY and down 4% YTD). The YtD asset reduction was a result of a decrease in all liquid assets, which was to a great extent offset by a solid growth in loans to NFI of 19% YtD. As a result the loans to NFI / assets ratio improved to 52%. The bank continued to have ample liquidity. The provisions / gross loans to NFI ratio of 0.5% continued to be significantly below the industry average (1.9% for corporate loans).

CORP reported a considerable increase in retail deposits to BGN 566m (up 22% YtD). Overall, total deposits from NFI of BGN 1.48bn decreased by 5% since December on reduction in on-demand deposits.

Due primarily to the solid loan portfolio expansion and a spread improvement, the bank reported 85bps increase in its net interest margin to 4.77% on a TTM basis. Non-interest income of BGN 15.6m grew 2-fold YoY on three items: i) the booking of a BGN 3.0m profit on a "sale" of a loan (factoring), ii) a BGN 2.8m gain from sale of securities and iii) BGN 3.1m income from FX revaluation. Fees and commission income increased by 31% YoY. The YtD cost / income ratio stood at 40%.

As a result net income increased by 83% YoY, at BGN 20m. The bank had capital adequacy ratio of 13% as of June-08.

Source: Corporate Commercial Bank, FFBH

Enemona AD-Kozloduy **Enemona is competing with Russia's Ovex for the disassembling of Belene NPP**
[E4A]

Russia's AtomStroyExport, hired to build a new nuclear power capacity at the Danube town of Belene, should begin July 30 the dismantling equipment and structures previously assembled on site before the project was mothballed in the early 1990s, said the Bulgarian economy ministry. Russian company Ovex and local Enemona are competing as subcontractors.

Source: Dnevnik

Trace Group Hold AD **Trace Group Hold with a new contract for BGN 24m**
[T57]

Trace Group hold has been chosen by the Republican Fund Road Infrastructure as a contractor of the project Rehabilitation of the road infrastructure, Lot 2 – North Western and Central North districts, announced the company.

The overall length of the road that is going to be reconstructed is 44.6km and the value of the contract is BGN 24.3m. The project should be finished in 18 months and will be financed by the International Bank for Reconstruction and Development.

Source: Investor.bg; FFBH

Plovdiv-Yury Gagarin AD **Plovdiv-Yuri Gagarin books a net loss of BGN 1.5m in H1 2008**
[4PX]

Plovdiv-Yuri Gagarin BT revenues in H1 2008 stood at BGN 18.8m, down by 3.4% YoY. The company ended the first half of the year with a net loss of BGN 1.5m compared to a profit of BGN 2.3m for H1 2007.

Source: Investor.bg; FFBH

Bianor Plc **Bianor Holding with a net profit of BGN 82k in H1 2008**
[5BI]

Bianor booked non-consolidated revenues of BGN 283k in H1 2008, down by 11.3% YoY. EBIT was negative at BGN 38k compared to a negative EBIT of BGN 49k in H1 2007. Net profit was BGN 82k compared to BGN 1k in H1 2007

Source: Investor.bg; FFBH

Synergon Holding AD **Synergon's subsidiary disposes of assets; proceeds to be invested in a spa project**
[6S7]

On 21st of July the shareholders of Petar Karaminchev, a subsidiary of Synergon Holding, approved the sale of non-core assets to another subsidiary of the holding – Mega Estate – for a total consideration of minimum BGN 3.9m. The proceeds from the deal will be used to partially finance the purchase of a land spot from Energy Delta, yet another subsidiary of Synergon Holding, active in the tourism sector. The latter deal, which would be worth a maximum BGN 10m, is subject to shareholders' approval. According to PKAR the new spot will be used for the construction of a spa center close to Sofia, in the Rila Mountain. Earlier this year, the company sold other non-core assets and the proceeds from those deals are planned to also be invested in the spa project. According to the management, it is still unclear when this project will be completed.

Source: Petar Karaminchev, FFBH

Pending listing **REIT Seres to increase its capital by EUR 15m**

The shareholders of agricultural land fund Seres decided to raise the company's capital from the current EUR 30.2m to EUR 45.1m. The new shares will be subscribed by the current shareholders of the company.

The company's strategy is to increase its current 215k decares of agricultural land to 350k decares and be among the leading producers of agricultural production in the country. At the moment there are 100k decares of land which will be grown with autumn production, with the objective of doubling them to 200k decares. Part of the funds from the capital raise will be used for the purchase of machinery and equipment.

Source: Investor.bg; FFBH

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