

Index	Value 30.04.2010	Monthly change	12 m change
SOFIX	416.96	-1.06%	16.30%
BG 40	115.89	-1.43%	16.36%
BG TR 30	319.84	-1.51%	21.90%
BG REIT	42.41	-1.92%	8.77%

SOFIX

Company	Price 31.03.2010	Price 30.04.2010	%Change
ALB (6AB)	45.00	46.23	2.73%
EUBG (4EH)	1.32	1.26	-4.26%
ELARG (4EC)	0.74	0.63	-14.46%
ENM (E4A)	9.14	9.08	-0.70%
IHLBL (4ID)	1.40	1.41	0.36%
KAO (6K1)	5.52	5.35	-3.15%
MCH (5MH)	5.15	5.00	-2.93%
MONBAT(5MB)	6.50	6.60	1.49%
NEOH (3NB)	27.00	27.09	0.33%
OTZK (5OTZ)	13.42	12.42	-7.47%
ORGH (5ORG)	83.51	85.17	1.99%
SFARM (3JR)	3.97	4.07	2.39%
ELTOS (SL9)	1.91	1.78	-7.11%
BACB (5BN)	15.50	14.95	-3.55%
CORP (6C9)	64.00	65.00	1.56%
FIB (5F4)	2.38	2.40	1.05%
CCB (4CF)	1.32	1.27	-3.27%
TRACE (T57)	69.00	62.82	-8.96%
CHIM (6C4)	2.63	2.56	-2.51%
HDPAT (6H2)	2.25	2.05	-8.89%

Summary

- ☞ Bulgarian Stocks traded lower in April on thin turnover and in anticipation of the financial statements for the first quarter of 2010.
- ☞ The persistent debt crisis in Greece and Goldman Sachs' fraud accusation dragged down stock markets around the globe.
- ☞ The National Statistical Institute (NSI) reported improvement of total business climate by 4.4 percentage points in April.

Indices

- ☞ BSE's indices closed on negative territory for a second straight month. April was positive for the US market, while markets in the CEE region ended the month mixed.
- ☞ SOFIX shed 1.06% in April and trimmed its annual gain to 16.30%. The benchmark was 60.40% above its trough reached in February 2009. BG 40 dipped by 1.43% and was 16.36% above April 2009 levels. BG TR 30 was 1.51% down in April and 21.90% up since the year-ago period. The sector index BG REIT was the main loser in April, down by 1.92%. For the last twelve months BG REIT rose by 8.77%.
- ☞ Stock markets in Serbia (+9.42%) and Ukraine (+7.66%) were the main regional gainers. Among the decliners were the market benchmarks in Montenegro (-6.81%), Romania (-3.98%) and Macedonia (-1.95%).
- ☞ The performance of stock markets in Europe was overshadowed by the Greek debt crisis, while the US indexes ended April on positive territory.

World markets

- ☞ The Securities and Exchange Commission charged Goldman Sachs with fraud in structuring and marketing of a synthetic collateralized debt obligations (CDOs) that hinged on the performance of subprime residential mortgage-backed securities (RMBS). Goldman Sachs failed to disclose vital information about the CDOs, in particular the role that a major hedge fund played in the portfolio selection process and the fact that the hedge fund had taken a short position against the CDOs.
- ☞ The US dollar advanced further against the Euro as Greece was downgraded to junk status by Standard & Poor's, which also lowered the credit ratings of Portugal and Spain. The currency pair EUR/USD traded in the 1.31 – 1.36 range, closing at 1.33. Crude oil price inched above USD 86 per barrel, the highest price since October 2008.

Eastern European Markets

Index	Value 30.04.2010	Monthly change	12 months Change
Croatia CROBEX	2 161.26	0.86%	35.62%
Macedonia MIB-10	2 657.13	-1.95%	48.65%
Romania BET	5 727.85	-3.98%	87.86%
Serbia BELEX 15	749.77	9.42%	75.61%
Montenegro MOSTE	563.25	-6.81%	22.50%
Ukraine PFTS	1 012.21	7.66%	197.84%
Turkey ISE 100	58 818.43	3.17%	85.83%
Russia RTSI	1 572.84	0.02%	88.96%
Morgan Stanley MSCI EM	220.65	-0.68%	63.60%

World Markets

Index	Value 30.04.2010	Monthly change	12 months Change
USA DJIA	11 008.61	1.40%	34.78%
USA S&P 500	1 186.68	1.48%	35.96%
USA NASDAQ	2 461.19	2.67%	43.32%
Japan Nikkei 225	11 057.40	-0.29%	25.25%
Germany DAX	6 135.70	-0.29%	28.65%
UK FTSE 100	5 553.29	-2.22%	30.86%
France CAC 40	3 816.99	-3.95%	20.80%

Banking Sector

Bank	Price 30.04.2010	P/E	P/B
FIB (5F4)	2.40	8.86	0.65
CORP(6C9)	65.00	6.20	1.41
BACB(5BN)	15.50	9.24	0.93
CCB (4CF)	1.27	4.65	0.41

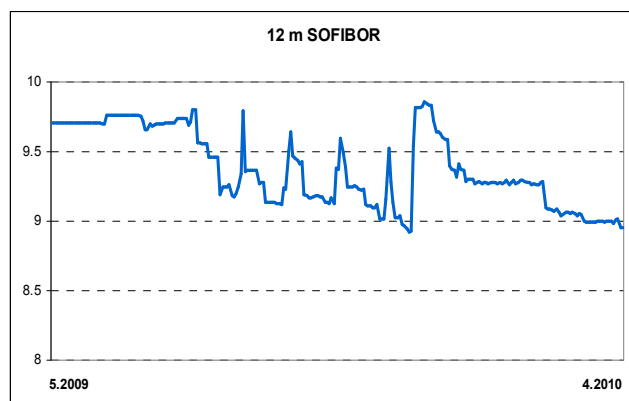
Corporate news

- ↔ Sales revenue of FairPlay Properties REIT rose by 34% in the first quarter of 2010 compared to the year-ago period and reached BGN 5.6mn. For the period January – March 2010 the company sold 19 new apartments and concluded sales for 27 apartments from previous periods. Net profit reached BGN 102 000, down from 494 000 in Q1 2009. On April 8 Holiday village ‘Santa Marina’, FPP’s largest project, was awarded as “The best project in Bulgaria” by the Russian real estate magazine Homes Overseas.
- ↔ Net profit of the pharmaceutical company Sopharma grew from BGN 9.4mn to BGN 12.7mn in the first quarter. Sales rose by 18% to BGN 51.6mn. Inventories increased by BGN 4.3mn to BGN 51.6mn. The company exports more than 67% of its production to Russia, Ukraine, Poland and the region of Central Asia.
- ↔ Monbat, the producer of car batteries, posted 77% increase of sales in Q1 to BGN 45.7mn. Net profit reached BGN 5.75mn compared to BGN 3.68mn in Q1 2009. The company exports approximately 90% of its production mainly to EU-countries.
- ↔ The silica producer Kaolin reported sales of BGN 25.56mn for the quarter, up by 18% compared to the year-ago period. Operating expenses increased from BGN 22.75mn to BGN 25.86mn. Net profit soared by 95% to BGN 668 000. A couple of months ago, Kaolin’s subsidiary Solarpro launched two projects for solar energy parks.
- ↔ Quarterly loss of the holiday village operator Albena narrowed from BGN 7.01mn in Q1 2009 to BGN 6.54mn in the current period. Sales fell by 59% to BGN 0.35mn. Financial expenses were 43% lower compared to the year-ago period: BGN 0.8mn.
- ↔ Sales of Orgachim, a major Bulgarian producer of paints and chemicals, fell by 16% to BGN 16.012mn. Operating expenses shrank from BGN 21.2mn to BGN 16.17mn. Net loss for the period declined by more than 95% to BGN 0.83mn. Shareholder’s equity was almost unchanged: BGN 55.16mn compared to BGN 55.29 in the year-ago period. The Financial Supervision Commission banned Whitebeam Holdings’ tender offer to Orgachim’s minority shareholders due to discrepancies in the procedures for estimating the buyout price.
- ↔ Bulgarian – American Credit Bank posted 49% decline of net earnings in Q1 to BGN 6.84mn. Interest revenue fell by 21.7% to BGN 23.4mn and interest expenses shrank by 4.5% to BGN 7.5mn. BACB’s credit portfolio decreased by 11% to BGN 830mn. Net interest income was 28% lower compared to the year-ago period, or amounted to BGN 15.8mn.
- ↔ Net earnings of First Investment Bank were 36.5% lower for the first three months of 2010 compared to the year-ago period and stood at BGN 8.03mn. Total assets were 1.8% higher compared to the end of Q1 2009.

Mutual Funds

Top 10 mutual funds – yield (high and balanced risk)	Change last 12 months	Change YTD
Advance Eastern Europe	59.04%	21.12%
Status Finance	52.86%	7.86%
Advance Invest	24.84%	3.90%
DF Balkani	22.38%	7.65%
Status New Shares	20.04%	9.37%
UBB Premium	19.55%	-1.91%
DF Standard Invest	18.83%	-4.27%
TBI Dynamic	18.37%	0.64%
CCB Active	17.20%	-3.06%
KTB Shares	17.11%	1.33%

Top 10 Mutual funds -yield (low risk)	Change last 12 months	Change YTD
BenchMark Fund 1	9.29%	0.16%
CCB Garant	9.00%	2.33%
BenchMark Fund 6	8.99%	2.87%
TBI Comfort	8.82%	1.53%
Raiffeisen Bonds Fund	8.26%	2.87%
BKM Balanced	8.14%	-0.27%
Raiffeisen Money Market	7.09%	1.78%
Astra Cash	6.73%	2.30%
FIB Garant	6.47%	1.69%
DSK Standard	6.28%	2.30%



Mutual funds

Net assets of mutual funds rose by 1.5% for the period March 15 - April 15 and reached BGN 386mn, reported Investor.bg. In the previous period net assets grew by 0.8% to BGN 380mn. Raiffeisen Money Market Fund was the largest mutual fund with assets of BGN 42.4mn, followed by DSK's Balance (BGN 19.2mn) and Growth (BGN 18.6mn).

Advance Eastern Europe (59.04%) took the lead among aggressive mutual funds in terms of yield for the last twelve months. Status Finance (52.86%) ranked second, followed by Advance Invest (24.84%).

BenchMark Fund 1 (9.29%) was the top performer among conservative funds, followed by CCB Garant (9.00%) and BenchMark Fund 6 (8.99%).

Macroeconomics

The National Statistical Institute (NSI) reported CPI inflation of 0.2% in March. Year-to-date inflation reached 1.4%. Annual inflation for March 2010 compared to March 2009 stood at 1.3%. Average inflation for the period April 2009 – March 2010 compared to April 2008 – March 2009 was 1.5%. In February consumer prices went up by 0.6%.

Producer Price Index (PPI) rose by 1.3% m/m in March and was 2.8% higher compared to March 2009. Prices increased in manufacturing (2.3%) but declined in mining industry (-1.1%) and electricity production and distribution (-0.4%). In February the PPI index fell by 0.2% on monthly basis and was 2.5% above its year-ago value.

Total business climate in April was 4.4 basis points higher compared to the previous month. Sentiment improved in all sectors participating in the research – manufacturing, construction, retail trade and services. In March the indicator lost 0.9 basis points.

Housing prices shed 2.3% in the first three months of 2010 compared to the final quarter of 2009. Prices in Q1 2010 declined by 17.8% compared to the corresponding period of 2009.

Bulgaria's gross external debt (GED) fell for a third straight month in February to EUR 37.011bn, or EUR 284mn less than in January. GED accounted for 107.3% of the projected GDP for 2010 (EUR 34.860bn), the Bulgarian National Bank (BNB) reported.

Foreign Direct Investments (FDI) fell to BGN 28mn in the end of February from EUR 53mn January. The ratio FDI/current account deficit stood at 18%.

The FOB trade deficit rose to EUR 310.6mn in February (-0.9% of the projected GDP for 2010). In January the trade deficit was EUR 175.8mn.

The 12-month SOFIBOR fell below 9 percentage points in the end of April. SOFIBOR reference rate is an index of the quotes for unsecured BGN deposits offered on the Bulgarian interbank market.

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