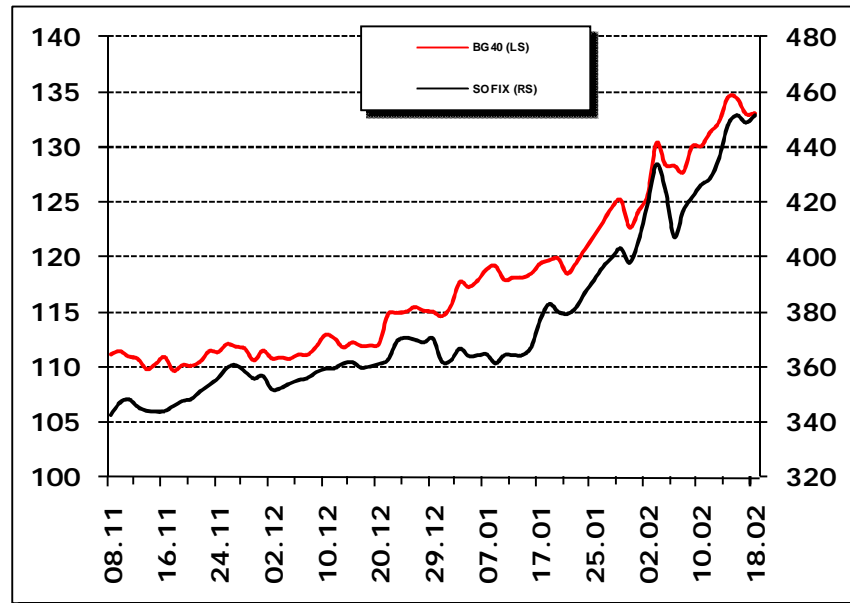
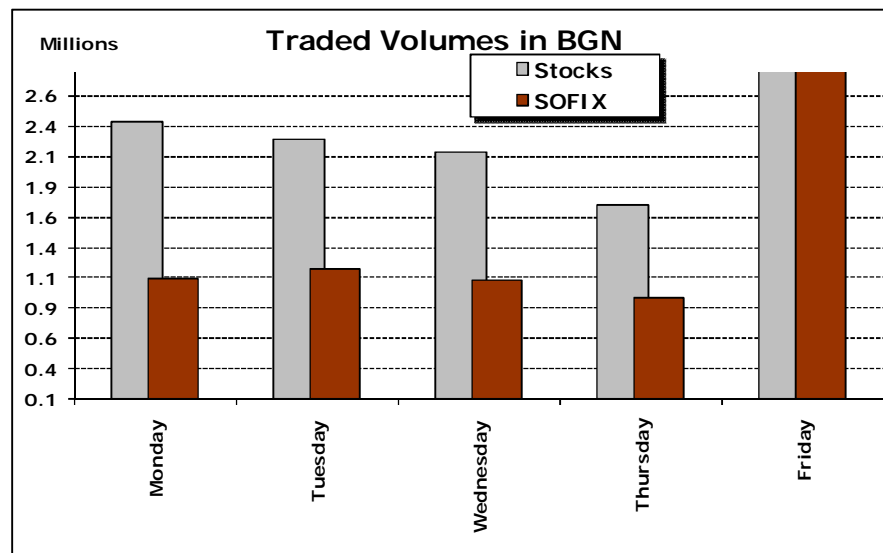


Market Trend



The main indices closed the week on the upside despite that the positive series was brake on Thursday. The decrease was slight and the positions were again on the upside on Friday. SOFIX stopped at 450 points but if the positive moods persist the level will be easily overcome. The investors' attention was focus mainly toward liquid positions but some of the small caps also soared. The activity remained high. We consider that the profit taking will take place for short next week but the general picture will remain the same.

Trading Activity



The investors remained active and the overall turnover was around BGN 2 million. On Friday, Chimimport (6C4) for BGN 4.9 million changed hands in one deal. 0.92% of the company's capital was transferred at BGN 3.53. There was no official announcement. Among stocks in focus banks, Monbat (6C4) and Sopharma (3JR) were actively traded. The interest was broad-based as compared to the beginning of the year when only several companies were subject of investors' interest.

SOFIX

Stock	Last Price	Weekly Change	Bid	Ask
Advance Terrafund REIT	1.38	8.50%	1.36	1.40
Albena	60.10	8.48%	59.04	60.50
Bulgarian-American Credit Bank	9.25	-1.08%	9.15	9.25
Central Cooperative Bank	1.82	9.05%	1.82	1.83
Chimimport	3.55	7.58%	3.53	3.58
Doverie United Holding	3.40	-2.88%	3.40	3.53
Enemona	6.99	0.58%	6.85	7.04
Eurohold Bulgaria	0.88	0.23%	0.87	0.89
First Investment Bank	3.46	7.79%	3.46	3.48
Industrial Holding Bulgaria	1.11	-0.90%	1.10	1.11
Kaolin	5.10	-4.60%	5.10	5.25
Monbat	7.45	6.44%	7.41	7.45
Sopharma	4.61	11.81%	4.60	4.62
Stara Planina Hold	3.80	4.11%	3.80	3.88
Zyrneni Hrani Bulgaria	0.69	-4.06%	0.69	0.69

Sopharma (3JR) outperformed SOFIX's components and added almost 12% on weekly basis. The pharmaceutical company makes up the recent lag and hit its 52-weeks high on Friday. In January 2011, Sopharma has realized 13% sales growth compared to the same month last year, which includes a drop of 6% in the sales on the domestic market and an increase by 23% in export sales. Last month the company has realized double-digit growth in its traditional markets Russia and Ukraine in comparison with January 2010. Central Cooperative Bank (4CF) also outperformed as well as First Investment Bank (5F4). The only bank in the red was Bulgarian-American Credit Bank (5BN) which is still under pressure.

News

- **14 February 2011:** Central Cooperative Bank (4CF) notifies herewith of the acquisition of 18% of the capital of BULGARIA ON AIR.
- **17 February 2011:** On February 15, 2011 in the town of Godech was officially opened the first of its kind in Bulgaria and the European Union high-tech production line for Power LEDs – Octa Light Bulgaria. The company belongs to the economic group of Monbat as the manufacturer of rechargeable batteries holds 51% of its capital.

Macro-economy

- According to the preliminary data of the NSI, the consumer price index (CPI) in January 2011 compared to December 2010 was 100.6%, i.e. the monthly inflation was 0.6%. According to the preliminary data of the NSI, the harmonized index of consumer prices (HICP) in January 2011 compared to December 2010 was 100.5%, i.e. the monthly inflation was 0.5%.
- According to the seasonally adjusted data, the GDP growth rate in the fourth quarter of 2010 is 1.7%, compared with the fourth quarter of the year and 2.1%, compared with the same quarter of the previous year.
- The index of producer prices in agriculture increases by 27.2% in the fourth quarter of 2010 as compared to the same quarter 2009. Increase was register in the crop production by 32.6%, and in the livestock – by 10.9% compared with the corresponding quarter of previous year. The index of prices of means of production used in agriculture in the fourth quarter of 2010 is 3.8% above the same quarter of 2009.

Disclaimer

Analyst Certification: The research analyst(s) certifies that: (1) all of the views expressed in this document accurately reflect his or her personal views about any and all of the subject securities or issuers; (2) no part of any of the research analyst's compensation was, is, or will be directly or indirectly related to the specific recommendations or views expressed by the research analyst(s) in this document.

Financial Interest: ELANA Trading may trade or own shares of the analyzed companies. The research analyst(s) is not holding shares of the analyzed companies, unless otherwise noted.

Regulatory Authority: Financial Supervisory Commission, *Shar Planina* Street 33, 1303 Sofia, Bulgaria

Information Disclosure: All reasonable care has been taken to ensure the facts stated are accurate and opinions given are fair and reasonable. Our recommendations are based on information available to the public that we consider to be reliable but for the completeness and accuracy of which we assume no liability. Neither ELANA Trading, nor its directors, officers or employees shall in any way be responsible for its contents. The views expressed may differ from the views of other firm departments or representatives. Additional information is available upon request. Unless otherwise noted, sources for all information in charts and tables are ELANA Trading's calculations.

Risks for Investors: Information in this document should not be regarded as an offer to buy or sell any financial instruments. The investment possibilities discussed in this document may not be suitable for certain investors depending on their specific investment objectives and time horizon or in the context of their overall financial situation. In particular, the risks associated with an investment in the securities or the financial instruments under discussion are not explained in its entirety. The prices or values of the securities may go down as well as up and can fluctuate and fall against the investor. The securities or investments may cause the investor to lose the amount invested. Past performance is not a guide to future performance. Changes in exchange rates may have an adverse effect on the value, price or income of the securities or investments.

Valuation Methods: Company valuations are based on the following methods: multiple-based (P/E, P/B, EV/EBITDA), historical valuation approaches, peer comparisons, discount models (DCF, DDM) or asset-based evaluation methods. Valuation models are dependent on macroeconomic factors, including interest rates, foreign exchange rates, prices of raw materials, and any expectations about the economy, the market sentiment. The valuation is based on expectations that might change rapidly and without notice, depending on developments specific to individual industries and countries. Recommendations and target prices derived from the models might therefore change accordingly. The application of models depends on forecasts of a range of economic variables, thus there is a range of reasonable variations within models. Any valuation is dependent upon inputs that are based on the subjective opinion of the analysts carrying out this valuation.

Recommendations: Analyst(s) recommendations are based on the specific factors for the company, sector, country and global developments, as compared to market indices. Recommendations and opinions reflect ELANA Trading's expectations over the 12-month period following publication from the perspective of long-only investment clients. ELANA Trading reserves the right to express different or contrary recommendations and opinions for different timescales or for other types of investment client. Except as otherwise noted, expected performance over next 12 months vary for different recommendations for Bulgarian stocks as follows:

Outperform	More than 5% higher as compared to SOFIX and BG40 performance
Market Perform	Market performance, +/-5% as compared to SOFIX and BG40
Underperform	More than 5% lower as compared to SOFIX and BG40 performance

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.

For more information, please contact:

Research analyst
Tsvetoslav Tsachev
Tamara Becheva

Phone:
+359 2 810 00 23
+359 2 810 00 27

E-mail:
tsachev@elana.net
becheva@elana.net

Internet:
www.elana.net
www.elana.net