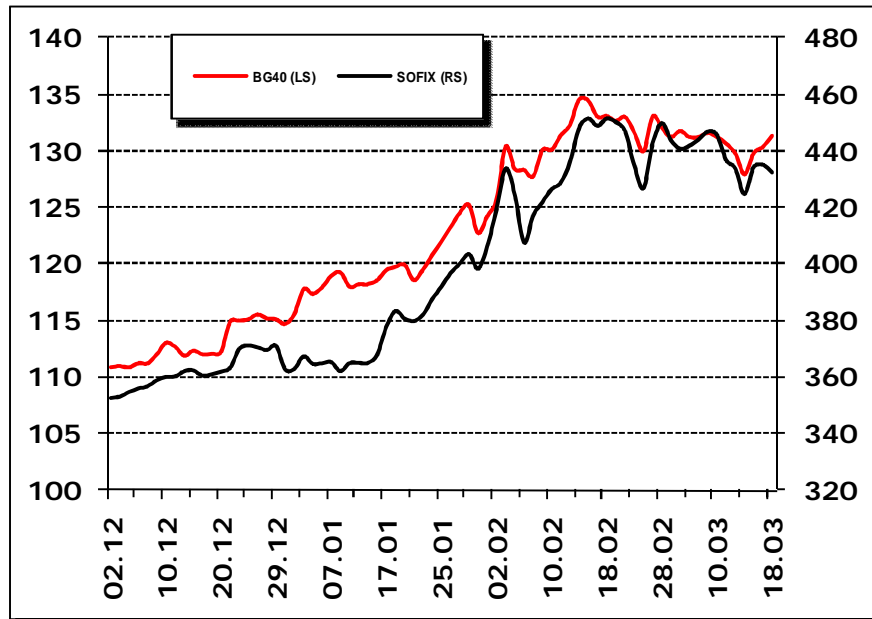


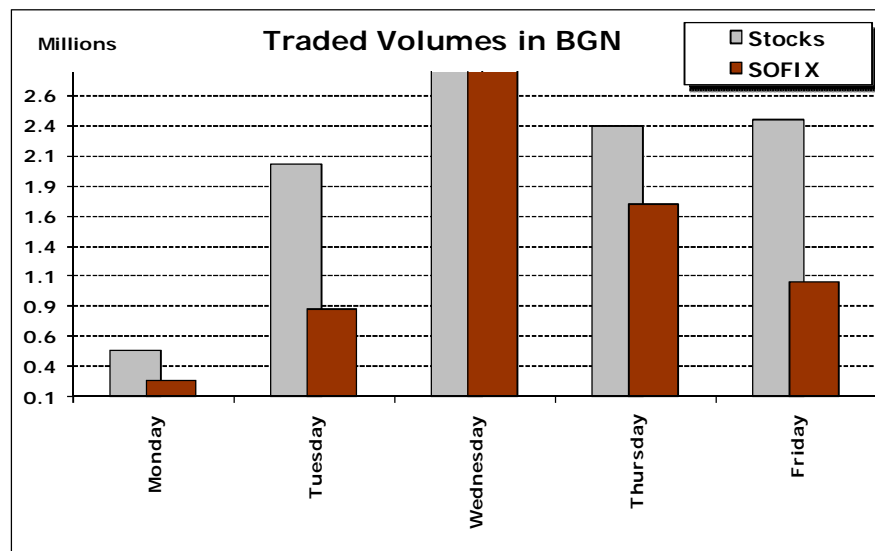
Market Trend



The main Bulgarian indices were under the influence of the international markets this week. SOFIX underperformed and lost 1% on weekly basis, whereas BG40 added 0.5%. SOFIX was under the pressure of the recent restructuring as well. As of March 21, Bulgarian-American Credit Bank (5BN) and Zyrneni Hrani Bulgaria (T43) will be replaced with Corporate Commercial Bank (6C9) and Bulgaria Real Estate Fund (5BU) in the index's calculations. This caused some movement at the end of Friday's session due to SOFIX's based portfolios. There were no significant corporate news.

We consider that the market will stay in the recent range in short term.

Trading Activity



The overall volumes improved and stay around BGN 2 million separate between the liquid positions. Individuals were active mainly at the beginning of the sessions. Some block deals boosted the total turnover on Wednesday to BGN 4 million. Large package transactions of Chimimport (6C4) at the end of the session contributed BGN 2 million to the volumes.

SOFIX

Stock	Last Price	Weekly Change	Bid	Ask
Advance Terrafund REIT	1.36	-5.24%	1.38	1.40
Albena	57.50	-1.71%	57.10	57.50
Bulgarian-American Credit Bank	8.50	-3.41%	8.60	8.85
Central Cooperative Bank	1.67	-1.18%	1.69	1.71
Chimimport	3.43	-2.00%	3.45	3.51
Doverie United Holding	3.00	-7.98%	3.20	3.33
Enemona	7.00	0.72%	6.90	6.99
Eurohold Bulgaria	0.96	0.63%	0.95	0.96
First Investment Bank	3.30	0.00%	3.30	3.36
Industrial Holding Bulgaria	1.05	0.58%	1.06	1.09
Kaolin	4.90	-3.92%	4.92	5.00
Monbat	7.10	3.03%	7.15	7.30
Sopharma	4.50	3.93%	4.29	4.37
Stara Planina Hold	3.68	-0.67%	3.68	3.77
Zyrneni Hrani Bulgaria	0.59	-5.75%	0.62	0.62

SOFIX components closed mixed with Sopharma (3JR) and Monbat (5MB) outperforming. The changes in the index caused some pressure. At Friday's close most of the components were traded mainly on the downside, probably due to a portfolio restructuring.

News

- **14 March 2011:** With reference to a decision of the BSE-Sofia Board of Directors for making changes to the base of the SOFIX index, the BSE-Sofia Index Committee has determined the following free float quotients of the companies to be included in the SOFIX index as of March 21 2011:
6C9 Corporate Commercial Bank –Sofia: free-float 12%
5BU Bulgarian Real Estate Fund REIT-Sofia: free-float 71.27%
- **14 March 2011:** On March 11, Corporate Commercial Bank has sold 6 300 000 shares of the capital of Agro Finance REIT, as a result of which the participation of Corporate Commercial Bank in Agro Finance REIT has become 7.85% (2 527 554 shares).
- **16 March 2011:** On March 16 2011, Consortium Lovech 2010 has signed a contract for maintenance of 735 km republic roads on the territory of Lovech Regional Road Administration. The contract is for a period of four years and comprises installation and maintenance of the road signalisation, maintenance and repairs of the road pavement and equipment, landscape gardening etc.

Macro-economy

- In January 2011 the Bulgarian export to third countries increased by 74.1% compared to the corresponding month of the previous year and amounted BGN 1.3 billion, while the import increased by 37.0% and reached BGN 1.4 billion. In January 2011 the total value of the exported goods was over BGN 3.1 billion and compared to the corresponding month of 2010 the exports increased by 72.6% while the total value of the imported goods was almost BGN 3.1 billion and increased by 35.9%.
- The consumer price index (CPI) in February 2011 compared to January 2011 was 101.2%, i.e. the monthly inflation was 1.2%. The harmonized index of consumer prices (HICP) in February 2011 compared to January 2011 was 100.6%, i.e. the monthly inflation was 0.6%.
- In 2010 the employment rate (15 - 64) was 59.7%, by 2.9 percentage points lower in comparison with 2009. Over the same period the unemployment rate increased by 3.4 percentage points to 10.2%.
- Preliminary data for fourth quarter of 2010 indicated that total hourly labour cost rose by 8.0% compared to the fourth 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