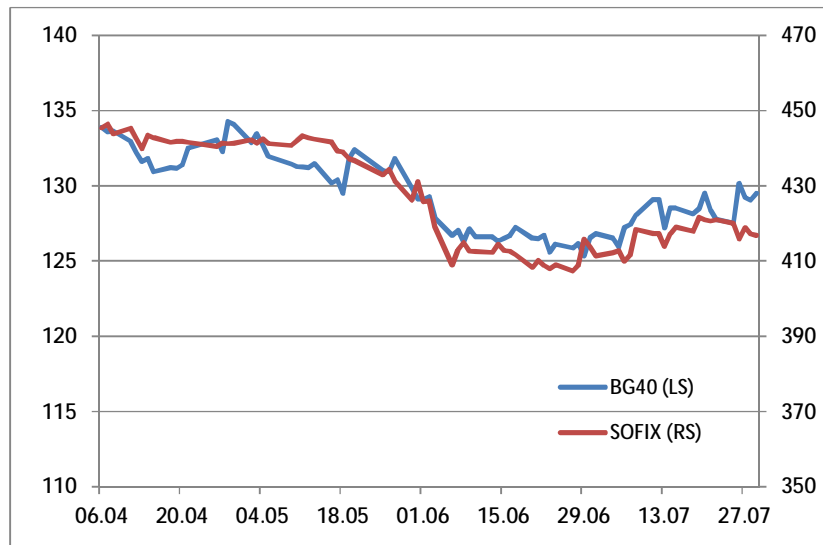
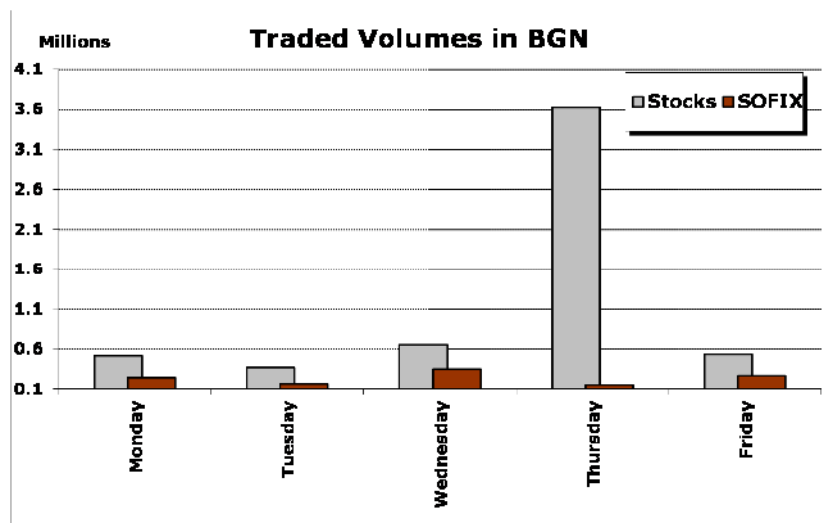


Market Trend



The Bulgarian indices closed flat on monthly basis as the last day for July didn't bring surprises. The most positions consolidated and the market's benchmarks stayed almost unchanged. SOFIX added 0.72% as compared to end of June, whereas BG40 improved by 2.34%. The summer season is usually positive period for the Bulgarian market. In August 2009 SOFIX added 50%, followed by 12% in August 2010. The low activity and the wide spread allows movements. The unconsolidated 1H reports will have only one-time effect on some positions. The consolidated results of the holding companies next month probably will have more sizable effect.

Trading Activity



The overall volumes stayed around BGN 600 000 in low activity and preliminary institutional investors' interest. Even speculators stayed aside of the market. Large package transaction with Prime Property BG REIT (4PY) boosted the turnover by BGN 3 million on Thursday.

Stock	Last Price	Weekly Change	Bid	Ask
Advance Terrafund REIT	1.50	0.07%	1.47	1.50
Albena	59.90	0.67%	59.30	59.50
Corporate Commercial Bank	79.50	-1.36%	77.25	79.50
Central Cooperative Bank	1.30	1.17%	1.29	1.30
Chimimport	2.79	-6.06%	2.78	2.79
Doverie United Holding	2.95	-0.54%	2.96	3.00
Enemona	5.97	4.12%	5.72	5.97
Eurohold Bulgaria	1.38	-0.65%	1.38	1.38
First Investment Bank	3.00	0.64%	3.00	3.03
Industrial Holding Bulgaria	0.89	-1.66%	0.89	0.91
Kaolin	3.00	0.00%	2.93	3.00
Monbat	6.80	0.00%	6.76	6.80
Sopharma	3.97	-0.95%	3.97	4.01
Stara Planina Hold	3.74	1.36%	3.70	3.74
Bulgaria Real Estate Fund REIT	0.64	-11.68%	0.65	0.65

Bulgaria Real Estate Fund REIT (5BU) was the worst performer as the news for a sale of one of the company's buildings boosted the position last week. Most of the SOFIX components closed the week unchanged. Monbat (5MB) announced that in July the company bought back 37 752 own shares at average BGN 6.82. The GMS of Chimimport voted BGN 0.1998 dividend per preferred share (6C4P).

News

- **25 July 2011:** Central Cooperative Bank (4CF) has submitted a notification regarding the capital increase decision of the company from BGN 83 million up to BGN 113 million through issuance of 30 million ordinary dematerialised voting shares having a par value of BGN 1 and issuance value of BGN 1.50, as adopted by the Management Board of CCB on June 21, 2011. The basis of determining the issuance value is the weighted average price of the shares for the last three (3) months.
- **26 July 2011:** In June 2011 Monbat (5MB) and Monbat Recycling have generated consolidated net incomes from sales to the amount of BGN 16.7 million, which represents a 30.16 % growth compared to the individual net incomes from sales, generated by Monbat in June 2010. The summarized data for the first six months of 2011 show that Monbat and Monbat Recycling generated consolidated net incomes from sales to the amount of BGN 98.8 million, which represents a 20.79 % growth compared to the individual results of Monbat for the same period of 2010. The generated consolidated profit before taxes of Monbat and Monbat Recycling for June 2011 is BGN 1.9 million or 4.03% decrease compared to the individual profit, of Monbat in June 2010.
- **28 July 2011:** At a session of the Management Board of Eurohold Bulgaria (4EH) held on July 27, 2011, a decision was adopted to increase the Company's capital from BGN 108.6 million, distributed in 108.6 million shares, up to BGN 144.85 million through issuance of 36.2 million new shares having a par value of BGN 1.00. Issuing value of each share under the new issue: BGN 1.70.

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