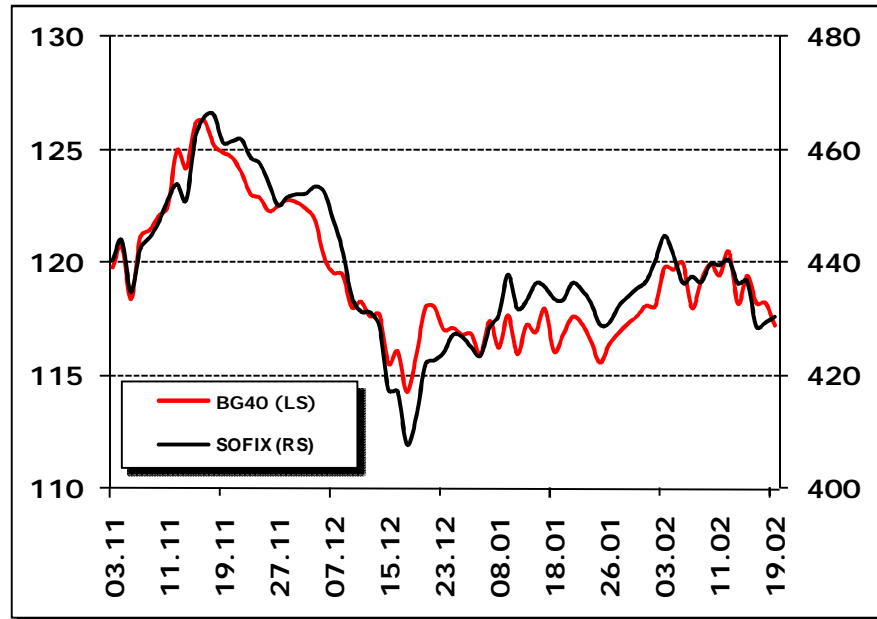


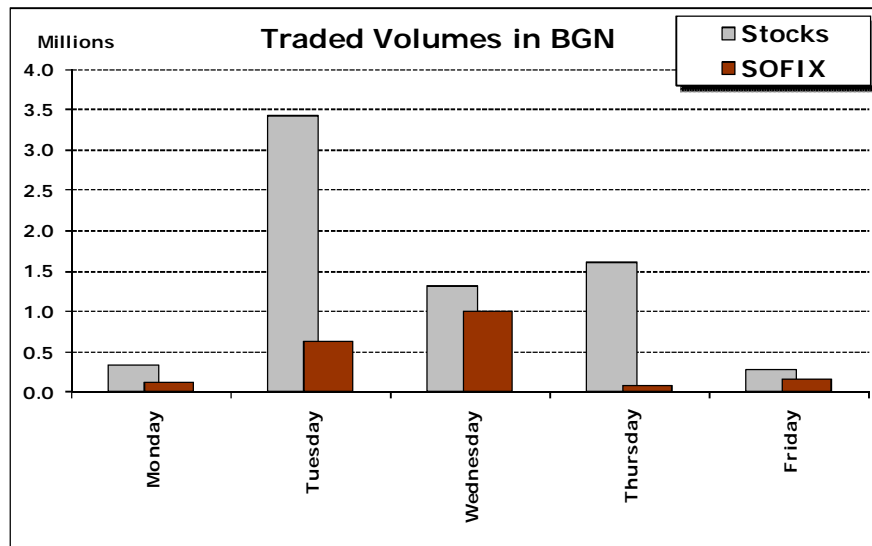
Market Trend



The main indices declined by 2% on weekly basis as the negative sessions predominated. SOFIX stepped back from the level of 440 points as 90% of the index's components closed in the red. The auction for the unused right for the Enemona's capital increase passed in insignificant interest.

The consolidated reports for 2009 may move the market, but most of the results are already priced in. The lack of demand from institutional investors allows indices to be moved with low volumes.

Trading Activity



The overall volumes remained in the current levels. Block deals with low-liquid positions supported BSE turnover in the middle of the week. Central Cooperative Bank (4CF) continued to be the most traded position by number of deals. The investors' activity remained thin and individuals were the main players.

SOFIX

Stock	Last Price	Weekly Change	Bid	Ask
Albena	43.72	-2.84%	42.60	43.72
Bulgarian-American Credit Bank	16.9	-0.59%	16.66	17.00
Central Cooperative Bank	1.294	-0.77%	1.29	1.30
Chimimport	2.721	-3.85%	2.72	2.74
Corporate Commercial Bank	60	-1.64%	59.08	61.95
Elana Opportunity Land Fund	.8	0.00%	0.79	0.83
Enemona	8.98	-0.71%	8.85	8.98
Eurohold Bulgaria	1.372	-1.37%	1.36	1.38
First Investment Bank	2.466	-2.07%	2.45	2.49
Holding Roads	2.5	-1.96%	2.48	2.50
Industrial Holding Bulgaria	1.48	-13.45%	1.43	1.48
Kaolin	5.65	-2.87%	5.65	5.70
Lead and Zink Complex	13.998	-1.07%	13.90	13.95
M+S Hydraulic	5.44	0.37%	5.44	5.44
Monbat	6.541	-0.14%	6.40	6.53
Neochim	27.6	-3.50%	27.60	29.00
Orgachim	78	-8.77%	76.50	81.00
Sopharma	4.022	-0.20%	3.99	4.02
Sparky Eltos	2.2	-2.22%	2.12	2.20
Trace Group Hold	72	-2.04%	72.02	73.00

Industrial Holding Bulgaria (4ID) was the stock in focus this week after the announcement for the forthcoming capital increase. The position remained under pressure and lost 13% on weekly basis. The price reached its recent low at BGN 1.43. Orgachim (5ORG) also underperformed after a serious selling pressure on Friday and closed below the key level of BGN 80.00 in moderate volumes. The banking sector continued to be in investors' focus. Corporate Commercial Bank (6C9) enjoyed increased volumes despite that the position stepped back on weekly basis.

News

- **16 February 2010:** Alcatel-Lucent and VIVACOM have announced on February 16, 2010 a five-year partnership focusing on end-to-end strategic transformation of VIVACOM's fixed and mobile network throughout the country. VIVACOM is outsourcing end-to-end network operations to Alcatel-Lucent as of March 1, 2010. Through partnering with Alcatel-Lucent to outsource its network operations, VIVACOM will be able to concentrate on its core business and to reduce its operating expenses, as well as to ensure increased network quality.
- **17 February 2010:** Enemona (E4A) appointed an extraordinary General Meeting of Shareholders on March 23, 2010 with main item in the agenda authorization of the Board of Directors and of the executives to make deals under the terms of Article 114 of the POSA. The final date for transacting shares of this company on the floor of BSE-Sofia, as a result of which the holder will be entitled to exercise his voting right at the GMS, will be March 05, 2010.
- **17 February 2010:** On February 15, 2010, the Management Board of Industrial Holding Bulgaria (4ID) has taken a decision, approved by the Supervisory Board, to increase the capital of the company from BGN 43.7 m to BGN 58.3 m through issuing common shares at BGN 1.40 issue value.

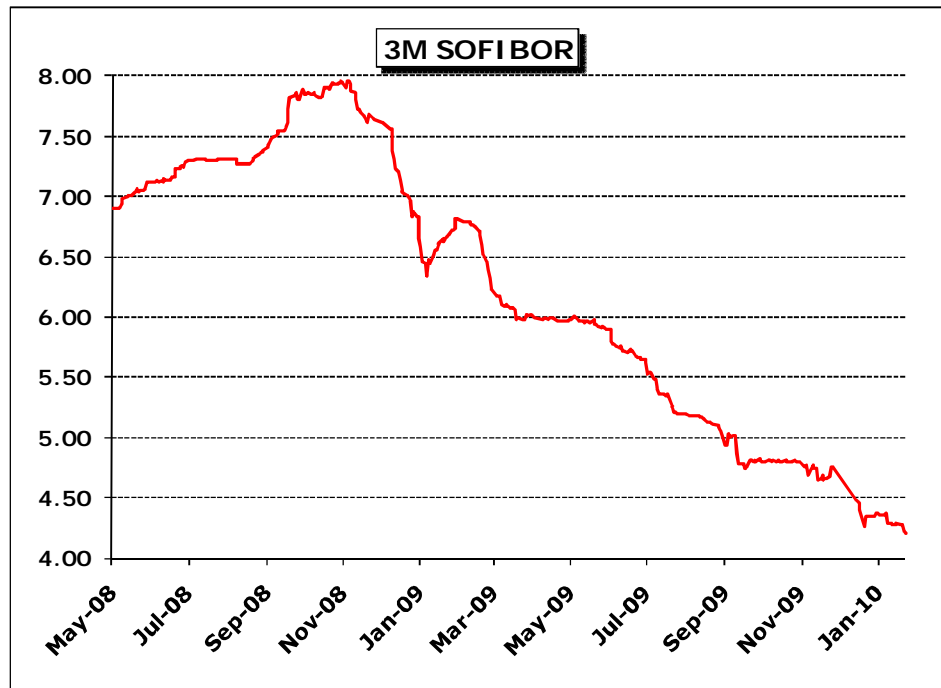
Upcoming Events

- 22 February 2010: National Statistic Institute will announce the 4Q 2009 building permits.
- 23 February 2010: Bulgarian National Bank will announce the credit portfolio of the banking system as of January 2010 and the gross external debt as of the end of 2009.
- 24 February 2010: the last day for subscribing preferred shares of Enemona (E4A).
- 25 February 2010: Monbat (5MB) will announce its monthly financial results and management prognosis for 2010.
- 26 February 2010: Bulgarian National Bank will announce the business climate indicator for February, 2010 and the January PPI.

Macro-economy

- According to the preliminary data of the National Statistical Institute (NSI) the number of employees under labour contract at the end of December 2009 decreased by 3.6% as compared to the end of September 2009 and reached to 2.25 millions. In 4Q 2009 in comparison with the 3Q 2009 the average monthly wages and salaries increased by 3.9% getting BGN 606.
- The inflation rate for January on monthly basis was 0.7%, on yearly basis is 0.5%. The transport and the entertainments posted the large increase on monthly basis.

Bond Market



Source: Bloomberg

The fall of interbank interest rates resumed last week and was supported by the strong demand on the auction for 7-year government bonds. The offered amount of BGN 35 million attracted bids for BGN 118.6 million. The average yield at the auction was 5.33%.

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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.

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