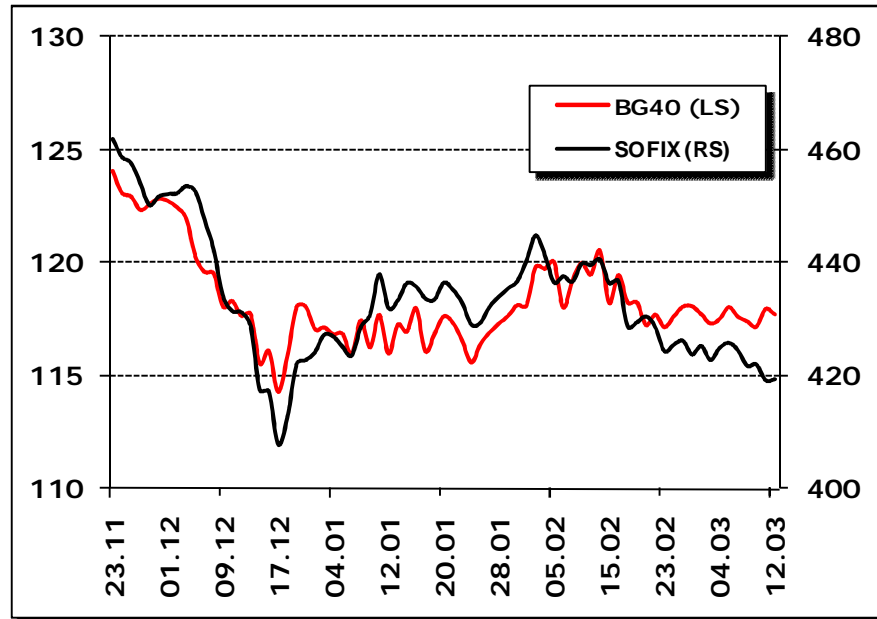
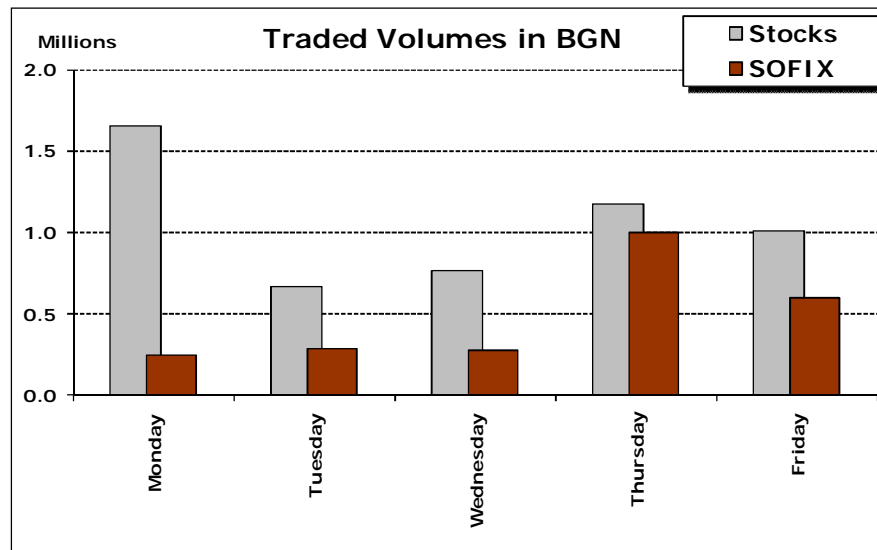


Market Trend



The main indices lost ground last week and SOFIX declined 1.51%. The liquid positions were under moderate selling pressure. Investors' focus was turned mainly to the companies that announced information like Orgachim (5ORG) and Monbat (5MB), despite of the short-term effect of the news.

Trading Activity



The overall volumes remained moderate. On Monday, the daily volumes were support by large package transaction of BG Agro (A00). The compensatory vouchers were actively traded during the week due to the 23rd Centralized Tender Offer, where had been offered small packages of two public companies. Orgachim (5ORG) moved the trading during the week, as the majority owners submitted a tender offer to minority shareholders. The Memorandum was given back from the Financial Supervision Commission for additional information.

SOFIX

Stock	Last Price	Weekly Change	Bid	Ask
Albena	42.5	0.02%	42.00	42.75
Bulgarian-American Credit Bank	14.02	-13.46%	14.30	14.70
Central Cooperative Bank	1.282	-1.00%	1.28	1.29
Chimimport	2.693	1.51%	2.69	2.69
Corporate Commercial Bank	62	0.00%	60.60	62.00
Elana Opportunity Land Fund	.75	-1.32%	0.73	0.77
Enemona	8.9	-1.66%	8.90	9.10
Eurohold Bulgaria	1.278	-3.84%	1.28	1.29
First Investment Bank	2.34	-2.05%	2.32	2.34
Holding Roads	2.4	-1.23%	2.37	2.40
Industrial Holding Bulgaria	1.428	-1.52%	1.41	1.43
Kaolin	5.517	-2.35%	5.50	5.52
Lead and Zink Complex	13.477	-0.90%	13.30	13.30
M+S Hydraulic	5.2	-3.67%	5.20	5.20
Monbat	6.479	-0.78%	6.45	6.48
Neochim	28	1.82%	27.65	28.00
Orgachim	86.6	5.86%	86.10	87.00
Sopharma	4.011	-0.22%	4.00	4.01
Sparky Eltos	1.95	-5.61%	1.93	1.96
Trace Group Hold	71.395	-3.87%	70.30	71.40

SOFIX components closed mainly in the red, led by Bulgarian-American Credit Bank (5BN). The bank's shares finished the week below the key level of BGN 15.00 and the thin support will allow another decline below BGN 14.00 this week. After several sessions on the upside Corporate Commercial Bank (6C9) was unchanged on weekly basis. Orgachim (5ORG) outperformed the market after the news for the forthcoming tender offer.

News

- **11 March 2010:** Monbat (5MB) announced 2010 prognosis.
- **11 March 2010:** The management of Orgachim (5ORG) has received a notification from Policolor, Whitebeam Holdings and Tidal Wave Trading concerning a proposal for acquisition of Orgachim's shares from the rest of the company's shareholders. The offerors have signed a common policy agreement with regard to the management of Orgachim, envisaging a joint exercise of voting rights. The price proposed is BGN 85.00 per share. The Financial Supervision Commission has placed a temporary veto on publication of the tender offer, so the proposal is not approved and is subject to amendments.
- **12 March 2010:** BSE-Sofia Board of Directors decided not to amend the basis of the SOFIX and BG REIT indices till their next rebalancing in September 2010 due to the complicated situation in the capital market, the decrease in liquidity as well as in the activity of the market participants. This decision is also dictated by the fact that even through a significant lowering of the liquidity criteria applicable to the separate companies, there are presently no real alternatives for an amendment to the composition of both indices.

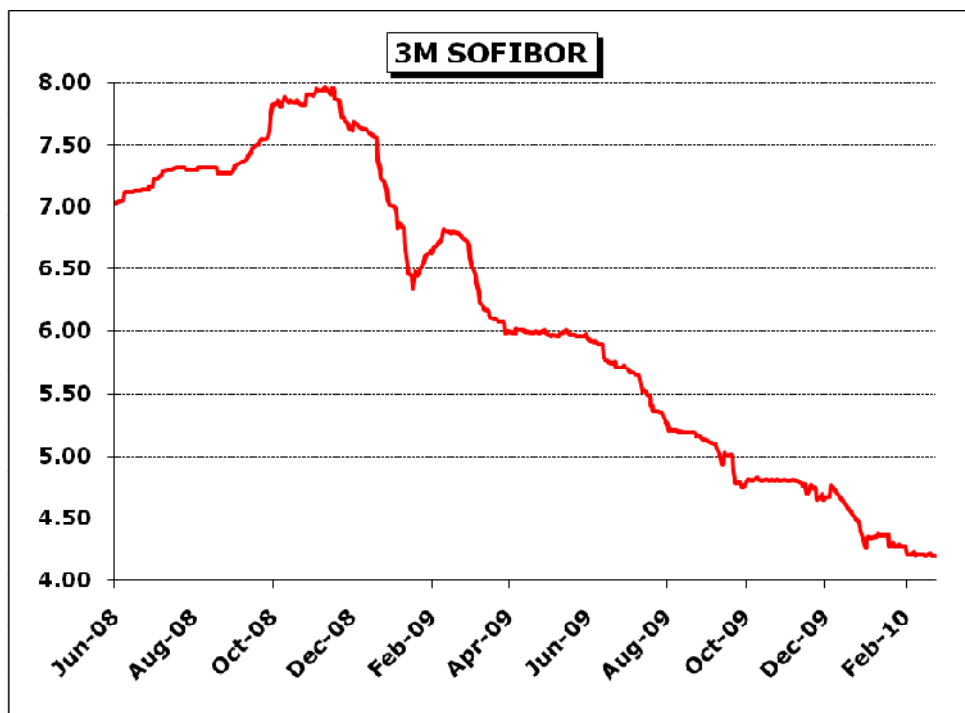
Upcoming Events

- 15 March 2010: Bulgarian National Bank will announce the information for the Payment Balance.
- 15 March 2010: Bulgarian National Bank will make an auction for Government Bonds.
- 15 March 2010: The first day of Enemona (E4A) with a market maker – EFG Securities. This is the first SOFIX's company with an active market maker.
- 16 March 2010: National Statistic Institute will announce the data for the labor force.

Macro-economy

- In January 2010 according to the preliminary data, the turnover in the trade sector decreased by 19.0% compared to the same month of the previous year.
- The preliminary data showed that the Industrial Production Index decreased by 0.9% in January 2010 as compared to January 2009, as compared to the previous month the production decreased by 14.7%. Industrial Turnover Index decreased by 2.8% compared to January 2009, as compared to the previous month the turnover fall by 18.1%.

Bond Market



Source: Bloomberg

The absence of new bond issue supported the stable interbank interest rates last week. The next auction for government bonds is on March 15 but we don't expect significant change of yields.

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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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