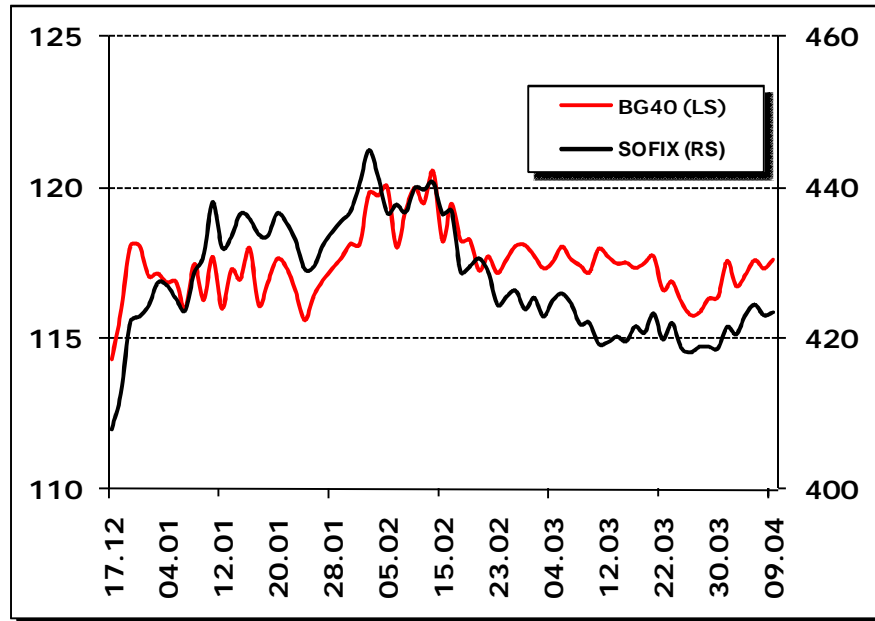
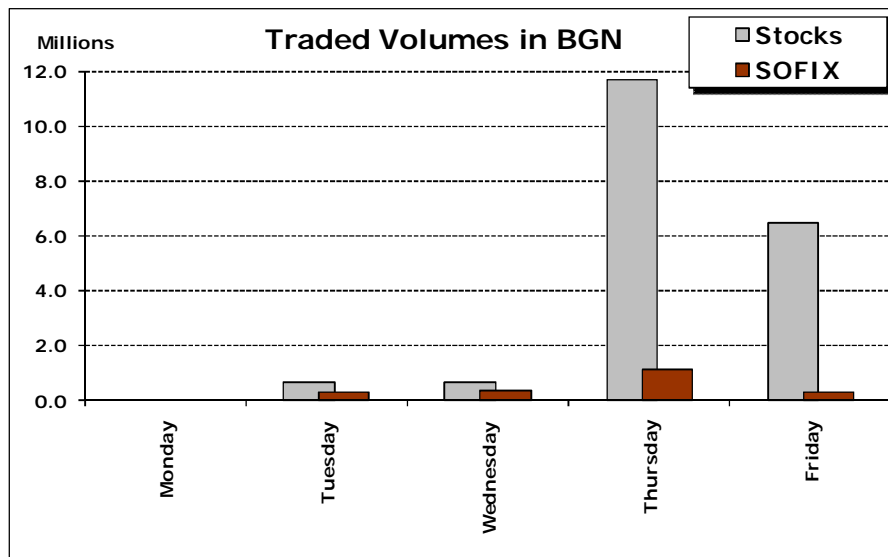


Market Trend



The main indices closed the week on the flat line with the usual activity. The new quarter didn't bring any surprises and the daily volumes remained in the recent range. We expect the quarterly reports to show the gradual improvement of revenues of largest Bulgarian companies due to the increase of exports and to give some support to the market. Investors are still aside of the market, which is contributing to the lower correlation to regional markets.

Trading Activity



Several large block deals supported the turnover. On Thursday and Friday, blocks of Velgraf Asset Management (1VX) were transferred, respectively for BGN 10 million and BGN 8.5 million. The forthcoming capital increase of Industrial Holding Bulgaria (4ID) won't be able to move the trading significantly as the issue price of the new shares will be BGN 1.40 and the current market price already settled at BGN 1.40 so far.

SOFIX

Stock	Last Price	Weekly Change	Bid	Ask
Albena	44.5	-1.11%	44.50	45.00
Bulgarian-American Credit Bank	15.8	1.94%	15.26	15.80
Central Cooperative Bank	1.32	0.38%	1.32	1.32
Chimimport	2.628	0.31%	2.62	2.64
Corporate Commercial Bank	64	3.04%	64.00	65.00
Elana Opportunity Land Fund	.701	-5.27%	0.70	0.73
Enemona	9.32	1.97%	9.26	9.39
Eurohold Bulgaria	1.306	1.24%	1.31	1.32
First Investment Bank	2.422	-0.12%	2.42	2.44
Holding Roads	2.26	0.27%	2.26	2.30
Industrial Holding Bulgaria	1.39	0.36%	1.39	1.40
Kaolin	5.45	-1.25%	5.43	5.45
Lead and Zink Complex	13.197	-0.02%	13.00	13.20
M+S Hydraulic	5.189	3.78%	5.15	5.15
Monbat	6.7	2.52%	6.65	6.75
Neochim	26.1	-3.33%	26.12	26.80
Orgachim	84.999	3.41%	83.50	85.85
Sopharma	4.03	0.75%	4.02	4.03
Sparky Eltos	1.86	-3.18%	1.86	1.90
Trace Group Hold	69.15	0.20%	69.15	69.50

Orgachim (5ORG) outperformed the market as on Friday the company was buy up in moderate volumes. After the Financial Supervision Commission didn't approve the Memorandum for Orgachim's capital increase, the price of the share settled around BGN 80.00. The revised prognosis for 2010 revenues of Sopharma (3JR) didn't boost the position but strengthen the support at BGN 4.00. On Wednesday, the Bulgarian National Bank announced the credit portfolio data and probably this provided support to the banking sector. Corporate Commercial Bank (6C9) outperformed and closed the week at BGN 64.00.

News

- **06 April 2010:** The tender offer of Central Cooperative Bank (4CF) addressed on March 16, 2010 to the shareholders of Stater Banka-Kumanovo, Republic of Macedonia, has been successfully accomplished. Central Cooperative Bank has made a tender offer for the acquisition of 339 178 common voting shares of Stater Banka at the price of MKD 1 070 per share. As a result of the tender offer, Central Cooperative Bank has acquired 317 864 shares or 93.72% of the voting shares issued by Stater Banka.
- **06 April 2010:** In March 2010, Sopharma has realized 37% sales growth compared to the same month last year. The export in the 1Q has increased by 32%. The sales revenues generated by the new markets of the company in the Balkans and Turkey as well as by the traditional ones in Ukraine, Central Asia and Caucasus are over twice as high as compared to the same period of 2009. These results allow Sopharma to revise its forecast for the entire 2010 and to expect revenues' growth between 12% and 15%.
- **07 April 2010:** After signing an agreement for the sale of 50% of the National Unit Radio and TV Systems (NURTS) to the international financial investor Mancelord Limited, VIVACOM (Bulgarian Telecommunication Company) has submitted for approval the documentation on the transaction to the Communications Regulation Commission. NURTS will take advantage of an additional financial support for the implementation of up-to-date innovations in its digital infrastructure. Mancelord Limited is represented in Bulgaria by Bromak, the main shareholder in Corporate Commercial Bank (6C9).

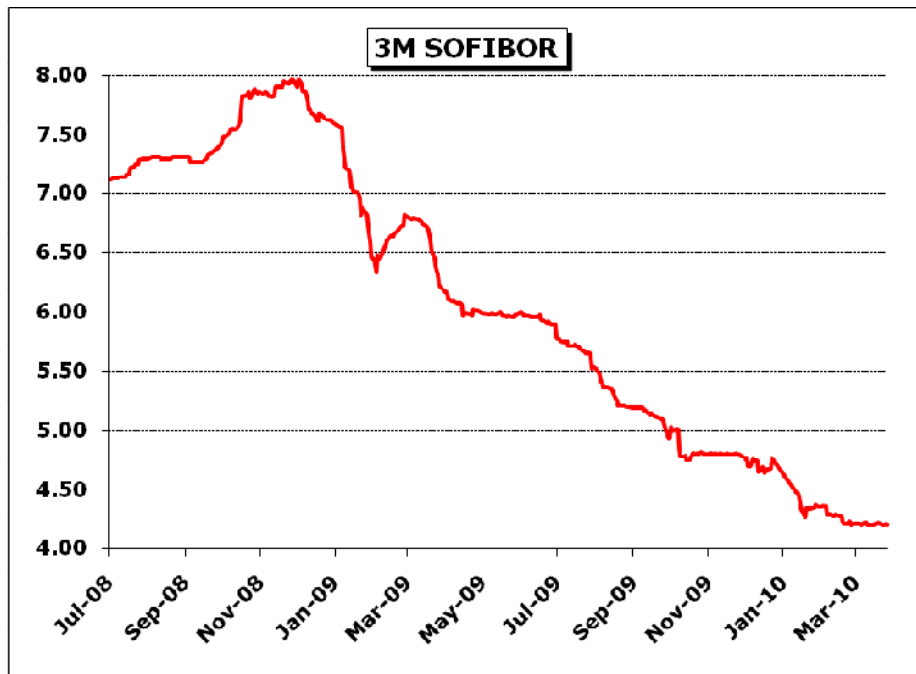
Upcoming Events

- 14 April 2010: The National Statistic Institute will announce the March CPI.
- 14 April 2010: The last day for acquiring shares of Industrial Holding Bulgaria (41D) which will allow participation in the capital increase.
- 14 April 2010: The GMS of Bulgarian-American Credit Bank (5BN) will be lead on Wednesday.
- 15 April 2010: Bulgarian National Bank will announce the February Balance of Payments.

Macro-economy

- The production of solid fuels in January 2010 compared to December 2009 increases by 6.2%, unleaded motor gasoline - by 3.3% and electricity - by 6.4%. Decrease is observed for the production of transport diesel - by 4.7%. There is no change in the production of Liquefied Petroleum Gases (LPG) and natural gas. The deliveries of solid fuels in January 2010 compared to December 2009 increase by 2.8%, natural gas - by 14.5% and electricity - by 7.5%. Decrease is observed for the deliveries of LPG - by 8.3%, unleaded motor gasoline - by 2% and transport diesel - by 15.7%.
- According to the preliminary data of the National Statistical Institute, the construction production in February 2010 decreased by 30% compared to the same month of the previous year. The significant influence on the total Construction Production Index had the production of the building construction, which dropped by 36.6%.
- In February 2010 according to the preliminary data, the turnover in the trade sector decreased by 18.5% compared to the same month of the previous year.
- The preliminary data showed that the Industrial Production Index decreased by 9.1% in February 2010 as compared to February 2009, and compared to the previous month the production decreased by 2.9%. Industrial Turnover Index decreased by 5.1% on yearly basis, as compared to the previous month the turnover increased by 1.3%.

Bond Market



Source: Bloomberg

The auction on Monday for 2-year government bonds will show the interest from domestic investors after the news for the rising budget deficit and the higher expected supply.

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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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