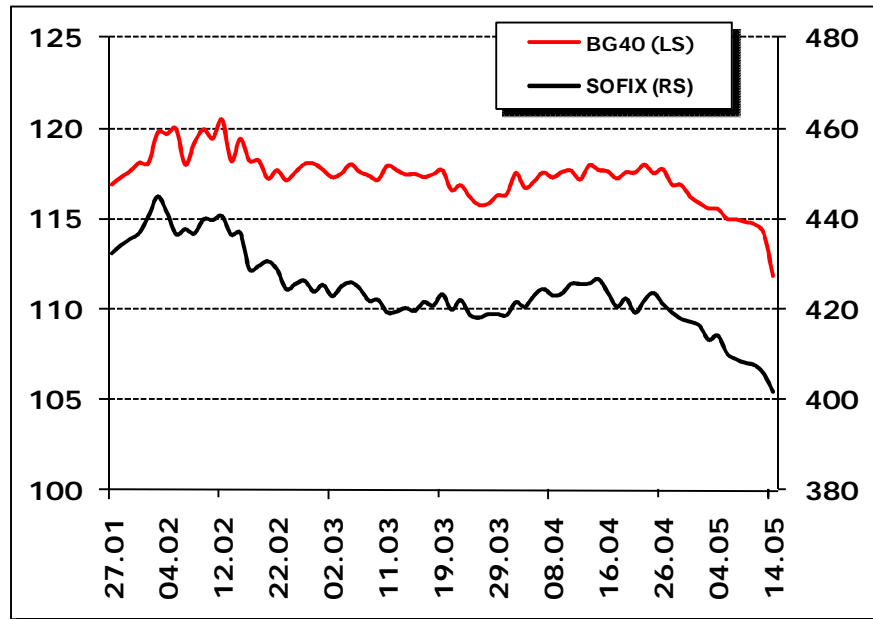


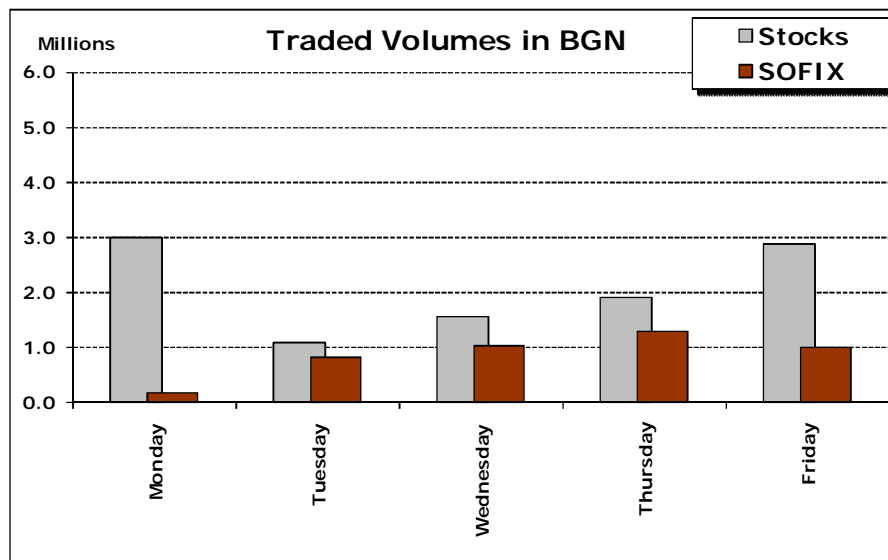
Market Trend



The main indices lost more than 2% on weekly basis under persistent selling pressure. BSE missed the international markets' turmoil due to the Holidays last week and that is why the week began with the usual lack of direction. On Friday, the market was sold out and most of the liquid positions declined. SOFIX fall below the threshold of 400 points for short but managed to close the week at 401 points.

If the fiscal problems continued to worry Europe, the pressure will persist this week and we probably will see another lows.

Trading Activity



The traded volumes slightly improved during the week, supported by several block deals. Institutional investors were the main players on Sopharma (3JR) and the company was among the main contributors to the daily turnover. Individual investors are still aside of the market and even intraday speculators stepped back.

**SOFIX**

Stock	Last Price	Weekly Change	Bid	Ask
Albena	47	0.00%	47.00	47.99
Bulgarian-American Credit Bank	13.81	-7.93%	13.10	14.00
Central Cooperative Bank	1.225	-1.61%	1.23	1.23
Chimimport	2.385	-3.44%	2.38	2.39
Corporate Commercial Bank	62	-1.51%	62.00	63.00
Elana Opportunity Land Fund	.6	-4.31%	0.61	0.61
Enemona	8.556	-1.54%	8.56	8.70
Eurohold Bulgaria	1.2	-1.64%	1.16	1.20
First Investment Bank	2.248	-4.30%	2.20	2.25
Holding Roads	1.94	-1.42%	1.90	1.95
Industrial Holding Bulgaria	1.405	-1.06%	1.41	1.42
Kaolin	4.6	-8.00%	4.58	4.60
Lead and Zink Complex	12.499	6.37%	12.45	12.45
M+S Hydraulic	4.75	1.06%	4.75	4.75
Monbat	6.55	0.00%	6.45	6.55
Neochim	26.111	-1.49%	26.11	26.30
Orgachim	84.49	-0.60%	83.05	84.90
Sopharma	3.994	-1.11%	3.96	3.99
Sparky Eltos	1.74	-3.06%	1.65	1.74
Trace Group Hold	58	-4.92%	58.00	58.90

The Friday sell pushed down SOFIX's components and only two companies closed with increase. Kaolin (6K1) was the worst performer, followed by Bulgarian-American Credit Bank (5BN). On Monday, the bank even reached its recent bottom at BGN 13.06 but reversed and closed the week around BGN 14.00.

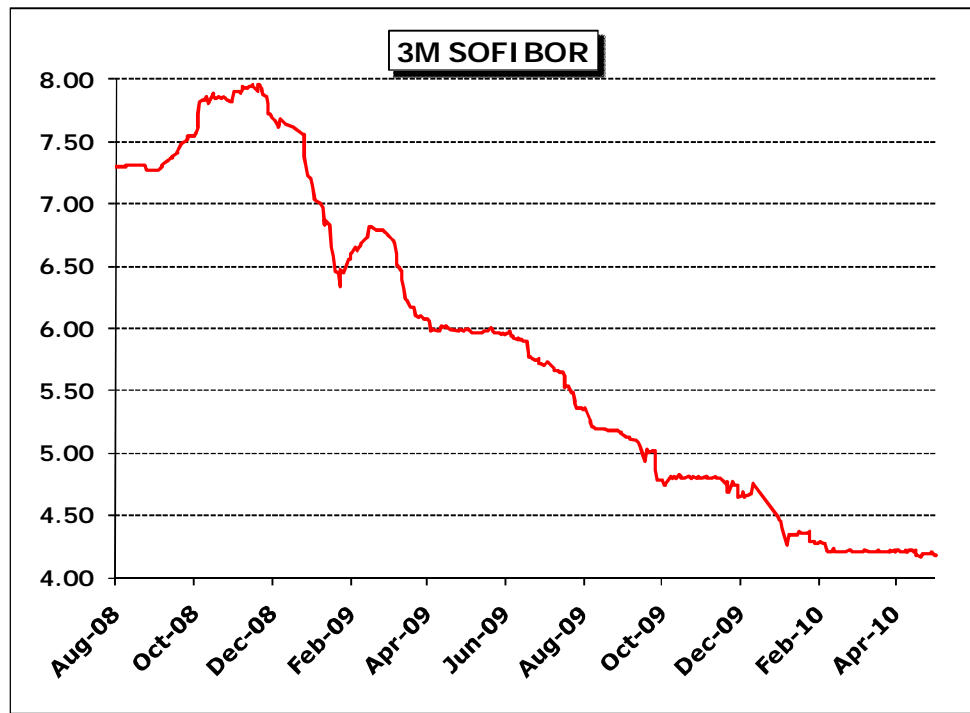
**News**

- **10 May 2010:** Trace Group Hold (T57) is buying 100 new dump trucks for the construction of Trakia Highway. The transaction is to the amount of EUR 7.9 million. The dump trucks will be managed by USM AD, the company that maintains the machinery of the holding. They will be a main part of the transportation necessary for the construction of Lot 2 of Trakia Highway, which already started on May 03, 2010. The acquisition of the new trucks is in the course of Trace Group Hold policy for making investments in specialized machinery and equipment in view of closing the production cycle.
- **11 May 2010:** Albena Invest Holding (5ALB) will lead a GMS on June 12, 2010.
- **12 May 2010:** Odessos (5ODE) will lead a GMS on June 19, 2010.
- **13 May 2010:** Albena (6AB) will lead a GMS on June 19, 2010.

**Macro-economy**

- The import exceeded the export during 1Q of 2010 but the export increased with higher rate and reached BGN 5.9 billion. On yearly basis the imported goods decreased by 4.9% to BGN 7.5 billion.
- The National Statistic Institute announced that the preliminary data shows 1.1% inflation in April. Since the beginning of the year, the prices increased by 2.6% and on yearly basis with 1.8%. The current increase is mainly due to the rising prices of the tobacco products and the alcoholic beverages.
- The GDP fell by 4% on yearly basis and reached BGN 13.9 million in current prices but the fall slowed down from 5.9% previous quarter. The consumption decreased by 6.8%, whereas the Government costs declined by 1.5% y-o-y.

**Bond Market**



Source: Bloomberg

Interbank interest rates are at stable levels and the lack of volatility since February is a sign that rates are at their bottom. Demand on auctions for government debt remained solid despite the huge increase of issuance.

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<b>Outperform</b>	More than 5% higher as compared to SOFIX and BG40 performance
<b>Market Perform</b>	Market performance, +/-5% as compared to SOFIX and BG40
<b>Underperform</b>	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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