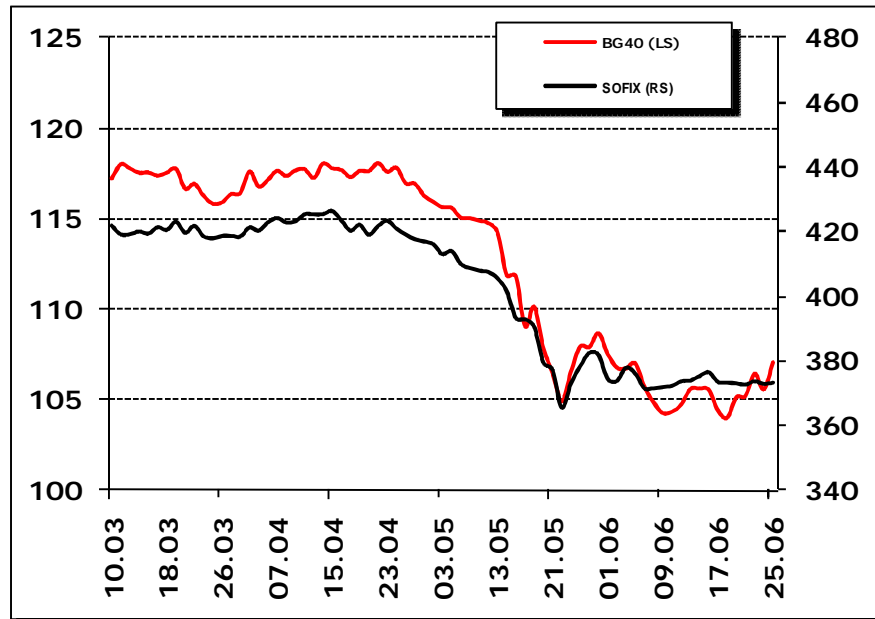


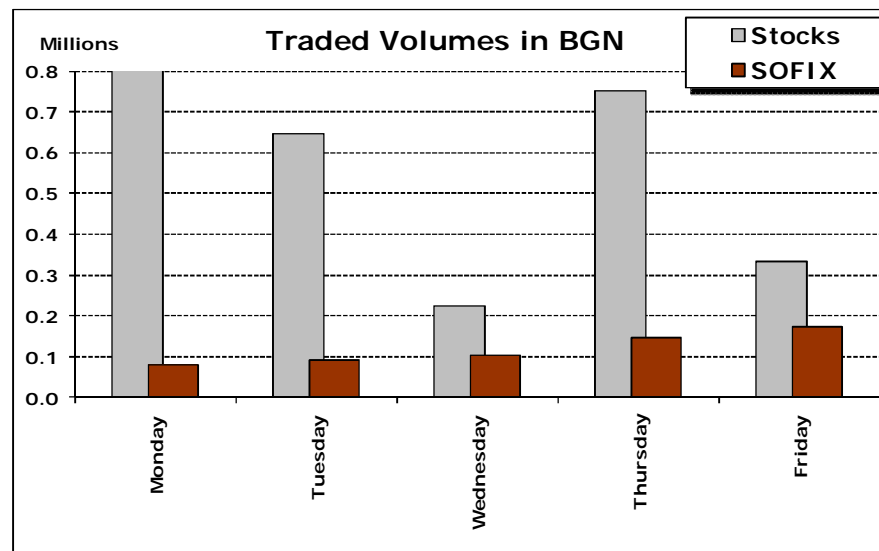
Market Trend



SOFIX closed the week unchanged, whereas BG40 added 3%. The trading remained in the usual range with lack of investors' activity. SOFIX received support at 370 points and the index remained on this level since the beginning of the month.

The end of the quarter is usually volatile period but recently even at the end of the month, the investors stayed aside of the market. Foreign investors are still cautious on the markets in Europe and especially in the region.

Trading Activity



The overall volumes remained subdued. The liquid positions were aside of the market and SOXIF's components contributed below BGN 200 000 to the total volumes. Several block deals with low liquid positions boosted the turnover.

SOFIX

Stock	Last Price	Weekly Change	Bid	Ask
Albena	53	1.92%	50.00	53.00
Bulgarian-American Credit Bank	10.41	-0.43%	10.21	10.50
Central Cooperative Bank	1.215	-0.65%	1.22	1.24
Chimimport	2.048	-0.34%	2.00	2.05
Corporate Commercial Bank	62	5.08%	60.00	62.30
Elana Opportunity Land Fund	.56	-0.36%	0.56	0.59
Enemona	7.777	-0.29%	7.46	7.77
Eurohold Bulgaria	.941	-7.29%	0.91	0.94
First Investment Bank	1.94	-2.51%	1.93	1.94
Holding Roads	1.45	-2.68%	1.45	1.49
Industrial Holding Bulgaria	1.29	-3.73%	1.30	1.33
Kaolin	4.195	-1.29%	4.17	4.20
Lead and Zink Complex	11.3	2.26%	10.98	11.00
M+S Hydraulic	4.69	0.00%	4.59	4.60
Monbat	6.7	0.60%	6.65	6.70
Neochim	23.5	1.29%	23.58	24.90
Orgachim	85	2.91%	84.40	85.89
Sopharma	3.858	0.21%	3.81	3.85
Sparky Eltos	1.6	-5.88%	1.56	1.60
Trace Group Hold	50.799	4.10%	49.46	49.50

Eurohold Bulgaria (4EH) was the worst SOFIX's performer after the announcement of the 1Q consolidated results. The company posted net losses of BGN 4.4 million for the 1Q 2010 as compared to BGN 5 million net loss for 1Q 2009. The sales improved by 6% y-o-y- to BGN 96.4 million. 4EH fell below the threshold of BGN 1.00 and probably won't receive the market's support. Corporate Commercial Bank (6C9) outperformed the market in insignificant volumes.

News

- **21 June 2010:** Lead and Zinc Complex (5OTZ) appointed a General Meeting of Shareholders on July 30, 2010. Voting right will have all shareholders registered in the Central Depository by July 16, 2010.
- **21 June 2010:** The GMS of Kaolin (6K1) voted for gross dividend distribution for 2009 to the amount of BGN 3.75 million in terms of BGN 0.15 per share. The company will set BGN 3.54 million as reserves. The right on dividend will have all shareholders registered in the Central Depository by July 05, 2010.
- **21 June 2010:** The GMS of Odessos (5ODE) voted for gross dividend distribution for 2009 to the amount of BGN 3.50 per share. The right on dividend will have all shareholders registered in the Central Depository by July 05, 2010.
- **22 June 2010:** The GMS of Albena (6AB) voted for gross dividend distribution for 2009 to the amount of BGN 32 million in terms of BGN 0.50 per share. The rest of the profit will be set as reserves. The right on dividend will have all shareholders registered in the Central Depository by July 05, 2010.
- **24 June 2010:** The GMS of Blagoevgrad-BT (55B) voted for gross dividend distribution for 2009 to the amount of BGN 1.22 million in terms of BGN 0.45 per share. The rest of the profit will be set as retained profit. The right on dividend will have all shareholders registered in the Central Depository by July 06, 2010.

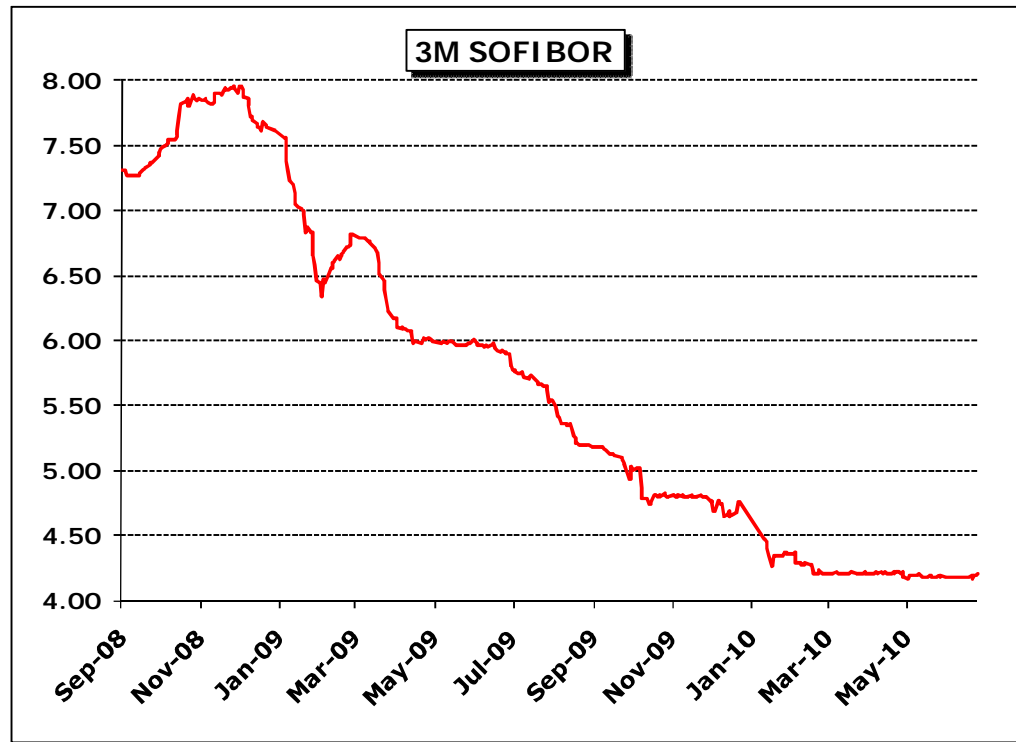
**Upcoming Events
Macro-economy**

- A lot of GMSs will be lead during the week.
- In 2009 the housing fund in Bulgaria consisted of 2.13 million buildings and increased by 0.1% in comparison with 2009. Total in the country were registered 3.789 million dwellings, 63.8% of them were located in the towns and 32.6% in the villages.
- The preliminary data showed that the Industrial Production Index increased by 0.2% in April 2010 as compared to the same month of 2009, as compared to the previous month the production fell by 6.4%. Industrial Turnover Index increased by

9.7% compared to April 2009, as compared to the previous month the turnover decreased by 1.9%.

- Preliminary data for 1Q 2010 indicated that total hourly labour cost rose by 9.4% compared to the first quarter of 2009.

Bond Market



Source: Bloomberg

The auction for 10-year government bonds this week will be interesting after the cancellation of the previous one due to the high average yield of bids. The price floor for the auction was set at roughly 6.30% but the most important news should be the level of participation of investors. We expect the demand to be mostly at the minimum price.

Interbank interest rates ticked up last week but remained subdued due to the good liquid positions of Bulgarian banks. Moreover, credit institutions are looking for opportunities to invest in low-risk financial instruments or to give credits to solid and solvent clients.

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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 about the current recommendations, please visit ELANA Trading web page: http://www.elana.net/analysis/reports/bul_f_pazar_7/LIST_Recommendations.pdf

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