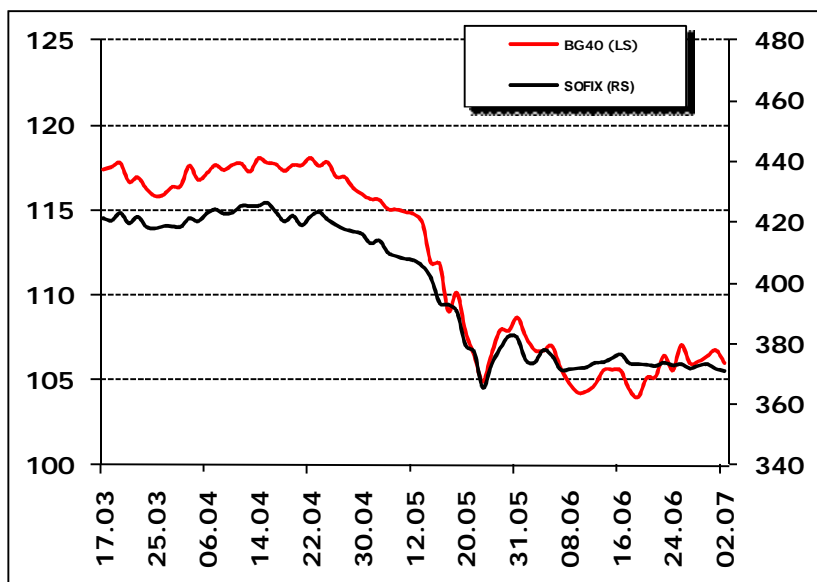


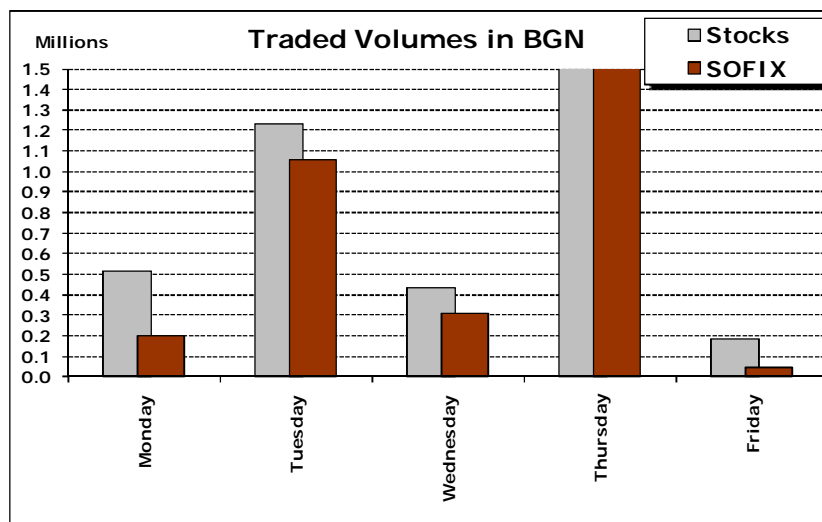
Market Trend



The market remained in the recent range despite that main indices closed in the red. SOFIX lost 0.62% on weekly basis, whereas BG40 declined by 0.98%. SOFIX remained flat since the beginning of June and there is no sign for change. The decline of regional indices is less severe than the sell-off of developed markets during the last two weeks and even the Bulgarian market was far away from the moods abroad.

The picture on BSE probably will not change in short term. Moreover, the lack of investors put the indices in the tight range. The non-consolidated 1H 2010 corporate reports should be announced until the end of the month but it is less probable to have a significant effect on the market.

Trading Activity



The volumes remained extremely low, especially on Friday. Both investors – institutional and individuals were aside of the market. On Thursday 1.6% of Albena’s capital (6AB) changed hands on the total amount of BGN 3.3 million. The deal attracted market’s attention and the position increased to BGN 53.00.

SOFIX

Stock	Last Price	Weekly Change	Bid	Ask
Albena	52.46	-1.02%	52.10	53.00
Bulgarian-American Credit Bank	10.50	0.85%	10.17	10.48
Central Cooperative Bank	1.19	-2.06%	1.17	1.19
Chimimport	1.96	-4.30%	1.94	1.97
Corporate Commercial Bank	62.50	0.81%	61.02	63.00
Elana Opportunity Land Fund	0.59	5.36%	0.56	0.59
Enemona	7.69	-1.12%	7.44	7.69
Eurohold Bulgaria	0.89	-5.42%	0.85	0.90
First Investment Bank	1.91	-1.55%	1.88	1.91
Holding Roads	1.50	3.59%	1.50	1.54
Industrial Holding Bulgaria	1.29	0.00%	1.29	1.32
Kaolin	4.25	1.31%	4.12	4.24
Lead and Zink Complex	11.00	-2.69%	10.70	10.98
M+S Hydraulic	4.80	2.30%	4.72	4.79
Monbat	6.71	0.07%	6.68	6.71
Neochim	23.50	0.00%	23.50	24.00
Orgachim	86.00	1.18%	85.80	86.40
Sopharma	3.82	-0.98%	3.74	3.82
Sparky Eltos	1.53	-4.38%	1.53	1.65
Trace Group Hold	48.00	-5.51%	48.99	49.00

The SOFIX's components closed mix. Eurohold Bulgaria (4EH) fell below the threshold of BGN 1.00 again. After the tender for the construction of the last part of Trakya Highway, Trace Group Hold (T57) stepped back, whereas the winner Holding Roads (6H2) received market's support. Monbat (5MB) stayed unchanged during the week in volatile trading. The consecutive buying back procedure supports the price of the battery producer. The position added 45% as compared to a year ago and 3% since the beginning of 2010.

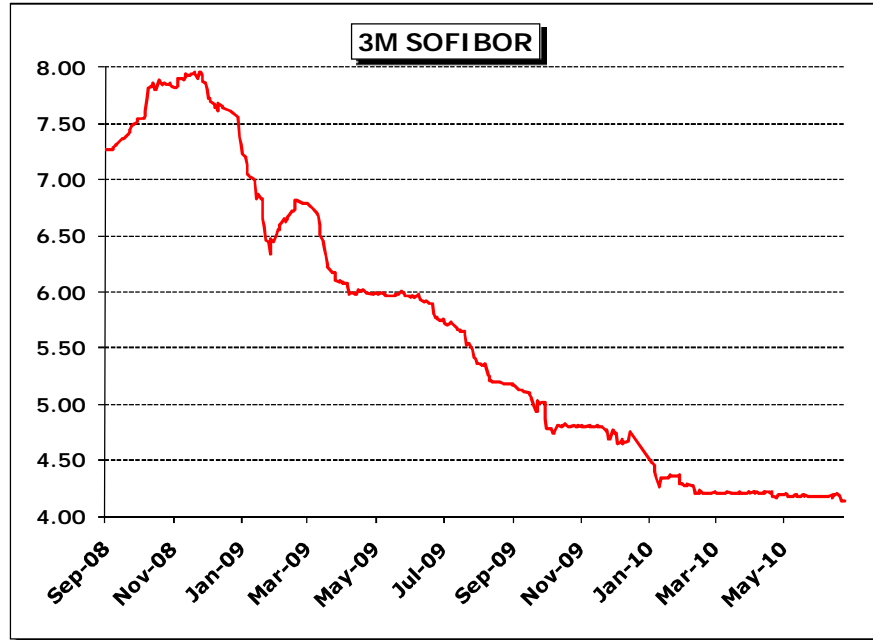
News

- **28 June 2010:** BSE-Sofia has received the decision of Sofia City Court dated 31.05.2010, according to which Kremikovtzi is declared bankrupt. The Court has pronounced termination of Kremikovtzi activity.

Macro-economy

- The production of liquefied petroleum gases in April 2010 compared to March 2010 increased by 9.1%, unleaded motor gasoline – by 37.5% and transport diesel – by 1.9%. Decrease is reported for the production of solid fuels – by 50.7%, natural gas – by 32.5% and electricity – by 19.9%. The deliveries of unleaded motor gasoline in April 2010 compared to March 2010 increase by 15.1% and transport diesel – by 17.3%. The deliveries of solid fuels decrease by 46.5%, liquefied petroleum gases – by 21.9%, natural gas – by 26.6% and electricity – by 19.1%.
- Producer Price Index on Domestic Market in May 2010 increased by 0.5% compared to the previous month, while compared to the same month of 2009 the domestic prices rose by 5.8%. Total Producer Price Index in Industry increased by 1.7% compared to the previous month, compared to the same month of 2009 the prices rose by 9.1%

Bond Market



Source: Bloomberg

Interbank interest rates edged lower last week and rejected the previous tick higher that could have been attributed to the rising risk of Bulgaria. CDS of Bulgaria is tracking very closely the average of Eastern European countries.

On the domestic news, the auction for government bond attracted decent interest. Bid to cover ratio exceeded 2 and the offered BGN 45 million of 10-year bonds were bought at average yield of 6.15%.

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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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