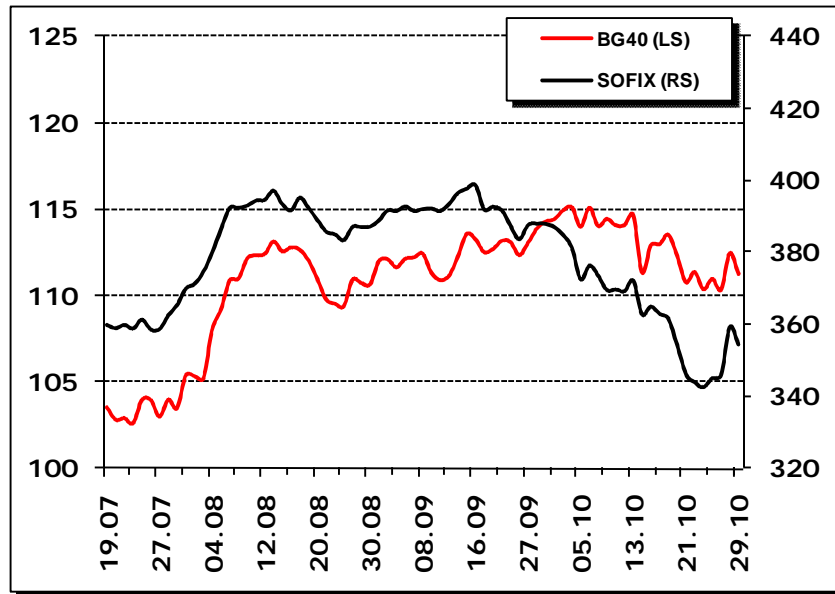


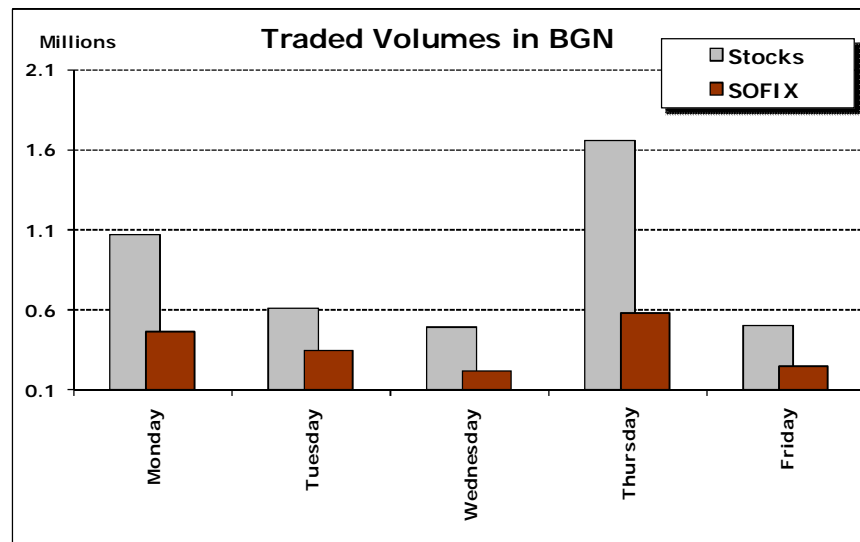
Market Trend



The market made reverse and SOFIX added 3% on weekly basis supported by most of the positions. The strongest increase was on Thursday due to the end of the month and revaluation of assets and the main index made its best performance since 2009. On Friday the positions lost steam as investors locked in profits. The non-consolidated 3Q reports remained aside of the attention so far. The worries about the pension reform calmed down and additionally support the increase.

SOFIX closed the week above the key level of 350 points but it could be easily breach as any negative news will bring another speculative sell off.

Trading Activity



The overall volumes decreased as compared to the previous week as the block deals with Unipharm (59X) were missing. However, the pharmaceutical company Sopharma (3JR) continued to support the volumes along with other holding companies. The posted financial reports didn't move the activity despite the small cap industrial companies announced improved financial results on yearly basis.

SOFIX

Stock	Last Price	Weekly Change	Bid	Ask
Advance Terrafund REIT	1.15	0.79%	1.11	1.15
Albena	54.00	0.00%	53.00	54.80
Bulgarian-American Credit Bank	9.96	2.18%	9.46	9.96
Central Cooperative Bank	1.02	0.00%	1.02	1.02
Chimimport	2.30	1.55%	2.30	2.33
Doverie United Holding	2.90	9.26%	2.80	2.90
Enemona	6.70	-1.76%	6.71	6.90
Eurohold Bulgaria	0.87	9.31%	0.86	0.87
First Investment Bank	1.76	3.35%	1.74	1.76
Industrial Holding Bulgaria	1.14	0.44%	1.12	1.14
Kaolin	4.60	10.84%	4.40	4.60
Monbat	6.25	4.52%	6.15	6.25
Sopharma	3.94	3.88%	3.89	3.92
Stara Planina Hold	2.42	5.00%	2.42	2.43
Zyrneni Hrani Bulgaria	0.56	2.36%	0.57	0.58

SOFIX components rallied last week and most of them posted significant gains. Kaolin (6K1) outperformed in moderate volumes, followed by Doverie United Holding (5DOV). Central Cooperative Bank (4CF) stayed flat, whereas the other bank's shares in the index increased.

News

- **25 October 2010:** On October 25, 2010 the Management Board of Industrial Holding Bulgaria (4ID) stated that within the defined term according to the conditions determined beforehand there are no bondholders of Industrial Holding Bulgaria wishing to convert bonds into shares. To this end, the capital of Industrial Holding Bulgaria shall not be increased by converting of the convertible bonds into shares in the provided possibility on the fourth interest payment.
- **27 October 2010:** Neochim (3NB) announced 3Q 2010 non-consolidated financial results.
- **28 October 2010:** Corporate Commercial Bank (6C9) announced 3Q 2010 non-consolidated financial results.
- **29 October 2010:** Bulgarian-American Credit Bank (5BN) announced 3Q 2010 non-consolidated financial results.
- **29 October 2010:** Zyrneni Hrani Bulgaria (T43) announced 3Q 2010 non-consolidated financial results.
- **29 October 2010:** Central Cooperative Bank (4CF) announced 3Q 2010 non-consolidated financial results.

Upcoming Events
Macro-economy

No major corporate news are announced.

- In September 2010, the number of the trips of Bulgarian residents abroad was 354.8 thousand, which was 21.4% less than the number of the trips in September 2009. In September 2010, the number of arrivals of visitors from abroad to Bulgaria was 1 018.5 thousand or 8.1% more than the number of trips in the corresponding month of 2009.
- In October the business conjuncture in the country has improved. The total business climate indicator increases by 1.9 percentage points in comparison with its September level due to the more favourable compared to the previous month business climate in retail trade and service sector.
- In 2009 the total amount of the expenditure on research and development activity (R&D) is 361.1 million BGN which increases by 10.8% in comparison with the previous year and the annual growth tendency retains for the period of 2005 - 2009.
- Producer Price Index on Domestic Market in September 2010 rose by 0.8% comparing to the previous month, while compared to the same month of 2009 the domestic prices grew by 9.6%. Total PPI in Industry increased by 0.1% compared to the previous month, compared to the same month of 2009 the prices rose by 9.6%.

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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.

For more information, please contact:

Research analyst
Tsvetoslav Tsachev
Tamara Becheva

Phone:
+359 2 810 00 23
+359 2 810 00 27

E-mail:
tsachev@elana.net
becheva@elana.net

Internet:
www.elana.net
www.elana.net