

# GREEK DAILY BRIEF

Monday Sep. 20, 2010

## Statistics

### Athens Stock Exchange

			Shares
<b>MCap(€bn)</b>	58.5	▲	54
<b>Turnover (€mn / mn shares)</b>	171.9 / 44.81	—	131
<b>Blocks (€mn / mn shares)</b>	13.9 / 4.27	▼	111
<b>Indices</b>	<b>17.09.10</b>	<b>(%) 1day</b>	<b>(%) 30day</b>
ASE General	1,524.15	-0.76	-4.13
FTSE 20	741.63	-0.51	-4.15
FTSE 40	1,678.57	-2.50	-10.10
FTSE 80	292.81	-1.73	-9.90
FTSE International	1,961.65	-0.72	-4.81
Banks	1,600.70	-0.59	-5.57
Telecoms	1,557.95	1.98	-0.18
Travel & Leisure	2,025.57	-2.10	-2.25
Construction	2,197.31	1.75	-8.69
ETF Alpha FTSE 20 Idx	7.40	-1.46	-4.76
DAX 30	6,209.76	-0.64	3.41
CAC 40	3,722.02	-0.38	5.56
FTSE 100	5,508.45	-0.57	6.03
Dow Jones	10,607.85	0.12	3.86
Nasdaq	2,315.61	0.54	6.23
S&P 500	1,125.59	0.08	5.03
Nikkei 225	9,626.09	1.23	4.87
Hong Kong (HSI)	21,993.25	0.10	4.82
Russia (RTS)	1,464.21	0.00	2.75
Turkey (ISE 100)	63,862.03	0.20	8.70
Romania (Bucharest)	5,208.76	-0.75	-0.51
Bulgaria (Sofia)	392.06	-1.69	0.76
Cyprus	1,366.57	-0.11	6.83
<b>Commodities</b>			
Brent ICE (\$/bbl)	78.40	0.24	4.88
WTI NYM (\$/bbl)	73.67	0.01	-0.20
Gold CMX (\$/troy oab.)	1,282.80	0.41	4.39
Aluminum LME (\$/mt)	2,180.00	0.67	1.49
Copper LME (\$/mt)	7,720.00	0.64	4.58
Carbon Fut. (€/mt)	15.62	0.26	5.47
<b>Currencies</b>			
EUR/USD	1.3080	0.23	2.89
USD/JPY	85.70	0.20	-0.08
EUR/GBP	0.835	-1.96	-1.96
<b>Rates</b>			
Euribor 3m (%)	-	-	0.88
10Yr Bond (GR)	67.60	12.17	-
10Yr Bund (GE)	111.16	2.25	-
10Yr Bond (US)	104.53	2.54	-

ASE Ind. Fut.	17.09.10	(%) day	Prem/Disc % / bps	Volume	Open Interest	Days to Expiry
FT20 Sept	761.82	1.82	2.72 #####	6,392	7,080	-3
Greek Banks	17.09.10	(%) 1 day	(%) 1 month	(%) Ytd		
National Bank	9.20	1.1	-9.4	-49.2		
EFG Eurobank	4.62	-5.5	-12.0	-41.4		
Alpha Bank	4.93	-3.3	-9.2	-39.9		
Piraeus Bank	3.69	-0.3	-15.9	-54.4		
Bank of Cyprus	4.10	3.0	15.4	-5.2		
Marfin Popular Bank	1.62	-3.0	-3.6	-29.3		
ATEbank	1.00	-2.0	-9.1	-48.5		
Emporiki Bank	2.53	0.0	-5.6	-42.2		
Hellenic PostBank	4.48	0.2	5.9	1.4		
Bank of Greece	31.69	0.6	-4.2	-31.8		
Egnaia Bank	1.06	3.9	-0.9	-40.1		
Geniki Bank	2.49	-2.7	-25.0	-68.1		
Bank of Attica	1.05	-8.7	-19.2	-38.2		
Aspis bank	0.40	0.0	-16.7	-48.6		
Proton Bank	1.03	0.0	-18.9	-48.5		
FTASE 20						
National Bank	9.20	1.1	-9.4	-49.2		
OTE	5.66	2.0	-0.2	-45.0		
Coca Cola HBC	19.20	1.1	8.8	20.1		
EFG Eurobank	4.62	-5.5	-12.0	-41.4		
Alpha Bank	4.93	-3.3	-9.2	-39.9		
OPAP	11.25	-2.2	-1.3	-26.7		
Piraeus Bank	3.69	-0.3	-15.9	-54.4		
PPC	11.38	-2.6	-11.8	-12.5		
Bank of Cyprus	4.10	3.0	15.4	-5.2		
Marfin Pop. Bank	1.62	-3.0	-3.6	-29.3		
MIG	0.88	-4.3	-17.0	-51.7		
ATEbank	1.00	-2.0	-9.1	-48.5		
Hellenic Petroleum	5.76	-3.8	-5.3	-26.2		
Titan Cement	14.49	3.8	-7.1	-28.7		
Jumbo	4.72	-2.7	-9.1	-46.8		
Hellenic Technodomiki	2.88	-0.3	-8.6	-44.1		
Hellenic PostBank	4.48	0.2	5.9	1.4		
Motor Oil	8.15	0.5	1.7	-23.4		
Viohalco	3.73	-0.8	-1.3	-6.0		
Mytilineos	4.43	-0.2	-3.3	-11.8		

\* ranked by Market Cap.

Note: Commodities, currencies and rates as at 08:30 today

Source: Bloomberg

## Market Comment

Turnover more than doubled to €172mn on Friday, and the Greek equity market declined further (-0.76%). Yet, it was mid and small caps that led the fall, since FTSE 20 (-0.51%) and banks (-0.59%) over-performed relative to FTSE 40 (-2.5%) and FTSE 80 (-1.73%). To note, that banking performance was mixed with NBG and Bank of Cyprus gaining ground, while the remaining major banks retreated. Sentiments in Europe remained fragile, with major European indices tracing negative territory, while the US stood flat at the time of Greece's market close.

European markets were seen to pull back on Friday, with major indices losing around 0.5 percentage point on mild profit taking. Nevertheless, US markets moved further up with technology stocks taking the lead. Asian market were also seen to advance this morning, while Japan's Nikkei index remained strong following the government's intervention to deflate the yen. European futures opened slightly higher. We anticipate a calm open in our domestic market, with consolidation efforts sustained.

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## Highlights

### Economic News

- Greek government** is expected to hand in its new law for fiscal tax completion of unaudited uses in 2000-2009 to the parliament early next week, while around 1 million companies and self-employed are due to be affected.
- EU/IMF/ECB** reportedly ask for new fiscal measures by end 2010, while negotiations with the Greek government have commenced last week. Troika's representatives appear to be worrying about the revenue side, which has been pulled back in latest months, asking the Finance Ministry to take further measures for safeguarding state income streams. Further, 2011 fiscal deficit is said to be lowered to 7% of GDP (from 7.6% in the revised MoU) through a further cut in expenditures by €1.4bn. Official also appear to be considering a 5year extension in the repayment of the €110bn support package.

### Corporate News

- National Bank** from Sep 17 2010 the approved on Sep 16 2010 by HCMC information prospectus on the share capital increase and the issue of convertible bonds will be available to investors. Management expects Q3 2010 to post relevant characteristics with the 2nd quarter of the year. During Q3, the Bank slightly increased its financing from the ECB to €22.3bn (+€1bn from H1) offering collateral of €30bn. Meanwhile, income from financial transactions improved during the first two months of the quarter.
- PPC** reportedly the company is voluntarily considering to exchange power production units with foreign energy companies and to seek co-operations, so that it would avoid pressures for the sale of lignite fired units, which considers to still exist. According to press report, PPC is negotiating with French, German and Italian companies to exchange control of domestic power units with foreign units of those companies.

## Investment ToolKit

### Greek corporate Action Calendar

Earnings Releases  
Splits, Bonus, Private placements, Public Offers, Divs-predivs, AGMS-EGMs, stock-options etc  
Quants Insight,  
Arbitrage, M&As, Share capital increases, IPOs etc

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## Economic News

## Corporate News

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#### Companies Mentioned in the Report

Company	BBG-RIC Code	Price	Date	View	Disclosures
National Bank	ETE GA / NBGr.AT	€ 9.10	19.09.2010	O	-
PPC	PPC GA / DEHr.AT	€ 11.68	19.09.2010	NR	-

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- 11 i ATE Securities SA has sent this report to the company prior to publication for factual verification
- ii ATE Securities SA has altered the contents of the report sent initially, on the following issues: NO ALTERATION

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As of Aug.1 2006, ATE Securities SA has adopted a new rating system. Under the old rating system, ratings and definitions were: Buy, when the estimated valuation fair value exceed current market price by 20% or more, Sell, when the current market price exceed the estimated valuation fair value by 20% or more and Hold, when the estimated valuation fair value falls between the two above range points.

### ATE Securities SA - Universe

ATE Securities SA Universe has a universe focused mainly on large capitalisation stocks that represents approx. 76% of ATHEX Market Cap.

### Guide to Investment Research Rating System

Under the new Investment Research Rating System, in effect as of Aug.1 2006, **Investment Outlook** refers to the overall view of the analyst covering the company and is not a recommendation. The overall assessment of the company includes a *three factor rating system*: **Investment Rating (O, N, U, NR, UR, R, RS, CS) - Risk Rating (1, 2, 3) - Income Rating (1, 2, 3, 4)**.

Quantitative factors are updated at least quarterly or when deemed necessary.

### Investment Rating

The five different categories are indicative of expectations of stock return. Stock return includes price appreciation over the next 6-12 months. In specific:

VIEW	Prefix	Definition
Overweight	<b>O</b>	Stock Return > +9%
Neutral	<b>N</b>	Stock Return in the range [-9%, +9%]
Underweight	<b>U</b>	Stock Return < -9%
Not Rated	<b>NR</b>	The company is not covered by ATE Securities SA Research & Analysis Department
Under Review	<b>UR</b>	Rating not currently available
Restricted	<b>R</b>	ATE Securities SA policy and/or law prohibits investment recommendation
Rating Suspended	<b>RS</b>	There is no sufficient fundamental basis for determining an investment rating or target.
Coverage Suspended	<b>CS</b>	We have suspended coverage on this company

### Risk Rating

Risk is measured by a 2-factor equally-weighted model, which takes into account (i) Stock Volatility and (ii) Liquidity

Risk Factor	Definition	Quantification <sup>(1)</sup>
Stock Volatility	The stocks' standard deviation annualized (log scale)	Bottom 25% percentile
		Medium 25% percentile
		Top 50% percentile
Liquidity	Net Shares traded as % of total shares over a 12-month period	Top 20% percentile
		Medium 40% percentile
		Bottom 40% percentile

(1) percentiles of ATE Securities SA Universe

Source: Athens Stock Exchange, Bloomberg, Effect Finance Database

We use a scale of 1 to 3 to describe Low, Medium, High risk respectively, also taking into account qualitative factors.

When a rating is applied on an IPO, the scale 3 - "High Risk" is applied for a 12-month period.

### Income Rating

An Income Rating is produced, based on the forecasted dividend yield for a 12-month period. This is then compared with the YtM of the 10-yr Greek Government bond, as shown below:

Income Measure	Definition	Quantification
Equity Div. Yield	Relative performance w.r.t. the 10-yr Greek Government bond	More than 50bps
		Within the range [-50bps, +50bps]
		Less than 50bps
		No dividend
		<i>High Div. Yields</i> <i>Medium Div. Yields</i> <i>Low Div. Yields</i> <i>No Cash div. Yields</i>

We use a scale of 1 to 4 to describe Low, Medium, High and No Div. income rating respectively.

### ATE Securities SA Ratings Distribution

Ratings Distribution	Total	Overweight	Neutral	Underweight	Not Rated	Under Review	Restricted	Rating Suspended	Coverage Suspended
Equity Universe	25	5 (20%)	3 (12%)	0 (0%)	14 (56%)	2 (8%)	1 (4%)	-	-
Invest. Banking Services (per category)	0	-	-	-	-	-	-	-	-

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