

# GREEK DAILY BRIEF

Thursday Oct. 7, 2010

## Statistics

### Athens Stock Exchange

			Shares
<b>MCap(€bn)</b>	57.3		▲ 153
<b>Turnover (€mn / mn shares)</b>	133.7 / 32.32		— 104
<b>Blocks (€mn / mn shares)</b>	6.6 / .6		▼ 39
<b>Indices</b>	<b>06.10.10</b>	<b>(%) 1day</b>	<b>(%) 30day</b>
ASE General	1,552.55	3.29	-4.06
FTSE 20	756.39	3.89	-4.51
FTSE 40	1,692.36	2.81	-5.25
FTSE 80	285.01	2.84	-9.99
FTSE International	1,997.76	3.76	-4.57
Banks	1,619.91	5.49	-6.71
Telecoms	1,546.94	0.90	-2.09
Travel & Leisure	2,149.25	1.87	-2.83
Construction	2,369.65	1.99	1.70
ETF Alpha FTSE 20 Idx	7.50	5.63	-5.66
DAX 30	6,270.73	0.88	2.50
CAC 40	3,764.91	0.88	3.32
FTSE 100	5,681.39	0.81	5.06
Dow Jones	10,967.65	0.21	6.06
Nasdaq	2,380.66	-0.80	7.78
S&P 500	1,159.97	-0.07	6.24
Nikkei 225	9,684.81	-0.07	4.97
Hong Kong (HSI)	22,838.87	-0.18	6.71
Russia (RTS)	1,585.31	0.44	9.07
Turkey (ISE 100)	66,879.74	0.90	10.10
Romania (Bucharest)	5,212.18	-0.04	2.72
Bulgaria (Sofia)	376.46	1.04	-3.85
Cyprus	1,304.12	2.77	-3.73
<b>Commodities</b>			
Brent ICE (\$/bbl)	85.49	0.51	9.79
WTI NYM (\$/bbl)	83.68	0.54	10.32
Gold CMX (\$/troy oab.)	1,355.80	0.60	7.66
Aluminum LME (\$/mt)	2,365.00	-0.63	7.84
Copper LME (\$/mt)	8,259.00	-0.22	7.13
Carbon Fut. (€/mt)	15.87	0.06	-1.00
<b>Currencies</b>			
EUR/USD	1.3929	0.69	9.22
USD/JPY	82.86	0.29	1.26
EUR/GBP	0.877	-5.40	-5.40
<b>Rates</b>	<b>Price</b>	<b>Yield(%)</b>	
Euribor 3m (%)	-	0.96	
10Yr Bond (GR)	74.88	10.50	
10Yr Bund (GE)	112.53	2.08	
10Yr Bond (US)	107.39	2.18	

ASE Ind. Fut.	06.10.10	(%) day	Prem/Disc % / bps	Volume	Open Interest	Days to Expiry
FT20 Sept	#N/A	N/A	#N/A	N/A	#N/A	N/A
<b>Greek Banks</b>	<b>06.10.10</b>	<b>(%) 1 day</b>	<b>(%) 1 month</b>	<b>(%) Ytd</b>		
National Bank	7.89	6.8	-10.7	-48.7		
EFG Eurobank	5.00	5.3	-6.5	-36.5		
Alpha Bank	5.28	6.5	-2.8	-35.6		
Piraeus Bank	4.01	4.2	-5.2	-50.4		
Bank of Cyprus	3.82	3.5	-3.3	-11.7		
Marfin Popular Bank	1.58	3.9	-3.1	-31.0		
ATEbank	0.96	7.9	-10.3	-50.5		
Emporiki Bank	2.11	2.4	-21.3	-51.8		
Hellenic PostBank	4.12	0.7	-11.0	-6.8		
Bank of Greece	31.00	2.4	-2.2	-33.3		
Egnaia Bank	0.99	7.6	-5.7	-44.1		
Geniki Bank	2.30	6.5	-21.2	-70.5		
Bank of Attica	1.16	9.4	-15.9	-31.8		
Aspis bank	0.39	5.4	-11.4	-49.9		
Proton Bank	1.12	12.0	-4.3	-44.0		
<b>FTASE 20</b>						
National Bank	7.89	6.8	-10.7	-48.7		
OTE	5.62	0.9	-2.1	-45.4		
Coca Cola HBC	19.25	1.2	-1.3	20.4		
EFG Eurobank	5.00	5.3	-6.5	-36.5		
Alpha Bank	5.28	6.5	-2.8	-35.6		
OPAP	12.04	2.0	-2.0	-21.5		
Piraeus Bank	4.01	4.2	-5.2	-50.4		
PPC	11.76	1.3	-1.8	-9.5		
Bank of Cyprus	3.82	3.5	-3.3	-11.7		
Marfin Pop. Bank	1.58	3.9	-3.1	-31.0		
MIG	0.88	3.5	-9.3	-51.7		
ATEbank	0.96	7.9	-10.3	-50.5		
Hellenic Petroleum	5.86	1.9	-3.6	-25.0		
Titan Cement	15.90	2.8	0.4	-21.8		
Jumbo	5.19	4.2	3.8	-41.5		
Hellenic Technodomiki	3.10	0.0	8.8	-39.8		
Hellenic PostBank	4.12	0.7	-11.0	-6.8		
Motor Oil	7.64	4.9	-7.3	-28.2		
Viohalco	3.83	2.4	-2.0	-3.5		
Mytilineos	4.33	1.4	-1.8	-13.7		

\* ranked by Market Cap.

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

Source: Bloomberg

## Market Comment

Daily turnover declined again to the more normal level of €134mn, but the Greek market sustained its last couple of days' positive momentum by adding more strength (General index 3.29%) with banks at the forefront (+5.49%). The positive mood swept across capitalizations with large cap bank heavy FTSE 20 over-performing (+3.89%) smaller cap benchmarks. European markets stood positive while US indices were rather undecided at the time of Greek market's close.

European markets closed higher yesterday, as investors remain optimistic on the flow of economic and corporate news. In the US, indices were mixed, with the broader market lacking direction and stocks unable to build on the prior session's big bounce mostly because of disappointment over the September ADP employment change.

European futures opened slightly negative today. We anticipate a calm open in our domestic market, with today's ECB rate decision and ECB's chairman's speech being top on the news.

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## Highlights

### Economic News

- Fitch** downgraded Irish debt from AA- to A+ after speculations that the country's public debt may exceed 32% of GDP due to the cost of banking sector rescues.

### Corporate News

- NBG** Reportedly the interest for participation in the capital increase by local and foreign shareholders is strong. The Greek pension funds and the Church of Greece will participate accordingly.
- PPC** Reportedly the new tariff increases for 2011 and 2010 for certain client categories in an effort to stop cross subsidizing between client groups and better reflection of PPC's costs will be announced today. For low and mid consumption households the increases will be the minimum possible for 2011. Households with consumption up to 800kwh per quarter will not participate in the social household tariff.
- Hellenic Exchanges** CEO Mr S.Kapralos handed his resignation from his post yesterday, while BoD is expected to meet soon for his replacement.
- The Greek government** will reportedly (as presumed from Defence Minister Mr. E.Venizelos recent press statements) proceed with a further privatization in respect to its state-controlled defence industry (EAB, EAS, ELBO), while it seeks for consultants to determine the future of its holdings. **Metka** currently controls a 42% stake in ELBO.
- Jumbo** In a presentation to investors and analyst's the Company's Chairman expects sales growth of 2% the current year, with 600bps pressure in gross margin from the increase in VAT without an increase in prices and from inflationary pressures in Asia. Stores will expand to 50-52 in Greece and Cyprus and 8-10 in Bulgaria. The Company's Chairman expressed with a touch of optimism his personal view that regarding recessionary repercussions in Greece the situation approaches a bottom.
- Creta Farms** plans to enter six new European countries and changes its planning for the US market. In a JV with the Swedish firm Parsons AB, the Company will enter in Sweden and Denmark in 2011 and in Finland, Estonia, Lithuania and Lettonia in 2012. Creta Farms bought a 30% for \$4mn (for its stake to reach 80%) in Creta Farms USA LLC, the JV between Creta Farms and Clemens Family Corporation, and plans to find another strategic partner in the US, after disagreement with Clemens on the latter's intention to produce private label products.

## 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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See Important Disclosures and Analyst Certification at the end

## Economic News

## Corporate News

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#### Share Price

All financial data calculated, are based on the closing price of the previous day, unless otherwise stated.

#### Frequency of Disclosures

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#### Companies Mentioned in the Report

Company	BBG-RIC Code	Price	Date	View	Disclosures
National Bank	ETE GA / NBGr.AT	€ 7.89	06.10.2010	O	-
PPC	PPC GA / DEHr.AT	€ 11.76	06.10.2010	NR	-

#### Disclosure Outline

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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

## EQUITY RATING SYSTEM

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. Yielder</i> <i>Medium Div. Yielder</i> <i>Low Div. Yielder</i> <i>No Cash div. Yielder</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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