

# GREEK DAILY BRIEF

Thursday Oct. 14, 2010

## Statistics

### Athens Stock Exchange

				Shares
MCap(€bn)	58.0	▲	143	
Turnover (€mn / mn shares)	180.7 / 40.56	—	119	
Blocks (€mn / mn shares)	10.5 / 1.19	▼	31	
Indices	13.10.10	(%) 1day	(%) 30day	(%) Ytd
ASE General	1,581.69	2.53	1.17	-27.98
FTSE 20	778.52	3.12	2.80	-30.82
FTSE 40	1,750.14	2.33	0.63	-33.05
FTSE 80	287.30	2.49	-4.70	-32.83
FTSE International	2,056.70	3.02	2.52	-30.97
Banks	1,711.67	4.44	5.01	-35.69
Telecoms	1,522.17	0.18	-7.21	-46.26
Travel & Leisure	2,129.22	1.27	0.48	-24.04
Construction	2,389.14	1.01	9.63	-29.78
ETF Alpha FTSE 20 ldx	7.81	3.03	3.17	-27.96
DAX 30	6,434.52	2.06	2.54	8.01
CAC 40	3,828.34	2.12	1.43	-2.74
FTSE 100	5,747.35	1.51	3.23	6.18
Dow Jones	11,096.08	0.69	5.41	6.41
Nasdaq	2,441.23	0.96	6.61	7.58
S&P 500	1,178.10	0.71	5.08	5.65
Nikkei 225	9,583.51	1.91	3.06	-9.13
Hong Kong (HSI)	23,704.70	1.05	9.26	8.38
Russia (RTS)	1,600.72	0.75	7.20	10.81
Turkey (ISE 100)	70,166.89	0.71	12.30	32.83
Romania (Bucharest)	5,267.29	0.86	1.15	12.30
Bulgaria (Sofix)	372.28	0.79	-6.12	-12.87
Cyprus	1,351.75	3.75	-0.94	-15.37
Commodities				
Brent ICE (\$/bbl)	85.36	0.85	7.68	2.87
WTI NYM (\$/bbl)	83.91	1.08	7.81	0.26
Gold CMX (\$/troy oab.)	1,381.60	0.81	8.64	25.13
Aluminum LME (\$/mt)	2,417.00	-0.82	13.47	8.39
Copper LME (\$/mt)	8,362.00	-1.15	9.59	13.38
Carbon Fut. (€/mt)	15.94	-0.62	2.05	19.67
Currencies				
EUR/USD	1.4085	0.78	9.74	-2.21
USD/JPY	81.24	0.73	2.51	13.73
EUR/GBP	0.881	-5.36	-5.36	1.26
Rates	Price	Yield(%)		
Euribor 3m (%)	-	0.99		
10Yr Bond (GR)	81.49	9.15		
10Yr Bond (GE)	112.35	2.09		
10Yr Bond (US)	107.41	2.18		

## Market Comment

Wednesday delivered a sentiment boost for European stocks, with Athens Exchange at the spotlight (General index +2.53%) of a domestic banking upward reaction (bank index +4.44%), on the back of declining Greek bond yields, that swept across capitalizations. Turnover reached a high of €181mn. US markets were in more moderate positive ground during the domestic close.

US equities eventually closed in clear positive territory, yet underperforming major European indices. JP Morgan Chase announced yesterday results for the quarter delivering an earnings increase, while additional results announcements and the dropping dollar also boosted stocks.

European futures have opened slightly positive today. The domestic mood might be positive from yesterday performance, but we expect a cautious open as more likely today, with other factors having the power to add influence: Later in the day US trade balance will be announced with the market focusing its attention also on continuation of US quarterly results announcements.

Nikos Papadopoulos NiPapadopoulos@ate.gr +30 210 36 87 857

## Highlights

## Economic News

- Eurostat reportedly is expected to revise Greece's 2009 debt and deficit figures by Friday. In April, Eurostat has estimated that debt could rise by 7% while deficit by 0.4%-0.5% by including the finances of public companies. Currently, speculation stands for a 10% rise in debt and 1.1% to 1.3% in deficit (from the official 13.8% to 14.9%-15.1%).
- Eurozone's industrial production rose by 7.9% yoy in August, above expectations.

## Corporate News

- NBG on the issue of capital raise through convertible bonds, convertible bonds have been issued from Oct 13 and the period for exercising the right of conversion ends in the morning of Oct 20 at 09.59. The issuer will exercise on Oct 19 its right to buy back at €5.2 per bond all bonds not converted to shares or not sold to the issuer until 17.00 Greek time on that day.
- PPC As mentioned in our daily report yesterday the BoD approval for the creation of the 100% subsidiary responsible for electricity distribution took place, but what remains is the decision for the creation of a similarly 100% subsidiary regarding transmission along the lines of ITO system model. Reportedly, from the European Commission side there exist some potential objections on the creation of a 100% subsidiary of PPC for transmission, and could prefer for an ISO (international system operator) system with the transmission operator fully independent from PPC.
- BOC Last day of trading for rights of the forthcoming equity capital increase.

ASE Ind. Fut.	13.10.10	(%) day	Prem/Disc % / bps	Volume	Open Interest	Days to Expiry
FT20 Sept	#N/A N/A	#N/A N/A	-	#N/A	#N/A N/A	#N/A Field
Greek Banks	13.10.10	(%) 1 day	(%) 1 month	(%) Ytd		
National Bank	8.58	5.4	8.6	-44.2		
EFG Eurobank	5.15	3.0	3.8	-34.6		
Alpha Bank	5.54	4.5	6.1	-32.4		
Piraeus Bank	4.07	2.8	7.1	-49.7		
Bank of Cyprus	4.00	4.7	-0.5	-7.5		
Marfin Popular Bank	1.64	3.1	4.5	-28.4		
ATEbank	0.97	4.3	-5.8	-50.0		
Emporiki Bank	2.12	2.9	-16.2	-51.6		
Hellenic PostBank	4.16	1.7	-8.0	-5.9		
Bank of Greece	33.95	5.9	6.8	-26.9		
Egnaia Bank	0.99	0.0	3.1	-44.1		
Geniki Bank	2.38	4.4	-10.2	-69.5		
Bank of Attica	1.09	2.8	-8.4	-35.9		
Aspis bank	0.39	5.4	-4.9	-49.9		
Proton Bank	1.11	5.7	3.7	-44.5		
FTASE 20						
National Bank	8.58	5.4	8.6	-44.2		
OTE	5.53	0.2	-7.2	-46.3		
Coca Cola HBC	18.23	-0.4	-5.3	14.0		
EFG Eurobank	5.15	3.0	3.8	-34.6		
Alpha Bank	5.54	4.5	6.1	-32.4		
OPAP	11.82	1.2	0.2	-22.9		
Piraeus Bank	4.07	2.8	7.1	-49.7		
PPC	11.86	3.9	1.4	-8.8		
Bank of Cyprus	4.00	4.7	-0.5	-7.5		
Marfin Pop. Bank	1.64	3.1	4.5	-28.4		
MIG	0.90	2.3	1.1	-50.6		
ATEbank	0.97	4.3	-5.8	-50.0		
Hellenic Petroleum	5.82	0.3	-4.3	-25.5		
Titan Cement	15.90	1.3	13.6	-21.8		
Jumbo	5.71	3.6	15.4	-35.6		
Hellenic Technodomi	3.15	-0.3	6.8	-38.8		
Hellenic PostBank	4.16	1.7	-8.0	-5.9		
Motor Oil	7.75	1.7	-5.9	-27.2		
Viohalco	4.00	3.4	5.5	0.8		
Mytilineos	4.43	5.0	-1.1	-11.8		

\* ranked by Market Cap.

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

Source: Bloomberg

## 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	€ 8.58	13.10.2010	O	-
PPC	PPC GA / DEHr.AT	€ 11.86	13.10.2010	NR	-
Bank of Cyprus	BOC GA / BOCr.AT	€ 4.00	13.10.2010	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. Yelder</i> <i>Medium Div. Yelder</i> <i>Low Div. Yelder</i> <i>No Cash div. Yelder</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%)	-	-
Inv est. Banking Services (per category)	0	-	-	-	-	-	-	-	-

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## ATE Securities SA, Member of the ATEbank Group

Member of the Athens Stock Exchange, Member of the Derivatives Stock Exchange

Head Office: 1 Filellinon Street, 10557 Athens, Greece. Email: [atex@ate.gr](mailto:atex@ate.gr), Tel: +30 210 36.87.700, Fax : +30 210 36.44.481

Internet address: [www.atesecurities.gr](http://www.atesecurities.gr)

Name	Email	Telephone	Fax
<b>Research &amp; Analysis</b>			+30 210 36.87.850
	<a href="mailto:ateresearch@ate.gr">ateresearch@ate.gr</a> <a href="mailto:ateresearch@bloomberg.net">ateresearch@bloomberg.net</a>		
Anthony Christofidis	<a href="mailto:achristofidis@ate.gr">achristofidis@ate.gr</a>	+30 210 36.87.852	
Electra Doulas	<a href="mailto:edoulas@ate.gr">edoulas@ate.gr</a>	+30 210 36.87.853	
Nikos Papadopoulos	<a href="mailto:nipapadopoulos@ate.gr">nipapadopoulos@ate.gr</a>	+30 210 36.87.857	
<b>Institutional Sales</b>			
George Bogiatzis	<a href="mailto:gbogiatzis@ate.gr">gbogiatzis@ate.gr</a>	+30 210 36.87.750	
<b>Equities Trading</b>			+30 210 36.44.530
Vassilios Tatarakis	<a href="mailto:vtatarakis@ate.gr">vtatarakis@ate.gr</a>	+30 210 36.87.711-741	
Ioannis Voidonikolas	<a href="mailto:ivoidonikolas@ate.gr">ivoidonikolas@ate.gr</a>	+30 210 36.87.777-888	
Konstantinos Mpallios	<a href="mailto:kbalios@ate.gr">kbalios@ate.gr</a>	+30 210 36.87.708	
Fotis Karalis	<a href="mailto:fkara@ate.gr">fkara@ate.gr</a>	+30 210 36.87.719	
<b>Derivatives</b>			
Michael Matsoukas	<a href="mailto:mmatsoukas@ate.gr">mmatsoukas@ate.gr</a>	+30 210 36.87.828	
Othonas Siakoulis	<a href="mailto:osiakoulis@ate.gr">osiakoulis@ate.gr</a>	+30 210 36.87.705	