

GREEK DAILY BRIEF

Monday Dec. 13, 2010

Statistics

Athens Stock Exchange

			Shares	
MCap(€bn)	58.2		▲ 57	
Turnover (€mn / mn shares)	81.2 / 22.42		— 122	
Blocks (€mn / mn shares)	6.9 / 1.13		▼ 114	
Indices	10.12.10	(%) 1day	(%) 30day	(%) Ytd
ASE General	1,506.32	-2.34	0.61	-31.41
FTSE 20	719.69	-2.56	0.94	-36.05
FTSE 40	1,551.09	-1.21	-2.52	-40.67
FTSE 80	277.19	-1.79	1.75	-35.19
FTSE International	1,892.85	-2.42	0.55	-36.47
Banks	1,415.42	-3.03	-2.19	-46.82
Telecoms	1,970.84	-2.59	19.33	-30.42
Travel & Leisure	2,325.95	-2.08	5.35	-17.03
Construction	2,339.99	-1.25	-1.11	-31.22
ETF Alpha FTSE 20 Idx	7.26	1.40	1.97	-33.04
DAX 30	7,006.17	0.60	4.03	17.60
CAC 40	3,857.35	-0.02	0.68	-2.01
FTSE 100	5,812.95	0.09	0.28	7.39
Dow Jones	11,410.32	0.35	1.95	9.42
Nasdaq	2,637.54	0.80	4.74	16.23
S&P 500	1,240.40	0.60	3.43	11.24
Nikkei 225	10,293.89	0.80	5.85	-2.39
Hong Kong (HSI)	23,361.62	0.86	-3.55	6.81
Russia (RTS)	1,726.22	0.78	7.15	19.49
Turkey (ISE 100)	65,038.18	-1.33	-6.49	23.12
Romania (Bucharest)	5,174.08	0.53	0.41	10.31
Bulgaria (Sofix)	358.96	-0.21	4.17	-15.99
Cyprus	1,153.87	-1.30	-4.95	-27.76
Commodities				
Brent ICE (\$/bbl)	91.23	0.51	3.05	8.63
WTI NYM (\$/bbl)	88.97	0.78	1.85	5.36
Gold CMX (\$/troy oab.)	1,387.80	0.33	-1.74	25.39
Aluminum LME (\$/mt)	2,373.00	2.95	-2.35	6.41
Copper LME (\$/mt)	9,015.00	1.35	4.10	22.24
Carbon Fut. (€/mt)	14.98	0.00	2.67	12.46
Currencies				
EUR/USD	1.3306	0.45	-4.46	-7.63
USD/JPY	83.86	-0.06	-3.76	10.13
EUR/GBP	0.840	2.59	2.59	6.12
Rates	Price	Yield(%)		
Euribor 3m (%)	-	1.03		
10Yr Bond (GR)	68.39	12.09		
10Yr Bond (GE)	106.62	2.82		
10Yr Bond (US)	101.05	2.99		

ASE Ind. Fut.	10.12.10	(%) day	Prem/Disc % / bps	Volume	Open Interest	Days to Expiry
FT20 Dec	722.19	-1.65	0.35 / +3	4,858	27,882	4

Greek Banks	10.12.10 €	(%) 1 day	(%) 1 month	(%) Ytd
National Bank	7.04	-3.6	-4.1	-54.2
EFG Eurobank	4.43	-3.7	1.8	-43.8
Alpha Bank	4.52	-5.8	-2.0	-44.9
Piraeus Bank	3.39	-0.3	5.0	-58.1
Bank of Cyprus	2.93	-2.0	-9.8	-21.9
Marfin Popular Bank	1.17	-2.5	8.7	-41.1
ATEbank	0.83	5.1	7.8	-57.2
Emporiki Bank	1.64	-3.0	-1.8	-62.6
Hellenic PostBank	3.38	6.3	9.0	-23.5
Bank of Greece	30.72	0.1	-2.9	-33.9
Egnatia Bank	0.74	4.2	0.0	-58.2
Geniki Bank	2.07	-2.8	9.5	-73.5
Bank of Attica	1.12	3.7	21.7	-34.1
Aspis bank	0.27	3.8	-15.6	-65.3
Proton Bank	0.79	-4.8	-3.7	-60.5
FTASE 20				
National Bank	7.04	-3.6	-4.1	-54.2
OTE	7.16	-2.6	19.3	-30.4
Coca Cola HBC	19.50	-3.2	1.6	22.0
EFG Eurobank	4.43	-3.7	1.8	-43.8
Alpha Bank	4.52	-5.8	-2.0	-44.9
OPAP	13.25	-2.2	7.5	-13.6
Piraeus Bank	3.39	-0.3	5.0	-58.1
PPC	11.27	-0.7	-8.1	-13.3
Bank of Cyprus	2.93	-2.0	-9.8	-21.9
Marfin Pop. Bank	1.17	-2.5	8.7	-41.1
MIG	0.75	-2.6	10.3	-58.8
ATEbank	0.83	5.1	7.8	-57.2
Hellenic Petroleum	5.80	0.2	7.2	-25.7
Titan Cement	15.61	-1.2	-0.3	-23.2
Jumbo	5.08	-1.4	-1.2	-42.7
Hellenic Technodomiki	3.43	-1.2	0.3	-33.4
Hellenic PostBank	3.38	6.3	9.0	-23.5
Motor Oil	7.80	-1.1	4.0	-26.7
Viohalco	3.78	-1.6	0.8	-4.8
Mytilineos	4.35	-0.5	-0.7	-13.3

* ranked by Market Cap.

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

Source: Bloomberg

Market Comment

The Greek market declined on Friday with banks at the forefront and major corporate stocks following suit, for a majority of large and mid caps to end lower. Only Ate Bank and Hellenic Postbank posted strong increases.

Both European and US bourses closed somewhat higher on Friday, as investors remain confident on a solid track of economic recovery. Nevertheless, major indices did not distant themselves from the flat line as worries remain on the European sovereign debt issue.

European futures opened higher today. We anticipate a higher open for our domestic market, also aided by an improving European sentiment.

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Highlights

Economic News

- The European Central Bank published a semi-annual report on financial stability, in which it pointed out that the financial systems are still "fraught with risks". The ECB warned governments that they "risked unleashing an 'unsustainable debt spiral' in the financial markets," if they did not fulfill their commitments to budget cuts. Further, the ECB cautioned that eurozone banks may struggle to refinance the €1.0 trillion of debt due over the next two years because of "nervous markets and the increased borrowing needs of cash-strapped governments". ECB vice president Vitor Constancio, during an interview with Bloomberg Television, called for European governments to "increase the size and flexibility of their bailout fund".

Corporate News

- Greek government** decision on labor cost cuts scheduled for the loss-making state owned companies will reportedly apply to the listed companies in which the state has a controlling stake (ATE Bank, Postal Saving Bank, OPAP, PPC, Thessalonica Water, Athens Water, Piraeus Port, and Thessalonica Port).
- OTE** Serbian Ministry of Finance reportedly said that four potential bidders have bought the documents related to the sale of a majority stake in Telecom Serbia by the government (namely, Deutsche Telecom, Telecom Austria, France Telecom and America Mobil SAB), while three other investors are also examining the possibility to participate. The Serbia govt owns 80% of the operator with the remaining held by OTE.
- PPC** announced that a subsidiary of PPC Renewables filed for permit to Hellenic Energy Regulatory Authority for a photovoltaic 200MW facility in western Macedonia. On other news, reportedly on the draft law pending discussion in the parliament tomorrow the special consumption tax for business tariffs outside high voltage is planned to rise to €5 per Mwh from €2.5/Mwh today. Moreover, reportedly a further rise in the fee for renewables is under discussion.
- Hellenic Petroleum** commenced operations last week in its new 420MW generation power plant of Elpedison. This is the second power plant of the Company, which now reaches total installed capacity of 810MW.

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

There is no predetermined period for revision updates. ATE Securities SA policy, however, outlines that any major developments in the companies mentioned, should be carefully screened, and it is the analyst's decision whether any such developments materially change their view or opinion stated herein, in order to proceed for an update.

Companies Mentioned in the Report

Company	BBG-RIC Code	Price	Date	View	Disclosures
OTE	HTO GA / OTEr.AT	€ 7.30	10.12.2010	NR	-
Hellenic Petroleum	ELPE GA / HEPr.AT	€ 5.72	10.12.2010	O	-
PPC	PPC GA / DEHr.AT	€ 11.67	10.12.2010	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

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	O	Stock Return > +9%
Neutral	N	Stock Return in the range [-9%, +9%]
Underweight	U	Stock Return < -9%
Not Rated	NR	The company is not covered by ATE Securities SA Research & Analysis Department
Under Review	UR	Rating not currently available
Restricted	R	ATE Securities SA policy and/or law prohibits investment recommendation
Rating Suspended	RS	There is no sufficient fundamental basis for determining an investment rating or target.
Coverage Suspended	CS	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 ⁽¹⁾
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%)	1 (4%)	0 (0%)	14 (56%)	4 (16%)	1 (4%)	-	-
Inv est. Banking Services (per category)	0	-	-	-	-	-	-	-	-

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