

# Daily Market Report



Monday, 09 May 2011

**BETA SECURITIES SA**

Member of the Athens Stock Exchange

	Price	Chg: %	30 days %	YTD %*
<b>GR</b>				
Athens General	1,370	-0.6%	-8.0%	-3.1%
FTSE /ASE 20	614	-0.7%	-9.9%	-7.4%
FTSE /ASE Mid 40	1,437	0.1%	-3.9%	-4.1%
<b>US</b>				
Dow Jones	12,639	0.4%	1.9%	9.2%
Nasdaq	2,828	0.5%	1.4%	6.6%
S&P 500	1,340	0.4%	0.5%	6.6%
<b>Europe</b>				
FTSE-100	5,977	1.0%	-0.7%	1.3%
DAX-30	7,492	1.6%	4.4%	8.4%
CAC-40	4,058	1.3%	0.4%	6.7%
Eurostoxx 50	2,640	1.2%	0.7%	2.1%
Eurostoxx 50E	2,953	0.9%	-0.1%	5.7%
<b>Asia</b>				
NIKKEI-225	9,859	-1.4%	1.4%	-3.6%
HANG SENG	23,159	-0.4%	-4.1%	0.5%

## Market Statistics

Market Cap (in bil. €)	53.74
Market Turnover (in mil. €)	77.9
Advances	56
Declines	68
Unchanged	61
Total Movers	185

Futures Delivery	Settlement	Prem/Dis	Open Interest	Traded Volume
FTSE /ASE 20	607.83	-1.05%	33,893	4,414
June 2011	...	...	...	...
September 2011	...	...	...	...

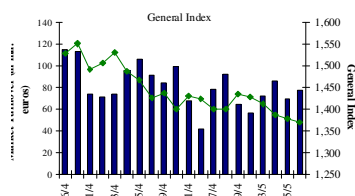
Short Selling (SS)	Short Selling Trade Volume	% in total volume	Buy to close trade volume	% in total volume
Alpha	...	...	152,918	10.88
Coca Cola 3E	2,323	0.65	20,000	5.58
Eurobank	...	...	44,563	2.79
Titan	85,000	39.09	...	...

## AGM

Piraeus Bank	20-May	decision on reverse split
<b>Ex Dividend</b>		
Mytilineos /Metka	12-May	
Opap	16-May	
Hellenic Exchanges	25-May	
Motor Oil	30-May	
Coca Cola	10-Jun	capital return 0.50
Hellenic Telecom	28-Jun	
Fourlis	20-Jun	
Titan	24-Jun	
Hellenic Petrol	4-Jul	
HTO	28-Jun	

## Results Q1

Coca Cola 3E	10-May	before mkt
Frigoglass	12-May	before mkt
Mytilineos /Metka	18-May	
Opap	23-May	
Bank of Cyprus	23-May	after market
Fourlis	24-May	after market
ATEBank	25-May	
Eurobank	25-May	
Motor Oil	25-May	after market
Elpe	26-May	
NBG	26-May	
FF Group	26-May	
Piraeus Bank	27-May	
Sarantis	30-May	after market



## Market Comment

Greek stocks posted marginal losses again on Friday, with the GI ending at 1,370.10 pts, down by 0.58%. Turnover was at 77.86m euros. Most up stocks: Jumbo 5.58euros (+2.01%), Opap 14.50euros (+1.75%), HTO 7.40euros (+1.37%), PPC 11.10euros (+1.37%). Most down stocks: Titan 17.18euros (-3.91%), Alpha 3.47euros (-3.34%), Coca Cola 3E 17.42euros (-3.22%), EFG 3.30euros (-2.94%). 10YR Bond Yields at 15.51% and 10YR bond spread against German bunds at 12.34 ppts.

## T Bills

T Bills / Greece to Sell 800m euros 182-Day Bills on May 10 Maturity: Nov. 11, 2011 Settlement: May 13, 2011.

## Results Preview

**Coca Cola 3E/** The Compasny will announce Q1'11 results on May 10th before market opening. Estimated results - NI: 17.3m, EBITDA: 136.2, Sales: 1.42b.

## Results Review 1Q2011 & Conference Calls Highlights

**OTE /** has reported sales 1.2bn euros (-12.6% yoy) in line with estimates. Reported ebitda [excluding the impact of VRS and restructuring plans] reached 393.3m euros (-17.8%) below consensus. Net income stood at 30.2m euros (-54.1%), vs estimates for 70m euros, impacted by a €40m charge due to the voluntary redundancy programme. 2010 dividend ahead of forecast at €0.1179 (forecasts €0.05).

After a long time, managements stated that it expects some **signs of stabilization** for the rest of the year in Greek mobile. Cost cutting measures [Employee exit program and restructuring plans implemented at Rom Telecom and Cosmote announced in Q1 2011] will lead to a groupwide reduction of approx. 1,600 employees, and should start positively impacting the Group's performance in the latter part of the year. Other revenues will continue to be affected by difficult economic conditions in all countries of operations.

## Teleconference Highlights:

- Yearly round savings from cost cutting efforts to reach 50m per year [Cosmote 13m euros, OTE 18m euros and RomTelecom 18m euros]
- Romanian interest to sell a 36% stake in OTE: OTE will finalize its position shortly and will provide a reply by May
- Cash position enough to meet refinancing requirements [maturity requirements on this and next year is covered]
- Cost cutting efforts will NEVER be enough unless OTE finds a way to reduce personnel costs [which account for 47% on total costs]. This is quite difficult to change due to labour regulations
- OTE faces uncompetitive pricing: 1/3 of its customers leaving OTE seeking alternative carriers, and 2/3 permanently cut their fixed line connections.
- OTE will postpone its satellite services

**Korres /** Sales: -15.0%, to €10.3m from €12.2m in Q1 2010 /EBITDA: -21.8%, to €2.2m from €2.9m in Q1 2010 /Earnings after taxes and minorities reached €0.5m from €1.5m in Q1 2010, [-66%], being affected by the change in the consolidation way of Group's activity in the US.

## Teleconference Highlights:

Management anticipates for 2011 improved results: T/o will be up, while ebitda and net debt are expected at least at the same levels with 2010 [ebitda will range between 8.5-9m euros]. 2011 Net debt to ebitda ratio: expected at 4.5x Korres intention is to drive this figure down to 3.5-4x  
DPS : Management will propose **no dividend distribution**, and prefer to reinvest profits  
Activities /US: J&J will start distributing Korres products in N. America from 2Q 2011. The Company will get a lump sum amount before the second quarter ends, from the \$15m guaranteed royalties of Johnson & Johnson agreement [we expect to see some ebitda rebound]. **Europe:** Spain and Germany most important foreign markets, Russia becoming one. Export business show positive trends BOTH in Spain and Germany.

**S&B/** Sales: +17.4% yoy, to €111.8m from €95.2m in Q1 2010. EBITDA: +24.8%, to €16.3m from €13.1m in Q1 2010. Earnings after taxes and minorities reached €4.1m from €4.0m in Q1 2010, [+2%], impacted by higher taxation. Positive results were achieved through increased profit margins and hedging of fuel and raw materials.

## Teleconference Highlights:

Demand has been strong in the majority of the markets and profit margins are continuously expanding. The Company generated pre-tax Operating Free Cash Flows of €13.4m [Q12010 figure at €6.2]. Net debt position was further reduced to €108.4m from €112.9m in December 2010. **Management sounded very positive** for 2011, and remains focused on cost monitoring and prices of fuel and raw materials.



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#### **ECO**

European Union leaders are showing their resolve in keeping the euro region together, agreeing in an unannounced meeting on May 6 to review the terms of the 110 billion-euro (\$158 billion) lifeline Greece received last year. Greece has conceded it may need more help beyond last year's €110bn (£95bn) bailout on fears that the country will be unable to return to the markets to refinance its debts in 2012. European leaders are preparing to let Greece use Brussels' emergency funding mechanism, the European Financial Stability Facility (EFSF), to roll over its maturing debts. The embattled Mediterranean nation needs to raise an estimated €22bn next year to meet repayments that are not covered by the current rescue package. The alternative would be a "soft" restructuring that would see the terms of the investors' loans lengthened and the interest rate reduced, but Brussels is keen to avoid that.

#### **Corporate**

OPAP / According to the Company's CEO, profits for 2011 will be reduced relatively to 2010 due to domestic economy bad performance. The Company plans to reduce wage costs and expand its activities in Greece and outside.

#### **Other**

German government expects that the full rescue package for Portugal will be presented to the Eurozone in the following week. German government reserves judgment of the programme since the details are not yet known.

40 stocks will be participating in General Index after the deletions of Iaso and Forthnet. All changes will be realised before the beginning of the May 30th 2011 session.

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