

GREEK DAILY BRIEF

Wednesday Oct. 5, 2011

Statistics

Athens Stock Exchange		
MCap(€bn)	29.5	▲ 15
Turnover (€mn / mn shares)	60.3 / 43.44	— 144
Blocks (€mn / mn shares)	1.5 / 1.01	▼ 123

Indices	04.10.11	(%) 1day	(%) 30day	(%) Ytd
ASE General	730.33	-6.28	-15.46	-48.35
FTSE 20	292.45	-7.61	-18.46	-55.90
FTSE 40	749.44	-5.76	-15.24	-49.99
FTSE 80	170.91	-5.52	-11.86	-32.82
FTSE International	780.01	-7.47	-18.22	-55.49
Banks	389.55	-10.77	-22.25	-68.86
Telecoms	823.02	-5.97	-26.17	-51.22
Travel & Leisure	1,067.06	-12.34	-26.99	-52.73
Construction	1,232.64	-4.59	-22.32	-48.23
ETF Alpha FTSE 20 Idx	2.99	-8.28	-16.94	-54.26
DAX 30	5,216.71	-2.98	-0.56	-24.55
CAC 40	2,850.55	-2.61	-4.97	-25.08
FTSE 100	4,944.44	-2.58	-3.10	-16.20
Dow Jones	10,808.71	1.44	-3.84	-6.64
Nasdaq	2,404.82	2.95	-3.04	-9.35
S&P 500	1,123.95	2.25	-4.26	-10.63
Nikkei 225	8,382.98	-0.86	-4.57	-18.05
Hong Kong (HSI)	16,250.27	-3.40	-17.16	-29.46
Russia (RTS)	1,242.23	1.41	-23.18	-29.83
Turkey (ISE 100)	57,209.16	-4.16	5.84	-13.33
Romania (Bucharest)	4,191.90	-1.15	-9.21	-20.44
Bulgaria (Sofix)	333.89	0.93	-11.23	-7.85
Cyprus	425.05	-4.57	-3.00	-59.72
Commodities				
Brent ICE (\$/bbl)	101.56	1.77	-6.87	6.75
WTI NYM (\$/bbl)	78.03	3.12	-6.87	-17.41
Gold CMX (\$/troy oz)	1,629.30	0.82	-13.19	13.77
Aluminum LME (\$/mt)	2,174.00	-1.32	-10.76	-11.98
Copper LME (\$/mt)	6,800.00	-1.38	-25.08	-29.17
Carbon Fut. (€/mt)	10.09	-5.88	-19.86	-28.79
Currencies				
EUR/USD	1.3326	1.05	-5.74	-0.48
USD/JPY	76.71	-0.04	0.17	5.76
EUR/GBP	0.863	1.59	1.59	-0.61
Rates				
Euribor 3m (%)	-	1.56		
10Yr Bond (GR)	40.17	23.32		
10Yr Bond (GE)	116.00	1.41		
10Yr Bond (US)	111.93	1.46		

ASE Ind. Fut.	04.10.11	(%) day	Prem/Disc % / bps	Volume	Open Interest	Days to Expiry
FT20 Dec	290.50	-7.56	-0.67	1-2	8,556	22,298

Greek Banks	04.10.11	(%) 1 day	(%) 1 month	(%) Ytd
National Bank	2.19	-14.1	-21.8	-63.8
EFG Eurobank	0.77	-9.4	-39.8	-79.5
Alpha Bank	1.10	-9.8	-37.1	-71.1
Piraeus Bank	0.36	-18.2	-33.3	-81.4
Bank of Cyprus	1.08	-3.6	-6.1	-58.1
Marfin Popular Bank	0.32	-3.0	10.3	-68.0
ATEbank	0.30	-11.8	-43.4	-90.1
Hellenic PostBank	0.61	-15.3	-41.9	-79.2
Bank of Greece	15.87	-6.1	-13.9	-45.2
Geniki Bank	0.27	-10.0	-35.7	-87.3
Bank of Attica	0.33	-10.8	-23.3	-64.9
Proton Bank	0.18	-18.2	-28.0	-73.9
FTASE 20				
National Bank	2.19	-14.1	-21.8	-63.8
OTE	2.99	-6.0	-26.2	-51.2
Coca Cola HBC	13.00	-1.5	-5.1	-30.9
EFG Eurobank	0.77	-9.4	-39.8	-79.5
Alpha Bank	1.10	-9.8	-37.1	-71.1
OPAP	6.30	-12.7	-28.2	-51.3
Piraeus Bank	0.36	-18.2	-33.3	-81.4
PPC	5.69	-5.0	4.8	-47.0
Bank of Cyprus	1.08	-3.6	-6.1	-58.1
Marfin Pop. Bank	0.32	-3.0	10.3	-68.0
MIG	0.20	-4.8	-31.0	-71.4
ATEbank	0.30	-11.8	-43.4	-90.1
Hellenic Petroleum	5.49	-5.3	-4.0	-6.3
Titan Cement	9.47	-3.9	-26.8	-41.9
Jumbo	3.86	-0.8	-1.3	-21.9
Hellenic Technodomiki	1.44	-5.3	-7.1	-57.0
Hellenic PostBank	0.61	-15.3	-41.9	-79.2
Motor Oil	5.69	-3.2	-9.0	-20.9
Viohalco	3.18	-5.1	-2.2	-21.5
Mytilineos	2.75	-11.3	-18.2	-34.7

* ranked by Market Cap.

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

Source: Bloomberg

Market Comment

The domestic market yesterday witnessed a massive equity sell-off (-6.28%) on turnover at €60mn, influenced by the circulating news-flow regarding the deferral for after October of the Eurogroup decision on payment of the 6th tranche of financial assistance to Greece and the widespread downbeat sentiments prevailing in Europe.

All major European indices closed down on Tuesday amid fears that Europe's banks faced a worse-than-feared threat from the Eurozone. The FTSE dropped -2.58%, the DAX -2.98% and the CAC 40 -2.61%. U.S. stocks rallied, driving the S&P Index up 4.1% in the last hour, amid speculation EU officials are examining how to recapitalize the region's banks.

European stocks are expected to open higher today.

In Europe Retail trade for August, National accounts (GDP) for Q2 2011 and Markit Eurozone Services PMI for October are out today.

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Highlights

Economic News

- Greek Budget** According to press reports, the gross budget revenues increased 10.65% yoy in September to €4.8bn, with the net revenues up 3.17% yoy to €4.2bn.
- Greek Economy** According to press reports, Greek PM George Papandreou and German Chancellor Angela Merkel discussed developments in Europe and the euro area yesterday.
- PSI** According to press reports, there may be changes to the PSI framework that was decided on July 21st, currently involving a 21% decrease in the value of Greek government debt maturing up to 2020.
- HellStat The Turnover Index in Retail Trade**, excluding automotive fuel, has recorded a fall of 2.7% yoy in July 2011. The Index in July 2010 had recorded a decrease of 7.8% yoy. The **Volume Index in Retail Trade**, excluding automotive fuel, recorded a fall of 2.5% yoy in July 2011. The Index in July 2010 had recorded a decrease of 10.0% yoy.
- Euro crisis** According to press reports, the EU commissioner for economic affairs, Olly Rehn said in an interview that EU finance ministers have agreed to look at the capital positions of Europe's banks and are considering plans to coordinate recapitalizations at their meeting in Luxembourg.
- Italy** Moody's downgraded Italy's government bond ratings, for the first time in almost two decades, citing increased risk in long-term funding. Moody's cut Italy's rating to A2 with a negative outlook from Aa2, while affirming its short-term ratings at Prime-1.
- Eurostat** In August 2011 the **industrial producer price index** fell by 0.1% mom (up 5.9% yoy) in the Eurozone and by 0.2% mom (up by 6.7% yoy) in the EU27. In July prices increased by 0.5% mom and 0.4% mom respectively.
- EFSF** According to press reports citing senior government officials, Japan may purchase more bonds issued by the EFSF to help contain the euro-debt crisis though the decision will depend on efforts by the region's policymakers to tackle the problems.
- UK British construction activity** stagnated in September after contraction in the home-building and civil engineering sectors. The Markit/CIPS construction PMI headline activity index fell sharply to 50.1 in September from 52.6 in August, its lowest reading since a contraction in December 2010.

Corporate News

- PPC** According to press report, a weighted average rise of 18-19% in electricity tariffs in 2012 (with the rise for retail households being closer to 30%) will be brought forward by the commitment of the country in the memorandum with the troika to bring electricity tariffs at a level to reflect cost of production. PPC has filed to RAE its updated cost data with the budget projections for 2012, with RAE having to express an opinion later on the issue before a detailed adjustment in tariffs is implemented.
- OTE** Reportedly, Moody's downgraded the long term credit rating to B2 from B1.
- Opap** according to press report, Opap (and Odie) will be one of the first two companies to legally operate games online from the beginning of November after issuance of the respective ministerial decision on the terms for the online gaming market. Opap is allowed from its 2000 licence to operate games in every useful way and so it will take advantage of the possibilities provided. Reportedly, the online expansion will take place through a prepaid card, although a proper adjustment through a ministerial decision should be made so that the internet will not be considered a new market in order for the plan to proceed.
- Proton** Regarding the 10 year €47.5mn (lower tier 2) convertible bond issue the nominal value and issue price of each bond is set at €0.3, with fixed interest of 9.5%, with each bond providing the conversion right to shares equal to their nominal value plus accrued interest at the time. The conversion right can be first exercised by the bond holder 3 months after the issue date (28-9-11), with forced conversion at the request of the issuer being possible when the lower capital requirements of the issuer are endangered or at the request of BoG.
- Iaso** denied press report that it will sell Iaso General and denied any such talks or offers.

- See Important Disclosures and Analyst Certification at the end

Economic News

Corporate News

DISCLOSURES

GENERAL DISCLOSURES

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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
OPAP	OPAP GA / OPAr.AT	€ 6.30	04.10.2011	O	-
OTE	HTO GA / OTEr.AT	€ 2.99	04.10.2011	NR	-
PPC	PPC GA / DEHr.AT	€ 5.69	04.10.2011	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	6 (24%)	1 (4%)	0 (0%)	14 (56%)	3 (12%)	1 (4%)	-	-
Invest. Banking Services (per category)	0	-	-	-	-	-	-	-	-

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