

GREEK DAILY BRIEF

Tuesday Dec. 13, 2011

Statistics

Athens Stock Exchange		Shares
MCap(€bn)	26.3	▲ 45
Turnover (€mn / mn shares)	32.7 / 31.83	— 129
Blocks (€mn / mn shares)	1.3 / .42	▼ 104

Indices	12.12.11	(%) 1day	(%) 30day	(%) Ytd
ASE General	661.77	-2.08	-12.42	-53.20
FTSE 20	255.93	-2.94	-13.63	-61.40
FTSE 40	669.99	-2.16	-14.01	-55.29
FTSE International	689.35	0.00	-12.95	-60.66
Banks	247.51	-9.37	-25.82	-80.21
Telecoms	847.79	2.67	-9.41	-49.76
Travel & Leisure	1,127.44	0.93	-1.77	-50.05
Construction	1,315.66	-2.57	-14.64	-44.74
ETF Alpha FTSE 20 Idx	2.58	-3.01	-14.29	-60.53
DAX 30	5,785.43	-3.36	-4.48	-16.33
CAC 40	3,089.59	-2.61	-1.90	-18.80
FTSE 100	5,427.86	-1.83	-2.12	-8.00
Dow Jones	12,021.39	-1.34	-1.09	3.83
Nasdaq	2,612.26	-1.31	-2.48	-1.53
S&P 500	1,236.47	-1.49	-2.17	-1.68
Nikkei 225	8,552.81	-1.17	0.45	-16.39
Hong Kong (HSI)	18,425.71	-0.81	-3.72	-20.01
Russia (RTS)	1,360.57	-0.23	-11.11	-23.14
Turkey (ISE 100)	52,705.91	-2.10	-6.22	-20.15
Romania (Bucharest)	4,310.78	-1.12	-5.36	-18.18
Bulgaria (Sofix)	301.99	-0.27	-9.55	-16.66
Cyprus	243.87	-5.18	-20.70	-76.89
Commodities				
Brent ICE (\$/bbl)	107.30	0.04	-4.99	12.77
WTI NYM (\$/bbl)	97.81	0.04	-1.09	3.58
Gold CMX (\$/troy oab.)	1,657.80	-0.62	-7.42	15.56
Aluminum LME (\$/mt)	2,015.00	-2.42	-6.80	-18.42
Copper LME (\$/mt)	7,606.00	-0.59	-0.43	-20.77
Carbon Fut. (€/mt)	8.02	-2.91	-24.05	-45.07
Currencies				
EUR/USD	1.3189	-0.66	-3.79	-1.53
USD/JPY	77.78	-0.10	-1.26	4.15
EUR/GBP	0.846	1.62	1.62	1.41
Rates				
Euribor 3m (%)	-	-	1.43	-
10Yr Bond (GR)	22.22	38.84	-	-
10Yr Bund (GE)	114.53	1.55	-	-
10Yr Bond (US)	111.36	1.50	-	-

ASE Ind. Fut.	12.12.11	(%) day	Prem/Disc % / bps	Volume	Open Interest	Days to Expiry
FT20 Dec	256.75	-1.91	0.32	/ +1	7,279	16,336

Greek Banks	12.12.11	(%) 1 day	(%) 1 month	(%) Ytd
National Bank	1.59	-14.1	-23.9	-73.7
EFG Eurobank	0.36	-10.0	-52.1	-90.4
Alpha Bank	0.52	-9.4	-51.8	-86.3
Piraeus Bank	0.29	-1.0	16.8	-84.9
Bank of Cyprus	0.47	-8.3	-37.3	-81.7
Marfin Popular Bank	0.25	-3.5	19.3	-75.3
ATEbank	0.31	-10.1	-31.0	-89.8
Hellenic PostBank	0.44	-12.3	-26.2	-84.9
Bank of Greece	13.30	-1.5	-11.2	-54.0
Geniki Bank	0.16	0.6	-42.6	-92.5
Bank of Attica	0.20	-6.1	-34.0	-78.7
Proton Bank	0.18	0.0	0.0	-73.9
FTASE 20				
National Bank	1.59	-12.6	-23.9	-73.7
OTE	3.08	2.7	-9.4	-49.8
Coca Cola HBC	11.80	-1.4	-8.0	-37.3
EFG Eurobank	0.36	-10.5	-52.1	-90.4
Alpha Bank	0.52	-11.7	-51.8	-86.3
OPAP	6.69	1.1	-1.0	-48.3
Piraeus Bank	0.29	-1.0	16.8	-84.9
PPC	4.12	-1.0	-27.1	-61.6
Bank of Cyprus	0.47	-6.5	-37.3	-81.7
Marfin Pop. Bank	0.25	-3.1	19.3	-75.3
MIG	0.40	3.4	-11.1	-42.9
ATEbank	0.31	-8.6	-31.0	-89.8
Hellenic Petroleum	6.21	-0.2	-4.0	6.0
Titan Cement	11.18	-2.4	-16.5	-31.5
Jumbo	3.71	0.5	-0.3	-24.9
Hellenic Technodomiki	1.15	-3.4	-7.3	-65.7
Hellenic PostBank	0.44	-11.4	-26.2	-84.9
Motor Oil	6.08	-2.4	-0.3	-15.5
Viohalco	2.97	-3.9	-2.6	-26.7
Mytilineos	3.00	-4.2	-2.3	-28.7

* ranked by Market Cap.

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

Source: Bloomberg

Market Comment

A sharp bank decline on Monday led the market -2.08% lower on turnover of €33mn. Major international indices slipped yesterday, with the FTSE 100, DAX and CAC 40 recoding losses of 1.82%, 2.61% and 3.36% respectively. European futures opened flat to slightly higher today, after stocks fell in Asia, amid fears that the Eurozone might not avoid mass credit downgrades, with Moody's Investor Service placing 8 Spanish banks on review for possible downgrade late on Monday, followed earlier warnings from Moody's and Fitch Ratings on the credit worthiness of European nations. Economic releases today include construction Activity for August and Import Price Index in Industry for October in Greece, monthly inflation figures for November in the UK, the ZEW Indicator of Economic Sentiment from Germany, Manufacturing and trade inventories and sales for October and Advance Monthly Sales for Retail and Food Services for November in the US.

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Highlights

Economic News

- PDMA** The Hellenic Republic auctions today €1,250mn 26-Wk T-Bills with maturity 15 June 2012. Settlement date is December 16, 2011 (T+3). In the previous auction on November 8, the yield was 4.89%.
- PSI+** According to press reports, some progress was made in creating a commonly accepted PSI+ framework, with the Greek government willing to have the new debt rank *pari passu* with that of official creditors. On the other hand, there is still disagreement regarding the law that will govern the new debt (Greek or UK) and the level of the coupon.
- Greek Economy** The Finance Minister announced that additional measures may be taken in 2012 if the budget does not meet the targets. Mr Venizelos invited the main opposition party to participate in the ongoing negotiations with the troika representatives regarding the PSI+ and the new medium term financing plan.
- Greek Politics Greek PM Lukas Papademos** is expected to meet with **President Karolos Papoulias** to brief him about the developments post the EU summit
- OECD composite leading indicators (CLI)** for December point to a slowdown in economic activity in all major economies, but with some variation in the strength of the slowdown across countries. The CLIs for Canada, China and the US continue pointing to slowdowns in economic activity around long term trends but with only marginal declines compared to last month. The CLIs for Japan and Russia point to economic activity above long term trend, with a marginal slowdown for Russia, and a slightly stronger, but still moderate slowdown for Japan. In Brazil, France, Germany, India, Italy, the UK and the Euro area, as a whole, the CLIs continue pointing strongly to economic activity falling below long term trend.
- US Manufacturers, Mining and Wholesale Trade** for Q3 2011 totaled \$149.5bn, down \$7.1bn from the after-tax profits of \$156.6bn recorded in Q2 2011, but up \$25.3bn from the after-tax profits of \$124.2bn recorded in Q3 2010.
- Spain** Auction of 12 and 18-month bills today.
- Fitch Ratings** (latest quarterly Global Economic Outlook) **Global Economic Outlook Remains Weak** with growth of advanced economies to slow to 1.3% in 2011 and remain weak at 1.2% in 2012, followed by only a modest acceleration to 1.9% in 2013.

Corporate News

- PPC** According to press report PPC Chairman Zervos has requested from the respective Ministries tariff increases of about 15% so that PPC will not post losses in 2012.
- Bank Of Cyprus** completed the issuance of €1 bn Covered Bonds on 12 December 2011. The issue, which is under the Bank's €5 bn Covered Bond Program has a maturity of three years with a potential extension period of one year, pays annual interest rate of 3 months Euribor +1.25% and is rated Baa3 (on review for downgrade) by Moody's Investors Services. The Covered Bonds have been approved to be listed and to commence trading on the Luxembourg Bourse on 12th December 2011. On other news, regarding conversion of CECS, during the conversion period 15-30 November 2011 354,457 shares were issued from the conversion of CECS in Euro with nominal value of €1,169,709 at the conversion price of €3.30. Following the above conversion the remaining balance of CECS in Euros is 818,780,911. It is noted that there were no conversions of CECS in US Dollars and their balance remains 94,926,112.
- Marfin Popular Bank** announced that its Board of Directors at a meeting held today, has elected as new Non Executive Members Messrs Michael Sarris and Chris Pavlou. An EGM for Feb 8 2012 has been called.
- Intracom** Intracom Defense Electronics signed a contract with Diehl BGT Defence, as main contractor to the German Federal Office of Defense Technology and Procurement, for the new upgraded version of the WISPR-Wireless LAN to be incorporated in the German program SPRINT, which involves the integration and evaluation of three prototype vehicles with advanced network centric technologies' systems and sensors.
- Opap-Intralot** According to press report a consortium of Opap, Intralot, Lottomatica and Gtech will participate in common to undertake the 12 year operation and management of Hellenic Lotteries. Reportedly interested parties for the contest will be known today. The Greek government estimates €500-650mn from the license concession.

See Important Disclosures and Analyst Certification at the end

Economic News

Corporate News

DISCLOSURES

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Share Price

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

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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
PPC	PPC GA / DEHr.AT	€ 4.12	12.12.2011	NR	-
Marfin Popular Bank	MARFB GA / MRBr.AT	€ 0.25	12.12.2011	N	-
Bank of Cyprus	BOC GA / BOCr.AT	€ 0.47	12.12.2011	NR	-
OPAP	OPAP GA / OPAr.AT	€ 6.69	12.12.2011	O	-

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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

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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
		High Div. Yielder Medium Div. Yielder Low Div. Yielder No Cash div. Yielder

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%)	-	-
Inv est. Banking Services (per category)	0	-	-	-	-	-	-	-	-

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