

# GREEK DAILY BRIEF

Monday Dec. 19, 2011

## Statistics

Athens Stock Exchange				Shares
MCap(€bn)	26.0		▲	66
Turnover (€mn / mn shares)	49.0 / 45.44		—	28
Blocks (€mn / mn shares)			▼	88

Indices	16.12.11	(%)	1day	(%)	30day	(%)	Ytd
ASE General	655.91		-0.64		-7.96		-53.61
FTSE 20	250.53		-1.14		-8.45		-62.22
FTSE 40	651.23		-1.67		-12.30		-56.54
FTSE International	689.35		0.00		#N/A		#N/A
Banks	230.33		-3.83		-18.09		-81.59
Telecoms	765.21		-5.76		-15.76		-54.65
Travel & Leisure	1,121.08		0.58		3.36		-50.34
Construction	1,409.78		4.79		1.95		-40.78
ETF Alpha FTSE 20 ldx	2.53		-1.17		-9.32		-61.29
DAX 30	5,701.78		-0.50		-1.70		-17.54
CAC 40	2,972.30		-0.88		-0.82		-21.88
FTSE 100	5,387.34		-0.25		0.45		-8.69
Dow Jones	11,866.39		-0.02		0.60		2.50
Nasdaq	2,555.33		0.56		-0.67		-3.68
S&P 500	1,219.66		0.32		0.33		-3.02
Nikkei 225	8,296.12		-1.26		-0.94		-18.90
Hong Kong (HSI)	18,045.56		-1.31		-2.41		-21.66
Russia (RTS)	1,355.05		-1.36		-9.41		-23.46
Turkey (ISE 100)	51,665.78		0.64		-5.15		-21.72
Romania (Bucharest)	4,272.67		-1.19		-3.42		-18.90
Bulgaria (Sofix)	301.42		0.00		-6.62		-16.82
Cyprus	229.70		-3.81		-14.88		-78.23
<b>Commodities</b>							
Brent ICE (\$/bbl)	102.72		-0.61		-4.36		7.99
WTI NYM (\$/bbl)	92.93		-0.64		-4.85		-1.59
Gold CMX (\$/troy oab.)	1,596.30		-0.10		-7.62		11.27
Aluminum LME (\$/mt)	2,004.00		1.47		-7.09		-18.87
Copper LME (\$/mt)	7,345.00		0.78		-4.98		-23.49
Carbon Fut. (€/mt)	7.21		0.00		-30.07		-50.62
<b>Currencies</b>							
EUR/USD	1.3009		-0.28		-3.32		-2.79
USD/JPY	77.91		-0.19		-1.36		4.12
EUR/GBP	0.839		2.21		2.21		2.17
<b>Rates</b>							
Euribor 3m (%)	-		1.42				
10Yr Bond (GR)	22.00		39.35				
10Yr Bond (GE)	115.76		1.39				
10Yr Bond (US)	112.50		1.35				

ASE Ind. Fut.	16.12.11	(%) day	Prem/Disc % / bps	Volume	Open Interest	Days to Expiry
FT20 Dec	249.85	-1.92	-0.27	1-1	5,568	8,306

Greek Banks	16.12.11	(%)	(%)	(%)
	€	1 day	1 month	Ytd
National Bank	1.59	4.6	-11.7	-73.7
EFG Eurobank	0.30	-8.5	-46.9	-91.9
Alpha Bank	0.44	-8.5	-46.2	-88.4
Piraeus Bank	0.21	-18.8	-3.7	-89.1
Bank of Cyprus	0.44	-5.2	-26.3	-82.9
Marfin Popular Bank	0.23	0.4	8.5	-77.0
ATEbank	0.32	15.0	-7.4	-89.6
Hellenic PostBank	0.41	1.2	-19.0	-86.1
Bank of Greece	13.03	-0.4	-7.6	-55.0
Geniki Bank	0.17	3.8	-20.2	-92.2
Bank of Attica	0.19	-4.6	-22.1	-80.1
Proton Bank	0.18	0.0	0.0	-73.9
<b>FTASE 20</b>				
National Bank	1.59	1.3	-11.7	-73.7
OTE	2.78	-5.8	-15.8	-54.6
Coca Cola HBC	12.32	1.3	-4.8	-34.5
EFG Eurobank	0.30	-9.3	-46.9	-91.9
Alpha Bank	0.44	-10.0	-46.2	-88.4
OPAP	6.68	0.6	4.7	-48.4
Piraeus Bank	0.21	-21.3	-3.7	-89.1
PPC	3.99	-2.7	-22.5	-62.8
Bank of Cyprus	0.44	-6.0	-26.3	-82.9
Marfin Pop. Bank	0.23	-1.3	8.5	-77.0
MIG	0.36	-7.5	-19.3	-48.7
ATEbank	0.32	1.9	-7.4	-89.6
Hellenic Petroleum	6.29	2.6	-1.1	7.3
Titan Cement	12.36	7.0	5.2	-24.2
Jumbo	3.75	1.4	4.2	-24.1
Hellenic Technodomiki	1.10	-4.3	-9.1	-67.1
Hellenic PostBank	0.41	-3.3	-19.0	-86.1
Motor Oil	5.97	-0.7	0.3	-17.0
Viohalco	2.89	-1.4	-5.9	-28.6
Mytilineos	2.80	-4.8	-8.5	-33.5

\* ranked by Market Cap.

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

Source: Bloomberg

## Market Comment

The Greek market fell -0.64% on Friday with banks losing -3.83% on turnover that picked up to €49mn. Piraeus bank lost almost 21%, while Alpha Bank's and Eurobank's fall were in the order of -10% on Friday, while NBG closed with gains. European futures opened lower today, on fears of possible ratings downgrades in Europe. Economic data to watch includes Eurozone Construction output for October and Balance of Payments for October and US Retail Trade Financial Report for Q3 2011.

**Anthony Christofidis** AChristofidis@ate.gr +30 210 3687852  
**Electra Doumas** EDoumas@ate.gr +30 210 3687853  
**Nikos Papadopoulos** NiPapadopoulos@ate.gr +30 210 3687857

## Highlights

### Economic News

- PSI+** The IIF issued a statement saying that debt swap talks registered significant progress on Friday in Paris, adding that private sector creditors and authorities will continue to seek a voluntary solution. The Eurozone and the IMF warned private sector holders of Greek debt that neither the voluntary character of the new private sector involvement plan (PSI+) nor the high percentage of bank participation are guaranteed, saying that if banks do not accept a solution rapidly, their losses may be greater. According to press reports, no agreement has been reached on the issue of the coupon level in addition to the take up percentage in order to maximize the debt relief for Greece.
- PDMA** will auction 13 week T-bills on December 20, 2011 amounting to €1,000mn. Settlement date is December 23, 2011 (T+3). In the previous auction on November 15, the uniform yield was 4.63%.
- Fitch** reaffirmed France's top-notch triple-A rating but said the outlook was now negative, meaning it could be downgraded within two years. The agency also placed the credit rating of France, Belgium, Spain, Slovenia, Italy, Ireland and Cyprus on credit watch negative, commenting that an effective solution to the debt crisis in Europe was "technically and politically impossible" saw a flight from riskier assets in Asian trading.
- Moody's** cut Belgium's credit rating by two notches, saying "fragile sentiment" in the Eurozone may cause funding stress for countries with high public debt burdens.
- Eurostat Labour cost index** Hourly labour costs in the euro area rose by 2.7% in the year up to Q3 2011, compared with 3.3% for Q2 2011. In the EU27, the annual rise was 2.6% up to Q3 2011, compared with 3.2% for Q2 2011.
- Eurostat** The first estimate for **euro area trade** with the rest of the world in October 2011 gave a €1.1bn surplus, compared with +€3.1bn in October 2010. The September 2011 balance was +€2.7bn, compared with +€0.3bn in September 2010. In October 2011 compared with September 2011, seasonally adjusted exports fell by 1.9% and imports by 0.7%. The first estimate for the October 2011 **extra-EU27 trade balance** was a €11.0bn deficit, compared with -€9.6bn in October 2010. In September 2011 the balance was -€10.6bn, compared with -€13.9bn in September 2010. In October 2011 compared with September 2011, seasonally adjusted exports fell by 0.7%, while imports rose by 0.5%.
- US Consumer Price Index** was unchanged in November after decreasing 0.1% in October. The index for all items less food and energy rose 0.2% in November after increasing 0.1% in October.

### Corporate News

- HTO Telekom Srbija**, according to press report, proceeds with the buy back of its 20% stake paying €380mn to HTO.
- PPC** According to a new notification received on 14 December 2011 from Silchester International Investors LLP, Public Power Corporation S.A. notifies that the increase of Silchester's participation in PPC's share capital by 3% (compared to the participation of 10.02% on 8 September 2011) was realized on 30 November 2011, with its participation formulating to 13.02% (30,205,231 shares) and not on 2 December 2011, as mentioned in previous relevant announcement.
- ATE Bank** announced that the public tender for the sale of its participation in ELVIZ S.A. was unsuccessful. The divestment procedure will be continued and the investors will be accordingly notified. Moreover, the Bank announced, pursuant to the decision of the B.o.D (session of 3.10.2011) for the employment of independent consultant in order to sell through tender procedure its participation in ATE BANK ROMANIA S.A., that the Invitation of Interest was released to the Press and has been uploaded in the website of ATEbank at 15.12.2011. The Candidates that wish to participate in the Process should submit their complete non-binding expression of interest to the Advisor Deloitte Business Solutions, no later than Monday, January 16th, 2012 at 17:00 (local time). Additionally, under the shareholders agreement of 17.04.2008 between ATEbank and the International Finance Corporation, is announced that the acquisition of a 9.27% stake in its subsidiary in Romania was completed, thus increasing its stake from 84% to 93.27 %. The acquisition price was based on the equity of ATE Bank Romania resulting from the audited financial statements of 30.6.2011 and the amount of the purchase price amounted to 8.03 million.
- Hellenic Postbank** announced that the total of TBank deposits, labour contracts and asset categories (debt and securities portfolios) excluding some liabilities are transferred to Hellenic Postbank that undertakes from now on continuation of operations of TBank by securing the latter's deposits.

See Important Disclosures and Analyst Certification at the end

## Economic News

## Corporate News

## DISCLOSURES

### GENERAL DISCLOSURES

- The contents of this report have been prepared and issued by ATE Securities SA, a subsidiary of ATEbank.  
**ATE Securities SA (License no. 85/8.10.1996, 2/301/14.05.2004, 19/469/18.4.2008) is supervised by the Hellenic Capital Market Commission (HCMC).**
- The included material is for informative purposes only and under no circumstances should it be considered as an offer to sell or as a solicitation of an offer to buy any security. ATE Securities SA may do and/or seeks to do business with the companies mentioned herein. ATE Securities SA employees and/or its Directors could have a different opinion and/or hold a different position and/or make markets in the named securities. As a result, investors should be very prudent and consider this report and views expressed herein, as only a single factor in making their investment decisions. Securities referred to in this document may be susceptible to investment risks, including possible partial or full loss of the capital invested.
- ATE Securities SA has internal procedures and regulations in order to regulate the objectivity of the flow of information and conflicts of interest that may rise. In specific:
  - (i) The Research & Analysis Department is located at a separate location from Investment Banking, Capital Market Sales and the Asset Management departments of the company and research reports are produced away from the aforementioned departments.
  - (ii) Chinese Walls are set between the different Departments in order to secure confidentiality of flow of information and market abuse behaviour and
  - (iii) The analysts of the Department make use of any public non material information, make company visits and take every effort to ensure the credibility of their sources.

### ANALYST CERTIFICATION

ATE Securities SA research analysts certify that:

- (i) The views expressed in this research report **accurately reflect** their personal view about the relevant securities or issuers on the date the report is issued.
- (ii) **No part of their compensation** was, is, or will be, directly or indirectly, related to the specific views or recommendations expressed in the report.

### COMPANY-SPECIFIC DISCLOSURES

#### 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	€ 2.78	16.12.2011	NR	-
ATEbank	ATE GA / AGBr.AT	€ 0.32	16.12.2011	R	-
Hellenic Postbank	TT GA / GPSr.AT	€ 0.41	16.12.2011	NR	-
PPC	PPC GA / DEHr.AT	€ 3.99	16.12.2011	NR	-

#### Disclosure Outline

- 1 ATE Securities SA and / or any of its affiliates owns 5% or more of the total share capital of the Company
- 2 The Company and / or its affiliates owns 5% or more of the total share capital of ATE Securities SA and / or its affiliates
- 3 ATE Securities SA acts as a market maker for the securities of the Company
- 4 ATE Securities SA has been asked to prepare and or will receive compensation from the company for the preparation of the report
- 5 ATE Securities SA, its affiliates or subsidiaries has acted as manager/co-manager in the underwriting or placement of securities of this company within the past 12 months
- 6 ATE Securities SA, its affiliates or subsidiaries has received compensation for investment banking services from this company within the past 12 months
- 7 ATE Securities SA, provides, or has provided the company with non-investment-banking, securities related services in the past 12 months
- 8 ATE Securities SA, receives, or has received non-investment-banking, securities related services by the company, in the past 12 months
- 9 ATE Securities SA, receives, or is expected to receive investment banking services from this company within the next 3 months
- 10 ATE Securities SA, receives, or is expected to receive non-investment-banking, securities related services from this company, in the next 3 months
- 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	<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
		High Div. Yields Medium Div. Yields Low Div. Yields No Cash div. Yields

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	-	-	-	-	-	-	-	-

© 2011 ATE Securities SA. All Rights Reserved. No part of this document may be reproduced, re-distributed, in whole or in part, without the prior written permission of ATE Securities SA.

