

# GREEK DAILY BRIEF

Monday Oct. 11, 2010

## Statistics

### Athens Stock Exchange

			Shares
<b>MCap(€bn)</b>	56.4		▲ 49
<b>Turnover (€mn / mn shares)</b>	80.0 / 27.02		▲ 45
<b>Blocks (€mn / mn shares)</b>	4.3 / 1.63		▼ 120
<b>Indices</b>	<b>08.10.10</b>	<b>(%) 1day</b>	<b>(%) 30day</b>
ASE General	1,528.48	-1.63	-3.77
FTSE 20	743.22	-2.08	-3.93
FTSE 40	1,681.72	-0.66	-5.47
FTSE 80	280.56	-1.39	-10.25
FTSE International	1,965.31	-1.92	-4.10
Banks	1,588.68	-2.73	-5.23
Telecoms	1,538.69	-1.41	-6.52
Travel & Leisure	2,115.42	-1.10	-2.40
Construction	2,348.02	-0.75	2.89
ETF Alpha FTSE 20 Idx	7.45	-0.67	-3.99
DAX 30	6,291.67	0.25	1.24
CAC 40	3,763.18	-0.19	1.00
FTSE 100	5,657.61	-0.08	2.83
Dow Jones	11,006.48	0.53	5.20
Nasdaq	2,401.91	0.77	7.11
S&P 500	1,165.15	0.61	5.01
Nikkei 225	9,588.88	-0.99	3.79
Hong Kong (HSI)	23,227.11	1.23	9.27
Russia (RTS)	1,572.48	0.36	5.74
Turkey (ISE 100)	67,217.24	0.69	10.90
Romania (Bucharest)	5,223.96	0.26	1.17
Bulgaria (Sofia)	369.68	-1.06	-5.60
Cyprus	1,274.34	-1.76	-7.89
<b>Commodities</b>			
Brent ICE (\$/bbl)	84.47	0.52	7.87
WTI NYM (\$/bbl)	83.21	0.67	7.55
Gold CMX (\$/troy oab.)	1,354.40	0.68	8.66
Aluminum LME (\$/mt)	2,420.00	4.09	12.04
Copper LME (\$/mt)	8,310.00	1.37	8.27
Carbon Fut. (€/mt)	15.87	0.63	-0.50
<b>Currencies</b>			
EUR/USD	1.3980	0.29	9.12
USD/JPY	81.97	-0.04	2.53
EUR/GBP	0.877	-5.13	-5.13
<b>Rates</b>	<b>Price</b>	<b>Yield(%)</b>	
Euribor 3m (%)	-	0.97	
10Yr Bond (GR)	75.76	10.31	
10Yr Bund (GE)	112.44	2.09	
10Yr Bond (US)	107.55	2.16	

ASE Ind. Fut.	08.10.10	(%) day	Prem/Disc % / bps	Volume	Open Interest	Days to Expiry
FT 20 Sept	#N/A	N/A	#N/A	N/A	#N/A	N/A
<b>Greek Banks</b>	<b>08.10.10</b>	<b>(%) 1 day</b>	<b>(%) 1 month</b>	<b>(%) Ytd</b>		
National Bank	7.75	-3.1	-3.0	-49.6		
EFG Eurobank	4.92	-4.7	-5.0	-37.6		
Alpha Bank	5.15	-2.6	-5.5	-37.2		
Piraeus Bank	3.99	-1.0	-0.3	-50.7		
Bank of Cyprus	3.72	-2.1	-9.3	-14.0		
Marfin Popular Bank	1.56	-1.3	-4.9	-31.9		
ATEbank	0.91	-3.2	-14.2	-53.1		
Emporiki Bank	2.08	-1.0	-19.1	-52.5		
Hellenic PostBank	4.05	-1.2	-11.6	-8.4		
Bank of Greece	30.91	-0.1	-2.5	-33.5		
Egnaia Bank	0.95	-2.1	-3.1	-46.3		
Geniki Bank	2.20	-2.7	-21.4	-71.8		
Bank of Attica	1.09	-2.7	-19.3	-35.9		
Aspis bank	0.37	0.0	-14.0	-52.5		
Proton Bank	1.05	-6.3	-6.3	-47.5		
<b>FTASE 20</b>						
National Bank	7.75	-3.1	-3.0	-49.6		
OTE	5.59	-1.4	-6.5	-45.7		
Coca Cola HBC	18.64	-0.3	-2.4	16.6		
EFG Eurobank	4.92	-4.7	-5.0	-37.6		
Alpha Bank	5.15	-2.6	-5.5	-37.2		
OPAP	11.80	-1.3	-2.2	-23.1		
Piraeus Bank	3.99	-1.0	-0.3	-50.7		
PPC	11.85	-2.5	1.3	-8.8		
Bank of Cyprus	3.72	-2.1	-9.3	-14.0		
Marfin Pop. Bank	1.56	-1.3	-4.9	-31.9		
MIG	0.84	-3.4	-11.6	-53.9		
ATEbank	0.91	-3.2	-14.2	-53.1		
Hellenic Petroleum	5.83	0.5	-3.3	-25.4		
Titan Cement	15.60	-1.8	3.3	-23.2		
Jumbo	5.30	-0.7	5.8	-40.2		
Hellenic Technodomiki	3.13	1.0	7.9	-39.2		
Hellenic PostBank	4.05	-1.2	-11.6	-8.4		
Motor Oil	7.45	-0.5	-8.7	-30.0		
Viohalco	3.89	0.3	0.5	-2.0		
Mytilineos	4.12	-2.8	-10.2	-17.9		

\* ranked by Market Cap.

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

Source: Bloomberg

## Market Comment

The Greek market fell -1.63% on Friday with banks taking a nosedive pressing FTSE 20 lower to under-perform smaller cap indices. Turnover also fell from the above €100mn latest day level to land at €80mn. European markets ended Friday session rather flat in mixed territory, despite positive performances in the US. European futures have opened slightly positive. Industrial production in France is expected today with analysts estimating a decline. We anticipate a smooth open in our domestic market with further consolidation taking place.

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## Highlights

### Economic News

- BoG** Greek Central Government cash deficit (net balance of the state budget including movements in public debt management accounts) dropped by -27.7% yoy in the 9 months 2010, reaching €18.5bn at end September. Budget revenues in the 9 months came to €36.17bn (+3.5% yoy), while expenditures fell to €48.89bn (-9.5% yoy).
- IMF** chairman Mr. Strauss Kahn has suggested that world economy may rise by 2.5% annually for the next five years if countries were to synchronize their macroeconomic policies towards that end. During workshops of IMF with the World Bank, IMF chairman also announced the launch of a Mutual Assessment Process, through which the Fund will monitor individual countries' economic policies and assess their influence to other countries. In other new, IMF is reportedly considering the possibility of converting Greece's short-term financing program into long-term, while ECB executive Mr. Lorenzo Bini Smaghi suggested that this only involves a typical procedure that is already part of IMF's regulatory clauses.
- PDMA** (Public Debt Management Agency) On October 12 the state will auction 26week T-Bills with maturity 15 April 2011. The amount to be auctioned is €900mn, while settlement date is October 15. Only primary dealers are allowed to participate, according to their operation regulations. During the auction non-competitive bids can be submitted up to 30% of the auction amount. On top of that, primary dealers can submit non-competitive bids up to another 30% of the auctioned amount, until October 14 (12:00pm Athens time).
- Ecofin Chairman** Mr. Jean-Claude Juncker appears to have stated that European officials knew that in some day Greece would confront its current sovereign crisis.
- US economy** lost more jobs than forecast in September (employers cut staffing by 95,000 workers after a revised 57,000 decrease in August), reflecting a decline in government payrolls. The unemployment rate unexpectedly held at 9.6%.

### Corporate News

- NBG** The Bank is reportedly expecting next week to appoint of advisors for the sale of 20% stake at Finansbank in Turkey. On other news, today is the last day for rights exercise in the Bank's capital increase of €1.8bn. National Bank CEO Mr. A.Tamvakakis assured that the Bank will not proceed in any acquisition moves on a cash basis, following its capital raising program. Meanwhile Greek Finance Minister appears to well receiving NBG's intention for returning government support funds to the state, also allowing for the distribution of dividends. Mr Papaconstantinou also confirmed that the state (including pension funds) will maintain its shareholding to NBG after the completion of the capital increase.
- Eurobank** reportedly adjusts higher its deposit rates and basic lending rates for businesses and professionals due to the increase in euribor and cost of money. The increases commence from today.
- Hellenic Postbank** Reportedly, the Belgian Post is interested to acquire Hellenic Post. HPB controls a c.10% equity stake in Hellenic Post. Other international entities have also expressed their interest for a strategic equity stake in the Greek Post.

## Investment ToolKit

### Greek corporate Action Calendar

Earnings Releases  
Splits, Bonus, Private placements, Public Offers, Divs-predivs, AGMs-EGMs, stock-options etc  
Quants Insight,  
Arbitrage, M&As, Share capital increases, IPOs etc

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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.

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#### Companies Mentioned in the Report

Company	BBG-RIC Code	Price	Date	View	Disclosures
Mytilineos Holdings	MYTIL GA / MYTr.AT	€ 4.24	07.10.2010	NR	-
Motor Oil	MOH GA / MORr.AT	€ 7.49	07.10.2010	UR	-
PPC	PPC GA / DEHr.AT	€ 12.16	07.10.2010	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**

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### 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
		<i>High Div. Yields</i> <i>Medium Div. Yields</i> <i>Low Div. Yields</i> <i>No Cash div. Yields</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%)	3 (12%)	0 (0%)	14 (56%)	2 (8%)	1 (4%)	-	-
Invest. Banking Services (per category)	0	-	-	-	-	-	-	-	-

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