

GREEK DAILY BRIEF

Friday Oct. 29, 2010

Statistics

Athens Stock Exchange

			Shares
MCap(€bn)	60.2	▲	47
Turnover (€mn / mn shares)	124.3 / 25.27	—	132
Blocks (€mn / mn shares)	5.6 / 1.5	▼	113
Indices	28.10.10	(%) 1day	(%) 30day
ASE General	1,577.89	-1.88	7.16
FTSE 20	765.63	-1.98	8.20
FTSE 40	1,749.64	-1.72	6.68
FTSE 80	286.12	-0.97	3.60
FTSE International	2,026.36	-1.93	7.99
Banks	1,620.18	-2.32	9.41
Telecoms	1,621.26	-0.17	11.13
Travel & Leisure	2,333.71	-1.78	12.63
Construction	2,375.23	-2.16	7.81
ETF Alpha FTSE 20 ldx	7.66	-4.01	8.96
DAX 30	6,595.28	0.42	5.58
CAC 40	3,834.84	0.50	2.61
FTSE 100	5,677.89	0.56	1.95
Dow Jones	11,113.95	-0.11	2.57
Nasdaq	2,507.37	0.16	5.50
S&P 500	1,183.78	0.11	3.41
Nikkei 225	9,202.45	-1.75	-3.73
Hong Kong (HSI)	23,042.03	-0.73	2.96
Russia (RTS)	1,578.18	-0.33	5.57
Turkey (ISE 100)	68,760.46	-2.81	4.90
Romania (Bucharest)	5,300.12	1.10	1.58
Bulgaria (Sofia)	359.39	3.88	-7.37
Cyprus	1,349.15	-0.61	6.42
Commodities			
Brent ICE (\$/bbl)	83.22	-0.44	2.72
WTI NYM (\$/bbl)	81.70	-0.58	3.30
Gold CMX (\$/troy oab.)	1,340.40	-0.16	2.30
Aluminum LME (\$/mt)	2,347.00	1.03	1.65
Copper LME (\$/mt)	8,340.00	0.04	4.89
Carbon Fut. (€/mt)	15.21	-1.17	-4.76
Currencies			
EUR/USD	1.3879	0.22	2.04
USD/JPY	80.65	0.81	3.73
EUR/GBP	0.871	-1.16	-1.16
Rates			
Euribor 3m (%)	-	1.05	
10Yr Bond (GR)	74.01	10.71	
10Yr Bond (GE)	109.97	2.39	
10Yr Bond (US)	105.70	2.39	

ASE Ind. Fut.	28.10.10	(%) day	Prem/Disc % / bps	Volume	Open Interest	Days to Expiry
FT20 Dec	755.51	-1.95	-1.32 / -10	9,183	21,492	49
Greek Banks	28.10.10	(%) 1 day	(%) 1 month	(%) Ytd		
National Bank	8.09	-3.0	11.9	-47.4		
EFG Eurobank	4.70	-3.9	11.4	-40.4		
Alpha Bank	5.09	-2.3	13.4	-37.9		
Piraeus Bank	3.91	-0.5	9.8	-51.7		
Bank of Cyprus	3.48	-0.6	7.7	-7.2		
Marfin Popular Bank	1.53	-2.5	3.4	-33.2		
ATEbank	0.88	-2.2	-3.3	-54.6		
Emporiki Bank	2.03	-0.5	-1.5	-53.7		
Hellenic PostBank	3.94	-1.3	-6.9	-10.9		
Bank of Greece	32.81	-0.5	9.3	-29.4		
Egnatia Bank	0.88	-2.2	-4.3	-50.3		
Geniki Bank	2.86	5.1	34.9	-63.3		
Bank of Attica	1.03	-1.9	-1.9	-39.4		
Aspis bank	0.38	-2.6	5.6	-51.2		
Proton Bank	0.97	-4.0	5.4	-51.5		
FTASE 20						
National Bank	8.09	-3.0	11.9	-47.4		
OTE	5.89	-0.2	11.1	-42.8		
Coca Cola HBC	19.00	-1.6	0.0	18.8		
EFG Eurobank	4.70	-3.9	11.4	-40.4		
Alpha Bank	5.09	-2.3	13.4	-37.9		
OPAP	13.08	-2.0	10.8	-14.7		
Piraeus Bank	3.91	-0.5	9.8	-51.7		
PPC	12.04	-3.0	4.7	-7.4		
Bank of Cyprus	3.48	-0.6	7.7	-7.2		
Marfin Pop. Bank	1.53	-2.5	3.4	-33.2		
MIG	0.82	-1.2	1.2	-55.0		
ATEbank	0.88	-2.2	-3.3	-54.6		
Hellenic Petroleum	5.72	-1.4	1.2	-26.8		
Titan Cement	15.33	-2.0	4.7	-24.6		
Jumbo	5.60	0.0	13.1	-36.9		
Hellenic Technodomiki	3.43	-2.0	17.5	-33.4		
Hellenic PostBank	3.94	-1.3	-6.9	-10.9		
Motor Oil	8.11	-1.3	11.6	-23.8		
Viohalco	4.18	-0.2	15.2	5.3		
Mytilineos	4.49	-0.7	4.9	-10.6		

* ranked by Market Cap.

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

Source: Bloomberg

Market Comment

The Greek market fell a further -1.88% on Wednesday with banks descending by -2.32% amid €124mn turnover. All FTSE 20 participants except Jumbo, and the vast majority of FTSE 40 shares moved to lower territory. Major equity index performances took also a nosedive (albeit more moderately compared to Greece) in the US and Europe.

European markets closed on positive ground yesterday, while in the US stocks settled mixed but near the flat line. The lack of direction came despite encouraging data (new home sales) and a sharp drop by the dollar, but preceded the advance GDP report for the third quarter.

European futures opened slightly negative today. We anticipate a consolidating session for our domestic market; nevertheless, further bond market pressures are seen to enhance market volatility.

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Highlights

Economic News

- **EU parties agreed to the proposed new rules for hedge funds and private equity funds.** After France withdrew its objections to the rules, European parliamentarians, EU countries and the EC put together the package last week. The reforms are still awaiting approval from the entire European Parliament and EU member states, though reportedly those approvals aren't expected to cause issues.
- **Greek Finance Minister** Mr. Papakonstantinou has reportedly altered his forecasts to a -2.5% to -3% Greek GDP slide during 2011. The Minister during an economic conference also noted that the Greek government is not at the moment thinking or proposing something else in respect to the repayment period of the €110bn loan for the troika.
- **Ecofin** yesterday decided on the imposition of a permanent European crisis program, penalizing countries that do not consistently focus on fixing their fiscal imbalances. Partial amendments in Lissavona's treaty will even suspend voting rights of member counties in the case of a non correspondence to EU regulations.
- **Fed** is expected next week to make public its program of further supporting the economy through government bond purchases. The market anticipates bond purchases of at least \$500bn in a 5month time horizon.

Corporate News

- **OPAP** management refused any truth in recent press reports suggesting that it is examining the possibility of a capital return to its shareholders.
- **Bank of Cyprus-Marfin Popular Bank** Moody's reportedly considers the outlook for the Cypriot banking system to be negative due to the bank exposures in Greece and the reliance on short term offshore deposits. On other news, MPB announced that invitations for the EGM of Nov 18 2010 have been sent to shareholders.
- **Piraeus Bank** reportedly is focusing on a capital increase of €500mn through rights or convertible bonds in order to enhance its capital adequacy. According to press, the BoD is expected to proceed in a EGM to lower the nominal value of the shares for overpassing legal issues that do not allow capital increased at prices less than the nominal value. Following the increase, further targets may include the return of the €370mn state support (77.6 million preferred shares).
- **Geniki Bank** Ex-rights date for the €339.733mn equity raise of 3 new for 1 old share at €3.19 per share was set for Nov 1 2010. Rights exercise period to be between Nov 5 and Nov 19 2010, while rights will trade between Nov 5 and Nov 15 2010.

Published Q2 2010 Results

Focus List

- **Coca Cola Hellenic**

Released **Wed. Oct 27th** bmtk

Other Companies:

Consensus Estimates Q2 2010 Results

Focus List

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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

Published Q2 2010 Results

Coca Cola Hellenic

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Released Wed. Oct 27th bmkf

Q3 Published Results

(€mn)	Q3 10A	Q3 09A	Q3 10E	(%) A	(A-E) %
Volume (mn unit)	610.5	583.6		4.6%	-
Sales	1,998.6	1,884.8		6.0%	-
EBITDA	381.3	374.7		1.8%	-
Net Income	206.5	206.1		0.2%	-

Source: Published Financial Statements, consensus estimates

9m Published Results

(€mn)	9m 10A	9m 09A	9m 10E	(%) A	(A-E) %
Volume (mn unit ca)	1,619.5	1,617.0		0.2%	-
Sales	5,298.7	5,150.5		2.9%	-
EBITDA	889.0	856.8		3.8%	-
Net Income	403.1	396.1		1.8%	-

Source: Published Financial Statements, consensus estimates

CCH reported Q3 sales of €1,998.6mn (+6% yoy & +0.9% from consensus) on volumes of 610.5mn u.c (+5% yoy). Reported EBITDA grew 2% at €381.3mn, while net profit was flat at €206.5mn. On a comparable basis, net profit stood 3% higher at €216.1mn (albeit -1.5% lower from consensus).

Russia had a strong performance during the quarter, given an exceptionally warm weather in July and August, and fuelled the emerging segment to post 14% volume growth. The developing and established markets had volume declines in Q3, both performing worse than expected, while the key markets of Italy, Greece and Hungary remained challenging.

Revenue was up by 6% with FX benefits coming at 4% in line with our estimates and more than trading off a c.2.5% negative price/mix effect. On a per case basis, revenues were 1% lower on a currency neutral basis with the established segment flat, 5% lower in the developing segment and 2% higher in the emerging markets. Underlying EBITDA stood at €395.1mn, 4% yoy higher. EBITDA margin was 30bps lower at 19.8%. Underlying EBIT came at €300.2mn, posting a 13.8bps improvement. CCH also recorded €20mn pre tax restructuring costs out of the total €25-30mn for the full year.

Management reiterated its FCF and capex guidance for the period 2010-2012 at €1.5bn and €1.4bn respectively.

Consensus Estimates Q3 2010 Results

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	€ 13.08	28.10.2010	O	-
Piraeus Bank	TPEIR GA / BOPr.AT	€ 3.91	28.10.2010	NR	-
Bank of Cyprus	BOC GA / BOCr.AT	€ 3.48	28.10.2010	NR	-
Marfin Popular Bank	MARFB GA / MRBr.AT	€ 1.53	28.10.2010	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
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- 3 ATE Securities SA acts as a market maker for the securities of the Company
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- 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	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	5 (20%)	3 (12%)	0 (0%)	14 (56%)	2 (8%)	1 (4%)	-	-
Invest. Banking Services (per category)	0	-	-	-	-	-	-	-	-

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