

GREEK DAILY BRIEF

Friday Jul. 15, 2011

Statistics

Athens Stock Exchange			
			Shares
MCap(€bn)	32.4	▲	48
Turnover (€mn / mn shares)	74.3 / 31.43	—	156
Blocks (€mn / mn shares)	1.5 / .15	▼	83

Indices	14.07.11	(%) 1day	(%) 30day	(%) Ytd
ASE General	1,188.19	-0.18	-4.41	-15.97
FTSE 20	515.81	-0.50	-6.80	-22.21
FTSE 40	1,101.68	-0.36	-7.38	-26.48
FTSE 80	236.34	-0.45	-2.10	-7.10
FTSE International	1,358.81	-0.49	-6.84	-22.46
Banks	810.21	-1.13	-12.15	-35.23
Telecoms	1,604.75	-0.17	-2.83	-4.89
Travel & Leisure	1,823.23	0.44	-4.57	-19.23
Construction	2,042.36	-0.36	1.56	-14.21
ETF Alpha FTSE 20 ldx	5.13	-1.91	-3.96	-21.52
DAX 30	7,214.74	-0.73	1.40	4.35
CAC 40	3,751.23	-1.11	-1.46	-1.41
FTSE 100	5,846.95	-1.01	1.82	-0.90
Dow Jones	12,437.12	-0.44	4.54	7.42
Nasdaq	2,762.67	-1.22	4.99	4.14
S&P 500	1,308.87	-0.67	3.43	4.07
Nikkei 225	9,974.47	0.39	4.18	-2.49
Hong Kong (HSI)	21,888.60	-0.24	-2.04	-4.98
Russia (RTS)	1,932.55	-0.37	0.70	9.17
Turkey (ISE 100)	62,743.81	-0.82	2.96	-4.94
Romania (Bucharest)	5,418.77	-0.67	-3.13	2.85
Bulgaria (Sofix)	416.95	-0.06	1.01	15.07
Cyprus	602.85	-4.27	-21.45	-42.87
Commodities				
Brent ICE (\$/bbl)	116.05	-0.18	3.05	21.95
WTI NYM (\$/bbl)	95.81	0.13	0.58	1.68
Gold CMX (\$/troy oab.)	1,582.90	-0.40	3.72	10.87
Aluminum LME (\$/mt)	2,507.00	-0.24	-4.57	1.50
Copper LME (\$/mt)	9,630.00	0.00	5.03	0.31
Carbon Fut. (€/mt)	12.30	2.50	-25.45	-13.20
Currencies				
EUR/USD	1.4139	-0.38	-1.13	5.60
USD/JPY	79.20	-0.19	1.91	2.44
EUR/GBP	0.875	0.42	0.42	-2.06
Rates	Price	Yield(%)		
Euribor 3m (%)	-	1.61		
10Yr Bond (GR)	48.50	19.04		
10Yr Bund (GE)	109.28	2.37		
10Yr Bond (US)	104.86	2.44		

ASE Ind. Fut.	14.07.11	(%) day	Prem/Disc % / bps	Volume	Open Interest	Days to Expiry
FT20 Sept	513.67	-1.23	-0.41 / -2	7,371	30,114	63

Greek Banks	14.07.11 €	(%) 1 day	(%) 1 month	(%) Ytd
National Bank	4.36	1.2	-4.6	-27.9
EFG Eurobank	2.74	-2.8	-8.7	-26.9
Alpha Bank	2.97	-0.7	-8.9	-21.8
Piraeus Bank	0.88	1.1	-12.0	-54.5
Bank of Cyprus	1.54	-4.9	-23.8	-40.3
Marfin Popular Bank	0.47	-6.0	-23.0	-53.0
ATEbank	0.67	4.7	-40.2	-77.9
Emporiki Bank	1.72	0.0	1.2	10.3
Hellenic PostBank	2.30	-4.2	-19.0	-21.5
Bank of Greece	24.52	-2.5	-6.4	-15.3
Geniki Bank	0.86	-7.5	-4.4	-59.4
Bank of Attica	0.60	-3.2	-15.5	-36.2
Proton Bank	0.49	2.1	-2.0	-29.0
FTASE 20				
National Bank	4.36	1.2	-4.6	-27.9
OTE	5.83	-0.2	-2.8	-4.9
Coca Cola HBC	18.65	0.0	3.1	-0.9
EFG Eurobank	2.74	-2.8	-8.7	-26.9
Alpha Bank	2.97	-0.7	-8.9	-21.8
OPAP	10.85	0.5	-4.0	-16.2
Piraeus Bank	0.88	1.1	-12.0	-54.5
PPC	9.09	3.9	-2.7	-15.4
Bank of Cyprus	1.54	-4.9	-23.8	-40.3
Marfin Pop. Bank	0.47	-6.0	-23.0	-53.0
MIG	0.51	-3.8	-13.6	-27.1
ATEbank	0.67	4.7	-40.2	-77.9
Hellenic Petroleum	6.20	-0.3	-4.5	5.8
Titan Cement	15.90	0.6	-2.6	-2.5
Jumbo	5.05	-1.0	-2.9	2.2
Hellenic Technodomiki	2.42	-2.4	18.0	-27.8
Hellenic PostBank	2.30	-4.2	-19.0	-21.5
Motor Oil	7.63	-4.4	-10.3	1.7
Viohalco	4.25	1.2	9.0	4.9
Mytilineos	4.19	-2.1	-5.2	-0.5

* ranked by Market Cap.

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

Source: Bloomberg

Market Comment

The Greek market closed marginally lower (-0.18%) on Thursday despite earlier losses, yet still unable to break a nine trading day series of losses. Banks drove the market to negative territory.

European markets lost ground Thursday, as Italy's soaring borrowing costs and a warning from Moody's over the rising risk of a US default sapped investors' confidence. The FTSE 100 declined -1.01%, with CAC 40 and DAX 30 lost -1.11% and -0.73% respectively.

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Highlights

Economic News

- Eurostat** Eurozone annual inflation was 2.7% in June 2011, unchanged compared to May. A year earlier the rate was 1.5%. Monthly inflation was 0.0% in June 2011. EU annual inflation was 3.1% in June 2011, down from 3.2% in May. A year earlier the rate was 1.9%. Monthly inflation was -0.1% in June 2011. Greece registered one of the highest 12-month averages up to June 2011 (4.6%), while annual inflation in June stood at 3.1%.
- European Banks** Results of the second round of stress tests are due today, after markets close. The European Banking Authority will publish a list of banks that failed the tests, as well as more information on the specific sovereign exposures of the lenders that have been reviewed. Analysts expect banks to face a tougher examination than last year.
- Italy** sold €1.25bn of 5-year bonds, at an average yield of 4.93%, from 3.9% in June. The sale produced a bid-to-cover ratio of 1.93, exceeding the level seen in the previous auction. The Treasury also sold €1.716bn of 15-year bonds, producing a yield of 5.9%. In other news, the Italian Senate on Thursday passed the government's 4-year, €40bn austerity plan, which is expected to win approval from the parliament's lower chamber today.

Corporate News

- Greek Banks** Fitch has downgraded the Long-term Issuer Default Ratings of **National Bank**, **EFG Eurobank**, **Alpha Bank**, **Piraeus Bank** and **ATEbank** to 'B-' from 'B+' and maintained them on Rating Watch Negative. Fitch also downgraded the covered bond issues of Alpha Bank, EFG Eurobank and Piraeus Bank to BBB- from BBB and of National Bank to BB- from BB+. MPB's covered bond rating remains at BBB. They all remain on Rating Watch Negative.
- PPC** reportedly signed yesterday an agreement with EIB for a 310mn loan to finance investments for new energy production facilities and network expansion and enhancement in order to promote energy security and efficiency. Out of the €310mn, €150mn are for the new gas fired power unit in Megalopolis.
- Alpha Bank** Second and final RGM today on the likely rights issue and the convertible bond (required quorum is 20%).
- EFG Eurobank** is reviewing strategic options in Turkey and is having preliminary discussions on a transaction involving a controlling stake in its local subsidiary, Eurobank Tekfen. Under the prevailing economic conditions, such a prospective transaction will allow a redeployment of resources to the development of its existing international operations in countries where EFG Eurobank has a systemic presence while also further strengthening its liquidity and capital position.
- Frigoglass** to announce H1/Q2 2011 financial results on August 4 before market open.
- S&B** Following the share capital increase & decrease (equal in amount), shares are traded on the ATHEX under the same par value of € 1.00 per share, and excluding the right to participate in the capital return of € 0.25 per share - through a cash payment - to the shareholders.
- GMs today: Medicon (EGM), Xylemportia (RGM)**

- 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.

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
ATEbank	ATE GA / AGBr.AT	€ 0.67	14.07.2011	R	-
National Bank	ETE GA / NBGr.AT	€ 4.36	14.07.2011	O	-
Alpha Bank	ALPHA GA / ACBr.AT	€ 2.97	14.07.2011	UR	-
PPC	PPC GA / DEHr.AT	€ 9.09	14.07.2011	NR	-
EFG Eurobank	EUROB GA / EFGr.AT	€ 2.74	14.07.2011	NR	-
Piraeus Bank	TPEIR GA / BOPr.AT	€ 0.88	14.07.2011	NR	-

Disclosure Outline

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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. Yelder</i> <i>Medium Div. Yelder</i> <i>Low Div. Yelder</i> <i>No Cash div. Yelder</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%)	-	-
Inv est. Banking Services (per category)	0	-	-	-	-	-	-	-	-

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