

GREEK DAILY BRIEF

Friday Oct. 21, 2011

Statistics

Indices	20.10.11	(%) 1day	(%) 30day	(%) Ytd
ASE General	742.76	0.63	-13.23	-47.47
FTSE 20	293.34	2.14	-18.02	-55.76
FTSE 40	809.92	3.33	-9.44	-45.95
FTSE 80	175.79	3.58	-10.47	-30.90
FTSE International	786.96	2.24	-17.39	-55.09
Banks	343.65	7.70	-35.69	-72.53
Telecoms	872.56	-6.76	-5.37	-48.29
Travel & Leisure	1,142.43	2.23	-16.22	-49.39
Construction	1,518.68	4.99	3.00	-36.21
ETF Alpha FTSE 20 Idx	2.97	0.00	-16.81	-54.56
DAX 30	5,766.48	-2.49	6.12	-16.60
CAC 40	3,084.07	-2.32	5.05	-18.94
FTSE 100	5,384.68	-1.21	1.82	-8.73
Dow Jones	11,541.78	0.32	3.75	-0.31
Nasdaq	2,598.62	-0.21	2.38	-2.04
S&P 500	1,215.39	0.46	4.17	-3.36
Nikkei 225	8,678.89	-0.04	-0.71	-15.15
Hong Kong (HSI)	18,031.84	0.27	-4.21	-21.72
Russia (RTS)	1,431.05	0.56	-5.77	-19.16
Turkey (ISE 100)	55,904.51	-3.28	-8.09	-15.30
Romania (Bucharest)	4,487.13	-0.87	0.59	-14.83
Bulgaria (Sofix)	341.94	-0.68	-3.49	-5.63
Cyprus	412.63	0.00	-18.44	-60.90
Commodities				
Brent ICE (\$/bbl)	109.72	-0.04	0.78	15.29
WTI NYM (\$/bbl)	86.49	0.49	0.36	-8.50
Gold CMX (\$/troy oab.)	1,629.40	1.02	-9.88	13.78
Aluminum LME (\$/mt)	2,085.00	-4.45	-10.36	-15.59
Copper LME (\$/mt)	6,735.00	-3.68	-18.90	-29.84
Carbon Fut. (€/mt)	10.19	1.70	-14.44	-28.09
Currencies				
EUR/USD	1.3760	-0.14	0.94	3.04
USD/JPY	76.75	0.12	-0.55	5.71
EUR/GBP	0.872	0.01	0.01	-1.70
Rates				
Euribor 3m (%)	-	1.58	-	-
10Yr Bond (GR)	38.19	24.49	-	-
10Yr Bund (GE)	114.38	1.63	-	-
10Yr Bond (US)	109.88	1.74	-	-

ASE Ind. Fut.	19.10.11	(%) day	Prem/Disc % / bps	Volume	Open Interest	Days to Expiry
FT20 Dec	287.50	0.17	-0.40	1	9,260	21,316

Greek Banks	20.10.11 €	(%) 1 day	(%) 1 month	(%) Ytd
National Bank	1.82	9.0	-40.3	-69.9
EFG Eurobank	0.72	6.2	-35.1	-80.8
Alpha Bank	1.06	8.2	-33.3	-72.1
Piraeus Bank	0.28	3.0	-52.6	-85.8
Bank of Cyprus	1.08	0.0	-19.4	-58.1
Marfin Popular Bank	0.28	1.4	-23.2	-71.6
ATEbank	0.20	10.1	-53.3	-93.5
Hellenic PostBank	0.37	10.8	-64.8	-87.4
Bank of Greece	14.45	0.7	-24.4	-50.1
Geniki Bank	0.21	4.9	-42.2	-89.9
Bank of Attica	0.22	9.7	-50.0	-77.1
Proton Bank	0.18	0.0	-30.8	-73.9
FTASE 20				
National Bank	1.82	9.0	-40.3	-69.9
OTE	3.17	-3.9	-5.4	-48.3
Coca Cola HBC	12.00	-7.0	-11.8	-36.2
EFG Eurobank	0.72	6.2	-35.1	-80.8
Alpha Bank	1.06	8.2	-33.3	-72.1
OPAP	6.70	2.3	-17.0	-48.2
Piraeus Bank	0.28	3.0	-52.6	-85.8
PPC	6.03	-2.0	-0.5	-43.9
Bank of Cyprus	1.08	0.0	-19.4	-58.1
Marfin Pop. Bank	0.28	1.4	-23.2	-71.6
MIG	0.42	21.1	39.7	-40.1
ATEbank	0.20	10.1	-53.3	-93.5
Hellenic Petroleum	6.37	1.6	6.2	8.7
Titan Cement	13.00	5.7	11.1	-20.3
Jumbo	3.49	-2.2	-10.5	-29.4
Hellenic Technodromiki	1.22	0.0	-18.7	-63.6
Hellenic PostBank	0.37	10.8	-64.8	-87.4
Motor Oil	6.10	3.4	0.6	-15.2
Viohalco	3.31	-0.3	-4.9	-18.3
Mytilineos	2.95	3.1	-16.9	-29.9

* ranked by Market Cap.

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

Source: Bloomberg

Market Comment

Greek stocks closed higher on Thursday, with the General Index, closing at 743 points (+0.63%). Turnover was low.

European stocks declined the most in two weeks amid worries that the Eurozone's leaders are far from agreeing on a plan to end the region's debt crisis. The FTSE 100 closed -1.21%, the DAX and CAC 40 unchanged.

European shares are expected to open higher today, on news reports that European countries could deploy as much as €940bn in rescue funds to resolve the crisis in the Eurozone.

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Highlights

Economic News

- The Greek parliament** voted yesterday on the new austerity bill, affirmed by 153 PASOK MPs, following one MP's vote against the changes in the collective agreements.
- Troika draft report on the fifth review** of Greece's economic reform programme: Government debt very high and not expected to become manageable, with the contraction in economic activity much deeper than previously projected. As a result, the medium-term growth prospects may need to be revised downwards. On the privatization front the Troika states that although the privatization fund has been established, the programme targets for privatization proceeds will be missed.
- Eurozone finance ministers** will meet in Brussels at 1pm UK time on Friday, followed by an ECOFIN meeting on Saturday. **EU summit** on Sunday.
- German and French leaders**, Angela Merkel and Nicolas Sarkozy France and Germany are still not in agreement over a number of issues including the strength of the EFSF and details relating to the recapitalization of troubled banks. Reportedly, the two leaders are due to meet on Saturday night ahead of Sunday's summit in an effort to reach some sort of agreement. In a joint statement the two leaders 'affirmed their complete agreement to provide a global, ambitious response to the crisis currently facing the Eurozone. All elements of this response will be examined in a detailed manner during Sunday's summit, so they can be definitively adopted by the Heads of State or Government in a second meeting on Wednesday at the latest'.
- BoG Balance of payments: August 2011** In August 2011, the **current account balance** showed a deficit of €145mn, down by €54mn yoy. The **trade deficit** rose by €140mn owing to increases of 32.5% and 41.5% in the net import bill for oil and net payments for ships, respectively. By contrast, the **trade balance excluding oil and ships** improved considerably. The **surplus of the services balance** grew by €246mn because net travel and transport receipts rose and the "other" services balance shifted from a deficit in August 2010 to a surplus in August 2011. The **income account deficit** rose by €56mn, mainly as a result of higher net payments for interest, dividends and profits. Finally, the **current transfers balance** showed almost the same deficit as in August 2010. In the January-August 2011 period, the current account deficit fell by €1.25bn or 8.3% yoy, to €13.9bn. This chiefly reflects a substantial decrease of €2.5bn in the non-oil trade deficit and a rise of €534mn in the surplus of the services balance, which more than offset a large increase in the net oil import bill and a widening of the income account deficit. The current transfers balance did not show any remarkable change.
- HellStat The New Orders Index in Industry** (both domestic and non-domestic market) in August 2011 recorded a decline of 1.9% yoy. In August 2010, the annual rate of change of the New Orders in Industry was 21.0%. The average New Orders Index in Industry for the 12-month period from September 2010 to August 2011, compared with the 12-month period from September 2009 to August 2010, increased by 4.1%. In August 2010, the corresponding average rate of change of the New Orders Index in Industry was -4.6%. The **Turnover Index in Industry** (both domestic and non-domestic market) in August 2011 recorded an increase of 2.8% yoy. In August 2010, the annual rate of change of the Turnover Index in Industry was 19.1%. The average Turnover Index in Industry for the 12-month period from September 2010 to August 2011, as compared to the 12-month period from September 2009 to August 2010, increased by 8.2%. In August 2010, the corresponding average rate of change of the Turnover Index in Industry was -2.0%.
- The **European Commission** is seriously considering **banning sovereign credit ratings** for nations seeking bailouts. Michael Barnier, European internal market commissioner said he is studying the matter "very seriously", ahead of a warning by S&P that it would probably downgrade the credit ratings of France, Spain, Ireland, Portugal and Italy if the Eurozone slips into a recession, as many believe is likely.
- UK Retail sales** (including fuel) unexpectedly rose in September by the most in 5 months, climbing 0.6% mom, led by spending on electrical goods such as laptop computers.

Corporate News

- ATEbank EGM** on November 15, 2011 to approve *inter alia*: (1) cancellation of 937.5mn preference shares issued to the Greek state; (2) share capital increase in favour of existing shareholders amounting to €290mn; & (3) participation in the PSI programme.

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

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Companies Mentioned in the Report

Company	BBG-RIC Code	Price	Date	View	Disclosures
ATEbank	ATE GA / AGBr.AT	€ 0.20	20.10.2011	R	-

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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- 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

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	6 (24%)	1 (4%)	0 (0%)	14 (56%)	3 (12%)	1 (4%)	-	-
Invest. Banking Services (per category)	0	-	-	-	-	-	-	-	-

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