

GREEK DAILY BRIEF

Tuesday Nov. 1, 2011

Statistics

Athens Stock Exchange

			Shares
MCap(€bn)	31.4	▲	65
Turnover (€mn / mn shares)	69.3 / 34.04	—	23
Blocks (€mn / mn shares)	2.6 / .26	▼	82

Indices	31.10.11	(%) 1day	(%) 30day	(%) Ytd
ASE General	808.58	-0.31	1.27	-42.81
FTSE 20	313.73	-1.39	-4.64	-52.69
FTSE 40	866.38	0.92	8.67	-42.19
FTSE 80	182.17	-1.78	-0.67	-28.40
FTSE International	841.67	-1.21	-3.68	-51.97
Banks	316.20	-9.96	-32.61	-74.72
Telecoms	1,101.03	6.67	25.00	-34.75
Travel & Leisure	1,420.11	7.53	11.07	-37.09
Construction	1,643.49	2.85	25.58	-30.97
ETF Alpha FTSE 20 Idx	3.30	1.85	1.23	-49.51
DAX 30	6,141.34	-3.23	11.62	-11.18
CAC 40	3,242.84	-3.16	8.75	-14.77
FTSE 100	5,544.22	-2.77	8.11	-6.03
Dow Jones	11,955.01	-2.26	9.54	3.26
Nasdaq	2,684.41	-1.93	11.14	1.19
S&P 500	1,253.30	-2.47	10.77	-0.35
Nikkei 225	8,835.52	-1.70	1.55	-13.62
Hong Kong (HSI)	19,361.67	-2.53	10.06	-15.95
Russia (RTS)	1,527.29	-2.30	13.88	-13.73
Turkey (ISE 100)	56,061.47	-0.98	-6.08	-15.06
Romania (Bucharest)	4,579.62	-1.82	5.84	-13.08
Bulgaria (Sofix)	341.63	-0.60	-1.55	-5.72
Cyprus	385.78	-7.59	-16.06	-63.44
Commodities				
Brent ICE (\$/bbl)	108.48	-0.99	7.53	13.99
WTI NYM (\$/bbl)	91.97	-1.31	15.93	-2.70
Gold COMX (\$/troy oab.)	1,716.50	-0.50	5.81	19.86
Aluminum LME (\$/mt)	2,218.00	-1.07	2.83	-10.20
Copper LME (\$/mt)	7,990.00	-1.83	13.84	-16.77
Carbon Fut. (€/mt)	10.17	-2.21	-5.13	-28.23
Currencies				
EUR/USD	1.3762	-1.82	2.94	2.79
USD/JPY	78.12	-0.32	-1.59	3.84
EUR/GBP	0.860	0.19	0.19	-0.23
Rates				
Euribor 3m (%)	-	-	1.59	-
10Yr Bond (GR)	37.50	24.99	-	-
10Yr Bund (GE)	115.45	1.46	-	-
10Yr Bond (US)	110.52	1.64	-	-

ASE Ind. Fut.	31.10.11	(%) day	Prem/Disc % / bps	Volume	Open Interest	Days to Expiry
FT20 Dec	312.25	-1.50	-0.47 /-1	5,036	19,632	45

Greek Banks	31.10.11 €	(%) 1 day	(%) 1 month	(%) Ytd
National Bank	1.72	-9.9	-37.5	-71.6
EFG Eurobank	0.68	-10.5	-26.9	-81.9
Alpha Bank	0.99	-8.3	-25.6	-73.9
Piraeus Bank	0.21	-15.7	-55.3	-89.1
Bank of Cyprus	1.00	-9.1	-14.5	-61.2
Marfin Popular Bank	0.25	-9.4	-30.6	-75.0
ATEbank	0.25	-12.5	-31.9	-91.9
Hellenic PostBank	0.36	-15.1	-53.2	-87.7
Bank of Greece	14.90	-4.9	-15.6	-48.5
Geniki Bank	0.30	-8.8	-0.3	-85.9
Bank of Attica	0.23	-5.0	-39.7	-75.6
Proton Bank	0.18	0.0	-25.0	-73.9
FTASE 20				
National Bank	1.72	-9.9	-37.5	-71.6
OTE	4.00	6.7	25.0	-34.7
Coca Cola HBC	14.25	-0.3	7.8	-24.3
EFG Eurobank	0.68	-10.5	-26.9	-81.9
Alpha Bank	0.99	-8.3	-25.6	-73.9
OPAP	8.40	7.7	10.5	-35.1
Piraeus Bank	0.21	-15.7	-55.3	-89.1
PPC	6.21	-0.6	3.5	-42.2
Bank of Cyprus	1.00	-9.1	-14.5	-61.2
Marfin Pop. Bank	0.25	-9.4	-30.6	-75.0
MIG	0.40	-7.4	65.8	-43.1
ATEbank	0.25	-12.5	-31.9	-91.9
Hellenic Petroleum	6.36	-2.0	8.2	8.5
Titan Cement	14.05	2.6	39.2	-13.9
Jumbo	3.93	3.4	1.3	-20.4
Hellenic Technodomiki	1.36	6.3	-6.8	-59.4
Hellenic PostBank	0.36	-15.1	-53.2	-87.7
Motor Oil	6.53	2.4	10.9	-9.2
Viohalco	3.27	0.3	-2.4	-19.3
Mytilineos	3.38	1.2	6.6	-19.7

* ranked by Market Cap.

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

Source: Bloomberg

Market Comment

The Greek market closed slightly lower (-0.31%) on strong bank pressures (-12.5%), while Opap, OTE and Ellaktor supported large capitalization performance with their strong gains coupled with the gains of other non bank shares. Turnover closed relatively higher than the latest daily average at €69mn.

European stocks are expected to open lower today, amid investor concerns over the Greek PM's announcement that he will hold a referendum on the second bailout package for Greece and weaker-than-expected PMI data out of China.

Economic data includes Q3 2011 GDP data and manufacturing PMI for October out of the UK. In the US, construction spending for September and the ISM Manufacturing Report On Business for October are out today.

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Highlights

Economic News

- Greek politics** Greek PM **George Papandreou** unexpectedly called for a **referendum** on the second bailout package for Greece, which could result in a vote on his government should the Greek people vote against the deal. **FinMin Evangelos Venizelos** said in an interview that the referendum is expected to be held in January, following the finalisation of the details of the new loan agreement and new PSI scheme. The PM also said the government would seek a **vote of confidence** to secure support from the majority of parliamentarians, with the three-day debate on the vote of confidence to begin tomorrow and the vote to take place on Friday night.
- Finance Ministry Budget Execution Jan-Sep 2011** The deficit amounts to €19,161mn compared to the new target of €19,242mn set in the Preliminary Draft Budget submitted in the Parliament for 2012. During the same period in 2010, the State Budget deficit amounted to €16,650mn.
- HellStat** The **Turnover Index in Retail Trade**, excluding automotive fuel, recorded a fall of 1.1%yoy in August 2011 compared with August 2010. The **Volume Index in Retail Trade**, excluding automotive fuel, recorded an increase of 1.2% yoy in August 2011.
- Eurostat** Eurozone annual **inflation** is expected to be 3.0% in October 2011 (flash estimate). It was also 3.0% in September.
- ECB** Italian Mario Draghi begins his eight-year term as the new head of the ECB today, succeeding Jean Claude Trichet.
- OECD** In a report released just days before a summit of G20 leaders in Cannes on November 3 and 4, the OECD slashed its 2012 growth forecast for the euro area to 0.3% from 2.0% in May, stating that the euro area is headed towards a sharp economic slowdown in 2012 with some countries set for negative growth. It also cut its growth estimate for the United States to 1.8% from 3.1%, and warned of major downside risks to the global outlook if leaders fail in their bid to stop the sovereign debt crisis from rattling financial markets.
- China** The PMI recorded its lowest reading since February 2009, coming in at 50.4 for October compared with September's 51.2.

Corporate News

- PPC** According to press report the agreement with EU on the opening of lignite electricity production market is expected to be reached within the current week and that will bring about the sale of a lignite powered units by PPC. Reportedly, the sale of the units at Amyntaio and Megalopoli will go forward. The first package will involve on or two units together with energy swaps with the rest to follow.
- Hellenic Petroleum** According to press report citing the Greek Energy Minister, at the beginning of 2012 the privatizations of Helpe, Depa and Desfa are expected to proceed.
- Intracom** Intracom IT services has signed 2 new agreements with the Ministries of Finance in Romania and Morocco. The former agreement is for €3mn for three years with Intrasoftware International receiving €1mn, while the latter is for a work of €600,000 to implement an advanced risk analysis system.
- Follie Follie Group** According to press report, FF Group is expanding in the US market through the Lord & Taylor multi-stores. It is the first move in the wholesale market in New York as FFGroup already has two stores in Soho and Madison Avenue. The plan is for three new points of sale in NY and NJ. The initial target for the US market had been for a 10-12 store network together with exploitation of Links of London chain network of 23 stores.
- HOL** Shares are traded on the ATHEX ex-rights in terms of 1 new for every 5 old shares held –with issue of 31,109,014 new shares- at an issue price of € 1.15 per share. Rights' trading period: 7-15 November 2011. Rights' subscription period: 7-21 November 2011.
- Rilken** Henkel's voluntary offer of €3.40 per share ends today.

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.

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
PPC	PPC GA / DEHr.AT	€ 6.21	31.10.2011	NR	-
Folli Follie	FFGRP GA / HDFr.AT	€ 8.71	31.10.2011	UR	-
Hellenic Petroleum	ELPE GA / HEPPr.AT	€ 6.36	31.10.2011	O	-

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*

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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