

GREEK DAILY BRIEF

Monday Dec. 19, 2011

Statistics

Athens Stock Exchange

		Shares
MCap(€bn)	26.0	▲ 66
Turnover (€mn / mn shares)	49.0 / 45.44	— 28
Blocks (€mn / mn shares)		▼ 88

Indices	16.12.11	(%) 1day	(%) 30day	(%) Ytd
ASE General	655.91	-0.64	-7.95	-53.61
FTSE 40	250.53	-1.14	-8.45	-62.22
FTSE 20	651.23	-1.67	-12.30	-56.54
FTSE International	689.35	0.00	#N/A N/A	#N/A N/A
Banks	230.33	-3.83	-18.09	-81.59
Telecoms	765.21	-5.76	-15.76	-54.65
Travel & Leisure	1,121.08	0.58	3.36	-50.34
Construction	1,409.78	4.79	1.95	-40.78
ETF Alpha FTSE 20 Idx	2.53	-1.17	-9.32	-61.29
DAX 30	5,701.78	-0.50	-1.70	-17.54
CAC 40	2,972.30	-0.88	-0.82	-21.88
FTSE 100	5,387.34	-0.25	0.45	-8.69
Dow Jones	11,866.39	-0.02	0.60	2.50
Nasdaq	2,555.33	0.56	-0.67	-3.68
S&P 500	1,219.66	0.32	0.33	-3.02
Nikkei 225	8,296.12	-1.26	-0.94	-18.90
Hong Kong (HSI)	18,045.56	-1.31	-2.41	-21.66
Russia (RTS)	1,355.05	-1.36	-9.41	-23.46
Turkey (ISE 100)	51,665.78	0.64	-5.15	-21.72
Romania (Bucharest)	4,272.67	-1.19	-3.42	-18.90
Bulgaria (Sofix)	301.42	0.00	-6.62	-16.82
Cyprus	229.70	-3.81	-14.88	-78.23
Commodities				
Brent ICE (\$/bbl)	102.72	-0.61	-4.36	7.99
WTI NYM (\$/bbl)	92.93	-0.64	-4.85	-1.59
Gold CMX (\$/troy oab.)	1,596.30	-0.10	-7.62	11.27
Aluminum LME (\$/mt)	2,004.00	1.47	-7.09	-18.87
Copper LME (\$/mt)	7,345.00	0.78	-4.98	-23.49
Carbon Fut. (€/mt)	7.21	0.00	-30.07	-50.62
Currencies				
EUR/USD	1.3009	-0.28	-3.32	-2.79
USD/JPY	77.91	-0.19	-1.36	4.12
EUR/GBP	0.839	2.21	2.21	2.17
Rates				
Euribor 3m (%)	-	1.42		
10Yr Bond (GR)	22.00	39.35		
10Yr Bond (GE)	115.76	1.39		
10Yr Bond (US)	112.50	1.35		

ASE Ind. Fut.	16.12.11	(%) day	Prem/Disc % / bps	Volume	Open Interest	Days to Expiry
FT20 Dec	249.85	-1.92	-0.27	1/1	5,568	8,306

Greek Banks	16.12.11	(%) 1 day	(%) 1 month	(%) Ytd
National Bank	1.59	4.6	-11.7	-73.7
EFG Eurobank	0.30	-8.5	-46.9	-91.9
Alpha Bank	0.44	-8.5	-46.2	-88.4
Piraeus Bank	0.21	-18.8	-3.7	-89.1
Bank of Cyprus	0.44	-5.2	-26.3	-82.9
Marfin Popular Bank	0.23	0.4	8.5	-77.0
ATEbank	0.32	15.0	-7.4	-89.6
Hellenic PostBank	0.41	1.2	-19.0	-86.1
Bank of Greece	13.03	-0.4	-7.6	-55.0
Geniki Bank	0.17	3.8	-20.2	-92.2
Bank of Attica	0.19	-4.6	-22.1	-80.1
Proton Bank	0.18	0.0	0.0	-73.9

FTASE 20	16.12.11	(%) 1 day	(%) 1 month	(%) Ytd
National Bank	1.59	1.3	-11.7	-73.7
OTE	2.78	-5.8	-15.8	-54.6
Coca Cola HBC	12.32	1.3	-4.8	-34.5
EFG Eurobank	0.30	-9.3	-46.9	-91.9
Alpha Bank	0.44	-10.0	-46.2	-88.4
OPAP	6.68	0.6	4.7	-48.4
Piraeus Bank	0.21	-21.3	-3.7	-89.1
PPC	3.99	-2.7	-22.5	-62.8
Bank of Cyprus	0.44	-6.0	-26.3	-82.9
Marfin Pop. Bank	0.23	-1.3	8.5	-77.0
MIG	0.36	-7.5	-19.3	-48.7
ATEbank	0.32	1.9	-7.4	-89.6
Hellenic Petroleum	6.29	2.6	-1.1	7.3
Titan Cement	12.36	7.0	5.2	-24.2
Jumbo	3.75	1.4	4.2	-24.1
Hellenic Technodomiki	1.10	-4.3	-9.1	-67.2
Hellenic PostBank	0.41	-3.3	-19.0	-86.1
Motor Oil	5.97	-0.7	0.3	-17.0
Viohalco	2.89	-1.4	-5.9	-28.6
Mytilineos	2.80	-4.8	-8.5	-33.5

* ranked by Market Cap.

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

Source: Bloomberg

Market Comment

The Greek market fell -0.64% on Friday with banks losing -3.83% on turnover that picked up to €49mn. Piraeus bank lost almost 21%, while Alpha Bank's and Eurobank's fall were in the order of -10% on Friday, while NBG closed with gains.

European futures opened lower today, on fears of possible ratings downgrades in Europe. Economic data to watch includes Eurozone Construction output for October and Balance of Payments for October and US Retail Trade Financial Report for Q3 2011.

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Highlights

Economic News

- PSI+** The IIF issued a statement saying that debt swap talks registered significant progress on Friday in Paris, adding that private sector creditors and authorities will continue to seek a voluntary solution. The Eurozone and the IMF warned private sector holders of Greek debt that neither the voluntary character of the new private sector involvement plan (PSI+) nor the high percentage of bank participation are guaranteed, saying that if banks do not accept a solution rapidly, their losses may be greater. According to press reports, no agreement has been reached on the issue of the coupon level in addition to the take up percentage in order to maximize the debt relief for Greece.
- PDMA** will auction 13 week T-bills on December 20, 2011 amounting to €1,000mn. Settlement date is December 23, 2011 (T+3). In the previous auction on November 15, the uniform yield was 4.63%.
- Fitch** reaffirmed France's top-notch triple-A rating but said the outlook was now negative, meaning it could be downgraded within two years. The agency also placed the credit rating of France, Belgium, Spain, Slovenia, Italy, Ireland and Cyprus on credit watch negative, commenting that an effective solution to the debt crisis in Europe was "technically and politically impossible" saw a flight from riskier assets in Asian trading.
- Moody's** cut Belgium's credit rating by two notches, saying "fragile sentiment" in the Eurozone may cause funding stress for countries with high public debt burdens.
- Eurostat Labour cost index** Hourly labour costs in the euro area rose by 2.7% in the year up to Q3 2011, compared with 3.3% for Q2 2011. In the EU27, the annual rise was 2.6% up to Q3 2011, compared with 3.2% for Q2 2011.
- Eurostat** The first estimate for **euro area trade** with the rest of the world in October 2011 gave a €1.1bn surplus, compared with +€3.1bn in October 2010. The September 2011 balance was +€2.7bn, compared with +€0.3bn in September 2010. In October 2011 compared with September 2011, seasonally adjusted exports fell by 1.9% and imports by 0.7%. The first estimate for the October 2011 **extra-EU27 trade balance** was a €11.0bn deficit, compared with -€9.6bn in October 2010. In September 2011 the balance was -€10.6bn, compared with -€13.9bn in September 2010. In October 2011 compared with September 2011, seasonally adjusted exports fell by 0.7%, while imports rose by 0.5%.
- US Consumer Price Index** was unchanged in November after decreasing 0.1% in October. The index for all items less food and energy rose 0.2% in November after increasing 0.1% in October.

Corporate News

- HTO Telekom Srbija**, according to press report, proceeds with the buy back of its 20% stake paying €380mn to HTO.
- PPC** According to a new notification received on 14 December 2011 from Silchester International Investors LLP, Public Power Corporation S.A. notifies that the increase of Silchester's participation in PPC's share capital by 3% (compared to the participation of 10.02% on 8 September 2011) was realized on 30 November 2011, with its participation formulating to 13.02% (30,205,231 shares) and not on 2 December 2011, as mentioned in previous relevant announcement.
- ATE Bank** announced that the public tender for the sale of its participation in ELVIZ S.A. was unsuccessful. The divestment procedure will be continued and the investors will be accordingly notified. Moreover, the Bank announced, pursuant to the decision of the B.o.D (session of 3.10.2011) for the employment of independent consultant in order to sell through tender procedure its participation in ATE BANK ROMANIA S.A., that the Invitation of Interest was released to the Press and has been uploaded in the website of ATEbank at 15.12.2011. The Candidates that wish to participate in the Process should submit their complete non-binding expression of interest to the Advisor Deloitte Business Solutions, no later than Monday, January 16th, 2012 at 17:00 (local time). Additionally, under the shareholders agreement of 17.04.2008 between ATEbank and the International Finance Corporation, it is announced that the acquisition of a 9.27% stake in its subsidiary in Romania was completed, thus increasing its stake from 84% to 93.27%. The acquisition price was based on the equity of ATE Bank Romania resulting from the audited financial statements of 30.6.2011 and the amount of the purchase price amounted to 8.03 million.
- Hellenic Postbank** announced that the total of TBank deposits, labour contracts and asset categories (debt and securities portfolios) excluding some liabilities are transferred to Hellenic Postbank that undertakes from now on continuation of operations of TBank by securing the latter's deposits.

See Important Disclosures and Analyst Certification at the end

Economic News

Corporate News

DISCLOSURES

GENERAL 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
OTE	HTO GA / OTEr.AT	€ 2.78	16.12.2011	NR	-
ATEbank	ATE GA / AGBr.AT	€ 0.32	16.12.2011	R	-
Hellenic Postbank	TT GA / GPSr.AT	€ 0.41	16.12.2011	NR	-
PPC	PPC GA / DEHr.AT	€ 3.99	16.12.2011	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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- 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	6 (24%)	1 (4%)	0 (0%)	14 (56%)	3 (12%)	1 (4%)	-	-
Inv est. Banking Services (per category)	0	-	-	-	-	-	-	-	-

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