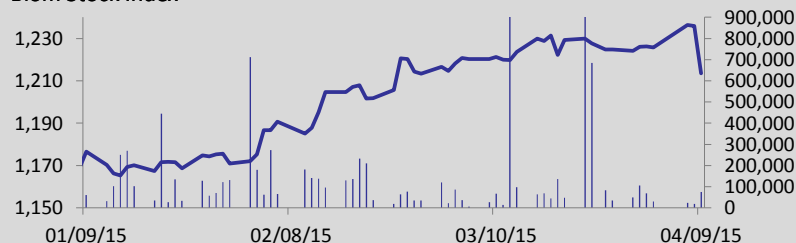


Daily Market Bulletin

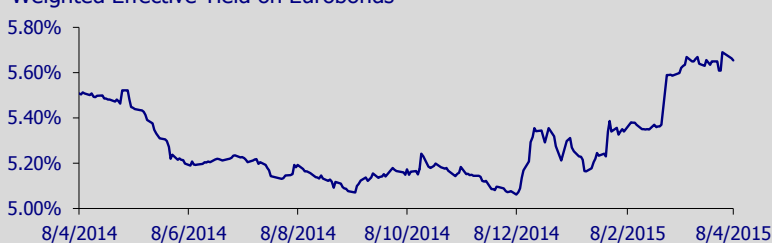
Thursday April 9, 2015



Blom Stock Index



Weighted Effective Yield on Eurobonds



BLOM Indices*

	Last	Previous	% Change
BSI	1,213.50	1,235.96	-1.82%
High	1,235.60	1,236.43	
Low	1,213.50	1,232.26	
Vol	74,936	17,855	319.69%
Val	668,304	202,565	229.92%

BPSI	106.54	106.54	-
Vol	0	1,000	
Val	\$0	\$104,000	

BBI	106.64	106.60	0.03%
10Y Yield	6.14%	6.15%	-1
Spread10Y US	422	426	-4

BLOM Funds	08/04/2015	
Cedars A (\$)	\$ 7,425.97	0.05%
Cedars B (\$)	\$ 5,311.17	0.05%
Cedars C (\$)	\$ 5,640.08	0.05%
Petra A (JOD)	\$ 2,811.30	-
Petra B (\$)	\$ 4,672.62	-
BBF**	\$ 9,481.98	-
Pyramids	\$ 5,667.06	-

Foreign Exchange Market			
\$/LBP	1,511.00	1,512.00	-0.07%
€/LBP	1,622.52	1,638.95	-1.00%
£/LBP	2,234.57	2,252.66	-0.80%

NEER****	163.25	162.97	0.17%
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Money & TB's Market Rates

LBP Interbank Rate	2.75%
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	Lebanese TBs	Beirut \$ Market
1 w		0.00%
1 M		0.03%
3 M	4.39%	0.10%
6 M	4.87%	0.16%
1 Y	5.08%	0.25%
2 Y	5.84%	0.47%
3 Y	6.50%	0.91%
5 Y	6.74%	1.98%

MARKET WRAP UP

The Lebanese Bourse witnessed stronger activity, as the BLOM Stock Index (BSI) experienced 74,936 traded shares compared to the 17,855 shares traded on Tuesday. However, the BSI decreased by 1.82% to close at a low of 1,213.50 points on the back of 4 out of the 9 traded stocks ended in the red while the rest recorded no change in price. In the banking sector, Bank Audi common and GDR shares respectively lost 7.01% and 4.21% to settle at \$6.50 and \$6.60, due to the fact that the ex-dividend date for Audi shares, on the Beirut stock market, was yesterday and the record date being on April 14. Furthermore, Bank Byblos listed, preferred 2008 and 2009 shares traded with no change in price. Bank of Beirut and BLOM Bank listed shares also traded at their previous quote. In the real estate sector, Solidere class "A" and "B" shares declined by 0.72% and 1.17% to \$11.08 and \$11.02, respectively.

Demand for Lebanese Eurobonds remained relatively stable on Thursday as the BLOM Bond Index (BBI) inched up by 0.03% to 106.64 points. The yield on the 10Y Lebanese Eurobonds decreased by 1 basis point (bp) to settle at 6.14% while that of the 5Y remained unchanged for the third consecutive session at 5.39%. With the demand fall on medium-term US securities, apparent by the 3 bps increase of the yield to 1.35%, the spread on the 5Y Lebanese securities and its US comparable narrowed by 3 bps to 404 bps. In addition, Lebanon's 5Y Credit Default Swaps (CDS) narrowed from a previous quote of 379-398 bps to 373-398 bps.

The Lebanese Ministry of Finance (MoF) recently released a report regarding "Salaries, Wages and Related Benefits" for the period Jan-Sept 2014 revealing a 7.7% y-o-y progress from the same period in 2013. In fact, the latter almost constituted 32% of total primary expenditures during Jan-Sept 2014 compared to 28% in Jan-Sept 2013. As a percentage of Gross Domestic Product (GDP), Lebanese government's spending on public salaries stood at 4.7%. On a comparative scale, and while the Lebanese government's spending on public salaries almost reached 22% of total government expenditures, it stood near 16% in Germany, at a similar 25% in the United Kingdom and France and at 29% in the United States. Back to Lebanon, and noting that "Salaries, Wages and Related Benefits" includes the cost of basic salaries, allowances, indemnities and several other payments, they went up from \$2.08B by September 2013 to \$2.24B during the first three quarters of 2014. In details, the four main reasons behind this increase were the yearly growth of basic salaries payments to military and education personnel, the rise of allowances and the uptick in the payments to Government subscription and contribution in the Employees Cooperative. Starting with the basic salaries payments to military personnel, which grasp near 61.9% of the total, they edged up by \$51.08M to settle at \$1.39B by the end of September 2014. As for the basic salaries payments related to the education sector (constituting 22% of total "Salaries, Wages and Related Benefits"), they witnessed an 11.9% y-o-y jump to \$492.2M. Third, total allowances (14.5% of total spending on public wages) posted a \$29.85M increase to \$324.38M. Finally, the government contribution to employees' cooperative inched up from \$90.88M to reach \$118.74M by

	Last	Change	Volume	Vwap		Price	Yield
Solidere (A)	\$11.08	-0.72%	5,252	\$11.09	Apr. 2016	100.240	4.26%
Solidere (B)	\$11.02	-1.17%	2,026	\$11.02	Nov. 2016	100.370	4.50%
BLOM GDR	\$10.05	-	-	-	Mar. 2017	107.380	4.98%
BLOM Listed	\$9.80	-	9,828	\$9.80	Oct. 2017	100.000	5.00%
Audi Listed	\$6.50	-7.01%	2,970	\$6.50	Jun. 2018	100.250	5.06%
Audi GDR	\$6.60	-4.21%	5,000	\$6.60	Nov. 2018	100.000	5.15%
Byblos Listed	\$1.73	-	46,330	\$1.73	Apr. 2019	100.500	5.36%
Byblos Pref 08	\$102.50	-	1,589	\$102.50	Mar. 2020	103.250	5.61%
Byblos Pref 09	\$102.40	-	1,911	\$102.40	Apr. 2020	100.500	5.68%
Bank of Beirut	\$18.40	-	30	\$18.40	Jun. 2020	102.000	5.70%
					Apr. 2021	112.380	5.78%
					Oct. 2022	101.250	5.89%
					Jan. 2023	100.380	5.94%
					Dec. 2024	106.500	6.10%
Year to date	BSI 3.70%	BPSI 0.58%	BBI -0.78%	NEER 10.81%	Feb. 2025	100.380	6.15%
	Cedars A 0.74%	Cedars B 0.74%	Petra A 0.24%	Petra B 0.10%	Nov. 2026	102.500	6.29%
Year to date					Nov. 2027	103.500	6.34%
					Feb. 2030	100.600	6.59%

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*BSI: BLOM stock Index BPSI: BLOM Preferred stock index BBI: BLOM bond index
BBF: BLOM Bond Fund * Prices are for information only, for any firm quotation please contact us
**** Nominal effective exchange rate index

