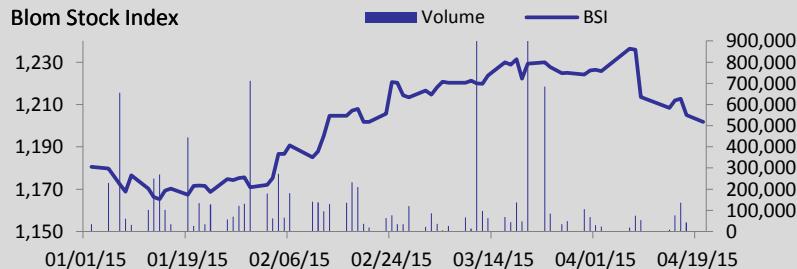


Daily Market Bulletin

Monday April 20, 2015



BLOM Stock Index



Weighted Effective Yield on Eurobonds



BLOM Indices*

	Last	Previous	% Change
BSI	1,201.77	1,205.06	-0.27%
High	1,205.06	1,207.24	
Low	1,201.77	1,204.88	
Vol	42,646	136,599	-68.78%
Val	862,204	1,303,584	-33.86%

MARKET WRAP UP

The Beirut Stock Exchange (BSE) started the week on a bad note, as the BLOM stock Index (BSI) lost 0.27% to close at 1,201.768 points, while registering a 2.69% increase year-to-date. In the banking sector, BLOM Bank listed shares lost 2.04% to settle at \$9.60, as the ex-dividend date for BLOM common shares was set for today. On the other hand, Byblos Bank preferred 2009 shares up ticked by 0.20% to close the session at \$102.60. In addition, each of Bank Audi listed, GDR and preferred class "F" shares traded with no change in price. In the real estate sector, Solidere "A" shares gained 0.36% to \$11.06, while Solidere "B" shares edged down by 0.54% to close the session at \$11.06, as well.

Demand for Lebanese Eurobonds remained relatively stable on Friday, as the BLOM Bond Index (BBI) slightly edged down by 0.07% to settle at 107.33 points. The yield on 5Y Lebanese Eurobonds declined by 10 basis points (bps) to 5.12% while that of the 10Y increased by 4 bps to 6.08%. Thus, the spread on the 5Y Lebanese securities and its US comparable narrowed by 10 bps to 381 bps. In addition, Lebanon's 5Y Credit Default Swaps (CDS) moved from its previous quote of 372-396 bps to 372-395 bps.

Lebanon's fiscal deficit contracted by 27.19% in 2014 to reach \$3.07B by end of year, coupled with a primary surplus (which excludes debt services) of \$1.31B, compared to the \$239.68M primary deficit recorded in 2013. The former improvement came as a result of total revenues registering a 15.48% yearly surge to \$10.88B, outpacing the 2.28% year-on-year (y-o-y) uptick in government expenditures to \$13.95B. In terms of revenue, Telecom transfers to the Ministry of Finance, accounting for 18.50% of total revenues, surged by 40.72% yearly to \$2.01B in the end of 2014. However, parts of these transfers are a one off payment that will not reoccur in 2015. Customs inflows (12.5% to total revenue) slipped by an annualized 5.36% to stand at \$1.35B by December 2014, while VAT receipts (20.13% of total revenue) added 0.17% y-o-y to reach \$2.19B over the same period. As for expenditures, they rose by a yearly 15.15% to stand at \$12.27B. Budget outflows were mostly driven by the 10.51% increase in interest payments (34.15% of total government expenditures) to \$4.19B, in addition to Transfers to EDL (17.07% of expenditures) slightly edging up by 3.32% to \$2.09B in 2014. Over the month of December alone, the government's fiscal balance recorded a deficit of \$48.82M with a primary surplus of \$282M compared to the \$238.09M fiscal deficit in December 2013 and a primary surplus of \$70.42M.

	Last	Change	Volume	Vwap	Price	Yield
Pyramids	\$ 5,674.31	-				
Foreign Exchange Market						
\$/LBP	1,512.00	1,512.00	-	Solidere (A)	\$11.06	0.36%
€/LBP	1,617.10	1,631.12	-0.86%	Solidere (B)	\$11.06	-0.54%
£/LBP	2,249.19	2,264.11	-0.66%	BLOM GDR	\$10.05	-
NEER****	165.30	164.17	0.69%	BLOM Listed	\$9.60	-2.04%
Money & TB's Market Rates				Audi Listed	\$6.25	-
LBP Interbank Rate	2.75%			Audi GDR	\$6.60	-
Lebanese TBs	Beirut \$ Market			Audi Pref F	\$100.00	-
1 w	0.00%			Byblos Pref 09	\$102.60	0.20%
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%		Year to date	2.69%	-0.01%
5 Y	6.74%	1.98%			Cedars A	-0.13%
					Cedars B	12.20%
					Petra A	2.09%
				Year to date	0.84%	1.95%
					Petra B	