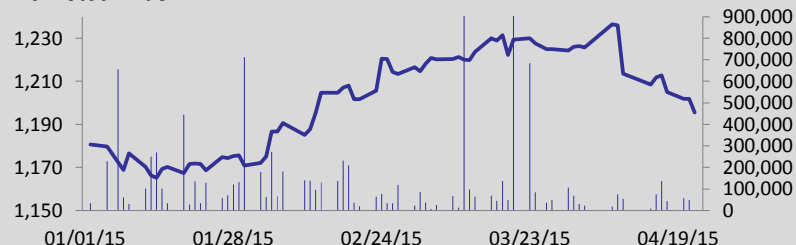


Daily Market Bulletin

Wednesday April 22, 2015



Blom Stock Index



Weighted Effective Yield on Eurobonds



BLOM Indices*

	Last	Previous	% Change
BSI	1,195.47	1,201.79	-0.53%
High	1,201.67	1,203.26	
Low	1,194.91	1,198.55	
Vol	48,699	57,034	-14.61%
Val	476,906	643,325	-25.87%

BPSI	105.60	105.60	-
Vol	1,470	660	
Val	\$14,994	\$66,176	

BBI	107.51	107.60	-0.09%
10Y Yield	6.04%	6.00%	4
Spread10Y US	412	410	2

BLOM Funds	21/04/2015	
Cedars A (\$)	\$ 7,443.24	-0.01%
Cedars B (\$)	\$ 5,323.52	-0.01%
Cedars C (\$)	\$ 5,653.19	-0.01%
Petra A (JOD)	\$ 2,905.27	0.66%
Petra B (\$)	\$ 4,828.81	0.66%
BBF**	\$ 5,681.00	-
Pyramids	\$ 5,625.62	-0.21%

Foreign Exchange Market

\$/LBP	1,512.00	1,512.00	-
€/LBP	1,623.73	1,610.31	0.83%
£/LBP	2,267.28	2,243.01	1.08%

NEER****	164.68	165.80	-0.68%
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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 experienced sluggish performance, as the BLOM stock Index (BSI) declined by 0.53% to close below the 1,200 mark at 1,195.48 points, but still increasing by 2.11% ascent year-to-date. Five out of the seven traded stocks ended in the red while the remaining traded with no change in price. In the banking sector, BLOM Bank listed and GDR shares lost 1.25% and 0.50% to close the session at \$9.48 and \$10.00, respectively. Furthermore, Bank Audi common shares decreased by 1.28% to settle at \$6.17 while BLOM Bank Preferred 2011 and Byblos Bank listed shares traded at their previous quote. In the real estate sector, Solidere class "A" and "B" stocks respectively downturned by 0.36% and 0.81% to register \$11.02 and \$11.05.

Lebanese Eurobonds lagged behind Monday's session, as the BLOM Bond Index (BBI) lost by 0.09% to settle at 107.506 points. The yields on 5Y and 10Y Lebanese Eurobonds augmented by 6 basis points (bps) and 4 bps to settle at 5.24% and 6.04%, respectively. In turn, with the demand on Lebanese medium-term securities declining at a faster pace than that of the 5Y US notes, the spread on the 5Y Lebanese securities and its US equivalent broadened by 4 bps to 389 bps. In addition, Lebanon's 5Y Credit Default Swaps (CDS) slightly moved from its previous quote of 372-395 bps to register 371-394 bps.

According to the Central Administration of Statistics (CAS), the consumer price index (CPI) has been prone to deflationary pressures in Q1 2015 compared to Q1 2014. The CPI dropped from an average of 100.97 in Q1 2014 to 97.55 in Q1 of this year, registering a 3.38% year-on-year (y-o-y) downtick. Since "water, electricity, gas & other fuels" and "transportation" constitute two of the major weights in the CPI with a cumulative share of 25%, it's expected that consumer prices will fall on the back of the approximate 45% yearly decline in international oil prices in March 2015. Furthermore, the appreciating dollar versus the Euro influenced the price decrease considering that a major part of Lebanon's imports are from Europe. Even though overall prices have been increasing month-on-month for last two months by an average of 0.61%, the CPI still experienced a year-to-date drop of 0.98%. In terms of the CPI's components, "Food and non-alcoholic beverages" (20.6% of CPI) decreased by an average 1.00% y-o-y in Q1 2015. Moreover, Transportation (13.1% of CPI) and "Water, electricity, gas & other fuels" (11.9% of CPI), witnessed a yearly fall of 13.23% and 16.48%, respectively. The final 2 sub-indices that respectively waned were Health (7.8% of CPI) and Communication (4.6% of CPI), recording a 3.89% and 23.75% y-o-y decline over the same period. Lower internet and mobile tariffs enforced in Mid-May continue to weigh on communication prices on a yearly basis. As for the former decline, it was due to the Ministry of Finance setting quotas on medicine prices slashing them by up to 30% as of April 2015. However, Education sub-index, constituting 4.50% of the CPI, augmented by an average 4.48% y-o-y in Q1 2015. Furthermore, clothing and footwear (5.4% of CPI) prices went up by an annual 23.41%. This rise might be due to higher tourist spending since the beginning of the year. In addition, actual rent sub-index for households (old and new rent), with a stake of 3.4% in the CPI, augmented by an annual 9.44% over the above mentioned period.

	Last	Change	Volume	Vwap		Price	Yield
Solidere (A)	\$11.02	-0.36%	21,291	\$11.04			
Solidere (B)	\$11.05	-0.81%	416	\$11.05	Nov. 2016	100.500	4.42%
BLOM GDR	\$10.00	-0.50%	222	\$10.00	Mar. 2017	108.000	4.59%
BLOM Listed	\$9.48	-1.25%	22,000	\$9.48	Oct. 2017	100.500	4.79%
BLOM Bank Pref 11	\$10.20	-	1,470	\$10.20	Jun. 2018	100.500	4.98%
Audi Listed	\$6.17	-1.28%	1,300	\$6.17	Nov. 2018	100.500	5.00%
Byblos Bank	\$1.74	-	2,000	\$1.74	Apr. 2019	101.250	5.16%
					Mar. 2020	104.500	5.32%
					Apr. 2020	101.880	5.37%
					Jun. 2020	103.500	5.37%
					Apr. 2021	113.500	5.57%
					Oct. 2022	102.000	5.77%
					Jan. 2023	101.000	5.84%
					Dec. 2024	107.000	6.05%
					Feb. 2025	100.750	6.10%
					Nov. 2026	103.250	6.21%
					Nov. 2027	104.250	6.26%
					Feb. 2030	101.750	6.47%

	BSI	BPSI	BBI	NEER
Year to date	2.15%	-0.31%	0.03%	11.78%
	Cedars A	Cedars B	Petra A	Petra B
Year to date	0.97%	0.97%	3.59%	3.45%

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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

