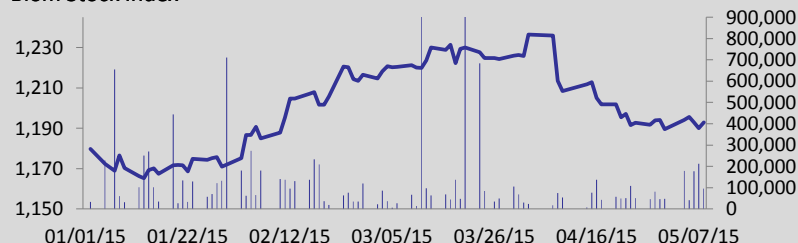


Daily Market Bulletin

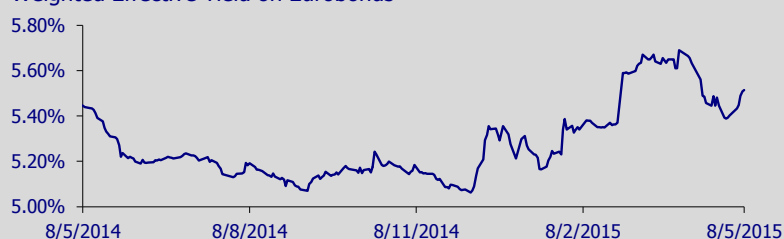
Monday May 11, 2015



Blom Stock Index



Weighted Effective Yield on Eurobonds



BLOM Indices*

	Last	Previous	% Change
BSI	1,192.90	1,190.03	0.24%
High	1,195.15	1,190.99	
Low	1,192.16	1,190.03	
Vol	95,235	212,655	-55.22%
Val	1,463,165	1,952,279	-25.05%

BPSI	105.78	105.78	-
Vol	5,420	0	
Val	\$544,848	\$0	

BBI	107.37	107.38	-0.01%
10Y Yield	6.02%	6.03%	-1
Spread10Y US	386	385	1

BLOM Funds	08/05/2015	
Cedars A (\$)	\$ 7,497.93	-0.34%
Cedars B (\$)	\$ 5,362.64	-0.34%
Cedars C (\$)	\$ 5,694.73	-0.34%
Petra A (JOD)	\$ 2,877.77	-
Petra B (\$)	\$ 4,782.96	-
BBF**	\$ 5,681.00	-
Pyramids	\$ 5,673.32	-

Foreign Exchange Market

\$/LBP	1,512.00	1,512.00	-
€/LBP	1,681.47	1,693.37	-0.70%
£/LBP	2,333.61	2,333.61	-

NEER****	164.09	163.69	0.24%
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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 Beirut Stock Exchange started the week in the green as four of the seven traded stocks increased while the rest traded with no change in price. This translated into the BLOM Stock Index (BSI) ascending by 0.24% to 1,192.90 points, broadening its year-to-date increase to 1.93%. In the real-estate sector, Solidere shares classes "A" and "B" each gained 0.09% and 1.08%, respectively to close at the same quote of \$11.26. In the banking sector, Bank Audi GDR shares augmented by 0.61% to \$6.60 while BLOM Bank GDR shares, Byblos Bank preferred shares 2009 and Bank Audi preferred shares class "F" traded at their previous quote. In the industrial sector, HOLCIM shares edged up by 3.75% to settle at \$15.21.

Demand for Lebanese Eurobonds remained relatively stable on Friday, as the BLOM Bond Index (BBI) slightly down ticked by 0.01% to settle at 107.37 points. The yield on the 10Y Lebanese Eurobonds declined by 1 basis point (bp) to 6.02% while that of the 5Y remained at 5.24%. As the demand for US mid-term notes continues to witness a positive correction, the spread between the yields on the 5Y Lebanese Eurobonds and its US counterpart broadened by 5 bps to 374 bps. Lebanon's 5Y Credit Default Swaps (CDS) moved from their previous quotes of 372-396 bps to 370-398 bps.

With the ongoing presidential vacuum ever present, the economic growth had its toll on Lebanon's Balance of Payments (BoP) that recorded its largest deficit in 10 years of \$850.2M in Q1, compared to a surplus of \$301.4M, during the same period last year. This came despite a 23.12% year-on-year (y-o-y) surge in tourist numbers and the 25.91% fall in the trade deficit in Q1. The contraction could be attributed to the falling of Foreign Direct Investments (FDIs), especially in the real estate sector, from GCC economies following the slump in oil prices. Furthermore, there has been a reduction in US dollar value of remittances, illustrated by the average 17.39% annual Euro depreciation vs the Dollar by March, from European countries (knowing that these constitute around 17% of total remittances). Up until March, Net Foreign Assets (NFA) of the Central Bank (BDL) grew by \$1.35B y-o-y, while that of commercial banks dropped by \$2.20B. In March alone, Lebanon's BoP also recorded a deficit of \$417M, compared to a lower deficit of \$152.6M a month earlier, possibly on the back of a broadening trade deficit from \$1.08B in February 2015 to \$1.25B in March. NFAs of BDL increased by \$524M while that of commercial banks declined by \$942M, from the prior month.

	Last	Change	Volume	Vwap		Price	Yield
Solidere (A)	\$11.26	0.09%	46,124	\$11.15	Nov. 2016	100.50	4.40%
Solidere (B)	\$11.26	1.08%	13,105	\$11.17	Mar. 2017	108.00	4.48%
BLOM GDR	\$10.00	-	15,000	\$10.00	Oct. 2017	100.50	4.78%
BLOM Listed	\$9.30	-	-	-	Jun. 2018	100.75	4.88%
Audi GDR	\$6.60	0.61%	15,027	\$6.60	Nov. 2018	100.50	4.99%
Audi Listed	\$6.20	-	-	-	Apr. 2019	100.88	5.25%
Audi Pref F	\$100.30	-	4,889	\$100.30	Mar. 2020	104.25	5.36%
Byblos Pref 09	\$102.60	-	531	\$102.60	Apr. 2020	101.50	5.45%
HOLCIM	\$15.21	3.75%	559	\$15.21	Apr. 2021	113.25	5.59%
					Oct. 2022	102.00	5.76%
					Jan. 2023	101.00	5.84%
					Dec. 2024	107.25	5.99%
Year to date	BSI	BPSI	BBI	NEER	Feb. 2025	101.00	6.06%
	1.93%	-0.14%	-0.09%	11.38%	Nov. 2026	103.13	6.22%
Year to date	Cedars A	Cedars B	Petra A	Petra B	Nov. 2027	104.13	6.27%
	1.71%	1.71%	2.61%	2.46%	Feb. 2030	102.50	6.39%

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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

