

# Daily Market Bulletin

Monday July 14, 2014



## BLOM Indices\*

	Last	Previous	% Change
<b>BSI</b>	1,194.29	1,200.90	-0.55%
High	1,202.71	1,204.14	
Low	1,191.66	1,199.91	
Vol	104,938	23,180	352.71%
Val	\$1,099,001	\$208,555	426.96%
<b>BPSI</b>	104.57	104.57	-
Vol	1,570	0	
Val	\$157,111	\$0	
<b>BBI</b>	108.08	108.05	0.02%
10Y Yield	6.23%	6.23%	-
Spread 10Y US	370	368	2
<b>BLOM Funds</b>	10/07/2014		
Cedars A (\$)	\$ 7,289.11		-0.17%
CedarsB (\$)	\$ 5,209.45		-0.17%
Cedars C (\$)	\$ 5,536.13		-0.17%
Petra A (JOD)	\$ 2,800.83		
Petra B (\$)	\$ 4,661.18		
BBF**	\$ 9,660.36		

## MARKET WRAP UP

The Beirut Stock Exchange (BSE) started the week in the red, as the BLOM Stock Index (BSI) edged down by 0.55% to 1,194.29 points, limiting its year to date gain to 3.84%. The BSI was mainly affected by the real estate sector which grasped a share of 80.30% of total traded volume. Both Solidere A and B shares dropped by 2.29% and 2.91% to close at \$12.36 and \$12.35, respectively. In the banking sector Audi preferred class H shares gained 0.10% to \$100.10. BLOM GDRs, Byblos listed and preferred 2008 shares exchanged hands without any change in price.

Lebanon's Eurobonds market remained edging up for the third day in a row, as investors demand more short and medium-term maturities. The BLOM Bond Index (BBI) improved by 0.02% and settled at 108.08 points. The 5Y Lebanese Eurobonds' yield lessened by 1 basis point (bp) to reach 5.12%, while that of the 10Y steadied at 6.23%. The 5Y spread against the US Treasury benchmark remained 347 bps, and the 5Y Credit Default Swaps (CDS) was last quoted at 335-365 bps, unchanged from the previous day.

According to the Ministry of Finance (MoF), "salaries, wages and related benefits" constituted 26% of total primary spending in January, being the prime component. This major share of primary spending increased from \$237.48M in 2013 to \$238.81M in 2014, increasing by only 0.56%. The main cause of the marginal upturn is the \$4.64M and \$663,349 decline in basic salaries to education and civil personnel, respectively, that offset the \$5.97M rise in military personnel cost. Basic salaries constituted the largest share of 73.61% of total salary expenditures, followed by 15.27% for allowances, and 1.67% for other expenses. The basic salaries of military personnel, accounting for 66.04% of total basic salaries, grew by 5.32% year-on-year (y-o-y) to \$116.09M. On the other hand, the basic salaries of the education and civilian personnel, with shares of 22.64% and 10.94% of the total, lessened by 10.45% and 6.45% y-o-y to \$39.80M and \$19.24M, respectively.

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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