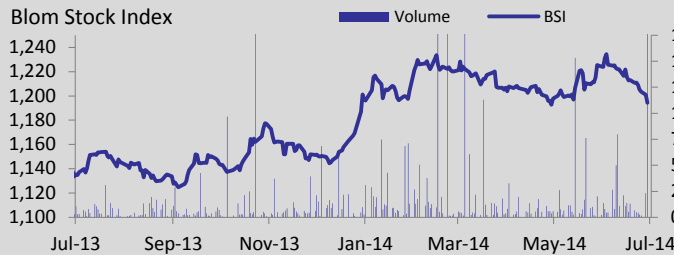
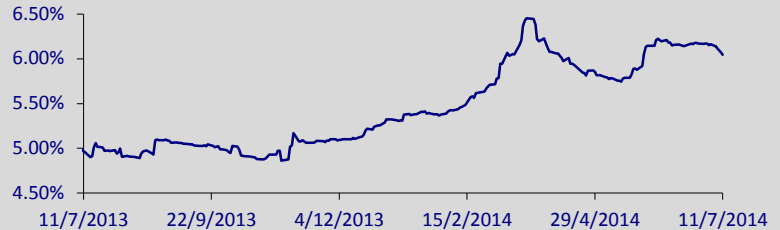


# Daily Market Bulletin

Monday July 14, 2014



Weighted Effective Yield on Eurobonds



## 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%	-
Spread10Y US	370	368	2

BLOM Funds	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	
Pyramids	\$ 5,910.75	

## Foreign Exchange Market

\$/LBP	1,514.00	1,513.00	0.07%
€/LBP	2,054.27	2,052.01	0.11%
£/LBP	2,579.48	2,582.65	-0.12%
NEER****	131.27	131.30	-0.02%

## Money & TB's Market Rates

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

## 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.

	Last	Change	Volume	Vwap
Solidere (A)	\$12.36	-2.29%	41,865	\$12.45
Solidere (B)	\$12.35	-2.91%	29,241	\$12.36
BLOM GDR	\$9.35	-	1,000	\$9.35
BLOM Listed	\$8.80	-	-	-
Audi GDR	\$6.60	-	-	-
Audi Listed	\$6.35	-	-	-
Audi Pref H	\$100.10	0.10%	1,560	\$100.07
Byblos Listed	\$1.60	-	31,262	\$1.60
Byblos Pref 08	\$100.50	-	10	\$100.50

	BSI	BPSI	BBI	NEER
Year to date	3.84%	-0.59%	2.30%	1.71%
	Cedars A	Cedars B	Petra A	Petra B
Year to date	4.81%	3.25%	2.15%	2.15%

	Price	Yield
Jan. 2015	101.43	3.44%
Aug. 2015	105.27	3.69%
Jan. 2016	107.07	3.81%
May 2016	113.72	4.36%
June.2018	101.25	5.39%
Mar. 2020	104.76	5.61%
Apr. 2021	114.69	5.85%
Oct. 2022	101.59	5.93%
Jan. 2023	100.48	6.27%
Dec. 2024	105.52	6.40%
Nov. 2026	101.71	6.46%
Nov. 2027	102.54	6.47%