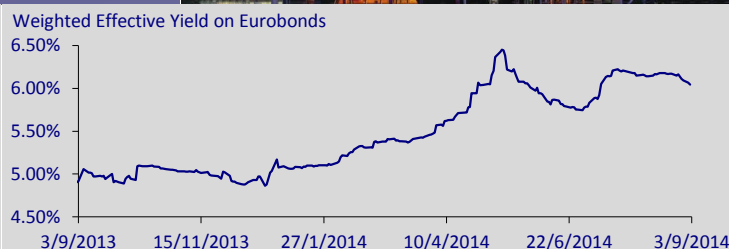
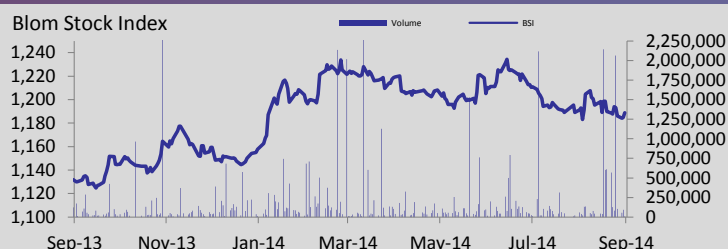


Daily Market Bulletin

Thursday September 4, 2014



BLOM Indices*

	Last	Previous	% Change
BSI	1,188.70	1,184.71	0.34%
High	1,189.33	1,184.96	
Low	1,184.78	1,183.35	
Vol	10,733	93,014	-88.46%
Val	\$187,461	\$928,584	-79.81%

BPSI	104.56	104.61	-0.05%
Vol	1,000	1,215	
Val	\$100,100	\$77,228	

BBI	108.55	108.55	-
10Y Yield	6.12%	6.11%	1
Spread10Y US	371	369	2

BLOM Funds	03/09/2014	
Cedars A (\$)	\$ 7,349.30	-0.03%
CedarsB (\$)	\$ 5,253.57	-0.03%
Cedars C (\$)	\$ 5,581.85	-0.03%
Petra A (USD)	\$ 2,844.74	-0.47%
Petra B (\$)	\$ 4,733.52	-0.48%
BBF**	\$ 9,637.73	
Pyramids	\$ 6,268.74	0.48%

Foreign Exchange Market

\$/LBP	1,512.00	1,511.00	0.07%
€/LBP	1,979.20	1,982.36	-0.16%
£/LBP	2,479.99	2,482.25	-0.09%

NEER****	134.64	134.42	0.16%
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Money & TB's Market Rates

LBP Interbank Rate	9.00%
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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 (BSE) improved on Thursday, however on a low volume of 10,733 shares worth \$187,461. The BLOM Stock Index (BSI) progressed by 0.34% to settle at 1,188.70 points. The real estate sector grasped a share of 38.36% of total traded value, with Solidere "A" shares increasing by 1.04%, to \$12.62, while class "B" shares were traded at their previous closing price of \$12.51. In the banking sector, Audi listed shares gained 1.33% to \$6.09. In contrast, Byblos preferred shares 2009 lost 0.40% to \$100.10. Meanwhile, Byblos listed shares exchanged hands without a change in price.

The Lebanese Eurobonds market halted its increase, where the BLOM Bond Index (BBI) steadied at 108.55 points. The 5Y and 10Y Lebanese Eurobonds' yield gained 1 basis point (bp) each to settle at 5.05% and 6.12%, respectively. The 5Y spread against the US Treasury benchmark widened by 1 bps to 336 bps. Meanwhile the 5Y Credit Default Swaps (CDS) remained unchanged at 340-370 bps.

The BLOM Lebanon PMI dropped from 47.9 in July to 45.5 in August, indicating a faster rate of contraction. August's PMI recorded a six-month low, due to the security issues which hit demand and new orders, and led the private sector to decrease output, employment levels, and purchasing activity. Subsequently, inventory levels fell after rising for 2 months. Moreover, competitive pressures and weakness on the demand side pushed average output prices down for the first time in the past 8 months. Commenting on August's results, Dr. Fadi Osseiran, General Manager at Blominvest Bank, said: "Clashes between the Lebanese army and ISIS militants in the Bekaa region, in addition to the ongoing domestic political deadlock concerning the presidential elections, had their toll on the economy and particularly on tourism. Hence demand weakened and the level of business activity fell sharply with new export orders being hit by the worsening security situation in Iraq. The outlook for the coming few months remain challenging on both the security and political fronts, thus weighing on economic activity."

	Last	Change	Volume	Vwap
Solidere (A)	\$12.62	1.04%	3,161	\$12.57
Solidere (B)	\$12.51	-	2,572	\$12.51
BLOM GDR	\$9.35	-	-	-
BLOM Listed	\$8.75	-	-	-
Audi GDR	\$6.30	-	-	-
Audi Listed	\$6.09	1.33%	2,000	\$6.09
Byblos Listed	\$1.64	-	2,000	\$1.64
Byblos Pref 09	\$100.10	-0.40%	1,000	\$100.10

	BSI	BPSI	BBI	NEER
Year to date	3.36%	-0.60%	2.75%	4.32%
	Cedars A	Cedars B	Petra A	Petra B
Year to date	5.68%	5.81%	3.75%	3.74%

	Price	Yield
Jan. 2015	101.10	2.94%
Aug. 2015	104.69	3.38%
Jan. 2016	106.57	3.61%
May 2016	112.93	3.71%
June.2018	101.63	4.67%
Mar. 2020	105.05	5.31%
Apr. 2021	115.49	5.43%
Oct. 2022	102.17	5.76%
Jan. 2023	101.05	5.84%
Dec. 2024	106.57	6.13%
Nov. 2026	102.74	6.27%
Nov. 2027	103.70	6.33%