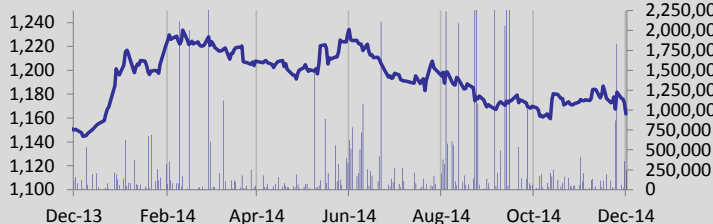


Daily Market Bulletin

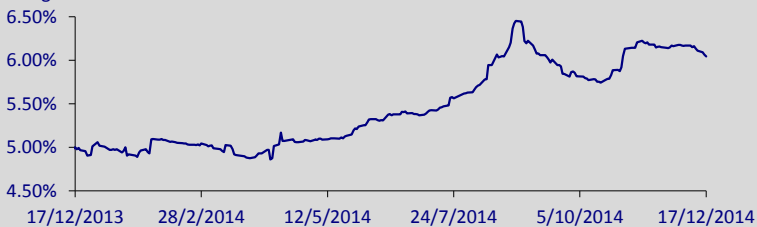
Thursday December 18, 2014



Blom Stock Index



Weighted Effective Yield on Eurobonds



BLOM Indices*

	Last	Previous	% Change
BSI	1,163.44	1,172.88	-0.80%
High	1,167.00	1,175.36	
Low	1,162.93	1,172.61	
Vol	243,884	361,787	-32.59%
Val	\$1,144,825	\$3,120,756	-63.32%

BPSI	105.81	105.71	0.09%
Vol	15	14,500	
Val	\$1,530	\$415,150	

BBI	107.44	107.58	-0.13%
10Y Yield	6.30%	6.27%	3
Spread 10Y US	418	420	-2

BLOM Funds	17/12/2014	
Cedars A (\$)	\$ 7,336.43	-0.16%
Cedars B (\$)	\$ 5,246.37	-0.17%
Cedars C (\$)	\$ 5,572.37	-0.16%
Petra A (JOD)	\$ 2,775.74	
Petra B (\$)	\$ 4,619.72	
BBF**	\$ 9,587.89	
Pyramids	\$ 6,097.59	

Foreign Exchange Market

\$/LBP	1,512.00	1,512.00	-
€/LBP	1,856.49	1,878.50	-1.17%
£/LBP	2,359.84	2,371.00	-0.47%

NEER****	146.57	145.82	0.51%
----------	--------	--------	-------

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%	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) kept weakening, where the BLOM Stock Index (BSI) declined by 0.80% to 1,163.44 points. The banking sector took an 89.02% share of total traded value, with Byblos listed shares and Audi listed shares dropping 0.62% and 3.66% to \$1.60 and \$6.05, respectively. In contrast, Byblos preferred 2008 shares added 0.69% to \$102, while BLOM listed shares were traded with no change in price. In the real estate sector, Solidere "A" and "B" shares lost 0.54% and 0.45% to close at \$11.10 and \$11.04, respectively.

The Lebanese Eurobonds Market remained downhill, with the BLOM Bond Index (BBI) dropping 0.13% to 107.44. Demand for medium and long-term maturities plummeted, pushing the 5Y and 10Y Lebanese Eurobonds' yields up by 4 basis points (bps) and 3 bps to 5.36% and 6.30%, respectively. The 5Y spread against the US Treasury narrowed by 4 bps to 375 bps. Meanwhile, the 5Y CDS quote stood at 386 - 416 bps compared to a previous quote of 380-410 bps.

The number of construction permits during the year remained almost stable, at 15,346 permits by November 2014, a 0.4% y-o-y decrease. On the other hand, construction area authorized by permits (CAP) displayed a 9.47% y-o-y increase to 12,701,510 sqm by the end of November. These respective decreases and increases in the number of constructions and in CAP signal a tendency among investors to pursue bigger construction projects as the average area of authorized construction per permit rose by 9.91% y-o-y by November. It seems that during a period of slowdown in the construction sector, only big players remain in the market or constitute the biggest market share. The number of construction permits witnessed a 5.87% year-on-year (y-o-y) decline to 1,122 permits in November 2014. Noting that permits are usually issued at least six months after applications are filed, this decrease can be related to increased pressure resulting from the lack of agreement on a presidential candidate before the end of Michel Sleiman's tenure. In addition, the construction area authorized by permits showed almost no increase from the same period in 2013, and only edged up 0.06% from November 2013. Regionally, Mount Lebanon and the South continued to capture the largest shares of total construction in Lebanon, with respective shares of 49.21% and 17.47%.

	Last	Change	Volume	Vwap
Solidere (A)	\$11.10	-0.54%	9,435	\$11.12
Solidere (B)	\$11.04	-0.45%	1,879	\$11.05
HOLCIM	\$16.21	-	-	-
BLOM GDR	\$9.65	-	-	-
BLOM Listed	\$8.75	-	1,412	\$8.75
Audi Listed	\$6.05	-3.66%	142,770	\$6.05
Audi GDR	\$6.35	-	-	-
Byblos Listed	\$1.60	-0.62%	88,373	\$1.60
Byblos Pref 08	\$102.00	0.69%	15	\$102.00

	Price	Yield
Aug. 2015	103.79	3.58%
Jan. 2016	105.73	3.73%
May 2016	111.61	3.86%
June.2018	101.31	4.76%
Mar. 2020	104.47	5.41%
Apr. 2021	114.61	5.54%
Oct. 2022	101.82	5.82%
Jan. 2023	100.56	5.92%
Dec. 2024	106.18	6.22%
Nov. 2026	102.02	6.37%
Nov. 2027	103.03	6.42%

	BSI	BPSI	BBI	NEER
Year to date	1.16%	0.59%	1.70%	13.57%
	Cedars A	Cedars B	Petra A	Petra B
Year to date	5.49%	5.66%	1.23%	1.24%