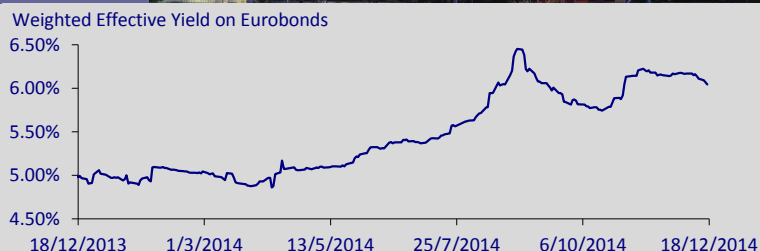
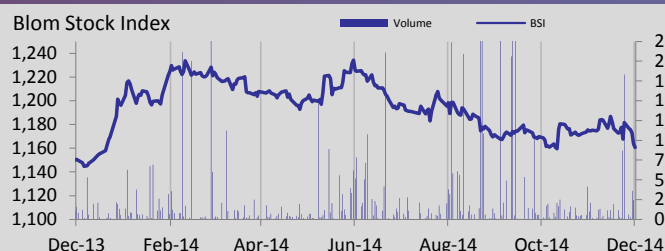


# Daily Market Bulletin

Friday December 19, 2014



## BLOM Indices\*

	Last	Previous	% Change
<b>BSI</b>	1,160.67	1,163.44	-0.24%
High	1,165.23	1,167.00	
Low	1,160.12	1,162.93	
Vol	60,838	243,884	-75.05%
Val	\$576,653	\$1,144,825	-49.63%

<b>BPSI</b>	105.81	105.81	-
Vol	0	15	
Val	\$0	\$1,530	

<b>BBI</b>	107.34	107.44	-0.09%
10Y Yield	6.30%	6.30%	-
Spread 10Y US	408	418	-10

BLOM Funds	18/12/2014	
Cedars A (\$)	\$ 7,322.51	-0.19%
Cedars B (\$)	\$ 5,236.12	-0.20%
Cedars C (\$)	\$ 5,561.50	-0.20%
Petra A (JOD)	\$ 2,770.37	-0.03%
Petra B (\$)	\$ 4,610.98	-0.03%
BBF**	\$ 9,587.89	
Pyramids	\$ 5,945.67	1.62%

## Foreign Exchange Market

\$/LBP	1,512.00	1,512.00	-
€/LBP	1,850.46	1,856.49	-0.32%
£/LBP	2,359.84	2,359.84	-

NEER****	146.61	146.57	0.03%
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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 (BSE) remained on its downhill path, where the BLOM Stock Index (BSI) declined by 0.24% to 1,160.67 points. The real estate sector dominated trade on the BSE, taking a share of 70.92% of total traded value. Solidere "A" and "B" shares dropped 0.27% and 0.45% closing the week at \$11.07 and \$10.99, below the \$11 mark for the first time in 2014. In the banking sector, the GDR shares of both BLOM and Audi dropped by 0.10% and 2.20% to \$9.64 and \$6.21, respectively.

The Lebanese Eurobonds Market did not halt its slide, with the BLOM Bond Index (BBI) dropping 0.09% to 107.34 points. Demand for medium-term maturities declined, pushing the 5Y Lebanese Eurobonds' yield up by 3 basis points (bps) to 5.39%, whereas the 10Y Lebanese Eurobonds' yield steadied at 6.30%. The 5Y spread against the US Treasury narrowed by 4 bps to 371 bps. Meanwhile, the 5Y CDS quote remained unchanged at 386-416 bps.

Credit rating agency Moody's downgraded Lebanon's government bond rating from B1 to B2 with a negative outlook, due to the country's high debt burden, external deficits, and challenging political environment. The negative outlook mirrors the impact of the current civil war in Syria on Lebanon's economy, which has led to lower growth, larger fiscal deficits, and a reversal in public sector deleveraging. Moreover, Moody's expects growth to reach 1.8% for 2014 and 2.5% for 2015. According to the report published on the 16th of December, Moody's states that an upgrade of Lebanon's sovereign rating is unlikely over the medium term. Nevertheless, the rating outlook would be returned to stable in case the country's debt metrics stop rising and risk of political spill-over from the Syrian conflict fades.

	Last	Change	Volume	Vwap	Price	Yield
Solidere (A)	\$11.10	-0.27%	2,899	\$11.07	Aug. 2015	102.82 3.95%
Solidere (B)	\$10.99	-0.45%	34,249	\$11.00	Jan. 2016	104.88 3.88%
HOLCIM	\$16.21	-	-	-	May 2016	110.24 4.03%
BLOM GDR	\$9.64	-0.10%	6,000	\$9.64	June.2018	100.62 4.97%
BLOM Listed	\$8.75	-	-	-	Mar. 2020	103.78 5.54%
Audi Listed	\$6.05	-	-	-	Apr. 2021	113.15 5.74%
Audi GDR	\$6.35	-2.20%	17,690	\$6.21	Oct. 2022	101.29 5.90%
					Jan. 2023	100.10 5.99%
					Dec. 2024	105.80 6.26%
					Nov. 2026	101.48 6.43%
					Nov. 2027	102.83 6.44%

	BSI	BPSI	BBI	NEER
Year to date	0.92%	0.59%	1.61%	13.60%
	Cedars A	Cedars B	Petra A	Petra B
Year to date	5.29%	5.46%	1.04%	1.05%