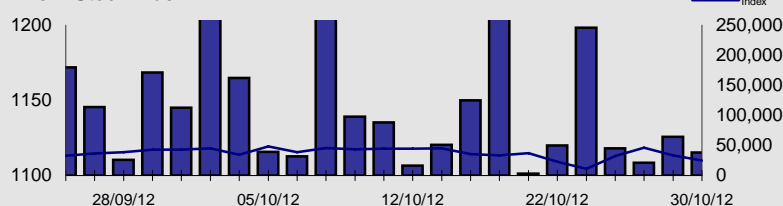


Daily Market Bulletin

Tuesday 30 October, 2012



Blom Stock Index



Weighted Effective Yield on Eurobonds



BLOM Indices*

	Last	Previous	% Change
BSI	1,110.02	1,113.30	-0.29%
High	1,111.37	1,120.06	
Low	1,109.31	1,111.47	
Vol	38,203	64,421	-40.70%
Val	\$736,304	\$857,736	-14.2%

BPSI	106.29	106.29	-
Vol	14,978	26,100	
Val	\$451,546	\$672,020	

BBI	109.06	109.08	-0.02%
Yield	5.01%	5.02%	-1
Spread	432	431	1

BLOM Funds

	30/10/12	
Cedars A (\$)	\$6,733.20	0.09%
Cedars B (\$)	\$5,101.53	0.09%
Cedars C (\$)	\$5,113.91	0.09%
Petra A (JOD)	2643.49	-
Petra B (\$)	\$4,398.79	-
BBF**	\$10,016.99	
Pyramids	\$5,589.47	0.8%

Foreign Exchange Market

	Last	Previous	%Change
\$/LBP	1,502.50	1,502.50	-
€/LBP	1,951.46	1,944.22	0.37%
£/LBP	2,421.20	2,420.14	0.04%
NEER****	103.77	103.94	-0.17%

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%	0.13%
6 M	4.87%	0.22%
1 Y	5.08%	0.28%
2 Y	5.84%	0.28%
3 Y	6.50%	0.57%
5 Y	6.74%	1.23%

MARKET WRAP UP

Slow trading activity was seen on the Beirut Stock Exchange (BSE) today, with investors remaining on the sidelines despite healthy profits from the banking sector. A decline in real estate stocks Solidere A and B reduced the Blom Stock Index (BSI) by 0.29% to 1,110.02 points, or at 5.67% below its year-start value. Solidere A closed down by 1.76% to \$12.25 and Solidere B lost 0.49% to close at \$12.26. The total volume of shares was boosted by trades in banks' preferred shares, namely Byblos Pref. 2009, BoB Pref. D and BLOM Bank Pref. 2011 that closed flat at \$103.6, \$26, and \$10.17 respectively.

The BLOM Bond Index (BBI) slid by 0.02% to 109.06 points and the average weighted yield on holding Lebanese Eurobonds contracted 1 basis point (bps) to 5.01% on Monday. The spread between average Eurobond and Treasury yields widened 1 bps to 432 bps. The credit default swap for 5 years (CDS) continued to hover between bid-ask quotes of 400 bps and 430 bps respectively.

Statistics published by Global Blue showed that the number of refund transactions in Lebanon dropped by 22% y-o-y in Q3 2012, while the average value of spending slid by only 2%. While the decrease in the number of transactions is synonymous with slowing tourist activity this year, the considerably slower contraction in average spending indicates a sustained increase in prices of especially luxury products. Arab tourists remained the largest spenders in Lebanon, with Saudi visitors accounting for 14% of refund transactions, followed by tourists from the UAE with 12% and Kuwait with 7%. Spending by Saudi and Kuwaiti visitors almost halved from Q3 2011, in line with diminishing tourist numbers. In contrast, the number of refund transactions by Nigerian residents was the only reported annual increase (4%) in Q3 2012, as was the spending of US visitors (14%). On a quarterly basis, the number of refund transactions jumped 49% in Q3 although average spending dropped 26%. With regards to Q3 spending by category, fashion and clothing accounted for 72% of total refund transactions. Watches took 11%, while home and garden products, and spending at department stores captured 4% each.

	Last	Change	Volume	Vwap
Solidere (A)	\$12.25	-1.76%	17,842	\$12.26
Solidere (B)	\$12.26	-0.49%	5,383	\$12.26
BLOM GDR	\$7.80	-	-	-
BLOM Listed	\$7.35	-	-	-
Audi GDR	\$5.75	-	-	-
Bank Audi	\$5.49	-	-	-
Byblos Pref 2009	\$103.60	-	1,000	\$103.60
BoB Pref D	\$26.00	-	13,000	\$26.00
BLOM Pref 2011	\$10.17	-	978	\$10.17
	BSI	BPSI	BBI	NEER
Year to date	-5.67%	2.52%	-1.69%	4.81%
	Cedars A	Cedars B	Petra A	Petra B
Year to date	2.25%	2.20%	-2.50%	-2.49%

	Mid Price***	Mid Yield
Mar. 2013	102.93	2.12%
Jun. 2013	104.38	1.09%
Apr. 2014	106.88	2.70%
May. 2014	107.94	3.72%
Jan. 2015	104.50	3.78%
Aug. 2015	112.50	3.79%
Jan. 2016	112.50	4.36%
May 2016	122.50	4.73%
Mar. 2017	116.50	4.83%
Nov. 2018	100.75	5.00%
Mar. 2020	104.50	5.62%
Apr. 2021	116.50	5.77%
Oct. 2022	102.25	5.80%
Dec. 2024	107.00	6.17%
Nov. 2026	102.75	6.30%