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## The LEBANON WEEKLY MONITOR

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#### p.9 FURTHER WEEKLY GROWTH IN RESIDENT DEPOSITS ON INCREASED CONFIDENCE

While the international community is urging the new government to embark into the implementation of CEDRE pledges, Lebanon's capital markets witnessed this week price falls on the Eurobond market amid net international selling, while the equity market registered extended price gains and monetary aggregates saw further growth in resident banking deposits. In details, the bond market came under downward price pressures, tracking emerging market weakness, and weighed down by S&P's outlook revision for Lebanon, while some internationals sought to leave room for new sovereign bond issues in the MENA region. This led to a 77 bps rise in the weighted average bond yield to reach 9.76%. On the equity market, the BSE price index pursued its upward trajectory for the second consecutive week, increasing by 2.3%, while the total turnover went up by 24% to US\$ 7 million. On the money market, resident banking deposits posted further weekly growth, in a sign of increased depositor confidence since the cabinet formation.

#### LEBANON MARKETS: WEEK OF MARCH 04 - MARCH 10, 2019

Money Market	↔	BSE Equity Market	↑
Certificates of Deposits Market	↔	GDR Market	↑
LP Tbs Market	↑	Eurobond Market	↓
LP Exchange Market	↔	CDS Market	↓

## ECONOMY

### GROWTH IN PUBLIC SPENDING OUTPACING THAT IN PUBLIC REVENUES LAST YEAR

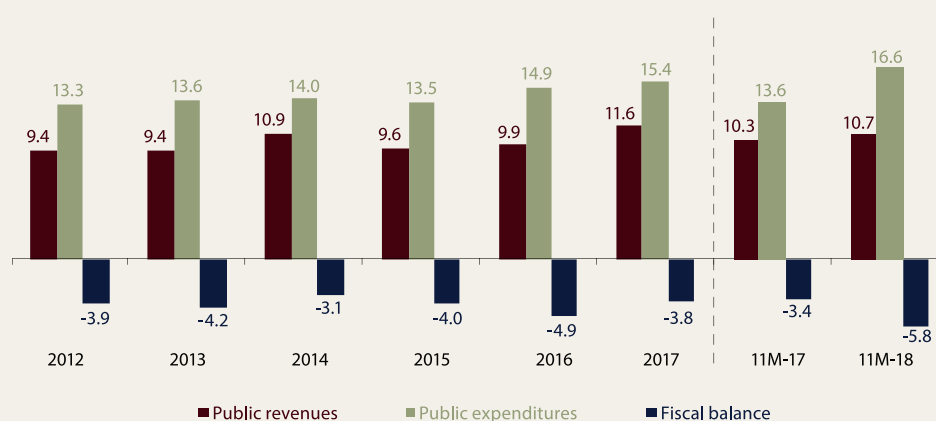
Following a net improvement in public finance performance in 2017, the first eleven months of 2018 witnessed a net reversal in Lebanon's public finances as suggested by the recent figures released by Lebanon's Ministry of Finance. This resulted from a significant rise of 21.4% in public expenditures (mainly tied to the public sector wage scale) in conjunction with a much lower growth in public revenues of 4.7% (mainly tied to the economic sluggishness amid low real sector activity growth). As such, and within the context of a 10.4% rise in debt service, the primary balance shifted from a surplus of US\$ 1,442 million to a primary deficit of US\$ 491 million over the first eleven months of 2018.

A detailed look at public finance statistics over the same period shows that public revenues went up from US\$ 10.3 billion during the first eleven months of 2017 to US\$ 10.7 billion during the 2018 corresponding period, while public expenditures reported a noticeable growth from US\$ 13.6 billion to US\$ 16.6 billion between the two periods. Accordingly, the public finance deficit expanded from a low base of US\$ 3.4 billion during the first eleven months of 2017 to US\$ 5.8 billion during the corresponding period of 2018, to reach 11.1% of GDP over the period, compared to 6.9% of GDP in 2017. It is worth mentioning that in the new policy statement of the Government the Cabinet committed to a reduction in deficit to GDP by 1% per annum.

Having said that, the noticeable growth in public expenditures is tied to budget expenditures that rose by 21.7% and Treasury expenditures that increased by 17.7% over the 11-month period. The growth in budget expenditures was realized as a result of a 28.9% hike in general expenditures within the context of a 41.4% rise in Treasury transfers to EDL amid rising oil prices and a 10.4% rise in interest payments. In parallel, the rise in Treasury expenditures comes within the context of a hike in expenditures by municipalities of 47.9% over the first eleven months of 2018. On the other hand, the moderate growth in public revenues came within the context of a moderate rise in tax revenues by 3.2% along with an increase in non-tax revenues by 10.1% mostly due to Telecom revenues that went up by 29.0% over the period.

As far as deficit funding is concerned, the year-to-date fiscal deficit was financed by additional indebtedness. Public indebtedness data showed that the country's gross debt reached US\$ 85.3 billion

#### LEBANON'S FISCAL ACCOUNTS (US\$ BILLION)



Source: Ministry of Finance

as at end-January 2019, up by 6.1% from the level registered at end-January 2018. Domestic debt went up by 3.7% from end-January 2018 to reach a total of US\$ 51.7 billion as at end-January 2019. Lebanon's external debt went up by 10.1% since end-January 2018 to reach US\$ 33.6 billion. As such, public debt to GDP ratio is thus estimated at 150% as at end-January 2019, up from 148% a year ago.

## VALUE OF CLEARED CHECKS DOWN BY A YEARLY 12.0% IN FIRST TWO MONTHS OF 2019

Total value of cleared checks, an indicator of consumption and investment spending in the Lebanese economy, declined by 12.0% year-on-year in the first two months of 2019 pointing to a relative deceleration in spending during the aforementioned period.

The value of cleared checks reached US\$ 9,755 million in the first two months of 2019, against US\$ 11,083 million in the same period of 2018.

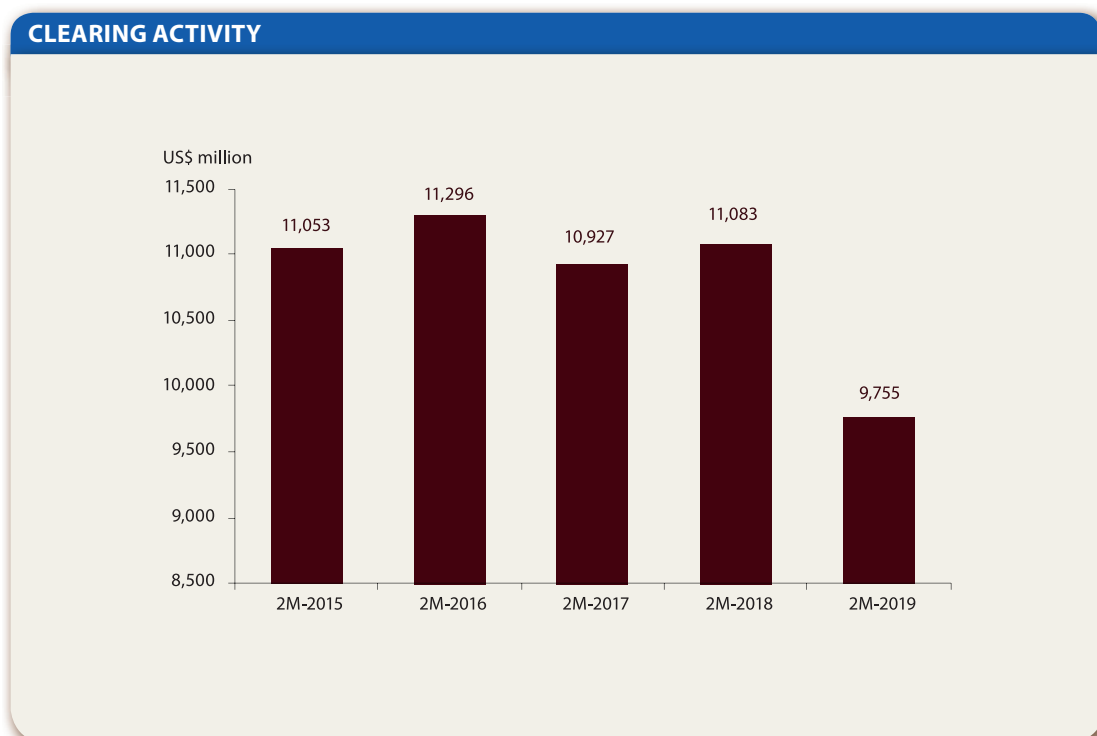
A breakdown by currency shows that the banks' clearings in Lebanese pounds amounted to LP 5,484 billion (-0.4%) in the first two months of 2019 while those in FC amounted to US\$ 6,117 million (-17.7%).

Furthermore, the number of cleared checks registered 1,711,520 in the first two months of 2019, down by 11.1% from 1,925,164 in the same period of 2018.

The average value per check retreated by 1.0% year-on-year to stand at US\$ 5,700 in the previously mentioned period of 2019.

The value of returned checks reached US\$ 245 million in the first two months of 2019, against US\$ 236 million in the same period of 2018.

On the other hand, the number of returned checks registered 44,710 in the first two months of 2019, up by 8.3% from 41,287 in the aforementioned period of 2018.

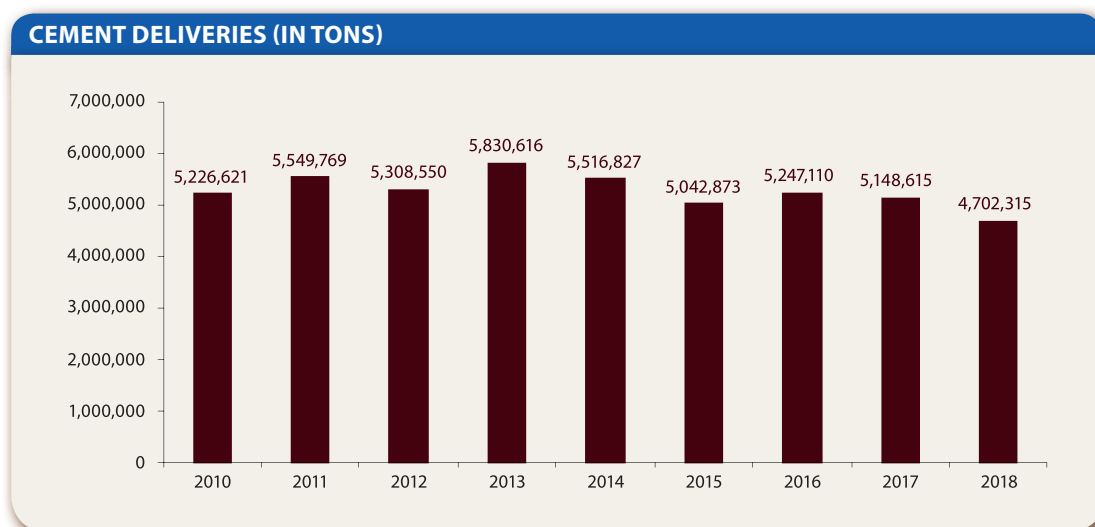


Sources: Association of Banks in Lebanon, Bank Audi's Group Research Department

## CEMENT DELIVERIES DOWN BY A YEARLY 8.7% IN 2018

Figures released by the Central Bank of Lebanon show that cement deliveries, a coincident indicator of construction activity, declined by a yearly 8.7% in 2018.

Cement deliveries actually reached circa 4,702,315 tons in 2018, down from 5,148,615 tons in 2017.



Sources: Central Bank of Lebanon, Bank Audi's Group Research Department

## PRIVATE CONSUMPTION TO REMAIN THE TRADITIONAL GROWTH DRIVER OVER THE MEDIUM TERM, AS PER FITCH SOLUTIONS

The elevated levels of political uncertainty in Lebanon will weigh on growth over the coming quarters. Key sectors in the economy such as tourism, real estate and construction will be affected by the impact of regional unrest. Fitch expects this to have spillover effects into the consumer sector through lower wages, increased unemployment and lower business and consumer confidence. Hence, they forecast Lebanon's GDP to stand at 2.2% in 2019, up from an estimated 1.5% in 2018. While they expect to see a slight uptick in economic growth in 2019, the agency forecasts growth to remain relatively subdued over the medium term as the economy expands at an annual average of 2.7% between 2019 and 2023.

However, private consumption will remain the traditional growth driver over Fitch Solutions' medium term forecast period, accounting for 82.8% of GDP as of 2016. Its forecast for real private final consumption growth is 3.5% in 2019, up from an estimated 2.4% in 2018. Fitch Solutions further expect real private final consumption to grow at an annual average of 3.9% between 2019 and 2023. The demographic boost provided by the influx of Syrian refugees, who now account for more than a quarter of the population, will help to strengthen consumption over the coming years.

Fitch Solutions expects to see moderate inflation in 2019 with their forecast at 3.5%. The increase in international oil prices gained momentum in April and May 2018, which has led to the materialization of an upside risk to the domestic inflation outlook. Currently, the agency forecasts that consumer price inflation will remain stable at 3.5% over 2019-2023.

## SURVEYS

### LEBANON'S HOSPITALITY SECTOR SEES RISE IN OCCUPANCY RATES, ROOM YIELDS AND AVERAGE ROOM RATE IN 2018, SAYS EY

Ernst & Young issued its latest Hotel Benchmark Survey on the Middle East in 2018 (four and five star hotels), in which it showed that the performance of Lebanon's hospitality sector witnessed an improvement in occupancy rates, alongside an improvement in average room rates and room yields.

As a matter of fact, the occupancy rate of four and five star hotels within the capital reached 65.1% in 2018, against 63.7% in 2017.

The occupancy rate within Beirut was the fifth highest among 14 cities included in the survey. It directly surpassed Madinah (63.1%) and Makkah (61.4%), while Cairo (73.0%) and Ras Al Khaimah (72.4%) came directly before Beirut.

Beirut's room rate slightly moved up from 2017 at an average of US\$ 188 in 2018. The city's growth rate ranked fifth out of 14 surveyed cities. The rate of the capital's hotels was the fourth highest in the region. It exceeded that of Makkah (US\$ 178) and Riyadh (US\$ 173), while being surpassed by Kuwait (US\$ 190) and Dubai (US\$ 259).

The rooms' yield rose by 4.3% annually to reach US\$ 122 in 2018 compared to US\$ 117 in 2017. Beirut ranked third highest in terms of variation in the region when assessing this indicator.

The room yield in Beirut was the third highest, surpassed by Jeddah (US\$ 166) and Dubai (US\$ 196), and higher than Ras Al Khaimah (US\$ 119) and Makkah (US\$ 110), as per EY.

#### ERNST & YOUNG MIDDLE EAST BENCHMARK SURVEY

	Occupancy (%)		Average Room Rate (US\$)		Room Yield (US\$)	
	2018	2017	2018	2017	2018	2017
Abu Dhabi	77.8	79.5	103	108	80	86
Dubai	75.8	78.7	259	252	196	198
Cairo	73.0	65.4	105	95	77	62
Ras Al Khaimah	72.4	74.5	164	158	119	118
<b>Beirut</b>	<b>65.1</b>	<b>63.7</b>	<b>188</b>	<b>184</b>	<b>122</b>	<b>117</b>
Madinah	63.1	66.8	145	156	92	105
Makkah	61.4	58.6	178	196	110	115
Doha	60.3	59.3	122	147	74	87
Amman	59.7	56.4	141	146	84	82
Jeddah	58.2	58.9	284	260	166	153
Muscat	57.2	67.5	139	163	79	110
Kuwait	56.2	58.8	190	191	107	112
Riyadh	56.1	54.2	173	192	97	104
Manama	51.6	51.2	160	177	83	90

Sources: Ernst & Young, Bank Audi's Group Research Department

## 24 OFFICE PROJECTS CURRENTLY UNDER CONSTRUCTION IN MUNICIPAL BEIRUT, SAYS RAMCO

According to a recent study carried out by Ramco Real Estate Advisers on the office market in Beirut, there are 24 office projects that are currently under construction in Municipal Beirut. This represents a total of 113,127 square meters of office area.

It is worth noting that the study does not take into consideration headquarter projects to be used by private companies. It strictly covers office projects offered on the sale or rental market.

Just like the residential sector, the business real estate market in Beirut is in crisis, as per Ramco Real Estate Advisers. Fewer projects are under way, with low sales ratios and dropping sales prices dampening developers' appetite. Furthermore, the stock of unsold offices completed during the past few years is on the rise, which proves that the market started to reach saturation point, as per the same source.

The report added that nearly 54% of the office stock under construction in Beirut is located in Ashrafieh, where twelve construction sites are under way (four fewer than last year). Moreover, the area of Badaro/Sami Solh is the most dynamic, with 12,780 sqm of office space currently under construction.

The Beirut Central District (BCD) has only two projects located along Fouad Chehab Avenue. This stock offers a total of around 9,500 sqm of office area.

Ten (10) office projects are currently under way in the western part of Beirut. The total office area under construction (42,515 square meters) is 13% larger than 2018. Prices vary across projects, but generally lie between US\$ 3,000-US\$ 5,000 per square meter prior to negotiation, as per Ramco.

The largest commercial project currently under way in the capital is the extension of the Beirut Digital District campus in Bachour, which offers 17,500 SQM of office space.

### OFFICE PROJECTS UNDER CONSTRUCTION

Year	Number of Projects	Office Area
2019	24	113,127
2018	28	164,754
2017	32	191,528
2016	34	194,863
2015	37	195,694

Sources: Ramco Real Estate Advisers, Bank Audi's Group Research Department

## CORPORATE NEWS

### BALANCE SHEET OF FINANCIAL INSTITUTIONS TOTALS US\$ 1,514 MILLION AT END-JANUARY 2019

According to the latest statistics issued by the Central Bank of Lebanon, the total balance sheet of financial institutions amounted to US\$ 1,513.8 million at end-January 2019, down by 1.7% from end-2018.

In February 2018, the Banque du Liban has implemented the IFRS 9 accounting standards and therefore, some items have been reclassified. The balance sheet components have been compiled backwards till January 2017.

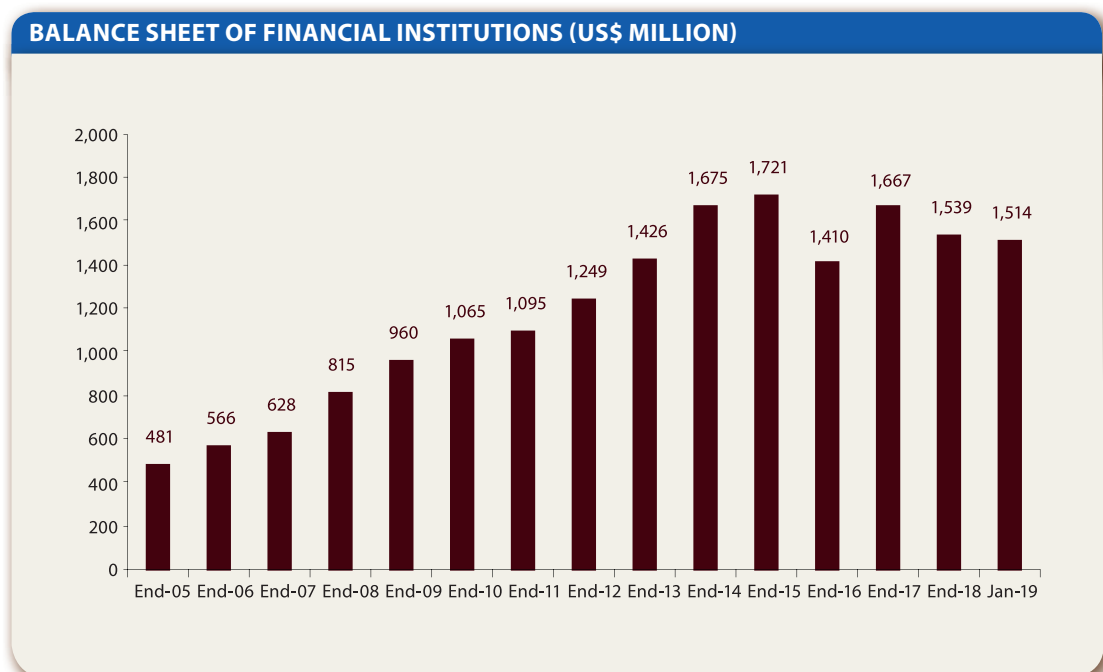
In details, currency and deposits with Central Banks rose from US\$ 44.6 million at end-2018 to US\$ 46.0 million at end-January 2019. Claims on resident customers declined by 1.9% from end-2018 to US\$ 662.3 million at end-January 2019. Claims on non-resident customers fell from US\$ 70.0 million at end-2018 to US\$ 60.4 million at end-January 2019.

Claims on resident financial sector fell from US\$ 331.8 million at end-2018 to US\$ 324.5 million at end-January 2019. Claims on non-resident financial sector increased by 5.3% from end-2018 to US\$ 99.2 million at end-January 2019. Claims on the public sector stood at US\$ 4.8 million at end-January 2019, nearly unchanged from end-2018.

Securities portfolio registered US\$ 109.2 million at end-January 2019, down by 1.9% from end-2018. Tangible assets reported US\$ 35.5 million at end-January 2019, up by 1.4% from end-2018. Intangible assets declined from US\$ 155.2 million at end-2018 to US\$ 155.3 million at end-January 2019.

On the liabilities side, resident customer deposits registered US\$ 150.3 million at end-January 2019, down by 4.6% from end-2018. Non-resident customer deposits fell to US\$ 18.3 million at end-January 2019, from US\$ 20.4 million at end-2018.

Resident financial sector liabilities stood at US\$ 364.9 million at end-January 2019, declining by 2.1% from end-2018. Non-resident financial liabilities decreased from US\$ 143.3 million at end-2018 to US\$ 137.7 million at end-January 2019.



Sources: Central Bank of Lebanon, Bank Audi's Group Research Department

Public sector deposits stood at US\$ 3.2 million at end-January 2019, down from US\$ 4.5 million at end-2018. Debt securities issued stood at US\$ 149.1 million at end-January 2019, unchanged from its level at end-2018. Capital accounts reported US\$ 501.0 million at end-January 2019, up from US\$ 468.3 million at end-2018.

### YAGHI GROUP TO OPEN FACTORY IN THE NORTH GOVERNORATE

Yaghi Group plans to open a new cream production facility in Dennieh this summer. The 4,000 square meters (sqm) factory will be built on a 25,000 sqm land plot. The group will invest US\$ 1 million in the factory.

Yaghi Group currently operates a facility in Aramoun, which will be turned into a warehouse once the Dennieh facility is up and running. The company produces around 500 kgs of cream per day. The new facility will increase production to two tons per day, as per the Group owner.

The needed machinery will be manufactured in Tripoli. The new facility will be built in compliance with international standards, as per the same source. Yaghi Group distributes its cream to restaurants and patisseries, and is eyeing overseas markets.

### LEBANESE CINEMAS GROSS BOX OFFICE RECEIPTS YIELD US\$ 33 MILLION IN 2018, AS PER INFOPRO

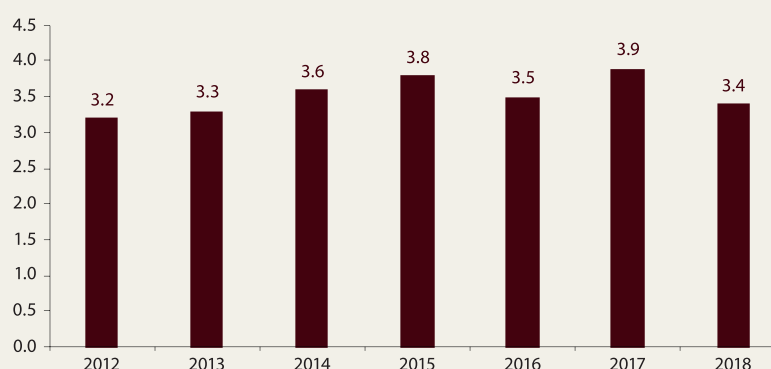
The increase in number of people watching Lebanese films was yet accompanied by a 13% drop in the total number of entry tickets last year, compared to 2017.

The number of moviegoers attending Lebanese films increased in the last two years, with the quarter of all movie tickets sold being for these movies, as per InfoPro.

Attendance of homegrown productions jumped from 230,000 people in 2014, to 430,000 in 2015, 605,000 in 2016, 900,000 in 2017, and 905,000 last year, as per the same source. Cinemas showed 22 local commercial and art house films in 2018, and the same number in 2017, increasing from 15 films in 2016.

Gross Box Office (GBO) receipts totaled US\$ 33 million last year, dropping from US\$ 37 million in 2017, as per the same source. The Grand Cinemas chain had the largest market share (38%), with 1.4 million visitors. It was followed by the Prime-Empire cinemas (1.2 million visitors), a market share of 31%, as per InfoPro. VOX Cinemas ranked third (559,000 visitors), with a 15% market share, followed by Cinemall (379,000 visitors) with a 10% market share, and Stargate (112,000) with 3% market share, and Planète (89,000 visitors), which has 2% of the market, as per the same source.

#### TOTAL NUMBER OF CINEMA VISITORS IN LEBANON (MILLIONS)



Source: InfoPro



## CAPITAL MARKETS

### MONEY MARKET: RESIDENT DEPOSITS GROW FOR THE SECOND CONSECUTIVE WEEK

The overnight rate remained stable at low levels over this week, closing at 4.0% on Friday, amid ample local currency liquidity on the money market within the context of a relaxed mood continuing to sway over the foreign exchange market. As to Certificates of Deposits, no subscriptions were made in shorter-term 45-day and 60-day categories.

In parallel, total resident banking deposits remained on the rise for the second consecutive week, as per the latest monetary aggregates released by the Central Bank of Lebanon for the week ending 21st of February 2019, in a sign of improved depositor confidence following the cabinet formation and amid rising hopes over the implementation of long-awaited reforms. In details, total resident banking deposits grew by LP 151 billion week-on-week, mainly driven by a LP 115 billion rise in total LP resident deposits amid a LP 113 billion increase in LP saving deposits as depositors sought to benefit from attractive LP rates offered by Lebanese banks on saving products. In addition, foreign currency deposits grew by LP 36 billion week-on-week (the equivalent of US\$ 24 million).

#### INTEREST RATES

	08/03/19	01/03/19	28/12/18	
Overnight rate (official)	3.90%	3.90%	3.90%	↔
7 days rate	4.00%	4.00%	4.00%	↔
1 month rate	4.75%	4.75%	4.75%	↔
45-day CDs	4.90%	4.90%	4.90%	↔
60-day CDs	5.08%	5.08%	5.08%	↔

Source: Bloomberg

### TREASURY BILLS MARKET: NOMINAL DEFICIT OF LP 171 BILLION DURING THE FIRST TWO MONTHS OF 2019

The latest Treasury bills auction results for value date 7th of March 2019 showed that the Central Bank of Lebanon has allowed banks to subscribe in full to the three-month category (offering a yield of 5.30%), the one-year category (offering a yield of 6.50%) and the five-year category (offering a coupon of 8.0%).

In parallel, the Treasury bills auction results for value date 28th of February 2019 showed that total subscriptions reached LP 260 billion and were distributed as follows: LP 6 billion in the six-month category (offering a yield of 5.85%), LP 175 billion in the three-year category (offering a coupon of 7.50%) and LP 79 billion in the seven-year category (offering a coupon of 9.0%). In parallel, maturities totaled LP 33 billion, resulting into a nominal weekly surplus of LP 227 billion.

On a cumulative basis, subscriptions reached LP 2,236 billion during the first two months of 2019, with longer-term tenors (the three-year, five-year, seven-year and ten-year categories) capturing 79% of the total. These compare to total maturities of LP 2,407 billion, resulting into a nominal deficit of LP 171 billion during the first two months of 2019. In parallel, the Central Bank of Lebanon continued to play the role of an intermediary between banks and the sovereign during the first two months of 2019, as reflected by a LP 290 billion expansion in its LP securities portfolio, noting that BDL's share in 2018 subscriptions reached 36.8%.

## TREASURY BILLS

	08/03/19	01/03/19	28/12/18	
3-month	5.30%	5.30%	4.44%	↔
6-month	5.85%	5.85%	4.99%	↔
1-year	6.50%	6.50%	5.35%	↔
2-year	7.00%	7.00%	5.84%	↔
3-year	7.50%	7.50%	6.50%	↔
5-year	8.00%	8.00%	6.74%	↔
7-year	-	9.00%	7.08%	
<b>Nom. Subs. (LP billion)</b>		<b>260</b>	<b>98</b>	
Short-term (3&6 mths)		6	4	
Medium-term (1&2 yrs)		-	11	
Long-term (3 yrs)		175	-	
Long-term (5 yrs)		-	83	
Long-term (7 yrs)		79	-	
<b>Maturities</b>		<b>33</b>	<b>124</b>	
<b>Nom. Surplus/Deficit</b>		<b>227</b>	<b>-26</b>	

Sources: Central Bank of Lebanon, Bloomberg

## FOREIGN EXCHANGE MARKET: MARKET PLAYERS SEEK TO BENEFIT FROM ATTRACTIVE LP INTEREST RATES

The foreign exchange market continued to witness FC-to-LP conversions over this week, yet at a slower pace relative to the previous week. Depositors continued to seek to benefit from attractive LP rates offered by Lebanese banks amid widening interest rate spreads between LP and US dollar deposit rates. Meanwhile, some demand for foreign currencies for commercial reasons continued to float on the surface.

## EXCHANGE RATES

	08/03/19	01/03/19	28/12/18	
LP/US\$	1,507.50	1,507.50	1,507.50	↔
LP/£	1,973.32	1,995.78	1,905.78	↑
LP/¥	13.57	13.47	13.66	↓
LP/SF	1,492.72	1,507.20	1,529.68	↑
LP/Can\$	1,120.65	1,147.70	1,107.48	↑
LP/Euro	1,690.36	1,712.37	1,724.73	↑

Source: Bank Audi's Group Research Department

## STOCK MARKET: EXTENDED PRICE GAINS ON THE BSE, SUPPORTED BY BANKING STOCKS

Lebanese equities continued to trace an upward trajectory for the second consecutive week, as reflected by a 2.3% rise in the BSE price index, mainly driven by price gains in the banking stocks. Five out of 12 traded stocks registered price increases, while two stocks posted price falls and five stocks saw no price change week-on-week.

Bank Audi's "listed" shares led the advance on the BSE this week, registering noticeable price gains of 16.1% to reach US\$ 5.40. Bank Audi's GDR price rose by 2.5% to close at US\$ 5.0. BLOM's GDR price closed 3.1% higher at US\$ 9.12. Byblos Bank's "listed" shares edged up by 0.8% to US\$ 1.33. In contrast, Solidere

"A" and "B" shares traced a downward trajectory this week, posting price declines of 5.2% and 2.9% respectively to close at US\$ 6.21 and US\$ 6.37 respectively.

The weekly performance of the domestic stock exchange compares to shy decreases in prices in broader regional stock exchanges (-0.9% as per the S&P Pan-Arab Composite Index) and falls in prices across emerging markets (-1.7% as per the S&P Emerging Frontier Super Composite Index).

As to trading activity, the BSE total turnover increased by 24.0% week-on-week, moving up from US\$ 6.0 million last week to US\$ 7.4 million. Solidere shares captured 61.1% of activity, followed by the banking shares with 38.8% and the industrial and trading shares with 0.2%.

#### AUDI INDICES FOR BSE

22/1/96=100	08/03/19	01/03/19	28/12/18	
Market Cap. Index	381.83	373.10	384.30	↑
Trading Vol. Index	62.98	50.78	227.09	↑
Price Index	83.33	81.43	83.87	↑
Change %	2.34%	0.65%	-0.70%	↑
	08/03/19	01/03/19	21/12/18	
Market Cap. \$m	9,058	8,851	9,117	↑
No. of shares traded (Exc. BT)	980,279	712,381	4,241,140	↑
Value Traded \$000 (Exc. BT)	7,400	5,969	21,393	↑
o.w. : Solidere	4,520	1,033	1,208	↑
Banks	2,869	4,894	20,107	↓
Others	11	42	78	↓

Sources: Beirut Stock Exchange, Bank Audi's Group Research Department

#### BOND MARKET: BOND PRICES ON THE DECLINE, TRACKING EMERGING MARKET WEAKNESS

Lebanese Eurobonds came under downward price pressures this week, tracking declines in emerging markets, as reflected by a circa 4% expansion in JP Morgan EMBIG Z-spread, after the Chinese exports fell to their lowest level in three years, fueling concerns about slowdown in global economic growth. Also, the revision of Lebanon's outlook by Standard and Poor's from "stable" to "negative" at the end of last week weighed on the Lebanese Eurobond market's activity. In parallel, some international institutional investors opted to leave room for a US\$ 12 billion sovereign bond issue launched by the State of Qatar.

Under these circumstances, internationals were net sellers on the Lebanese Eurobond market over this week, offering papers maturing in April 2021, October 2022, January 2023 and February 2030. As a result, the weighted average bond yield rose from 8.99% at the end of last week to 9.76% at the end of this week. Also, the weighted average bid Z-spread expanded by 87 bps week-on-week, moving from 676 bps last week to 763 bps. As to the cost of insuring debt, Lebanon's five-year CDS spreads expanded from 680-690 bps last week to 750-775 bps this week.

#### EUROBONDS INDICATORS

	08/03/19	01/03/19	28/12/18	
Total tradable size \$m	32,214	32,214	32,214	↔
o.w.: Sovereign bonds	30,964	30,964	30,964	↔
Average Yield	9.76%	8.99%	9.95%	↑
Z-Spread (bid in bps)	763	676	764	↑
Average Life	7.63	7.64	7.83	↓
Yield on US 5-year note	2.43%	2.53%	2.61%	↓

Source: Bank Audi's Group Research Department

## INTERNATIONAL MARKET INDICATORS

	08-Mar-19	01-Mar-19	31-Dec-18	Weekly change	Year-to-date change
<b>EXCHANGE RATES</b>					
YEN/\$	111.16	111.89	109.61	-0.7%	1.4%
\$/£	1.302	1.320	1.275	-1.4%	2.0%
\$/Euro	1.124	1.137	1.147	-1.1%	-2.0%
<b>STOCK INDICES</b>					
Dow Jones Industrial Average	25,450.24	26,026.32	23,327.46	-2.2%	9.1%
S&P 500	2,743.07	2,803.69	2,506.85	-2.2%	9.4%
NASDAQ	7,408.14	7,595.35	6,635.28	-2.5%	11.6%
CAC 40	5,231.22	5,265.19	4,730.69	-0.6%	10.6%
Xetra Dax	11,457.84	11,601.68	10,558.96	-1.2%	8.5%
FT-SE 100	7,104.31	7,106.73	6,728.13	0.0%	5.6%
NIKKEI 225	21,025.56	21,602.69	20,014.77	-2.7%	5.1%
<b>COMMODITIES (in US\$)</b>					
GOLD OUNCE	1,298.30	1,293.44	1,282.49	0.4%	1.2%
SILVER OUNCE	15.34	15.20	15.50	0.9%	-1.0%
BRENT CRUDE (per barrel)	65.74	65.07	53.80	1.0%	22.2%
<b>LEADING INTEREST RATES (%)</b>					
1-month Libor	2.49	2.48	2.50	0.01	-0.01
US Prime Rate	5.50	5.50	5.50	0.00	0.00
US Discount Rate	3.00	3.00	3.00	0.00	0.00
US 10-year Bond	2.63	2.75	2.68	-0.12	-0.05

Sources: Bloomberg, Bank Audi's Group Research Department

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