

CONTACTS

Treasury & Capital Markets

Bechara Serhal
(961-1) 977421
bechara.serhal@bankaudi.com.lb

Nadine Akkawi
(961-1) 977401
nadine.akkawi@bankaudi.com.lb

Private Banking

Toufic Aouad
(961-1) 954922
toufic.aouad@bankaudipb.com

Corporate Banking

Khalil Debs
(961-1) 977229
khalil.debs@bankaudi.com.lb

RESEARCH

Marwan Barakat
(961-1) 977409
marwan.barakat@bankaudi.com.lb

Jamil Naayem
(961-1) 977406
jamil.naayem@bankaudi.com.lb

Salma Saad Baba
(961-1) 977346
salma.baba@bankaudi.com.lb

Fadi Kanso
(961-1) 977470
fadi.kanso@bankaudi.com.lb

Gerard Arabian
(961-1) 964047
gerard.arabian@bankaudi.com.lb

Farah Nahlawi
(961-1) 959747
farah.nahlawi@bankaudi.com.lb

Nivine Turyaki
(961-1) 959615
nivine.turyaki@bankaudi.com.lb

The LEBANON WEEKLY MONITOR

Economy

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Lebanon's public finances statistics for the first four months of 2020 point to a 26.9% expansion in the government's fiscal deficit as a result of a drop in public revenues by 9.1% year-on-year, in light of the economic sluggishness amid weak real sector activity and the state of emergency declaration due to coronavirus over that period.

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Markets In Brief

p.9 STRONG FLUCTUATIONS IN LP/US\$ RATE IN BLACK MARKET ALONG SIGNIFICANT DROPS IN FX BUFFERS

After two months of negotiations with the IMF, and amid continuous efforts to reach an agreement on a unified figure of financial system's losses and international calls to start with much-needed economic reforms, Lebanon's capital markets saw this week strong fluctuations in the LP/US\$ rate, slight price declines on the equity market, and extended price falls on the bond market. In details, the LP/US\$ rate reached LP/US\$ 7,800-LP/US\$ 8,100 in the black market on Friday, after initiating the week below LP/US\$ 7000 and crossing above the LP/US\$ 9,000 threshold mid-week. Concurrently, BDL's foreign assets contracted significantly by US\$ 2.2 billion during the first half of July 2020 to reach US\$ 30.8 billion mid-July, as the Central Bank of Lebanon continued to inject US dollars into the FX market to support import needs. On the equity market, the BSE total turnover dropped by 29% week-on-week, while the price index retreated slightly by 0.5%. At the level of the bond market, Lebanese sovereigns saw extended price falls, with international institutional investors remaining net sellers in relatively low volumes.

LEBANON MARKETS: WEEK OF JULY 13 - JULY 19, 2020

Money Market



LP Tbs Market



LP Exchange Market



BSE Equity Market



Eurobond Market



CDS Market



ECONOMY

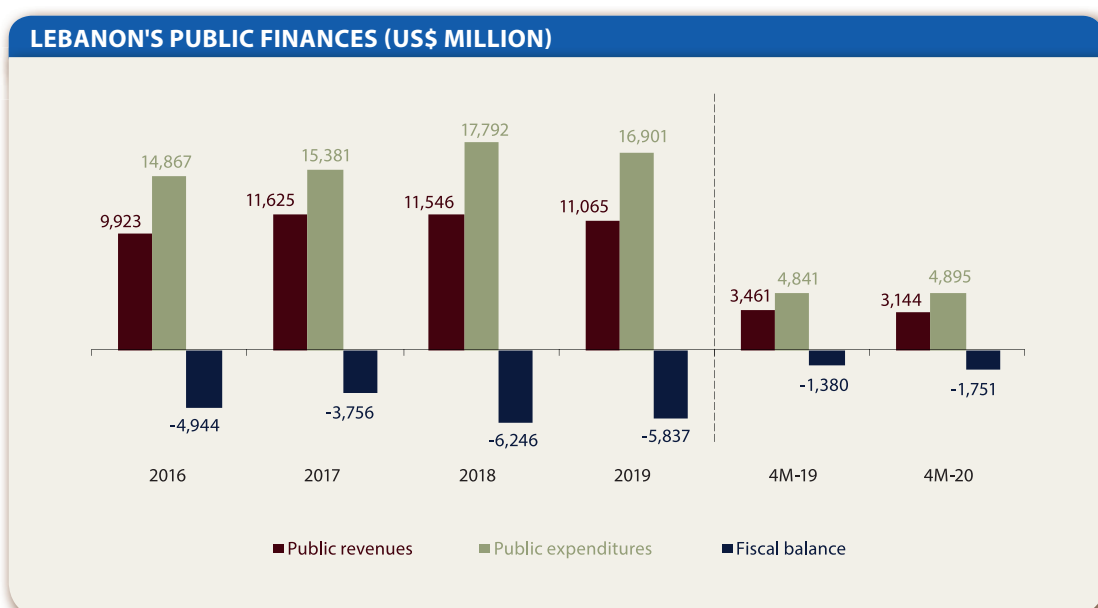
FISCAL DEFICIT EXPANDING BY 27% DURING THE FIRST FOUR MONTHS OF 2020

Lebanon's public finances statistics for the first four months of 2020 point to a 26.9% expansion in the government's fiscal deficit as a result of a drop in public revenues by 9.1% year-on-year, in light of the economic sluggishness amid weak real sector activity and the state of emergency declaration due to coronavirus over that period. In parallel, public expenditures slightly rose by 1.1%. As such, and despite the tangible drop in debt service, the primary balance shifted from a small primary surplus of US\$ 23 million to a primary deficit of US\$ 596 million between the two periods.

A detailed look at public finance statistics over the same period shows that public revenues went down from US\$ 3.5 billion during the first four months of 2019 to US\$ 3.1 billion during the first four months of 2020, while public expenditures reported a slight growth from US\$ 4.8 billion to US\$ 4.9 billion between the two periods. Accordingly, the public finance deficit went up from US\$ 1.4 billion during the first four months of 2019 to US\$ 1.8 billion during the corresponding period of 2020.

Going further into details, the decline in public revenues between the two periods came within the context of a drop in budget revenues by 22.1% coupled with a considerable increase in Treasury revenues. The decline in budget revenues was due to a 31.7% contraction in non-tax revenues (mainly as a result of a drop in Telecom revenues by 38.7%), while tax revenues reported a tangible decline by 20.1% on the back of a drop in VAT revenues by 52.2% and a decline in custom duties by 36.9%. Miscellaneous tax revenues went up by 1.4% between the two periods, mainly on the back of a 12.1% increase in receipts from taxes on income, profits and capital gains, driven by a significant increase in tax on interest by 50.8%, yet coupled with a 64.7% drop in built property taxes and 43.5% decline in proceeds from stamp fees. In parallel, the significant hike in Treasury revenues was triggered by a LP 644 billion refund in April 2020, representing BDL coupons for the months of January, February and March 2020.

In parallel, the net increase in public expenditures over the same period came within the context of a relative stagnation in budget expenditures (-0.2%) coupled with a 21.9% increase in Treasury expenditures. This tiny decline in budget expenditures was tied to a 17.7% drop in debt service amid a moderate increase in general expenditures by 7.6% over the first four months of 2020, when compared to the previous year's corresponding period, while the increase in Treasury expenditures was tied to an



Source: Ministry of Finance

82.2% growth in Municipalities transfers. In parallel, debt servicing totaled US\$ 1.2 billion in the first four months of 2020, down from US\$ 1.4 billion during the first four months of 2019. In fact, interest payments on LP denominated debt grew by 5.4% to reach US\$ 992 million, while debt servicing on FC debt declined by 64.7% to reach US\$ 163 million over the same period.

GROSS PUBLIC DEBT AT US\$ 92.9 BILLION AT END-APRIL 2020

The data published by the Ministry of Finance in Lebanon showed that the country's gross debt reached US\$ 92.9 billion at end-April 2020, up by 0.9% from the level seen at end-2019.

Domestic debt was higher by 1.0% from end-2019 to reach a total of US\$ 58.5 billion at end-April 2020.

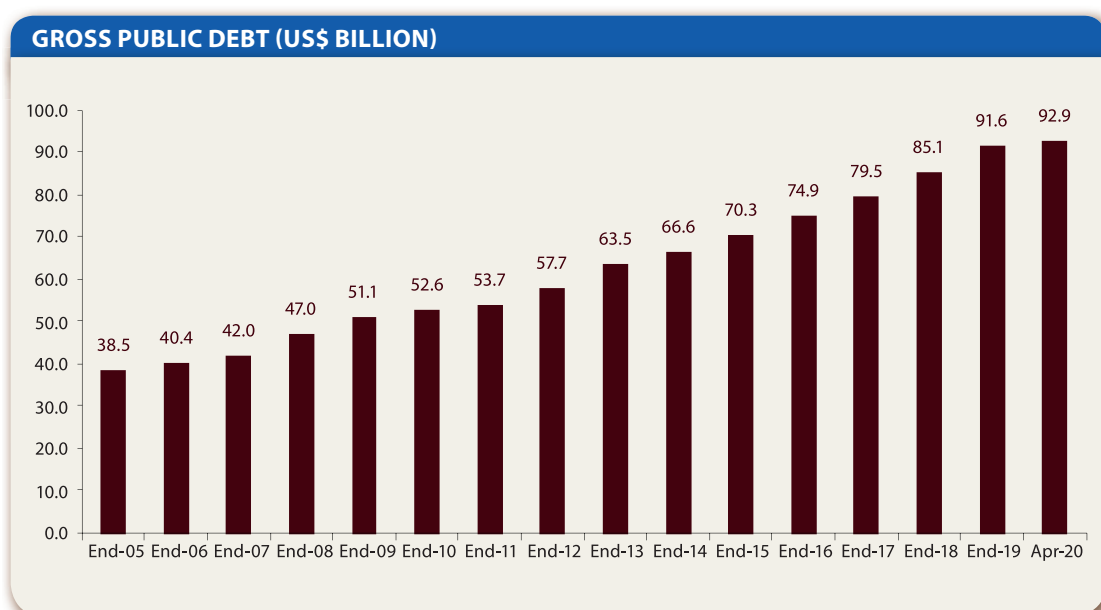
Lebanon's external debt rose by 1.9% from end-2019 to stand at around US\$ 34.4 billion at end-April 2020.

In this context, the public sector deposits at the Central Bank fell by 19.7% from end-2019 to stand at US\$ 4.4 billion at end-April 2020.

The public sector deposits at commercial banks edged down by 3.2% from end-2019 to reach US\$ 4.8 billion at end-April 2020.

As such, net public debt, which excludes the public sector deposits at the Central Bank and commercial banks from overall debt figures, increased by 2.5% from end-2019 to reach a total of US\$ 83.2 billion at end-April 2020.

Net domestic debt amounted to US\$ 49.3 billion at end-April 2020, up by 2.5% from end-2019.



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

NUMBER OF BUILT AND UNBUILT REAL ESTATE SALES TRANSACTIONS UP BY 25.3% IN FIRST HALF OF 2020

Lebanon's real estate sector encountered a relatively better performance in the first half of 2020, seeing increases of major activity indicators, namely property transactions.

More specifically, the country's total built sales transactions rose by 32.2% in the first six months of 2020 and the total number of unbuilt sales transactions expanded by 19.7% annually in the aforementioned period.

Moving on to real estate sales transactions by region, Beirut witnessed a rise of 55.7% in the number of built sales transactions and an increase of 35.9% in the number of unbuilt sales transactions.

Furthermore, Baabda saw expansions of 34.1% and 38.0% in the number of built and unbuilt sales transactions respectively.

In Metn, the number of built real estate transactions improved by 26.7% annually in the first six months of 2020 and the number of unbuilt real estate transactions expanded by 78.4%.

Last but not least, combining all other regions including Jounieh, the North of Lebanon, Saida, Nabatieh and Zahle, their number of built transactions rose by 25.6% annually in the first half of 2020.

Total unbuilt real estate transactions in the aforementioned regions increased by 11.5% from the same period of the previous year.

NUMBER OF BUILT/UNBUILT REAL ESTATE SALES TRANSACTIONS BY REGION

	1H2019		1H2020	
	Built	Unbuilt	Built	Unbuilt
Beirut	1,405	181	2,188	246
Baabda	2,158	1,707	2,893	2,356
Metn	1,884	694	2,387	1,238
Jounieh	1,125	1,036	1,744	1,610
North 1	936	802	779	658
North 2	475	1,450	542	1,583
Saida	898	1,742	1,154	2,296
Nabatieh	328	1,502	413	1,643
Zahle	356	2,586	542	2,373
Total	9,565	11,700	12,642	14,003

Source: Directorate General of Land Registry and Cadastre

SURVEYS

LEBANON RANKS 87TH GLOBALLY AND 14TH IN MENA REGION IN REAL ESTATE TRANSPARENCY, SAYS JLL

According to a recent report by Jones Lang LaSalle (JLL) titled "Global Real Estate Transparency Index 2020", Lebanon ranked 87th in the world and 14th in the MENA region with a score of 4.38. Political and social headwinds overshadowed any potential progress toward improving real estate transparency in Lebanon, as per the report.

The report assesses real estate transparency conditions in 99 markets around the globe using 210 indicators to calculate a composite score ranging between 1.00 and 5.00. JLL accordingly categorizes each market from highly transparent (score: 1.00 - 1.96) to opaque (score: 4.17 - 5.00) and releases its findings on a biennial basis. The index aims at helping real estate investors, retailers, and corporate occupiers understand the specifications and characteristics of the real estate sector in each of the covered countries when transacting (owning or renting) in foreign markets.

Moving on to the MENA region, Lebanon ranked 14th out of 17 countries, attaining a score of 4.38. It was followed by Algeria which ranked 91st globally with a score of 4.44, and Iraq which ranked 97th globally with a score of 4.60. On the other hand, it was preceded by Tunisia which ranked 86th globally with a score of 4.36, and Oman which ranked 81st globally with a score of 4.16.

Regionally, Dubai ranked top, benefiting from the most transparent real estate market among its peers, as per the JLL report. Globally, it ranked 36th with a score of 2.75. It was followed by Abu Dhabi which had a global rank of 48 with a score of 3.10.

Globally, the United Kingdom topping the list of countries posting a score of 1.31. It was followed by the United States which achieved a score of 1.35. Next came Australia which attained a score of 1.39.

REAL ESTATE TRANSPARENCY IN MENA 2020

Transparency	Global Rank	Market	Score
Semi	36	UAE-Dubai	2.75
	48	UAE-Abu Dhabi	3.10
	57	Saudi Arabia	3.40
Low	60	Egypt	3.52
	61	Morocco	3.60
	66	Jordan	3.69
	70	Bahrain	3.83
	73	Pakistan	3.88
	74	Kuwait	3.98
	75	Qatar	4.03
	76	Iran	4.07
Opaque	81	Oman	4.16
	86	Tunisia	4.36
	87	Lebanon	4.38
	91	Algeria	4.44
	97	Iraq	4.60
	99	Libya	4.73

Sources: Jones Lang LaSalle, Bank Audi's Group Research Department

LEBANON RECEIVES MODERATE SCORE OF 49.8 OUT OF 100 ON TRADE AND INVESTMENT RISK INDEX, SAYS FITCH SOLUTIONS

According to a recent report by Fitch Solutions, despite offering one of the most welcoming policies for international trade and foreign investment in the MENA region, Lebanon is becoming an increasingly high-risk location for FDI.

The economy is vulnerable to domestic and regional volatility relating to the unstable domestic and regional environments, as well as capital outflows, especially given that the country depends highly on risk sensitive sectors, such as banking, tourism and real estate, as per the report.

Furthermore, the Covid-19 pandemic is having a negative impact on the demand for key exports and economic growth, while the weak rule of law and high corruption means that protection of physical and intellectual property is lacking, and judicial dispute resolution is beset with delays, as per Fitch Solutions.

On the positive side, the country provides a number of incentives in certain targeted sectors and a low corporate tax rate for all firms, and is highly open both to trade and FDI. Consequently, Lebanon receives a moderate score of 49.8 out of 100 on the Trade and Investment Risk Index, which ranks it in the middle of the pack regionally, in 10th place out of 18 MENA states and 99th globally.

At the legal level, corruption permeates every level of Lebanon's public sector and the poor legal system is unable to effectively tackle graft, resolve contractual disputes efficiently or provide protection for intellectual property rights.

Malpractice is most prevalent in taxation, real estate registration, parliament, the police and the judiciary. In addition, bureaucratic procedures are somewhat onerous, placing investors at a high risk of confronting significant and unanticipated barriers or costs often late in the process.

At the government intervention level, the Lebanese government is committed to a free market and non-interventionist approach in the economy. The tax burden on businesses is low in terms of costs incurred and time lost to administrative procedures, while the banking sector is well developed and offers strong access to international financial markets compared to other states in the region.

However, inherent risks threaten the economic structure in the medium term, as per Fitch Solutions. The availability of credit remains somewhat restricted by the lack of liquidity and limited risk appetite in the market.

Last but not least, at the level of economic openness, Lebanon has a tradition of free trade and liberal investment policies, with a combination of free market pricing and an unrestricted exchange and trade system, thus boosting its competitiveness against regional peers. The government continues to favour a strong role for the private sector in a liberal policy environment, according to Fitch Solutions. However, the crisis in neighbouring Syria has negatively affected Lebanon's operating environment, with the influx of a large number of refugees straining public finances for the government, which is one of the most indebted in the world. The conflict has also obstructed Lebanon's access to major markets and a transport corridor through the Levant.

CORPORATE NEWS

NET PROFITS OF BLOM BANK DOWN TO US\$ 115.4 MILLION IN 2019

BLOM Bank posted net profits of US\$ 115.4 million in 2019, falling by 77.4% from US\$ 511.6 million in 2018.

Net profits emanated mostly from units outside Lebanon, especially from the unit operating in Egypt which constituted 43% of consolidated profits. As to branches operating in Lebanon, they did not generate any profits in 2019, as a result of the provisions that the bank took in accordance with Banque Du Liban's (BDL) circulars, so as to cover for the credit risks arising from the current conditions prevailing in Lebanese financial markets.

Net interest income amounted to US\$ 746.0 million in 2019, down by 11.2% from US\$ 840.6 million recorded in the previous year.

Net fee and commission income declined from US\$ 142.5 million in 2018 to reach US\$ 138.7 million in 2019.

Net loss on financial assets at fair value through profit and loss reported US\$ 74.2 million in 2019.

Net operating income declined from US\$ 1.0 billion in 2018 to US\$ 563.8 million last year.

Total operating expenses went down by 10.8% year-on-year to US\$ 343.5 million in 2019, of which personnel charges reached US\$ 191.1 million, 17.3% lower than those reported in 2018, and other operating expenses recorded US\$ 125.7 million in 2019, 1.6% lower than those in the previous year.

Net impairment loss on financial assets rose from US\$ 11.2 million in 2018 to US\$ 327.0 million in 2019.

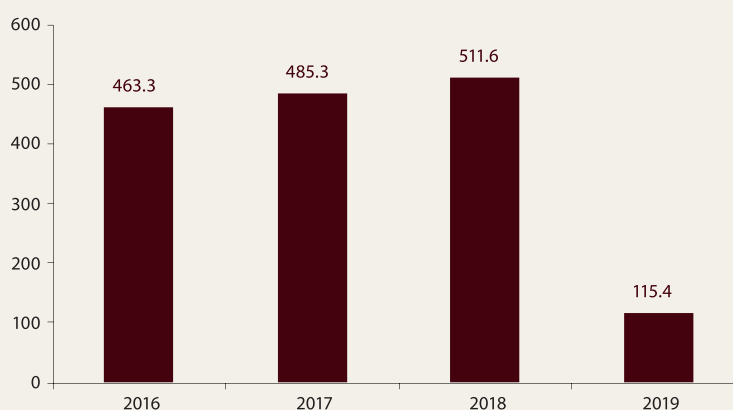
BLOM Bank's total assets amounted to US\$ 33.3 billion at end-2019 against US\$ 36.7 billion at end-2018.

Net loans and advances stood at US\$ 5.8 billion at end-2019, declining from US\$ 7.2 billion at end-2018.

Customers' deposits decreased to US\$ 26.5 billion at end-2019.

Total shareholders' equity fell by 3.4% to US\$ 3.2 billion at end-2019.

BLOM BANK'S NET PROFITS (US\$ MILLION)



Sources: BLOM Bank, Bank Audi's Group Research Department

"SOFFA" APPLICATION AIMS TO DIGITIZE PARKING IN LEBANON

The start-up Sofa has set itself the task of digitizing the access of parking lots. The application aims at removing parking tickets and is available on Android and the App Store, whereby everything is done online.

The users register their bank details and their license plate on the platform and when they access the car park, their plate is identified by the smart camera developed by Sofa, and the barriers are raised automatically.

At the exit, the customer is charged according to the parking time. From an environmental point of view, the dematerialization of the ticket makes it possible to reduce waste, in the era of the coronavirus, this also makes it possible to avoid handling cash, in line with health recommendations. Finally, for the client, it is an undeniable saving of time, explains one of the founders.

Behind the initiative, five individuals from various professional backgrounds. The idea started to ripen in July 2017, as they wanted to modernize the parking experience, as per the same source.

To develop the license plate recognition system, they are using the services of an intelligent video analysis start-up founded by two Lebanese developers. They were looking for Lebanese technology, as per another founder.

The deal is immediate, and the two entrepreneurs will join Sofa as founding members.

In December 2019, the start-up, which finalized its product on equity, launched a pilot project at ABC Achrafie.

Sofa is now available in all three ABC malls. The founders are in discussion with other centers and a parking lot. The start-up, which now employs 12 people, has registered more than 25,000 registrations and 1,500 daily uses, as per one of the founders.

The founders take care of everything from the deployment of the cameras to the installation of the support systems, to the implementation, as per one of the founders.

It is the customer who pays for Sofa's services, who charges a commission of 10% of the initial price of the parking lot. Apart from shopping centers, the start-up targets hospitals and universities, with "the long-term objective of digitizing all parking spaces in Lebanon".

Beyond Lebanon, Sofa also wants to develop internationally, starting with the Gulf countries.

Finally, in terms of the protection of personal data, a subject that could cool some of them, the team reassures: the application respects the general data protection regulations.

ANALOGUE OPENS ON SURSOCK STREET

A new F&B outlet opens its doors on Sursock Street, in place of the Julia's restaurant. Analogue is a cocktail bar and restaurant with an international menu.

The owner invested US\$ 300,000 in the building, as per Le Commerce du Levant.

Analogue can accommodate up to 120 people and has a 150 square meters terrace.

CAPITAL MARKETS

MONEY MARKET: WEEKLY CONTRACTIONS IN TOTAL RESIDENT DEPOSITS, ON FC DEPOSIT DECLINES

With the local currency liquidity remaining quite abundant on the money market this week, the overnight stood at 3%, noting that its official rate is quoted at 1.90%.

In parallel, the latest monetary aggregates released by the Central Bank of Lebanon for the week ending 2nd of July 2020 showed that total resident banking deposits contracted by LP 445 billion. This is mainly attributed to a LP 601 fall in foreign currency resident deposits, while total LP resident deposits expanded by LP 156 billion amid a LP 590 billion drop in LP saving deposits and a LP 746 billion increase in LP demand deposits. Accordingly, the money supply in its largest sense (M4) grew by LP 16 billion over the covered week amid a LP 478 billion increase in the currency in circulation and a LP 17 billion decrease in the non-banking sector Treasury bills portfolio.

On a cumulative basis, total resident banking deposits contracted by LP 15,208 billion since the beginning of the year 2020 amid a LP 12,585 billion fall in total LP resident deposits and a LP 2,623 billion decline in foreign currency resident deposits.

INTEREST RATES

	17/07/20	10/07/20	27/12/19	
Overnight rate (official)	1.90%	1.90%	3.90%	↔
7 days rate	2.00%	2.00%	4.00%	↔
1 month rate	2.75%	2.75%	4.75%	↔
45-day CDs	2.90%	2.90%	4.90%	↔
60-day CDs	3.08%	3.08%	5.08%	↔

Source: Bloomberg

TREASURY BILLS MARKET: NOMINAL WEEKLY DEFICIT OF LP 11 BILLION

The latest Treasury bills auction results for value date 16th of July 2020 showed that the Central Bank of Lebanon allowed banks to subscribe in full to the six-month category (offering a yield of 4.0%), the three-year category (offering a coupon of 5.50%) and the seven-year category (offering a coupon of 6.50%).

In parallel, the Treasury bills auction results for value date 9th of July 2020 showed that total subscriptions amounted to LP 86 billion, distributed as follows: LP 8 billion in the three-month category (offering a yield of 3.50%), LP 15 billion in the one-year category (offering a yield of 4.50%) and LP 62 billion in the five-year category (offering a coupon of 6.0%). These compare to maturities of LP 96 billion, resulting into a nominal weekly deficit of LP 11 billion.

TREASURY BILLS

	17/07/20	10/07/20	27/12/19	
3-month	3.50%	3.50%	5.30%	↔
6-month	4.00%	4.00%	5.85%	↔
1-year	4.50%	4.50%	6.50%	↔
2-year	5.00%	7.00%	7.00%	↔
3-year	5.50%	5.50%	7.50%	↔
5-year	6.00%	6.00%	8.00%	↔
7-year	6.50%	-	9.00%	
Nom. Subs. (LP billion)		86	120	
Short-term (3&6 mths)		8	-	
Medium-term (1&2 yrs)		15	20	
Long-term (3 yrs)		-	-	
Long-term (5 yrs)		62	100	
Maturities		96	61	
Nom. Surplus/Deficit		-11	59	

Sources: Central Bank of Lebanon, Bloomberg

FOREIGN EXCHANGE MARKET: STRONG FLUCTUATIONS IN LP/US\$ RATE

The foreign exchange black market saw strong fluctuations in the LP/US\$ exchange rate over this week. After initiating the week below LP/US\$ 7,000 and crossing above the LP/US\$ 9,000 threshold mid-week, the Lebanese pound closed at LP 7,800-LP 8,100 against the US dollar on Friday. This compared to a rate of LP/US\$ 7,900-LP/US\$ 8,100 at the end of last week.

The fluctuations in the LP/US\$ exchange rate came within the context of: 1) a sustained loss of the confidence factor; 2) a significant LP money creation, as LP 14,000 billion were printed since the start of the civic unrest in October 2019, according to the resigned director-general of the Finance; 3) declining financial inflows; and 4) dwindling foreign currency reserves, as the Central Bank of Lebanon continued to inject US dollars into the FX market to support import needs.

The Central Bank of Lebanon's latest bi-monthly balance sheet ending 15th of July 2020, showed that BDL's foreign assets contracted significantly by US\$ 2.2 billion during the first half of the month to reach US\$ 30.8 billion mid-July. Within this context, it is worth recalling that the Central Bank governor said last week that usable FX reserves are estimated at around US\$ 20.3 billion. Concurrently, Lebanese banks raised this week the exchange rate for withdrawals from US dollar and foreign currency accounts from LP/US\$ 3,850 to LP/US\$ 3,900. This complies with the exchange rate set by the money changers syndicate at a minimum buying price of LP/US\$ 3,850 and a maximum selling price of LP/US\$ 3,900.

EXCHANGE RATES

	17/07/20	10/07/20	27/12/19	
LP/US\$	1,507.50	1,507.50	1,507.50	↔
LP/£	1,893.87	1,899.00	1,970.00	↑
LP/¥	14.07	14.12	13.77	↑
LP/SF	1,599.13	1,600.66	1,543.78	↑
LP/Can\$	1,110.74	1,107.40	1,150.59	↓
LP/Euro	1,721.11	1,701.36	1,679.20	↓

Source: Bank Audi's Group Research Department

STOCK MARKET: SLIGHT WEEKLY EQUITY PRICE DECLINES

The BSE total turnover contracted by 28.8% week-on-week, moving from US\$ 8.8 million last week to US\$ 6.3 million. Solidere shares captured 81.1% of activity, followed by the banking shares with 18.9% and the industrial shares with 0.03%.

As far as prices are concerned, the BSE price index retreated by 0.5% this week. Four out of eight traded stocks registered price falls, while two stocks posted price gains and two stocks saw no price change week-on-week. A closer look at individual stocks shows that Solidere "A" share price edged up by 0.3% to US\$ 15.0, while Solidere "B" share price fell by 1.3% to US\$ 14.80. As to banking stocks, Byblos Bank's "listed" share price shed 11.1% to US\$ 0.40. Bank Audi Preferred shares "I" registered a 20.0% plunge in prices to close at US\$ 39.95. BLOM's GDR price went down by 0.7% to US\$ 2.98. In contrast, Bank Audi's "listed" share price rose by 1.1% to US\$ 0.95. BLOM's "listed" share price stood unchanged at US\$ 3.18. Amongst industrials, Ciments Blancs Nominal's share price remained stable at US\$ 3.80.

AUDI INDICES FOR BSE

22/1/96=100	17/07/20	10/07/20	27/12/19	
Market Cap. Index	287.59	288.95	316.37	↓
Trading Vol. Index	55.29	77.62	24.97	↓
Price Index	61.17	61.46	69.36	↓
Change %	-0.47%	2.16%	2.37%	↓
	17/07/20	10/07/20	27/12/19	
Market Cap. \$m	6,823	6,855	7,506	↓
No. of shares traded (Exc. BT)	463,150	671,126	333,997	↓
Value Traded \$000 (Exc. BT)	6,275	8,812	2,294	↓
o.w. : Solidere	5,088	8,764	2,294	↓
Banks	1,185	48	0	↑
Others	2	0	0	↑

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

BOND MARKET: FURTHER BOND PRICE CONTRACTIONS WEEK-ON-WEEK

Lebanese Eurobonds continued to trace a downward trajectory during this week, amid lingering concerns that a recent FX depreciation would create pressure for even higher haircuts on sovereigns. Within this context, international institutional investors remained net sellers in relatively small volumes across the yield curve. This resulted into weekly bond price contractions ranging between 0.13 pt and 0.38 pt. As such, prices of Lebanese Eurobonds hovered between 15.13 cents per US dollar and 18.0 cents per US dollar at the end of this week.

Within this context, it is worth mentioning that Lebanese Eurobonds recorded price falls ranging between 5.50 pts and 9.75 pts since March 9, 2020, the date when the Lebanese government suspended the payment of a US\$ 1.2 billion maturing bond.

EUROBONDS INDICATORS

	17/07/20	10/07/20	27/12/19	
Total tradable size \$m	32,664	32,664	29,564	↔
o.w.: Sovereign bonds	31,314	31,314	28,314	↔
Average Yield	75%	73%	29.99%	↑
Average Life	7.47	7.48	7.50	↓
Yield on US 5-year note	0.27%	0.27%	1.71%	↔

Source: Bank Audi's Group Research Department

INTERNATIONAL MARKET INDICATORS

	17-July-20	10-July-20	31-Dec-19	Weekly change	Year-to-date change
EXCHANGE RATES					
YEN/\$	107.03	106.94	108.64	0.1%	-1.5%
\$/£	1.257	1.258	1.326	-0.1%	-5.2%
\$/Euro	1.143	1.127	1.121	1.4%	1.9%
STOCK INDICES					
Dow Jones Industrial Average	26,671.95	26,075.30	28,538.44	2.3%	-6.5%
S&P 500	3,224.73	3,185.04	3,230.78	1.2%	-0.2%
NASDAQ	10,503.19	10,617.44	8,972.60	-1.1%	17.1%
CAC 40	5,069.42	4,970.48	5,978.06	2.0%	-15.2%
Xetra Dax	12,919.61	12,633.71	13,249.01	2.3%	-2.5%
FT-SE 100	6,290.30	6,095.41	7,542.44	3.2%	-16.6%
NIKKEI 225	22,696.42	22,290.81	23,656.62	1.8%	-4.1%
COMMODITIES (in US\$)					
GOLD OUNCE	1,810.42	1,800.70	1,517.27	0.5%	19.3%
SILVER OUNCE	19.33	18.61	17.85	3.9%	8.3%
BRENT CRUDE (per barrel)	43.14	41.89	62.93	3.0%	-31.4%
LEADING INTEREST RATES (%)					
1-month Libor	0.18	0.16	1.76	0.02	-1.58
US Prime Rate	3.25	3.25	4.75	0.00	-1.50
US Discount Rate	0.25	0.25	2.25	0.00	-2.00
US 10-year Bond	0.63	0.60	1.92	0.03	-1.29

Sources: Bloomberg, Bank Audi's Group Research Department

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