

COUNTRY RISK WEEKLY BULLETIN

NEWS HEADLINES

WORLD

Trade freedom improves in 2010

The 2010 Trade Freedom Index in 179 countries indicates that many countries have continued to lower tariffs and cut other barriers to trade, as the average trade freedom around the world rose from 73.2% in 2009 to 74.2% in 2010. The trade freedom scores for 2010 are based on trade-weighted average tariff rates and non-tariff barriers that affect imports and exports of goods and services. The average global tariff rates fell by 0.5 points from 7.3% in 2009 to 6.8% in 2010, while the average penalty for non-tariff barriers to trade rose by 0.2 points from 11.7% in 2009 to 11.9% in 2010. Action to improve trade freedom overall was broad-based throughout the world, with 83 countries scoring at least a point higher in 2010 than in 2009. Further, seven countries that include Egypt, Belarus and India improved their score by at least 10 points. In contrast, 37 countries saw a decrease in trade freedom of at least one point, with the Bahamas, the Kyrgyz Republic and Benin regressing the most as their scores dropped by at least 10 points each. Also, 59 countries showed modest increases or decreases of less than one point in their scores.

Source: *Heritage Foundation, Wall Street Journal*

EMERGING MARKETS

Global M&As increasingly driven by emerging economies

Figures released by the OECD show that the average monthly merger and acquisition (M&A) activity in the past 12 months was just under \$50bn, a level last reached in April 2006. The OECD said global M&A activity is currently at its lowest level since the beginning of the global economic crisis, at around 35% of the levels reached during the period stretching from March 2007 to February 2008. It added that the global economic crisis has led to changes in the distribution of the global sources of international investment, as 96% of international M&A activity originated from OECD countries in 2000, with this share declining to 84% in 2007, and dropping further during the crisis to 75% in 2009. As such, non-OECD countries now account for 25% of international M&A activity, up from 4% in 2000. It noted that the increase in international investment from the non-OECD area implies that, for the past 3 years, non-OECD countries have played a more important role as sources of global investment than they have as hosts for investment in the global economy. It noted, however, that the trend for south-south M&As is sharply down, as the share of south-south M&As fell from 60% in 2003 to 30% in 2009.

Source: *OECD*

MENA

Electronic participation declines in Arab world, remains below global trends

The United Nations' Electronic Participation Index for 2010 shows that e-participation in the Arab world regressed in 2010, as the region's average score declined by 9% to 0.1770 points from 2008 and remained below the global average of 0.2047 points. The index is an assessment of 21 public informative and participatory services and facilities in e-information, e-consultation and e-decision making. It measures the quality, relevance and usefulness of the information that the government presents on its websites, and analyzes how the government interacts with the people and encourages their input online, as well as how well it promotes e-government services. It also assesses the degree of the government's willingness to encourage the public to be active in promoting participatory decision-making in public policy matters. The scores of 7 Arab countries improved and those of 11 countries deteriorated, while the rankings of 6 countries increased and those of 12 countries dropped from the 2008 survey. Tunisia's rank improved by 113 spots, posting the biggest jump among Arab countries, while Iraq regressed the most, dropping by 75 spots. Bahrain was the highest ranked Arab country and came in 11th place globally, while Algeria and Syria came last in 157th place worldwide. In parallel, the rankings of 15 Arab countries improved from the 2005 survey, while those of the UAE, Saudi Arabia and Algeria regressed during the five-year period.

Source: *United Nations, Byblos Research*

GHANA

Accra to set up two sovereign wealth funds

The Ministry of Finance & Economic Planning announced plans to create two sovereign wealth funds from future oil revenues. Ghana is on track to become a commercial oil exporter by the end of this year. The proposal calls for the creation of an independent account at the Bank of Ghana for collecting all oil receipts. The revenues will primarily support budget spending, including agriculture and infrastructure projects, but surplus revenues will be diverted quarterly into the Ghana Heritage Fund and the Ghana Stabilization Fund, two new funds to be established. The Ghana Heritage Fund would provide long-term preservation of Ghana's oil wealth and would receive 75% of excess oil receipts, while the Ghana Stabilization Fund would be used to fill short-term budget gaps and receive 25% of excess oil revenues. The proposal also rules out government borrowing against future crude production in the country. The ministry will submit the plan to Parliament as a bill. Production from Ghana's offshore Jubilee oil field is scheduled to begin in November, with output reaching 120,000 barrels per day within six months of start up.

Source: *Ministry of Finance & Economic Planning*

OUTLOOK

UAE

Dubai outlines debt restructuring strategy, to recapitalize Dubai World and Nakheel

The Dubai Government submitted to creditors restructuring plans for Dubai World and one of its key subsidiaries, real estate developer Nakheel. The government has proposed, through its Dubai Financial Support Fund (DFSF), to convert \$8.9bn of debt and claims, representing 38% of the total amount of stand-alone debt and guarantees of Dubai World, into equity, thereby subordinating its claims to other creditors. It also pledged through the DFSF to commit up to \$1.5bn of cash into Dubai World to fund the company's working capital and interest payment commitments that will arise from the new debt facilities. It added that non-DFSF creditors will receive 100% principal repayment through the issuance of two tranches of new debt with 5- and 8-year maturities. The proposal covers \$14.2bn in outstanding debt, excluding the existing DFSF claims. It noted that the tribunal framework, established by the Government of Dubai in December 2009, "remains available to protect Dubai World and its companies."

In parallel, the Dubai Government announced that Nakheel will be recapitalized to meet all obligations. It pledged to provide through the DFSF about \$8bn directly to Nakheel to fund operations and settle liabilities. In addition, the DFSF has proposed to convert its existing \$1.2bn debt claim in Nakheel into equity. It said trade creditors would recover 40% of their claims through a cash payment, and 60% in the form of a publicly tradable security at commercial rates. Also, secured lenders under syndicated, club and bilateral facilities will receive 100% of principal and accrued interest or profits through a rollover and maturity extension on existing facilities. It added that the 2010 and 2011 Nakheel Sukuk will be paid upon maturity, "assuming sufficient support for the proposal"; while holders of Nakheel's unsecured facility will receive 100% of principal and accrued interest or profits through a new debt facility with any existing third party credit support remaining in place. The Dubai Government said the DFSF will swap \$8bn of Nakheel debt into equity, subject to the successful closing of the Nakheel and Dubai World restructuring. Nakheel said it will use a significant proportion of the funds to complete the construction of near-term projects.

Source: Dubai World, Nakheel

MAURITANIA

Non-oil growth at 5.2% in 2010, current account deficit at 12% of GDP

The International Monetary Fund projected Mauritania's non-oil real GDP growth at 5.2% and overall real GDP growth at 4.6% this year, up from non-oil GDP contraction of 0.9% and overall GDP decline of 1.1% in 2009. The Fund stressed that sustaining high economic growth over the long term will require sound macroeconomic policies and broad-based structural reforms to promote private sector development and increase the resilience of the economy to external shocks. It advised authorities to stand ready to increase the policy rate if any signs of inflationary pressures emerge, and projected inflation to average 4.8% this year. The Fund welcomed the reestablishment of the

foreign exchange auction system and the authorities' commitment to a flexible exchange rate, adding that greater exchange rate flexibility will facilitate the adjustment to external shocks.

The IMF indicated that the country's non-oil fiscal deficit remained high at 5.4% of non-oil GDP in 2009, as the government's spending adjustment efforts have not kept pace with declining revenues. It considered fiscal consolidation to be a high priority and forecast non-oil fiscal deficit at 3.8% of GDP this year as it stressed that medium-term fiscal sustainability will depend on further broadening the revenue base, strengthening tax and customs administration, containing the wage bill, and reducing non-essential recurrent spending. It estimated the current account deficit to decline to 12% of GDP in 2010 from 12.7% of GDP in 2009; and noted that gross foreign reserves reached about \$238m at end-2009, or 2.2 months of imports of goods and services, and would increase slightly to \$248m or 2.5 months of imports of goods and services this year. The Fund stressed the importance of increased donor support on concessional terms to address the country's financing needs. It encouraged the authorities to accelerate efforts to conclude bilateral negotiations with the remaining non-Paris Club creditors. It also encouraged the authorities to continue their banking sector reform strategy to further strengthen the financial sector and enhance banking intermediation.

Source: International Monetary Fund

CÔTE D'IVOIRE

Growth to slow to 3% in 2010, implementing reforms and reducing deficit are key challenges

The International Monetary Fund indicated that economic growth in Côte d'Ivoire accelerated to 3.8% in 2009 despite the global crisis, achieving a positive per capita growth rate for the first time since 1998. It said the agriculture sector posted significant progress, which benefited industry and services; while the external current account shows a sizeable surplus due to a substantial improvement in the terms of trade. It added that the budget posted a deficit of 1.6% of GDP, in line with earlier commitments. It noted that structural reform implementation was slow, particularly in the electricity sector, medium-term sustainability of the government wage bill, and improvement of the business environment. However, it projected economic growth of 3% this year and inflation to reach 2.5% at end-2010. It noted that the economic program for 2010 is being pursued in an economic environment that has deteriorated significantly, as the sociopolitical events of February and recent power shortages have led to a slowdown in activity. The Fund stated that controlling budget deficits should remain a key pillar of the economic program, and that efforts to collect revenues should be intensified. It expected significant progress in the implementation of structural reforms in 2010 through measures to gradually eliminate the electricity sector deficit and ensure the sustainability of the power supply; ensure the medium-term sustainability of the government wage bill; and improve the business climate and economic governance.

Source: International Monetary Fund



ECONOMY & TRADE

QATAR

Government-related issuers closer to being downgraded

Moody's Investors Service placed the ratings of several government-related issuers (GRIs) in Qatar on review for possible downgrade. It said the bond ratings of liquefied natural gas companies Ras Laffan 1, Ras Laffan II and Ras Laffan 3, as well as those of LNG shipping firm Nakilat, are likely to be downgraded within three months. The agency attributed its decision to the fact that there is no explicit formal agreement requiring the government to support them under all circumstances, despite the government's formal assurances that it fully and unconditionally stands behind these entities for any debt servicing and principal repayments. Moody's noted that it is following the same approach and methodology to Qatar's GRIs that led it to downgrade Abu Dhabi's GRIs recently. The agency expected moderate adjustments to the ratings in case it concludes that support assumptions remain high; while it stressed that a reduction in specific support assumptions could lead to significant rating downgrades.

Source: Moody's Investors Service

OMAN

Sovereign ratings affirmed

Standard & Poor's affirmed its 'A' long-term and 'A-1' short-term foreign and local currency sovereign credit ratings on Oman, with a 'stable' outlook. It affirmed the transfer and convertibility assessment at 'AA-'. It said the ratings are supported by the government's strong fiscal position, and the country's solid external finances and increasing wealth levels. It noted, however, that the ratings remain constrained by a heavy economic dependence on hydrocarbons and geopolitical tensions in the region. S&P said the 'stable' outlook is based on expectations that the high level of government assets, the expected increase in LNG exports, and the growth of the non-hydrocarbon sector will continue to mitigate concerns about oil price volatility and the recent years' decline in crude oil production.

Source: Standard & Poor's

MOROCCO

Sovereign ratings raised to investment grade

Standard & Poor's raised Morocco's long-term foreign currency sovereign credit rating to 'BBB-' from 'BB+', and its long-term local currency sovereign credit rating to 'BBB+' from 'BBB' with a 'stable' outlook. It also raised the short-term foreign currency sovereign credit rating to 'A-3' from 'B' and the short-term local currency sovereign credit rating to 'A-2' from 'A-3', as well as the transfer and convertibility assessment to 'BBB+' from 'BBB'. The upgrade raises Morocco's ratings to investment grade. The agency attributed the upgrade to the government's improved economic policy flexibility due to its track record in reducing the country's fiscal and external debt levels over the past decade. It also factored in the high political stability and the government's reform program, which has raised growth prospects. S&P said Morocco's public debt indicators have steadily converged with the 'BBB' median over the past five years, reaching 33% of GDP in 2010, down from 50% of GDP in 2005, due to continuous fiscal consolidation in a favorable

growth environment. It forecast fiscal deficits of 2%-3% of GDP over 2010-12, but expected the public debt to stay in line with that of the 'BBB' median of 30% of GDP over the next three years. It also forecast the current account to remain in deficit of 2%-3% of GDP until 2012, but noted that the gross external financing needs ratio is likely to remain moderate at 75% in 2012, well below the 'BBB' median ratio of about 110%.
Source: Standard & Poor's

DEM REP CONGO

Growth at 3% in 2009, authorities meet targets

The International Monetary Fund indicated that the Democratic Republic of Congo's macroeconomic performance was satisfactory in the second half of 2009. It estimated real GDP growth at 2.8% in 2009 relative to 6.2% in 2008 due to the effects of the global financial and economic crisis on the country. It said inflation declined to about 53% at end-2009, slightly above the government's target of 49%. Also, gross foreign reserves rose from a historic low of \$25m in February 2009 to \$1bn at end-2009, equivalent to 10 weeks of import cover, due to assistance from the IMF and other development partners, the disbursement of the first tranche of the signature bonus under the Sino-Congolese Cooperation Agreement, and the general and special allocations of special drawing rights (SDRs) from the IMF to member countries. The Fund noted that authorities successfully implemented their 2009 economic program and observed all the quantitative performance criteria and all the indicative targets, except for the one related to base money. The IMF stated that DRC authorities made good progress on all fronts towards meeting the triggers of the Heavily Indebted Poor Countries debt relief initiative. But it urged the government to take actions to meet the triggers, which are a condition for receiving substantial debt relief from external creditors. It added that the IMF and World Bank expect to submit the request for the DRC's debt relief to their respective Boards by end-June.

Source: International Monetary Fund

ARMENIA

Tourism to account for 9.3% of GDP by 2020

The World Travel & Tourism Council expected the tourism sector to account for 10.3% of Armenia's GDP in 2010 and to decline to 9.3% of GDP in 2020. It forecast the broad tourism and travel economy to generate demand of \$894m in 2010, growing to \$1.9bn in 2020. It projected the sector's real growth rate to contract by 2.2% in 2010 and to average 3.9% during the 2011-20 period. The WTTC said personal travel and tourism would generate \$350m this year, growing by 2.4% annually to reach \$629m in 2020, while business travel should generate \$114m in 2010 and grow by a yearly average of 4.6% to \$253m in 2020. It estimated capital investment in the travel and tourism economy at \$378m in 2010 and at \$921m within 10 years. Further, it forecast the export of tourism services at \$368m this year and at \$565m in 2020, posting a real annual growth of 5.5% over the 2011-20 period. It expected travel and tourism exports to generate 26% of Armenia's total export revenues. It said the travel and tourism economy is providing jobs to 95,000 people, or 8.3% of total employment currently, with the figure declining to 86,000 jobs or 7.6% of total employment by 2020.

Source: World Travel & Tourism Council



BANKING

WORLD

Launch of principles of corporate governance for banks

The Basel Committee on Banking Supervision issued a set of principles for improving corporate governance practices at banks. The principles cover the role of the board, which includes approving and overseeing the implementation of the bank's risk strategy while taking into account the bank's long-term financial interests and safety; the board members' qualifications, such as adequate knowledge and experience relevant to each of the material financial activities the bank intends to pursue to enable effective governance and oversight of the bank; the importance of an independent risk management function, including a chief risk officer or equivalent with sufficient authority, stature, independence, resources and access to the board. The principles also include the need to identify, monitor and manage risks on an ongoing firm-wide and individual entity basis; and the board's active oversight of the compensation system's design and operation, including careful alignment of employee compensation with prudent risk taking.

Source: *Bank for International Settlements*

SYRIA

Deposits increase by 12% in 2009, private sector accounts for 75% of total

Figures released by the Central Bank of Syria indicate that total deposits at commercial banks reached SYP1,200bn at the end of 2009, or about \$25.5bn, constituting an increase of 12.2% from SYP1,069bn at end-2008. Deposits in Syrian pounds accounted for 84% of the total, up from 80% at end-2008, and foreign currency deposits accounted for the remaining 16%. Syrian pound deposits rose by 17.4% while foreign currency deposits decreased by 8.7% year-on-year. Private sector deposits accounted for 75% of total deposits relative to 73% at end-2008. Also, resident private sector deposits accounted for 74% of aggregate deposits, followed by deposits of non-financial public enterprises with 19%, while the central government accounted for 3% of the total. Households accounted for 84.6% of resident private sector deposits, followed by businesses with 14%, and other financial institutions with 1.5%. Households and businesses represented 85.1% and 14%, respectively, of resident private sector deposits at end-2008. Further, demand deposits accounted for 44% of the total, down from 46% at end-2008, time deposits accounted for 35% relative to 32% a year earlier, while saving deposits accounted for the remaining 21%.

Source: *Central Bank of Syria, Byblos Research*

YEMEN

New measures to stabilize the currency

The Yemeni authorities have taken urgent measures to stabilize the national currency, which depreciated in recent days to 225 Yemeni rials per US dollar. The Central Bank of Yemen (CBY) raised the minimum interest rate on savings and term deposits in Yemeni rials from 12% to 15% to encourage deposits in the local currency. Also, the Council of Ministers decided to take a number of measures to reduce the import bill by rationalizing the consumption of luxury goods, and may introduce a range of capital controls in an attempt to reduce pressure on the balance

of payments. The riyal began to weaken in May 2009 and accelerated recently due in part to growing concerns over Yemen's political and security problems, forcing the Central Bank of Yemen (CBY) to inject \$434m in the local economy in January. The Economist Intelligence Unit projects the riyal to depreciate from an estimated average of YR203:US\$1 in 2009 to YR221:US\$1 in 2010 and YR238:US\$1 in 2011. It expressed concern that the combination of declining oil revenues and the CBY's decreasing stock of foreign reserves will prevent an orderly depreciation of the riyal. The CBY sold more than \$731m in the market since the beginning of the year to meet foreign currency demand. It also used part of its reserves to finance a portion of the import bill of oil byproducts by the Aden Refineries Corporation that reached \$427m. The CBY's lower reserves accumulation is attributed to the drop in oil revenues to \$1.9bn in 2009 from \$4.3bn in 2008, the slowdown in FDI, the non-activation of donor-financed projects, and a drop in tourism receipts, while revenues from LNG exports remain minimal.

Source: *Al Hayat, Economist Intelligence Unit*

SAUDI ARABIA

Lending to remain cautious in 2010

Credit Suisse indicated that Saudi banks have remained cautious about lending so far this year, given their need to boost provisions for NPLs to cover exposure to financially distressed local and regional firms. It said private sector lending declined by 1% in 2009 and grew a mere 0.1% year-on-year in January. It added that banks remain well capitalized and liquid, with the banking sector's loans-to-deposit ratio at 80%, despite the asset-quality deterioration and consequent decline in profits. It expected credit to the private sector grow at a moderate pace of 5% this year, as economic conditions further stabilize and recover and if interest rates remain low for much of 2010. It noted that private sector credit is likely to equal 42% of GDP this year relative to 51% of GDP in 2009.

Source: *Credit Suisse*

UKRAINE

Outlook on 9 banks revised to stable on sovereign change

Fitch Ratings revised the outlook of nine Ukrainian banks to 'stable' from 'negative' and affirmed all of their ratings. It attributed the rating action to its earlier revision of Ukraine's sovereign ratings outlook to 'stable' from 'negative'. It said the outlook change on PrivatBank, UkrSibbank, UkrSotsbank, Forum, ProCredit Ukraine, Pravex, and VTB Ukraine reflects the reduced likelihood of a downgrade of Ukraine's 'B-' Country Ceiling following the change in the sovereign outlook. It added that the change in outlook on state-owned Oschadbank and Ukreximbank reflect Fitch's view that the limited ability of the government to provide support in case of need is now less likely to deteriorate. UkrSibbank is 81%-owned by BNP Paribas; UkrSotsbank is 95%-owned by UniCredit S.p.A.; Forum is 89%-owned by Commerzbank AG; ProCredit Ukraine is 80%-owned by Germany's ProCredit Holding AG; Pravex is 100%-owned by Intesa Sanpaolo S.p.A. and VTB Ukraine is more than 99%-owned by Russia's JSC Bank VTB. PrivatBank is the country's largest bank by total assets and retail deposits.

Source: *Fitch Ratings*

ENERGY / COMMODITIES

Recovery in oil demand shifts market leadership to products

Market leadership has shifted from crude to products in the last year, and tightening gasoline and distillate spreads are causing WTI and Brent timespreads. The shift partly reflects a robust refinery maintenance season and continued reductions in disadvantaged refining capacity, but also points to an early recovery in U.S. and European oil demand. Total oil consumption in the United States has now turned positive on a yearly basis. U.S. oil demand expanded by 650,000 bpd on the 4-week moving average. However, an outright contraction in U.S. oil demand is still expected for 2010. In OECD Europe, GDP growth numbers show an improving outlook, supporting a stronger refining margin environment. U.S. distillate cracks are forecast to average \$11 a barrel for the second half of 2010, compared to a current forward of \$9.3 a barrel. European gasoil crack spread are forecast to average \$11.25 a barrel for the second half of 2010, compared to the forward of \$9.2 a barrel. However, the combination of low refinery utilization rates and high flexibility to switch yields should limit the risk of a petroleum product price spike in the coming months.

Source: Merrill Lynch

French company to build solar plants in Sudan

The Sudanese Ministry of Energy & Mining signed a contract with Solar Euromed, a French solar power company, to design, build and manage solar power plants of 2000 MW over a 10-year period. The first two projects of 100 MW and 150 MW, respectively, are expected to be operational by 2013-14. They aim to provide affordable power and water supply to several affected Sudanese regions, including the Darfur region.

Source: Sudan Tribune

Egypt to resume elimination of energy subsidies

Egypt's Ministry of Trade and Industry said the country will resume its gradual elimination of energy subsidies to non-energy intensive industries in July 2010. The subsidy reduction plan was suspended after the 2008 global economic crisis. The ministry added that cement firms obtaining licenses will be responsible for providing their own energy and may resort to imports if needed.

Source: Thomson Reuters

IFC to invest \$110m in Jubilee Field

The International Finance Corporation (IFC) is expected to invest \$110m in Ghana's Jubilee Field, bringing its total investment in the project to \$325m. The IFC intends to use \$60m of the facility to finance the acquisition of a stake in the Floating Production, Storage and Offloading (FPSO). It also plans to lend \$50m to the Japanese group Modec, which is constructing the FPSO. The vessel is expected to serve as a floating factory, producing some 120,000 bpd of oil and 160 million cubic feet of gas per day, and with a capacity to store 1.6 million barrels of crude oil. So far, the IFC has lent only to Western companies present on the Jubilee acreage and not to local firms or to the state-owned Ghana National Petroleum Corporation.

Source: Public Agenda

Base metals: Nickel demand increases, production remains below recent peaks

Prices of stainless steel alloying materials such as ferrochrome, molybdenum and nickel have all increased lately, reflecting the gradual economic recovery and continued supply problems for many metals-related raw materials. Nickel demand is now rising, driven by a rebound in global stainless steel production, which rose by 47.4% year-on-year in November and by 44.4% year-on-year in December. Also, a stabilization of end-user demand from sectors like the automotive industry could further support global stainless steel production, which is expected to rise by 14% in 2010. Subdued increases in mine output are another reason nickel is in short supply at the moment. Global nickel production is expected to reach 1.37 million tons this year, which is well below the peak levels of 1.43 million tons and 1.39 million tons seen in 2007 and 2008 respectively. Nickel prices are expected to rise above \$25,000 a ton in the coming weeks. However, there is a risk that the fundamental backdrop on the nickel market may be somewhat softer in the second half of 2010, as many nickel mine production increases are back-loaded. Therefore, a possible divergence between demand and supply growth suggests that prices may find more resistance later in 2010.

Source: Merrill Lynch

Precious metals: Limited impact of US dollar and investor demand on gold

Over the last couple of weeks, gold has remarkably developed relative strength compared to both the US dollar and investor demand. As the euro/dollar exchange rate fell nearly 10% from early December 2009, gold only lost around 6%. Further, gold prices held up rather strongly despite a lack of inflows into physically backed funds indicating weaker investor demand. During the first half of 2009, funds registered inflows of more than 550 tons, while a total of 40 tons flowed out of the products so far this year. Gold prices are expected to remain range bound this year and the price target on a 12-month horizon remains at \$1,075 per ounce. Gold, along with silver which tracks gold price in the longer term, remains an important hedge against all types of risks. A weakening US dollar is expected to support prices going forward.

Source: Julius Baer

Commodities price developments	level	6m ave	12m ave	mom%	yoym%
Economist commodity price index	210.6	206.4	193.7	-0.5	33.5
LME metals price index	3484.9	3186.0	2804.6	4.5	91.5
Oil prices USD	82.1	76.5	69.6	3.9	66.2
Oil prices SDRs	53.6	48.7	44.8	4.1	61.0
Gold \$/troy oz	1126.4	1097.7	1016.7	0.5	26.4
Silver cents/troy oz	1749.0	1722.5	1559.3	10.5	38.7
Platinum \$/troy oz	1633.0	1454.7	1320.7	7.2	56.4
Copper \$/MT	7498.5	6855.0	5986.9	3.6	101.5
Nickel \$/MT	22210.0	18386.1	16560.7	9.0	126.8
Aluminium \$/MT	2261.0	2061.1	1839.8	8.7	68.4
Zinc \$/MT	2317.5	2229.2	1900.4	1.3	99.5

Source: Credit Suisse



COUNTRY RISK METRICS

Countries	LT Foreign currency rating					Central gvt. balance/ GDP (%)	Public debt (% of GDP)	External debt / GDP (%)	External debt/ Exports (%)	Debt service ratio (%)	External Debt/ Forex Res. (%)	Current Account Balance / GDP (%)	Net FDI / GDP (%)
	S&P	Moody's	Fitch	CI	EIU								
Africa													
Algeria	-	-	-	-	BBB	-11.5	7.8	1.9	3.4	1.7	1.9	-3.0	0.8
	-	-	-	-	Stable								
Angola	-	-	-	-	B	4.6	19.1	17.4	25.4	9.4	-	7.6	7.2
	-	-	-	-	Stable								
Egypt	BB+	Ba1	BB+	BBB-	BB	-7.9	73.8	17.0	47.0	5.8	100.6	-2.9	3.2
	Stable	Stable	Stable	Stable	Stable								
Ethiopia	-	-	-	-	CCC	-2.3	-	14.1	263.0	-	-	-7.2	-
	-	-	-	-	Stable								
Ghana	B+	-	B+	-	CCC	-10.1	-	35.6	-101.7	-	-	-17.0	-
	Negative	-	Negative	-	Stable								
Ivory Coast	-	-	-	-	CC	-1.4	-	55.7	134.4	-	556.0	0.3	-
	-	-	-	-	Stable								
Libya	A-	-	BBB+	-	BB	-2.0	6.5	15.5	20.0	3.3	-	15.5	2.8
	Stable	-	Stable	-	Stable								
Mauritania	-	-	-	-	-	-3.1	-	47.6	92.7	-	-	-4.7	-
	-	-	-	-	-								
Morocco	BBB-	Ba1	BBB-	BBB-	BB	-3.6	52.8	24.2	79.5	0.5	95.6	-2.1	3.3
	Stable	-	Stable	Stable	Stable								
Nigeria	B+	-	BB-	-	B	-3.0	12.3	5.0	16.5	0.3	-	-5.6	1.6
	Stable	-	Stable	-	Stable								
Sudan	-	-	-	-	C	-3.3	104.5	67.2	428.5	3.2	-	-5.1	2.4
	-	-	-	-	Stable								
Tunisia	BBB	Baa2	BBB	BBB	BB	-4.0	51.0	53.0	114.6	9.7	232.0	-2.6	3.8
	Stable	-	Stable	Stable	Stable								
Middle East													
Bahrain	A	A2	A	A	BBB	-6.4	22.7	178.0	220.3	15.9	934.9	-2.9	0.9
	Stable	-	Stable	Stable	Stable								
Iran	-	-	B+	BB-	B	-4.8	19.3	5.2	20.1	2.8	23.1	0.6	0.2
	-	-	Stable	Stable	Stable								
Iraq	-	-	-	-	CC	-12.7	-	67.3	128.4	2.3	112.8	-0.1	0.9
	-	-	-	-	Stable								
Jordan	BB	Ba2	-	BB	B	-1.2	59.0	65.4	131.2	8.1	183.0	-10.7	6.9
	Stable	-	-	Stable	Stable								
Kuwait	AA-	Aa2	AA	AA-	A	12.9	7.5	31.7	57.7	2.8	221.2	25.8	-2.0
	Stable	Negative	Stable	Stable	Stable								
Lebanon	B	B2	B-	B	CCC	-12.6	154.3	96.3	631.1	15.0	168.6	-10.4	5.5
	Positive	Positive	Stable	Stable	Stable								
Oman	A	A2	-	A	A	-5.1	6.0	30.9	45.9	5.4	117.1	-0.3	2.0
	Stable	-	-	Stable	Stable								
Qatar	AA-	Aa2	-	AA-	A	4.2	10.4	72.8	157.3	8.4	603.4	8.7	7.9
	Stable	Stable	-	Stable	Stable								
Saudi Arabia	AA-	Aa3	AA-	AA-	BBB	-4.7	11.3	9.7	18.8	2.0	89.1	-6.1	0.3
	Stable	Stable	Stable	Stable	Stable								
Syria	-	-	-	-	CCC	-7.9	32.3	14.6	75.3	1.0	151.1	-2.9	1.4
	-	-	-	-	Stable								
UAE	-	Aa2	-	AA-	BB	0.7	12.7	63.8	74.1	3.9	420.3	-5.3	0.7
	-	-	-	Stable	Stable								
Yemen	-	-	-	B	CC	-11.2	-	22.5	112.7	-	-	-9.7	-
	-	-	-	Stable	Stable								



COUNTRY RISK METRICS

Countries	LT Foreign currency rating					Central gvt. balance/ GDP (%)	Public debt (% of GDP)	External debt / GDP (%)	External debt/ Exports (%)	Debt service ratio (%)	External Debt/ Forex Res. (%)	Current Account Balance / GDP (%)	Net FDI / GDP (%)
	S&P	Moody's	Fitch	CI	EIU								
Central & Eastern Europe													
Armenia	-	Ba2	BB-	-	-	-3.1	23.6	42.5	579.3	1.5	344.9	-0.8	0.9
	-	-	Stable	-	-								
Bulgaria	BBB	Baa3	BBB-	-	BB	-2.7	17.5	102.0	200.0	35.3	283.9	-8.0	8.2
	Stable	-	Stable	-	Stable								
Kazakhstan	BBB-	Baa2	BBB-	-	BB	-3.5	6.6	95.9	231.5	48.0	426.6	-7.6	9.2
	Stable	-	Negative	-	Stable								
Romania	BB+	Baa3	BB+	BBB-	BB	-5.1	20.8	61.5	202.5	15.9	348.0	-7.1	3.3
	Negative	-	Stable	Negative	Stable								
Russia	BBB	Baa1	BBB	-	BBB	-6.5	7.0	38.0	133.6	33.7	139.1	1.3	0.4
	Stable	Positive	Stable	-	Negative								
Turkey	BB	Ba2	BB+	BB-	B	-6.0	47.6	47.3	198.3	31.2	434.4	-1.3	1.4
	Positive	Stable	Stable	Stable	Stable								
Ukraine	B-	B1	B	-	CCC	-4.0	22.1	86.6	223.7	20.1	407.1	-0.1	4.5
	Positive	Positive	Negative	-	Stable								

Sources: Moody's Investors Service; Economist Intelligence Unit - The above figures are estimated for 2009



SELECTED POLICY RATES

	Benchmark rate	Current (%)	Last meeting		Next meeting
			Date	Action	
USA	Fed Funds Target Rate	0.25	16-Mar-10	No change	28-Apr-10
Eurozone	Refi Rate	1.00	04-Mar-10	No change	08-Apr-10
UK	Bank Rate	0.50	04-Mar-10	No change	08-Apr-10
Japan	O/N Call Rate	0.10	17-Mar-10	No change	07-Apr-10
Australia	Cash Rate	4.00	02-Mar-10	Raise 25bps	06-Apr-10
New Zealand	Cash Rate	2.50	11-Mar-10	No change	29-Apr-10
Switzerland	3 month Libor target	0.25	11-Mar-10	No change	17-Jun-10
Canada	Overnight rate	0.25	02-Mar-10	No change	20-Apr-10
Emerging Markets					
China	One-year lending rate	5.31	23-Dec-08	Cut 27bps	N/A
Hong Kong	Base Rate	0.50	16-Mar-10	No change	28-Apr-10
Taiwan	Discount Rate	1.25	25-Mar-10	No change	N/A
South Korea	Base Rate	2.00	11-Mar-10	No change	09-Apr-10
Malaysia	O/N Policy Rate	2.25	04-Mar-10	Raise 25bps	13-May-10
Thailand	1D Repo	1.25	10-Mar-10	No change	21-Apr-10
India	Reverse repo rate	3.25	29-Jan-10	No change	20-Apr-10
UAE	Overnight repo rate	1.00	19-Dec-08	Cut 50bps	N/A
Saudi Arabia	Repo rate	0.25	16-Jun-09	Cut 25bps	N/A
Egypt	Overnight Deposit	8.25	24-Dec-09	No change	N/A
Turkey	Base Rate	6.50	18-Mar-10	No change	13-Apr-10
South Africa	Repo rate	7.00	26-Jan-10	No change	25-Mar-10
Kenya	Central Bank Rate	7.00	26-Jan-10	Cut 75bps	Mar-10
Nigeria	Monetary Policy Rate	6.00	02-Mar-10	No change	02-May-10
Ghana	Prime Rate	16.00	19-Feb-09	Cut 200bps	Apr-10
Mexico	Target Rate	4.50	19-Mar-10	No change	N/A
Brazil	Selic Rate	8.75	17-Mar-10	No change	28-Apr-10
Armenia	Refi Rate	6.50	09-Mar-10	Raise 50bps	N/A
Romania	Policy Rate	7.00	03-Feb-10	Cut 50bps	N/A
Bulgaria	Base Interest	0.18	01-Mar-10	Cut 8 bps	01-Apr-10
Kazakhstan	Refi Rate	7.00	01-Jan-10	No change	N/A
Ukraine	Discount Rate	10.25	11-Aug-09	Cut 75bps	N/A
Russia	Refi Rate	8.50	24-Feb-10	Cut 25 bps	N/A



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