

Financially Yours,

October 1, 2009

YOUR DAILY ELECTRONIC MARKET REPORT

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Lebanese Eurobonds

USD	Coupon	Maturity	Bid	Offer	Bid Yield	Offer Yield	Duration	Mduration	Frq
7.125 Lebanon Mar 10	7.125	05/03/2010	101.500	102.500	3.430	1.052	0.41	0.41	2
7 7/8 Lebanon May 11	7.875	20/05/2011	105.250	106.250	4.478	3.859	1.52	1.48	2
7.5 Lebanon Mar 12	7.500	19/03/2012	105.500	106.500	5.085	4.663	2.28	2.23	2
9 1/8 Lebanon Mar 13	9.125	12/03/2013	110.625	111.625	5.673	5.370	3.03	2.95	2
9 Lebanon May 14	9.000	02/05/2014	110.500	111.500	6.318	6.079	3.76	3.65	2
10 Liban Apr 15	10.000	25/04/2015	113.250	114.250	7.070	6.867	4.31	4.16	2
8.50 Lebanon Aug 15	8.500	06/08/2015	107.500	108.500	6.913	6.712	4.71	4.55	2
8 1/2 Lebanon Jan 16	8.500	19/01/2016	107.625	108.625	6.977	6.788	4.97	4.81	2
9 Lebanon Mar 17	9.000	20/03/2017	111.500	112.500	6.993	6.831	5.68	5.49	2
8 1/4 Lebanon Apr 21	8.250	12/04/2021	106.500	107.500	7.401	7.277	7.51	7.24	2

Emerging Eurobonds

Emerging Eurobonds						Beirut Stock Exchange (closing 30.09.09)					
USD	Coupon	Maturity	Bid	Offer	Mid Yield	Name	Rates	% Change	P/E 09	P/B 09	Div Yield
SOC. REP. VIET.	6.875	15/01/2016	104.925	105.175	5.898	Byblos bank	1.8	0.00%	6.06	0.77	5.56%
EVRAZ GRP SA	8.875	24/04/2013	92.750	93.250	11.320	Byblos bank Preferred	98	0.00%	-	-	-
IIB LUXG SA (IIB)	9.500	12/02/2010	98.500	100.500	10.828	Byblos bank Prty	1.82	1.11%	7.65	0.78	7.14%
R. SEYCHELLES	9.125	03/10/2011	24.905	24.970	106.821	Byblos Bank GDR	87.00	2.36%	10.84	0.24	5.32%
ATF BANK	9.250	12/04/2012	99.000	100.000	9.476	Audi	71.55	0.07%	11.66	1.48	2.78%
LAU	6.750	02/01/2018	104.00	106.00	5.950	Blom	84.25	0.00%	7.19	1.33	4.31%
ORASCOM TELECOM	7.875	08/02/2014	95.250	96.750	9.004	Solidere A	25.13	2.49%	22.70	2.35	4.58%
REP. VENEZUELA	8.500	08/10/2014	89.650	90.650	11.118	Solidere B	25.14	2.65%	22.71	2.35	4.57%
CELL C PTY LTD	11.000	01/07/2015	97.250	105.250	10.694	Holcim	15.11	1.48%	-	-	5.29%
						Casino	390	-	-	-	-

Benchmark	Maturity	Yield	Equity Indices	Price	% Change	Arab Indices	Price	% Change
US TREASURY	2 YEARS	0.953	NASDAQ Comp	2122.42	-0.08%	BLOM Stock Index .BLSI	1470.262	0.33%
	5 YEARS	2.315	NASDAQ 100	1718.99	0.08%	SAUDI All Share .SASI	6322.04	0.70%
	10 YEARS	3.311	DJI	9712.28	-0.31%	Doha Stock Market .QSI	7414.25	-0.57%
	30 YEARS	4.054	S&P 500	1057.08	-0.33%	Kuwait SE .KWSE	7817.3	-0.21%
EUR BUND	2 YEARS	1.276	Nikkei	10133.23	0.33%	Abu Dhabi SE .ADI	3124.22	-0.07%
	5 YEARS	2.428	SMI	6323.18	0.10%	Egyptian .CASE30	6761.73	-0.62%
	10 YEARS	3.240	CAC 40	3795.41	-0.49%	Dubai FM Gen Id .DFMGI	2191.03	1.33%
	30 YEARS	3.945	DAX	5675.16	-0.67%	Morocco SI MSI	6572.25	-0.42%
			FTSE	6514	0.00%	Bahrain .BAX	1554.51	0.13%
		Euronext 100	659.66	-0.31%				

Tracker	Underlying	Last Price	% Change
FXI	China	40.92	-1.06
EWG	Germany	22.19	0.14
EWJ	Japan	9.94	0.51
EWY	Korea	47.38	0.53
EWT	Taiwan	12.32	2.16
EWZ	Brazil	67.64	1.59
IIF	India	21.22	0.47
RNE	Eastern Europe	14.85	-0.37
TKF	Turkey	12.20	0.49
GLD	Gold	98.85	1.46
USO	Oil	36.19	5.48

Byblos Bank Deposits	Rates
USD*	
1 months	3.00%
3 Months	3.00%
6 Months	3.00%
1 Year	3.00%
*Benchmark amount 100-200 thds	
LBP*	
1 months	6.50%
3 Months	6.25%
6 Months	6.00%
1 Year	6.00%
*Benchmark amount 100-300 Millions	

Commodities		
Gold / Oz	992.50	0.00%
Silver / Oz	16.63	2.97%
Palladium / Oz	293.25	0.00%
Platinum / Oz	1295.60	1.94%
Copper/ Lbs	271.40	0.00%
Aluminum / Lbs	0.84	0.29%
Coffee / Lbs	127.80	1.83%
Cocoa EUR / 100 Kg	3140.00	2.75%
Wheat / Tone	457.50	2.23%
Soybean / Bsh	927.00	1.09%
Wti / Bbl	70.61	5.85%
Brent	65.87	1.70%

Libor USD	Rate
1 months	0.25
3 Months	0.29
6 Months	0.63
1 Year	1.26
Libor EUR	
1 months	0.40
3 Months	0.71
6 Months	1.01
1 Year	1.24

FX Rates	Bid	Ask	Hi	Lo
USD / LL	1500	1503		
Euro	1.4626	1.4628	1.4667	1.4614
JPY	89.95	89.96	90.05	89.69
GBP	1.5948	1.5954	1.6011	1.5928
CHF	1.0372	1.0375	1.0383	1.0339
CAD	1.0703	1.0711	1.0715	1.0675
AUD	0.881	0.8814	0.8859	0.88

Key Economic Calendar		
Data	Date	Forecast
US		
US Jobless Claim	01-Oct-09	
US ISM Manufacturing	01-Oct-09	65
Euroland / Japan		
EZ Unemployment Rate	01-Oct-09	9.6%

REGIONAL MARKETS

Lebanon's BLOM stock index rose 0.33 percent at 1470.262 points. Solidere's A rose 2.49 percent at \$25.13 and its B share rose 2.65 percent at \$25.14. Byblos Bank S.A.L. common remains unchanged at 1.80 and its priority shares rose 1.11 percent at 1.82.

Dubai's benchmark index climbed, extending this quarter's advance, led by shares of Emaar Properties PJSC as the company's Indian unit announced plans for an initial public offering. The Dubai Financial Market General

Index added 1.3 percent to 2,191.03, bringing its quarterly increase to 23 percent. Abu Dhabi's measure lost 0.1 percent. Saudi Arabia's Tadawul All Share Index added 0.7 percent to 6,322.04, the highest level in 11 months. The index gained 13 percent in the third quarter. Bahrain's measure rose 0.1 percent. Qatar's DSM 20 Index fell 0.6 percent. Oman's MSM30 Index retreated 0.4 percent, while the Kuwait Stock Exchange declined 0.2 percent.

TOP FX NEWS

The dollar slipped against the euro and the pound Wednesday on news the economy likely grew in the third quarter but should slow at the end of the year amid employment and credit worries. Meanwhile, a Midwestern manufacturing report came in weaker than expected. Data on weekly U.S. jobless claims, personal income and construction outlays are due for release on Thursday and will be closely watched. The 16-nation euro edged up to \$1.4646 in late New York trading from \$1.4568 late Tuesday, while the British pound rose to \$1.6008 from \$1.5941. The dollar slipped to 89.63 Japanese yen from 90.15 yen. The economy will grow at a pace of around 2.5 percent in the October-December quarter, according to projections made by analysts at Wells Fargo, IHS Global Insight and Moody's Economy.com. If accurate, that would mark a slowing from the projected growth of at least 3 percent that many economists think occurred in the just-ended third quarter. The economy shrank at a rate of 0.7 percent in the April-June period, the Commerce Department said Wednesday. The third quarter's performance is expected to mark a turning point for the economy, providing the strongest signal yet that the worst recession since the 1930s is over.

USD/JPY

Res: 090.03/090.42/090.84

Sup: 089.15/088.75/088.23

EUR/USD

Res: 1.4630/1.4675/1.4725

Sup: 1.4526/1.4448/1.4405

GBP/USD

Res: 1.6028/1.6075/1.6127

Sup: 1.5902/1.5824/1.5770

GOLD

Res: 1009.4/1012.0/1018.4

Sup: 1004.4/1000.0/0994.0

EUROLAND

European stocks dropped, trimming the Dow Jones Stoxx 600 Index's biggest quarterly advance this decade, after a measure of U.S. business activity unexpectedly shrank in September. Marks & Spencer Group Plc slipped 3.4 percent as the U.K.'s largest clothing retailer said 2010 will be "a tough year." UCB SA dropped 3.3 percent after Belgium's biggest drugmaker by revenue announced a sale of convertible bonds. The Stoxx 600 sank 0.5 percent to 242.47, erasing a gain of as much as 0.8 percent, as the Institute for Supply Management- Chicago Inc. said its business barometer decreased to 46.1, worse than the lowest estimate of economists surveyed by Bloomberg News. Readings below 50 signal contraction. Europe's Stoxx 600 has soared 18 percent since the end of June, the steepest quarterly increase since 1999, as the European Central Bank kept interest rates at a record low and the French and German economies unexpectedly exited recessions. U.S. Commerce Department figures today showed the world's largest economy shrank at a 0.7 percent annual rate from April through June, the best performance in more than a year. Benchmark indexes dropped in 11 of the 18 western European markets today. France's CAC 40 slipped 0.5 percent, as did the U.K.'s FTSE 100. Germany's DAX lost 0.7 percent. Austria's ATX, Ireland's ISEQ and Italy's FTSE MIB were the best performers in Western Europe this quarter, with each gauge advancing more than 23 percent. Marks & Spencer declined 3.4 percent to 362.1 pence as Chairman Stuart Rose said in a conference call he remains "cautious" and the next 13 weeks "could be quite tricky." The retailer

reported a drop in sales at U.K. stores open at least a year in the 13 weeks ended Sept. 26 and said operating costs may rise as much as 1 percent for the year, compared with a previous forecast for a drop of about 1 percent. UCB sank 3.3 percent to 28.84 euros. The drugmaker is selling as much as 500 million euros (\$732 million) of convertible bonds to diversify its financing before talks with lenders on debt refinancing begin. Brussels-based UCB is the third European company to issue convertible bonds this week, following sales yesterday by TUI Travel Plc and Salzgitter AG. Man Group Plc jumped 7.5 percent to 331.2 pence. The largest publicly traded hedge-fund manager said funds under management rose to \$43.8 billion in the fiscal second quarter from \$43.3 billion at the end of June. Investors had expected \$43.5 billion, according to three analysts surveyed by Bloomberg. Infineon Technologies AG climbed 5 percent to 3.86 euros after Exane BNP Paribas raised its recommendation for Europe's second-largest maker of semiconductors to "outperform" from "neutral," citing "evidence of cash generation." Iberia Lineas Aereas de Espana SA gained 5.7 percent to 2.13 euros after the Financial Times reported that British Airways Plc may complete a merger with Spain's largest airline by the end of the year, citing British Airways' Chief Executive Officer Willie Walsh. PPR SA advanced 3.2 percent to 87.59 euros. Royal Bank of Scotland Group Plc upgraded the French retailer that owns Gucci to "hold" from "sell."

US MARKETS

U.S. stocks fell, trimming the biggest back-to-back quarterly rally for the Standard & Poor's 500 Index since 1975, as an unexpected drop in business activity spurred concern the economy is struggling to recover. Walt Disney Co., JPMorgan Chase & Co. and General Electric Co. dropped at least 1.7 percent to lead declines in 21 of the 30 stocks in the Dow Jones Industrial Average after the Institute for Supply Management-Chicago Inc.'s business barometer trailed economists' estimates. CIT Group Inc., the 101-year-old commercial lender, tumbled 45 percent on concern it will be forced into bankruptcy. The S&P 500 lost 0.3 percent to 1,057.08 at 4:06 p.m. in New York. The benchmark gauge of U.S. stocks climbed for a seventh straight month in September, its longest streak in almost three years. The Dow average slipped 29.92 points, 0.3 percent, to 9,712.28. Two stocks fell for each that rose on the New York Stock Exchange. Benchmark indexes rose in early trading on a Commerce Department report showing the recession abated more than originally estimated in the second quarter. The world's largest economy shrank at a 0.7 percent annual rate from April through June, the best performance in a year and better than the 1.2 percent decrease estimated by economists in a survey. The ISM-Chicago reading of 46.1, less than the 52 estimated by economists and the 50 level that signifies growth, sent the S&P 500 to its lowest levels of the day in the first hour of trading. Equities then pared losses in the afternoon as a weaker dollar boosted commodities and investors bought shares of companies in the quarter's best performing industries. A national ISM manufacturing gauge to be released tomorrow is projected to show improvement for a ninth straight month in September. Other regional gauges

rose for the month. The Federal Reserve Bank of Philadelphia's economic gauge climbed to the highest since June 2007, and the New York Fed's increased to an almost two-year high. The S&P 500 jumped almost 15 percent in the July-September period to give it a two-quarter advance of 34 percent, the biggest since a 42 percent rally in the first half of 1975. The Dow also rose 15 percent over the past three months and gained 29 percent since the end of March, its steepest two-quarter advance since 1986. The seven-month rally has pushed the S&P 500 up 56 percent from a 12-year low in March and sent its price-to-earnings valuations this month to the highest levels since 2004. Former Federal Reserve Chairman Alan Greenspan said he sees the U.S. economy slowing next year as the surge in stocks comes to an end. Greenspan said he expects the economy to grow at a 3 percent to 4 percent annual pace in the next six months before slowing down. As a result, unemployment isn't likely to decline much from last month's 9.7 percent rate, he said. Even so, he doesn't expect the economy to relapse into recession next year. Disney, the largest theme-park operator, fell 1.7 percent to \$27.46. JPMorgan, the biggest U.S. bank by market value, slid 2.4 percent to \$43.82. GE, the world's biggest provider of power-generation equipment and services, lost 1.7 percent to \$16.42. CIT slumped 45 percent to \$1.21. Darden Restaurants Inc. fell the most in the S&P 500, declining 5.6 percent to \$34.13. The owner of the Olive Garden and Red Lobster chains said first-quarter sales dropped 2.3 percent, missing analysts' estimates. Moody's Corp. tumbled 1.7 percent to \$20.46. McGraw-Hill Cos., owner of Standard & Poor's ratings service, slipped 3.7 percent to \$25.14.

EMERGING MARKETS

Brazilian stocks climbed, extending a third straight quarterly gain for the Bovespa index, as commodity prices jumped and banks rallied on prospects for rebounding loan growth. The Bovespa index rose 0.5 percent to 61,517.89. About two shares gained on the index for every one that fell. The measure has climbed 19.5 percent in the past three months. The BM&FBovespa Small Cap index increased 0.1 percent, for a 34 percent advance this quarter. Among other markets in Latin America, Mexico's Bolsa fell 0.7 percent, the Lima General index added 0.7 percent and Chile's Ipsa advanced 0.1 percent. Wal-Mart de Mexico SAB, Latin America's largest retailer, declined 1.5 percent while Organizacion Soriana lost 0.8 percent and Grupo Elektra fell 1.8 percent.

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