

Financially Yours,

Your Daily Electronic Market Report

LEBANESE EUROBONDS

USD	Coupon	Maturity	Bid	Offer	Bid Yield	Offer Yield	Duration	M duration	Frq
9 Lebanon May 14	9.000	02/05/2014	106.500	108.000	4.859	3.954	1.54	1.50	2
8.50 Lebanon Aug 15	8.500	06/08/2015	109.500	111.500	4.959	4.263	2.64	2.58	2
8 1/2 Lebanon Jan 16	8.500	19/01/2016	109.500	111.500	5.376	4.762	2.99	2.92	2
9 Lebanon Mar 17	9.000	20/03/2017	113.500	115.500	5.590	5.128	3.74	3.65	2
5.15 Lebanon Nov 18	5.150	12/11/2018	97.000	99.000	5.731	5.341	5.28	5.14	2
6.375 Lebanon Mar 20	6.375	09/03/2020	100.500	102.500	6.290	5.957	5.91	5.74	2
8 1/4 Lebanon Apr 21	8.250	12/04/2021	111.500	113.500	6.483	6.200	6.29	6.10	2
6.1 Lebanon 2022	6.100	04/10/2022	98.000	100.000	6.371	6.099	7.51	7.29	2
7 Lebanon Dec 2024	7.000	03/12/2024	102.500	104.500	6.696	6.461	8.35	8.08	2
6.60 Lebanon Dec 2026	6.600	27/11/2026	98.500	100.500	6.764	6.544	9.26	8.96	2

EMERGING MARKETS

USD	Coupon	Maturity	Bid	Offer	Mid Yield
ABCD FINANCE	4.750	08/10/2014	105.405	105.970	1.957
BANCO DO BRASIL	4.500	22/01/2015	105.250	105.650	2.136
DAR AL ARKAN INTL.	10.750	18/02/2015	106.530	107.470	7.562
PROV DE BUENOS A.	11.750	05/10/2015	81.500	82.500	19.777
AFRICAN BANK LTD	8.125	24/02/2017	102.250	102.750	7.455
CROATIA	6.250	27/04/2017	105.500	106.000	4.850
DUBAI DOF SUKUK	4.900	02/05/2017	106.500	107.250	3.294
PETROLEOS DE VEN	8.500	02/11/2017	87.750	88.750	11.584
DOLPHIN ENERGY	5.888	15/06/2019	113.405	113.845	3.602
KUWAIT PROJECTS	9.375	15/07/2020	116.780	117.720	6.531
VIMPELCOM HLDGS	7.504	01/03/2022	100.250	100.750	7.430

BEIRUT STOCK EXCHANGE as 31/08/2012

Name	Price	\$Change	%Chg	P/E	Div Yield
Byblos bank	1.52	-0.03	-1.94%	5.24	0.07
Byblos bank GDR	79.00	0.00	0.00%	-	-
Byblos bank Pref 08'	101.3	0.00	0.00%	-	-
Byblos bank Pref 09'	102	0.00	0.00%	-	-
Audi (GDR)	6	0.00	0.00%	0.82	0.33
Blom (GDR)	7.7	0.00	0.00%	0.66	0.47
Solidere A	12.69	-0.04	-0.31%	11.46	0.08
Solidere B	12.66	-0.13	-1.02%	11.43	0.08
Holcim	15.50	0.00	0.00%	16.42	0.05
Casino	545	0.00	-	-	-

Benchmark	Maturity	Yield
US TREASURY	2 YEARS	0.226
	5 YEARS	0.588
	10 YEARS	1.548
	30 YEARS	2.669
EUR BUND	2 YEARS	-0.032
	5 YEARS	0.335
	10 YEARS	1.337
	30 YEARS	2.118

Equity Indices	Price	% Change
NASDAQ Comp	3066.97	0.60%
NASDAQ 100	2772.74	0.75%
DJI	13090.84	0.69%
S&P 500	1406.58	0.51%
Nikkei	8839.91	-1.60%
SMI	6388.01	0.15%
CAC 40	3413.07	1.00%
DAX	6970.79	1.09%
FTSE	5711.48	-0.14%
Euronext 100	650.61	0.73%

Arab Indices	Price	%Change
BLOM Stock Index .BLSI	1126.324	0.31%
SAUDI All Share .SASI	7090.9	-0.66%
Doha Stock Market .QSI	8454.9	0.11%
Kuwait SE .KWSE	5896.94	0.52%
Abu Dhabi SE .ADI	2557.01	-0.69%
Egyptian .CASE30	5424.79	2.19%
Dubai FM Gen Id .DFMGI	1545.59	-0.65%
Morocco CFG 25	5506.01	0.00%
Bahrain .BAX	1077.6	0.00%

Tracker Underlying	Last Price	% Change
FXI China	33.07	0.36
EWG Germany	21.22	1.34
EWJ Japan	9.06	0.11
EWY Korea	56.29	0.82
EWT Taiwan	12.66	1.44
EWZ Brazil	52.72	0.75
IIF India	15.37	0.65
RNE Eastern Europe	15.50	1.18
TKF Turkey	14.66	2.02
GLD Gold	164.22	2.31
USO Oil	35.89	1.79

Byblos Bank Deposits	Rates
USD*	
1 months	1.75%
3 Months	1.75%
6 Months	1.80%
1 Year	1.80%
*Benchmark amount 100-200 thds	
LBP*	
1 months	4.75%
3 Months	4.75%
6 Months	4.90%
1 Year	4.90%
*Benchmark amount 100-300 Millions	

Commodities	Price	%Change
Gold / Oz	1684.60	1.88%
Silver / Oz	31.37	3.30%
Palladium / Oz	627.95	2.12%
Platinum / Oz	1536.30	2.24%
Copper/ Lbs	345.40	0.39%
Aluminum / Lbs	104.55	0.87%
Coffee / Lbs	163.00	0.00%
Cocoa EUR / 100 Kg	2642.00	0.00%
Wheat / Tone	870.00	-1.53%
Soybean / Bsh	1764.50	-0.32%
Wti / Bbl	96.31	1.76%
Brent	114.67	1.45%

Libor USD	Rate
1 months	0.23
3 Months	0.42
6 Months	0.71
1 Year	1.03
Libor EUR	
1 months	0.07
3 Months	0.17
6 Months	0.45
1 Year	0.75

FX Rates	Bid	Ask	Hi	Lo
USD / LL	1501	1510		
Euro	1.2577	1.2578	1.2585	1.2555
JPY	78.25	78.27	78.38	78.18
GBP	1.5867	1.587	1.5886	1.5847
CHF	0.9546	0.955	0.956	0.9536
CAD	0.9853	0.9857	0.9879	0.9849
AUD	1.0264	1.0269	1.0298	1.0233

Key Economic Calendar	Date	Forecast
Data		
US		
ISM Manufc.	04-SEP-12	50.0
Construction Spending	04-SEP-12	0.40%
Euroland / Japan		
EZ PMI	03-SEP-12	45.3

REGIONAL MARKET

Lebanon's BLOM stock index rose 0.31 percent to 1126.324 points. Solidere A fell 0.31 percent to \$12.69 and Solidere B fell 1.02 percent to 12.66 Byblos Bank S.A.L fell 1.94 percent to 1.52.

Egypt's international reserves rose to \$15.1 billion in August after their biggest gain since the uprising that ousted President Hosni Mubarak last year. Gross reserves

climbed by \$705 million from \$14.4 billion the previous month, according to data posted on the central bank's website today. The figure was shy of projections outlined by the country's legal affairs minister, Mohamed Mahsoub, who had said last week reserves were likely to climb by about \$1 billion.

TOP FX NEWS

The yen strengthened against most of its 16 major peers as Japanese stocks slid on concern the global economy is slowing, boosting demand for safer assets. Japan's currency gained for a third-day against the dollar before U.S. data this week forecast to show manufacturing activity and hiring remained limited. Federal Reserve Chairman Ben S. Bernanke said at an annual forum in Jackson Hole, Wyoming that further bond purchases under quantitative easing shouldn't be ruled out. Australia's dollar fell to a five-week low after the nation's retail sales unexpectedly declined and China's manufacturing contracted at the fastest pace since March 2009. The yen appreciated 0.2 percent to 78.27 per dollar as of 11:47 a.m. in Tokyo from the close on Aug. 31, when it touched 78.19, the strongest since Aug. 13. The Japanese currency gained 0.1 percent to 98.45 per euro. The Australian dollar fell 0.6 percent to \$1.0260, after earlier dropping to \$1.0240, the lowest since July 25. The so-called Aussie lost 0.8 percent to 80.30 yen, after touching 80.12, also the lowest since July 25. Japan's Nikkei 225 Stock Average slid 0.4 percent.

USD/JPY

Res: 79.45/79.77/80.12

Sup: 77.45/77.64/77.82

EUR/USD

Res: 1.2450/1.2571/1.2602

Sup: 1.2320/1.2345/1.2301

GBP/USD

Res: 1.5728/1.5757/1.5781

Sup: 1.5566/1.5584/1.5601

GOLD

Res: 1640.7/1667.0/1689.3

Sup: 1580.0/1602.7/1607.0

EUROLAND

German stocks climbed, with the benchmark DAX Index heading for its third straight monthly gain, as Federal Reserve Chairman Ben S. Bernanke said he would not rule out further measures to stimulate the U.S. economy. Deutsche Bank AG and Commerzbank AG, the biggest German lenders, gained more than 2 percent as lenders advanced across Europe. MAN SE rose 2 percent. The DAX added 1.1 percent to 6,970.79 at the close in Frankfurt, after earlier gaining as much as 1.7 percent. The equity benchmark has risen 2.9 percent this month, extending its rally from this year's low on June 5 to 17 percent, as European Central Bank President Mario Draghi said he will preserve the euro. The gauge was little changed this week. The broader HDAX Index gained 1 percent today. Yesterday, the DAX declined 1.6 percent as a release showed the German jobless rate remained at 6.8 percent in August, while unemployment rose for a fifth month as the contraction in the euro area's gross domestic product weighed on growth and corporate earnings. German retail sales unexpectedly declined in July, slipping 0.9 percent, the Federal Statistics Office in Wiesbaden said today. They rose a revised 0.5 percent in June. Economists had forecast a gain of 0.2 percent, according to the median of 15 estimates in a Bloomberg News survey. Sales fell 1 percent from a year earlier. Deutsche Bank jumped 4.8 percent to 28.28 euros as a gauge of lenders contributed the most to the Stoxx Europe 600 Index's advance today. Commerzbank AG added 2.2 percent to 1.26 euros. MAN, the heavy-duty truck maker, climbed 2 percent to 73.38 euros. Volkswagen AG will integrate MAN, Porsche and Ducati motorbikes, rather than looking for other businesses to buy, Chief Executive Officer, Martin Winterkorn said. Volkswagen advanced 0.9 percent to 140.40 euros. Volkswagen earlier this month completed the 4.49 billion-euro (\$5.6 billion) purchase of the remaining 50.1 percent of Porsche that it didn't already own. The deal added the 12th brand to VW's portfolio after buying Ducati in Italy in July and raising its stake in Munich-based MAN to 75 percent in June. VW is not currently interested in bidding for Malaysian carmaker Proton, Winterkorn said today. U.K. stocks were little changed, following a three-day slide for the benchmark FTSE 100 Index, as Federal Reserve Chairman Ben S. Bernanke said he does not rule out further bond buying by the central bank. Xstrata Plc and Glencore International Plc contributed the most to a rally by a gauge of U.K. mining stocks. Lavendon Group Plc surged 5.8 percent after the maker of aerial work platforms doubled its dividend. Redrow Plc gained 2.7 percent after a group led by its chairman made a takeover approach. The FTSE 100 Index declined 0.1 percent to 5,711.48 at the close in London, after earlier falling as much as 0.2 percent and rallying as much as 0.8 percent. The equity benchmark dropped 1.1 percent this week, paring its gain in August to 1.4 percent. The broader FTSE All-Share Index was little changed today, while Ireland's ISEQ Index advanced 1 percent. Bernanke said the unemployment rate in the world's largest economy has seen no improvement.

US.MARKETS

U.S. stocks rallied with commodities and Treasuries as Federal Reserve Chairman Ben S. Bernanke said he wouldn't rule out more stimulus to lower a jobless rate he described as a "grave concern." The dollar weakened. The Standard & Poor's 500 Index added 0.5 percent to close at 1,406.58 and the Dow Jones Industrial Average climbed 90.13 points to 13,090.84 as both finished a third straight monthly gain. Oil extended its biggest monthly advance since October and gold capped its best since January. Ten-year Treasury yields slid seven basis points to 1.55 percent, an three-week low, and the Dollar Index lost 0.5 percent to 81.25, its lowest on a closing basis since May. Bernanke's 24-page speech at the Kansas City Fed's symposium made the case for further monetary easing and concluded that the central bank's non-traditional policy tools such as bond purchases have been effective in boosting growth and improving financial conditions. He said that declines in the unemployment rate would continue only if growth picks up above its longer term trend. Commodity, technology, financial and industrial companies helped lead gains in the 10 main industry groups in the S&P 500 today. Intel Corp., American Express Co. and Microsoft Corp. rose more than 1.6 percent to lead the Dow's gain. The dollar weakened against 15 of 16 major peers, losing about 1 percent against the Swedish krona, Mexican peso and South African rand. The euro strengthened 0.6 percent to \$1.2575 and rose to as much as \$1.2638, the strongest level in almost two months. Two-year Treasury yields decreased three basis points to 0.22 percent and 30-year rates tumbled seven basis points to 2.67 percent. Benchmark U.S. equity indexes marked a third straight monthly advance in August. The S&P 500 has advanced 12 percent this year as European leaders

worked to tame the region's debt crisis and the Fed pledged to act to safeguard the economic recovery if needed. The S&P 500 last week climbed to its highest level on an intraday basis in more than four years, then failed to close at that milestone. The index has fluctuated near the 1,400 level for three weeks. Trading has slowed toward the end of the U.S. summer as investors awaited the Fed's gathering in Wyoming. Bernanke's address in Jackson Hole in 2010 preceded a second round of quantitative easing, nicknamed QE2 on Wall Street. The Stoxx Europe 600 Index added 0.5 percent today. It declined 0.7 percent this week, trimming its third straight monthly advance to less than 1.9 percent. Hermes International SCA gained 2.3 percent today after the maker of Birkin and Kelly bags raised this year's sales-growth target as first-half earnings beat estimates. Bankia SA climbed 6.3 percent. After markets closed in Europe, Spain's rescue fund said it would inject capital into the lender immediately. Canadian stocks rose for the first time this week as data showed faster-than-estimated economic growth and U.S. Federal Reserve Chairman Ben S. Bernanke said he would not rule out further bond purchases. Athabasca Oil Corp. soared 6.8 percent after the crude producer said it signed a letter of intent to pursue a joint venture. Canadian Natural Resources Ltd. and Petrominerales Ltd. gained at least 0.9 percent as crude prices advanced for the first time in three days. Thompson Creek Metals Co. surged 9.8 percent after an analyst at Dahlman Rose & Co. recommended buying the molybdenum mining company. The Standard & Poor's/TSX Composite Index added 93.08 points, or 0.8 percent, to 11,979.73 at 2:37 p.m. in Toronto. Two stocks rose for each that fell in the index. The equity benchmark has dropped 0.8 percent this week

EMERGING-MARKETS

The Bovespa stock index declined, paring a second monthly gain, as power utilities tumbled on speculation Brazil's government will for companies to reduce electricity prices, curbing their profits. Cia. de Transmissao de Energia Eletrica Paulista and Centrais Eletricas Brasileiras SA were the biggest losers on the gauge after President Dilma Rousseff said she will announce next week measures to reduce energy costs for manufacturers as part of efforts to shore up growth. Iron-ore producer Vale SA followed metals higher after Federal Reserve Chairman Ben S. Bernanke said he wouldn't rule out more stimulus. The Bovespa slid 0.3 percent to 57,061.45 at the close of trading in Sao Paulo, paring this month's advance to 1.7 percent. The real was up 1 percent to 2.0282 per U.S. dollar .

ALAIN WANNA | D.G.M. Financial Markets Division

CAPITAL MARKETS | Ziad Moubarak

Fixed Income

Elie Ghanem

Rhea Sawaya

Grace Bcherrawi

Equity Desk

Yves Rahme

Haytham Mroue

Maguy Viltaki

Hana Kara

Tarek Bassil

PRIVATE BANKING | Joe Nader

Marguerite Bazerli

Rabih Sfeir

Zeina Anka

For further information please contact Byblos Bank's **Capital Markets and Private Banking** on: **+961 1 335240/6/9**
 Please visit our website at: www.byblosbank.com