

# Financially Yours,

Your Daily Electronic Market Report

## LEBANESE EUROBONDS

| USD                   | Coupon | Maturity   | Bid     | Offer   | Bid Yield | Offer Yield | Duration | Mduration | Frq |
|-----------------------|--------|------------|---------|---------|-----------|-------------|----------|-----------|-----|
| 9 Lebanon May 14      | 9.000  | 02/05/2014 | 108.000 | 110.500 | 4.559     | 3.261       | 1.78     | 1.75      | 2   |
| 8.50 Lebanon Aug 15   | 8.500  | 06/08/2015 | 112.000 | 113.500 | 4.393     | 3.918       | 2.79     | 2.74      | 2   |
| 8 1/2 Lebanon Jan 16  | 8.500  | 19/01/2016 | 112.000 | 114.000 | 4.840     | 4.278       | 3.13     | 3.06      | 2   |
| 9 Lebanon Mar 17      | 8.250  | 12/04/2021 | 117.000 | 118.750 | 5.768     | 5.539       | 6.59     | 6.41      | 2   |
| 5.15 Lebanon Nov 18   | 5.150  | 12/11/2018 | 98.500  | 101.250 | 5.429     | 4.920       | 5.54     | 5.40      | 2   |
| 6.375 Lebanon Mar 20  | 6.375  | 09/03/2020 | 103.500 | 106.375 | 5.806     | 5.358       | 6.19     | 6.02      | 2   |
| 8 1/4 Lebanon Apr 21  | 8.250  | 12/04/2021 | 117.000 | 118.750 | 5.768     | 5.539       | 6.59     | 6.41      | 2   |
| 6.1 Lebanon 2022      | 6.100  | 04/10/2022 | 100.000 | 102.000 | 6.100     | 5.839       | 7.79     | 7.57      | 2   |
| 7 Lebanon Dec 2024    | 7.000  | 03/12/2024 | 105.625 | 108.375 | 6.341     | 6.035       | 8.66     | 8.40      | 2   |
| 6.60 Lebanon Dec 2026 | 6.600  | 27/11/2026 | 100.500 | 103.000 | 6.546     | 6.281       | 9.57     | 9.27      | 2   |

## EMERGING MARKETS - EUROBONDS

| USD                | Coupon | Maturity   | Bid     | Offer   | Mid Yield |
|--------------------|--------|------------|---------|---------|-----------|
| ABCD FINANCE       | 4.750  | 08/10/2014 | 105.780 | 105.780 | 2.197     |
| BANCO DO BRASIL    | 4.500  | 22/01/2015 | 105.250 | 105.250 | 2.423     |
| DAR AL ARKAN INTL. | 10.750 | 18/02/2015 | 101.530 | 101.530 | 10.074    |
| PROV DE BUENOS A.  | 11.750 | 05/10/2015 | 58.000  | 75.000  | 27.775    |
| AFRICAN BANK LTD   | 8.125  | 24/02/2017 | 102.250 | 102.750 | 7.481     |
| CROATIA            | 6.250  | 27/04/2017 | 95.500  | 96.500  | 7.234     |
| DUBAI DOF SUKUK    | 4.900  | 02/05/2017 | 101.500 | 102.000 | 4.497     |
| PETROLEOS DE VEN   | 8.500  | 02/11/2017 | 78.700  | 79.700  | 14.126    |
| DOLPHIN ENERGY     | 5.888  | 15/06/2019 | 108.030 | 108.030 | 4.540     |
| KUWAIT PROJECTS    | 9.375  | 15/07/2020 | 109.280 | 109.280 | 7.806     |
| VIMPELCOM HLDGS    | 7.504  | 01/03/2022 | 88.750  | 88.750  | 9.281     |

## BEIRUT STOCK EXCHANGE as 01/06/2012

| Name                        | Price | \$Change | %Chg   | P/E 06 | Div Yield |
|-----------------------------|-------|----------|--------|--------|-----------|
| <b>Byblos bank</b>          | 1.57  | -0.03    | -1.88% | 5.41   | 0.06      |
| <b>Byblos bank GDR</b>      | 77.50 | 0.00     | 0.00%  | -      | -         |
| <b>Byblos bank Pref 08'</b> | 101.3 | 0.20     | 0.20%  | -      | -         |
| <b>Byblos bank Pref 09'</b> | 101   | -0.10    | -0.10% | -      | -         |
| <b>Audi (GDR)</b>           | 6.49  | -0.01    | -0.15% | 0.89   | 0.31      |
| <b>Blom (GDR)</b>           | 7.85  | 0.00     | 0.00%  | 0.67   | 0.46      |
| <b>Solidere A</b>           | 12.62 | -0.66    | -4.97% | 11.40  | 0.08      |
| <b>Solidere B</b>           | 12.41 | -0.15    | -1.1%  | 11.21  | 0.08      |
| <b>Holcim</b>               | 17.26 | 0.29     | 1.71%  | 16.42  | 0.05      |
| <b>Casino</b>               | 545   | 0.00     | -      | -      | -         |

| Benchmark          | Maturity | Yield |
|--------------------|----------|-------|
| <b>US TREASURY</b> | 2 YEARS  | 0.250 |
|                    | 5 YEARS  | 0.623 |
|                    | 10 YEARS | 1.482 |
|                    | 30 YEARS | 2.548 |
| <b>EUR BUND</b>    | 2 YEARS  | 0.010 |
|                    | 5 YEARS  | 0.321 |
|                    | 10 YEARS | 1.173 |
|                    | 30 YEARS | 1.659 |

| Equity Indices      | Price    | % Change |
|---------------------|----------|----------|
| <b>NASDAQ Comp</b>  | 2747.48  | -2.82%   |
| <b>NASDAQ 100</b>   | 2458.83  | -2.60%   |
| <b>DJI</b>          | 13038.27 | -1.82%   |
| <b>S&amp;P 500</b>  | 1369.1   | -2.61%   |
| <b>Nikkei</b>       | 9380.25  | 0.31%    |
| <b>SMI</b>          | 6056.79  | -0.65%   |
| <b>CAC 40</b>       | 3161.97  | -1.58%   |
| <b>DAX</b>          | 6561.47  | -2.95%   |
| <b>FTSE</b>         | 5260.19  | -1.14%   |
| <b>Euronext 100</b> | 604.22   | -1.36%   |

| Arab Indices                  | Price    | %Change |
|-------------------------------|----------|---------|
| <b>BLOM Stock Index .BLSI</b> | 1143.944 | -3.07%  |
| <b>SAUDI All Share .SASI</b>  | 6747.69  | -8.46%  |
| <b>Doha Stock Market .QSI</b> | 8333.07  | -3.16%  |
| <b>Kuwait SE .KWSE</b>        | 6121.96  | -5.59%  |
| <b>Abu Dhabi SE .ADI</b>      | 2426.82  | -2.19%  |
| <b>Egyptian .CASE30</b>       | 4625.62  | -8.07%  |
| <b>Dubai FM Gen Id .DFMGI</b> | 1441.8   | -5.58%  |
| <b>Morocco CFG 25</b>         | 5721.11  | -0.50%  |
| <b>Bahrain .BAX</b>           | 1138.15  | 0.20%   |

| Tracker Underlying        | Last Price | % Change |
|---------------------------|------------|----------|
| <b>FXI</b> China          | 32.69      | -2.39    |
| <b>EWG</b> Germany        | 18.82      | -3.44    |
| <b>EWJ</b> Japan          | 8.65       | -2.70    |
| <b>EWY</b> Korea          | 51.42      | -2.28    |
| <b>EWT</b> Taiwan         | 11.60      | -3.89    |
| <b>EWZ</b> Brazil         | 50.74      | -2.50    |
| <b>IIF</b> India          | 14.11      | -1.54    |
| <b>RNE</b> Eastern Europe | 13.30      | -1.99    |
| <b>TKF</b> Turkey         | 12.07      | -1.07    |
| <b>GLD</b> Gold           | 157.50     | 3.88     |
| <b>USO</b> Oil            | 31.43      | -3.62    |

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

| Commodities               | Price   | %Change |
|---------------------------|---------|---------|
| <b>Gold / Oz</b>          | 1622.70 | 4.60%   |
| <b>Silver / Oz</b>        | 28.49   | -2.40%  |
| <b>Palladium / Oz</b>     | 612.30  | -0.14%  |
| <b>Platinum / Oz</b>      | 1431.70 | -4.34%  |
| <b>Copper/ Lbs</b>        | 331.00  | -9.80%  |
| <b>Aluminum / Lbs</b>     | 108.50  | -0.82%  |
| <b>Coffee / Lbs</b>       | 160.65  | -8.28%  |
| <b>Cocoa EUR / 100 Kg</b> | 2083.00 | -11.59% |
| <b>Wheat / Tone</b>       | 612.25  | 3.55%   |
| <b>Soybean / Bsh</b>      | 1344.25 | -5.85%  |
| <b>Wti / Bbl</b>          | 81.73   | -15.38% |
| <b>Brent</b>              | 99.27   | -11.63% |

| Libor USD        | Rate |
|------------------|------|
| 1 months         | 0.24 |
| 3 Months         | 0.47 |
| 6 Months         | 0.74 |
| 1 Year           | 1.07 |
| <b>Libor EUR</b> |      |
| 1 months         | 0.33 |
| 3 Months         | 0.59 |
| 6 Months         | 0.90 |
| 1 Year           | 1.22 |

| FX Rates        | Bid    | Ask    | Hi     | Lo     |
|-----------------|--------|--------|--------|--------|
| <b>USD / LL</b> | 1501   | 1510   |        |        |
| <b>Euro</b>     | 1.2403 | 1.2407 | 1.2442 | 1.2384 |
| <b>JPY</b>      | 78.14  | 78.19  | 78.27  | 78.02  |
| <b>GBP</b>      | 1.5365 | 1.5369 | 1.5374 | 1.5339 |
| <b>CHF</b>      | 0.968  | 0.9683 | 0.9695 | 0.965  |
| <b>CAD</b>      | 1.0431 | 1.0432 | 1.0446 | 1.0389 |
| <b>AUD</b>      | 0.9647 | 0.9649 | 0.9707 | 0.9623 |

| Key Economic Calendar   | Date      | Forecast |
|-------------------------|-----------|----------|
| <b>US</b>               |           |          |
| ISM NY                  | 04-JUN-12 | N/A      |
| Factory Orders          | 04-JUN-12 | 0.20%    |
| <b>Euroland / Japan</b> |           |          |
| EZ PPI                  | 04-JUN-12 | 0.20%    |

## REGIONAL MARKET

Lebanon's BLOM stock index fell 3.07 percent to 1143.944 points. Solidere A fell 4.97 percent to \$12.62 and its Solidere B fell 1.10 percent to 12.41 Byblos Bank S.A.L fell 1.88 percent to 1.57.

EFG-Hermes Holding SAE, the biggest publicly traded Arab investment bank, rejected a 6.5 billion-Egyptian pound (\$1.1 billion) bid from a group backed by

billionaire Naguib Sawiris in favor of setting up a venture with Qatar's QInvest LLC. Planet IB Ltd.'s 13.5 pounds-a-share offer, or 23 percent more than the stock's May 31 close, lacked details on the "financing resources" as well as information about the investors, Cairo-based EFG-Hermes said yesterday.

## TOP FX NEWS

The euro declined versus the dollar as prospects European leaders won't be able to agree on how to resolve the region's debt crisis boosted concern global growth will slow. The common European currency remained lower versus the yen following a weekly loss before German Chancellor Angela Merkel meets fellow coalition leaders today after opposing joint debt sharing in the 17-nation euro bloc. A report yesterday showed the expansion of China's non-manufacturing industries slowed, while data last week indicated the U.S. unemployment rate climbed. The dollar rose as Asian stocks fell, boosting demand for the relative safety of the greenback. Australia's currency dropped before Reserve Bank policy makers meet tomorrow. The euro lost 0.3 percent to \$1.2403 as of 1:24 p.m. in Tokyo after touching \$1.2288 on June 1, the lowest since July 1, 2010. Europe's shared currency fell 0.04 percent to 96.97 yen from 97.01 last week, when it reached 95.60, the weakest since Nov. 30, 2000. The dollar rose 0.2 percent to 78.18 yen after falling to 77.66 on June 1, the least since Feb. 14.

### USD/JPY

Res: 79.10/79.42/79.66

Sup: 77.80/77.40/77.02

### EUR/USD

Res: 1.2460/1.2491/1.2535

Sup: 1.2384/1.2367/1.2341

### GBP/USD

Res: 1.5391/1.5437/1.5466

Sup: 1.5302/1.5286/1.5224

### GOLD

Res: 1660.7/1675.0/1680.3

Sup: 1570.0/1582.7/1597.0

## EUROLAND

European stocks fell to a five-month low as reports showed U.S. payrolls increased at the slowest pace in a year and the unemployment rate unexpectedly rose, adding to weakening economic data from China and the euro area. Daimler AG and Bayerische Motoren Werke AG fell more than 3.5 percent, leading automakers lower. BP Plc gained 1.8 percent after it said it will pursue the sale of its 50 percent holding in TNK-BP, Russia's third-largest oil producer. The Stoxx Europe 600 Index declined 1.9 percent to 235.09 at the close of trading in London, completing a weekly loss of 3.1 percent. The benchmark measure slumped 6.8 percent in May as concern mounted that Greece will leave the euro area and Spain's borrowing costs increased. China's Purchasing Managers' Index fell to 50.4 in May from 53.3 in April, the nation's statistics bureau and logistics federation said. That compared with the 52 median estimate in a Bloomberg News survey of economists. A reading above 50 indicates expansion. A separate gauge from HSBC Holdings Plc and Markit Economics showed a seventh straight contraction, the longest since the global financial crisis. National benchmark indexes fell in all of the 18 western European markets today. Germany's DAX dropped 3.4 percent, the U.K.'s FTSE 100 slid 1.1 percent, while France's CAC 40 declined 2.2 percent. Anheuser-Busch InBev NV, the world's biggest brewer, fell 3.2 percent to 53 euros after the Brazilian government raised beer taxes more than anticipated. AB InBev owns Cia. de Bebidas das Americas, Brazil's biggest brewer and gets about 30 percent of its earnings before interest and taxes from the country. In Greece, two opinion polls published today showed the New Democracy party, which backs austerity measures, leading left-wing group Syriza, which opposes them. Two other polls showed Syriza in the lead before the June 17 elections. A report showed U.K. manufacturing shrank last month at the fastest pace since the depths of the financial crisis in 2009. A gauge of factory output dropped to 45.9 from 50.2 in April, Markit Economics said. Swatch Group AG and Cie. Financiere Richemont SA fell 4.7 percent to 355.90 francs and 6.1 percent to 52 francs as China's manufacturing slowdown raised concerns that demand for Swiss watches will decline in the country. Eurocommercial Properties NV, the Dutch owner of shopping centers in France and Italy, fell 4.1 percent to 25.37 euros. JPMorgan Chase & Co. downgraded its recommendation on the stock to neutral, the equivalent of hold, from overweight. Tenaris SA, the world's largest maker of seamless steel pipes, slid 5.4 percent to 12.19 euros, its lowest in six months. The stock was cut to underperform from neutral at Credit Suisse Group AG. K+S AG, Europe's biggest potash distributor, retreated 3.8 percent to 31.02 euros after Nomura Holdings Inc. cut its estimate for the company's 2012 earnings per share by 12 percent. BP gained 1.8 percent to 402 pence. The company said it had notified its partners in TNK-BP of its intention to look at a sale of its stake. There can be no guarantee that any transaction will take place, BP said. HMV rallied 17 percent to 3.99 pence.

## US.MARKETS

U.S. stocks tumbled, falling for the fourth time in five weeks and erasing the Dow Jones Industrial Average's 2012 gain, amid concern the global economy is slowing and Europe's debt crisis is worsening. The Standard & Poor's 500 Index slumped 2.5 percent yesterday, the most since November, after American employers added the fewest workers in a year during May. All 10 industries in the benchmark index slipped in the holiday-shortened week. Energy shares sank 4.6 percent as oil had the biggest monthly decline in more than three years. An index of homebuilders tumbled 10 percent, the most since August, amid worse-than-expected housing data. Facebook Inc. plunged 13 percent. The S&P 500 lost 3 percent to 1,278.04 for the week, trimming its gain for the year to 1.6 percent. The Dow dropped 336.26 points, or 2.7 percent, to 12,118.57, putting it below 2011's closing level and erasing a year-to-date rally that had been 7.1 percent as of May 1. The dividend yield for the S&P 500 has increased to 2.23 percent from last year's low of 1.78 percent. During the depths of the U.S. subprime-mortgage crisis, the payout surged to 4.10 percent in March 2009. Exxon Mobil Corp., the largest energy producer by market value, fell the most in the Dow, sinking 5.1 percent to \$77.92. Crude fell to the lowest level in almost eight months amid concern fuel demand may tumble. Cabot Oil & Gas Corp. slipped 10 percent to \$31.15. Facebook plunged 13 percent to \$27.72 amid concern the world's largest social-networking service will struggle to wring profit from its 901 million users. The stock has declined 27 percent since it began trading on May 18, and has slipped below the low end of the \$28-to-\$35 price range Facebook set for its initial public offering before boosting the asking price and number of shares. Groupon Inc. plunged 20 percent to \$9.69, the lowest level since its November IPO, as a lockup period expired, permitting insiders to sell shares of the largest daily

coupon website. Kohl's Corp. sank 11 percent to \$44.70. The retailer said May same-store sales decreased 4.2 percent. That compares with the average estimate for a 1.1 percent decline. Sears Holdings Corp., the department-store chain controlled by hedge fund manager Edward Lampert, tumbled 15 percent to \$48.45. Joy Global Inc. lost 7.5 percent to \$55.69. The maker of P&H and Joy mining equipment cut forecasts for full-year earnings and revenue as mining companies ease capital spending amid concern over an economic slowdown in China. Caterpillar Inc., the largest maker of construction and mining equipment, slipped 4.9 percent to \$85.52. Gold producers jumped as signs of weakening job growth in the U.S. fueled expectations the Federal Reserve will take further steps to spur growth, boosting the appeal of the precious metal as an inflation hedge. Newmont Mining Corp., the largest U.S. gold producer, advanced 3 percent to \$50.30 for the second-biggest advance in the S&P 500. Barrick Gold Corp. climbed 4.8 percent to \$41.91. The central bank is close to completing its program to replace \$400 billion of shorter-term debt in its holdings with longer maturities to support the economy by keeping down borrowing costs. The program, known as Operation Twist, ends this month. The Fed bought \$2.3 trillion of debt in two rounds of quantitative easing since the subprime-mortgage crisis that have become known as QE1 and QE2. The Fed is more likely to provide added stimulus when its current effort winds down, according to Morgan Stanley. The probability of more central bank policy action is 80 percent, up from 50 percent before yesterday's jobs report, the firm said. The retreat in equities has cut the S&P 500's valuation to 12.9 times earnings from the last 12 months. That's about 21 percent below average of 16.4 since 1954, according to data compiled by Bloomberg.

## EMERGING-MARKETS

The Bovespa index posted its longest weekly losing streak in eight years after a government report showed falling investment pushed Brazil's first-quarter growth below analyst's estimates. Homebuilder Gafisa SA led losses by companies that sell in the local market, and competitor MRV Engenharia & Participacoes SA extended this week's plunge to 13 percent. Oil companies Petroleo Brasileiro SA and OGX Petroleo & Gas Participacoes SA followed crude lower after economic data trailed estimates in China and in the U.S., adding to concern that the global recovery is faltering.

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