

# Financially Yours,

October 6, 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	3.355	0.931	0.41	0.40	2
7 7/8 Lebanon May 11	7.875	20/05/2011	105.250	106.250	4.462	3.840	1.51	1.48	2
7.5 Lebanon Mar 12	7.500	19/03/2012	105.500	106.500	5.077	4.654	2.28	2.22	2
9 1/8 Lebanon Mar 13	9.125	12/03/2013	110.625	111.625	5.666	5.362	3.02	2.94	2
9 Lebanon May 14	9.000	02/05/2014	110.500	111.500	6.314	6.075	3.75	3.64	2
10 Liban Apr 15	10.000	25/04/2015	113.250	114.250	7.067	6.864	4.30	4.16	2
8.50 Lebanon Aug 15	8.500	06/08/2015	107.500	108.500	6.911	6.710	4.70	4.54	2
8 1/2 Lebanon Jan 16	8.500	19/01/2016	107.625	108.625	6.976	6.786	4.97	4.80	2
9 Lebanon Mar 17	9.000	20/03/2017	111.500	112.500	6.991	6.829	5.68	5.49	2
8 1/4 Lebanon Apr 21	8.250	12/04/2021	106.500	107.500	7.401	7.276	7.50	7.23	2

**Emerging Eurobonds**

USD	Coupon	Maturity	Bid	Offer	Mid Yield	Beirut Stock Exchange (closing 05.10.09)					
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	104.607	105.107	5.933	Byblos bank	1.89	-0.53%	6.36	0.81	5.29%
EVRAZ GRP SA	8.875	24/04/2013	98.750	99.250	9.210	Byblos bank Preferred	98	0.00%	-	-	-
IIB LUXG SA (IIB)	9.500	12/02/2010	98.500	100.500	10.854	Byblos bank Prty	1.88	1.08%	7.90	0.80	6.91%
R. SEYCHELLES	9.125	03/10/2011	24.905	24.970	106.821	Byblos Bank GDR	87.00	0.00%	10.84	0.24	5.32%
ATF BANK	9.250	12/04/2012	98.750	99.750	9.593	Audi	71.55	0.00%	11.66	1.48	2.78%
LAU	6.750	02/01/2018	104.00	106.00	5.950	Blom	83.55	-0.83%	7.13	1.32	4.34%
ORASCOM TELECOM	7.875	08/02/2014	94.750	95.750	9.225	Solidere A	25.25	0.20%	22.81	2.36	4.55%
REP. VENEZUELA	8.500	08/10/2014	89.500	90.500	11.165	Solidere B	25.18	0.84%	22.75	2.35	4.57%
CELL C PTY LTD	11.000	01/07/2015	97.250	105.250	10.694	Holcim	15	-6.25%	-	-	5.33%
						Casino	390	-	-	-	-

Benchmark	Maturity	Yield	Equity Indices	Price	% Change	Arab Indices	Price	% Change
US TREASURY	2 YEARS	0.900	NASDAQ Comp	2048.11	-0.46%	BLOM Stock Index .BLSI	1485.859	0.60%
	5 YEARS	2.222	NASDAQ 100	1662.49	-0.24%	SAUDI All Share .SASI	6282.38	-0.31%
	10 YEARS	3.226	DJI	9599.75	1.18%	Doha Stock Market .QSI	7556.88	0.53%
	30 YEARS	4.018	S&P 500	1040.46	1.49%	Kuwait SE .KWSE	7770.6	-0.19%
EUR BUND	2 YEARS	1.249	Nikkei	9674.49	-0.59%	Abu Dhabi SE .ADI	3150.77	0.74%
	5 YEARS	2.328	SMI	6162.9	0.21%	Egyptian .CASE30	6690.08	0.00%
	10 YEARS	3.142	CAC 40	3675.01	0.69%	Dubai FM Gen Id .DFMGI	2236.5	2.02%
	30 YEARS	3.868	DAX	5508.85	0.75%	Morocco SI MSI	6680.98	0.66%
			FTSE	5024.33	0.71%	Bahrain .BAX	1577.33	0.13%
			Euronext 100	640.27	0.72%			

Tracker	Underlying	Last Price	% Change
FXI	China	40.47	2.43
EWG	Germany	21.59	1.41
EWJ	Japan	9.64	0.84
EWY	Korea	45.85	1.64
EWT	Taiwan	12.17	0.83
EWZ	Brazil	69.29	2.96
IIF	India	21.10	1.25
RNE	Eastern Europe	14.65	2.09
TKF	Turkey	12.25	2.08
GLD	Gold	99.82	1.47
USO	Oil	36.18	0.86

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

Commodities	Price	% Change
Gold / Oz	1016.70	1.35%
Silver / Oz	16.51	1.88%
Palladium / Oz	302.65	1.71%
Platinum / Oz	1294.60	1.49%
Copper/ Lbs	271.80	1.74%
Aluminum / Lbs	84.20	-3.00%
Coffee / Lbs	129.45	2.17%
Cocoa EUR / 100 Kg	3240.00	4.79%
Wheat / Tone	442.75	0.34%
Soybean / Bsh	885.00	0.00%
Wti / Bbl	70.41	0.66%
Brent	65.61	-1.84%

Libor USD	Rate
1 months	0.24
3 Months	0.28
6 Months	0.60
1 Year	1.21
<b>Libor EUR</b>	
1 months	0.39
3 Months	0.69
6 Months	0.99
1 Year	1.22

FX Rates	Bid	Ask	Hi	Lo
USD / LL	1500	1503		
Euro	1.474	1.4744	1.4745	1.4647
JPY	88.9	88.95	89.65	88.87
GBP	1.599	1.5993	1.6005	1.5931
CHF	1.0244	1.0248	1.0324	1.0243
CAD	1.0662	1.067	1.0714	1.0662
AUD	0.8871	0.8874	0.8876	0.8758

Key Economic Calendar		
Data	Date	Forecast
<b>US</b>		
US ICSC Chain Stores	06-Oct-09	
US Redbook	06-Oct-09	
<b>Euroland / Japan</b>		
GB Halifax House Price	06-Oct-09	-7.80%

## REGIONAL MARKETS

Lebanon's BLOM stock index rose 0.60 percent at 1485.859 points. Solidere's A rose 0.20 percent at \$25.25 and its B share rose 0.84 percent at \$25.18. Byblos Bank S.A.L. common fell 0.53 percent at 1.89 and its priority shares rose 1.08 percent at 1.88.

The Dubai Financial Market General Index gained 2 percent, while Abu Dhabi's ADX General Index added

0.7 percent. The Saudi Tadawul All Share Index lost 0.3 percent. Prince Alwaleed bin Talal, a big investor in Citigroup, urged the United States government to sell its stake in the bank as soon as this year to boost investor confidence, Emerging Markets magazine reported.

## TOP FX NEWS

The dollar fell for a second day against the yen as the Independent newspaper said Gulf states may switch to a basket of currencies for oil trading. The yen rose after Japan's finance minister said he told Group of Seven leaders weak-currency policies were undesirable. The dollar declined against 14 of its 16 major counterparts as Asian stocks rallied and the Independent cited banking sources in Hong Kong as saying Gulf states along with Japan and China are discussing dropping the dollar for oil trades. The euro rose before a report forecast to show German factory orders increased for a sixth month. Australia's dollar surged after the nation's central bank raised benchmark interest rates. The dollar fell to 89.11 yen at 12:38 p.m. in Tokyo from 89.53 yen in New York yesterday. The euro climbed to \$1.4710 from \$1.4648. The euro fetched 131.05 yen from 131.15 yen. The dollar fell after the U.K.-based Independent reported oil-producing Arab nations are seeking to move to a basket of currencies, including the yen, the yuan, the euro and gold to settle transactions. "A move by the Arab states to use a currency basket that consists of the yen, the euro and other instruments will definitely prove positive for those assets," said Lee Wai Tuck, a currency strategist at Forecast Pte in Singapore. "This is likely to fuel buying of the Japanese and European currencies at the expense of the greenback."

USD/JPY

Res: 090.18/090.42/091.63

Sup: 089.23/088.60/088.23

EUR/USD

Res: 1.4750/1.4803/1.4845

Sup: 1.4646/1.4593/1.4564

GBP/USD

Res: 1.6025/1.6066/1.6127

Sup: 1.5904/1.5805/1.5770

GOLD

Res: 1023.2/1032.0/1050.0

Sup: 1014.2/1009.4/1003.5

## EUROLAND

European stocks gained for the first time in four days after the region's manufacturing and service industries grew more than initially estimated and U.S. service businesses expanded for the first time in a year. Telenor ASA, the biggest Nordic phone company, surged 15 percent after ending a dispute over control of OAO VimpelCom, Russia's second-largest mobile company. Iberia Lineas Aereas de Espana SA and Bouygues SA advanced after Bank of America Corp. recommended the shares. Swedbank AB and SEB AB, the biggest banks in the Baltic region, fell after a report that Swedish Finance Minister Anders Borg warned Swedish lenders of an imminent political crisis in Latvia. The Dow Jones Stoxx 600 Index added 0.9 percent to 236.09. The gauge has dropped for two straight weeks as data on U.S. unemployment, manufacturing and consumer confidence missed economists' forecasts, fueling concern that the global economic recovery may not be robust. A composite index of manufacturing and services industries in the euro-area economy rose to 51.1 from 50.4 in August, London-based Markit Economics said today. Fifty is the dividing line between expansion and contraction. National benchmark indexes increased all of the 18 western European markets, except Greece and Iceland. Germany's DAX added 0.8 percent, while the U.K.'s FTSE 100 and France's CAC 40 advanced 0.7 percent. Alcoa Inc. kicks off the third-quarter earnings season in the U.S. this week, while investors will also watch quarterly reports in Europe at companies from Tesco Plc to Banco Espanol de Credito SA. Telenor surged 15 percent to 72.75 kroner, the biggest jump since at least 2000. The Norwegian company will merge its stakes in OAO

VimpelCom and ZAT Kyivstar with those of Russia's Altimo, creating a new company, VimpelCom Ltd., valued at about \$23 billion. Telenor and Altimo will suspend ongoing legal proceedings and withdraw or settle them before the transaction is concluded, they said. Iberia, Spain's biggest airline, gained 1.6 percent to 2.17 euros after Bank of America raised its recommendation on the shares to "buy" from "neutral." Separately, the board of Iberia wants a decision on the merger with British Airways Plc, Europe's third-largest airline, to be reached quickly, Cinco Dias reported. Bouygues advanced 3.8 percent to 35.07 euros after Bank of America upgraded the French builder and mobile-phone operator to "buy" from "underperform." Swedbank slid 1.6 percent to 60.75 kronor and SEB declined 1.1 percent to 44.50 kronor. Borg informed the banks that there is growing pressure from the International Monetary Fund to force Latvia to devalue its currency, Svenska Dagbladet reported on Oct. 3, without saying where it got the information. Syngenta AG climbed 3 percent to 230.3 Swiss francs. The world's largest maker of agriculture chemicals was raised to "outperform" from "neutral" at Credit Suisse Group AG, which cited "more positive earnings in 2010." A gauge of basic-resources shares added 2.2 percent, the second-biggest gain among the 19 industry groups in the Stoxx 600. Kazakhmys Plc, Kazakhstan's biggest copper producer, rose 1.6 percent to 1,002 pence. Norsk Hydro ASA, Europe's third-largest aluminum producer, added 4.3 percent to 38.58 kroner.

## US MARKETS

U.S. stocks rose, rebounding from the first two-week decline since July, as Goldman Sachs Group Inc. recommended large banks and a report showed service industries returned to growth after 11 months of contraction. Gold and oil advanced as the dollar weakened. Wells Fargo & Co. rallied 6.9 percent, the most since July, and JPMorgan Chase & Co. added 4.6 percent as Goldman Sachs said big banks will outperform regional lenders. Nordstrom Inc. and Limited Brands Inc. climbed at least 7.7 percent as the Institute for Supply Management's gauge of non-manufacturing businesses topped estimates. Brocade Communications Systems Inc. jumped 19 percent on takeover speculation. The Standard & Poor's 500 Index added 1.5 percent to 1,040.46 at 4:16 p.m. in New York, its steepest gain in a week. The Dow Jones Industrial Average gained 112.08 points, or 1.2 percent, to 9,599.75. Europe's benchmark index advanced 0.9 percent, while Asia's slipped 0.7 percent. Fifteen stocks rose for every two that fell on the New York Stock Exchange. The S&P 500 surged 32 percent in the last two quarters amid expectations the worst of a global recession is over. Lower- than-forecast data on manufacturing and jobs last week spurred concern the seven-month rally may have outpaced the prospects for earnings growth. New York University Professor Nouriel Roubini said Oct. 3 that "markets have gone up too much, too soon, too fast." Alcoa is scheduled to release third-quarter results on Oct. 7, the first company in the Dow average to report earnings. Analysts' estimates compiled by Bloomberg predict companies will report a ninth straight quarter of declining profits before returning to growth in the final three months of the year. Yesterday's advance snapped a four-day losing streak for the S&P 500. It came after the ISM's

index of service industries, which make up almost 90 percent of the economy, rose to 50.9, higher than forecast, from 48.4 in August. Fifty is the dividing line between expansion and contraction. Stocks fell last week as ISM's factory index showed the manufacturing industry expanded less than economists anticipated in September. Employers unexpectedly cut more jobs last month than in August and unemployment climbed to the highest level since 1983, Labor Department data showed on Oct. 2. JPMorgan, the second-biggest U.S. bank by assets, climbed 4.6 percent to \$43.80. Wells Fargo, the San Francisco, California-based lender, gained 6.9 percent to \$28.09. Goldman Sachs raised its rating on large U.S. banks to "attractive," citing the outlook for earnings. The firm also upgraded Wells Fargo to "buy" from "neutral." Capital One Financial Corp. was added to Goldman Sachs's "conviction buy" list. The analysts said third-quarter revenue at the credit-card company will be better than expected. Capital One climbed 8.3 percent to \$35.93. Nordstrom, the department-store chain with more than 100 namesake locations, climbed 9.5 percent to \$31.71 for the biggest advance in the S&P 500. Buckingham Research Group upgraded Nordstrom to "accumulate" from "neutral." Limited Brands, the owner of the Victoria's Secret lingerie chain, added 7.8 percent to \$17.38. Susquehanna Financial Group Inc. raised its 2009 and 2010 earnings estimates and its price target to \$22. Brocade jumped 19 percent to \$9.09. The California-based data-storage and networking company is considering a sale, a person familiar with the matter told Bloomberg News. A spokesman for San Jose, California-based Brocade said the company doesn't comment on speculation.

## EMERGING MARKETS

Brazilian stocks gained the most in almost a month after investors bought shares of retailers, steelmakers and transportation companies that will benefit from the 2016 Olympics. Brazil's planned \$11 billion in infrastructure spending for Rio de Janeiro's 2016 Olympic Games spurred gains of more than 3 percent for steelmaker Gerdau SA, electric company Light SA and Dufry South America Ltd., a duty-free retailer in Brazilian airports. Vale SA, the world's biggest iron ore miner, advanced 1.5 percent after Bank of America Corp. said earnings growth may top estimates as consumer spending grows and corporate-financing costs drop. The Bovespa stock index added 2 percent to 62,369.30. Mexico's Bolsa gained 1.9 percent, Chile's Ipsa rose 1.2 percent and the MSCI Emerging Markets index added 1 percent.

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