

# Financially Yours,

October 8, 2009

YOUR DAILY ELECTRONIC MARKET REPORT

For further information please contact Byblos Bank's Capital Markets and Private Banking on: +961 1 335240/6/9

**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	3.223	0.719	0.39	0.39	2
7 7/8 Lebanon May 11	7.875	20/05/2011	105.250	106.250	4.435	3.808	1.49	1.46	2
7.5 Lebanon Mar 12	7.500	19/03/2012	105.500	106.500	5.064	4.639	2.26	2.21	2
9 1/8 Lebanon Mar 13	9.125	12/03/2013	110.625	111.625	5.653	5.349	3.01	2.93	2
9 Lebanon May 14	9.000	02/05/2014	110.500	111.500	6.308	6.068	3.74	3.63	2
10 Liban Apr 15	10.000	25/04/2015	113.250	114.250	7.062	6.859	4.29	4.14	2
8.50 Lebanon Aug 15	8.500	06/08/2015	107.500	108.500	6.908	6.706	4.69	4.53	2
8 1/2 Lebanon Jan 16	8.500	19/01/2016	107.625	108.625	6.973	6.783	4.95	4.79	2
9 Lebanon Mar 17	9.000	20/03/2017	111.500	112.500	6.988	6.826	5.66	5.47	2
8 1/4 Lebanon Apr 21	8.250	12/04/2021	106.500	107.500	7.400	7.276	7.77	7.50	2

**Emerging Eurobonds**

USD	Coupon	Maturity	Bid	Offer	Mid Yield	Beirut Stock Exchange (closing 07.10.09)					
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	105.125	105.625	5.834	Byblos bank	1.87	-1.06%	6.30	0.80	5.35%
EVRAZ GRP SA	8.875	24/04/2013	98.750	99.250	9.212	Byblos bank Preferred	98	0.00%	-	-	-
IIB LUXG SA (IIB)	9.500	12/02/2010	98.500	100.500	10.902	Byblos bank Prty	1.94	0.52%	8.15	0.83	6.70%
R. SEYCHELLES	9.125	03/10/2011	25.962	26.038	95.663	Byblos Bank GDR	87.00	0.00%	10.84	0.24	5.32%
ATF BANK	9.250	12/04/2012	99.000	100.000	9.479	Audi	72.9	-0.14%	11.88	1.51	2.73%
LAU	6.750	02/01/2018	104.00	106.00	5.950	Blom	83	-0.30%	7.08	1.31	4.37%
ORASCOM TELECOM	7.875	08/02/2014	95.750	96.750	8.935	Solidere A	25.7	-0.39%	23.22	2.40	4.47%
REP. VENEZUELA	8.500	08/10/2014	89.000	90.250	11.277	Solidere B	25.59	-0.43%	23.12	2.39	4.49%
CELL C PTY LTD	11.000	01/07/2015	97.250	105.250	10.694	Holcim	14.52	-8.33%	-	-	5.51%
						Casino	390	-	-	-	-

Benchmark	Maturity	Yield	Equity Indices	Price	% Change	Arab Indices	Price	% Change
US TREASURY	2 YEARS	0.876	NASDAQ Comp	2110.33	0.33%	BLOM Stock Index .BLSI	1492.779	-0.36%
	5 YEARS	2.179	NASDAQ 100	1710.45	0.31%	SAUDI All Share .SASI	6340.51	0.00%
	10 YEARS	3.186	DJI	9725.58	-0.06%	Doha Stock Market .QSI	7596.32	-0.37%
	30 YEARS	4.004	S&P 500	1057.58	0.27%	Kuwait SE .KWSE	7882.6	0.63%
EUR BUND	2 YEARS	1.239	Nikkei	9799.6	1.11%	Abu Dhabi SE .ADI	3204.23	1.29%
	5 YEARS	2.297	SMI	6260.15	-0.27%	Egyptian .CASE30	6678.35	0.45%
	10 YEARS	3.116	CAC 40	3756.41	-0.37%	Dubai FM Gen Id .DFMGI	2265.28	-0.35%
	30 YEARS	3.828	DAX	5640.75	-0.30%	Morocco SI MSI	6708.5	-0.02%
			FTSE	5108.90	-0.57%	Bahrain .BAX	1599.7	0.69%
			Euronext 100	654.96	-0.25%			

Tracker	Underlying	Last Price	% Change
FXI	China	42.02	1.18
EWG	Germany	22.15	0.27
EWJ	Japan	9.84	0.92
EWY	Korea	45.17	-1.44
EWT	Taiwan	12.48	0.4
EWZ	Brazil	69.97	0.3
IIF	India	21.45	0.19
RNE	Eastern Europe	15.13	-0.22
TKF	Turkey	12.83	0.23
GLD	Gold	102.36	0.08
USO	Oil	35.96	-1.59

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	1043.30	0.45%
Silver / Oz	17.47	1.19%
Palladium / Oz	313.40	1.21%
Platinum / Oz	1320.50	0.18%
Copper/ Lbs	277.05	-0.18%
Aluminum / Lbs	85.40	0.83%
Coffee / Lbs	134.25	0.49%
Cocoa EUR / 100 Kg	3242.00	0.97%
Wheat / Tone	463.25	0.65%
Soybean / Bsh	912.00	0.22%
Wti / Bbl	69.57	-1.85%
Brent	67.99	-1.26%

Libor USD	Rate
1 months	0.24
3 Months	0.28
6 Months	0.60
1 Year	1.22
Libor EUR	Rate
1 months	0.39
3 Months	0.70
6 Months	1.00
1 Year	1.22

FX Rates	Bid	Ask	Hi	Lo
USD / LL	1500	1503		
Euro	1.4754	1.4759	1.4773	1.4683
JPY	88.19	88.21	88.71	88.17
GBP	1.6002	1.6006	1.6011	1.595
CHF	1.0283	1.0289	1.0334	1.0273
CAD	1.0538	1.0543	1.0616	1.0536
AUD	0.9023	0.9028	0.9033	0.8902

Key Economic Calendar		
Date	Date	Forecast
<b>US</b>		
US Jobless Claim	08-Oct-09	
US Wholesale Sales	08-Oct-09	0.70%
<b>Euroland / Japan</b>		
EZ ECB Rate Decision	08-Oct-09	1.00%

## REGIONAL MARKETS

Lebanon's BLOM stock index fell 0.36 percent at 1492.779 points. Solidere's A fell 0.39 percent at \$25.70 and its B share fell 0.43 percent at \$25.59. Byblos Bank S.A.L. common fell 1.06 percent at 1.87 and its priority shares rose 0.52 percent at 1.94.

Abu Dhabi's index climbed to the highest level in 11 months on speculation third-quarter earnings will top investors' expectations and as oil traded above \$71 a

barrel. The Kuwait Stock Exchange Index added 0.6 percent and Bahrain's measure rose 0.7 percent. Saudi Arabia's Tadawul All Share Index, Qatar's DSM 20 Index and the Dubai Financial Market General Index lost 0.4 percent. Oman's MSM30 Index was little changed. Qatar National Bank gained as much as 2.3 percent before closing unchanged. The country's biggest bank reported third-quarter earnings after the end of the trading day.

## TOP FX NEWS

The dollar fell to a two-week low against the euro as signs the global economy is recovering boosted demand for higher-yielding assets. The U.S. currency slid against 15 of 16 major counterparts as Asian stocks gained before reports economists say will show German industrial output rose for a second month and Japan's machine orders climbed in August. Australia's dollar reached a 14-month high as employment unexpectedly jumped last month. The dollar dropped to \$1.4751 per euro at 1:31 p.m. in Tokyo from \$1.4691 in New York yesterday. It earlier touched \$1.4774, the lowest since Sept. 24. The euro was at 130.34 yen from 130.18 yen. The yen was at 88.35 per dollar from 88.61. Yesterday, Japan's currency rose to as high as 88.01, the strongest level in more than eight months. The MSCI Asia Pacific Index of regional shares climbed 1.1 percent, and Japan's Nikkei 225 Stock Average added 0.3 percent. Gold climbed to a record for a third-straight day. The dollar weakened as economists in a Bloomberg News survey forecast German industrial output expanded 1.8 percent in August following a 0.9 percent drop in July. The Economy Ministry in Berlin is set to report the data today. A separate survey forecast Japan's machinery orders, an indicator of capital spending in the next three to six months, gained 2.1 percent in August after a 9.3 percent drop in July. The data is due tomorrow in Tokyo.

USD/JPY

Res: 088.88/089.40/089.98

Sup: 088.30/088.01/087.10

EUR/USD

Res: 1.4737/1.4763/1.4803

Sup: 1.4650/1.4593/1.4564

GBP/USD

Res: 1.6006/1.6049/1.6127

Sup: 1.5858/1.5805/1.5770

GOLD

Res: 1055.0/1061.7/1065.0

Sup: 1047.0/1041.5/1035.0

## EUROLAND

European stocks fell for the first time in three days as the region's economy shrank more than estimated in the second quarter and J Sainsbury Plc and Metro AG dragged retailers lower. Sainsbury dropped 3.3 percent after the U.K.'s third-biggest supermarket owner reported decelerating sales. Metro, the largest retailer in Germany, sank 3.2 percent after co-founder Otto Beisheim sold part of the stake he controls. Michael Page International Plc climbed 4.2 percent after Britain's second-largest recruitment company said it's seeing "signs of stabilization." The Dow Jones Stoxx 600 Index lost 0.3 percent to 240.35. The measure has retreated 2.3 percent since this year's high on Sept. 17 as U.S. unemployment, manufacturing and consumer confidence data missed economists' forecasts, and fueling concern the global economic recovery may not be robust. Alcoa Inc., the biggest U.S. aluminum producer, is scheduled to release results after the market closes today, becoming the first company in the Dow Jones Industrial Average to report third-quarter earnings. Companies in the Standard & Poor's 500 Index will report a ninth straight quarter of declining profits before returning to growth in the final three months of the year, analysts' forecasts show. National benchmark indexes fell in 13 of the 18 western European markets. France's CAC 40 slid 0.4 percent, while Germany's DAX slipped 0.3 percent and the U.K.'s FTSE 100 retreated 0.6 percent. The MSCI World Index's 63 percent surge from this year's low in March is encouraging companies to hold initial public offerings. Banco Santander SA's Brazilian division is raising about 14.1 billion reais (\$8 billion) in the country's

largest IPO and PGE SA, Poland's largest power utility, is preparing to offer at least 5 billion zloty (\$1.8 billion) of stock. Verisk Analytics Inc., the supplier of actuarial data co-owned by insurers including Travelers Cos., sold \$1.88 billion of shares yesterday, the biggest U.S. IPO since Visa Inc. in 2008. Sainsbury declined 3.3 percent to 312.3 pence as the retailer said revenue growth will become more difficult to achieve as food inflation eases. Sales at outlets open at least a year rose 5.4 percent in the fiscal second quarter, excluding gasoline and value-added tax, slowing from the first quarter's 7.8 percent pace. Metro lost 3.2 percent to 37.15 euros. Beisheim sold a 5.2 percent holding, or 17 million Metro shares, in a private placement, the Dusseldorf-based company said. The shares were priced at 35 euros each, according to three people familiar with the transaction, which would value the stake at about 595 million euros (\$876 million). Michael Page rose 4.2 percent to 343.9 pence. The recruiter posted a third-quarter operating profit and reported "signs of stabilization" in an "increasing number" of its markets. Societe Generale SA slumped 5.9 percent to 50.50 euros, the biggest drop in five months, as France's Societe de Financement de l'Economie Francaise stopped raising state-guaranteed funds for banks. BNP Paribas SA, France's largest lender, slid 2 percent to 52.93 euros. Telefonica SA dropped 1.6 percent to 19.03 euros. Europe's second-biggest phone company offered to buy GVT (Holding) SA for about 2.55 billion euros, trumping Vivendi SA's bid for the Brazilian company.

## US MARKETS

U.S. stocks rose for a third day as banks climbed on an analyst upgrade of Bank of America Corp. and Wells Fargo & Co.'s plan to boost credit-card rates, while Alcoa Inc. jumped before beginning the third-quarter earnings season. Bank of America and Wells Fargo each climbed 2.1 percent. Google Inc. rallied 3.8 percent after Oppenheimer & Co. raised its share-price estimate. Alcoa, the largest aluminum producer, rose 2.2 percent before posting an unexpected profit after markets closed. AT&T Inc. led the Dow Jones Industrial Average lower on plans to let iPhone owners use Internet phone carriers. The Standard & Poor's 500 Index rose 0.3 percent to 1,057.58 at 4:11 p.m. in New York. The Nasdaq Composite Index added 0.3 percent to 2,110.33. The Dow slipped 5.67 points, or 0.1 percent, to 9,725.58. The S&P 500 Financial Index has surged 5.6 percent this week. Goldman Sachs Group Inc. upgraded the biggest U.S. banks to "attractive" from "neutral" on Oct. 5, saying share prices don't reflect prospects for earnings growth. The S&P 500 fell for most of the session today as homebuilders declined on speculation Congress won't extend a tax credit and AT&T led a slump in telephone shares. The benchmark index reversed its retreat in the final hour of trading as investors speculated Alcoa, the first Dow Company to report earnings, would post better-than-estimated results. The S&P 500 surged 32 percent in the last two quarters and is up 56 percent from a 12-year low in March amid signs the worst of the global recession is over. The U.S. equity benchmark traded for 20.2 times reported operating income of its companies last month, the most since 2004. Using estimated 2011 earnings drives the valuation down to 11.1, or only 10 percent higher than the 24-year low based on trailing results

reached in March. The S&P 500 completed its first two-week decline since July on Oct. 2 after manufacturing expanded less than anticipated and unemployment climbed to the highest level since 1983, spurring concern the economy is rebounding slower than forecast. Investors should purchase stocks during declines in the market and "stay bullish" because the rebound in the S&P 500 is "quite moderate" compared with past recoveries from bear markets, wrote a team of Bank of America analysts led by chief U.S. equity strategist David Bianco. Over the last seven months, the S&P 500 has recouped about 43 percent of its tumble from a record in October 2007, compared with an average recovery of 65 percent by this point, the analysts wrote. Alcoa rallied 2.2 percent to \$14.90 in regular trading. After financial markets closed, the company posted third-quarter income excluding certain items of 4 cents a share, its first quarterly profit in a year. Analysts surveyed by Bloomberg estimated a loss of 9 cents. Bank of America gained 2.1 percent to \$17.35. Goldman Sachs Group Inc. rose 1.9 percent to \$190.48 after being rated new "buy" at Deutsche Bank AG. JPMorgan Chase & Co. added 1.8 percent to \$45.70. Amazon.com Inc. advanced 3.4 percent to \$93.97. Google Inc. rose 3.8 percent to \$517.54 after Oppenheimer raised its share-price estimate to \$565, saying the search-engine operator will probably beat 2010 earnings forecasts. Coca-Cola Co. gained 0.9 percent to \$54.81. Wyndham Worldwide Corp. rose the most in the S&P 500, jumping 7.4 percent to \$17.47. The franchiser of Days Inn hotels and Super 8 motels was upgraded to "buy" from "neutral" by Goldman Sachs, which said the stock may rise to \$26 within 12 months.

## EMERGING MARKETS

Brazil's Bovespa index closed little changed as speculation of improving profit growth prospects offset a drop in lenders following the record initial public offering of Banco Santander SA's Brazil unit. The Bovespa fell 32 points, or less than 0.1 percent, to 62,638.28. The BM&FBovespa Small Cap index jumped 1 percent, led by GVT (Holding) SA, which surged 14 percent after Telefonica SA offered to buy the company for 6.5 billion reais. Among other Latin American markets, Mexico's Bolsa index climbed 0.3 percent and Chile's Ipsa increased 0.3 percent. The MSCI Emerging Markets Index added 0.5 percent. Latin American stocks were upgraded to "overweight" from "underweight" by Citigroup Inc. on speculation a worldwide economic rebound will fuel profit growth for the region's commodity producers. Latin American earnings per share may climb 27.1 percent next year.

### CONTACT NAMES

**Shadi Hanna**

**A.G.M Financial Markets Division**

<u>CAPITAL MARKETS</u>		<u>PRIVATE BANKING</u>	
Ziad Moubarak	Fixed Income	Joe Nader	
Elie Ghanem		Marguerite Bazerli	
Rhea Sawaya		Rizkallah Semaan	
Yves Rahme	Equity Desk	Zeina Anka	
Haytham Mroue			
Maguy Viltaki			
Hana Kara			
Youssef Abi Saab			

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