

Financially Yours,

November 10, 2008 YOUR DAILY ELECTRONIC MARKET REPORT

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Lebanese Eurobonds

USD	Coupon	Maturity	Bid	Offer	Bid Yield	Offer Yield	Duration	Mduration	Frq
10.25 Lebanon oct 09	10.250	10/06/2009	99.750	100.750	10.524	9.337	0.87	0.83	2
7.125 Lebanon Mar 10	7.125	03/05/2010	96.250	97.250	10.237	9.388	1.26	1.20	2
7 7/8 Lebanon May 11	7.875	05/20/2011	96.000	97.000	9.701	9.235	2.24	2.14	2
9 1/8 Lebanon Mar 13	9.125	03/12/2013	94.000	95.000	10.892	10.586	3.60	3.41	2
8 5/8 Lebanon June 13	8.625	06/20/2013	92.000	93.000	10.875	10.580	3.73	3.54	2
9 Lebanon May 14	9.000	05/02/2014	93.000	94.000	10.723	10.467	4.38	4.16	2
10 Liban Apr 15	10.000	04/25/2015	95.000	96.000	11.101	10.874	4.84	4.59	2
8.50 Lebanon Aug 15	8.500	08/06/2015	86.000	88.000	11.542	11.069	5.01	4.74	2
8 1/2 Lebanon Jan 16	8.500	01/19/2016	86.000	88.000	11.401	10.951	5.23	4.95	2
8 1/4 Lebanon Apr 21	8.250	04/12/2021	76.000	77.500	12.017	11.734	7.26	6.85	2

Emerging Eurobonds

USD	Coupon	Maturity	Bid	Offer	Mid Yield	Beirut Stock Exchange					
USD	Coupon	Maturity	Bid	Offer	Mid Yield	Name	Rates	% Change	P/E 07	P/B 07	Div Yield
KAZKOMMERTS	7.000%	03-Nov-09	87	87.5	22.163%	Byblos bank	1.85	2.78%	7.77	4.32	1.85
EVRAZ GROUP S	8.875%	24-Apr-13	43	44	34.686%	Byblos bank Preferred	103	0.00%	-	-	103
IIB LUXEMBOURG	9.500%	12-Feb-10	70	77	37.966%	Byblos bank Prty	1.85	0.00%	7.77	4.32	1.85
SEYCHELLES	9.125%	03-Oct-11	31	43.5	55.551%	Audi	69	0.00%	11.25	0.25	69
ATF BANK	9.250%	12-Apr-12	55.25	65.27	28.218%	Blom	78.95	-0.06%	8.28	0.16	78.95
LEB. AMR. UNIV *	6.750%	01-Feb-13	102	103	6.067%	Solidere A	21.13	3.07%	15.55	1.45	21.13
ORASCOM TELC.	7.875%	08-Feb-14	84	86	11.785%	Solidere B	20.86	1.66%	15.35	1.43	20.86
VENEZUELA	8.500%	08-Oct-14	59	60	20.673%	Holcim	15	-3.23%	-	-	15
CELL C	11.000%	01-Jul-15	95	96	10.233%	Fransabank	25.5	-	-	-	-
						Casino	350	-	-	-	-

Benchmark	Maturity	Yield	Equity Indices	Price	% Change	Arab Indices	Price	% Change
US TREASURY	2 YEARS	1.383	NASDAQ Comp	1647.4	2.41%	BLOM Stock Index .BLSI	1374.297	0.82%
	5 YEARS	2.618	NASDAQ 100	1271.62	2.39%	SAUDI All Share .SASI	5836.42	0.20%
	10 YEARS	3.831	DJI	8943.81	2.85%	Doha Stock Market .QSI	7021.96	-6.09%
	30 YEARS	4.310	S&P 500	930.99	2.89%	Kuwait SE .KWSE	9404.4	-3.90%
EUR BUND	2 YEARS	2.411	Nikkei	8583	-3.55%	Abu Dhabi SE .ADI	3190.66	-7.13%
	5 YEARS	2.939	SMI	6008.16	1.41%	Egyptian .CASE30	5235.76	-2.21%
	10 YEARS	3.671	CAC 40	3469.12	2.42%	Dubai FM Gen Id .DFMGI	2631.46	-9.80%
	30 YEARS	4.242	DAX	4813.57	-6.84%	Morocco SI MSI	6695.31	-4.21%
			FTSE	4364.96	2.17%	Bahrain .BAX	2182.55	-1.99%
		Euronext 100	588.36	2.04%				

Tracker	Underlying	Last Price	% Change
FXI	China	25.60	12.83
EWG	Germany	18.04	5.19
EWJ	Japan	9.05	5.85
EWY	Korea	28.34	11.66
EWT	Taiwan	8.53	7.3
EWZ	Brazil	38.02	5.73
IIF	India	15.44	7.45
RNE	Eastern Europe	11.28	0.89
TKF	Turkey	6.01	2.04
GLD	Gold	72.50	0.39
USO	Oil	50.04	-0.22

Byblos Bank Deposits	Rates
USD*	
1 months	3.50%
3 Months	3.50%
6 Months	3.50%
1 Year	3.50%
*Benchmark amount 100-200 thds	
LBP*	
1 months	7.00%
3 Months	6.75%
6 Months	6.50%
1 Year	6.50%
*Benchmark amount 100-300 Millions	

Commodities	Price	% Change
Gold / Oz	733.20	0.27%
Silver / Oz	996.30	-0.91%
Palladium / Oz	224.00	0.63%
Platinum / Oz	852.00	1.63%
Copper/ Lbs	169.25	-1.74%
Aluminum / Lbs	0.90	-2.95%
Coffee / Lbs	111.00	-4.64%
Cocoa EUR / 100 Kg	1913.00	-3.04%
Wheat / Tone	521.00	-0.29%
Soybean / Bsh	911.75	1.36%
Wti / Bbl	63.49	4.05%
Brent	57.23	1.22%

Libor USD	Rate
1 months	1.62
3 Months	2.29
6 Months	2.64
1 Year	2.80
Libor EUR	
1 months	4.08
3 Months	4.47
6 Months	4.54
1 Year	4.59

FX Rates	Bid	Ask	Hi	Lo
USD / LL	1498	1504		
Euro	1.284	1.2842	1.2897	1.2778
JPY	98.98	98.99	99.34	98.68
GBP	1.5758	1.5767	1.5884	1.5723
CHF	1.1759	1.1764	1.1776	1.1723
CAD	1.1787	1.1789	1.1852	1.174
AUD	0.6828	0.6833	0.6929	0.6831

Key Economic Calendar		
Data	Date	Forecast
US		
US Employment Index	10-Nov-08	
Euroland / Japan		
EZ Sentix Index	10-Nov-08	-34.00

REGIONAL MARKETS

Lebanon's BLOM stock index rose 0.82 percent to 1374.297 points. Solidere's A rose 3.07 percent at \$21.13 and its B share rose 1.66 percent to \$20.86. Byblos Bank S.A.L. common rose 2.78 percent at 1.85 and its priority share remain unchanged at 1.85.

Persian Gulf shares fell for a second day amid concerns that lower crude oil prices will cut export revenue for the region at a time when global economic

growth is slowing. The Dubai Financial Market General Index dropped 4.5 percent to 2,673.02, the lowest since February 2005. The Abu Dhabi Securities Exchange General Index fell 1.7 percent, while the Kuwait Stock Exchange Index declined 0.7 percent. Oman's Muscat Securities Market 30 Index lost 0.3 percent. Emaar fell 6.5 percent to 4.61 dirhams and Aldar dropped 7.1 percent to 5 dirhams.

TOP FX NEWS

The U.S. dollar and the euro surged against the yen Monday morning in Tokyo, with the dollar rising to the lower 99 yen level and the European currency appreciating into the upper 127 yen zone on a surge in Japanese equities. At noon, the dollar fetched 99.12-17 yen, up from 98.20-30 yen in New York and 97.58-60 yen in Tokyo. The euro traded at \$1.2864-2869 and 127.58-63 yen, against \$1.2715-2725 and 124.92-125.02 yen in New York and \$1.2776-2778 and 124.67-71 yen in Tokyo late Friday. The dollar, which traded in the upper 98 yen range early in the morning, gradually tested higher ground as rises in Japanese stocks improved investor tolerance for risk, dealers said. In the morning, Japan's key Nikkei stock index rallied more than 5 percent to 9,053.90, recovering the 9,000 mark during trading hours for the first time since Thursday. Many other Asian stock markets also took off on a firm note, with sharp rises seen especially in China and Hong Kong. Also giving the dollar and other high yielding currencies support was news that the Chinese government will spend some 4 trillion yuan, or about \$570 billion, in the coming two years to shore up its economy, which has recently begun to show signs of slowing, dealers said.

USD/JPY

Res: 099.40/100.56/101.60

Sup: 098.25/097.79/096.75

EUR/USD

Res: 1.2932/1.3049/1.3117

Sup: 1.2851/1.2723/1.2653

GBP/USD

Res: 1.5880/1.5959/1.6042

Sup: 1.5762/1.5663/1.5595

GOLD

Res: 761.00/769.00/777.00

Sup: 729.70/726.60/720.40

EUROLAND

European stocks resumed their losses this week as interest-rate cuts failed to ease concern the economy and corporate earnings will deteriorate. The Dow Jones Stoxx 600 Index dropped 1.1 percent in the five days, following the steepest weekly gain since 2001 a week earlier. ArcelorMittal sank 13 percent after the world's biggest steelmaker cut production and Lafarge SA slid 9.4 percent as the largest cement producer abandoned its 2010 profit target. Money managers Man Group Plc and 3i Group Plc dropped more than 10 percent after the value of their assets declined. Europe's Stoxx 600 retreated 2.47 to 219.6, taking this year's loss to 40 percent as almost \$700 billion in credit losses dragged down economic growth. Profit concern this week also overshadowed speculation that U.S. President-elect Barack Obama may boost growth with a stimulus package. U.S. reports this week showed the unemployment rate climbed to the highest level since 1994 and service industries contracted the most on record in October as credit dried up and consumers reined in spending. Policy makers in the euro zone, the U.K., Switzerland and Denmark lowered rates to ease the effects of the global credit squeeze. The Bank of England unexpectedly cut its benchmark lending rate by 1.5 percentage points to the lowest since 1955. The European Central Bank reduced borrowing costs by 50 basis points to 3.25 percent. Analysts have scaled back their estimates for 2008 profits at Stoxx 600 companies to a 6.8 percent drop, from an 11 increase forecast at the start of the year, according to Bloomberg data. The European Commission said on Nov. 3 that the region's economy probably entered a recession in the third quarter and

trimmed its growth forecast for this year to 1.2 percent from 1.3 percent. The Stoxx 600 declined 13 percent in October, its worst month since September 2002. National benchmark indexes fell in seven of 18 western European markets. Germany's DAX Index dropped 1 percent. France's CAC 40 slipped 0.5 percent, while the U.K.'s FTSE 100 advanced 0.3 percent. Earnings for the 1,123 companies in western Europe that reported quarterly results since Oct. 7 declined 9.1 percent on average, trailing expectations by 7.1 percent, according to Bloomberg data. The Stoxx 600 is now trading at 9.3 times its members' reported earnings, Bloomberg data show. The measure was valued on Oct. 27 at 7.9 times earnings, the cheapest level since at least January 2002. ArcelorMittal, based in Luxembourg, tumbled after it doubled production cuts and said earnings will drop as an economic slowdown erodes demand from builders and carmakers. ThyssenKrupp AG, Germany's biggest steelmaker, lost 6.9 percent. Lafarge fell 9.4 percent. The Paris-based cement maker said it will scale back expansion and widen a disposal program to meet the terms of debt agreements as demand for cement and aggregates slows in the U.S. and Europe. Holcim Ltd., the world's second-largest cement maker, slipped 10 percent. Volkswagen AG declined 20 percent as Deutsche Boerse AG, operator of the Frankfurt bourse, cut the stock's weighting in the DAX to 10 percent as of Nov. 3, forcing index trackers to sell the shares. Europe's biggest carmaker now has a weighting of 8.1 percent in the German benchmark.

US MARKETS

U.S. stocks fell this week, extending declines after the worst month in 21 years, as jobs and profit data stoked concern that President-elect Barack Obama will inherit an economy deep in a recession. The Standard & Poor's 500 Index pared losses yesterday on speculation the Federal Reserve will lower interest rates after unemployment jumped. Genworth Financial Inc., News Corp. and Big Lots Inc. tumbled after the economic slowdown battered profits. General Motors Corp. lost a quarter of its value and said it may run out of operating cash this year. The S&P 500 lost 3.9 percent to 930.99 this week as a 4.1 percent gain on Election Day was followed by the biggest two-day drop since 1987. The Dow Jones Industrial Average retreated 4.1 percent to 8,943.81. The Russell 2000 Index of small-company stocks fell 5.9 percent to 505.79. The Nasdaq Composite Index fell 4.3 percent to 1,647.4. The declines cut the S&P 500's rebound from a five-year low on Oct. 27 by almost half. The index fell 17 percent in October and is down 37 percent this year on concern almost \$700 billion in credit losses and writedowns at financial firms worldwide will push the global economy into recession. The Labor Department yesterday said the U.S. jobless rate climbed last month to 6.5 percent, the highest level since 1994, as payrolls dropped by 240,000. Reports earlier in the week showed service industries in the U.S. contracted by the most on record and factory orders slid more than forecast. The leader of a National

Bureau of Economic Research panel that dates economic cycles said there is now no doubt that a recession is under way. Futures on the Chicago Board of Trade showed a 97 percent chance the Fed will cut its 1 percent target rate for overnight lending between banks in half at its Dec. 16 meeting, compared with 55 percent odds a week ago. Obama, in his first press conference since his Nov. 4 election, said yesterday that further action is needed to boost the economy and a stimulus package will "be the first thing I get done" in office if Congress doesn't act by year-end. S&P 500 companies are poised for the fifth consecutive quarter of falling earnings, the longest streak since the 2001 recession. Profits fell by 13 percent for the 442 companies in the index that have reported third-quarter results. Genworth, the insurer spun off by General Electric Co., slid 45 percent to \$2.67 after posting a quarterly loss because of the declining value of its investments. The company suspended its dividend and said it may sell assets or raise capital. News Corp. sank 20 percent to \$8.48. The media company controlled by Rupert Murdoch reduced its 2009 profit forecast on shrinking ad sales at its Fox stations and newspapers. Walt Disney Co. fell 9.8 percent to \$23.36. The world's largest theme-park operator said fourth-quarter profit fell more than analysts estimated amid a slowdown in consumer spending. Fewer visitors are booking resort vacations in the slowing economy, the company said.

EMERGING MARKETS

Brazilian stocks gained for the first time in three days after earnings at the nation's biggest discount retailer beat analyst estimates, easing concern the global slowdown will stall consumer spending. Lojas Americanas SA surged as much as 10 percent after Goldman Sachs Group said its third-quarter earnings showed no consumer slowdown. Inpar SA jumped the most since in six months on a report the real estate company may sell a stake, fueling speculation of mergers among homebuilders. Tele Norte Leste Participacoes SA and Brasil Telecom Participacoes SA led a rally in telephone companies on prospects that sales will hold up in the slowing economy. The Bovespa rose 0.8 percent to 36,665.11, paring losses for the week to 1.6 percent. The BM&FBovespa MidLarge Cap index rose 0.9 percent. The BM&FBovespa Small Cap index added 2.8 percent. Mexico's Bolsa rose 0.9 percent. Chile's Ipsa added 1.8 percent. The MSCI Emerging Markets Index climbed 1.3 percent. In other Latin America markets, Peru's Lima General climbed 5.4 percent and Colombia's IGBC gained 4.1 percent. In Mexico, the Bolsa rose for the first time in three days. Grupo Bimbo SAB, Mexico's biggest baker, rose 7.3 percent to 66 pesos. The Merval index slid 3.5 percent. Tenaris SA lost 8.4 percent as it reduced investment.

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