

Financially Yours,

Your Daily Electronic Market Report

LEBANESE EUROBONDS

USD	Coupon	Maturity	Bid	Offer	Bid Yield	Offer Yield	Duration	Mduration	Frq
7.5 Lebanon Mar 12	7.500	19/03/2012	99.750	100.750	8.758	3.047	0.17	0.17	2
9 1/8 Lebanon Mar 13	9.125	12/03/2013	106.250	107.250	3.537	2.690	1.09	1.07	2
9 Lebanon May 14	9.000	02/05/2014	111.250	112.250	3.821	3.395	2.10	2.06	2
5.875 Lebanon Jan 2015	5.875	15/01/2015	104.000	105.000	4.434	4.084	2.79	2.74	2
8.50 Lebanon Aug 15	8.500	06/08/2015	114.375	115.375	4.109	3.829	3.07	3.01	2
8 1/2 Lebanon Jan 16	8.500	19/01/2016	114.375	115.375	4.535	4.282	3.39	3.32	2
9 Lebanon Mar 17	9.000	20/03/2017	118.500	119.500	4.906	4.708	4.24	4.14	2
6.375 Lebanon Mar 20	6.375	09/03/2020	105.000	105.625	5.601	5.507	6.39	6.22	2
8 1/4 Lebanon Apr 21	8.250	12/04/2021	118.000	118.500	5.713	5.650	6.75	6.57	2
7 Lebanon Dec 2024	7.000	03/12/2024	106.250	107.250	6.284	6.175	8.77	8.51	2

EMERGING MARKETS - EUROBONDS

USD	Coupon	Maturity	Bid	Offer	Mid Yield
DAR AL-ARKAN INT	10.750	18/02/2015	92.750	94.250	13.379
REP OF SRI LANKA	8.250	24/10/2012	102.000	103.000	4.883
PETROLEOS MEXICA.	6.000	05/03/2020	104.367	105.067	5.278
TAQA ABU DHABI	6.600	01/08/2013	105.280	106.220	2.757
ADCB F. CAYMAN	4.750	08/10/2014	103.905	104.845	3.063
PET. VENEZUELA	5.250	12/04/2017	64.500	65.500	15.168
ORASCOM	7.504	01/03/2022	87.250	88.250	9.402
REP.VENEZUELA	8.500	08/10/2014	93.850	94.850	10.941
CELL C PTY LTD	11.000	01/07/2015	100.000	105.000	10.121
BANCO DO BRASIL	4.500	22/01/2015	102.400	104.000	3.374
DOLPHIN ENER.LTD	5.888	15/06/2019	107.280	108.220	4.639

BEIRUT STOCK EXCHANGE as 10/01/2012

Name	Price	\$Change	%Chg	P/E 06	Div Yield
Byblos bank	1.58	0.00	0.00%	5.45	0.06
Byblos bank GDR	77.50	0.00	0.00%	-	-
Byblos bank Pref 08'	101	0.00	0.00%	-	-
Byblos bank Pref 09'	101	0.00	0.00%	-	-
Audi (GDR)	5.96	-0.03	-0.50%	0.82	0.33
Blom (GDR)	7.47	0.02	0.27%	0.64	0.49
Solidere A	14.54	-0.05	-0.34%	13.13	0.07
Solidere B	14.41	0.00	0.00%	13.01	0.07
Holcim	16.60	-0.29	-1.70%	16.42	0.05
Casino	550	0.00	-	-	-

Benchmark	Maturity	Yield
US TREASURY	2 YEARS	0.244
	5 YEARS	0.844
	10 YEARS	1.965
	30 YEARS	3.024
EUR BUND	2 YEARS	0.167
	5 YEARS	0.830
	10 YEARS	1.871
	30 YEARS	2.465

Equity Indices	Price	% Change
NASDAQ Comp	2702.50	0.97%
NASDAQ 100	2367.10	0.71%
DJI	12462.47	0.56%
S&P 500	1292.08	0.89%
Nikkei	8422.26	0.38%
SMI	6050.78	1.06%
CAC 40	3210.79	2.66%
DAX	6162.98	2.42%
FTSE	5696.70	1.50%
Euronext 100	602.2	1.99%

Arab Indices	Price	%Change
BLOM Stock Index .BLSI	1174.765	-0.27%
SAUDI All Share .SASI	6476.6	0.54%
Doha Stock Market .QSI	8629.25	-2.05%
Kuwait SE .KWSE	5720.3	0.46%
Abu Dhabi SE .ADI	2362.17	0.05%
Egyptian .CASE30	3735.64	2.36%
Dubai FM Gen Id .DFMGI	1340.32	0.36%
Morocco CFG 25	5713.96	-0.05%
Bahrain .BAX	1134.48	-18.45%

Tracker Underlying	Last Price	% Change
FXI China	36.73	2.26
EWG Germany	19.72	1.81
EWJ Japan	9.21	1.21
EWY Korea	53.15	2.07
EWT Taiwan	12.17	2.31
EWZ Brazil	60.98	2.06
IIF India	15.02	3.94
RNE Eastern Europe	14.23	2.30
TKF Turkey	11.32	0.98
GLD Gold	158.64	1.37
USO Oil	39.34	0.67

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	5.00%
3 Months	5.00%
6 Months	5.15%
1 Year	5.15%
*Benchmark amount 100-300 Millions	

Commodities	Price	%Change
Gold / Oz	1641.30	1.50%
Silver / Oz	30.17	1.50%
Palladium / Oz	777.75	0.00%
Platinum / Oz	1786.80	0.00%
Copper/ Lbs	432.65	1.20%
Aluminum / Lbs	109.00	0.74%
Coffee / Lbs	221.85	1.05%
Cocoa EUR / 100 Kg	2170.00	7.00%
Wheat / Tone	641.75	2.72%
Soybean / Bsh	1225.75	3.05%
Wti / Bbl	102.23	1.50%
Brent	112.06	-0.79%

Libor USD	Rate
1 months	0.30
3 Months	0.58
6 Months	0.81
1 Year	1.13
Libor EUR	
1 months	0.84
3 Months	1.22
6 Months	1.50
1 Year	1.84

FX Rates	Bid	Ask	Hi	Lo
USD / LL	1501	1510		
Euro	1.2752	1.2756	1.2778	1.2727
JPY	76.9	76.94	76.95	76.78
GBP	1.546	1.5464	1.549	1.5446
CHF	0.9509	0.9513	0.9522	0.9482
CAD	1.016	1.0166	1.0185	1.0149
AUD	1.0303	1.0306	1.0317	1.0265

Key Economic Calendar	Date	Forecast
US		
MBA Purchase	11-JAN-12	N/A
Mortgage Maket	11-JAN-12	N/A
Euroland / Japan		
GB Trade Balance	11-JAN-12	-8.30B

REGIONAL MARKET

Lebanon's BLOM stock index fell 0.27 percent to 1174.969 points. Solidere A fell 0.34 percent to \$14.54 and its Solidere B remained unchanged at \$14.41 Byblos Bank S.A.L remained unchanged at 1.58.

Tamweel PJSC (TAMWEEL UH), a Dubai-based Islamic mortgage company, is selling \$300 million of

bonds due in January 2017, a banker with knowledge of the deal said. First Gulf Bank PJSC (FGB UH), a lender controlled by Abu Dhabi's ruling family, plans to raise about \$500 million from the sale of five-year Islamic bonds, the second United Arab Emirates bank to sell sukuk this month

TOP FX NEWS

The euro dropped versus the dollar and yen before a report that may signal Europe's sovereign-debt crisis is hurting the region's prospects for economic growth. The 17-nation currency slid against most of its major peers before Spain and Italy sell securities this week amid concern the nations will struggle to meet funding needs. Gains in the dollar were limited before a report tomorrow forecast to show inflation is slowing in China, spurring speculation the Asian nation's central bank will have more scope to support growth in the world's second-biggest economy. The euro lost 0.3 percent to \$1.2741 as of 2:22 p.m. in Tokyo from yesterday in New York. It fell 0.2 percent to 98 yen. The dollar was at 76.92 yen from 76.85. Industrial production in the euro region is forecast to have shrunk for a third month in November, according to a Bloomberg News survey of economists before the European Union's statistics office in Luxembourg releases the data tomorrow. The median estimate is for a 0.3 percent contraction. The European Central Bank will keep its key interest rate at 1 percent at a policy meeting tomorrow, the median estimate in a separate Bloomberg poll showed. That would follow quarter-point rate reductions at each of the bank's last two meetings. Spain will auction as much as 5 billion euros (\$6.4 billion) of bonds due 2015 and 2016 tomorrow, while Italy is scheduled to sell 12 billion euros of bills. Germany will auction 4 billion euros of five-year notes today.

USD/JPY

Res: 77.13/77.56/77.88
Sup: 76.58/76.11/75.32

EUR/USD

Res: 1.2855/1.2893/1.2935
Sup: 1.2798/1.2765/1.2750

GBP/USD

Res: 1.5625/1.5669/1.5700
Sup: 1.5507/1.5470/1.5444

GOLD

Res: 1599.7/1606.0/1617.3
Sup: 1561.0/1545.7/1523.0

EUROLAND

European stocks rose, rebounding from yesterday's drop, as mining companies rallied after Alcoa Inc. kicked off the U.S. earnings season with results that met analysts' estimates. BHP Billiton Ltd. climbed more than 3 percent as copper rebounded from a one-week low on record monthly imports of the metal in China. Volkswagen AG jumped more than 3 percent as German carmakers said they plan to grow faster than competitors after setting sales records last year. U.K. retailers rallied. The Stoxx Europe 600 Index advanced 1.8 percent to 250.82 at the close, erasing yesterday's 0.5 percent drop. The gauge advanced in the first week of 2012 as economic reports around the world added to optimism the global economy can withstand the euro-area's debt crisis. National benchmark indexes climbed in every west-European market except Greece and Portugal. Germany's DAX Index gained 2.4 percent, the U.K.'s FTSE 100 Index increased 1.5 percent and France's CAC 40 Index jumped 2.7 percent. BHP Billiton, the world's largest mining company, climbed 3.4 percent to 2,014 pence. Rio Tinto, the third-biggest, increased 3.6 percent to 3,428.5 pence and Xstrata Plc added 3.1 percent to 1,043 pence. Copper rallied on the London Metal Exchange as China imported record amounts of the metal in December. Inbound shipments of the refined metal, copper alloy and products climbed for a seventh month, rising to 508,942 tons, according to customs data. Carmakers advanced as Bayerische Motoren Werke AG, Daimler AG and Audi AG, owned by Volkswagen, said they plan to beat industry growth in 2012 following record sales last year. BMW's deliveries this year will rise by a single-digit percentage that outpaces the car market's expansion of 4 percent to 5 percent, Ian Robertson, the company's sales chief, told reporters yesterday at the North American International Auto Show in Detroit. The chief executive officers of Audi and Daimler said they expect their sales to exceed 4 percent. Volkswagen, the biggest European carmaker, gained 3.2 percent to 125.70 euros, BMW rallied 3.3 percent to 58.72 euros and Daimler rose 4.2 percent to 38.26 euros. U.K. retailers advanced with Marks & Spencer Group Plc climbing 3 percent to 317.7 pence after the U.K.'s largest clothing retailer reported increased Christmas sales led by gains in its food unit. The company maintained its full-year profit outlook as cost reductions offset discounts on apparel. Royal Philips Electronics NV retreated 4.7 percent to 14.91 euros after the world's biggest maker of light bulbs reported a 45 percent drop in fourth-quarter earnings before interest, taxes and amortization to about 500 million euros. Philips reiterated its 2013 financial targets. UniCredit SpA soared 6 percent to 2.42 euros, rebounding from a five-day selloff that sent the shares plunging 47 percent. Italy's biggest bank last week priced its 7.5 billion-euro rights offer at a 43 percent discount from the previous day's closing price.

US.MARKETS

U.S. stocks rose, sending the Standard & Poor's 500 Index to its highest level since July, amid bets that China may act to spur economic growth. All 10 groups in the S&P 500 advanced as financial, commodity and industrial shares had the biggest gains. Bank of America Corp. and Caterpillar Inc. rallied at least 2.9 percent. Alcoa Inc., the first company in the Dow Jones Industrial Average to report quarterly results, pared a rally of as much as 4.5 percent. Tiffany & Co. tumbled 10 percent after the luxury jewelry retailer reduced its annual earnings forecast. The S&P 500 climbed 0.9 percent to 1,292.08 at 4 p.m. New York time. The index rose to the highest level since July 29, a week before the U.S. was stripped of its AAA credit rating by S&P. The Dow gained 69.78 points, or 0.6 percent, to 12,462.47. The Russell 2000 Index of small companies jumped 1.5 percent, rallying above its average price of the last 200 days. Alcoa added 0.2 percent to \$9.44. Sales rose 6 percent to \$5.99 billion, beating estimates by 5.1 percent. It had a loss excluding restructuring costs of 3 cents a share, matching the average projection from 18 estimates compiled by Bloomberg. Stocks rose as a drop in China's import growth bolstered forecasts for monetary easing. Equities pared gains as Alcoa, the largest U.S. aluminum producer, tumbled from yesterday's peak. The S&P 500 has ended the earnings season higher 75 percent of the time when Alcoa rises in the session after reporting its results, according to a Bespoke Investment Group study of 34 quarters going back to 2003. Eastman Kodak Co. gained the most in the Russell 2000, advancing 50 percent to 60 cents. The unprofitable 131-year-old imaging company simplified its management structure and created a chief operating office to reduce costs. Tiffany slumped 10 percent to \$59.94. The company, which generates almost half of its sales outside of the U.S., is selling fewer \$65,000 diamond necklaces as volatile stock markets prompt European consumers to curb spending. Asian shoppers also are restraining

purchases of luxury goods. Soft Demand Goodyear Tire & Rubber Co. tumbled 8.3 percent to \$14.01. The largest U.S. tiremaker said it's experiencing softness in global demand. Sales of replacement tires in North America, where Goodyear got 44 percent of its revenue in 2010, fell about 3 percent in last year's final quarter, Chief Financial Officer Darren Wells said at an investor conference today in Detroit. Liz Claiborne Inc. tumbled 13 percent, the biggest drop since Aug. 8, to \$8.64. The apparel maker cut its profit forecast for the coming year and said its chief financial officer is departing. Rallying stocks have done little to entice professional money managers back to U.S. equities. A gauge of hedge-fund bullishness measuring the proportion of bets that shares will rise climbed to 44.5 last week from 43.9 at the end of 2011, holding close to the lowest level since 2009, according to International Strategy & Investment Group. Compared with the price of the S&P 500, managers' so-called net exposure is close to the lowest since June 2008, the data show. The Morgan Stanley Cyclical Index of companies most-dependent on economic growth gained 1.7 percent. The Dow Jones Transportation Average added 1.4 percent. The KBW Bank Index rallied 1.9 percent. Bank of America climbed 5.7 percent, the biggest gain in the Dow, to \$6.63. Caterpillar, the world's largest construction and mining-equipment maker, increased 3 percent to \$99.96. The world's biggest software maker said personal computer sales probably were worse than forecast in the fourth quarter because of flooding in Thailand. The plastic-clogs maker said fourth-quarter revenue was at the high end of its previous guiding range between \$200 and \$205 million. Analysts on average estimated \$204.6 million, according to a Bloomberg survey. MetLife Inc. The life insurer seeking to limit federal oversight said it will exit the business of originating residential mortgages. The insurer will have \$90 million to \$100 million in costs after tax tied to the departure in the next year, New York-based MetLife said.

EMERGING-MARKETS

China's stocks fell, halting the benchmark index's biggest three-day gain since 2010, on concern inflation will hamper the government's ability to ease monetary policies to spur growth. The Shanghai Composite Index fell 8.75 points, or 0.4 percent, to 2,276.99 at the 1:04 p.m. local time, ending a three-day, 6.4 percent rally.

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

Youssef Abi Saab

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