

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	104.250	105.250	3.736	2.886	1.11	1.10	2
9 1/8 Lebanon Mar 13	9.125	12/03/2013	111.000	112.000	3.742	3.287	1.95	1.92	2
9 Lebanon May 14	9.000	02/05/2014	114.375	115.375	4.262	3.961	2.90	2.84	2
5.875 Lebanon Jan 2015	5.875	15/01/2015	104.000	105.000	4.762	4.492	3.62	3.54	2
8.50 Lebanon Aug 15	8.500	06/08/2015	115.375	116.375	4.704	4.479	3.80	3.71	2
8 1/2 Lebanon Jan 16	8.500	19/01/2016	115.500	116.500	4.962	4.753	4.24	4.14	2
9 Lebanon Mar 17	9.000	20/03/2017	120.000	121.000	5.170	5.000	4.88	4.76	2
6.375 Lebanon Mar 20	6.375	09/03/2020	104.250	105.250	5.769	5.631	6.97	6.78	2
8 1/4 Lebanon Apr 21	8.250	12/04/2021	115.250	116.250	6.212	6.090	7.21	7.00	2
7 Lebanon Dec 2024	7.000	03/12/2024	103.500	104.500	6.610	6.502	9.12	8.83	2

EMERGING MARKETS - EUROBONDS

USD	Coupon	Maturity	Bid	Offer	Mid Yield
DAR AL-ARKAN INT	10.750	18/02/2015	99.201	99.651	10.922
REP OF SRI LANKA	8.250	24/10/2012	107.400	108.750	3.485
PETROLEOS MEXICA.	6.000	05/03/2020	107.700	107.700	4.941
TAQA ABU DHABI	6.600	01/08/2013	108.307	108.798	3.065
ADCB F. CAYMAN	4.750	08/10/2014	101.728	102.228	4.169
PET. VENEZUELA	5.250	12/04/2017	58.027	58.527	16.095
ORASCOM	7.875	08/02/2014	95.500	95.500	9.607
REP.VENEZUELA	8.500	08/10/2014	84.500	85.000	13.874
CELL C PTY LTD	11.000	01/07/2015	104.000	105.000	9.727
BANCO DO BRASIL	4.500	22/01/2015	103.967	104.467	3.367
DOLPHIN ENER.LTD	5.888	15/06/2019	108.125	108.125	4.706

BEIRUT STOCK EXCHANGE as 12/01/2011

Name	Price	\$Change	%Chg	P/E 06	Div Yield
Byblos bank	1.85	-0.06	-3.14%	6.38	0.05
Byblos bank Prty	1.85	-0.04	-2.12%	6.38	0.07
Byblos bank GDR	89	0.00	0.00%	-	-
Byblos bank Pref 08'	102.5	0.00	0.00%	-	-
Byblos bank Pref 09'	102.5	0.00	0.00%	-	-
Audi (GDR)	8.8	-0.12	-1.35%	1.21	0.23
Blom (GDR)	10.8	-0.02	-0.18%	0.92	0.34
Solidere A	18.73	-1.67	-8.19%	16.92	0.05
Solidere B	18.72	-1.35	-6.70%	16.91	0.05
Holcim	17.00	0.00	0.00%	6.28	0.05
Casino	490	0.00	-	-	-

Benchmark	Maturity	Yield
US TREASURY	2 YEARS	0.601
	5 YEARS	1.984
	10 YEARS	3.373
	30 YEARS	4.539
EUR BUND	2 YEARS	0.984
	5 YEARS	1.948
	10 YEARS	3.054
	30 YEARS	3.545

Equity Indices	Price	% Change
NASDAQ Comp	2737.33	0.75%
NASDAQ 100	2304.88	0.60%
DJI	11755.44	0.72%
S&P 500	1285.96	0.90%
Nikkei	10512.8	0.02%
SMI	6613.75	1.21%
CAC 40	3945.07	2.15%
DAX	7068.78	1.83%
FTSE	6050.72	0.61%
Euronext 100	711.75	1.57%

Arab Indices	Price	%Change
BLOM Stock Index .BLSI	1488.653	-3.22%
SAUDI All Share .SASI	6701.28	0.00%
Doha Stock Market .QSI	9221.16	0.91%
Kuwait SE .KWSE	6948.4	-0.03%
Abu Dhabi SE .ADI	2739.84	-0.01%
Egyptian .CASE30	7128.96	-0.36%
Dubai FM Gen Id .DFMGI	1627.79	-0.35%
Morocco CFG 25	6983.36	13.26%
Bahrain .BAX	1426.76	2.55%

Tracker Underlying	Last Price	% Change
FXI China	44.69	2.04
EWG Germany	24.16	3.20
EWJ Japan	11.16	0.95
EWY Korea	62.81	2.01
EWT Taiwan	15.76	1.86
EWZ Brazil	78.64	2.22
IIF India	25.29	2.18
RNE Eastern Europe	19.38	2.65
TKF Turkey	17.06	2.03
GLD Gold	135.46	0.41
USO Oil	38.99	0.28

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	1385.70	0.12%
Silver / Oz	29.53	0.14%
Palladium / Oz	805.80	2.94%
Platinum / Oz	1797.90	1.71%
Copper/ Lbs	440.20	1.45%
Aluminum / Lbs	113.00	1.12%
Coffee / Lbs	235.65	2.28%
Cocoa EUR / 100 Kg	3041.00	0.80%
Wheat / Tone	859.25	2.11%
Soybean / Bsh	1409.00	4.33%
Wti / Bbl	91.80	0.60%
Brent	98.91	1.04%

Libor USD	Rate
1 months	0.26
3 Months	0.30
6 Months	0.46
1 Year	0.78
Libor EUR	Rate
1 months	0.69
3 Months	0.93
6 Months	1.18
1 Year	1.46

FX Rates	Bid	Ask	Hi	Lo
USD / LL	1498	1503		
Euro	1.3089	1.3092	1.3138	1.3089
JPY	83.09	83.13	83.14	82.97
GBP	1.5743	1.5747	1.5768	1.5742
CHF	0.9695	0.97	0.9703	0.9664
CAD	0.9871	0.9877	0.9875	0.9856
AUD	0.9942	0.9944	0.9972	0.9918

Key Economic Calendar		
Data	Date	Forecast
US		
Initial Claims	13-JAN-11	405K
PPI Inflation	13-JAN-11	3.80%
Euroland / Japan		
EZ ECB Rate Decision	13-JAN-11	1.00%

REGIONAL MARKET

Lebanon's BLOM stock index fell 3.22 percent to 1488.653 points. Solidere A fell 8.19 percent to \$18.73 and its B fell 6.70 percent to \$18.72. Byblos Bank S.A.L. common fell 3.14 percent to 1.85 and its priority share fell 2.12 percent to 1.85.

Riyad Bank, Saudi Arabia's third- largest lender by market value, said fourth-quarter profit dropped to 764

million riyals from 912 million riyals in the year-earlier period. The company made the announcement in a statement to the Saudi bourse yesterday. Emirates Telecommunications Corp.'s \$12 billion offer for control of Zain may face competing bids after a minority shareholder of the Kuwaiti company said it's seeking other buyers .

TOP FX NEWS

The dollar strengthened against the euro for the first time in four days on speculation the recovery of the world's largest economy is gaining traction, underpinning the appeal of U.S. assets. South Korea's won advanced to a two-month high after policy makers lifted borrowing costs to curb inflation. The dollar rose to \$1.3096 per euro at 6:41 a.m. in London from \$1.3131 in New York yesterday, when it touched \$1.3145, the weakest level since Jan. 6. The U.S. currency bought 83.06 yen from 83 yen, near the Jan. 7 high of 83.68 yen. The euro fetched 108.77 yen from 109.00, after earlier reaching 109.15, the strongest since Jan. 6. Sales at U.S. retailers increased 0.8 percent in December, the same amount as in November, according to a Bloomberg News survey of economists before the Commerce Department's report. Output at factories, mines and utilities grew 0.5 percent last month, after a 0.4 percent in the prior month, a separate survey showed before the Federal Reserve's figures. The Dollar Index, which tracks the dollar against the currencies of six major U.S. trading partners such as the euro, rose 0.2 percent to 80.205 today. Australia's currency, which has weakened 2.8 percent against the dollar in 2011 amid its worst floods in decades, declined against 11 of its 16 major counterparts as the jobs data increased speculation the central bank will refrain from raising interest rates.

USD/JPY

Res: 83.50/83.70/83.91
Sup: 82.80/82.66/82.28

EUR/USD

Res: 1.3160/1.3192/1.3250
Sup: 1.3047/1.2961/1.2904

GBP/USD

Res: 1.5780/1.5823/1.5911
Sup: 1.5680/1.5646/1.5583

GOLD

Res: 1388.1/1390.4/1395.0
Sup: 1373.4/1366.0/1364.4

EUROLAND

European stocks advanced for a second day, extending a 28-month high, as investors speculated that the European Union will increase its efforts to contain the region's debt crisis. Intesa Sanpaolo SpA jumped 10 percent, leading banking shares higher across Europe as Portugal sold 10-year bonds. Sky Deutschland AG surged 31 percent after it won more funding from its parent company, News Corp. European Aeronautic Defence & Space Co. rose 2.1 percent after its Airbus SAS unit won the biggest order in commercial aviation history. The benchmark Stoxx Europe 600 Index gained 1.4 percent to 285.79 at the close in London. The measure posted the largest two-day gain in almost six weeks as concern diminished that Europe's sovereign-debt crisis will spread further. Portugal sold 599 million euros (\$783 million) of 10-year bonds at an average yield of 6.716 percent yesterday, compared with a yield of 6.806 percent at the previous sale on Nov. 10. The auction was the first debt sale by any of the euro region's most indebted countries this year. Portugal's existing 10-year debt has yielded more than 7 percent in 10 of the past 62 days, according to Bloomberg data. Greece needed a rescue within 17 days of its 10-year bond yield breaching 7 percent on April 6, while Ireland lasted less than a month after its yield cracked that level in October. EU officials are trying to forge a "comprehensive" plan to contain the currency area's sovereign-debt crisis, Economic and Monetary Commissioner Olli Rehn said yesterday. Japan may extend its purchases of bonds sold by a European financial aid fund beyond January as it seeks to support the region's recovery from the sovereign-debt crisis, two government officials familiar with the matter said. Finance Minister Yoshihiko Noda said yesterday that Japan intends to buy a fifth of the bonds that the European Financial Stability Facility plans to sell later this month to fund the bailout of Ireland. The government will consider additional purchases after January to help boost confidence in the euro area, said the two officials, who spoke on condition of anonymity because the government's plans aren't public. National benchmark indexes rose in 16 out of 18 western European markets. France's CAC 40 Index added 2.2 percent and Germany's DAX Index gained 1.8 percent, while the U.K.'s FTSE 100 Index rose 0.6 percent. Greece's ASE Index and Spain's IBEX 35 Index were the best performers, increasing 5 percent and 5.4 percent, respectively. The IBEX rose the most in eight months. Bank shares were the best performers of 19 industry groups as Portugal completed its sale of new debt. Intesa Sanpaolo and UniCredit SpA, the country's biggest lender by sales, advanced 10 percent to 2.14 euros and 9.7 percent to 1.65 euros respectively. Spain's Banco Santander SA gained 9.6 percent to 8.24 euros, while Greece's Alpha Bank SA rose 7.1 percent to 3.62 euros. Henderson Group Plc soared 9.3 percent to 151 pence.

US MARKETS

U.S. stocks rose, sending benchmark indexes to the highest since August 2008, as Wells Fargo & Co. raised its rating for large banks on prospects for higher dividends and amid speculation Europe will step up measures to control its crisis. Bank of America Corp. and Citigroup Inc. gained at least 2 percent. JPMorgan Chase & Co. added 2.6 percent after Chief Executive Officer Jamie Dimon told CNBC that he would like to boost the company's dividend. Canada's Consolidated Thompson Iron Mines Ltd. soared 33 percent after Cliffs Natural Resources Inc. agreed to buy the company for about C\$4.9 billion (\$4.95 billion). Nvidia Corp. jumped 15 percent after Oppenheimer & Co. predicted a "good year" for the industry's earnings. The Standard & Poor's 500 Index rose 0.9 percent to 1,285.96 in New York, the highest since Aug. 28, 2008. The Dow Jones Industrial Average increased 83.56 points, or 0.7 percent, to 11,755.44. U.S. stocks gained following an advance in European shares. Portugal sold 599 million euros (\$778 million) of bonds due in 2020 at a yield of 6.716 percent. That compares with 6.806 percent at the previous auction on Nov. 10. The government also placed 650 million euros of bonds due in 2014 at a yield of 5.396 percent, up from the 4.041 percent on Oct. 27. Financial shares had the biggest gain in the S&P 500 among 10 industries, rising 1.7 percent. Wells Fargo raised its rating on the largest U.S. banks to "overweight" from "market weight," saying dividend payout ratios may double this year. Bank of America rose 2 percent to \$14.99, while Citigroup advanced 2.8 percent to \$5.08. JPMorgan climbed 2.6 percent, the most in the Dow average, to \$44.71. Dimon told CNBC he "would like" to boost the company's dividend. He didn't give a time frame, although he said he hoped the action could be taken in the second quarter. He did not specify an amount. The bank currently pays a quarterly dividend of five cents a share,

compared with 38 cents two years ago. Full-year dividends for the 81 financial companies in the S&P 500 peaked at \$19.41 a share in 2007, and were slashed to \$3.01 a share in 2009, according to Bloomberg data, as a surge in nonperforming loans led to losses and many banks received capital infusions from the U.S. government. The transaction is the third-largest of the year after Tuesday's bid by Duke Energy Corp. for Progress Energy Inc. and DuPont Co.'s Jan. 9 purchase of Danisco A/S of Denmark. Merger and acquisition volume globally increased to \$671.8 billion in the fourth quarter, the highest since the third quarter of 2008, according to Bloomberg data. Year-to-date, \$64.9 billion of transactions have been announced. Nvidia jumped 15 percent, the second-biggest gain in the S&P 500, to \$23.35. "Despite lackluster 4Q results, we expect 1Q will prove to be the 'last cut' and look for 2011 to be a good year for semis with 2Q11 marking a fundamental inflection," Oppenheimer analyst Rick Schafer wrote in a note yesterday. He said Nvidia and Texas Instruments Inc. are among his favorite stocks. Micron Technology Inc. climbed 7.1 percent to \$9.34. Kipp Bedard, vice president of investor relations at the largest U.S. maker of computer-memory chips, said during a Needham conference yesterday that the downturn in chip prices is not lasting as long as in previous cycles and there are already signs of improvement. ITT Corp. jumped 17 percent, the most in the S&P 500, to \$61.50. The maker of military night-vision goggles said its board approved a plan to separate the company's businesses into three distinct, publicly traded companies. Bets against the S&P 500 fell to a one-year low. Short interest on the S&P 500 dropped to 6.87 billion shares, or 3.9 percent of shares available for trading, as of Dec. 31, down 5.7 percent from two weeks earlier, according to data compiled by U.S. exchanges and Bloomberg.

EMERGING-MARKETS

The Bovespa stock index soared the most in a month, advancing for a third day, after Brazilian retail sales jumped and investors speculated Europe's debt crisis may ease, bolstering the world recovery. The Bovespa index gained 1.7 percent to 71,632.90 at the New York time close for the biggest gain since Dec. 1. Fifty-three stocks increased on the measure while 13 fell. The real rose 0.6 percent to 1.6734 per dollar.

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