

# 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 | 102.750 | 103.500 | 3.762     | 2.778       | 0.74     | 0.73      | 2   |
| 9 1/8 Lebanon Mar 13   | 9.125  | 12/03/2013 | 108.500 | 109.500 | 4.001     | 3.436       | 1.62     | 1.59      | 2   |
| 9 Lebanon May 14       | 9.000  | 02/05/2014 | 112.500 | 113.500 | 4.326     | 3.981       | 2.59     | 2.54      | 2   |
| 5.875 Lebanon Jan 2015 | 5.875  | 15/01/2015 | 102.500 | 103.500 | 5.100     | 4.797       | 3.21     | 3.13      | 2   |
| 8.50 Lebanon Aug 15    | 8.500  | 06/08/2015 | 112.500 | 113.500 | 5.106     | 4.855       | 3.52     | 3.43      | 2   |
| 8 1/2 Lebanon Jan 16   | 8.500  | 19/01/2016 | 112.500 | 113.500 | 5.387     | 5.157       | 3.83     | 3.73      | 2   |
| 9 Lebanon Mar 17       | 9.000  | 20/03/2017 | 116.250 | 117.250 | 5.651     | 5.465       | 4.63     | 4.51      | 2   |
| 6.375 Lebanon Mar 20   | 6.375  | 09/03/2020 | 102.000 | 103.000 | 6.075     | 5.928       | 6.74     | 6.55      | 2   |
| 8 1/4 Lebanon Apr 21   | 8.250  | 12/04/2021 | 114.375 | 115.375 | 6.266     | 6.140       | 7.04     | 6.83      | 2   |
| 7 Lebanon Dec 2024     | 7.000  | 03/12/2024 | 101.750 | 102.750 | 6.799     | 6.687       | 8.96     | 8.67      | 2   |

## EMERGING MARKETS - EUROBONDS

| USD               | Coupon | Maturity   | Bid     | Offer   | Mid Yield |
|-------------------|--------|------------|---------|---------|-----------|
| DAR AL-ARKAN INT  | 10.750 | 18/02/2015 | 102.000 | 103.000 | 9.911     |
| REP OF SRI LANKA  | 8.250  | 24/10/2012 | 106.875 | 107.875 | 2.659     |
| PETROLEOS MEXICA. | 6.000  | 05/03/2020 | 112.250 | 113.000 | 4.251     |
| TAQA ABU DHABI    | 6.600  | 01/08/2013 | 108.375 | 108.875 | 2.405     |
| ADCB F. CAYMAN    | 4.750  | 08/10/2014 | 104.750 | 105.250 | 3.145     |
| PET. VENEZUELA    | 5.250  | 12/04/2017 | 60.000  | 61.000  | 15.897    |
| ORASCOM           | 7.875  | 08/02/2014 | 103.895 | 104.375 | #N/A N/A  |
| REP.VENEZUELA     | 8.500  | 08/10/2014 | 88.500  | 89.500  | 12.661    |
| CELL C PTY LTD    | 11.000 | 01/07/2015 | 102.510 | 104.490 | 9.924     |
| BANCO DO BRASIL   | 4.500  | 22/01/2015 | 104.300 | 104.500 | 3.195     |
| DOLPHIN ENER.LTD  | 5.888  | 15/06/2019 | 108.250 | 108.750 | 4.605     |

## BEIRUT STOCK EXCHANGE as 13/06/2011

| Name                 | Price | \$Change | %Chg   | P/E 06 | Div Yield |
|----------------------|-------|----------|--------|--------|-----------|
| Byblos bank          | 1.73  | 0.00     | 0.00%  | 5.97   | 0.06      |
| Byblos bank Prty     | N/A   | N/A      | N/A    | N/A    | N/A       |
| Byblos bank GDR      | 90    | 0.00     | 0.00%  | -      | -         |
| Byblos bank Pref 08' | 100   | 0.00     | 0.00%  | -      | -         |
| Byblos bank Pref 09' | 100   | 0.00     | 0.00%  | -      | -         |
| Audi (GDR)           | 7.5   | -0.03    | -0.40% | 1.03   | 0.27      |
| Blom (GDR)           | 8.9   | 0.00     | 0.00%  | 0.76   | 0.41      |
| Solidere A           | 18.4  | -0.01    | -0.05% | 16.62  | 0.05      |
| Solidere B           | 18.27 | -0.03    | -0.05% | 16.50  | 0.05      |
| Holcim               | 17.50 | 0.00     | 0.00%  | 17.36  | 0.05      |
| Casino               | 525   | 0.00     | -      | -      | -         |

| Benchmark   | Maturity | Yield |
|-------------|----------|-------|
| US TREASURY | 2 YEARS  | 0.412 |
|             | 5 YEARS  | 1.610 |
|             | 10 YEARS | 3.009 |
|             | 30 YEARS | 4.224 |
| EUR BUND    | 2 YEARS  | 1.543 |
|             | 5 YEARS  | 2.193 |
|             | 10 YEARS | 2.980 |
|             | 30 YEARS | 3.568 |

| Equity Indices | Price    | % Change |
|----------------|----------|----------|
| NASDAQ Comp    | 2639.69  | -0.15%   |
| NASDAQ 100     | 2222.05  | 0.05%    |
| DJI            | 11952.97 | 0.01%    |
| S&P 500        | 1271.83  | 0.07%    |
| Nikkei         | 9448.21  | -0.70%   |
| SMI            | 6197.25  | -1.18%   |
| CAC 40         | 3807.61  | 0.07%    |
| DAX            | 7085.14  | 0.22%    |
| FTSE           | 5773.46  | 0.13%    |
| Euronext 100   | 681.93   | 0.14%    |

| Arab Indices           | Price    | %Change |
|------------------------|----------|---------|
| BLOM Stock Index .BLSI | 1369.508 | -0.01%  |
| SAUDI All Share .SASI  | 6584.58  | 0.54%   |
| Doha Stock Market .QSI | 8285.67  | 0.00%   |
| Kuwait SE .KWSE        | 6317.6   | 0.18%   |
| Abu Dhabi SE .ADI      | 2709.56  | 0.32%   |
| Egyptian .CASE30       | 5550.22  | 0.71%   |
| Dubai FM Gen Id .DFMGI | 1557.6   | 0.38%   |
| Morocco CFG 25         | 6056.84  | -1.77%  |
| Bahrain .BAX           | 1346.03  | -3.25%  |

| Tracker Underlying | Last Price | % Change |
|--------------------|------------|----------|
| FXI China          | 42.62      | 0.71     |
| EWG Germany        | 26.22      | 0.50     |
| EWJ Japan          | 10.00      | 0.00     |
| EWY Korea          | 62.30      | 0.47     |
| EWT Taiwan         | 15.13      | -1.27    |
| EWZ Brazil         | 71.91      | -0.36    |
| IIF India          | 22.16      | -0.40    |
| RNE Eastern Europe | 18.57      | -1.33    |
| TKF Turkey         | 15.99      | -0.44    |
| GLD Gold           | 147.77     | -0.99    |
| USO Oil            | 38.26      | -2.07    |

| 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          | 1515.00 | -0.89%  |
| Silver / Oz        | 34.73   | -4.38%  |
| Palladium / Oz     | 777.75  | 0.00%   |
| Platinum / Oz      | 1786.80 | 0.00%   |
| Copper/ Lbs        | 403.05  | -0.53%  |
| Aluminum / Lbs     | 115.55  | -1.03%  |
| Coffee / Lbs       | 274.50  | 0.13%   |
| Cocoa EUR / 100 Kg | 2996.00 | -0.03%  |
| Wheat / Tone       | 816.50  | -1.12%  |
| Soybean / Bsh      | 1382.75 | -0.32%  |
| Wti / Bbl          | 97.45   | -1.35%  |
| Brent              | 121.43  | 1.49%   |

| Libor USD | Rate |
|-----------|------|
| 1 months  | 0.19 |
| 3 Months  | 0.25 |
| 6 Months  | 0.40 |
| 1 Year    | 0.73 |
| Libor EUR |      |
| 1 months  | 1.18 |
| 3 Months  | 1.39 |
| 6 Months  | 1.67 |
| 1 Year    | 2.11 |

| FX Rates | Bid    | Ask    | Hi     | Lo     |
|----------|--------|--------|--------|--------|
| USD / LL | 1511   | 1514   |        |        |
| Euro     | 1.4436 | 1.4437 | 1.4445 | 1.4376 |
| JPY      | 80.31  | 80.34  | 80.37  | 80.07  |
| GBP      | 1.642  | 1.6423 | 1.6426 | 1.6354 |
| CHF      | 0.8375 | 0.8377 | 0.8383 | 0.8345 |
| CAD      | 0.974  | 0.9743 | 0.9771 | 0.9733 |
| AUD      | 1.064  | 1.0649 | 1.0647 | 1.0564 |

| Key Economic Calendar |           |          |
|-----------------------|-----------|----------|
| Data                  | Date      | Forecast |
| US                    |           |          |
| ICSC Chain Stores     | 14-JUN-11 | N/A      |
| Producer Prices       | 14-JUN-11 | 0.20%    |
| Euroland / Japan      |           |          |
| GBP CPI               | 14-JUN-11 | 0.20%    |

## REGIONAL MARKET

Lebanon's BLOM stock index fell 0.01 percent to 1369.508 points. Solidere A fell 0.05 percent to \$18.40 and its Solidere B fell 0.05 percent at \$18.27 Byblos Bank S.A.L. common remained unchanged at 1.73.

Kuwait Lebanese billionaire Najib Mikati, the prime minister tasked with forming a government after the

January collapse of Saad Hariri's coalition, announced the formation of his Cabinet. Majid Al Futtaim Holding of Dubai hired Standard Chartered Plc and Barclays Plc to set up a \$4 billion medium-term notes program, Reuters reported, citing two unidentified people.

## TOP FX NEWS

The yen and the dollar fell against most of their major counterparts after reports showed China's retail sales and industrial production increased, sapping demand for so-called safe-haven currencies. The yen weakened against the Australian and New Zealand dollars as Asian stocks extended gains, prompting investors to purchase higher-yielding securities. The dollar declined versus the pound before U.S. reports today that may show retail sales fell and producer-price inflation slowed, adding pressure on the Federal Reserve to keep interest rates low. The yen fell to 115.77 per euro at 1:21 p.m. in Tokyo from 115.65 in New York yesterday, when it touched 114.86, the highest level since May 27. It was at 80.23 per dollar from 80.24. The euro rose to \$1.4430 from \$1.4413. The greenback slipped to \$1.6410 versus the pound from \$1.6377. Japan's currency declined 0.3 percent to 85.35 per Australian dollar and weakened 0.4 percent to 65.67 per New Zealand dollar. The MSCI Asia Pacific Index of shares climbed 1.1 percent reversing a drop of as much as 0.2 percent. China's statistics bureau said that retail sales rose 16.9 percent last month while industrial production increased by more than economists had projected. The acceleration in the consumer price index was in line with economists' forecasts, easing concern the government will take measures to cool growth. The dollar also fell amid signs U.S. growth is slowing. Retail sales fell 0.5 percent in May, the first drop since June, according to a Bloomberg News survey of economists before the Commerce Department report today. The producer-price index rose 0.1 percent in May after a 0.8 percent increase in April, another survey showed before today's data.

### USD/JPY

**Res:** 80.47/80.70/81.33

**Sup:** 79.97/79.57/79.25

### EUR/USD

**Res:** 1.4445/1.4490/1.4552

**Sup:** 1.4379/1.4346/1.4285

### GBP/USD

**Res:** 1.6428/1.6474/1.6547

**Sup:** 1.6356/1.6283/1.6215

### GOLD

**Res:** 1532.0/1544.0/1549.0

**Sup:** 1505.4/1500.0/1495.4

## EUROLAND

European stocks advanced, rebounding from a 2 1/2 month low, led by a rally in Eurasian Natural Resources Corp. as investors speculated that the mining company may receive a takeover approach. ENRC jumped 4.7 percent after the Sunday Times reported that Glencore International Plc, the world's largest commodity trader, may make a bid. Kazakhmys Plc climbed 2.2 percent. Banco Popolare SC advanced on speculation that the Italian lender may avoid holding a rights offer. Carnival Plc paced declining shares after the company cut its forecast. The benchmark Stoxx Europe 600 Index advanced 0.2 percent to 268.71 at the 4:30 p.m. close in London. The gauge declined 2 percent last week, its sixth consecutive weekly drop, for the longest stretch of losses since 2008, as U.S. economic data trailed forecasts and speculation grew that Greece may default on its debt. National benchmark indexes climbed in 5 out of the 11 western European markets open yesterday. Germany's DAX Index gained 0.2 percent, while the U.K.'s FTSE 100 Index and France's CAC 40 Index increased 0.1 percent. Markets in Austria, Denmark, Greece, Iceland, Norway and Switzerland are all closed for a public holiday. ENRC led mining companies higher, surging 4.7 percent to 776.5 pence, its biggest gain in seven months, after the Sunday Times reported that Glencore may bid for the producer of metals in Kazakhstan. Ivan Glasenberg, Glencore's chief executive officer, has held talks in the last few weeks with the three investors who control about 45 percent of ENRC's shares, the newspaper said, citing an unidentified person with knowledge of the discussions. Glencore spokesman, Simon Buerk, said the company doesn't comment on speculation, while ENRC declined to comment. Glencore gained 2.8 percent to 523.4 pence. Kazakhmys, Kazakhstan's biggest copper producer, increased 2.2 percent to 1,235 pence. Credit Agricole SA may be among the companies interested in buying Agos, the Italian newspaper said without saying where it got the information. Lloyds Banking Group Plc rose 1.4 percent to 47.6 pence. The Sunday Times reported that the bank may cut 15,000 jobs as part of a strategy to save 1 billion pounds (\$1.6 billion) to be announced by Chief Executive Officer Antonio Horta-Osorio on June 30. The newspaper did not say where it got the information. Lloyds spokeswoman Sarah Swailes declined to comment when contacted by telephone yesterday. Renault SA, which owns a 43 percent stake in Japan's Nissan Motor Co., fell 1.6 percent to 35.82 euros after Citigroup Inc. lowered its recommendation for the carmaker to "hold" from "buy." Analysts also cut their share price estimate by 28 percent.

## US MARKETS

U.S. stocks rose, rebounding after six weeks of losses, as mergers and acquisitions overshadowed concern the economy is slowing. Transatlantic Holdings Inc., the reinsurer formerly owned by American International Group Inc., surged 11 percent after agreeing to merge with Switzerland's Allied World Assurance Company Holdings AG. Timberland Co. rallied 43 percent as VF Corp. said it will buy the footwear maker for about \$1.8 billion. Graham Packaging Co. jumped 18 percent after receiving a competing bid to its pending takeover by Silgan Holdings Inc. The Standard & Poor's 500 Index advanced 0.3 percent to 1,274.35 at 11:26 a.m. in New York. The Dow Jones Industrial Average gained 37.05 points, or 0.3 percent, to 11,988.96 after falling for six straight weeks, the longest stretch since 2002. Equities pared their advance today as a decline in oil dragged energy producers lower. More than \$1 trillion has been erased from U.S. equity markets since the S&P 500's peak on April 29, leaving the measure trading at about 12.8 times its companies' estimated earnings for 2011. That's the cheapest valuation since August. European Central Bank President Jean-Claude Trichet and German Finance Minister Wolfgang Schaeuble remain at odds over investors' role in the second Greek rescue in 14 months. The dispute turns on how politicians make good on a promise to push creditors to pay some of the cost, a step that Trichet said on June 9 could be an "enormous mistake." Halliburton Co. paced losses in 34 of 41 energy companies in the S&P 500, dropping 1.7 percent to \$47.21. Crude oil slipped 0.5 percent to \$98.82 a barrel. Timberland climbed 43 percent to \$42.73 after agreeing to be bought for \$43 a share. VF, the world's largest apparel maker, said the boards of both companies voted to approve the deal. Graham Packaging jumped 18 percent to \$25.89. The maker of plastic containers controlled by Blackstone Group LP said it has received an unsolicited proposal from an unidentified bidder to acquire all of its

shares for \$25 a share in cash. The company agreed to be bought by Silgan in April for about \$4.1 billion including debt. Ness Technologies Inc. jumped 14 percent to \$7.63 after the Israeli computer-services provider agreed to be acquired by Citi Venture Capital International for \$307 million in cash. Wendy's/Arby's Group Inc. climbed 3.3 percent to \$4.67. Transatlantic rallied 11 percent to \$48.85 after agreeing to merge with Allied World Assurance in a \$3.2 billion deal that creates a reinsurer with operations in 18 countries. Allied will exchange 0.88 of a share for each Transatlantic share to create TransAllied Group Holdings AG, with Transatlantic's shareholders owning about 58 percent of the combined company, the insurers said yesterday in a statement. Nokia Oyj and Apple Inc., the world's two biggest mobile phone makers, agreed to settle all patent litigation between the companies in a deal that awards a one-off payment and royalties to the Finnish handset maker. Apple will pay Nokia an undisclosed sum as well as royalties for the term of the agreement, the Espoo, Finland-based company said in a statement today. The details of the contract are confidential, Nokia said. The agreement will bolster Nokia's second-quarter non-IFRS operating margin forecast for the Devices & Services unit, it said. The two mobile-phone makers have been in litigation since October 2009, when Nokia filed a lawsuit accusing Cupertino, California-based Apple of infringing patents and demanding royalties on the millions of iPhones sold since the device's introduction in 2007. The Finnish handset maker said in March it has 46 patents asserted against Apple in civil lawsuits and complaints lodged with the U.S. International Trade Commission. Nokia Chief Executive Officer Stephen Elop is readying a line of phones based on Microsoft Corp.'s Windows Phone 7 operating system to replace the company's own Symbian line, which is losing market share to Apple's iPhone and Android handsets based on Google Inc.'s system

## EMERGING-MARKETS

The Bovespa stock index fell, extending a weekly decline, as a drop in commodity prices dimmed the outlook for producers and concern mounted that European leaders may not be able to reach an accord on a Greek bailout. Iron-ore miner Vale SA and oil producer Petroleo Brasileiro SA followed metal and crude lower. BRF Brasil Foods SA, the world's biggest poultry exporter, dropped for a ninth day amid speculation antitrust regulators may not approve the merger that formed the company in 2009.

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