

# 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	8.802	2.906	0.17	0.17	2
9 1/8 Lebanon Mar 13	9.125	12/03/2013	106.250	107.250	3.511	2.661	1.09	1.07	2
9 Lebanon May 14	9.000	02/05/2014	111.250	112.250	3.810	3.382	2.09	2.06	2
5.875 Lebanon Jan 2015	5.875	15/01/2015	104.000	105.000	4.431	4.081	2.79	2.73	2
8.50 Lebanon Aug 15	8.500	06/08/2015	114.375	115.375	4.103	3.823	3.07	3.01	2
8 1/2 Lebanon Jan 16	8.500	19/01/2016	114.500	115.500	4.499	4.246	3.51	3.44	2
9 Lebanon Mar 17	9.000	20/03/2017	118.500	119.500	4.902	4.704	4.23	4.13	2
6.375 Lebanon Mar 20	6.375	09/03/2020	104.875	105.875	5.619	5.470	6.39	6.21	2
8 1/4 Lebanon Apr 21	8.250	12/04/2021	117.750	118.750	5.744	5.617	6.75	6.56	2
7 Lebanon Dec 2024	7.000	03/12/2024	106.750	107.750	6.229	6.120	8.78	8.51	2

## EMERGING MARKETS - EUROBONDS

USD	Coupon	Maturity	Bid	Offer	Mid Yield
DAR AL-ARKAN INT	10.750	18/02/2015	92.500	94.500	13.384
REP OF SRI LANKA	8.250	24/10/2012	102.000	103.000	4.860
PETROLEOS MEXICA.	6.000	05/03/2020	105.052	105.752	5.176
TAQA ABU DHABI	6.600	01/08/2013	105.030	105.970	2.906
ADCB F. CAYMAN	4.750	08/10/2014	103.780	104.220	3.201
PET. VENEZUELA	5.250	12/04/2017	63.800	64.800	15.438
ORASCOM	7.504	01/03/2022	88.000	89.000	9.277
REP.VENEZUELA	8.500	08/10/2014	93.450	94.450	11.127
CELL C PTY LTD	11.000	01/07/2015	100.000	105.000	10.119
BANCO DO BRASIL	4.500	22/01/2015	101.875	103.875	3.485
DOLPHIN ENER.LTD	5.888	15/06/2019	106.780	107.720	4.716

## BEIRUT STOCK EXCHANGE as 12/01/2012

Name	Price	\$Change	%Chg	P/E 06	Div Yield
Byblos bank	1.61	0.03	1.90%	5.55	0.06
Byblos bank GDR	77.50	0.00	0.00%	-	-
Byblos bank Pref 08'	101.5	0.50	0.50%	-	-
Byblos bank Pref 09'	101.5	0.50	0.50%	-	-
Audi (GDR)	5.96	0.00	0.00%	0.82	0.33
Blom (GDR)	7.3	-0.03	-0.41%	0.62	0.50
Solidere A	14.29	-0.06	-0.42%	12.91	0.07
Solidere B	14.26	-0.01	-0.07%	12.88	0.07
Holcim	16.60	-0.29	-1.70%	16.42	0.05
Casino	550	0.00	-	-	-

Benchmark	Maturity	Yield
US TREASURY	2 YEARS	0.225
	5 YEARS	0.791
	10 YEARS	1.871
	30 YEARS	2.915
EUR BUND	2 YEARS	0.155
	5 YEARS	0.749
	10 YEARS	1.767
	30 YEARS	2.358

Equity Indices	Price	% Change
NASDAQ Comp	2724.76	0.51%
NASDAQ 100	2381.10	0.15%
DJI	12422.06	-0.39%
S&P 500	1289.09	-0.49%
Nikkei	8500.02	1.36%
SMI	5996.34	-0.36%
CAC 40	3196.49	-0.11%
DAX	6143.08	-0.58%
FTSE	6514	0.00%
Euronext 100	596.56	-0.28%

Arab Indices	Price	%Change
BLOM Stock Index .BLSI	1171.86	0.14%
SAUDI All Share .SASI	6492.4	0.24%
Doha Stock Market .QSI	8638.18	-0.83%
Kuwait SE .KWSE	5765.4	0.84%
Abu Dhabi SE .ADI	2344.18	-0.90%
Egyptian .CASE30	3840.05	1.96%
Dubai FM Gen Id .DFMGI	1314.47	-1.43%
Morocco CFG 25	5643.96	-1.66%
Bahrain .BAX	1134.48	0.30%

Tracker Underlying	Last Price	% Change
FXI China	36.74	-0.27
EWG Germany	19.61	-2.44
EWJ Japan	9.15	0.16
EWY Korea	53.29	0.19
EWT Taiwan	12.08	-1.23
EWZ Brazil	61.35	-1.26
IIF India	15.11	0.07
RNE Eastern Europe	14.21	-1.04
TKF Turkey	11.72	-1.10
GLD Gold	159.26	-0.70
USO Oil	38.16	0.26

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	1630.40	-1.03%
Silver / Oz	29.49	-1.99%
Palladium / Oz	634.50	-0.97%
Platinum / Oz	1486.80	-0.81%
Copper/ Lbs	363.20	-0.33%
Aluminum / Lbs	109.85	-0.59%
Coffee / Lbs	233.90	0.00%
Cocoa EUR / 100 Kg	2326.00	0.00%
Wheat / Tone	605.00	0.00%
Soybean / Bsh	1182.50	0.34%
Wti / Bbl	98.88	-1.30%
Brent	110.47	-2.72%

Libor USD	Rate
1 months	0.29
3 Months	0.57
6 Months	0.79
1 Year	1.11
Libor EUR	
1 months	0.78
3 Months	1.17
6 Months	1.46
1 Year	1.81

FX Rates	Bid	Ask	Hi	Lo
USD / LL	1501	1510		
Euro	1.2643	1.2647	1.2657	1.2624
JPY	76.83	76.86	77.11	76.78
GBP	1.5307	1.531	1.5313	1.5276
CHF	0.9544	0.9553	0.9568	0.9531
CAD	1.0218	1.0224	1.0252	1.0216
AUD	1.0277	1.0287	1.0304	1.0248

Key Economic Calendar	Date	Forecast
US		
US MARKETS CLOSED	16-JAN-12	-45.0B
NY FED manufacturing	17-JAN-12	71.5
Euroland / Japan		
DE Wholesale Price	16-JAN-12	0.20%

## REGIONAL MARKET

Lebanon's BLOM stock index fell 0.14 percent to 1171.86 points. Solidere A fell 0.42 percent to \$14.29 and its Solidere B fell 0.07 percent to \$14.26 Byblos Bank S.A.L rose 1.90 percent to 1.61.

Dubai state-controlled lenders paid as much as 113 basis points more than Abu Dhabi's First Gulf Bank PJSC

as they sold sukuk for the first time since 2008 on concern the emirate may struggle to repay debt. Dubai mortgage lender Tamweel PJSC priced its \$300 million Islamic bond to yield 400 basis points above midswaps, higher than the 287.5 basis-point spread paid by First Gulf on its \$500 million sale

## TOP FX NEWS

The euro is losing the relationship with riskier assets that underpinned the currency in 2011 as the deepening sovereign debt crisis reduces the creditworthiness of even the biggest economies in the region. The 17-nation currency has fallen 8.7 percent against the dollar since October, while the Standard & Poor's 500 Index has gained 3.4 percent, and the correlation between the two dropped to 58 percent from a record 91 percent in November, according to data compiled by Bloomberg. The euro had moved almost in lockstep with investments linked to growth, including stocks and the Australian dollar, since January 2011. This decoupling is taking place as European Central Bank President Mario Draghi cuts interest rates and promises banks unlimited cash for three years to rein in soaring borrowing costs for governments ranging from Italy to Spain to France, which lost its AAA credit rating last week. The infusion drove the euro to a 20-month low of \$1.2624 last week. UBS AG, which in mid-August advised selling the currency when it was at about \$1.45, says fair value ranges from \$1.15 to \$1.20.

### 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 declined for a third day, with the benchmark Stoxx Europe 600 Index trimming a weekly advance, after reports that Standard & Poor's is close to downgrading several euro-area countries. Vodafone Group Plc led losses, falling to a three-week low. Novartis AG dropped after saying it will take \$1.22 billion of charges. Invensys Plc slumped 19 percent after revealing 60 million pounds (\$92 million) in additional costs. Commerzbank AG rose after German newspaper Handelsblatt reported that the lender will raise its capital without seeking government aid. The Stoxx 600 slipped 0.1 percent to 249.18 in London. The gauge still gained 0.7 percent this week as borrowing costs dropped at sovereign-bond auctions in the euro area. The downgrades may happen as soon as on Friday, according to government officials and people familiar with the matter. Germany's rating will not be cut, they said. S&P is stripping France of its AAA credit rating for the first time, Agence France-Presse reported, citing an unidentified government official. French President Nicolas Sarkozy's spokesman Franck Louvrier declined to comment on reports today that the government has been notified by S&P of a cut in the country's rating. The Stoxx 600 earlier advanced as much as 0.7 percent after Italy sold 4.75 billion euros (\$6.1 billion) of bonds, its maximum target. Borrowing costs fell at the country's second auction this week. The Treasury sold 3 billion euros of benchmark securities due in November 2014 to yield 4.83 percent, down from 5.62 percent at the previous sale on Dec. 29. Italy raised 12 billion euros yesterday, selling Treasury bills. Spain and Germany also this week received more bids than the amounts they targeted in their debt sales. National benchmark indexes declined in 14 of 18 western European markets. France's CAC 40 Index slipped 0.1 percent. The U.K.'s FTSE 100 Index dropped 0.5 percent, while Germany's DAX Index lost 0.6 percent. Invensys plummeted 19 percent to 183.2 pence, the biggest fall since February 2003. The British maker of washing-machine controls and factory gear revealed 60 million pounds in additional costs to fulfill contracts. Full-year earnings will be "significantly" below last year as a result of the expenses, the company said. Air France-KLM Group, Europe's biggest airline, dropped 1.1 percent to 4.24 euros after freezing pay checks and hiring to cut costs by 1 billion euros, while beginning productivity talks with unions aimed at delivering a similar saving it says is needed to secure the long-term future. Commerzbank, Germany's second-biggest lender, rose 3.4 percent to 1.42 euros, pacing gains in European banks. The lender plans to raise its capital level by mid-year without seeking direct or indirect aid from the German state, its biggest shareholder, Handelsblatt reported, citing unidentified people close to the government. BNP Paribas SA, the biggest lender in France, rose 2.5 percent to 31.79 euros. Royal Bank of Scotland Group Plc, which yesterday announced its decision to cut its European investment bank by more than a quarter, climbed 4.8 percent to 24.1 pence. GN Store Nord jumped 10 percent to 56.75 kroner after saying its DPTG unit and TPSA have reached a 550 million-euro agreement to settle a dispute on traffic volumes.

## US.MARKETS

U.S Markets are closed today for Martin Luther King day. Italian 10-year yields increased one basis point to 6.64 percent, reversing an earlier 18 basis point decrease and climbing eight basis points to 4.88 percentage points above benchmark German bunds. The spread fell yesterday to the lowest since Dec. 20. Spanish 10-year yields increased nine basis points, Belgian rates increased 10 basis points and French yields added four basis points to 3.08 percent. Dutch 10-year bonds rose, pushing the yield on the securities down to a record-low 2.06 percent. France was cut to AA+ and the rating has a negative outlook, S&P said in a statement. Cyprus, Italy, Portugal, and Spain were cut by two notches, S&P said. The long-term ratings on Austria, Malta, Slovakia, and Slovenia were cut one notch. Belgium, Estonia, Finland, Ireland, Luxembourg and the Netherlands also had their ratings affirmed by S&P. Bank of America Corp. and Citigroup Inc. also paced losses in banks, dropping more than 2.6 percent. Declines in trading revenue and investment banking fees sent JPMorgan's fourth-quarter profit down 23 percent to \$3.73 billion, or 90 cents a share, matching the average estimate of 90 cents by 28 analysts surveyed by Bloomberg. Wells Fargo & Co., Citigroup and Goldman Sachs Group Inc. are due to release results next week. Earnings at S&P 500 companies are projected to have increased 4.6 percent in the last quarter of 2011, the slowest growth in more than two years, according to analyst estimates compiled by Bloomberg. Profits are forecast to have dropped 0.8 percent at financial companies. Intel Corp., Hewlett-Packard Co. and United Technologies Corp. slipped at least 1.5 percent as gauges of technology and industrial companies fell 0.7 percent each. Coffee, soybeans and cocoa fell more than 2 percent to help lead declines in commodities. Crude for February delivery slipped 0.4 percent to settle at \$98.70 a barrel, a three-week low, after

two EU officials said an embargo on Iranian crude imports may be postponed for six months. Stocks fell, trimming a weekly gain, and the euro slid as news that Standard & Poor's was downgrading the debt of several European nations swirled through markets. U.S. Treasuries rose. German and Dutch yields touched record lows on reports their ratings will be spared. The S&P 500 declined 0.5 percent to close at 1,289.09 at 4 p.m. in New York after slumping as much as 1.4 percent in the morning. The index pared its weekly gain to 0.9 percent. The Dow Jones Industrial Average slipped 48.96 points to 12,422.06. The euro slumped 1.1 percent to \$1.2676, near a 16-month low. Gains in Treasuries sent the 10-year note's yield down five basis points to 1.87 percent, and Spanish, French and Belgian bonds dropped. Germany's 30-year yield lost as much as 10 basis points to 2.33 percent. The ratings cuts, announced after financial markets closed, included France, Italy, Portugal and Spain, while Germany was affirmed at AAA. Financial companies led losses in U.S. stocks after JPMorgan Chase & Co. reported a drop in profit, sending shares of the largest U.S. bank by assets down 2.5 percent. Talks with holders of Greek bonds over proposed writedowns of the debt were paused. Apple Inc. The world's largest technology company lost a ruling in its efforts to block imports of Motorola Mobility Holdings Inc. (MMI US) phones that run on Google Inc.'s (GOOG US) Android operating system. Motorola Mobility didn't violate Apple's patent rights, U.S. International Trade Commission Judge Theodore Essex said in a notice on the agency's website. BB&T Corp. The maker of Mac cosmetics and Clinique skin care is trying to boost earnings by strengthening non-U.S. bases such as China and Brazil and by targeting travelers picking up cosmetics at airport stores, Barron's reported, citing an interview with Chief Executive Officer Fabrizio Freda

## EMERGING-MARKETS

Indian equities dropped after a two-week rally on concern Europe's debt crisis will hurt the global economy. Tata Motors Ltd., the nation's biggest truckmaker and owner of Jaguar Land Rover, declined for the first time in three days. Hindalco Industries Ltd., an aluminum producer that controls U.S.-based Novelis Inc., lost 1.7 percent.

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