

# Financially Yours,

October 16, 2009

YOUR DAILY ELECTRONIC MARKET REPORT

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**Lebanese Eurobonds**

USD	Coupon	Maturity	Bid	Offer	Bid Yield	Offer Yield	Duration	Mduration	Frq
7.125 Lebanon Mar 10	7.125	05/03/2010	101.500	102.500	3.023	0.395	0.37	0.37	2
7 7/8 Lebanon May 11	7.875	20/05/2011	105.750	106.750	4.078	3.447	1.47	1.45	2
7.5 Lebanon Mar 12	7.500	19/03/2012	105.625	106.625	4.992	4.564	2.24	2.19	2
9 1/8 Lebanon Mar 13	9.125	12/03/2013	111.625	112.625	5.330	5.027	2.99	2.92	2
9 Lebanon May 14	9.000	02/05/2014	111.500	112.500	6.058	5.821	3.72	3.62	2
10 Liban Apr 15	10.000	25/04/2015	114.500	115.500	6.800	6.599	4.27	4.14	2
8.50 Lebanon Aug 15	8.500	06/08/2015	108.750	109.750	6.651	6.452	4.67	4.53	2
8 1/2 Lebanon Jan 16	8.500	19/01/2016	108.750	109.750	6.756	6.568	4.94	4.78	2
9 Lebanon Mar 17	9.000	20/03/2017	113.250	114.250	6.701	6.542	5.66	5.48	2
8 1/4 Lebanon Apr 21	8.250	12/04/2021	107.750	108.750	7.244	7.121	7.78	7.51	2

**Emerging Eurobonds**

Emerging Eurobonds						Beirut Stock Exchange (closing 15.10.09)					
USD	Coupon	Maturity	Bid	Offer	Mid Yield	Name	Rates	% Change	P/E 09	P/B 09	Div Yield
IIB LUXG SA (IIB)	9.500	12-Feb-10	99.500	101.500	7.700	Byblos bank	1.9	0.00%	6.40	0.81	5.26%
R. OF SRILANKA	8.250	24-Oct-12	105.250	105.750	6.217	Byblos bank Preferred	99	0.00%	-	-	-
ATF BANK	9.250	12-Apr-12	99.733	100.145	9.276	Byblos bank Prty	1.93	0.00%	8.11	0.82	6.74%
TAQA ABD NATL.	4.375	28-Oct-13	101.006	101.256	9.231	Byblos Bank GDR	90.00	0.00%	10.84	0.24	5.32%
ADCB F. CAYMAN	4.750	24-Apr-13	98.650	99.000	5.020	Audi	81.75	-2.27%	13.33	1.69	2.43%
TDIC SUKUK LTD	4.949	21-Oct-14	101.620	101.820	4.560	Blom	88	0.17%	7.51	1.39	4.13%
ORASCOM TELECOM	7.875	08-Feb-14	96.000	96.000	9.012	Solidere A	26.23	-0.64%	23.69	2.45	4.38%
REP. VENEZUELA	8.500	08-Oct-14	88.165	88.665	11.636	Solidere B	25.99	-1.10%	23.48	2.43	4.42%
CELL C PTY LTD	11.000	01-Jul-15	99.500	100.500	10.992	Holcim	13.2	-2.22%	-	-	6.06%
						Casino	390	-	-	-	-

Benchmark	Maturity	Yield	Equity Indices	Price	% Change	Arab Indices	Price	% Change
US TREASURY	2 YEARS	0.960	NASDAQ Comp	2173.29	0.05%	BLOM Stock Index .BLSI	1554.717	-0.63%
	5 YEARS	2.388	NASDAQ 100	1753.36	-0.06%	SAUDI All Share .SASI	6351.38	0.00%
	10 YEARS	3.468	DJI	10062.94	0.47%	Doha Stock Market .QSI	7290.96	0.00%
	30 YEARS	4.309	S&P 500	1096.56	0.42%	Kuwait SE .KWSE	7712.9	0.00%
EUR BUND	2 YEARS	1.444	Nikkei	10238.65	1.77%	Abu Dhabi SE .ADI	3228.64	0.00%
	5 YEARS	2.500	SMI	6383.19	-0.35%	Egyptian .CASE30	6990.75	0.00%
	10 YEARS	3.303	CAC 40	3883.83	0.03%	Dubai FM Gen Id .DFMGI	2373.37	0.00%
	30 YEARS	4.054	DAX	5830.77	-0.40%	Morocco SI MSI	6647.34	0.00%
			FTSE	5222.95	-0.63%	Bahrain .BAX	1548.07	0.00%
			Euronext 100	677.09	-0.03%			

Tracker	Underlying	Last Price	% Change
FXI	China	44.16	-0.29
EWG	Germany	23.35	0.13
EWJ	Japan	9.98	-0.5
EWY	Korea	47.66	-0.04
EWT	Taiwan	12.53	-0.87
EWZ	Brazil	76.04	0.38
IIF	India	22.50	-0.04
RNE	Eastern Europe	16.27	-1.21
TKF	Turkey	14.00	0.36
GLD	Gold	102.86	-1.27
USO	Oil	39.91	3.37

Byblos Bank Deposits	Rates
<b>USD*</b>	
1 months	3.00%
3 Months	3.00%
6 Months	3.00%
1 Year	3.00%
*Benchmark amount 100-200 thds	
<b>LBP*</b>	
1 months	6.50%
3 Months	6.25%
6 Months	6.00%
1 Year	6.00%
*Benchmark amount 100-300 Millions	

Commodities	Price	% Change
Gold / Oz	1049.80	-1.33%
Silver / Oz	17.40	-2.76%
Palladium / Oz	327.50	-0.80%
Platinum / Oz	1348.50	-0.74%
Copper/ Lbs	285.10	0.51%
Aluminum / Lbs	86.50	-0.06%
Coffee / Lbs	137.75	-0.51%
Cocoa EUR / 100 Kg	3267.00	5.52%
Wheat / Tone	505.00	-1.56%
Soybean / Bsh	983.00	-1.11%
Wti / Bbl	77.58	3.19%
Brent	73.49	1.35%

Libor USD	Rate
1 months	0.25
3 Months	0.28
6 Months	0.59
1 Year	1.24
<b>Libor EUR</b>	
1 months	0.39
3 Months	0.69
6 Months	1.01
1 Year	1.24

FX Rates	Bid	Ask	Hi	Lo
USD / LL	1500	1503		
Euro	1.4915	1.4917	1.4967	1.4915
JPY	90.85	90.9	90.98	90.52
GBP	1.6327	1.6329	1.64	1.626
CHF	1.0164	1.0168	1.0168	1.0131
CAD	1.0347	1.0348	1.0347	1.029
AUD	0.9214	0.9218	0.927	0.9205

Key Economic Calendar		
Data	Date	Forecast
<b>US</b>		
US Industrial Output	16-Oct-09	
US U. Mich Sentiment	16-Oct-09	73.50
<b>Euroland / Japan</b>		
EZ Eurostat Trade	16-Oct-09	9.7b.

## REGIONAL MARKETS

Lebanon's BLOM stock index fell 0.63 percent at 1554.717 points. Solidere's A fell 0.64 percent at \$26.23 and its B share fell 1.10 percent at \$25.99. Byblos Bank S.A.L. common remains unchanged at 1.90 and its priority shares remain unchanged at 1.93.

Egypt's benchmark EGX30 Index rose to the highest level since September 2008, adding 1.1 percent to 7,065.31 at the close in Cairo. Orascom Construction Industries, Egypt's largest publicly traded builder rose to

the highest level since October 2008, gaining 1.6 percent to 250.11 Egyptian pounds. The company had its price estimate raised 30 percent to 268.4 pounds at investment bank CI Capital. Talaat Moustafa Group rose to the highest level since Sept. 24, gaining 1.7 percent to 6.65 pounds. Egypt's biggest real-estate developer said it plans to start construction on its Saudi Arabian project next year and forecasts sales of as much as 10 billion riyals (\$2.7 billion) within five years.

## TOP FX NEWS

The pound rose the most in more than eight months against the euro on speculation policy makers will pause their bond-buying program as the economy shows signs of recovering from the recession. Sterling also jumped versus the dollar, headed for its biggest three-day gain in more than two months, as the Financial Times cited Bank of England Markets Director Paul Fisher as saying policy makers would prefer to pause asset purchases, giving themselves the option of "doing more later," rather than stopping them. Rising asset prices and improved confidence may be signs the program is working, Deputy Governor Charles Bean said two days ago. The U.K. currency strengthened as much as 2.2 percent, the most since Jan. 30, and was 1.7 percent higher at 91.86 pence per euro as of 5:25 p.m. in London. The pound advanced 1.8 percent to \$1.6269, pushing its gain in the three days to 3 percent, the most since the first week of August. The pound may rise to \$1.75 by the end of March, according to Jones. That compares with the \$1.65 median prediction of 34 analyst forecasts compiled by Bloomberg.

USD/JPY

Res: 090.79/091.63/092.55

Sup: 089.90/089.67/088.83

EUR/USD

Res: 1.4967/1.5000/1.5029

Sup: 1.4843/1.4799/1.4762

GBP/USD

Res: 1.6299/1.6347/1.6389

Sup: 1.6213/1.6189/1.6127

GOLD

Res: 1053.0/1059.6/1064.4

Sup: 1044.7/1042.9/1041.5

## EUROLAND

European stocks rose for a second day, extending a 12-month high for the Dow Jones Stoxx 600 Index, as speculation J Sainsbury Plc may attract a takeover bid overshadowed an unexpected loss from Nokia Oyj. Sainsbury surged the most in more than two years amid speculation that Qatar may be planning a new attempt to acquire the U.K.'s third-biggest supermarket owner. Swatch Group AG, the world's largest watchmaker, jumped 6.8 percent after its Chinese retail partner Xinyu Hengdeli Holdings Ltd. forecast growing demand in China. Nokia, the world's biggest maker of mobile phones, slumped 11 percent after posting its first net loss since the company began reporting quarterly results in 1996. The Stoxx 600 added 0.1 percent to 247.28, the highest close since Oct. 3, 2008. The measure has climbed 57 percent since March 9 as companies from Royal Philips Electronics NV to JPMorgan Chase & Co. reported earnings that beat analysts' estimates. National benchmark indexes fell in 14 of the 18 western European markets. The U.K.'s FTSE 100 retreated 0.6 percent and Germany's DAX dropped 0.4 percent, while France's CAC 40 was little changed. Sainsbury jumped 10 percent to 342.5 pence, the steepest increase since February 2007. The retailer surged on "speculation that the Sainsbury family have accepted a 420 pence bid" from Qatar, Royal Bank of Scotland Group Plc analysts wrote in a report. Qatar is Sainsbury's biggest shareholder with a stake of about 26 percent, acquired during a failed 2007 takeover attempt. The family owns about 15 percent of the company. Charles Watenphul, a spokesman for Sainsbury, said "we never comment on market speculation." Angharad Couch, a

London-based spokeswoman for the Qatar Investment Authority, and a QIA spokesperson in Qatar also declined to comment. Swatch advanced 6.8 percent to 263.75 Swiss francs after Hengdeli, China's biggest watch retailer, said it expects the Asian country's consumer demand to increase over the next three years because of the government's economic policies. Swatch owns 8.1 percent of the Shanghai-based retailer. Nokia slumped 11 percent to 9.18 euros, dragging a gauge of technology stocks on the Stoxx 600 to the biggest decline since July. The mobile-phone maker posted a third-quarter net loss of 449 million euros as costs related to a joint venture with Siemens AG and weaker demand hurt earnings. Analysts in a Bloomberg survey had forecast a profit of 367 million euros. Sales declined to 9.8 billion euros, missing analysts' estimates of 10.03 billion euros. Remy Cointreau SA rallied 8.5 percent to 34.40 euros after France's second-largest liquor company reported a smaller sales decline as demand for cognac in the U.S. and Asia improved. Revenue in the six months to June 30 fell 0.7 percent to 362.7 million euros. That was less than the 7.5 percent drop reported for the first quarter. Anglo American Plc sank 4.1 percent to 2,216 pence after Xstrata Plc dropped its proposed 30.4 billion-pound hostile bid. Xstrata, the world's fourth-biggest copper supplier, slid 2 percent to 1,010 pence. Ashmore Group Plc surged 7.5 percent to 295 pence, the biggest jump in two months. The U.K. money manager that focuses on emerging markets said assets under management gained 25 percent last quarter.

## US MARKETS

U.S. stocks rose as energy shares gained after oil climbed to a one-year high, helping the market reverse an early drop triggered by earnings at Citigroup Inc. and Goldman Sachs Group Inc. that disappointed some investors. Benchmark indexes climbed to one-year highs for a second day and the Dow Jones Industrial Average extended its advance past 10,000. Exxon Mobil Corp. and Chevron Corp. gained at least 1.5 percent as crude jumped above \$77 a barrel, while Sunoco Inc. gained the most in 10 months as Morgan Stanley recommended shares of the largest refiner in the U.S. northeast. Citigroup tumbled 5 percent and Goldman Sachs fell 1.9 percent. The Standard & Poor's 500 Index gained 0.4 percent to 1,096.56 at 4:07 p.m. in New York after earlier losing as much as 0.5 percent. The Dow average added 47.08 points, or 0.5 percent, to 10,062.94 after climbing above 10,000 for the first time in a year before yesterday. Earlier declines in stocks also came as a gauge of manufacturing expanded at a slower pace this month. The Federal Reserve Bank of Philadelphia's general economic index dropped to 11.5, lower than the reading of 12 forecasts by economists in a Bloomberg survey. The cost of living in the U.S. rose at a slower pace in September, showing inflation will not be a threat as the economy emerges from the worst recession since the Great Depression, and jobless claims decreased more than forecast, according to Labor Department reports. Oil refiners accounted for the three biggest gains in the S&P 500. Morgan Stanley analysts initiated coverage of the refining industry, saying they expect stocks to trade higher through the end of this year. Refiners will increase in value as diesel demand strengthens and production cuts reduce supplies, the analysts said today in a report. They

named Sunoco the top pick in the refining industry. All nine publicly traded independent refiners in the U.S. rose. Sunoco Inc. surged 10 percent to \$32.80. Tesoro Corp., the refiner with plants in six Western states, rose 8.6 percent to \$15.83. Valero Energy rose 7.1 percent to \$20.15. Goldman Sachs dropped 1.9 percent to \$188.63. The bank reported third-quarter profit that more than tripled to \$3.19 billion, or \$5.25 a share, driven by trading and investments with the firm's own money. The shares declined as earnings fell short of Goldman Sachs's record of \$3.44 billion. Citigroup fell 5 percent to \$4.75. The lender that's 34 percent owned by the U.S. government posted a \$101 million profit, defying expectations for a loss as the company added the smallest amount to loan-loss reserves in two years. Financial shares in the S&P 500 fell the most of 10 industries, losing 0.7 percent as a group. The industry had the biggest advance before yesterday, rising 3.4 percent to the highest level since November. Bank of America slumped 2.6 percent to \$18.10. Capital One Financial Corp. fell 3.1 percent to \$38.12. The third-biggest issuer of Visa Inc. credit cards said delinquent loans rose to 5.38 percent from 5.09 percent. Safeway Inc., the third-largest U.S. grocery chain, gained 6.5 percent to \$22.83 after third-quarter profit topped analysts' estimates. Southwest Airlines Co., the largest low-fare carrier, fell 5.7 percent to \$9.47 for the biggest loss in the S&P 500. Chief Executive Officer Gary Kelly said U.S. carriers face an extended struggle with rising jet-fuel prices and a business-travel slump that shows no signs of ending soon. Motorola, the largest mobile-phone maker in the U.S., fell 3.3 percent to \$8.13.

## EMERGING MARKETS

Brazilian stocks gained for a fifth day, the longest winning streak in a month, as oil surpassed \$77 a barrel and China showed signs of accelerating economic growth. The Bovespa stock index rose 0.8 percent to 66,703.32, the highest level since June 18, 2008. Forty-one stocks in the index rose, while 21 fell. The BM&FBovespa Small Cap index rose 0.5 percent. Mexico's Bolsa index climbed 0.4 percent. Chile's Ipsa slipped 0.8 percent. Brazil's real was little changed at 1.7 to the dollar, after earlier gaining to 1.6978, surpassing 1.7 for the first time in 13 months. In Colombia, Cia. Colombiana de Inversiones SA, the Medellin-based holding company known as Colinversiones, jumped 9.1 percent on speculation it's raising money for an acquisition in the energy industry.

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