

Financially Yours,

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YOUR DAILY ELECTRONIC MARKET REPORT

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Lebanese Eurobonds

USD	Coupon	Maturity	Bid	Offer	Bid Yield	Offer Yield	Duration	Mduration	Frq
10.25 Lebanon Oct 09	10.250	10/06/2009	100.500	101.500	9.538	8.214	0.77	0.73	2
7.125 Lebanon Mar 10	7.125	03/05/2010	97.500	98.500	9.354	8.447	1.15	1.10	2
7 7/8 Lebanon May 11	7.875	05/20/2011	96.750	97.750	9.407	8.927	2.23	2.13	2
9 1/8 Lebanon Mar 13	9.125	03/12/2013	96.500	97.500	10.157	9.855	3.50	3.33	2
8 5/8 Lebanon June 13	8.625	06/20/2013	94.500	95.500	10.180	9.889	3.80	3.62	2
9 Lebanon May 14	9.000	05/02/2014	94.500	95.500	10.357	10.102	4.29	4.08	2
10 Liban Apr 15	10.000	04/25/2015	97.500	99.500	10.538	10.097	4.77	4.53	2
8.50 Lebanon Aug 15	8.500	08/06/2015	91.000	93.000	10.410	9.965	4.96	4.72	2
8 1/2 Lebanon Jan 16	8.500	01/19/2016	90.000	92.000	10.538	10.107	5.17	4.91	2
8 1/4 Lebanon Apr 21	8.250	04/12/2021	81.000	83.000	11.116	10.772	7.33	6.95	2

Emerging Eurobonds

USD	Coupon	Maturity	Bid	Offer	Mid Yield	Beirut Stock Exchange					
USD	Coupon	Maturity	Bid	Offer	Mid Yield	Name	Rates	% Change	P/E 07	P/B 07	Div Yield
PETROL O.IN.OIL	9.750	07/22/2009	103.447	103.594	3.587	Byblos bank	1.59	-0.63%	6.68	3.71	1.59
EVRAZ GRP SA	8.875	04/24/2013	55.000	58.000	26.221	Byblos bank Preferred	104	0.00%	-	-	104
IIB LUXG SA (IIB)	9.500	02/12/2010	38.000	48.000	107.004	Byblos bank Prty	1.67	4.38%	7.02	3.90	1.67
R. SEYCHELLES	9.125	10/03/2011	29.000	34.000	62.262	Audi	54	0.00%	8.80	0.20	54
ATF BANK	9.250	04/12/2012	74.000	80.000	18.899	Blom	70.05	4.24%	7.35	0.14	70.05
LAU	6.750	02/01/2018	95.686	95.686	7.694	Solidere A	16.66	0.97%	12.26	1.15	16.66
ORASCOM TELECOM	7.875	02/08/2014	50.000	60.000	23.371	Solidere B	16.74	1.27%	12.32	1.15	16.74
REP. VENEZUELA	8.500	10/08/2014	50.000	53.500	24.499	Holcim	15.93	0.00%	-	-	15.93
CELL C PTY LTD	11.000	07/01/2015	78.150	83.150	15.865	Fransabank	25.5	-	-	-	-
						Casino	350	-	-	-	-

Benchmark	Maturity	Yield	Equity Indices	Price	% Change	Arab Indices	Price	% Change
US TREASURY	2 YEARS	0.689	NASDAQ Comp	1589.89	5.41%	BLOM Stock Index .BLSI	1182.939	0.12%
	5 YEARS	1.317	NASDAQ 100	1243.49	5.21%	SAUDI All Share .SASI	4841.92	0.00%
	10 YEARS	2.276	DJI	8924.14	4.20%	Doha Stock Market .QSI	6724.38	3.50%
	30 YEARS	2.765	S&P 500	913.18	5.14%	Kuwait SE .KWSE	8899.6	-0.74%
EUR BUND	2 YEARS	2.145	Nikkei	8568.02	-1.12%	Abu Dhabi SE .ADI	2710.15	-0.14%
	5 YEARS	2.653	SMI	5567.14	0.73%	Egyptian .CASE30	4434.97	1.56%
	10 YEARS	3.140	CAC 40	3251.66	2.07%	Dubai FM Gen Id .DFMGI	1925.33	-1.21%
	30 YEARS	3.718	DAX	4654.82	0.00%	Morocco SI MSI	5947.11	-0.31%
			FTSE	4309.08	0.74%	Bahrain .BAX	1918.56	-0.73%
			Euronext 100	546.84	1.57%			

Tracker	Underlying	Last Price	% Change
FXI	China	31.17	7.3
EWG	Germany	19.16	7.46
EWJ	Japan	9.53	5.05
EWY	Korea	28.95	8.14
EWT	Taiwan	8.55	7.14
EWZ	Brazil	39.18	9.69
IIF	India	14.53	7.23
RNE	Eastern Europe	9.54	7.8
TKF	Turkey	6.42	7
GLD	Gold	84.46	2.25
USO	Oil	36.44	-1.09

Byblos Bank Deposits	Rates
USD*	
1 months	3.50%
3 Months	3.50%
6 Months	3.50%
1 Year	3.50%
*Benchmark amount 100-200 thds	
LBP*	
1 months	7.00%
3 Months	6.75%
6 Months	6.50%
1 Year	6.50%
*Benchmark amount 100-300 Millions	

Commodities	Price	% Change
Gold / Oz	841.70	0.75%
Silver / Oz	1067.40	0.80%
Palladium / Oz	177.05	0.03%
Platinum / Oz	849.50	1.23%
Copper/ Lbs	135.45	-2.20%
Aluminum / Lbs	0.68	0.00%
Coffee / Lbs	108.30	0.00%
Cocoa EUR / 100 Kg	2418.00	0.00%
Wheat / Tone	544.00	4.62%
Soybean / Bsh	858.50	1.48%
Wti / Bbl	44.42	-1.02%
Brent	42.35	-6.66%

Libor USD	Rate
1 months	0.88
3 Months	1.85
6 Months	2.17
1 Year	2.37
Libor EUR	
1 months	2.91
3 Months	3.20
6 Months	3.30
1 Year	3.40

FX Rates	Bid	Ask	Hi	Lo
USD / LL	1499.5	1502.5		
Euro	1.4052	1.4056	1.4191	1.3998
JPY	88.77	88.8	89.21	88.25
GBP	1.562	1.5623	1.5723	1.5562
CHF	1.1198	1.1202	1.1253	1.1099
CAD	1.201	1.2012	1.207	1.1956
AUD	0.696	0.6964	0.7025	0.6913

Key Economic Calendar		
Data	Date	Forecast
US		
US MBA Purchase Index	17-Dec-08	
US Mortgage Market	17-Dec-08	
Euroland / Japan		
EZ Inflation	17-Dec-08	

REGIONAL MARKETS

Lebanon's BLOM stock index rose 0.12 percent to 1182.939 points. Solidere's A rose 0.97 percent to \$16.66 and its B share rose 1.27 percent to \$16.74. Byblos Bank S.A.L. common fell 0.63 percent at 1.59 and its priority shares rose 4.38% at 1.67.

Egypt's benchmark CASE 30 Index rose for the second time this week, adding 68.29, or 1.6 percent, to

4,434.97 at the close in Cairo. The measure has tumbled 58 percent this year. Alexandria Medical Services (AMES EY) surged 1.56 Egyptian pounds, or 2.8 percent, to 56.98 pounds, its first gain in three days. Orascom Telecom Holding SAE (ORTE EY) advanced 1.13 pounds, or 4.1 percent, to 28.63 pounds, its highest level in a month.

TOP FX NEWS

The dollar declined to a 13-year low against the yen after the Federal Reserve cut its target interest rate to a range from zero to 0.25 percent, making the greenback the lowest-yielding currency of industrialized nations. The greenback also fell to a 11-week low against the euro as the central bank said it will expand debt purchases to fight the recession, adopting a policy known as quantitative easing. The British pound was near the weakest on record against the euro before the Bank of England releases minutes from its Dec. 4 meeting, when policy makers cut borrowing costs to the least since 1951. The dollar fell to 88.32 yen, the lowest since August 1995, before trading at 88.33 yen as of 1:52 p.m. in Tokyo from 89.05 yen late yesterday in New York. Against the euro, the dollar declined to \$1.4165 from \$1.4002 yesterday, after touching \$1.4191, the weakest level since Sept. 30. The Australian dollar rose to 70.22 U.S. cents from 69.43 U.S. cents. The euro was at 125.20 yen from 124.71 yen. The dollar may decline to \$1.45 per euro by the end of March, Takei said. The pound traded at 90.17 pence per euro from 89.94 pence yesterday, when it reached an all-time low of 90.50 pence. Sterling rose to \$1.5675 from \$1.5581.

USD/JPY	EUR/USD	GBP/USD	GOLD
Res: 089.72/090.18/090.98	Res : 1.4150/1.4185/1.4235	Res: 1.5650/1.5766/1.5885	Res: 859.50/870.00/880.00
Sup: 088.10/087.32/086.10	Sup: 1.3998/1.3842/1.3738	Sup: 1.5437/1.5380/1.5204	Sup: 847.80/844.20/830.90

EUROLAND

European stocks rose for the first time in four days as speculation the Federal Reserve will reduce interest rates to the lowest level on record overshadowed concern the recession will curb profits at metals companies. Siemens AG and BASF SE added more than 2 percent, leading an advance among companies that make at least one-fifth of their sales in North America, as investors waited for confirmation that the Fed will also channel credit to businesses and customers. BHP Billiton Ltd. and Rio Tinto Group lost more than 2 percent as copper slid in London. The Dow Jones Stoxx 600 Index added 0.8 percent to 199.01 in London. Fed Chairman Ben S. Bernanke has indicated he may take new steps to prevent the worst recession in a quarter century from turning into a depression. National benchmark indexes rose in 13 of the 18 western European markets. The U.K.'s FTSE 100 advanced 0.7 percent. Germany's DAX climbed 1.6 percent, while France's CAC 40 gained 2.1 percent. The Stoxx 600 has dropped 45 percent in 2008 as almost \$1 trillion in losses and writedowns at financial firms froze credit markets and sent the U.S., Europe and Japan into the first simultaneous recessions since World War II. The Fed's Open Market Committee will probably cut the benchmark rate in half, to 0.5 percent, according to the median of forecasts in a Bloomberg News survey. The central bank may also signal plans to channel credit to businesses and consumers by further enlarging its \$2.26 trillion of assets. The FOMC, which began meeting yesterday, is expected to release its statement around 2:15 p.m. in Washington. European Central Bank President Jean-Claude Trichet said there's a limit to how far the bank can cut interest rates and signaled it may pause in January.

"Do we have a feeling there is a limit to the decrease in rates? At this stage certainly yes," Trichet told journalists in Frankfurt late yesterday. The Stoxx 600 pared its advance after the comments were released this morning. Siemens added 2.3 percent to 48.25 euros. Europe's largest engineering company last year made more than 20 percent of its sales in the U.S. GlaxoSmithKline Plc, which derived 45 percent of revenue from the U.S., gained 1.7 percent to 1,204.5 pence. BASF advanced 4.3 percent to 26.38 euros. The world's biggest chemical producer makes more than 20 percent of its sales in North America. The Stoxx 600 Index has rebounded 9.3 percent since Nov. 21 as governments and policy makers around the world announced packages to revive economic growth. U.S. President-elect Barack Obama said he is planning the most extensive public-works spending package since the 1950s. BHP Billiton, the world's largest mining company, lost 2.1 percent to 1,233 pence, while Rio Tinto Group, the third-biggest, slipped 2.6 percent to 1,501 pence. Copper slid as much as 4.1 percent in London as stockpiles of the metal gained. Lead, tin and nickel also declined. HSBC Holdings Plc slipped 1.2 percent to 715 pence after CLSA Asia-Pacific Markets said Europe's largest bank may seek to raise about \$14 billion as increasing bad-loan provisions erode profits. The bank may raise funds through a share placement or a rights offering, CLSA analysts led by Bangkok-based Daniel Tabbush said in a note to clients today. David Hall, a Hong Kong-based spokesman at HSBC, declined to comment on the report. Electricite de France SA increased 3.1 percent to 41.36 euros.

US MARKETS

U.S. stocks rallied and the Standard & Poor's 500 Index climbed to a five-week high after the Federal Reserve cut its benchmark interest rate to a record low and said it will employ "all available tools" to revive the economy. Citigroup Inc. jumped 11 percent and JPMorgan Chase & Co. rose 13 percent after the central bank said it "stands ready to expand" purchases of mortgage-backed securities. Goldman Sachs Group Inc. surged 14 percent after its first quarterly loss as a public company was smaller than some analysts' estimates. Boeing Co. and Intel Corp. added more than 7.2 percent as all 10 industry groups in the S&P 500 increased at least 2.2 percent following the Fed's announcement. The S&P 500 added 5.1 percent to 913.18, its highest close since Nov. 10. The advance put the benchmark index above its average level during the past 50 days for the first time since September. The Dow Jones Industrial Average gained 359.61 points, or 4.2 percent, to 8,924.14. The Russell 2000 Index of small companies increased 6.7 percent. The Fed cut its target rate for overnight loans between banks to a range of zero to 0.25 percent. The Fed's decision came after simultaneous recessions in the U.S., Europe and Japan dragged the S&P 500 down almost 45 percent from its 2007 record and sent benchmark indexes from Brazil to Bangkok into bear markets. Before yesterday's advance in the S&P 500 was its biggest on a Fed rate-decision day since 1994, when the central bank began announcing its target on the same day the decision was made, according to Bespoke Investment Group LLC. About 1.5 billion shares changed hands on the New York Stock Exchange, 5 percent fewer than the three-

month daily average. Citigroup climbed 83 cents to \$8.23, while JPMorgan jumped \$3.72 to \$32.35. The S&P 500 Financials Index climbed 11 percent, the steepest gain among 10 industries and the group's biggest advance since Nov. 24. Boeing, the world's second-largest commercial jet maker, added \$3.16 to \$41.90, while Intel, the largest chipmaker, rose \$1.05, the most since Oct. 30, to \$15.64. The Fed said in its statement that the recession is likely to warrant exceptionally low levels of the federal funds rate "for some time." The statement noted that the Fed has already announced it will purchase agency debt and mortgage-backed securities, and said the central bank is ready to expand the program. Policy makers continue to weigh the potential benefits of buying longer-term Treasury securities, the statement said. "They're trying to rekindle the confidence of consumers and businesses, and that ultimately drives profits in the stock market," said Bruce McCain, chief investment strategist at Key Private Bank in Cleveland, Ohio, which manages \$30 billion. Treasury notes rallied, sending yields to record lows, on expectations the Fed will buy the securities to force borrowing costs lower. The dollar weakened to \$1.41 against the euro for the first time in two months. Goldman Sachs added \$9.54, the most since Nov. 24, to \$76. Its loss of \$4.97 a share in the three months ended Nov. 28 was the company's first quarterly deficit since going public in 1999 as asset values and investment-banking fees declined. The average estimate of 18 analysts surveyed by Bloomberg was for a loss of \$3.73, with UBS AG's Glenn Schorr estimating a deficit of as much as \$5.50 a share.

EMERGING MARKETS

Brazilian stocks climbed to the highest in six weeks, led by banks and retailers, on speculation the nation's central bank may join the U.S. in lowering interest rates to boost the global economy. Banco Bradesco SA and Banco Itau Holding Financeira SA, the two biggest private banks, jumped more than 6 percent after the Federal Reserve cut rates to a record and wholesale prices rose less than expected in the past month. BM&FBovespa SA climbed the most in a week as Morgan Stanley raised profit forecasts for the owner of Latin America's biggest exchange on the prospect of higher trading volumes. Lojas Renner SA rose 6 percent as October retail sales in the country gained 10.1 percent. The Bovespa gained 1,673.27, or 4.4 percent, to 39,993.46, narrowing this year's loss to 37 percent. Mexico's Bolsa surged 4.7 percent and Chile's Ipsa added 0.5 percent. The MSCI Emerging Markets Index climbed 1.6 percent. In other Latin America markets, Argentina's Merval gained 2.5 percent, Peru's Lima General rose 2.4 percent and Colombia's IGBC slipped 0.1 percent.

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