

# 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 | 3.719     | 2.865       | 1.11     | 1.09      | 2   |
| 9 1/8 Lebanon Mar 13   | 9.125  | 12/03/2013 | 110.625 | 111.250 | 3.901     | 3.615       | 1.95     | 1.91      | 2   |
| 9 Lebanon May 14       | 9.000  | 02/05/2014 | 113.750 | 114.750 | 4.445     | 4.141       | 2.89     | 2.83      | 2   |
| 5.875 Lebanon Jan 2015 | 5.875  | 15/01/2015 | 104.000 | 105.000 | 4.760     | 4.490       | 3.62     | 3.53      | 2   |
| 8.50 Lebanon Aug 15    | 8.500  | 06/08/2015 | 115.000 | 116.000 | 4.785     | 4.559       | 3.79     | 3.70      | 2   |
| 8 1/2 Lebanon Jan 16   | 8.500  | 19/01/2016 | 115.000 | 116.000 | 5.063     | 4.854       | 4.24     | 4.13      | 2   |
| 9 Lebanon Mar 17       | 9.000  | 20/03/2017 | 118.750 | 119.750 | 5.383     | 5.210       | 4.87     | 4.74      | 2   |
| 6.375 Lebanon Mar 20   | 6.375  | 09/03/2020 | 103.750 | 104.750 | 5.838     | 5.699       | 6.96     | 6.76      | 2   |
| 8 1/4 Lebanon Apr 21   | 8.250  | 12/04/2021 | 115.875 | 116.875 | 6.135     | 6.015       | 7.21     | 7.00      | 2   |
| 7 Lebanon Dec 2024     | 7.000  | 03/12/2024 | 102.750 | 103.750 | 6.691     | 6.582       | 9.09     | 8.80      | 2   |

## EMERGING MARKETS - EUROBONDS

| USD               | Coupon | Maturity   | Bid     | Offer   | Mid Yield |
|-------------------|--------|------------|---------|---------|-----------|
| DAR AL-ARKAN INT  | 10.750 | 18/02/2015 | 99.136  | 99.486  | 10.958    |
| REP OF SRI LANKA  | 8.250  | 24/10/2012 | 107.400 | 108.750 | 3.471     |
| PETROLEOS MEXICA. | 6.000  | 05/03/2020 | 107.700 | 107.700 | 4.940     |
| TAQA ABU DHABI    | 6.600  | 01/08/2013 | 108.503 | 108.753 | 3.028     |
| ADCB F. CAYMAN    | 4.750  | 08/10/2014 | 101.957 | 102.457 | 4.102     |
| PET. VENEZUELA    | 5.250  | 12/04/2017 | 58.689  | 59.039  | 15.890    |
| ORASCOM           | 7.875  | 08/02/2014 | 95.500  | 95.500  | 9.610     |
| REP.VENEZUELA     | 8.500  | 08/10/2014 | 85.400  | 86.250  | 13.463    |
| CELL C PTY LTD    | 11.000 | 01/07/2015 | 104.000 | 105.000 | 9.725     |
| BANCO DO BRASIL   | 4.500  | 22/01/2015 | 104.045 | 104.495 | 3.351     |
| DOLPHIN ENER.LTD  | 5.888  | 15/06/2019 | 108.500 | 108.500 | 4.653     |

## BEIRUT STOCK EXCHANGE as 17/01/2011

| Name                 | Price | \$Change | %Chg   | P/E 06 | Div Yield |
|----------------------|-------|----------|--------|--------|-----------|
| Byblos bank          | 1.8   | -0.05    | -2.70% | 6.21   | 0.06      |
| Byblos bank Prty     | 1.85  | 0.00     | 0.00%  | 6.38   | 0.07      |
| Byblos bank GDR      | 89    | 0.00     | 0.00%  | -      | -         |
| Byblos bank Pref 08' | 103   | 0.00     | 0.00%  | -      | -         |
| Byblos bank Pref 09' | 102.5 | 0.00     | 0.00%  | -      | -         |
| Audi (GDR)           | 8.98  | 0.00     | 0.00%  | 1.23   | 0.22      |
| Blom (GDR)           | 10.52 | 0.00     | 0.00%  | 0.90   | 0.35      |
| Solidere A           | 18.77 | -0.18    | -0.95% | 16.95  | 0.05      |
| Solidere B           | 18.93 | -0.07    | -0.36% | 17.10  | 0.05      |
| Holcim               | 16.95 | -0.05    | -0.20% | 6.28   | 0.05      |
| Casino               | 490   | 0.00     | -      | -      | -         |

| Benchmark   | Maturity | Yield |
|-------------|----------|-------|
| US TREASURY | 2 YEARS  | 0.573 |
|             | 5 YEARS  | 1.904 |
|             | 10 YEARS | 3.298 |
|             | 30 YEARS | 4.504 |
| EUR BUND    | 2 YEARS  | 1.145 |
|             | 5 YEARS  | 2.167 |
|             | 10 YEARS | 3.044 |
|             | 30 YEARS | 3.496 |

| Equity Indices | Price    | % Change |
|----------------|----------|----------|
| NASDAQ Comp    | 2755.30  | 0.00%    |
| NASDAQ 100     | 2323.20  | 0.00%    |
| DJI            | 11787.38 | 0.00%    |
| S&P 500        | 1293.24  | 0.00%    |
| Nikkei         | 10502.86 | 0.04%    |
| SMI            | 6578.17  | 0.34%    |
| CAC 40         | 3975.41  | -0.20%   |
| DAX            | 7078.06  | 0.03%    |
| FTSE           | 5985.70  | -0.27%   |
| Euronext 100   | 713.16   | -0.10%   |

| Arab Indices           | Price    | %Change |
|------------------------|----------|---------|
| BLOM Stock Index .BLSI | 1488.247 | -0.40%  |
| SAUDI All Share .SASI  | 6768.24  | -0.30%  |
| Doha Stock Market .QSI | 9163.84  | -0.85%  |
| Kuwait SE .KWSE        | 6915     | -0.11%  |
| Abu Dhabi SE .ADI      | 2690.07  | -0.85%  |
| Egyptian .CASE30       | 6910.53  | -2.42%  |
| Dubai FM Gen Id .DFMGI | 1608.97  | 0.53%   |
| Morocco CFG 25         | 7021.69  | 13.88%  |
| Bahrain .BAX           | 1431.7   | 2.91%   |

| Tracker Underlying | Last Price | % Change |
|--------------------|------------|----------|
| FXI China          | 44.55      | -0.02    |
| EWG Germany        | 24.63      | 0.94     |
| EWJ Japan          | 11.15      | -0.04    |
| EWY Korea          | 62.98      | 1.03     |
| EWT Taiwan         | 15.71      | 0.06     |
| EWZ Brazil         | 77.40      | 0.00     |
| IIF India          | 24.22      | -1.90    |
| RNE Eastern Europe | 19.52      | 0.83     |
| TKF Turkey         | 17.18      | -0.58    |
| GLD Gold           | 132.69     | -1.01    |
| USO Oil            | 38.92      | 0.70     |

| 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          | 1360.40 | -1.91%  |
| Silver / Oz        | 28.30   | 0.00%   |
| Palladium / Oz     | 788.45  | -0.79%  |
| Platinum / Oz      | 1813.40 | 0.49%   |
| Copper/ Lbs        | 440.35  | 0.84%   |
| Aluminum / Lbs     | 111.30  | 0.63%   |
| Coffee / Lbs       | 232.55  | -0.45%  |
| Cocoa EUR / 100 Kg | 3093.00 | 1.78%   |
| Wheat / Tone       | 865.25  | 0.00%   |
| Soybean / Bsh      | 1422.50 | 0.00%   |
| Wti / Bbl          | 90.96   | -0.26%  |
| Brent              | 98.77   | -0.97%  |

| Libor USD | Rate |
|-----------|------|
| 1 months  | 0.26 |
| 3 Months  | 0.30 |
| 6 Months  | 0.45 |
| 1 Year    | 0.78 |
| Libor EUR | Rate |
| 1 months  | 0.70 |
| 3 Months  | 0.94 |
| 6 Months  | 1.19 |
| 1 Year    | 1.49 |

| FX Rates | Bid    | Ask    | Hi     | Lo     |
|----------|--------|--------|--------|--------|
| USD / LL | 1498   | 1503   |        |        |
| Euro     | 1.3306 | 1.3308 | 1.3323 | 1.3253 |
| JPY      | 82.57  | 82.59  | 82.79  | 82.5   |
| GBP      | 1.5933 | 1.5938 | 1.5941 | 1.5879 |
| CHF      | 0.9614 | 0.9619 | 0.9661 | 0.9604 |
| CAD      | 0.9853 | 0.9855 | 0.9887 | 0.9852 |
| AUD      | 0.9935 | 0.9938 | 0.9947 | 0.9899 |

| Key Economic Calendar |           |          |
|-----------------------|-----------|----------|
| Data                  | Date      | Forecast |
| US                    |           |          |
| NY Fed Manufacturing  | 18-JAN-11 | 12.75    |
| CA BAC rate Decision  | 18-JAN-11 | 1.00%    |
| Euroland / Japan      |           |          |
| GB CPI                | 18-JAN-11 | 0.70%    |

## REGIONAL MARKET

Lebanon's BLOM stock index fell 0.40 percent to 1488.247 points. Solidere A fell 0.95 percent to \$18.77 and its B fell 0.36 percent to \$18.93. Byblos Bank S.A.L. common fell 2.70 percent to 1.80 and its priority share remained unchanged too at 1.85.

Qatar, the world's biggest exporter of liquefied natural gas, sold 50 billion riyals (\$13.7 billion) of bonds to local banks as the Persian Gulf country seeks to absorb

excess cash with lenders. The bonds, both Islamic and non-shariah compliant, mature in three years, Central Bank Governor Abdullah bin Saud Al Thani said in a phone interview today. The conventional bond pays 5 percent interest, he said. The country sold 33 billion riyals in sukuk and 17 billion riyals of conventional bonds, Doha Bank QSC Chief Executive Officer Raghavan Seetharaman said in a phone interview

## TOP FX NEWS

The dollar traded near a two-week low against the yen before a U.S. report tomorrow that economists said will show housing starts fell in December. The U.S. currency weakened versus 12 of its 16 major counterparts as signs the home market remains weak added to speculation the Federal Reserve will keep interest rates on hold. The yen rose against higher-yielding currencies on concern China's central bank will take more steps to tighten monetary policy, boosting demand for safer assets. The dollar traded at 82.51 yen as of 2:37 p.m. in Tokyo from 82.68 yen yesterday in New York, when it fell to 82.35, the weakest level since Jan. 5. The U.S. currency was at \$1.3316 per euro from \$1.3294. The yen rose 0.2 percent to 82.06 per Australian dollar, and gained 0.3 percent to 63.68 against New Zealand's. Japan's currency bought 109.87 per euro from 109.91. U.S. housing starts dropped 0.9 percent to a 550,000 annual rate last month, according to a Bloomberg survey before the Commerce Department report. Existing home sales rose to 4.86 million, after falling in July in the lowest in a decade's worth of record keeping, economists said a Jan. 20 report will show. The Dollar Index, which tracks the greenback against the currencies of six major U.S. trading partners including the euro, yen and pound, fell 0.2 percent to 79.175. The yen typically strengthens in times of financial turmoil as Japan's trade surplus makes the currency attractive as it means the nation does not have to rely on overseas lenders. Chinese President Hu Jintao is set to arrive in Washington today for a summit with U.S. President Barack Obama. European finance chiefs started the two-day meeting yesterday to discuss a revamped debt-crisis-fighting strategy.

### USD/JPY

**Res:** 83.08/83.50/83.70

**Sup:** 82.28/81.88/81.68

### EUR/USD

**Res:** 1.3342/1.3383/1.3416

**Sup:** 1.3243/1.3210/1.3171

### GBP/USD

**Res:** 1.5955/1.5997/1.6020

**Sup:** 1.5832/1.5810/1.5784

### GOLD

**Res:** 1369.1/1378.4/1388.0

**Sup:** 1357.4/1353.0/1345.4

## EUROLAND

Most European stocks declined as the region's finance chiefs began meeting to work on a new strategy to contain the sovereign-debt crisis. ARM Holdings Plc, which designs chips for Apple Inc.'s iPhone, slid 3 percent after Apple Chief Executive Officer Steve Jobs was granted a medical leave of absence. Banco Santander SA led a measure of banks lower. Smiths Group Plc jumped 7.7 percent after the world's biggest maker of airport-security scanners rejected an offer for its Smiths Medical unit. The benchmark Stoxx 600 advanced 0.1 percent to 284.06 at the close in London as three stocks fell for each two that gained. The gauge climbed 1 percent last week as investors speculated that European leaders will increase their efforts to contain the region's debt crisis. National benchmark indexes fell in 13 of the 18 western European markets. France's CAC 40 dropped 0.2 percent, the U.K.'s FTSE 100 lost 0.3 percent and Germany's DAX was little changed. Spain's IBEX 35 tumbled 1 percent, while Italy's FTSE MIB retreated 0.5 percent. Fifty companies in the Standard & Poor's 500 Index are scheduled to report results this week, including Citigroup Inc., International Business Machines Corp., Goldman Sachs Group Inc., Google Inc. and General Electric Co. Analysts predict that earnings will increase 14 percent in 2011, according to Bloomberg data. Out of seven companies in the S&P 500 that have posted results since Jan. 10, six have beaten analysts' per-share profit estimates, according to Bloomberg data. Luxembourg Prime Minister Jean-Claude Juncker and European Union Economic and Monetary Commissioner Olli Rehn will brief the press this evening. European Central Bank council member Athanasios Orphanides said the bank may be able to stop buying government bonds if Europe's rescue fund is empowered to purchase debt. ARM slid 3 percent to 514.5 pence as Apple's Jobs, a cancer survivor, was granted a leave of absence to focus on his health, putting the company in the hands of Chief Operating Officer Tim Cook for the third time in seven years. Santander, Spain's largest lender, lost 1.1 percent to 8.40 euros as a gauge of banking shares fell for the first time in five days. Banco Popolare SC, Italy's fifth-biggest bank, slid 2.9 percent to 2.35 euros as its 2 billion-euro rights offer started yesterday. Spanish 10-year bonds slipped, pushing the yield up nine basis points to 5.42 percent. Smith & Nephew Plc climbed 3.5 percent to 709 pence.

## US MARKETS

The US Markets were closed on Martin Luther King Jr. Day. U.S. stock futures signaled losses for benchmark indexes after Apple Inc. Chief Executive Officer Steve Jobs's leave of absence spurred concern over the prospects for the world's second-largest company. Futures on the Nasdaq-100 Index, of which Apple makes up 21 percent, sank to 2,299 in Tokyo, down 0.9 percent from their close on Jan. 14. Standard & Poor's 500 Index futures expiring in March slipped 0.2 percent from their close last week. Apple, which rose last week to a record in New York, slid 6.2 percent in Germany, when U.S. exchanges were closed for Martin Luther King Jr. Day. The announcement may spur a decline for Apple and computer makers after the stock rallied 319 percent since March 2009, said Michael Yoshikami, who owns the shares and oversees \$1 billion at YCMNet Advisors in Walnut Creek, California. Asian suppliers to the company fell on the news. Jobs' departure for health reasons puts Apple in Chief Operating Officer Tim Cook's hands for the third time in seven years. Trading in futures signaled that when exchanges reopen the Nasdaq-100 may retreat from its highest level since February 2001 and the S&P 500 will decline after closing last week at the highest since August 2008. The S&P 500 capped a seventh straight weekly gain on Jan. 14, the longest rally since May 2007. Jobs took leave as his health deteriorates from battling a rare form of cancer and the liver transplant he had almost two years ago, according to a person with knowledge of the situation. Jobs has been unable to keep on weight as he undergoes treatment for his conditions, said the person, who requested anonymity because the matter is private. Apple, along with Citigroup Inc., Google Inc. and Goldman Sachs Group Inc., are among companies scheduled to release earnings this week.

Analysts estimate that S&P 500 profits grew 22 percent in the final three months of 2010 and will increase 14 percent in 2011, according to data compiled by Bloomberg News. Apple earnings are forecast to have grown 47 percent to \$5.39 a share in the fourth quarter, according to a survey of analysts. Foxconn Technology Co., the contract manufacturing company that assembles iPhones, fell 1.7 percent in Taipei. Wintek Corp., which provides touch-panel displays to Apple, lost 2.1 percent to NT\$50.80. TPK Holding Co., also a touch-panel display supplier, dropped 1.7 percent to NT\$696. Evergreen Solar Inc. won't be on the speaker's list today when Chinese and U.S. business executives and government officials gather in Washington for a conference on "clean-energy cooperation." The maker of thin polysilicon wafers for solar panels said last week it will close a factory in Devens, Massachusetts, because it can't compete with the low manufacturing costs of Chinese companies that also get "considerable government and financial support." The two-day conference sponsored by the Brookings Institution is timed for the visit of Chinese President Hu Jintao, who is meeting with President Barack Obama, lawmakers and business leaders to strengthen commercial ties, including in clean energy. Competition for global leadership in wind and solar power undercuts the vows of cooperation, according to Michael Levi of the Council on Foreign Relations. China's move toward leadership in wind and solar power has brought protests in the U.S. The Obama administration filed a complaint with the World Trade Organization last month contending China provides unfair subsidies to its wind-power industry. Plans for a Chinese-backed wind farm in Texas raised objections from lawmakers last year.

## EMERGING-MARKETS

The Bovespa stock index fell, halting four weeks of gains, as economists raised Brazilian inflation forecasts and China's steps to ease the nation's rate of growth spurred concern demand will slow. The Bovespa index fell 0.5 percent to 0,609.07 at the 3:15 p.m. New York time close. Fifty-two stocks fell on the measure while 16 gained. The gauge advanced last week, completing its longest stretch of weekly gains since October, on speculation Brazil's economic growth will boost companies' earnings. The real rose 0.3 percent to 1.6805 per dollar. U.S. exchanges are closed for the Martin Luther King Jr. holiday today. Inflation concerns were also heightened by heavy rain the past week in Rio de Janeiro and Sao Paulo.

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