

Financially Yours,

November 18, 2008 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 | 7.50% | 03-Aug-09 | 99.875 | 100.875 | 7.659% | 6.200% | 0.69 | 0.67 | 2 |
| 7.125 Lebanon Mar 10 | 7.125% | 05-Mar-10 | 99 | 100.25 | 7.939% | 6.908% | 1.24 | 1.20 | 2 |
| 7 7/8 Lebanon May 11 | 7.875% | 20-May-11 | 99.125 | 100.375 | 8.268% | 7.707% | 2.23 | 2.14 | 2 |
| 9 1/8 Lebanon Mar 13 | 7.500% | 02-Aug-11 | 98.25 | 99.5 | 8.227% | 7.701% | 2.45 | 2.35 | 2 |
| 8 5/8 Lebanon June 13 | 9.125% | 12-Mar-13 | 102 | 103.25 | 8.555% | 8.209% | 3.61 | 3.46 | 2 |
| 9 Lebanon May 14 | 8.625% | 20-Jun-13 | 99.875 | 101.125 | 8.655% | 8.322% | 3.75 | 3.60 | 2 |
| 10 Liban Apr 15 | 9.000% | 02-May-14 | 102.125 | 103.125 | 8.503% | 8.275% | 4.42 | 4.24 | 2 |
| 8.50 Lebanon Aug 15 | 10.000% | 25-Apr-15 | 106 | 107.25 | 8.758% | 8.511% | 4.92 | 4.71 | 2 |
| 8 1/2 Lebanon Jan 16 | 8.500% | 19-Jan-16 | 97.75 | 99 | 8.928% | 8.686% | 5.34 | 5.11 | 2 |
| 8 1/4 Lebanon Apr 21 | 8.250% | 14-Apr-21 | 95.125 | 96.375 | 8.905% | 8.732% | 7.81 | 7.48 | 2 |

Emerging Eurobonds

| USD | Coupon | Maturity | Bid | Offer | Mid Yield | Beirut Stock Exchange | | | | | |
|------------------|---------|-----------|-------|-------|-----------|-----------------------|-------|----------|--------|--------|-----------|
| | | | | | | Name | Rates | % Change | P/E 07 | P/B 07 | Div Yield |
| KAZKOMMERTS | 7.000% | 03-Nov-09 | 85 | 85.5 | 25.255% | Byblos bank | 1.84 | 2.22% | 7.73 | 4.30 | 1.84 |
| EVRAZ GROUP S | 8.875% | 24-Apr-13 | 42.5 | 43.5 | 35.176% | Byblos bank Preferred | 103.5 | 0.00% | - | - | 103.5 |
| IIB LUXEMBOURG | 9.500% | 12-Feb-10 | 70 | 77 | 38.466% | Byblos bank Prty | 1.84 | -0.05% | 7.77 | 4.32 | 1.85 |
| SEYCHELLES | 9.125% | 03-Oct-11 | 27 | 39.5 | 62.368% | Audi | 65.6 | 0.00% | 10.69 | 0.24 | 65.6 |
| ATF BANK | 9.250% | 12-Apr-12 | 68.08 | 75.09 | 21.486% | Blom | 74.45 | 0.00% | 7.81 | 0.15 | 74.45 |
| LEB. AMR. UNIV * | 6.750% | 01-Feb-13 | 102 | 103 | 6.064% | Solidere A | 19.5 | 0.00% | 14.35 | 1.34 | 19.5 |
| ORASCOM TELC. | 7.875% | 08-Feb-14 | 84 | 86 | 11.798% | Solidere B | 19.61 | 0.50% | 14.35 | 1.34 | 19.5 |
| VENEZUELA | 8.500% | 08-Oct-14 | 58.25 | 59.25 | 21.027% | Holcim | 15 | 0.00% | - | - | 15 |
| CELL C | 11.000% | 01-Jul-15 | 85 | 87 | 11.233% | Fransabank | 25.5 | - | - | - | - |
| | | | | | | Casino | 350 | - | - | - | - |

| Benchmark | Maturity | Yield | Equity Indices | Price | % Change | Arab Indices | Price | % Change |
|-------------|----------|-------|----------------|---------|----------|------------------------|----------|----------|
| US TREASURY | 2 YEARS | 1.199 | NASDAQ Comp | 1482.05 | -2.29% | BLOM Stock Index .BLSI | 1314.074 | 0.10% |
| | 5 YEARS | 2.272 | NASDAQ 100 | 1151.96 | -2.35% | SAUDI All Share .SASI | 5173.12 | 0.50% |
| | 10 YEARS | 3.656 | DJI | 8273.58 | -2.63% | Doha Stock Market .QSI | 5591.32 | 0.10% |
| | 30 YEARS | 4.177 | S&P 500 | 850.75 | -2.58% | Kuwait SE .KWSE | 8552.7 | -1.59% |
| EUR BUND | 2 YEARS | 2.178 | Nikkei | 8522.58 | 0.71% | Abu Dhabi SE .ADI | 2846.68 | 3.30% |
| | 5 YEARS | 2.821 | SMI | 5646.43 | -3.23% | Egyptian .CASE30 | 4561.06 | -4.63% |
| | 10 YEARS | 3.675 | CAC 40 | 3182.03 | -3.32% | Dubai FM Gen Id .DFMGI | 2142.85 | 8.15% |
| | 30 YEARS | 4.297 | DAX | 4710.24 | 1.31% | Morocco SI MSI | 5870.02 | 0.41% |
| | | | FTSE | 4312.16 | -2.38% | Bahrain .BAX | 2003.61 | -1.39% |
| | | | Euronext 100 | 545.29 | -2.67% | | | |

| Tracker | Underlying | Last Price | % Change |
|---------|----------------|------------|----------|
| FXI | China | 25.10 | -0.2 |
| EWG | Germany | 16.35 | -2.15 |
| EWJ | Japan | 8.58 | -0.23 |
| EWY | Korea | 24.07 | -2.15 |
| EWT | Taiwan | 7.45 | -0.4 |
| EWZ | Brazil | 33.80 | -2.17 |
| IIF | India | 13.52 | -3.15 |
| RNE | Eastern Europe | 8.40 | -4.65 |
| TKF | Turkey | 5.22 | -5.78 |
| GLD | Gold | 72.65 | -0.89 |
| USO | Oil | 45.16 | -2.21 |

| 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 | 741.90 | -0.07% |
| Silver / Oz | 933.00 | -1.69% |
| Palladium / Oz | 217.70 | 0.48% |
| Platinum / Oz | 820.60 | -2.90% |
| Copper/ Lbs | 164.95 | -3.06% |
| Aluminum / Lbs | 0.86 | -1.71% |
| Coffee / Lbs | 110.95 | 0.50% |
| Cocoa EUR / 100 Kg | 2040.00 | 5.86% |
| Wheat / Tone | 533.75 | -3.70% |
| Soybean / Bsh | 906.50 | 1.17% |
| Wti / Bbl | 55.68 | -0.57% |
| Brent | 51.22 | 0.25% |

| Libor USD | Rate |
|------------------|------|
| 1 months | 1.47 |
| 3 Months | 2.24 |
| 6 Months | 2.71 |
| 1 Year | 2.88 |
| Libor EUR | |
| 1 months | 3.77 |
| 3 Months | 4.19 |
| 6 Months | 4.25 |
| 1 Year | 4.33 |

| FX Rates | Bid | Ask | Hi | Lo |
|----------|--------|--------|--------|--------|
| USD / LL | 1500 | 1505 | | |
| Euro | 1.2598 | 1.2601 | 1.2664 | 1.2594 |
| JPY | 96.64 | 96.7 | 96.78 | 96.24 |
| GBP | 1.4984 | 1.4989 | 1.5029 | 1.4936 |
| CHF | 1.1997 | 1.2001 | 1.2009 | 1.1972 |
| CAD | 1.2284 | 1.229 | 1.2325 | 1.2249 |
| AUD | 0.6445 | 0.6447 | 0.6501 | 0.6433 |

| Key Economic Calendar | | |
|-------------------------|-----------|----------|
| Data | Date | Forecast |
| US | | |
| US PPI Inflation | 18-Nov-08 | |
| US ICSC Chain Stores | 18-Nov-08 | |
| Euroland / Japan | | |
| GB CPI | 18-Nov-08 | 4.80% |

REGIONAL MARKETS

Lebanon's BLOM stock index rose 0.10 percent to 1314.074 points. Solidere's A remains unchanged at \$19.50 and its B share rose 0.50 percent to \$19.61. Byblos Bank S.A.L. common rose 0.22 percent at 1.84 and its priority share fell 0.05 percent at 1.84.

Persian Gulf shares rose, sending indexes in Dubai and Abu Dhabi higher for the first time in eight days, as

shares trading at the cheapest relative to earnings in two years lured investors. Kuwait's gauge dropped after a court lifted last week's trading suspension. The Dubai Financial Market General Index soared 8.2 percent, the most since Oct. 14, to 2,142.85. The Abu Dhabi Securities Exchange General Index added 3.3 percent, and Saudi Arabia's Tadawul rose 0.5 percent.

TOP FX NEWS

The dollar rose against the euro and the yen on speculation overseas investors are buying more of the safest U.S. assets as the global economy enters a recession. The greenback gained before the Treasury releases data that will probably show increased investment in the nation's securities later today. The Australian dollar declined after the country's central bank said it favored lower borrowing costs. The dollar rose to \$1.2618 against the euro as of 1:38 p.m. in Tokyo from \$1.2650 late yesterday in New York. It climbed to 96.60 yen from 96.43 yen. The euro bought 121.88 yen from 121.99 yen. The pound was quoted at \$1.4980 from \$1.4989. The dollar may strengthen to \$1.23 per euro and 105 yen by year-end, Carr forecast. Overseas investors bought a net \$27.2 billion of U.S. assets in September, compared with net purchases of \$14 billion in August, according to a Bloomberg News survey of economists. The Treasury will release the report at 9 a.m. today in Washington. The ICE's Dollar Index, which tracks the greenback against the currencies of six major trading partners, rose to 87.152 from 86.807 yesterday. The index reached 88.147 on Nov. 13, the highest level since April 2006.

USD/JPY

Res: 097.25/097.76/098.30

Sup: 095.87/095.13/094.48

EUR/USD

Res : 1.2742/1.2800/1.2857

Sup: 1.2600/1.2512/1.2450

GBP/USD

Res: 1.5082/1.5201/1.5260

Sup: 1.4890/1.4778/1.4646

GOLD

Res: 749.20/751.20/755.60

Sup: 731.70/726.50/716.50

EUROLAND

European stocks fell, extending the worst retreat in equities in more than two decades, after Japan unexpectedly slid into a recession and Britain's biggest business lobby said the U.K. slump may be deeper than predicted. Banco Santander SA, Spain's biggest bank, and the U.K.'s HBOS Plc and BNP Paribas SA of France slipped more than 6 percent. HeidelbergCement AG tumbled 22 percent on concern the cement maker's owner may have to sell shares to help prop up an investment company. Tesco Plc slid 6.6 percent after JPMorgan Chase & Co. recommended selling Britain's biggest retailer. Europe's Dow Jones Stoxx 600 Index lost 2.6 percent to 200.37 in London, pushing this year's decline to 45 percent. Japan's economy shrank in the third quarter, entering the first recession since 2001, and the business group said the U.K. economy will contract the most in almost three decades next year. More than \$30 trillion has been erased from the value of global equity markets this year as credit losses and writedowns totaled \$966 billion in the worst financial crisis since the Great Depression. The Stoxx 600 is headed for its steepest annual drop since records began in 1987. National benchmark indexes fell in all 18 markets in Western Europe. The U.K.'s FTSE 100 slipped 2.7 percent. Germany's DAX sank 3.3 percent as did France's CAC 40. The U.K. economy will drop 1.7 percent in 2009, the most since 1980, the Confederation of British Industry said. The recession is "likely to be deeper and longer lasting," according to CBI. House prices in the U.K. are falling at the fastest pace since at least 2002, Rightmove Plc said today. The average asking price for a home fell 7.1 percent from a year earlier, the most since records began six years ago, according to the country's most-used property

Web site. The U.S. has entered a recession that will persist into next year, and economies around the world will follow suit, a poll taken by the National Association for Business Economics showed. Santander, the Spanish bank that owns U.K. mortgage lender Abbey, lost 6.9 percent to 6.08 euros. HBOS, the U.K. bank that agreed to be bought by Lloyds TSB Group Plc, sank 14 percent to 74.5 pence. BNP Paribas, France's biggest bank, dropped 8.1 percent to 43.02 euros. Citigroup Inc., the fourth-biggest U.S. bank by market value, said it plans to eliminate 50,000 jobs, or about 14 percent of the workforce, and reduce expenses by 20 percent from their peak as the global economy contracts. Heidelberg Cement, Germany's biggest cement maker, tumbled 22 percent to 39.90 euros on concern its billionaire owner Adolf Merckle may have to sell shares to help prop up one of his investment companies. Tesco lost 6.6 percent to 308.7 pence. JPMorgan said discount grocer Aldi Group poses a "major threat" and cut its recommendation to "underweight" from "neutral." Bodycote Plc sank 22 percent to 96 pence. The U.K. supplier of metal-strengthening services to Ford Motor Co. said it will halve a 260 million-pound (\$383 million) payment to shareholders to pay off debt in light of financial market turmoil. United Internet AG tumbled 12 percent to 5.26 euros after Credit Suisse Group AG cut Germany's third-largest Web-access provider to "underperform" from "neutral," citing "weaker-than-expected" third-quarter results. "We believe risk to 2009 consensus could be greater given a worsening European economy and ongoing DSL (digital subscriber line) competition," the bank added.

US MARKETS

U.S. stocks tumbled, extending a two-week drop, as a record contraction in New York manufacturing and Citigroup Inc.'s plan to cut 52,000 jobs spurred concern the recession will deepen. Alcoa Inc., the largest U.S. aluminum producer, lost 11 percent after UBS AG cut its recommendation on the shares and the Federal Reserve Bank of New York's general economic index slid to the lowest level since records began in 2001. Citigroup fell 6.6 percent to its lowest price since May 1996. Hartford Financial Services Group Inc. plunged 27 percent as Barclays Plc said the insurer may face more "negative developments." The S&P 500 declined 2.6 percent to 850.75 after swinging between gains and losses at least 18 times as energy shares climbed earlier in the day. The Dow Jones Industrial Average decreased 223.73, or 2.6 percent, to 8,273.58. The Nasdaq Composite slid 2.3 percent to 1,482.05, a five-year low. Three stocks fell for each that rose on the New York Stock Exchange. The tumble in U.S. equities today followed declines in Asia and Europe after Japan unexpectedly slid into a recession and Britain's biggest business lobby said the U.K. slump may be deeper than earlier predicted. Rates on three-month Treasury bills, viewed as a haven in times of turmoil, fell 4 basis points to 0.09 percent on the day. They touched 0.02 percent Sept. 17, the lowest since at least 1940. The S&P 500 is down 42 percent this year as credit-related losses and writedowns at financial firms worldwide topped \$966 billion, threatening global economic growth. The benchmark index for U.S. equities is on course for the steepest annual decline since 1931. Profits slumped 17

percent on average at companies in the S&P 500 that have reported third-quarter results, according to Bloomberg data. Analysts expect an 8.5 percent drop in full-year earnings, based on estimates compiled by Bloomberg. About 1.3 billion shares changed hands on the floor of the NYSE, 12 percent fewer than the three-month daily average. All 24 industries in the S&P 500 retreated. Alcoa slid \$1.17 to \$9.67, helping send the Morgan Stanley Cyclical Index, a gauge of companies most reliant on economic growth to boost earnings, down 3.4 percent to the lowest level since April 2003. The shares were lowered to "neutral" from "buy" at UBS on "uncertainty" in the aluminum market. Caterpillar Inc., the biggest maker of bulldozers, lost 3.4 percent to \$35.70, while Deere & Co., the largest tractor manufacturer, retreated 3.1 percent to \$32.74. Manufacturing in New York contracted in November as orders and sales plunged, the New York Fed's index showed. The measure fell to minus 25.4, the lowest since records began in 2001, from minus 24.6 percent in October, the bank said. Readings below zero for the Empire State index signal manufacturing is shrinking. Citigroup fell 63 cents to \$8.89. Chief Executive Officer Vikram Pandit said the bank will eliminate 52,000 jobs over the next year, twice the target announced last month, as loan losses surge and the economy shrinks. An index on financial stocks in the S&P 500 fell 6 percent. Bank of America Corp., the lender that's buying Merrill Lynch & Co., dropped 8.5 percent to \$15.03. Goldman Sachs Group Inc. declined 6.4 percent to \$62.49.

EMERGING MARKETS

Brazilian stocks dropped for a second day, led by commodity producers, on concern slowing global growth will reduce demand for raw materials. Gerdau SA led a decline in metal producers after Merrill Lynch & Co. lowered its growth estimate for Brazil and Japan entered a recession. The Bovespa's decline was limited as utility shares rallied on the prospect that they will perform better than other industries as the economy slows. The International Monetary Fund approved a \$26 million loan for the Indian Ocean island nation of Seychelles to support the country's economy. About \$9.13 million will be made available immediately under a two-year stand-by arrangement. The rest will be distributed in seven quarterly installments, subject to review by the IMF's executive board. The Seychelles will begin talks with bondholders next week after the country defaulted on almost \$300 million of debt, according to Houlihan Lokey, the U.S. bank advising the government. The IMF provides stand-by arrangements, or short-term assistance, to countries experiencing temporary balance-of-payments deficits.

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