

Financially Yours,

October 19, 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	2.993	0.346	0.37	0.37	2
7 7/8 Lebanon May 11	7.875	20/05/2011	105.750	106.750	4.072	3.440	1.47	1.44	2
7.5 Lebanon Mar 12	7.500	19/03/2012	106.125	107.125	4.775	4.349	2.24	2.19	2
9 1/8 Lebanon Mar 13	9.125	12/03/2013	111.875	112.875	5.251	4.949	2.99	2.92	2
9 Lebanon May 14	9.000	02/05/2014	112.000	113.000	5.938	5.701	3.72	3.62	2
10 Liban Apr 15	10.000	25/04/2015	115.500	116.500	6.598	6.398	4.28	4.14	2
8.50 Lebanon Aug 15	8.500	06/08/2015	109.000	110.000	6.601	6.402	4.67	4.53	2
8 1/2 Lebanon Jan 16	8.500	19/01/2016	109.500	110.500	6.614	6.428	4.94	4.79	2
9 Lebanon Mar 17	9.000	20/03/2017	114.000	115.000	6.581	6.423	5.66	5.48	2
8 1/4 Lebanon Apr 21	8.250	12/04/2021	108.000	109.000	7.213	7.090	7.78	7.51	2

Emerging Eurobonds

Emerging Eurobonds						Beirut Stock Exchange (closing 16.10.09)					
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	7.683	Byblos bank	1.9	0.00%	6.40	0.81	5.26%
R. OF SRILANKA	8.250	24-Oct-12	105.500	106.000	6.126	Byblos bank Preferred	99	0.00%	-	-	-
ATF BANK	9.250	12-Apr-12	99.748	100.159	9.269	Byblos bank Prty	1.93	0.00%	8.11	0.82	6.74%
TAQA ABD NATL.	4.375	28-Oct-13	100.894	101.269	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	82.7	1.16%	13.48	1.71	2.41%
TDIC SUKUK LTD	4.949	21-Oct-14	101.834	102.034	4.512	Blom	88	0.00%	7.51	1.39	4.13%
ORASCOM TELECOM	7.875	08-Feb-14	96.000	96.000	9.013	Solidere A	25.5	-2.78%	23.04	2.38	4.51%
REP. VENEZUELA	8.500	08-Oct-14	87.799	88.299	11.744	Solidere B	25.6	-1.50%	23.13	2.39	4.49%
CELL C PTY LTD	11.000	01-Jul-15	100.357	100.732	10.861	Holcim	13.5	2.27%	-	-	5.93%
						Casino	390	-	-	-	-

Benchmark	Maturity	Yield	Equity Indices	Price	% Change	Arab Indices	Price	% Change
US TREASURY	2 YEARS	0.988	NASDAQ Comp	2156.80	-0.76%	BLOM Stock Index .BLSI	1537.989	-1.08%
	5 YEARS	2.363	NASDAQ 100	1739.32	-0.80%	SAUDI All Share .SASI	6396.1	0.70%
	10 YEARS	3.417	DJI	9995.91	-0.67%	Doha Stock Market .QSI	7370.7	1.09%
	30 YEARS	4.240	S&P 500	1087.68	-0.81%	Kuwait SE .KWSE	7678.6	-0.44%
EUR BUND	2 YEARS	1.443	Nikkei	10257.56	0.18%	Abu Dhabi SE .ADI	3206.62	-0.68%
	5 YEARS	2.494	SMI	6345.26	-0.59%	Egyptian .CASE30	6993.3	0.04%
	10 YEARS	3.287	CAC 40	3827.6	-1.45%	Dubai FM Gen Id .DFMGI	2292.33	-3.41%
	30 YEARS	4.033	DAX	5743.39	-1.50%	Morocco SI MSI	6616.74	-0.46%
			FTSE	5190.24	-0.63%	Bahrain .BAX	1550.18	0.14%
		Euronext 100	669.83	-1.07%				

Tracker	Underlying	Last Price	% Change
FXI	China	43.17	-2.24
EWG	Germany	22.87	-2.06
EWJ	Japan	9.80	-1.8
EWY	Korea	46.08	-3.32
EWT	Taiwan	12.42	-0.88
EWZ	Brazil	75.49	-0.72
IIF	India	22.48	-0.09
RNE	Eastern Europe	15.90	-2.27
TKF	Turkey	13.75	-1.79
GLD	Gold	103.18	0.31
USO	Oil	40.45	1.35

Byblos Bank Deposits	Rates
USD*	
1 months	3.00%
3 Months	3.00%
6 Months	3.00%
1 Year	3.00%
*Benchmark amount 100-200 thds	
LBP*	
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	1050.70	0.09%
Silver / Oz	17.40	0.03%
Palladium / Oz	330.00	0.76%
Platinum / Oz	1341.70	-0.50%
Copper/ Lbs	283.75	-0.47%
Aluminum / Lbs	86.85	0.40%
Coffee / Lbs	142.85	3.70%
Cocoa EUR / 100 Kg	3273.00	0.18%
Wheat / Tone	498.75	-1.24%
Soybean / Bsh	977.50	-0.56%
Wti / Bbl	78.53	1.22%
Brent	74.92	1.95%

Libor USD	Rate
1 months	0.25
3 Months	0.28
6 Months	0.59
1 Year	1.25
Libor EUR	
1 months	0.39
3 Months	0.69
6 Months	1.01
1 Year	1.24

FX Rates	Bid	Ask	Hi	Lo
USD / LL	1499	1504		
Euro	1.4886	1.4888	1.4919	1.4831
JPY	90.78	90.8	91.12	90.74
GBP	1.6329	1.6332	1.637	1.6283
CHF	1.0186	1.0191	1.0229	1.017
CAD	1.0366	1.037	1.0421	1.0367
AUD	0.9185	0.9188	0.9189	0.9114

Key Economic Calendar		
Data	Date	Forecast
US		
US ICSC Chain Stores	20-Oct-09	
US Housing Starts	20-Oct-09	0.610m
Euroland / Japan		
T Industrial Orders	20-Oct-09	

REGIONAL MARKETS

Lebanon's BLOM stock index fell 1.08 percent at 1537.989 points. Solidere's A fell 2.78 percent at \$25.50 and its B share fell 1.50 percent at \$25.60. Byblos Bank S.A.L. common remains unchanged at 1.90 and its priority shares remain unchanged at 1.93.

Dubai's benchmark index lost the most in almost three weeks, leading a drop in the region, as Gulf companies' earnings fell and Emaar Properties PJSC

denied it was writing off debt at its Indian unit. The Dubai Financial Market General Index lost 2.5 percent to 2,292.33, the biggest decline since Sept. 28. Abu Dhabi's measure and Oman's MSM30 Index each declined 1 percent. Saudi Arabia's Tadawul All Share Index declined 0.6 percent to 6,396.10 while the Kuwait Stock Exchange lost 0.4 percent. Qatar's DSM 20 Index advanced 0.4 percent, while Bahrain's measure was little changed.

TOP FX NEWS

The euro fell for a second day versus the dollar on speculation policy makers will show concern about the European currency's recent strength at a meeting today. The 16-nation currency retreated from a 14-month high before talks between euro-area finance ministers in Luxembourg and as Asian shares extended declines in U.S. equities, curbing demand for higher-yielding assets. The pound declined for the first time in five days against the dollar after the Sunday Times said Bank of England policy maker Adam Posen may support an extension of the bank's asset-purchase program. The euro dropped to \$1.4881 as of 12:58 p.m. in Tokyo from \$1.4905 per euro in New York on Oct. 16. Europe's single currency rose to \$1.4968 on Oct. 15, the strongest since Aug. 13, 2008. The yen was at 90.84 versus the dollar from 90.89. Japan's currency was at 135.17 per euro from 135.48. Britain's currency fell to \$1.6337 from \$1.6356 on Oct. 16 when it touched \$1.64, the highest level since Sept. 23.

USD/JPY

Res: 091.33/091.63/092.55

Sup: 090.59/089.90/089.67

EUR/USD

Res: 1.4925/1.4968/1.5000

Sup: 1.4829/1.4762/1.4674

GBP/USD

Res: 1.6401/1.6470/1.6534

Sup: 1.6253/1.6160/1.6127

GOLD

Res: 1055.4/1059.6/1064.4

Sup: 1045.9/1042.4/1038.1

EUROLAND

European stocks retreated from a 12-month high as results from General Electric Co. and Bank of America Corp. disappointed investors and U.S. consumer confidence dropped more than forecast. National Bank of Greece SA led the nation's lenders lower after the government said it may impose a one-off tax on company earnings. Safran SA, which makes commercial jet engines with GE, sank 5.9 percent after saying 2010 will be a "challenging" year. National Express Group Plc fell the most in 8 years as CVC Capital Partners Ltd. scrapped a takeover bid for the U.K. bus and rail company. The Dow Jones Stoxx 600 Index retreated 0.5 percent to 245.96 at 4:45 p.m. in London after closing at the highest level since Oct. 3, 2008, yesterday. The measure trimmed its weekly advance to 1.3 percent today as GE's sales trailed estimates and Bank of America posted a loss. The Stoxx 600 has advanced 56 percent since March 9, as companies from Royal Philips Electronics NV to Google Inc. reported better-than-estimated earnings, pushing the index's valuation to 48.9 times reported profit, near the most expensive level since 2003, according to Bloomberg data. National benchmark indexes declined in 14 of the 18 western European markets. The U.K.'s FTSE 100 dropped 0.6 percent and France's CAC 40 sank 1.5 percent. Germany's DAX slid 1.5 percent as Deutsche Bank AG retreated. Greece's ASE Index plummeted 2.2 percent as the Finance Ministry said it's considering imposing a one-off tax on profits from banks and other companies to reduce the budget deficit. National Bank of Greece, the country's biggest lender, sank 3.6 percent to 26.80 euros as Morgan Stanley also downgraded the shares to "equal weight" from "overweight." Alpha Bank SA, the third-biggest, dropped 6.4 percent to 13.10 euros. Deutsche Bank, Germany's largest

bank, lost 2.8 percent to 54.83 euros and BNP Paribas SA, the largest lender in France, sank 2.7 percent to 54.70 euros. Safran plummeted 5.9 percent to 12 euros after saying 2010 will be "challenging." The company is on course to meet a 2009 target for an operating margin of 6 percent, Chief Executive Officer Jean-Paul Herteman said on a call today. The margin stood at 6.3 percent last year. Siemens AG, Europe's largest engineering company, retreated 2.8 percent to 66.56 euros as GE, the world's biggest maker of jet engines, said third-quarter revenue fell 20 percent to \$37.8 billion, trailing analysts estimates. National Express tumbled 23 percent to 362 pence, the biggest drop since October 2001, after CVC Capital decided not to make a 765 million-pound (\$1.25 billion) offer. National Express said a stock sale is now "the most appropriate course of action." Petroplus Holdings AG, the largest refiner in Europe, surged 4.6 percent to 27.94 Swiss francs, while Neste Oil Oyj climbed 4.8 percent to 13.30 euros and Tullow Oil Plc added 1.8 percent to 1,236 pence. Crude oil traded above \$77 a barrel in New York, capping its biggest weekly gain in two months, on an unexpected decline in U.S. gasoline stockpiles and refinery utilization. Swedish Match AB, Europe's largest maker of smokeless tobacco products, jumped 3.8 percent to 151.50 kronor on speculation Philip Morris International Inc. will make a takeover bid for the company. Ericsson AB rose 2 percent to 72.60 kronor after Sony Ericsson Mobile Communications Ltd. reported third-quarter net loss of 164 million euros (\$245 million), less than analysts anticipated. Lloyds Banking Group Plc advanced 1.9 percent to 93.1 pence as Deutsche Bank upgraded the lender to "buy" from "hold".

US MARKETS

U.S. stocks advanced for a second week after profits from JPMorgan Chase & Co. and Intel Corp. surpassed estimates, lifting the Dow Jones Industrial Average above 10,000 for the first time in more than a year. General Electric Co. and Bank of America Corp.'s results pushed the Dow average down 67 points to 9,995.91 on Thursday. For the week, JPMorgan increased 0.5 percent after reporting its highest profit since 2007. Intel climbed after its sales forecast beat estimates. Harley-Davidson Inc. advanced 17 percent for the steepest gain in the Standard & Poor's 500 Index after selling a unit and announcing a plan to cut costs. The S&P 500 rose 1.5 percent to 1,087.68, extending its 2009 gain to 20 percent, as nine of 10 industry groups increased. The Dow average added 1.3 percent after climbing as high as 10,062.94 on Oct. 15. The Nasdaq Composite Index jumped 0.8 percent to 2,156.8. The VIX, as the benchmark for U.S. equity derivatives is known, dropped every day for the last two weeks, the longest streak since May 2005. Benchmark equity indexes posted the biggest gains of the week on Oct. 14 after minutes from the Fed's September meeting showed central bankers raised economic projections based on improved housing markets, stabilizing consumer spending and a recovery in growth outside the U.S. The number of Americans filing first-time claims for unemployment benefits dropped to the lowest level in nine months. Applications fell by 10,000 to 514,000 in the week ended Oct. 10, Labor Department data showed. The Commerce Department said on Oct. 14 that retail sales decreased 1.5 percent in September, less than forecast, while sales excluding automobiles climbed 0.5 percent, more than projected. "This recovery is really taking shape," said Burt White, chief investment officer at LPL Financial in Boston, which oversees \$234 billion. "The recovery is moving

faster than analysts can revise their estimates upwards and faster than companies can offer increased guidance." JPMorgan rose 21 cents to \$46.06. The second-largest U.S. bank by assets on Oct. 14 reported third-quarter earnings of \$3.59 billion, or 82 cents a share, the highest profit since the subprime mortgage market collapsed in 2007. A seven-month rally in financial companies led the Dow average to its first close above 10,000 on Oct. 14. Bank of America Corp. has more than quadrupled since U.S. stocks fell to a 12-year low on March 9, posting the best performance of 30 members during the period. American Express Co. has more than tripled during the period for the second best advance, followed by JPMorgan's near-tripling. Intel, the world's biggest chipmaker, rose 0.1 percent after its sales forecast beat estimates by as much as \$1 billion. The company's gross margin -- a measure of profitability -- may reach the highest level this decade, it said. Harley-Davidson Inc. posted its largest gain since March. The biggest U.S. motorcycle maker said it plans to cut about 180 jobs, end its Buell line and sell its MV Augusta unit under a plan to save as much as \$140 million in annual costs. The VIX, as the Chicago Board Options Exchange Volatility Index is known, fell to 21.43 after reaching 28.68 on Oct. 2. Yields on Treasury securities climbed as government data showed retail sales increased more than economists estimated in September. The 10-year note's yield rose to 3.42 percent from 3.38 percent. Homebuilders and real-estate agents were probably busier in September, economists said before reports in the coming week. Construction started last month on 610,000 houses at an annual rate, the most since November, according to the median forecast of economists surveyed by Bloomberg News before the Oct. 20 report. Existing home sales rose to a two-year high of 5.35 million, economists said.

EMERGING MARKETS

Brazil's Bovespa index fell for the first time in six days, narrowing a third week of gains, as metal prices declined and investors speculated Brazilian assets are overvalued. The Bovespa slid 0.8 percent to 66,200.49. The index has risen 3.3 percent this week. The BM&FBovespa Small Cap index was little changed. Mexico's Bolsa dropped 0.9 percent and the MSCI Emerging Markets index fell 1 percent. The Bovespa has surged 76 percent this year as a rebound in commodity prices and record low interest rates spurred economic growth. The gauge trades at 22.99 times earnings, near a five-year high and higher than the 21.14 price-to-earnings ratio of the MSCI Emerging Markets index.

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