

Financially Yours,

October 20, 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	2.963	0.297	0.37	0.36	2
7 7/8 Lebanon May 11	7.875	20/05/2011	105.750	106.750	4.066	3.433	1.47	1.44	2
7.5 Lebanon Mar 12	7.500	19/03/2012	106.125	107.125	4.772	4.346	2.24	2.19	2
9 1/8 Lebanon Mar 13	9.125	12/03/2013	111.875	112.875	5.248	4.946	2.99	2.91	2
9 Lebanon May 14	9.000	02/05/2014	112.000	113.000	5.936	5.699	3.72	3.62	2
10 Liban Apr 15	10.000	25/04/2015	115.500	116.500	6.597	6.397	4.28	4.14	2
8.50 Lebanon Aug 15	8.500	06/08/2015	109.000	110.000	6.600	6.401	4.67	4.52	2
8 1/2 Lebanon Jan 16	8.500	19/01/2016	109.500	110.500	6.613	6.427	4.94	4.78	2
9 Lebanon Mar 17	9.000	20/03/2017	114.000	115.000	6.580	6.422	5.66	5.48	2
8 1/4 Lebanon Apr 21	8.250	12/04/2021	108.000	109.000	7.212	7.090	7.78	7.51	2

Emerging Eurobonds

Emerging Eurobonds						Beirut Stock Exchange (closing 19.10.09)					
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	7.667	Byblos bank	1.9	0.00%	6.40	0.81	5.26%
R. OF SRILANKA	8.250	24-Oct-12	105.500	106.000	6.124	Byblos bank Preferred	99	0.00%	-	-	-
ATF BANK	9.250	12-Apr-12	99.815	100.225	9.238	Byblos bank Prty	1.95	1.04%	8.19	0.83	6.67%
TAQA ABD NATL.	4.375	28-Oct-13	100.849	101.224	9.231	Byblos Bank GDR	90.00	0.00%	10.84	0.24	5.32%
ADCB F. CAYMAN	4.750	24-Apr-13	98.250	98.600	5.113	Audi	85.85	3.81%	14.00	1.78	2.32%
TDIC SUKUK LTD	4.949	21-Oct-14	101.745	101.995	4.526	Blom	88	0.00%	7.51	1.39	4.13%
ORASCOM TELEC	7.875	08-Feb-14	96.000	96.000	9.013	Solidere A	25.94	1.73%	23.43	2.42	4.43%
REP. VENEZUELA	8.500	08-Oct-14	87.960	88.460	11.698	Solidere B	25.8	0.78%	23.31	2.41	4.46%
CELL C PTY LTD	11.000	01-Jul-15	99.900	100.275	10.971	Holcim	13.5	0.00%	-	-	5.93%
						Casino	390	-	-	-	-

Benchmark	Maturity	Yield	Equity Indices	Price	% Change	Arab Indices	Price	% Change
US TREASURY	2 YEARS	0.976	NASDAQ Comp	2176.32	0.91%	BLOM Stock Index .BLSI	1562.668	1.60%
	5 YEARS	2.360	NASDAQ 100	1756.68	1.00%	SAUDI All Share .SASI	6535.09	2.17%
	10 YEARS	3.402	DJI	10092.19	0.96%	Doha Stock Market .QSI	7328.32	-0.57%
	30 YEARS	4.215	S&P 500	1097.91	0.94%	Kuwait SE .KWSE	7610.7	-0.88%
EUR BUND	2 YEARS	1.425	Nikkei	10236.51	-0.21%	Abu Dhabi SE .ADI	3177.1	-0.92%
	5 YEARS	2.493	SMI	6436.37	1.44%	Egyptian .CASE30	7119.13	1.80%
	10 YEARS	3.289	CAC 40	3892.36	1.69%	Dubai FM Gen Id .DFMGI	2323.52	1.36%
	30 YEARS	4.022	DAX	5852.56	1.90%	Morocco SI MSI	6590.3	-0.40%
			FTSE	5281.54	1.76%	Bahrain .BAX	1538.4	-0.76%
		Euronext 100	680.59	1.61%				

Tracker	Underlying	Last Price	% Change
FXI	China	44.49	3.06
EWG	Germany	23.28	1.79
EWJ	Japan	9.96	1.63
EWY	Korea	46.98	1.95
EWT	Taiwan	12.62	1.61
EWZ	Brazil	76.25	1.01
IIF	India	22.92	1.96
RNE	Eastern Europe	16.18	1.77
TKF	Turkey	13.55	-1.45
GLD	Gold	104.23	1.02
USO	Oil	40.76	0.77

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		
Gold / Oz	1057.30	0.63%
Silver / Oz	17.61	1.18%
Palladium / Oz	333.75	1.14%
Platinum / Oz	1358.10	1.22%
Copper/ Lbs	295.65	4.19%
Aluminum / Lbs	88.35	1.73%
Coffee / Lbs	144.25	0.98%
Cocoa EUR / 100 Kg	3305.00	0.98%
Wheat / Tone	517.75	3.81%
Soybean / Bsh	996.25	1.92%
Wti / Bbl	79.61	1.38%
Brent	76.21	1.72%

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	0.70
6 Months	1.01
1 Year	1.24

FX Rates	Bid	Ask	Hi	Lo
USD / LL	1499	1504		
Euro	1.4975	1.4976	1.4994	1.4955
JPY	90.16	90.21	90.79	90.09
GBP	1.6404	1.6407	1.6434	1.6375
CHF	1.0104	1.0109	1.0122	1.0094
CAD	1.0283	1.0288	1.0297	1.0273
AUD	0.9287	0.9292	0.931	0.9271

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 rose 1.60 percent at 1562.668 points. Solidere's A rose 1.73 percent at \$25.94 and its B share rose 0.78 percent at \$25.80. Byblos Bank S.A.L. common remains unchanged at 1.90 and its priority shares rose 1.04 percent at 1.95.

Saudi stocks surged to the highest level in a year after Saudi Basic Industries Corp. reported third-quarter profit that beat analysts' estimates and oil headed toward

\$80 a barrel. The Tadawul All Share Index rose 2.2 percent to 6,535.1 in Riyadh, the highest close since Oct. 15 2008. The Dubai Financial Market General Index gained for the first time in three days, adding 1.4 percent, while Abu Dhabi's ADX General Index lost 0.9 percent. Oman's MSM30 Index dropped 0.4 percent, Qatar's DSM 20 Index fell 0.6 percent, the Kuwait Stock Exchange Index declined 0.9 percent and the Bahrain All Share Index retreated 0.8%.

TOP FX NEWS

The euro climbed toward \$1.50 on optimism the global economic recovery is gathering momentum. Australia's dollar touched a 14-month high after its central bank said "very low" interest rates were no longer necessary. The euro rallied to the strongest level since August 2008 against the dollar before reports that economists said will show the U.S. housing market and German business confidence improved, boosting demand higher-yielding assets. The yen rose against 14 of its 16 major counterparts on speculation Japanese exporters took advantage of recent weakness to repatriate funds. The euro rose to \$1.4976 of 1:14 p.m. in Tokyo from \$1.4965 in New York yesterday. It earlier touched \$1.4994, the strongest since August 2008. The U.S. currency bought 90.38 yen from 90.55. The euro was at 135.32 yen from 135.51 yen. Australia's currency climbed to 93.11 cents, the highest since August 2008, before trading at 92.87 U.S. cents from 92.92 cents yesterday. New Zealand's dollar was at 75.43 U.S. cents from 75.67 cents, after touching 75.76 cents, the strongest since July 2008.

USD/JPY

Res: 090.99/091.33/091.63

Sup: 089.90/089.67/089.00

EUR/USD

Res : 1.5000/1.5123/1.5202

Sup: 1.4899/1.4829/1.4762

GBP/USD

Res: 1.6470/1.6534/1.6569

Sup: 1.6359/1.6303/1.6240

GOLD

Res: 1064.4/1069.3/1077.6

Sup: 1057.9/1047.4/1042.4

EUROLAND

European stocks climbed to a 12-month high as Nomura Holdings Inc. forecast earnings will support further gains in equities and National Express Group Plc received a 1.7 billion-pound merger bid. Royal Dutch Shell Plc and BP Plc added more than 2.4 percent as crude traded above \$78 a barrel in New York. National Express jumped 11 percent after saying it got a "highly preliminary" merger proposal from rival U.K. bus and rail operator Stagecoach Group Plc. Daimler AG soared the most in four months after saying profit topped analysts' projections. The Dow Jones Stoxx 600 Index rose 1.5 percent to 249.34, the highest close since Oct. 3, 2008. The gauge has rallied 58 percent since March 9 as Royal Philips Electronics NV reported an unexpected third-quarter profit and results from Intel Corp., JPMorgan Chase & Co. and Google Inc. beat estimates. The advance has pushed valuations on the index to 49.6 times reported earnings, the most expensive level since June 2003, Bloomberg data show. Of the 41 companies in the Standard & Poor's 500 Index to have reported per-share profits since Oct. 7, 34 have topped estimates, according to data compiled by Bloomberg. The U.K. economy will grow twice as fast as previously expected next year as the country pulls out of the worst recession in a generation, according to Ernst & Young LLP's Item Club, which uses the same model as the U.K. Treasury. Gross domestic product will increase 1 percent in 2010, compared with a 0.5 percent forecast in July, the researchers said. National benchmark indexes advanced in all 18 western European markets, except Luxembourg. The U.K.'s FTSE 100 gained 1.8 percent and Germany's DAX added 1.9 percent. France's CAC 40 climbed 1.7 percent as Technip SA rallied. Shell, Europe's largest oil producer,

gained 2.4 percent to 1,903 pence and BP, the second-biggest, advanced 2.7 percent to 574.2 pence as crude traded near a 12-month high in New York. Daimler rallied 7 percent to 37.62 euros, pushing a gauge of automakers to the biggest advance on the Stoxx 600. The world's second-biggest maker of luxury cars said third-quarter cash flow and profit beat analysts' estimates. Earnings before interest and taxes reached 470 million euros on sales of 19.3 billion euros, the company said. Bayerische Motoren Werke AG, the largest luxury-car maker, climbed 4.3 percent to 34.67 euros. Nestle SA gained 3.5 percent to 44.92 Swiss francs, the biggest jump in five months, as UBS AG raised its recommendation on the shares to "buy" from "neutral." The Vevey, Switzerland-based maker of KitKat bars and Maggi bouillon cubes could return a third of its market value in buybacks and dividends over the next four years were it to start a new 25 billion-Swiss franc (\$24.6 billion) share repurchase program, UBS analyst Alan Erskine wrote in a report. William Hill Plc soared 10 percent to 177.6 pence, posting the steepest gain among all shares on the Stoxx 600. Third-quarter net revenue at the U.K.'s second-biggest bookmaker declined less than that of competitor Ladbrokes Plc. Technip added 5.2 percent to 50.25 euros. Europe's second-largest oilfield-services provider forecasts an increase in the level of new projects awarded in 2010, Chief Executive Officer Thierry Pilenko told Les Echos in an interview. The recovery could be "quite strong" at the end of 2010 and the start of 2011, the newspaper cited Pilenko as saying. Acergy SA gained 5.2 percent to 76.65 kroner after it was awarded a contract valued at about \$500 million from Chevron Nigeria Ltd.

US MARKETS

U.S. stocks rose, sending benchmark indexes to a one-year high, on better-than-estimated earnings and speculation the economy is healthy enough for policy makers to unwind efforts to shore up the financial system. The dollar fell, while commodity prices and 10-year Treasuries advanced. Gannett Co., the biggest U.S. newspaper publisher, jumped 8.2 percent on results that beat estimates. Texas Instruments Inc. climbed before reporting earnings. Caterpillar Inc. surged 6 percent after RBC Capital Markets recommended the shares. Banks advanced as the Federal Reserve Bank of New York said it is assessing the use of reverse repurchase agreements to drain record amounts of cash added to the financial system. The Standard & Poor's 500 Index climbed 0.9 percent to 1,097.91 at 4:06 p.m. in New York, adding to gains from a back-to-back weekly advance. The Dow Jones Industrial Average jumped 96.28 points, or 1 percent, to 10,092.19. The MSCI World Index of 23 developed countries rallied 1.3 percent. Four stocks rose for each that fell on the New York Stock Exchange. Earnings at U.S. companies probably will exceed analysts' Third-quarter estimates, extending a rally in stocks to year-end, Nomura Holdings Inc. wrote in a note dated Oct. 16. Thirty-four of the 41 companies in the S&P 500 that reported since Oct. 7, including JPMorgan Chase & Co. and Intel Corp., surpassed analysts' projections, according to Bloomberg data. Gannett and Nordstrom Inc. helped lead consumer discretionary stocks in the S&P 500 up 1.4 percent. Gannett rose 8.2 percent to \$14.06. The publisher had third-quarter profit of 44 cents a share on an adjusted basis, beating the average analyst estimate by 3 cents as a decline in print advertising abated. Nordstrom added 4.2 percent to \$35.85. The department store chain had its share-price estimate increased to \$40

from \$25 at Barclays Plc, which said earnings will continue to improve for the rest of the year because of recovering sales and low inventories. Eaton Corp. climbed 5.7 percent to \$63.89. The Cleveland-based manufacturer reported third-quarter profit excluding some items of \$1.21 a share, higher than the 95-cent average estimate of analysts in a survey. Eaton also said earnings this year will be more than previously estimated. Texas Instruments and Apple Inc. climbed before reporting results. Texas Instruments, the second-largest U.S. chipmaker, rose 3.4 percent to \$23.52. Apple, the maker of Macintosh computers, the iPhone and the iPod media player, gained 1 percent to \$189.86. Financial shares in the S&P 500 climbed 0.5 percent collectively, reversing a 0.4 percent drop spurred earlier by earnings that trailed estimates at BB&T Corp. American Express Co. gained 2.3 percent and Goldman Sachs Group Inc. added 0.6 percent. The Fed Bank of New York said that over the past year, it has been working with market participants on operational aspects of reverse repos to ensure the tool will be ready when and if the Federal Open Market Committee decides to use it. Caterpillar had the biggest gain in the Dow, rising 6 percent to \$57.85. Motorola Inc. had the third-steepest gain in the S&P 500, jumping 7.9 percent to \$8.47. Oppenheimer & Co. Inc. raised its share estimate for the biggest U.S. mobile-phone maker by 25 percent to \$10, saying the introduction of additional devices with other carriers could "add momentum." Ford Motor Co. rose 2 percent to \$7.57. Hasbro Inc. dropped 3.7 percent to \$28.42. The world's second-largest toymaker said third-quarter sales declined to \$1.28 billion on lower prices. The VXO, as the S&P 100 gauge is known, has fallen from a peak of 87.24 in November after U.S. stocks posted the steepest rally since the 1930s. The VIX added 0.3 percent to 21.49.

EMERGING MARKETS

Emerging market stocks may add to their gains this year as earnings growth returns, according to BNP Paribas Investment Partners. The MSCI Emerging Markets Index has rallied 73 percent this year, poised for its best year on record. Gains have outpaced those in developed nations, with the MSCI World Index climbing 27 percent during the same period. China is among nations that will reach its target economic growth this year, helped by the government's stimulus measures, Podkolzine said. The Bovespa index added 1.6 percent to 67,239.45, the highest level since June 2008. In other Latin American markets, Mexico's Bolsa index gained 0.7 percent and Chile's Ipsa advanced 0.3 percent.

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