

# Financially Yours,

Your Daily Electronic Market Report

## LEBANESE EUROBONDS

USD	Coupon	Maturity	Bid	Offer	Bid Yield	Offer Yield	Duration	M duration	Frq
9 Lebanon May 14	9.000	02/05/2014	106.500	108.000	4.909	4.015	1.56	1.52	2
8.50 Lebanon Aug 15	8.500	06/08/2015	109.500	111.500	4.983	4.291	2.67	2.61	2
8 1/2 Lebanon Jan 16	8.500	19/01/2016	109.500	111.500	5.394	4.784	3.01	2.94	2
9 Lebanon Mar 17	9.000	20/03/2017	113.500	115.500	5.603	5.143	3.77	3.67	2
5.15 Lebanon Nov 18	5.150	12/11/2018	97.000	99.000	5.730	5.340	5.30	5.16	2
6.375 Lebanon Mar 20	6.375	09/03/2020	100.500	102.500	6.290	5.958	5.93	5.76	2
8 1/4 Lebanon Apr 21	8.250	12/04/2021	111.500	113.500	6.486	6.203	6.31	6.12	2
6.1 Lebanon 2022	6.100	04/10/2022	98.000	100.000	6.371	6.099	7.54	7.31	2
7 Lebanon Dec 2024	7.000	03/12/2024	102.500	104.500	6.696	6.461	8.37	8.10	2
6.60 Lebanon Dec 2026	6.600	27/11/2026	98.500	100.500	6.764	6.544	9.28	8.98	2

## EMERGING MARKETS

USD	Coupon	Maturity	Bid	Offer	Mid Yield
ABCD FINANCE	4.750	08/10/2014	105.405	105.720	2.043
BANCO DO BRASIL	4.500	22/01/2015	105.400	106.000	2.053
DAR AL ARKAN INTL.	10.750	18/02/2015	106.530	107.470	7.589
PROV DE BUENOS A.	11.750	05/10/2015	80.000	80.000	20.795
AFRICAN BANK LTD	8.125	24/02/2017	102.250	102.750	7.459
CROATIA	6.250	27/04/2017	105.125	105.625	4.943
DUBAI DOF SUKUK	4.900	02/05/2017	106.000	106.750	3.413
PETROLEOS DE VEN	8.500	02/11/2017	87.000	88.000	11.786
DOLPHIN ENERGY	5.888	15/06/2019	113.155	113.595	3.647
KUWAIT PROJECTS	9.375	15/07/2020	115.780	116.220	6.724
VIMPELCOM HLDGS	7.504	01/03/2022	101.000	101.500	7.319

## BEIRUT STOCK EXCHANGE as 22/08/2012

Name	Price	\$Change	%Chg	P/E	Div Yield
Byblos bank	1.5	0.00	0.00%	5.17	0.07
Byblos bank GDR	79.00	0.00	0.00%	-	-
Byblos bank Pref 08'	101.3	0.00	0.00%	-	-
Byblos bank Pref 09'	102	0.00	0.00%	-	-
Audi (GDR)	5.93	-0.12	-1.98%	0.81	0.34
Blom (GDR)	7.7	0.00	0.00%	0.66	0.47
Solidere A	13.18	-0.03	-0.23%	11.90	0.08
Solidere B	13.02	-0.31	-2.30%	11.76	0.08
Holcim	15.54	0.00	0.00%	16.42	0.05
Casino	545	0.00	-	-	-

Benchmark	Maturity	Yield
US TREASURY	2 YEARS	0.263
	5 YEARS	0.703
	10 YEARS	1.702
	30 YEARS	2.813
EUR BUND	2 YEARS	0.000
	5 YEARS	0.401
	10 YEARS	1.440
	30 YEARS	2.230

Equity Indices	Price	% Change
NASDAQ Comp	3073.93	0.21%
NASDAQ 100	2783.42	0.35%
DJI	13172.76	-0.23%
S&P 500	1413.49	0.02%
Nikkei	9131.74	-0.27%
SMI	6475.47	-0.66%
CAC 40	3461.65	-1.47%
DAX	7017.75	-1.01%
FTSE	6514	0.00%
Euronext 100	657.33	-1.18%

Arab Indices	Price	%Change
BLOM Stock Index .BLSI	1122.409	-0.20%
SAUDI All Share .SASI	6968.31	0.00%
Doha Stock Market .QSI	8495.34	0.10%
Kuwait SE .KWSE	5765.44	0.79%
Abu Dhabi SE .ADI	2589.5	0.53%
Egyptian .CASE30	5161.93	-0.33%
Dubai FM Gen Id .DFMGI	1576.15	-0.29%
Morocco CFG 25	5510.01	0.00%
Bahrain .BAX	1083.6	0.00%

Tracker Underlying	Last Price	% Change
FXI China	34.28	-0.03
EWG Germany	21.44	0.23
EWJ Japan	9.31	-0.11
EWY Korea	57.49	-0.16
EWT Taiwan	12.74	0.00
EWZ Brazil	55.04	0.36
IIF India	15.74	-0.25
RNE Eastern Europe	15.54	0.13
TKF Turkey	14.77	0.75
GLD Gold	160.54	1.08
USO Oil	36.22	0.67

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	4.75%
3 Months	4.75%
6 Months	4.90%
1 Year	4.90%
*Benchmark amount 100-300 Millions	

Commodities	Price	%Change
Gold / Oz	1637.40	0.83%
Silver / Oz	29.54	1.01%
Palladium / Oz	628.15	1.47%
Platinum / Oz	1525.20	1.16%
Copper/ Lbs	346.00	2.49%
Aluminum / Lbs	102.65	0.62%
Coffee / Lbs	158.95	2.04%
Cocoa EUR / 100 Kg	2420.00	1.34%
Wheat / Tone	896.50	7.26%
Soybean / Bsh	1748.00	2.05%
Wti / Bbl	98.03	1.42%
Brent	116.52	1.74%

Libor USD	Rate
1 months	0.24
3 Months	0.43
6 Months	0.72
1 Year	1.04
Libor EUR	
1 months	0.08
3 Months	0.18
6 Months	0.47
1 Year	0.79

FX Rates	Bid	Ask	Hi	Lo
USD / LL	1501	1510		
Euro	1.2537	1.2538	1.2553	1.2522
JPY	78.53	78.56	78.62	78.45
GBP	1.5895	1.5898	1.5906	1.587
CHF	0.9578	0.9582	0.9589	0.9564
CAD	0.989	0.9896	0.992	0.9881
AUD	1.0508	1.0513	1.0543	1.0488

Key Economic Calendar		
Data	Date	Forecast
<b>US</b>		
Initial Claims	23-AUG-12	365K
New Home Sales	23-AUG-12	365K
<b>Euroland / Japan</b>		
EZ PMI	23-AUG-12	47.7

## REGIONAL MARKET

Lebanon's BLOM stock index fell 0.20 percent to 1122.409 points. Solidere A fell 0.23 percent to \$13.18 and its fell 2.30 to 13.02 Byblos Bank S.A.L remained unchanged at 1.50.

Abu Dhabi shares rose for a ninth day, the longest stretch of gains since March, after earnings at the emirate's

companies beat estimates and oil traded near a three-month high. Sorouh Real Estate Co. gained 0.9 percent. Emirates Telecommunications Corp., the biggest United Arab Emirates phone company which last month reported a better-than-expected 17 percent profit increase, gained for a fourth day.

## TOP FX NEWS

The dollar slid versus most of its major peers for a fourth day as Federal Reserve Bank of Chicago President Charles Evans reiterated the case for more monetary easing that tends to debase the greenback. The U.S. currency touched a seven-week low against the euro after minutes of the Federal Open Market Committee's most recent meeting showed many policy makers favor additional measures to stimulate growth. Demand for the euro was tempered before the release of European purchasing managers' indexes for manufacturing and services. Australia's dollar pared gains after a private report showed manufacturing in China may contract at a faster pace this month. The dollar slid 0.1 percent to \$1.2539 per euro at 1:59 p.m. in Tokyo after earlier touching \$1.2553, the weakest since July 4. It was little changed at 78.55 yen. The euro bought 98.51 yen after dropping 0.4 percent to 98.45 yesterday, the biggest decline since Aug. 10. The U.S. central bank bought \$2.3 trillion of mortgage and Treasury debt between 2008 and 2011 in two rounds of quantitative easing, or QE, to cap borrowing costs. Policy makers have held the Fed's key rate in a range of zero to 0.25 percent since 2008 and have pledged to keep it there at least through late 2014.

### USD/JPY

Res: 79.45/79.77/80.12

Sup: 77.45/77.64/77.82

### EUR/USD

Res: 1.2450/1.2571/1.2602

Sup: 1.2320/1.2345/1.2301

### GBP/USD

Res: 1.5728/1.5757/1.5781

Sup: 1.5566/1.5584/1.5601

### GOLD

Res: 1640.7/1667.0/1689.3

Sup: 1580.0/1602.7/1607.0

## EUROLAND

European stocks slid the most in almost three weeks as Japan reported a wider-than-expected trade deficit and investors awaited the outcome of meetings between the leaders of countries in the euro area. BHP Billiton Ltd. slid 1.7 percent after the world's biggest mining company put \$68 billion of projects on hold. Heineken NV, which last week increased its offer to gain control of Asia Pacific Breweries Ltd., lost 1.1 percent after posting first-half earnings that missed analysts' estimates because of higher costs. Man Group Plc sank 4.4 percent as the hedge-fund manager reported a drop in assets at its flagship fund. The Stoxx Europe 600 Index declined 1.2 percent to 269.27 at the close, its biggest retreat since Aug. 2. The equity benchmark has still rallied 15 percent from this year's low on June 4 as European Central Bank President Mario Draghi pledged to protect the single currency. The volume of shares changing hands on the Stoxx 600 was 9.8 percent lower than the average of the last 30 days, data compiled by Bloomberg show. National benchmark indexes declined in every western-European market. The U.K.'s FTSE 100 Index fell 1.4 percent. France's CAC 40 Index lost 1.5 percent and Germany's DAX Index slid 1 percent. In Athens, Luxembourg's Prime Minister, Jean-Claude Juncker, who also heads the group of euro-area finance ministers, meets with Greek Prime Minister Antonis Samaras to hear a request for a two-year extension to the country's fiscal-adjustment program today. French President Francois Hollande and German Chancellor Angela Merkel meet tomorrow. If Samaras shows a willingness to meet the main targets of his country's second bailout, the other governments in the currency zone may agree to minor concessions, a senior lawmaker with Merkel's government said yesterday. In the U.S., a report showed sales of existing properties rose to a 4.47 million annual pace in July from a 4.37 million pace in June. Economists surveyed by Bloomberg News had predicted an increase to 4.51 million. A release tomorrow will show purchases of new houses climbed to a 365,000 rate last month from a 350,000 pace in June, according to the median forecast of economists surveyed by Bloomberg. A Commerce Department report on Aug. 24 may show that durable-goods orders increased 2.5 percent, the most this year, economists projected. BHP Billiton slid 1.7 percent to 1,947 pence after saying that it will not approve any further spending on major projects this fiscal year. The commodity producer also posted net income of \$5.5 billion for the six months ended June 30, compared with \$13.1 billion a year earlier, according to a calculation from Bloomberg that the Melbourne-based company confirmed. Rio Tinto Group, the world's third-biggest mining company, declined 2.7 percent to 2,979.5 pence, as a gauge of miners dropped the most of the 19 industry groups on the Stoxx 600. Anglo American Plc slid 3.7 percent to 1,910 pence after JPMorgan Chase & Co. downgraded the shares to underweight from neutral, meaning that investors should sell the holdings.

## US.MARKETS

U.S. Steel shares are poised to rebound with increasing metal prices, according to Curt Woodworth, an analyst at Nomura Securities International Inc. in New York. Curtailed steel capacity and low inventories have boosted U.S. steel prices by about \$60 per metric ton since July, according to data compiled by the Bloomberg Industries steel research team. Implied volatility, the key gauge of options prices, for two-month contracts with an exercise price 10 percent below U.S. Steel shares fell 33 percent to 48.03 yesterday since the June 1 high, data compiled by Bloomberg show. That compares with a 31 percent drop to 41.09 for calls 10 percent above. Erin DiPietro, a U.S. Steel spokeswoman, declined to comment on the trading in stock and the options. Net losses at the steelmaker have totaled \$1.94 billion during the past three years, according to data compiled by Bloomberg. S&P changed its outlook for the company to negative from stable on concern "deteriorating pricing" will hurt performance. The Chicago Board Options Exchange Volatility Index, known as the VIX, gained 0.6 percent to 15.11 yesterday. Its European counterpart, the VStoxx Index, which measures the cost of Euro Stoxx 50 Index option prices, advanced 13 percent to 25.12. Options traders have been boosting ownership of bearish U.S. Steel contracts. The ratio of outstanding puts to sell the company versus calls to buy was at 1.36-to-1 on Aug. 20 and touched a five-year high of 1.6 on July 20, data compiled by Bloomberg show. Five of six most-owned contracts were bearish, and January 2014 \$5 puts, January \$18 puts and October \$20 puts had the largest open interest among all U.S. Steel options. The October contracts have an exercise price 12 percent below yesterday's close and will expire October 19. U.S. Steel is the 11th-most-shortest company in the S&P 500 with 16 percent of shares outstanding out on loan as of Aug. 20, according to data compiled by Bloomberg and Markit, a London-based research firm. While that's down from 26

percent in November, it's still more than five times the average short interest in the benchmark index for U.S. equities. Bearish U.S. Steel Corp. options have jumped to a record high after the company predicted declining profit and analysts said metal demand will slow. Puts with an exercise price 10 percent below U.S. Steel shares cost 1.17 times more than calls betting on a 10 percent increase, according to two-month options data compiled by Bloomberg. The price relationship known as skew rose to 1.18 on Aug. 8, an all-time high. Shares of the largest U.S. steel producer by volume have lost 29 percent from a peak in February. U.S. Steel predicted last month that third-quarter earnings will be below second-quarter results amid weak economic growth in North America, Europe and emerging markets. The Pittsburgh-based company has lost money for three straight years and Standard & Poor's said in June that the company may have its credit rating reduced after prices for the metal fell because of excess capacity and higher imports. Hewlett-Packard lost 3.7 percent to \$19.20 ahead of its earnings report, for the biggest decline in the Dow. Shares rebounded 1.6 percent to \$19.51 at 4:50 p.m. New York time after the company reported profit excluding costs of \$1 a share and \$29.7 billion in sales for the third quarter, matching analysts' predictions. The company also cut the high end of its forecast for full-year profit, evidence of lackluster demand for personal computers and business-technology services and underscoring the turnaround challenge facing Chief Executive Officer Meg Whitman. Industrial stocks posted the biggest losses out of 10 groups in the S&P 500, falling 0.4 percent. Caterpillar Inc., the world's largest maker of construction and mining equipment, retreated 1.7 percent to \$88.72 after BHP Billiton Ltd. said it doesn't expect to approve any spending on major projects this fiscal year. Apple, the world's most valuable company, added 2 percent to \$668.87.

## EMERGING-MARKETS

China's stocks fell, wiping out the benchmark index's gains, after a report showed the nation's manufacturing may contract at a faster pace this month. The preliminary reading of 47.8 for a purchasing managers' index released by HSBC Holdings Plc and Markit Economics compares with a final 49.3 for July. A number below 50 indicates contraction. People's Bank of China Governor Zhou Xiaochuan said yesterday adjustments to interest rates and banks' reserve requirements are still possible after the central bank stepped up temporary cash injections this month.

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