

Financially Yours,

October 23, 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	2.803	0.037	0.35	0.35	2
7 7/8 Lebanon May 11	7.875	20/05/2011	105.750	106.750	4.035	3.397	1.45	1.43	2
7.5 Lebanon Mar 12	7.500	19/03/2012	106.125	107.125	4.757	4.329	2.22	2.17	2
9 1/8 Lebanon Mar 13	9.125	12/03/2013	111.875	112.875	5.234	4.931	2.97	2.90	2
9 Lebanon May 14	9.000	02/05/2014	112.000	113.000	5.929	5.692	3.71	3.60	2
10 Liban Apr 15	10.000	25/04/2015	115.500	116.500	6.590	6.390	4.45	4.31	2
8.50 Lebanon Aug 15	8.500	06/08/2015	109.000	110.000	6.596	6.397	4.66	4.51	2
8 1/2 Lebanon Jan 16	8.500	19/01/2016	109.500	110.500	6.610	6.424	4.93	4.77	2
9 Lebanon Mar 17	9.000	20/03/2017	114.000	115.000	6.577	6.418	5.65	5.47	2
8 1/4 Lebanon Apr 21	8.250	12/04/2021	108.000	109.000	7.211	7.089	7.76	7.50	2

Emerging Eurobonds

Emerging Eurobonds						Beirut Stock Exchange (closing 22.10.09)					
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	100.500	9.313	Byblos bank	1.97	0.00%	6.63	0.84	5.08%
R. OF SRILANKA	8.250	24-Oct-12	105.125	105.625	6.250	Byblos bank Preferred	99.8	0.00%	-	-	-
ATF BANK	9.250	12-Apr-12	99.629	100.129	9.303	Byblos bank Prty	1.94	-1.52%	8.15	0.83	6.70%
TAQA ABD NATL.	4.375	28-Oct-13	100.955	101.205	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	98.500	5.126	Audi	83.95	-6.20%	13.69	1.74	2.37%
TDIC SUKUK LTD	4.949	21-Oct-14	101.684	101.934	4.539	Blom	90.45	0.00%	7.72	1.43	4.01%
ORASCOM TELECOM	7.875	08-Feb-14	96.000	96.000	9.016	Solidere A	25.68	-2.54%	23.20	2.40	4.48%
REP. VENEZUELA	8.500	08-Oct-14	87.508	88.008	11.838	Solidere B	25.52	-2.60%	23.05	2.39	4.51%
CELL C PTY LTD	11.000	01-Jul-15	99.500	100.500	10.992	Holcim	13.06	-3.19%	-	-	6.13%
						Casino	390	-	-	-	-

Benchmark	Maturity	Yield	Equity Indices	Price	% Change	Arab Indices	Price	% Change
US TREASURY	2 YEARS	0.988	NASDAQ Comp	2165.29	0.68%	BLOM Stock Index .BLSI	1558.219	-2.45%
	5 YEARS	2.397	NASDAQ 100	1763.15	0.55%	SAUDI All Share .SASI	6541.48	0.00%
	10 YEARS	3.449	DJI	10081.31	1.33%	Doha Stock Market .QSI	7371.5	0.00%
	30 YEARS	4.266	S&P 500	1092.91	1.06%	Kuwait SE .KWSE	7653.1	0.00%
EUR BUND	2 YEARS	1.394	Nikkei	10267.17	-0.64%	Abu Dhabi SE .ADI	3156.32	0.00%
	5 YEARS	2.496	SMI	6405.91	-0.45%	Egyptian .CASE30	7062.09	0.00%
	10 YEARS	3.314	CAC 40	3820.85	-1.35%	Dubai FM Gen Id .DFMGI	2258.16	0.00%
	30 YEARS	4.064	DAX	5762.93	-1.21%	Morocco SI MSI	6629.71	0.00%
			FTSE	5207.36	-0.96%	Bahrain .BAX	1551.19	0.00%
			Euronext 100	669.17	-1.19%			

Tracker	Underlying	Last Price	% Change
FXI	China	44.32	0.93
EWG	Germany	23.30	1.13
EWJ	Japan	9.92	0.2
EWY	Korea	45.47	-0.76
EWT	Taiwan	12.32	-0.44
EWZ	Brazil	75.15	0.86
IIF	India	22.32	0.5
RNE	Eastern Europe	15.95	-0.31
TKF	Turkey	13.37	0.45
GLD	Gold	103.92	0.17
USO	Oil	41.47	0.34

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	1057.80	-0.55%
Silver / Oz	17.53	-1.57%
Palladium / Oz	339.10	-0.51%
Platinum / Oz	1363.60	-0.33%
Copper/ Lbs	298.80	-1.27%
Aluminum / Lbs	90.55	1.63%
Coffee / Lbs	143.65	1.30%
Cocoa EUR / 100 Kg	3392.00	1.77%
Wheat / Tone	551.75	1.71%
Soybean / Bsh	1005.50	-0.30%
Wti / Bbl	81.19	-0.22%
Brent	78.55	0.78%

Libor USD	Rate
1 months	0.24
3 Months	0.28
6 Months	0.58
1 Year	1.23
Libor EUR	
1 months	0.40
3 Months	0.69
6 Months	1.01
1 Year	1.24

FX Rates	Bid	Ask	Hi	Lo
USD / LL	1499	1502		
Euro	1.5021	1.5025	1.506	1.5014
JPY	91.6	91.66	91.71	91.29
GBP	1.6643	1.6647	1.6677	1.661
CHF	1.0055	1.0059	1.0064	1.0035
CAD	1.0493	1.0498	1.0495	1.0451
AUD	0.9278	0.9283	0.9295	0.9255

Key Economic Calendar		
Data	Date	Forecast
US		
US Existing Home Sales	23-Oct-09	
US ECRI Weekly	23-Oct-09	
Euroland / Japan		
DE IFO Expectation	23-Oct-09	96.2

REGIONAL MARKETS

Lebanon's BLOM stock index fell 2.45 percent at 1558.219 points. Solidere's A fell 2.54 percent at \$25.68 and its B share fell 2.60 percent at \$25.52. Byblos Bank S.A.L. common remains unchanged at 1.97 and its priority shares fell 1.52 percent at 1.94.

Dubai shares declined to the lowest in more than two weeks, leading Gulf benchmarks lower, on investor concern that stock prices have outpaced the prospects for earnings growth. The Dubai Financial Market General

Index, up 16 percent since the beginning of September, lost 0.6 percent to 2,244.03, the lowest close since Oct.5. The MSCI Emerging Markets Index, down 1.1 percent yesterday. Abu Dhabi's measure lost 1.2 percent to its lowest close in almost four weeks. Qatar's DSM 20 Index slipped 1.2 percent. Oman's MSM30 Index fell 0.3 percent, the Kuwait Stock Exchange Index declined 0.6 percent, while Bahrain's measure gained 0.5 percent. Saudi Arabia's market is closed for the weekend.

TOP FX NEWS

The yen tumbled to a two-month low against the euro as demand for higher-yielding assets rebounded on an earnings-sparked advance in stocks and mounting evidence the global economy is recovering. Japan's currency headed for a weekly decline versus 13 of its 16 most-traded counterparts as Asian shares extended a rally in U.S. equities and before reports forecast to show improvements in German business confidence and U.S. home sales. The pound climbed to a five-week high against the dollar ahead of a data economists say will indicate the British economy expanded for the first time since March 2008. The yen fell to 137.59 per euro at 12:51 p.m. in Tokyo from 137.24 in New York yesterday. It earlier reached 137.84, the weakest level since Aug. 13. The currency declined to 91.53 per dollar from 91.30. The euro was \$1.5029 from \$1.5033 after earlier touching \$1.5060, the strongest since August 2008. The pound rose to \$1.6643 from \$1.6624, after earlier reaching \$1.6678, the highest since Sept. 14. The dollar was at 1.0054 Swiss francs from 1.0045 francs yesterday after earlier trading at 1.0034, the lowest since July 2008.

USD/JPY

Res: 091.72/092.55/093.31

Sup: 091.12/090.48/090.07

EUR/USD

Res: 1.5047/1.5123/1.5202

Sup: 1.4943/1.4883/1.4829

GBP/USD

Res: 1.6678/1.6742/1.6837

Sup: 1.6532/1.6487/1.6439

GOLD

Res: 1063.5/1066.6/1069.3

Sup: 1052.9/1051.2/1047.1

EUROLAND

European stocks fell the most in almost three weeks as Ericsson AB's profit missed estimates and investors speculated that China may curb stimulus spending after the nation's economy expanded at the fastest pace in a year. Ericsson slumped 6.2 percent after the world's largest maker of mobile-phone networks posted a 71 percent drop in third-quarter net income. Air Liquide SA, the world's biggest producer of industrial gases, and Gemalto NV, the largest maker of smartcards, sank more than 2.7 percent as sales declined. The Dow Jones Stoxx 600 Index slipped 1.2 percent to 246.23, the steepest decline since Oct. 2. The regional gauge has jumped 56 percent since March 9 as the French and German economies exited recessions, pushing its valuation to more than 52 times reported earnings, the most expensive level since 2003, Bloomberg data show. Investors are "turning more cautious," said Philipp Baertschi, Zurich-based global chief strategist at Bank Sarasin & Cie. "We've had a pretty good run and it's likely that we see some consolidation. Going into next year we should become a bit more cautious as the global economic cycle loses some momentum," he said in a Bloomberg Television interview. National benchmark indexes declined in all 18 western European markets. The U.K.'s FTSE 100 slipped 1 percent, Germany's DAX dropped 1.2 percent and France's CAC 40 retreated 1.4 percent. Ericsson retreated 6.2 percent to 69.40 kronor, dragging a gauge of technology shares to the largest drop on the Stoxx 600. The company's third-quarter net income fell 71 percent to 810 million kronor (\$118 million) as clients slashed spending, missing analysts' estimates for a profit of 1.97 billion kronor. Air

Liquide lost 2.7 percent to 77.60 euros after saying third-quarter sales fell 8.2 percent to 2.98 billion euros (\$4.5 billion), hurt by weaker demand from large industrial clients. That compared with the median estimate of 3.01 billion euros in a Bloomberg survey of eight analysts. Gemalto slumped 11 percent to 29.68 euros, the steepest drop on the Stoxx 600. Brokerages including AlphaValue and Natixis downgraded the stock after third-quarter sales slid to 401 million euros. Credit Suisse Group AG, Switzerland's biggest bank by market value, slid 3.5 percent to 57.95 Swiss francs even after reporting a third straight quarterly profit on gains from trading. Net income was 2.35 billion francs (\$2.3 billion), surpassing the 1.74 billion-franc median estimate of 14 analysts surveyed by Bloomberg. Nexans SA tumbled 6.6 percent to 53.35 euros. The world's biggest maker of cables and wires said third-quarter sales dropped 15 percent at constant non-ferrous metal prices to 988 million euros. Steelmakers led a gauge of basic-resource stocks 1.8 percent lower. Outokumpu Oyj sank 8 percent to 12.57 euros, the largest drop since June. The Finnish stainless-steel maker reported a fifth straight quarterly loss and said it doesn't see any "major improvement" in demand. Rautaruukki Oyj, Finland's biggest producer of carbon steel, slid 7.4 percent to 15.62 euros after posting a third-quarter net loss of 45 million euros. The mean estimate of nine analysts surveyed by Bloomberg was for a 27.3 million-euro loss. The European Union steel market is "stuck in slow motion" and may have to wait until 2011 for a "pronounced rebound" in output, steel industry group Eurofer said.

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US MARKETS

U.S. stocks advanced for the first time in three days as better-than-estimated earnings at companies from Travelers Cos. to McDonald's Corp. boosted speculation that the worst recession since the 1930s is over. Travelers jumped 7.7 percent and McDonald's climbed 2 percent to help lead the Dow Jones Industrial Average higher, while New York Times Co. and PNC Financial Services Group Inc. also rallied on better-than-estimated results. American Express Co. climbed 3.8 percent to a one-year high after Moody's Investors Service said credit-card defaults declined. The S&P 500 increased 1.1 percent to 1,092.91 at 4:10 p.m. in New York, recouping more than half of its retreat over the previous two days. The Dow rallied 131.95 points, or 1.3 percent, to 10,081.31. The Nasdaq Composite Index rose 0.7 percent to 2,165.29 as declines in EBay Inc. and Amgen Inc. limited gains. Benchmark indexes retreated in early trading after a Labor Department report showed initial applications for jobless benefits rose to 531,000 last week, topping the average analyst estimate by 16,000. A separate report showed home prices unexpectedly fell, while the index of leading economic indicators advanced for a sixth straight month. Travelers rallied 7.7 percent to \$51.70, its biggest gain this year and the steepest advance in the Dow. The insurer boosted its dividend and said quarterly net income quadrupled to \$935 million. Operating income, which excludes some investment results, was \$1.61 a share, beating the \$1.29 average estimate of analysts in a survey. Travelers benefited from a decrease in storms after hurricanes Ike, Gustav and Dolly contributed to \$1 billion in catastrophe expenses in the year-earlier quarter. Insurance companies in the S&P 500 added 3.9 percent as a group, the second

biggest advance among 24 groups after banks, which rallied 4.7 percent. McDonald's rose 2 percent to \$59.50. Earnings were \$1.15 a share. The average analyst estimate in a Bloomberg survey was \$1.11 a share. Sales at restaurants open at least 13 months increased 3.8 percent, the Oak Brook, Illinois-based company said in a statement. Analysts projected a rise of 2.9 percent. AT&T Inc. added 0.6 percent to \$26.10. Third-quarter profit excluding some items was 53 cents a share, beating the average analyst estimate by 3 cents. New York Times Co. had the biggest gain in the S&P 500, surging 23 percent to a one-year high of \$10.72. The publisher said third-quarter profit excluding some items rose to 16 cents a share after cutting wages and production costs. Analysts predicted a loss of 1 cent, on average. PNC Financial Services, Fifth Third Bancorp and SunTrust Banks Inc. said lending was becoming more profitable as they paid less on customers' deposits and other borrowing costs declined. PNC surged 13 percent to \$50.65, its steepest advance since May, after the Pittsburgh-based bank said profit more than doubled in the third quarter and its net interest margin, the difference between what it charges for loans and pays on deposits, widened to 3.76 percent from 3.60 percent in the second quarter. Fifth Third added 6.8 percent to \$10.80, while SunTrust advanced 5.3 percent to \$21.85. Financial shares extended gains after Treasury Secretary Timothy Geithner said in a statement that his goal is for bailed-out firms to repay the government "as soon as possible." American Express rose 3.8 percent to \$36.44. U.S. credit-card defaults fell in September from a record high as five of the nation's six biggest card lenders posted monthly declines, Moody's said.

EMERGING MARKETS

The MSCI Emerging Markets Index, a measure of 754 stocks in developing nations, has rallied 70 percent this year, compared to the 27 percent gain for the MSCI World Index, which tracks only developed-nation equities. All 10 of the best-performing stock markets this year are those of emerging markets. China's economy expanded 8.9 percent in the third quarter from a year earlier, the statistics bureau said before yesterday. Russia equity funds had their best week since EPFR began tracking data in first quarter of 2002, receiving \$450 million in the week to Oct. 21. The country's benchmark Micex Index has more than doubled this year as oil and metals prices surged on speculation the global economic recovery will boost demand for raw materials.

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