

Financially Yours,

November 24, 2008 YOUR DAILY ELECTRONIC MARKET REPORT

For further information please contact Byblos Bank's Capital Markets and Private Banking on: +961 1 335240/6/9

Lebanese Eurobonds

USD	Coupon	Maturity	Bid	Offer	Bid Yield	Offer Yield	Duration	Mduration	Frq
10.25 Lebanon Oct 09	10.250	10/06/2009	100.500	101.500	9.597	8.370	0.83	0.80	2
7.125 Lebanon Mar 10	7.125	03/05/2010	97.000	98.000	9.676	8.809	1.22	1.16	2
7 7/8 Lebanon May 11	7.875	05/20/2011	96.500	97.500	9.491	9.022	2.29	2.19	2
9 1/8 Lebanon Mar 13	9.125	03/12/2013	96.500	97.500	10.144	9.846	3.57	3.40	2
8 5/8 Lebanon June 13	8.625	06/20/2013	94.500	95.500	10.158	9.871	3.70	3.52	2
9 Lebanon May 14	9.000	05/02/2014	94.500	95.500	10.346	10.094	4.35	4.14	2
10 Liban Apr 15	10.000	04/25/2015	98.250	99.250	10.372	10.154	4.83	4.60	2
8.50 Lebanon Aug 15	8.500	08/06/2015	91.375	92.375	10.311	10.090	5.02	4.78	2
8 1/2 Lebanon Jan 16	8.500	01/19/2016	89.500	91.500	10.631	10.200	5.23	4.97	2
8 1/4 Lebanon Apr 21	8.250	04/12/2021	81.500	82.500	11.022	10.850	7.40	7.01	2

Emerging Eurobonds

USD	Coupon	Maturity	Bid	Offer	Mid Yield	Beirut Stock Exchange					
						Name	Rates	% Change	P/E 07	P/B 07	Div Yield
PETROL O.IN.OIL	9.750	07/22/2009	103.751	103.889	3.732	Byblos bank	1.68	0.00%	7.06	3.92	1.68
EVRAZ GRP SA	8.875	04/24/2013	38.000	46.000	36.106	Byblos bank Preferred	104	0.00%	-	-	104
IIB LUXG SA (IIB)	9.500	02/12/2010	40.000	50.000	95.094	Byblos bank Prty	1.70	0.50%	7.10	3.94	1.69
R. SEYCHELLES	9.125	10/03/2011	29.000	34.000	60.375	Audi	57.75	-3.75%	9.78	0.22	60
ATF BANK	9.250	04/12/2012	70.000	77.000	20.498	Blom	73.00	4.00%	7.33	0.14	69.9
LAU	6.750	02/01/2018	89.090	89.090	8.771	Solidere A	17.64	4.00%	12.47	1.17	16.95
ORASCOM TELECOM	7.875	02/08/2014	50.000	58.000	23.718	Solidere B	17.65	5.00%	12.36	1.16	16.8
REP. VENEZUELA	8.500	10/08/2014	56.500	59.500	21.394	Holcim	14.75	-1.67%	-	-	14.75
CELL C PTY LTD	11.000	07/01/2015	78.150	83.150	15.825	Fransabank	25.5	-	-	-	-
						Casino	350	-	-	-	-

Benchmark	Maturity	Yield	Equity Indices	Price	% Change	Arab Indices	Price	% Change
US TREASURY	2 YEARS	1.119	NASDAQ Comp	1384.35	5.18%	BLOM Stock Index .BLSI	1253.574	1.41%
	5 YEARS	2.041	NASDAQ 100	1085.57	4.73%	SAUDI All Share .SASI	4264.52	-3.80%
	10 YEARS	3.199	DJI	8046.42	6.54%	Doha Stock Market .QSI	5575.81	-3.21%
	30 YEARS	3.696	S&P 500	800.03	6.32%	Kuwait SE .KWSE	8809.3	-0.03%
EUR BUND	2 YEARS	2.109	Nikkei	7703.04	0.00%	Abu Dhabi SE .ADI	2797.76	-2.88%
	5 YEARS	2.679	SMI	5144.02	-3.05%	Egyptian .CASE30	3906.25	-4.69%
	10 YEARS	3.384	CAC 40	2881.26	-3.33%	Dubai FM Gen Id .DFMGI	1917.15	-6.62%
	30 YEARS	4.002	DAX	4220.2	-3.08%	Morocco SI MSI	6060.63	0.41%
			FTSE	3780.96	-2.43%	Bahrain .BAX	2037.73	0.56%
			Euronext 100	492.06	-3.28%			

Tracker	Underlying	Last Price	% Change
FXI	China	24.46	15.6
EWG	Germany	15.17	6.08
EWJ	Japan	8.28	6.15
EWY	Korea	22.57	18.79
EWT	Taiwan	7.50	14.16
EWZ	Brazil	29.36	9.19
IIF	India	12.43	17.15
RNE	Eastern Europe	7.27	-0.2
TKF	Turkey	4.77	-1.24
GLD	Gold	78.85	7.35
USO	Oil	41.00	3.67

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	791.70	5.76%
Silver / Oz	948.00	5.04%
Palladium / Oz	178.85	-0.33%
Platinum / Oz	825.70	4.51%
Copper/ Lbs	157.10	0.16%
Aluminum / Lbs	0.80	-1.53%
Coffee / Lbs	108.30	-2.43%
Cocoa EUR / 100 Kg	2179.00	-0.18%
Wheat / Tone	499.00	-2.49%
Soybean / Bsh	840.00	-1.87%
Wti / Bbl	50.59	1.93%
Brent	45.30	-1.93%

Libor USD	Rate
1 months	1.40
3 Months	2.16
6 Months	2.57
1 Year	2.74
Libor EUR	
1 months	3.53
3 Months	4.00
6 Months	4.05
1 Year	4.11

FX Rates	Bid	Ask	Hi	Lo
USD / LL	1498	1504		
Euro	1.2674	1.2678	1.2675	1.2579
JPY	95.34	95.36	96.07	94.95
GBP	1.4964	1.4969	1.4969	1.4844
CHF	1.216	1.2164	1.2225	1.2164
CAD	1.2698	1.27	1.2774	1.2661
AUD	0.6305	0.6306	0.6383	0.6233

Key Economic Calendar		
Data	Date	Forecast
US		
US Existing Home Sales	24-Nov-08	
Euroland / Japan		
DE IFO Expectation	24-Nov-08	81.0

REGIONAL MARKETS

Lebanon's BLOM stock index rose 1.41 percent to 1253.574 points. Solidere's A rose 4.00 percent at \$17.64 and its B share rose 5.00 percent to \$17.65. Byblos Bank S.A.L. common remain unchanged at 1.68 and its priority share rose 0.05 percent at 1.70.

Persian Gulf shares fell as crude oil below \$50 a barrel undermined investor confidence that regional

governments, dependent on income from oil exports, will be able to offer financial help to ailing companies. The Dubai Financial Market General Index retreated 4.7 percent to 1,917.15, the weakest close since November 2004. The Abu Dhabi Securities Exchange General Index lost 1.3 percent. Saudi Arabia's Tadawul fell 3.8 percent to 4,264.52, bringing the four-day slump to 18 percent.

TOP FX NEWS

The yen climbed against the dollar and the euro as investors, awaiting the outcome of discussions over a possible U.S. government bailout of Citigroup Inc., shunned higher-yielding assets. The yen also gained against the Australian and New Zealand dollars, two favorites of so-called carry trades financed with loans from Japan. The dollar slid against the euro as U.S. regulators held talks with Citigroup, whose shares plunged 60 percent last week, to cap the lender's potential losses on more than \$100 billion of toxic assets. Japan's currency rose 0.8 percent to 95.22 per dollar in Singapore, from 95.94 in New York on Nov. 21. It climbed 0.5 percent to 120.06 per euro. The dollar traded at \$1.2611 per euro from \$1.2587. Foreign-exchange movements may be exaggerated because trading volumes are lower than usual due to a Japanese public holiday today, Morriss said. The yen climbed 1.7 percent to 59.64 versus the Australian dollar, 1.6 percent to 50.63 against the New Zealand dollar and 1.2 percent to 6.907 per Mexican peso. Japan's benchmark interest rate of 0.3 percent compares with 3.25 percent in Europe, 5.25 percent in Australia, 6.5 percent in New Zealand and 8.25 percent in Mexico. In a carry trade, investors get funds in a country with low borrowing costs and invest in one with higher interest rates, earning the spread between the two. The risk is that currency market moves erase those profits.

USD/JPY

Res: 096.08/097.12/097.56

Sup: 094.80/094.44/093.55

EUR/USD

Res : 1.2638/1.2701/1.2815

Sup: 1.2488/1.2423/1.2388

GBP/USD

Res: 1.4975/1.5061/1.5145

Sup: 1.4870/1.4760/1.4702

GOLD

Res: 805.90/807.30/820.00

Sup: 777.00/763.20/751.80

EUROLAND

European stocks had their second- worst week this year as concern deepened that a worsening economy is stifling profits. The region's Dow Jones Stoxx 600 Index slumped 12 percent to a five-year low. BASF SE, the world's largest chemical company, tumbled 16 percent after cutting its profit forecast, while SSAB Svenskt Staal AB, the biggest supplier of high-tensile steel, fell 21 percent as it predicted a drop in shipments. BNP Paribas SA led banks lower on speculation lenders will need more money. The Stoxx 600's drop was the steepest since the 22 percent tumble in the week ended Oct. 10, sending the regional benchmark to its lowest since April 2003. A report on Nov. 20 showed U.S. jobless claims rose to the highest since 1992 and the same day Switzerland's central bank unexpectedly slashed its key interest rate by a percentage point as the economic outlook deteriorated. The world economy slipped closer to recession this past week as companies across the world cut production and jobs. Goldman Sachs Group Inc. said the U.S., the world's largest economy, is shrinking at a 5 percent annual rate in the current quarter. Europe's Stoxx 600 has lost 50 percent this year as almost \$1 trillion in credit losses worsened the region's economic downturn and forced governments to bail out banks. Stocks may fall further and only rebound in the second half of next year as investors favor high-yielding bonds in the face of a prolonged contraction in corporate earnings, Exane BNP Paribas said. Analysts have cut profit estimates for 48 percent of stocks they cover worldwide, the most in at least 15 years, and more downgrades are likely as the economy slows, JPMorgan Chase & Co.'s quantitative analysts said this

week. BASF fell 4.2 euros to 21.68. The company on Nov. 19 lowered its profit forecast for the second time and said it plans to idle 80 factories because of "massive decline in demand." SSAB the same day said shipments will fall in the fourth quarter from a year earlier after demand for high-tensile steel declined "rapidly" in November. The shares tumbled 13.75 kronor to 50.75 in the week. National benchmark indexes fell in all 18 western European markets. Germany's DAX Index and France's CAC 40 slumped 12 percent, while the U.K.'s FTSE 100 retreated 11 percent. Earnings for the 1,967 companies in western Europe that reported quarterly results since Oct. 7 declined 22 percent on average, trailing expectations by 9 percent, according to Bloomberg data. BNP Paribas, Europe's third-biggest bank, tumbled 23 percent to 35.98 euros, its lowest since 2003. Investors including Francois Chaulat at Montsegur Finance in Paris cited concern BNP may be next in line in the banking industry to raise money. The lender said its current capital ratios are in line with regulatory requirements and it doesn't need new funds. Dexia SA, the world's largest lender to local governments, tumbled 28 percent to 3.171 euros as brokerages including Dresdner Kleinwort said \$16.5 billion in U.S. investments, including subprime mortgage-backed securities, may hurt earnings. The shares also fell as analysts cut the price estimate for the stock after the bank sold its U.S. bond-insurance unit. The Dow Jones Europe Stoxx Banks Index fell 17 percent in the week. Enterprise Inns Plc, the U.K.'s second-biggest owner of pubs, fell 36 percent to 56 pence.

US MARKETS

U.S. stock futures rose as the government agreed to protect \$306 billion of loans and securities on Citigroup Inc.'s books against losses as it seeks to shore up investor sentiment in the bank. December futures on the Standard & Poor's 500 Index climbed 14.2 points, or 1.8 percent, to 806.2 as of 1:34 p.m. in Hong Kong. The benchmark gauge dropped 8.4 percent to 800.03 last week and closed at an 11-year low of 752.44 on Nov. 20. Citigroup, whose shares lost 60 percent last week to \$3.77, will provide preferred shares to the Treasury and Federal Deposit Insurance Corp., the regulators said in a statement. The government will also inject \$20 billion into the bank from the Treasury's \$700 billion Troubled Asset Relief Program. Futures also rose after Democratic lawmakers pledged to agree on an economic stimulus package by January. The S&P 500 tumbled 46 percent this year, poised for its biggest annual decline since 1931, after almost \$1 trillion of bank losses shrunk the economy and corporate profits fell for five straight quarters. Concern Citigroup may need a government takeover sent bank stocks in the S&P 500 down 24 percent last week, the steepest slide in at least 19 years. The Federal Reserve, the Treasury and other regulators had been negotiating with Citigroup throughout the weekend. They pledged to use "all" resources to "preserve the strength" of the country's banking institutions, they said in their statement. More than \$7 trillion was erased this year from U.S. equity markets. Concern the recession is worsening was spurred last week after jobless claims approached the highest level since 1982, prices paid to U.S. producers plunged by the most on record and the Federal Reserve said

manufacturing in the Philadelphia area shrank at the fastest pace in 18 years. Stocks rallied Nov. 21, pushing the S&P 500 up 6.3 percent, after President-elect Barack Obama picked New York Federal Reserve Bank chief Timothy Geithner to head the Treasury. Geithner will be nominated Treasury secretary, and Lawrence Summers will head the National Economic Council, Democratic aides said. Summers served as President Bill Clinton's last Treasury chief. Stock futures were also boosted after Senator Charles Schumer of New York said Democrats will propose between \$500 billion and \$700 billion of federal stimulus. The S&P 500 fetches 9.2 times analysts' forecast for next year's earnings, the cheapest compared with historical profits since 1998, according to data compiled by Bloomberg and S&P. In aggregate, earnings fell 18 percent for the 479 companies in the S&P 500 that reported third-quarter results through Nov. 20, according to data compiled by Bloomberg. Companies scheduled to report this week include Campbell Soup Co., Deere & Co. and Tiffany & Co. As Treasuries rose, the dividend yield on the S&P 500 exceeded the benchmark 10-year note's yield for the first time since 1958. The 10-year yield declined to 3.20 percent from 3.74 percent, and touched 2.99 percent, the lowest since the government began regular issuance of the securities. A measure of the cost of using options to insure against declines in the S&P 500 gained 9.6 percent last week and rose to a record 80.86 on Nov. 20. The VIX, as the Chicago Board Options Exchange Volatility Index is known, fell on Nov. 21 to 72.67 as stocks climbed.

EMERGING MARKETS

Brazilian stocks fell, sending the Bovespa index to its worst week, after analysts said steelmakers may miss estimates and concern grew that the biggest banks may have to overpay to expand through acquisitions. Petroleo Brasileiro SA and Cia. Vale do Rio Doce plunged more than 7 percent after their American depositary receipts tumbled yesterday when Brazilian markets were closed. Banco do Brasil SA fell 14 percent after announcing it will pay \$2.25 billion for Nossa Caixa. Cia. Siderurgica Nacional SA led steelmaker declines on concern production growth will miss forecasts this year. Cia. de Saneamento Basico do Estado de Sao Paulo fell the most this month as its profit missed estimates. The Bovespa dropped 2,153.95, or 6.5 percent, to 31,250.60, for a 13 percent drop this week. Mexico's Bolsa rose 0.3 percent. Argentina's Merval slid 4.1 percent after the Senate approved a plan to nationalize about \$24 billion in private pensions. Chile's Ipsa fell 1.3 percent and Colombia's IGBC dropped 1.3 percent. Peruvian markets are closed for a holiday.

CONTACT NAMES

Shadi Hanna

A.G.M Financial Markets Division

<u>CAPITAL MARKETS</u>		<u>PRIVATE BANKING</u>
Ziad Moubarak	Fixed Income	Joe Nader
Elie Ghanem		Marguerite Bazerli
Rhea Sawaya		Rizkallah Semaan
Yves Rahme	Equity Desk	Jean-Michel Aoun
Haytham Mroue		
Maguy Viltaki		
Hana Kara		
Youssef Abi Saab		

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