

# 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 | 107.000 | 109.000 | 4.787     | 3.654       | 1.64     | 1.60       | 2   |
| 8.50 Lebanon Aug 15   | 8.500  | 06/08/2015 | 110.000 | 112.000 | 4.893     | 4.221       | 2.64     | 2.58       | 2   |
| 8 1/2 Lebanon Jan 16  | 8.500  | 19/01/2016 | 111.000 | 113.000 | 5.006     | 4.417       | 3.10     | 3.02       | 2   |
| 9 Lebanon Mar 17      | 9.000  | 20/03/2017 | 114.750 | 116.750 | 5.363     | 4.915       | 3.85     | 3.75       | 2   |
| 5.15 Lebanon Nov 18   | 5.150  | 12/11/2018 | 98.250  | 100.250 | 5.481     | 5.101       | 5.38     | 5.25       | 2   |
| 6.375 Lebanon Mar 20  | 6.375  | 09/03/2020 | 103.000 | 105.000 | 5.879     | 5.559       | 6.04     | 5.87       | 2   |
| 8 1/4 Lebanon Apr 21  | 8.250  | 12/04/2021 | 114.000 | 116.000 | 6.146     | 5.873       | 6.42     | 6.23       | 2   |
| 6.1 Lebanon 2022      | 6.100  | 04/10/2022 | 98.500  | 100.500 | 6.301     | 6.033       | 7.62     | 7.39       | 2   |
| 7 Lebanon Dec 2024    | 7.000  | 03/12/2024 | 105.250 | 107.250 | 6.378     | 6.152       | 8.50     | 8.25       | 2   |
| 6.60 Lebanon Dec 2026 | 6.600  | 27/11/2026 | 99.500  | 101.500 | 6.653     | 6.437       | 9.39     | 9.09       | 2   |

## EMERGING MARKETS

| USD                | Coupon | Maturity   | Bid     | Offer   | Mid Yield |
|--------------------|--------|------------|---------|---------|-----------|
| ABCD FINANCE       | 4.750  | 08/10/2014 | 105.780 | 105.970 | 1.992     |
| BANCO DO BRASIL    | 4.500  | 22/01/2015 | 105.300 | 105.800 | 2.186     |
| DAR AL ARKAN INTL. | 10.750 | 18/02/2015 | 107.280 | 108.220 | 7.358     |
| PROV DE BUENOS A.  | 11.750 | 05/10/2015 | 72.250  | 72.250  | 24.839    |
| AFRICAN BANK LTD   | 8.125  | 24/02/2017 | 102.250 | 102.750 | 7.467     |
| CROATIA            | 6.250  | 27/04/2017 | 102.000 | 102.500 | 5.699     |
| DUBAI DOF SUKUK    | 4.900  | 02/05/2017 | 104.250 | 105.000 | 3.826     |
| PETROLEOS DE VEN   | 8.500  | 02/11/2017 | 81.550  | 82.550  | 13.352    |
| DOLPHIN ENERGY     | 5.888  | 15/06/2019 | 111.530 | 111.970 | 3.921     |
| KUWAIT PROJECTS    | 9.375  | 15/07/2020 | 113.155 | 113.845 | 7.122     |
| VIMPELCOM HLDGS    | 7.504  | 01/03/2022 | 94.625  | 95.500  | 8.258     |

## BEIRUT STOCK EXCHANGE as 24/07/2012

| Name                        | Price | \$Change | %Chg   | P/E   | Div Yield |
|-----------------------------|-------|----------|--------|-------|-----------|
| <b>Byblos bank</b>          | 1.52  | -0.01    | -0.65% | 5.24  | 0.07      |
| <b>Byblos bank GDR</b>      | 79.00 | 0.00     | 0.00%  | -     | -         |
| <b>Byblos bank Pref 08'</b> | 100   | 0.00     | 0.00%  | -     | -         |
| <b>Byblos bank Pref 09'</b> | 100.4 | 0.00     | 0.00%  | -     | -         |
| <b>Audi (GDR)</b>           | 6.1   | 0.00     | 0.00%  | 0.84  | 0.33      |
| <b>Blom (GDR)</b>           | 7.84  | 0.00     | 0.00%  | 0.67  | 0.46      |
| <b>Solidere A</b>           | 13.88 | -0.22    | -1.56% | 12.53 | 0.07      |
| <b>Solidere B</b>           | 13.76 | -0.25    | -1.70% | 12.43 | 0.07      |
| <b>Holcim</b>               | 15.52 | 0.00     | 0.00%  | 16.42 | 0.05      |
| <b>Casino</b>               | 545   | 0.00     | -      | -     | -         |

| Benchmark          | Maturity | Yield  |
|--------------------|----------|--------|
| <b>US TREASURY</b> | 2 YEARS  | 0.211  |
|                    | 5 YEARS  | 0.541  |
|                    | 10 YEARS | 1.386  |
|                    | 30 YEARS | 2.454  |
| <b>EUR BUND</b>    | 2 YEARS  | -0.066 |
|                    | 5 YEARS  | 0.303  |
|                    | 10 YEARS | 1.229  |
|                    | 30 YEARS | 2.163  |

| Equity Indices      | Price    | % Change |
|---------------------|----------|----------|
| <b>NASDAQ Comp</b>  | 2862.99  | -0.94%   |
| <b>NASDAQ 100</b>   | 2567.46  | -1.05%   |
| <b>DJI</b>          | 12617.32 | -0.82%   |
| <b>S&amp;P 500</b>  | 1338.31  | -0.90%   |
| <b>Nikkei</b>       | 8488.09  | -0.24%   |
| <b>SMI</b>          | 6174.89  | -0.09%   |
| <b>CAC 40</b>       | 3074.68  | -0.87%   |
| <b>DAX</b>          | 6390.41  | -0.45%   |
| <b>FTSE</b>         | 5499.23  | -0.63%   |
| <b>Euronext 100</b> | 599.93   | -0.64%   |

| Arab Indices                  | Price    | %Change |
|-------------------------------|----------|---------|
| <b>BLOM Stock Index .BLSI</b> | 1154.293 | -0.51%  |
| <b>SAUDI All Share .SASI</b>  | 6670.02  | 0.44%   |
| <b>Doha Stock Market .QSI</b> | 8249.29  | -0.18%  |
| <b>Kuwait SE .KWSE</b>        | 5790.94  | -0.38%  |
| <b>Abu Dhabi SE .ADI</b>      | 2464.49  | -0.17%  |
| <b>Egyptian .CASE30</b>       | 4819.33  | -1.00%  |
| <b>Dubai FM Gen Id .DFMGI</b> | 1505.02  | 0.78%   |
| <b>Morocco CFG 25</b>         | 5410.01  | -0.30%  |
| <b>Bahrain .BAX</b>           | 1108.6   | -0.12%  |

| Tracker Underlying        | Last Price | % Change |
|---------------------------|------------|----------|
| <b>FXI</b> China          | 32.48      | -0.37    |
| <b>EWG</b> Germany        | 18.75      | -1.42    |
| <b>EWJ</b> Japan          | 8.76       | -0.96    |
| <b>EWY</b> Korea          | 51.53      | -0.19    |
| <b>EWT</b> Taiwan         | 11.60      | -0.60    |
| <b>EWZ</b> Brazil         | 50.09      | -0.56    |
| <b>IIF</b> India          | 14.72      | -0.14    |
| <b>RNE</b> Eastern Europe | 14.08      | -1.19    |
| <b>TKF</b> Turkey         | 13.65      | 0.52     |
| <b>GLD</b> Gold           | 153.52     | 0.32     |
| <b>USO</b> Oil            | 33.15      | 0.45     |

| Byblos Bank Deposits               | Rates |
|------------------------------------|-------|
| <b>USD*</b>                        |       |
| 1 months                           | 1.75% |
| 3 Months                           | 1.75% |
| 6 Months                           | 1.80% |
| 1 Year                             | 1.80% |
| *Benchmark amount 100-200 thds     |       |
| <b>LBP*</b>                        |       |
| 1 months                           | 4.75% |
| 3 Months                           | 4.75% |
| 6 Months                           | 4.90% |
| 1 Year                             | 4.90% |
| *Benchmark amount 100-300 Millions |       |

| Commodities               | Price   | %Change |
|---------------------------|---------|---------|
| <b>Gold / Oz</b>          | 1576.00 | -0.07%  |
| <b>Silver / Oz</b>        | 26.79   | -0.85%  |
| <b>Palladium / Oz</b>     | 560.45  | -1.62%  |
| <b>Platinum / Oz</b>      | 1382.30 | -1.02%  |
| <b>Copper/ Lbs</b>        | 335.30  | -0.84%  |
| <b>Aluminum / Lbs</b>     | 104.40  | -0.10%  |
| <b>Coffee / Lbs</b>       | 185.10  | -0.99%  |
| <b>Cocoa EUR / 100 Kg</b> | 2238.00 | 0.40%   |
| <b>Wheat / Tone</b>       | 878.75  | -3.73%  |
| <b>Soybean / Bsh</b>      | 1649.25 | -2.90%  |
| <b>Wti / Bbl</b>          | 88.35   | -0.60%  |
| <b>Brent</b>              | 104.32  | -0.32%  |

| Libor USD        | Rate |
|------------------|------|
| 1 months         | 0.24 |
| 3 Months         | 0.45 |
| 6 Months         | 0.73 |
| 1 Year           | 1.06 |
| <b>Libor EUR</b> |      |
| 1 months         | 0.11 |
| 3 Months         | 0.31 |
| 6 Months         | 0.62 |
| 1 Year           | 0.95 |

| FX Rates        | Bid    | Ask    | Hi     | Lo     |
|-----------------|--------|--------|--------|--------|
| <b>USD / LL</b> | 1501   | 1510   |        |        |
| <b>Euro</b>     | 1.2075 | 1.2078 | 1.2079 | 1.2051 |
| <b>JPY</b>      | 78.18  | 78.2   | 78.23  | 78.04  |
| <b>GBP</b>      | 1.5512 | 1.5517 | 1.5517 | 1.5488 |
| <b>CHF</b>      | 0.9942 | 0.9947 | 0.9965 | 0.9938 |
| <b>CAD</b>      | 1.0207 | 1.0213 | 1.0231 | 1.0207 |
| <b>AUD</b>      | 1.0235 | 1.0238 | 1.0242 | 1.0173 |

| Key Economic Calendar   | Date      | Forecast |
|-------------------------|-----------|----------|
| <b>US</b>               |           |          |
| New Home Sales          | 25-JUL-12 | 371K     |
| CA Teranet/National bk  | 25-JUL-12 | 0.50%    |
| <b>Euroland / Japan</b> |           |          |
| GER IFO Bus. Climate    | 25-JUL-12 | 104.5    |

## REGIONAL MARKET

Lebanon's BLOM stock index fell 0.51 percent to 1154.293 points. Solidere A fell 1.56 percent to \$13.88 and its Solidere B fell 1.70 percent to 13.76 Byblos Bank S.A.L fell 0.65 percent to 1.52.

National Bank of Abu Dhabi PJSC the second-biggest bank by assets in the United Arab Emirates, said second-quarter profit rose 2 percent, beating estimates. Abu Dhabi

Commercial Bank PJSC a lender controlled by Abu Dhabi's ruling family, posted a 14 percent increase in second- quarter profit, beating analysts' estimates. First Gulf Bank PJSC the U.A.E.'s third- biggest bank by assets, said second-quarter profit fell 45 percent as a one-time gain last year wasn't repeated.

## TOP FX NEWS

The euro maintained its longest losing streak in two months versus the dollar before data that may show German business confidence fell to the weakest level since 2010, fueling concern the debt crisis is hurting the region's economy. The 17-nation currency was 0.2 percent from an 11-year low versus the yen after Italy's borrowing costs rose yesterday, boding ill for the country's debt auctions this week. Moody's Investors Service lowered the rating outlook for the European Financial Stability Facility to negative from stable. The yen extended gains from yesterday versus most of its 16 major peers after Japan unexpectedly posted a trade surplus in June. The euro traded at \$1.2071 as of 12:24 p.m. in Tokyo from \$1.2061 in New York yesterday. Its five-day drop through yesterday was the longest since May. The common currency was little changed at 94.35 yen after touching 94.12 yesterday, the lowest since November 2000. The yen was at 78.16 per dollar, having strengthened 1.1 percent over the past five days to 78.18. The Munich-based Ifo institute is likely to say today its business climate index for Germany dropped to 104.5 in July, the lowest since March 2010, from 105.3 last month, the median estimate of economists in a Bloomberg News survey shows. The nation is the euro area's largest economy, followed by France and Italy .

### USD/JPY

**Res:** 78.50/78.89/80.12  
**Sup:** 77.45/77.64/77.82

### EUR/USD

**Res:** 1.1950/1.2001/1.2022  
**Sup:** 1.2120/1.2145/1.2201

### GBP/USD

**Res:** 1.5528/1.5557/1.5581  
**Sup:** 1.5466/1.5484/1.5501

### GOLD

**Res:** 1589.7/1610.0/1646.3  
**Sup:** 1570.0/1582.7/1597.0

## EUROLAND

European stocks retreated for a third day as Moody's Investors Service lowered its credit outlook for Germany and a measure of manufacturing in the Richmond region of the U.S. plunged. Elan Corp. tumbled 11 percent after the results of a study for an Alzheimer's drug failed to show that patients' symptoms improved. Royal KPN NV fell 7.3 percent as the company cut its dividend forecast by 61 percent after quarterly net income missed analysts' estimates. Swatch Group AG gained 2.3 percent after posting sales and profit that increased. Man Group Plc surged 4.1 percent after saying it will double its cost cuts. The Stoxx Europe 600 Index slipped 0.5 percent to 250.57 at the close of trading in London. The gauge slumped 2.5 percent yesterday as concern mounted that Greece will default and more Spanish regions will follow Valencia in seeking a bailout from the country's central government. Germany, the Netherlands and Luxembourg had the outlooks for their Aaa credit ratings lowered to negative by Moody's after markets closed on Monday. The ratings company cited the risk that Greece will leave the 17-nation euro currency and the "increasing likelihood" of collective support for European countries such as Spain and Italy, according to a statement. STMicroelectronics NV dropped 4.3 percent to 3.77 euros, after earlier declining as much as 7 percent. Europe's largest chipmaker forecast third-quarter revenue will grow by about 2.5 percent, indicating sales will miss analysts' estimates amid weaker demand for the company's products. Royal KPN fell 7.3 percent to 6.79 euros. The Dutch phone company that is partially controlled by Carlos Slim's America Movil SAB posted net income that decreased 24 percent to 315 million euros (\$380 million) from a year earlier. SAP AG climbed 3.5 percent to 50.77 euros. The largest maker of business-management software is beating rivals to contracts as companies limit their spending amid slowing economies, Co-Chief Executive Officer Jim Hagemann Snabe said. National benchmark indexes in 15 of the 18 western-European markets retreated yesterday. The U.K.'s FTSE 100 Index slid 0.6 percent, while Germany's DAX Index declined 0.5 percent. France's CAC 40 Index dropped 0.9 percent. Spain's IBEX 35 Index slumped 3.6 percent. Man Group rallied 4.1 percent to 72 pence. The world's biggest publicly traded hedge fund manager also said it plans to sell fewer so-called guaranteed products that generate high commissions for employees. Spanish builder Actividades de Construccion & Servicios SA plunged 5 percent to 10.84 euros, dropping for a tenth day. Acciona SA tumbled 9.3 percent to 30.47 euros. Swatch rose 2.3 percent to 369.90 Swiss francs. The biggest maker of Swiss watches reported first-half profit that beat analysts' estimates as sales of Omega and Longines timepieces to Chinese consumers increased. Net income rose to 720 million francs (\$723 million) from 575 million francs .

## US.MARKETS

U.S. stocks slumped, sending the Standard & Poor's 500 Index down for a third straight day, amid concern Europe's debt crisis is worsening and after United Parcel Service Inc. lowered its earnings forecast. Equities pared losses amid speculation the Federal Reserve may act to boost growth. UPS, the largest package-delivery company and considered an economic bellwether, tumbled 4.6 percent. AT&T Inc., the biggest U.S. phone company, lost 2.1 percent amid sluggish sales after signing up fewer wireless customers. Apple Inc., the most valuable company, sank 5 percent at 4:51 p.m. New York time on disappointing results. More than three stocks fell for each rising on U.S. exchanges at 4 p.m. New York time. The S&P 500 slipped 0.9 percent to 1,338.31, paring a loss of 1.6 percent. The benchmark measure decreased 2.8 percent in three days. The Dow Jones Industrial Average lost 104.14 points, or 0.8 percent, to 12,617.32. Volume for exchange-listed stocks in the U.S. was 6.8 billion shares, or about in line with the three-month average. Equities slumped as Moody's Investors Service cut the outlooks of Germany, the Netherlands and Luxembourg. A Reuters report citing European Union officials said Greece was seen missing targets for reducing debt. German Vice Chancellor Philipp Roesler said over the weekend that Greece was unlikely to be able to meet its obligations under a bailout program. UPS slumped 4.6 percent, the most since August, to \$74.34. The company predicted the U.S. economy will grow 1 percent in the rest of 2012 as slowing volume growth prompted it to conclude average forecasts are too high. Economists surveyed by Bloomberg project a 2.2 percent growth rate. Rival FedEx Corp. lost 1.8 percent to \$87.67. Telephone shares in the S&P 500 fell 1.8 percent, the most among 10 groups. AT&T dropped 2.1 percent to \$34.63. It added 320,000 monthly contract customers, a smaller number than a year earlier. While the decline hurt sales growth, it meant the company doled out fewer dollars in subsidies. Apple lost 5 percent to \$570.67 after the close of

regular trading. Profit and sales missed projections for only the second time since 2003 as customers held off on iPhone purchases while waiting for a new model to be introduced later in the year. Whirlpool Corp. retreated 7.5 percent to \$62.25. The world's largest appliance maker reported second-quarter profit that trailed analysts' estimates. Lexmark International Inc. slumped 13 percent to \$16.77. The maker of laser and inkjet printers forecast third-quarter profit that missed analysts' estimate as the economic weakness in Europe erodes sales. Texas Instruments Inc. slid 0.9 percent to \$26.57. The largest maker of analog chips forecast third-quarter sales and profit that may miss some analysts' estimates as an economic slowdown in Europe crimps demand for electronics. DuPont Co. decreased 2 percent to \$47.74. The chemical maker said 2012 profit will be at the lower end of a previously forecast range because of uncertainties created by weaker global economies and foreign currencies. The Bloomberg U.S. For-Profit Education Index of 13 shares sank 7.8 percent. DeVry Inc. plunged 25 percent to \$20.80. The for-profit education company said it plans to cut 570 jobs, or 5.5 percent of its total headcount, amid declining enrollment. Cisco Systems Inc. sank 5.9 percent, the most in the Dow, to \$15.12. VMware Inc. is buying Nicira Inc. for \$1.26 billion and the products could help VMware lessen the need for types of networking equipment sold by Cisco, said ISI Group. Clearwire Corp. lost 9.8 percent to 92 cents. The unprofitable company attempting to build a wireless network across the U.S. fell below \$1 amid concern that it's running out of money. Analysts are projecting a loss of more than \$200 million when it releases its second-quarter results on July 26. Pfizer Inc. fell 1 percent to \$23.38. The company, Johnson & Johnson and Elan Corp.'s experimental Alzheimer's treatment failed to improve symptoms of dementia in the first of four pivotal studies testing the drug.

## EMERGING-MARKETS

Most Chinese stocks fell as the International Monetary Fund said the country's economy faces significant downside risks, overshadowing gains by consumer staples producers on earnings optimism. China's slowing economy relies too much on investment, directors of the IMF executive board said in a statement released today, urging leaders to boost consumption and channel citizens' savings away from housing.

### ALAIN WANNA | D.G.M Financial Markets Division

**CAPITAL MARKETS** | Ziad Moubarak

**Fixed Income**

Elie Ghanem

Rhea Sawaya

Grace Bcherrawi

**Equity Desk**

Yves Rahme

Haytham Mroue

Maguy Viltaki

Hana Kara

Tarek Bassil

**PRIVATE BANKING** | Joe Nader

Marguerite Bazerli

Rabih Sfeir

Zeina Anka

For further information please contact Byblos Bank's **Capital Markets and Private Banking** on: **+961 1 335240/6/9**  
Please visit our website at: [www.byblosbank.com](http://www.byblosbank.com)