

# Financially Yours,

**November 27, 2008** YOUR DAILY ELECTRONIC MARKET REPORT

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**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	9.587	8.346	0.82	0.79	2
7.125 Lebanon Mar 10	7.125	03/05/2010	97.000	98.500	9.697	8.391	1.21	1.16	2
7 7/8 Lebanon May 11	7.875	05/20/2011	96.500	97.500	9.497	9.026	2.28	2.18	2
9 1/8 Lebanon Mar 13	9.125	03/12/2013	96.500	97.500	10.146	9.847	3.55	3.39	2
8 5/8 Lebanon June 13	8.625	06/20/2013	94.500	95.500	10.162	9.874	3.69	3.51	2
9 Lebanon May 14	9.000	05/02/2014	94.500	95.500	10.348	10.095	4.34	4.13	2
10 Liban Apr 15	10.000	04/25/2015	98.250	99.250	10.372	10.154	4.82	4.59	2
8.50 Lebanon Aug 15	8.500	08/06/2015	91.375	92.375	10.314	10.092	5.01	4.77	2
8 1/2 Lebanon Jan 16	8.500	01/19/2016	89.500	91.250	10.633	10.256	5.22	4.96	2
8 1/4 Lebanon Apr 21	8.250	04/12/2021	81.500	82.500	11.023	10.851	7.39	7.00	2

**Emerging Eurobonds**

USD	Coupon	Maturity	Bid	Offer	Mid Yield	Beirut Stock Exchange					
USD	Coupon	Maturity	Bid	Offer	Mid Yield	Name	Rates	% Change	P/E 07	P/B 07	Div Yield
PETROL O.IN.OIL	9.750	07/22/2009	103.618	103.745	3.847	Byblos bank	1.6	-5.88%	6.72	3.73	1.6
EVRAZ GRP SA	8.875	04/24/2013	43.000	51.000	32.210	Byblos bank Preferred	104	0.00%	-	-	104
IIB LUXG SA (IIB)	9.500	02/12/2010	36.000	46.000	108.202	Byblos bank Prty	1.75	0.00%	7.35	4.08	1.75
R. SEYCHELLES	9.125	10/03/2011	29.500	34.500	59.851	Audi	57.7	0.61%	9.41	0.21	57.7
ATF BANK	9.250	04/12/2012	68.000	75.000	21.585	Blom	68.65	0.00%	7.20	0.14	68.65
LAU	6.750	02/01/2018	90.516	90.516	8.530	Solidere A	16.65	-1.25%	12.25	1.15	16.65
ORASCOM TELECOM	7.875	02/08/2014	50.500	57.500	23.746	Solidere B	16.51	-2.88%	12.15	1.14	16.51
REP. VENEZUELA	8.500	10/08/2014	57.750	60.750	20.866	Holcim	14.75	0.00%	-	-	14.75
CELL C PTY LTD	11.000	07/01/2015	78.150	83.150	15.832	Fransabank	25.5	-	-	-	-
						Casino	350	-	-	-	-

Benchmark	Maturity	Yield	Equity Indices	Price	% Change	Arab Indices	Price	% Change
<b>US TREASURY</b>	2 YEARS	1.198	NASDAQ Comp	1532.1	4.60%	BLOM Stock Index .BLSI	1191.958	-0.76%
	5 YEARS	2.033	NASDAQ 100	1193.09	4.42%	SAUDI All Share .SASI	4424.23	-1.50%
	10 YEARS	3.111	DJI	8726.61	2.91%	Doha Stock Market .QSI	5587.47	0.80%
	30 YEARS	3.622	S&P 500	887.68	3.53%	Kuwait SE .KWSE	8615	-0.79%
<b>EUR BUND</b>	2 YEARS	2.210	Nikkei	8213.22	-1.33%	Abu Dhabi SE .ADI	2685.54	-1.65%
	5 YEARS	2.659	SMI	5498.56	0.37%	Egyptian .CASE30	3978.67	2.89%
	10 YEARS	3.285	CAC 40	3169.85	-1.24%	Dubai FM Gen Id .DFMGI	1872.29	0.53%
	30 YEARS	3.780	DAX	4560.42	0.13%	Morocco SI MSI	6042.24	0.00%
			FTSE	4152.69	-0.44%	Bahrain .BAX	1913.28	-1.76%
			Euronext 100	535.17	-1.24%			

Tracker	Underlying	Last Price	% Change
FXI	China	27.23	11.55
EWG	Germany	16.79	0.48
EWJ	Japan	8.79	1.85
EWY	Korea	23.40	9.45
EWT	Taiwan	7.71	3.35
EWZ	Brazil	36.29	9.94
IIF	India	12.22	-0.49
RNE	Eastern Europe	8.73	4.55
TKF	Turkey	6.01	8.29
GLD	Gold	80.38	-0.61
USO	Oil	44.54	7.69

Byblos Bank Deposits	Rates
<b>USD*</b>	
1 months	3.50%
3 Months	3.50%
6 Months	3.50%
1 Year	3.50%
*Benchmark amount 100-200 thds	
<b>LBP*</b>	
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	808.50	-1.22%
Silver / Oz	1022.00	-0.49%
Palladium / Oz	190.40	-2.96%
Platinum / Oz	869.70	-0.22%
Copper/ Lbs	166.80	0.91%
Aluminum / Lbs	0.83	0.00%
Coffee / Lbs	112.50	0.27%
Cocoa EUR / 100 Kg	2256.00	1.94%
Wheat / Tone	535.50	0.28%
Soybean / Bsh	886.00	0.34%
Wti / Bbl	53.43	4.40%
Brent	49.73	3.91%

Libor USD	Rate
1 months	1.43
3 Months	2.18
6 Months	2.54
1 Year	2.72
Libor EUR	Rate
1 months	3.37
3 Months	3.91
6 Months	3.96
1 Year	4.01

FX Rates	Bid	Ask	Hi	Lo
USD / LL	1498	1504		
Euro	1.2926	1.293	1.2936	1.2873
JPY	95.24	95.26	95.70	95.01
GBP	1.5395	1.5401	1.5398	1.5323
CHF	1.198	1.1985	1.2046	1.1982
CAD	1.2266	1.2271	1.2344	1.2256
AUD	0.652	0.6523	0.654	0.648

Key Economic Calendar		
Data	Date	Forecast
<b>US</b>		
US Market Holiday	27-Nov-08	
<b>Euroland / Japan</b>		
DE Unemployment	27-Nov-08	7.50%

## REGIONAL MARKETS

Lebanon's BLOM stock index fell 0.76 percent to 1191.958 points. Solidere's A fell 1.25 percent at \$16.65 and its B share fell 2.88 percent to \$16.51. Byblos Bank S.A.L. common fell 5.88 percent at 1.60 and its priority share remain unchanged at 1.75.

Persian Gulf shares retreated, led by real-estate and financial companies, on concern that declining property prices and banks' exposure to the industry will

hurt fourth-quarter earnings. The Abu Dhabi Securities Exchange General Index fell 1.7 percent to 2,685.54, while the Kuwait Stock Exchange Index lost 0.8 percent. Saudi Arabia's Tadawul declined 1.5 percent to 4,424.23, bringing the drop for the week to 9.4 percent. The Bahrain All Share Index lost 1.8 percent to 1,913.28, the lowest close since February 2005.

## TOP FX NEWS

The dollar fell against the yen and the euro after the biggest drop in U.S. consumer spending in seven years fanned speculation the Federal Reserve will cut interest rates to help avert a prolonged recession. The currency also weakened on concern the Fed's \$800 billion plan to unfreeze credit markets will weaken the central bank's balance sheet. Benchmark 10-year credit-default swaps used to hedge against losses on U.S. government bonds rose to a record high yesterday. Indian rupee non-deliverable forwards declined on speculation overseas investors will shun the nation's assets after terrorist attacks in Mumbai. The dollar fell to 95.10 yen as of 1:29 p.m. in Tokyo, from 95.67 late yesterday in New York, when it rose 0.5 percent. Against the euro, it fell to \$1.2910 from \$1.2880, following a 1.4 percent advance yesterday. The euro bought 122.78 yen from 123.24 yen. Rupee one-month NDFs fell 0.8 percent to 50.15 per dollar after terrorist attacks targeting foreigners in Mumbai left as many as 101 people dead and 287 injured. Forwards are agreements in which assets are bought and sold at current prices for delivery at a later specified time and date. Non-deliverable contracts are settled in dollars. Regulators closed currency, bond stock and commodity exchanges.

USD/JPY

Res: 095.95/096.70/097.44

Sup: 094.60/093.55/093.11

EUR/USD

Res: 1.2919/1.3028/1.3081

Sup: 1.2804/1.2678/1.2638

GBP/USD

Res: 1.5449/1.5480/1.5535

Sup: 1.5314/1.5227/1.5173

GOLD

Res: 823.30/830.90/840.00

Sup: 803.30/794.00/786.70

## EUROLAND

Most European stocks fell, led by consumer-goods companies and utilities, as concern that the U.S. recession is deepening overshadowed China's biggest interest-rate cut in 11 years. Royal Philips Electronics NV dropped 3.7 percent and Hennes & Mauritz AB slumped 3.9 percent after government reports showed a worse-than-estimated decline in U.S. durable-goods orders and the steepest slide in consumer spending since 2001. GDF Suez SA sank 5.5 percent as the world's second-largest utility said sales will be hurt by French regulated natural-gas prices. Six stocks retreated for every five that rose in Europe's Dow Jones Stoxx 600 Index. The gauge advanced less than 0.1 percent to 198.85 as China's rate reduction sparked gains of more than 5 percent in raw-material producers including BHP Billiton Ltd. and Anglo American Plc. "Policy makers are recognizing the sense of urgency involved in responding to this crisis," said Mike Lenhoff, who helps oversee about \$36.4 billion as chief strategist at Brewin Dolphin Securities Ltd. in London. "The market is trying to establish some kind of platform." Europe's Stoxx 600 has fallen 45 percent in 2008, headed for its worst year on record, as credit losses and writedowns approach \$1 trillion in the worst financial crisis since the Great Depression. National benchmark indexes declined in 12 of the 18 markets in Western Europe. The FTSE 100 lost 0.4 percent. France's CAC 40 sank 1.2 percent, while Germany's DAX was little changed. European Central Bank President Jean-Claude Trichet said there may be "negative figures" for economic growth in the euro area next year. Europe's economy slipped into its first recession in 15 years in the third

quarter. Philips, Europe's biggest consumer-electronics company, slipped 3.7 percent to 12.895 euros. H&M, Europe's second-largest clothing retailer, slumped 3.9 percent to 287 kronor. The 6.2 percent drop in U.S. bookings of goods meant to last several years was the biggest in two years and followed a revised 0.2 percent decrease in September, the Commerce Department reported. The 1 percent decline in consumer purchases followed a 0.3 percent drop in September. LVMH Moet Hennessy Louis Vuitton SA, the world's largest maker of luxury goods, slumped 6 percent to 42.98 euros. Tiffany & Co., the world's second-largest luxury-jewelry retailer, reduced its forecast full-year earnings after third-quarter profit declined and sales shrank. GDF Suez tumbled 5.5 percent to 30.97 euros. The world's second-biggest utility said it expects a "shortfall" of 440 million euros ( \$570.3 million ) in the fourth quarter unless French state-set prices for natural gas are raised before the end of the year. France is studying possible cuts or caps on regulated natural-gas and electricity prices as a way to raise spending power, said government official who declined to be identified because of internal government rules. BHP Billiton added 9.9 percent to 1,155 pence. Anglo American, the world's fourth-biggest diversified mining company, gained 5.2 percent to 1,525 pence. The key one-year lending rate will drop 108 basis points to 5.58 percent, the People's Bank of China said on its Web site today. The deposit rate will fall by the same amount to 2.52 percent. The changes are effective today.

## US MARKETS

U.S. stocks gained, driving the Standard & Poor's 500 Index to the steepest four-day surge since 1933, as a rally in oil prices lifted energy shares and investors speculated President-elect Barack Obama's economic team will bolster growth. Exxon Mobil Corp. and Chevron Corp., the biggest U.S. oil companies, were among the largest contributors to the advance as crude jumped 7.2 percent to trade above \$50 a barrel for a third day. General Motors Corp., which will make its case for federal bailout funds after tomorrow's Thanksgiving holiday, rallied 35 percent. The market overcame an early tumble spurred by government reports depicting a deepening recession. The S&P 500 climbed 3.5 percent to 887.68 after falling as much as 1.9 percent. The index has now surged 18 percent since dropping to an 11-year low on Nov. 20. The Dow Jones Industrial Average increased 247.14 points, or 2.9 percent, to 8,726.61. Benchmark indexes erased earlier declines after Obama picked former Federal Reserve Chairman Paul Volcker to head an economic advisory board and said he will implement a plan to bolster growth on "day one." This week, Obama also named Fed Bank of New York chief Tim Geithner as Treasury secretary and former Harvard University President Lawrence Summers as White House economic director. The S&P 500 gained yesterday after the deepening recession prompting the Fed to commit as much as \$800 billion to help resuscitate lending markets. The index has still tumbled 43 percent from its October 2007 record as credit-related losses and writedowns at global financial companies approached \$1 trillion, threatening global economic growth. Exxon rose

3.6 percent to \$80.89 and contributed the most to the S&P 500's gain. Chevron added 4.4 percent to \$79.93. GM, the nation's largest automaker, jumped \$1.25 to \$4.81. Ford Motor Co., the second-biggest, rallied 30 percent to \$2.15. The two companies, which reported almost \$30 billion in 2008 losses, and Chrysler LLC have cut jobs and production as U.S. sales this year appear headed toward the lowest in 17 years. The automakers have been lobbying the U.S. for \$25 billion in aid after their cash burn accelerated. Lawmakers plan to consider a rescue of the industry after the Thanksgiving holiday. Fluor Corp. added 14 percent to \$44.68. The largest publicly traded U.S. engineering firm was raised to "buy" from "hold" at Stanford Group, which cited the likelihood of infrastructure spending under Obama and the "notable competitive capabilities" of the company. J. Crew Group Inc. fell 2 percent to \$10.83. The clothing retailer run by former Gap Inc. Chief Executive Officer Millard Drexler lowered its annual earnings forecast for the third time this year. Cisco Systems Inc., the biggest maker of networking gear, and Intel Corp., the largest semiconductor producer, contributed most to a 4.2 percent gain by technology companies in the S&P 500. The group is trading at a price-to-earnings ratio under 13. Its valuation slid to 11.4 times reported profits last week, the cheapest since Bloomberg began tracking the data in 1995. Cisco gained 6.3 percent to \$16.39 and Intel added 6.4 percent to \$13.97. Citigroup Inc. rose 16 percent to \$7.05 for the second- biggest advance in the Dow average after General Motors.

## EMERGING MARKETS

Brazilian stocks gained for a third day, led by food company Sadia SA and mobile-phone company Tim Participacoes SA on reports the companies may be sold. Sadia, Brazil's second-biggest food company, jumped 13 percent, adding to its 15 percent gain yesterday, on speculation it may be bought by Nestle SA. Tim rose 16 percent on reports its parent, Telecom Italia SpA, may sell the Brazilian unit to Telefonica SA. The Bovespa advanced 3.5 percent to 36,037.38 at 11:43 a.m. New York time. The BM&FBovespa Small Cap index rose 1.3 percent. The BM&FBovespa MidLarge Cap index climbed 3.6 percent. Mexico's Bolsa added 1.8 percent, while Chile's Ipsa was little changed. Sadia headed for its biggest two-day gain in more than 10 years, advancing 45 centavos to 3.80 reais. Brazilian blog Alerta Total said Nov. 24 that Nestle, the world's biggest food company, will announce the acquisition of Sadia in coming days. Sadia and Nestle's press office in Sao Paulo denied the report in e-mail statements and by phone yesterday.

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