

# Financially Yours,

September 28, 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	102.125	103.125	2.103	-0.174	0.43	0.43	2
7 7/8 Lebanon May 11	7.875	20/05/2011	105.375	106.375	4.428	3.814	1.53	1.50	2
7.5 Lebanon Mar 12	7.500	19/03/2012	105.500	106.500	5.098	4.678	2.30	2.24	2
9 1/8 Lebanon Mar 13	9.125	12/03/2013	110.000	111.000	5.876	5.572	3.05	2.96	2
9 Lebanon May 14	9.000	02/05/2014	110.375	111.375	6.354	6.116	3.77	3.66	2
10 Liban Apr 15	10.000	25/04/2015	113.000	114.000	7.126	6.923	4.32	4.17	2
8.50 Lebanon Aug 15	8.500	06/08/2015	107.375	108.375	6.941	6.740	4.72	4.56	2
8 1/2 Lebanon Jan 16	8.500	19/01/2016	107.250	108.250	7.051	6.862	4.98	4.82	2
9 Lebanon Mar 17	9.000	20/03/2017	110.750	111.750	7.119	6.956	5.69	5.50	2
8 1/4 Lebanon Apr 21	8.250	12/04/2021	106.250	107.250	7.433	7.308	7.52	7.25	2

**Emerging Eurobonds**

USD	Coupon	Maturity	Bid	Offer	Mid Yield	Beirut Stock Exchange (closing 25.09.09)					
						Name	Rates	% Change	P/E 09	P/B 09	Div Yield
SOC. REP. VIET.	6.875	15/01/2016	104.900	105.150	5.905	Byblos bank	1.76	-1.68%	5.93	0.75	5.68%
EVRAZ GRP SA	8.875	24/04/2013	92.750	93.250	11.311	Byblos bank Preferred	98	0.00%	-	-	-
IIB LUXG SA (IIB)	9.500	12/02/2010	98.500	100.500	10.788	Byblos bank Prty	1.81	-1.63%	7.61	0.77	7.18%
R. SEYCHELLES	9.125	03/10/2011	24.905	24.970	106.821	Byblos Bank GDR	85.00	0.00%	10.84	0.24	5.32%
ATF BANK	9.250	12/04/2012	98.750	100.250	9.474	Audi	74.15	0.20%	12.09	1.53	2.68%
LAU	6.750	02/01/2018	104.00	106.00	5.950	Blom	85	-0.35%	7.25	1.34	4.27%
ORASCOM TELECOM	7.875	08/02/2014	96.000	97.000	8.856	Solidere A	24.98	4.08%	22.57	2.33	4.60%
REP. VENEZUELA	8.500	08/10/2014	89.000	90.500	11.225	Solidere B	24.88	2.94%	22.48	2.33	4.62%
CELL C PTY LTD	11.000	01/07/2015	97.250	105.250	10.695	Holcim	14.99	0.00%	-	-	5.34%
						Casino	390	-	-	-	-

Benchmark	Maturity	Yield	Equity Indices	Price	% Change	Arab Indices	Price	% Change
US TREASURY	2 YEARS	0.972	NASDAQ Comp	2090.92	-0.80%	BLOM Stock Index .BLSI	1479.272	1.26%
	5 YEARS	2.345	NASDAQ 100	1694.15	-0.92%	SAUDI All Share .SASI	6178.14	5.48%
	10 YEARS	3.311	DJI	9665.19	-0.44%	Doha Stock Market .QSI	7508.53	0.61%
	30 YEARS	4.076	S&P 500	1044.38	-0.61%	Kuwait SE .KWSE	7897.4	2.06%
EUR BUND	2 YEARS	1.233	Nikkei	10265.98	-2.64%	Abu Dhabi SE .ADI	3123.68	-0.66%
	5 YEARS	2.415	SMI	6236.91	-0.61%	Egyptian .CASE30	6911.18	-1.32%
	10 YEARS	3.237	CAC 40	3739.14	-0.51%	Dubai FM Gen Id .DFMGI	2197.08	-0.33%
	30 YEARS	3.970	DAX	5581.41	-0.42%	Morocco SI MSI	6737.14	2.05%
			FTSE	5082.20	0.06%	Bahrain .BAX	1557.74	1.23%
			Euronext 100	649.24	-0.54%			

Tracker	Underlying	Last Price	% Change
FXI	China	41.23	0.07
EWG	Germany	21.76	-0.27
EWJ	Japan	10.02	-0.79
EWY	Korea	46.69	0.76
EWT	Taiwan	11.82	0.08
EWZ	Brazil	65.31	0.99
IIF	India	20.90	0.87
RNE	Eastern Europe	14.70	0.2
TKF	Turkey	11.75	-1.84
GLD	Gold	97.00	-0.56
USO	Oil	34.00	0.09

Byblos Bank Deposits	Rates
<b>USD*</b>	
1 months	3.00%
3 Months	3.00%
6 Months	3.00%
1 Year	3.00%
*Benchmark amount 100-200 thds	
<b>LBP*</b>	
1 months	6.50%
3 Months	6.25%
6 Months	6.00%
1 Year	6.00%
*Benchmark amount 100-300 Millions	

Commodities	Price	% Change
Gold / Oz	990.20	-0.73%
Silver / Oz	16.03	-1.44%
Palladium / Oz	294.55	-1.01%
Platinum / Oz	1284.60	-1.83%
Copper/ Lbs	273.10	1.17%
Aluminum / Lbs	0.83	-1.19%
Coffee / Lbs	129.30	0.00%
Cocoa EUR / 100 Kg	3066.00	0.00%
Wheat / Tone	449.75	-4.92%
Soybean / Bsh	926.00	0.71%
Wti / Bbl	66.02	0.20%
Brent	64.74	-0.61%

Libor USD	Rate
1 months	0.25
3 Months	0.28
6 Months	0.64
1 Year	1.24
<b>Libor EUR</b>	
1 months	0.40
3 Months	0.70
6 Months	1.00
1 Year	1.23

FX Rates	Bid	Ask	Hi	Lo
USD / LL	1500	1507		
Euro	1.4594	1.4596	1.472	1.4561
JPY	89.43	89.48	89.65	88.26
GBP	1.5829	1.5835	1.5972	1.5772
CHF	1.0333	1.0337	1.0374	1.0253
CAD	1.0966	1.097	1.0992	1.0912
AUD	0.8629	0.8631	0.8682	0.8583

Key Economic Calendar		
Date	Date	Forecast
<b>US</b>		
US ICSC Chain Stores	28-Sep-09	
US Consumer Conf.	28-Sep-09	57
<b>Euroland / Japan</b>		
T Consumer Confid.	28-Sep-09	111.90

## REGIONAL MARKETS

Lebanon's BLOM stock index rose 1.26 percent at 1479.272 points. Solidere's A rose 4.08 percent at \$24.98 and its B share rose 2.94 percent at \$24.88. Byblos Bank S.A.L. common fell 1.68 percent at 1.76 and its priority shares fell 1.63 percent at 1.81.

Gulf shares advanced, buoyed by the biggest jump in Saudi Arabian stocks in more than four months. Saudi Arabia's Tadawul All Share Index, reopening after the Eid al-Fitr holiday, added 3.1 percent yesterday, the most since

May 9. The index rallied after a group of Saudi Arabian and foreign banks agreed to refinance part of the Saad Group's debt. The Dubai Financial Market General Index added 0.6 percent and Abu Dhabi's ADX General Index advanced 0.2 percent. Dubai Islamic Bank added 2.9 percent to 3.25 dirhams. Oman's MSM30 Index and the Kuwait Stock Exchange Index added 1.3 percent each. Qatar's DSM 20 Index advanced 0.3 percent and the Bahrain All Share Index gained 0.7 percent.

## TOP FX NEWS

The yen rose to the highest level in eight months versus the dollar on speculation the nation's government won't intervene to stem its gain. Japan's currency also advanced against all of its 16 major counterparts on prospects exporters are repatriating profits before the fiscal first half ends. The dollar gained against the euro before a German report forecast to show consumer prices dropped for the first time in four months, damping demand for higher-yielding assets funded in the greenback. The yen climbed to 89.13 per dollar as of 11:10 a.m. in Tokyo from 89.64 in New York on Sept. 25. It earlier touched 88.24, the strongest level since Jan. 23. The currency rose to 130.13 per euro from 131.70, after earlier rising to 129.83, the highest since July 14. The dollar gained to \$1.4599 per euro from \$1.4689. Large manufacturers in Japan forecast the yen would average 94.85 per dollar in the 12 months to March 2010, according to the Bank of Japan's quarterly Tankan survey released July 1. Japanese Finance Minister Hirohisa Fujii reiterated last week he didn't support a weak yen, fueling speculation Japan won't resort to intervention to curb the yen's 17 percent appreciation in the past year. Foreign-exchange dumping to support exporters would be inappropriate as government policy, Fujii said today, according to a report by Dow Jones. Central banks intervene in foreign-exchange markets by selling and buying currencies.

USD/JPY

Res: 089.51/090.12/090.49

Sup: 087.97/087.10/086.67

EUR/USD

Res : 1.4756/1.4803/1.4845

Sup: 1.4647/1.4614/1.4561

GBP/USD

Res: 1.5917/1.6046/1.6113

Sup: 1.5803/1.5749/1.5690

GOLD

Res: 0998.7/1005.8/1018.7

Sup: 0985.3/0982.8/0980.1

## EUROLAND

European stocks posted their steepest weekly drop since July as U.S. reports on home sales and durable goods undermined speculation that the global economic recovery will be robust. ArcelorMittal and Xstrata Plc led a retreat in basic-resources companies as metals prices fell in London. Liberty International Plc plunged 12 percent, sending a gauge of property-related shares down by the most in more than four months. Hennes & Mauritz AB pulled retailers lower after reporting deterioration in sales. The Dow Jones Stoxx 600 Index lost 2.4 percent to 238.95 this week, as all 19 industry groups declined. A 51 percent rally since March 9 has pushed the regional gauge's valuation to the highest level since June 2003, according to Bloomberg data. Reports this week showed an unexpected 2.7 drop in sales of U.S. existing homes in August, spurring concern the housing market is struggling to recover. A separate Commerce Department report showed orders for U.S. durable goods fell 2.4 percent in August, signaling companies are planning to curb spending. Economists had forecast a 0.4 percent increase. National benchmark indexes declined in all 18 western European markets except Greece. The U.K.'s FTSE 100 lost 1.8 percent and Germany's DAX slid 2.1 percent. France's CAC 40 retreated 2.3 percent. ArcelorMittal sank 7.9 percent, the steepest weekly retreat since May, as investors sold shares of basic-resource companies. Separately, the Financial Times reported Chief Executive Officer Lakshmi Mittal's predictions for a strong rebound in

the world steel industry next year are too optimistic. The newspaper cited executives of major steel companies. Xstrata, the world's fourth-largest copper producer, lost 6.3 percent, as copper retreated for a fourth week on the London Metal Exchange. Antofagasta Plc, which owns copper mines in Chile, lost 4.1 percent. Shares of Liberty International sank 12 percent. The U.K.'s largest shopping-center owner raised 280.5 million pounds by selling shares for the second time in five months, to help resume investments as the commercial property market recovers. British Land Co., the U.K.'s second-largest real estate investment trust, dropped 10 percent, while Land Securities Group Plc, the biggest REIT, declined 6.5 percent. H&M slipped 3.3 percent in Stockholm. Europe's second-largest clothing retailer said revenue at stores open at least a year fell 11 percent last month, the fourth consecutive drop. Third-quarter net income also missed the average estimate of 11 analysts compiled by Bloomberg. DSG International Plc lost 8.7 percent as Morgan Stanley advised selling shares of the consumer-electronics retailer. Jeronimo Martins SGPS SA slid 11 percent as Bank of America Corp. downgraded Portugal's biggest retailer to "neutral," citing the stock's rally. Carnival Plc paced advancing shares, climbing 4.3 percent in London. The world's biggest cruise-line operator raised its full-year earnings forecast.

## US MARKETS

U.S. stocks fell, extending the market's biggest weekly drop since July, as lower-than-estimated data on durable goods orders and home sales overshadowed improving in consumer confidence. General Electric Co., Alcoa Inc. and American Express Co. lost at least 1.3 percent after the Commerce Department reported a 2.4 percent slide in bookings for goods meant to last several years. Research In Motion Ltd., maker of the BlackBerry, tumbled 17 percent after its sales forecast trailed analysts' estimates. Bank of America Corp. and Citigroup Inc. retreated after Federal Deposit Insurance Corp. Chairman Sheila Bair urged policies to end bailouts for large banks. The Standard & Poor's 500 Index fell 0.6 percent to 1,044.38 at 4:05 p.m. in New York. The Dow Jones Industrial Average dropped 42.25 points, or 0.4 percent, to 9,665.19. The Nasdaq Composite Index slipped 0.8 percent to 2,090.92. Equities opened lower as the Commerce Department report on orders for durable goods spurred concern the economy is struggling to recover. Benchmark indexes rebounded briefly after the Reuters/University of Michigan final index of consumer confidence for September rose to 73.5, higher than economists' estimate of 70.5. New home sales climbed 0.7 percent, less than the 1.6 percent estimate of economists. The S&P 500 lost 2.2 percent this week, its biggest drop since the beginning of July, as sales of existing homes unexpectedly slumped and the Federal Reserve said it will cut the size of two programs meant to bolster credit markets. Traders said the moves in stocks were exaggerated by relatively light trading in anticipation to the Yom Kippur holiday on Sept. 28. About 1.19 billion shares traded on the New York Stock Exchange, a 47 percent drop from a week earlier. "There's the Jewish holiday on Monday and a bit of short covering going into the long weekend," said Michael

Nasto, the senior trader at U.S. Global Investors Inc., which manages about \$2 billion in San Antonio. A 54 percent rally since March 9 left the S&P 500 valued at 20 times the reported earnings from continuing operations of its companies, the most expensive level since 2004, according to weekly data compiled by Bloomberg. The financials index fell 1.1 percent today to help lead the market lower. JPMorgan Chase & Co. Chief Executive Officer Jamie Dimon and the FDIC's Bair urged policies to end bailouts for companies so large that a collapse would disrupt the economy. Policy makers need a mechanism to disassemble failing firms without relying on a rescue by taxpayers, Bair and Dimon said at the Clinton Global Initiative conference in New York. Bank of America fell 2.2 percent to \$16.60 and Citigroup lost 1.1 percent to \$4.38. Wells Fargo & Co. slipped 0.9 percent to \$28.19 and Goldman Sachs Group Inc. declined 1.9 percent to \$179.50. Treasury Secretary Timothy Geithner's call for increased levels of bank capital is preventing banks from boosting lending, said analyst Richard Bove, at Rochdale Securities LLC. Levels of capital are now at the highest in 73 years, making it "very difficult to comprehend" why a larger cushion is needed, Bove said in a report dated last week. Research In Motion sank 17 percent to \$68.91. Revenue this quarter will be \$3.6 billion to \$3.85 billion, RIM said last week. Analysts on average estimated sales of \$3.91 billion. The shares were cut to "neutral" from "conviction buy" at Goldman Sachs Group Inc., which cited doubts about the company's ability to maintain market share in North America. KB Home had the biggest decline in the S&P 500, falling 8.5 percent to \$16.96. Textron Inc. fell 2.5 percent to \$17.88. The maker of Cessna planes and Bell helicopters was downgraded to "neutral" from "outperform" at Cowen & Co. LLC.

## EMERGING MARKETS

Brazilian stocks rose, paring a weekly loss, as Petroleo Brasileiro SA gained on prospects of new oil reserves and Citigroup Inc. upgraded the nation's second-biggest homebuilder on improving economic prospects. The Bovespa stock index advanced 0.5 percent to 60,355.73. The gauge dropped 0.6 percent in the past five days, snapping a two-week winning streak. The BM&FBovespa Small Cap index rose 0.6 percent, paring its weekly retreat to 0.5 percent. Mexico's Bolsa rose 1 percent, while Chile's Ipsa gained 0.1 percent. Mexico's Bolsa index pared a weekly loss to 4 percent, the biggest slump in three months.

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