

Financially Yours,

Your Daily Electronic Market Report

LEBANESE EUROBONDS

| USD | Coupon | Maturity | Bid | Offer | Bid Yield | Offer Yield | Duration | Mduration | Frq |
|------------------------|--------|------------|---------|---------|-----------|-------------|----------|-----------|-----|
| 7.5 Lebanon Mar 12 | 7.500 | 19/03/2012 | 101.875 | 102.875 | 4.030 | 2.234 | 0.54 | 0.53 | 2 |
| 9 1/8 Lebanon Mar 13 | 9.125 | 12/03/2013 | 108.750 | 109.500 | 3.229 | 2.754 | 1.41 | 1.39 | 2 |
| 9 Lebanon May 14 | 9.000 | 02/05/2014 | 113.375 | 114.000 | 3.694 | 3.466 | 2.39 | 2.35 | 2 |
| 5.875 Lebanon Jan 2015 | 5.875 | 15/01/2015 | 105.000 | 105.500 | 4.267 | 4.111 | 3.10 | 3.03 | 2 |
| 8.50 Lebanon Aug 15 | 8.500 | 06/08/2015 | 115.250 | 116.250 | 4.248 | 3.993 | 3.45 | 3.38 | 2 |
| 8 1/2 Lebanon Jan 16 | 8.500 | 19/01/2016 | 115.500 | 116.250 | 4.559 | 4.385 | 3.77 | 3.69 | 2 |
| 9 Lebanon Mar 17 | 9.000 | 20/03/2017 | 119.250 | 120.250 | 4.989 | 4.803 | 4.45 | 4.34 | 2 |
| 6.375 Lebanon Mar 20 | 6.375 | 09/03/2020 | 105.000 | 105.750 | 5.628 | 5.520 | 6.57 | 6.39 | 2 |
| 8 1/4 Lebanon Apr 21 | 8.250 | 12/04/2021 | 117.500 | 118.250 | 5.844 | 5.751 | 6.88 | 6.69 | 2 |
| 7 Lebanon Dec 2024 | 7.000 | 03/12/2024 | 106.000 | 107.000 | 6.323 | 6.216 | 8.86 | 8.59 | 2 |

EMERGING MARKETS - EUROBONDS

| USD | Coupon | Maturity | Bid | Offer | Mid Yield |
|-------------------|--------|------------|---------|---------|-----------|
| DAR AL-ARKAN INT | 10.750 | 18/02/2015 | 93.310 | 94.810 | 12.926 |
| REP OF SRI LANKA | 8.250 | 24/10/2012 | 105.000 | 106.000 | 3.329 |
| PETROLEOS MEXICA. | 6.000 | 05/03/2020 | 112.250 | 113.000 | 4.219 |
| TAQA ABU DHABI | 6.600 | 01/08/2013 | 107.780 | 108.220 | 2.313 |
| ADCB F. CAYMAN | 4.750 | 08/10/2014 | 105.155 | 105.595 | 2.926 |
| PET. VENEZUELA | 5.250 | 12/04/2017 | 60.750 | 62.000 | 15.896 |
| ORASCOM | 7.504 | 01/03/2022 | 94.125 | 94.625 | 8.310 |
| REP.VENEZUELA | 8.500 | 08/10/2014 | 91.500 | 93.100 | 11.511 |
| CELL C PTY LTD | 11.000 | 01/07/2015 | 101.010 | 102.990 | 10.345 |
| BANCO DO BRASIL | 4.500 | 22/01/2015 | 104.500 | 106.000 | 2.865 |
| DOLPHIN ENER.LTD | 5.888 | 15/06/2019 | 109.280 | 109.595 | 4.441 |

BEIRUT STOCK EXCHANGE as 26/08/2011

| Name | Price | \$Change | %Chg | P/E 06 | Div Yield |
|----------------------|-------|----------|--------|--------|-----------|
| Byblos bank | 1.65 | -0.01 | -0.60% | 5.69 | 0.06 |
| Byblos bank GDR | 80.4 | 0.00 | 0.00% | - | - |
| Byblos bank Pref 08' | 100.5 | 0.00 | 0.00% | - | - |
| Byblos bank Pref 09' | 100 | 0.00 | 0.00% | - | - |
| Audi (GDR) | 7.16 | -0.01 | -0.14% | 0.98 | 0.28 |
| Blom (GDR) | 8.51 | -0.08 | -0.93% | 0.73 | 0.43 |
| Solidere A | 15.65 | -0.39 | -2.43% | 14.13 | 0.06 |
| Solidere B | 15.56 | -0.48 | -2.90% | 14.05 | 0.06 |
| Holcim | 16.04 | 0.00 | 0.00% | - | - |
| Casino | 540 | 0.00 | - | - | - |

| Benchmark | Maturity | Yield |
|-------------|----------|-------|
| US TREASURY | 2 YEARS | 0.199 |
| | 5 YEARS | 0.962 |
| | 10 YEARS | 2.211 |
| | 30 YEARS | 3.547 |
| EUR BUND | 2 YEARS | 0.665 |
| | 5 YEARS | 1.232 |
| | 10 YEARS | 2.151 |
| | 30 YEARS | 3.006 |

| Equity Indices | Price | % Change |
|----------------|----------|----------|
| NASDAQ Comp | 2469.85 | 2.49% |
| NASDAQ 100 | 2161.97 | 0.70% |
| DJI | 11284.54 | -0.32% |
| S&P 500 | 1176.8 | -0.07% |
| Nikkei | 8797.78 | 1.83% |
| SMI | 5323.12 | -0.10% |
| CAC 40 | 3087.64 | -1.65% |
| DAX | 5537.48 | -2.53% |
| FTSE | 5129.92 | -0.02% |
| Euronext 100 | 570.36 | -1.42% |

| Arab Indices | Price | %Change |
|------------------------|----------|---------|
| BLOM Stock Index .BLSI | 1285.108 | -0.86% |
| SAUDI All Share .SASI | 5920.73 | 0.00% |
| Doha Stock Market .QSI | 8290 | 2.23% |
| Kuwait SE .KWSE | 5787.4 | 0.10% |
| Abu Dhabi SE .ADI | 2602.04 | 0.77% |
| Egyptian .CASE30 | 4647.16 | -0.37% |
| Dubai FM Gen Id .DFMGI | 1474.52 | 1.18% |
| Morocco CFG 25 | 5702.51 | -7.52% |
| Bahrain .BAX | 1261.03 | -9.36% |

| Tracker Underlying | Last Price | % Change |
|--------------------|------------|----------|
| FXI China | 36.96 | 0.90 |
| EWG Germany | 20.32 | 1.55 |
| EWJ Japan | 9.59 | 2.13 |
| EWY Korea | 53.06 | 3.29 |
| EWT Taiwan | 13.17 | 1.46 |
| EWZ Brazil | 61.32 | 1.34 |
| IIF India | 18.05 | -0.88 |
| RNE Eastern Europe | 15.46 | 2.38 |
| TKF Turkey | 12.78 | 3.40 |
| GLD Gold | 177.47 | 2.96 |
| USO Oil | 33.15 | 0.55 |

| Byblos Bank Deposits | Rates |
|------------------------------------|-------|
| USD* | |
| 1 months | 1.75% |
| 3 Months | 1.75% |
| 6 Months | 1.80% |
| 1 Year | 1.80% |
| *Benchmark amount 100-200 thds | |
| LBP* | |
| 1 months | 5.00% |
| 3 Months | 5.00% |
| 6 Months | 5.15% |
| 1 Year | 5.15% |
| *Benchmark amount 100-300 Millions | |

| Commodities | Price | %Change |
|--------------------|---------|---------|
| Gold / Oz | 1794.10 | 2.28% |
| Silver / Oz | 40.94 | 4.57% |
| Palladium / Oz | 777.75 | 0.00% |
| Platinum / Oz | 1786.80 | 0.00% |
| Copper/ Lbs | 409.90 | 2.55% |
| Aluminum / Lbs | 108.20 | 0.84% |
| Coffee / Lbs | 279.20 | 1.99% |
| Cocoa EUR / 100 Kg | 3075.00 | -0.42% |
| Wheat / Tone | 797.00 | 2.54% |
| Soybean / Bsh | 1414.75 | 2.04% |
| Wti / Bbl | 85.57 | 0.59% |
| Brent | 113.63 | 0.83% |

| Libor USD | Rate |
|-----------|------|
| 1 months | 0.22 |
| 3 Months | 0.32 |
| 6 Months | 0.48 |
| 1 Year | 0.80 |
| Libor EUR | |
| 1 months | 1.29 |
| 3 Months | 1.48 |
| 6 Months | 1.71 |
| 1 Year | 2.05 |

| FX Rates | Bid | Ask | Hi | Lo |
|----------|--------|--------|--------|--------|
| USD / LL | 1501 | 1510 | | |
| Euro | 1.4518 | 1.4522 | 1.4519 | 1.4464 |
| JPY | 76.69 | 76.71 | 76.81 | 76.63 |
| GBP | 1.6373 | 1.6376 | 1.6375 | 1.6325 |
| CHF | 0.8086 | 0.8092 | 0.8111 | 0.8067 |
| CAD | 0.9778 | 0.9785 | 0.9832 | 0.9778 |
| AUD | 1.0624 | 1.0634 | 1.0633 | 1.0558 |

| Key Economic Calendar | | |
|-----------------------|-----------|----------|
| Data | Date | Forecast |
| US | | |
| Personal Consumption | 29-AUG-11 | N/A |
| Pending Home Index | 29-AUG-11 | N/A |
| Euroland / Japan | | |
| DE CPI | 29-AUG-11 | 2.30% |

REGIONAL MARKET

Lebanon's BLOM stock index fell 0.86 percent to 1285.088 points. Solidere A fell 2.43 percent to \$15.65 and its Solidere B fell 2.90 percent to \$15.56 Byblos Bank S.A.L. fell 0.60 percent to 1.65.

Saudi Arabia's foreign reserves surpassed \$500 billion for the first time in July, giving the biggest Arab economy scope to carry out its spending plans to promote growth and weather any potential drop in oil prices. Kuwait

Airways Corp. said its privatization committee will assess the initial expressions of interests made to purchase a 35 percent stake in the state-run airline, as the deadline for submissions expired. Al Hilal Bank plans to raise \$500 million from the sale of Islamic bonds or sukuk in the fourth quarter to diversify funding sources, its chief executive officer said.

TOP FX NEWS

The dollar is poised for its biggest monthly gain since May, reclaiming its status as a haven while Switzerland and Japan boost efforts to weaken their currencies. The greenback has appreciated 1.2 percent in August against a basket of the developed world's nine most-traded exchange rates, according to data compiled by Bloomberg. That compares with a decline of 14 percent in the world's reserve currency from this time last year through July. Demand for U.S. assets is rising even though the Federal Reserve has pledged to keep its benchmark interest rate near zero through mid-2013 and Standard & Poor's cut the nation's credit rating from AAA. The two other currencies considered havens in times of financial and political strife -- the Swiss franc and yen -- are under siege by their governments and central banks after strengthening to records. The dollar strengthened 0.1 percent to 76.64 yen last week, and rallied 2.7 percent versus the franc to 80.63 centimes. The Bloomberg Correlation-Weighted Currency Index for the dollar closed at 89.4521, up from 88.3486 at the end of July. The U.S. currency bought 76.68 yen today and gained 0.4 percent to 80.96 centimes. The dollar has mainly weakened since Fed Chairman Ben S. Bernanke signaled last year at an annual conference sponsored by the Federal Reserve Bank of Kansas City that the central bank may boost the economy by printing money and buying bonds. It purchased \$600 billion of Treasuries between November and June, contributing to a 6.25 percent drop in the U.S. currency as measured by Bloomberg Correlation-Weighted Indexes.

USD/JPY

Res: 77.07/77.27/77.70

Sup: 76.47/76.25/75.95

EUR/USD

Res: 1.4537/1.4580/1.4696

Sup: 1.44452/1.4392/1.4328

GBP/USD

Res: 1.6398/1.6435/1.6472

Sup: 1.6309/1.6260/1.6257

GOLD

Res: 1838.7/1853.0/1872.3

Sup: 1793.0/1773.7/1758.0

EUROLAND

European stocks fell as a report showed that the U.S. economy grew more slowly than estimated, offsetting Federal Reserve Chairman Ben S. Bernanke's prediction that the recovery is secure in the long term. Lanxess AG tumbled 5.8 percent after the German chemical maker said that its chief executive officer sold shares. Frontline Ltd. declined 2.4 percent after reporting a loss in the second quarter that was wider than analysts had estimated. EFG Eurobank Ergasias SA and Piraeus Bank SA plummeted at least 6 percent. The benchmark Stoxx Europe 600 Index fell 0.7 percent to 225.52 at the close in London, after earlier losing as much as 2.7 percent, bringing this week's gain to 1.1 percent. The Stoxx 600 has fallen 23 percent from this year's peak on Feb. 17 as European and U.S. economic reports trailed forecasts, adding to concern that the global economic recovery is at risk. The decline left the index trading at 9.4 times its companies' estimated earnings, near the lowest valuation since March 2009. Stocks gyrated following the Bernanke speech, in which he said the central bank still has tools to stimulate the economy without signaling he will use them. He echoed comments of dissenting members of the Federal Open Market Committee who said U.S. economic data aren't pointing to a recession. National benchmark indexes fell in 13 of the 18 western European markets. The U.K.'s FTSE 100 Index lost less than 0.1 percent, while France's CAC 40 Index slid 1 percent. Alpha Bank SA and EFG Eurobank Ergasias retreated 5 percent to 1.90 euros and 6 percent to 1.73 euros, respectively, before reporting earnings next week. National Bank of Greece SA slipped 7.6 percent to 2.78 euros, while Piraeus Bank SA sank 6.7 percent to 56 euro cents. UBS AG said the Mediterranean country's debt crisis "remains challenging." Credit Suisse Group AG said it expects the Greek banks' underlying second quarter to be "significantly down" on the first quarter. The Swiss brokerage doesn't recommend buying any Greek lenders. Frontline dropped 2.4 percent to 34.63 kroner after the world's biggest operator of supertankers reported a second-quarter net loss of \$35.2 million. That was wider than the \$30.2 million average loss of 17 analyst estimates compiled by Bloomberg. The company announced a cash dividend of 2 cents for the quarter. The company said it expects the "weak trend" will persist into the third quarter. Volkswagen AG Europe's largest carmaker said it opened its first reprocessing plant in Dalian, China, which will be able to reprocess 15,000 engines annually.

US MARKETS

U.S. stocks surged, breaking a four-week losing streak for the Standard & Poor's 500 Index, as Federal Reserve Chairman Ben S. Bernanke indicated the economy isn't deteriorating enough to warrant any immediate stimulus. Treasuries trimmed gains and the dollar swung to a loss. The S&P 500 added 1.5 percent to 1,176.80 at 4 p.m. in New York after losing as much as 2 percent. The Stoxx Europe 600 Index lost 0.7 percent, trimming its retreat from 2.7 percent. Yields on Treasury 10-year notes slipped four basis points to 2.19 percent after decreasing 11 points. The Dollar Index lost 0.7 percent after climbing 0.3 percent. Crude added 0.1 percent following a 2.8 percent retreat. Markets gyrated following the Bernanke speech, in which he said the central bank still has tools to stimulate the economy without signaling he will use them. He echoed comments from dissenting members of the Federal Open Market Committee who said data aren't pointing to a recession. Investors piled into U.S. equities trading at the cheapest valuations since 2009. Stocks initially fell after Bernanke announced no new plan to stimulate growth. He foreshadowed a \$600 billion bond-purchase program a year ago at the same event in Jackson Hole, Wyoming, helping to stoke a 30 percent surge in the S&P 500 through April 29. The measure has retreated more than 15 percent since that peak amid concern the economy is stalling. Bernanke told Congress on July 13 the Fed has stimulus options. They may include buying additional securities, increasing the average maturity of its bond portfolio, lowering the interest rate on excess reserves and pledging to keep its balance sheet near a record high for a longer period of time. Morgan Stanley analysts have cut their estimate for expansion worldwide this year to 3.9 percent from a previous prediction of 4.2 percent. Part of the reason was "the drama" around lifting the U.S. debt

ceiling, which helped depress financial markets and erode business and consumer confidence, the analysts said in a report last week. President Barack Obama signed a plan to raise the federal debt limit on Aug. 2, the deadline to avoid a possible default, after months of wrangling with Congress. The deal would make \$2.4 trillion in deficit cuts over 10 years. Treasury yields fell today as Bernanke refrained from endorsing the immediate use of additional stimulus measures. The yield on the 30-year bond declined seven basis points to 3.53 percent. Treasuries rose earlier on the GDP report, paring gains as stocks erased losses. The Swiss franc tumbled 2.4 percent versus the euro on speculation Swiss policy makers will introduce new measures to cap its gains and that local banks may start charging customers for franc deposits. Zurich-based UBS said it may levy a temporary excess balance fee to curb the inflow of Swiss francs, citing "the prevailing market conditions which in particular affect the Swiss franc." It commented in a note to bank clients sent via the Swift system and confirmed to Bloomberg. Crude oil gained, erasing declines following Bernanke's speech. Crude oil for October delivery climbed 0.1 percent to settle at \$85.37 a barrel. Futures advanced 3.8 percent this week, for their first weekly gain since July. Gold jumped for a second straight day, rising 3.4 percent to \$1,823.90 in electronic after-market trading. Gold futures slumped as much as 11 percent in the three days through yesterday, after touching a record \$1,917.90 an ounce on Aug. 23. On Friday's advance pared the metal's weekly drop to 3 percent. Gold is in the 11th year of a bull market, the longest winning streak since at least 1920 in London, as investors seek to diversify away from equities and some currencies. Before this week, gold climbed for seven consecutive weeks, the longest rally since April 2007

EMERGING-MARKETS

The Bovespa stock index posted its biggest weekly gain in eight after U.S. Federal Reserve Chairman Ben S. Bernanke said the central bank still has tools to stimulate the economy in Brazil's second-largest trading partner. The benchmark gauge gained 0.8 percent to 53,350.79 at the close of trading at 4:15 p.m. New York time. It rose 1.7 percent this week, the most since the five days ended on Jul. 1. Forty-four stocks rose on the index, while 20 fell. The real strengthened 0.4 percent to 1.6030 per U.S. dollar.

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