

# Financially Yours,

October 30, 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	101.500	102.500	2.594	-0.302	0.34	0.33	2
7 7/8 Lebanon May 11	7.875	20/05/2011	105.750	106.750	3.997	3.352	1.44	1.41	2
7.5 Lebanon Mar 12	7.500	19/03/2012	106.250	107.250	4.685	4.255	2.21	2.16	2
9 1/8 Lebanon Mar 13	9.125	12/03/2013	111.875	112.875	5.217	4.913	2.96	2.89	2
9 Lebanon May 14	9.000	02/05/2014	112.500	113.500	5.800	5.564	3.84	3.73	2
10 Liban Apr 15	10.000	25/04/2015	115.875	116.875	6.506	6.306	4.43	4.29	2
8.50 Lebanon Aug 15	8.500	06/08/2015	110.125	111.125	6.368	6.171	4.65	4.51	2
8 1/2 Lebanon Jan 16	8.500	19/01/2016	110.125	111.125	6.489	6.304	4.91	4.76	2
9 Lebanon Mar 17	9.000	20/03/2017	114.500	115.500	6.493	6.335	5.63	5.46	2
8 1/4 Lebanon Apr 21	8.250	12/04/2021	109.750	110.750	6.997	6.876	7.78	7.52	2

**Emerging Eurobonds**

Emerging Eurobonds						Beirut Stock Exchange (closing 30.10.09)					
USD	Coupon	Maturity	Bid	Offer	Mid Yield	Name	Rates	% Change	P/E 09	P/B 09	Div Yield
IIB LUXG SA (IIB)	9.500	12-Feb-10	98.250	100.250	12.084	Byblos bank	2.02	0.50%	6.80	0.86	4.95%
R. OF SRILANKA	8.250	24-Oct-12	104.625	105.125	6.421	Byblos bank Preferred	100	1.01%	-	-	-
ATF BANK	9.250	12-Apr-12	99.585	100.085	9.322	Byblos bank Prty	2	0.00%	8.40	0.85	6.50%
TAQA ABD NATL.	4.375	28-Oct-13	101.362	101.737	9.231	Byblos Bank GDR	90.00	0.00%	10.84	0.24	5.32%
ADCB F. CAYMAN	4.750	24-Apr-13	98.250	98.600	5.115	Audi	85.95	-1.21%	14.01	1.78	2.32%
TDIC SUKUK LTD	4.949	21-Oct-14	102.036	102.536	4.431	Blom	87.85	-2.50%	7.50	1.39	4.13%
ORASCOM TELECOM	7.875	08-Feb-14	95.500	95.500	9.168	Solidere A	26.51	0.08%	23.95	2.48	4.34%
REP. VENEZUELA	8.500	08-Oct-14	85.930	86.430	12.320	Solidere B	26.34	-0.04%	23.79	2.46	4.37%
CELL C PTY LTD	11.000	01-Jul-15	99.500	100.500	10.992	Holcim	13.03	0.00%	-	-	6.14%
						Casino	390	-	-	-	-

Benchmark	Maturity	Yield	Equity Indices	Price	% Change	Arab Indices	Price	% Change
US TREASURY	2 YEARS	0.968	NASDAQ Comp	2097.55	1.85%	BLOM Stock Index .BLSI	1590.379	0.19%
	5 YEARS	2.418	NASDAQ 100	1711.27	1.74%	SAUDI All Share .SASI	6532.92	0.00%
	10 YEARS	3.482	DJI	9962.58	2.05%	Doha Stock Market .QSI	7305.42	0.00%
	30 YEARS	4.329	S&P 500	1066.11	2.25%	Kuwait SE .KWSE	7434.9	0.00%
EUR BUND	2 YEARS	1.372	Nikkei	9891.1	-1.83%	Abu Dhabi SE .ADI	3096.93	0.00%
	5 YEARS	2.516	SMI	6351.27	1.14%	Egyptian .CASE30	7121.16	0.00%
	10 YEARS	3.323	CAC 40	3714.02	1.37%	Dubai FM Gen Id .DFMGI	2286.26	0.00%
	30 YEARS	4.067	DAX	5587.45	1.66%	Morocco SI MSI	6462.24	0.00%
			FTSE	5137.78	1.13%	Bahrain .BAX	1534.74	0.00%
		Euronext 100	648.05	1.44%				

Tracker	Underlying	Last Price	% Change
FXI	China	43.23	2.47
EWG	Germany	22.05	3.62
EWJ	Japan	9.67	1.58
EWY	Korea	44.96	3.48
EWT	Taiwan	11.97	0.84
EWZ	Brazil	72.06	7.7
IIF	India	21.37	3.49
RNE	Eastern Europe	15.00	4.82
TKF	Turkey	12.43	2.39
GLD	Gold	102.69	1.94
USO	Oil	40.90	3.65

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	1029.90	0.00%
Silver / Oz	16.64	2.56%
Palladium / Oz	316.75	0.00%
Platinum / Oz	1297.40	0.00%
Copper/ Lbs	291.90	0.00%
Aluminum / Lbs	90.30	-1.95%
Coffee / Lbs	136.75	1.60%
Cocoa EUR / 100 Kg	3355.00	0.81%
Wheat / Tone	503.75	1.82%
Soybean / Bsh	985.50	1.76%
Wti / Bbl	79.87	3.11%
Brent	77.37	2.75%

Libor USD	Rate
1 months	0.24
3 Months	0.28
6 Months	0.56
1 Year	1.20
<b>Libor EUR</b>	
1 months	0.39
3 Months	0.67
6 Months	0.99
1 Year	1.22

FX Rates	Bid	Ask	Hi	Lo
USD / LL	1499	1504		
Euro	1.4825	1.4829	1.4858	1.4823
JPY	90.86	90.91	91.57	90.89
GBP	1.654	1.6544	1.6578	1.6531
CHF	1.0185	1.0186	1.0191	1.0171
CAD	1.0677	1.0682	1.0687	1.0663
AUD	0.9132	0.9136	0.918	0.913

Key Economic Calendar		
Data	Date	Forecast
<b>US</b>		
US Personal Income	30-Oct-09	
US U. Mich. Sentiment	30-Oct-09	70.0
<b>Euroland / Japan</b>		
EZ Unemployment Rate	30-Oct-09	9.70%

## REGIONAL MARKETS

Lebanon's BLOM stock index rose 0.19 percent at 1590.379 points. Solidere's A rose 0.08 percent at \$26.51 and its B share fell 0.04 percent at \$26.34. Byblos Bank S.A.L. common rose 0.50 percent at 2.02 and its priority shares remain unchanged at 2.00.

United Arab Emirates shares tumbled the most since August, leading Arab markets lower, after Dubai Financial Market PJSC and Sorouh Real Estate PJSC were among companies reporting a decline quarterly profit. The DFM General Index fell 3.9 percent and Abu Dhabi's index

lost 2.4 percent, the biggest drops on both indexes since Aug. 17. EGX 30 Index slid 2.2 percent and the MSCI Emerging Markets Index retreated 0.8 percent at 4:52 p.m. in Dubai. Dubai's index gained 0.3 percent this month, Abu Dhabi's dropped 3.2 percent and the Egyptian measure rose 3 percent. Qatar's DSM 20 Index lost 2.3 percent, the most since July 12, and the Oman's MSM30 Index retreated 1.7 percent. The Kuwait Stock Exchange Index slid 1.2 percent and Bahrain's measure fell 0.6 percent. Saudi Arabia's market is close for the weekend.

## TOP FX NEWS

The dollar fell toward its fourth monthly drop against the euro, the longest stretch since 2004, as the U.S.'s return to growth renewed optimism a global recovery will quicken, aiding demand for higher-yielding assets. The yen is set for the biggest monthly slide against the 16-nation currency since May, after a government report showed Japan's jobless rate unexpectedly dropped for a second month, reducing demand for the relative safety of the Japanese currency. Australia's dollar is rising for a record ninth month as global stocks rallied and prices climbed for commodities that comprise more than half the South Pacific nation's exports. The dollar traded at \$1.4852 per euro at 2:08 p.m. in Tokyo from \$1.4822 yesterday in New York. The yen was at 135.37 per euro from 135.51 yesterday and is set to fall 3.1 percent this month. The greenback bought 91.15 yen from 91.41 yen. Australia's currency bought 91.67 U.S. cents from 91.50 cents in New York yesterday and is set to gain 3.9 percent in October.

USD/JPY

Res: 091.83/092.33/093.31

Sup: 090.83/090.23/089.90

EUR/USD

Res: 1.4928/1.4981/1.5064

Sup: 1.4763/1.4719/1.4683

GBP/USD

Res: 1.6605/1.6694/1.6742

Sup: 1.6510/1.6466/1.6335

GOLD

Res: 1051.0/1058.5/1063.5

Sup: 1043.5/1040.9/1032.0

## EUROLAND

European stocks rose, rebounding from the Dow Jones Stoxx 600 Index's biggest decline since July, as the U.S. economy returned to growth after the worst contraction in seven decades. KBC Group NV, the recipient of 7 billion euros (\$10 billion) in Belgian bank-rescue funds, climbed 17 percent after reporting "good progress" in discussions with the European Union over plans to repay state aid. Lloyds Banking Group Plc surged 7.5 percent after saying it's considering how it can raise money to avoid using the government's insurance program for toxic assets. UPM-Kymmene Oyj led basic-resource producers higher after earnings topped analysts' estimates. The Stoxx 600 climbed 1.9 percent to 241.73, the biggest gain in two weeks. U.S. gross domestic product grew at a 3.5 percent pace from July through September, exceeding the median estimate of 3.2 percent in a Bloomberg survey of economists after shrinking for the previous four quarters, according to Commerce Department data. National benchmark indexes gained in all of the 18 western European markets except Greece, which was closed yesterday for a holiday. The U.K.'s FTSE 100 added 1.1 percent, Germany's DAX increased 1.7 percent and France's CAC 40 advanced 1.4 percent. KBC surged 17 percent to 30.90 euros, leading a measure of banks to the third-biggest increase among 19 industry groups in the Stoxx 600. The bank said it retains confidence in its bancassurance strategy and reiterated it plans to repay state aid from retained earnings, shrinking its balance sheet and proceeds from disposals. Lloyds jumped 7.5 percent to 86 pence. The British lender 43 percent owned by the government said it may sell new stock in a rights offer and

will also consider exchanging group capital securities. Talks with the Treasury about the bank's participation in a government plan to insure 260 billion pounds (\$428 billion) of assets are "advanced," Lloyds said. Royal Bank of Scotland Group Plc, Britain's biggest government-owned lender, gained 9.5 percent to 43.37 pence. Aegon NV, the Dutch owner of U.S. insurer Transamerica Corp. surged 6.4 percent to 5.19 euros after saying it will repay 1 billion euros of state aid this year and the remaining 2 billion euros "at the earliest opportunity." UPM-Kymmene surged 8.1 percent to 8.18 euros, leading a gauge of European basic-resource shares to the biggest gain on the Stoxx 600. Europe's second-largest papermaker reported third-quarter net income of 40 million euros, topping the average analyst estimate of 22.4 million euros. Xstrata Plc, the world's fourth-biggest copper supplier, rallied 7.4 percent to 947 pence and Fresnillo Plc, the world's largest primary silver producer, climbed 6.7 percent to 802 pence. Metals including copper, nickel, zinc, silver and gold advanced in London. Telenor ASA, the biggest Nordic phone company, jumped 6.9 percent to 74.95 kroner. The company said third-quarter net income climbed 16 percent to 3.49 billion kroner (\$620 million) and raised its full-year forecast after cutting costs. Analysts had anticipated a 3.1 billion-kroner profit, according to the average of estimates compiled by Bloomberg. Royal Dutch Shell Plc slumped 2.9 percent to 1,856 pence, the biggest drop in almost three months. Europe's largest oil company said third-quarter profit fell 62 percent to \$3.25 billion as the recession cut demand for fuels, slashing crude and natural gas prices.

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## US MARKETS

U.S. stocks rallied, sending benchmark indexes to their biggest advance since July, after the economy returned to growth following the worst contraction in seven decades. Treasuries dropped and the dollar and yen weakened, while commodities surged. Caterpillar Inc., Alcoa Inc. and American Express Co. jumped at least 5.1 percent after the Commerce Department said gross domestic product grew at a 3.5 percent pace from July through September after shrinking for four straight quarters. Motorola Inc., Procter & Gamble Co., Newmont Mining Corp. and Kellogg Co. climbed on better-than-estimated earnings. The Standard & Poor's 500 Index increased 2.3 percent to 1,066.11 at 4:05 p.m. in New York. The Dow Jones Industrial Average added 199.89 points, or 2.1 percent, to 9,962.58. Both gauges jumped the most since July 23. The MSCI AC World Index, a measure of developed and emerging markets, rose 1.6 percent after seven straight losses. Motorola surged 9.8 percent to \$8.74. The biggest U.S. mobile-phone maker reported third-quarter profit excluding some costs of 2 cents, exceeding the average estimate for a breakeven quarter in a Bloomberg survey. Motorola cut jobs and production costs to offset slumping handset sales. Procter & Gamble added 4 percent to \$59.54. The world's largest consumer-products company reported first-quarter profit that topped the average analyst projection after price increases helped offset volume declines. Procter & Gamble also raised its full-year forecast for organic sales growth. Kellogg rose 2.8 percent to \$51.38. The largest U.S. maker of breakfast cereal said it had third-quarter profit of 94 cents a share. The company was forecast by analysts to earn 85 cents, based on the average estimate from a Bloomberg survey. Symantec

Corp. jumped 13 percent to \$17.74. The biggest maker of security software reported second-quarter profit that topped analysts' estimates after winning back customers from competitors and adding new business users. Genworth Financial Inc. jumped 17 percent and led insurance companies 5.4 percent higher, the biggest gain among 24 S&P 500 industries. The life insurer and mortgage guarantor was raised to "buy" from "neutral" by Bank of America Corp. MetLife Inc. gained 7.9 percent to \$36.84 ahead of its earnings report. The biggest U.S. life insurer reported third-quarter operating profit of 87 cents a share after the close, beating the average analyst estimate by 1 cent. Lincoln National Corp., the bailed-out insurer, climbed 14 percent to \$25.34 after its first profit in a year topped estimates. Financial shares surged 4.3 percent for the biggest gain in the S&P 500 among 10 industries. The group of 79 banks, insurers and investment firms had slumped 7.8 percent in the four days through yesterday, compared with a 4.6 percent drop of the U.S. equity benchmark. Bank of America Corp., JPMorgan Chase & Co., Goldman Sachs Group Inc., Citigroup Inc. and Morgan Stanley added at least 3.7 percent each. Newmont Mining added 3.6 percent to \$43. The largest U.S. gold producer reported third-quarter profit of 79 cents a share on higher bullion prices and lower production costs. The results topped the 55-cent per-share average estimate of 17 analysts. Exxon Mobil Corp. rose 0.2 percent to \$73.96, after falling as much as 2.4 percent. First Solar Inc. tumbled 17 percent to \$126.47. The world's largest maker of thin-film solar power modules reported sales of \$480.9 million in the third quarter, trailing the average analyst estimate by 9.3 percent, according to Bloomberg data.

## EMERGING MARKETS

Developing-nation shares headed for their steepest four-day decline in more than eight months after PetroChina Co. and Bank of Communications Ltd. posted lower-than-estimated profit and China signaled a lending curb. The MSCI Emerging Markets Index slid 1.1 percent to 906.78 at 12:37 p.m. in London, making this week's loss 6.3 percent. PetroChina and Bank of Communications fell 4 percent or more in Hong Kong. The Micex Index slid as much as 2.5 percent, making Russia the second major emerging market to cross the threshold of a 10 percent drop that defines a correction. Brazil's Bovespa closed 11 percent below its 2009 high before yesterday. The Shanghai Composite Index lost 2.3 percent to the lowest level in two weeks and stocks in Taiwan sank 2.4 percent. Most East European currencies strengthened against the euro, with the Czech koruna gaining 0.2 percent and Hungary's forint weakening 0.1 percent.

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