

# LEBANON THIS WEEK

## In This Issue

**Economic Indicators.....1**  
**Capital Markets.....1**  
**Lebanon in the News.....2**

Lebanon ranks 101st globally, 11th among Arab countries in terms of competitiveness

Slower deposit growth does not threaten banks' ability to finance the government

Occupancy rate at Beirut hotels at 56%, room yields up 20% in first eight months of 2015

Mobile broadband penetration in Lebanon higher than in Arab and developing economies

Central Bank's foreign assets up 1% to \$38bn in first nine months of 2015

Economic activity stagnates in first seven months of 2015

New retail sales indicators show decline since 2012 in almost all categories

Balance of payments posts deficit of \$1.65bn in first eight months of 2015

Consumer Price Index down 4.6% year-on-year in August 2015

Health and Industry ministries to shut down unlicensed water companies

**Corporate Highlights .....7**

Stock market activity down 1% to \$510m in first nine months of 2015

Banking sector's profitability stagnates in 2014

Investment vehicle acquires majority stake in food and beverages cluster

BBAC's net earnings up 19% to \$28m in first half of 2015

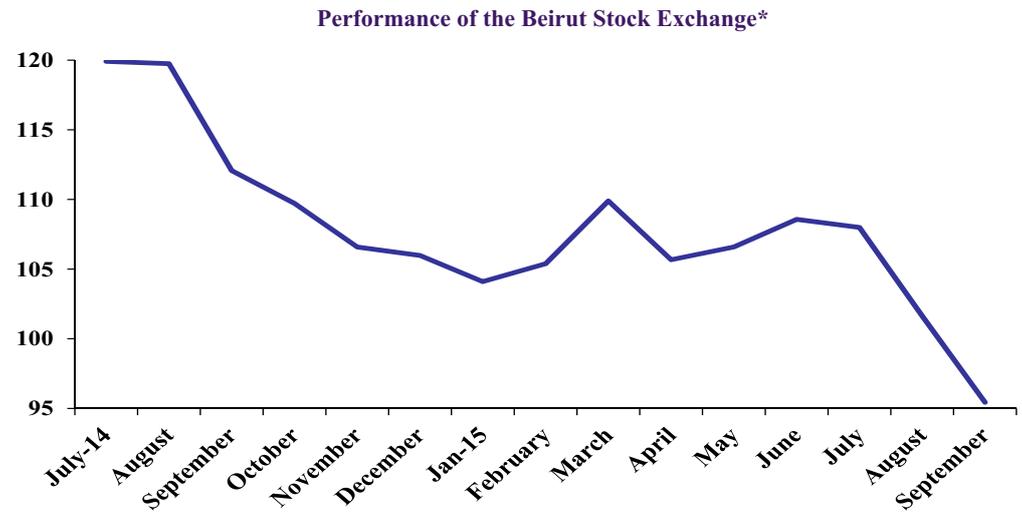
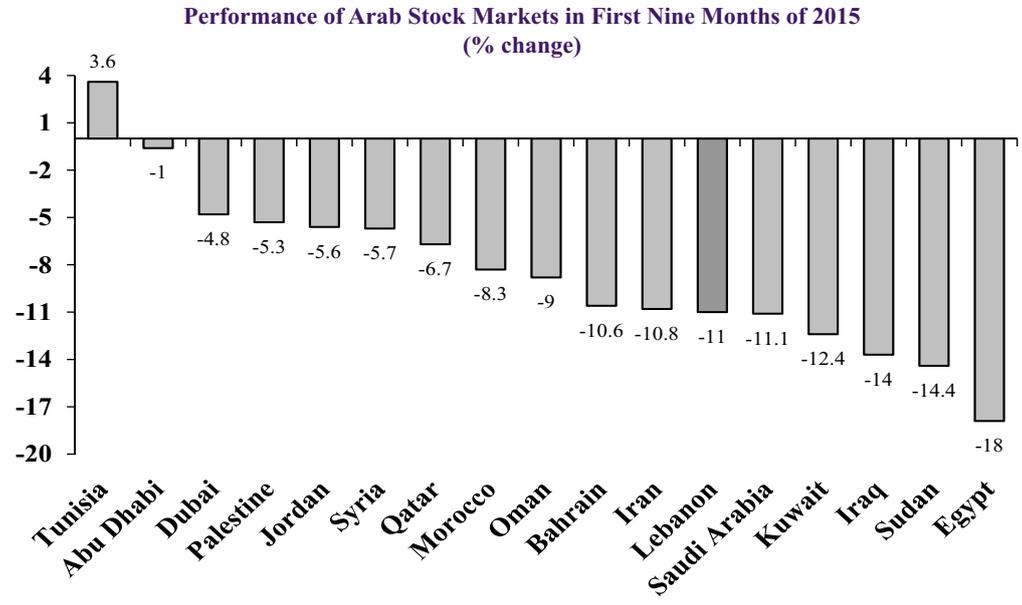
MetLife's ratings affirmed, outlook 'stable'

CreditBank's net earnings at \$17m in first half of 2015

Liberty Insurance posts losses at \$1m in 2014

**Ratio Highlights.....10**  
**Risk Outlook .....10**  
**Ratings & Outlook.....10**

## Charts of the Week



\* Banque du Liban Market Value Weighted Index average monthly values  
 Source: Local Stock Markets, Dow Jones Indices, Banque du Liban, Byblos Bank

## Quote to Note

"We do not expect remittance inflows to decrease significantly in the near term from the economic slowdown in the Gulf Cooperation Countries."

*Standard & Poor's, on the steadiness of expatriates' flows to Lebanon*

## Number of the Week

**30:** Number of times the Lebanese Parliament convened and failed to elect a President

## Lebanon in the News

\$m (unless otherwise mentioned)	2014	Jun 14	Mar 15	Apr 15	May 15	Jun 15	% Change*
Exports	3,313	278	257	235	342	281	1.08
Imports	20,494	1,567	1,509	1,444	1,486	1,690	7.85
Trade Balance	(17,181)	(1,289)	(1,252)	(1,209)	(1,144)	(1,409)	9.31
Balance of Payments	(1,408)	(561)	(417)	136	189	(794)	41.59
Checks Cleared in LBP	18,143	1,518	1,579	1,550	1,564	1,593	4.94
Checks Cleared in FC	56,348	4,807	4,322	4,158	4,424	4,504	(6.30)
Total Checks Cleared	74,491	6,325	5,901	5,708	5,988	6,097	(3.60)
Budget Deficit/Surplus	(4,632)	(187.36)	(391.66)	(85.53)	(167.04)	(38.90)	(79.24)
Primary Balance	1,970	133.93	(22.84)	42.17	281.74	289.34	116.04
Airport Passengers	6,567,647	610,170	476,739	598,055	544,388	591,890	(3.00)

\$bn (unless otherwise mentioned)	2014	Jun 14	Mar 15	Apr 15	May 15	Jun 15	% Change*
BdL FX Reserves	32.40	33.85	34.53	33.77	34.10	34.11	0.77
<i>In months of Imports</i>	18.97	21.60	22.88	23.38	22.95	20.18	(6.56)
Public Debt	66.58	65.71	69.44	69.46	69.37	69.02	5.04
Net Public Debt	57.31	55.17	58.51	58.97	59.28	59.46	7.78
Bank Assets	175.70	169.57	176.95	179.40	179.03	180.08	6.20
Bank Deposits (Private Sector)	144.43	140.35	145.46	147.50	147.89	148.58	5.86
Bank Loans to Private Sector	50.90	49.18	51.14	51.43	51.37	51.74	5.21
Money Supply M2	48.69	46.89	49.44	50.01	50.26	50.59	7.90
Money Supply M3	117.68	114.97	118.06	119.75	120.04	120.46	4.77
LBP Lending Rate (%)	7.49	7.45	6.94	7.10	7.11	7.12	(33bps)
LBP Deposit Rate (%)	5.56	5.49	5.57	5.61	5.56	5.51	2bps
USD Lending Rate (%)	6.97	6.97	7.16	7.08	7.04	7.03	6bps
USD Deposit Rate (%)	3.07	2.98	3.12	3.16	3.14	3.16	18bps
Consumer Price Index**	0.59	1.19	0.00	(0.17)	(0.13)	(0.38)	-

\* Year-on-Year

\*\* Year-on-Year percentage change

Note: bps i.e. basis point

Source: Association of Banks in Lebanon, Banque du Liban, Byblos Research

## Capital Markets

Most Traded Stocks on BSE	Last Price (\$)	% Change*	Total Volume	Weight in Market Capitalization
BLOM Listed	9.45	0.53	7,183,000	18.45%
Audi Listed	5.97	3.83	115,583	21.67%
Solidere "A"	10.07	(1.37)	93,616	9.15%
BLOM GDR	9.66	(0.62)	33,500	6.48%
Audi GDR	6.00	5.26	26,465	6.33%
Byblos Common	1.60	0.00	18,370	5.22%
Byblos Pref. 09	100.90	0.20	2,133	1.83%
Solidere "B"	10.09	(2.04)	1,016	5.96%
Byblos Pref. 08	101.00	0.70	1000	1.83%
HOLCIM	15.00	0.00	100	2.66%

Source: Beirut Stock Exchange (BSE); \*Week-on-week

Sovereign Eurobonds	Coupon %	Mid Price \$	Mid Yield %
Jan 2016	8.500	101.50	3.10
Mar 2017	9.000	106.00	4.69
Nov 2018	5.150	99.75	5.24
May 2019	6.000	101.25	5.61
Mar 2020	6.375	102.50	5.73
Apr 2021	8.250	110.25	6.04
Oct 2022	6.100	100.25	6.06
Jun 2025	6.250	99.00	6.39
Nov 2026	6.600	100.50	6.54
Feb 2030	6.650	99.50	6.70

Source: Byblos Bank Capital Markets

	Sep 28-Oct 2	September 21-23	% Change	September 2015	September 2014	% Change
Total Shares Traded	7,484,085	1,902,038	293.48	10,044,627	35,353,319	(71.59)
Total Value Traded	\$70,227,219	\$17,559,565	299.94	\$96,050,554	\$228,108,320	(57.89)
Market Capitalization	\$11.01bn	\$11.03bn	(0.19)	\$11.02bn	\$11.07bn	(0.47)

Source: Beirut Stock Exchange (BSE)



### Lebanon ranks 101st globally, 11th among Arab countries in terms of competitiveness

The World Economic Forum ranked Lebanon in 101st place among 140 countries globally and in 11th place among 13 Arab countries on its Global Competitiveness Index for 2015-16. Lebanon also ranked in 32nd place among 36 upper middle-income countries (UMICs) included in the survey. Lebanon came in 113th place out of 144 countries globally and in 11th place among 15 countries regionally. However, comparing Lebanon's rank and score in the current index with previous years is mitigated by a modification in a part of the methodology to calculate the country's score. A country's final score is based in part on a survey of executives. The number of respondents in Lebanon to the 2015 Executive Opinion Survey was 92 compared to 40 respondents in the 2014 survey, while the weight of the survey's results in the final score expanded from 35.15% in 2014 to 64.85% in 2015.

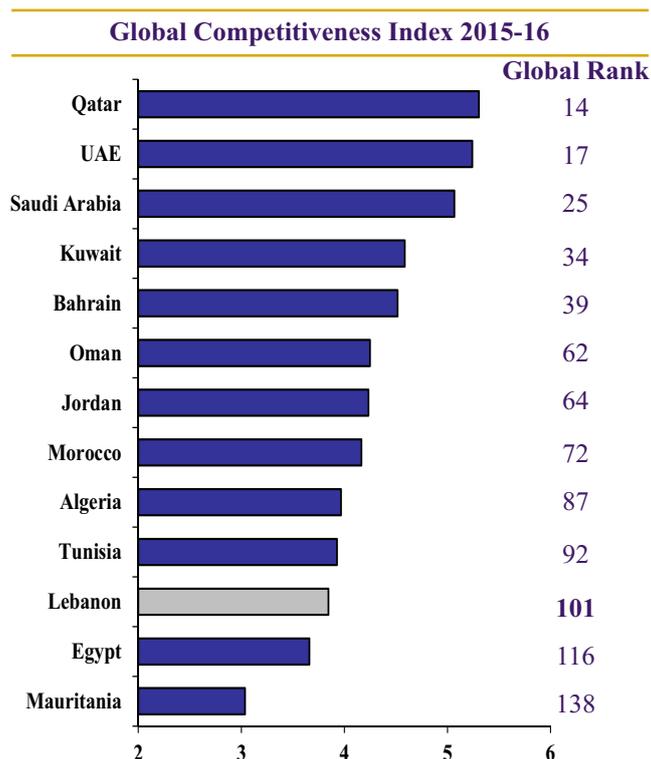
The index defines competitiveness as the set of institutions, policies, and factors that determine the level of productivity of a country. The index measures the ability of a country and its enterprises to compete in global markets based on the quality of its institutions, infrastructure, macroeconomic environment, education and healthcare systems, as well as on the country's capacity for innovation and overall market efficiency, and the sophistication of domestic markets and business practices. The index is based on 12 pillars that are grouped in three sub-indices that measure Basic Requirements, Efficiency Enhancers, and Innovation & Sophistication factors. It scores countries on a scale from zero to seven, with seven representing the highest level of competitiveness.

Globally, Lebanon is considered to have a more competitive economy than the economies of the Kyrgyz Republic, Gabon and Mongolia, and a less competitive economy than the Dominican Republic, Kenya and Nepal. Also, the Lebanese economy is more competitive than its counterparts in only Gabon, Argentina, Bosnia & Herzegovina and Venezuela among UMICs; while it is more competitive than only Egypt and Mauritania in the Arab world. Lebanon received a score of 3.84 points, lower than the global average of 4.24 points, the UMICs' average of 4.18 points and the Arab average of 4.29 points. Also, Lebanon's score came lower than Gulf Cooperation Council (GCC) countries' average of 4.83 points, but marginally higher than the average of non-GCC Arab countries of 3.83 points.

The World Economic Forum indicated that Lebanon has competitive advantages in terms of healthcare, primary and higher education, intensity of local competition, the effect of taxation on incentives to invest, the tax rate on profits, the availability of venture capital, the soundness of banks, business sophistication and the capacity for innovation. It noted, however, that Lebanon ranks poorly in terms of macroeconomic stability, infrastructure, innovation, the institutional environment and market size.

Lebanon ranked ahead of Guyana and Tanzania and came behind Swaziland and the Zimbabwe on the Basic Requirements Sub-Index, which covers institutions, infrastructure, the macroeconomic environment and health & primary education. Further, Lebanon ranked ahead of only Venezuela among UMICs; while it came ahead of only Mauritania among Arab countries on this category. Also, Lebanon ranked ahead of Kuwait and Kenya, and came behind Azerbaijan and Vietnam on the Efficiency Enhancers Sub-Index that covers higher education & training, the market efficiency of goods and labor, financial market development, technological readiness and market size. Lebanon came ahead of only Kuwait, Morocco, Tunisia, Egypt, Algeria and Mauritania in the Arab world. Further, Lebanon ranked ahead of Zambia and Hungary, and came behind Ghana and Azerbaijan on the Innovation & Sophistication Sub-Index, which covers business sophistication and innovation. Lebanon ranked ahead of Kuwait, Oman, Morocco, Tunisia, Egypt, Algeria and Mauritania in the Arab world.

In parallel, the results of the Executive Opinion Survey show that executives in Lebanon consider that government instability is the most problematic factor for doing business in the country, followed by the inadequate supply of infrastructure, inefficient government bureaucracy, policy instability and corruption. Further, executives considered that poor public health, foreign currency regulations, crime and theft, and the complexity of tax regulations are the least problematic factors for doing business in Lebanon.



Source: World Economic Forum, Byblos Research

#### Components of the 2015-16 Global Competitiveness Index for Lebanon

	Global Rank	Arab Rank	UMIC Rank	Lebanon Score	Global Avg Score	Arab Avg Score	UMIC Avg Score
Basic Requirement	121	12	35	3.70	4.58	4.81	4.51
Efficiency	71	7	20	4.03	4.11	4.08	4.04
Innovation & Sophistication	67	6	16	3.58	3.78	3.69	3.55

Source: World Economic Forum, Byblos Research

### Slower deposit growth does not threaten banks' ability to finance the government

Citi indicated that the risks from the recent slowdown in the growth of bank deposit in Lebanon are limited, and that the slowdown is unlikely to pave the way for capital flight. It added that the Lebanese banking system has a lot of capacity to keep financing the government before the banks' balance sheets start coming under stress. It noted that the government's dependence on banks for its elevated financing needs makes deposit growth a key indicator for the banks' ability to continue buying government securities.

It said that total deposits in the Lebanese banking system grew by 6% year-on-year in June 2015, well below the average annual growth rate of the past decade. It considered that the slowdown in deposit growth reflects global economic uncertainty and the subdued growth in key Diaspora markets, especially in commodity-exporting countries, rather than a decline in the Diaspora's confidence in Lebanon from deteriorating economic and political conditions in the country. It noted that the deceleration in deposit growth picked up in the third quarter of 2014 when global oil prices started to fall. It also expressed concerns about the risk of a decline in remittance inflows from Gulf Cooperation Council countries because of lower oil prices. Further, it estimated that remittance inflows from West Africa and Latin America are likely to come under pressure due to falling commodity prices. In parallel, it indicated that banks' deposits have been resilient to serious political and economic distress, while the dollarization rate of deposits has been broadly stable in recent months.

Citi expected the slowdown in deposit growth to continue as long as global economic uncertainties persist. But it noted that bank deposits grew by about \$8bn in the 12 months leading to June 2015 relative to an increase of around \$3bn in the public debt, which suggests an ample and sustainable source of financing, even in current conditions. Also, it considered that the high double-digit growth rate of deposits in past years significantly exceeded the level needed to allow banks to finance the government's financing needs, without negative implications on their balance sheets. It added that the extraordinarily high rates of deposit growth in the past have lowered the loan-to-deposit ratio and reduced the share of the government's debt in total assets, which has increased the banks' capacity to finance the government. Overall, it estimated that the banking sector's deposits have to grow by 1.6% annually in order to finance the government's needs, without pressuring their balance sheets. It noted that even if deposit growth falls to less than 1.6% yearly, it would take many years before the stress on balance sheets becomes critical, given the current excess liquidity in the banking system. Also, it estimated that a slowdown in deposit growth to about 3% per year would be sufficient to preserve the Central Bank's foreign currency reserve coverage.

### Occupancy rate at Beirut hotels at 56%, room yields up 20% in first eight months of 2015

EY's benchmark survey of the hotel sector in the Middle East indicated that the average occupancy rate at hotels in Beirut was 56% in the first eight months of 2015, up from 49% in the same period of 2014 and compared to an average rate of 62% in 12 Arab markets included in the survey. The occupancy rate at Beirut hotels was the sixth lowest in the region in the covered period, while it was the second lowest in the first eight months of 2014. Also, the average occupancy rate at hotels in Beirut rose by seven percentage points year-on-year, constituting the second highest increase among the 12 Arab markets, behind only Cairo (+14 percentage points), and relative to an average rise of 0.5 percentage points for the region. Occupancy rates at Beirut hotels were 50% in January, 55% in February, 54% in March, 56% in April, 61% in May, 57% in June, 56% in July and 61% in August 2015, compared to 36% in January, 41% in February, 40% in March, 51% in April, 61% in May, 68% in June, 35% in July and 61% in August 2014.

#### Hotel Sector Performance in First Eight Months of 2015

	Occupancy Rate (%)	RevPAR (US\$)	RevPAR % change
Dubai	79	198	(6.2)
Jeddah	78	221	8.9
Madina	77	163	22.6
Abu Dhabi	76	136	(1.4)
Doha	69	169	5.7
Riyadh	64	135	(4.8)
<b>Beirut</b>	<b>56</b>	<b>102</b>	<b>20.0</b>
Amman	54	85	(18.1)
Kuwait City	49	132	(4.4)
Makkah	49	122	8.3
Cairo	47	53	79.0
Manama	46	90	(14.0)

Source: EY, Byblos Research

The average rate per room at Beirut hotels was \$180 in the first eight months of 2015, ranking the capital's hotels as the fourth least expensive in the region, relative to Abu Dhabi (\$179), Amman (\$155) and Cairo (\$110). The average rate per room at Beirut hotels rose by 4.7% year-on-year and posted the sixth highest growth rate among all markets in the region, as it underperformed only Cairo (+27.1%), Makkah (+26.9%), Madina (+20%), Jeddah (+6.4%) and Doha (+5.9%). The average rate per room in Beirut came below the regional average of \$210.7, which rose by 3.1% from the same period of 2014.

Further, revenues per available room (RevPAR) were \$102 in Beirut in the first eight months of 2015, up from \$85 in the same period of 2014, and came in ninth place in the region, higher than Manama (\$90), Amman (\$85) and Cairo (\$53). Beirut's RevPAR surged by 20% year-on-year and posted the third highest increase among Arab markets, relative to growth rates of 79% in Cairo and 22.6% in Madina. Hotels in Beirut posted RevPARs of \$92 in January, \$93 in February, \$91 in March, \$99 in April, \$111 in May, \$104 in June, \$113 in July and \$114 in August 2015, compared to \$64 in January, \$68 in February, \$57 in March, \$88 in April, \$103 in May, \$125 in June, \$65 in July and \$112 in August 2014. Further, Jeddah posted the highest average rate per room in the region at \$282 and the highest room yield at \$221, while Dubai posted the highest occupancy rate at 79% in the first eight months of 2015.



### Mobile broadband penetration in Lebanon higher than in Arab and developing economies

Figures released by the International Telecommunication Union (ITU) show that Lebanon had 53.5 mobile broadband subscriptions per 100 inhabitants in 2014, constituting an increase of 28% from 41.8 subscriptions in 2013. As such, Lebanon ranked in 57th place among 189 countries at the end of 2014 in terms of mobile broadband penetration. Lebanon's global rank improved by two spots from 2013 based on the same number of countries year-on-year. Lebanon came in eighth place among 19 Arab countries and ranked in 12th place among 53 upper middle-income countries (UMICs) included in the survey. Lebanon's rank was unchanged year-on-year in the Arab world, while it improved by two spots among UMICs from the previous year.

Mobile broadband penetration in Lebanon was higher than the global penetration rate of 37.2 mobile broadband subscriptions per 100 inhabitants and the penetration rate of 36.1 mobile broadband subscriptions per 100 inhabitants in Arab countries. It was also higher than the penetration of 27.9 mobile broadband subscriptions per 100 inhabitants in developing economies. On a global basis, Lebanon had a higher penetration rate than Israel, Cape Verde and Chile, and a lower rate than Mongolia, Belarus and Argentina. Also, Lebanon came ahead of Botswana and behind Argentina among UMICs.

In parallel, 68.4% of Lebanese households had Internet access at home the end of 2014, up from 66.2% in 2013. The share of Lebanese households with Internet access was the 15th highest among 133 countries globally, the highest among 42 UMICs and the seventh highest among 19 Arab countries. Lebanon's global rank regressed by one spot from 2013. On a global basis, the share of households with Internet access in Lebanon is higher than that of Malaysia, Turkey and Jordan, and lower than that of Kuwait, Israel and Cyprus. It is lower than that of Qatar, Saudi Arabia, the UAE, Oman, Bahrain and Kuwait among Arab countries. The proportion of households with Internet access in Lebanon was higher than the global share of 43.9% and the 38% share for Arab countries. Also, it was higher than the proportion of households with Internet access of 31.5% in developing countries.

### Central Bank's foreign assets up 1% to \$38bn in first nine months of 2015

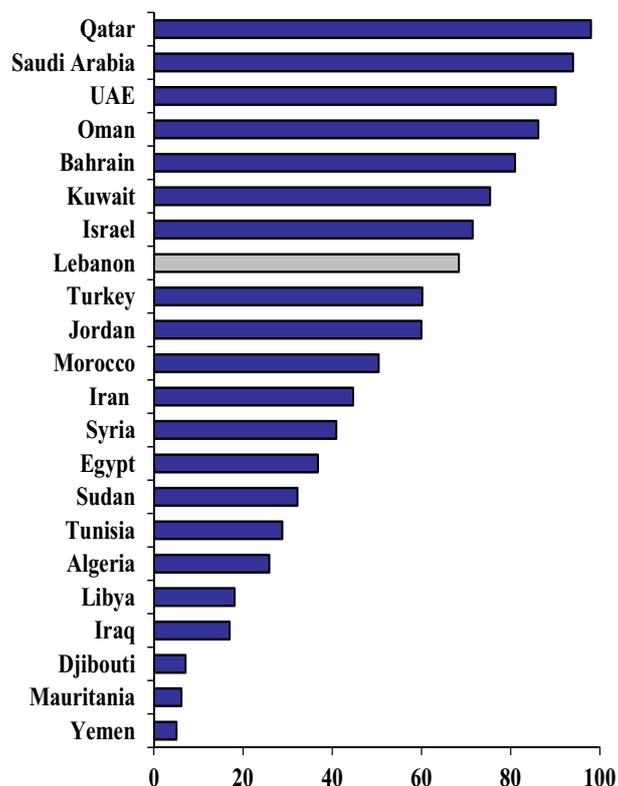
The Central Bank's interim balance sheet totaled \$91.6bn at the end of September 2015, constituting increases of 6.9% from \$85.7bn at the end of 2014 and of 7.5% from \$85.3bn at the end of September 2014. Assets in foreign currency reached \$38.2bn at the end of September 2015, reflecting a rise of 1% from \$37.9bn at end-2014 but a drop of 0.2% from \$38.3bn at end-September 2014. Assets in foreign currency decreased by \$1.9m in January, by \$410.6m in March, by \$745.1m in April, by \$481.5m in June, by \$45.1m in July, by \$222.8m in August and by \$343m in September, while they increased by \$1.02bn in February and by \$1.61bn in May 2015. This resulted in an aggregate increase of \$386.1m in the first nine months of 2015. In parallel, the Central Bank's assets in foreign currency dropped by \$94.6m from the end of September 2014. Assets in foreign currencies decreased by \$445.1m in 2013, and increased by \$8.3bn in 2009, by \$2.3bn in 2010, by \$1.63bn in 2011, by \$3.5bn in 2012 and by \$2.6bn in 2014.

The value of the Central Bank's gold reserves contracted by 5.4% in the first nine months of 2015 and by 9.1% year-on-year to \$10.36bn, due to lower global gold prices. The value of gold reserves reached a peak of \$16.7bn at the end of August 2011. In parallel, the securities portfolio of the Central Bank grew by 20.3% in the first nine months of 2015 to \$16.8bn. Further, deposits of the financial sector rose by \$6.6bn, or by 9.8%, in the first nine months of the year and by \$8.8bn, or 13.5% annually to \$74.1bn; while deposits of the public sector decreased by \$975.2m, or 16.1%, year-to-September and contracted by \$2.16bn or 30% year-on-year to \$5.1bn.

### Economic activity stagnates in first seven months of 2015

The Central Bank's Coincident Indicator, an index of economic activity in Lebanon, reached 264.6 points in July 2015 compared to 277.7 in June 2015 and 248.4 in July 2014. The Coincident Indicator, an average of 8 weighted economic indicators, decreased by 4.7% month-on-month but increased by 6.5% year-on-year in July 2015. The indicator averaged 275.5 in the first seven months of 2015, up 0.7% from 273.6 in the same period of 2014. Also, the indicator averaged 274.3 in the 12 months ending July 2015, compared to 272.9 in the 12 months ending June 2015 and 268.7 in the 12 months ending July 2014. As a result, the average coincident indicator grew by 0.5% month-on-month and by 2.1% year-on-year. In parallel, the indicator regressed 14 times, improved eight times and was unchanged one time on a monthly basis in the month of July since 1993. It averaged 249.5 points in 2010, 255.7 points in 2011, 256.6 points in 2012, 264.7 points in 2013 and 273.2 points in 2014.

### Mobile Broadband Penetration Rates in MENA Region



Source: ITU, Byblos Research

### New retail indicators show decline in sales in most categories since 2012

The Lebanese Franchise Association and the Chamber of Commerce, Industry & Agriculture of Beirut and Mount-Lebanon launched a set of indicators for the retail sales of goods and services in Lebanon. The indicator for retail sales of consumer goods covers clothing, cosmetics, household goods, sports & hobbies luxury items, and food & beverages. Also, the indicator for the retail sales of services covers hospitality, tourism & entertainment, medical services and education. The indicators are based on data collected from three shopping malls in the Beirut and Mount Lebanon area, on a retail enterprise survey, and on data from payment system operators. The indicators are calculated using 2012 as a base year. QuantAnalysts sarl, a research and consulting firm, compiled the data and developed the indicators. The firm said that the data was seasonally adjusted for 2013 and 2014 and that it followed 30-month trend analysis of the results to avoid drawing misleading conclusions from period-to-period comparisons if there is a growth in sales relative to a period when performance was particularly weak. As such, the results show that retail sales in almost all categories have followed a downward trend or were flat during the 30-month period that stretches from January 2013 to June 2015.

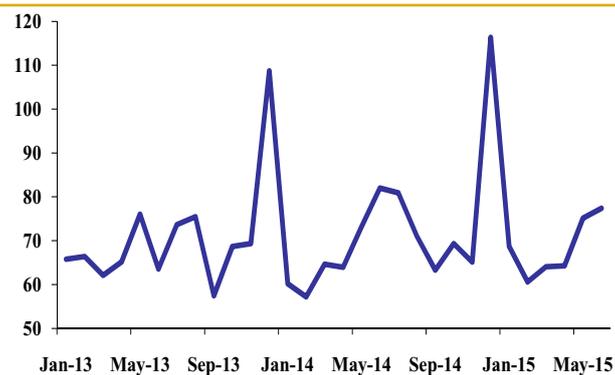
The results show that the indicator for retail sales of consumer goods in June 2015 was 22.6% lower than the 2012 base year level. The indicator for the value of sales of sports & hobbies was 44.1% lower than in the base year result, followed by luxury items (-33.9%), households (-26.3%), clothing (-22.4%) and food & beverages (-17.5%); while the indicator for cosmetics' sales was 8.4% higher than the base year level. Also, the indicator for the sales of consumer goods declined between January 2013 and June 2015 by a monthly average of 0.82%. In contrast, the indicator for the retail sales of services in June 2015 increased by 12.3% from 2012, with the sales of medical services growing by 27.3% relative to the base year.

In parallel, the indicator for retail sales of consumer goods increased by 2.2% in the first half of 2015 compared to the same period last year, and relative to a 1.75% rise in 2014. The indicator for the food & beverages category rose by 18.8% year-on-year, followed by sports & hobbies (+14.1%), cosmetics (+5%) and luxury items (+4%); while the indicator for household goods contracted by 14.6% year-on-year in the first half of 2015 and that for clothing fell by 8.7%. Further, the indicator for the retail sales of services rose by 11.4% year-on-year in the first half of 2015 relative to a 0.85% increase in 2014. The tourism and hospitality categories accounted for most of the increase, as they rose by 28.8% and 20%, respectively. Also, the retail sales of medical services grew by 8.6%, while that for education contracted by 6% year-on-year in the first half of 2015.

### Balance of payments posts deficit of \$1.65bn in first eight months of 2015

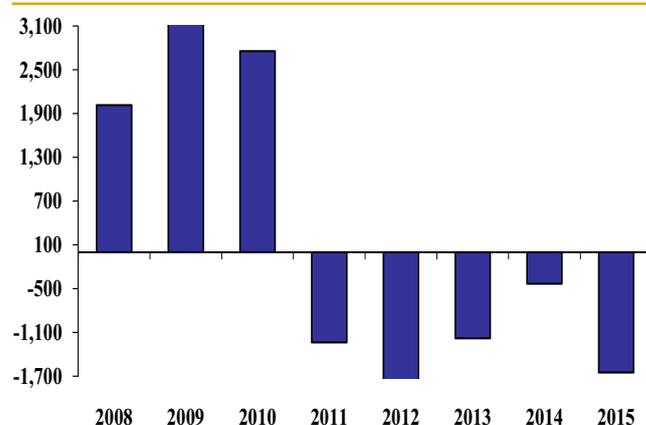
Central Bank figures show that Lebanon's balance of payments posted a deficit of \$1.65bn in the first eight months of 2015 compared to a deficit of \$432.9m in the same period last year. The balance of payments posted a deficit of \$332m in August 2015 compared to a surplus of \$2.4m in July 2015 and a deficit of \$563.9m in August 2014. The August 2015 deficit was caused by a deficit of \$407.2m in the net foreign assets of the Central Bank, and was partially offset by a surplus of \$75.2m in those of banks and financial institutions. The cumulative deficit over the first eight months of 2015 was caused by a deficit of \$3.11bn in the net foreign assets of banks and financial institutions, and was partly offset by a surplus of \$1.46bn in those of the Central Bank. The balance of payments posted surpluses of \$7.9bn in 2009 and \$3.3bn in 2010, and deficits of \$2bn in 2011, \$1.5bn in 2012, \$1.1bn in 2013 and \$1.4bn in 2014.

#### Retail Sales of Consumer Goods



Source: Lebanese Franchise Association

#### Balance of Payments\* (US\$m)



\*in the first eight months of each year

Source: Central Bank of Lebanon

### **Consumer Price Index down 4.6% year-on-year in August 2015**

The Central Administration of Statistics' Consumer Price Index declined by 3.6% in the first eight months of 2015 from the same period last year. Also, the CPI decreased by 4.6% in August 2015 from August 2014. Prices of alcoholic beverages & tobacco increased by 5% year-on-year in August, followed by the cost of education (+4.5%), prices at restaurants & hotels (+2.3%), imputed rents (+1.6%), actual rent (+1.4%), miscellaneous goods & services (+1.2%) and the cost of furnishings & household equipment (+0.8%). The distribution of actual rent shows that new rents increased by 1.7% year-on-year in August 2015, while old rents rose by 0.9% annually during the covered month. In contrast, the prices of water, electricity, gas & other fuels fell by 21.2% in August 2015, followed by transportation costs (-11.4%), healthcare costs (-7.4%), clothing & footwear (-4.6%), prices of food & non-alcoholic beverages (-1.2%), recreation & entertainment (-0.5%) and communication costs (-0.3%).

Further, the CPI decreased by 0.5% in August 2015 from the preceding month, relative to a month-on-month decline of 0.3% in July 2015. The cost of food & non-alcoholic beverages grew by 1.5% month-on-month, while prices at restaurants & hotels and those of alcoholic beverages & tobacco rose by 0.1% each. In contrast, the prices of water, electricity, gas & other fuels decreased by 3.3% month-on-month, followed by transportation costs (-3%), healthcare costs (-0.6%), prices of clothing & footwear (-0.2%), and the prices of furnishings & household equipment (-0.1%). The cost of recreation & entertainment, miscellaneous goods & services, imputed and actual rent, education and communication were unchanged month-on-month. Further, the Fuel Price Index decreased by 7.9% month-on-month in August 2015, while the Education Price Index was unchanged from July 2015.

In parallel, the CPI grew by 0.1% month-on-month in Beirut, while it regressed by 2.4% in the Bekaa region, by 1.4% in Nabatieh, by 1% in the North and the South, and by 0.1% in Mount Lebanon. In addition, prices of clothing & footwear decreased by 10.9% in the Bekaa region, followed by the South (-10.6%) and the North (-4%); while they increased by 5.1% in Mount Lebanon, followed by Beirut (+2.2%) and Nabatieh (+0.1%). Prices of food & non-alcoholic beverages increased by 3% in the South, by 2.7% in Beirut, by 1.4% in each of Mount Lebanon and the North, and by 0.4% in Nabatieh; while they regressed by 0.1% in the Bekaa region. The cost of housing, water, electricity, gas & other fuels dropped across all regions and recorded the steepest decrease of 3.4% in Nabatieh. Also, healthcare costs fell across all regions and registered the steepest decline of 0.8% in the North, while transportation costs regressed across all regions with Nabatieh recording the steepest drop of 4.6%. In contrast, communication and education costs were unchanged across all regions.

### **Health and Industry ministries to shut down unlicensed water companies**

The Ministry of Public Health and the Ministry of Industry issued a resolution in September 2015 to shut down about 600 unlicensed water processing, refining, bottling and distribution companies in Lebanon. The Health Ministry indicated that there are more than 800 potable water companies currently operating in the country, with only about 190 firms that applied for a license. The ministry noted that the companies that applied for a license and that met the initial requirements will get a temporary permit to operate, but will have until October 30, 2015 to meet all the requirements to receive a permanent license. It added that, in case of non-compliance, these companies would be shut down immediately. The two ministries pointed out that licensed companies will be subject to regular governmental supervision to ensure that the required sanitary norms are in line with local safety standards. The step follows the Health Ministry and the Industry Ministry's decision earlier in 2015 to regulate and organize the distribution of potable water to households, in line with Law 210 that mandates all water companies to have a valid license to operate in Lebanon.

### Stock market activity down 1% to \$510m in first nine months of 2015

Figures released by the Beirut Stock Exchange (BSE) indicate that total trading volume reached 60,963,169 shares in the first nine months of 2015, constituting a decrease of 19.5% from 75,753,384 shares traded in the same period of 2014; while aggregate turnover amounted to \$510.5m, down by 1.3% from a turnover of \$517.2m in the first nine months of 2014. Market capitalization regressed by 0.5% from the end of September 2014 to \$11bn, with banking stocks accounting for 81.6% of the total, followed by real estate shares (15.1%), industrial firms (3%) and trading stocks (0.3%). The market liquidity ratio was 4.6% compared to 4.7% in the first nine months of 2014. Banking stocks accounted for 91% of aggregate trading volume in the first nine months of the year, followed by real estate equities with 8.5%, industrial shares with 0.4% and trading stocks with 0.1%. Also, banking stocks represented 87.8% of the aggregate value of shares traded, followed by real estate equities with 11.5% and industrial stocks with 0.7%. The average daily traded volume for the period was 334,962 shares for an average daily value of \$2.8m. The figures reflect decreases of 18.6% in volume and of 0.2% in value year-on-year. In parallel, the Market Value-Weighted Index for stocks traded on the BSE decreased by 11% in the first nine months of 2015, while the Banks Market Value-Weighted Index regressed by 0.4% in the covered period.

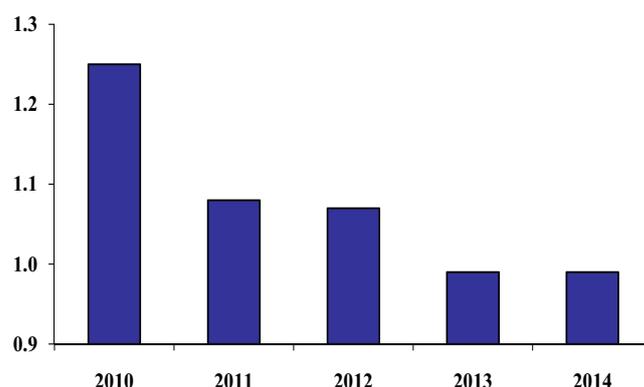
### Banking sector's profitability stagnates in 2014

The consolidated net profits of the Lebanese banking sector totaled \$2.1bn in 2014, constituting an increase of 9.7% from \$1.89bn in 2013. Net operating income rose by 9.3% to \$5.6bn in 2014, with aggregate net interest income increasing by 9.4% to \$3.77bn and net fees & commissions receipts rising by 11.9% to \$1bn year-on-year. Non-interest income accounted for 33.7% of total income in 2014, down from 33.9% in the preceding year. The net interest spread stood at 1.92% in 2014, unchanged from 2013. Total operating expenditures increased by 8.6% year-on-year to \$3.1bn in 2014, with staff expenses rising by 9.8% to \$1.74bn and administrative & other operating expenses growing by 6.4% to \$1.14bn. The cost-to-income ratio was 51.6% in 2014 relative to 51.8% in 2013. Also, the sector's return on average assets and its return on average equity remained unchanged year-on-year at 0.99% and 11.04%, respectively, in 2014.

The sector's total assets reached \$217.5bn at the end of 2014, constituting a rise of 9.3% from \$198.9bn at end-2013. Portfolio securities accounted for 33% of total assets at end-2014, followed by loans and liquid assets with 32% each, and fixed assets and other assets with 2% each. Further, aggregate loans & advances to customers rose by 11.5% from the end of 2013 to \$68bn, while credit extended to related parties decreased by 17% year-on-year to \$796m at end-2014. Corporate loans accounted for 39.3% of total net lending to customers at the end of 2014 compared to 42.3% a year earlier. They were followed by lending to small- and medium-sized enterprises with 17.8% relative to 17.6% at end-2013; housing loans with 14.2% of the total compared to 13.4% a year earlier; and retail credit with 11.8% of the total relative to 11.3% at end-2013. Also, customer deposits reached \$174.3bn at the end of 2014 and rose by 8.7% from a year earlier; while deposits from related parties increased by 2.4% to \$4.1bn at end-2014.

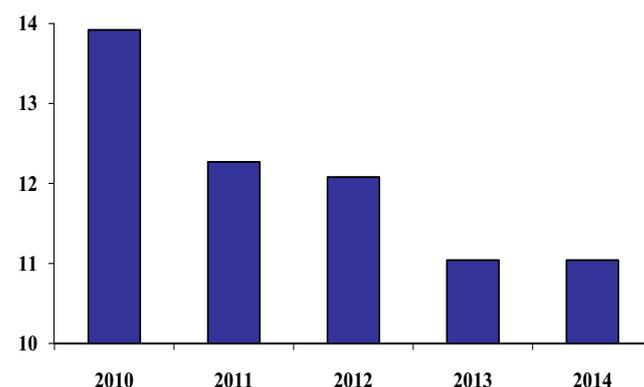
In parallel, the sector's loans-to-deposits ratio increased to 38.6% at end-2014 from 37.7% a year earlier. The ratio of loans-to-deposits in local currency stood at 24.2% at end-2014 compared to 22.7% at end-2013, while the same ratio in foreign currency was 44.6% at the end of 2014 relative to 44.1% a year earlier. Further, the primary liquidity-to-assets ratio improved from 30.7% at the end of 2013 to 32.2% at end-2014. The banks' gross doubtful loans-to-gross loans ratio regressed to 6.6% at end-2014 from 6.8% a year earlier. Also, the collective provisions-to-net loans ratio was 1% at the end of 2014 compared to 1.1% at end-2013. Further, the banks' capital adequacy ratio stood at 14.61% at the end of 2014, up from 14.23% at end-2013, according to Basel II criteria.

#### Return on Average Assets



Source: Bankdata

#### Return on Average Equity



Source: Bankdata

### **Investment vehicle acquires majority stake in food and beverages cluster**

The investment vehicle Emerging Investment Partners (EIP) acquired a 51% stake in the Backyard Hazmieh, a cluster of more than 20 food & beverage (F&B) outlets, for an undisclosed amount. The deal constitutes EIP's first investment in the F&B industry in Lebanon. The Backyard Hazmieh includes restaurants, cafés and pubs, with terraces, gardens, a gym and children's entertainment facilities. It is expected to open by the end of 2015. EIP intends to develop and replicate this concept locally and in the MENA region.

The Beirut-based Obegi Group and the Switzerland-based Generation Alfa, along with two other individual investors, established EIP in December 2014 by. The vehicle aims to invest between \$5m and \$10m in high-growth medium enterprises that have prospects for regional expansion in various sectors in the Levant, North Africa and selected African countries. The company is co-funded by private and institutional investors.

### **BBAC's net earnings up 19% to \$28m in first half of 2015**

BBAC Bank sal, one of Lebanon's top 10 banks, announced unaudited consolidated net profits of \$27.6m in the first half of 2015, constituting a rise of 18.9% from the same period last year. Net operating income increased by 9.7% year-on-year to \$65.7m, with net interest income growing by 7.9% to \$43.5m and net fees & commissions receipts rising by 18.1% year-on-year to \$13.2m. Non-interest income accounted for 37.7% of total income, up from 35.2% in the same period last year; with net fees & commissions representing 50.2% of non-interest earnings, down from 51% in the first half of 2014. Further, the bank's interest margin was 1.64% in the first half of 2015, unchanged from the same period last year; while its spread remained the same at 1.58%. Total operating expenditures increased by 2.1% to \$33.5m, with staff expenses marginally decreasing by 0.3% to \$20.1m. Also, the bank's return on average assets rose to 1% in June 2015 on an annualized basis from 0.91% in June 2014; while its return on average equity increased to 12.18% on an annualized basis from 11.09% in June 2014. The cost-to-income ratio rose to 48% in the first half of the year from 52.7% in the same period last year.

In parallel, total assets reached \$5.6bn at end-June 2015, constituting an increase of 2.2% from end-2014 and of 9.8% from a year earlier. Loans & advances to customers, excluding loans & advances to related parties, rose by 5% from end-2014 and by 12.9% from a year earlier to \$1.5bn. Also, customer deposits, excluding deposits from related parties, totaled \$4.9bn at the end of June, and increased by 4.6% from end-2014 and by 9.9% from a year earlier. The loans-to-deposits ratio rose to 31.2% at end-June 2015 from 30.4% a year earlier. In parallel, the bank's shareholder equity rose by 3.4% from the end of 2014 to \$461.5m at end-June 2015.

### **MetLife's ratings affirmed, outlook 'stable'**

Fitch Ratings affirmed MetLife's long-term Issuer Default Rating (IDR) at 'A', with a 'stable' outlook. It also affirmed the Insurer Financial Strength (IFS) rating of the company's main subsidiaries at 'AA-'. MetLife is a global provider of insurance, annuities and employee benefits programs. It acquired American Life Insurance Company (ALICO) in 2010. MetLife Alico is the largest provider of life insurance products in Lebanon. The agency indicated that the ratings are supported the company's strong balance sheet fundamentals, excellent financial flexibility and very strong market positioning in several major insurance product lines and markets. It noted that the ratings take into account MetLife's above average investment risk and continued macroeconomic challenges associated with the ongoing low interest rate environment.

Fitch pointed out that the MetLife's balance sheet fundamentals reflect its strong risk-adjusted capitalization and favorable liquidity profile. It noted that the firm's very strong brand name and its large and diverse distribution capabilities provide it with significant competitive advantages. Also, it said that the firm has experienced significant improvement in operating earnings, supported by its growing asset-based fees, attractive capital market performance, relatively stable interest margins and international acquisition activity.

MetLife Alico posted audited net profits of \$37.6m for the fiscal year ending in November 2014, constituting a rise of 13.4% from net earnings of \$33.2m in the same period of 2013. Its audited balance sheet for Lebanon shows total assets of \$567.3m at the end of November 2014, up 2.3% from a year earlier. Al-Bayan magazine's annual survey of the insurance sector in Lebanon ranked MetLife Alico in first and 10th place in 2014 in terms of life and non-life premiums, respectively. The firm's life premiums reached \$78.4m and non-life premiums amounted to \$30.2m, constituting increases of 4.4% and 10.5%, respectively. It had a 17.7% share of the life market and a 2.9% share of the local non-life market in 2014.

### **CreditBank's net earnings at \$17m in first half of 2015**

CreditBank sal, one of Lebanon's top 14 banks, announced unaudited consolidated net profits of \$16.7m in the first half of 2015, up by 49.4% from the same period last year. Net operating income increased by 14.4% year-on-year to \$47.4m, with net interest income growing by 9.2% to \$32.5m and net fees & commissions receipts rising by 9.8% year-on-year to \$7.6m. Non-interest income accounted for 34.5% of total income, up from 32.6% in the same period last year; with net fees & commissions representing 44.5% of non-interest earnings, down from 48.1% in the first half of 2014. Further, the bank's interest margin was 2.22% in the first half of 2015, down from 2.27% in the same period last year; while its spread reached 2.12%, relative to 2.19% in the first half of 2014. Total operating expenditures decreased marginally by 0.3% to \$27.5m, with staff expenses increasing by 4.6% to \$16.7m. Also, the bank's return on average assets rose to 1.09% in June 2015 on an annualized basis from 0.82% in June 2014; while its return on average equity increased to 14.48% on an annualized basis from 10.74% in June 2014. The cost-to-income ratio dropped to 55.5% in the first half of the year from 62.6% in the same period last year.

In parallel, total assets reached \$3.1bn at end-June 2015, constituting an increase of 4.5% from end-2014 and of 12.6% from a year earlier. Loans & advances to customers, excluding loans & advances to related parties, rose by 7.7% from end-2014 and by 8% from a year earlier to \$1.6bn. Also, customer deposits, excluding deposits from related parties, totaled \$2.7bn at the end of June and increased by 3.1% from end-2014 and by 12.6% from a year earlier. The loans-to-deposits ratio declined to 59.4% at end-June 2015 from 61.7% a year earlier. In parallel, the bank's shareholder equity rose by 19.9% from the end of 2014 to \$252m at end-June 2015.

### **Liberty Insurance posts losses at \$1m in 2014**

Liberty Insurance sal declared net losses of \$0.9m in 2014, constituting a decrease of 81.5% from net losses of \$4.9m in 2013. The firm's audited balance sheet shows total assets of \$17m at the end of 2014, up 5.5% from \$16.1m a year earlier. On the assets side, general company investments totaled \$8.4m and increased by 9.1% from end-2013. They included \$4.1m in cash & cash equivalents and \$1.6m in land and real estate investments. They also included \$2.7m in blocked bank deposits and deposits with maturity of more than three months, of which \$2.4m, or 91.3%, were blocked in favor of the Economy Ministry as guarantees. Also, reinsurance share in technical reserves amounted to \$1.1m, compared to \$8,557 in 2013. The increase was due to a rise of \$1.05m in reinsurance share in reserves for accidents.

On the liabilities side, technical reserves rose by 23.8% year-on-year to \$15.9m. Technical reserves included unearned premium reserves of \$6.9m that regressed by 1.7% and outstanding claims reserves of \$0.1m that decreased by 95.1% year-on-year. Provisions for risks and charges reached \$0.1m at the end of 2014 and fell by 10.3% from the previous year. Also, shareholders' equity totaled \$3m at end-2014 and was unchanged from the end of 2013.

*Al-Bayan* magazine's annual survey of the insurance sector in Lebanon ranked Liberty Insurance in 17th place in 2014 in terms of non-life premiums. The firm's non-life premiums reached \$15.9m, constituting an increase of 43.2% from 2013. It had a 1.5% share of the local non-life market.

## Ratio Highlights

(in % unless specified)	2012	2013	2014	Change*
Nominal GDP (\$bn)	41.0	44.2	48.4	
Public Debt in Foreign Currency / GDP	59.4	59.1	52.9	(620)
Public Debt in Local Currency / GDP	81.2	84.6	84.7	13
Gross Public Debt / GDP	140.6	143.7	137.7	(607)
Total Gross External Debt / GDP**	163.9	163.8	165.4	160
Trade Balance / GDP	(40.9)	(38.9)	(35.6)	333
Exports / Imports	21.1	19.1	16.1	(295)
Fiscal Revenues / GDP	22.9	21.3	22.5	116
Fiscal Expenditures / GDP	32.5	30.9	28.9	(204)
Fiscal Balance / GDP	(9.6)	(9.6)	(6.4)	320
Primary Balance / GDP	(0.3)	(0.5)	2.7	325
Gross Foreign Currency Reserves / M2	69.4	69.5	66.5	(299)
M3 / GDP	253.5	251.7	243.4	(838)
Commercial Banks Assets / GDP	370.2	373.3	363.4	(992)
Private Sector Deposits / GDP	304.7	308.5	298.7	(979)
Private Sector Loans / GDP	105.9	107.3	105.3	(204)
Private Sector Deposits Dollarization Rate	64.8	66.1	65.7	(43)
Private Sector Lending Dollarization Rate	77.6	76.5	75.6	(98)

\* Change in basis points 13/14

\*\*Includes portion of public debt owed to non-residents, liabilities to non-resident banks, non-resident deposits (estimated by the IMF), Bank for International Settlements' claims on Lebanese non-banks

Source: Association of Banks in Lebanon, International Monetary Fund, Institute of International Finance, Byblos Research Estimates & Calculations

Note: M2 includes money in circulation and deposits in LBP, M3 includes M2 plus Deposits in FC and bonds

## Risk Metrics

Lebanon	Aug 2013	July 2014	Aug 2014	Change*	Risk Level
Political Risk Rating	52.5	52.0	52.0	▲	High
Financial Risk Rating	33.5	38.0	38.0	▼	Low
Economic Risk Rating	28.5	27.0	27.0	▲	High
Composite Risk Rating	57.2	58.5	58.5	▼	High

Regional Average	Aug 2013	July 2014	Aug 2014	Change*	Risk Level
Political Risk Rating	58.2	57.9	57.7	▲	High
Financial Risk Rating	41.3	41.0	40.9	▲	Very Low
Economic Risk Rating	36.2	36.2	36.1	▲	Low
Composite Risk Rating	67.8	67.5	67.3	▲	Moderate

\*year-on-year change in risk

Source: The PRS Group, Byblos Research

Note: Political & Composite Risk Ratings range from 0 to 100 (where 100 indicates the lowest risk)

Financial & Economic Risk ratings range from 0 to 50 (where 50 indicates the lowest risk)

## Ratings & Outlook

Sovereign Ratings	Foreign Currency			Local Currency		
	LT	ST	Outlook	LT	ST	Outlook
Moody's	B2	NP	Negative	B2		Negative
Fitch Ratings	B	B	Negative	B		Negative
Standard & Poor's	B-	B	Negative	B-	B	Negative
Capital Intelligence	B	B	Stable	B	B	Stable

Source: Rating agencies

Banking Ratings	Banks' Financial Strength	Banking Sector Risk	Outlook
Moody's	E+		Negative
EIU		CCC	

Source: Rating agencies

---

**Economic Research & Analysis Department**  
**Byblos Bank Group**  
**P.O. Box 11-5605**  
**Beirut – Lebanon**  
**Tel: (961) 1 338 100**  
**Fax: (961) 1 217 774**  
**E-mail: [research@byblosbank.com.lb](mailto:research@byblosbank.com.lb)**  
**[www.byblosbank.com](http://www.byblosbank.com)**

---

---

Lebanon This Week is a research document that is owned and published by Byblos Bank sal. The contents of this publication, including all intellectual property, trademarks, logos, design and text, are the exclusive property of Byblos Bank sal, and are protected pursuant to copyright and trademark laws. No material from Lebanon This Week may be modified, copied, reproduced, repackaged, republished, circulated, transmitted, redistributed or resold directly or indirectly, in whole or in any part, without the prior written authorization of Byblos Bank sal.

The information and opinions contained in this document have been compiled from or arrived at in good faith from sources deemed reliable. Neither Byblos Bank sal, nor any of its subsidiaries or affiliates or parent company will make any representation or warranty to the accuracy or completeness of the information contained herein.

Neither the information nor any opinion expressed in this publication constitutes an offer or a recommendation to buy or sell any assets or securities, or to provide investment advice. This research report is prepared for general circulation and is circulated for general information only. Byblos Bank sal accepts no liability of any kind for any loss resulting from the use of this publication or any materials contained herein.

The consequences of any action taken on the basis of information contained herein are solely the responsibility of the person or organization that may receive this report. Investors should seek financial advice regarding the appropriateness of investing in any securities or investment strategies that may be discussed in this report and should understand that statements regarding future prospects may not be realized.

---

# BYBLOS BANK GROUP

## LEBANON

---

Byblos Bank S.A.L  
Achrafieh - Beirut  
Elias Sarkis Avenue - Byblos Bank Tower  
P.O.Box: 11-5605 Riad El Solh - Beirut 1107 2811- Lebanon  
Phone: (+ 961) 1 335200  
Fax: (+ 961) 1 339436

## SYRIA

---

Byblos Bank Syria S.A.  
Damascus Head Office  
Al Chaalan - Amine Loutfi Hafez Street  
P.O.Box: 5424 Damascus - Syria  
Phone: (+ 963) 11 9292 - 3348240/1/2/3/4  
Fax: (+ 963) 11 3348205  
E-mail: byblosbanksyria@byblosbank.com

## IRAQ

---

Erbil Branch, Kurdistan, Iraq  
Street 60, Near Sports Stadium  
P.O.Box: 34 - 0383 Erbil - Iraq  
Phone: (+ 964) 66 2233457/8/9 - 2560017/9  
E-mail: erbilbranch@byblosbank.com.lb

Baghdad Branch, Iraq  
Al Karrada - Salman Faeq Street  
Al Wahda District, No. 904/14, Facing Al Shuruk Building  
P.O.Box: 3085 Badalat Al Olwiya - Iraq  
Phone: (+ 964) 770 6527807 / (+ 964) 780 9133031/2  
E-mail: baghdadbranch@byblosbank.com.lb

Basra Branch, Iraq  
Intersection of July 14th, Manawi Basha Street, Al Basra - Iraq  
Phone: (+ 964) 770 4931900 / (+ 964) 770 4931919  
E-mail: basrabranch@byblosbank.com.lb

## UNITED ARAB EMIRATES

---

Byblos Bank Abu Dhabi Representative Office  
Intersection of Muroor and Electra Streets  
P.O.Box: 73893 Abu Dhabi - UAE  
Phone: (+ 971) 2 6336050 - 2 6336400  
Fax: (+ 971) 2 6338400  
E-mail: abudhabirepoffice@byblosbank.com.lb

## ARMENIA

---

Byblos Bank Armenia CJSC  
18/3 Amiryan Street - Area 0002  
Yerevan - Republic of Armenia  
Phone: (+ 374) 10 530362  
Fax: (+ 374) 10 535296  
E-mail: infoarm@byblosbank.com

## CYPRUS

---

Limassol Branch  
1, Archbishop Kyprianou Street, Loucaides Building  
P.O.Box 50218  
3602 Limassol - Cyprus  
Phone: (+ 357) 25 341433/4/5  
Fax: (+ 357) 25 367139  
E-mail: byblosbankcyprus@byblosbank.com.lb

## BELGIUM

---

Byblos Bank Europe S.A.  
Brussels Head Office  
Rue Montoyer 10  
Bte. 3, 1000 Brussels - Belgium  
Phone: (+ 32) 2 551 00 20  
Fax: (+ 32) 2 513 05 26  
E-mail: byblos.europe@byblosbankeur.com

## UNITED KINGDOM

---

Byblos Bank Europe S.A., London Branch  
Berkeley Square House  
Berkeley Square  
GB - London W1J 6BS - United Kingdom  
Phone: (+ 44) 20 8518 8100  
Fax: (+ 44) 20 8518 8129  
E-mail: byblos.london@byblosbankeur.com

## FRANCE

---

Byblos Bank Europe S.A., Paris Branch  
15 Rue Lord Byron  
F- 75008 Paris - France  
Phone: (+33) 1 45 63 10 01  
Fax: (+33) 1 45 61 15 77  
E-mail: byblos.europe@byblosbankeur.com

## SUDAN

---

Byblos Bank Africa  
Khartoum Head Office  
Intersection of Mac Nimer and Baladiyya Streets  
P.O.Box: 8121 - Khartoum - Sudan  
Phone: (+ 249) 1 56 552 222  
Fax: (+ 249) 1 56 552 220  
E-mail: byblosbankafrica@byblosbank.com

## NIGERIA

---

Byblos Bank Nigeria Representative Office  
161C Rafu Taylor Close - Off Idejo Street  
Victoria Island, Lagos - Nigeria  
Phone: (+ 234) 706 112 5800  
(+ 234) 808 839 9122  
E-mail: nigeriarepresentativeoffice@byblosbank.com.lb

## DEMOCRATIC REPUBLIC OF CONGO

---

Byblos Bank RDC S.A.R.L  
Avenue du Marché No. 4  
Kinshasa-Gombe, Democratic Republic of Congo  
Phone: (+ 243) 81 7070701  
(+ 243) 99 1009001  
E-mail: byblosbankrdc@byblosbank.com

## ADIR INSURANCE

---

Dora Highway - Aya Commercial Center  
P.O.Box: 90-1446  
Jdeidet El Metn - 1202 2119 Lebanon  
Phone: (+ 961) 1 256290  
Fax: (+ 961) 1 256293