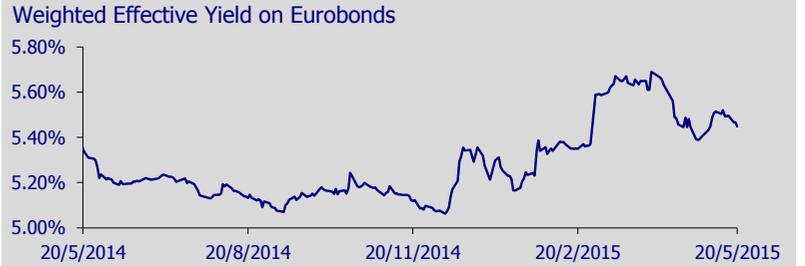
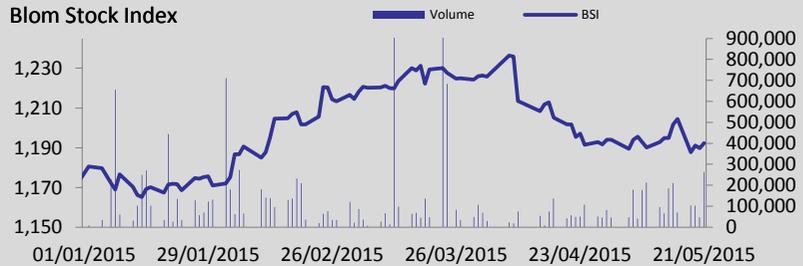


Daily Market Bulletin

Thursday May 21, 2015



BLOM Indices*

	Last	Previous	% Change
BSI	1,192.38	1,189.78	0.22%
High	1,192.81	1,191.21	
Low	1,188.35	1,188.85	
Vol	262,960	47,621	452.19%
Val	3,506,057	568,354	516.88%
BPSI	104.43	104.37	0.06%
Vol	22,300	5,734	
Val	\$2,909,075	\$161,413	
BBI	107.65	107.57	0.07%
10Y Yield	5.99%	5.99%	-
Spread10Y US	373	372	1

MARKET WRAP UP

The Lebanese Bourse saw heavy activity as 262,960 shares worth \$3.51M were traded. Six out of the nine traded stocks ended in the green while the remaining traded with no change in price. Inherently, the BLOM Stock Index (BSI) went up by 0.22% to 1,192.38 points, widening its year-to-date gains to 1.89%. In the banking sector, Byblos Bank listed shares gained 0.62% to land at \$1.62, in addition to its preferred shares 2008 and 2009 respectively augmenting by 0.10% and 0.20% to settle at the same quote of \$100.20. Furthermore, BLC preferred shares class "C" added 1% to close the session at \$101.00. BLOM listed and GDR shares as well as Bank of Beirut preferred shares class "H" traded at their previous price. In the real-estate sector, Solidere shares classes "A" and "B" progressed by 1.05% and 0.44% to end at \$11.57 and \$11.41, respectively.

The BLOM Bond Index (BBI) inched up by 0.07% to 107.65 points, as demand for medium-term Lebanese Eurobonds slightly progressed on Wednesday. The yield on the 10Y remained at 5.99% while that of the 5Y declined by 2 basis points (bps) to 5.18%. On the US front, the yield on the medium-term U.S notes went down by 3 bps to close the session at 1.57%, illustrating a slight improvement. Accordingly, the spread between the yields on the 5Y Lebanese Eurobonds and their US counterpart marginally broadened by 1 bps to 361 bps. Lebanon's 5Y Credit Default Swaps (CDS) narrowed from a previous quote of 371-396 bps to 371-395 bps.

According to the Central Administration of Statistics (CAS), the Consumer Price Index (CPI) continued to show signs of deflationary pressures, recording a yearly decline for the 5th month consecutively. The CPI dropped from 101.64 points in April 2014 to 97.83 points by the end of April 2015, recording a 3.75% year-on-year (y-o-y) fall. This fall is attributed to the annual 44% and 15% plunges in the average international oil quotes and the depreciating Euro, respectively, in the first four month of the year. The former has been weighing heavily on "water, electricity, gas & other fuels" and "transportation" which constitute two of the main weights of the CPI with a collective share of 25%. In terms of the CPI's components, "food and non-alcoholic beverages" (20.6% of CPI) downturned by 0.94% y-o-y in April 2015. Moreover, "transportation" (13.1% of CPI) and "water, electricity, gas & other fuels" (11.9% of CPI), saw annual declines of 12.06% and 15.35%, respectively. "Health" (7.8% of CPI) sub-index posted a yearly downtick of 4.61%, mainly on the back of ceilings on medicine (prices) set by the Ministry of Finance, cutting them by up to 30% since April 2014. The final 2 sub-indices that waned were "communication" (4.6% of CPI) and "recreation, amusement and culture" (2.3% of CPI), posting respective y-o-y falls of 23.77% and 0.12%. Lower internet and mobile tariffs (30% decline to \$0.25/minute) initiated in the beginning of June 2014 were behind the former drop. However, "education" sub-index, constituting 5.9% of the CPI, increased annually by 4.51% in April 2015. In addition, "clothing and footwear" (5.4% of CPI) prices went up by 5.80% y-o-y, which might be due to the 23.12% y-o-y improvement in tourist activity, in the 1st quarter of 2015. In addition, "actual rent" sub-index for households (old and new rent), with a stake of 3.4% in the CPI, upturned by 9.98% y-o-y. On a month-on-month basis, overall prices have been increasing, for the last 3 months, by an average of 0.73% compared to 1.05% decline in the first 2 months of the year. This is because of the recovery of Brent crude oil and the Euro vs the Dollar since the beginning of March.

BLOM Funds

	20/05/2015	% Change
Cedars A (\$)	\$ 7,522.98	-0.13%
Cedars B (\$)	\$ 5,380.55	-0.13%
Cedars C (\$)	\$ 5,713.76	-0.13%
Petra A (JOD)	\$ 2,909.42	-0.01%
Petra B (\$)	\$ 4,835.41	-0.01%
BBF**	\$ 9,481.98	-
Pyramids	\$ 5,693.2	-0.28%

Foreign Exchange Market

	Last	Previous	% Change
\$/LBP	1,512.00	1,512.00	-
€/LBP	1,682.52	1,672.12	0.62%
£/LBP	2,364.97	2,339.04	1.11%
NEER****	163.46	163.61	-0.09%

Money & TB's Market Rates

	Lebanese TBs	Beirut \$ Market
LBP Interbank Rate	2.75%	
1 w	0.00%	0.00%
1 M	0.03%	0.03%
3 M	4.39%	0.10%
6 M	4.87%	0.16%
1 Y	5.08%	0.25%
2 Y	5.84%	0.47%
3 Y	6.50%	0.91%
5 Y	6.74%	1.98%

	Last	Change	Volume	Vwap	Price	Yield	
Solidere (A)	\$11.57	1.05%	33,820	\$11.52	Nov. 2016	100.510	4.38%
Solidere (B)	\$11.41	0.44%	12,732	\$11.40	Mar. 2017	108.060	4.37%
BLOM GDR	\$10.00	-	710	\$10.00	Oct. 2017	101.110	4.50%
BLOM Listed	\$9.50	-	71,149	\$9.50	Jun. 2018	101.000	4.79%
Audi GDR	\$6.55	-	-	-	Nov. 2018	100.750	4.91%
Audi Listed	\$6.12	-	-	-	Apr. 2019	101.250	5.14%
Byblos Listed	\$1.62	0.62%	122,249	\$1.62	Mar. 2020	104.500	5.30%
Byblos Pref 08	\$100.20	0.10%	15,000	\$100.20	Apr. 2020	101.750	5.39%
Byblos Pref 09	\$100.20	0.20%	3,750	\$100.20	Apr. 2021	113.500	5.53%
BLC Pref C	\$101.00	1.00%	1,600	\$101.00	Oct. 2022	102.250	5.72%
BoB Pref H	\$25.50	-	1,950	\$25.50	Jan. 2023	101.250	5.79%
	BSI	BPSI	BBI	NEER	Dec. 2024	107.250	5.99%
Year to date	1.89%	-1.42%	0.16%	10.96%	Feb. 2025	101.130	6.04%
	Cedars A	Cedars B	Petra A	Petra B	Nov. 2026	103.500	6.17%
Year to date	2.05%	2.05%	3.74%	3.59%	Nov. 2027	104.500	6.23%
					Feb. 2030	102.750	6.36%