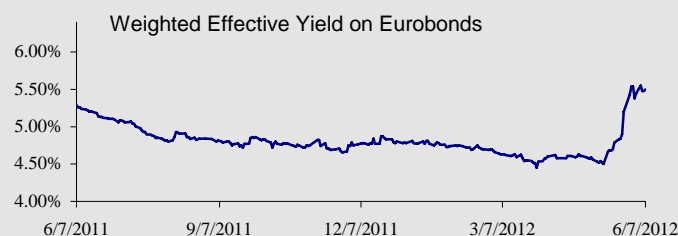
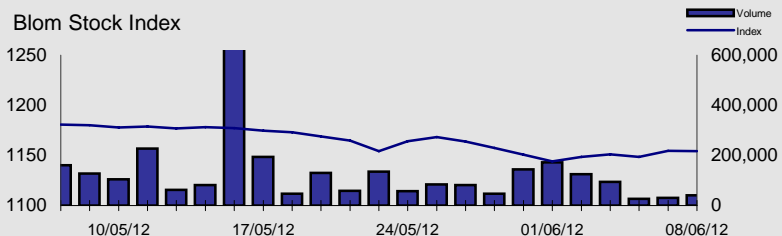


Daily Market Bulletin

Friday 08 June, 2012



BLOM Indices*

	Last	Previous	% Change
BSI	1,154.17	1,154.49	-0.03%
High	1,156.72	1,156.00	
Low	1,151.81	1,147.61	
Vol	40,735	30,502	33.55%
Val	\$449,096	\$494,051	-9.1%
BPSI	102.97	102.97	-
Vol	9,191	1,100	
Val	\$183,057	\$110,000	
BBI	108.66	108.66	-
Yield	5.50%	5.50%	-
Spread	490	494	-4

BLOM Funds

	07/06/12	% Change
Cedars A (\$)	\$6,767.82	-0.03%
Cedars B (\$)	\$5,133.78	-0.03%
Cedars C (\$)	\$5,140.21	-0.03%
Petra A (JOD)	2643.88	0.02%
Petra B (\$)	\$4,399.40	0.02%
BBF**	\$10,016.99	
Pyramids	\$4,703.21	0.11%

Foreign Exchange Market

	Last	Previous	%Change
\$/LBP	1,502.00	1,502.00	-
€/LBP	1,878.95	1,898.39	-1.02%
£/LBP	2,323.96	2,336.32	-0.53%
NEER****	103.55	103.12	0.42%

Money & TB's Market Rates

	Lebanese TBs	Beirut \$ Market
LBP Interbank Rate		2.75%
1 w	-	0.00%
1 M	-	0.09%
3 M	3.89%	0.13%
6 M	4.40%	0.59%
1 Y	4.59%	0.73%
2 Y	5.34%	0.73%
3 Y	5.94%	0.74%
5 Y	6.18%	1.38%

MARKET WRAP UP

The BLOM Stock Index (BSI) inched 0.03% down to close at 1,154 points. The total volume reached 40,735 shares worth \$449,096 with the banking sector capturing 85.83% of the total value traded. Solidere A lost 0.66% whereas Solidere B climbed 2.11% to align at \$13.07. In the banking sector, BLOM GDR declined 1.91% to \$7.7.

The BLOM Bond Index (BBI) remained flat at 108.66 points on Thursday keeping the average weighted yield on holding Lebanese Eurobonds unchanged at 5.5%. As for the spread against the US benchmark yield, it contracted 4 basis points (bps) to 490 bps. Lebanon's credit default swap for 5 years (CDS) was last quoted at 483-520 bps, up from 471-503 bps yesterday.

Lebanon's fiscal deficit narrowed almost 40% annually to \$669 million in the first quarter of 2012, as total revenues increased by 29% y-o-y to \$2.34 billion, whereas expenditures climbed by only 3% y-o-y to \$3 billion. The substantial improvement in revenues boosted the primary balance to a surplus of \$177 million, compared with a \$145 million deficit in Q1 2011. Non-tax revenues contributed the most to this year's deficit reduction, surging 168% y-o-y to \$544 million, mostly due to the transfer of \$345 million in telecom revenues to the Treasury. In contrast, no such transfers were made in Q1 2011 when an early cabinet resignation delayed the transfers. Tax revenues also climbed almost 13% y-o-y to \$1.68 billion in Q1 this year, reflecting improved consumer and business sentiment. Revenues from Value Added Tax (VAT) increased 12.7% y-o-y to \$579 million; income taxes jumped 26% y-o-y to \$384 million, while revenues from customs diminished 1.4% y-o-y to \$351 million. On the spending side, sharp increases were recorded in Q1 this year as transfers to Electricite du Liban (EdL) spiked 62% y-o-y to \$541 million due to a sustained rise in international oil prices while transfers from the government to municipalities and miscellaneous expenditures more than doubled to \$507 million. Those were however offset by a 43% annual drop in spending on accumulated dues to \$341 million and a 12% y-o-y decline in debt servicing to \$802 million.

	Last	Change	Volume	Vwap
Solidere (A)	\$13.07	-0.68%	4,527	\$13.05
Solidere (B)	\$13.07	2.11%	350	\$13.07
BLOM GDR	\$7.70	-1.91%	26,667	\$7.59
BLOM Listed	\$7.40	-	-	-
Audi GDR	\$6.50	-	-	-
Bank Audi	\$5.90	-	-	-
BLOM Pref 2011	\$10.14	-	8,191	\$10.14
BLC Pref A	\$100.00	-	1,000	\$100.00
	BSI	BPSI	BBI	NEER
Year to date	-1.91%	-0.68%	-2.06%	4.60%
	Cedars A	Cedars B	Petra A	Petra B
Year to date	2.33%	2.23%	-2.48%	-2.47%

	Mid Price***	Mid Yield
Sep. 2012	100.50	1.79%
Mar. 2013	106.25	1.80%
Jun. 2013	107.31	2.46%
Apr. 2014	107.88	3.33%
May. 2014	111.25	3.35%
Jan. 2015	104.50	4.14%
Aug. 2015	114.10	3.95%
Jan. 2016	115.00	4.18%
May 2016	127.50	4.25%
Mar. 2017	119.25	4.61%
Nov. 2018	100.38	5.08%
Mar. 2020	106.50	5.36%
Apr. 2021	119.25	5.51%
Oct. 2022	102.50	5.78%
Dec. 2024	108.50	6.03%
Nov. 2026	102.25	6.36%