

Economy

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Amid BDL's continuous heavy dollar injection via the "Sayrafa" platform and the inflow of hard currency during the Easter season, while the country is facing a multifaceted crisis combining an unprecedented institutional vacuum and a poor track record in implementing much-needed reforms, Lebanon's capital markets saw this week marginal fluctuations in the LP/US\$ exchange rate on the black FX market, while the equity market registered two-way flows and the Eurobond market remained in free fall. In details, the LP/US\$ parallel market rate fluctuated marginally over this week, reaching LP/US\$ 96,500-LP/US\$ 97,000 on Thursday against LP/US\$ 97,000-LP/US\$ 97,500 the previous Thursday, as BDL's continuous intervention as a seller of US dollars via "Sayrafa" helped curbing currency swings. In parallel, the BSE price index edged down slightly by 0.1% amid mixed price movements, while the total turnover contracted by 49% week-on-week. Finally, Eurobond prices dived deeper into the red, reaching 6.00 cents per US dollar this week as compared to 6.25 cents per US dollar at the end of the previous week. This came within the context of a prolonged domestic political stalemate and tough reform challenges.

LEBANON MARKETS: APRIL 10 - APRIL 16, 2023

Money Market	↔	BSE Equity Market	↓
LP Tbs Market	↑	Eurobond Market	↓
LP Exchange Market	↔	CDS Market	↔

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A 207% YEAR-ON-YEAR INFLATION IN FEBRUARY AS PER CRI

This February, the year-on-year index has surged by 207.1% compared to results of February 2022 according to the Consultation and Research Institute. The 12-month moving average recorded an increase of 161.5%. This indicates that the CPI has regained its upward momentum.

All nine main indices registered increases this February. The highest increase was registered by the "Housing" category (934.2%), followed by the "Recreation" category (517.4%), then by the "Education" category (356.5%), the "Other Goods and Services" category (287.5%) and the "Food and Beverages" category (196.7%).

The February 2023 year-on-year "Food and Beverages" index has significantly increased by 196.7% since February 2022. All of the four main indices registered increases this month, as follows: the "Tobacco Products" category (220.4%), the "Nonalcoholic Beverages" category (198.2%), the "Food" category (195.7%) and the "Alcoholic Beverages" category (173.2%). The index for "Food" increased by 195.7% compared to its level last year, as all of the twelve food group indices have witnessed increases this February. The most significant increase was registered in the "Grains and Nuts" category (286.8%), followed by the "Chocolate and Candy" category (252.1%), the "Eggs and Dairy Products" category (227.2%), the "Fruits" category (217.7%), and the "Meat and Poultry" category (212.1%).

Apparel year-on-year prices registered 58.5% increase in February 2023. This was the result of the increase in the "Footwear" category (73.9%), and in the "Clothing and Sewing Materials" category (55.1%) this month.

The index for "Housing" has surged by 934.2% in February 2023 from its level last year. This was mainly due to the increase in the "Household Energy" category (1,318.9%), followed by the "Public Water Subscription" category (438.6%) and the "Household Maintenance" category (122.5%).

The "Durable Consumer Goods" index has increased by 152.1% since February 2022. All eight indices have witnessed increases this February, most significantly those of the "Miscellaneous Household Products" category (292.1%), followed by the "Glassware" category (233.8%), the "Cleaning Products and Services" category (229.6%) and the "Housekeeping Services" category (177.8%).

The healthcare index has increased by 71.4% since February 2022. This is due to the increases registered in the "Medications and Medical Accessories" category (112.8%), followed by the "Outpatient Services" category (71.5%) and the "Inpatient Services" category (36.4%). The "Health Insurance" category kept stable in February 2023.

The CPI component for "Transportation and Telecommunications" has increased by 163.0% (year-on-year) in February 2023, due to the surge in the "Telephone Services" category (632.0%) and the "Transportation" category (159.7%).

The index for education has surged by 356.5% from the previous year, due to the significant increase in the "Tuition Fees" category (468.2%), followed by the "School Transportation" category (333.6%) and the "Educational Books and Supplies" category (117.2%).

The index for recreation has highly increased by 517.4% compared to its results in February 2022, due to the increase in the "Reading Materials and Photography" category (545.1%) and the "Movies and Restaurants" category (512.5%).

The index of "Other Goods and Services" has increased by 287.5% since February 2022. This was basically due to the increases registered in all of its four main indices, as follows: the "Jewelry" category (661.7%), the "Financial Services" category (296.9%), the "Personal Care" category (246.3%) and the "Travel" category (233.3%). The surge recorded in the "Jewelry" index in February 2023 is due to calculating the global price of gold according to the new official exchange rate of LBP, which was devaluated by the BDL, as of February 1st, 2023, from LBP 1,507 to LBP 15,000 per USD).

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NUMBER OF PASSENGERS AT THE AIRPORT UP BY 24% YEAR-ON-YEAR IN THE FIRST QUARTER OF 2023

The latest figures released by the Rafic Hariri International Airport (BIA) revealed that the airport traffic posted an improving performance in the first quarter of 2023 against the same period of the year prior.

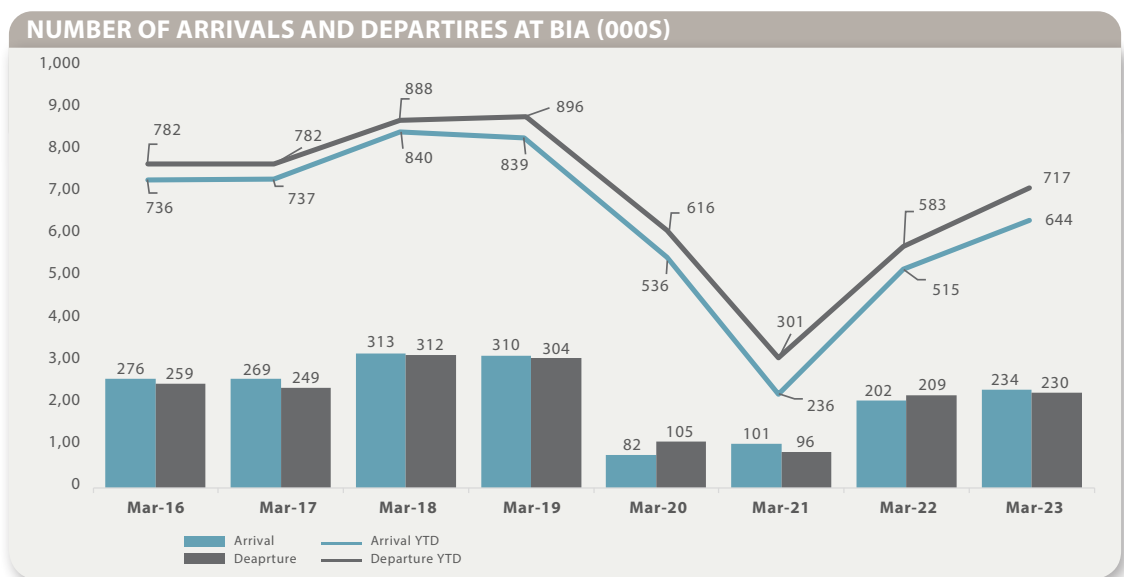
In details, total number of passengers increased by 24.0% in the first quarter of 2023 when compared to the same period of 2022, reaching 1,360,851 passengers in the former period. In addition, the number of aircraft increased by 19.9% year-on-year. On the other hand, the total freight handled by the airport decreased marginally by 1.4% year-on-year during the aforementioned period.

The number of incoming passengers increased by 25.1% year-on-year and that of departing passengers by 23.0%, to reach 644,095 and 716,756 respectively in the first quarter of 2023. In parallel, landings increased by 19.9% and take-offs by 20.0% year-on-year in the first quarter of 2023, with 6,153 planes landing and 6,154 planes taking-off during the period.

Regarding the freight movement within the airport, a total of 7,155 tons were imported and unloaded during the first quarter of 2023, while 5,871 tons were exported and loaded. The first mentioned activity posted an increase of 10.1% while the latter posted a 12.5% decrease on a yearly basis in the first three months of 2023. Looking at the performance of the BIA during March 2023, a 13.2% increase in the number of passengers year-on-year is observed to reach 463,996 passengers. Additionally, the number of aircraft increased by 16.5% between March 2023 and March 2022. In parallel, total freight handled by BIA increased by 4.1% marking the first increase since August 2022.

The number of incoming passengers increased by 16.2% year-on-year and that of departing passengers by 10.2%, to reach 234,250 and 229,746 respectively in the third month of 2023. In parallel, landings increased by 16.4% and take-offs by 16.6% year-on-year in the third month of 2023, with 2,049 planes landing and 2,049 planes taking-off during the month.

Regarding the freight movement within the airport, a total of 2,911 tons were imported and unloaded during the third month of 2023, while 2,354 tons were exported and loaded. The first mentioned activity posted an increase of 11.9% while the latter posted a 4.2% decrease on a yearly basis in the third month of 2023.



Source: Association of Banks in Lebanon, Bank Audi's Group Research Department

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A MINIMUM OF LP 40 MILLION MONTHLY NEEDED FOR ACCEPTABLE LIVING CONDITIONS IN LEBANON AS PER GCLW

Living conditions among Lebanese citizens have gradually worsened over the span of the current crisis. This has led to a social and economic gap in the population with international organizations estimating that more than 70% of the population lives in poverty. This comes in addition to low job opportunities and insufficient wages. According to the Head of the General Confederation of Lebanese Workers (GCLW), the current salary increases no longer satisfy the need of the population, a single family of four would require a minimum of LP 40 million per month to achieve decent living conditions.

The Lebanese population as a whole has been negatively affected since the onset of the crisis. Families in Lebanon depend heavily on money sent to them from family members working abroad in addition to aid provided by international organizations and in some cases where the Ministry of Social Affairs helps the neediest families (through the Social Protection Program) to be able to meet their basic needs, as per the Head of the GCLW. The crisis has had a big impact on all sectors in the country and the workers within them. This in turn prompted the announcing of a strike which included employees, retirees, military personnel, teachers, professors from the Lebanese University and spanning all throughout public administrations. The Head of the General Confederation of Lebanese Workers stressed that it is crucial to reach a quick political solution in order to secure much needed international assistance and to avoid a further decline in the economic situation.

It is worth noting that the value of returned checks registered US\$ 139 million in the first two months of 2023 up from US\$ 51 million in the first two months of 2022. The number of returned checks stood at 158 in the first two months of 2023 noting a drop of 88.2% from figures in the same period of 2022.

LEBANON'S DIESEL GENERATOR MARKET FORECASTED TO GROW AT A CAGR OF 9% OVER 2023-2028

The Lebanese Diesel Generator Market (DGM) is forecasted to grow at a Compounded Annual Growth Rate (CAGR) of 9.2% over the five-year period of 2023-2028. This expected growth is driven by a number of factors, among them: rising infrastructure development efforts and increased diesel generator unit sales. The increase in unit sales comes as power outages in the country are frequent and the electricity grid in the country for residential, commercial and industrial facilities is inefficient, as per Quadintel.

The SWOT analysis of the DGM in Lebanon shows, at the level of strengths, the ability to cover electricity demand left unsatisfied by the national electricity grid. At the level of weaknesses, it names the Expensive nature of the monthly fee as compared to the national electricity company due to the dollarization of the market. With respect to opportunities for the DGM the compiling crises hindering the ability of the state to develop the national gridline, the rising number of commercial infrastructure development projects with demand for diesel generator, the rise in tourism leading to additional investments in infrastructure and more demand for electricity and the anticipated new oil and gas projects in Lebanon are specified. As for threats faced by the DGM, the rise in renewable energy projects, the planned improvement of the national gridline over the years and the low levels of residential construction projects caused by the crisis hindering the level of new demand for diesel generators in the residential market are specified.

As efforts in the country are intensifying to revive the economy, demand for diesel generators from different companies and facilities is growing. This expansion requires "standby" or "continuous" electricity supply types. In turn, these types of energy supply in the DGM is expected to notice an increase in demand for companies to be able to sustain their operations.

It is worth highlighting that the "standby" type of energy supply held the biggest share of demand in the Lebanese DGM. This comes as a result of residential households and small businesses' need for electricity supply that is not satisfied by the national gridline. This type of energy supply is therefore forecasted to experience a growth in sales over the coming years as a result of Lebanon's rapidly expanding retail chains and growing demand for e-commerce in the country, as per Quadintel.

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SURVEYS

LEBANON RANKS 136TH GLOBALLY IN THE WORLD HAPPINESS REPORT

The United Nations (UN) recently released its new edition of the “World Happiness Report” presenting a survey of the state of happiness across 137 countries and in which Lebanon ranked 136th globally with a score of 2.392.

Lebanon ranked last in the Arab MENA region out of 13 regional countries. It came after Jordan and Comoros which ranked 123rd and 130th globally with respective scores of 4.120 and 3.545. UAE was first in the region (26th globally), followed by Saudi Arabia (30th globally) and Bahrain (42nd globally).

The report says that, by any standard, 2022 was a year of crises, including the continuing COVID-19 pandemic, war in Ukraine, worldwide inflation, and a range of local and global climate emergencies. They thus have more evidence about how life evaluations, trust and social connections together influence the ability of nations, and of the world as a whole, to adapt in the face of crisis. Their main analysis relates to happiness as measured by life evaluations and emotions, how they have evolved in crisis situations, and how lives have been better where trust, benevolence, and supportive social connections have continued to thrive.

ARAB MENA COUNTRIES' HAPPINESS RANKINGS 2023

Countries	Global Ranking	Score
UAE	26	6.571
Saudi Arabia	30	6.463
Bahrain	42	6.173
Algeria	81	5.329
Iraq	98	4.941
State of Palestine	99	4.908
Morocco	100	4.903
Mauritania	103	4.724
Tunisia	110	4.497
Egypt	121	4.170
Jordan	123	4.120
Comoros	130	3.545
Lebanon	136	2.392

Sources: UN World Happiness Report, Bank Audi's Group Research Department

FREEDOM HOUSE VIEWS LEBANON AS A “PARTLY FREE” COUNTRY WITH A SCORE OF 43 IN 2023

Freedom House issued its yearly report entitled “Freedom in the World 2023” in which it viewed Lebanon as a “partly free” country with a score of 43 in 2023, ranking 130th globally out of 210 countries and territories. Regionally, Lebanon’s rank preceded that of Comoros, but came just behind that of Tunisia which topped Arab countries.

The Freedom in the World survey provides an annual evaluation of the progress and decline of freedom in 195 countries and 15 territories. Each country and territory is assigned two numerical ratings, namely political rights and civil liberties, which are based on scores assigned to 25 more detailed indicators.

According to the report, the global struggle for democracy approached a possible turning point in 2022. The gap between the number of countries that registered overall improvements in political rights and civil liberties and those that registered overall declines was the narrowest it has ever been through 17 consecutive years of deterioration.

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The most serious setbacks for freedom and democracy were the result of war, coups, and attacks on democratic institutions by illiberal incumbents. The authoritarian regime in Russia launched a full-scale invasion of Ukraine in a bid to scuttle that country's hard-won democratic progress. New coups and other attempts to undermine representative government destabilized Burkina Faso, Tunisia, Peru, and Brazil. Previous years' coups and ongoing repression continued to diminish basic liberties in Guinea and constrain those in settings such as Turkey, Myanmar, and Thailand. Afghanistan's Taliban regime barred girls from receiving an education in the midst of an ongoing economic and humanitarian crisis. Governments and occupying powers used violence and other means to destroy cultures and change the ethnic composition of populations in 21 countries and territories, including Ukraine, Ethiopia, and Myanmar.

A total of 34 countries showed improvements in political rights and civil liberties, compared with 35 that lost ground, signaling a possible slowdown in the global decline. Democratic gains were achieved through more transparent and competitive elections in Lesotho, Colombia, and Kenya. A lifting of pandemic-related restrictions that disproportionately affected freedom of assembly and freedom of movement also produced positive change, as did a renewed commitment to judicial independence in some countries.

ARAB MENA REGION'S 2023 FREEDOM IN THE WORLD SCORE

Country	Score (0-100pts)	Status	Political Rights (0-40pts)	Civil Liberties (0-60pts)
Tunisia	56	Partly Free	20	36
Lebanon	43	Partly Free	14	29
Comoros	42	Partly Free	16	26
Kuwait	37	Partly Free	14	23
Morocco	37	Partly Free	13	24
Mauritania	36	Partly Free	14	22
Jordan	33	Not Free	11	22
Algeria	32	Not Free	10	22
Iraq	29	Not Free	16	13
Qatar	25	Not Free	7	18
Oman	24	Not Free	6	18
Djibouti	24	Not Free	5	19
United Arab Emirates	18	Not Free	5	13
Egypt	18	Not Free	6	12
Bahrain	12	Not Free	2	10
Gaza Strip	11	Not Free	3	8
Libya	10	Not Free	1	9
Sudan	10	Not Free	0	10
Yemen	9	Not Free	1	8
Saudi Arabia	8	Not Free	1	7
Somalia	8	Not Free	2	6
South Sudan	1	Not Free	-3	4
Syria	1	Not Free	-3	4

Sources: Freedom House, Bank Audi's Group Research

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CORPORATE NEWS

EBML RESTARTS BILL ISSUANCES FOR SUBSCRIBERS

The Establishment of The Water of Beirut & Mount Lebanon (EBML) announced the setting of bill issuances for 2023 under collection. Additionally, arrears from years prior to 2023 are to be paid as well. Payments are not available at OMT however and neither on the EBML app or website. Payments are to be made through collectors or at the company's distribution departments. EBML is currently working on a solution to continue accepting online payments however and has created a service to pay through an electronic payment machine (POS machine) through its distribution circuits.

It is worth noting that due to the economic crisis, EBML has decided to reduce charges on the subscriber through the following decisions:

- Exemption of arrear fines on subscription for 2022 and earlier at a rate of 85% until the 30th of April 2023.
- A system of payment through installments for years prior to 2023 for a period reaching December 2025.
- Facilitating the renewal of subscriptions for subscribers who had debts outstanding towards EBML. These debts can be paid through instalments until December 2025.
- A reduction in new subscription fees for buildings connected to the water network as follows:
 - By 40% for subscription based on measured water consumption
 - By 24% for subscription based on meter water consumption
- A reduction of 90% on changing the names of subscribers.
- A reduction of 90% on temporary subscription renewal fees.

Instalments for payments can follow four different plans set by EBML which are the following:

1. Five instalments due at the end of the months of: March, June, August, October and December.
2. Four instalments due at the end of the months of: March, June, September and December.
3. Three instalments due at the end of the months of: May, August and December.
4. Two instalments due at the end of the months of: June and December.

THE NSSF ANNOUNCES THE START OF ONLINE SERVICES

In collaboration with the European Union (EU), the Lebanese National Social Security Fund (NSSF) has announced the launch of its electronic services. These services can be found on the fund's website.

This move entails the possibility for individuals to access their personal records, important documents, to view their personal identification cards as well as see their salaries as declared by their employer online. Additionally, businesses will be allowed to access their employee list as well as secondary name authorization for company transactions through the website after having submitted their file to the fund.

On the other hand, due to the fact that generators at the NSSF are only turned on when employees are present paired with the fact that the server for the website requires electricity, the implementation of the services has been pending. The NSSF advised users to time their usage for Mondays, Wednesdays and Thursdays when employees would be present.

MOU SIGNED BETWEEN BALAMAND UNIVERSITY AND LA ROCHELLE UNIVERSITY

A Memorandum of Understanding (MoU) was signed between the Lebanese Balamand University (BU) and the French La Rochelle University with the goal of strengthening academic cooperation between the two sides. This MoU comes as cooperation between the two universities has been ongoing since 2013 and both sides aim for further academic cooperation and initiatives. The agreement was signed by the Vice President for International Relations and Public Affairs on behalf of the President of BU and the President of La Rochelle University. The MoU provides opportunities to enhance cooperation in education and research for various disciplines as well as the exchange of experiences.

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The MoU was signed during a ceremony as part of the visit of a BU delegation to France. The visit came within the Sustainable Water Treatment for Hospitals (SWaTH) project which is funded through the EU's Erasmus+ program and managed by BU.

The BU delegation included the Vice President for International Relations and Public Affairs, a Professor in the Department of Chemical Engineering, the Coordinator of the SWaTH project, Assistant Dean for Administrative Affairs and Director of the Office of the Vice President as well as the Assistant Vice President of BU & Director of the Office of Student Affairs.

Additionally, the delegation visited the first Chairman of the Board of Directors of the European Universities for Smart Urban Coastal Sustainability (EU-CONEXUS). The meeting tackled EU-CONEXUS' role in covering Smart Urban Coastal Sustainability from a holistic point of view through interdisciplinary approaches and contribution to regional economic development and policy making.

EDL ESTIMATES LOSSES FROM RECENT IRON BASE THEFTS AT US\$ 3 MILLION

Électricité du Liban (EDL) has estimated monetary losses from the theft of transmission towers' iron base that occurred in Baalbek recently at circa US\$ 3 million. This comes as theft operations against transmission towers have increased with up to 40 complaints recorded per month and millions of dollars in losses are registered. Such thefts negatively affect the lives of citizens in these areas and cause major financial losses to EDL.

It is worth noting that a total of five 220 kV transmission towers, situated in the outskirts of the town of Maqna in northern Baalbek, had their iron bases stolen and have toppled over as a result during the span of a week. In turn, this has caused further power outages for several hours in the affected areas.

During maintenance efforts from the EDL, around 14 transmission towers (66 kV variety) were also vandalized with their iron bases stolen in the same aforementioned area. These towers belonged to the Baalbek-Labwa-Hermel 66 kV transmission line which directly feeds the Labwa and Hermel stations. These incidents are inevitably going to lead to power outages in the whole northern Bekaa area.

As EDL's maintenance ability is limited paired with the heavy nature of material losses, the corporation called on the relevant security forces to aid in their efforts to thwart these incidents and put a stop to them.

EDL further noted that the conduction of a tender for the repair of the transmission towers would be time consuming and would require violations to be put to a stop. Therefore, citizens in the Baalbek-Hermel governorate are at risk of several months without electricity.

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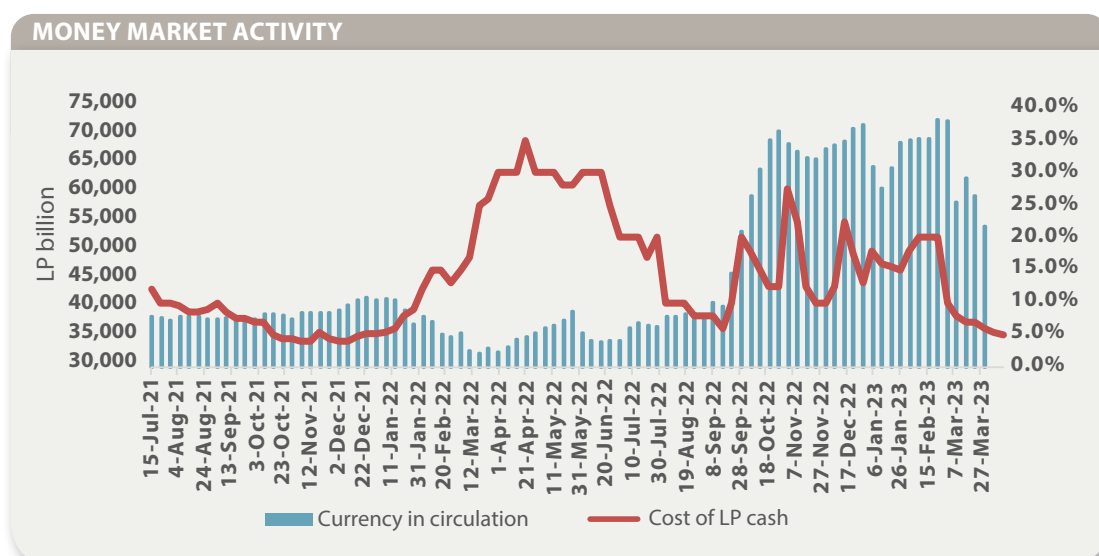
CAPITAL MARKETS

MONEY MARKET: LARGE WEEKLY CONTRACTION IN CURRENCY IN CIRCULATION ON HEAVY ACTIVITY VIA "SAYRAFA"

The overnight rate, which is a non-cash rate on the money market, remained stable at 10% this week, while the cost of LP cash retreated further from 4.5%-6.5% last week to 4%-6%.

In parallel, the latest monetary aggregates released by the Central Bank of Lebanon for the week ending 30th of March 2023 showed that the currency in circulation contracted significantly by LP 5,424 billion following BDL's 21st of March decision to intervene on the FX market as a seller of cash US dollars via the "Sayrafa" platform. Concurrently, total resident banking deposits contracted by LP 1,691 billion week-on-week. This is mainly driven by a LP 1,702 billion fall in foreign currency resident deposits (the equivalent of US\$ 113 million as per the official rate of LP 15,000), while the total LP resident deposits rose slightly by LP 11 billion amid a LP 172 billion increase in LP demand deposits and a LP 161 billion decline in LP saving deposits. Within this context, the money supply in its broadest sense (M4) contracted significantly by LP 6,901 billion over the covered week, mainly due to the large fall in currency in circulation.

On a cumulative basis, the weekly monetary statistics issued by BDL showed that the currency in circulation contracted by LP 17.8 trillion over the first three months of 2023, reaching LP 54 trillion at end-March, amid continuous dollar injection via the "Sayrafa" platform.



TREASURY BILLS MARKET: NOMINAL WEEKLY SURPLUS OF LP 22 BILLION

The latest Treasury bills auction results for value date 13th of April 2023 showed that the Central Bank of Lebanon allowed banks to subscribe in full to the three-month category (offering a yield of 3.50%), the one-year category (offering a yield of 4.50%) and the five-year category (offering a coupon of 6.00%).

The Treasury bills auction results for value date 6th of April 2023 showed subscriptions of LP 61 billion, fully allocated to the Central Bank of Lebanon and concentrated in the three-month category (offering a yield of 3.50%). These compare to maturities of LP 39 billion, which resulted into a nominal weekly surplus of LP 22 billion.

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TREASURY BILLS

	13/04/2023	06/04/2023	30/12/2022	
3-month	3.50%	3.50%	3.50%	↔
6-month	4.00%	4.00%	4.00%	↔
1-year	4.50%	4.50%	4.50%	↔
2-year	5.00%	5.00%	5.00%	↔
3-year	5.50%	5.50%	5.50%	↔
5-year	6.00%	6.00%	6.00%	↔
10-year	-	7.00%	7.00%	
Nom. Subs. (LP billion)		61	1	
Short-term (3&6 mths)		60.6	-	
Medium-term (1&2 yrs)		0.04	-	
Long-term (3 yrs)		-	1	
Long-term (5 yrs)		-	-	
Long-term (10 yrs)		0	-	
Maturities		39	193	
Nom. Surplus/Deficit		22	-192	

Sources: Central Bank of Lebanon, Ministry of Finance

FOREIGN EXCHANGE MARKET: MARGINAL FLUCTUATIONS IN LP/US\$ BLACK MARKET RATE THIS WEEK

The black FX market saw this week marginal fluctuations in the LP/US\$ rate, as BDL's continuous dollar injection via the "Sayrafa" platform and the inflow of hard currency during the Easter season helped curbing currency swings. Within this context, the LP/US\$ parallel market rate hovered between LP/US\$ 96,500 and LP/US\$ 97,000 on Thursday as compared to LP/US\$ 97,000 and LP/US\$ 97,500 last Thursday.

In parallel, the Central Bank of Lebanon reduced this week the LP/US\$ "Sayrafa" rate from LP/US\$ 87,000 to LP/US\$ 86,700. This kept the spread between the LP/US\$ Sayrafa rate and the black FX market rate stable at circa LP 10,000.

EXCHANGE RATES

	13/04/2023	06/04/2023	30/12/2022	
LP/US\$	15,000.00	15,000.00	1,507.50	↔
LP/£	18,781.50	18,687.00	1,813.97	↓
LP/¥	112.72	114.27	11.27	↑
LP/SF	16,852.04	16,567.26	1,628.67	↓
LP/Can\$	11,198.21	11,124.30	1,108.21	↓
LP/Euro	16,536.00	16,345.50	1,603.83	↓

Source: Bank Audi's Group Research Department

STOCK MARKET: MIXED PRICE MOVEMENTS ON BSE WEEK-ON-WEEK

The BSE price index edged down slightly by 0.1% over this three-day week on the back of mixed price movements. Three out of five traded stocks posted price gains, while two stocks registered price falls week-on-week.

A closer look at individual stocks shows that Solidere "A" share price retreated by 1.1% to US\$ 89.00, while Solidere "B" share price rose by 0.9% to US\$ 87.75. As to banking stocks, Byblos Bank's "listed" share price closed

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4.1% lower at US\$ 0.70. Regarding industrial stocks, Ciments Blancs Nominal's share price jumped by 14.0% to US\$ 16.00, followed by Holcim Liban's shares with +4.2% to US\$ 40.01.

As to trading volumes, the BSE total turnover contracted by circa 49% week-on-week, moving from US\$ 6.1 million over the previous four-day week to US\$ 3.1 million over this three-day week, noting that Solidere shares continued to capture the lion's share of activity amid a continuous flight to realty stocks to hedge against crisis.

AUDI INDICES FOR BSE

	13/04/2023	06/04/2023	30/12/2022	
Market Cap. Index	822.29	823.06	614.50	↓
Trading Vol. Index	46.72	68.64	96.84	↓
Price Index	172.63	172.79	129.00	↓
Change %	-0.09%	0.48%	1.30%	↓

	13/04/2023	06/04/2023	30/12/2022	
Market Cap. \$m	19,508	19,526	14,578	↓
No. of shares traded (Exc. BT)	71,869	114,932	187,711	↓
Value Traded \$000 (Exc. BT)	3,091	6,056	6,415	↓
o.w. : Solidere	3,054	6,006	6,349	↓
Banks	26	39	66	↓
Others	11	12	0	↓

Sources: Beirut Stock Exchange, Bank Audi's Group Research Department

BOND MARKET: LEBANESE EUROBONDS CONTINUE THEIR NOSEDIVE AMID POOR TRACK RECORD IN IMPLEMENTING REFORMS

Lebanese Eurobonds continued their nosedive over this short week amid a protracted institutional vacuum and suspended legislative activity, in addition to lingering concerns about the slow progress in the implementation of long-overdue reforms, which casts doubt on Lebanon's ability to secure much-needed international financial support.

Within this context, prices of Lebanese sovereigns contracted further this week, reaching 6.00 cents per US dollar on Thursday as compared to 6.25 cents per US dollar last Thursday. Accordingly, year-to-date bond price gains ranged between 0.25 pt and 0.38 pt.

EUROBONDS INDICATORS

	13/04/2023	06/04/2023	30/12/2022	
Total tradable size \$m	32,364	32,364	32,364	↔
o.w.: Sovereign bonds	31,314	31,314	31,314	↔
Bid price (cents per US dollar)	6.00	6.25	5.50-5.88	↓
Average Life	5.12	5.14	5.34	↓
Yield on US 5-year note	3.43%	3.35%	3.94%	↑

Source: Bank Audi's Group Research Department

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INTERNATIONAL MARKET INDICATORS

	14-Apr-23	07-Apr-23	31-Dec-22	Weekly change	Year-to-date change
EXCHANGE RATES					
YEN/\$	133.80	132.15	131.11	1.2%	2.0%
\$/£	1.241	1.242	1.208	0.0%	2.8%
\$/Euro	1.099	1.091	1.071	0.8%	2.6%
STOCK INDICES					
DOW JONES INDUSTRIAL AVERAGE	33,886.47	33,485.29	33,147.25	1.2%	2.2%
S&P 500	4,137.64	4,105.02	3,839.50	0.8%	7.8%
NASDAQ	12,123.47	12,087.96	10,466.48	0.3%	15.8%
CAC 40	7,498.18	7,324.75	6,473.76	2.4%	15.8%
Xetra Dax	15,789.53	15,597.89	13,923.59	1.2%	13.4%
FT-SE 100	7,879.51	7,741.56	7,451.74	1.8%	5.7%
NIKKEI 225	28,493.47	27,518.31	26,094.50	3.5%	9.2%
COMMODITIES (in US\$)					
GOLD OUNCE	2,004.17	2,007.91	1,824.02	-0.2%	9.9%
SILVER OUNCE	25.35	24.98	23.95	1.5%	5.8%
BRENT CRUDE (per barrel)	86.31	85.12	85.91	1.4%	0.5%
LEADING INTEREST RATES (%)					
1-month Libor	4.96	4.90	4.39	0.06	0.57
US Prime Rate	8.00	7.75	7.50	0.25	0.50
US Discount Rate	5.00	4.75	4.50	0.25	0.50
US 10-year Bond	3.51	3.39	3.87	0.12	-0.36

Sources: Bloomberg, Bank Audi's Group Research Department

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