

Economy

CONTACTS

Treasury & Capital Markets

Bechara Serhal
(961-1) 977421
bechara.serhal@bankaudi.com.lb

Corporate Banking

Carol Ayat
(961-1) 959675
carol.ayat@bankaudi.com.lb

Mohamad Baydoun
(961-1) 959703
mohamad.baydoun@bankaudi.com.lb

Marketing and Communications

Marion Abou Jaoudé
(961-1) 977356
marion.abou-jaoude@bankaudi.com.lb

RESEARCH

Dr. Marwan Barakat
(961-1) 977409
marwan.barakat@bankaudi.com.lb

Salma Saad Baba
(961-1) 977346
salma.baba@bankaudi.com.lb

Zeina Labban
(961-1) 952426
zeina.labban@bankaudi.com.lb

Stephanie Bou Sleiman
(961-1) 952397
stephanie.bousleiman@bankaudi.com.lb

Michele Sakha
(961-1) 977102
michele.sakha@bankaudi.com.lb

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p.9 MARKETS IN BRIEF: LP/US\$ BLACK MARKET RATE PIERCES 40,000 UPWARD AMID LARGE LP MONEY CREATION

As the countdown to Presidential elections began with no political consensus on a candidate, and as efforts to form a new cabinet hit a dead end, fueling fears about an institutional deadlock, the country's capital markets saw this week a further currency collapse on the black FX market amid large LP money creation by BDL, while Eurobond prices remained at historical lows and the equity market reversed its upward trajectory. In details, the LP/US\$ black market rate pierced the LP/US\$ 40,000 level upward amid darkened domestic political outlook and as BDL's liquid FX reserves are currently estimated below US\$ 10 billion level despite the US\$ 400 million growth in BDL's foreign assets registered in a one-month-period till mid-October 2022. On the Eurobond market, prices of sovereigns continued to range between 6.0 and 6.38 cents per US dollar on Friday amid mounting fears that Lebanese bonds may not be recoverable and as Lebanon is facing a tough reforms road. On the equity market, the BSE reversed two-week gains, as reflected by a 2.0% decline in the price index, while the total turnover expanded by 17% week-on-week.

LEBANON MARKETS: OCTOBER 17 - OCTOBER 23, 2022

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

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ECONOMY

MOODY'S SAYS THE MARITIME BORDER AGREEMENT CREDIT POSITIVE FOR LEBANON

Moody's just issued a new report on Lebanon in the aftermath of the maritime border agreement.

On 13 October, the Government of Lebanon (C no outlook) officially approved a new maritime border agreement with the Government of Israel (A1 positive) after a decade of contentious negotiations. The agreement, which was brokered by the US (Aaa stable), is credit positive for Lebanon because it establishes the necessary geopolitical security conditions for international energy companies to start exploration and the eventual recovery of Lebanon's hydrocarbon resources according to Moody's.

The agreement's final ratification by Lebanon's parliament allows exploration to begin at the Qana prospect on Block 9, a part of which crosses the maritime border's new demarcation line. The agreement includes a benefit-sharing clause between Block 9 operator TotalEnergy (A1 stable) and Israel for any gas produced from the cross-border portion of the Qana prospect.

Exploration of the Qana field has yet to confirm any recoverable resources, but Israel's nearby Karish field has 1.75 trillion cubic feet of reserves, with first gas extraction expected this year. The recovery of any hydrocarbons in Lebanon would take about three to four years. Harnessing potential gas resources will help alleviate the country's chronic power deficit and kick-start an economic recovery. It would also signal to foreign investors that Lebanon is open for business.

The deal arrives just as Lebanon's power supply through the loss-making Electricité du Liban utility is rapidly deteriorating because of its dwindling fuel supply. The government relies now on oil shipments from Iraq and is trying to finalize World Bank financing to begin importing gas from Egypt through the Arab Gas Pipeline, which runs through Jordan and Syria before reaching Lebanon. Moody's expects Lebanon's maritime border resolution with Israel to ease other regional geopolitical concerns, including the transmission of natural gas through Syria.

Lebanon's capacity to access the World Bank funding hinges on its implementation of reforms, including an audit of Electricité du Liban and a shift toward more cost-effective tariffs. The continued absence of reform implementation and external support contributed to an economic collapse that reduced Lebanon's nominal GDP to below US\$ 20 billion in 2021, from a peak of over US\$ 55 billion in 2018 and at the same time caused a spike in poverty and social hardship.

The 7 April International Monetary Fund Staff Level Agreement for a US\$ 3 billion, four-year Extended Fund Facility (EFF) is an opportunity for Lebanon to gain external support. The specific reforms required to access the EFF include adopting appropriate legislation on capital controls, bank secrecy and bank resolution, as well as a decision toward unifying the multiple exchange rate systems. Progress on these reforms has been slow since parliamentary elections in May 2022: a new government still needs to be formed to succeed the caretaker government of Prime Minister Najib Mikati. Parliament also has yet to elect a new president to succeed President Michel Aoun, whose term expires on 31 October.

Notwithstanding the improved geopolitical situation, domestic political risk remains pervasive. Lebanon's rating is likely to remain unchanged without comprehensive debt restructuring because of the extent of the country's macroeconomic, financial and social challenges and our expectation of very significant losses for private sector creditors in excess of 65% as per Moody's.

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VALUE OF CLEARED CHECKS DOWN BY 13% IN THE FIRST NINE MONTHS

Total value of cleared checks, an indicator of consumption and investment spending in the Lebanese economy, contracted by 12.6% year-on-year in the first nine months of 2022 mirroring contraction in spending during the above mentioned period.

The value of cleared checks reached US\$ 25,039 million in the first nine months of 2022 down from US\$ 28,638 million in same period of the previous year.

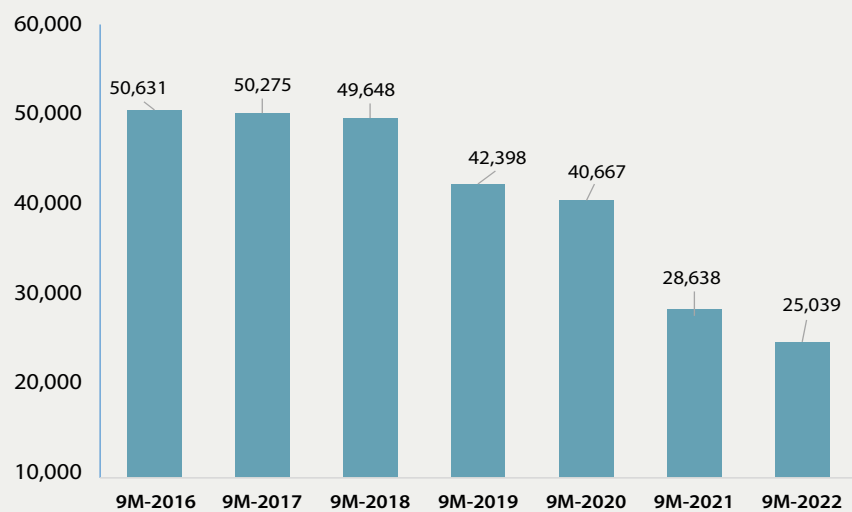
A breakdown by currency shows that the banks' clearings in Lebanese Pounds amounted to LP 25,682 billion in the first nine months of 2022, a 23.6% increase, while those in US\$ amounted to US\$ 8,003 million, retreating by 46.1% as many businesses are cashing fresh dollars only.

Moreover, the number of cleared checks registered 1,306,237 in the first nine months of 2022, down by 48.9% from 2,555,352 checks in the first nine months of 2021.

The average value per check rose by 71.0% year-on-year to attain US\$ 19,169 in the first nine months of 2022.

It is worth noting that the value of returned checks registered US\$ 224 million in the first nine months of 2022 down by a yearly 45.1%. The number of returned checks actually stood at 9,016 in the first nine months of 2022, down from 20,709 in the same period of 2021.

CLEARING ACTIVITY (IN US\$ MILION)



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

CONTAINERS AT PORT OF BEIRUT UP BY 16% IN FIRST NINE MONTHS

The latest statistics released by the Port of Beirut revealed that the number of containers registered a yearly increase of 15.8% to attain 427,714 containers in the first nine months of 2022, against 369,207 containers in the corresponding period of previous year.

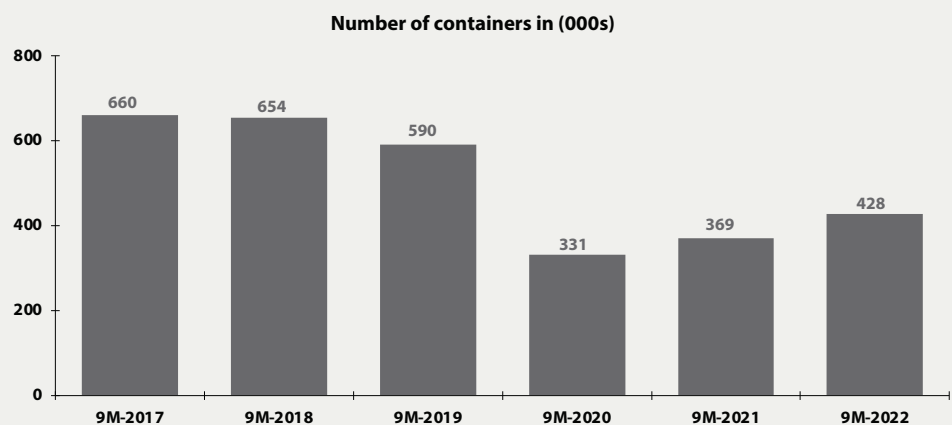
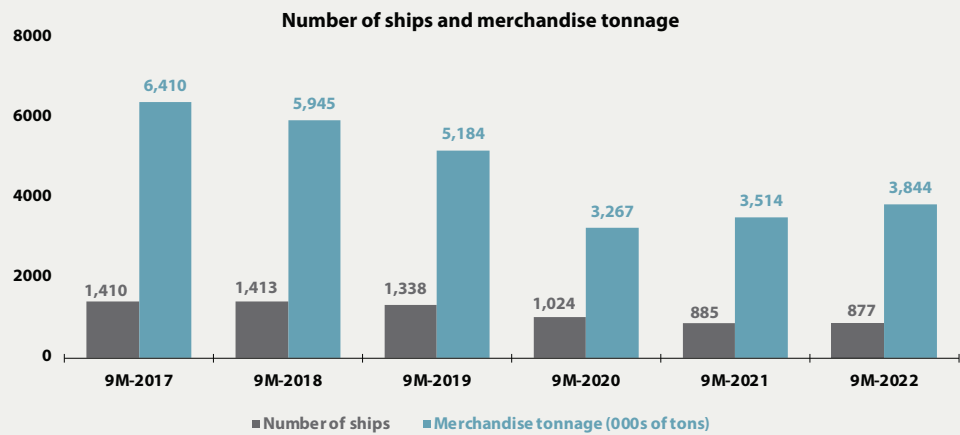
However, the number of ships witnessed negligible annual contraction of 0.9% in the first nine months of 2022 to reach 877 ships, following a drop of 13.6% in the same period of 2021.

The quantity of goods reported an increase of 9.4%, registering 3,844 thousand tons in the first nine months of 2022, following a similar increase of 7.5% in same period of 2021.

It is worth noting that transshipments declined by 4.5% over the first nine months of 2022, following a drop of 58.0% in corresponding period of year 2021.

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ACTIVITY OF THE PORT OF BEIRUT



Sources: Port of Beirut, Bank Audi's Group Research Department

PROPERTY MARKET'S SALES OPERATIONS DOWN BY 21% YEAR-ON-YEAR IN THE FIRST NINE MONTHS OF 2022

After the Lebanese realty market witnessed a positive performance in 2021, with a sector perceived as a safe haven after the economic and financial developments in the country, it started to witness a yearly contraction during the first nine months of 2022, as per the latest official figures released by the General Directorate of Land Registry and Cadastre in Lebanon revealing growth in both property transactions and sales activity.

The number of sales operations went down from 71,580 operations in the first nine months of 2021 to 56,500 operations in the first nine months of 2022. The number of transactions retreated by 21.0% year-on-year to stand at 105,891 in the aforementioned period of 2022.

Furthermore, the value of property sales transactions contracted by 13.0% year-on-year to reach a total of US\$ 9,172 million during the same period of 2022. Most regions recorded increases in the value of sales transactions, with the most significant movements coming from South, Beirut and Nabattieh.

On a side note, the average property sales value increased from US\$ 147,324 in the first nine months of 2021 to US\$ 162,337 in the corresponding period of this year.

In a look at the breakdown of the value of property sales, Beirut continued to capture the highest share over the period with 37.7%, followed by the South with 17.3%, and Baabda with a share of 12.0% and Keserouan with a share of 10.4%.

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SURVEYS

GROSS WRITTEN PREMIUMS IN LEBANON'S INSURANCE SECTOR UP BY 9.3% YEAR-ON-YEAR IN 2021, AS PER INSURANCE CONTROL COMMISSION

Insurance Control Commission (ICC) released its report for the 4th quarter of 2021 displaying an overview of number of subject matters, number of claims reported, gross written premiums, benefits paid, acquisition expenses, administrative expenses and net investment income.

At the level of number of subject matters, report reveals a contraction of 8.7% year-on-year in 2021.

At the level of number of claims reported, a yearly 19.3% contraction was reported in 2021.

At the level of gross written premiums, the report reveals an increase of 9.3% year-on-year in 2021 to reach LP 2,357 billion. The breakdown of gross written premiums shows Health with the lion's share at 36.3%, followed by Motor with 27.2%, Life with 20.4% and Property and casualty with 16.1%.

Benefits paid reported LP 1,838 billion in 2021, against LP 1,613 billion in 2020, an increase of 13.9%.

Acquisition expenses reported LP 463 billion in 2021, against LP 401 billion in 2020, an increase of 15.6%.

Administration expenses reported LP 385 billion in 2021, against LP 3.8 billion in 2020, an increase of 25.1%.

Finally, ICC quarterly report displayed ratio of paid claims to gross written premiums for 71.0% in 2021 compared to 68.0% in 2020, ratio of acquisition expenses to gross written premiums for 18.0% up from 17.0% in 2020, ratio of administration expenses to gross written premiums for 15.0% versus 13.0% in 2020, ratio of acquisition and administration expenses to gross written premiums for 33.0% in 2021 (up from 30.0% in 2020) and ratio of net investment income to gross written premiums for 5.0% in 2021 versus -4.0% in 2020.

LEBANESE INSURANCE SECTOR'S SELECTED INDICATORS

	Total 2021	Total 2020	Variation
Number of Subject Matters	4,148,811	4,546,538	-8.7%
Number of Claims Reported	1,244,668	1,543,160	-19.3%
Gross Written Premiums (LP million)	2,573,065	2,357,090	9.2%
Benefits Paid (LP million)	1,838,087	1,613,509	13.9%
Acquisition Expenses (LP million)	463,151	400,800	15.6%
Administration Expenses (LP million)	385,209	307,801	25.1%
Net Investment Income (LP million)	130,703	-88,782	-247.2%
Ratio of Paid Claims to Gross Written Premiums	71.0%	68.0%	3.0%
Ration of Acquisition Expenses to Gross Written Premiums	18.0%	17.0%	1.0%
Ration of Administration Expenses to Gross Written Premiums	15.0%	13.0%	2.0%
Ration of Acquisition and Administration Expenses to Gross Written Premiums	33.0%	30.0%	3.0%
Ratio of Net Investment Income to Gross Written Premiums	5.0%	-4.0%	9.0%

Sources: Insurance Control Commission, Bank Audi's Group Research Department

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OCCUPANCY OF LEBANON'S FOUR AND FIVE STAR HOTELS UP TO 50% IN FIRST SEVEN MONTHS OF 2022, AS PER EY

Ernst & Young issued its latest Hotel Benchmark Survey on the Middle East for the first seven months of 2022 (four and five star hotels), in which it showed that the performance of Lebanon's hospitality sector witnessed an expansion in occupancy rates, average room rates and room yields.

As a matter of fact, the occupancy rate of four and five-star hotels within the capital reached 50% in the seven months of 2022, against 42% in the same period of 2021 as per EY.

The occupancy rate within Beirut was ranked ninth among 13 cities included in the survey. It was directly surpassed by Jeddah (52%) and directly followed by Muscat (48%). The highest occupancy rate was reported in Abu Dhabi at 75%, while Kuwait city had the lowest rate among countries of the region (with 44%).

Beirut's room rate notably moved up to attain US\$ 67 in the first seven months of 2022 from US\$ 57 in the same period of the past year. The highest room rate was reported in Dubai at US\$ 328, while Beirut is the cheapest among countries of the region.

The rooms' yield in Beirut rose by 41.7% annually to reach US\$ 34 in the first seven months of 2022 compared to US\$ 24 in the same period of the previous year.

ERNST & YOUNG MIDDLE EAST HOTEL BENCHMARK SURVEY

	Occupancy %		Average Room Rate (US\$)		Room Yield (US\$)	
	7M 2022	7M 2021	7M 2022	7M 2021	7M 2022	7M 2021
Abu Dhabi	75	73	79	67	59	49
Dubai	72	58	328	240	236	139
Madinah	71	36	152	109	107	39
Cairo	68	44	117	70	79	31
Doha	59	73	112	92	66	67
Riyadh	59	52	170	129	99	66
Makkah	58	18	200	189	116	34
Jeddah	52	50	242	218	126	108
Beirut	50	42	67	57	34	24
Muscat	48	25	120	76	57	19
Ras al Khaimah	47	74	170	142	79	104
Manama	45	33	157	113	71	38
Amman	45	23	146	129	66	30
Kuwait City	44	39	239	214	105	83

Sources: Ernst & Young, Bank Audi's Group Research Department

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CORPORATE NEWS

MAKASSED HOSPITAL LAUNCHES CHILDREN CANCER DEPARTMENT

The Makassed Islamic Charitable Association inaugurated Children's Cancer department and the Makassed Cultural Forum at Makassed Hospital in the presence of Her Royal Highness Princess Ghida Talal, Chairperson of the Board of Trustees of the King Hussein Cancer Foundation (KHCF) and Center (KHCC), as mentioned in a statement.

The inauguration ceremony included a tour of the children's cancer department, reviewing the expansion and observed modern and advanced equipment.

Moreover, the event concluded with an honorary lunch for the attendees of the "Ward Al-Makassed" activities.

THE SUSI PROGRAM FOR YOUNG WOMEN LEADERS BY THE US EMBASSY IN LEBANON

The Study of the United States Institutes (SUSI) 2023 for Young Women Leaders program was announced by the U.S embassy in Lebanon, deadline to apply is December 31st, 2022, as mentioned in a statement.

The SUSI exchange program for young women leaders will start in June 2023 over five-week, hosted by Saint Mary's College in Indiana, where all major expenses would be covered by the U.S. government, as mentioned in a statement.

It is worth mentioning that eligible applicants are undergraduate Lebanese women who are between 18 and 25.

Study of the U.S. Institutes (SUSIs) for Student Leaders are five-to-six-week academic programs designed for foreign undergraduate students between the ages of 18 and 25 to improve their understanding of the United States and to develop their leadership skills.

Institutes include a four-week academic residency consisting of interactive classroom activities, discussions, lectures, readings, site visits and workshops; a one week educational study tour to a different region of the United States; leadership skills building activities; community service and opportunities to interact with their American peers on a college campus. Each Institute includes approximately 20 participants from selected countries.

WE4F AND AL MAJMOUA TO BRING FARMER-ORIENTED GREEN FINANCE FACILITIES TO THE LEBANESE MARKET

The WE4F MENA Regional Innovation Hub (MENA RIH) and Al Majmoua joining forces to bring farmer-oriented green finance facilities to the Lebanese market, as mentioned in a statement.

In details, Al Majmoua will dedicate resources to design and pilot an on-shelf standardized financial product that will ease access to solar-powered irrigation technology for farmers where MENA RIH will be providing Al Majmoua with technical assistance.

The MENA RIH's technical assistance team includes experts who enjoy considerable experience in developing solar-powered irrigation financial products in similar economies, including Egypt and Yemen.

This end-user financing product will be suitable to farmers from a financial perspective, cost-effective for Al Majmoua, minimize risks of failure for farmers for a potential to extend growing seasons and Al Majmoua and social welfare of farmers as well as environmental sustainability.

It is worth noting that both mentioned parties believe in the positive climate, financial and social impacts of enabling farmers to access technologies such as solar-powered irrigation by providing easy access to end-user finance.

The WE4F Middle East and North Africa Regional Innovation Hub (a consortium of Berytech, cewas, Chemonics Egypt and the International Water Management Institute) supports innovators in 10 countries across the region to produce more food while using less water and energy.

MENA RIH, partners and investors, work to scale mid-to-later stage enterprises that have an environmental and social impact in the water-energy-food nexus.

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DOCSHIPPER GROUP CEMENTS ITS PRESENCE IN LEBANON

DocShipper announces the opening of a new office in Beirut, Lebanon for supporting its growth in the MENA region and worldwide, as mentioned in a statement.

This step is the second in the MENA region and the first in the Middle East, aiming to strengthen its presence in the region.

Accordingly, DocShipper is hiring of new Lebanese employees, whereby more than 30 new hires are also planned for 2023, as mentioned in a statement.

Lebanese employees will be trained, mentored and supported throughout their career at DocShipper by an expert management team. The Group would also offers them career opportunities in other international subsidiaries and real development prospects.

The art of navigation and trade are characteristic of the Phoenician civilization, thus, this office in Lebanon will allow DocShipper to support its international expansion with a pool of high-level talent, CEO and co-founder of the Group said in a statement.

Despite the profound changes the country is undergoing, the French-Lebanese co-founders of the startup are convinced that a better future awaits Lebanon following the talents of their youth.

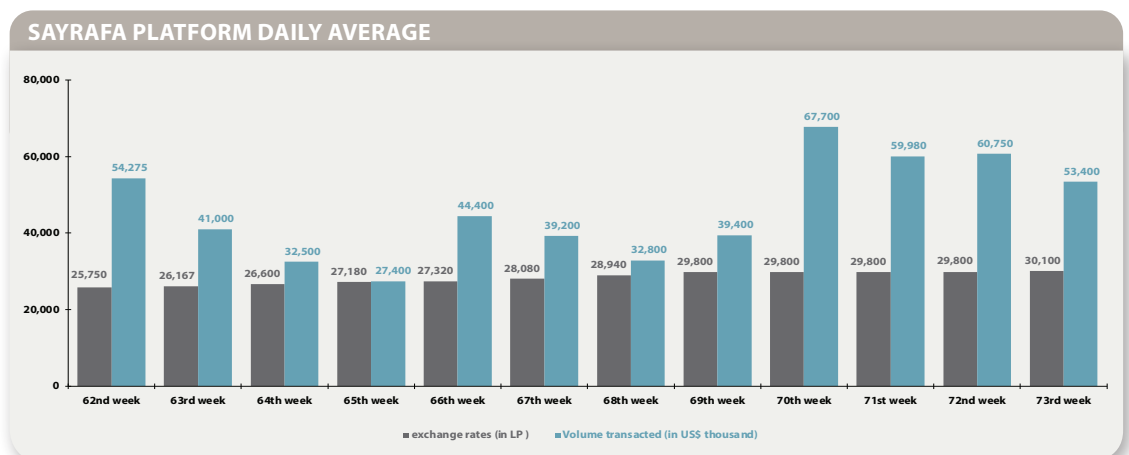
DocShipper is a startup founded by French-Lebanese co-founders, based in Hong Kong, specialized in procurement, international logistics and distribution. It is set to disrupt a multi-billion dollar industry by breaking the codes of both the digital and operational sector.

SAYRAFA TRANSACTED A DAILY AVERAGE OF US\$ 53 MILLION LAST WEEK

The daily average volume of transactions on Sayrafa foreign exchange platform during the 73rd week was US\$ 53.4 million, compared to previous week's daily average transacted volume of US\$ 60.8 million (against a cumulative daily average volume since the launch of Sayrafa of US\$ 32.3 million).

The daily average conversion rate for week 73 is LP 30,100 when compared to daily average conversion rate of previous week of LP 29,800 and the cumulative daily average conversion rate since the launch of Sayrafa of LP 21,833.

The Central Bank (BDL) announced that the conversion rate at end of week 73 was LP 30,100, while the conversion rate reported by end of week 72 was LP 29,800.



Sources: BDL, Bank Audi's Group Research Department

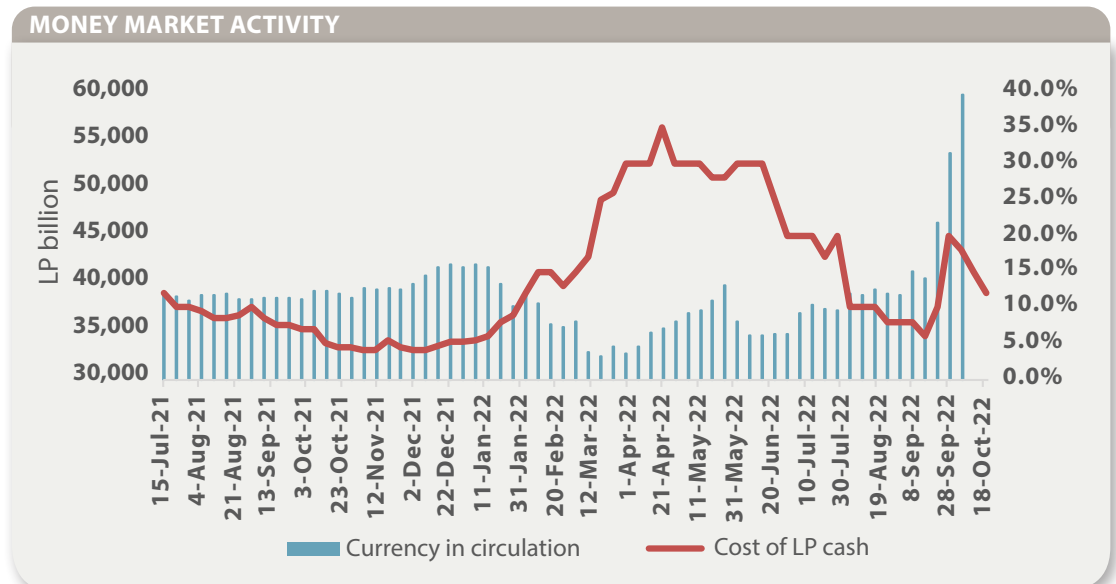
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CAPITAL MARKETS

MONEY MARKET: LARGE EXPANSION IN CURRENCY IN CIRCULATION FOR THIRD CONSECUTIVE WEEK

The cost of LP cash contracted further this week, moving from 13%-18% last week to 10%-15%, in a direct reflection of the large LP money creation on the money market.

In parallel, the latest monetary aggregates released by the Central Bank of Lebanon for the week ending 6th of October 2022 showed a large expansion in the currency in circulation of LP 6,223 billion for the third consecutive week. In parallel, the total resident banking deposits rose by LP 233 billion. This is mainly attributed to a LP 432 billion increase in total LP resident deposits amid a LP 403 billion growth in LP saving deposits and a LP 29 billion rise LP demand deposits, while foreign currency resident deposits contracted by LP 198 billion (the equivalent of US\$ 132 million as per a rate of LP 1,507.5). Within this context, the money supply in its broadest sense (M4) expanded significantly by LP 6,249 billion over the covered week, mainly due to a large growth in the money in circulation.



TREASURY BILLS MARKET: NOMINAL WEEKLY DEFICIT OF LP 373 BILLION

The latest Treasury bills auction results for value date 20th of October 2022 showed that the Central Bank of Lebanon allowed banks to subscribe in full to the six-month category (offering a yield of 4.0%), the two-year category (offering a coupon of 5.0%) and the ten-year category (offering a coupon of 7.0%).

The Treasury bills auction results for value date 13th of October 2022 showed subscriptions of LP 46 billion, fully allocated to the Central Bank of Lebanon and mainly concentrated in the three-month category. These compare to maturities of LP 419 billion, resulting into a nominal weekly deficit of LP 373 billion.

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TREASURY BILLS

	21/10/2022	14/10/2022	30/12/2021	
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%	↔
7-year	-	-	6.50%	
10-year	7.00%	-	7.00%	
Nom. Subs. (LP billion)		46	246	
Short-term (3&6 mths)		46	-	
Medium-term (1&2 yrs)		-	-	
Long-term (3 yrs)		-	200	
Long-term (5 yrs)		0.08	-	
Long-term (7 yrs)		-	46	
Maturities		419	13	
Nom. Surplus/Deficit		-373	233	

Sources: Central Bank of Lebanon, Ministry of Finance

FOREIGN EXCHANGE MARKET: LP AT RECORD LOWS AGAINST US DOLLAR ON PARALLEL MARKET AMID DARKENED POLITICAL OUTLOOK AND LARGE MONEY CREATION

With no breakthrough in the long-simmering cabinet formation stalemate and as the countdown to Presidential elections began with no political consensus on a candidate, and on the back of large LP money creation while BDL's liquid FX reserves are currently estimated below US\$ 10 billion, the LP fell to new lows against the US dollar on the black FX market this week, with the LP/US\$ rate piercing the LP/US\$ 40,000 level upward to reach LP/US\$ 40,400-LP/US\$ 40,500 on Friday, despite the historic delineation of Lebanon's maritime boundary. Concurrently, the Central Bank of Lebanon announced that foreign currency operations on the "Sayrafa" platform were executed at an average rate of LP/US\$ 30,100 between October 17 and October 21, 2022, up from LP/US\$ 29,800 last week.

On the other hand, the Central Bank of Lebanon's latest bi-monthly balance sheet ending 15th of October 2022 showed that BDL's foreign assets expanded by US\$ 139 million during the first half of the month, following a US\$ 278 million growth during the second half of September 2022, which resulted into total accumulated expansions of US\$ 417 million in a one-month period, reaching US\$ 15.0 billion mid-October 2022. Concurrently, BDL's latest bi-monthly balance sheet showed a significant rise in the "Currency in Circulation outside BDL" of LP 11 trillion during the first half of October 2022, which resulted into a large expansion of LP 25 trillion in a one-month period to touch an unprecedented high level of LP 70 trillion mid-October.

EXCHANGE RATES

	21/10/2022	14/10/2022	30/12/2021	
LP/US\$	1,507.50	1,507.50	1,507.50	↔
LP/£	1,678.00	1,699.56	2,022.91	↑
LP/¥	9.99	10.21	13.11	↑
LP/SF	1,492.57	1,506.14	1,639.48	↑
LP/Can\$	1,090.57	1,093.18	1,175.53	↑
LP/Euro	1,470.72	1,469.96	1,701.52	↓

Source: Bank Audi's Group Research Department

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AUDI INDICES FOR BSE

	21/10/2022	14/10/2022	30/12/2021	
Market Cap. Index	563.21	574.84	447.87	↓
Trading Vol. Index	40.93	43.76	80.38	↓
Price Index	118.24	120.68	94.02	↓
Change %	-2.02%	2.60%	4.13%	↓
	21/10/2022	14/10/2022	30/12/2021	
Market Cap. \$m	13,362	13,637	10,625	↓
No. of shares traded (Exc. BT)	134,791	85,921	171,230	↑
Value Traded \$000 (Exc. BT)	4,514	3,863	5,359	↑
o.w. : Solidere	4,413	3,831	4,614	↑
Banks	38	31	732	↑
Others	63	0.4	13	↑

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

STOCK MARKET: BSE SHIFTS TO NEGATIVE TERRITORY THIS WEEK

The Beirut Stock Exchange reversed its two-week gains, as reflected by a 2.0% fall in the price index. Three out of six traded stocks registered price drops this week, while two stocks posted price gains and one stock saw no price change week-on-week.

A closer look at individual stocks shows that Byblos Bank's "listed" shares led the decline on the BSE this week, posting price drops of 5.0% to US\$ 0.57, followed by Solidere "A" shares with -3.3% to US\$ 52.20, Solidere "B" shares with -2.5% to US\$ 52.65. In contrast, Holcim Liban's share price jumped by 6.6% to US\$ 29.86, followed by Bank Audi's GDRs with +0.7% to US\$ 1.49. BLOM's "listed" share price stood unchanged at US\$ 3.04.

As to trading volumes, the BSE total turnover expanded by 16.9% week-on-week, moving from US\$ 3.9 million last week to US\$ 4.5 million, noting that Solidere shares continued to capture the lion's share of activity (97.8%).

BOND MARKET: LEBANESE BOND PRICES REMAIN AT HISTORICAL LOWS ON MOUNTING FEARS OF INSTITUTIONAL DEADLOCK

After failing for the third time in a row to elect a new President, and on the back of a deepening cabinet crisis, and as Lebanon is facing tough reform challenges to secure much-needed international financial support that may pave the way for constructive negotiations with bondholders, the country's Eurobond prices remained at record lows this week, ranging between 6.0 and 6.38 cents per US dollar on Friday. On a cumulative basis, Lebanese Eurobonds maturing between 2020 and 2037 posted price falls of 3.75 pts to 4.13 pts since the beginning of the year 2022.

EUROBONDS INDICATORS

	21/10/2022	14/10/2022	30/12/2021	
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)	6.0-6.38	6.0-6.38	9.88-10.63	↔
Average Life	5.50	5.51	6.18	↓
Yield on US 5-year note	4.44%	4.14%	1.26%	↑

Source: Bank Audi's Group Research Department

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INTERNATIONAL MARKET INDICATORS

	21-Oct-22	14-Oct-22	31-Dec-21	Weekly change	Year-to-date change
EXCHANGE RATES					
YEN/\$	147.65	148.65	115.11	-0.7%	28.3%
\$/£	1.130	1.117	1.353	1.2%	-16.5%
\$/Euro	0.986	0.972	1.137	1.4%	-13.3%
STOCK INDICES					
DOW JONES INDUSTRIAL AVERAGE	31,082.56	29,634.83	36,338.30	4.9%	-14.5%
S&P 500	3,752.75	3,583.07	4,766.18	4.7%	-21.3%
NASDAQ	10,859.72	10,321.39	15,644.97	5.2%	-30.6%
CAC 40	6,035.39	5,931.92	7,153.03	1.7%	-15.6%
Xetra Dax	12,730.90	12,437.81	15,884.86	2.4%	-19.9%
FT-SE 100	6,969.73	6,858.79	7,384.54	1.6%	-5.6%
NIKKEI 225	26,890.58	27,090.76	28,791.71	-0.7%	-6.6%
COMMODITIES (in US\$)					
GOLD OUNCE	1,657.69	1,644.47	1,829.20	0.8%	-9.4%
SILVER OUNCE	19.42	18.28	23.31	6.3%	-16.7%
BRENT CRUDE (per barrel)	93.50	91.63	77.78	2.0%	20.2%
LEADING INTEREST RATES (%)					
1-month Libor	3.59	3.44	0.10	0.14	3.49
US Prime Rate	6.25	6.25	3.25	0.00	3.00
US Discount Rate	3.25	3.25	0.25	0.00	3.00
US 10-year Bond	4.22	4.02	1.51	0.20	2.71

Sources: Bloomberg, Bank Audi's Group Research Department

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