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The LEBANON WEEKLY MONITOR

Economy

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The Tungsten Explorer drilling vessel conducted its first exploratory drilling for hydrocarbons in offshore Block 4 last week.

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p.9 BOND PRICES IN FREE FALL ON RISING DEBT RESTRUCTURING OUTLOOK

With the launching of the oil and gas exploration project, and Lebanon is running out of time to decide on the payment of a US\$ 1.2 billion bond maturing on March 09, 2020, and on news that the government has hired Lazard and Cleary Gottlieb Steen & Hamilton as legal and financial advisors for a potential debt restructuring while intending to ask for a seven-day grace period on its bonds, Lebanon's capital markets witnessed this week free-fall in prices on the Eurobond market, while the FX market continued to see reduced FC conversions, and the equity market registered its first weekly price gains since the beginning of the year 2020. In details, Lebanese bond prices were in free fall, reaching 25 cents per dollar on average, as debt restructuring looms and following double credit rating cuts by Moody's and S&P. Also, Lebanon's five-year CDS spreads crossed the 14,000 bps threshold. On the FX market, LP-to-FC conversions continued to slow down, while banks continued to play the role of an intermediary between the importers of vital goods and BDL. On the equity market, the BSE price index registered its first weekly increase this year of 1.5%, while the total turnover almost doubled.

LEBANON MARKETS: WEEK OF FEBRUARY 24 - MARCH 01, 2020

Money Market



LP Tbs Market



LP Exchange Market



BSE Equity Market



Eurobond Market



CDS Market



ECONOMY

LAST WEEK MARKS THE START OF THE DRILLING FOR HYDROCARBONS IN LEBANON

The Tungsten Explorer drilling vessel conducted its first exploratory drilling for hydrocarbons in offshore Block 4 last week.

The President of the Republic officially marked the start of work at a closed-door ceremony onboard the ship, alongside the Prime Minister, the Energy Minister and senior officials from the oil companies contracted to conduct the drilling.

Lebanon needs three to four months to determine whether there are commercially viable quantities of gas in offshore Block 4. It actually will take 40 to 50 days to complete hydrocarbon drilling on one prospect of Block 4. This is the entire size of block, which covers an area of 1,800 kilometers. The size of the potential area the Tungsten Explorer vessel is working on ranges between 50 kilometers to 60 kilometers only. Once the exploration is completed on this zone, the data will be sent for assessment to determine whether there are commercial quantities of gas and this will take another two to three months.

In January 2018 two Exploration and Production Agreements (EPAs) for blocks 4 and 9 were signed between Lebanon and the consortium composed of the French company Total E&P Liban s.a.l. (Right Holder Operator), Italian firm Eni Lebanon B.V. and Russian company Novatek Lebanon (Right Holders Non-Operators).

It is worth mentioning that altering the adaptation of power generation facilities from Gas Oil to Natural Gas in Lebanon could narrow significantly the power supply deficit in Lebanon which currently exceeds US\$ 1 billion per year. Also, the strategic position of Lebanon endows it with diverse export options; Hydrocarbons can be exported towards Turkey or Europe through pipelines or compressed Natural gas vessels, towards Asia through Liquefied Natural Gas tankers, or towards Syria and the neighboring region through electricity.

Lebanon will be setting up a sovereign wealth fund (SWF) to channel the profits from the hydrocarbons E&P activities. Sovereign Wealth Funds are differentiated from central banks, as they can venture in riskier investment and in longer durations. Additionally, the SWF ensure both the stabilization of the government budget by balancing the volatility in revenues and the combat of inflation by absorbing excess liquidity.

Drawing on international experience, production is expected to last for 35 years, with full capacity reached by 2036 as per the IMF.

SLOWDOWN IN THE PERFORMANCE OF THE PORT OF BEIRUT IN JANUARY 2020

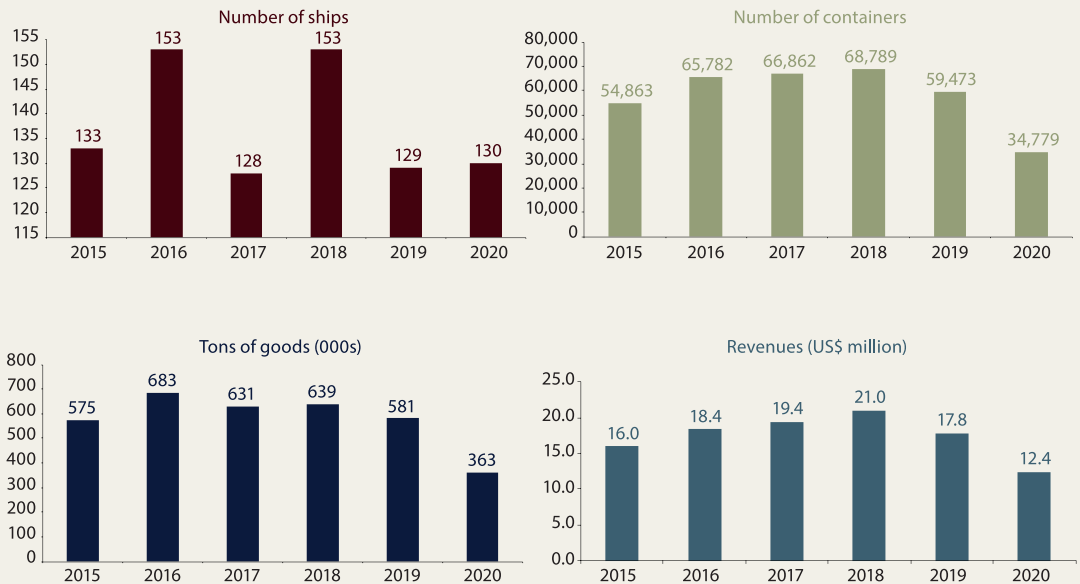
The latest statistics released by the Port of Beirut revealed a yearly 30.3% decline in the Port's revenues in the first month of 2020 compared to the same month of the previous year. The Port's revenues reached US\$ 12.4 million in the first month of 2020.

In parallel, the number of containers recorded an annual decrease of 41.5% to attain a total of 34,779 in the first month of 2020. The number of ships posted a rise of 0.8% year-on-year to reach a total of 130 vessels in the first month of 2020. During the corresponding period of 2019, the former had registered a decrease of 13.5% year-on-year and the latter fell by 15.7%.

The quantity of goods fell by a yearly 37.6% to 363 thousand tons in the first month of 2020, following a fall of 9.0% reported in the first month of 2019.

Transshipments expanded by 46.9% year-on-year to attain 46,299 containers in the first month of 2020, following a decline of 17.0% in the corresponding period of 2019.

ACTIVITY OF THE PORT OF BEIRUT (FIRST MONTH OF THE YEAR)



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

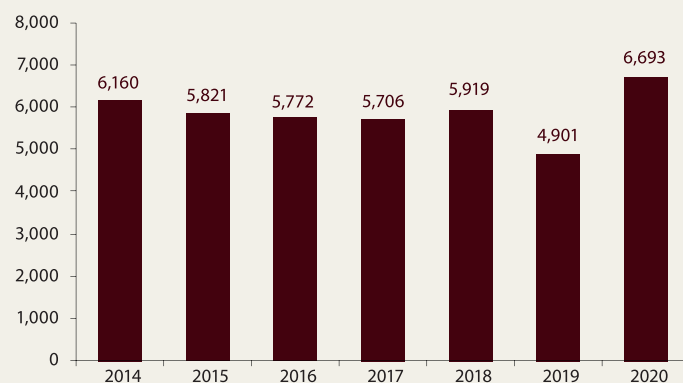
VALUE OF CLEARED CHECKS UP BY A YEARLY 36.6% IN JANUARY 2020

Total value of cleared checks, an indicator of consumption and investment spending in the Lebanese economy, improved by 36.6% year-on-year in the first month of 2020.

The value of cleared checks reached US\$ 6,693 million in the first month of 2020, against US\$ 4,901 million in the corresponding month of 2019.

A breakdown by currency shows that the banks' clearings in Lebanese Pounds amounted to LP 3,438 billion (+22.9%) in the first month of 2020 while those in FC amounted to US\$ 4,412 million (+44.9%).

CLEARING ACTIVITY (FIRST MONTH OF THE YEAR, US\$ MILLION)



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

Furthermore, the number of cleared checks registered 757,824 in the first month of 2020, down by 11.9% from 860,158 in the corresponding month of 2019.

The average value per check rose by 55.0% year-on-year to stand at US\$ 8,831 in the aforementioned month of 2020.

It is worth noting that the value of returned checks registered US\$ 154 million in the first month of 2020, up by a yearly 17.2%. The number of returned checks actually stood at 25,531 in the first month of this year, up from 23,998 in the same period of last year.

CONSTRUCTION PERMITS REGISTER A YEARLY DECLINE OF 64.6% IN JANUARY 2020

According to the figures provided by the Orders of Engineers of Beirut and Tripoli, construction permits, an indicator of forthcoming construction activity, posted a 64.6% year-on-year decrease during January 2020, as some developers are slowing down or sometimes halting their construction works.

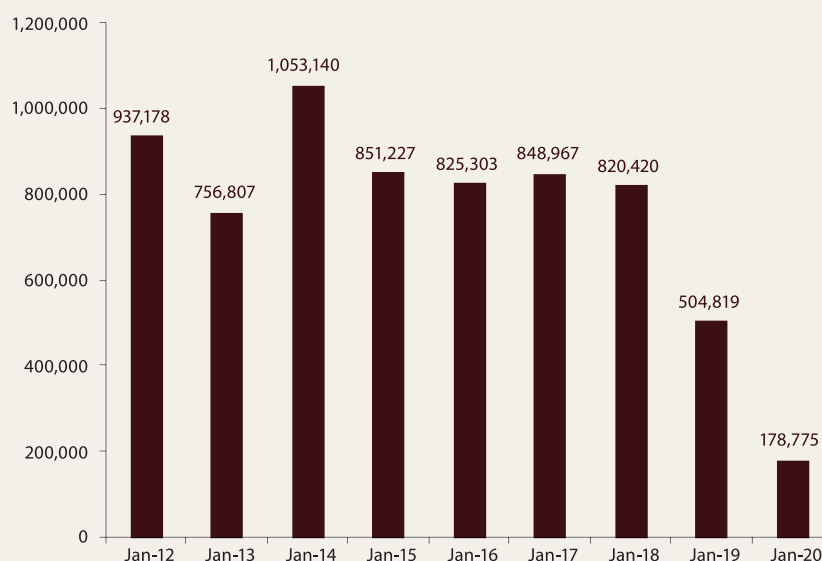
In fact, construction permits covered an area of 178,775 square meters in January 2020, against an area of 504,819 square meters in January 2019. This followed a yearly contraction of 38.5% registered in January 2019.

The breakdown by region shows that most of the regions reported contractions in construction permits with Beirut and Bekaa reporting the highest contractions of 82.4% and 71.6% respectively in construction permits in January 2020.

As for the breakdown of construction permits, Mount-Lebanon continued to capture the highest share in newly issued construction permits in January 2020 with a share of 35.3%.

It was followed by the North with a share of 22.0%, South-Lebanon with 21.7%, Nabattiyeh with 11.7%, Bekaa with 5.2% and Beirut with 4.2%.

CONSTRUCTION PERMITS (AREA IN SQUARE METERS)



Sources: Orders of Engineers of Beirut and Tripoli, Bank Audi's Group Research Department

SURVEYS

STANDARD CHARTERED BELIEVES THAT LACK OF EXTERNAL FUNDING RAISES NEED FOR IMF ENGAGEMENT

According to a recent note by Standard Chartered, Lebanon still lacks a plan to tackle its funding crisis, almost a month after the formation of the second government since the May 2018 parliamentary elections.

The new cabinet secured the parliament's vote of confidence on 11 February, and the parliament passed the 2020 budget bill at the end of January. Given the absence of fiscal reform in the budget, Standard Chartered thinks Lebanon will face increasing challenges in securing external funding – whether from the CEDRE group of international donors, the GCC or others.

In the absence of external funding, an eventual restructuring of Lebanon's debt appears to be the most likely outcome. Standard Chartered believes a default or restructuring of external debt commitments without a clear funding plan or economic framework would further strain Lebanon's already-uncertain economic, political and social situation.

In the absence of a plan, defaulting or restructuring simply to provide relief for the Central Bank's FX reserves (given sizeable expected drains on reserves this year) would be a short-term solution, and could further impede Lebanon's ability to attract funding in the future.

Both domestic officials and the IMF have made it clear that the authorities' call for IMF assistance is essentially for technical, rather than financial, assistance. The report added that restoring confidence in Lebanon's economic and funding outlook would be best tackled under the umbrella of a full IMF program.

However, the authorities appear reluctant to request financial assistance for now. There may be concerns that the conditions of a programme would be difficult to implement amid continuing social unrest.

However, IMF oversight of government spending could align with some of the key demands of protestors, which centre on tackling corruption and waste in public finances. Regardless of IMF engagement, tighter fiscal policy will have to be implemented – first to improve fiscal sustainability, and second to try to unlock new external support, as per the report.

The USD-LBP parallel exchange rate continues to diverge from the official pegged rate. An official devaluation looks increasingly likely, as per Standard Chartered, if external funding of at least US\$ 10 billion is not secured for 2020.

LEBANON INFLATION RATE

	Prior forecasts			Updated forecasts			Variation		
	2020	2021	2022	2020	2021	2022	2020	2021	2022
Inflation (year-on-year, average)	3.25%	3.50%	3.50%	7.00%	6.00%	4.00%	3.75%	2.50%	0.50%

Sources: Standard Chartered, Bank Audi's Group Research Department

To factor in the effect of the parallel market on inflation and the current account (C/A) deficit, Standard Chartered raised its 2020 inflation forecast to 7.0% (from 3.3%), rising from 2.9% in 2019; and lowered its 2020 C/A deficit forecast to 13.0% of GDP (from 23.0%).

LEBANON'S HOSPITALITY SECTOR COMES SLIGHTLY UNDER PRESSURE IN 2019, AS PER EY

Ernst & Young issued its latest Hotel Benchmark Survey on the Middle East in 2019 (four and five star hotels), in which it showed that the performance of Lebanon's hospitality sector witnessed a deceleration in occupancy rates, while seeing slight improvements in average room rates and room yields.

As a matter of fact, the occupancy rate of four and five-star hotels within the capital reached 61.7% in the full year 2019, against 65.1% in 2018.

The occupancy rate within Beirut was the eleventh highest among 14 cities included in the survey. It was directly surpassed by Muscat (62.7%) and Amman (61.9%), while Jeddah (58.3%) and Kuwait City (57.2%) came directly after Beirut.

Beirut's room rate notably moved up from 2018 to attain US\$ 201 in 2019 from US\$ 188 in the past year. It is worth noting that the city's growth rate ranked top out of 14 surveyed cities, growing by 6.9%.

The rate of the capital's hotels was the third highest in the region. It exceeded that of Makkah (US\$ 170) and Riyadh (US\$ 162), while being surpassed by Dubai (US\$ 227) and Jeddah (US\$ 265).

The rooms' yield rose by 1.6% annually to reach US\$ 124 in 2019 compared to US\$ 122 in the previous year. Beirut ranked seventh in terms of variation in the region when assessing this indicator.

The room yield in Beirut was the third highest at US\$ 124, surpassed by Jeddah (US\$ 154) and Dubai (US\$ 170), and higher than Makkah (US\$ 113) and Ras Al Khaimah (US\$ 111), as per EY.

ERNST & YOUNG MIDDLE EAST HOTEL BENCHMARK SURVEY

	Occupancy %		Average Room Rate (US\$)		Room Yield (US\$)	
	2019	2018	2019	2018	2019	2018
Abu Dhabi	79.3	76.4	102	101	81	77
Cairo	75.6	73.0	113	115	85	84
Dubai	75.0	75.6	227	264	170	199
Ras al Khaimah	74.9	72.4	148	164	111	119
Doha	69.9	61.0	112	117	78	71
Makkah	66.6	62.1	170	178	113	110
Madinah	64.8	63.1	145	145	94	92
Riyadh	64.5	56.0	162	173	105	97
Muscat	62.7	60.1	132	147	83	88
Amman	61.9	59.3	144	149	89	88
Beirut	61.7	65.1	201	188	124	122
Jeddah	58.3	58.1	265	284	154	165
Kuwait City	57.2	56.5	160	175	91	99
Manama	53.3	51.6	161	160	86	83

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

CORPORATE NEWS

LEBANON'S INSURANCE COMPANIES' NON-LIFE PREMIUMS DOWN BY 3.0% IN 2019

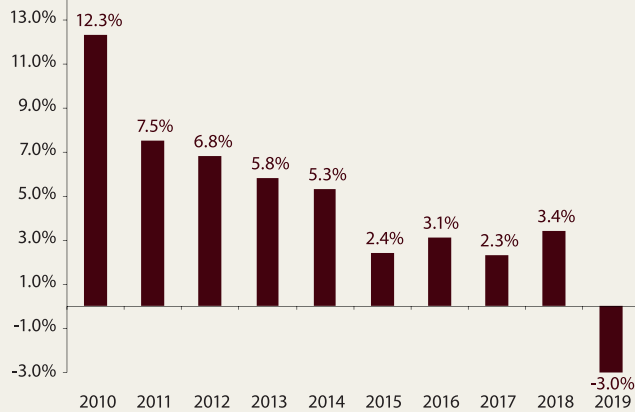
Total non-life premiums generated by Lebanese insurance companies reached US\$ 1.1 billion in 2019, down by a yearly 3.0% from 2018, according to data compiled by Al Bayan Magazine.

Bankers took over the leading position with US\$ 109.9 million in non-life premiums in 2019, rising by 0.1% year-on-year. It was followed by Fidelity with US\$ 94.0 million (-5.1% year-on-year), Allianz SNA with US\$ 82.6 million (+4.2%), Medgulf with US\$ 82.4 million (+2.0%), and AXA M.E. with US\$ 81.3 million (-4.4%).

Group Med took over the sixth position with US\$ 72.3 million in 2019, rising by a yearly 21.4% from 2018. Libano Suisse came after with US\$ 65.4 million (-7.3%), followed by LIA with US\$ 54.4 million (-9.3%). Arope came in the ninth position with US\$ 51.9 million (-15.6%) and Al Mashrek came in the tenth position with US\$ 40.0 million (-1.3%).

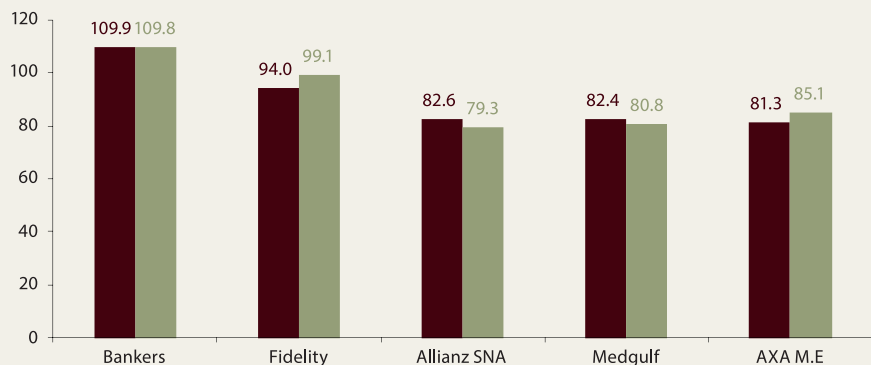
The top ten companies accounted for a combined 64.7% of the total non-life insurance premiums in Lebanon in 2019, whereas the joint market share of the top 20 companies reached 86.9%. The remaining 24 companies thus held a market share of 13.1% in 2019.

NON-LIFE INSURANCE PREMIUMS YEARLY GROWTH RATE



Source: Al Bayan Magazine

TOP FIVE NON-LIFE INSURANCE COMPANIES PREMIUMS (US\$ MILLION)



Source: Al Bayan Magazine

NET PROFITS OF QATAR NATIONAL BANK S.A.Q. LEBANON UP TO US\$ 1.6 MILLION IN 2018

Qatar National Bank S.A.Q. Lebanon posted net profits of US\$ 1.6 million in 2018, up from US\$ 0.9 million reported in 2017, as per Bankdata Financial Services.

The bank's net interest income attained US\$ 7.4 million in 2018, rising from US\$ 5.5 million in 2017.

Net fee income rose to stand at US\$ 0.1 million in 2018. Net operating income increased by a yearly 15.8% from US\$ 4.1 million in 2017 to US\$ 4.8 million in 2018.

This was accompanied by a 3.1% yearly decline in total operating expenses, which amounted to US\$ 2.7 million in 2018.

Among the latter category, staff expenses increased by 3.4% year-on-year to reach US\$ 1.6 million in 2018, while administrative and other operating expenses edged down by a yearly 6.0% to register US\$ 0.7 million in 2018.

The bank's total assets amounted to US\$ 286.2 million at end-2018, up by 1.5% from end-2017. Deposits from customers stood at US\$ 105.1 million at end-2018, up by 8.9% from end-2017.

Loans to customers registered US\$ 180.5 million at end-2018, down from US\$ 196.8 million at end-2017.

Shareholders' equity totaled US\$ 19.8 million at end-2018, up by 3.1% from end-2017.

ARAB FUND FOR ECONOMIC AND SOCIAL DEVELOPMENT TO PROVIDE US\$ 165 MILLION LOAN TO THE HOUSING BANK

The Cabinet approved a KWD 50 million (US\$ 165 million) loan provided by the Arab Fund for Economic and Social Development to Banque de l'Habitat (The Housing Bank).

It is a 30-year soft loan. The Housing Bank will pay an interest rate of 2.5% on the loan. It will charge borrowers a fixed rate of 5.5% for 30 years, according to the Chairman of The Housing Bank.

The Central Bank will provide the equivalent lira amount of this loan to be used for lending to homebuyers.

The new funds will enable the bank to provide around 1,000 loans, as per the same source.

As per the Arab Fund requirements, 80% of the loan is earmarked for homebuyers whose family income does not exceed LP 6,750,000 per month. The ceiling for these loans is LP 300 million. A ceiling of LP 450 million was set for loans of homebuyers whose family income per month is between LP 6,750,000 and LP 10 million.

The loan was initially agreed to in March 2019. It still requires approval from Parliament.

The Housing Bank will provide another 1,000 loans from its own resources, , according to the Chairman of The Housing Bank.

The Housing Bank had obtained a loan of nearly US\$ 112 million from the Arab Fund in 2013.

CAPITAL MARKETS

MONEY MARKET: OVERNIGHT SLID TO 20% AT END-WEEK

The overnight rate hit 90% during this week, yet slid to 20% on Friday after the CNSS re-deposited its funds in the Lebanese banking sector and the receipt of interest payments on LP Treasury bills and Certificate of Deposits, which kept the local currency liquidity quite abundant on the money market.

In parallel, the latest monetary aggregates released by the Central Bank of Lebanon for the week ending 13th of February 2020 showed that total resident banking deposits contracted by LP 909 billion. This is mainly attributed to a LP 548 billion fall in total LP resident deposits amid a LP 563 billion drop in LP saving deposits and a LP 15 billion rise in LP demand deposits, while foreign currency resident deposits decreased by LP 361 billion (the equivalent of US\$ 239 million). Within this context, the money supply in its largest sense (M4) contracted by LP 645 billion amid a LP 203 billion growth in the currency in circulation and a LP 62 billion increase in the non-banking sector Treasury bills portfolio.

INTEREST RATES

	28/02/20	21/02/20	27/12/19	
Overnight rate (official)	3.90%	3.90%	3.90%	↔
7 days rate	4.00%	4.00%	4.00%	↔
1 month rate	4.75%	4.75%	4.75%	↔
45-day CDs	4.90%	4.90%	4.90%	↔
60-day CDs	5.08%	5.08%	5.08%	↔

Source: Bloomberg

TREASURY BILLS MARKET: NOMINAL WEEKLY SURPLUS OF LP 77 BILLION

The latest Treasury bills auction results for value date 27th of February 2020 showed that the Central Bank of Lebanon has allowed banks to subscribe in full to the six-month category (offering a yield of 5.85%), the three-year category (offering a coupon of 7.50%) and the seven-year category (offering a coupon of 9.0%).

In parallel, the Treasury bills auction results for value date 20th of February 2020 showed that total subscriptions amounted to LP 230 billion and were distributed as follows: LP 12 billion in the three-month category (offering a yield of 5.30%), LP 90 billion in the one-year category (offering a yield of 6.50%) and LP 128 billion in the five-year category (offering a coupon of 8.0%). These compare to maturities of LP 153 billion, resulting into a nominal weekly surplus of LP 77 billion..

TREASURY BILLS

	28/02/20	21/02/20	27/12/19	
3-month	5.30%	5.30%	5.30%	↔
6-month	5.85%	5.85%	5.85%	↔
1-year	6.50%	6.50%	6.50%	↔
2-year	7.00%	7.00%	7.00%	↔
3-year	7.50%	7.50%	7.50%	↔
5-year	8.00%	8.00%	8.00%	↔
7-year	9.00%	-	9.00%	
Nom. Subs. (LP billion)		230	120	
Short-term (3&6 mths)		12	-	
Medium-term (1&2 yrs)		90	20	
Long-term (3 yrs)		-	-	
Long-term (5 yrs)		128	100	
Maturities		153	61	
Nom. Surplus/Deficit		77	59	

Sources: Central Bank of Lebanon, Bloomberg

FOREIGN EXCHANGE MARKET: REDUCED FC CONVERSIONS IN CURRENCY TRADING MARKET

The foreign exchange market continued to see reduced foreign currency conversions over this week within the context of a high deposit dollarization rate, while commercial banks continued to pay the role of an intermediary between the importers of wheat, medications and gasoline and the Central Bank of Lebanon.

The Central Bank of Lebanon's foreign assets reached US\$ 36.2 billion mid-February 2020 and fall to US\$ 30.5 billion when excluding BDL's Eurobond holdings estimated at US\$ 5.7 billion. Within this context, Fitch said that BDL's foreign assets are sufficient to cover Lebanon's external debt payment in 2020 and 2021, provided the restrictions that the banks introduced in November 2019 on deposit withdrawals remain in place.

EXCHANGE RATES

	28/02/20	21/02/20	27/12/19	
LP/US\$	1,507.50	1,507.50	1,507.50	↔
LP/£	1,945.28	1,947.39	1,970.00	↑
LP/¥	13.87	13.49	13.77	↓
LP/SF	1,564.12	1,535.76	1,543.78	↓
LP/Can\$	1,121.15	1,136.88	1,150.59	↑
LP/Euro	1,664.88	1,629.61	1,679.20	↓

Source: Bank Audi's Group Research Department

STOCK MARKET: FIRST WEEKLY EQUITY PRICE GAINS SINCE THE BEGINNING OF 2020

The BSE total turnover rose by 93.0% week-on-week to reach US\$ 3.9 million (excluding block trades on RYMCO shares for an amount of US\$ 107 thousand). Solidere shares captured the lion's share of activity (97.1%), followed by the banking shares with 2.7% and the industrial shares with 0.2%.

As far as prices are concerned, the BSE price index registered its first weekly expansion this year of 1.5%, mainly supported by price increases in banking shares. Four out of eight traded stocks posted price rises, while one stock registered price declines and three stocks saw no price change week-on-week. A closer look at individual stocks shows that Bank Audi's "listed" shares led the advance, posting strong price gains of 14.5% to reach US\$ 1.90. BLOM's "listed" share price surged by 4.4% to US\$ 4.0. As to Solidere shares, Solidere "A" share price nudged up by 0.1% to US\$ 8.59, while Solidere "B" share price declined by 0.7% to US\$ 8.51. At the level of industrial shares, Holcim Liban's share price increased by 1.0% to US\$ 9.71.

AUDI INDICES FOR BSE

22/1/96=100	28/02/20	21/02/20	27/12/19	
Market Cap. Index	271.65	267.53	316.37	↑
Trading Vol. Index	34.19	17.71	24.97	↑
Price Index	59.56	58.65	69.36	↑
Change %	1.54%	-0.56%	2.37%	↑
	28/02/20	21/02/20	27/12/19	
Market Cap. \$m	6,445	6,347	7,506	↑
No. of shares traded (Exc. BT)	528,504	438,025	333,997	↑
Value Traded \$000 (Exc. BT)	3,908	2,025	2,294	↑
o.w. : Solidere	3,793	1,769	2,294	↑
Banks	105	256	0	↓
Others	10	0	0	↑

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

BOND MARKET: BOND PRICES IN FREE FALL AS DEBT RESTRUCTURING LOOMS

Following two rate cuts by Moody's and S&P and the appointment of Lazard and Cleary Gottlieb Steen & Hamilton as legal and financial advisors for a potential debt restructuring, and on news that the government intends to ask for a seven-day grace period on its US\$ 1.2 billion bond maturing on March 9, 2020, Lebanese bond prices were in free fall over this week. Sovereigns maturing between 2020 and 2037 registered weekly price contractions ranging between 1.75 pts and 8.0 pts. Within this context, the weighted average yield skyrocketed to reach an unprecedented high level of 273%, noting that the yield on sovereigns maturing on March 9, 2020 reached 5,040%.

As to the cost of insuring debt, Lebanon's five-year CDS spreads crossed above the 14,000 bps threshold for the first time in history, in a clear sign of deterioration in market perception of sovereign risks at large.

EUROBONDS INDICATORS

	28/02/20	21/02/20	27/12/19	
Total tradable size \$m	32,564	32,564	29,564	↔
o.w.: Sovereign bonds	31,314	31,314	28,314	↔
Average Yield	273.00%	130.00%	29.99%	↑
Z-Spread (bid in bps)	6,448	5,074	3,045	↓
Average Life	7.82	7.85	7.50	↓
Yield on US 5-year note	1.01%	1.34%	1.71%	↓

Source: Bank Audi's Group Research Department

INTERNATIONAL MARKET INDICATORS

	28-Feb-20	21-Feb-20	31-Dec-19	Weekly change	Year-to-date change
EXCHANGE RATES					
YEN/\$	108.83	111.56	109.61	-2.5%	-0.7%
\$/£	1.289	1.296	1.275	-0.5%	1.1%
\$/Euro	1.101	1.084	1.147	1.5%	-4.0%
STOCK INDICES					
Dow Jones Industrial Average	25,409.36	28,992.41	28,538.44	-12.4%	-11.0%
S&P 500	2,954.22	3,337.75	3,230.78	-11.5%	-8.6%
NASDAQ	8,567.37	9,576.59	8,972.60	-10.5%	-4.5%
CAC 40	5,309.90	6,029.72	5,978.06	-11.9%	-11.2%
Xetra Dax	11,890.35	13,579.33	13,249.01	-12.4%	-10.3%
FT-SE 100	6,580.61	7,266.17	7,542.44	-9.4%	-12.8%
NIKKEI 225	21,142.96	23,386.74	23,656.62	-9.6%	-10.6%
COMMODITIES (in US\$)					
GOLD OUNCE	1,627.01	1,643.41	1,517.27	-1.0%	7.2%
SILVER OUNCE	17.07	18.49	17.85	-7.7%	-4.4%
BRENT CRUDE (per barrel)	50.67	58.50	66.00	-13.4%	-23.2%
LEADING INTEREST RATES (%)					
1-month Libor	1.52	1.63	1.71	-0.11	-0.19
US Prime Rate	4.75	4.75	4.75	0.00	0.00
US Discount Rate	2.25	2.25	2.25	0.00	0.00
US 10-year Bond	1.24	1.47	1.92	-0.23	-0.68

Sources: Bloomberg, Bank Audi's Group Research Department

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