

WEEKLY MARKET WATCH

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Credit Libanais SAL 

Research Unit

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Payment Cards As At October 2008

Statistics released by Banque Du Liban (BDL) reveal a healthy 11.01% annual expansion in the number of payment cards in Lebanon (Debit and Credit cards) reaching 1,499,907 cards during the first ten months of 2008.

Moody's Outlook On Lebanon

Moody's Investors' Service, the international rating agency, affirmed its sovereign "government bond" rating of "B3" for the Republic of Lebanon, while changing the outlook to "positive" from "stable" previously.

Public Debt Through October 2008

Statistics released by the Lebanese Ministry of Finance show an annual 12.14% expansion in gross public debt to \$46.19 billion as at end of October 2008, up from \$41.18 billion in October 2007.

Saudi Oil Revenues Expected to Plummet In 2009

Reduced oil production (resulting from successive OPEC cuts) coupled with the dramatic nose-dive in oil prices may drag Saudi oil revenues by 41% to \$172 billion in 2009.

CPI In November 2008

The U.S. Labor Department reported a substantial seasonally adjusted 1.7% monthly contraction, the biggest drop since 1947, in the U.S. Consumer Price Index "CPI" in November 2008 on the back of diminishing gasoline prices.

SYNOPSIS OF TERMS

"BDL"	Banque Du Liban
"ABL"	Association of Banks in Lebanon
"MOF"	The Lebanese Ministry of Finance
"BOP"	Balance of Payment
"IMF"	The International Monetary Fund
"Moody's"	Moody's Investors Service
"BSE"	Beirut Stock Exchange
"GDRs"	Global Depository Receipts
"M1"	Currency in Circulation + Demand Deposits in LBP
"M2"	M1 + Other Deposits in LBP
"M3"	M2 + Deposits in Foreign Currencies
"M4"	M3+ Treasury Bills Held By Non Banking System, Including Accrued Interests
"CPI"	Consumer Price Index
"PPI"	Producer Price Index
"CLASI"	Credit Libanais Aggregate Stock Index
"CLFI"	Credit Libanais Financial Sector Stock Index
"CLCI"	Credit Libanais Construction Sector Stock Index
"P/E"	Price to Earnings Multiple
"P/BV"	Price to Book Multiple
"YTD"	Year To Date
"YTD Price Performance"	Yield to Date Price Appreciation
"Forex"	Foreign Exchange
"LBP"	The Lebanese Pound
"USD"	The United States Dollar
"Yen"	The Japanese Yen
"GBP"	The British Pound/ Sterling Pound
"CHF"	The Swiss Franc

SYNOPSIS OF TERMS

"Y-O-Y"

Year-On-Year

"GDP"

Gross Domestic Product

"MENA"

Middle East and North Africa

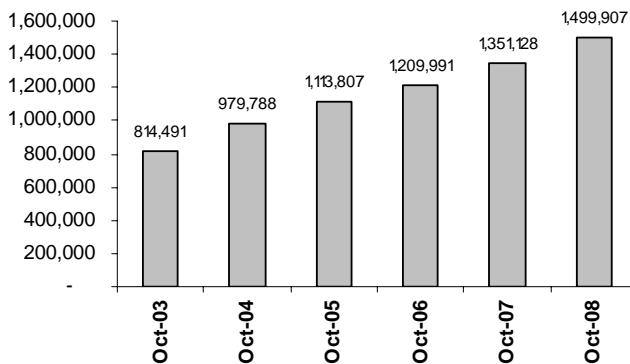
"FOMC"

Federal Open Market Committee

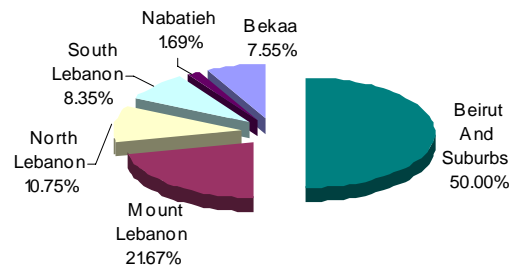
Payment Cards As At October 2008

Statistics released by Banque Du Liban (BDL) reveal a healthy 11.01% annual expansion in the number of payment cards in Lebanon (Debit and Credit cards) reaching 1,499,907 cards during the first ten months of 2008. The aggregate value of domestic card payments by residents reached \$741.77 million compared with \$565.36 million during the same period in 2007. In parallel, the number of ATM machines rose by a moderate 7.34% y-o-y to 1,126 machines through October 2008, up from 1,049 machines in October 2007.

Evolution In The Number of Payment Cards



ATMs By Geographical Distribution



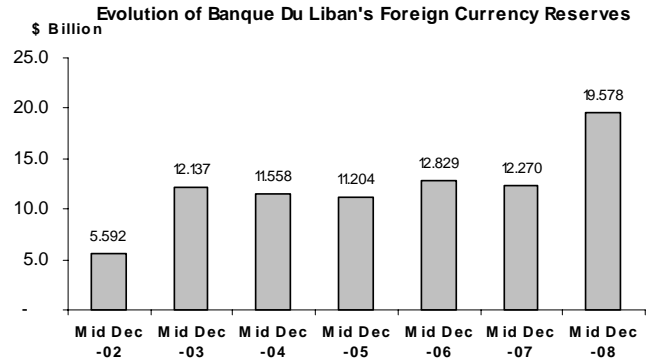
As for the geographical distribution of the ATM network, the Greater Beirut region continues to occupy the highest concentration with some 563 machines, constituting alone 50.00% of Lebanon's total ATM network.

Moody's Outlook on Lebanon

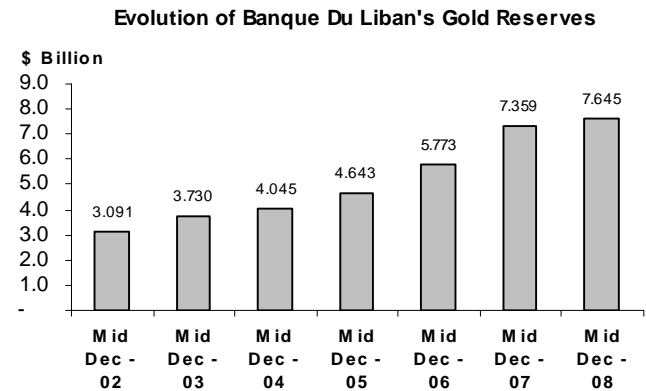
Moody's Investors' Service, the international rating agency, affirmed its sovereign "government bond" rating of "B3" for the Republic of Lebanon, while changing the outlook to "positive" from "stable" previously. The rating agency also confirmed its "B3" foreign currency rating for Lebanon. The rating agency spared Lebanese banks from the downgrade frenzy amid the global financial turmoil, thanks to their abidance by the strict and stringent regulations of the Lebanese Central Bank. Lebanese banks (Audi Bank, BLOM Bank, Bank of Beirut and Byblos Bank) preserved their "B3" long term bank deposits rating and their "D-" financial strength rating with stable outlook.

Banque Du Liban's Reserves In The First Half Of December 2008

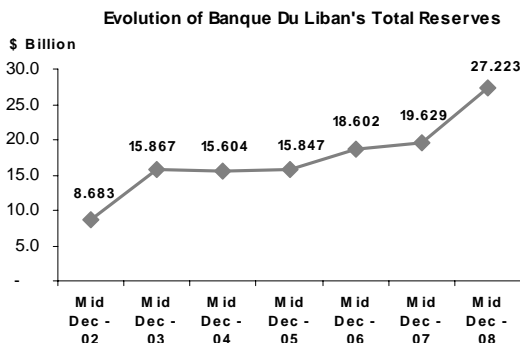
Banque Du Liban's (BDL) bi-weekly balance sheet unveils a moderate 2.34% (\$447.70 million) expansion in Lebanon's **gross foreign currency reserves** during the first half of December 2008 to \$19.58 billion, up from \$19.13 billion in the second half of November. On a yearly basis, foreign currency reserves burgeoned by a stunning 59.56% from \$12.27 billion in the first half of December 2007. This owes to a renewed appetite in LBP denominated deposits at commercial banks with the dollarization rate regressing to 69.7% as at end of October 2008, added the unprecedented increase in foreign remittances from Lebanese expatriates and some \$4.72 billion in influx from foreign donors' support in the aftermath of the Paris III convention.



The Central Bank's balance sheet also reveals a \$145.71 million bi-weekly appreciation in the value of **gold reserves** to \$7.65 billion in mid December 2008 up from \$7.5 billion as at end of November 2008. On a yearly basis, gold reserves advanced by 3.89% (\$286.35 million) from \$7.36 billion in mid December 2007. On a monthly basis, gold reserves hiked by an astounding 13.9% (\$0.93 billion) from \$6.71 billion in mid November 2008, owing to the frantic monthly rally in gold prices.



As portrayed by the table below, total reserves rose by an annual 38.7% (\$7.6 billion) to \$27.22 billion as at mid December 2008 up from \$19.63 billion a year earlier.



\$ Billion	Mid Dec-2007	Mid Dec-2008	Value Change	% Change
Gold	7.36	7.65	0.29	3.89%
Foreign Assets	12.27	19.58	7.31	59.56%
Total Reserves	19.63	27.22	7.594	38.69%

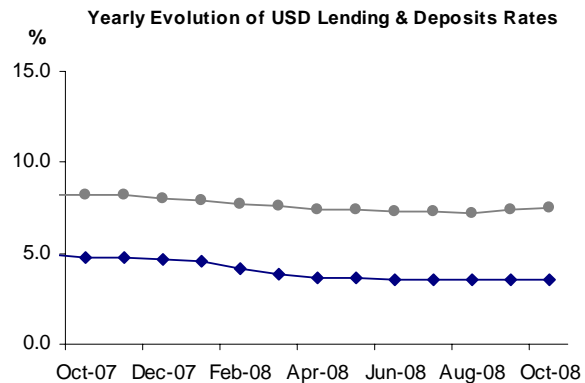
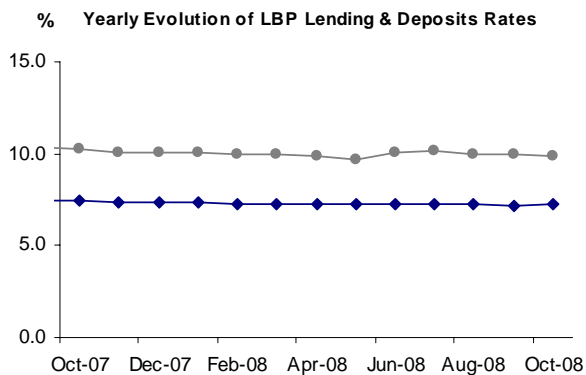
Source: Banque Du Liban

Interest Rates Activity in the Lebanese Banking Sector

Statistics released by Banque Du Liban (BDL) reveal a slight monthly expansion in the average interest rate on Lebanese-pound denominated deposits to 7.28% in October 2008, up from 7.18% in September 2008 in comparison with 7.43% in October 2007. The average deposit rate on U.S. Dollar denominated deposits, however, inched lower to 3.54% in October 2008 down from 3.57% in September 2008 and 4.81% in October 2007, mimicking the global interest dampening trend and the successive rate cuts by the U.S. Federal Reserve. Commercial banks' discount and lending rate retreated to 9.90% on LBP denominated loans while expanding to 7.53% on USD denominated loans.

Lebanon's Interest rates	In October 2008		In September 2008		In October 2007	
	LBP	USD	LBP	USD	LBP	USD
Average Rate on Deposits	7.28%	3.54%	7.18%	3.57%	7.43%	4.81%
Term Savings & Deposits Rate	7.63%	3.98%	7.64%	4.06%	7.96%	5.35%
Discount & Loans Rate	9.90%	7.53%	9.98%	7.37%	10.27%	8.21%

Source: Banque Du Liban



◆ LBP Average Rate on Deposits

● LBP Discount and Loans rate

◆ USD Average Rate on Deposits

● USD Discount and Loans rate

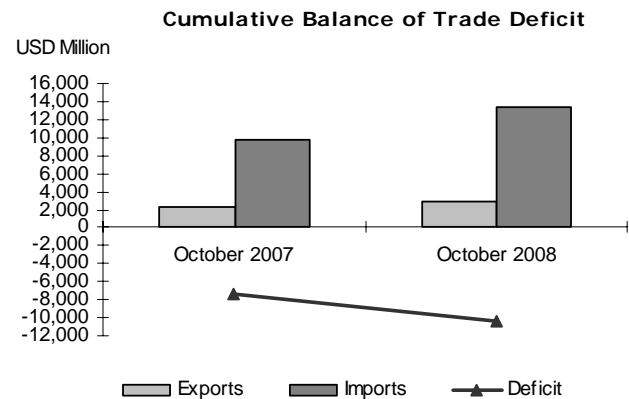
Balance of Trade up to October 2008

On the current account side of the balance of payment, the Higher Customs Council revealed that Lebanon's balance of trade deficit widened by \$3.64 billion year-on-year to \$10,437 million as at end of October 2008, up from \$7,415 million during the same period in 2007. Total imports hiked by 37.51% on a yearly basis to \$13.334 billion outweighing the 26.95% upsurge in exports to \$2.897 billion.

On a monthly basis, Lebanon's balance of trade deficit expanded by 3.3% to \$1.24 billion in October compared to \$1.2 billion in September 2008.

Balance of Trade (US\$ Million)	For The Ten - Month Period Ending		YOY % Change
	October 2007	October 2008	
Exports	2,282	2,897	26.95%
Imports	9,697	13,334	37.51%
Trade Deficit	(7,415)	(10,437)	40.76%

Source: Higher Customs Council, As-Safir Newspaper



The following tables portray the breakdown of Lebanese exports and imports by country of destination in the first ten months of 2008:

Major Export Destination		
UAE	\$279 million	10.00%
Switzerland	\$273 million	9.00%
Iraq	\$213 million	7.00%
Turkey	\$197 million	7.00%
Syria	\$186 million	6.00%

Source: As-Safir Newspaper

Major Import Sources		
U.S.A	\$1,397 million	10.00%
France	\$1,156 million	9.00%
China	\$1,156 million	9.00%
Italy	\$963 million	7.00%
Germany	\$807 million	6.00%

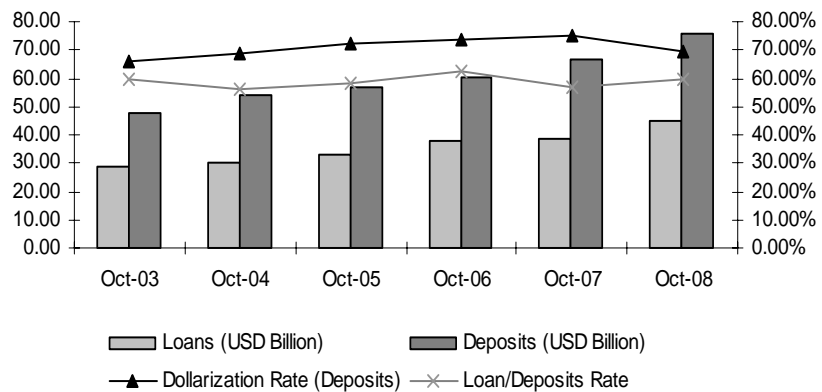
Source: As-Safir Newspaper

It is obvious that U.S.A was the main exporting country to Lebanon with an aggregate exports value of \$1.397 billion through October 2008, while the UAE topped the list of importing countries, with some \$279 million in total imports (10% of the total).

The Lebanese Banking Sector In October 2008

In the banking sector, the consolidated balance sheet of commercial banks in Lebanon conveyed a slim 1.42% monthly contraction in total banking sector assets to LBP 136,325 billion (\$90.43 billion) as at end of October 2008, down from LBP 138,291 billion (\$91.73 billion) in September 2008. This is mainly attributed to the astounding 16.33% monthly contraction in commercial banks' foreign assets to LBP 26,069 billion (\$17.29 billion). Year-on-year, total banking sector assets, however, have grown by a robust 12.02% from LBP 121,689 billion (\$80.72 billion) in October 2007. Concurrently, customer deposits at Lebanese banks bolstered by 13.01% on an annual basis to LBP 114,049 billion (\$75.65 billion) through October 2008, with the dollarization rate easing markedly to 69.7%, down from 75.03% over the same period in 2007. On the lending front, the consolidated lending activity at commercial banks firmed at LBP 68,215 billion (\$45.25 billion) as at end of October, up from LBP 57,662 billion (\$38.25 billion) a year earlier, thus lifting the loans to deposits ratio higher at 59.81% from 57.14% in the same period in 2007.

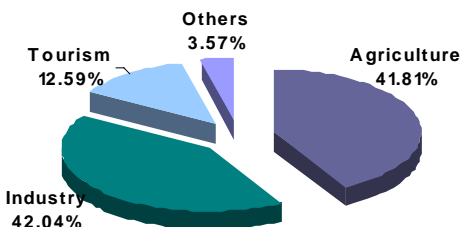
Activity In The Lebanese Banking Sector



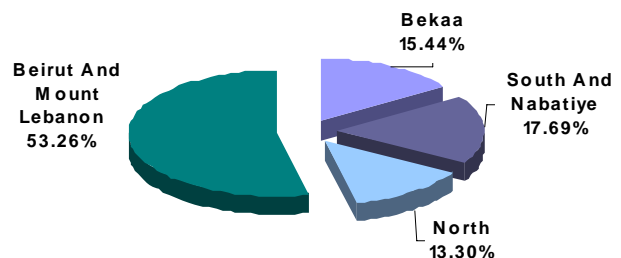
Kafalat Loans In November 2008

Statistics released by the government-subsidized program "KAFALAT" unveil a sizeable increase in the number of guarantees extended by Kafalat for the first eleven months of 2008 to 842. The cumulative face value of these guarantees reached LBP 176.60 billion through November with an average value per guarantee standing at LBP 209.74 million. During the month of November alone, the number of subsidized loan guarantees extended by Kafalat stood at 70 valued at LBP 16.18 billion. The substantial (42.04%) majority of issued Kafalat loans was allocated over the Industrial sector, followed by the Agricultural and Tourism sectors at respective stakes of 41.81% and 12.59%.

Breakdown Of Kafalat Loans By Sector Up To November 2008



Breakdown Of Kafalat Loans By Region Up To November 2008



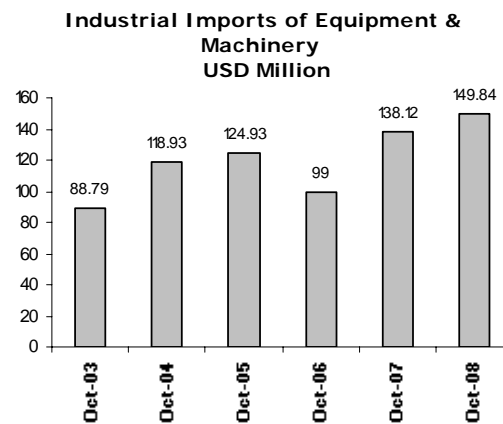
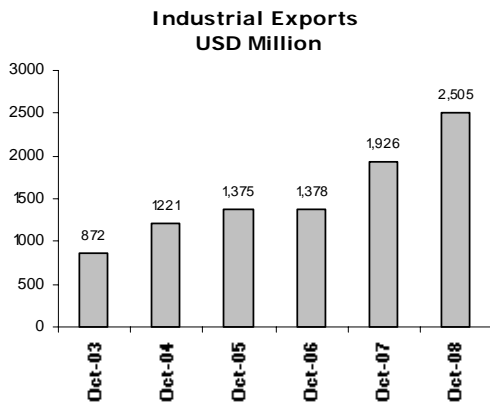
Industrial Exports and Imports of Equipment & Machinery Up to October 2008

The Ministry of Industry posted a robust 30.06% annual expansion in Lebanon's Industrial exports through the month of October 2008 to \$2,505 million, up from \$1,926 million in the same period in 2007. Exports of base metals and articles of base metal occupied the first place, constituting 19.4% (\$486 million) of total industrial exports, followed by machinery and mechanical appliances at 17.09% (\$428 million).

In parallel, Industrial imports of equipment & machinery advanced by 8.49% to \$149.84 million, up from \$138.12 million in the same period in 2007. Italy was the main import source constituting alone around 24.25% (\$36.33 million) of total industrial imports, followed by Germany and China at respective rates of 23.24% (\$34.82 million) and 16.08% (\$24.09 million).

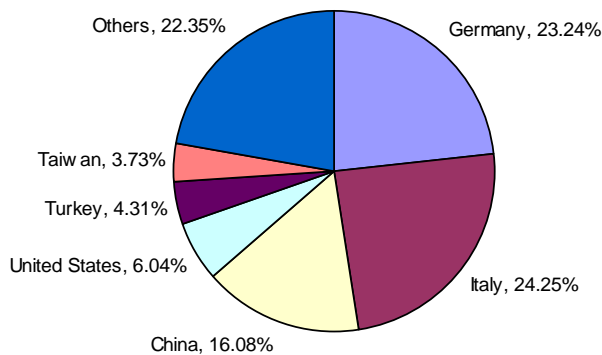
(USD Million)	For The Ten-Month Period Ending		YOY % Change
	October 2007	October 2008	
Industrial Exports	1,926	2,505	30.06%
Industrial Imports of Equipment & Machinery	138.12	149.84	8.49%

Source: Lebanese Ministry of Industry



The following section illustrates the break down of industrial imports by country of origin:

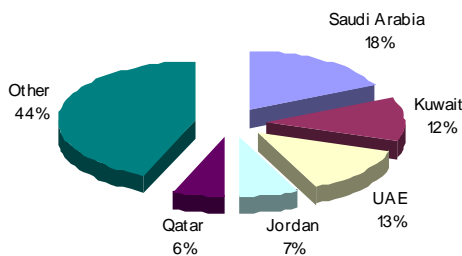
Break Down Of Imports By Country Of Origin Through October 2008



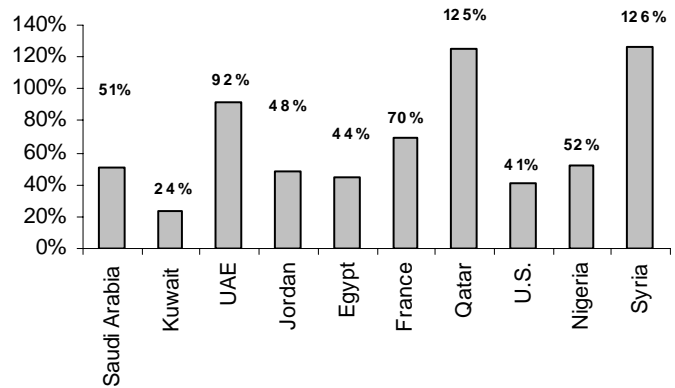
Tax Free Shopping Up To November 2008

The Global Refund on Tax Free shopping report revealed a significant 55% year-on-year (y-o-y) expansion in Lebanon's Tax free spending through November 2008. This owes in the first place to a sizeable 126% increase in spending by Syrian travelers and a 125% rally in Qatari visitors' spending. Nevertheless, spending by Saudi Arabian tourists occupied the first place (18%) followed by Kuwaiti and UAE tourists at respective rates of 12% and 13%.

Total Spending Distribution by Area of Residence - YTD -



Growth in Spending YTD November 2008



Uniceramic's Performance In The First Half Of 2008

Uniceramic released its mid year 2008 financial statements last week, posting a net loss of \$1.68 million as at end of June. The company's revenues stood at \$4.91 million, while in parallel cost of goods sold leveled at \$4.76 million. Consequently, the company's gross profit margin pivoted around 2.98%, with net profit margin deteriorating substantially to a negative 34.31% in comparison with a negative 26.23% realized during the full year 2007. On the balance sheet side, Uniceramic's total assets fell to \$37.37 million in the first half of 2008 down from \$40.81 million in 2007. It is worth noting that Uniceramic's Bearer and Nominal share prices ended the week unchanged on the Beirut Stock Exchange at \$1.7 and \$0.45 respectively.

Beirut Lira Fund Reaches Maturity

According to the Beirut Stock Exchange circular number 275/2008 dated December 18, 2008, Bank of Beirut declared last week that the Beirut Lira Fund has reached its five-year maturity and will be subject to liquidation in compliance with article 18 of law number 706/2005. Consequently, the Beirut Stock Exchange announced the suspension in trading of said fund's shares as of December 22, 2008. It is worth noting that the Beirut Lira Fund last traded at LBP 105,300 on December 19, 2008. The Fund was initially listed on the Beirut Stock Exchange's official market on February 11, 2004. Beirut Lira is a fixed income fund managed by Bank of Beirut and invests primarily in Lebanese Treasury bills and Certificates of Deposits.

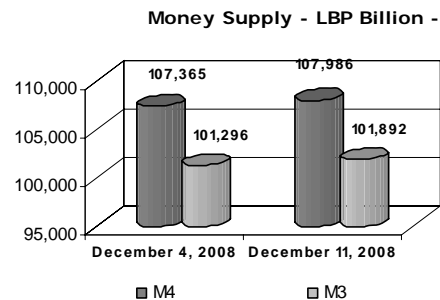
MONETARY PERFORMANCE

On the monetary front, all monetary indicators closed on a positive note during the week of December 11, 2008. The overall money supply "M4" rose by LBP 621 billion (\$411.94 million) on a weekly basis to LBP 107,986 billion (\$71.63 billion) steered by the LBP 26 billion (\$17.24 million) appreciation in non-banking sector Treasury bills. Lebanese-pound denominated deposits and currency in circulation, "M1" edged up by 0.37% to LBP 3,962 billion (\$2.63 billion), owing to some LBP 22 billion (\$14.59 million) contraction in money in circulation eclipsed by a higher LBP 37 billion (\$24.54 million) expansion in demand deposits.

Local currency, term deposits, "M2" added some 0.42% on a weekly basis and a staggering 47.99% on an annual basis to LBP 36,455 billion (\$24.18 billion). This has triggered a significant LBP 136 billion (\$90.22 million) appreciation in private sector savings ("M2-M1") during the week to LBP 32,493 billion (\$21.55 billion).

Money Supply LBP Billion	December 4, 2008	December 11, 2008	% Change
M1	3,947	3,962	0.37%
M2	36,304	36,455	0.42%
M3	101,296	101,892	0.59%
M4	107,365	107,986	0.58%
M2 - M1 (Savings)	32,357	32,493	0.42%

Source: Banque Du Liban



MONEY MARKETS

On the money market front, the December 11th Treasury bill auction raised LBP 124.039 billion, down from LBP 397.983 billion the week before. The auction revealed a surplus over nominal subscriptions of LBP 67.211 billion compared with a surplus of LBP 31.641 billion in the preceding week's auction.

The bulk of the subscriptions was concentrated in the three months to maturity T-bills, constituting alone more than 40.32% of total aggregate subscriptions, followed by the six-month, three-year, two-year and one-year to maturity securities, representing around 33.71%, 25.18%, 0.45% and 0.34% of weekly subscriptions respectively. It is worth noting that the prevailing trend, which is characterized by a recurring surplus over nominal subscriptions, can be attributed to Lebanese Banks' sustained appetite for high yielding safe-haven government securities, away from the global financial chaos.

Certificates Of Deposits Lebanese Pounds	45 Days	60 Days
Interest Rate/Period	4.40%	4.89%

Lebanese Treasury Bills	3 Months	6 Months	12 Months	24 Months	36 Months	60 Months
Treasury Yield	5.16%	7.12%	7.64%	8.34%	9.02%	11.50%

PUBLIC DEBT THROUGH OCTOBER 2008

As far as public debt is concerned, statistics released by the Lebanese Ministry of Finance show an annual 12.14% expansion in gross public debt to \$46.19 billion as at end of October 2008, up from \$41.18 billion in October 2007. Of the total gross public debt, 45.89% is external debt while the remaining 54.11% is domestic debt. Public sector deposits expanded to \$5.34 billion as at end of October with net public debt up by 5.61% y-o-y to \$40.85 billion. Net domestic debt constituted 48.11% of net public debt through October 2008, with foreign debt crawling by 2.92% to \$21.2 billion.

FOREIGN EXCHANGE

Domestically, demand for the Lebanese Pound prolonged its healthy momentum last week. The inter-bank trading range remained steady, hovering between LBP 1,500.75 and LBP 1,501.25, thanks to the relaxed political and investment environments coupled with the attractive yields on LBP deposits. The Lebanese Central Bank intervened at the 1,501 LBP/USD level in an endeavor to preserve a stable exchange rate against the U.S. Dollar. Demand for the Lebanese Pound continued to outweigh the supply of the domestic currency at respective trading bands of LBP 1,498- LBP 1,499 versus LBP 1,504-LBP 1,505. This is further evidenced by the regressing dollarization rate at Lebanese banks to 69.7% as at end of October 2008.

On the foreign exchange front, the U.S. Dollar reversed trend, depreciating against major currencies last week on the back of the Federal Reserve interest rate cut. More particularly, the U.S Federal Reserve cut its benchmark rate (Fed Rate) from 1% to a range of interest rates fluctuating between 0% and 0.25%. It is worth noting that the Dollar index, DXY, which measures the value of the Dollar against major currencies, closed the week at 86.543, 1.77% lower from a previous session close of 88.1.

In mid Friday session, the Euro posted a moderate contraction against the U.S. Dollar, closing the week 4.22% higher at \$1.3916. In mid-Friday in New York, the Euro fell by 2.28% for the day to \$1.3916 after having hovered between \$1.3822 and \$1.4309. The initial support level was revised to \$1.3859 with the new resistance level readjusted to \$1.4066. In parallel, the Euro posted a 3.1% fall against the Yen, closing the week at 123.79 Yen.

The U.S. Dollar watered down against the Japanese Yen, easing by 2.78% for the week to a market close of 89.12 Yen. The U.S. Dollar traded between a range of 88.41 and 89.84 against the Yen on Friday, ending the day at 89.12 Yen. The initial support level was revised to 88.65 Yen with the resistance level reset at 90.33 Yen.

The Sterling Pound (GBP), however, corrected downwards against the U.S. Dollar, closing 0.69% lower in mid Friday session. The British Pound was trading between \$1.4805 and \$1.5185, ending the week at \$1.4925 in New York session. The initial level support stood at \$1.4886 with the resistance level adjusted to \$1.4988.

Major Currencies	Last	Previous	% Change
EUR/USD	1.3916	1.3352	4.22% ↑
GBP/USD	1.4925	1.5011	-0.57% ↓
USD/JPY	89.12	91.67	-2.78% ↓
USD/CHF	1.1015	1.1837	-6.94% ↓
USD/CAD	1.2190	1.2287	-0.79% ↓

Major Crosses	EUR	GBP	CHF	JPY	CAD
EUR	-	0.9451	1.5351	125.810	1.6800
GBP	1.0581	-	1.6244	133.120	1.7776
CHF	0.6514	0.6157	-	81.955	1.0944
JPY	0.7949	0.7512	1.2202	-	1.3353
CAD	0.5953	0.5626	0.9138	74.890	-

Gold & Silver (in USD)

Gold kg 995	Gold Ounce	Silver Kg	Silver Ounce
27,147.46	844.40	353.33	10.99

Major Currencies	Last	Previous	% Change
USD/LBP	1,507.5	1,507.5	0.00% ↔
EUR/LBP	2,123.9	2,014.3	5.44% ↑
CAD/LBP	1,228.1	1,210.0	1.50% ↑
CHF/LBP	1,377.5	1,280.3	7.59% ↑
GBP/LBP	2,267.7	2,269.5	-0.08% ↓

World Interest rates levels

Period	USD	GBP	CHF	JPY	CAD	EUR
O/N	0.0600	1.2500	0.0500	0.2000	3.0000	1.9500
1 Month	1.1000	2.3400	0.5000	0.8000	1.7000	2.7500
3 Months	1.2500	2.5800	0.6500	1.2200	1.8500	3.0500
6 Months	1.9500	2.4500	1.0500	1.3700	1.9000	3.1000
1 Year	2.3000	2.6800	1.2600	1.5000	2.1000	3.1200
5 Years	1.3936	2.6230	1.6250	0.7600	1.8540	2.3910
10 Years	2.1455	3.1580	2.2430	1.2250	2.8100	2.9710
30 Years	2.5903	3.7960	2.5570	1.9450	3.4560	3.5270

Source: Banque Du Liban, Credit Libanais Forex Markets, Reuters

FIXED INCOME

On the Lebanese Eurobond front, bond prices regained a slight momentum last week as demand outweighed supply. Spreads settled at 803.6 basis points during the week ended Friday December 19, 2008.

LEBANESE EUROBONDS								
Lebanese Eurobonds	Currency	Coupon	Maturity	Issue Spread	Bid	Ask	Bid Yield	Bid Spread
Government Eurobonds								
Republic of Lebanon	USD	10.250%	Oct-09	440	101.750	103.750	7.850%	746
Republic of Lebanon	USD	0.000%	Nov-09	325	99.000	101.000	9.770%	931
Republic of Lebanon	USD	7.000%	Dec-09	349	98.750	100.750	8.370%	790
Republic of Lebanon	USD	7.130%	Mar-10	370	98.250	100.250	8.690%	769
Republic of Lebanon	USD	7.880%	May-11	366	98.250	100.250	8.660%	714
Republic of Lebanon	USD	7.500%	Aug-08	-	96.750	98.750	8.920%	787
Republic of Lebanon	USD	7.750%	Sep-12	385	95.000	97.000	9.370%	805
Republic of Lebanon	USD	9.130%	Mar-13	-	99.000	101.000	9.410%	797
Republic of Lebanon	USD	8.630%	Jun-13	478	96.500	98.500	9.600%	813
Republic of Lebanon	USD	7.380%	Apr-14	-	90.500	92.500	9.700%	813
Republic of Lebanon	USD	9.000%	May-14	515	96.750	98.750	9.790%	820
Banque Du Liban	USD	10.000%	Apr-15	625	100.000	102.000	9.990%	828
Republic of Lebanon	USD	8.500%	Aug-15	-	92.500	94.500	10.080%	833
Republic of Lebanon	USD	8.500%	Jan-16	-	92.000	94.000	10.110%	830
Republic of Lebanon	USD	11.630%	May-16	647	107.000	109.000	10.240%	840
Republic of Lebanon	USD	8.250%	Apr-21	-	90.000	93.000	9.650%	742
Republic of Lebanon	EUR	5.880%	Apr-12	-	91.000	93.000	9.140%	529
Republic of Lebanon	EUR	7.250%	May-09	393	99.500	101.500	8.190%	623
Corporate Eurobonds								
Bq Mediterranée	USD	7.630%	Jul-10	-	98.000	99.000	8.360%	773
Bq Mediterranée	USD	7.630%	Dec-12	-	96.000	97.000	8.840%	745
Audi Investment Bank	USD	10.750%	May-10	475	103.000	104.000	8.360%	773

Source: Credit Libanais Capital Markets

LEBANESE EQUITIES

Activity on the Beirut Stock Exchange (BSE) rose sharply last week with some 951,400 shares changing hands, in comparison with 378,304 shares in the preceding week. This owes mainly to the three-day Adha holiday in the second week of December.

For a fifth time during a two-month period, the Credit Libanais Aggregate Stock Index (CLASI) hit its lowest level for 2008, closing at 973.53 points on December 15, moving in tandem with global equity markets. On a weekly basis, however, the index rose by 0.94% to 995.79 on December 19, 2008, up from 986.55 the week before. This owes mainly to the 5.46% appreciation in the price of the Audi Bank GDR.

Seven gainers and four losers were spotted throughout the week with market capitalization slightly progressing to \$9.81 billion, up from \$9.73 billion a week earlier. Value traded was no exception, spiking by 240.81% to \$18.63 million, up from \$5.47 million a week earlier.

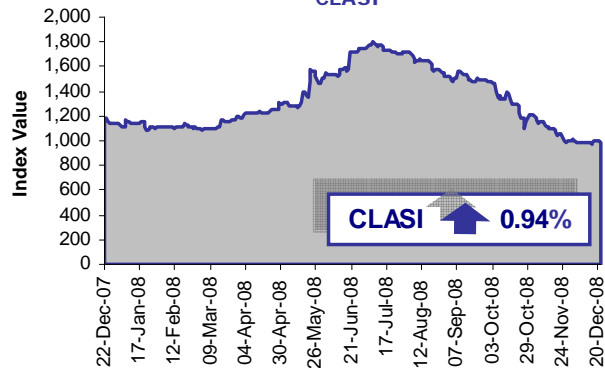
On the real estate and construction front, Solidere "A" & "B" shares led the weekly trades with 404,677 shares compared with 278,485 shares in the preceding week. The Credit Libanais Construction Sector Stock Index (CLCI) seems to be recouping part of its preceding losses, inching 0.49% higher to 877.91 for the week.

In the Banking sector, the Audi Bank and BLOM Bank GDRs settled on a positive note, up by 5.46% and 4.16% to \$56.95 and \$71.4 respectively. This is echoed by the 1.19% weekly expansion in the value of the Credit Libanais Financial Sector Stock Index (CLFI) to 1,055.06.

On the international front, the Solidere GDR, listed on the London Stock Exchange, was the sole loser of the week, closing at \$15.78.

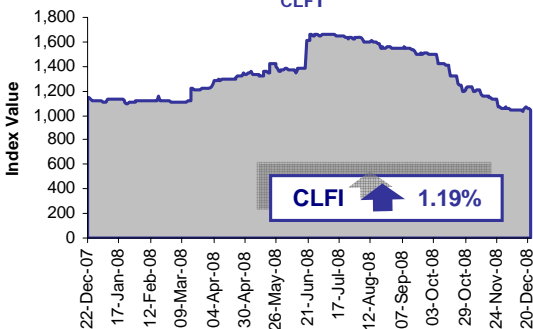
Credit Libanais Indices	Closing 19-Dec-08	Previous 12-Dec-08	Weekly % Change
Credit Libanais Aggregate Stock Index <.CLASI >	995.79	986.55	0.94%
Credit Libanais Financial Sector Stock Index <.CLFI >	1,055.06	1,042.62	1.19%
Credit Libanais Construction Sector Stock Index <.CLCI >	877.91	873.61	0.49%

Credit Libanais Aggregate Stock Index
Weekly Performance
CLASI

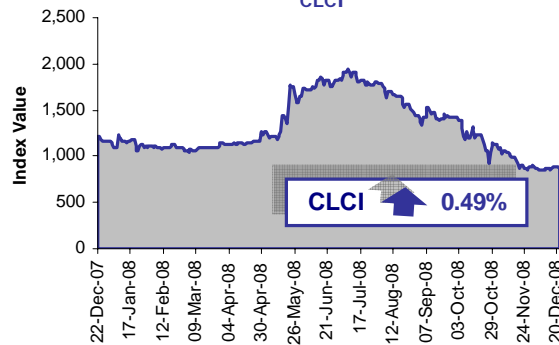


.CLASI Credit Libanais Aggregate Stock Index			
19 - December - 2008			
Value	Daily % Chng	Daily Net Chng	
995.79	-0.758%	-7.61	
Yr.High	Year Hi.Date	Yr.Low	Year.Lo.Date
1,801.01	7-Jul-08	973.53	15-Dec-08
Life High	Life Hi.Date	Life Low	Life.Lo.Date
1,801.01	7-Jul-08	861.93	28-Feb-07

Credit Libanais Financial Sector Stock Index
Weekly Performance
CLFI



Credit Libanais Construction Sector Stock Index
Weekly Performance
CLCI



weekly market watch

LEBANESE EQUITIES								
	Closing	%change	Weekly Volume Traded	Total Outstanding Shares	Market Capitalisation (\$000)	P/E	P/BV	YTD Price Perf.
BEIRUT STOCK EXCHANGE								
Solidere A	\$17.05	0.53%	297,220	100,000,000	\$1,705,000	12.55	1.54	-23.7%
Solidere B	\$17.12	0.59%	107,457	65,000,000	\$1,112,800	12.60	1.54	-23.0%
BLC "C"	\$1.90	0.00%	-	50,900,000	\$96,710	5.43	0.90	-76.3%
Banque Audi Listed Shares	\$53.50	0.94%	156,492	34,189,389	\$1,829,132	8.23	1.06	-23.57%
Banque Audi GDR	\$56.95	5.46%	10,000	9,829,902	\$559,813	8.76	1.13	-26.0%
Bank Audi Preferred "C"	\$25.25	0.00%	-	4,000,000	\$101,000	n.a	n.a	n.a
Bank Audi Preferred "D"	\$100.00	-0.89%	2,530	1,250,000	\$125,000	n.a	n.a	n.a
Bank Of Beirut "C"	\$18.30	0.00%	-	13,535,945	\$247,708	12.45	2.62	43.53%
Bank Of Beirut Preferred "B"	\$12.10	0.00%	-	3,000,000	\$36,300	n.a	n.a	5.22%
Bank Of Beirut Preferred "C"	\$25.50	0.00%	-	2,920,000	\$74,460	n.a	n.a	2.45%
Bank Of Beirut Preferred "D"	\$25.25	0.00%	-	4,000,000	\$101,000	n.a	n.a	n.a
Byblos Bank "C"	\$1.67	-1.18%	312,000	217,112,557	\$362,578	7.59	0.76	-24.77%
Byblos Bank Preferred	\$104.00	0.00%	-	1,000,000	\$104,000	n.a	n.a	0.87%
Byblos Bank Preferred Class 2008	\$97.90	0.00%	-	2,000,000	\$195,800	n.a	n.a	-2.10%
Byblos Bank Priority	\$1.68	2.44%	16,700	206,023,723	\$346,120	7.6	0.8	-25.00%
BEMO Bank-Listed shares	\$4.83	-0.41%	5,801	5,400,000	\$26,082	12.1	1.4	19.55%
BEMO Bank Preferred	\$100.00	0.00%	-	200,000	\$20,000	n.a	n.a	0.00%
BLOM Bank GDR	\$71.40	4.16%	18,016	7,389,601	\$527,618	6.19	1.22	-19.87%
BLOM Bank Listed Shares	\$74.75	-0.33%	6,650	21,500,000	\$1,607,125	6.48	1.28	-11.01%
BLOM Bank Preferred "2004"	\$101.00	0.00%	-	750,000	\$75,750	n.a	n.a	0.00%
BLOM Bank Preferred "2005"	\$101.70	0.00%	-	1,000,000	\$101,700	n.a	n.a	0.49%
RYMCO	\$2.10	0.00%	-	10,400,000	\$21,840	26.25	1.43	55.56%
Holcim Liban	\$15.93	0.00%	-	19,516,040	\$310,891	300.6	16.77	-23.23%
Ciment Blancs Bearer	\$2.00	0.00%	18,514	6,000,000	\$12,000	14.49	2.15	11.11%
Ciment Blancs Nominal	\$1.90	0.00%	-	3,000,000	\$5,700	13.77	2.04	35.71%
Uniceramic Nominal "A"	\$0.45	0.00%	-	4,290,000	\$1,931	-1.80	0.50	0.00%
Uniceramic Bearer "C"	\$1.70	0.00%	-	8,580,000	\$14,586	-6.80	1.89	0.00%
Beirut Lira Fund (LBP)	105,300	0.00%	-	275,000	\$19,209	n.a	1.00	1.25%
Beirut Golden Income (LBP)	112,200	0.63%	20	410,000	\$30,515	n.a	0.99	1.36%
Beirut Preferred Fund	\$100.20	0.00%	-	325,756	\$32,641	n.a	n.a	n.a
GLOBAL DEPOSITORY RECEIPTS								
Solidere	\$15.78	-4.94%		9,091,750	143,468	11.61	1.42	-26.193%
Audi	\$54.80	3.01%		9,687,532	530,877	7.44	1.08	-27.031%
BLOM Bank GDR	\$73.80	5.43%		7,389,601	545,353	6.46	1.34	-18.046%

Activity Analysis			
	Last	Previous	% Change
Value Traded	\$18,626,328	\$5,465,352	240.81%
Volume Traded	951,400	378,304	151.49%
Market Cap - BSE	\$9,806,099,507	\$9,725,965,159	0.82%
Market Cap - Intl	\$1,219,697	\$1,183,572	3.05%

Heavy market capitalization-weighted Solidere "A" and "B" emerged as the largest contributors (64.48%) to the week's traded value with a turnover ratio in excess of 0.48%. Other active stocks included Bank Of Beirut shares and Audi Bank (shares & GDRs) accounting for 25.87% and 6.24% of total weekly traded value respectively.

Lebanon's Economic and Financial Sector Indicators						
	2003	2004	2005	2006	2007	2008*
MACROECONOMIC INDICATORS						
GDP (\$ Million)	19,895	21,465	21,558	22,759	24,640	26,118
Real GDP Growth Rate	5.00%	7.89%	0.43%	5.57%	8.26%	6.00%
GDP Per Capita (\$)	5,585	5,949	5,898	6,146	6,569	6,963
Net Foreign Direct Investment (\$ Million)	1,722	1,993	2,791	2,321.0	3,486.0	
INDUSTRY						
Industrial Exports (\$ Million)	1,438	1,640	1,667	1,738	2,361	2,505 ⁽⁹⁾
Import of Industrial Machinery (\$ Million)	109	142	137	130	162.61	149.84 (9)
TOURISM						
Arab Tourists Arrivals	438,203	545,150	451,430	456,889	400,082	450,166 ⁽⁹⁾
Africa Tourists Arrivals	22,398	20,180	16,160	20,541	48,071	28,144 ⁽⁹⁾
U.S. Tourists Arrivals	120,429	152,075	136,907	129,274	121,596	148,179 ⁽⁹⁾
Asia Tourists Arrivals	134,164	173,897	177,809	164,053	137,832	148,139 ⁽⁹⁾
Europe Tourists Arrivals	266,691	338,475	316,083	267,142	277,337	293,290 ⁽⁹⁾
Others Tourists Arrivals	66,755	48,692	41,135	33,659	32,154	35,250 ⁽⁹⁾
Total Number of Tourists	1,015,793	1,278,469	1,139,524	1,062,635	1,017,072	1,103,168
CONSTRUCTION						
Construction Permits (000 sqm)	8,860	9,156	8,254	9,145	7,919	8,222.62 ⁽⁹⁾
Cement Delivery (000 tons)	2,704	2,729	3,040	3,423	3,944	1,976 ⁽¹⁾
TRANSPORTATION						
Beirut Port Activity						
Freight Activity(000 Tons)	4,767	5,060	4,475	4,226		4,835 ⁽⁹⁾
Number of Vessels	2,333	2,366	2,230	1,832		1,707 ⁽⁹⁾
Number of Containers	115,034	137,492	127,656	119,978		782,544 ⁽⁹⁾
Beirut Airport Activity						
Number of Planes	34,469	39,023	38,197	32,980	39,050	59,787 ⁽⁷⁾
Number of Passengers	2,718,000	3,200,000	3,180,000	2,739,606	3,408,834	3,366,830 ⁽⁹⁾
FOREIGN TRADE						
Imports (\$ Million)	7,170	9,400	9,342	9,399	11,815	13,334 ⁽⁶⁾
Exports (\$ Million)	1,524	1,747	1,880	2,281	2,816	2,897 ⁽⁶⁾
Trade Balance (\$ Million)	(5,644)	(7,650)	(7,459)	(7,118)	(8,999)	(10,437) ⁽⁶⁾
Exports/Imports	21.30%	18.60%	20.10%	24.27%	23.83%	21.73%
BALANCE OF PAYMENT						
Balance of Payment (\$ Million)	3,386	169	747	2,795	2,036	2,013.4 ⁽⁶⁾
Foreign Currency Reserves (\$ Billion)	12.18	11.48	11.66	12.97	12.39	19.58 ⁽¹³⁾
PUBLIC FINANCE						
Government Expenditures (LBP Billion)	10,592	10,540	10,203	11,877	12,587	10,645 ⁽⁷⁾
Government Revenues (LBP Billion)	6,656	7,514	7,405	7,295	8,749	7,613 ⁽⁷⁾
Budget Deficit	(3,936)	(3,026)	(2,798)	(4,582)	(3,838)	(3,929) ⁽⁷⁾
Deficit / Total Expenditures	37.16%	28.71%	27.42%	38.58%	30.49%	28.48%
Public Debt (\$ Billion)	33.36	33.85	38.48	37.41	39	
Debt/GDP	167.68%	167.00%	179.00%	164.37%	171.00%	
MONETARY AGGREGATES & INFLATION						
M1 (LBP Billion)	2,847	3,031	2,952	3,322	3,475	3,962 ⁽¹²⁾
M2 (LBP Billion)	26,234	25,978	24,465	23,477	24,769	36,455 ⁽¹²⁾
M3 (LBP Billion)	64,694	71,310	74,446	80,244	90,234	101,892 ⁽¹²⁾
M4 (LBP Billion)	70,297	74,810	77,771	84,545	95,647	107,986 ⁽¹²⁾
Consumer Price Index	136.75	102.48	99.63	107.24	113.59	123.58 ⁽⁷⁾
CPI (%)	3.00%	1.70%	-2.60%	5.60%	9.30%	11.76% ⁽⁷⁾
BANKING SYSTEM						
Number of Commercial Banks	52	53	54	54	---	---
Number of Branches	809	802	926	977	---	---
Number of Employees	15,714	16,281	17,480	18,945	---	---
Total Assets (LBP Billion)	90,623	102,187	106,104	114,840	123,999	138,291 ⁽⁷⁾
Total Deposits (LBP Billion)	73,455	82,691	85,906	97,309	102,598	114,524 ⁽⁷⁾
Deposits by Private Sector (LBP Billion)	75,852	86,503	89,169	95,730	101,435	113,259 ⁽⁷⁾
Deposits by Public Sector (LBP Billion)	1,325	1,480	1,705	1,579	1,163	1,183 ⁽⁷⁾
Total Loans (LBP Billion)	23,758	25,364	26,109	57,123	59,185	68,184 ⁽⁷⁾
Loans to Private Sector (LBP Billion)	22,836	24,020	24,467	25,930	26,762	31,569 ⁽⁷⁾
Loans to Public Sector (LBP Billion)	21,006	24,155	26,697	31,193	32,423	36,615 ⁽⁷⁾
Total Shareholders Equity (USD Million)	4,529.53	4,941.28	6,171.55	7,771.48	---	---
Customer Loans/Customer Deposits	56.81%	54.75%	56.30%	58.70%	57.69%	59.12%
Customer Loans/Total Assets	48.38%	47.14%	48.26%	49.74%	47.73%	48.83%
ROE	11.14%	10.22%	10.71%	11.06%	---	---
ROA	0.75%	0.68%	0.77%	0.92%	---	---
Exchange Rate (LBP to USD)	1,507.50	1,507.50	1,507.50	1,507.50	1,507.50	1,507.50

(*) (1) As at end of March 2008 - (2) As at end of April 2008 - (3) As at End of May 2008 - (4) As at End of June 2008
(5) As at End of July 2008 - (6) As At End of August 2008 - (7) As At End Of September 2008 - (8) As At October 16, 2008
(9) As At End Of October 2008 (10) As At November 6, 2008 (11) In The First Half Of November 2008 (12) As At December 11, 2008
(13) As At December 15, 2008

ARAB MARKETS
Regional Stock Market Indices

The table on the right hand side portrays the weekly performance of major Arab stock market indices in the region for the week ended December 19, 2008:

REGIONAL STOCK MARKET INDICES					
Country	Index	Last	Previous	Net Change	% Change
Lebanon	.CLASI	995.8	986.6	9.24	0.94%
Bahrain	.BAX	1,901.9	1,923.5	(21.54)	-1.12%
Saudi Arabia	.TASI	4,903.8	4,654.9	248.93	5.35%
Kuwait	.KWSE	8,624	8,916	(291.90)	-3.27%
Oman	.MSI	6,081.4	6,137.7	(56.26)	-0.92%
Egypt	.CCSI	1,559.9	1,547.3	12.56	0.81%

Source: Reuters

The Egyptian Stock Exchange

On a weekly basis, the Cairo Stock Exchange Index reversed momentum, advancing by 0.81% to a session close of 1,559.9 last week, from 1,547.3 the week before.

Trading activity on the Egyptian stock exchange recorded some 60,700,789 shares changing hands, valued at 482.76 million Egyptian pounds (\$87.4 million). Among the 10 most heavily traded stocks, *AJWA For Food Industries* rose to 69.5 Egyptian Pounds (\$12.58), followed by *Arab Investment Urbanization* which closed the week at \$18.91 (104.46 Egyptian Pounds). On the other hand, *Arab Banking Corporation* settled on a negative note at 10.21 Egyptian pounds (\$1.85), followed by *National Cement* at 17.85 Egyptian Pounds (\$3.23).

The Saudi Stock Exchange

On a weekly basis, the Tadawul All Shares Index prolonged its positive pace, up by 5.35% to 4,903.8 points.

Trading activity rebounded last week with some 1,222.82 million shares, valued at 22,416.38 million Saudi Riyal (\$5,828.3 million). The Saudi stock market capitalization fell to 954.8 billion Saudi Riyal (\$248.24 billion). Among the 10 most heavily traded stocks, *ATC* topped the gainers list, up by 37.63% to 34.2 Saudi Riyal (\$8.89), followed by *Sharqiya Development Co.* which ended the week 31.95% up at 15.9 Saudi Riyal (\$4.13). On the other hand, *SARCO* share price tumbled by 11.33% to 66.5 Saudi Riyal (\$17.29), followed by *Malath Insurance* which settled at 40.2 Saudi Riyal (\$1.45).

THE EGYPTIAN STOCK EXCHANGE				
Companies	Closing	Previous	% Change	Market Cap.
TOP FIVE GAINERS				
AJWA for Food Industries company Egypt	LE 69.5	LE 58.27	19.27%	LE 1,170,953,131
Arab Investment Urbanization	\$18.91	\$17.30	9.31%	LE 219,640,800
Egyptian Real Estate Group	LE 6.01	LE 5.56	8.09%	LE 41,879,966
Misr Hotels	LE 95.08	LE 90.41	5.17%	LE 298,353,000
Sharm Dreams Co. for Tourism	LE 12.87	LE 12.24	5.15%	LE 550,800,000
TOP FIVE LOSERS				
Arab Banking Corporation - (less rights)	LE 10.21	LE 12.76	-19.98%	LE 388,197,480
National Cement	LE 17.85	LE 19.55	-8.70%	LE 2,017,560,000
Medical Union Pharmaceuticals	LE 18.15	LE 18.65	-2.68%	LE 584,465,748
Egypt Aluminum	LE 30	LE 30.69	-2.25%	LE 3,836,250,000
El Nasr For Manufacturing	LE 9.98	LE 10.18	-1.96%	LE 80,070,057
LE/USD	5.5244			

Source: Egypt Stock Exchange, Credit Libanais Research Unit

THE SAUDI STOCK EXCHANGE					
Companies	Closing	Previous	% Change	Market Cap.	Million
TOP FIVE GAINERS					
ATC	SAR 34.20	SAR 24.85	37.63%	SAR 342	
Sharqiya Dev Co	SAR 15.90	SAR 12.05	31.95%	SAR 119	
SVCP	SAR 32.70	SAR 25.60	27.73%	SAR 491	
Saudi Fisheries	SAR 19.00	SAR 14.90	27.52%	SAR 380	
Zamil Industrial	SAR 59.25	SAR 48.10	23.18%	SAR 2,666	
TOP FIVE LOSERS					
SARCO	SAR 66.50	SAR 75.00	-11.33%	SAR 998	
Malath Insurance	SAR 40.20	SAR 42.50	-5.41%	SAR 1,206	
Saudi Fransi	SAR 47.30	SAR 49.60	-4.64%	SAR 26,606	
Yamamah Cement	SAR 35.00	SAR 35.90	-2.51%	SAR 4,725	
Kingdom	SAR 4.95	SAR 5.05	-1.98%	SAR 31,185	
USD/SR	\$0.26				

Source: Saudi Stock Exchange, Credit Libanais Research Unit

ARAB MARKETS (Continued)
The Abu Dhabi Stock Exchange

On a weekly basis, the Abu Dhabi General Index fell by 2.93% to a session close of 2,676.04 last week, from 2,756.93 the week before.

Trading activity reversed direction last Thursday with some 323,172,974 shares up from 44,969,378 shares the week before, valued at 940.98 million Dinars (\$256.40 million). Among the 10 most heavily traded stocks, *Abu Dhabi National Company* emerged as the top gainer at 8.5 Dinars (\$2.32), followed by *National Marine Dredging Co.* which settled at 6.68 Dinars (\$1.82). On the other hand, *Abu Dhabi Commercial Bank Co.* dipped at 2.13 Dinars (\$0.58), topping the loser's list of the week.

THE ABU DHABI STOCK EXCHANGE				
Companies	Closing	Previous	% Change	Market Cap. In AED Million
TOP FIVE GAINERS				
Abu Dhabi National Co. for B and M	AED 8.50	AED 6.51	30.6%	375
National Marine Dredging Co	AED 6.68	AED 5.47	22.1%	1,772
Invest Bank	AED 2.97	AED 2.46	20.7%	2,948
Aabar Investments	AED 2.37	AED 2.09	13.4%	1,566
Sharjah Cement & Industrial	AED 2.85	AED 2.60	9.62%	1,433
TOP FIVE LOSERS				
Abu Dhabi Commercial Bank	AED 2.13	AED 2.66	-19.9%	7,937
United National Bank	AED 2.63	AED 3.07	-14.33%	3,563
Gulf Pharmaceutical Co.	AED 1.27	AED 1.46	-13.01%	744
Oman & Emirates Inv. Holding Co.	AED 2.72	AED 3.08	-11.69%	332
BILDICO	AED 2.46	AED 2.76	-10.87%	600

AED/USD AED 3.67
 Source: Abu Dhabi Stock Exchange, Credit Libanais Research Unit

The Bahraini Stock Exchange

On a weekly basis, the Bahraini Stock Exchange Index dwindled by 1.12% to a session close of 1,901.9 last week, from 1,923.5 the week before.

Trading activity prospered last Thursday with some 88,920,932 shares up from 1,356,616 shares during the week of the Adha holiday. *United Gulf Bank* topped the gainers list at Bahraini Dinar 0.58 (\$1.54) followed by *Gulf Hotel Group* which firmed at Bahraini Dinar 0.51 (\$1.35). On the other hand, *Gulf Finance House's* share price dipped by 17.8% at \$1.22 (Bahraini Dinar 0.46).

THE BAHRAINI STOCK EXCHANGE				
Companies	Closing	Previous	% Change	Market Cap. In BD
TOP THREE GAINERS				
United Gulf Bank	BD 0.58	BD 0.53	8.5%	115,644,605
Gulf Hotel Group B.S.C	BD 0.51	BD 0.48	7.08%	70,234,706
Al Baraka Banking Group B.S.C.	\$2.60	\$2.51	3.6%	683,689,500
TOP FIVE LOSERS				
Gulf Finance House	\$1.22	\$1.48	-17.6%	366,297,049
National Bank of Bahrain	BD 0.61	BD 0.68	-10.8%	475,891,200
Al-Khaleej Development Co. (B.S.C	\$1.18	\$1.30	-9.2%	108,290,046
Bahrain Islamic Bank	BD 0.3	BD 0.33	-9.2%	195,394,430
Ahli United Bank	\$0.69	\$0.76	-9.21%	1,172,230,074
USD/BD	\$2.65			

Source: Bahrain Stock Exchange, Credit Libanais Research Unit

Egypt's Real Growth At 5.5% In 2009 And 2010

According to Reuters, the Egyptian Prime Minister set the country's target growth rate for financial years 2009 (ending July 2009) and 2010 (ending July 2010) at 5.5% down from 7.2% in the 2007 / 2008 financial year. The Prime Minister reiterated the government's plans to induce a LE 15 billion (\$2.9 billion) stimulus package in an endeavor to combat the prevailing recessionary environment worldwide and achieve the 5.5% target rate. Furthermore, the Prime Minister indicated that if commodity prices remain at their current subdued levels, inflation expectations will pivot around some 10% by next summer.

Saudi Oil Revenues Expected To Plummet In 2009

According to Government data, the reduced oil production (resulting from successive OPEC cuts) coupled with the dramatic nose-dive in oil prices may drag Saudi oil revenues by 41% to \$172 billion in 2009. This will also translate into a real economic growth figure of a mild 1.5% in 2009, the lowest since 2002. Furthermore, said dilemma would drive Saudi Arabia's current account surplus to GDP ratio to 8.4% in 2009 down from 32.6% in 2008.

Jobless Claims In December 2008

The U.S. Labor Department conveyed a contraction in jobless claims during the week ended December 13, 2008. Week-on-week, the number of applicants filing for unemployment benefits fell by 21,000 to 554,000. The seasonally adjusted four-week average, however, soared to 543,750, its highest level since December 1982. Meanwhile, the insured unemployment rate remained flat at 3.3%.

Federal Funds Rates Between 0% And 0.25%

During the Federal Open Market Committee (FOMC) meeting on Tuesday December 16, the U.S. Federal Reserve lowered the Federal Funds rate by some 75 basis to 100 points to a range between 0% and 0.25% outpacing U.S. economists' expectations of a 50 basis points cut. Concurrently, the U.S. Federal Reserve cut the discount rate by 75 basis points to 0.5%. It is worth noting that the Federal Reserve has cut interest rates by some 500 to 525 basis points since September 18, 2007 in an endeavor to tap some stimulus into the recessionary battered economy.

Consumer Price Index In November 2008

The U.S. Labor Department also reported a substantial seasonally adjusted 1.7% monthly contraction, the biggest drop since 1947, in the U.S. Consumer Price Index "CPI" in November 2008 on the back of diminishing gasoline prices. More particularly, gasoline prices plunged by 29.5% during the month of November, the most since February 1967. Core CPI (excluding food and energy prices), however, remained flat in November. November's CPI outpaced U.S. economists' expectations of smaller 1.4% drop.

U.S. Treasury Prices

U.S. Treasury prices dropped on Friday on the back of positive news concerning the automaker bailout plan. On a weekly basis, the U.S. 10-year Treasury note settled at 113.84, yielding 2.13% down from 2.59% in the preceding week.

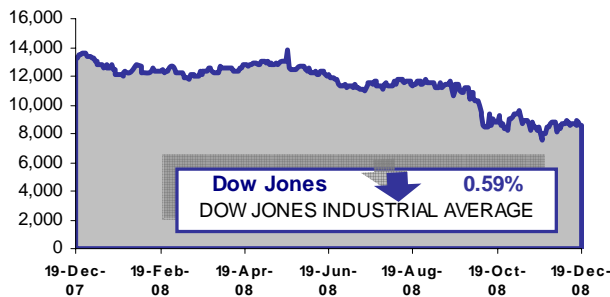
U.S. Market Indices

The Dow Jones Industrial Average lost 0.59% for the week, closing at 8,579.11. Concurrently, both the S&P500 Index and the NASDAQ Composite, however, settled in positive grounds, up by 0.93% and 1.53% respectively at 887.88 and 1,564.32.

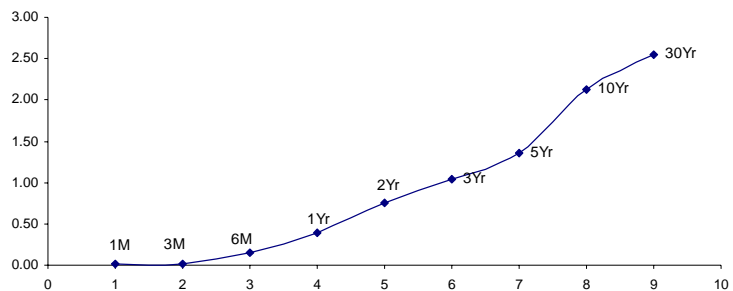
U.S. Market Indices Closing Levels	12-Nov-08	19-Dec-08	% Change
Dow Jones Industrial Average	8,629.68	8,579.11	-0.59%
Nasdaq Composite Index	1,540.72	1,564.32	1.53%
Standard & Poor 500 Index	879.73	887.88	0.93%
10-Year U.S. T-Bond	2.59%	2.13%	

U.S. Treasury Bills	1M	3M	6M	2Yr	5Yr	10Yr	30Yr
Yield (%)	0.02	0.02	0.15	0.75	1.36	2.13	2.55

Dow Jones Industrial Average



On The Run Yield Curve



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