

HIGHLIGHTS (Percentages refer to year-on-year variations unless otherwise specified)

The BDL coincident indicator reached 302.3 in December 2015, compared with 293.1 in the previous month and 292.5 in December 2014. The balance of payments posted during the month a deficit of USD 372.4 million. Year-on-year, the consolidated balance sheet of commercial banks rose by 5.9%, while the deposit dollarization rate stood at 64.9% at end-December. Bank interest rates increased on LBP debit accounts and decreased on USD debit accounts, while they stabilized on both USD and LBP credit accounts.

- ☒ The **balance of payments** posted a deficit of USD 372.4 million in December 2015. This was reflected in an increase in the net foreign assets of banks and financial institutions by USD 356.6 million, and a drop in those of Banque du Liban by USD 729.0 million. Consequently, the BOP registered a cumulative deficit of USD 3,354.3 million in 2015, compared with a cumulative deficit of USD 1,407.6 million in 2014.
- ☒ According to figures released by the Ministry of Finance, net total **public debt** reached LBP 92,767 billion at end-2015. During the year, this debt grew by 7.4% or LBP 6,376 billion, compared with 7.7% or LBP 6,176 billion in 2014. The LBP-denominated public debt rose by 8.7% or LBP 4,181 billion, reaching LBP 51,968 billion at end-2015; in 2014, it went up by 17.1% or LBP 6,970 billion, and totaled LBP 47,787 billion at the end of the year. As for the foreign-currency-denominated public debt, it increased by 5.7% or USD 1,456 million in 2015, reaching USD 27,064 million at end-December 2015, compared with USD 25,608 million at end-2014 and USD 26,135 million at end-2013.
- ☒ **Gross foreign-currency reserves of Banque du Liban** stood at USD 38,441.5 million at end-December 2015, with an annual decline of 2.0%, or USD 776.8 million. Total foreign assets, including gold, totaled USD 48,289.7 million. The average **US dollar exchange rate** remained stable on the domestic market, standing at LBP 1,507.50.
- ☒ **Interest rates** remained unchanged in December 2015 on all categories of Treasury bills and bonds. Accordingly, at the end of the month, yields stood at: 4.44% on the three-month, 4.99% on the six-month, 5.35% on the one-year, 5.84% on the two-year, and 6.50% on the three-year. On the Lebanese pound, bank interest rates rose to 7.45% on debit accounts (+52 basis points), while they stabilized at 5.56% on credit accounts. On the US dollar, these rates fell on debit accounts and remained stable on credit accounts. Accordingly, the USD weighted average lending rate went down to 7.06% (-9 basis points), while the USD average deposit rate registered 3.17%. In 2015, the USD average deposit and lending rates grew by 10 and 9 basis points respectively. On LBP-denominated accounts, the average lending rate declined by 4 basis points, while the average deposit rate remained unchanged.
- ☒ The **monetary aggregate M3** reached LBP 186,360.4 billion at end-December, increasing annually by 5.0%, compared with 5.9% in 2014, and 6.9% in 2013. Bank credits to the private sector remained the main factor in money creation, along with credits to the public sector. Regarding money stock components, LBP-denominated deposits and foreign-currency deposits registered a growth of 6.9% and 3.6% respectively.
- ☒ The **consolidated balance sheet of commercial banks** reached LBP 280,379 billion at end-2015, with an annual rise of 5.9%, compared with 6.6% in 2014. Resident and non-resident private sector deposits amounted to LBP 228,515 billion at end-December 2015, improving annually by 5.0%, compared with 6.0% in 2014. Credits to the private sector grew by 6.5% in 2015, compared with 7.4% in the previous year. The **dollarization rate** of bank deposits stood at 64.9% at end-December 2015, compared with 65.7% at end-2014.
- ☒ **Trade deficit** deepened by 16.2% in December 2015, and totaled USD 15,116.4 million in 2015, compared with 17,180.9 million in 2014. Consequently, this deficit narrowed by 12.0% in 2015, compared with a slight decrease of 0.6% in 2014, since imports and exports declined in 2015 by 11.8% and 10.9% respectively, standing at USD 18,068.8 million and USD 2,952.4 million.
- ☒ Compared to 2014, the volume of **cement deliveries**, indicator of the construction sector's current activity, and the area of **construction permits**, indicator of its potential activity, shrank in 2015 by 8.6% and 8.9% respectively.
- ☒ In December 2015, **power production** decreased by 3.3%, standing at 1,066.2 million kWh; in 2015, it attained 12,520.2 million kWh.
- ☒ In 2015, total plane traffic at **Beirut International Airport** improved by 8.3%, and passenger flow by 10.3%, reaching 7.2 million. Compared to 2014, airfreight diminished by 1.6%.
- ☒ The number of ships at the **Port of Beirut** went up by 9.4% in December 2015; compared to 2014, it regressed by 7.9%. The volume of maritime freight went down by 1.7% in December 2015, and by 0.8% compared to the previous year.

DIAGNOSIS

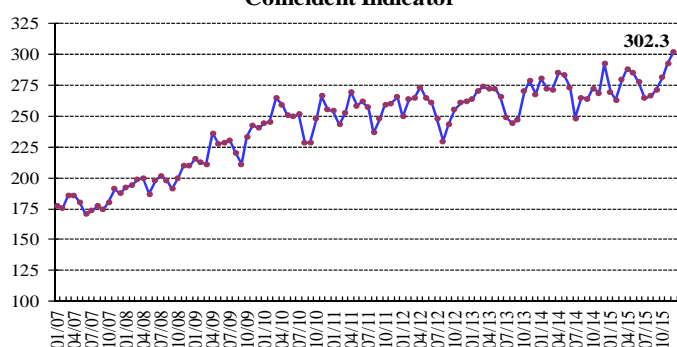
THE BDL COINCIDENT INDICATOR

The BDL coincident indicator reached 302.3 in December 2015, compared with 293.1 in the previous month and 292.5 in December 2014, registering an annual rise of 3.3%.

Coincident Indicator (Average 1993=100)

	Index	Monthly Changes (%)	Annual Changes (%)
Dec-2014	292.5	8.9	9.2
Jan-2015	269.9	-7.7	-3.7
Feb-2015	263.3	-2.4	-3.4
Mar-2015	279.7	6.2	2.9
Apr-2015	288.2	3.0	1.1
May-2015	285.0	-1.1	0.5
June-2015	277.7	-2.6	1.6
July-2015	264.6	-4.7	6.5
Aug-2015	266.6	0.8	0.6
Sep-2015	271.5	1.8	2.7
Oct-2015	281.4	3.6	3.2
Nov-2015	293.1	4.2	9.1
Dec-2015	302.3	3.1	3.3

Coincident Indicator



CLEARING HOUSE ACTIVITY

In December 2015, the total value of cleared checks fell by 5.0%. The value of checks in Lebanese pound rose by 6.9%, while that of foreign currencies went down by 9.0%. From the total of cleared checks, the share of foreign-currency-denominated checks stood at 71.4%, decreasing by 4.3%.

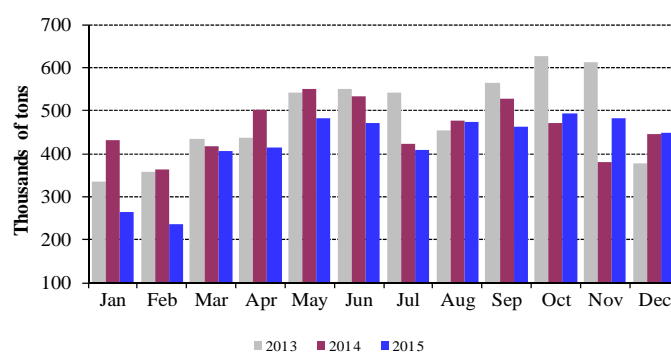
Year-on-year, the share of returned checks regressed by 22.2%, accounting for 2.0% of the total value of checks at end-December 2015.

REAL SECTOR

CONSTRUCTION AND REAL ESTATE

Compared to 2014, the volume of cement deliveries, indicator of the construction sector's current activity, and the area of construction permits, indicator of its potential activity, shrank in 2015 by 8.6% and 8.9% respectively.

Cement Deliveries



Source: Cement companies

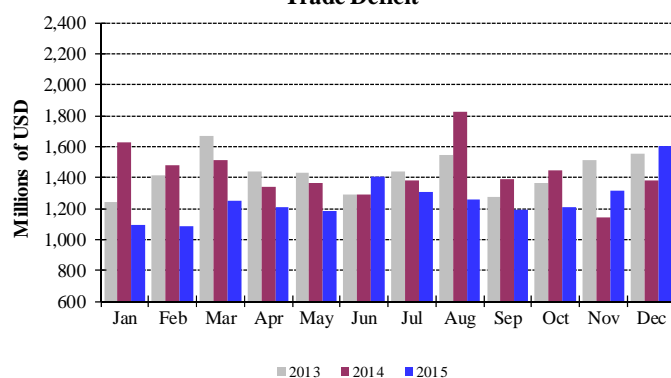
Compared to December 2014, real estate fees collected in December 2015 went down by 4.0%, standing at LBP 99.1 billion; in 2015, they fell by 9.4%.

FOREIGN TRADE

Trade deficit deepened by 16.2% in December 2015, and totaled USD 15,116.4 million in 2015, compared with 17,180.9 million in 2014. Consequently, this deficit narrowed by 12.0% in 2015, compared with a slight decrease of 0.6% in 2014, since imports and exports declined in 2015 by 11.8% and 10.9% respectively, standing at USD 18,068.8 million and USD 2,952.4 million.

Customs duties collected in December 2015 decreased by 1.3%, and stood at LBP 178.3 billion; in 2015, they increased by 1.7%.

Trade Deficit



Source: Customs Higher Council

In 2015, import shares from major source countries were as follows: China 11.5%, Italy 7.1%, Germany 6.8%, France 6.0%, and United States 5.7%.

In December 2015, these shares were as follows:

Imports by Origin (millions USD)

	Dec 14	% of total	Dec 15	% of total
Netherlands	23.7	1.4	266.6	14.5
China	211.3	12.8	163.7	8.9
Kuwait	3.0	0.2	154.0	8.4
France	76.6	4.6	106.5	5.8
Italy	109.4	6.6	98.6	5.4
Other countries	1,224.7	74.3	1,052.0	57.1
Total imports	1,648.8	100	1,841.3	100

Main Indicators (Year-on-year changes, in %)

	Dec-2013	Total-2013	Dec-2014	Total-2014	Dec-2015	Avg-2015	Total-2015
Cleared checks in Lebanese pounds ¹							
(in millions of LBP)	2,353,601	25,694,907	2,411,022	27,229,349	2,578,113	2,353,602	28,243,223
Variation in %	16.76	13.83	2.44	5.97	6.93	3.72	3.72
Cleared checks in foreign currencies ^{1**}							
(in millions of LBP)	4,728	55,310	4,695	56,202	4,271	4,241	50,886
Variation in %	1.22	-1.30	-0.70	1.61	-9.03	-9.46	-9.46
Total cleared checks ^{**}							
(in millions of LBP)	9,480,728	109,074,115	9,488,099	111,953,926	9,016,258	8,746,156	104,953,872
Requests for information at the "Centrale des Risques" ¹							
Total	16,746	269,010	22,020	286,105	22,695	27,057	324,679
Variation in %	-2.48	8.03	31.49	6.35	3.07	13.48	13.48
Construction permits ^{2**}							
(in square meters)	1,197,897	12,924,783	986,113	13,548,707	1,078,966	1,028,227	12,338,726
Variation in %	-25.67	-11.96	-17.68	4.83	9.42	-8.93	-8.93
Cement deliveries ^{3**}							
(in tons)	376,082	5,830,616	444,926	5,516,827	447,724	420,239	5,042,868
Variation in %	2.47	9.83	18.31	-5.38	0.63	-8.59	-8.59
Collected real estate fees ⁴							
(in millions of LBP)	111,308	904,000	103,254	920,983	99,067	69,510	834,125
Variation in %	-6.51	-3.15	-7.24	1.88	-4.05	-9.43	-9.43
Total Imports ^{5**}							
(in millions of LBP)	2,709,348	32,012,556	2,486,352	30,904,537	2,776,677	2,270,644	27,247,731
Variation in %	-3.98	-0.24	-8.23	-3.46	11.68	-11.83	-11.83
Total Exports ^{5**}							
(in millions of LBP)	365,993	5,935,423	404,206	4,995,785	356,431	371,021	4,452,248
Variation in %	-36.34	-12.21	10.44	-15.83	-11.82	-10.88	-10.88
Trade Deficit ^{**}	2,343,355	26,077,133	2,082,146	25,908,752	2,420,246	1,899,624	22,795,483
Variation in %	4.30	2.95	-11.15	-0.65	16.24	-12.02	-12.02
Customs receipts ^{5*}							
(in millions of LBP)	186,714	2,259,359	180,568	2,119,271	178,291	179,633	2,155,592
Variation in %	-2.59	-4.19	-3.29	-6.20	-1.26	1.71	1.71
Electricity production (EDL network) ⁶							
(in millions of KWh)	1,092	12,097	1,103	12,523	1,066	1,043	12,520
Variation in %	15.01	10.31	1.01	3.53	-3.35	-0.02	-0.02
Imports of petroleum derivatives ^{7***}							
(in metric tons)	636,915	6,074,213	636,054	6,833,221	574,485	638,280	7,659,366
Variation in %	-5.95	-8.25	-0.14	12.50	-9.68	12.09	12.09
Freight at the Port of Beirut ^{8**}							
Total	767,216	8,276,056	758,078	8,288,119	745,066	685,220	8,222,634
Variation in %	17.12	12.36	-1.19	0.15	-1.72	-0.79	-0.79
Freight incoming (tons)	699,035	7,230,947	671,529	7,299,944	650,233	594,521	7,134,250
Freight outgoing (tons)	67,722	1,037,501	86,097	981,129	94,618	90,206	1,082,466
Transit and free zone (tons)	459	7,608	452	7,264	215	493	5,918
Flow of passengers (B.I.A.) ⁹							
Total	510,067	6,262,872	573,231	6,569,357	616,246	603,667	7,244,001
Variation in %	2.89	5.25	12.38	4.89	7.50	10.27	10.27
Arrival	268,641	3,027,834	299,509	3,222,616	313,336	293,179	3,518,150
Variation in %	6.97	4.94	11.49	6.43	4.62	9.17	9.17
Departure	239,742	3,219,409	272,389	3,332,322	297,477	307,323	3,687,878
Variation in %	-1.45	6.67	13.62	3.51	9.21	10.67	10.67
Transit	1,684	15,629	1,333	14,419	5,433	3,164	37,973
Variation in %	23.55	-66.88	-20.84	-7.74	307.58	163.35	163.35

* Since July 1995, the customs dollar (LBP 800) is replaced by the official dollar exchange rate. ** Updated figures by the private sector. *** Starting January 1, 1997 preliminary data is updated to include both public and private sectors.

Sources: ¹BDL. ²Association of Engineers (Beirut, Tripoli). ³Cement Companies. ⁴Ministry of Finance. ⁵Customs Council. ⁶EDL. ⁷General Directorate of Petroleum. ⁸Port of Beirut. ⁹Beirut International Airport.

In 2015, export shares to major destination countries were as follows: Saudi Arabia 12.1%, United Arab Emirates 10.6%, Iraq 7.6%, Syria 7.1%, and South Africa 6.6%.

In December 2015, these shares were as follows:

Exports by Destination (millions USD)

	Dec 14	% of total	Dec 15	% of total
Saudi Arabia	31.3	11.7	31.4	13.3
UAE	28.9	10.8	24.7	10.4
Iraq	20.1	7.5	23.5	9.9
Syria	21.3	7.9	16.7	7.0
Turkey	10.0	3.7	10.2	4.3
Other countries	156.5	58.4	129.9	55.0
Total exports	268.0	100	236.4	100

Imports (millions USD)

Sections	Jan-Dec 2014	% of Total	Jan-Dec 2015	% of Total
Food & Beverages	3,615.7	17.6	3,340.4	18.5
Textiles	824.5	4.0	818.6	4.5
Leather, Plastics & Rubber	81.0	0.4	80.6	0.4
Wood & wood products	268.8	1.3	237.9	1.3
Chemical & Pharmaceutical	2,011.1	9.8	1,944.8	10.8
Paper & paper products	378.7	1.8	319.0	1.8
Stone, Clay & cement	461.5	2.3	427.3	2.4
Metal & metal products	6,386.5	31.2	4,597.4	25.4
Machinery & Appliances	4,043.8	19.7	4,082.3	22.6
Jewelry	975.8	4.8	822.1	4.6
Other	1,446.2	7.1	1,398.5	7.7
Total	20,493.7	100	18,068.8	100

Exports (millions USD)

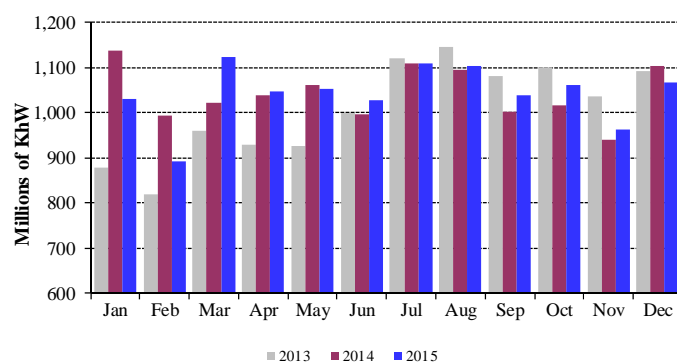
Sections	Jan-Dec 2014	% of Total	Jan-Dec 2015	% of Total
Food & Beverages	781.2	23.6	732.3	24.8
Textiles	123.9	3.7	106.4	3.6
Leather, Plastics & Rubber	20.7	0.6	15.9	0.5
Wood & wood products	13.1	0.4	12.5	0.4
Chemical & Pharmaceutical	381.4	11.5	410.9	13.9
Paper & paper products	209.8	6.3	158.1	5.4
Stone, Clay & cement	35.7	1.1	26.5	0.9
Metal & metal products	417.4	12.6	344.4	11.7
Machinery & Appliances	499.4	15.1	454.5	15.4
Jewelry	541.7	16.4	434.1	14.7
Other	288.7	8.7	256.9	8.7
Total	3,312.9	100	2,952.4	100

Source: Customs Higher Council

ENERGY

In December 2015, power production decreased by 3.3% and stood at 1,066.2 million kWh; in 2015, it attained 12,520.2 million kWh.

Monthly Electricity Production



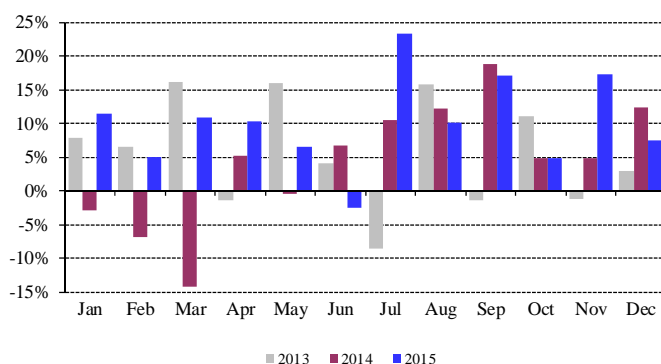
Source: Electricité du Liban

TRANSPORTATION

In 2015, total plane traffic at Beirut International Airport improved by 8.3%, and passenger flow by 10.3%, reaching 7.2 million.

Compared to 2014, airfreight shrank by 1.6%, as incoming freight declined by 4.3%, while outgoing freight increased by 2.7%.

Annual Changes in Flow of Passengers



Source: Beirut International Airport

The number of ships at the Port of Beirut went up by 9.4% in December 2015; compared to 2014, it regressed by 7.9%. The volume of maritime freight went down by 1.7% in December 2015, and by 0.8% compared to the previous year. In 2015, incoming and transiting freight recorded a decrease of 2.3% and 18.5% respectively, while outgoing freight widened by 10.3%.

MONETARY SECTOR

NET FOREIGN ASSETS OF THE BANKING SYSTEM

The balance of payments posted a deficit of USD 372.4 million in December 2015. This was reflected in an increase in the net foreign assets of banks and financial institutions by USD 356.6 million, and a drop in those of Banque du Liban by USD 729.0 million. Consequently, the BOP registered a cumulative deficit of USD 3,354.3 million in 2015, compared with a cumulative deficit of USD 1,407.6 million in 2014.

CENTRAL BANK FOREIGN CURRENCY RESERVES

Gross foreign-currency reserves of Banque du Liban stood at USD 38,441.5 million at end-December 2015, with an annual decline of 2.0%, or USD 776.8 million. Total foreign assets, including gold, totaled USD 48,289.7 million. The average US dollar exchange rate remained stable on the domestic market, standing at LBP 1,507.50.

INTEREST RATES

Interest rates remained unchanged in December 2015 on all categories of Treasury bills and bonds. Accordingly, at the end of the month, yields stood at: 4.44% on the three-month, 4.99% on the six-month, 5.35% on the one-year, 5.84% on the two-year, and 6.50% on the three-year.

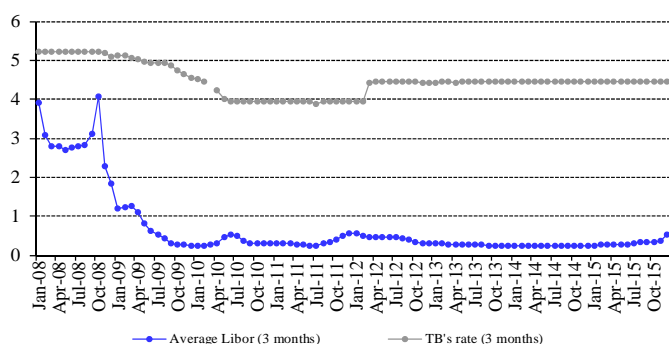
On the Lebanese pound, bank interest rates rose to 7.45% on debit accounts (+52 basis points), while they stabilized at 5.56% on credit accounts. On the US dollar, these rates fell on debit accounts and remained stable on credit accounts.

Accordingly, the USD weighted average lending rate went down to 7.06% (-9 basis points), while the USD average deposit rate registered 3.17%. In 2015, the USD average deposit and lending rates grew by 10 and 9 basis points respectively. On LBP-denominated accounts, the average lending rate declined by 4 basis points, while the average deposit rate remained unchanged.

As a result, the spread between the LBP and USD lending rates widened from (-22) points in November 2015 to 39 points in December 2015. In contrast, the spread between the LBP and USD deposit rates stabilized at 2.39 points in December.

In December 2015, the three-month Libor rate reached 0.54%, compared with 0.37% in November 2015.

Spread between 3-month TBs & Libor rate



Yields on the 45-day and 60-day certificates of deposit issued by Banque du Liban recorded no monthly change in December 2015, stabilizing at 3.57% and 3.85% respectively.

On the other hand, the Central Bank maintained the discount and Repo rates at 10.00% each, as adopted since December 2009.

MONETARY AGGREGATES

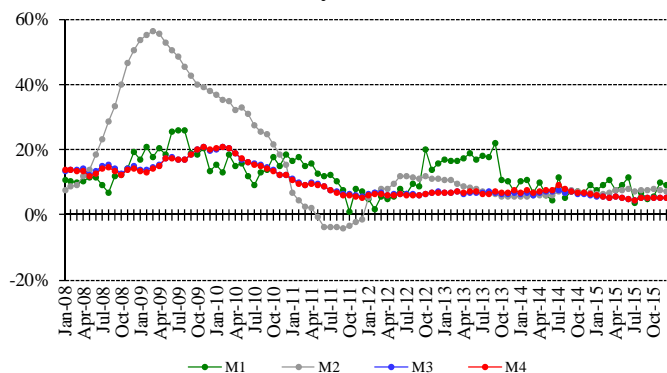
The monetary aggregate M3 reached LBP 186,360.4 billion at end-December, increasing annually by 5.0%, compared with 5.9% in 2014, and 6.9% in 2013. Bank credits to the private sector remained the main factor in money creation, along with credits to the public sector.

Regarding money stock components, LBP-denominated deposits and foreign-currency deposits registered a growth of 6.9% and 3.6% respectively.

Year-on-Year Changes in Money Components (in %)

	M1	M2	M3	M4
Dec-2014	8.93	6.76	5.86	6.23
Jan-2015	7.56	6.41	5.59	5.85
Feb-2015	9.16	6.42	5.41	5.40
Mar-2015	10.55	6.71	5.13	5.05
Apr-2015	7.69	7.41	5.58	5.49
May-2015	9.11	7.38	5.13	5.04
June-2015	11.52	7.89	4.76	4.72
July-2015	3.66	7.30	4.53	4.46
Aug-2015	6.88	7.59	5.10	5.07
Sep-2015	4.63	7.61	5.18	5.15
Oct-2015	5.61	7.98	5.19	5.05
Nov-2015	9.84	7.66	5.14	5.09
Dec-2015	8.93	7.11	5.05	5.08

Money Growth



PUBLIC DEBT

According to figures released by the Ministry of Finance, net total public debt reached LBP 92,767 billion at end-2015. During the year, this debt grew by 7.4% or LBP 6,376 billion, compared with 7.7% or LBP 6,176 billion in 2014.

The LBP-denominated public debt rose by 8.7% or LBP 4,181 billion, reaching LBP 51,968 billion at end-2015; in 2014, it went up by 17.1% or LBP 6,970 billion, and totaled LBP 47,787 billion at the end of the year.

As for the foreign-currency-denominated public debt, it increased by 5.7% or USD 1,456 million in 2015, reaching USD 27,064 million at end-December 2015,

compared with USD 25,608 million at end-2014 and USD 26,135 million at end-2013.

Outstanding Treasury Bills by Maturity (% of total)

	3 Months	6 months	12 months	24 months and above
Dec-2014	0.16	0.92	1.94	96.98
Jan-2015	0.29	0.86	1.92	96.93
Feb-2015	0.32	0.93	1.46	97.30
Mar-2015	0.30	0.84	1.42	97.44
Apr-2015	0.18	0.82	1.40	97.60
May-2015	0.15	0.91	1.38	97.56
June-2015	0.17	0.90	1.31	97.62
July-2015	0.20	0.86	1.20	97.74
Aug-2015	0.19	0.80	1.18	97.83
Sep-2015	0.15	0.83	1.16	97.86
Oct-2015	0.10	0.85	1.11	97.94
Nov-2015	0.11	0.79	1.16	97.94
Dec-2015	0.11	0.72	1.23	97.94

BANKING ACTIVITY

CONSOLIDATED BALANCE SHEET

The consolidated balance sheet of commercial banks reached LBP 280,379 billion at end-2015, rising monthly by 1.53%, compared with 0.50% in November 2015. Year-on-year, it grew by 5.86%

VOLUME OF CREDITS

a-Commercial Banks

Credits granted by commercial banks to the private sector, resident and non-resident, went up in December 2015 by 1.89%, compared with 0.43% in the previous month. At end-December 2015, these credits reached LBP 81,744 billion, with a year-on-year increase of 6.53%. They were distributed as follows:

- Credits in Lebanese pound amounted to LBP 20,573 billion at end-December 2015, rising monthly by 0.41%, compared with 0.64% in November 2015. Year-on-year, they grew by 9.73%, and their share from total bank credits totaled 25.17%, compared with 24.44% in December 2014.
- Credits in foreign currencies increased by 2.40% in December 2015, compared with 0.35% in November 2015. Year-on-year, they expanded by 5.5%, reaching USD 40,577 million at end-December 2015.

b-Investment Banks

Credits granted by investment banks totaled LBP 2,095 billion at end-December 2015, as their volume widened by 0.85%, compared with 0.84% in the previous month. In comparison with December 2014, they grew by 0.71%.

VOLUME OF DEPOSITS

a-Commercial Banks

Private sector deposits at commercial banks by residents and non-residents improved by 1.19% in December 2015, compared with 0.30% in the previous month. Year-on-year, their volume expanded by 4.96%, and they amounted to LBP 228,515 billion at end-December 2015. They were distributed as follows:

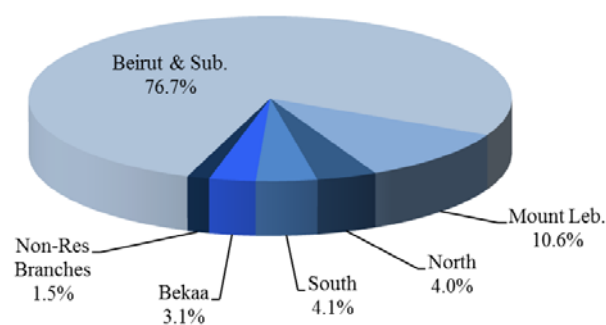
- Deposits in Lebanese pound progressed by 0.30% in December 2015 and reached LBP 80,265 billion at the end of the month, compared with 0.31% in the previous month. Year-on-year, they grew by 7.51%, accounting for 35.12% of total deposits, compared with 34.29% at end-December 2014.
- Deposits in foreign currencies increased by 1.67% in December 2015, compared with 0.29% in November 2014. Year-on-year, they went up by 3.62%, totaling USD 98,342 million at end-December 2015.

b-Investment Banks

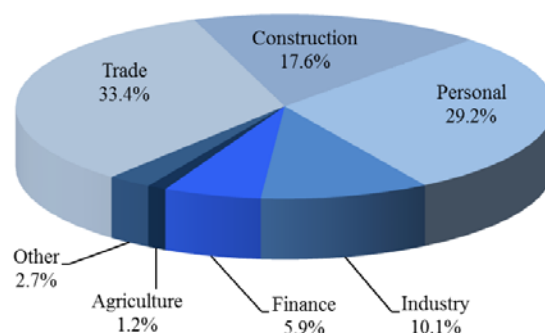
Private sector deposits at investment banks rose by 2.50% during the month, compared with 0.59% in November 2015. Year-on-year, their volume grew by 6.85%, from LBP 3,018 billion in December 2014 to LBP 3,225 billion at end-December 2015.

DISTRIBUTION OF CREDITS

Distribution of Credits by Region



Distribution of Credits by Sector



CREDIT-DEPOSIT RATIO

At end-December 2015, total credits accounted for 35.77% of total deposits, compared with 35.24% at

end-December 2014, and detailed as follows:

- Credit/deposit ratio in Lebanese pound: 25.63%, compared with 25.11%.
- Credit/deposit ratio in foreign currencies: 41.26%, compared with 40.53%.

SHAREHOLDERS' FUNDS

Shareholders' equity progressed by 2.24% in December 2015, compared with 0.14% in November 2015. Year-on-year, it grew by 5.95%, reaching LBP 25,131 billion in December 2015.

The capital/total asset ratio in commercial banks went up to 8.96% at end-December 2015, compared with 8.90% in November 2015 and 8.96% in December 2014.

The capital/total deposit ratio rose to 11.00% at end-December 2015, compared with 10.88% in November 2015, and 10.89% in December 2014.

Likewise, the capital/total credit ratio reached 30.74% at end-December 2015, up from 30.64% in November 2015 and 30.91% in December 2014.

DOLLARIZATION

The dollarization rate of bank deposits increased to 64.88% at end-December 2015, compared with 64.57% at end-November 2015 and 65.71% at end-December 2014. Similarly, the dollarization rate of bank credits went up to 74.83% at end-December 2015, compared with 74.46% at end-November 2015, and 75.56% at end-December 2014.

FINANCIAL MARKETS

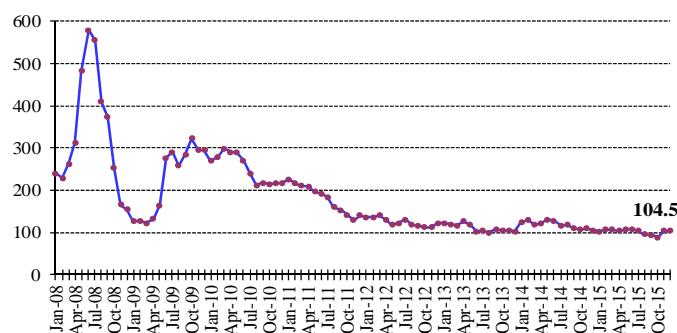
The Beirut Stock Exchange capitalization-weighted index increased by 0.28% in December 2015, closing at 104.47 points, compared with 104.18 points in the previous month. In contrast, the volume of shares traded on the BSE shrank by 30.62%, totaling 4,158,263 shares; and their value dropped by 44.62%.

Concerning domestic and international certificates of deposit, no issue was launched or matured during the month.

BDL Market-Value-Weighted Index (Jan-1996=100)

December 2014	106.09
January 2015	102.87
February 2015	106.86
March 2015	106.65
April 2015	104.76
May 2015	107.47
June 2015	107.70
July 2015	104.51
August 2015	95.57
September 2015	94.42
October 2015	89.32
November 2015	104.18
December 2015	104.47

Market-Value-Weighted Index



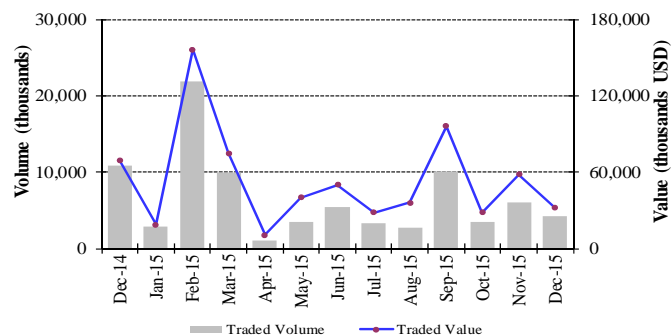
BEIRUT STOCK EXCHANGE

Beirut Stock Exchange

Date	Traded Shares		Market Capitalization (billions USD)
	Volume (millions)	Value (millions USD)	
Dec-2014	10.83	69.47	12.08
Jan-2015	2.92	18.80	12.12
Feb-2015	21.88	156.37	12.64
Mar-2015	10.02	74.66	12.80
Apr-2015	1.02	10.51	12.43
May-2015	3.51	40.08	12.43
June-2015	5.44	49.87	12.42
July-2015	3.37	28.06	12.30
Aug-2015	2.76	36.05	12.03
Sep-2015	10.04	96.05	11.89
Oct-2015	3.52	28.45	11.75
Nov-2015	5.99	57.91	12.05
Dec-2015	4.16	32.07	12.09

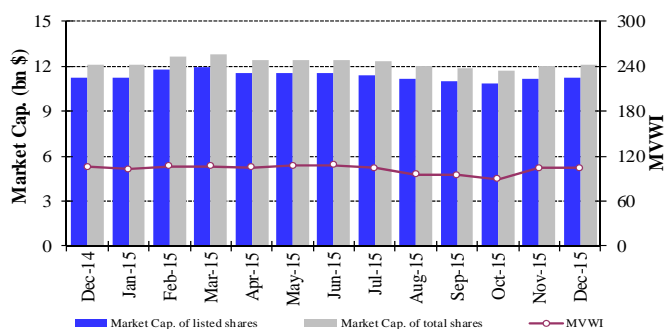
In December 2015, the volume of traded shares narrowed by 30.62%, totaling 4.158 million shares, compared with 5.994 million shares in the previous month. Likewise, the value of traded shares declined by 44.62% in December 2015, reaching USD 32 million, compared with USD 58 million in the previous month.

Movement on the BSE



Regarding the shares traded during the month, Bank Audi GDRs were leading in volume with 29.74%. In terms of value, Ciments Blancs Bearer Shares were leading with 30.00%.

Movement of the MVWI and Market Cap. on BSE



On the BSE, the capitalization of listed issuers' total shares increased monthly by 0.36%, reaching USD 12.098 billion in December 2015, compared with USD 12.055 billion in November 2015. Likewise, the capitalization of listed shares improved by 0.27%, rising from USD 11.190 billion in November 2015 to USD 11.22 billion in December 2015.

PREFERRED AND PRIMARY STOCKS

Issuer	Type	Price	Volume (thousands)	Value (millions \$)
Bank of Beirut	Preferred Shares "E"	26.35 \$	2,400	63
	Preferred Shares "H"	26.50 \$	5,400	143
	Preferred Shares "I"	26.50 \$	5,000	133
	Preferred Shares "J"	25.75 \$	3,000	77
	Priority Shares 2014	21.00 \$	4,762	100
BEMO Bank	Preferred Shares 2013	100.00 \$	350	35
BLOM Bank	Preferred Shares 2011	10.15 \$	20,000	203
Audi Bank	Preferred Shares "F"	101.70 \$	1,500	153
	Preferred Shares "G"	101.00 \$	1,500	152
	Preferred Shares "H"	101.50 \$	750	76
BLC Bank	Preferred Shares "A"	100.00 \$	400	40
	Preferred Shares "B"	102.50 \$	550	56
	Preferred Shares "C"	101.00 \$	350	35
Byblos Bank	Preferred Shares 2008	101.20 \$	2,000	202
	Preferred Shares 2009	100.60 \$	2,000	201

GLOBAL DEPOSITARY RECEIPT (GDR)

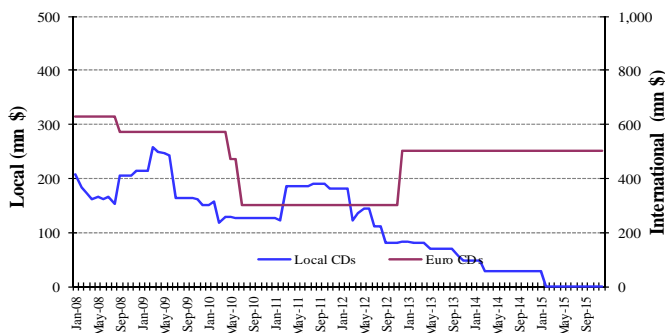
At end-December 2015, the prices of GDRs issued by BLOM Bank and Bank Audi rose by 0.83% and 0.33% respectively, the former ranging between USD 9.61 and USD 9.675, and the latter between USD 5.95 and USD 6.05. In contrast, the prices of GDRs issued by Solidere decreased by 4.63%, ranging between USD 10.10 and USD 10.50. As for the prices of Byblos Bank GDRs, they remained stable, ranging between USD 0.00 and USD 73.00.

CERTIFICATES OF DEPOSIT

Certificates of Deposit (millions USD)

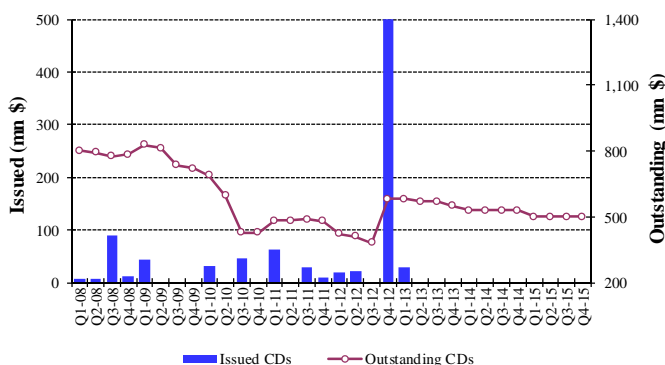
	Issued	Outstanding			Number of Banks
		Local	International	Total	
Nov 2015	-	-	500	500	1
Dec 2015	-	-	500	500	1

Outstanding Certificates of Deposit



The value of total outstanding CDs recorded no change, stabilizing at USD 500 million.

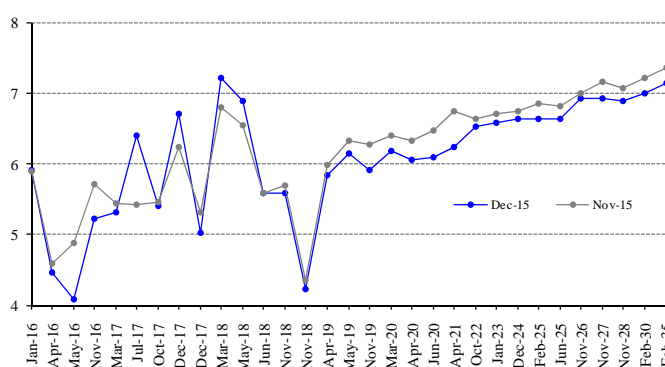
Issued and Outstanding CDs



LEBANESE REPUBLIC FOREIGN CURRENCY BONDS

The total value of Lebanese Treasury Eurobonds rose to USD 25.330 billion at end-December 2015.

Yield Curve of Lebanese Sovereign Eurobonds in \$



LEBANESE BANKS' FOREIGN CURRENCY BONDS

The value of domestic bonds issued by financial institutions reached USD 21.167 million at end-December 2015.

Lebanese Republic Foreign Currency Bonds

	Maturity	Closing of November 2015			Closing of December 2015		
		Price	Yield	Spread	Price	Yield	Spread
15 years (USD 750 millions)	19/01/2016	100.31	5.89	5.77	100.17	5.92	5.65
3 years (USD 600 millions)	23/04/2016	99.95	4.60	4.26	100.00	4.47	4.28
15 years (USD 400 millions)	11/05/2016	102.90	4.89	4.50	102.85	4.08	3.59
5 years (USD 500 millions)	02/11/2016	99.15	5.71	5.22	99.60	5.22	4.54
8 years (USD 1,500 millions)	20/03/2017	104.40	5.44	4.94	104.37	5.31	4.62
10 years (USD 300 millions)	20/07/2017	98.00	5.42	4.49	97.00	6.40	5.42
5 years (USD 775 millions)	12/10/2017	99.20	5.45	4.51	99.30	5.41	4.43
15 years (USD 950 millions)	27/12/2017	98.75	6.24	5.32	98.38	6.71	5.74
15 years (USD 2,007.511 millions)	31/12/2017	98.65	5.32	4.37	99.00	5.03	4.04
15 years (USD 700 millions)	05/03/2018	97.88	6.80	5.87	97.50	7.22	6.24
15 years (USD 200 millions)	27/05/2018	97.88	6.54	5.31	97.50	6.88	5.90
5 years (USD 700 millions)	12/06/2018	99.00	5.58	4.34	99.00	5.59	4.28
8 years (USD 1,025 millions)	12/11/2018	98.55	5.69	4.45	98.84	5.59	4.30
7 years (Euro 445 millions)	28/11/2018	102.75	4.35	4.71	103.00	4.24	4.54
5 years (USD 500 millions)	23/04/2019	98.50	5.99	4.76	99.00	5.83	4.54
8 years (USD 650 millions)	20/05/2019	99.00	6.33	5.09	99.56	6.14	4.85
8 years (USD 1,500 millions)	28/11/2019	97.13	6.28	4.61	98.38	5.92	4.62
10 years (USD 1,200 millions)	09/03/2020	99.87	6.41	4.74	100.71	6.18	4.50
16 years (USD 700 millions)	14/04/2020	98.00	6.33	4.66	99.00	6.06	4.38
7 years (USD 600 millions)	20/06/2020	98.75	6.47	4.80	100.25	6.09	4.40
15 years (USD 2,092.469 millions)	12/04/2021	106.70	6.74	5.07	108.96	6.24	4.56
12 years (USD 1,540 millions)	04/10/2022	97.05	6.64	4.63	97.70	6.52	4.52
10 years (USD 1,100 millions)	27/01/2023	95.98	6.72	4.71	96.74	6.58	4.57
9 years (USD 500 millions)	04/11/2024	97.00	6.70	4.47	98.13	6.53	4.33
15 years (USD 250 millions)	03/12/2024	101.65	6.75	4.52	102.41	6.64	4.44
10 years (USD 800 millions)	26/02/2025	95.55	6.86	4.62	97.00	6.64	4.44
13 years (USD 800 millions)	12/06/2025	96.02	6.83	4.60	97.27	6.64	4.43
15 years (USD 725 millions)	27/11/2026	97.00	7.00	4.76	97.50	6.93	4.73
15 years (USD 1,000 millions)	29/11/2027	96.77	7.16	4.92	98.65	6.92	4.72
13 years (USD 500 millions)	03/11/2028	96.50	7.07	4.83	98.00	6.89	4.68
15 years (USD 1,400 millions)	26/02/2030	95.00	7.22	4.98	96.85	7.00	4.80
15 years (USD 600 millions)	02/11/2035	96.87	7.35	4.99	99.03	7.14	4.82



مصرف لبنان
BANQUE DU LIBAN