



# MONTHLY BULLETIN

October 2012

Number 221

## HIGHLIGHTS

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

*The BDL coincident indicator reached 255.6 in October 2012, compared with 243.5 in the previous month and 259.5 in October 2011. The balance of payments posted during the month a deficit equivalent to USD 97.0 million. Year-on-year, the consolidated balance sheet of commercial banks reached 7.0% at end-October, while the deposit dollarization rate remained on a downward trend. Bank interest rates on debit accounts in Lebanese pound and US dollar remained almost stable.*

- ▲ The **balance of payments** posted a deficit equivalent to USD 97.0 million in October 2012. This was reflected in a drop in the net foreign assets of banks and financial institutions by an amount of USD 154.0 million, and an increase in those of Banque du Liban by USD 57.0 million. In the year to October, the BOP registered a cumulative deficit of USD 2,028.7 million, compared with a cumulative deficit of USD 2,755.2 million in the same period of 2011.
- ▲ According to figures released by the Ministry of Finance, net total **public debt** increased in October 2012 by LBP 744 billion, totaling LBP 72,882 billion at the end of the month. This increase stems from a rise in the LBP-denominated debt by an amount of LBP 841 billion, to LBP 38,543 billion, coupled with a decline in the foreign-currency-denominated public debt by USD 57 million, to USD 22,779 million at end-October. Year-on-year, the net total public debt, the LBP-denominated debt and the foreign-currency-denominated debt grew by 5.3%, 3.2%, and 8.2% respectively.
- ▲ **Gross foreign-currency reserves** of Banque du Liban attained USD 36,237.8 million at end-October 2012, increasing annually by USD 3,215.8 million or 9.7%. Total foreign assets, including gold, amounted to USD 52,098.7 million. The average **US dollar exchange rate** remained stable on the domestic market, standing at LBP 1,507.50.
- ▲ **Interest rates** remained unchanged in October 2012 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 on debit accounts rose by 1 basis point and reached 7.31%, while they stabilized at 5.43% on credit accounts. These rates registered a decrease on USD debit accounts and an increase on USD credit accounts. Accordingly, the USD weighted average lending rate fell by 1 basis point, standing at 7.15%, while the USD average deposit rate grew by 4 basis points, reaching 2.87%.
- ▲ At the end of the month, the monetary **aggregate M3** reached LBP 154,401.3 billion, increasing annually by 6.4%. 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 registered a steady growth of 11.4%, while foreign-currency deposits increased by 3.0% at the end of the month.
- ▲ At end-October 2012, the **consolidated balance sheet of commercial banks** witnessed a quasi-stable growth of 7.0% and reached LBP 225,183 billion. Resident and non-resident private sector deposits, as well as credits to the private sector, rose by 7.4% and 9.0% respectively. The **dollarization rate** of bank deposits remained on a downward trend, standing at 64.7%, compared with 64.8% at end-September.
- ▲ **Trade deficit** narrowed by 38.2% and totaled USD 1,333.2 million at end-October 2012. In value, imports regressed by 29.3%, standing at USD 1,773.9 million, while exports progressed by 25.5%, reaching USD 440.6 million.
- ▲ Compared to October 2011, 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 by 10.9% and 10.0% respectively.
- ▲ **Power production** went down by 14.9%, to 893.0 million kWh during the month.
- ▲ At the **Beirut International Airport**, total plane traffic went down by 3.2%, while passenger flow went up by 5.4%. The number of incoming and outgoing passengers improved by 3.6% and 7.9% respectively, while that of transiting passengers declined by 39.6%. Airfreight widened by 9.9%.
- ▲ Year-on-year, the number of ships and the volume of maritime freight at the **Port of Beirut** expanded by 4.9% and 1.1% respectively.

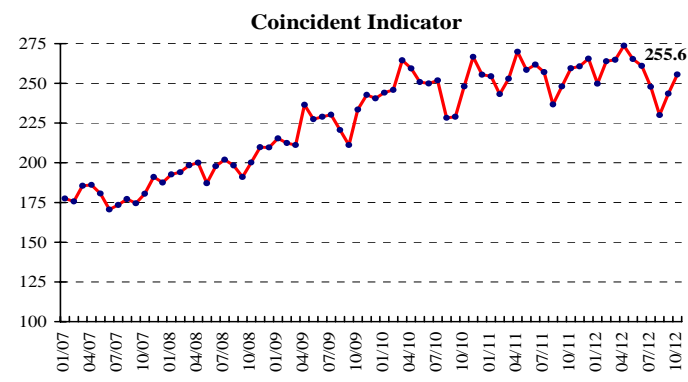
## DIAGNOSIS

### THE BDL COINCIDENT INDICATOR

The BDL coincident indicator reached 255.6 in October 2012, compared with 243.5 in the previous month and 259.5 in October 2011, registering an annual decrease of 1.5%.

▲ **Coincident Indicator** (Average 1993=100)

	Index	Monthly Changes (%)	Annual Changes (%)
Oct-2011	259.5	4.6	4.6
Nov-2011	260.6	0.4	-2.3
Dec-2011	265.5	1.9	3.9
Jan-2012	249.8	-5.9	-1.8
Feb-2012	263.9	5.6	8.5
Mar-2012	264.8	0.3	4.7
Apr-2012	273.7	3.4	1.4
May-2012	265.3	-3.1	2.6
June-2012	261.0	-1.6	-0.3
July-2012	247.8	-5.1	-3.6
Aug-2012	230.0	-7.2	-2.8
Sep-2012	243.5	5.9	-1.9
<b>Oct-2012</b>	<b>255.6</b>	<b>5.0</b>	<b>-1.5</b>



### CLEARING HOUSE ACTIVITY

In October 2012, the total value of cleared checks regressed by 4.3%. The value of checks in foreign currencies went down by 7.7%, while that of checks in Lebanese pound went up by 9.6%. From the total of cleared checks, the share of foreign-currency-denominated checks stood at 77.8%, declining by 3.5%. Year-on-year, the share of returned checks grew by 1.5%, accounting for 1.9% of the total value of checks at end-October 2012.

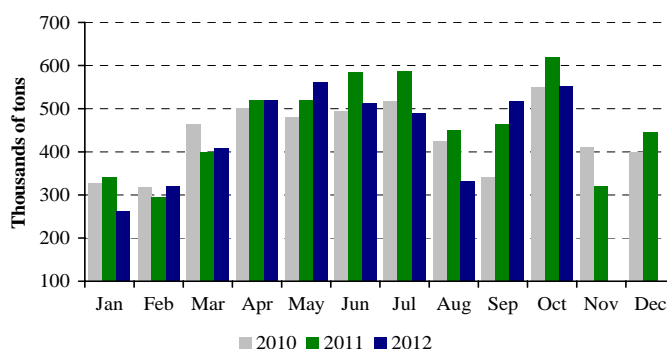
## REAL SECTOR

### CONSTRUCTION AND REAL ESTATE

Compared to October 2011, 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 by 10.9% and 10.0% respectively.

**Cement Deliveries**



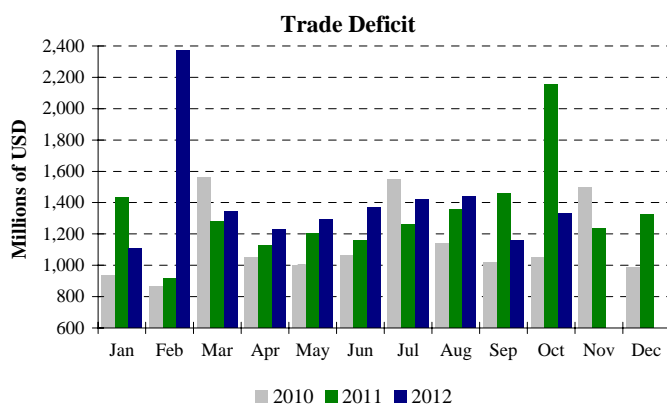
Source: Cement companies

Real estate fees collected during the month increased by 7.0%, totaling LBP 86.1 billion.

### FOREIGN TRADE

Trade deficit narrowed by 38.2% and totaled USD 1,333.2 million at end-October 2012. In value, imports regressed by 29.3%, standing at USD 1,773.9 million, while exports progressed by 25.5%, reaching USD 440.6 million.

Customs duties collected during the month rose by 7.3%, to LBP 213.1 billion.



Source: Customs Higher Council

In the year to October 2012, import shares from major source countries were as follows: United States 12.2%, Italy 8.1%, China 8.0%, France 7.3%, and Germany 5.6%.

In October 2012, these shares were as follows:

▲ **Imports by Origin** (millions USD)

	Oct 11	% of total	Oct 12	% of total
Italy	149.0	5.9	171.0	9.6
Kuwait	228.5	9.1	152.7	8.6
China	138.7	5.5	134.0	7.6
France	129.8	5.2	132.6	7.5
Germany	92.8	3.7	97.9	5.5
Other countries	1,769.5	70.5	1,085.7	61.2
<b>Total imports</b>	<b>2,508.3</b>	<b>100</b>	<b>1,773.9</b>	<b>100</b>

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

	Dec-2010	Avg-2010	Oct-2011	Dec-2011	Avg-2011	Sep-2012	Oct-2012
<b>Cleared checks in Lebanese pounds<sup>1</sup></b>							
(in millions of LBP)	1,925,527	1,697,842	1,858,770	2,064,573	1,790,140	1,857,519	2,037,672
Variation in %	20.41	21.54	0.53	7.22	5.44	7.43	9.62
<b>Cleared checks in foreign currencies<sup>1***</sup></b>							
(in millions of LBP)	4,364	4,492	5,126	5,091	4,821	4,584	4,733
Variation in %	-8.17	19.04	13.07	16.65	7.33	-11.47	-7.66
<b>Total cleared checks **</b>							
(in millions of LBP)	8,504,888	8,468,877	9,585,572	9,739,621	9,057,553	8,767,647	9,172,889
<b>Requests for information at the "Centrale des Risques"<sup>1</sup></b>							
Total	11,709	15,731	20,114	14,997	17,519	20,394	23,004
Variation in %	-13.56	5.30	17.32	28.08	11.36	11.06	14.37
<b>Construction permits<sup>2**</sup></b>							
(in square meters)	1,931,289	1,467,334	1,256,925	1,704,912	1,372,064	1,094,318	1,131,406
Variation in %	-34.06	22.79	-6.40	-11.72	-6.49	-10.56	-9.99
<b>Cement deliveries<sup>3**</sup></b>							
(in tons)	399,621	435,552	618,621	445,835	462,481	516,634	551,162
Variation in %	25.24	6.72	12.81	11.56	6.18	11.19	-10.90
<b>Collected real estate fees<sup>4</sup></b>							
(in millions of LBP)	104,269	77,000	80,542	112,369	75,773	83,254	86,142
Variation in %	-0.56	38.76	10.20	7.77	-1.59	10.52	6.95
<b>Total Imports<sup>5**</sup></b>							
(in millions of LBP)	2,217,414	2,257,455	3,782,513	2,510,637	2,533,221	2,457,299	2,674,971
Variation in %	6.55	10.60	68.90	13.22	12.22	-8.43	-29.28
<b>Total Exports<sup>5**</sup></b>							
(in millions of LBP)	521,273	492,688	529,486	509,227	536,026	709,745	664,434
Variation in %	-4.99	12.52	-5.02	-2.31	8.80	40.84	25.49
<b>Trade Deficit **</b>	1,696,140	1,764,767	3,253,028	2,001,410	1,997,195	1,747,554	2,010,537
Variation in %	10.68	10.08	93.39	18.00	13.17	-19.82	-38.19
<b>Customs receipts<sup>5*</sup></b>							
(in millions of LBP)	226,293	237,210	198,658	189,667	190,018	195,157	213,097
Variation in %	-3.44	2.96	-18.50	-16.19	-19.89	-8.43	7.27
<b>Electricity production (EDL network)<sup>6</sup></b>							
(in millions of KWh)	998	1,038	1,049	916	1,033	855	893
Variation in %	-0.20	4.54	3.46	-8.25	-0.50	-21.25	-14.86
<b>Imports of petroleum derivatives<sup>7***</sup></b>							
(in metric tons)	520,625	458,265	460,842	519,410	489,466	474,474	465,471
Variation in %	54.11	5.61	11.91	-0.23	6.81	-4.35	1.00
<b>Freight at the Port of Beirut<sup>8**</sup></b>							
Total	531,865	539,300	613,222	593,439	568,776	551,936	620,204
Variation in %	-6.78	-0.35	3.68	11.58	5.47	-6.55	1.14
Freight incoming (tons)	451,778	458,731	518,268	511,776	489,914	469,571	515,258
Freight outgoing (tons)	70,887	68,340	81,963	73,001	66,507	73,175	93,013
Transit and free zone (tons)	9,200	12,228	12,991	8,662	12,355	9,190	11,933
<b>Flow of passengers (B.I.A.)<sup>9</sup></b>							
Total	423,624	462,729	448,620	445,968	471,179	546,784	472,746
Variation in %	-1.63	11.38	7.51	5.27	1.83	-6.13	5.38
Arrival	233,562	229,956	215,875	247,811	234,602	232,024	223,551
Variation in %	1.18	10.72	9.29	6.10	2.02	-7.33	3.56
Departure	186,592	229,413	228,514	193,272	231,734	310,896	246,639
Variation in %	-5.24	11.88	6.20	3.58	1.01	-4.75	7.93
Transit	3,470	3,359	4,231	4,885	4,843	3,864	2,556
Variation in %	18.96	23.89	-7.92	40.78	44.16	-32.53	-39.59

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

In the year to October 2012, export shares to major destination countries were as follows: South Africa 21.5%, Switzerland 11.4%, Saudi Arabia 8.0%, United Arab Emirates 7.9%, and Syria 5.9%.

In October 2012, these shares were as follows:

▲ **Exports by Destination** (millions USD)

	Oct 11	% of total	Oct 12	% of total
South Africa	56.2	16.0	138.2	31.4
Switzerland	26.9	7.6	36.6	8.3
Saudi Arabia	24.4	6.9	28.0	6.4
Syria	20.8	5.9	26.8	6.1
UAE	41.1	11.7	26.6	6.0
Other countries	181.8	51.8	184.3	41.8
<b>Total exports</b>	<b>351.1</b>	<b>100</b>	<b>440.6</b>	<b>100</b>

▲ **Imports** (millions USD)

Sections	Jan Oct 2011	% of Total	Jan Oct 2012	% of Total
Food & Beverages	2,623.3	15.5	2,715.5	15.3
Textiles	596.6	3.5	629.8	3.5
Leather, Plastics & Rubber	67.6	0.4	66.4	0.4
Wood & wood products	196.0	1.2	207.7	1.2
Chemical & Pharmaceutical	1,455.0	8.6	1,448.0	8.1
Paper & paper products	373.0	2.2	307.9	1.7
Stone, Clay & cement	332.4	2.0	336.8	1.9
Metal & metal products	5,262.8	31.1	6,320.1	35.5
Machinery & Appliances	3,251.8	19.2	3,255.9	18.3
Jewelry	1,754.0	10.4	1,400.8	7.9
Other	1,001.7	5.9	1,116.2	6.3
<b>Total</b>	<b>16,914.2</b>	<b>100</b>	<b>17,805.0</b>	<b>100</b>

▲ **Exports** (millions USD)

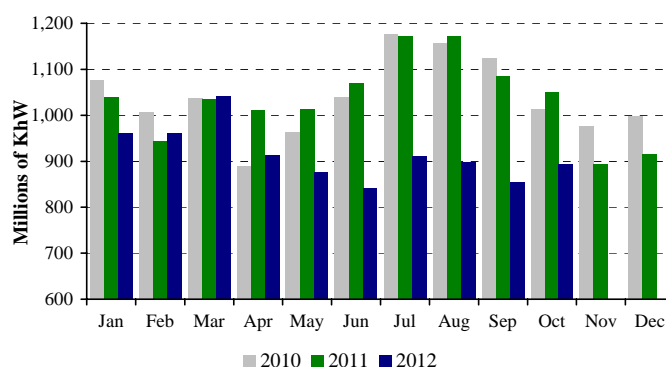
Sections	Jan Oct 2011	% of Total	Jan Oct 2012	% of Total
Food & Beverages	475.7	13.3	495.5	13.3
Textiles	109.0	3.0	95.5	2.6
Leather, Plastics & Rubber	11.3	0.3	12.6	0.3
Wood & wood products	12.3	0.3	16.8	0.5
Chemical & Pharmaceutical	306.3	8.6	281.9	7.5
Paper & paper products	177.6	5.0	151.9	4.1
Stone, Clay & cement	31.0	0.9	34.8	0.9
Metal & metal products	501.8	14.0	460.0	12.3
Machinery & Appliances	494.3	13.8	451.4	12.1
Jewelry	1,248.4	34.9	1,504.1	40.2
Other	213.6	6.0	234.7	6.3
<b>Total</b>	<b>3,581.3</b>	<b>100</b>	<b>3,739.2</b>	<b>100</b>

Source: Customs Higher Council

**ENERGY**

Power production went down by 14.9%, to 893.0 million kWh during the month.

**Monthly Electricity Production**

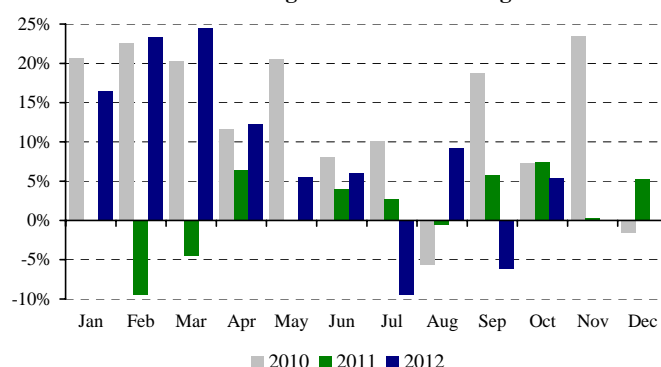


Source: Electricité du Liban

**TRANSPORTATION**

At the Beirut International Airport, total plane traffic went down by 3.2%, while passenger flow expanded by 5.4%. The number of incoming and outgoing passengers improved by 3.6% and 7.9% respectively, while that of transiting passengers declined by 39.6%. Airfreight widened by 9.9%, as incoming and outgoing freight increased by 13.8% and 5.1% respectively.

**Annual Changes in Flow of Passengers**



Source: Beirut International Airport

Year-on-year, the number of ships and the volume of maritime freight at the Port of Beirut progressed by 4.9% and 1.1% respectively. Incoming and transiting freight shrank by 0.6% and 8.1% respectively, while outgoing freight grew by 13.5%.

**MONETARY SECTOR**

**NET FOREIGN ASSETS OF THE BANKING SYSTEM**

The balance of payments posted a deficit equivalent to USD 97.0 million in October 2012. This was reflected in a drop in the net foreign assets of banks and financial institutions by an amount of USD 154.0 million, and an increase in those of Banque du Liban by USD 57.0 million. In the year to October, the BOP registered a cumulative deficit of USD 2,028.7 million, compared with a cumulative deficit of USD 2,755.2 million in the same period of 2011.

## CENTRAL BANK FOREIGN CURRENCY RESERVES

Gross foreign-currency reserves of Banque du Liban attained USD 36,237.8 million at end-October 2012, increasing annually by USD 3,215.8 million or 9.7%. Total foreign assets, including gold, amounted to USD 52,098.7 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 October 2012 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.

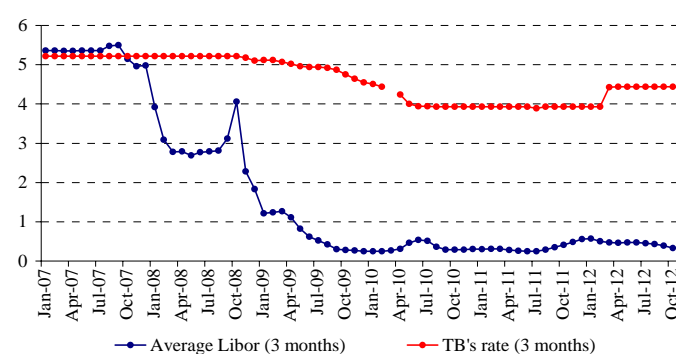
On the Lebanese pound, bank interest rates on debit accounts rose by 1 basis point and reached 7.31%, while they stabilized at 5.43% on credit accounts.

These rates registered a decrease on USD debit accounts and an increase on USD credit accounts. Accordingly, the USD weighted average lending rate fell by 1 basis point, standing at 7.15%, while the USD average deposit rate grew by 4 basis points, reaching 2.87%.

As a result, the spread between the LBP and USD lending rates widened from 14 basis points in September 2012 to 16 points in October 2012. In contrast, the spread between the LBP and USD deposit rates narrowed during the same period from 2.60 points to 2.56 points.

In October 2012, the three-month Libor rate stood at 0.33%, compared with 0.39% in September and 0.43% in August 2012.

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 October, 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

At the end of the month, the monetary aggregate M3

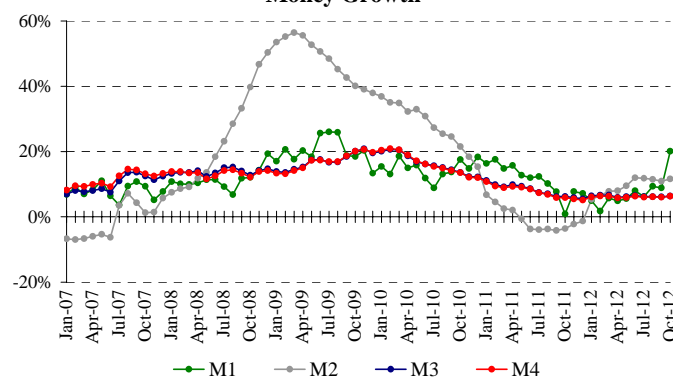
reached LBP 154,401.3 billion, increasing annually by 6.4%. Bank credits to the private sector remained the main factor in money creation, along with credits to the public sector.

Regarding money stock components, LBP-denominated deposits registered a steady growth of 11.4%, while foreign-currency deposits increased by 3.0% at the end of the month.

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

	M1	M2	M3	M4
Oct-2011	0.86	-3.60	6.28	5.86
Nov-2011	7.76	-2.26	5.85	5.53
Dec-2011	7.16	-1.28	5.52	5.14
Jan-2012	4.96	5.31	6.46	6.06
Feb-2012	1.75	6.56	6.65	6.35
Mar-2012	5.74	7.80	6.67	6.32
Apr-2012	4.88	7.97	5.92	5.81
May-2012	5.57	9.48	6.21	5.96
June-2012	8.02	11.98	6.50	6.28
July-2012	6.17	11.79	6.18	5.99
Aug-2012	9.35	11.46	6.17	6.12
Sep-2012	8.86	10.95	6.14	6.01
<b>Oct-2012</b>	<b>20.08</b>	<b>11.64</b>	<b>6.40</b>	<b>6.33</b>

Money Growth



## PUBLIC DEBT

According to figures released by the Ministry of Finance, net total public debt increased in October 2012 by LBP 744 billion, totaling LBP 72,882 billion at the end of the month.

This increase stems from a rise in the LBP-denominated debt by an amount of LBP 841 billion, to LBP 38,543 billion, coupled with a decline in the foreign-currency-denominated public debt by USD 57 million, to USD 22,779 million at end-October.

Year-on-year, the net total public debt, the LBP-denominated debt and the foreign-currency-denominated debt grew by 5.3%, 3.2%, and 8.2% respectively.

### ▲ Outstanding Treasury Bills by Maturity (% of total)

	3 months	6 months	12 months	24 months and above
Oct-2011	0.61	3.77	3.63	91.98
Nov-2011	0.45	3.67	3.01	92.86
Dec-2011	0.26	3.20	1.81	94.74
Jan-2012	0.52	2.89	1.89	94.70
Feb-2012	0.49	2.38	1.98	95.14
Mar-2012	0.67	2.02	2.28	95.03
Apr-2012	0.43	1.44	2.42	95.70
May-2012	0.54	1.57	2.51	95.39
June-2012	0.43	1.98	2.64	94.95
July-2012	0.38	2.22	2.16	95.24
Aug-2012	0.22	2.42	1.99	95.37
Sep-2012	0.20	2.44	1.75	95.61
<b>Oct-2012</b>	<b>0.19</b>	<b>2.52</b>	<b>1.89</b>	<b>95.41</b>

## BANKING ACTIVITY

### CONSOLIDATED BALANCE SHEET

The consolidated balance sheet of commercial banks reached LBP 225,183 billion at end-October 2012, rising monthly by 0.68%, compared with 0.89% in the previous month. Year-on-year, it grew by 7.05%.

### VOLUME OF CREDITS

#### a-Commercial Banks

Credits granted by commercial banks to the private sector, resident and non-resident, expanded in October 2012 by 1.10%, compared with 1.36% in the previous month. At end-October 2012, these credits reached LBP 64,458 billion, with a year-on-year increase of 9.02%. They were distributed as follows:

- Credits in Lebanese pound amounted to LBP 14,540 billion at end-October 2012, rising monthly by 1.25%, compared with 1.23% in September 2012. Year-on-year, they grew by 16.47%, and their share from total bank credits went up to 22.56%, compared with 21.11% in October 2011.
- Credits in foreign currencies went up by 1.06% in October 2012, compared with 1.40% in September 2012. Year-on-year, they rose by 7.02%, totaling USD 33,102 million at end-October 2012.

#### b-Investment Banks

Credits granted by investment banks totaled LBP 1,741 billion at end-October 2012, as they expanded by 0.23%, compared with 0.52% in September 2012. In comparison with October 2011, they grew by 3.97%.

## VOLUME OF DEPOSITS

#### a-Commercial Banks

Private sector deposits at commercial banks by residents and non-residents increased by 0.69% in October 2012, compared with 0.49% in the previous month. Year-on-year, their volume widened by 7.36%, amounting to LBP 184,815 billion at end-October 2012. They were distributed as follows:

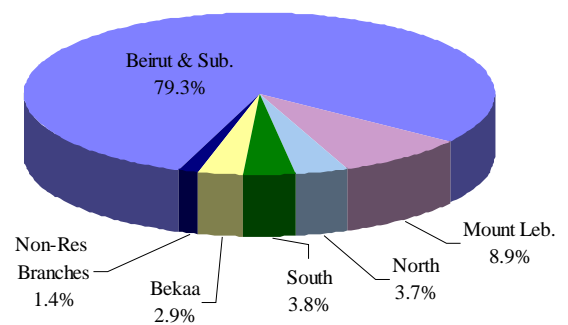
- Deposits in Lebanese pound reached LBP 65,203 billion at end-October 2012, rising monthly by 0.87% compared with 0.72% in September 2012. Year-on-year, they improved by 12.27%, accounting for 35.28% of total deposits, compared with 33.74% at end-October 2011.
- Deposits in foreign currencies progressed by 0.60% during the month, compared with 0.36% in the previous month. Year-on-year, they went up by 4.86%, totaling USD 79,318 million at end-October 2012.

#### b-Investment Banks

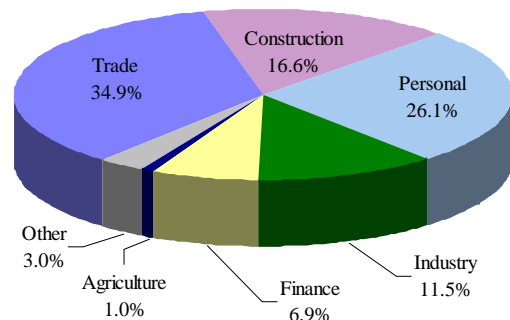
Private sector deposits at investment banks remained almost stable (+0.03%) during the month, compared with an increase of 1.13% in September 2012. Year-on-year, they shrank by 8.56%, from LBP 3,666 billion at end-October 2011 to LBP 3,352 billion at end-October 2012.

## DISTRIBUTION OF CREDITS

Distribution of Credits by Region



Distribution of Credits by Sector



## CREDIT-DEPOSIT RATIO

At end-October 2012, total credits accounted for 34.88%

of total deposits, compared with 34.35% at end-October 2011, and detailed as follows:

- Credit/deposit ratio in Lebanese pound: 22.30%, compared with 21.50%.
- Credit/deposit ratio in foreign currencies: 41.73%, compared with 40.89%.

## SHAREHOLDERS' FUNDS

Shareholders' equity fell by 0.07% in October 2012, following a rise of 0.05% in September 2012. Year-on-year, it grew by 13.72%, reaching LBP 17,915 billion at end-October 2012.

The capital/total asset ratio in commercial banks decreased to 7.96% at end-October 2012, compared with 8.02% in September 2012, and 7.49% in October 2011.

The capital/total deposit ratio went down to 9.69% at end-October 2012, compared with 9.77% in September 2012, and 9.15% in October 2011.

Similarly, the capital/total credit ratio declined to 27.79% at end-October 2012, compared with 28.12% in September 2012, and 26.64% in October 2011.

## DOLLARIZATION

The dollarization rate of bank deposits stood at 64.72% at end-October 2012, down from 64.78% at end-September 2012 and compared with 66.26% at end-October 2011.

Likewise, the dollarization rate of bank credits reached 77.44% at end-October 2012, down from 77.47% at end-September 2012 and compared with 78.89% at end-October 2011.

## FINANCIAL MARKETS

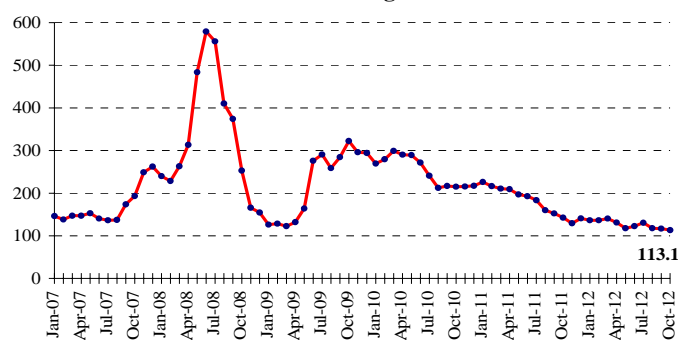
The Beirut Stock Exchange capitalization-weighted index fell by 3.08% in October 2012, closing at 113.13 points, compared with 116.73 points in September 2012. In contrast, the shares traded on the BSE registered an increase in volume and in value.

No domestic or international CD issue was launched or matured during the month.

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

October 2011	142.64
November 2011	129.40
December 2011	140.78
January 2012	136.34
February 2012	136.52
March 2012	140.44
April 2012	131.16
May 2012	117.80
June 2012	122.58
July 2012	130.83
August 2012	117.74
September 2012	116.73
<b>October 2012</b>	<b>113.13</b>

### Market-Value-Weighted Index



## BEIRUT STOCK EXCHANGE

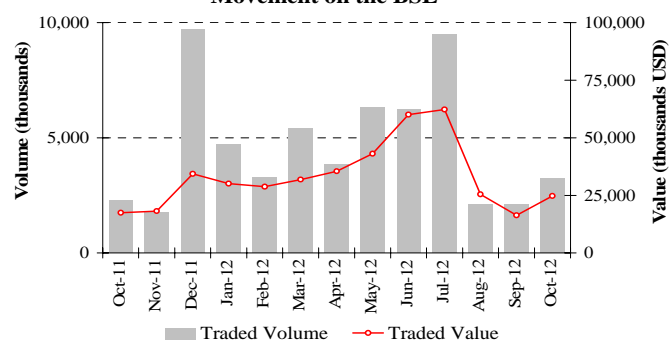
### ▲ Beirut Stock Exchange

Date	Traded Shares		Market Capitalization (billions USD)
	Volume (millions)	Value (millions USD)	
Oct-2011	2.25	17.47	11.35
Nov-2011	1.75	18.19	11.16
Dec-2011	9.69	34.34	11.19
Jan-2012	4.70	30.08	11.20
Feb-2012	3.29	28.73	11.48
Mar-2012	5.40	31.89	11.74
Apr-2012	3.87	35.46	11.41
May-2012	6.34	43.06	11.09
June-2012	6.25	60.04	10.96
July-2012	9.50	62.27	11.15
Aug-2012	2.13	25.49	10.99
Sep-2012	2.11	16.36	10.91
<b>Oct-2012</b>	<b>3.25</b>	<b>24.75</b>	<b>10.84</b>

The BSE decided to accept, as of October 29, 2012, the listing on the official market of the additional 309,260 common shares issued by Bank Audi S.A.L.-Audi Saradar Group.

In October 2012, the volume of traded shares expanded by 53.97%, totaling 3.247 million shares, compared with 2.109 million shares in the previous month. Likewise, the value of traded shares rose by 51.26% in October 2012, amounting to USD 24.753 million, compared with USD 16.364 million in September 2012.

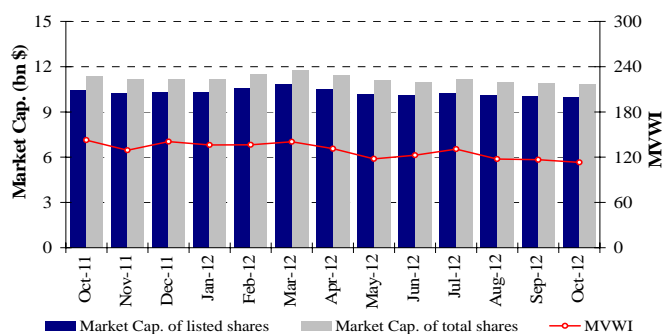
### Movement on the BSE



Regarding the shares traded during the month, Audi-Saradar Bank common shares were leading in volume and in value with 45.62% and 32.64% of total trading respectively.

During the months of September and October 2012, no transaction was performed on the Treasury Eurobonds listed on the BSE.

**Movement of the MVWI and Market Cap. on BSE**



On the BSE, the total market value of the shares of listed issuers fell monthly by 0.56%, standing at USD 10.844 billion in October 2012, compared with USD 10.905 billion in September 2012. Likewise, the market value of listed shares declined by 0.60%, from USD 10.015 billion in September to USD 9.955 billion in October.

### PREFERRED AND PRIMARY STOCKS

Issuer	Type	Price	Volume (thousands)	Value (millions \$)
Bank of Beirut	Preferred Shares "D"	25 \$	4,000	100
	Preferred Shares "E"	25 \$	2,400	60
	Preferred Shares "H"	25 \$	5,400	135
BEMO Bank	Preferred Shares	100 \$	200	20
BLOM Bank	Preferred Shares 2011	10 \$	20,000	200
Audi-Saradar Bank	Preferred Shares "D"	10 \$	12,500	125
	Preferred Shares "E"	100 \$	1,250	125
	Preferred Shares "F"	100 \$	1,500	150
BLC Bank	Preferred Shares "A"	100 \$	400	40
	Preferred Shares "B"	100 \$	550	55
Byblos Bank	Preferred Shares 2008	100 \$	2,000	200
	Preferred Shares 2009	96 \$	2,000	192

### GLOBAL DEPOSITARY RECEIPT (GDR)

At end-October 2012, the prices of GDRs issued by Byblos Bank and Audi-Saradar Bank increased by 11.84% and 1.74% respectively, the former ranging between USD 76.00 and USD 85.00, and the latter between USD 5.70 and USD 6.00. In contrast, the prices of GDRs issued by Solidere and BLOM Bank dropped by 2.55% and 1.03% respectively, the former ranging between USD 12.03 and USD 12.60, and the latter

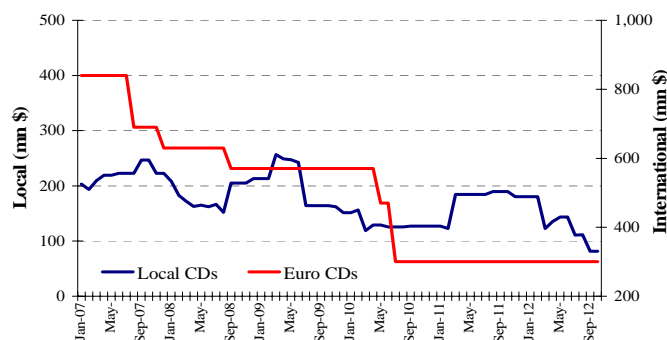
between USD 7.50 and USD 7.94.

### CERTIFICATES OF DEPOSIT

#### Certificates of Deposit (millions USD)

	Issued	Outstanding			Number of Banks
		Local	International	Total	
Sep 2012	-	81.6	300	381.6	8
Oct 2012	-	81.6	300	381.6	8

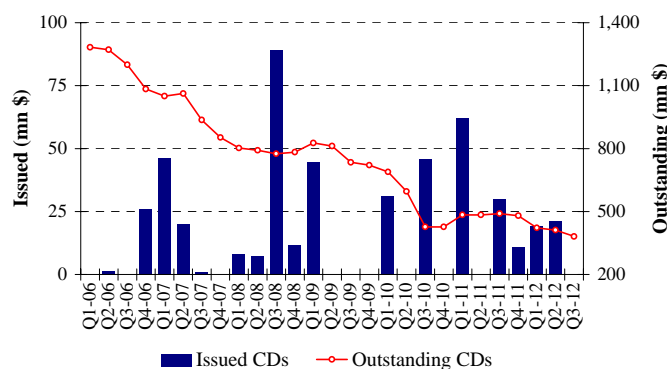
**Outstanding Certificates of Deposit**



No domestic or international CD issue was launched during the month.

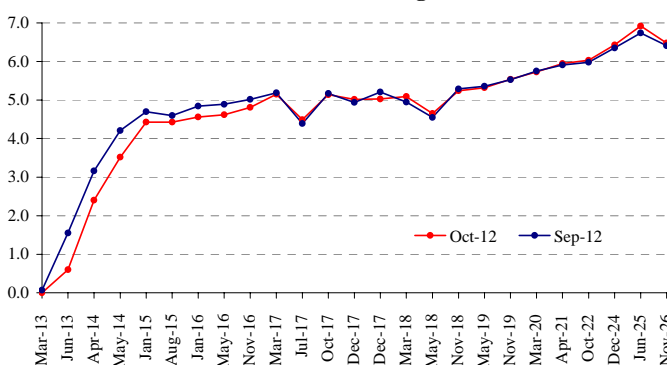
Consequently, the value of total outstanding CDs (domestic and international) remained unchanged, totaling USD 381.55 million (of which an amount of USD 81.55 million on the domestic market).

**Issued and Outstanding CDs**



### LEBANESE REPUBLIC FOREIGN CURRENCY BONDS

**Yield Curve of Lebanese Sovereign Eurobonds in \$**





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The total value of Lebanese Treasury Eurobonds improved, reaching USD 21.084 billion at end-October 2012, compared to USD 21.077 billion at end-September 2012.

#### **LEBANESE BANKS' FOREIGN CURRENCY BONDS**

The prices of bonds issued by BEMO Bank S.A.L. decreased at end-October 2012, closing at USD 102.78, compared with USD 103.00 at end-September 2012.

The value of domestic bonds issued by financial institutions recorded no change at end-October 2012, stabilizing at USD 17.608 million.

**Lebanese Republic Foreign Currency Bonds**

	Maturity	Closing of September 2012			Closing of October 2012		
		Price	Yield	Spread	Price	Yield	Spread
<b>5 years</b> (USD 875 millions)	12/03/2013	104.00	0.07	0	102.30	0.00	0
<b>8 years</b> (USD 650 millions)	20/06/2013	105.00	1.55	142	105.00	0.60	44
<b>5 years</b> (USD 18.483 millions) <i>Special TBs</i>	25/03/2014	-	-	-	-	-	-
<b>8 years</b> (USD 676.902 millions)	14/04/2014	106.25	3.16	291	107.00	2.40	222
<b>6 years</b> (USD 881.612 millions)	02/05/2014	107.25	4.21	396	107.90	3.52	322
<b>5 years</b> (USD 250 millions)	15/01/2015	102.50	4.70	447	102.98	4.43	414
<b>5 years</b> (USD 15.985 millions) <i>Special TBs</i>	22/04/2015	-	-	-	-	-	-
<b>3 years</b> (USD 500 millions)	12/06/2015	-	-	-	-	-	-
<b>5 years</b> (USD 6.930 millions) <i>Special TBs</i>	15/07/2015	-	-	-	-	-	-
<b>7 years</b> (USD 500 millions)	06/08/2015	110.26	4.60	429	110.43	4.43	402
<b>5 years</b> (USD 8.098 millions) <i>Special TBs</i>	30/11/2015	-	-	-	-	-	-
<b>15 years</b> (USD 750 millions)	19/01/2016	111.00	4.84	452	111.63	4.56	415
<b>15 years</b> (USD 400 millions)	11/05/2016	122.00	4.89	456	122.50	4.62	421
<b>5 years</b> (USD 500 millions)	02/11/2016	99.02	5.02	440	99.77	4.81	404
<b>8 years</b> (USD 1,500 millions)	20/03/2017	115.03	5.19	457	114.89	5.15	438
<b>10 years</b> (USD 300 millions)	20/07/2017	98.13	4.39	378	97.92	4.49	372
<b>5 years</b> (USD 600 millions)	20/10/2017	99.24	5.17	456	99.39	5.14	437
<b>7 years</b> (LBP 1,500,000 millions)	18/12/2017	104.84	6.82	-	104.84	6.82	-
<b>15 years</b> (USD 950 millions)	27/12/2017	100.14	4.94	433	99.94	5.02	427
<b>15 years</b> (USD 2,007.511 millions)	31/12/2017	97.00	5.21	459	97.50	5.03	428
<b>15 years</b> (USD 700 millions)	05/03/2018	100.21	4.95	434	99.56	5.09	432
<b>15 years</b> (USD 200 millions)	27/05/2018	101.17	4.55	394	100.90	4.65	388
<b>6 years</b> (USD 700 millions)	12/06/2018	-	-	-	-	-	-
<b>8 years</b> (USD 500 millions)	12/11/2018	99.27	5.29	426	99.52	5.24	404
<b>7 years</b> (Euro 445 millions)	28/11/2018	99.40	5.47	482	99.20	5.51	472
<b>8 years</b> (USD 650 millions)	20/05/2019	103.53	5.36	433	103.73	5.32	411
<b>7 years</b> (USD 500 millions)	28/11/2019	99.50	5.53	452	99.50	5.54	435
<b>10 years</b> (USD 1,200 millions)	09/03/2020	103.76	5.75	471	103.79	5.73	453
<b>15 years</b> (USD 2,092.469 millions)	12/04/2021	115.52	5.91	428	115.08	5.95	420
<b>12 years</b> (USD 1,540 millions)	04/10/2022	100.90	5.98	436	100.50	6.03	428
<b>15 years</b> (USD 250 millions)	03/12/2024	105.47	6.35	472	104.74	6.43	468
<b>13 years</b> (USD 800 millions)	12/06/2025	95.88	6.74	511	94.42	6.92	517
<b>15 years</b> (USD 725 millions)	27/11/2026	101.71	6.41	479	101.14	6.48	472

## 1. MONETARY SURVEY

(end of period, in billions of Lebanese Pounds)

	Dec 2010	Sep 2011	Oct 2011	Dec 2011	Sep 2012	Oct 2012
Currency in Circulation	2,712.9	2,654.2	2,620.1	2,891.0	2,766.2	3,074.2
Sight Deposits in L.L.	3,015.4	3,150.6	2,970.0	3,247.4	3,553.2	3,638.2
<b>M1</b>	<b>5,728.3</b>	<b>5,804.8</b>	<b>5,590.1</b>	<b>6,138.4</b>	<b>6,319.4</b>	<b>6,712.5</b>
Other Deposits in L.L.	53,673.5	51,000.6	51,543.6	52,504.7	56,704.3	57,072.2
<b>M2</b>	<b>59,401.9</b>	<b>56,805.4</b>	<b>57,133.7</b>	<b>58,643.0</b>	<b>63,023.6</b>	<b>63,784.7</b>
Deposits in Foreign Currencies	79,292.8	86,972.8	87,592.2	87,639.7	89,666.8	90,294.6
Bonds	215.1	379.8	382.4	292.9	314.2	322.0
<b>M3</b>	<b>138,909.8</b>	<b>144,157.9</b>	<b>145,108.3</b>	<b>146,575.6</b>	<b>153,004.6</b>	<b>154,401.3</b>
<b>M4*</b>	<b>146,820.8</b>	<b>151,959.9</b>	<b>152,857.3</b>	<b>154,364.6</b>	<b>161,087.6</b>	<b>162,526.3</b>
Net Claims on Foreign Sector	66,535.7	67,470.3	67,844.4	65,463.7	65,439.1	64,450.4
Net Claims on Public Sector	48,878.1	49,913.0	50,022.3	50,909.1	53,510.2	54,091.5
Valuation Adjustment	-11,170.2	-14,337.0	-15,647.8	-13,284.7	-16,380.7	-15,544.6
Claims on Private Sector	47,828.7	52,362.8	52,926.6	54,163.8	58,102.3	58,723.8
Other Items Net	-13,162.6	-11,251.1	-10,037.2	-10,676.3	-7,666.3	-7,319.9
<b>TOTAL</b>	<b>138,909.8</b>	<b>144,157.9</b>	<b>145,108.3</b>	<b>146,575.6</b>	<b>153,004.6</b>	<b>154,401.3</b>

\* M4 = M3 + Treasury Bills held by the non-banking system; M3 and M4 include Bonds starting July 1996

## 1.1 BANKING SYSTEM : ASSETS AND LIABILITIES IN GOLD AND FOREIGN CURRENCIES

(end of period, in millions of US dollars)

	Dec 2010	Sep 2011	Oct 2011	Dec 2011	Sep 2012	Oct 2012
<b>Banque du Liban</b>	<b>43,939.4</b>	<b>47,954.3</b>	<b>48,700.1</b>	<b>47,574.2</b>	<b>52,387.2</b>	<b>51,882.0</b>
Gold	13,010.0	15,070.7	15,904.7	14,400.7	16,423.9	15,860.9
Foreign Currencies Reserves	31,163.3	33,107.1	33,022.0	33,391.6	36,180.0	36,237.8
Foreign Liabilities	233.9	223.5	226.6	218.1	216.7	216.7
<b>Commercial Banks</b>	<b>2,741.7</b>	<b>-715.2</b>	<b>-1,193.6</b>	<b>-1,579.6</b>	<b>-4,390.9</b>	<b>-4,557.1</b>
Claims on Non Resident Banks	15,843.8	14,928.2	14,489.5	14,629.8	13,357.6	13,294.9
Claims on Non Residents	4,613.1	5,626.6	5,714.9	5,150.2	5,347.7	5,379.7
Other Foreign Assets	5,270.4	5,692.9	5,713.2	5,716.7	5,986.6	6,042.7
Liabilities of Non Resident Banks	4,500.6	6,546.5	6,478.5	5,813.4	6,100.1	6,122.0
Deposits of Non Residents	18,485.0	20,416.4	20,632.6	21,262.9	22,982.6	23,152.4
<b>Medium and Long Term Banks</b>	<b>-249.4</b>	<b>-277.4</b>	<b>-216.6</b>	<b>-162.7</b>	<b>-116.7</b>	<b>-106.3</b>
Claims on Foreign Sector	406.9	359.8	383.5	350.8	341.3	342.0
Liabilities to the Foreign Sector	656.4	637.2	600.1	513.5	458.1	448.3

## 1.2 PRIVATE SECTOR DEPOSITS IN COMMERCIAL BANKS

( end of period, in billions of Lebanese Pounds )

	Dec 2010	Sep 2011	Oct 2011	Dec 2011	Sep 2012	Oct 2012
<b>Deposits of Residents</b>	<b>133,743.4</b>	<b>140,160.6</b>	<b>141,038.9</b>	<b>142,385.4</b>	<b>148,894.2</b>	<b>149,912.6</b>
- Deposits of Res. in L.L.	55,036.7	53,834.4	54,147.7	55,388.7	59,745.8	60,192.2
- Deposits of Res. In For. Curr.	78,706.8	86,326.2	86,891.3	86,996.7	89,148.4	89,720.4
<b>Deposits of Non Residents</b>	<b>27,866.2</b>	<b>30,777.7</b>	<b>31,103.7</b>	<b>32,053.9</b>	<b>34,646.2</b>	<b>34,902.2</b>
- Deposits of N. Res. in L.L.	4,373.6	3,849.9	3,931.8	4,056.6	4,895.5	5,011.1
- Deposits of N. Res. in For. Curr.	23,492.6	26,927.9	27,172.0	27,997.3	29,750.8	29,891.1
<b>Total Deposits in L.L.</b>	<b>59,410.3</b>	<b>57,684.3</b>	<b>58,079.4</b>	<b>59,445.3</b>	<b>64,641.3</b>	<b>65,203.3</b>
<b>Total Deposits in For. Curr.</b>	<b>102,199.4</b>	<b>113,254.1</b>	<b>114,063.2</b>	<b>114,994.0</b>	<b>118,899.2</b>	<b>119,611.5</b>
<b>GRAND TOTAL</b>	<b>161,609.6</b>	<b>170,938.4</b>	<b>172,142.7</b>	<b>174,439.3</b>	<b>183,540.4</b>	<b>184,814.8</b>

## 1.3 TRADE & BALANCE OF PAYMENT RESULTS

(in millions of US Dollars)

	Imports (C.I.F.)	Exports (F.O.B.)	Trade Balance	Central Bank	Banks	Balance of Payment **
<b>2011 (Jan - Dec)</b>	<b>20,158.3</b>	<b>4,265.5</b>	<b>-15,892.8</b>	<b>2,270.7</b>	<b>-4,266.9</b>	<b>-1,996.2</b>
<b>August</b>	1,719.3	363.2	-1,356.1	1,692.5	-2,143.3	-450.8
<b>September</b>	1,779.5	334.2	-1,445.3	116.3	-418.0	-301.7
<b>October</b>	2,508.3	351.1	-2,157.2	-175.9	-413.9	-589.8
<b>December</b>	1,664.9	337.7	-1,327.2	79.9	611.6	691.5
<b>2012</b>						
<b>January</b>	1,453.8	347.7	-1,106.2	-103.0	-186.8	-289.8
<b>February</b>	2,798.9	429.2	-2,369.7	-26.6	-107.5	-134.1
<b>March</b>	1,722.6	376.8	-1,345.8	246.9	-196.2	50.7
<b>April</b>	1,547.8	318.6	-1,229.2	794.7	-1,337.7	-543.0
<b>May</b>	1,645.0	354.6	-1,290.4	-16.2	-65.3	-81.5
<b>June</b>	1,713.0	345.4	-1,367.6	252.4	-275.8	-23.4
<b>July</b>	1,738.6	316.6	-1,422.0	-237.8	-83.9	-321.7
<b>August</b>	1,781.8	339.1	-1,442.7	119.4	-616.1	-496.7
<b>September</b>	1,629.5	470.7	-1,158.9	-261.9	169.7	-92.2
<b>October</b>	1,773.9	440.6	-1,333.2	57.0	-154.0	-97.0

NB: These values are subject to change.

\*\* Valuation Adjustment from fluctuations of US dollar with respect to other foreign currencies is excluded; Net foreign assets of specialized banks and financial institutions are included, starting January 1995.

## 2. BALANCE SHEET OF BANQUE DU LIBAN

(end of period, in billions of Lebanese Pounds)

	Dec 2010	Sep 2011	Oct 2011	Dec 2011	Sep 2012	Oct 2012
<b>Assets</b>						
Foreign Assets	62,723.6	68,874.2	69,973.9	68,162.5	69,961.9	68,319.2
-Gold	19,612.5	22,719.1	23,976.3	21,709.0	24,759.0	23,910.2
-Foreign Currencies	43,111.1	46,155.1	45,997.6	46,453.4	45,202.9	44,408.9
-Other Foreign Assets						
Claims on Private Sector	349.9	371.1	379.4	380.1	378.2	381.5
Loans to Commercial Banks	1,122.3	2,027.6	2,048.5	2,047.2	2,388.7	2,374.5
Loans to Specialized Financial Corp.	14.0	53.1	51.7	51.7	51.7	51.7
Loans to Public Sector	218.1	167.3	138.6	139.8	85.9	54.9
Securities Portfolio	17,681.2	19,595.3	19,584.6	19,846.9	24,967.6	26,088.9
Fixed Assets	403.9	348.1	349.6	357.7	386.9	387.3
Unclassified Assets	11,867.8	15,242.8	15,463.1	14,986.5	18,422.1	18,999.1
<b>TOTAL</b>	<b>94,380.8</b>	<b>106,679.6</b>	<b>107,989.4</b>	<b>105,972.3</b>	<b>116,643.0</b>	<b>116,657.0</b>
<b>Liabilities</b>						
Currency in Circulation outside BDL	3,088.3	3,104.2	3,083.5	3,283.3	3,256.0	3,552.8
Commercial Banks Deposits	57,365.9	65,545.7	65,830.5	68,787.9	75,438.0	75,924.9
Corporations Deposits	2,193.2	921.9	1,026.5	963.8	985.5	1,045.9
Private Sector Deposits	45.2	41.5	40.3	42.4	44.6	46.6
Public Sector Accounts	9,311.7	10,302.4	9,993.7	7,984.6	8,932.1	8,813.8
Valuation Adjustment	11,170.2	14,337.0	15,647.8	13,284.7	16,380.7	15,544.6
Foreign Liabilities	352.6	337.0	341.5	328.8	326.7	326.6
Special Long Term Liabilities	2,503.0	2,503.0	2,503.4	2,503.3	2,201.8	2,202.3
Securities other than shares	3,015.0	3,015.0	3,015.0	3,015.0	3,015.0	3,015.0
Capital Accounts	4,279.3	4,211.1	4,211.1	4,555.8	4,495.2	4,495.2
Unclassified Liabilities	1,056.5	2,360.7	2,296.1	1,222.6	1,567.5	1,689.3
<b>TOTAL</b>	<b>94,380.8</b>	<b>106,679.6</b>	<b>107,989.4</b>	<b>105,972.3</b>	<b>116,643.0</b>	<b>116,657.0</b>

## 3. CONSOLIDATED BALANCE SHEET OF COMMERCIAL BANKS

(end of period, in billions of Lebanese Pounds)

	Dec 2010	Sep 2011	Oct 2011	Dec 2011	Sep 2012	Oct 2012
<b>Assets</b>						
<b>Reserves</b>	<b>61,153.5</b>	<b>67,907.9</b>	<b>69,317.3</b>	<b>71,535.4</b>	<b>78,967.5</b>	<b>79,377.4</b>
Vault Cash	375.4	450.0	463.3	392.3	489.9	478.5
Deposits at BDL	60,778.2	67,457.8	68,854.0	71,143.1	78,477.6	78,898.9
<b>Claims on Private Sector</b>	<b>45,702.1</b>	<b>49,951.6</b>	<b>50,510.5</b>	<b>51,594.4</b>	<b>55,692.5</b>	<b>56,348.5</b>
In Lebanese Pounds	10,381.6	12,248.1	12,484.2	12,820.5	14,361.5	14,540.4
In Foreign Currencies	35,320.5	37,703.5	38,026.3	38,773.9	41,331.0	41,808.1
<b>Claims on Public Sector</b>	<b>44,192.3</b>	<b>45,025.8</b>	<b>45,007.9</b>	<b>44,055.1</b>	<b>45,242.4</b>	<b>45,663.8</b>
<b>Claims on Foreign Sector</b>	<b>38,783.9</b>	<b>39,568.3</b>	<b>39,070.8</b>	<b>38,436.3</b>	<b>37,223.0</b>	<b>37,261.3</b>
<b>Fixed Assets</b>	<b>4,187.6</b>	<b>5,058.0</b>	<b>5,090.6</b>	<b>5,130.8</b>	<b>5,191.7</b>	<b>5,194.9</b>
<b>Unclassified Assets</b>	<b>335.3</b>	<b>1,160.3</b>	<b>1,362.5</b>	<b>1,166.2</b>	<b>1,335.2</b>	<b>1,337.4</b>
<b>TOTAL</b>	<b>194,354.7</b>	<b>208,672.0</b>	<b>210,359.6</b>	<b>211,918.2</b>	<b>223,652.2</b>	<b>225,183.2</b>
<b>Liabilities</b>						
<b>Resident Private Sector Deposits</b>	<b>133,743.4</b>	<b>140,160.6</b>	<b>141,038.9</b>	<b>142,385.4</b>	<b>148,894.2</b>	<b>149,912.6</b>
Demand Deposits in L.L.	2,950.8	3,103.8	2,924.4	3,200.6	3,506.6	3,591.5
Time and Saving Deposits in L.L.	52,085.8	50,730.6	51,223.3	52,188.1	56,239.2	56,600.8
Deposits in Foreign Currencies	78,706.8	86,326.2	86,891.3	86,996.7	89,148.4	89,720.4
<b>Public Sector Deposits</b>	<b>2,107.4</b>	<b>2,574.7</b>	<b>2,718.8</b>	<b>2,999.1</b>	<b>3,450.7</b>	<b>3,632.4</b>
<b>Non Resident Private Sector Deposits</b>	<b>27,866.2</b>	<b>30,777.7</b>	<b>31,103.7</b>	<b>32,053.9</b>	<b>34,646.2</b>	<b>34,902.2</b>
<b>Non Resident Financial Sect. Deposits</b>	<b>6,784.7</b>	<b>9,868.8</b>	<b>9,766.4</b>	<b>8,763.7</b>	<b>9,196.0</b>	<b>9,228.8</b>
<b>Other Financial Liabilities</b>	<b>411.8</b>	<b>736.9</b>	<b>747.4</b>	<b>661.4</b>	<b>650.9</b>	<b>665.5</b>
<b>Capital Accounts</b>	<b>13,901.0</b>	<b>15,642.7</b>	<b>15,753.7</b>	<b>16,161.5</b>	<b>17,926.6</b>	<b>17,914.7</b>
<b>Unclassified Liabilities</b>	<b>9,540.2</b>	<b>8,910.4</b>	<b>9,230.8</b>	<b>8,893.2</b>	<b>8,887.5</b>	<b>8,926.9</b>
<b>TOTAL</b>	<b>194,354.7</b>	<b>208,672.0</b>	<b>210,359.6</b>	<b>211,918.2</b>	<b>223,652.2</b>	<b>225,183.2</b>

#### 4.1 INTEREST RATES : COMMERCIAL BANKS

(in percent)

Period	Lending & Deposits Rates ( LL )					Interbank Rates on Call (LL) End of Period	Lending & Deposits Rates ( \$ )					Libor 3-month Period Average
	Discount & Loans	Checking & Current Accounts	Savings at Call	Term Deposits	Average Rate on Deposits		Discount & Loans	Checking & Current Accounts	Savings at Call	Term Deposits	Average Rate on Deposits	
<b>2011</b>												
Jul	7.33	0.97	2.64	5.87	5.59	2.75	7.03	0.30	0.97	3.29	2.86	0.25
Aug	7.53	0.92	2.62	5.81	5.53	3.00	7.16	0.31	0.93	3.22	2.80	0.29
Sep	7.37	0.96	2.72	5.85	5.58	3.00	6.92	0.35	0.91	3.26	2.84	0.35
Oct	7.27	0.92	2.90	5.84	5.60	2.75	7.10	0.36	0.88	3.23	2.82	0.41
Nov	7.31	0.94	2.73	5.84	5.59	2.75	6.99	0.38	0.87	3.26	2.84	0.48
Dec	7.38	1.05	2.73	5.91	5.63	2.75	7.02	0.44	0.93	3.31	2.83	0.56
<b>2012</b>												
Jan	7.19	0.93	2.84	5.86	5.60	2.75	6.99	0.41	0.88	3.28	2.87	0.57
Feb	7.07	1.12	2.71	5.74	5.47	2.75	7.13	0.48	1.28	3.30	2.87	0.50
Mar	7.16	0.91	2.59	5.77	5.46	2.75	7.06	0.47	0.88	3.27	2.83	0.47
Apr	7.49	1.02	2.27	5.72	5.42	2.75	7.10	0.47	1.22	3.27	2.84	0.46
May	7.34	0.98	2.41	5.79	5.49	2.75	7.12	0.44	1.20	3.26	2.83	0.47
Jun	7.44	1.06	2.50	5.75	5.45	2.75	7.15	0.31	0.85	3.25	2.78	0.47
Jul	7.24	1.02	2.44	5.75	5.45	2.75	7.19	0.33	1.26	3.27	2.84	0.45
Aug	7.27	0.96	2.22	5.83	5.51	2.75	7.26	0.27	1.10	3.29	2.84	0.43
Sep	7.30	1.11	2.50	5.73	5.43	2.75	7.16	0.31	0.83	3.30	2.83	0.39
Oct	7.31	1.22	2.75	5.76	5.43	2.75	7.15	0.29	1.16	3.33	2.87	0.33

#### 4.2 TREASURY BILLS & MONEY MARKET RATES

(end of period, in percent)

##### Spread Between 3 month TB's yield & Libor 3 month

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec
<b>2009</b>	3.91	3.88	3.80	3.91	4.14	4.32	4.42	4.50	4.57	4.47	4.37	4.30
<b>2010</b>	4.26	4.19	4.17	3.93	3.54	3.40	3.43	3.57	3.64	3.64	3.64	3.63
<b>2011</b>	3.63	3.62	3.62	3.65	3.67	3.68	3.68	3.64	3.58	3.52	3.45	3.37
<b>2012</b>	3.36	3.43	3.96	3.98	3.97	3.97	3.99	4.01	4.05	4.11		

##### Interest Rates on Treasury Bills \*

Period	3 months		6 months		12 months		24 months	36 months	Repo Rate
	Discount	Yield	Discount	Yield	Discount	Yield	Coupon Rate	Coupon Rate	
<b>2009</b>	<b>4.50</b>	<b>4.55</b>	<b>5.56</b>	<b>5.72</b>	<b>5.42</b>	<b>5.73</b>	<b>6.32</b>	<b>7.10</b>	<b>10.00</b>
<b>2010</b>	<b>3.89</b>	<b>3.93</b>	<b>4.42</b>	<b>4.52</b>	<b>4.59</b>	<b>4.81</b>	<b>5.34</b>	<b>5.94</b>	<b>10.00</b>
<b>2011</b>									
Oct	3.89	3.93	4.40	4.50	4.59	4.81	5.34	5.94	10.00
Dec	3.89	3.93	4.40	4.50	4.59	4.81	5.34	5.94	10.00
<b>2012</b>									
Aug	4.39	4.44	4.87	4.99	5.08	5.35	5.84	6.50	10.00
Sep	4.39	4.44	4.87	4.99	5.08	5.35	5.84	6.50	10.00
Oct	4.39	4.44	4.87	4.99	5.08	5.35	5.84	6.50	10.00

\* In March 2005, a 4 and 5 years treasury bills have been issued at a coupon rate of 10.3 and 11.3 per cent respectively.

**5.1 BANKS CLEARING IN LEBANESE POUNDS** (number in thousands, value in billions of L.L.)

Branch	BEIRUT		JOUNIEH		TRIPOLI		SAIDA		ZAHLE		TYR		TOTAL	
	No.	Value	No.	Value	No.	Value	No.	Value	No.	Value	No.	Value	No.	Value
<b>2010</b>	<b>2,954.4</b>	<b>18,374.7</b>	<b>180.5</b>	<b>592.8</b>	<b>104.2</b>	<b>413.8</b>	<b>76.5</b>	<b>339.9</b>	<b>114.2</b>	<b>352.6</b>	<b>82.0</b>	<b>300.3</b>	<b>3,511.8</b>	<b>20,374.1</b>
<b>2011</b>	<b>3,195.7</b>	<b>19,524.8</b>	<b>180.6</b>	<b>612.5</b>	<b>94.7</b>	<b>380.0</b>	<b>71.5</b>	<b>337.8</b>	<b>107.6</b>	<b>338.5</b>	<b>72.5</b>	<b>288.0</b>	<b>3,722.5</b>	<b>21,481.7</b>
<b>Jan</b>	254.1	1,649.6	14.8	61.2	7.2	28.3	5.4	29.7	7.7	24.9	5.6	23.2	<b>294.7</b>	<b>1,817.0</b>
<b>Feb</b>	237.7	1,629.2	13.6	45.1	6.8	22.0	5.0	26.5	7.3	21.2	5.4	22.9	<b>275.7</b>	<b>1,766.9</b>
<b>Mar</b>	276.8	1,793.1	15.3	53.3	8.0	32.3	6.1	30.1	8.7	27.1	6.3	25.0	<b>321.2</b>	<b>1,960.9</b>
<b>Apr</b>	260.9	1,590.2	14.8	49.8	7.3	30.0	5.8	26.8	8.1	24.7	6.0	27.9	<b>302.9</b>	<b>1,749.3</b>
<b>May</b>	270.1	1,570.9	15.3	46.9	7.9	31.6	5.9	27.3	8.6	26.7	6.2	22.1	<b>314.0</b>	<b>1,725.6</b>
<b>Jun</b>	279.7	1,580.0	16.0	51.5	8.3	31.2	6.4	28.7	9.2	28.6	6.4	23.3	<b>325.9</b>	<b>1,743.4</b>
<b>Jul</b>	279.6	1,662.9	15.8	50.6	8.3	35.4	6.3	31.1	10.0	30.7	6.4	24.3	<b>326.4</b>	<b>1,834.9</b>
<b>Aug</b>	256.6	1,503.4	14.6	45.7	7.8	29.2	6.0	27.9	9.5	30.3	6.0	23.9	<b>300.4</b>	<b>1,660.2</b>
<b>Sep</b>	277.1	1,561.6	15.7	50.8	8.5	32.3	6.3	28.5	10.0	29.9	6.5	26.0	<b>324.1</b>	<b>1,729.1</b>
<b>Oct</b>	270.8	1,679.9	15.1	53.0	8.3	38.7	6.4	29.5	9.7	33.5	6.2	24.2	<b>316.5</b>	<b>1,858.8</b>
<b>Nov</b>	253.3	1,415.3	14.0	48.4	7.8	30.8	5.7	23.9	9.3	29.9	5.7	22.7	<b>295.7</b>	<b>1,571.2</b>
<b>Dec</b>	279.1	1,888.7	15.6	56.1	8.6	38.3	6.2	27.8	9.5	31.0	5.9	22.6	<b>325.0</b>	<b>2,064.6</b>
<b>2012</b>														
<b>Jan</b>	255.3	1,720.6	13.9	48.0	8.0	41.6	5.8	23.3	8.1	25.7	5.4	20.1	<b>296.5</b>	<b>1,879.3</b>
<b>Feb</b>	248.8	1,602.3	13.0	47.2	7.2	30.7	4.8	21.3	6.2	17.9	4.3	16.7	<b>284.3</b>	<b>1,735.9</b>
<b>Mar</b>	278.5	1,673.7	11.9	40.3	8.1	31.7	4.3	19.1	6.0	17.8	3.3	13.8	<b>312.2</b>	<b>1,796.3</b>
<b>Apr</b>	254.7	1,645.9	5.8	22.1	6.0	34.1	3.2	14.7	5.2	14.6	2.3	8.5	<b>277.1</b>	<b>1,740.0</b>

**5.2 BANKS CLEARING IN FOREIGN CURRENCIES**

(number in unit, value in thousands of US dollars)

	Feb-11		Mar-11		Apr-11		Feb-12		Mar-12		Apr-12	
	No.	Value	No.	Value	No.	Value	No.	Value	No.	Value	No.	Value
<b>Beirut</b>	<b>592187</b>	<b>3797053</b>	<b>702606</b>	<b>4438928</b>	<b>657434</b>	<b>4146455</b>	<b>642029</b>	<b>3957106</b>	<b>735224</b>	<b>4535024</b>	<b>668818</b>	<b>4074395</b>
Pound Sterling	236	7641	291	9611	227	6161	195	4410	241	4820	202	5001
US Dollar	584857	3683863	694116	4296166	649473	4009382	634551	3830678	726945	4424816	661536	3942168
Euro	7094	105549	8199	133150	7734	130912	7283	122018	8038	105388	7080	127226
<b>Jounieh</b>	<b>36353</b>	<b>116975</b>	<b>42281</b>	<b>143615</b>	<b>39596</b>	<b>141477</b>	<b>37701</b>	<b>127484</b>	<b>35450</b>	<b>124284</b>	<b>17366</b>	<b>62402</b>
Pound Sterling	8	19	11	14	5	21	16	48	7	17	4	38
US Dollar	35963	115118	41782	141397	39178	136775	37316	125401	35107	122247	17224	61780
Euro	382	1838	488	2204	413	4681	369	2035	336	2020	138	585
<b>Other Branches</b>	<b>36617</b>	<b>182174</b>	<b>44370</b>	<b>217679</b>	<b>41516</b>	<b>199819</b>	<b>35655</b>	<b>186588</b>	<b>34793</b>	<b>183494</b>	<b>26342</b>	<b>147295</b>
Pound Sterling	4	34	16	65	13	116	7	82	15	77	10	77
US Dollar	36351	175281	44022	205564	41202	195218	35356	177727	34497	175600	26124	139727
Euro	262	6860	332	12050	301	4485	292	8778	281	7817	208	7490
<b>TOTAL</b>	<b>665157</b>	<b>4096203</b>	<b>789257</b>	<b>4800222</b>	<b>738546</b>	<b>4487751</b>	<b>715385</b>	<b>4271177</b>	<b>805467</b>	<b>4842803</b>	<b>712526</b>	<b>4284092</b>
Pound Sterling	248	7694	318	9691	245	6298	218	4540	263	4914	216	5116
US Dollar	657171	3974262	779920	4643127	729853	4341376	707223	4133806	796549	4722663	704884	4143675
Euro	7738	114247	9019	147404	8448	140078	7944	132831	8655	115225	7426	135301

## 6.1 FINANCING OF IMPORTS AND EXPORTS (in billions of Lebanese Pounds)

Period	Documentary L/Cs						Bills for Collection			
	Credits Opened		Credits Utilized		Outstanding Credits (end of period)		Inward Bills	Outward Bills	Outstanding Bills (end of period)	
	Imports	Exports	Imports	Exports	Imports	Exports	Imports	Exports	Imports	Exports
<b>2011</b>	<b>8,225.5</b>	<b>6,296.5</b>	<b>7,980.1</b>	<b>5,499.5</b>	<b>1,405.7</b>	<b>1,874.8</b>	<b>3,161.0</b>	<b>5,956.8</b>	<b>252.6</b>	<b>759.9</b>
May	676.1	807.0	672.5	451.2	1,440.2	2,178.3	252.6	510.2	234.6	622.9
Jun	600.1	466.6	607.2	624.9	1,441.2	1,882.6	231.0	472.4	223.1	656.2
Jul	864.9	800.4	779.6	466.6	1,478.7	2,165.1	314.1	468.3	244.9	707.8
Aug	740.1	341.8	631.9	575.4	1,577.2	1,912.0	254.7	504.6	241.9	745.5
Sep	771.6	520.2	872.4	440.8	1,395.6	1,907.5	329.1	558.4	243.4	735.7
Oct	651.7	422.0	715.4	549.4	1,312.9	1,726.0	254.1	445.1	264.1	734.5
Nov	790.4	427.1	783.6	519.3	1,307.6	1,609.4	241.0	365.8	266.5	774.1
Dec	686.6	711.5	575.9	423.3	1,405.7	1,874.8	244.7	452.7	252.6	759.9
<b>2012</b>										
Jan	620.8	598.2	735.3	505.5	1,252.0	1,790.7	210.0	341.7	236.1	748.0
Feb	659.2	504.9	517.4	500.5	1,285.9	1,799.8	227.7	242.2	239.6	688.5
Mar	874.8	515.9	747.5	503.7	1,475.3	1,830.7	210.0	206.5	248.7	685.1
Apr	779.0	605.0	728.8	507.5	1,518.1	1,905.4	236.1	175.1	263.4	672.8
May	708.3	382.7	770.5	412.6	1,435.9	1,818.6	227.4	209.4	233.8	676.5
Jun	762.7	612.5	714.3	291.2	1,500.0	2,144.6	466.7	174.4	255.2	697.5
Jul	816.5	573.4	788.9	502.3	1,518.4	2,155.6	229.0	191.7	265.5	675.6
Aug	1,104.1	380.0	753.3	694.9	1,819.6	1,820.1	192.3	166.0	253.3	678.0
Sep	990.0	421.1	1,021.7	349.7	1,783.2	1,878.6	183.8	173.5	231.8	656.2
Oct	681.9	404.6	922.3	339.1	1,505.9	1,924.3	200.8	171.3	231.4	660.4

## 6.2 OUTSTANDING LOCAL CURRENCY PUBLIC DEBT BY TYPE OF DEBT INSTRUMENT (1)

(end of period, in billions of L.L.)

	Dec 2010	Oct 2011	Dec 2011	Jul 2012	Aug 2012	Sep 2012	Oct 2012
<b>Gross Local Currency debt</b>	<b>48,255.0</b>	<b>50,059.0</b>	<b>49,340.0</b>	<b>48,912.0</b>	<b>49,127.0</b>	<b>50,095.0</b>	<b>50,989.0</b>
<b>1. Long term bonds (2)</b>	<b>43,805.0</b>	<b>45,835.0</b>	<b>46,512.0</b>	<b>46,399.0</b>	<b>46,668.0</b>	<b>47,706.0</b>	<b>48,485.0</b>
- over 24 months	39,592.0	41,058.0	41,793.0	41,276.0	41,445.0	42,843.0	43,652.0
- 24 months	3,398.0	4,079.0	3,972.0	4,354.0	4,378.0	4,134.0	4,123.0
- Coupon interest	815.0	698.0	747.0	769.0	845.0	729.0	710.0
<b>2. Short term T Bills (2)</b>	<b>4,155.0</b>	<b>3,995.0</b>	<b>2,583.0</b>	<b>2,318.0</b>	<b>2,267.0</b>	<b>2,189.0</b>	<b>2,334.0</b>
- 12 months	1,969.0	1,810.0	887.0	1,051.0	976.0	872.0	960.0
- 6 months	2,111.0	1,881.0	1,569.0	1,080.0	1,184.0	1,216.0	1,279.0
- 3 months	75.0	304.0	127.0	187.0	107.0	101.0	95.0
<b>3. Loans</b>	<b>295.0</b>	<b>229.0</b>	<b>245.0</b>	<b>195.0</b>	<b>192.0</b>	<b>200.0</b>	<b>170.0</b>

(1) Source : Ministry of Finance

(2) All TBs are reported including accrued interest.



## 7. EXCHANGE RATES OF MAJOR FOREIGN CURRENCIES

(in Lebanese Pounds)

Period	US Dollar	Euro	Swiss Franc	Pound Sterling	Japanese Yen (100)	Canadian Dollar	Silver (Ounce)	Gold (Ounce)
<b>Period Average</b>								
<b>2011</b>								
Oct	1,507.50	2,067	1,681	2,374	1,967	1,478	48,283	2,516,137
Dec	1,507.50	1,984	1,617	2,352	1,937	1,473	45,640	2,478,635
<b>2012</b>								
Jun	1,507.50	1,889	1,573	2,343	1,902	1,467	42,336	2,408,012
Jul	1,507.50	1,854	1,544	2,350	1,909	1,487	41,367	2,403,584
Aug	1,507.50	1,870	1,557	2,369	1,918	1,517	43,567	2,457,069
Sep	1,507.50	1,938	1,603	2,429	1,929	1,540	50,719	2,626,803
Oct	1,507.50	1,956	1,617	2,424	1,910	1,529	50,151	2,635,638
<b>End of Period</b>								
<b>2011</b>								
Oct	1,507.50	2,112	1,732	2,416	1,935	1,514	51,850	2,599,804
Dec	1,507.50	1,949	1,603	2,325	1,945	1,475	41,773	2,353,961
<b>2012</b>								
Jun	1,507.50	1,896	1,578	2,354	1,896	1,471	40,476	2,368,056
Jul	1,507.50	1,851	1,541	2,365	1,928	1,506	42,564	2,448,632
Aug	1,507.50	1,892	1,575	2,385	1,919	1,520	46,069	2,502,571
Sep	1,507.50	1,952	1,613	2,446	1,943	1,540	52,363	2,684,677
Oct	1,507.50	1,961	1,623	2,429	1,888	1,511	48,602	2,592,644

## 8. OUTSTANDING PUBLIC DEBT BY TYPE OF HOLDER (1)

(end of period)

	Dec 2010	Oct 2011	Dec 2011	Aug 2012	Sep 2012	Oct 2012
<b>I. Gross Local Currency Debt (bns of L.L.)</b>	<b>48,255.0</b>	<b>50,059.0</b>	<b>49,340.0</b>	<b>49,127.0</b>	<b>50,095.0</b>	<b>50,989.0</b>
<b>1.1 Central Bank</b>	<b>13,130.0</b>	<b>16,226.0</b>	<b>16,374.0</b>	<b>15,470.0</b>	<b>16,079.0</b>	<b>16,250.0</b>
Treasury Bills Portfolio (2)	12912.0	16,087.0	16,235.0	15,385.0	15,994.0	16,195.0
Loans to Public Entities	218.0	139.0	139.0	85.0	85.0	55.0
<b>1.2 Banks</b>	<b>27,214.0</b>	<b>26,084.0</b>	<b>25,177.0</b>	<b>25,429.0</b>	<b>25,933.0</b>	<b>26,614.0</b>
Treasury Bills (4)	27,137.0	25,994.0	25,071.0	25,322.0	25,818.0	26,499.0
Loans to Public Entities	77.0	90.0	106.0	107.0	115.0	115.0
<b>1.3 Non Banking System TBs (3)</b>	<b>7,911.0</b>	<b>7,749.0</b>	<b>7,789.0</b>	<b>8,228.0</b>	<b>8,083.0</b>	<b>8,125.0</b>
<b>II. Public Sector Deposits</b>	<b>11,419.0</b>	<b>12,713.0</b>	<b>10,984.0</b>	<b>11,873.0</b>	<b>12,383.0</b>	<b>12,446.0</b>
<b>III. Net Local Currency Debt</b>	<b>36,836.0</b>	<b>37,346.0</b>	<b>38,356.0</b>	<b>37,254.0</b>	<b>37,712.0</b>	<b>38,543.0</b>
<b>IV. Foreign Currency Debt (mns of USD)</b>	<b>20,592.0</b>	<b>21,052.0</b>	<b>20,927.0</b>	<b>23,131.0</b>	<b>22,836.0</b>	<b>22,779.0</b>
<b>V. Net Total Debt (bns of L.L.)</b>	<b>67,879.0</b>	<b>69,082.0</b>	<b>69,903.0</b>	<b>72,124.0</b>	<b>72,138.0</b>	<b>72,882.0</b>

(1) Source : Ministry of Finance, quasi-final figures subject to revision.

(2) All TBs are reported including accrued interest.

(3) Since TBs' Market has expanded, it became hard to identify holdings of TBs by non-institutional non-resident, therefore all TBs in LL are considered as part of local currency debt, and those in USD as part of foreign currency debt.

(4) Starting September 1999, discounted public bills without recall, are included in these figures with TBs.

## 9.1 LISTED SHARES AT THE BEIRUT STOCK EXCHANGE

(October 2012)

Listed Shares	Traded Volume	% of Volume	Traded Value (\$)	% of Value	Closing Price (\$)	Average Price (\$)
Solidere "A"	459,929	14.17	5,739,117	23.19	12.29	12.48
Solidere "B"	81,433	2.51	1,011,908	4.09	12.26	12.43
Banque Libanaise pour le Commerce	2	0.00	4	0.00	1.90	2.00
Banque Libanaise pour le Commerce (Preferred Shares "A")	200	0.01	20,600	0.08	103.00	103.00
Banque Libanaise pour le Commerce (Preferred Shares "B")	0	0.00	0	0.00	100.00	-
Audi - Saradar Bank	1,480,981	45.61	8,080,008	32.64	5.46	5.46
Audi - Saradar Bank GDR	42,935	1.32	250,414	1.01	5.75	5.83
Audi Bank (Preferred Shares "D")	82,600	2.54	842,520	3.40	10.20	10.20
Audi Bank (Preferred Shares "E")	9,743	0.30	974,300	3.94	100.00	100.00
Audi Bank (Preferred Shares "F")	6,627	0.20	662,700	2.68	100.00	100.00
Bank of Beirut	17,244	0.53	327,436	1.32	19.00	18.99
Bank of Beirut (Preferred shares "D")	25,000	0.77	650,000	2.63	26.00	26.00
Bank of Beirut (Preferred shares "E")	15,123	0.47	392,786	1.59	26.00	25.97
Bank of Beirut (Preferred shares "H")	24,000	0.74	623,724	2.52	25.90	25.99
Byblos Bank	390,577	12.03	581,557	2.35	1.49	1.49
Byblos Bank GDR	30	0.00	2,100	0.01	70.00	70.00
Byblos Bank "Preferred Shares 2008"	6,100	0.19	624,751	2.52	102.60	102.42
Byblos Bank "Preferred Shares 2009"	9,332	0.29	963,770	3.89	103.60	103.28
BEMO	324,845	10.01	613,957	2.48	1.89	1.89
BEMO Bank "Preferred Shares"	0	0.00	0	0.00	100.00	-
BLOM GDR	114,200	3.52	890,705	3.60	7.80	7.80
BLOM	49,720	1.53	365,015	1.47	7.35	7.34
BLOM "Preferred Shares 2011"	105,392	3.25	1,071,837	4.33	10.17	10.17
RYMCO	0	0.00	0	0.00	2.20	-
HOLCIM Liban	100	0.00	1,551	0.01	15.51	15.51
Société de Ciments Blancs "B"	0	0.00	0	0.00	3.50	-
Société de Ciments Blancs "N"	0	0.00	0	0.00	3.05	-
Beirut Preferred Fund	600	0.02	61,800	0.25	103.00	103.00
<b>Total</b>	<b>3,246,713</b>	<b>100</b>	<b>24,752,559</b>	<b>100</b>	-	-

## 9.2 CERTIFICATES OF DEPOSIT

	Maturity	Closing September 2012		Closing October 2012	
		Price	Yield	Price	Yield
Banque de la Méditerranée (7 years)	14/12/2012	101.30	0.95%	100.71	0.86%
Banque du Liban (10 years)	25/04/2015	118.00	2.68%	117.91	2.48%

### 9.3 EUROBONDS

	Maturity	Closing September 2012			Closing October 2012		
		Price	Yield	Spread	Price	Yield	Spread
<b>5 years (Euro Notes)</b> <b>BEMO Bank</b>	30/06/2014	103.00	5.17	493	102.78	5.21	492

### 9.4 DIFFERENT FINANCIAL INSTRUMENTS

	Closing September 2012	Average Price	Closing October 2012	Average Price	Change (%)
<b>GDR (Solidere)</b>	12.45 - 12.60 \$	12.53	12.03 - 12.39 \$	12.21	-2.55
<b>GDR (BLOM)</b>	7.62 - 7.94 \$	7.78	7.50 - 7.90 \$	7.70	-1.03
<b>GDR (Audi - Saradar)</b>	5.70 - 5.80 \$	5.75	5.71 - 6.00 \$	5.85	1.74
<b>GDR (Byblos)</b>	... - 76.00 \$	76.00	... - 85.00 \$	85.00	11.84



**BANQUE DU LIBAN**