

## WEEKLY LEBANESE MARKET REPORT

MONDAY SEPTEMBER 03, 2007 – FRIDAY SEPTEMBER 07, 2007

### LEBANESE LISTED EQUITIES

	Stock / Fund		Closing (\$)	Weekly Change (%)	YTD (%)	Weekly Volume (thousands of shares)	PER 06	PBR 06	Dividend Yield %	Market Cap. (\$mil.)
Beirut Stock Exchange	Solidere A	▲	16.83	10.7%	5.2%	157.9	21.01	1.57	5.94%	2,775.00
	Solidere B	▲	16.80	10.5%	5.0%	157.2	20.97	1.57	5.95%	
	BLC Bank	↔	10.00	0.0%	0.0%	0.0	41.50	15.03	0.00%	509.00
	Banque Audi - Listed	↔	57.50	0.0%	-2.5%	0.0	11.38	1.39	3.04%	1,929.93
	Banque Audi GDR	▲	58.90	2.4%	5.3%	1.8	11.66	1.42	2.97%	
	Bank of Beirut - Listed shares	↔	12.50	0.0%	-2.3%	0.0	14.02	2.23	1.59%	507.50
	Bank of Beirut - Preferred class	↔	11.50	0.0%	0.0%	0.0	NA	NA	0.00%	34.50
	Bank of Beirut - Preferred class	▲	24.90	1.6%	-0.4%	0.5	NA	NA	0.00%	72.71
	Byblos Listed	▲	1.74	2.4%	-3.9%	287.0	9.03	0.94	5.75%	725.52
	Byblos Priority	▲	1.79	0.6%	-1.1%	48.8	9.29	0.97	5.59%	
	Byblos Bank- Preferred shares	▲	103.10	0.1%	1.0%	0.3	NA	NA	11.06%	103.10
	BEMO Bank-Listed	↔	4.16	0.0%	4.0%	0.0	9.45	0.75	3.13%	66.56
	BLOM Bank GDR	▲	67.05	3.2%	16.3%	2.6	7.96	1.27	4.92%	1,398.54
	BLOM Bank Listed	↔	64.00	0.0%	7.5%	4.7	7.59	1.22	5.16%	
	Rymco	↔	1.00	0.0%	0.0%	0.0	15.63	0.64	0.00%	25.00
	Holcim Liban	↔	20.45	0.0%	2.1%	6.9	20.06	3.08	4.21%	399.10
	Ciments Blancs Bearer	↔	2.00	0.0%	0.0%	0.0	8.53	1.29	10.00%	16.20
	Ciments Blancs Nominal	↔	1.40	0.0%	7.7%	0.0	5.97	0.90	14.29%	
	Uniceramic Nominal A	↔	0.90	0.0%	-5.3%	0.0	NA	1.00	0.00%	18.45
	Uniceramic Bearer C	↔	1.70	0.0%	-2.9%	0.0	NA	1.89	0.00%	
Beirut Interbank Fund	↔	102.00	0.0%	-1.0%	0.0	NA	NA	NA	20.40	
Beirut Global Income Fund	↔	99.20	0.0%	-0.8%	0.0	NA	NA	NA	33.73	
Beirut Lira Fund	↔	100,200.00	0.0%	-4.1%	0.3	NA	NA	NA	27,555.0	
Beirut Golden Income	▲	107,000.00	0.5%	0.0%	0.1	NA	NA	NA	43,870.0	

\* quoted in Lebanese Pound

The Market Capitalization and other ratios reflect all categories of outstanding ordinary shares at end of period

### BLOM STOCK INDEX

Index		Closing	Weekly Change (%)	YTD (%)
Blom Stock Index (BSI)	▲	1218.29	3.87%	2.82%

### GLOBAL DEPOSITARY RECEIPTS – LONDON STOCK EXCHANGE

GDRs	Stock		Latest price (\$)	Weekly Change	YTD	PER 06	PBR 06	Dividend Yield	Market Cap. (\$mil.)
	Solidere GDR	▲	16.60	7.1%	3.8%	20.72	1.31	6.0%	2,739.0
	Audi GDR	▲	58.50	0.9%	6.4%	11.58	1.41	3.0%	1,916.8
	Blom GDR	▲	67.00	2.3%	15.5%	7.95	1.27	5.0%	1,440.5

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### LOCAL STOCK MARKET COMMENTARY

The Beirut Stock Exchange witnessed a considerable improvement this week due to the optimistic mood as hopes of an approaching solution for the country's political turmoil increased this week after the end of war in Nahr El Bared, North Lebanon.

On the real estate front, Solidere A shares jumped by 10.7% to close at \$16.83 with a weekly volume of 158,000 shares exchanged. Solidere B shares also soared by 10.5% to close at \$16.80, while registering a weekly volume of 158,000 shares exchanged weekly.

Among the banking sector, Blom GDRs increased by 3.2% and closed at \$67.05 with a thin weekly volume of 2,500 shares traded. Audi GDRs shares remained unchanged and closed at \$57.50 with a volume of 1,800 shares exchanged over the week. Byblos shares increased by 2.4% to close at \$1.74 on Friday with a weekly volume of 287,000, whereas Byblos Priority closed up by 0.6% at \$1.79 with a weekly volume of 49,000 shares traded.

### MICROECONOMIC NEWS

#### CIMENTS BLANCS POSTS \$1.56 MILLION PROFITS IN H1 2007

Ciments Blancs posted \$1.56 million in net profits for the first half of 2007, compared with \$4.55 million for the whole of 2006. Sales reached \$4.81 million, compared to \$9.81 million for the entire year of 2006. In turn, total assets stood at \$20 million compared to \$14.81 million at the end of 2006. It is to note that Ciments Blancs has two types of listed shares in the Beirut Stock Exchange, Ciments Blancs bearer last traded at \$2 and Ciments Blancs Nominal last traded at \$1.4.

#### LCB NET PROFITS UP BY 31.7% TO \$20.9 MILLION IN H1 2007

Lebanese Canadian Bank declared net profits of \$20.9 million in the first half of 2007, up by 31.7% from \$15.9 million in the first Half of 2006. Total assets reached \$3.1 billion at end June 2007, up by 9.5% from \$2.9 billion at end June 2006. Customer deposits rose from \$2.4 billion, of which foreign currency deposits accounted for 69%. The bank's shareholders' equity amounted to \$235.3 million, up from \$185.4 million at end June 006.

#### BBAC NET PROFITS AT \$ 10.3 MILLION IN H1 2007

Bank of Beirut and the Arab Countries (BBAC) recorded net profits of \$10.3 million in net profits for the first half of 2007, down by 23.3% year-year. Total assets reached \$2.7 billion at end June 2007, up by 4% from \$2.6 billion at end June 2006, while customer deposits totaled \$2.3 billion, up by 1.9% from the same period of the previous year. Loans increased by 7.4% to \$457 million whereas bank shareholders' equity amounted to \$200.7 million, up by 34.6% from \$149.1 million at end June 2006.

#### CREDIT LIBANAIS TO OPEN NEW BRANCH IN BAHRAIN

Credit Libanais plans to open a new branch in Bahrain next September as part of its regional expansion strategy. Credit Libanais has reported net profits of \$16.1 million during the first half 2007 down by 2.1% year-on-year. Moreover, the bank's total assets reached \$3.4 billion in the first six months of the year increasing 1.43% year-on-year, while customer deposits increased 3.11% to \$2.9 billion in H1 2007.

### MACROECONOMIC NEWS

#### LEBANON RECEIVES \$75 MILLION US GRANT TO PAY OFF WORLD BANK

Lebanon received on Friday a \$75 million grant from the United States as part of a \$250 million cash transfer, which itself is a part of a \$300 million pledge to help the Lebanese government deal with its massive public debt and implement reforms. Under the agreement, the US government will provide the funds to the government of Lebanon, enabling Lebanon to reduce its external debts and pursue economic reforms. These are outlined as the government of Lebanon's priorities in Paris III conference. The US Embassy said that the agreement is a result of the long-term partnership between the United States and Lebanon, adding that it embodies the United States' commitment to assisting Lebanon achieves stability and prosperity. It is to note that the US contribution to the Lebanese army reached \$321 million.

#### LEBANESE PARTNERS PLAN FIRST PLUSH HOTEL IN IRAQI KURDISTAN

Malia Group and Rotana Hotels announced the signing of a partnership agreement for the construction of a \$55 million hotel in the city of Irbil in Iraqi Kurdistan. Lebanese group unveiled plans Monday to build the first five-star hotel in the Kurdish area of northern Iraq. According to Malia Group President, the Irbil hotel should open in October 2009 and will be owned by Malia subsidiary Hotel Line and managed by Rotana. It will be built on 20,000 square meters and will cater to both businesspeople and regional and international tourists. Both companies said their objective was to expand their operations and influence inside the Middle East. The presidents of both companies explained their vision of a successful venture in Iraq, specifically Irbil, which has been considered recently by many business men to be the gateway to Iraq.