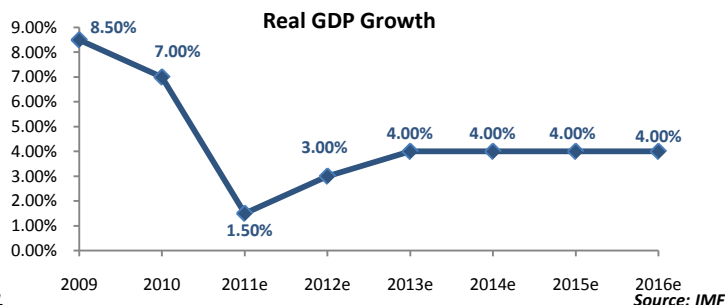
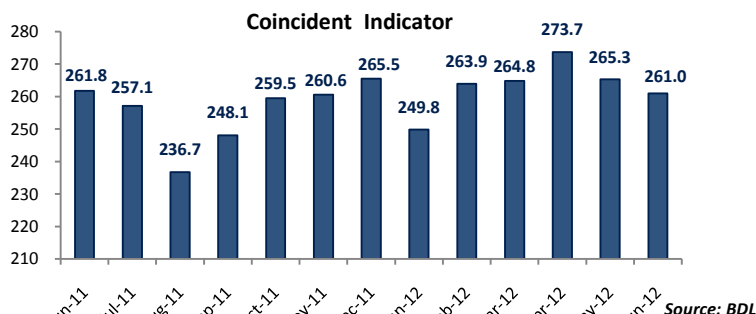


LEBANON ECONOMIC HIGHLIGHTS: June 2012

Coincident Indicator (INDIC) down -0.3% YOY in June 2012:

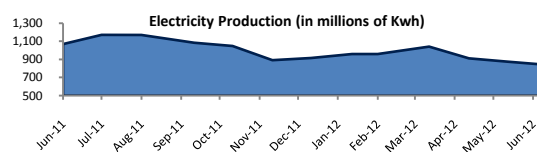
In June 2012, the coincident indicator witnessed a decrease of **-0.3% YOY** from 261.8 in June 2011 to 261.0 in June 2012. The indicator decreased **-1.6% MOM** from 265.3 in May 2012. Coincident indicator was created in 1994 by the BDL as a monthly estimate of the Gross Domestic Product (GDP). It includes eight economic indicators that seek to reflect the current state of the economy in Lebanon. The economic variables that compose the coincident indicator are: electricity production, cement deliveries, cleared checks, money supply M3, passengers flows, imports of petroleum derivatives, imports and exports.



According to the IMF, the Lebanese economy is expected to have a growth rate of 1.5% in 2011. The estimated rate for 2012 is 3.0% and it is forecasted to stabilize at 4.0% for the following four years into 2016.

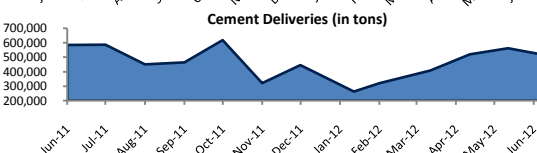
Electricity Production:

Electricity production decreased **-21.5% YOY** and **-4.1% MOM** to 840 million of Kwh.



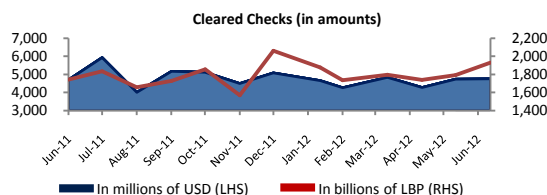
Cement Deliveries:

Cement deliveries, an indicator of construction activity, decreased by **-12.5% YOY** to 511,973 tons and **-9.0% MOM**. Cement deliveries decreased **-2.8%** in the first half of 2012. Construction permits, an indicator of future supply in the real estate sector, decreased **-23.8% YOY** and **-14.6%** in the first half of 2012.



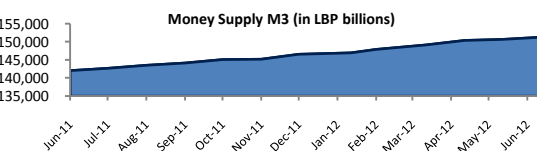
Cleared Checks:

The total value of cleared checks in both LBP and USD increased **3.0% YOY** to USD 6,047 million. The cleared checks in LBP increased by **10.9% YOY** to LBP 1,933 billion and **7.9% MOM**, and those in USD increased **1.1% YOY** to USD 4,765 million and **0.4% MOM**. In the first half of 2012, returned checks value increased by **8.3%** in comparison to the first half of 2011.



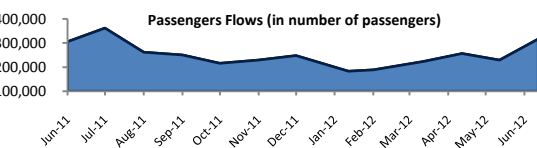
Money Supply M3:

M3 rose increased by **6.5% YOY** and **0.4% MOM** to LBP 151,292 billion (USD 100.4 billion), of which **59.1%** is denominated in foreign currencies. M3 increased **2.3%** in the first half of 2012.



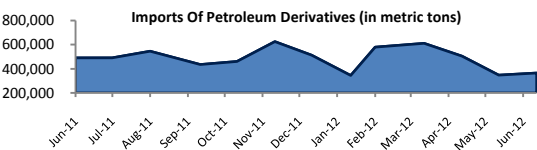
Passengers Flows:

The number of passengers arriving to Lebanon increased by **3.6% YOY** and **38.1% MOM** to 316,551. Arrivals in the first half of 2012 surpassed those recorded in the first half 2011 by **11.9%**.



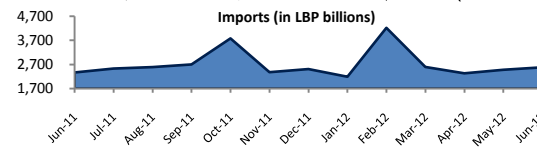
Imports Of Petroleum Derivatives:

Imports of petroleum derivatives decreased by **-25.6% YOY** but increased **5.0% MOM** to 365,032 metric tons of petroleum derivatives.



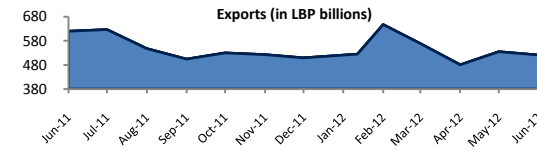
Imports:

Imports increased by **9.0% YOY** to LBP 2,583 billion and **4.1% MOM**. In the first six months, mineral products lead imported goods with **30.2%**, followed by machinery and mechanical appliances with **9.5%** and chemical products with **8.3%**.



Exports:

Exports totaled LBP 521 billion reflecting a decrease of **-15.9% YOY** and of **-2.6% MOM**. Pearls, precious and semi-precious stones were on top of the list with **39.3%**, followed by machinery and mechanical appliances with **11.8%** and base metals with **9.9%**.



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Source: BDL