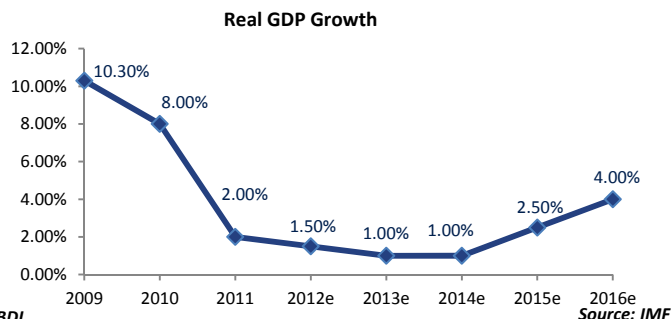
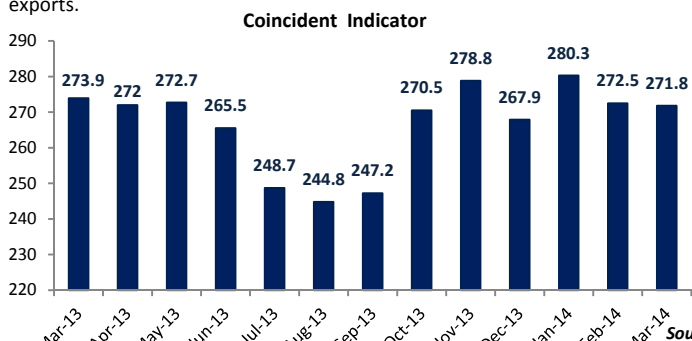


LEBANON ECONOMIC HIGHLIGHTS: March 2014

Coincident Indicator (INDIC) down -0.8% YOY in March 2014:

In March 2014, the coincident indicator witnessed a decrease of -0.8% YOY from 273.9 in March 2013 to 271.8 in March 2014. The indicator decreased -0.3% MOM from 272.5 in February 2014. 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 2012. The estimated growth rate for 2013 and 2014 is 1.0%, and is forecasted to reach 2.5% for 2015 and 4.0% for 2016.

Electricity Production:

Electricity production increased 6.3% YOY and 2.8% MOM to 1,022 millions of Kwh.

Cement Deliveries:

Cement deliveries, an indicator of construction activity, decreased -4.2% YOY to 416,946 tons but increased 14.8% MOM. Construction permits, an indicator of future supply in the real estate sector, increased by 14.8% YOY but decreased -0.7% MOM.

Cleared Checks:

The total value of cleared checks in both LBP and USD increased 7.5% YOY to USD 6,191 million. The cleared checks in LBP increased 18.3% YOY to LBP 2,292 billion and 9.1% MOM. Those in USD increased 4.7% YOY to USD 4,678 million and 9.2% MOM.

Money Supply M3:

M3 increased by 6.1% YOY and 0.6% MOM at LBP 169,282 billion (USD 112.3 billion), of which 58.7% is denominated in foreign currencies.

Passengers Flows:

The number of passengers arriving to Lebanon decreased by -11.0% YOY but increased 17.4% MOM to 211,733.

Imports Of Petroleum Derivatives:

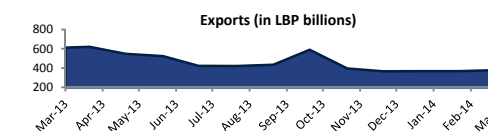
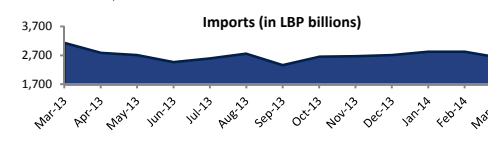
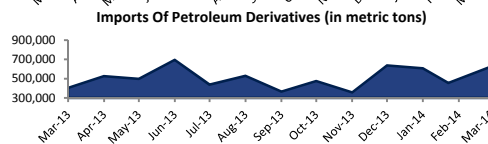
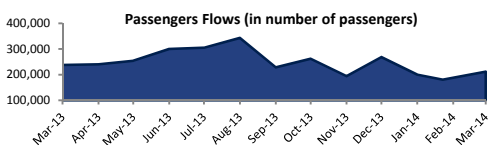
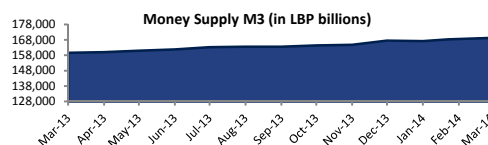
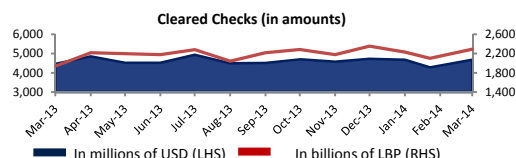
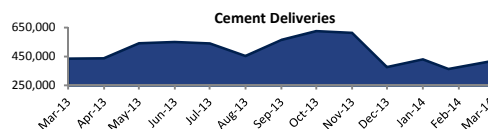
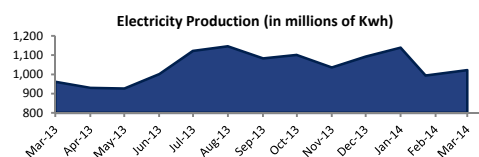
Imports of petroleum derivatives increased 55.2% YOY and 37.6% MOM to 626,045 metric tons of petroleum derivatives.

Imports:

Imports decreased -16.6% YOY to LBP 2,612 billion and -7.5% MOM. In the first three months of 2014, China was the main source of imports, followed by Italy and USA.

Exports:

Exports totaled LBP 382 billion reflecting a decrease of -37.7% YOY but an increase of 3.7% MOM. In the first three months of 2014, South Africa was the main export destination followed by Saudi Arabia and UAE.



Source: BDL

For more information, please contact:

FFA Private Bank - Beirut
Research Department
+961 1 985 195

Disclaimer

This document has been issued by FFA Private Bank for informational purposes only. This document is not an offer or a solicitation to buy or sell the securities mentioned. This document was prepared by FFA Private Bank from sources it believes to be reliable. FFA Private Bank makes no guarantee or warranty to the accuracy and thoroughness of the information mentioned, and accepts no responsibility or liability for damages incurred as a result of opinions formed and decisions made based on information presented in this document.