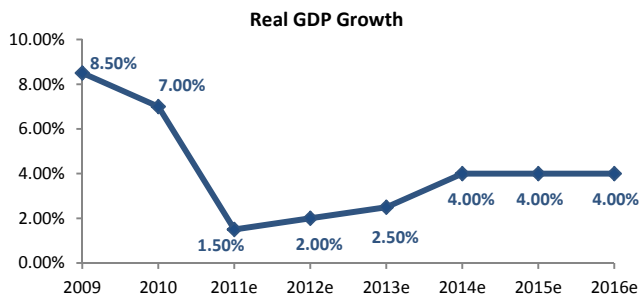
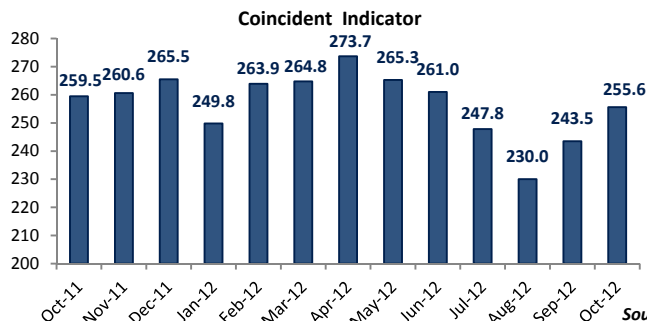


LEBANON ECONOMIC HIGHLIGHTS: October 2012

Coincident Indicator (INDIC) down -1.5% YOY in October 2012:

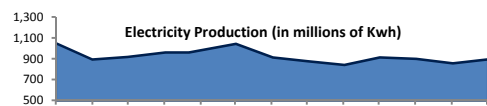
In October 2012, the coincident indicator witnessed a decrease of -1.5% YOY from 259.5 in October 2011 to 255.6 in October 2012. The indicator increased 5.0% MOM from 243.5 in September 2012. Coincident indicator was created in 1994 by the BDL as a monthly estimate of the Gross Domestic Product (GDP). 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 growth rate for 2012 is 2.0%, for 2013 is 2.5% and is forecasted to stabilize at 4.0% for the following three years into 2016.

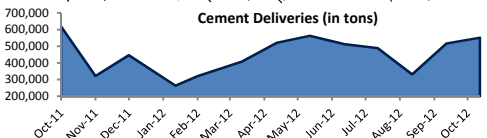
Electricity Production:

Electricity production decreased -14.9% YOY but increased 4.4% MOM to 893 million of Kwh. Electricity production decreased -2.5% from end December 2011.



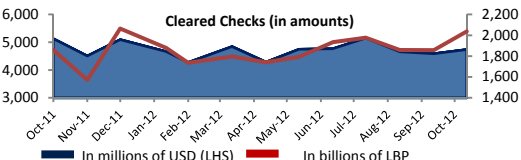
Cement Deliveries:

Cement deliveries, an indicator of construction activity, decreased by -10.9% YOY to 551,162 tons but increased 6.7% MOM. Construction permits, an indicator of future supply in the real estate sector, decreased by -10.0% YOY but increased 3.4% MOM.



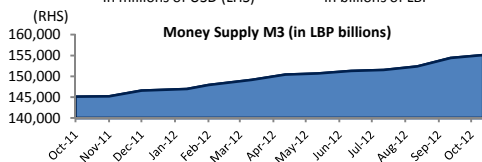
Cleared Checks:

The total value of cleared checks in both LBP and USD decreased -4.2% YOY to USD 6,091 million. The cleared checks in LBP increased 9.6% YOY to LBP 2,038 billion and 9.7% MOM, and those in USD decreased -7.7% YOY to USD 4,733 million but increased 3.3% MOM.



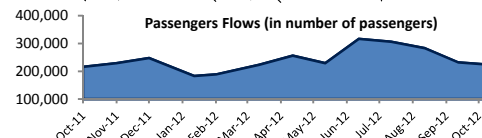
Money Supply M3:

M3 increased by 6.9% YOY and 0.5% MOM to LBP 155,111 billion (USD 102.9 billion), of which 58.7% is denominated in foreign currencies. M3 increased 5.8% from end December 2011.



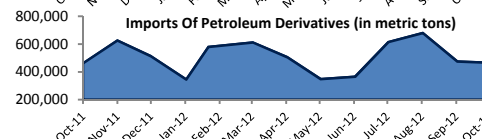
Passengers Flows:

The number of passengers arriving to Lebanon increased by 3.6% YOY but decreased -3.7% MOM to 223,551. Arrivals decreased -9.8% from end December 2011.



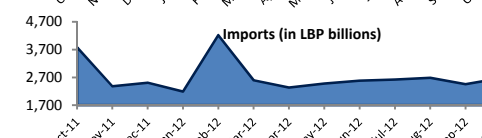
Imports Of Petroleum Derivatives:

Imports of petroleum derivatives increased by 1.0% YOY but decreased -1.9% MOM to 465,471 metric tons of petroleum derivatives. Imports of petroleum derivatives decreased -9.3% from end December 2011.



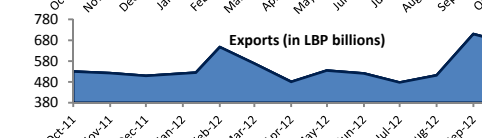
Imports:

Imports decreased by -29.3% YOY to LBP 2,675 billion but increased 8.9% MOM. In the first ten months, mineral products lead imported goods with 28.6%, followed by machinery and mechanical appliances with 9.7% and chemical products with 8.1%.



Exports:

Exports totaled LBP 664 billion reflecting an increase of 25.4% YOY but a decrease of -6.4% MOM. In the first ten months, pearls, precious and semi-precious stones were on top of the list with 40.2%, followed by machinery and mechanical appliances with 10.7% and base metals with 10.1%.



Source: BDL

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