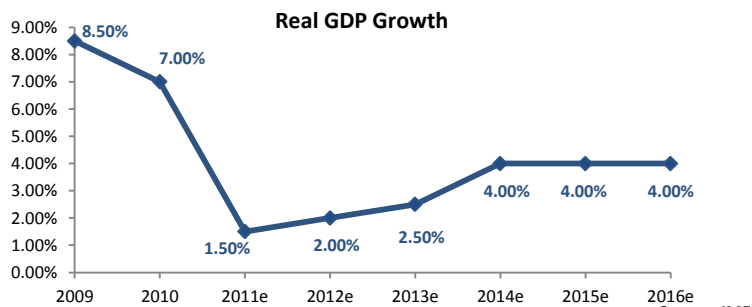
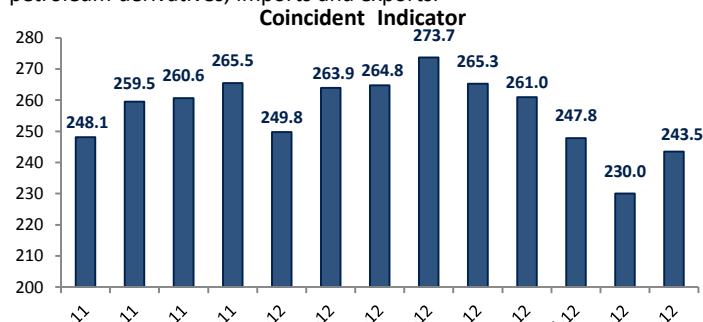


LEBANON ECONOMIC HIGHLIGHTS: September 2012

Coincident Indicator (INDIC) down -1.9% YOY in September 2012:

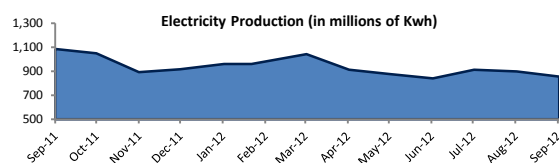
In September 2012, the coincident indicator witnessed a decrease of **-1.9% YOY** from 248.1 in September 2011 to 243.5 in September 2012. The indicator increased 5.9% MOM from 230.0 in August 2012. Coincident indicator was created in 1994 by the BDL as a monthly estimate of the Gross Domestic Product (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.

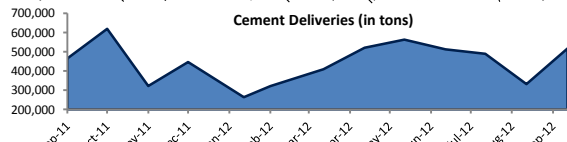
Electricity Production:

Electricity production decreased **-21.2% YOY** and **-4.8% MOM** to 855 million of Kwh. Electricity production decreased **-6.7%** from end December 2011.



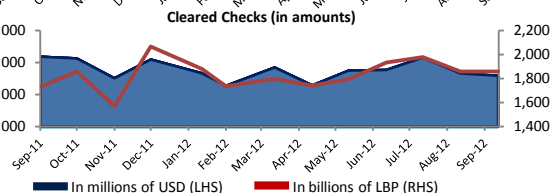
Cement Deliveries:

Cement deliveries, an indicator of construction activity, increased by **11.2% YOY** to 516,634 tons and **56.1% MOM**. Construction permits, an indicator of future supply in the real estate sector, decreased by **-10.6% YOY** but increased **18.4% MOM**.



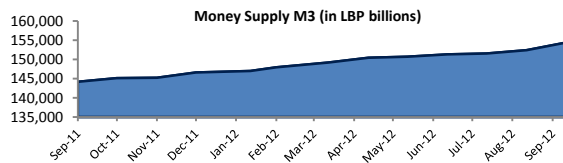
Cleared Checks:

The total value of cleared checks in both LBP and USD decreased **-8.1% YOY** to USD 5,813 million. The cleared checks in LBP increased by **7.4% YOY** to LBP 1,858 billion but decreased **-0.1% MOM**, and those in USD decreased **-11.5% YOY** to USD 4,584 million and **-1.5% MOM**.



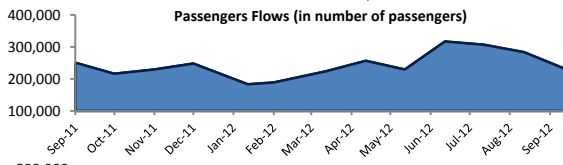
Money Supply M3:

M3 increased by **7.1% YOY** and **1.3% MOM** to LBP 154,401 billion (USD 102.4 billion), of which 58.8% is denominated in foreign currencies. M3 increased **5.3%** from end December 2011.



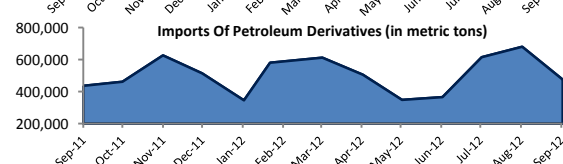
Passengers Flows:

The number of passengers arriving to Lebanon decreased by **-7.3% YOY** and **-18.1% MOM** to 232,024. Arrivals decreased **-6.4%** from end December 2011.



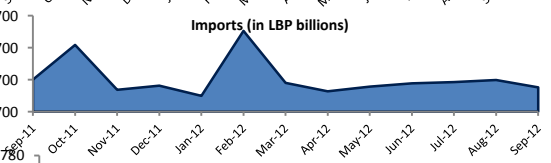
Imports Of Petroleum Derivatives:

Imports of petroleum derivatives increased by **9.0% YOY** but decreased **-30.2% MOM** to 474,474 metric tons of petroleum derivatives.



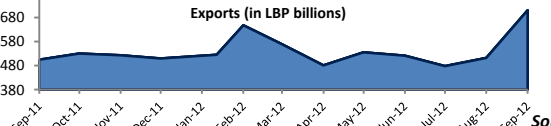
Imports:

Imports decreased by **-9.1% YOY** to LBP 2,457 billion and **-8.5% MOM**. In the first nine months, mineral products lead imported goods with **28.7%**, followed by machinery and mechanical appliances with **9.8%** and chemical products with **8.2%**.



Exports:

Exports totaled LBP 710 billion reflecting an increase of **40.8% YOY** and **38.8% MOM**. In the first nine months, pearls, precious and semi-precious stones were on top of the list with **39.8%**, followed by machinery and mechanical appliances with **11.0%** and base metals with **9.9%**.



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