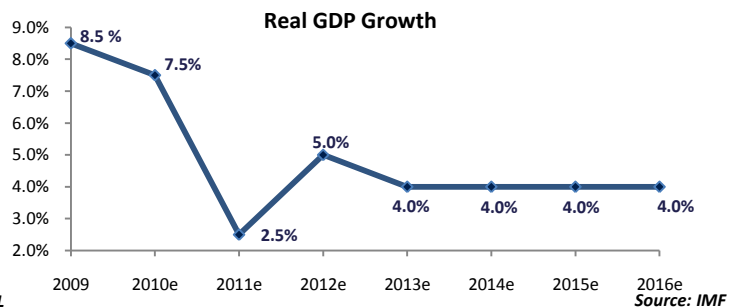
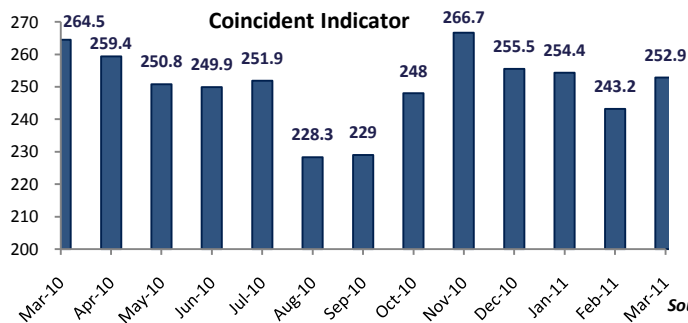


LEBANON ECONOMIC HIGHLIGHTS: March 2011

Coincident indicator (INDIC) down -4.4% YOY in March 2011 :

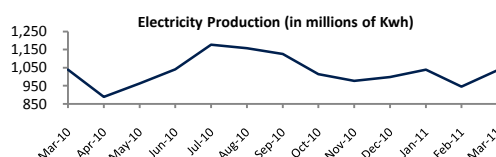
Coincident indicator was created in 1994 by the BDL as a monthly estimate of the Gross Domestic Product (GDP). It includes eight economic indicators that seek to reflect the current state of the economy in Lebanon. In March 2011, the coincident indicator witnessed a decrease of -4.4% YOY from 264.5 in March 2010 to 252.9 in March 2011. The indicator rose 4.0% from 243.2 in February 2010 (notice that all eight components went up in March). 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 projected to have a growth rate of 2.5% in 2011. The estimated rate for 2012 is 5.0% and it is forecasted to stabilize at 4.0% for the next four years into 2016.

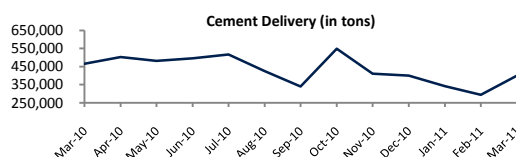
Electricity Production:

In March 2011, electricity production remained almost stable (-0.3% YOY) at 1,035 million of Kwh yet increased 9.6% MOM.



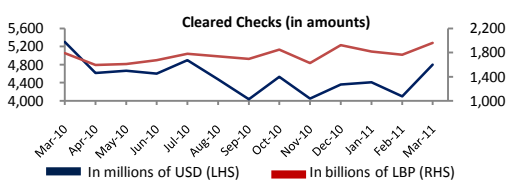
Cement Deliveries:

In March 2011, the slowdown in construction activity was shown by a decrease in cement delivery of -14.0% YOY to 399,488 tons although increased 35.9% MOM.



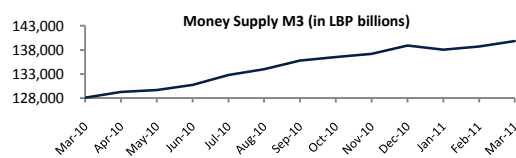
Cleared Checks:

In March 2011, the total amount of cleared checks decreased by -5.9% YOY reflecting softer spending patterns. The cleared checks in LBP increased by 9.6% YOY to LBP 1,961 billion and 11.0% MOM, while those in USD decreased by -9.4% YOY to USD 4,800 millions though increased 17.2% MOM.



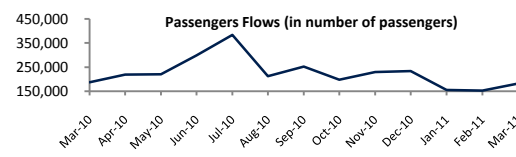
Money Supply M3:

In March 2011, the increase in foreign currency deposits raised M3 by 9.2% YOY to LBP 139,830 billion (USD 92.8 billion) and by 0.8% MOM.



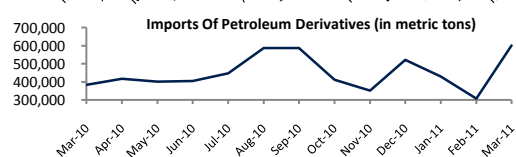
Passengers Flows:

The current political tension in addition to the regional turmoil adversely impacted tourism as highlighted by a decrease in the number of passengers in March 2011 by -3.3% YOY to 181,467, despite an increase of 18.8% MOM.



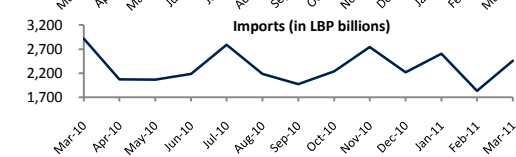
Imports Of Petroleum Derivatives:

In March 2011, imports of petroleum derivatives increased by 56.8% YOY to 60,157 metric tons and 96.0% MOM.



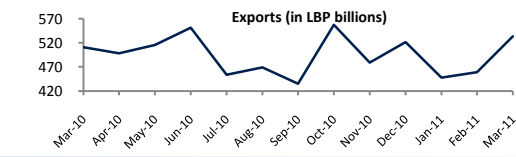
Imports:

In March 2011, imports decreased by -15.7% YOY to LBP 2,460 billion yet increased 34.0% MOM. The biggest share of imported goods were mineral products, machinery & mechanical appliances and chemicals.



Exports:

In March 2011, exports totaled LBP 533 billion reflecting an increase of 4.4% YOY and 16.2% MOM, with main exports being pearls, precious and semi-precious stones followed by base metals & articles of base metals and machinery & mechanical appliances.



Source: BDL

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