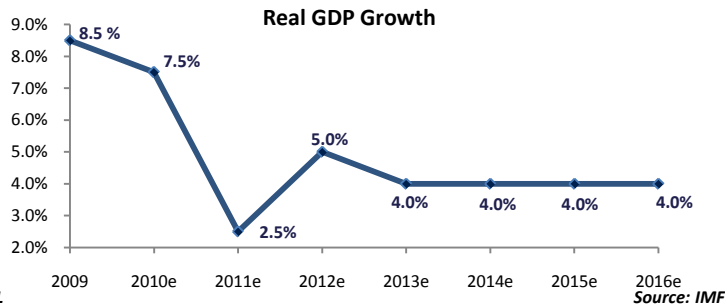
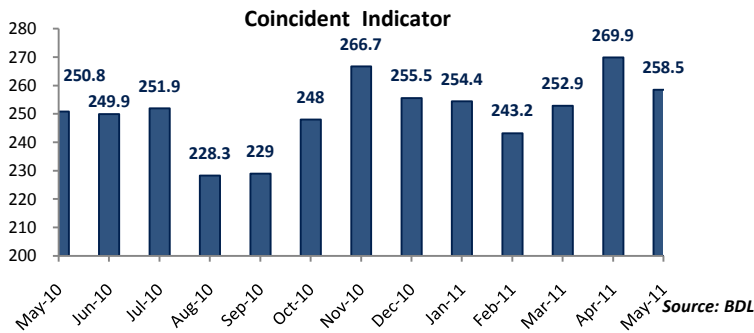


LEBANON ECONOMIC HIGHLIGHTS: May 2011

Coincident Indicator (INDIC) up 3.1% YOY in May 2011 :

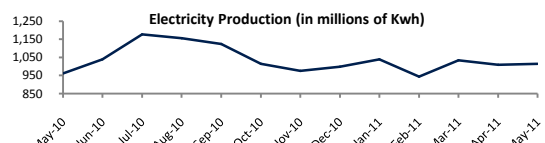
Coincident indicator was created in 1994 by the BDL as a monthly estimate of the Gross Domestic Product (GDP). It includes eight economic indicators that seek to reflect the current state of the economy in Lebanon. In May 2011, the coincident indicator witnessed an increase of 3.1% YOY from 250.8 in May 2010 to 258.5 in May 2011. The indicator declined -4.2% from 269.9 in April 2011. 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 following four years into 2016.

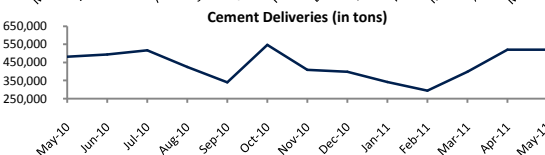
Electricity Production:

In May 2011, electricity production increased 5.4% YOY and 0.4% MOM to 1,014 million of Kwh.



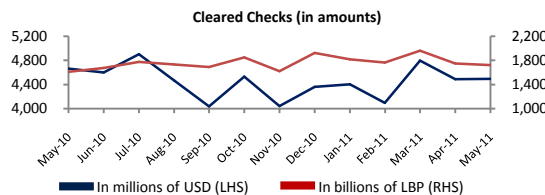
Cement Deliveries:

In May 2011, cement deliveries, an indicator of construction activity, increased by 8.2 % YOY to 520,561 tons and is stable MOM. However it contracted in the first five months of 2011 by 0.8% relative to the same period in 2010.



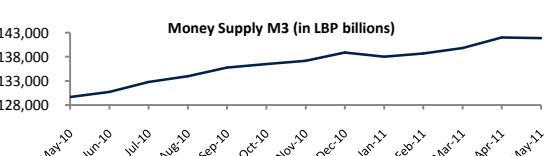
Cleared Checks:

In May 2011, the value of cleared checks in both LBP and USD dropped by -1.8% YOY to USD 5,640 million. The cleared checks in LBP increased by 7.1% YOY to LBP 1,726 billion but decreased -1.4% MOM, while those in USD decreased by -3.7% YOY to USD 4,494 million and is almost stable MOM (0.1%).



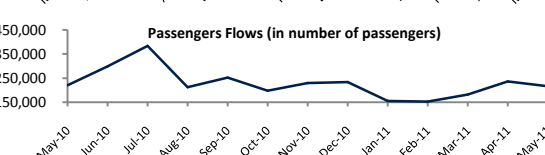
Money Supply M3:

In May 2011, M3 rose by 9.4% YOY but decreased by -0.1% MOM to LBP 141,866 billion (94.1 USD billion), of which 60.5% denominated in foreign currencies. M3 increased 4.8% in the first five months of 2011.



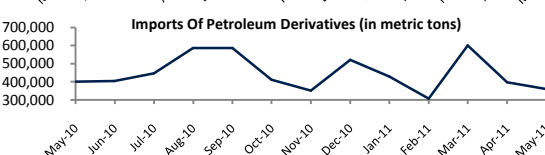
Passengers Flows:

In May 2011, the number of passengers arriving to Lebanon declined by -2.0% YOY and -8.6% MOM to 216,283, mostly due to the political turmoil in the Arab region as well as Lebanon political unrest. Also, the number of airplanes at Rafic Hariri International Airport dropped by 4.5%.



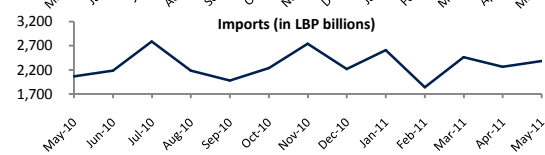
Imports Of Petroleum Derivatives:

In May 2011, imports decreased by -10.0% YOY and -9.0% MOM to 360,856 metric tons of petroleum derivatives .



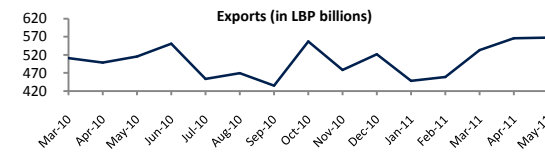
Imports:

In May 2011, imports increased by 15.3% YOY to LBP 2,380 billion and improved by 5.2% MOM. The biggest share of imported goods were mineral products, machinery & mechanical appliances and products of chemicals.



Exports:

In May 2011, exports totaled LBP 568 billion reflecting an increase of 10.1% YOY and 0.4% MOM, with main exports being pearls, precious and semi-precious stones followed by base metals & articles of base metals and machinery & mechanical appliances.



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Source: BDL