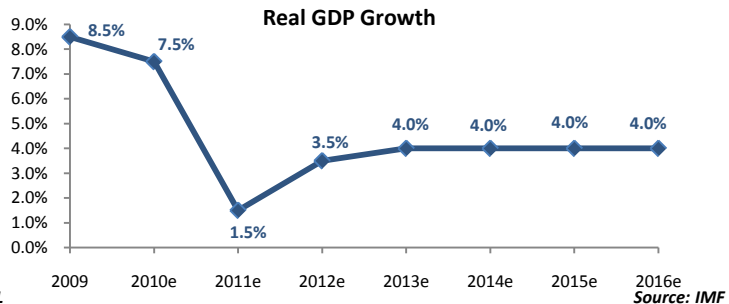
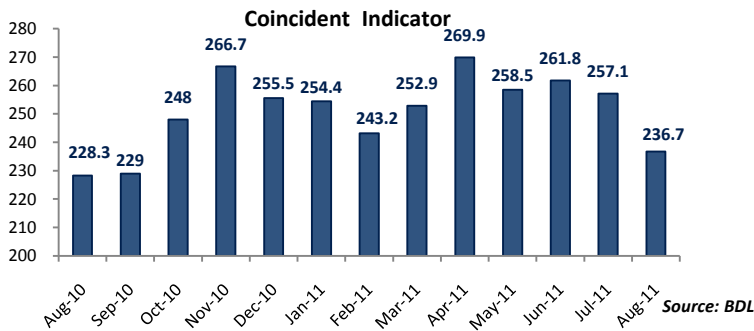


LEBANON ECONOMIC HIGHLIGHTS: August 2011

Coincident Indicator (INDIC) up 3.7% YOY in August 2011 :

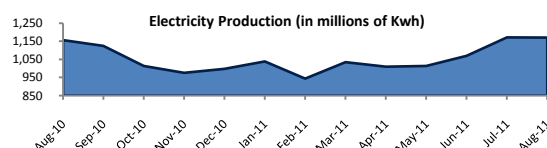
Coincident indicator was created in 1994 by the BDL as a monthly estimate of the Gross Domestic Product (GDP). It includes eight economic indicators that seek to reflect the current state of the economy in Lebanon. In August 2011, the coincident indicator witnessed an increase of **3.7% YOY** from 228.3 in August 2010 to 236.7 in August 2011. The indicator decreased -7.9 % MOM from 257.1 in July 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 expected to have a growth rate of 1.5% in 2011. The estimated rate for 2012 is 3.5% and it is forecasted to stabilize at 4.0% for the following four years into 2016.

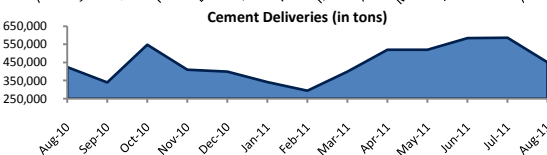
Electricity Production:

Electricity production increased 1.2% YOY but decreased -0.1% MOM to 1,171 million of Kwh.



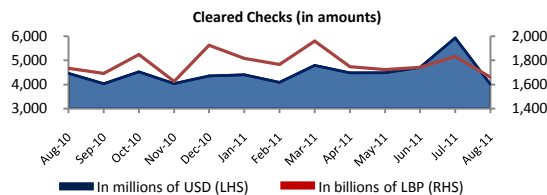
Cement Deliveries:

Cement deliveries, an indicator of construction activity, increased by 6.2 % YOY to 450,995 tons but decreased -23.2% MOM. Cement deliveries improved in the first eight months of 2011 by 4.8% relative to the same period in 2010.



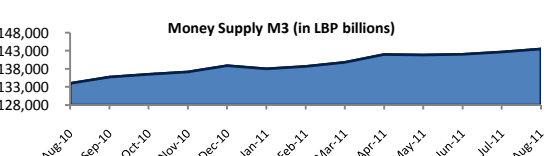
Cleared Checks:

The total value of cleared checks in both LBP and USD decreased -9.0% YOY to USD 5,166 million. The cleared checks in LBP decreased by -4.4% YOY to LBP 1,660 billion and -9.5% MOM, and those in USD decreased -10.2% YOY to USD 4,015 million and -32.4% MOM.



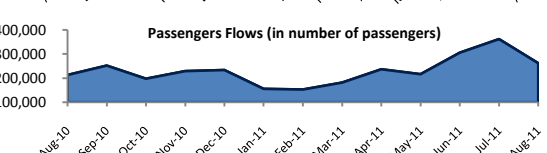
Money Supply M3:

M3 rose by 7.1% YOY and 0.6% MOM to LBP 143,529 billion (95.2 USD billion), of which 60.7% denominated in foreign currencies. M3 increased 8.1% in the first eight months of 2011.



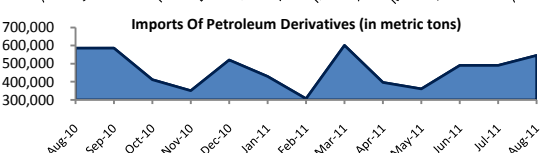
Passengers Flows:

The number of passengers arriving to Lebanon increased by 23.0% YOY but decreased -27.6% MOM to 261,866.



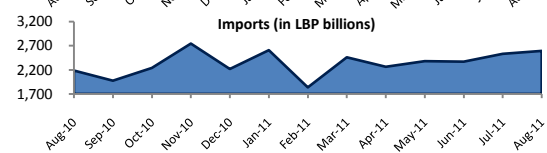
Imports Of Petroleum Derivatives:

Imports of petroleum derivatives decreased by -6.9% YOY but increased 11.2% MOM to 545,894 metric tons of petroleum derivatives .



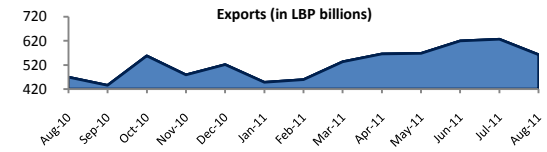
Imports:

Imports rose by 18.6% YOY to LBP 2,593 billion and increased 2.4% MOM.



Exports:

Exports totaled LBP 562 billion reflecting an increase of 19.8% YOY but decreased -10.3% MOM.



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.

Source: BDL