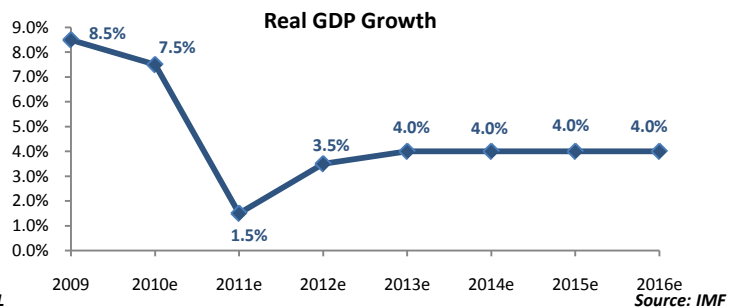
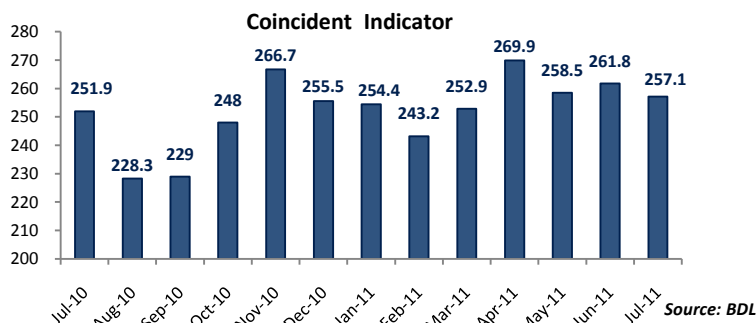


LEBANON ECONOMIC HIGHLIGHTS: July 2011

Coincident Indicator (INDIC) up 2.1% YOY in July 2011 :

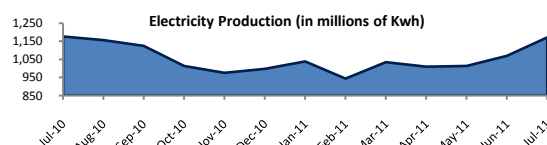
Coincident indicator was created in 1994 by the BDL as a monthly estimate of the Gross Domestic Product (GDP). It includes eight economic indicators that seek to reflect the current state of the economy in Lebanon. In July 2011, the coincident indicator witnessed an increase of **2.1% YOY** from 251.9 in July 2010 to 257.1 in July 2011. The indicator decreased -1.8% MOM from 261.8 in June 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.

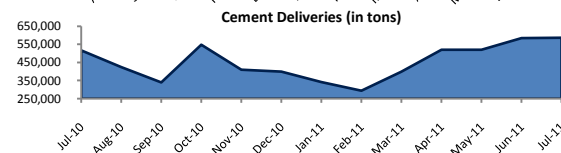
Electricity Production:

Electricity production decreased -0.4% YOY but increased 9.5% MOM to 1,172 million of Kwh.



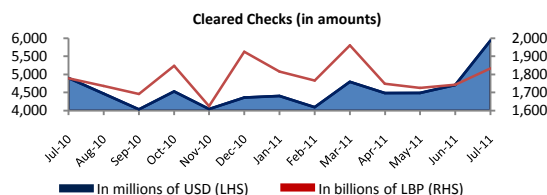
Cement Deliveries:

Cement deliveries, an indicator of construction activity, increased by 13.5% YOY to 586,997 tons and increased 0.3% MOM. Cement deliveries improved in the first seven months of 2011 by 4.7% relative to the same period in 2010.



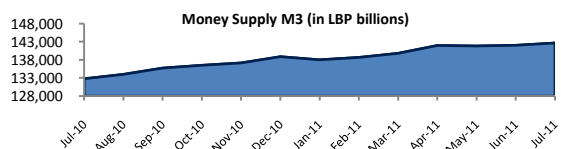
Cleared Checks:

The value of cleared checks in both LBP and USD rose 17.6% YOY to USD 7,155 million. The cleared checks in LBP increased by 3.1% YOY to LBP 1,835 billion and increased 5.2% MOM, while those in USD increased 21.1% YOY to USD 5,938 million and rose 26% MOM.



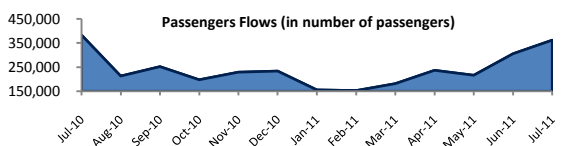
Money Supply M3:

M3 rose by 7.4% YOY and 0.4% MOM to LBP 142,692 billion (94.7 USD billion), of which 61.1% denominated in foreign currencies. M3 increased 7.3% in the first seven months of 2011.



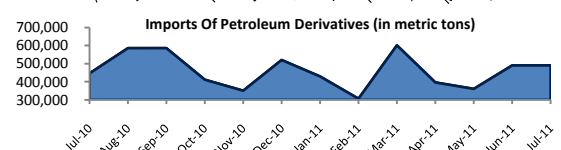
Passengers Flows:

The number of passengers arriving to Lebanon decreased by -5.6% YOY but increased 18.5% MOM to 361,851. Also, the number of airplanes decreased little by -0.5%.



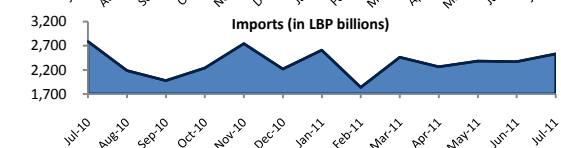
Imports Of Petroleum Derivatives:

Imports of petroleum derivatives increased by 10.0% YOY although stable MOM to 490,871 metric tons of petroleum derivatives.



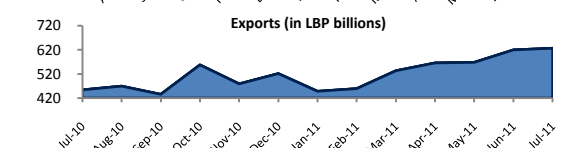
Imports:

Imports dropped by -9.2% YOY to LBP 2,532 billion but increased 6.8% MOM. The biggest share of imported goods were mineral products (19.1%), machinery & mechanical appliances (11.6%) and pearls, precious and semi-precious stones (9.8%).



Exports:

Exports totaled LBP 627 billion reflecting an increase of 38.1% YOY and 1.1% MOM, with main exports being pearls, precious and semi-precious stones (34.1%) followed by base metals & articles of base metals (14.4%) and machinery & mechanical appliances (12.7%).



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Source: BDL