



**Summary:**

*Real sector indicators retreated in August 2012 with reference to the preceding month, further contributing to an apparent slowdown in overall economic activity. In August 2012, the trade deficit widened and the overall balance of payments had another relatively large deficit. Banking activity expanded however favorably though the expansion for the first eight months of the year lagged far behind that of the corresponding 2011 period.*

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**I- REAL SECTOR****In August 2012,**

**The total value of checks cleared** in the domestic and foreign currencies retreated to USD 5,890 million from USD 6,461 million one month back and USD 6,116 million in August 2011. In the first eight months of 2012, checks cleared value o/w 79.3 percent denominated in foreign currencies decreased by 0.5 percent when compared to the identical period of 2011.

**The total value of returned checks** in the domestic and foreign currencies increased to USD 146 million from USD 123 million in July 2012 and USD 117 million in August 2011. In the first eight months of 2012, returned checks value increased by 10.0 percent with reference to the previous year same time interval.

**Collected real estate fees** diminished to LBP 63.9 billion against LBP 71.0 billion a month earlier (LBP 74.4 billion twelve months back). Collected fees increased, however, in the first eight months of 2012 by 3.2 percent with regard to the alike 2011 time frame.

**Construction permits** contracted to 920 thousand square meters from 1,189 thousand square meters one month back and 1,194 thousand square meters in August 2011. Construction permits dropped sharply in the first eight months of 2012 by 13.9 percent in comparison with the similar preceding year period.

**Cement deliveries** regressed to 331 thousand tons vis-à-vis 489 thousand tons in the previous month and 451 thousand tons in August 2011. Cement deliveries recoiled by 7.9 percent in the first eight months of 2012 in respect of the matching past year time phase.

**The total number of passengers** departing from Beirut International Airport increased to 341,750 while those arriving to BIA decreased to 283,299 to total 625,049 persons. Arrivals and departures outstripped in the first eight months of 2012 those recorded in the corresponding 2011 period by 6.7 percent and 11.3 percent consecutively.

**Agricultural exports** improved to USD 17 million, from USD 15 million one month back and USD 16 million in August 2011. In the first eight months of

2012, agriculture exports were, however, USD 6 million below those reported in the alike preceding year first eight months.

**In July 2012,**

**Industrial exports** (excluding gold ingots) declined to USD 205 million from USD 253 million in June 2012 and USD 308 million in July 2011. In the first seven months of 2012, industrial exports decreased by 9.6 percent when compared to the same seven months of the previous year.

**Imports of Industrial Equipments** slightly fell to USD 27.0 million from USD 28.5 million one month back (USD 26.2 million in July 2011). In the first seven months of 2012, industrial imports shrank by 10.6 percent vis-à-vis the similar 2011 period.

**Real Sector Indicators**

	Aug-11	Jul-12	Aug-12
Checks cleared (total)			
Number (000)	1,071	1,136	1,101
Value (USD million)	6,116	6,461	5,890
Checks cleared in LBP			
Number (000)	300	300	297
Value (LBP billion)	1,660	1,977	1,859
Checks cleared in FX			
Number (000)	771	836	804
Value (USD million)	5,015	5,150	4,657
Returned checks			
Number (000)	22.7	23.9	26.0
Value (USD million)	117	123	146
Construction permits (000 square meters)	1,194	1,189	920
Cement deliveries (000 tons)	451	489	331
Collected property taxes (LBP billion)	74.4	71.0	63.9
Passengers arrivals (000)	262	317	283
Passengers departures (000)	309	324	342
Agricultural exports (USD million)	16	15	17
Industrial exports (USD million)	311	205	n.a.
Imports of industrial machinery (USD million)	18.3	27.0	n.a.

Source: BDL, OEA, BIA, CLR, ministry of Industry, Lebanese Customs.



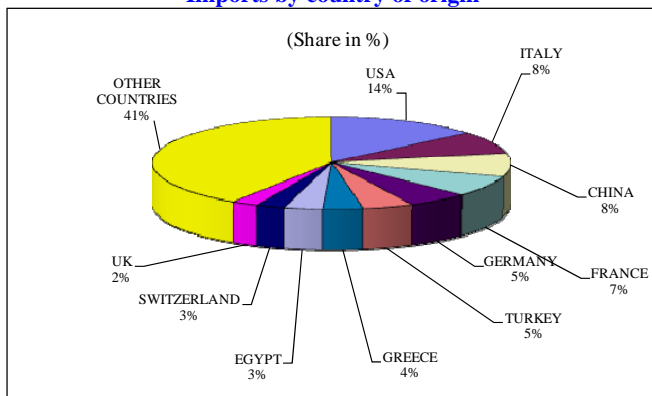
**II- EXTERNAL SECTOR**

**In August 2012,**

**Imports of goods** progressed a little to USD 1,782 million from USD 1,739 million in the previous month and USD 1,719 million in August 2011. In the first eight months of 2012, imports multiplied by 14.1 percent in relation to the same 2011 period.

In the first eight months of 2012, mineral products lead imported goods with a 29.3 percent share of total imports. They were followed by machinery and mechanical appliances and products of the chemical, which accounted for 9.7 percent and 8.3 percent respectively. USA topped the list of imports by country of origin with a 13.8 percent share of total. Italy came next with a share of 8.1 percent followed by China with a share of 8.0 percent.

**Imports by country of origin**

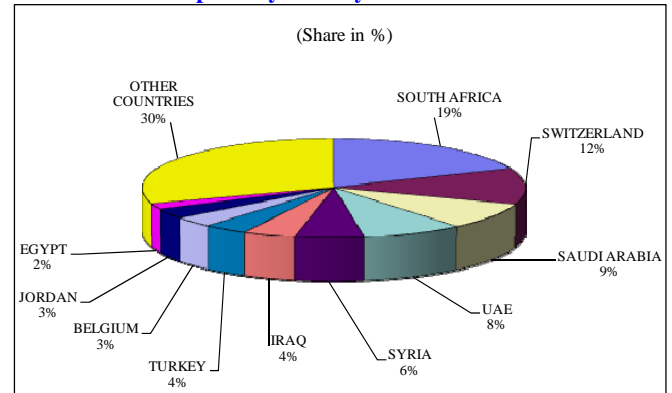


Source: Lebanese Customs

**Exports of goods** advanced to USD 339 million from USD 317 million in July 2012 (USD 363 million in August 2011). In the first eight months of 2012, exports retreated, however, by 2.3 percent with reference to the corresponding previous year period.

On a cumulative basis, Pearls, precious and semi - precious stones were on top of the list with a share of 38.9 percent of total exports, followed by machinery and mechanical appliances (11.6 percent) and base metals and articles of base metals (9.9 percent). South Africa outperformed all others in terms of exports by country of destination with 18.8 percent of the total, trailed by Switzerland and Saudi Arabia with 11.5 percent and 8.6 percent share respectively.

**Exports by country of destination**



Source: Lebanese Customs

**The trade deficit** widened a little to USD 1,443 million, from USD 1,422 million a month earlier and USD 1,356 million in August 2011. The trade deficit broadened in the first eight months of 2012 by 18.9 percent in respect of the alike past year time interval.

**External Sector Indicators**

USD million	Aug-11	Jul-12	Aug-12
Imports	1,719	1,739	1,782
Exports	363	317	339
Trade deficit	-1,356	-1,422	-1,443
Balance of payments	-451	-322	-497
Gross foreign currency reserves	30,635	29,644	29,536

Source: Lebanese Customs, BDL.

**The overall balance of payments** reported another deficit of USD 497 million following the USD 322 million deficit in July 2012 (USD 451 million negative balance in August 2011). In the first eight months of 2012, a USD 1,839 million deficit accumulated and represented a decrease in net foreign assets of banks and financial institutions (USD -2,869 million) partly offset by an increase in net foreign assets of the central bank (USD +1,030 million)

**Gross foreign currency reserves** of the Central bank decreased to USD 29,536 million from USD 29,644 million in the previous month and USD 30,635 million in August 2011. The U.S. dollar average rate remained stable at LBP 1507.5 with the Central bank maintaining its foreign exchange intervention rates at LBP 1,501 per one USD for bid and LBP 1,514 per one USD for ask.



### III-FINANCIAL SECTOR

#### 1. Commercial Banks

**Total consolidated assets of commercial banks operating in Lebanon** amounted to LBP 221,677 billion (USD 147.0 billion) at the end of August 2012, thus increasing by 4.6 percent from end December 2011 (+7.1 percent growth in the first eight months of 2011).

Total deposits at commercial banks, including resident and non-resident private sector deposits and public sector deposits grew by 4.7 percent in the first eight months of 2012 and constituted 83.8 percent of total assets with an equivalent value of LBP 185,790 billion (around USD 123.2 billion) at the end of the period.

#### Commercial Banks Balance Sheet -Main items

End of period-LBP billion	Aug-11	Jul-12	Aug-12
Total Assets	208,118	219,349	221,677
Total deposits	172,702	183,599	185,790
Resident private sector	139,382	147,457	148,197
Non-resident private sector	30,892	33,070	34,454
Public sector deposits	2,427	3,073	3,139
Capital accounts	15,705	17,896	17,917
Total claims on the private sector	58,667	62,541	62,896
Resident private sector	50,187	54,542	55,045
Non-resident private sector	8,480	7,999	7,852
Total claims on public sector	41,734	44,695	45,095
Bills & Bonds in LBP	23,010	25,129	25,261
Bonds in FC	18,640	19,456	19,728
Claims on non resident banks	23,019	19,349	19,409
Other foreign assets	8,657	8,821	8,870
Deposits at the central bank	70,113	76,793	78,312

Source: BDL.

The breakdown of total deposits shows that private sector deposits denominated in LBP rose by 8.0 percent from end December 2011, while those denominated in foreign currencies increased by 3.0 percent, resulting in a deposit dollarization rate of 64.9 percent at the end of August 2012, down from 65.9 percent at the end of December 2011. The itemization of total deposits reveals also a growth in non-resident private sector deposits (+7.5 percent), in public sector deposits (+4.7 percent) and in resident private sector deposits (+4.1 percent) in the first eight months of 2012.

Subsequently, resident private sector deposits accounted for 79.8 percent of total deposits at end August 2012 (18.5 percent for non-resident private sector and 1.7 percent for public sector deposits).

Total capital reached LBP 17,917 billion (USD 11,885 million) at the end of August 2012 and represented around 8.1 percent of total assets. Total capital increased by 10.9 percent from end December 2011.

Total claims on the resident and non-resident private sector expanded by 6.0 percent in the first eight months of 2012 to reach LBP 62,897 billion at the end of the period. The dollarization rate of these loans decreased to 77.4 percent at the end of August, and the ratio of total loans to total deposits attained 34.4 percent.

Total claims on the public sector amounted to LBP 45,095 billion at the end of August 2012, thus increasing by 2.4 percent from end December 2011. Commercial banks held at the stated date USD 13,086 million of Eurobonds (nearly 63.8 percent of the total outstanding portfolio) and LBP 25,261 billion of Lebanese treasury bills (52.0 percent of the total portfolio in circulation).

Deposits at the Central Bank climbed in the first eight months of 2012 by 10.1 percent to total LBP 78,312 billion at the end of the period, while claims on non-resident banks contracted by 12.0 percent to LBP 19,409 billion (USD 12.9 billion) to represent 16.4 percent of private sector deposits in foreign currencies at the end of August 2012.

#### 2. Investment Banks

**Total consolidated assets of investment banks operating in Lebanon** (including medium and long term credit banks) amounted to LBP 5,979 billion (around USD 4.0 billion) at the end of August 2012, thus decreasing by 0.8 percent in one month and by 5.1 percent from December 2011 (-15.0 percent in the first eight months of 2011).

The 5.1 percent decrease in total assets was associated with a 14.5 percent expansion in capital accounts offset by a 5.8 percent drop in private sector deposits (resident & non-resident), representing around 55.4 percent of the total balance sheet, and a 18.7 percent drop in other items, representing around 21.1 percent of total assets.



Claims on private sector stood unchanged in the first eight months of 2012 while claims on the public sector retreated by 4.6 percent to constitute together 48.0 percent of total assets.

"Cash and banks", the largest asset item, decreased by 8.8 percent in the first eight months of 2012 to account for 44.1 percent of total balance sheet at the end of the period.

### 3. Financial Markets

**The total number of shares traded on the Beirut Stock Exchange** dropped to 2,125 thousand shares with a traded value of USD 25.5 million in August 2012 compared to 9,495 thousand shares with a traded value of USD 62.3 million in the previous month and 4,130 thousand shares with a value of USD 42.5 million in August 2011.

During August 2012, the traded value by economic sectors was as such: 64.6 percent for Banking, 34.4 percent for Development and Reconstruction, 0.6 percent for Industrial sector, and 0.4 percent for Beirut Preferred Fund.

#### Capital Markets

	Aug-11	Jul-12	Aug-12
BSE			
Traded shares (ooo)	4,130	9,495	2,125
Traded value (USD million)	42.5	62.3	25.5
Market capitalization (USD million)	11,081	10,253	10,100
Outstanding treasury bills (LBP billion)	47,412	47,992	48,135
Outstanding sovereign Eurobonds (USD million)	17,991	20,039	20,051
Outstanding private sector (banks) securities (USD million)	590	411	411

Source: BDL, BSE

The market capitalization of listed shares decreased to USD 10,100 million at the end of August 2012, compared to USD 10,253 million at the end of the previous month and USD 11,081 million at the end of August 2011. Banking had a 75.2 percent weight, whereas Development and Construction 20.7 percent.

**The face value of the outstanding treasury bills portfolio** denominated in the domestic currency and **the value of the outstanding sovereign bonds portfolio** denominated in foreign currencies

**(Eurobonds)** rose to LBP 48,135 billion and USD 20,051 million at the end of August 2012 respectively.

**The outstanding value of bank-issued certificates of deposits, Euro-CDs, and subordinated debt** stood at USD 411 million at the end of August 2012. **The outstanding value of the certificates of deposits issued by BDL** in the domestic currency slightly decreased to LBP 23,065 billion while BDL certificates of deposits denominated in foreign currencies increased to USD 8.9 billion (o/w USD 2 billion Euro-CD's).

### IV- MONETARY DEVELOPMENTS

**The stock of money and quasi money (M3)** expanded to LBP 152,377 billion at the end of August 2012, of which 58.8 percent denominated in foreign currencies, thus increasing by 0.6 percent in one month and by 4.0 percent from end December 2011 (+3.3 percent in the first eight months of 2011).

#### Money Supply & Counterparts

LBP billion	Aug-11	Jul-12	Aug-12
M3	143,521	151,511	152,377
Net foreign assets	70,627	63,939	63,751
Net claims on public sector	48,776	52,364	53,219
Valuation Adjustment	-16,951	-14,072	-14,618
Claims on private sector	52,568	57,015	57,519
Other items-net	-11,498	-7,735	-7,494
CPI (2004=100)	137.59	143.67	145.22

Source: BDL, CRI.

The LBP 5,802 billion growth in M3 in the first eight months of 2012 resulted from an increase in each of claims on the private sector (+LBP 3,355 billion), net claims on public sector (+LBP 2,309 billion) and net other items (+LBP 3,183 billion) against a drop in net foreign assets (-LBP 1,712 billion) and valuation adjustment (-LBP 1,333 billion).

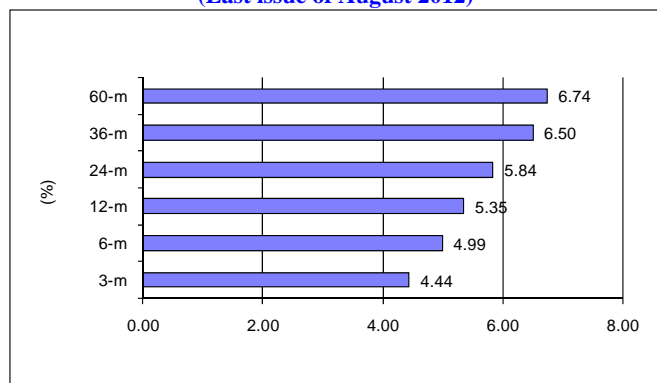
**The Consumer Price Index (CPI) for Beirut and Suburbs**, published by the Consultation and Research Institute, increased by 1.08 percent in August 2012 compared to the previous month, and by 5.5 percent and 4.2 percent from August and December 2011 respectively.



**The Consumer Price Index (CPI) for Lebanon**, published by the Central Administration of Statistics, increased by 0.9 percent in August 2012 and by 9.3 percent and 8.0 percent when compared to August and December 2011 respectively.

**The interest rates on LBP monetary instruments** were stable at the end of August 2012 on 45 and 60-day-certificates of deposits issued by BDL reading 3.57 percent and 3.85 percent respectively. The yields on the new issued Lebanese Treasury bills also stood unchanged in August 2012 and read at the end of the month: 4.44 percent for three-month bills, 4.99 percent for six-month bills, 5.35 percent for one-year bills, 5.84 percent for two-year bills, 6.50 percent for three-year bills and 6.74 percent for five-year bills.

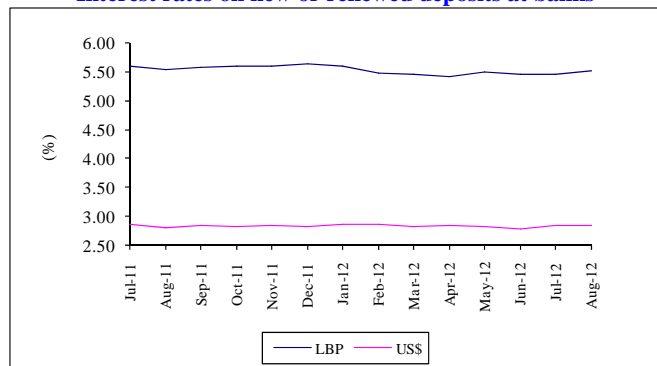
**Yield on Lebanese treasury bills denominated in LBP (Last issue of August 2012)**



Source: BDL

In August 2012, **the average interest rate on new or renewed LBP deposits at commercial banks** increased to 5.51 percent (5.45 percent in the previous month) **while the average interest rate on new or renewed USD deposits** was steady at 2.84 percent. The average 3-month USD LIBOR slightly declined to 0.43 percent.

**Interest rates on new or renewed deposits at banks**



In August 2012, **the average interest rate on new or renewed denominated loans at commercial banks in LBP and USD** augmented to 7.27 percent and 7.26 percent respectively from 7.24 percent and 7.14 percent consecutively in the previous month.

**V- PUBLIC FINANCES**

**Government revenues**, composed of budget revenues and treasury receipts reached LBP 1,377 billion in July 2012, to total LBP 9,019 billion in the first seven months of 2012 (LBP 8,536 billion in the first seven months of 2011). The LBP 9,019 billion revenues encompassed LBP 8,616 billion budget revenues and LBP 403 billion treasury receipts.

**Government expenditures**, consisting of budget and treasury spending, attained LBP 1,432 billion in July 2012 to sum LBP 10,781 billion in the first seven months of 2012 (LBP 9,740 billion in the first seven months of 2011). The LBP 10,781 billion expenditures incorporated LBP 3,166 billion debt service and LBP 7,615 billion other general expenditures, o/w LBP 1,866 billion related to EDL and LBP 531 billion of budget expenditures for previous years

**Fiscal Situation**

LBP billion	Jul-11	Jun-12	Jul-12
Government revenues	1,350	1,470	1,377
Tax revenues	1,002	1,168	1,025
Non-tax revenues	259	248	259
Treasury receipts	89	54	93
Government expenditures	1,249	1,458	1,432
Debt service	348	412	293
Others	901	1,046	1,139
Overall balance	101	12	-54
Primary balance	449	424	239

Source: Ministry of Finance.

**Total Deficit** increased as such to LBP 1,762 billion in the first seven months of 2012, whereas the primary balance recorded an LBP 1,404 billion surplus.

**Gross public debt** amounted to LBP 83,957 billion (the equivalent of USD 55.7 billion) at the end of August 2012, thus increasing by 3.8 percent when compared to end December 2011.



**Net public debt**, which subtracts public sector deposits at commercial banks and the central bank from gross public debt, amounted to LBP 72,084 billion at the end of August 2012, thus rising by 3.1 percent from end December 2011.

**Public Debt**

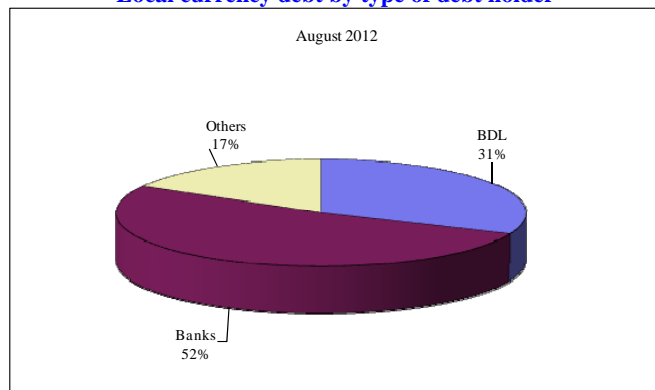
LBP billion	Aug-11	Jul-12	Aug-12
Public Debt (Gross)	80,526	83,587	83,957
Debt in LBP	48,431	48,912	49,130
Debt in FC	32,095	34,675	34,827
Public Debt (Net)	68,927	71,279	72,084
Public sector deposits	11,599	12,308	11,873
Commercial Banks	2,427	3,073	3,139
BDL	9,172	9,235	8,734

Source: BDL.

The shares of the local currency debt and foreign currency debt of the total gross were around 58.5 percent and 41.5 percent respectively at the end of August 2012. The distribution of local currency debt by type of holder was as follows: 51.8 percent for banks (51.7 percent end of July 2012), 31.5 percent for the Central bank (31.6 percent in the previous month) and 16.7 percent for the non-banking sector (16.7 percent one month earlier). The breakdown of the foreign currency debt was as such: Eurobonds (88.7 percent), Multilateral (5.7 percent), Bilateral (4.5 percent), Paris II loans (0.8 percent) and others (0.3 percent).

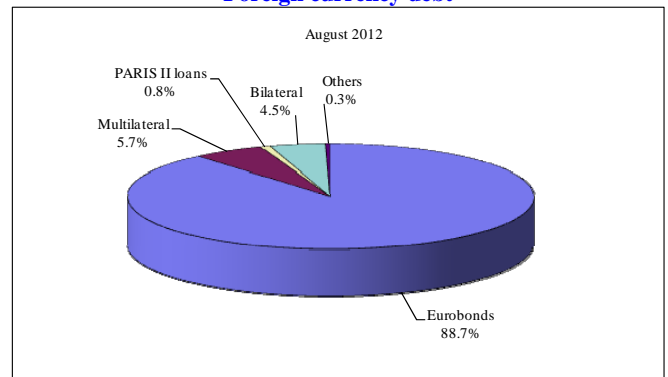
The average maturity of the Government debt securities denominated in the domestic currency is estimated at 901 days as at end August 2012 with a weighted interest of 6.63 percent, while the average maturity of the Government debt instruments denominated in foreign currencies is around 5.70 years with a weighted interest of 6.85 percent.

**Local currency debt by type of debt holder**



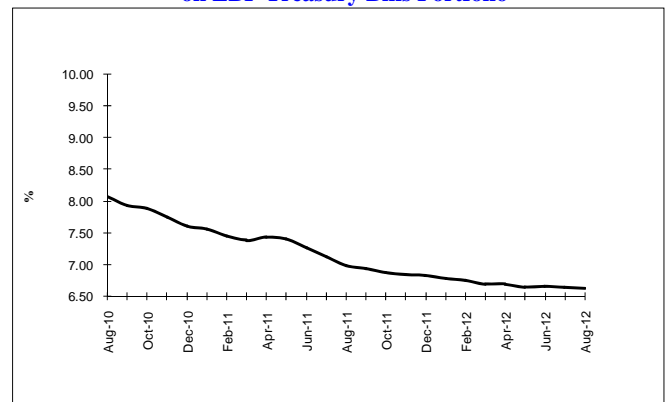
Source: BDL.

**Foreign currency debt**

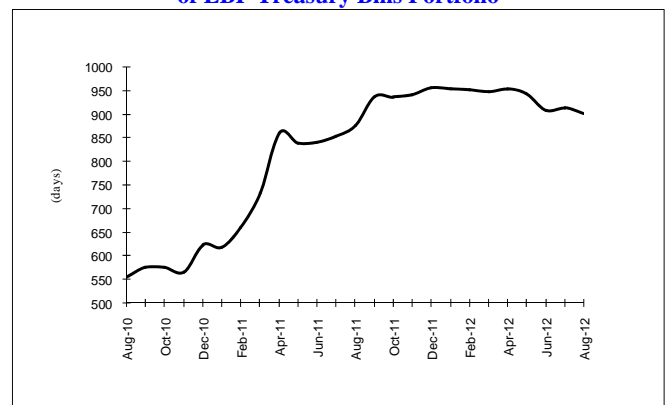


Source: BDL.

**Weighted Average Interest Rate on LBP Treasury Bills Portfolio**



**Weighted Average Life of LBP Treasury Bills Portfolio**



## GENERAL INDICATORS OF ECONOMIC ACTIVITIES

	2011	2011	2012			
		Jan - Aug	Jan - Aug	Aug-11	Jul-12	Aug-12
Imports of Industrial Equipment (000's US\$)	290,057	210,846	n.a.	18,346	27,045	n.a.
Building Permits (000's m2)	16,465	11,245	9,684	1,194	1,189	920
Cement Delivery (000s' tons)	5,550	3,699	3,406	451	489	331
Checks Cleared in LBP (billion LBP)	21,483	14,259	14,724	1,660	1,977	1,859
Checks Cleared in FC (million US\$)	57,845	37,946	37,380	5,015	5,150	4,657
Shipped Goods (tons)-Beirut Port	786,374	552,349	545,494	69,627	64,461	75,123
Unloaded Goods (tons)-Beirut Port	5,899,097	3,889,673	4,252,263	577,825	594,278	577,974
Passengers Arrivals (000's)-BIA	2,815	1,872	1,997	262	317	283
Passengers Departures (000's)-BIA	2,781	1,795	1,999	309	324	342
Total exports of goods (million USD)	4,265	2,896	2,828	363	317	339
Total imports of goods (million USD)	20,158	12,626	14,402	1,719	1,739	1,782
Balance of Trade (million USD)	-15,893	-9,730	-11,574	-1,356	-1,422	-1,443
Changes of Net Foreign Assets in the banking system (million USD)	-1,996	-1,237	-1,839	-451	-322	-497
Gross Foreign Currency Reserves (End of period-million USD)	30,815	-	-	30,635	29,644	29,536
Consumer Price Index (End of period)	139.39	-	-	137.59	143.67	145.22

Sources: BDL ,Lebanese Customs, Consultation & Research Institute, Order of engineers, Beirut International Airport, Port of Beirut, Ministry of Industry.





**TOTAL IMPORTS & EXPORTS BY PRODUCT**  
(Million US Dollars)

Goods	Imports			Exports		
	2011	Jan - Aug 2011	Jan - Aug 2012	2011	Jan - Aug 2011	Jan - Aug 2012
1- Live animals, animal products	867	566	536	19	14	13
2- Vegetable products	850	564	583	161	104	99
3- Fats & edible fats & oils	174	113	134	21	13	17
4- Prepared foodstuffs	1,291	827	932	380	247	256
5- Mineral products	4,624	2,469	4,216	35	26	40
6- Products of the chemical	1,725	1,188	1,188	384	249	225
7- Plastics & articles thereof	704	461	509	134	87	100
8- Raw hides & skins, leather, furskins	81	52	52	14	8	10
9- Wood & articles of wood	236	151	165	15	9	12
10- Paper & paperboard & articles thereof	432	310	246	217	144	117
11- Textiles & textile articles	703	453	487	129	88	75
12- Footwear, headgear, prepared feathers	136	90	93	23	16	18
13- Articles of stone, plaster, cement	400	267	275	37	24	27
14- Pearls, precious or semi-precious stones	2,141	1,317	1,062	1,492	998	1100
15- Base metals & articles of base metal	1,523	994	1,011	525	399	280
16- Machinery & mechanical appliances	2,130	1,421	1,402	519	360	327
17-Transport equipment	1,480	958	1,005	37	26	30
18- Optical instruments & apparatus	301	190	218	22	16	12
19- Arms & ammunition	28	17	12	1	0	0
20- Miscellaneous manufactured articles	309	204	255	95	65	67
21- Works of art	23	15	23	4	3	3
<b>Total</b>	<b>20,158</b>	<b>12,626</b>	<b>14,402</b>	<b>4,265</b>	<b>2,896</b>	<b>2,828</b>

Source: Lebanese Customs.

**IMPORTS BY ORIGIN**  
(Million US Dollars)

	Jan - Aug	Share	Jan - Aug	Share
	2011	%	2012	%
USA	1,003	7.9	1,982	13.8
ITALY	1,227	9.7	1,169	8.1
CHINA	1,062	8.4	1,147	8.0
FRANCE	992	7.9	1,049	7.3
GERMANY	743	5.9	795	5.5
TURKEY	549	4.3	652	4.5
GREECE	167	1.3	525	3.6
EGYPT	614	4.9	501	3.5
SWITZERLAND	596	4.7	368	2.6
UK	343	2.7	346	2.4
OTHER COUNTRIES	5,330	42.2	5,868	40.7
<b>TOTAL IMPORTS</b>	<b>12,626</b>	<b>100.0</b>	<b>14,402</b>	<b>100.0</b>

Source: Lebanese Customs.

**EXPORTS BY DESTINATION**  
(Million US Dollars)

	Jan - Aug	Share	Jan - Aug	Share
	2011	%	2012	%
SOUTH AFRICA	439	15.2	532	18.8
SWITZERLAND	346	11.9	326	11.5
SAUDI ARABIA	211	7.3	244	8.6
UAE	213	7.4	240	8.5
SYRIA	134	4.6	165	5.8
IRAQ	151	5.2	125	4.4
TURKEY	201	6.9	104	3.7
BELGIUM	95	3.3	96	3.4
JORDAN	80	2.8	91	3.2
EGYPT	45	1.6	53	1.9
OTHER COUNTRIES	981	33.9	852	30.1
<b>TOTAL EXPORTS</b>	<b>2,896</b>	<b>100.0</b>	<b>2,828</b>	<b>100.0</b>

Source: Lebanese Customs.



**THE CONSOLIDATED BALANCE SHEET OF COMMERCIAL BANKS OPERATING IN LEBANON**  
(End of Period - Billion LBP)

	2011 Aug	2011 Dec	Jun	2012 Jul	Aug
<b>ASSETS</b>					
Reserves	70,553	71,535	77,180	77,250	78,753
-Cash	440	392	433	457	441
-Deposits at the Central Bank	70,113	71,143	76,747	76,793	78,312
Claims on the Private Sector	50,187	51,594	54,529	54,542	55,045
-Claims denominated in Lebanese Pound	12,096	12,820	13,795	13,974	14,187
-Claims denominated in Foreign Currencies	38,091	38,774	40,734	40,568	40,857
Claims on the Public Sector	41,734	44,055	44,266	44,695	45,095
o/w -Treasury Bills in Lebanese Pound	23,010	24,849	24,819	25,129	25,261
-Treasury Bills in Foreign Currencies	18,640	19,100	19,337	19,456	19,728
Foreign Assets	40,156	38,436	37,170	36,169	36,130
-Claims on Non-Resident Private Sector	8,480	7,764	8,340	7,999	7,852
-Claims on Non-Resident Banks	23,019	22,054	20,037	19,349	19,409
-Other Foreign Assets	8,657	8,618	8,793	8,821	8,870
Fixed Assets	5,005	5,131	5,176	5,226	5,170
Unclassified Assets	482	1,166	1,619	1,467	1,484
<b>TOTAL ASSETS</b>	<b>208,118</b>	<b>211,918</b>	<b>219,940</b>	<b>219,349</b>	<b>221,677</b>
<b>LIABILITIES</b>					
Liabilities to the Private Sector	139,382	142,385	147,140	147,457	148,197
-Demand Deposits in Lebanese Pound	3,005	3,201	3,470	3,400	3,517
-Other Deposits in Lebanese Pound	50,137	52,188	55,108	55,495	55,889
-Deposits in Foreign Currencies	86,240	86,997	88,561	88,562	88,791
Liabilities to the Public Sector	2,427	2,999	3,040	3,073	3,139
Deposits of Non-Residents	30,892	32,054	33,584	33,070	34,454
-Denominated in Lebanese Pound	3,797	4,057	4,686	4,720	4,775
-Denominated in Foreign Currencies	27,096	27,997	28,898	28,350	29,679
Liabilities to Non-Resident Banks	9,736	8,764	9,312	8,978	8,531
Bonds	728	661	646	653	661
Capital Base	15,705	16,162	17,850	17,896	17,917
-Core Capital	15,105	15,327	17,118	17,163	17,190
-Supplementary Capital	599	834	732	734	727
Unclassified Liabilities	9,248	8,893	8,367	8,223	8,778
<b>TOTAL LIABILITIES</b>	<b>208,118</b>	<b>211,918</b>	<b>219,940</b>	<b>219,349</b>	<b>221,677</b>

Source: BDL.



**MONEY SUPPLY AND COUNTERPARTS**  
(End of Period - Billion LBP)

	2011	2011		2012	
	Aug	Dec	Jun	Jul	Aug
<b>Money Supply</b>					
Currency in circulation	2,853	2,891	2,752	2,746	2,879
+ Demand Deposits in LBP	3,051	3,247	3,535	3,452	3,577
= M1	<b>5,904</b>	<b>6,138</b>	<b>6,288</b>	<b>6,198</b>	<b>6,456</b>
+ Other Deposits in LBP	50,403	52,505	55,519	55,894	56,303
= M2	<b>56,307</b>	<b>58,643</b>	<b>61,807</b>	<b>62,092</b>	<b>62,759</b>
+ Deposits in Foreign Currencies	86,837	87,640	89,161	89,093	89,292
+ Bonds	377	293	323	326	326
= M3	<b>143,521</b>	<b>146,576</b>	<b>151,292</b>	<b>151,511</b>	<b>152,377</b>
+ Treasury Bills Held by the Public	7,827	7,789	8,099	8,169	8,228
= M4	<b>151,348</b>	<b>154,365</b>	<b>159,391</b>	<b>159,680</b>	<b>160,605</b>
<b>Counterparts of the Money Supply</b>					
Net Foreign Assets	<b>70,627</b>	<b>65,464</b>	<b>63,826</b>	<b>63,939</b>	<b>63,751</b>
o/w Gold	25,244	21,709	21,839	22,582	23,080
Net Claims on the Public Sector	<b>48,776</b>	<b>50,909</b>	<b>52,060</b>	<b>52,364</b>	<b>53,219</b>
Valuation Adjustment	<b>-16,951</b>	<b>-13,285</b>	<b>-13,372</b>	<b>-14,072</b>	<b>-14,618</b>
Claims on the Private Sector	<b>52,568</b>	<b>54,164</b>	<b>56,997</b>	<b>57,015</b>	<b>57,519</b>
Claims in LBP	12,447	13,202	14,177	14,361	14,576
Claims in FC	40,121	40,962	42,820	42,654	42,943
Other Items (Net)	<b>-11,498</b>	<b>-10,676</b>	<b>-8,219</b>	<b>-7,735</b>	<b>-7,494</b>
<b>TOTAL</b>	<b>143,521</b>	<b>146,576</b>	<b>151,292</b>	<b>151,511</b>	<b>152,377</b>

Source: BDL.



**OUTSTANDING PUBLIC DEBT BY TYPE OF HOLDER**  
(End of Period - Billion LBP)  
(Actual Value\*)

Year And Month	Total Debt	Local Currency Debt				Foreign Currency Debt					
		Central				Total	IDI**	Paris II			Total
		Bank	Banks	Others <sup>(1)</sup>	Others <sup>(2)</sup>			loans	FG+		
<b>2010</b>	Dec	79,298	13,130	27,214	7,911	48,255	2,272	1,475	460	26,836	31,043
<b>2011</b>	Aug	80,526	17,162	23,442	7,827	48,431	2,279	1,560	394	27,862	32,095
	Sep	81,971	16,257	26,241	7,802	50,300	2,196	1,518	368	27,589	31,671
	Oct	81,795	16,226	26,084	7,749	50,059	2,196	1,540	380	27,620	31,736
	Nov	81,503	16,365	25,560	7,807	49,732	2,126	1,513	362	27,770	31,771
	Dec	80,887	16,374	25,177	7,789	49,340	2,097	1,511	351	27,588	31,547
<b>2012</b>	Jan	80,944	16,507	25,026	7,846	49,379	2,106	1,551	357	27,551	31,565
	Feb	81,371	17,016	24,848	7,798	49,662	2,108	1,577	324	27,700	31,709
	Mar	81,566	18,006	24,618	7,867	50,491	2,092	1,584	322	27,077	31,075
	Apr	82,982	18,555	24,272	8,027	50,854	2,071	1,560	318	28,179	32,128
	May	83,102	18,479	24,736	7,978	51,193	2,010	1,531	300	28,068	31,909
	Jun	83,312	15,569	24,840	8,099	48,508	2,017	1,537	303	30,947	34,804
	Jul	83,587	15,449	25,294	8,169	48,912	1,985	1,531	295	30,864	34,675
	Aug	83,957	15,470	25,432	8,228	49,130	1,978	1,561	265	31,023	34,827

Source :BDL.

\* The figures are equal to the principal paid plus the interests due.

\*\* IDI : International Development Institutions.

+ FG : Foreign Governments.

(1) Include: public TB's, public entities TB's and financial institutions TB's.

(2) Include: Eurobonds holders (banks, non banks, residents and non residents), foreign private sector loans and special TB's in FC (expropriation bonds).

**TREASURY BILLS PORTFOLIO IN LBP**  
(Face value, Billion LBP)

Year And Month	In Circulation End of period	Issue	Reimbursement	Weighted	Weighted	
				Average Life (days)	Average Interest (%)	
<b>2010</b>	Dec	47,237	3,821	2,028	623	7.60
<b>2011</b>	Aug	47,412	2,328	2,229	876	6.99
	Sep	49,380	3,549	1,581	937	6.94
	Oct	49,187	1,265	1,458	936	6.87
	Nov	48,771	1,163	1,579	941	6.84
	Dec	48,384	1,679	2,066	955	6.83
<b>2012</b>	Jan	48,363	1,371	1,392	953	6.78
	Feb	48,608	1,366	1,121	951	6.75
	Mar	49,588	2,220	1,240	947	6.69
	Apr	50,000	1,652	1,240	953	6.69
	May	50,297	1,605	1,308	943	6.64
	Jun	47,658	1,209	3,848	908	6.65
	Jul	47,992	1,821	1,487	913	6.64
	Aug	48,135	1,275	1,132	901	6.63

Source:BDL.



## AVERAGE INTEREST RATES

Year And Month	Average Lending Rate on Funds in		Average Deposit Rate on Funds in		Inter Bank Rate *	3m Libor \$	Interest rates on TBs (last issue)							
	LBP	US\$	LBP	US\$			3-m	6-m	12-m	24-m	36-m	60-m	84-m	
	<b>2010</b>	Dec	7.91	6.74			5.68	2.80	2.75	0.30	3.89	4.42	4.59	5.27
<b>2011</b>	Aug	7.53	7.16	5.53	2.80	2.77	0.29	3.89	4.40	4.59	5.27	5.85	6.09	
	Sep	7.37	6.92	5.58	2.84	3.79	0.35	3.89	4.40	4.59	5.27	5.85	6.09	7.46
	Oct	7.27	7.10	5.60	2.82	2.75	0.41	3.89	4.40	4.59	5.27	5.85	6.09	
	Nov	7.31	6.99	5.59	2.84	2.75	0.48	3.89	4.40	4.59	5.27	5.85	6.09	
	Dec	7.38	7.02	5.63	2.83	2.75	0.56	3.89	4.40	4.59	5.27	5.85	6.09	
<b>2012</b>	Jan	7.19	6.99	5.60	2.87	2.75	0.57	3.89	4.39	4.59	5.27	5.85	6.09	
	Feb	7.07	7.13	5.47	2.87	2.75	0.50	3.89	4.40	4.59	5.27	5.85	6.09	
	Mar	7.16	7.06	5.46	2.83	2.76	0.47	4.38	4.87	5.06	5.74	6.38	6.63	
	Apr	7.49	7.10	5.42	2.84	2.78	0.46	4.39	4.87	5.08	5.76	6.40	6.63	
	May	7.34	7.12	5.49	2.83	2.75	0.47	4.39	4.87	5.08	5.76	6.40	6.63	
	Jun	7.44	7.15	5.45	2.78	2.75	0.47	4.39	4.87	5.08	5.76	6.40	6.63	
	Jul	7.24	7.19	5.45	2.84	2.75	0.45	4.39	4.87	5.08	5.76	6.40	6.63	
	Aug	7.27	7.26	5.51	2.84	2.75	0.43	4.39	4.87	5.08	5.76	6.40	6.63	

Sources: BDL, Société Financière du Liban s.a.l.

\* On Funds in LBP, weighted by daily volume.

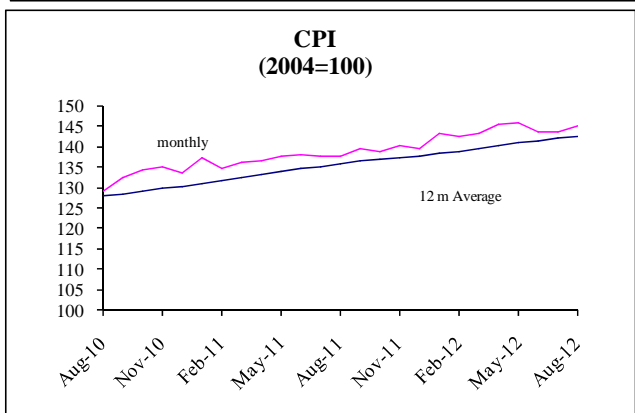
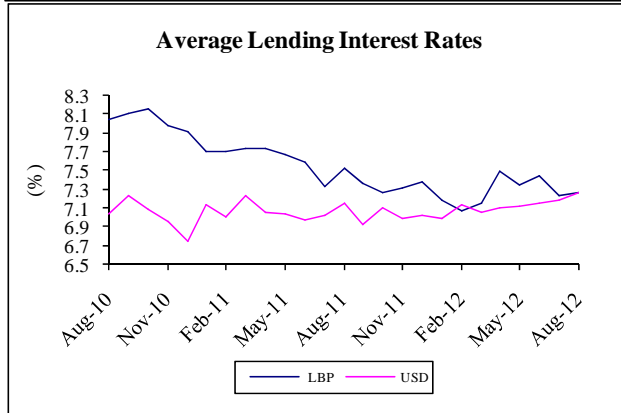
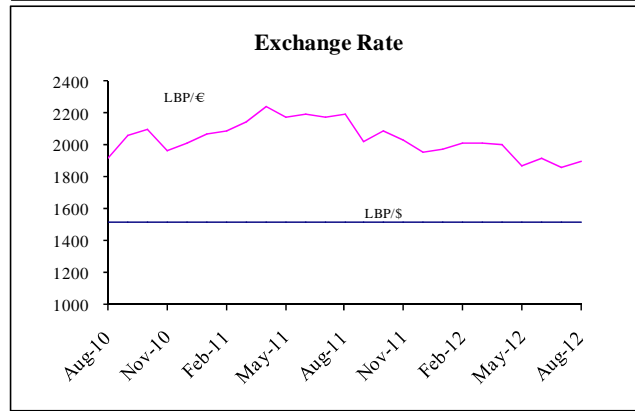
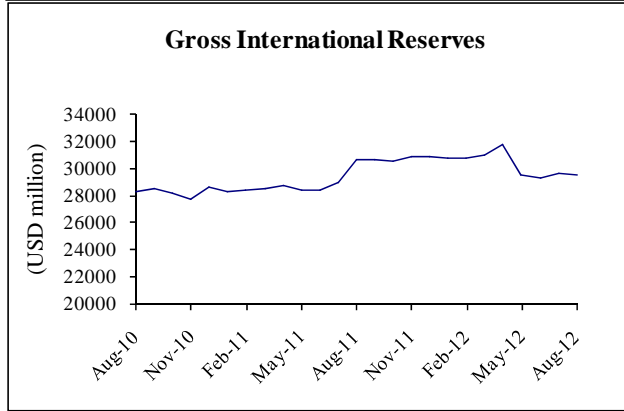
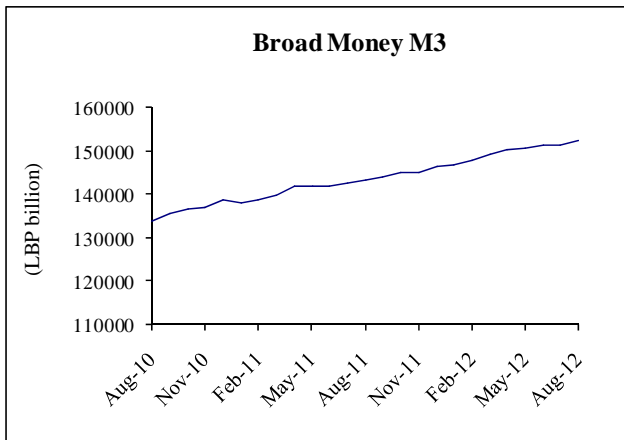
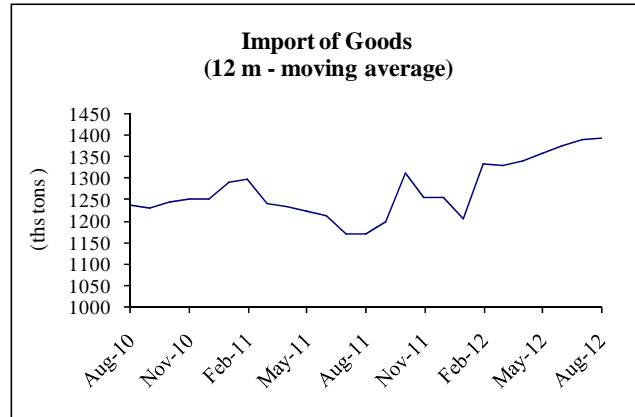
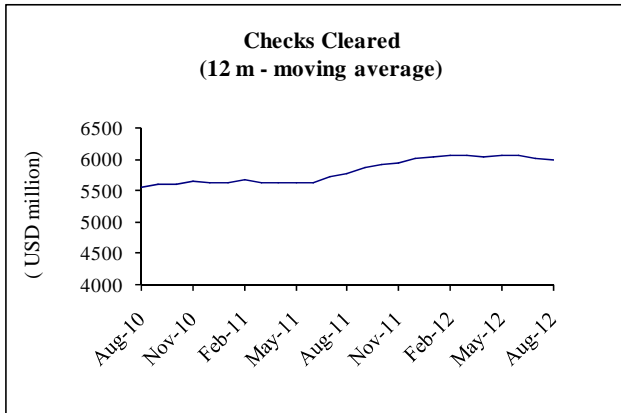
END OF PERIOD EXCHANGE RATES  
(LBP per other currencies)

Year and Month	US Dollar	Swiss Franc	British Pound	Japanese Yen	Euro	
<b>2010</b>	Dec	1,507.50	1,611.50	2,323.75	18.50	2,002.75
<b>2011</b>	Aug	1,507.50	1,847.45	2,473.00	19.62	2,187.40
	Sep	1,507.50	1,663.00	2,352.50	19.55	2,020.75
	Oct	1,507.50	1,718.00	2,424.00	19.29	2,087.00
	Nov	1,507.50	1,652.00	2,362.50	19.44	2,026.75
	Dec	1,507.50	1,607.15	2,341.25	19.59	1,950.75
<b>2012</b>	Jan	1,507.50	1,638.50	2,375.75	19.78	1,972.50
	Feb	1,507.50	1,666.65	2,400.00	18.54	2,009.50
	Mar	1,507.50	1,670.35	2,411.25	18.21	2,010.25
	Apr	1,507.50	1,661.25	2,446.75	18.88	1,995.25
	May	1,507.50	1,551.75	2,323.00	19.24	1,864.00
	Jun	1,507.50	1,587.70	2,360.75	18.85	1,907.75
	Jul	1,507.50	1,543.75	2,363.75	19.30	1,855.00
	Aug	1,507.50	1,579.35	2,394.00	19.25	1,896.50

Source: BDL.



Indicative Charts



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