



**Summary:**

*Key economic indicators were mixed in July 2012 as in the first seven months of the year with a few faring a little better in respect of the corresponding periods 2011 while others flattening or retreating. From January till July 2012, growth in total assets of banks was characterized by a marked slowdown and the balance of payments reported a swelling deficit.*

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

**The total value of checks cleared** in the domestic and foreign currencies rose to USD 6,461 million from USD 6,049 million one month back (USD 7,155 million in July 2011). Yet, in the first seven months of 2012, checks cleared value o/w 79.3 percent denominated in foreign currencies was almost equal to the corresponding 2011 period.

**The total value of returned checks** in the domestic and foreign currencies slightly decreased to USD 123 million from USD 128 million in June 2012 (USD 117 million in July 2011). In the first seven months of 2012, returned checks value increased, however, by 7.9 percent with reference to the previous year same time interval.

**Collected real estate fees** declined to LBP 71.0 billion from LBP 85.2 billion a month earlier (LBP 69.6 billion twelve months back). Nevertheless, collected fees increased in the first seven months of 2012 by 5.9 percent with regard to the identical 2011 time frame.

**Construction permits** contracted to 1,185 thousand square meters from 1,367 thousand square meters one month back and 1,200 thousand square meters in July 2011. Construction permits dropped sharply in the first seven months of 2012 by 13.0 percent in comparison with the similar preceding year period.

**The total number of passengers** arriving to and departing from Beirut International Airport increased to 316,667 and 324,286 respectively to total 640,953 persons. Arrivals and departures outstripped in the first seven months of 2012 those recorded in the matching 2011 time phase by 6.4 percent and 11.5 percent consecutively.

**Agricultural exports** amounted to USD 15 million, and remained steady with reference to June 2012 and July 2011. In the first seven months of 2012, agriculture exports were USD 7 million below those reported in the alike 2011 period.

**In June 2012,**

**Cement deliveries** regressed to 512 thousand tons vis-à-vis 562 thousand tons in the previous month and 585 thousand tons in June 2011. Cement deliveries retreated by 2.8 percent in the first half 2012 in respect of the past year first half.

**Industrial exports** (excluding gold ingots) slightly decreased to USD 253 million from USD 255 million in May 2012 and USD 303 million in June 2011. In the first half 2012, industrial exports decreased by 5.1 percent when compared to the first half of the previous year.

**Imports of Industrial Equipments** advanced a little to USD 28.5 million from USD 27.3 million one month back (USD 28.5 million in June 2011). In the first six months of 2012, industrial imports diminished, however, by 12.7 percent vis-à-vis the same 2011 period.

**Real Sector Indicators**

	Jul-11	Jun-12	Jul-12
<b>Checks cleared (total)</b>			
Number (000)	1,146	1,120	1,136
Value (USD million)	7,155	6,049	6,461
<b>Checks cleared in LBP</b>			
Number (000)	326	300	300
Value (LBP billion)	1,835	1,934	1,977
<b>Checks cleared in FX</b>			
Number (000)	820	820	836
Value (USD million)	5,938	4,766	5,150
<b>Returned checks</b>			
Number (000)	22.6	22.5	23.9
Value (USD million)	117	128	123
<b>Construction permits (000 square meters)</b>			
	1,200	1,367	1,185
<b>Cement deliveries (000 tons)</b>			
	585	512	n.a.
<b>Collected property taxes (LBP billion)</b>			
	69.6	85.2	71.0
<b>Passengers arrivals (000)</b>			
	362	317	317
<b>Passengers departures (000)</b>			
	334	229	324
<b>Agricultural exports (USD million)</b>			
	15	15	15
<b>Industrial exports (USD million)</b>			
	333	253	n.a.
<b>Imports of industrial machinery (USD million)</b>			
	18.0	28.5	n.a.

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



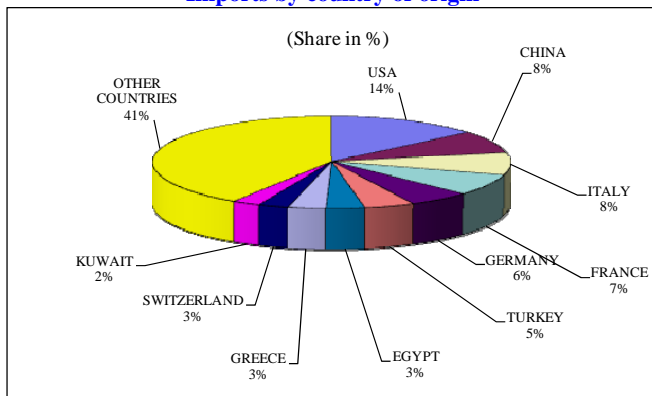
**II- EXTERNAL SECTOR**

**In July 2012,**

**Imports of goods** improved a little to USD 1,739 million from USD 1,713 million in the previous month and USD 1,679 million in July 2011. In the first seven months of 2012, imports multiplied by 15.7 percent in relation to the same 2011 period.

In the first seven months of 2012, mineral products lead imported goods with a 29.4 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 13.9 percent share of total. China came next with a share of 7.9 percent followed by Italy with a share of 7.8 percent and France (7.3 percent).

**Imports by country of origin**

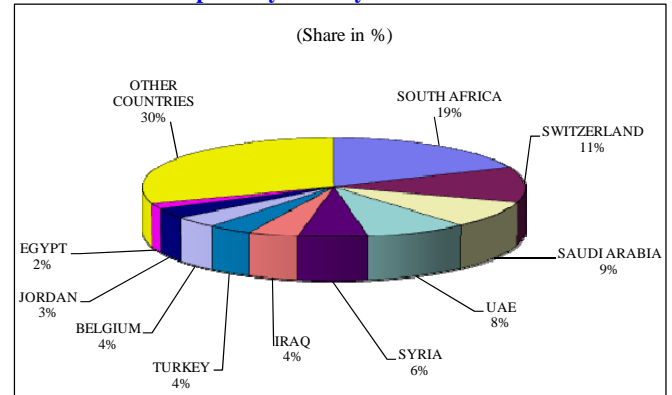


Source: Lebanese Customs

**Exports of goods** retreated to USD 317 million from USD 345 million in June 2012 and USD 415 million in July 2011. In the first seven months of 2012, exports recoiled by 1.7 percent with reference to the corresponding previous year period.

Pearls, precious and semi - precious stones were on top of the list with a share of 38.6 percent of total exports, followed by machinery and mechanical appliances (11.8 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 18.7 percent of the total, trailed by Switzerland and Saudi Arabia with 11.2 percent and 8.7 percent respectively.

**Exports by country of destination**



Source: Lebanese Customs

**The trade deficit** widened to USD 1,422 million, from USD 1,368 a month earlier and USD 1,264 million in July 2011. The trade deficit broadened in the first seven months of 2012 by 21.0 percent in respect of the alike previous year time interval.

**External Sector Indicators**

USD million	Jul-11	Jun-12	Jul-12
Imports	1,679	1,713	1,739
Exports	415	345	317
Trade deficit	-1,264	-1,368	-1,422
Balance of payments	-307	-23	-322
Gross foreign currency reserves	28,911	29,260	29,644

Source: Lebanese Customs, BDL.

**The overall balance of payments** reported a larger deficit of USD 322 million following the USD 23 million deficit in June 2012 and USD 307 million negative balance in July 2011. In the first seven months of 2012, a USD 1,343 million deficit accumulated and represented a decrease in net foreign assets of banks and financial institutions (USD -2,253 million) partly offset by an increase in net foreign assets of the central bank (USD +910 million)

**Gross foreign currency reserves** of the Central bank increased to USD 29,644 million from USD 29,260 million in the previous month (USD 28,911 million in July 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 219,349 billion (USD 145.5 billion) at the end of July 2012, thus increasing by 3.5 percent from end December 2011 (+6.2 percent growth in the first seven months of 2011).

Total deposits at commercial banks, including resident and non-resident private sector deposits and public sector deposits grew by 3.5 percent in the first seven months of 2012 and constituted 83.7 percent of total assets with an equivalent value of LBP 183,599 billion (around USD 121.8 billion) at the end of the period.

#### Commercial Banks Balance Sheet -Main items

End of period-LBP billion	Jul-11	Jun-12	Jul-12
Total Assets	206,343	219,940	219,349
Total deposits	171,491	183,764	183,599
Resident private sector	138,694	147,140	147,457
Non-resident private sector	30,357	33,584	33,070
Public sector deposits	2,439	3,040	3,073
Capital accounts	15,844	17,850	17,896
Total claims on the private sector	57,793	62,868	62,541
Resident private sector	49,419	54,529	54,542
Non-resident private sector	8,374	8,340	7,999
Total claims on public sector	41,185	44,266	44,695
Bills & Bonds in LBP	23,071	24,819	25,129
Bonds in FC	18,030	19,337	19,456
Claims on non resident banks	25,500	20,037	19,349
Other foreign assets	8,592	8,793	8,821
Deposits at the central bank	67,390	76,747	76,793

Source: BDL.

The breakdown of total deposits shows that private sector deposits denominated in LBP rose by 7.0 percent from end December 2011, while those denominated in foreign currencies increased by 1.7 percent, resulting in a deposit dollarization rate of 64.8 percent at the end of July 2012, down from 65.9 percent at the end of December 2011. The itemization of total deposits reveals also a growth in resident private sector deposits (+3.6 percent), in non-resident private sector deposits (+3.2 percent) and in public sector deposits (+2.4 percent) in the first seven months of 2012.

Subsequently, resident private sector deposits accounted for 80.3 percent of total deposits at end July 2012 (18.0 percent for non-resident private sector and 1.7 percent for public sector deposits).

Total capital reached LBP 17,896 billion (USD 11,871 million) at the end of July 2012 and represented around 8.2 percent of total assets. Total capital increased by 10.7 percent from end December 2011.

Total claims on the resident and non-resident private sector expanded by 5.4 percent in the first seven months of 2012 to reach LBP 62,541 billion at the end of the period. The dollarization rate of these loans decreased to 77.7 percent at the end of July, and the ratio of total loans to total deposits attained 34.6 percent.

Total claims on the public sector amounted to LBP 44,695 billion at the end of July 2012, thus increasing by 1.5 percent from end December 2011. Commercial banks held at the stated date USD 12,906 million of Eurobonds (nearly 63.3 percent of the total outstanding portfolio) and LBP 25,129 billion of Lebanese treasury bills (52.0 percent of the total portfolio in circulation).

Deposits at the Central Bank climbed in the first seven months of 2012 by 7.9 percent to total LBP 76,793 billion at the end of the period, while claims on non-resident banks contracted by 12.3 percent to LBP 19,349 billion (USD 12.8 billion) to represent 16.5 percent of private sector deposits in foreign currencies at the end of July 2012.

#### 2. Investment Banks

**Total consolidated assets of investment banks operating in Lebanon** (including medium and long term credit banks) was equal to LBP 6,026 billion (around USD 4.0 billion) at the end of July 2012, thus decreasing by 2.4 percent in one month and by 4.3 percent from December 2011 (-15.1 percent in the first seven months of 2011).

The 4.3 percent decrease in total assets was associated with a 14.5 percent expansion in capital accounts offset by a 7.7 percent drop in private sector deposits (resident & non-resident), representing around 53.9 percent of the total balance sheet, and a 11.4 percent drop in other items, representing around 22.9 percent of total assets.



Claims on private sector increased by only 0.5 percent in the first seven months of 2012 while claims on the public sector retreated by 4.2 percent to constitute together 47.9 percent of total assets.

"Cash and banks", the largest asset item, decreased by 7.7 percent in the first seven months of 2012 to account for 44.3 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** progressed to 9,495 thousand shares with a traded value of USD 62.3 million in July 2012 compared to 6,245 thousand shares with a traded value of USD 60.0 million in the previous month (3,194 thousand shares with a value of USD 33.7 million in July 2011).

During July 2012, the traded value by economic sectors was as such: 88.7 percent for Banking, 11.2 percent for Development and Reconstruction, and 0.1 percent for Industrial sector.

#### Capital Markets

	Jul-11	Jun-12	Jul-12
BSE			
Traded shares (ooo)	3,194	6,245	9,495
Traded value (USD million)	33.7	60.0	62.3
Market capitalization (USD million)	11,247	10,069	10,253
Outstanding treasury bills (LBP billion)	47,313	47,658	47,992
Outstanding sovereign Eurobonds (USD million)	17,534	20,169	20,039
Outstanding private sector (banks) securities (USD million)	585	543	411

Source: BDL, BSE

The market capitalization of listed shares increased to USD 10,253 million at the end of July 2012, compared to USD 10,069 million at the end of the previous month (USD 11,247 million at the end of July 2011). Banking had a 73.9 percent weight, whereas Development and Construction 22.2 percent.

**The face value of the outstanding treasury bills portfolio** denominated in the domestic currency advanced to LBP 47,992 billion at the end of July 2012 while **the value of the outstanding sovereign bonds**

**portfolio** denominated in foreign currencies (**Eurobonds**) slightly retreated to USD 20,039 million.

**The outstanding value of bank-issued certificates of deposits, Euro-CDs, and subordinated debt** decreased to USD 411 million at the end of July 2012. **The outstanding value of the certificates of deposits issued by BDL** in the domestic currency slightly increased to LBP 23,100 billion while BDL certificates of deposits denominated in foreign currencies stood unchanged at USD 8.5 billion (o/w USD 2 billion Euro-CD's).

### IV- MONETARY DEVELOPMENTS

**The stock of money and quasi money (M3)** expanded to LBP 151,511 billion at the end of July 2012, of which 59.0 percent denominated in foreign currencies, thus increasing by 0.1 percent in one month and by 3.4 percent from end December 2011 (+2.7 percent in the first seven months of 2011).

#### Money Supply & Counterparts

	LBP billion	Jul-11	Jun-12	Jul-12
M3		142,692	151,292	151,511
Net foreign assets		68,466	63,826	63,939
Net claims on public sector		48,508	52,060	52,364
Valuation Adjustment		-14,120	-13,372	-14,072
Claims on private sector		51,792	56,997	57,015
Other items-net		-11,954	-8,219	-7,735
CPI (2004=100)		137.53	143.67	143.67

Source: BDL, CRI.

The LBP 4,935 billion growth in M3 in the first seven months of 2012 resulted from an increase in each of claims on the private sector (+LBP 2,851 billion), net claims on public sector (+LBP 1,454 billion) and net other items (+LBP 2,941 billion) against a drop in net foreign assets (-LBP 1,524 billion) and valuation adjustment (-LBP 787 billion).

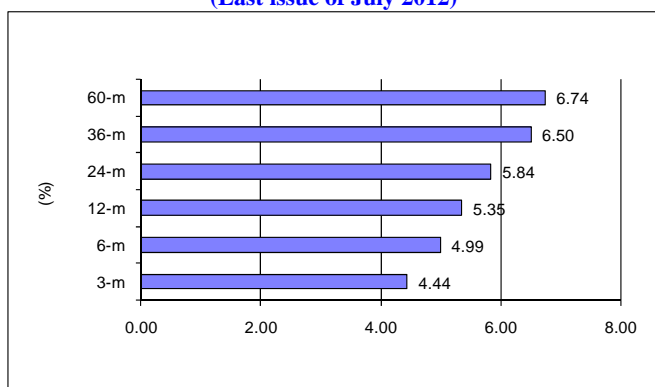
**The Consumer Price Index (CPI) for Beirut and Suburbs**, published by the Consultation and Research Institute, stood unchanged in July 2012 compared to the previous month, but increased by 4.5 percent and 3.1 percent from July and December 2011 respectively.



**The Consumer Price Index (CPI) for Lebanon**, published by the Central Administration of Statistics, increased by 8.9 percent in respect of July 2011.

**The interest rates on LBP monetary instruments** were stable at the end of July 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 July 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.

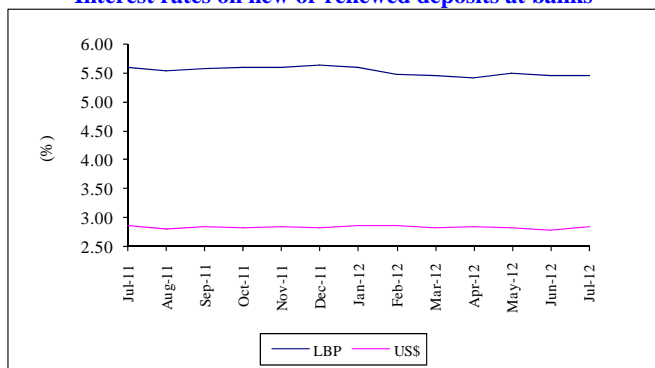
**Yield on Lebanese treasury bills denominated in LBP  
(Last issue of July 2012)**



Source: BDL

In July 2012, **the average interest rate on new or renewed LBP deposits at commercial banks** was steady at 5.45 percent **while the average interest rate on new or renewed USD deposits** increased to 2.84 percent (2.78 percent in the previous month). The average 3-month USD LIBOR slightly declined to 0.45 percent.

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



In July 2012, **the average interest rate on new or renewed denominated loans at commercial banks in LBP** regressed to 7.24 percent (7.44 percent a month earlier) but **the average interest rate on new or renewed denominated loans in USD** slightly progressed to 7.19 percent (7.15 percent one month back).

## V- PUBLIC FINANCES

**Government revenues**, composed of budget revenues and treasury receipts reached LBP 1,470 billion in June 2012, to total LBP 7,642 billion in the first half 2012 (LBP 7,186 billion in the first half 2011). The LBP 7,642 billion revenues encompassed LBP 7,332 billion budget revenues and LBP 310 billion treasury receipts.

**Government expenditures**, consisting of budget and treasury spending, attained LBP 1,458 billion in June 2012 to sum LBP 9,350 billion in the first half 2012 (LBP 8,490 billion in the first half 2011). The LBP 9,350 billion expenditures incorporated LBP 2,872 billion debt service and LBP 6,478 billion other general expenditures, o/w LBP 1,479 billion related to EDL and LBP 528 billion of budget expenditures for previous years

### Fiscal Situation

LBP billion	Jun-11	May-12	Jun-12
Government revenues	1,823	1,408	1,470
Tax revenues	626	998	1,168
Non-tax revenues	1,146	364	248
Treasury receipts	51	46	54
Government expenditures	1,295	1,482	1,458
Debt service	465	527	412
Others	830	955	1,046
Overall balance	528	-74	12
Primary balance	993	453	424

Source: Ministry of Finance.

**Total Deficit** increased as such to LBP 1,708 billion in the first half 2012, whereas the primary balance recorded an LBP 1,164 billion surplus.

**Gross public debt** amounted to LBP 83,582 billion (the equivalent of USD 55.4 billion) at the end of July 2012, thus increasing by 3.3 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 71,274 billion at the end of July 2012, thus rising by 2.0 percent from end December 2011.

**Public Debt**

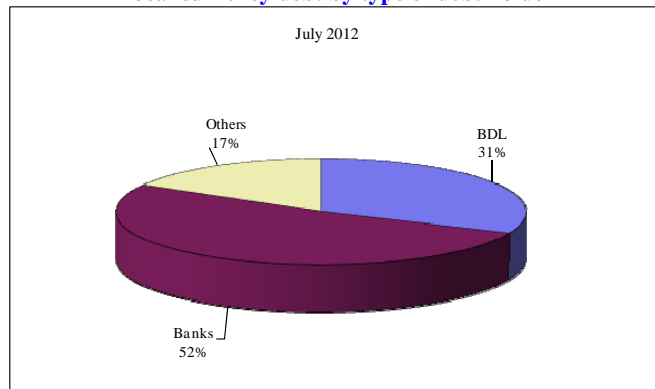
LBP billion	Jul-11	Jun-12	Jul-12
Public Debt (Gross)	79,609	83,313	83,582
Debt in LBP	48,304	48,508	48,911
Debt in FC	31,305	34,805	34,671
Public Debt (Net)	68,597	71,039	71,274
Public sector deposits	11,012	12,274	12,308
Commercial Banks	2,439	3,040	3,073
BDL	8,573	9,234	9,235

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 July 2012. The distribution of local currency debt by type of holder was as follows: 51.7 percent for banks (51.2 percent end of June 2012), 31.6 percent for the Central bank (32.1 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 (5.8 percent), Bilateral (4.3 percent), Paris II loans (0.9 percent) and others (0.3 percent).

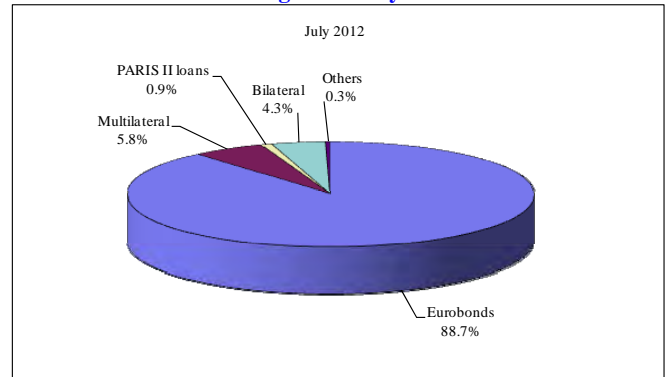
The average maturity of the Government debt securities denominated in the domestic currency is estimated at 913 days as at end July 2012 with a weighted interest of 6.64 percent, while the average maturity of the Government debt instruments denominated in foreign currencies is around 5.78 years with a weighted interest of 6.85 percent.

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



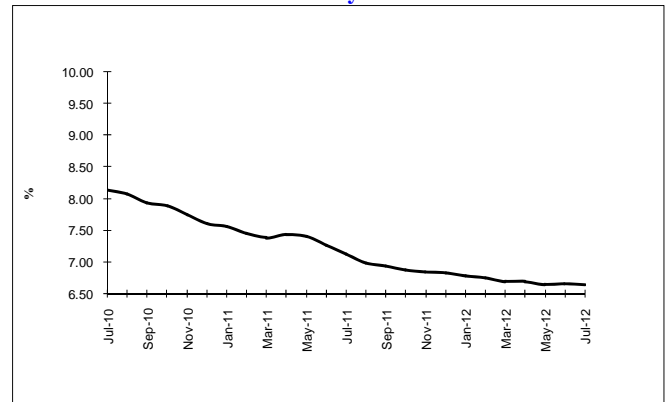
Source: BDL.

**Foreign currency debt**

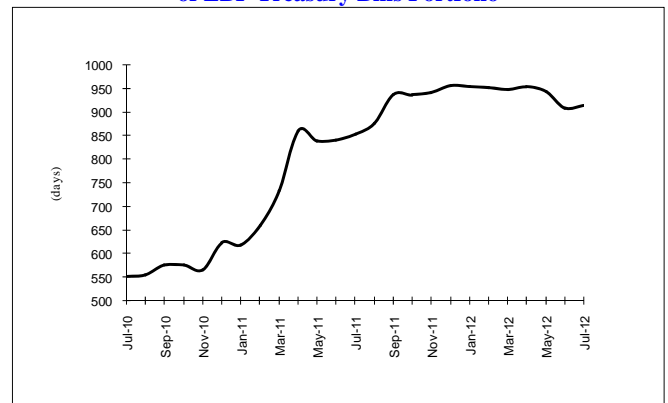


Source: BDL.

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



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



## GENERAL INDICATORS OF ECONOMIC ACTIVITIES

	2011	2011 Jan - Jul	2012 Jan - Jul	Jul-11	Jun-12	Jul-12
Imports of Industrial Equipment (000's US\$)	281,875	184,318	n.a.	18,018	28,478	n.a.
Building Permits (000's m2)	16,465	10,051	8,749	1,200	1,367	1,185
Cement Delivery (000s' tons)	5,550	3,248	n.a.	587	512	n.a.
Checks Cleared in LBP (billion LBP)	21,483	12,599	12,865	1,835	1,934	1,977
Checks Cleared in FC (million US\$)	57,845	32,931	32,723	5,938	4,766	5,150
Shipped Goods (tons)-Beirut Port	786,374	482,722	470,371	68,272	67,689	64,461
Unloaded Goods (tons)-Beirut Port	5,899,097	3,311,848	3,674,289	481,108	567,224	594,278
Passengers Arrivals (000's)-BIA	2,815	1,610	1,713	362	317	317
Passengers Departures (000's)-BIA	2,781	1,487	1,657	334	229	324
Total exports of goods (million USD)	4,265	2,533	2,489	415	345	317
Total imports of goods (million USD)	20,158	10,907	12,620	1,679	1,713	1,739
Balance of Trade (million USD)	-15,893	-8,374	-10,131	-1,264	-1,368	-1,422
Changes of Net Foreign Assets in the banking system (million USD)	-1,996	-787	-1,343	-307	-23	-322
Gross Foreign Currency Reserves (End of period-million USD)	30,815	-	-	28,911	29,260	29,644
Consumer Price Index (End of period)	139.39	-	-	137.53	143.67	143.67

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 - Jul 2011	Jan - Jul 2012	2011	Jan - Jul 2011	Jan - Jul 2012
1- Live animals, animal products	867	490	440	19	13	11
2- Vegetable products	850	496	520	161	89	84
3- Fats & edible fats & oils	174	97	117	21	12	15
4- Prepared foodstuffs	1,291	717	822	380	216	232
5- Mineral products	4,624	2,087	3,717	35	25	31
6- Products of the chemical	1,725	1,062	1,049	384	203	202
7- Plastics & articles thereof	704	398	446	134	77	90
8- Raw hides & skins, leather, furskins	81	44	44	14	7	8
9- Wood & articles of wood	236	133	140	15	8	11
10- Paper & paperboard & articles thereof	432	276	214	217	124	100
11- Textiles & textile articles	703	387	419	129	78	66
12- Footwear, headgear, prepared feathers	136	77	80	23	14	17
13- Articles of stone, plaster, cement	400	231	241	37	20	24
14- Pearls, precious or semi-precious stones	2,141	1,069	954	1,492	863	961
15- Base metals & articles of base metal	1,523	864	865	525	366	246
16- Machinery & mechanical appliances	2,130	1,267	1,222	519	321	293
17-Transport equipment	1,480	843	894	37	23	26
18- Optical instruments & apparatus	301	167	192	22	14	10
19- Arms & ammunition	28	14	9	1	0	0
20- Miscellaneous manufactured articles	309	176	218	95	55	57
21- Works of art	23	12	17	4	2	3
<b>Total</b>	<b>20,158</b>	<b>10,907</b>	<b>12,620</b>	<b>4,265</b>	<b>2,533</b>	<b>2,489</b>

Source: Lebanese Customs.

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

	Jan - Jul 2011	Share %	Jan - Jul 2012	Share %
USA	946	8.7	1,750	13.9
CHINA	930	8.5	997	7.9
ITALY	1,058	9.7	990	7.8
FRANCE	853	7.8	925	7.3
GERMANY	655	6.0	701	5.6
TURKEY	472	4.3	572	4.5
EGYPT	521	4.8	439	3.5
GREECE	146	1.3	434	3.4
SWITZERLAND	461	4.2	340	2.7
KUWAIT	65	0.6	319	2.5
OTHER COUNTRIES	4,800	44.0	5,153	40.8
<b>TOTAL IMPORTS</b>	<b>10,907</b>	<b>100.0</b>	<b>12,620</b>	<b>100.0</b>

Source: Lebanese Customs.

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

	Jan - Jul 2011	Share %	Jan - Jul 2012	Share %
SOUTH AFRICA	406	16.0	465	18.7
SWITZERLAND	271	10.7	278	11.2
SAUDI ARABIA	189	7.5	217	8.7
UAE	190	7.5	213	8.6
SYRIA	117	4.6	147	5.9
IRAQ	136	5.4	105	4.2
TURKEY	179	7.1	92	3.7
BELGIUM	81	3.2	92	3.7
JORDAN	71	2.8	82	3.3
EGYPT	41	1.6	45	1.8
OTHER COUNTRIES	852	33.6	753	30.3
<b>TOTAL EXPORTS</b>	<b>2,533</b>	<b>100.0</b>	<b>2,489</b>	<b>100.0</b>

Source: Lebanese Customs.



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

	2011 Jul	2011 Dec	May	2012 Jun	Jul
<b>ASSETS</b>					
Reserves	67,852	71,535	76,705	77,180	77,250
-Cash	462	392	447	433	457
-Deposits at the Central Bank	67,390	71,143	76,258	76,747	76,793
Claims on the Private Sector	49,419	51,594	54,069	54,529	54,542
-Claims denominated in Lebanese Pound	11,917	12,820	13,672	13,795	13,974
-Claims denominated in Foreign Currencies	37,501	38,774	40,398	40,734	40,568
Claims on the Public Sector	41,185	44,055	43,959	44,266	44,695
o/w -Treasury Bills in Lebanese Pound	23,071	24,849	24,601	24,819	25,129
-Treasury Bills in Foreign Currencies	18,030	19,100	19,252	19,337	19,456
Foreign Assets	42,467	38,436	37,075	37,170	36,169
-Claims on Non-Resident Private Sector	8,374	7,764	9,080	8,340	7,999
-Claims on Non-Resident Banks	25,500	22,054	19,018	20,037	19,349
-Other Foreign Assets	8,592	8,618	8,978	8,793	8,821
Fixed Assets	5,022	5,131	5,146	5,176	5,226
Unclassified Assets	399	1,166	1,421	1,619	1,467
<b>TOTAL ASSETS</b>	<b>206,343</b>	<b>211,918</b>	<b>218,375</b>	<b>219,940</b>	<b>219,349</b>
<b>LIABILITIES</b>					
Liabilities to the Private Sector	138,694	142,385	146,631	147,140	147,457
-Demand Deposits in Lebanese Pound	3,076	3,201	3,366	3,470	3,400
-Other Deposits in Lebanese Pound	49,441	52,188	54,904	55,108	55,495
-Deposits in Foreign Currencies	86,176	86,997	88,362	88,561	88,562
Liabilities to the Public Sector	2,439	2,999	3,154	3,040	3,073
Deposits of Non-Residents	30,357	32,054	32,605	33,584	33,070
-Denominated in Lebanese Pound	3,703	4,057	4,625	4,686	4,720
-Denominated in Foreign Currencies	26,654	27,997	27,980	28,898	28,350
Liabilities to Non-Resident Banks	9,334	8,764	9,765	9,312	8,978
Bonds	649	661	687	646	653
Capital Base	15,844	16,162	17,509	17,850	17,896
-Core Capital	15,201	15,327	16,760	17,118	17,163
-Supplementary Capital	643	834	750	732	734
Unclassified Liabilities	9,025	8,893	8,024	8,367	8,223
<b>TOTAL LIABILITIES</b>	<b>206,343</b>	<b>211,918</b>	<b>218,375</b>	<b>219,940</b>	<b>219,349</b>

Source: BDL.



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

	2011	2011		2012	
	Jul	Dec	May	Jun	Jul
<b>Money Supply</b>					
Currency in circulation	2,721	2,891	2,691	2,752	2,746
+ Demand Deposits in LBP	3,117	3,247	3,413	3,535	3,452
= M1	<b>5,838</b>	<b>6,138</b>	<b>6,104</b>	<b>6,288</b>	<b>6,198</b>
+ Other Deposits in LBP	49,704	52,505	55,317	55,519	55,894
= M2	<b>55,542</b>	<b>58,643</b>	<b>61,421</b>	<b>61,807</b>	<b>62,092</b>
+ Deposits in Foreign Currencies	86,843	87,640	88,942	89,161	89,093
+ Bonds	307	293	320	323	326
= M3	<b>142,692</b>	<b>146,576</b>	<b>150,683</b>	<b>151,292</b>	<b>151,511</b>
+ Treasury Bills Held by the Public	7,969	7,789	7,978	8,099	8,169
= M4	<b>150,661</b>	<b>154,365</b>	<b>158,661</b>	<b>159,391</b>	<b>159,680</b>
<b>Counterparts of the Money Supply</b>					
Net Foreign Assets	<b>68,466</b>	<b>65,464</b>	<b>63,763</b>	<b>63,826</b>	<b>63,939</b>
o/w Gold	22,434	21,709	21,785	21,839	22,582
Net Claims on the Public Sector	<b>48,508</b>	<b>50,909</b>	<b>51,929</b>	<b>52,060</b>	<b>52,364</b>
Valuation Adjustment	<b>-14,120</b>	<b>-13,285</b>	<b>-13,291</b>	<b>-13,372</b>	<b>-14,072</b>
Claims on the Private Sector	<b>51,792</b>	<b>54,164</b>	<b>56,538</b>	<b>56,997</b>	<b>57,015</b>
Claims in LBP	12,270	13,202	14,055	14,177	14,361
Claims in FC	39,522	40,962	42,483	42,820	42,654
Other Items (Net)	<b>-11,954</b>	<b>-10,676</b>	<b>-8,257</b>	<b>-8,219</b>	<b>-7,735</b>
<b>TOTAL</b>	<b>142,692</b>	<b>146,576</b>	<b>150,683</b>	<b>151,292</b>	<b>151,511</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**	FG+	Paris II		Total	
		Bank	Banks	Others <sup>(1)</sup>				loans	Others <sup>(2)</sup>		
<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>	Jul	79,609	16,814	23,521	7,969	48,304	2,270	1,546	431	27,058	31,305
	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	2,118	1,539	357	27,551	31,565
	Feb	81,372	17,016	24,848	7,798	49,662	2,121	1,565	324	27,700	31,710
	Mar	81,567	18,006	24,618	7,867	50,491	2,105	1,572	322	27,077	31,076
	Apr	82,982	18,555	24,272	8,027	50,854	2,083	1,548	318	28,179	32,128
	May	83,101	18,479	24,736	7,978	51,193	2,022	1,518	300	28,068	31,908
	Jun	83,313	15,569	24,840	8,099	48,508	2,031	1,524	303	30,947	34,805
	Jul	83,582	15,449	25,293	8,169	48,911	2,004	1,508	295	30,864	34,671

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	Average	
				Life	Interest	
				(days)	(%)	
<b>2010</b>	Dec	47,237	3,821	2,028	623	7.60
<b>2011</b>	Jul	47,313	2,259	1,885	854	7.13
	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

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>	Jul	7.33	7.03	5.59	2.86	2.75	0.25	3.85	4.40	4.59	5.27	5.85	6.09	
	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	

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

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

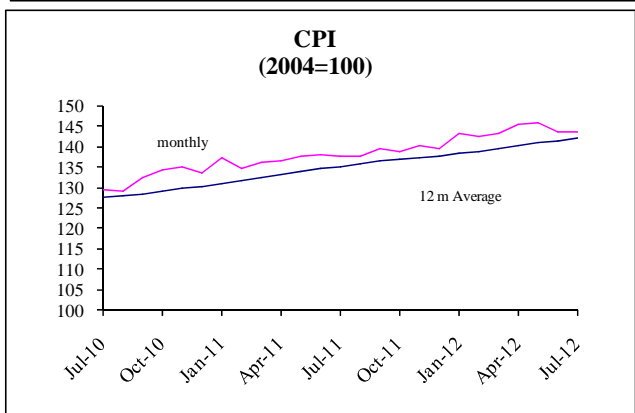
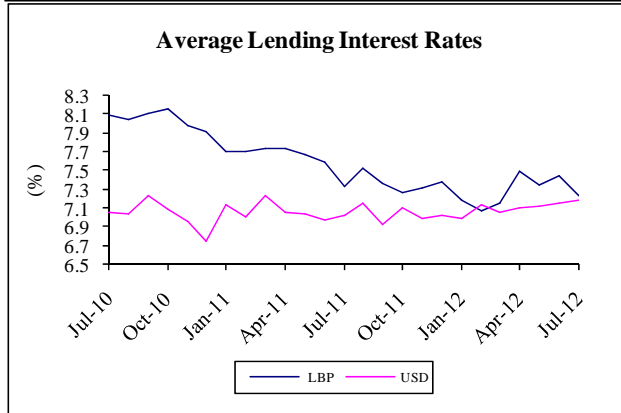
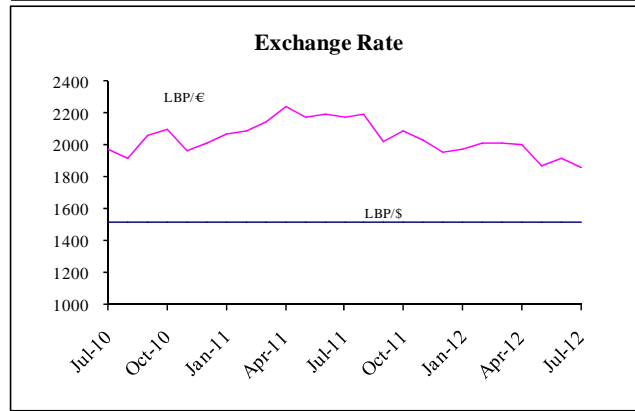
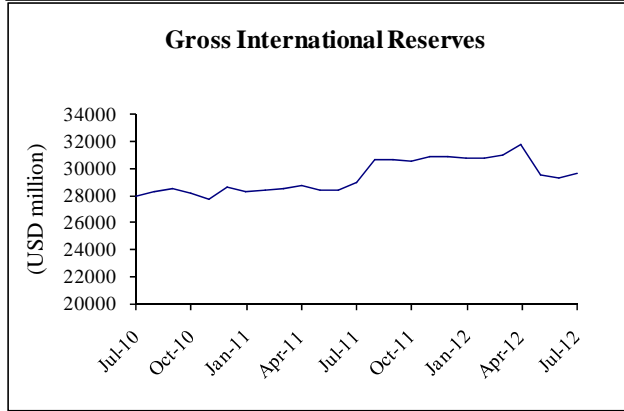
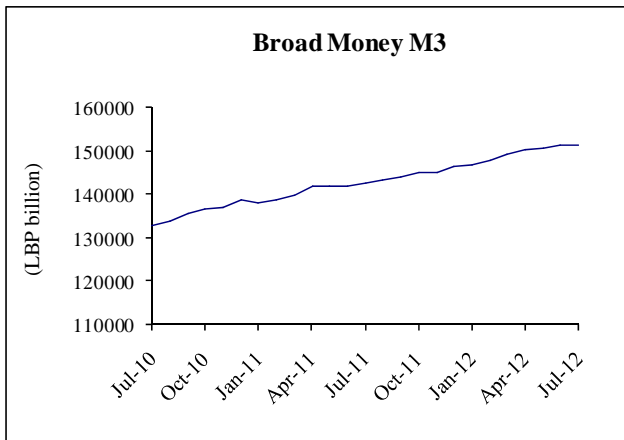
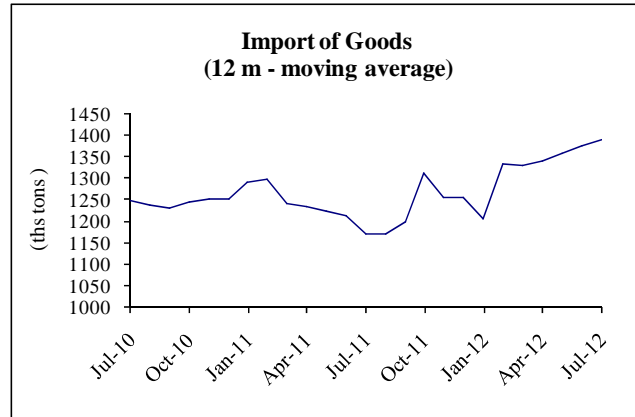
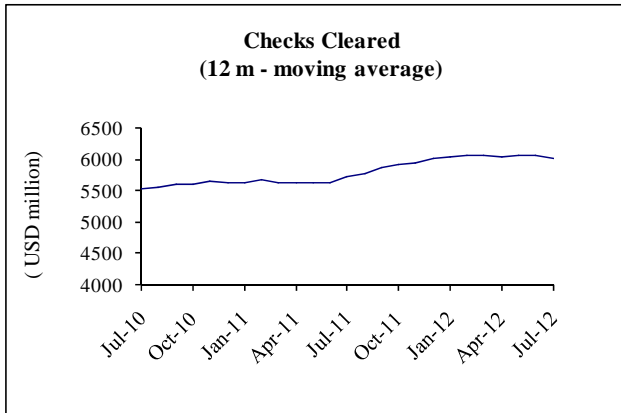
END OF PERIOD EXCHANGE RATES  
(LBP per other currencies)

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>	Jul	1,507.50	1,911.75	2,476.75	18.58	2,167.75
	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

Source: BDL.



Indicative Charts



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