

NEW RELEASE OF WORLD BANK DOING BUSINESS REPORT

- The World Bank recently released the "2014 Doing Business" Report covering the year 2013, the 11th of its kind in a series of annual reports that aim to benchmark the "Ease of Doing Business" index across 189 economies. This index measures regulations that directly affect private sector firms, especially SMEs.
- "Ease of Doing Business" is also made up of 10 sub-indices, namely starting a business, dealing with construction permits, getting electricity, registering property, getting credit, protecting investors, paying taxes, enforcing contracts and resolving insolvency (formerly closing a business). These indicators are based on the cost, number and timely adoption of transactions.

LEBANON'S PERFORMANCE IN "DOING BUSINESS" REPORTS

- In order to illustrate and evaluate the overall scores for each index, the ranks of the "Ease of Doing Business" indicator and its sub-indices in all past "Doing Business" reports for Lebanon were compiled and summarized into the below table. The Lebanon ranks for all the years chosen for each index were then divided by the total number of countries in the corresponding year under study and were categorized according to tiers, 0-33% being the highest performing indicators (highlighted in green), followed by 33%-66% being the mid-range performers (highlighted in yellow) and the 66%-100% being the bottom range performing indices (highlighted in red).

	2007	2008	2009	2010	2011	2012	2013	2014	SUMMARY OF SCORES	
Total Number of Countries	175	178	181	183	183	183	185	189	Top	Bottom
Ease of Doing Business Index:	86	85	99	108	113	104	115	111	85/178 (2008)	113/183 (2011)
Tier Category	49%	48%	55%	59%	62%	57%	62%	59%	48%	62%
Lebanon Rank and Tier Category of Sub-indices:										
Paying Taxes	54	49	45	34	37	30	37	39	30/183 (2012)	54/175 (2007)
	31%	28%	25%	19%	20%	16%	20%	21%	16%	31%
Getting Electricity						47	47	51	47/185 (2013)	51/189 (2014)
						26%	25%	27%	25%	27%
Resolving Insolvency (formerly Closing a Business)	111	117	121	124	122	125	131	93	93/189 (2014)	131/185 (2013)
	63%	66%	67%	68%	67%	68%	72%	50%	50%	72%
Trading Across Borders	82	83	83	95	95	93	95	97	83/181 (2009)	95/183 (2010, 2011)
	47%	47%	46%	52%	52%	51%	51%	51%	46%	52%
Protecting Investors	83	83	88	93	93	97	100	98	83/175 (2007)	100/185 (2013)
	47%	47%	49%	51%	51%	53%	54%	52%	47%	54%
Getting Credit	48	48	84	87	89	78	104	109	48/175 (2007)	109/189 (2014)
	27%	27%	46%	48%	49%	43%	56%	58%	27%	58%
Registering Property	95	92	102	111	111	105	108	112	92/178 (2008)	111/183 (2010, 2011)
	54%	52%	56%	61%	61%	57%	58%	59%	52%	61%
Starting a Business	116	132	98	108	103	109	114	120	98/181 (2009)	132/178 (2008)
	66%	74%	54%	59%	56%	60%	62%	63%	54%	74%
Enforcing Contracts	148	121	118	121	122	120	121	126	121/185 (2013)	148/175 (2007)
	85%	68%	65%	66%	67%	66%	65%	67%	65%	85%
Dealing with Licenses/ Construction Permits	99	113	121	125	142	161	172	179	99/175 (2007)	179/189 (2014)
	57%	63%	67%	68%	78%	88%	93%	95%	57%	95%

OVERALL INDEX:

- In 2014, the "Ease of Doing Business" index witnessed no mentionable change in its rank, as its tier score totaled 59% and remained within the same range of previous years.
 - The best year was 2008 with a tier score of 48% and a corresponding rank of 85/178
 - The worst performing year was 2011 with a tier score of 62% and a corresponding rank of 113/183

Ease of Doing Business	2007	2008	2009	2010	2011	2012	2013	2014	SUMMARY OF SCORES	
Total number of Countries	175	178	181	183	183	183	185	189	Top	Bottom
Lebanon Rank	86	85	99	108	113	104	115	111	85/178 (2008)	113/183 (2011)
Tier Category	49%	48%	55%	59%	62%	57%	62%	59%	48%	62%

SUB-INDICES: BEST PERFORMING INDICATORS

With regards to the sub-indices, the results in the 2014 report show that the best performing indicators were “Paying Taxes” and “Resolving Insolvency”, with a tier score of 21% and 50% respectively.

- With regards to “Paying Taxes”, which records the taxes and mandatory contributions that a medium-size company must pay in a given year as well as measures of the administrative burden of paying taxes and contributions:
 - The best year was 2012 with a tier score of 21% and a corresponding rank of 39/189
 - The worst performing year was 2007 with a tier score of 31% and a corresponding rank of 54/175

Paying Taxes	2007	2008	2009	2010	2011	2012	2013	2014	SUMMARY OF SCORES	
									Top	Bottom
Total number of Countries	175	178	181	183	183	183	185	189	30/183(2012)	54/175(2007)
Lebanon Rank	54	49	45	34	37	30	37	39	16%	31%
Tier Category	31%	28%	25%	19%	20%	16%	20%	21%		

- With regards to “Resolving Insolvency”, which studies the time, cost and outcome of insolvency proceedings involving domestic entities:
 - The best year was 2014 with a tier score of 50% and a corresponding rank of 93/189
 - The worst performing year was 2013 with a tier score of 72% and a corresponding rank of 131/185

Resolving Insolvency (Formerly Closing a Business)	2007	2008	2009	2010	2011	2012	2013	2014	SUMMARY OF SCORES	
									Top	Bottom
Total number of Countries	175	178	181	183	183	183	185	189	39/189(2014)	131/185(2003)
Lebanon Rank	111	117	121	1244	125	131	93		50%	72%
Tier Category	63%	66%	67%	68%	67%	68%	72%	50%		

SUB-INDICES: WORST PERFORMING INDICATORS

On the other hand, the worst performing indicators in the latest report were “Dealing with Licenses” and “Enforcing Contracts”, with a tier score of 95% and 67% respectively.

- With regards to “Dealing with Licenses”, which looks at the number of procedures, time and cost to build a warehouse:
 - The best year was 2007 with a tier score of 57% and a corresponding rank of 99/175
 - The worst performing year was 2014 with a tier score of 95% and a corresponding rank of 179/189

Dealing with Licenses/ Construction Permits	2007	2008	2009	2010	2011	2012	2013	2014	SUMMARY OF SCORES	
									Top	Bottom
Total number of Countries	175	178	181	183	183	183	185	189	99/175(2007)	179/189(2014)
Lebanon Rank	99	113	121	125	142	161	172	179	57%	95%
Tier Category	57%	63%	67%	68%	78%	88%	93%	95%		

- With regards to “Enforcing Contracts”, which assesses the efficiency of the judicial system by following the evolution of a commercial sale dispute over the quality of goods as well as tracking the time, cost and number of procedures involved from the moment the plaintiff files the lawsuit until payment is received:
 - The best years were 2009 with tier scores of 65% and respective ranks of 118/181
 - The worst performing year was 2007 with a tier score of 85% and a corresponding rank of 148/175

Enforcing Contracts	2007	2008	2009	2010	2011	2012	2013	2014	SUMMARY OF SCORES	
									Top	Bottom
Total number of Countries	175	178	181	183	183	183	185	189	121/185 (2013)	148/75(2007)
Lebanon Rank	148	121	118	121	122	120	121	126	65%	85%
Tier Category	85%	68%	65%	66%	67%	66%	65%	67%		

- Like all methodologies used, the results of these indicators are always subject to debate. However, there is no doubt that the overall scores captured from these indices act as a good tool to use to benchmark Lebanon with other countries. Despite any existing discrepancies however, the general perception of Lebanon’s business environment continues to be recognized as degrading. However, it is important to keep in mind that some of these scores may not always accurately reflect the real situation.

MAIN MONTHLY ECONOMIC DEVELOPMENTS:

• GDP GROWTH AND ECONOMIC FORECASTS:

- The **Coincident Indicator** —compound index of a number of economic indicators published by BDL that acts as an estimate of economic performance—showed a slight recovery in its figures in 2013, by recording a lower YTD decrease of 5.8% in the first nine months of 2013 relative to the 8.3% fall attained in the first nine months of 2012.
- In addition to IMF and World Bank growth expectations not being in concordance with this development, others institutions, namely the International Institute of Finance (IIF) and the Economic Intelligence Unit (EIU) have also downgraded their growth forecasts for 2013.
- The **IIF** projected growth rate of the Lebanese economy was slightly downgraded to 0.7% for the year 2013 from a previous forecast of 0.8%. It highlighted that this deceleration in growth is due to domestic political tensions and a deterioration in the security situation which are adversely affecting tourism and investment. The pace of growth however is anticipated to pick up in 2014 to reach 2.7% if events in Syria are settled.
- For similar reasons, **EIU** estimation for 2013 was also downgraded to 1.3% from a previous forecast of 1.6%, while 2014 forecasts are expected to reach 2.7%.

• TOURISM:

- For the third year running, **Number of Tourists** witnessed a fall in their figures from the peak attained in 2010. The number of tourists fell from 1,851,922 in the first ten months of 2010 down to 1,400,711, 1,178,959 and 1,080,374 in the same period in 2011, 2012 and 2013 respectively. This downturn continues to be the result of the local and regional situation deterring Arab tourists from visiting the country.
- **The number of Arab tourists** also declined over this period, falling 55.8% from 765,476 in the first ten months of 2010 to 338,522 in the same period in 2013. As such, they now represent 31.3% of total tourists versus 41.3% in the same period of their peak year. Europeans on the hand, continued to hold the top spot, as they captured 34.4% share of tourists in the first ten months of 2013 relative to 25.3% in the same period in 2010.

• TRADE:

- Beirut Port Statistics show a considerable growth in **TEU Activity at the local level**, as they rose 20.2% to reach 638,271 TEU in the first ten months of 2013 relative to the same period in 2012. This rise in container activity for the local market indicates a growth in consumer goods, which has been fuelled by i) an increase in demand of the displaced Syrians as well as ii) a rise in flow of goods directed to Syria from Lebanon.

- **Value of Imports** saw a 0.8% fall in the first ten months of 2013 relative to the same period a year earlier, to reach USD 17,661 Million while Volume of Imports rose by 1.6%. Removing the effects of oil imports however leads to a rise in both the value and volume of imports, the former climbing by 6.2% while the later rises by 17.6%.

- The **Value of the Trade Deficit** in the first ten months of 2013 showed a meager rise of 0.3% when oil products are included in the equation. Removing oil products however leads to a year on year surge in the trade deficit in 2013 so that it rises by 10.8% relative to the first ten months of 2012.

• FISCAL PERFORMANCE:

- The continued combination of a surge in expenditures and a downturn in revenues has led to a widening in the Fiscal Balance. The **Fiscal Deficit** reached USD 3,290 Million in the first nine months of 2013, rising by 59.8% relative to the same period in 2012.
- **Total Revenues** fell 2.2% to reach USD 7,026 Million in the first nine months of 2013 and was mainly driven by a 1.5% fall in tax revenues, resulting from a 0.1%, 3.5% and 5.2% respective drop in revenues from VAT, customs and property transactions, and a 10.8% reduction in non tax revenues, mainly due to the 15.2% decline in Telecom revenues.
- **Total Expenditures** reached USD 10,316 Million in the first nine months of 2013 relative to the USD 9,246 Million attained in the same period of 2012, constituting an increase of 11.6%. This surge was the result of a 13.5% in general expenditures, of which 1.5% are the result of a rise in interest payments, as well as a rise in transfers to the municipalities and suppliers arrears. EdL payments however witnessed a turnaround in figures as they fell by 3.1% relative to the same period in the previous year.

SLOWDOWN IN BANKING INDICATORS:

- Although **Private Sector Deposits** continued to grow in the first nine months of 2013, they witnessed a slight slowdown relative to the rate attained in 2012 given that the former growth rate reached 5.1% while it reached 5.2% in the later. As such, private sector deposits surpassed USD 131.3 Billion, accounting for 83% of total commercial bank assets by September 2013.
- **Foreign Assets** fell by 2.1% in the first nine months of 2013 relative to the 2.6% rise observed in the same period a year earlier. The reduction was mainly the result of the continued plunge in the value of **Gold Reserves**, which fell 19.5% in the first nine months of 2013 relative to the 14% rise witnessed in the same period in 2012.

Disclaimer:

The most recent month is highlighted for each of the following indicators:

- Coincidence Indicator: September 2013
- Tourism: October 2013
- Trade: October 2013
- Container Activity: October 2013
- Balance of Payments: September 2013

- Fiscal Performance: September 2013
- Banking Sector Deposits: September 2013
- Foreign Assets: September 2013
- Gold Reserves: September 2013

For more information or assistance, please do not hesitate to contact the Economic Research Unit at the Ministry of Economy and Trade:

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KEY ECONOMIC INDICATORS

NOVEMBER 2013 ISSUE

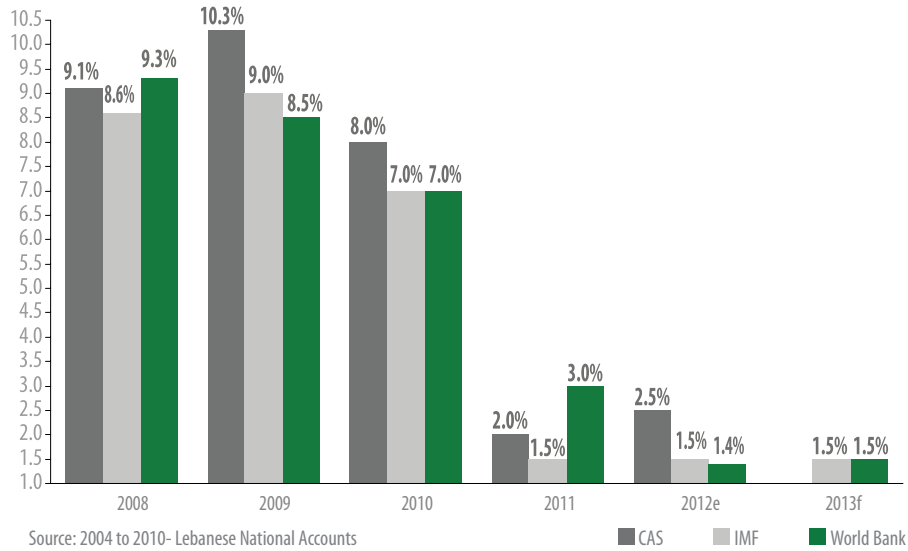
GENERAL INDICES	Footnote	Period	2013	2012	2013/2012 % Δ	2011	2012/2011 % Δ	2010	2009	2008
Nominal GDP, CAS (Billions USD)	1	Jan-Dec	-	42.9		40.1	7.0%	38.0	35.1	28.8
CAS Real Economic Growth Rate (%)	1	Jan-Dec		2.5%		2.0%		8.0%	10.3%	9.1%
Nominal GDP, IMF (Billions USD)	2	Jan-Dec	43.5	41.3		39.0	5.9%	37.1	34.7	29.7
IMF Real Economic Growth Rate (%)	2	Jan-Dec	1.5%	1.5%		1.5%		7.0%	9.0%	8.6%
Nominal GDP, World Bank (Billions USD)	3	Jan-Dec	-	42.9		40.1	7.0%	37.1	34.7	30.1
World Bank Real Economic Growth Rate (%)	3	Jan-Dec	1.5%	1.4%		3.0%		7.0%	8.5%	9.3%
Coincidence Indicator (1993 = 100)		Sept	247.2	243.5	1.5%	248.1	-1.9%	251.9	211.1	191.0
Growth in Coincident Indicator (%)		YTD Sept	-5.8%	-8.3%	-2.9%	4.7%	0.7%	1.8%		
Inflation Rate (%)	1	Jan-Oct	130.3	130.1	0.2%	117.0	11.2%	113.0	107.8	107.7
Electricity Production (Millions Kwh)	4	Jan-Sep	8,867	8,255	7.4%	9,540	-13.5%	9,470	8,949	8,340
Number of New Car Registrations	5	Jan-Oct	29,724	29,198	1.8%	27,473	6.3%	28,404	26,664	27,341
Number of Industrial Licenses	6	Jan-June	210	170	23.5%	206	-17.5%	-	-	-
LABOR										
Number of Renewed Work Permits given to Foreign Workers		Jan-Dec	-	137,034		123,975	10.5%	114,810	-	-
Number of 1st Time Work Permits given to Foreign Workers	7	Jan-Dec	-	53,985		60,981	-11.5%	45,005	-	-
CONSTRUCTION AND REAL ESTATE										
Cement Deliveries (000s Tons)	4	Jan-Sept	4,30	5 3,923	9.7%	4,164	-5.8%	3,868	3,675	3,119
Construction Permits area (000s of Sq m)	8	Jan-Oct	10,801	11,972	-9.8%	13,725	-12.8%	14,503	10,205	9,480
Total Number of New Permits	8	Jan-Oct	14,220	15,264	-6.8%	15,646	-2.4%	14,445	11,881	9,906
Total Value of Real Estate Sales (Millions of USD)	9	Jan-Oct	6,893	7,165	-3.8%	6,843	4.7%	7,670	5,006	5,042
Total Number of Property Sales, of which:	9	Jan-Oct	55,794	59,081	-5.6%	66,143	-10.7%	77,360	64,144	64,693
Sales to Locals	9	Jan-Oct	54,785	58,004	-5.5%	65,010	-10.8%	75,818	62,520	63,233
Sales to Foreigners	9	Jan-Oct	1,009	1,077	-6.3%	1,133	-4.9%	1,542	1,624	1,460

[1] Lebanese Central Administration of Statistics (CAS) National Account figures, October 2013 [2] World Economic Outlook Report, October 2013, [3] World Bank [4] Central Administration of Statistics, [4] Banque du Liban, [5] Association of Car Importers in Lebanon, [6] Ministry of Industry, [7] Ministry of Labor [8] Order of Architects in Beirut and Tripoli, [9] Real Estate Directorate

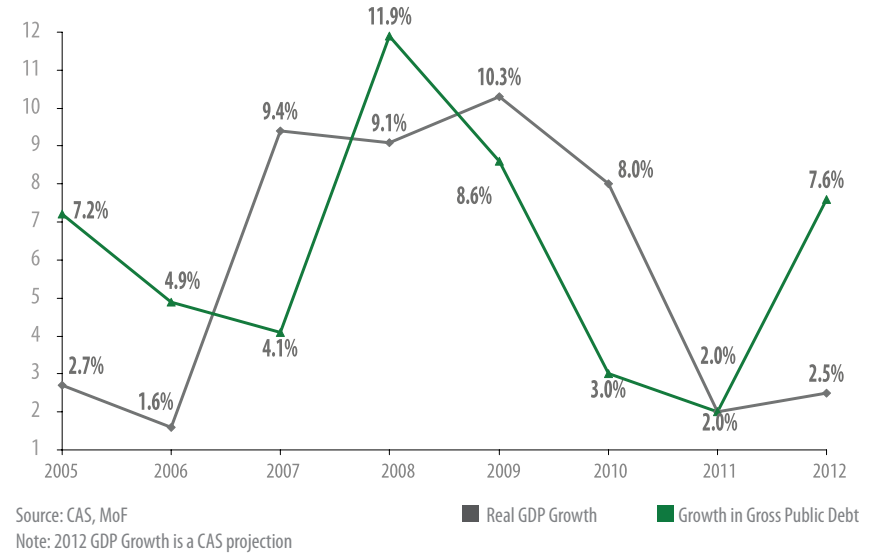
Last Updated: December 4, 2013



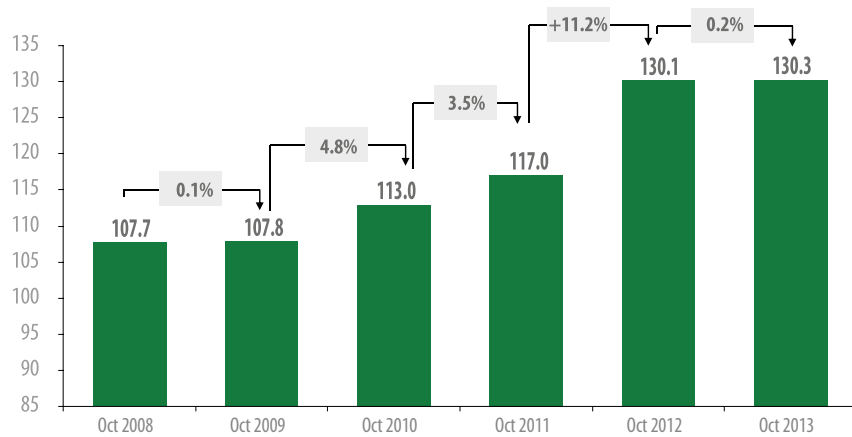
GDP GROWTH (IN PERCENTAGE; 2008-2013F)



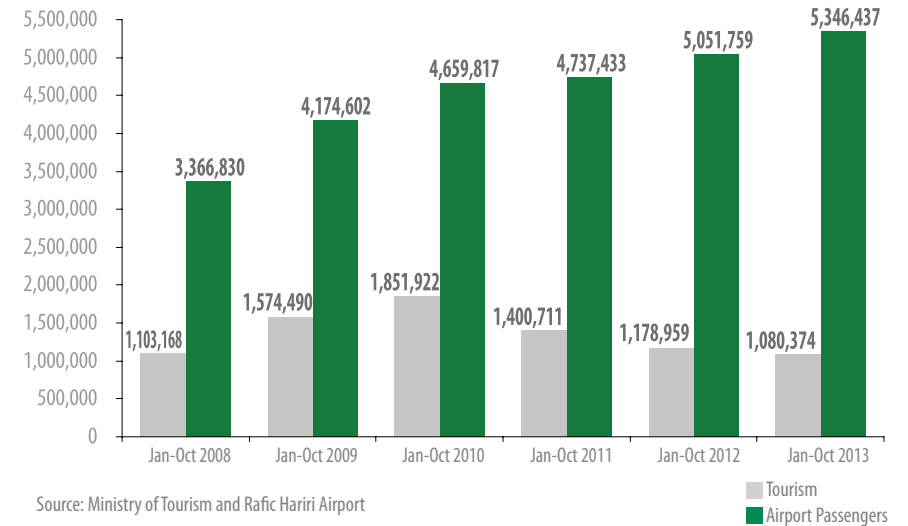
GDP GROWTH VERSUS GROWTH IN GROSS PUBLIC DEBT (IN PERCENTAGE; 2005-2012)



EVOLUTION IN CONSUMER PRICE INDEX (DEC 2007=100)



EVOLUTION IN THE NUMBER OF TOURISTS AND AIRPORT PASSENGERS (2008-2013)



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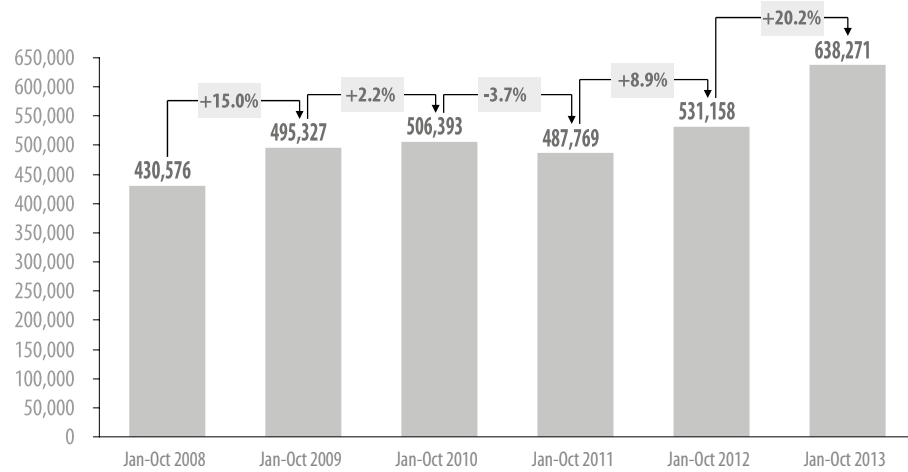
TRADE	Footnote	Period	2013	2012	2013/2012 % Δ	2011	2012/2011 % Δ	2010	2009	2008
Exports Value (Millions of USD), of which:	10	Jan-Oct	3,554	3,739	-4.9%	3,581	4.4%	3,448	2,783	2,899
Exports Volume (Millions of Tons)	10	Jan-Oct	2.41	2.13	13.1%	2.35	-9.4%	2.53	2.43	2.96
Imports Value (Millions of USD), of which:	10	Jan-Oct	(17,661)	(17,805)	-0.8%	(16,914)	5.3%	(14,673)	(13,280)	(13,338)
Mineral Fuels and Oils	10	Jan-Oct	(4,023)	(4,963)	-18.9%	(3,813)	30.2%	(2,779)	(2,511)	(3,368)
Imports Value, excl Oil Products	10	Jan-Oct	(13,638)	(12,842)	6.2%	(13,101)	-2.0%	(11,894)	(10,769)	(9,970)
Imports Volume (Millions of Tons), of which:	10	Jan-Oct	13.19	12.98	1.6%	12.89	0.7%	12.15	11.85	10.33
Mineral Fuels and Oils	10	Jan-Oct	4.43	5.53	-19.9%	4.80	15.2%	4.57	5.19	4.23
Imports Volume, excl Oil Products	10	Jan-Oct	8.76	7.45	17.6%	8.09	-7.9%	7.58	6.66	6.10
Trade Deficit (Millions of USD)	10	Jan-Oct	(14,107)	(14,066)	0.3%	(13,333)	5.5%	(11,225)	(10,497)	(10,439)
Trade Deficit, excl Oil Products	10	Jan-Oct	(10,084)	(9,103)	10.8%	(9,520)	-4.4%	(8,446)	(7,986)	(7,071)
Industrial Exports (excluding Gold Ingots)	6	Jan-Sept	2,423	2,202	10.0%	2,482	-11.3%	2,375	1,864	-
Industrial Machinery	6	Jan-Sept	244	220	10.9%	176	25.0%	177	155	134
Capital Inflows (Millions of USD), of which:		Jan-Sept	11,561	10,800	7.0%	9,637	12.1%	13,115	14,375	11,412
Balance of Payments (Millions of USD)	4	Jan-Sept	(676)	(1,932)	-65.0%	(1,539)	25.5%	2,941	4,842	2,212
Value of Transit Goods (Millions of USD)	10	Jan-Sept	341.2	248.1	37.5%	307.6	-19.3%	295.5	317.7	244.8
Port Activity (000s Tons of Goods)	11	Jan-Oct	6,817	6,056	12.6%	5,625	7.7%	5,493	5,276	4,836
Port Revenues (Millions of USD)	11	Jan-Oct	183.2	143.3	27.8%	131.6	8.9%	139.2	135.3	107.3
Total TEU (Twenty Foot Equivalent Unit) of which:	11	Jan-Oct	937,615	882,922	6.2%	859,566	2.7%	805,083	838,981	782,551
TEU to Local Market	11	Jan-Oct	638,271	531,158	20.2%	487,769	8.9%	506,393	495,327	430,576
Transshipment	11	Jan-Oct	299,344	351,764	-14.9%	371,797	-5.4%	298,690	343,654	351,975
TOURISM										
Number of Tourists	12	Jan-Oct	1,080,374	1,178,959	-8.4%	1,400,711	-15.8%	1,851,922	1,574,490	1,103,168
Hotel Occupancy Rates	13	Jan-Sept	52%	58%	-10.3%	55%	5.5%	68%	71%	48%
Evolution in Tourism Spending	14	Jan-Sept			-11%		1%			
Number of Airport Passengers (in Millions)	15	Jan-Oct	5.35	5.05	5.9%	4.74	6.6%	4.66	4.17	3.37

[10] Lebanese Customs at Ministry of Finance, [6] Ministry of Industry, [4] Banque du Liban, [11] Beirut Port
[12] Ministry of Tourism, [13] Ernst and Young Hotel Benchmark Survey Report June 2013, [14] Global Blue [15] Rafic Hariri Airport

Last Updated: December 4, 2013

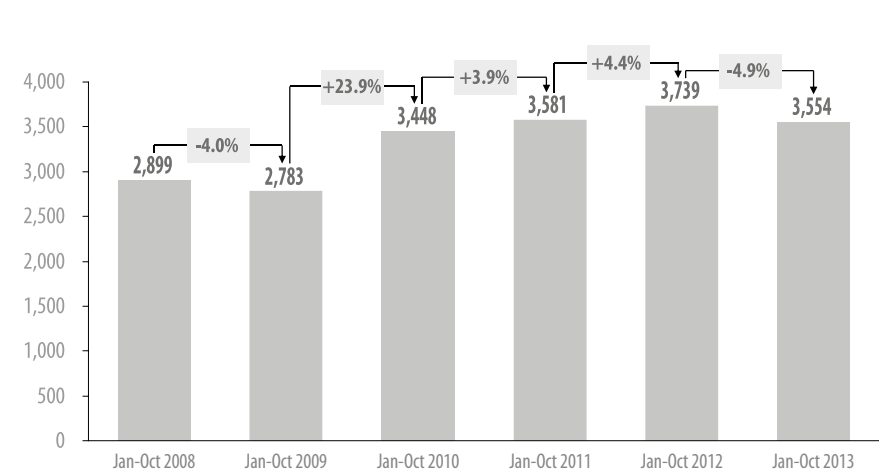


EVOLUTION OF EXPORTS (IN MILLIONS OF USD; 2008 TO 2013)



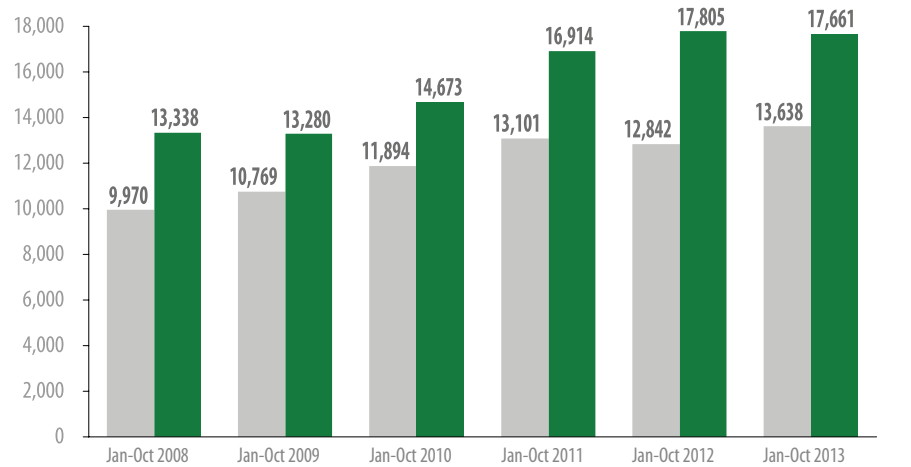
Source: Lebanese Customs

EVOLUTION OF JEWELRY EXPORTS (IN MILLIONS OF USD; 2008 TO 2013)



Source: Lebanese Customs

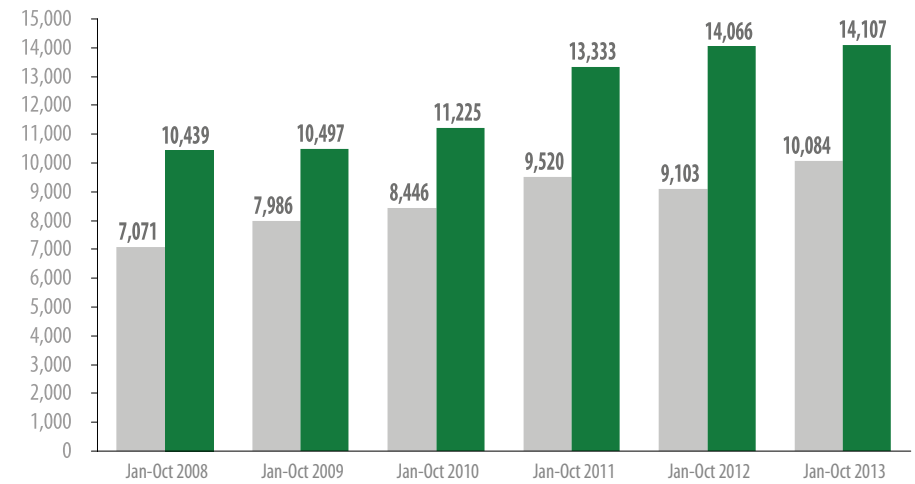
EVOLUTION OF IMPORTS (IN MILLIONS OF USD; 2008 TO 2013)



Source: Lebanese Customs

■ Excluding Oil ■ Including Oil

EVOLUTION IN TRADE DEFICIT (IN MILLIONS OF USD; 2008 TO 2013)



Source: BdL

■ Excluding Oil ■ Including Oil



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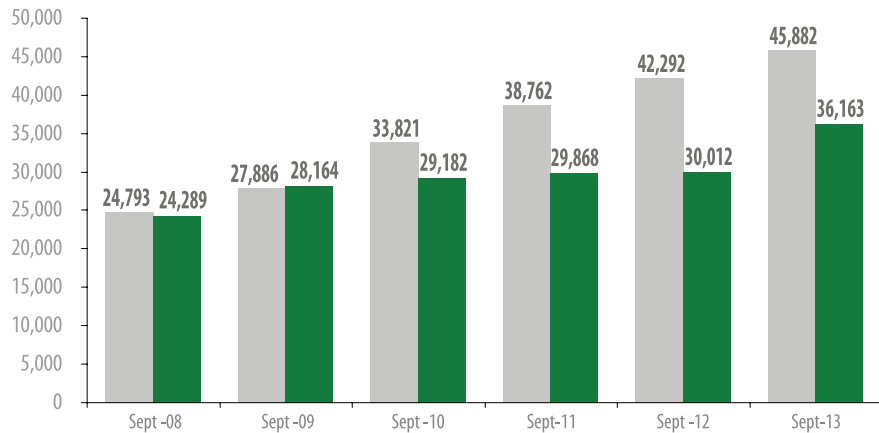
BANKING	Footnote	Period	2013	2012	2013/2012 % Δ	2011	2012/2011 % Δ	2010	2009	2008
Commercial Banks Indicators:										
Commercial Banking Assets (Millions USD)	4	Sept	159,256	148,360	7.3%	138,423	7.2%	126,743	109,898	91,735
Growth in Commercial Banking Assets (%)	4	YTD Sept	4.9%	5.5%		7.4%		10.0%	16.6%	11.5%
Private Sector Deposits (Millions USD)	4	Sept	131,359	121,752	7.9%	113,392	7.4%	103,854	91,195	75,130
Growth in Private Sector Deposits (%)	4	YTD Sept	5.1%	5.2%		5.8%		8.5%	17.3%	11.7%
Loans to the Private Sector (Millions of USD)	4	Sept	45,882	42,292	8.5%	38,762	9.1%	33,821	27,886	24,793
Growth in Loans to the P.S (%)	4	YTD Sept	5.6%	5.8%		10.9%		19.2%	11.4%	21.4%
BdL Indicators:										
Foreign Assets (Millions of USD), of which:	4	Sept	44,352	46,409	-4.4%	45,688	1.6%	40,578	32,455	23,484
Growth in Foreign Assets (%)	4	YTD Sept	-2.1%	2.6%		9.8%		13.6%	29.3%	34.8%
Foreign Currency Reserves	4	Sept	32,030	29,985	6.8%	30,617	-2.1%	28,461	23,209	15,327
Growth in Foreign Currency Reserves (%)	4	YTD Sept	6.9%	-2.7%		7.1%		10.9%	36.0%	56.8%
Gold Reserves	4	Sept	12,322	16,424	-25.0%	15,071	9.0%	12,117	9,246	8,157
Growth in Gold Reserves(%)	4	YTD Sept	-19.5%	14.0%		15.8%		20.4%	15.1%	6.8%
Lebanese Pound Deposit Rate (%)	4	Sept	5.37	5.43	-1.1%	5.58	-2.7%	5.70	6.94	7.18
Lebanese Pound Lending Rate (%)	4	Sept	7.36	7.30	0.8%	7.37	-0.9%	8.11	9.22	9.98
USD Deposit Rate (%)	4	Sept	2.91	2.83	2.8%	2.84	-0.4%	2.78	3.16	3.57
USD Lending Rate (%)	4	Sept	6.95	7.16	-2.9%	6.92	3.5%	7.24	7.24	7.37
3-Month TB Yield (%)	4	Sept	4.44	4.44	0.0%	3.93	13.0%	3.93	4.87	5.22
6 Month TB Yield (%)	4	Sept	4.99	4.99	0.0%	4.50	10.9%	4.52	6.16	7.22
12 Month TB Yield (%)	4	Sept	5.35	5.35	0.0%	4.81	11.2%	4.81	6.34	7.73
36-Month TB Coupon (%)	4	Sept	6.61	6.61	0.0%	6.03	9.6%	6.03	7.79	9.27

[4] Banque du Liban

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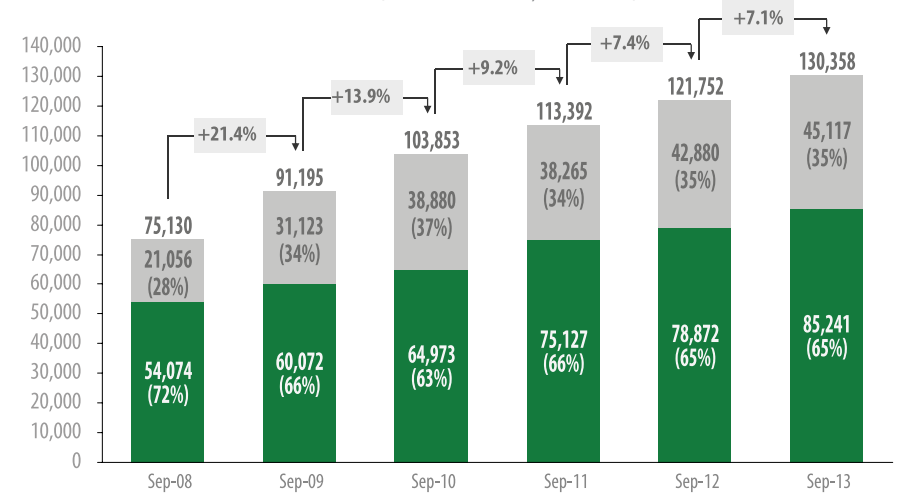
TOTAL LOANS TO THE PRIVATE (RESIDENT AND NON RESIDENT) AND PUBLIC SECTOR (MILLIONS OF USD; 2008-2013)



Source: Banque du Liban

■ Total Loans to the Private Sector
■ Total Loans to the Public Sector

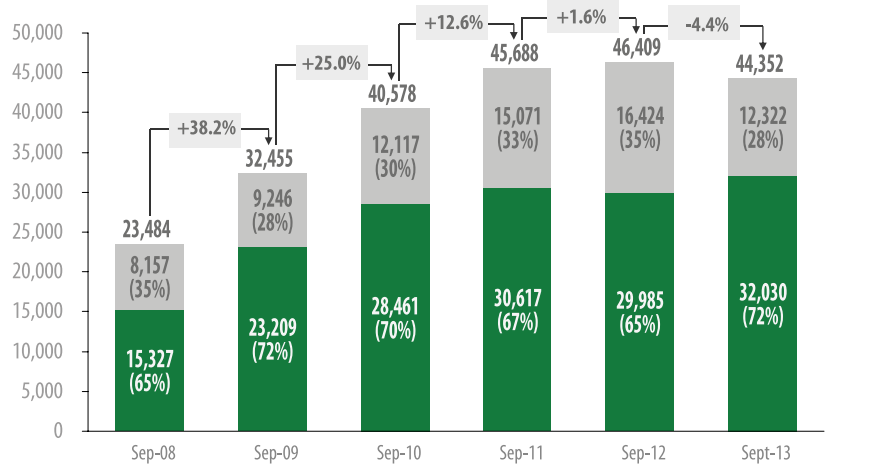
VALUE OF BANK DEPOSITS (LEBANESE AND FOREIGN CURRENCY) (IN MILLIONS USD; 2008-2013)



Note: Bank Deposits defined as Resident Private Sector Deposits (excluding Public Sector)
Source: Banque du Liban

■ Lebanese Deposits
■ Foreign Currency Deposits

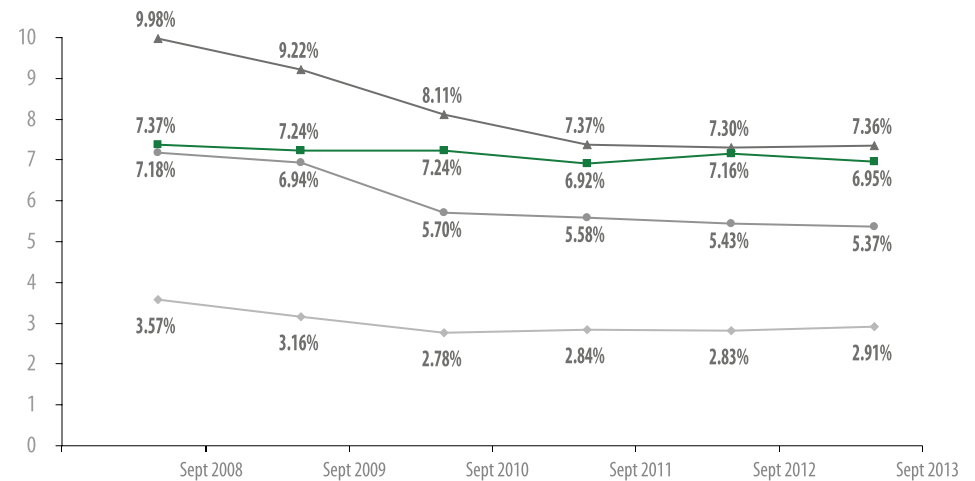
VALUE OF FOREIGN ASSETS HELD BY BDL (IN MILLIONS USD; 2008-2013)



Source: Banque du Liban

■ Gold
■ Foreign Currency

LBP AND USD DEPOSIT AND LOAN RATES (IN PERCENTAGE; 2008-2013)



Source: Banque du Liban

■ LBP Deposit
■ USD Deposit
■ LBP Loan
■ USD Loan



KEY ECONOMIC INDICATORS NOVEMBER 2013 ISSUE

FINANCE	Footnote	Period	2013	2012	2013/2012 % Δ	2011	2012/2011 % Δ	2010	2009	2008
M3 Money Supply (Million USD)	4	Sept	108,493	101,496	6.9%	95,62	7 6.1%	90,057	78,726	66,445
Growth in M3 Money (%)	4	YTD Sept	4.3%	4.4%		3.8%		9.7%	14.7%	11.1%
Market Capitalization (Millions USD)[16]	16	Jan-Nov	10,634	10,006	6.3%	10,259	-2.5%	12,351	12,554	9,883
Value of Traded Shares (Millions of USD)	16	Jan-Nov	345.1	376.1	-8.2%	481.0	-21.8%	1,837.5	988.7	1,669.2
Volume of Traded Shares (Millions of Shares)	16	Jan-Nov	48.2	48.7	-1.0%	67.8	-28.2%	267.7	99.4	102.2
Value of Kafalat Loans (Millions USD)[17]	17	Jan-Oct	98.5	119.0	-17.2%	135.0	-11.8%	141.4	113.9	107.1
Number of Kafalat Loans	17	Jan-Oct	726	881	-17.6%	1,060	-16.9%	1,189	852	777
Value of Cleared Checks (Millions of USD)[18]	4	Jan-Sept	53,816	52,952	1.6%	53,344	-0.7%	50,909	40,270	39,401
Number of Cleared Checks (in Millions)[19]	4	Jan-Sept	9.89	9.72	1.7%	9.71	0.1%	10.08	9.03	8.51
EXCHANGE RATE MARKETS										
YoY USD-LBP Exchange Rate[20]	18	Nov Close	1,505	1,510	-0.3%	1,502.0	0.5%	1,507.5	1,507.5	na
YoY EURO-USD Exchange Rate[21]	19	Nov Close	1.3591	1.2986	4.7%	1.3446	-3.4%	1.3125	1.5005	na
YoY GBP-USD Exchange Rate[22]	19	Nov Close	1.6343	1.6013	2.1%	1.5704	2.0%	1.5573	1.644	na
YoY USD-JPY Exchange Rate[23]	19	Nov Close	102.33	82.48	24.1%	77.62	6.3%	84.26	86.41	

[16] Beirut Stock Exchange, [17] Kafalat

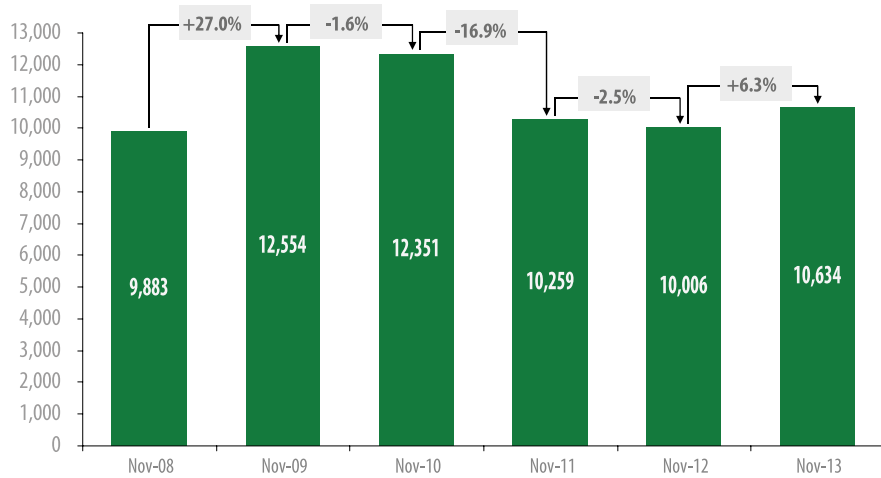
[4] Banque du Liban

[18] BLOM Bank "Lebanon Brief" Reports, [19] Bloomberg.com - Interactive Currency Charts

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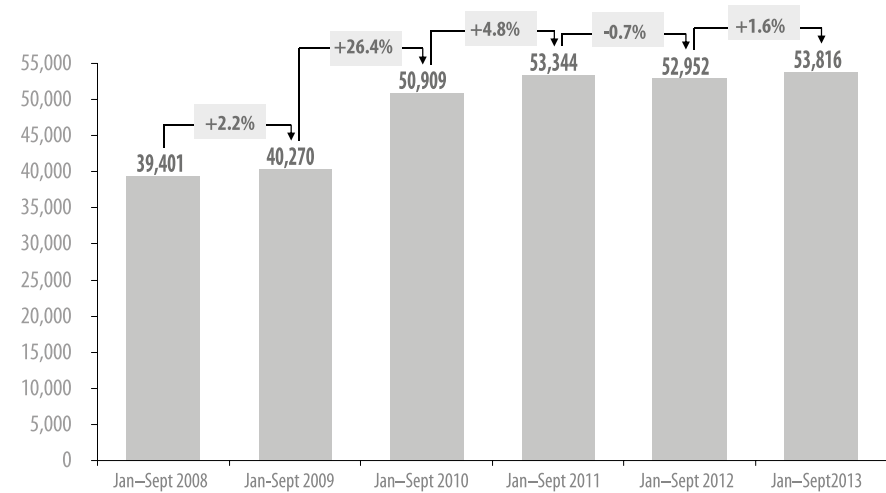


VALUE OF MARKET CAPITALIZATION (IN MILLIONS USD; 2008-2013)



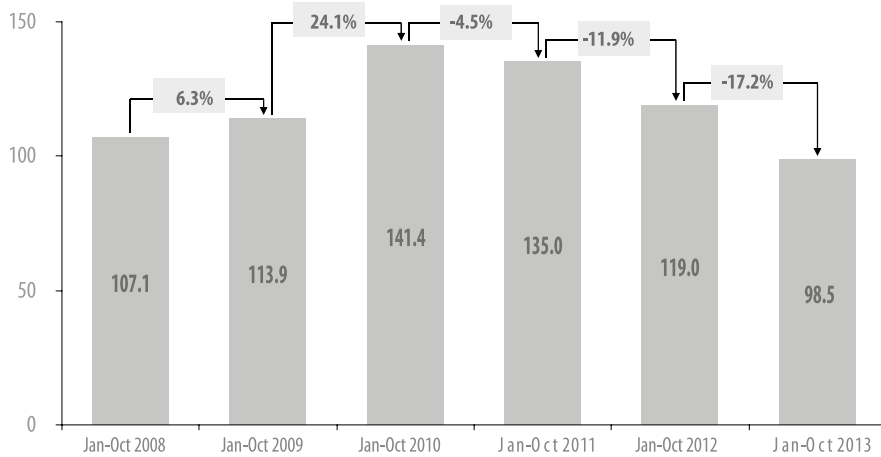
Source: Beirut Stock Exchange

EVOLUTION OF THE VALUE OF CLEARED CHECKS (IN MILLIONS USD; 2008-2013)



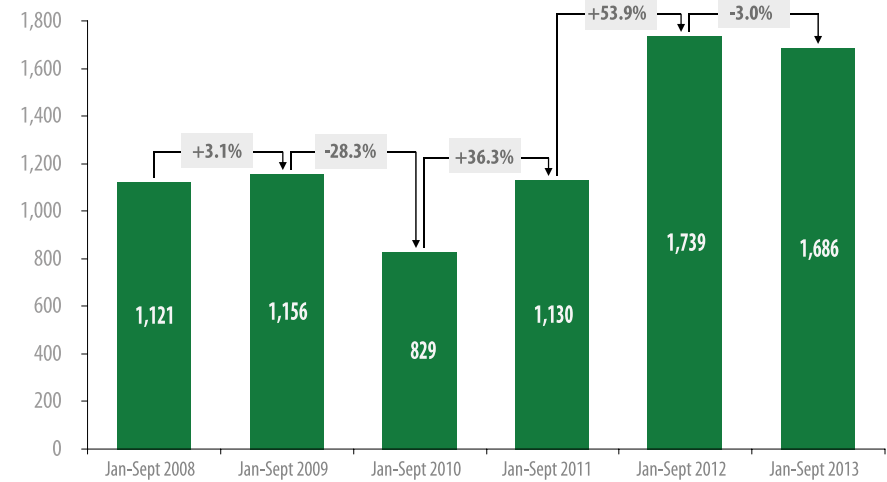
Source: Banque du Liban

EVOLUTION OF VALUE OF KAFALAT LOANS (IN MILLIONS USD; 2008-2013)



Source: Kafalat S.A.L

EVOLUTION OF EDL TRANSFERS (IN MILLIONS OF USD; 2008-2013)



Source: Banque du Liban



KEY ECONOMIC INDICATORS

NOVEMBER 2013 ISSUE

PUBLIC FINANCE [24]	Footnote	Period	2013	2012	2013/2012 % Δ	2011	2012/2011 % Δ	2010	2009	2008
Total Revenues (Million USD)	20	Jan-Sept	7,026	7,187	-2.2%	6,952	3.4%	6,185	6,268	5,050
Total Expenditures (Million USD)	20	Jan-Sept	10,316	9,246	11.6%	8,347	10.8%	8,233	8,491	7,061
Fiscal Balance (Million USD)	20	Jan-Sept	(3,290)	(2,059)	59.8%	(1,395)	47.6%	(2,048)	(2,223)	(2,011)
Total Primary Balance (Million USD)	20	Jan-Sept	(546)	649	-184.2%	1,549	-58.1%	1,076	694	595
Public Debt (Billions USD)	21	Jan-Sept	62.4	56.1	11.3%	54.4	3.1%	50.9	49.2	45.6
Budget Revenues (Millions USD), of which:	20	Jan-Sept	6,605	6,859	-3.7%	6,593	4.0%	5,844	5,945	4,666
Tax Revenues, of which:	20	Jan-Sept	5,165	5,244	-1.5%	4,967	5.6%	5,081	4,468	3,449
Misc Tax Rev	20	Jan-Sept	2,446	2,488	-1.7%	2,277	9.3%	2,095	1,731	1,526
Customs Rev	20	Jan-Sept	1,074	1,113	-3.5%	1,082	2.8%	1,411	1,321	689
VAT Rev	20	Jan-Sept	1,645	1,643	0.1%	1,608	2.2%	1,575	1,41	7 1,235
Non Tax Rev	20	Jan-Sept	1,440	1,615	-10.8%	1,626	-0.7%	763	1,476	1,217
Budget Expenditures (Millions of USD)[25], of which	20	Jan-Sept	8,128	7,454	9.0%	7,829	-4.8%	7,483	6,289	5,287
General Expenditures, of which:	20	Jan-Sept	5,385	4,746	13.5%	4,884	-2.8%	4,358	3,373	2,681
EdL	20	Jan-Sept	1,686	1,739	-3.1%	1,130	53.9%	829	1,156	1,121
Interest Payments, of which:	20	Jan-Sept	2,604	2,566	1.5%	2,780	-7.7%	2,962	2,773	2,419
Lebanese Lira Interest Payments	20	Jan-Sept	1,617	1,639	-1.3%	1,739	-5.8%	1,906	1,728	1,409
Foreign Currency Interest Payments	20	Jan-Sept	987	927	6.5%	1,041	-10.9%	1,056	1,045	1,011
Principal Repayments	20	Jan-Sept	139	143	-2.5%	164	-13.0%	163	144	187
Treasury Revenues (Millions of USD)	20	Jan-Sept	421	328	28.4%	359	-8.6%	341	323	384
Treasury Expenditures (Millions of USD)	20	Jan-Sept	2,188	1,792	22.1%	519	245.3%	750	2,202	1,774
Budget Expenditures (Millions of USD) [26], of which:	22	Jan-Aug	8,259	7,345	12.4%	6,778	8.4%	6,659	6,634	5,724
Personnel Cost, of which:	22	Jan-Aug	2,822	2,643	6.8%	2,399	10.1%	2,220	2,118	1,663
Salaries and Wages	22	Jan-Aug	1,859	1,709	8.8%	1,597	7.0%	1,481	1,447	1,117
Retirement + End of Service	22	Jan-Aug	807	781	3.3%	663	17.8%	606	528	460
Transfers to EdL	22	Jan-Aug	1,510	1,441	4.8%	890	61.8%	747	1,136	1,019
Debt Service, of which:	22	Jan-Aug	2,337	2,277	2.7%	2,481	-8.2%	2,66	6 2,489	2,254
Lebanese Lira Interest Payments	22	Jan-Aug	1,361	1,404	-3.1%	1,519	-7.6%	1,690	1,538	1,238
Foreign Currency Interest Payments	22	Jan-Aug	867	757	14.5%	831	-8.9%	845	834	856
Capital Expenditures	22	Jan-Aug	504	243	107.7%	289	-15.9%	307	228	204
Treasury Expenditures (Millions of USD)	22	Jan-Aug	794	713	11.3%	447	59.5%	558	894	463

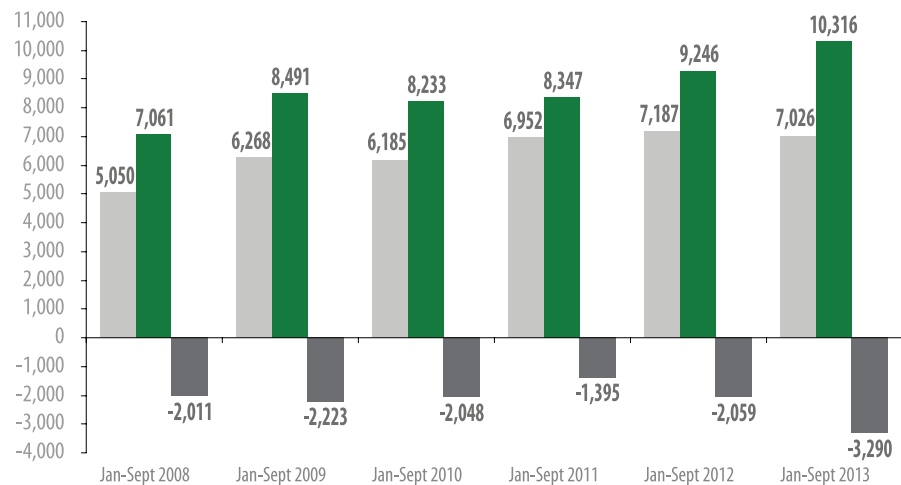
[20] Ministry of Finance- Fiscal Performance Sheet [21] Byblos Report Issue 328, [22] Public Finance Monitor

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EVOLUTION OF TOTAL REVENUES, EXPENDITURES AND FISCAL BALANCE

(IN MILLIONS USD; 2008-2013)

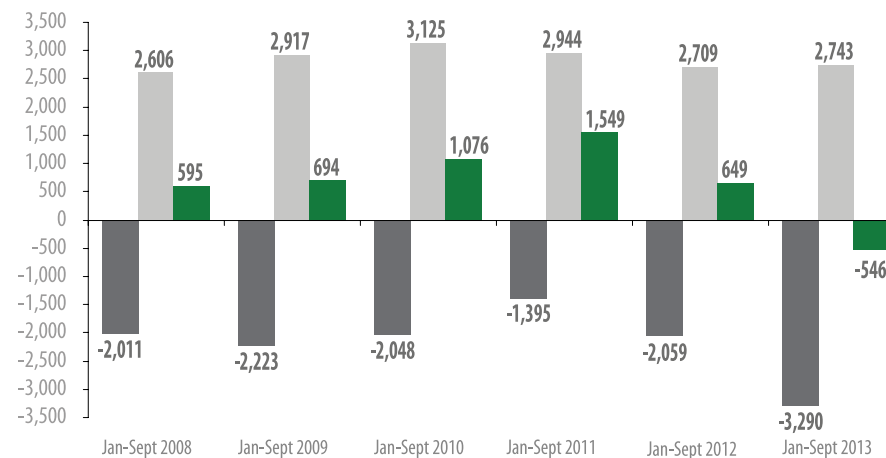


Source: Ministry of Finance

■ Revenues ■ Expenditures ■ Fiscal Balance

EVOLUTION OF THE FISCAL BALANCE, DEBT SERVICING AND PRIMARY BALANCE

(IN MILLIONS USD; 2008-2013)

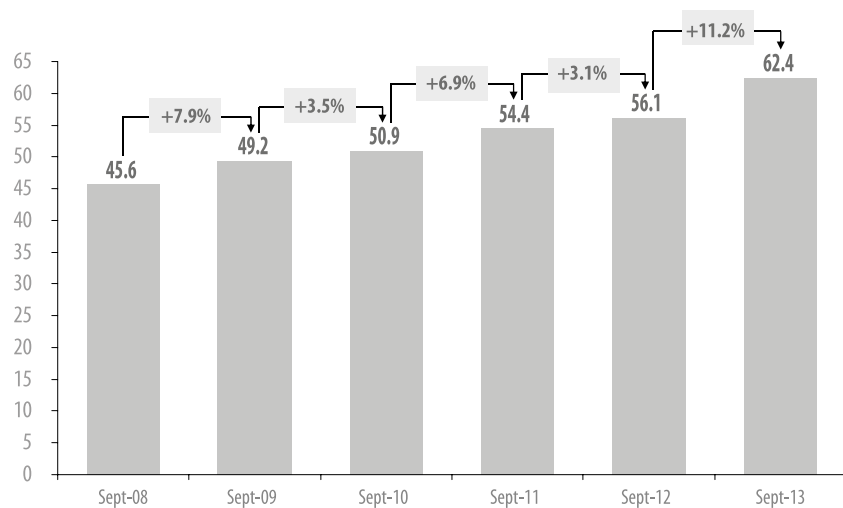


Source: Banque du Liban

■ Debt Servicing ■ Fiscal Balance ■ Primary Balance

EVOLUTION OF GROSS PUBLIC DEBT

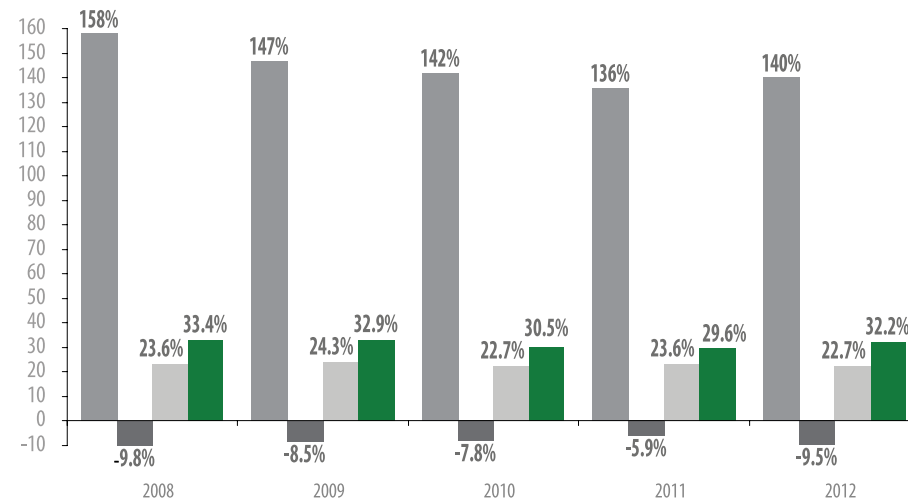
(IN BILLIONS OF USD; 2008-2013)



Source: Banque du Liban

EVOLUTION OF DEBT/GDP, DEFICIT/GDP, REVENUES/GDP AND EXPENDITURES/GDP

(IN PERCENTAGE; 2008-2012)



Source: Ministry of Finance

■ Debt/ GDP ■ Deficit/ GDP ■ Expenditures/ GDP ■ Revenues/ GDP

