



**Summary:**

*In 2012, the bulk of real sector indicators retreated while the few remaining improved a little in respect of 2011, suggesting when other sectors are also analyzed a year of weak economic growth. The trade deficit broadened and the overall balance of payments reported a smaller deficit though still considered substantial. Deposits growth at banks maintained the same pace and loans extension was favorable though less than before. Lending rates were lower.*

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

**The total value of checks cleared** in the domestic and foreign currencies slightly rose to USD 6,007 million from USD 5,963 million one month back (USD 6,461 million in December 2011). Yet, in 2012, checks cleared value o/w 78.9 percent denominated in foreign currencies decreased by 1.5 percent with reference to 2011.

**The total value of returned checks** in the domestic and foreign currencies stood almost unchanged at USD 114 million against USD 115 million in November 2012 (USD 137 million in December 2011). In 2012, returned checks value increased by 3.7 percent when compared to the previous year.

**Collected real estate fees** multiplied to LBP 118.1 billion from LBP 72.0 billion a month earlier and LBP 112.4 billion twelve months back. Collected fees augmented, in 2012 by 3.2 percent with regard to the year 2011.

**Construction permits** progressed to 1,612 thousand square meters from 1,095 thousand square meters one month back (1,705 thousand square meters in December 2011). Construction permits dropped sharply, however, in 2012 by 10.8 percent vis-à-vis the preceding year.

**Cement deliveries** fell to 367 thousand tons against 467 thousand tons in the previous month and 446 thousand tons in December 2011. Cement deliveries contracted by 4.3 percent in 2012 in respect of the year 2011.

**The total number of passengers** arriving to and departing from Beirut International Airport improved to 251,129 and 243,336 to total 494,465 persons respectively. Arrivals and departures in 2012 outstripped those recorded in year 2011 period by 2.9 percent and 8.6 percent consecutively.

**Agricultural exports** advanced to USD 22 million from USD 17 million one month back and USD 16 million in December 2011. In 2012, agriculture exports were

USD 11 million above those reported in the previous year.

**In November 2012,**

**Industrial exports** (excluding gold ingots) slightly increased to USD 244 million from USD 242 million one month back (USD 283 million in November 2011). In the first eleven months of 2012, industrial exports diminished, however, by 11.8 percent when compared to the corresponding first eleven months of 2011.

**Imports of Industrial Equipments** increased to USD 23.4 million from USD 19.1 million one month back and USD 21.3 million in November 2011. Nevertheless, in the first eleven months of 2012, industrial imports shrank by 9.5 percent vis-à-vis the similar past year period.

**Real Sector Indicators**

	Dec-11	Nov-12	Dec-12
Checks cleared (total)			
Number (000)	1,180	1,111	1,126
Value (USD million)	6,461	5,963	6,007
Checks cleared in LBP			
Number (000)	325	303	325
Value (LBP billion)	2,065	1,940	2,016
Checks cleared in FX			
Number (000)	855	808	801
Value (USD million)	5,091	4,676	4,670
Returned checks			
Number (000)	26.8	23.2	22.3
Value (USD million)	137	115	114
Construction permits (000 square meters)	1,705	1,095	1,612
Cement deliveries (000 tons)	446	467	367
Collected property taxes (LBP billion)	112.4	72.0	118.1
Passengers arrivals (000)	248	192	251
Passengers departures (000)	193	219	243
Agricultural exports (USD million)	16	17	22
Industrial exports (USD million)	296	244	n.a.
Imports of industrial machinery (USD million)	24.7	23.4	n.a.

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



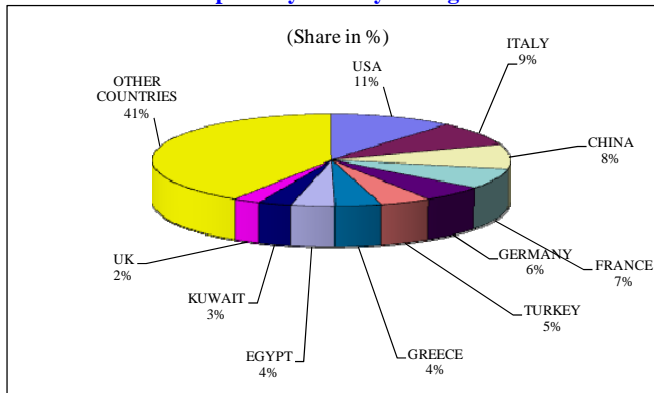
**II- EXTERNAL SECTOR**

**In December 2012,**

**Imports of goods** advanced to USD 1,871 million from USD 1,604 million in the previous month and USD 1,665 million in December 2011. In 2012, imports improved by 5.6 percent in respect of 2011.

Mineral products lead imported goods in 2012 with a 28.4 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 8.2 percent respectively. USA topped the list of imports by country of origin with a 11.2 percent share of total. Italy came next with a share of 8.6 percent followed by China and France with a share of 8.3 percent and 7.2 percent respectively.

**Imports by country of origin**

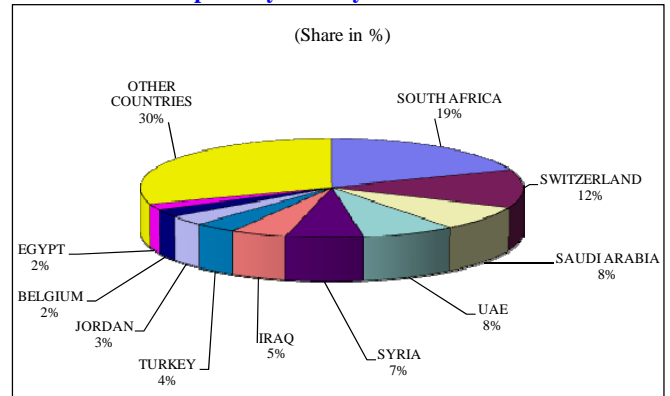


Source: Lebanese Customs

**Exports of goods** rose to USD 381 million from USD 364 million in November 2012 and USD 338 million in December 2011. In 2012, exports progressed by 5.1 percent with reference to the previous year.

On a cumulative basis, Pearls, precious and semi - precious stones were on top of the list with a share of 38.5 percent of total exports, followed by machinery and mechanical appliances (10.7 percent) and base metals and articles of base metals (10.5 percent). South Africa outperformed all others in terms of exports by country of destination with 19.3 percent of the total, trailed by Switzerland with 12.2 percent followed by Saudi Arabia and UAE with a share of 8.0 percent and 7.9 percent respectively.

**Exports by country of destination**



Source: Lebanese Customs

**The trade deficit** widened to USD 1,490 million, from USD 1,240 million a month earlier and USD 1,327 million in December 2011. The trade deficit broadened in 2012 by 5.7 percent with regard to the past year.

**External Sector Indicators**

USD million	Dec-11	Nov-12	Dec-12
Imports	1,665	1,604	1,871
Exports	338	364	381
Trade deficit	-1,327	-1,240	-1,490
Balance of payments	692	180	312
Gross foreign currency reserves	30,815	29,786	29,972

Source: Lebanese Customs, BDL.

**The overall balance of payments** reported another surplus of USD 312 million following the USD 180 million surplus in November 2012 (USD 692 million positive balance in December 2011). Yet, in 2012, a USD 1,537 million deficit accumulated and represented a decrease in net foreign assets of banks and financial institutions (USD -2,118 million) partly offset by an increase in net foreign assets of the central bank (USD +581 million)

**Gross foreign currency reserves** of the Central bank increased to USD 29,972 million from USD 29,786 million in the previous month (USD 30,815 million in December 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** expanded to LBP 228,963 billion (USD 151.9 billion) at the end of December 2012, thus increasing by 1.0 percent in one month and by 8.0 percent from end December 2011 (+9.0 percent growth in 2011).

Total deposits at commercial banks, including resident and non-resident private sector deposits and public sector deposits grew by 8.5 percent in 2012 and constituted 84.0 percent of total assets with an equivalent value of LBP 192,443 billion (around USD 127.7 billion) at the end of the period.

#### Commercial Banks Balance Sheet -Main items

End of period-LBP billion	Dec-11	Nov-12	Dec-12
Total Assets	211,918	226,701	228,963
Total deposits	177,438	189,322	192,443
Resident private sector	142,385	150,650	152,124
Non-resident private sector	32,054	34,960	36,311
Public sector deposits	2,999	3,712	4,008
Capital accounts	16,162	18,267	19,058
Total claims on the private sector	59,358	64,727	65,504
Resident private sector	51,594	56,737	57,052
Non-resident private sector	7,764	7,990	8,452
Total claims on public sector	44,055	46,425	46,930
Bills & Bonds in LBP	24,849	26,456	27,107
Bonds in FC	19,100	19,861	19,720
Claims on non resident banks	22,054	19,429	21,702
Other foreign assets	8,618	9,264	9,293
Deposits at the central bank	71,143	79,845	79,179

Source: BDL.

The breakdown of total deposits shows that private sector deposits denominated in LBP rose by 11.5 percent from end December 2011, while those denominated in foreign currencies increased by 6.2 percent, resulting in a deposit dollarization rate of 64.8 percent at the end of December 2012, down from 65.9 percent at the end of December 2011. The itemization of total deposits reveals also a growth in public sector deposits (+33.6 percent), in non-resident private sector deposits (+13.3 percent) and in resident private sector deposits (+6.8 percent) in 2012.

Subsequently, resident private sector deposits accounted for 79.0 percent of total deposits at end December 2012 (18.9 percent for non-resident private sector and 2.1 percent for public sector deposits).

Total capital reached LBP 19,058 billion (USD 12,642 million) at the end of December 2012 and represented around 8.3 percent of total assets. Total capital increased by 17.9 percent from end December 2011.

Total claims on the resident and non-resident private sector expanded by 10.4 percent in 2012 to reach LBP 65,504 billion at the end of the period. The dollarization rate of these loans was 77.6 percent at the end of December 2012, and the ratio of total loans to total deposits attained 34.8 percent.

Total claims on the public sector amounted to LBP 46,930 billion at the end of December 2012, thus increased by 6.5 percent from end December 2011. Commercial banks held at the end of the stated month USD 13,081 million of Eurobonds (nearly 60.1 percent of the total outstanding portfolio) and LBP 27,107 billion of Lebanese treasury bills (54.6 percent of the total portfolio in circulation).

Deposits at the Central Bank climbed in 2012 by 11.3 percent to total LBP 79,179 billion at the end of the period, while claims on non-resident banks contracted by 1.6 percent to LBP 21,702 billion (USD 14.4 billion) to represent 17.8 percent of private sector deposits in foreign currencies at the end of December 2012.

#### 2. Investment Banks

**Total consolidated assets of investment banks operating in Lebanon** (including medium and long term credit banks) amounted to LBP 6,056 billion (around USD 4.0 billion) at the end of December 2012, thus decreasing by 3.8 percent from end December 2011 (-20.2 percent in 2011).

The 3.8 percent decrease in total assets was associated with a 6.7 percent drop in private sector deposits (resident & non-resident), representing around 54.2 percent of the total balance sheet, and a 11.5 percent drop in other liability items, representing around 22.7 percent of total assets, partly offset by a 14.2 percent increase in capital accounts.



Claims on private sector increased by 3.0 percent in 2012 while claims on the public sector retreated by 4.1 percent to constitute together 48.4 percent of total assets.

"Cash and banks", the largest asset item, decreased by 9.4 percent in 2012 to account for 43.2 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** jumped to 6,388 thousand shares with a traded value of USD 32.4 million in December 2012 compared to 1,824 thousand shares with a traded value of USD 18.0 million in the previous month (9,690 thousand shares with a value of USD 34.3 million in December 2011).

During December 2012, the traded value by economic sectors was as such: 46.2 percent for Banking, 38.6 percent for Development and Reconstruction, 13.4 percent for Trade, 1.6 percent for Beirut Preferred fund and 0.2 percent for Industrial.

#### Capital Markets

	Dec-11	Nov-12	Dec-12
BSE			
Traded shares (ooo)	9,690	1,824	6,388
Traded value (USD million)	34.3	18.0	32.4
Market capitalization (USD million)	10,285	10,006	10,421
Outstanding treasury bills (LBP billion)	48,384	50,483	49,334
Outstanding sovereign Eurobonds (USD million)	17,966	20,610	21,487
Outstanding private sector (banks) securities (USD million)	580	382	582

Source: BDL, BSE

The market capitalization of listed shares increased to USD 10,421 million at the end of December 2012, compared to USD 10,006 million at the end of the previous month and USD 10,285 million at the end of December 2011. Banking had a 75.6 percent weight, whereas Development and Construction 20.5 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**) amounted to LBP 49,334 billion and

USD 21,487 million respectively at the end of December 2012.

**The outstanding value of bank-issued certificates of deposits, Euro-CDs, and subordinated debt** rose to USD 582 million at the end of December 2012. **The outstanding value of the certificates of deposits issued by BDL** in the domestic currency slightly increased to LBP 23,073 billion but that denominated in foreign currencies decreased to USD 8.7 billion (o/w USD 2 billion Euro-CD's).

### IV- MONETARY DEVELOPMENTS

**The stock of money and quasi money (M3)** augmented to LBP 156,797 billion at the end of December 2012, of which 58.5 percent denominated in foreign currencies, thus increasing by 1.1 percent in one month and by 7.0 percent from end December 2011 (+5.5 percent in 2011).

#### Money Supply & Counterparts

LBP billion	Dec-11	Nov-12	Dec-12
M3	146,576	155,112	156,797
Net foreign assets	65,464	64,888	64,437
Net claims on public sector	50,909	54,055	54,596
Valuation Adjustment	-13,285	-15,663	-14,708
Claims on private sector	54,164	59,226	59,690
Other items-net	-10,676	-7,395	-7,219
CPI (2004=100)	139.39	150.20	145.92

Source: BDL, CRI.

The LBP 10,221 billion growth in M3 in 2012 resulted from an increase in each of claims on the private sector (+LBP 5,526 billion), net claims on public sector (+LBP 3,687 billion) and net other items (+LBP 3,457 billion) against a drop in valuation adjustment (-LBP 1,423 billion) and net foreign assets (-LBP 1,026 billion).

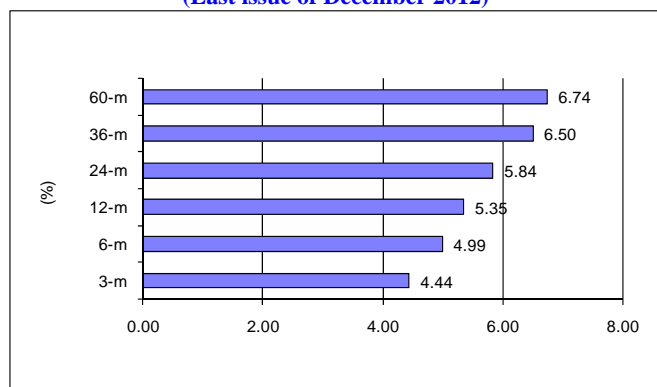
**The Consumer Price Index (CPI) for Beirut and Suburbs**, published by the Consultation and Research Institute, recoiled by 2.85 percent in December 2012 compared to the previous month yet rose by 4.7 percent from December 2011.

**The Consumer Price Index (CPI) for Lebanon**, published by the Central Administration of Statistics, decreased by 0.1 percent in December 2012 but increased by 10.1 percent when compared to December 2011.



The interest rates on LBP monetary instruments were stable at the end of December 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 remained steady in December 2012 and read at the end of the month: 4.43 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.

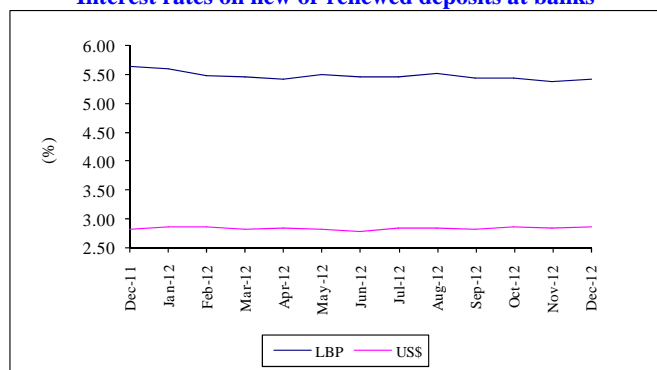
Yield on Lebanese treasury bills denominated in LBP (Last issue of December 2012)



Source: BDL

In December 2012, the average interest rate on new or renewed LBP deposits at commercial banks slightly increased to 5.41 percent (5.38 percent a month ago) while the average interest rate on new or renewed USD deposits was almost steady at 2.86 percent (2.85 percent in November 2012). The average 3-month USD LIBOR stood at 0.31 percent.

Interest rates on new or renewed deposits at banks



In December 2012, the average interest rate on new or renewed denominated loans at commercial banks in LBP and USD retreated respectively to 7.07 percent (7.11 percent one month earlier) and 6.87 percent (7.09 percent in November 2012).

V- PUBLIC FINANCES

Government revenues, made up of budget revenues and treasury receipts amounted to LBP 930 billion in September 2012, to total LBP 10,834 billion in the first three quarters of 2012 (LBP 10,480 billion in the first three quarters of 2011). The LBP 10,834 billion revenues included LBP 10,340 billion budget revenues and LBP 494 billion treasury receipts.

Government expenditures, comprising budget and treasury spending, reached LBP 1,789 billion in September 2012 to sum LBP 13,938 billion in the first nine months of 2012 (LBP 12,584 billion in the first nine months of 2011). The LBP 13,938 billion expenditures encompassed LBP 4,083 billion debt service and LBP 9,855 billion other general expenditures, o/w LBP 2,621 billion related to EDL and LBP 532 billion of budget expenditures for previous years

Fiscal Situation

LBP billion	Sep-11	Aug-12	Sep-12
Government revenues	1,059	885	930
Tax revenues	729	597	638
Non-tax revenues	266	241	248
Treasury receipts	64	47	44
Government expenditures	1,691	1,368	1,789
Debt service	699	266	651
Others	992	1,102	1,138
Overall balance	-632	-483	-859
Primary balance	67	-217	-208

Source: Ministry of Finance.

Total Deficit increased as such to LBP 3,104 billion in the first three quarters of 2012, whereas the primary balance recorded an LBP 979 billion surplus.

Gross public debt amounted to LBP 86,961 billion (the equivalent of USD 57.7 billion) at the end of December 2012, thus grew by 7.5 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 74,045 billion at the end of December 2012, thus rising by 5.9 percent from end December 2011.



**Public Debt**

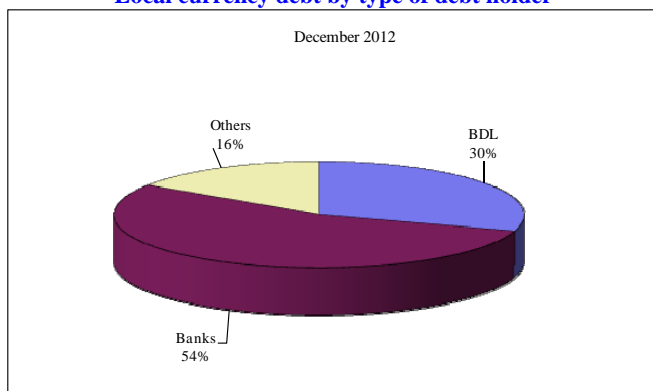
LBP billion	Dec-11	Nov-12	Dec-12
Public Debt (Gross)	80,887	86,761	86,961
Debt in LBP	49,340	51,325	50,198
Debt in FC	31,547	35,436	36,763
Public Debt (Net)	69,903	73,666	74,045
Public sector deposits	10,984	13,095	12,916
Commercial Banks	2,999	3,712	4,008
BDL	7,985	9,383	8,908

Source: BDL.

The shares of the local currency debt and foreign currency debt of the total gross were around 57.7 percent and 42.3 percent respectively at the end of December 2012. The distribution of local currency debt by type of holder was as follows: 54.3 percent for banks (52.0 percent end of November 2012), 30.0 percent for the Central bank (32.2 percent in the previous month) and 15.7 percent for the non-banking sector (15.8 percent one month earlier). The breakdown of the foreign currency debt was as such: Eurobonds (89.2 percent), Multilateral (5.3 percent), Bilateral (4.4 percent), Paris II loans (0.8 percent) and others (0.3 percent).

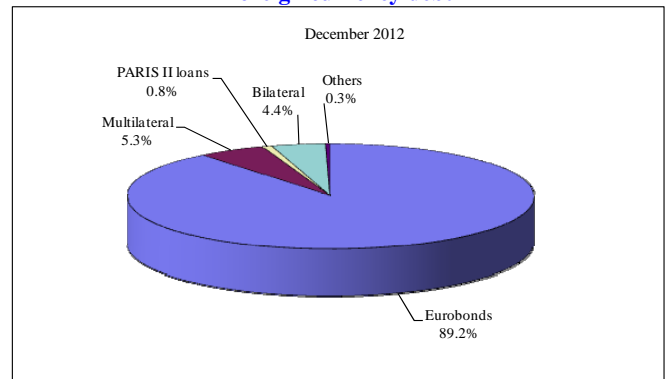
The average maturity of the Government debt securities denominated in the domestic currency is estimated at 1,105 days (3.03 years) as at end December 2012 with a weighted interest of 6.54 percent, while the average maturity of the Government debt instruments denominated in foreign currencies is around 6.06 years with a weighted interest of 6.66 percent.

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



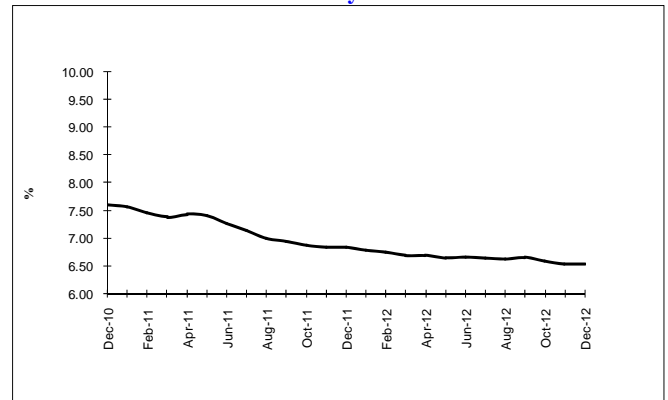
Source: BDL.

**Foreign currency debt**

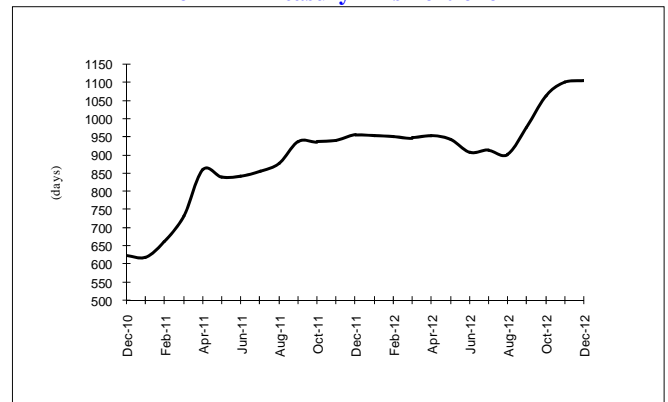


Source: BDL.

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



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



## GENERAL INDICATORS OF ECONOMIC ACTIVITIES

	2010 Jan - Dec	2011 Jan - Dec	2012 Jan - Dec	Dec-11	Nov-12	Dec-12
Imports of Industrial Equipment (000's US\$)	227,154	315,024	n.a.	24,724	23,394	n.a.
Building Permits (000's m2)	17,625	16,465	14,681	1,705	1,095	1,612
Cement Delivery (000s' tons)	5,227	5,550	5,309	446	467	367
Checks Cleared in LBP (billion LBP)	20,377	21,483	22,577	2,065	1,940	2,016
Checks Cleared in FC (million US\$)	53,928	57,845	56,038	5,091	4,676	4,670
Shipped Goods (tons)-Beirut Port	820,753	786,374	849,547	73,001	65,904	71,961
Unloaded Goods (tons)-Beirut Port	5,652,619	5,899,097	6,375,517	511,776	564,792	573,633
Passengers Arrivals (000's)-BIA	2,759	2,815	2,895	248	192	251
Passengers Departures (000's)-BIA	2,752	2,781	3,019	193	219	243
Total exports of goods (million USD)	4,253	4,265	4,483	338	364	381
Total imports of goods (million USD)	17,964	20,158	21,280	1,665	1,604	1,871
Balance of Trade (million USD)	-13,711	-15,893	-16,797	-1,327	-1,240	-1,490
Changes of Net Foreign Assets in the banking system (million USD)	3,325	-1,996	-1,537	692	180	312
Gross Foreign Currency Reserves (End of period-million USD)	28,598	-	-	30,815	29,786	29,972
Consumer Price Index (End of period)	133.68	-	-	139.39	150.20	145.92

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		
	Jan - Dec 2010	Jan - Dec 2011	Jan - Dec 2012	Jan - Dec 2010	Jan - Dec 2011	Jan - Dec 2012
1- Live animals, animal products	866	867	824	17	19	20
2- Vegetable products	716	850	868	154	161	171
3- Fats & edible fats & oils	128	174	195	23	21	31
4- Prepared foodstuffs	1,142	1,291	1,403	324	380	392
5- Mineral products	3,791	4,624	6,035	56	35	132
6- Products of the chemical	1,550	1,725	1,739	310	384	342
7- Plastics & articles thereof	641	704	762	119	134	146
8- Raw hides & skins, leather, furskins	74	81	78	12	14	16
9- Wood & articles of wood	230	236	246	22	15	21
10- Paper & paperboard & articles thereof	425	432	370	237	217	182
11- Textiles & textile articles	703	703	752	108	129	116
12- Footwear, headgear, prepared feathers	134	136	140	22	23	24
13- Articles of stone, plaster, cement	385	400	407	44	37	43
14- Pearls, precious or semi-precious stones	1,159	2,141	1,585	1,109	1492	1724
15- Base metals & articles of base metal	1,271	1,523	1,528	460	525	471
16- Machinery & mechanical appliances	2,169	2,130	2,073	742	519	478
17-Transport equipment	1,936	1,480	1,513	361	37	42
18- Optical instruments & apparatus	299	301	329	22	22	18
19- Arms & ammunition	25	28	20	1	1	0
20- Miscellaneous manufactured articles	305	309	378	103	95	106
21- Works of art	15	23	35	8	4	5
<b>Total</b>	<b>17,964</b>	<b>20,158</b>	<b>21,280</b>	<b>4,253</b>	<b>4,265</b>	<b>4,483</b>

Source: Lebanese Customs.

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

	Jan - Dec 2011	Share %	Jan - Dec 2012	Share %
USA	1,990	9.9	2,376	11.2
ITALY	1,868	9.3	1,830	8.6
CHINA	1,624	8.1	1,772	8.3
FRANCE	1,510	7.5	1,541	7.2
GERMANY	1,140	5.7	1,202	5.6
TURKEY	840	4.2	966	4.5
GREECE	303	1.5	891	4.2
EGYPT	942	4.7	841	4.0
KUWAIT	303	1.5	630	3.0
UK	521	2.6	519	2.4
OTHER COUNTRIES	9,117	45.2	8,712	40.9
<b>TOTAL IMPORTS</b>	<b>20,158</b>	<b>100.0</b>	<b>21,280</b>	<b>100.0</b>

Source: Lebanese Customs.

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

	Jan - Dec 2011	Share %	Jan - Dec 2012	Share %
SOUTH AFRICA	673	15.8	864	19.3
SWITZERLAND	515	12.1	547	12.2
SAUDI ARABIA	308	7.2	359	8.0
UAE	322	7.5	352	7.9
SYRIA	215	5.0	294	6.6
IRAQ	198	4.6	211	4.7
TURKEY	276	6.5	157	3.5
JORDAN	127	3.0	142	3.2
BELGIUM	130	3.0	112	2.5
EGYPT	68	1.6	88	2.0
OTHER COUNTRIES	1,433	33.6	1,357	30.3
<b>TOTAL EXPORTS</b>	<b>4,265</b>	<b>100.0</b>	<b>4,483</b>	<b>100.0</b>

Source: Lebanese Customs.



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

	2010 Dec	2011 Dec	Oct	2012 Nov	Dec
<b>ASSETS</b>					
Reserves	61,154	71,535	79,377	80,326	79,604
-Cash	375	392	479	481	425
-Deposits at the Central Bank	60,778	71,143	78,899	79,845	79,179
Claims on the Private Sector	45,702	51,594	56,348	56,737	57,052
-Claims denominated in Lebanese Pound	10,382	12,820	14,540	14,555	14,653
-Claims denominated in Foreign Currencies	35,320	38,774	41,808	42,181	42,399
Claims on the Public Sector	44,192	44,055	45,664	46,425	46,930
o/w -Treasury Bills in Lebanese Pound	26,489	24,849	26,385	26,456	27,107
-Treasury Bills in Foreign Currencies	17,626	19,100	19,164	19,861	19,720
Foreign Assets	38,784	38,436	37,261	36,682	39,447
-Claims on Non-Resident Private Sector	6,954	7,764	8,110	7,990	8,452
-Claims on Non-Resident Banks	23,885	22,054	20,042	19,429	21,702
-Other Foreign Assets	7,945	8,618	9,109	9,264	9,293
Fixed Assets	4,188	5,131	5,195	5,203	5,566
Unclassified Assets	335	1,166	1,337	1,327	363
<b>TOTAL ASSETS</b>	<b>194,355</b>	<b>211,918</b>	<b>225,183</b>	<b>226,701</b>	<b>228,963</b>
<b>LIABILITIES</b>					
Liabilities to the Private Sector	133,743	142,385	149,913	150,650	152,124
-Demand Deposits in Lebanese Pound	2,951	3,201	3,591	3,787	3,808
-Other Deposits in Lebanese Pound	52,086	52,188	56,601	57,050	57,491
-Deposits in Foreign Currencies	78,707	86,997	89,720	89,814	90,825
Liabilities to the Public Sector	2,107	2,999	3,632	3,712	4,008
Deposits of Non-Residents	27,866	32,054	34,902	34,960	36,311
-Denominated in Lebanese Pound	4,374	4,057	5,011	4,900	4,997
-Denominated in Foreign Currencies	23,493	27,997	29,891	30,060	31,314
Liabilities to Non-Resident Banks	6,785	8,764	9,229	9,367	8,897
Bonds	412	661	665	404	396
Capital Base	13,901	16,162	17,915	18,267	19,058
-Core Capital	13,066	15,327	17,198	17,550	17,895
-Supplementary Capital	835	834	717	717	1,163
Unclassified Liabilities	9,540	8,893	8,927	9,341	8,169
<b>TOTAL LIABILITIES</b>	<b>194,355</b>	<b>211,918</b>	<b>225,183</b>	<b>226,701</b>	<b>228,963</b>

Source: BDL.



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

	2010	2011	2012		
	Dec	Dec	Oct	Nov	Dec
<b><u>Money Supply</u></b>					
Currency in circulation	2,713	2,891	3,074	2,961	3,213
+ Demand Deposits in LBP	3,015	3,247	3,638	3,848	3,890
= M1	<b>5,728</b>	<b>6,138</b>	<b>6,712</b>	<b>6,808</b>	<b>7,104</b>
+ Other Deposits in LBP	53,674	52,505	57,072	57,523	57,973
= M2	<b>59,402</b>	<b>58,643</b>	<b>63,785</b>	<b>64,331</b>	<b>65,077</b>
+ Deposits in Foreign Currencies	79,293	87,640	90,295	90,456	91,402
+ Bonds	215	293	322	325	318
= M3	<b>138,910</b>	<b>146,576</b>	<b>154,401</b>	<b>155,112</b>	<b>156,797</b>
+ Treasury Bills Held by the Public	7,911	7,789	8,125	8,134	7,882
= M4	<b>146,821</b>	<b>154,365</b>	<b>162,526</b>	<b>163,246</b>	<b>164,679</b>
<b><u>Counterparts of the Money Supply</u></b>					
Net Foreign Assets	<b>66,536</b>	<b>65,464</b>	<b>64,450</b>	<b>64,888</b>	<b>64,437</b>
o/w Gold	19,613	21,709	23,910	24,025	23,083
Net Claims on the Public Sector	<b>48,878</b>	<b>50,909</b>	<b>54,091</b>	<b>54,055</b>	<b>54,596</b>
Valuation Adjustment	<b>-11,170</b>	<b>-13,285</b>	<b>-15,545</b>	<b>-15,663</b>	<b>-14,708</b>
Claims on the Private Sector	<b>47,829</b>	<b>54,164</b>	<b>58,724</b>	<b>59,226</b>	<b>59,690</b>
Claims in LBP	10,731	13,202	14,943	14,960	15,055
Claims in FC	37,098	40,962	43,780	44,267	44,636
Other Items (Net)	<b>-13,163</b>	<b>-10,676</b>	<b>-7,320</b>	<b>-7,395</b>	<b>-7,219</b>
<b>TOTAL</b>	<b>138,910</b>	<b>146,576</b>	<b>154,401</b>	<b>155,112</b>	<b>156,797</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	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>	Dec	80,887	16,374	25,177	7,789	49,340	2,097	1,511	351	27,588	31,547
<b>2012</b>	Jan	80,958	16,507	25,026	7,846	49,379	2,120	1,551	357	27,551	31,579
	Feb	81,387	17,016	24,848	7,798	49,662	2,124	1,577	324	27,700	31,725
	Mar	81,585	18,006	24,618	7,867	50,491	2,111	1,584	322	27,077	31,094
	Apr	83,006	18,555	24,272	8,027	50,854	2,095	1,560	318	28,179	32,152
	May	83,135	18,479	24,736	7,978	51,193	2,043	1,531	300	28,068	31,942
	Jun	83,362	15,569	24,840	8,099	48,508	2,065	1,539	303	30,947	34,854
	Jul	83,641	15,449	25,294	8,169	48,912	2,038	1,532	295	30,864	34,729
	Aug	83,989	15,470	25,429	8,228	49,127	2,013	1,561	265	31,023	34,862
	Sep	84,570	16,079	25,933	8,083	50,095	2,004	1,635	273	30,563	34,475
	Oct	85,383	16,250	26,614	8,125	50,989	1,987	1,605	274	30,528	34,394
	Nov	86,761	16,523	26,668	8,134	51,325	1,967	1,603	274	31,592	35,436
	Dec	86,961	15,049	27,267	7,882	50,198	1,600	1,969	279	32,915	36,763

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>	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
	Sep	49,207	2,909	1,837	974	6.65
	Oct	50,149	3,169	2,227	1,064	6.58
	Nov	50,483	1,937	1,603	1,100	6.54
	Dec	49,334	1,421	2,570	1,105	6.54

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	96-m
2010	Dec	7.91	6.74	5.68	2.80	2.75	0.30	3.89	4.42	4.59	5.27	5.85	6.09	7.75
2011	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	
2012	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	
	Sep	7.30	7.16	5.43	2.83	2.75	0.39	4.39	4.87	5.08	5.76	6.40	6.63	
	Oct	7.31	7.15	5.43	2.87	3.03	0.33	4.39	4.87	5.08	5.76	6.40	6.63	8.08
	Nov	7.11	7.09	5.38	2.85	2.75	0.31	4.38	4.87	5.08	5.76	6.40	6.63	7.36
	Dec	7.07	6.87	5.41	2.86	2.76	0.31	4.38	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.

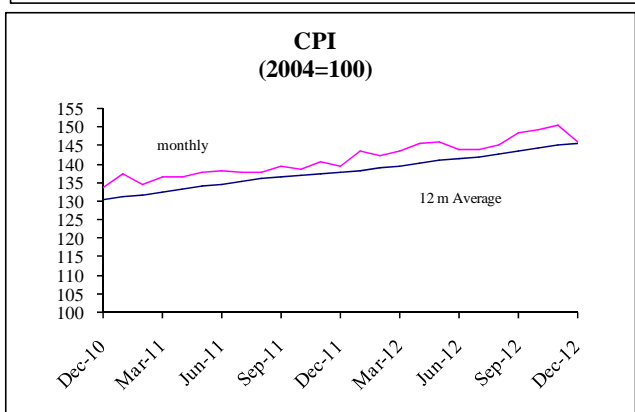
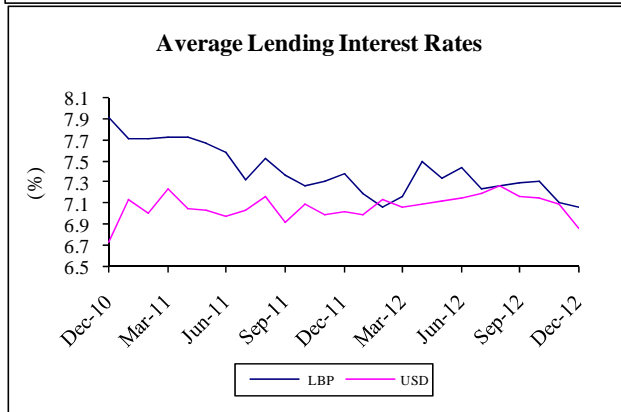
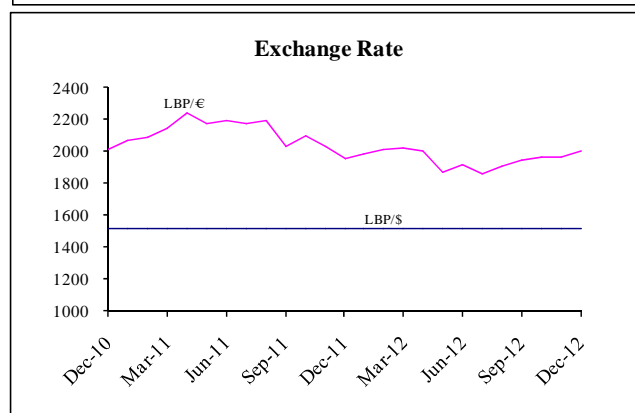
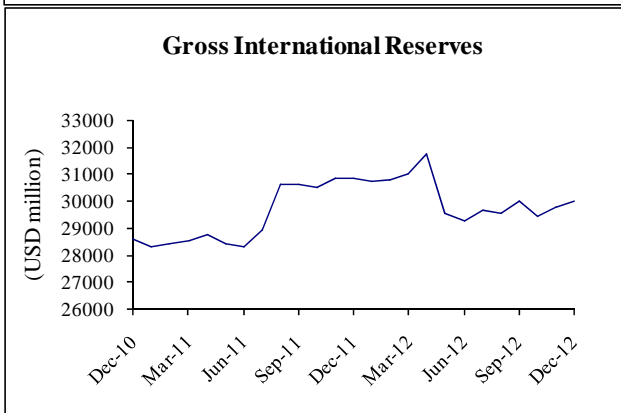
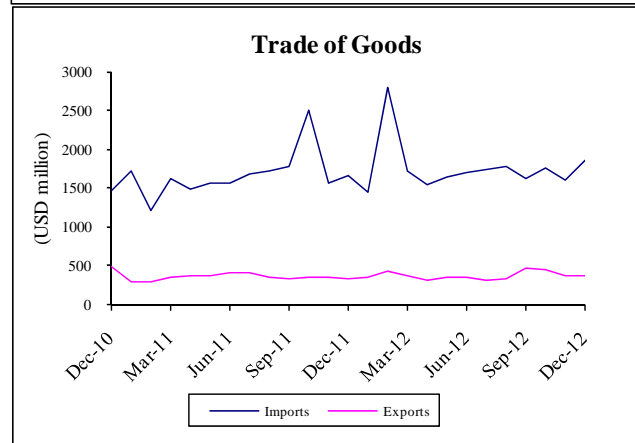
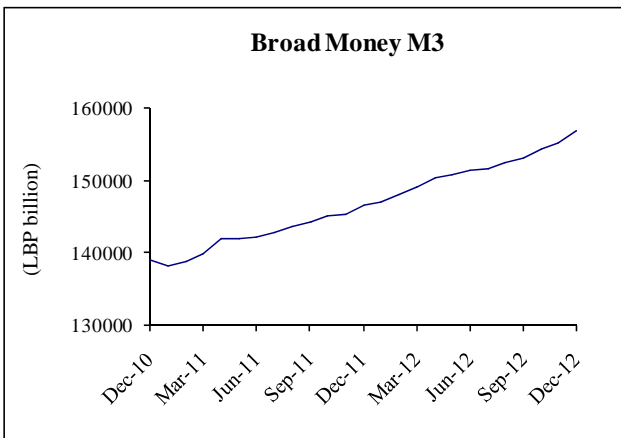
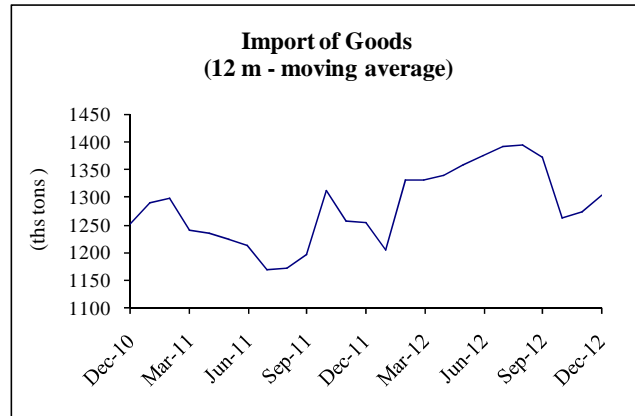
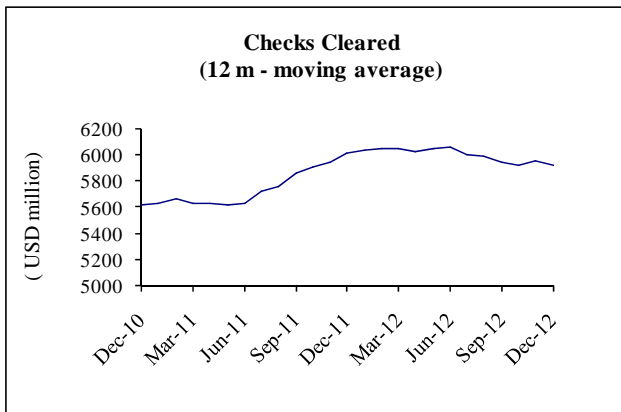
END OF PERIOD EXCHANGE RATES  
(LBP per other currencies)

Year and Month	US Dollar	Swiss Franc	British Pound	Japanese Yen	Euro	
2010	Dec	1,507.50	1,611.50	2,323.75	18.50	2,002.75
2011	Dec	1,507.50	1,607.15	2,341.25	19.59	1,950.75
2012	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
	Sep	1,507.50	1,602.85	2,434.60	19.31	1,937.15
	Oct	1,507.50	1,618.25	2,432.55	18.88	1,953.75
	Nov	1,507.50	1,627.00	2,415.00	18.28	1,960.75
	Dec	1,507.50	1,651.25	2,436.85	17.52	1,993.00

Source: BDL.



Indicative Charts



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