



Summary:

In 2014, real and external sector indicators exhibited on average weak performance in respect of 2013, implying another year of slow economic growth. Though the negative trade balance narrowed a little, the overall balance of payments reported a relatively large deficit. Deposit and loan growth rates at banks decelerated when compared to the previous year and the interest rates were almost steady. The fiscal situation improved and the public debt grew at a slower pace than before.

In this issue:

<i>Real sector</i>	<i>p2</i>
<i>External sector</i>	<i>p3</i>
<i>Financial sector</i>	<i>p4</i>
<i>Monetary developments</i>	<i>p5</i>
<i>Public finances</i>	<i>p6</i>
<i>Statistical appendix</i>	<i>p8</i>

Tables:

<i>General indicators of economic activities</i>	<i>p8</i>
<i>Total imports & exports by product</i>	<i>p9</i>
<i>Imports by origin</i>	<i>p9</i>
<i>Exports by destination</i>	<i>p9</i>
<i>Consolidated balance sheet of banks</i>	<i>p10</i>
<i>Money supply and Counterparts</i>	<i>p11</i>
<i>Outstanding public debt</i>	<i>p12</i>
<i>Treasury bills portfolio</i>	<i>p12</i>
<i>Interest rates</i>	<i>p13</i>
<i>Exchange rates</i>	<i>p13</i>

Charts:

<i>Indicative charts</i>	<i>p14</i>
--------------------------	------------

I- REAL SECTOR**In December 2014,**

The total value of checks cleared in the domestic and foreign currencies increased to USD 6,291 million from USD 5,782 million one month back but was almost equal to the USD 6,290 million in December 2013. Cleared checks o/w 75.6 percent denominated in FC rose in the year 2014 by 2.9 percent when compared to the year 2013.

The total value of returned checks in the domestic and foreign currencies augmented to USD 165 million from USD 157 million a month earlier and USD 127 million in December 2013. Returned checks increased in 2014 by 3.9 percent with reference to the past year.

Collected real estate fees expanded to LBP 103.3 billion against LBP 70.6 billion in the previous month (LBP 111.3 billion in December 2013). Collected fees improved by only 0.9 percent in 2014 with regard to the year 2013.

Construction permits advanced to 986 thousand square meters compared to 904 thousand square meters in the preceding month (1,198 thousand square meters in December 2013). In 2014, construction permits multiplied by 4.8 percent in respect of the preceding year.

Cement deliveries progressed to 445 thousand tons from 380 thousand tons in the previous month and 376 thousand tons in December 2013. Cement deliveries retreated, however, by 5.4 percent in 2014 in comparison with the year 2013.

The total number of passengers arriving to and departing from Beirut International Airport went up to 299,509 and 272,387 respectively to total 571,896 persons. In 2014, arrivals and departures surpassed those recorded in 2013 by 6.4 percent and 3.5 percent consecutively.

Agricultural exports stood almost unchanged at USD 23 million to lag in the year 2014 behind those reported in the previous year by USD 8 million (-3.3 percent).

Industrial exports (excluding gold ingots) swelled to USD 260 million from USD 233 million in the previous month and USD 242 million in December 2013. Yet, industrial exports contracted in 2014 by 6.9 percent with regard to the preceding year.

Imports of Industrial Equipments increased to USD 20.7 million from USD 18.3 million one month back and USD 20.3 million in December 2013. Yet, in the 2014, industrial equipments imports declined by 10.4 percent in comparison with 2013.

Real Sector Indicators

	Dec-13	Nov-14	Dec-14
Checks cleared (total)			
Number (000)	1,121	1,029	1,131
Value (USD million)	6,290	5,782	6,291
Checks cleared in LBP			
Number (000)	343	321	365
Value (LBP billion)	2,354	2,133	2,410
Checks cleared in FX			
Number (000)	778	708	766
Value (USD million)	4,728	4,367	4,692
Returned checks			
Number (000)	22.4	21.2	23.3
Value (USD million)	127	157	165
Construction permits (000 square meters)	1,198	904	986
Cement deliveries (000 tons)	376	380	445
Collected property taxes (LBP billion)	111.3	70.6	103.3
Passengers arrivals (000)	269	203	300
Passengers departures (000)	240	223	272
Agricultural exports (USD million)	15	22	23
Industrial exports (USD million)	242	233	260
Imports of industrial machinery (USD million)	20.3	18.3	20.7

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



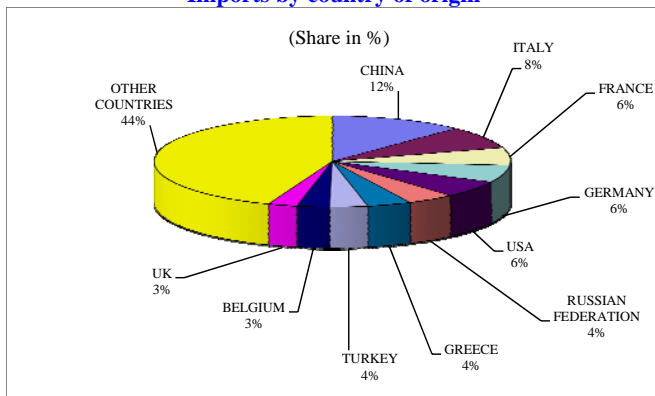
II- EXTERNAL SECTOR

In December 2014,

Imports of goods rose to USD 1,649 million from USD 1,393 million in the previous month (USD 1,797 million in December 2013). Nonetheless, imports shrank in the year 2014 by 3.5 percent with reference to the year 2013.

In 2014, mineral products lead imported goods with a 23.8 percent share of total imports. They were followed by machinery and mechanical appliances and products of the chemical which accounted for 10.7 percent and 9.8 percent respectively. China topped the list of imports by country of origin with a 12.1 percent share of total. Italy came next with a share of 8.0 percent followed by France and Germany with a share of 6.2 percent and 6.1 percent respectively.

Imports by country of origin

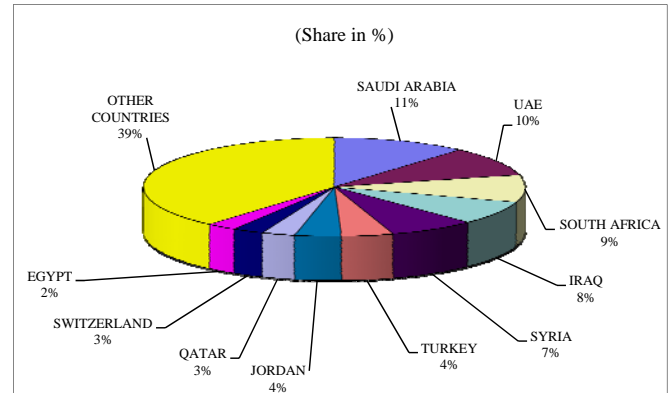


Source: Lebanese Customs

Exports of goods increased to USD 268 million from USD 253 million one month back and USD 243 million in December 2013. In the 2014, exports plummeted, however, by 15.8 percent in respect of the previous year.

On a cumulative basis, Pearls, precious and semi - precious stones were on top of the list with a share of 16.4 percent of total exports, followed by prepared foodstuffs (15.5 percent), and machinery and mechanical appliances (13.4 percent). Saudi Arabia outperformed all others in terms of exports by country of destination with 11.4 percent of the total, trailed by UAE (9.7 percent) followed by South Africa (9.0 percent) and Iraq (7.7 percent).

Exports by country of destination



Source: Lebanese Customs

The trade deficit broadened to USD 1,381 million from USD 1,140 million a month earlier (USD 1,554 million in December 2013). In 2014, however, the trade deficit narrowed by 0.6 percent vis-à-vis the previous year.

External Sector Indicators

USD million	Dec-13	Nov-14	Dec-14
Imports	1,797	1,393	1,649
Exports	243	253	268
Trade deficit	-1,554	-1,140	-1,381
Balance of payments	534	-424	-116
Gross foreign currency reserves	31,713	33,871	32,403

Source: Lebanese Customs, BDL.

The overall balance of payments reported a deficit of USD 116 million following a relatively large deficit of USD 424 million in November 2014 (USD 534 million surplus in December 2013). Consequently, a USD 1,408 million negative balance accumulated in 2014 and represented a decrease in net foreign assets of banks and financial institutions (USD -5,223 million) partly offset by an increase in net foreign assets of the central bank (USD +3,815 million).

Gross foreign currency reserves of the Central bank decreased to USD 32,403 million from USD 33,871 million in the previous month (USD 31,713 million at end December 2013). The U.S. dollar average rate remained stable at LBP 1,507.5 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 264,863 billion (USD 175.7 billion) at the end of December 2014, thus increasing by 6.6 percent from end December 2013 (8.5 percent growth in 2013).

Total deposits at commercial banks, including resident and non-resident private sector deposits and public sector deposits rose by 6.1 percent in 2014 and constituted 84.0 percent of total assets with an equivalent value of LBP 222,563 billion (around USD 147.6 billion) at the end of the period.

Commercial Banks Balance Sheet -Main items

End of period-LBP billion	Dec-13	Nov-14	Dec-14
Total Assets	248,468	259,606	264,863
Total deposits	209,792	219,890	222,563
Resident private sector	162,396	170,444	172,041
Non-resident private sector	42,934	44,737	45,680
Public sector deposits	4,463	4,708	4,842
Capital accounts	21,410	23,342	23,719
Total claims on the private sector	71,427	76,145	76,730
Resident private sector	62,565	67,941	68,391
Non-resident private sector	8,862	8,204	8,339
Total claims on public sector	56,786	56,216	56,308
Bills & Bonds in LBP	30,114	31,486	31,564
Bonds in FC	26,544	24,575	24,588
Claims on non resident banks	21,041	15,957	18,342
Other foreign assets	10,235	9,947	9,789
Deposits at the central bank	81,957	93,743	95,707

Source: BDL.

The breakdown of total deposits shows that private sector deposits denominated in LBP increased by 7.4 percent from end December 2013, and those denominated in foreign currencies rose by 5.4 percent, thus deposit dollarization rate slightly decreased to 65.7 percent at the end of December 2014 from 66.1 percent at end December 2013. The itemization of total deposits reveals also a growth in public sector deposits (+8.5 percent), in non-resident private sector deposits (+6.4 percent) and in resident private sector deposits (+5.9 percent) in 2014.

Subsequently, resident private sector deposits accounted for 77.3 percent of total deposits at end December 2014 (20.5 percent for non-resident private sector and 2.2 percent for public sector deposits).

Total capital accounts amounted to LBP 23,719 billion (USD 15,734 million) at the end of December 2014 and represented around 9.0 percent of total assets. Capital accounts grew by nearly 10.8 percent in 2014 (12.3 percent increase in 2013).

Total claims on the resident and non-resident private sector expanded by 7.4 percent in 2014, reaching LBP 76,730 billion at the end of December 2014. The dollarization rate of these loans was 75.6 percent at the end of the stated month, and the ratio of total loans to total deposits attained 35.2 percent.

Total claims on the public sector were equivalent to LBP 56,308 billion at the end of December 2014, thus decreasing by 0.8 percent from the beginning of the year. Commercial banks held at the end of the stated month LBP 31,564 billion of Lebanese treasury bills (51.6 percent of the total portfolio in circulation) and USD 16,311 million of Eurobonds (nearly 70.6 percent of the total outstanding portfolio).

Deposits at the Central Bank climbed in 2014 by 16.8 percent to total LBP 95,707 billion at the end of December 2014, while claims on non-resident banks decreased by 12.8 percent to LBP 18,342 billion (USD 12.2 billion) to represent 12.8 percent of private sector deposits in foreign currencies.

2. Investment Banks

Total consolidated assets of investment banks operating in Lebanon (including medium and long term credit banks) amounted to LBP 6,202 billion (around USD 4.1 billion) at the end of December 2014, thus increasing by 3.2 percent from end December 2013 (0.8 percent decrease in 2013).

In 2014, private sector deposits (resident & non-resident) rose by 2.9 percent and capital accounts increased by 13.8 percent.

On the asset side, claims on private sector went up by 14.7 percent in 2014 and claims on the public sector by 11.0 percent while “cash and banks” decreased by 1.9 percent.



3. Financial Markets

The total number of shares traded on the Beirut Stock Exchange jumped to 10,833 thousand shares with a traded value of USD 69.5 million in December 2014 compared to 3,438 thousand shares with a traded value of USD 25.1 million in the previous month and 3,187 thousand shares with a value of USD 30.1 million in December 2013.

During December 2014, the traded value by economic sectors was as such: 86.3 percent for Banking, 13.5 percent for Development and Reconstruction and 0.1 percent for each of Trading and Industrial.

Capital Markets			
	Dec-13	Nov-14	Dec-14
BSE			
Traded shares (ooo)	3,187	3,438	10,833
Traded value (USD million)	30.1	25.1	69.5
Market capitalization (USD million)	10,545	11,292	11,222
Outstanding treasury bills (LBP billion)	55,385	60,537	60,644
Outstanding sovereign Eurobonds (USD million)	23,276	22,981	22,836
Outstanding private sector (banks) securities (USD million)	898	879	879

Source: BDL, BSE

The market capitalization of listed shares decreased a little, however, to USD 11,222 million at the end of December 2014, from USD 11,292 million at the end of the previous month (USD 10,545 million at the end of December 2013). Banking had a 80.1 percent weight, whereas Development and Construction 16.7 percent.

The face value of the outstanding treasury bills portfolio denominated in the domestic currency and the value of the outstanding sovereign bonds portfolio denominated in foreign currencies (Eurobonds) amounted to LBP 60,644 billion and USD 22,836 million respectively at the end of December 2014.

The outstanding value of bank-issued certificates of deposits, Euro-CDs, and subordinated debt stood at USD 879 million at the end of December 2014. The outstanding value of the certificates of deposits

issued by BDL in the domestic currency increased to LBP 29,675 billion and the value of those issued in foreign currencies stood at USD 7.8 billion (o/w USD 1.2 billion Euro-CD's).

IV- MONETARY DEVELOPMENTS

The stock of money and quasi money (M3) reached LBP 177,397 billion at the end of December 2014, of which 58.6 percent denominated in foreign currencies, thus increased by 5.9 percent in 2014 (+6.9 percent growth in 2013).

Money Supply & Counterparts				
	LBP billion	Dec-13	Nov-14	Dec-14
M3		167,571	175,573	177,397
Net foreign assets		56,555	53,961	53,661
Net claims on public sector		59,568	62,016	63,226
Valuation Adjustment		-8,426	-7,625	-8,146
Claims on private sector		65,949	70,799	71,217
Other items-net		-6,076	-3,578	-2,561
CPI (2004=100)		148.91	151.16	146.44

Source: BDL, CRI.

The LBP 9,826 billion growth in M3 in 2014 resulted from an increase in each of claims on the private sector (+LBP 5,268 billion), net claims on public sector (+LBP 3,658 billion), net other items (+LBP 3,514 billion) and valuation adjustment (+LBP 280 billion) against a drop in net foreign assets (-LBP 2,894 billion).

The Consumer Price Index (CPI) for Beirut and Suburbs, published by the Consultation and Research Institute, decreased by 3.12 percent in December 2014 compared to the previous month and by 1.7 percent from December 2013.

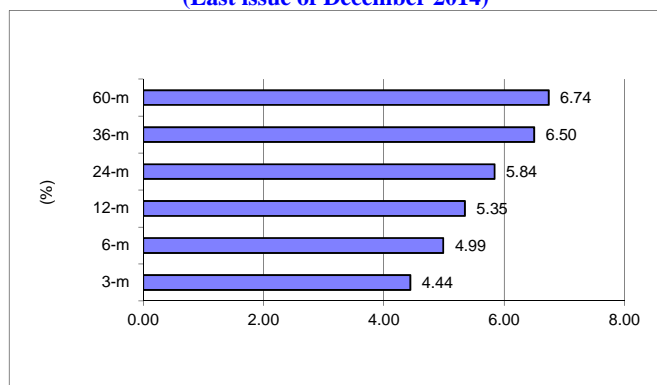
The Consumer Price Index (CPI) for Lebanon, published by the Central Administration of Statistics, decreased by 1.2 percent in one month and by 0.7 percent from December 2013.

The interest rates on LBP monetary instruments were stable at the end of December 2014 on 45 and 60-day certificates of deposits issued by BDL reading 3.57 percent and 3.85 percent respectively. The yields on the issued Lebanese Treasury bills also remained



steady and read at the end of the stated 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, 6.74 percent for five-year bills.

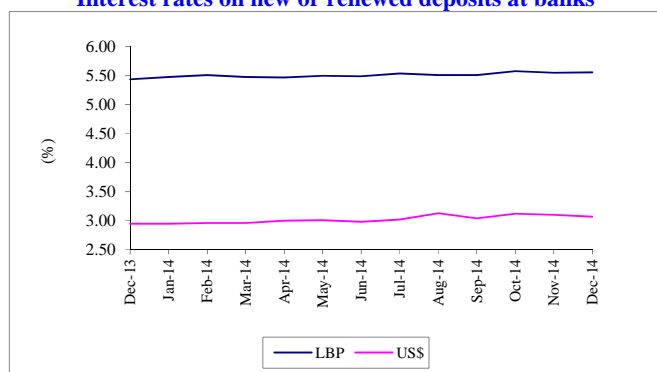
Yield on Lebanese treasury bills denominated in LBP (Last issue of December 2014)



Source: BDL

In December 2014, the average interest rate on new or renewed LBP deposits at commercial banks was almost steady at 5.56 percent (5.55 percent a month ago) and the average interest rate on new or renewed USD deposits retreated a little to 3.07 percent (3.10 percent in November 2014). The average 3-month USD LIBOR was 0.24 percent.

Interest rates on new or renewed deposits at banks



In December 2014, the average interest rate on new or renewed denominated loans at commercial banks in LBP increased to 7.49 percent (6.96 percent one month earlier) while the average interest rate on new or renewed denominated loans in USD slightly decreased to 6.97 percent (7.01 percent a month ago).

V- PUBLIC FINANCES

Government revenues, including budget revenues and treasury receipts reached LBP 1,387 billion in October 2014, to sum LBP 13,311 billion in the first ten months of 2014 (LBP 11,941 billion in the first ten months of 2013). The LBP 13,311 billion revenues comprised LBP 11,852 billion budget revenues and LBP 1,459 billion treasury receipts.

Government expenditures, consisting of budget and treasury spending, amounted to LBP 1,713 billion in October 2014 to total LBP 16,986 billion in the first ten months of 2014 (LBP 17,245 billion in the first ten months of 2013). The LBP 16,986 billion expenditures included LBP 5,372 billion debt service and LBP 11,614 billion other general expenditures o/w LBP 2,456 billion related to EDL and LBP 862 billion to budget expenditures for previous years.

Fiscal Situation

	LBP billion	Oct-13	Sep-14	Oct-14
Government revenues		1,348	1,007	1,387
Tax revenues		1,048	671	1,070
Non-tax revenues		245	269	262
Treasury receipts		55	67	55
Government expenditures		1,693	1,858	1,713
Debt service		696	723	716
Others		997	1,135	997
Overall balance		-345	-851	-326
Primary balance		351	-128	390

Source: Ministry of Finance.

Total Deficit decreased as such to LBP 3,675 billion in the first ten months of 2014 (LBP 5,304 billion deficit in the corresponding period of 2013), and the primary balance significantly improved to register a LBP 1,697 billion surplus compared to LBP 472 billion deficit in the alike time frame.

Gross public debt amounted to LBP 100,345 billion (the equivalent of USD 66.6 billion) at the end of December 2014, thus increasing by 4.8 percent when compared to end December 2013 (10.1 percent growth in 2013).

Net public debt, which subtracts public sector deposits at commercial banks and the central bank from gross



public debt, amounted to LBP 86,380 billion at the end of December 2014, thus rising by 7.7 percent from end December 2013.

Public Debt

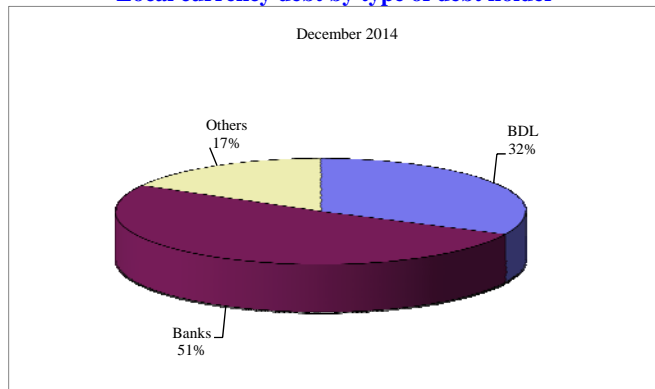
LBP billion	Dec-13	Nov-14	Dec-14
Public Debt (Gross)	95,710	100,453	100,345
Debt in LBP	56,312	61,613	61,752
Debt in FC	39,398	38,840	38,593
Public Debt (Net)	80,215	85,492	86,380
Public sector deposits	15,495	14,961	13,965
Commercial Banks	4,463	4,708	4,842
BDL	11,032	10,253	9,123

Source: BDL.

The shares of the local currency debt and foreign currency debt of the total gross were around 61.5 percent and 38.5 percent respectively at the end of December 2014. The distribution of local currency debt by type of holder was as follows: 51.0 percent for banks (51.0 percent end of November 2014), 32.2 percent for the Central bank (32.0 percent in the previous month) and 16.9 percent for the non-banking sector (17.0 percent one month earlier). The breakdown of the foreign currency debt was as such: Eurobonds (90.3 percent), Multilateral (4.2 percent), Bilateral (4.8 percent), Paris II loans (0.3 percent) and others (0.4 percent).

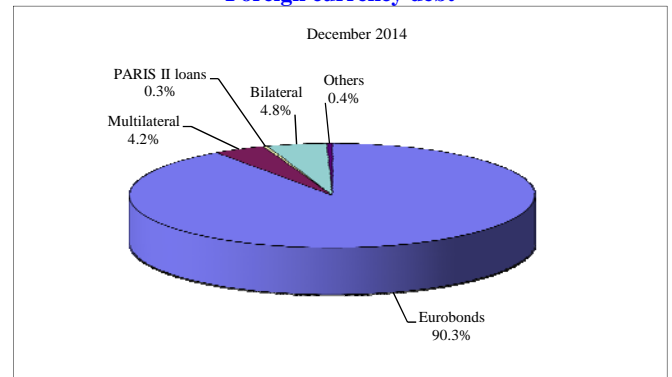
The average maturity of the Government debt securities denominated in the domestic currency is estimated at 1,193 days (3.27 years) as at end December 2014 with a weighted interest of 6.89 percent, while the average maturity of the Government debt instruments denominated in foreign currencies is around 5.35 years with a weighted interest of 6.40 percent.

Local currency debt by type of debt holder



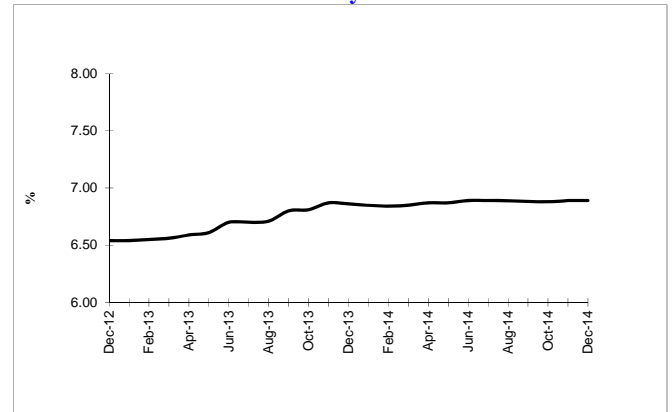
Source: BDL.

Foreign currency debt

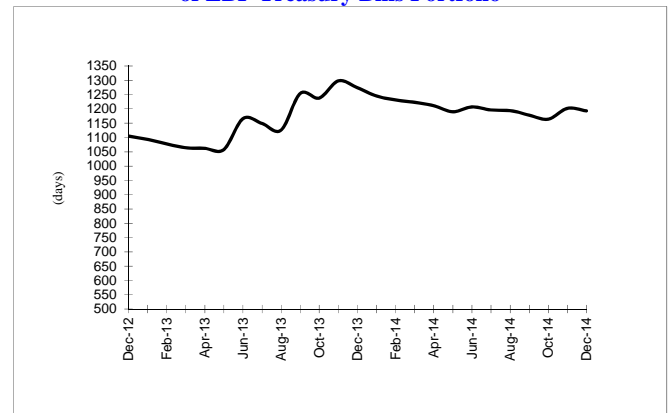


Source: BDL.

Weighted Average Interest Rate on LBP Treasury Bills Portfolio



Weighted Average Life of LBP Treasury Bills Portfolio



GENERAL INDICATORS OF ECONOMIC ACTIVITIES

	2012 Jan - Dec	2013 Jan - Dec	2014 Jan - Dec	Dec-13	Nov-14	Dec-14
Imports of Industrial Equipment (000's US\$)	288,122	300,277	269,061	20,324	18,264	20,698
Building Permits (000's m2)	14,681	12,999	13,546	1,198	904	986
Cement Delivery (000s' tons)	5,309	5,581	5,517	376	380	445
Checks Cleared in LBP (billion LBP)	22,577	25,767	27,351	2,354	2,133	2,410
Checks Cleared in FC (million US\$)	56,038	55,351	56,348	4,728	4,367	4,692
Shipped Goods (tons)-Beirut Port	849,547	1,024,353	981,129	67,722	72,425	86,097
Unloaded Goods (tons)-Beirut Port	6,375,517	7,372,031	7,299,980	699,035	530,207	671,554
Passengers Arrivals (000's)-BIA	2,896	3,037	3,223	269	203	300
Passengers Departures (000's)-BIA	3,019	3,198	3,333	240	223	272
Total exports of goods (million USD)	4,483	3,936	3,313	243	253	268
Total imports of goods (million USD)	21,280	21,228	20,494	1,797	1,393	1,649
Balance of Trade (million USD)	-16,797	-17,292	-17,181	-1,554	-1,140	-1,381
Changes of Net Foreign Assets in the banking system (million USD)	-1,537	199	-1,408	534	-424	-116
Gross Foreign Currency Reserves (End of period-million USD)	-	-	-	31,713	33,871	32,403
Consumer Price Index (End of period)	-	-	-	148.91	151.16	146.44

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 2012	Jan - Dec 2013	Jan - Dec 2014	Jan - Dec 2012	Jan - Dec 2013	Jan - Dec 2014
1- Live animals, animal products	824	892	1,050	20	25	26
2- Vegetable products	868	923	966	171	216	207
3- Fats & edible fats & oils	195	199	187	31	37	33
4- Prepared foodstuffs	1,403	1,410	1,412	392	453	515
5- Mineral products	6,035	5,110	4,887	132	357	43
6- Products of the chemical	1,739	1,937	2,011	342	329	381
7- Plastics & articles thereof	762	833	829	146	144	137
8- Raw hides & skins, leather, furskins	78	78	81	16	19	21
9- Wood & articles of wood	246	237	269	21	21	13
10- Paper & paperboard & articles thereof	370	377	379	182	175	210
11- Textiles & textile articles	752	793	825	116	121	124
12- Footwear, headgear, prepared feathers	140	157	159	24	19	27
13- Articles of stone, plaster, cement	407	447	461	43	43	36
14- Pearls, precious or semi-precious stones	1,585	1,136	976	1,724	770	542
15- Base metals & articles of base metal	1,528	1,572	1,499	471	527	374
16- Machinery & mechanical appliances	2,073	2,590	2,188	478	507	445
17- Transport equipment	1,513	1,746	1,508	42	35	34
18- Optical instruments & apparatus	329	343	348	18	21	20
19- Arms & ammunition	20	23	23	0	0	0
20- Miscellaneous manufactured articles	378	403	416	106	113	117
21- Works of art	35	23	20	5	6	7
Total	21,280	21,228	20,494	4,483	3,936	3,313

Source: Lebanese Customs.

IMPORTS BY ORIGIN
(Million US Dollars)

	Jan - Dec	Share	Jan - Dec	Share
	2013	%	2014	%
CHINA	2,283	10.8	2,484	12.1
ITALY	1,789	8.4	1,645	8.0
FRANCE	1,535	7.2	1,275	6.2
GERMANY	1,242	5.9	1,257	6.1
USA	1,500	7.1	1,227	6.0
RUSSIAN FEDERATION	901	4.2	887	4.3
GREECE	607	2.9	816	4.0
TURKEY	1,134	5.3	706	3.4
BELGIUM	301	1.4	604	2.9
UK	632	3.0	537	2.6
OTHER COUNTRIES	9,304	43.8	9,056	44.2
TOTAL IMPORTS	21,228	100.0	20,494	100.0

Source: Lebanese Customs.

EXPORTS BY DESTINATION
(Million US Dollars)

	Jan - Dec	Share	Jan - Dec	Share
	2013	%	2014	%
SAUDI ARABIA	347	8.8	377	11.4
UAE	332	8.4	320	9.7
SOUTH AFRICA	398	10.1	297	9.0
IRAQ	272	6.9	256	7.7
SYRIA	524	13.3	242	7.3
TURKEY	183	4.6	145	4.4
JORDAN	142	3.6	130	3.9
QATAR	94	2.4	93	2.8
SWITZERLAND	175	4.4	87	2.6
EGYPT	73	1.9	84	2.5
OTHER COUNTRIES	1,396	35.5	1,282	38.7
TOTAL EXPORTS	3,936	100.0	3,313	100.0

Source: Lebanese Customs.



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

	2012	2013		2014	
	Dec	Dec	Oct	Nov	Dec
ASSETS					
Reserves	79,604	82,533	93,698	94,435	96,314
-Cash	425	576	666	692	607
-Deposits at the Central Bank	79,179	81,957	93,032	93,743	95,707
Claims on the Private Sector	57,052	62,565	67,069	67,941	68,391
-Claims denominated in Lebanese Pound	14,653	16,757	18,368	18,565	18,749
-Claims denominated in Foreign Currencies	42,399	45,808	48,701	49,376	49,642
Claims on the Public Sector	46,930	56,786	56,353	56,216	56,308
o/w -Treasury Bills in Lebanese Pound	27,107	30,114	31,110	31,486	31,564
-Treasury Bills in Foreign Currencies	19,720	26,544	25,088	24,575	24,588
Foreign Assets	39,447	40,137	34,117	34,107	36,470
-Claims on Non-Resident Private Sector	8,452	8,862	8,453	8,204	8,339
-Claims on Non-Resident Banks	21,702	21,041	15,585	15,957	18,342
-Other Foreign Assets	9,293	10,235	10,079	9,947	9,789
Fixed Assets	5,566	5,921	6,265	6,258	6,574
Unclassified Assets	363	526	683	649	806
TOTAL ASSETS	228,963	248,468	258,185	259,606	264,863
LIABILITIES					
Liabilities to the Private Sector	152,124	162,396	169,742	170,444	172,041
-Demand Deposits in Lebanese Pound	3,808	4,144	4,467	4,459	4,564
-Other Deposits in Lebanese Pound	57,491	60,328	63,274	63,692	64,278
-Deposits in Foreign Currencies	90,825	97,924	102,002	102,294	103,199
Liabilities to the Public Sector	4,008	4,463	4,827	4,708	4,842
Deposits of Non-Residents	36,311	42,934	44,377	44,737	45,680
-Denominated in Lebanese Pound	4,997	5,063	5,660	5,708	5,815
-Denominated in Foreign Currencies	31,314	37,871	38,717	39,030	39,866
Liabilities to Non-Resident Banks	8,897	7,555	8,252	8,341	8,795
Bonds	396	398	354	364	352
Capital Base	19,058	21,410	23,327	23,342	23,719
-Core Capital	17,895	19,619	21,753	21,745	21,954
-Supplementary Capital	1,163	1,791	1,574	1,597	1,765
Unclassified Liabilities	8,169	9,313	7,305	7,670	9,434
TOTAL LIABILITIES	228,963	248,468	258,185	259,606	264,863

Source: BDL.



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

	2012	2013	2014		
	Dec	Dec	Oct	Nov	Dec
<u>Money Supply</u>					
Currency in circulation	3,213	3,408	3,428	3,446	3,647
+ Demand Deposits in LBP	3,890	4,213	4,542	4,560	4,654
= M1	7,104	7,620	7,969	8,006	8,301
+ Other Deposits in LBP	57,973	61,129	64,121	64,455	65,099
= M2	65,077	68,749	72,090	72,460	73,400
+ Deposits in Foreign Currencies	91,402	98,499	102,540	102,832	103,724
+ Bonds	318	323	273	281	273
= M3	156,797	167,571	174,904	175,573	177,397
+ Treasury Bills Held by the Public	7,882	9,236	10,568	10,498	10,429
= M4	164,679	176,807	185,472	186,071	187,826
<u>Counterparts of the Money Supply</u>					
Net Foreign Assets	64,437	56,555	54,457	53,961	53,661
o/w Gold	23,083	16,739	16,296	16,477	16,509
Net Claims on the Public Sector	54,596	59,568	61,570	62,016	63,226
Valuation Adjustment	-14,708	-8,426	-7,485	-7,625	-8,146
Claims on the Private Sector	59,690	65,949	69,924	70,799	71,217
Claims in LBP	15,055	17,230	19,340	19,539	19,748
Claims in FC	44,636	48,719	50,584	51,260	51,469
Other Items (Net)	-7,219	-6,076	-3,563	-3,578	-2,561
TOTAL	156,797	167,571	174,904	175,573	177,397

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 ⁽¹⁾	loans				Others ⁽²⁾		
2012	Dec	86,959	15,049	27,267	7,882	50,198	1,967	1,600	279	32,915	36,761
2013	Dec	95,710	17,171	29,905	9,236	56,312	1,871	1,556	208	35,763	39,398
2014	Jan	96,409	17,272	30,213	9,522	57,007	1,848	1,548	204	35,802	39,402
	Feb	97,988	17,456	30,678	10,061	58,195	1,844	1,805	166	35,978	39,793
	Mar	98,224	17,535	30,738	10,168	58,441	1,839	1,857	166	35,921	39,783
	Apr	97,799	17,639	30,518	10,239	58,396	1,830	1,838	167	35,568	39,403
	May	98,126	17,745	30,479	10,328	58,552	1,800	1,933	164	35,677	39,574
	Jun	99,082	17,851	31,514	10,371	59,736	1,747	1,946	164	35,489	39,346
	Jul	98,958	18,011	31,209	10,409	59,629	1,716	1,960	161	35,492	39,329
	Aug	99,319	18,397	31,186	10,336	59,919	1,693	1,937	139	35,631	39,400
	Sep	99,495	18,804	31,170	10,300	60,274	1,660	1,883	133	35,545	39,221
	Oct	99,849	19,250	30,981	10,468	60,699	1,651	1,869	133	35,497	39,150
	Nov	100,453	19,705	31,410	10,498	61,613	1,624	1,859	131	35,226	38,840
	Dec	100,345	19,855	31,468	10,429	61,752	1,606	1,834	128	35,025	38,593

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)	(%)	
2012	Dec	49,334	1,421	2,570	1,105	6.54
2013	Dec	55,385	938	547	1,274	6.86
2014	Jan	56,017	1,532	900	1,245	6.85
	Feb	57,096	2,080	1,001	1,231	6.84
	Mar	57,518	1,690	1,268	1,223	6.85
	Apr	57,434	966	1,050	1,211	6.87
	May	57,565	969	838	1,190	6.87
	Jun	58,722	1,648	491	1,207	6.89
	Jul	58,566	1,199	1,355	1,196	6.89
	Aug	58,711	1,420	1,275	1,194	6.89
	Sep	59,259	1,283	735	1,178	6.88
	Oct	59,695	1,584	1,148	1,164	6.88
	Nov	60,537	2,315	1,473	1,202	6.89
	Dec	60,644	1,339	1,232	1,193	6.89

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	120-m	144-m		
	2012	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		
2013	Dec	7.29	6.88	5.44	2.95	2.75	0.24	4.39	4.87	5.08	5.76	6.40	6.63					
2014	Jan	7.39	6.82	5.48	2.95	2.75	0.24	4.39	4.87	5.08	5.76	6.40	6.63					
	Feb	7.14	6.96	5.51	2.96	2.77	0.24	4.39	4.87	5.08	5.76	6.40	6.63					
	Mar	7.26	6.87	5.48	2.96	2.92	0.23	4.39	4.87	5.08	5.76	6.40	6.63					
	Apr	7.18	6.92	5.47	3.00	2.86	0.23	4.39	4.87	5.08	5.76	6.40	6.63					
	May	7.48	7.04	5.50	3.01	2.86	0.23	4.39	4.87	5.08	5.76	6.40	6.63					
	Jun	7.45	6.97	5.49	2.98	3.72	0.23	4.39	4.87	5.08	5.76	6.40	6.63					7.83
	Jul	7.36	6.96	5.54	3.02	4.18	0.23	4.39	4.87	5.08	5.76	6.40	6.63					
	Aug	7.21	6.96	5.51	3.13	2.79	0.23	4.39	4.87	5.08	5.76	6.40	6.63					
	Sep	7.08	6.94	5.51	3.04	2.75	0.23	4.39	4.87	5.08	5.76	6.40	6.63					
	Oct	7.29	6.95	5.58	3.12	2.79	0.23	4.39	4.87	5.08	5.76	6.40	6.63					
	Nov	6.96	7.01	5.55	3.10	3.00	0.23	4.39	4.87	5.08	5.76	6.40	6.63					7.83
	Dec	7.49	6.97	5.56	3.07	2.75	0.24	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.

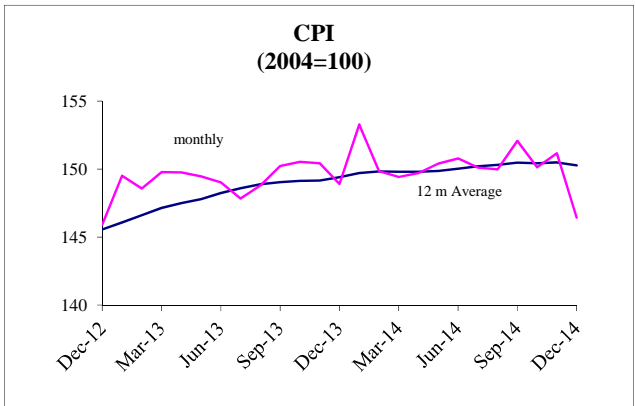
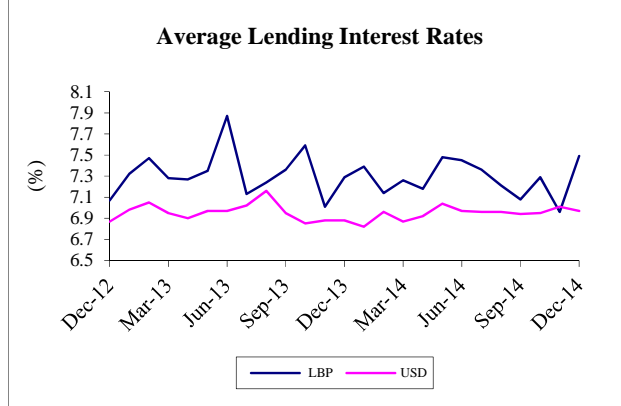
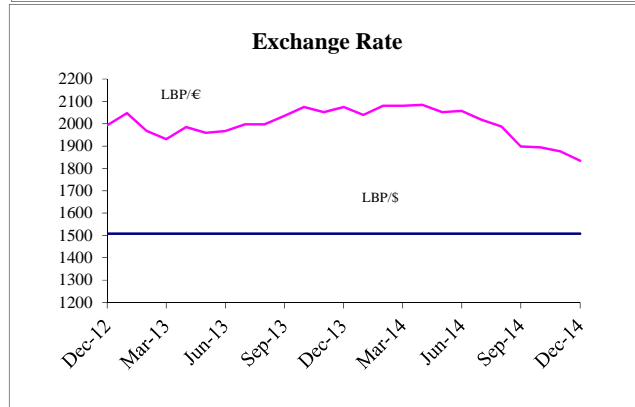
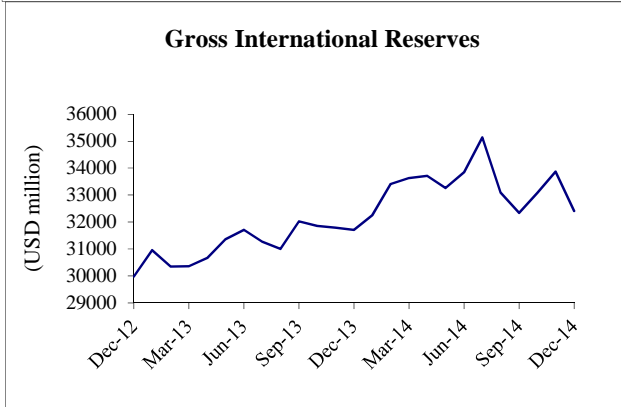
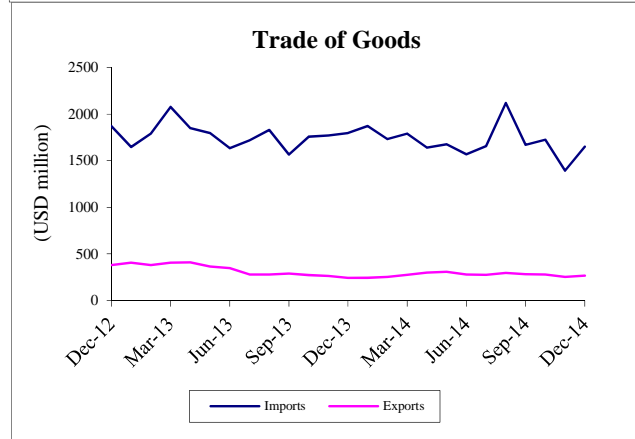
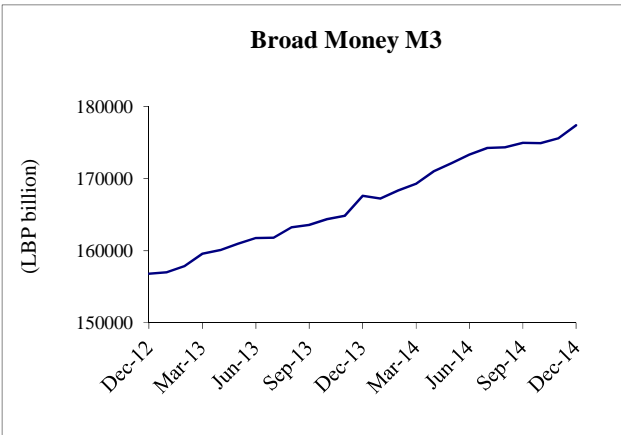
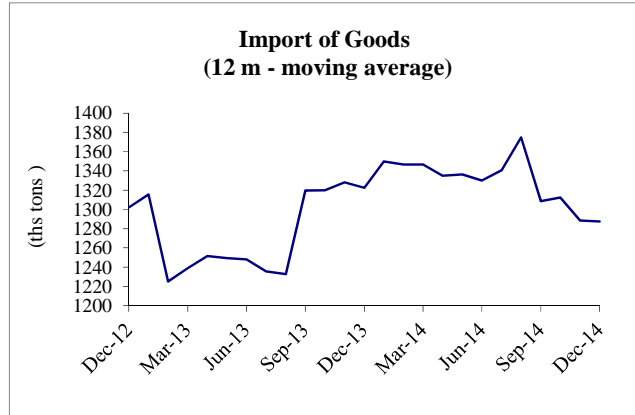
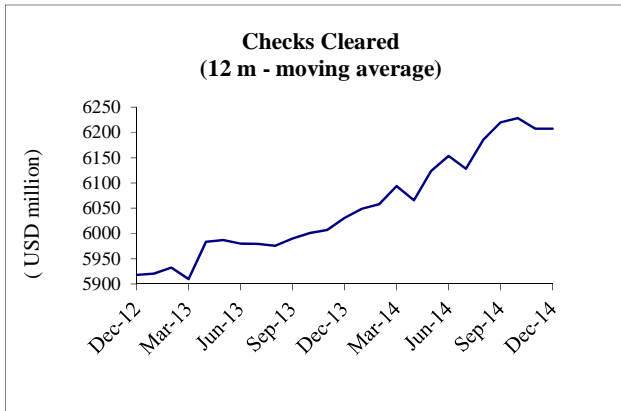
END OF PERIOD EXCHANGE RATES
(LBP per other currencies)

Year and Month	US Dollar	Swiss Franc	British Pound	Japanese Yen	Euro	
2012	Dec	1,507.50	1,651.25	2,436.85	17.52	1,993.00
2013	Dec	1,507.50	1,690.97	2,482.55	14.33	2,074.77
2014	Jan	1,507.50	1,667.96	2,479.54	14.70	2,039.80
	Feb	1,507.50	1,708.02	2,523.10	14.80	2,080.20
	Mar	1,507.50	1,705.90	2,508.63	14.61	2,080.05
	Apr	1,507.50	1,708.99	2,535.01	14.69	2,084.72
	May	1,507.50	1,680.60	2,522.35	14.83	2,051.71
	Jun	1,507.50	1,693.06	2,568.03	14.87	2,057.89
	Jul	1,507.50	1,658.23	2,545.11	14.66	2,017.94
	Aug	1,507.50	1,648.26	2,502.60	14.51	1,988.54
	Sep	1,507.50	1,573.26	2,438.98	13.74	1,898.09
	Oct	1,507.50	1,570.97	2,410.64	13.51	1,894.02
	Nov	1,507.50	1,561.04	2,368.13	12.76	1,876.39
	Dec	1,507.50	1,524.27	2,341.75	12.62	1,833.87

Source: BDL.



Indicative Charts



Research and Statistics Department
Association of Banks in Lebanon
P.O. Box 976
Beirut-Lebanon
Tel: (961) 970 500
Fax: (961) 970 501
E-mail: abl@abl.org.lb

The "Economic Letter" is designed as an internal publication of the Association of Banks in Lebanon, to make its in-house research and statistical information available to the observer of the Lebanese economy in general and the Lebanese banking sector in particular. Despite its value-adding analysis, this publication does not represent the Association's nor any of its member banks' official views on the economic policies, the financial market or the banking issues in Lebanon. This document is strictly for information purposes.

The "Economic Letter", published monthly by ABL, provides the reader with an overview of the most recent developments in the economic activities in Lebanon. The information contained in this document has been compiled in good faith from sources believed to be reliable but no warranty, expressed or implied, is made by ABL.

Reproduction, of the whole or a part of this document, is authorized subject to indication of "Economic Letter", Association of Banks in Lebanon.

