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A recent report released by the Institute of International Finance (IIF) indicated that financial flows to the Middle East and Africa region would probably witness a decline of 24.1% in 2009 to reach US\$ 24.0 billion, down from US\$ 31.6 billion in 2008.

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The MasterCard Consumer Confidence Index (CCI) in the Middle East and Africa region registered 53.9 points in the first half of 2009 versus 74.0 points in the previous period, 68.2 points a year ago, and lower than all other preceding periods since the inception of the index.

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Emaar Properties was awarded a development services contract by Kingdom Holding Company on behalf of Jeddah Economic Company (40% owned by Kingdom Holding Company) for the management, supervision, development, master planning, traffic study, environment and updating market research, and commencement of ground work relating to the construction of Jeddah's Kingdom City land and Kingdom Tower.

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p.6 ► Status-quo mood sways over the Arabian equity markets

The Arabian equity markets maintained a status-quo this week, as reflected by a small decline of 0.6% in the MSCI Arabian Markets Index, versus a wider drop of 3.2% in the global markets. Investors in the region continued to cash profits this week and to match prices with valuations ahead of second quarter results; In addition, there are some market-specific factors that contributed to the status-quo. Looking at individual markets, the Doha Securities Market was the worst performer this week, trading down -9.2%, led by banks and industrials. In the UAE, the equity markets fell by 4.4% this week. The banking, energy and real estate stocks led the decline, mainly on profit taking. The market that has seen a bullish performance recently encouraged investors to cash profits this week. In Oman, the Muscat Securities Market moved up slightly by 0.6%. The service sector stocks topped the gainers list, while the banking sector stocks topped the losers list.

The MENA Weekly Monitor can be accessed via Internet at the following web address: <http://www.banqueaudi.com>

► ECONOMY

IIF forecasts a drop of 24% in financial flows to the Middle East and Africa region in 2009

A recent report released by the Institute of International Finance (IIF) on the issue of capital flows to emerging economies in light of the global financial crisis indicated that financial flows to the Middle East and Africa region would probably witness a decline of 24.1% in 2009 to reach US\$ 24.0 billion, down from US\$ 31.6 billion in 2008. However, by the year 2010 financial conditions across the globe should probably begin to display signs of recovery, and this should have its positive spillovers on financial flows to the Middle East and Africa region, which are forecasted to reach US\$ 31.2 billion, up by a yearly 30%.

No doubt that such a decline in financial flows would have a negative impact on the external accounts of countries. The report notes that most obviously, the combined external surpluses of GCC countries are forecasted to fall by around US\$ 287 billion, from US\$ 297 billion to a mere US\$ 10 billion in 2009. This would lead the current account balance of the whole Middle East and Africa region to fall into a deficit of US\$ 22.4 billion in 2009, down from a surplus of US\$ 306.9 billion in 2008.

Net capital flows for the eleven countries in Africa and the Middle East covered in this report are dominated by the GCC countries. In turn, those flows are dominated by oil-related flows. In 2008, the regional current account surplus was large, and that surplus was recycled through net portfolio investment abroad, net lending abroad, and reserve accumulation. In 2009, the current account for the region as a whole will move into deficit, a much smaller surplus in the GCC being more than offset by deficits in other non-oil producing countries.

The revival in oil prices forecast for 2010 (they are projected to average US\$7 2.5 per barrel, up from US\$ 55.2 per barrel in 2009) will help lift the region's current account

surplus in coming quarters. Furthermore, continued robust FDI inflows into countries such as South Africa, Egypt and Morocco, and renewed non-resident interest in local stock markets will further boost the region's reserves.

In conclusion, the IIF forecasts that such a decline in financial flows to the Middle East and Africa region, along with a fall in other macroeconomic factors due to the global financial crisis, would cause a retreat in real GDP growth of the region, which is forecasted at 1.7% in 2009 and 3.4% in 2010, down from 4.4% and 5.0% in 2008 and 2007, respectively.

Moody's sees GCC Corporates' exposure to the crisis driven by globalization and not oil price volatility

The impact of the global financial crisis on corporates in the six countries of the Gulf Cooperation Council (GCC) is driven by their greater exposure to global economic contagion rather than by fluctuations in oil prices, says Moody's Investors Service in a new special comment. Ample sovereign wealth funds are allowing GCC governments to maintain expenditure despite falling oil receipts, thus limiting the impact on corporate profits. Additionally, the highly likely government support is bolstering Moody's ratings of GCC government-owned corporates in the face of deteriorating fundamentals.

Moody's comment, entitled "Gulf Corporates: The Flip-Side of Globalisation", explains that the private sectors of the six oil-exporting GCC countries are, to varying degrees, experiencing the worst crisis since the oil price crash of 1998-99. However, this downturn is different from previous globally induced shocks in that Gulf economies are no longer insulated from global capital flows. Oil price fluctuations used to be the main driver of corporate profits in the GCC. This was because government expenditure tracked changes in oil receipts, and the volatility of public expenditure is a key driver of corporate profitability.

During this crisis, however, accumulated sovereign wealth funds (which are supportive of Moody's sovereign ratings in the region) are enabling governments to raise expenditure in defiance of falling oil receipts. However, as the GCC has opened itself to the outside world over the past ten years and become more integrated within the global economy, the exposure of the region's private sector to global economic contagion has grown.

For many of the region's new and growing companies, the crisis represents a new paradigm to which an appropriate response has yet to be formulated particularly given the uncertainty about the extent and duration of the crisis, as per the report.

Financial flows to emerging economies by region (US\$ billion)

	2007	2008	2009f	2010f
<i>Private flows</i>	887.8	392.2	140.5	373.2
Latin America	173.7	88.5	62.6	103.1
Emerging Europe	382.6	213.9	-32.8	121.6
Middle East /Africa	35.6	31.0	23.0	28.4
Emerging Asia	295.9	58.8	87.7	120.1
<i>Public flows</i>	39.1	49.9	51.3	50.4
Latin America	3.8	11.4	8.9	7.4
Emerging Europe	3.6	16.5	38.2	35.2
Middle East /Africa	1.5	0.6	1.0	2.8
Emerging Asia	30.2	21.5	3.2	5.0

Sources: IIF, Bank Audi's Research Department

While most companies are displaying resilience, Moody's expects GCC corporates to scale back their investment programs as a result of the global economic slump, greater risk aversion and tighter credit market conditions. Although different sectors have been hit in different ways, companies that are more indebted and more exposed to external demand and price fluctuations (rather than domestic demand and public expenditure) have suffered the most.

Given that most of Moody's corporate ratings in the GCC are for government-owned companies, the rating agency's assumption of a generally high likelihood of governmental support remains key to its ratings analysis. Indeed, this assumption is holding up many Moody's ratings of GCC corporate in the face of deteriorating fundamental metrics.

OBG sees stabilization in Kuwait's real estate sector

Players in Kuwait's real estate sector have had a rough ride, similar to their counterparts elsewhere in the region. However, there are now indications that the market has stabilized and signs that a modest rebound may be under way, as per a report released by Oxford Business Group (OBG).

This recovery was led by a 51% increase in sales for commercial properties for the month of April, with apartment sales climbing 13%. Although other residential properties saw a fall of 8%, the drop was a marked improvement on the 35% month-on-month plunge recorded in February, with the flattening of the downward curve a possible indication of a move towards positive territory in the coming months.

According to the Ministry of Justice, more than half of the transactions in the overall residential segment were represented by existing homes, rather than those still under development. The mixed results in April suggest that, though stabilising, the market is adapting to the present conditions and being driven by demand, rather than supply. Though the financial crisis has affected the sector, the downturn has by no means been uniform.

The impact of the crisis has been mostly felt by the upper-level income developments, while mid-market developments have been relatively untouched. There is a considerable need for 'build to suit' or specialized retail, while the mega mall style developments are heavily saturated. The fall in prices over the past year and uncertainty over medium-term prospects have resulted in a "wait and see" mentality.

People are simply unwilling to sell at these low rates and developers are hesitant to invest. This hesitancy may recede as Kuwait's economy improves. The IMF has predicted the country's economy will contract by 1.1% this year, before

returning to growth next year.

In conclusion, the report noted that while it might take some time to stimulate demand and encourage lenders to open their purses, the moderate increase in activity in the real estate sector suggests that confidence in the market is returning, albeit tempered with a degree of caution.

EIU anticipates Syria's real GDP growth at 2% in 2009 and 3.5% in 2010

According to a report released by the Economist Intelligence Unit (EIU), the sharp downturn in key export markets, restricted government spending because of lower oil revenue and a third year of drought will lead to a slowdown in Syria's real GDP growth, from an estimated 4.8% in 2008 to 2% in 2009. Foreign investment will not be as strong as previously expected owing to the global economic crisis, although there will be growing opportunities resulting from Syria's increasing economic openness and improving international relations. Growth will strengthen slightly in 2010, to 3.5%, as export markets begin to recover.

Private consumption will be weak in 2009-10, in part because of a decline in the contribution from Iraqi refugees as they run down their savings and return home in growing numbers. Fixed investment and imports will contract in 2009, before picking up marginally in 2010.

As to consumer price inflation, it is expected to decline significantly, driven by global commodity price falls. Inflation reached an estimated average of 15.4% in 2008, its highest level since 1994, on the back of soaring food, fuel and rental prices. However, in 2009 inflation is forecasted to fall to 7.1%. The return home of greater numbers of Iraqi nationals could lower it even further by reducing demand pressures. This is more likely to happen in 2010, however, although its impact will be offset by a partial recovery in commodity prices and the expected introduction of value-added tax, pushing average inflation up to 8.3%.



Syria: Macroeconomic Snapshot		
	2009f	2010f
Real GDP growth (%)	2.0	3.5
Inflation (%)	7.1	8.3
Export growth (%)	-30.4	6.3
Trade deficit (US\$ billion)	2.2	2.3
Trade deficit (% of GDP)	4.0	4.0
Current account (US\$ billion)	1.1	1.2
Current account (% of GDP)	2.1	2.1

Sources: EIU, Bank Audi's Research Department

► SURVEYS

Consumer Confidence in the Middle East and Africa region at an all-time low

According to the results of the MasterCard Worldwide Index of consumer confidence for the first half of 2009, consumer sentiments in the Middle East and Africa (MEA) Region are very slightly optimistic but are much less so than period ago. The Consumer Confidence Index (CCI) registered 53.9 points in the first half of 2009 versus 74.0 points in the previous period, 68.2 points a year ago, and lower than all other preceding periods since the inception of the index in the first half of 2004. Also, the score registered during this year's first half is lower than the region's historical average of 75.3 points.

The MasterIndex has a range of 0 to 100 with 50 as the mid-point. A score above 50 reflects consumers' optimism about the economic climate, while a score below 50 indicates pessimism about the economic situation. The overall index is the mean score of five relative indices, which measure the relative optimism of consumers on five key economic barometers, which are employment, economy, regular income, stock market and quality of life.

MEA consumers may at best be described as very slightly or barely optimistic. They are somewhat positive about Regular Income with a score of 67.4 points on this category, but much unlike previously, consumers are just a little or barely positive about Employment, with a score of 54.7 points on this category, Economy with a score of 53.1 points, and Quality of Life with a score of 54.4 points.

On the other hand, MEA consumers are pessimistic about the Stock Market with a score of 40.0 points on this category which is the first time in the history of ten preceding surveys that MEA consumers take a pessimistic view of any of the economic factors.

Consumer Confidence Index in the MEA region

	1H09	2H08	1H08	2H07	1H07	Historical average
Employment	54.7	73.2	72.5	82.8	77.2	72.84
Economy	53.1	74.4	69	82.6	82.3	74.9
Regular Income	67.4	86.9	75.5	81.7	87.7	81.92
Stock Market	40	60.8	58.2	78	74.2	69.7
Quality of Life	54.4	75	65.6	66.7	75.3	70.2
CCI	53.9	74	68.2	78.4	79.3	75.3

Sources: MasterCard Worldwide, Bank Audi's Research Department

Consumer confidence in five out of the seven MEA markets is at an all-time low. Both the United Arab Emirates (29.6 points) and Egypt (32.3 points) are seeing a precipitous or at least very sharp decline in their current CCI to rather pessimistic levels. Kuwait, which scored 49.5 points, is not spared as sentiments there have come off also just as sharply

from the second half of 2008, the first half of 2008, and the market's historically very high optimistic expectation (in the high eighties and nineties) to its current marginally or arguably neutral outlook. Qatar (71.4 points), Saudi Arabia (67.1 points) and South Africa (67.3 points) manage to remain somewhat optimistic but they likewise encounter significant erosion in consumer.

Lebanon, which scored 64.4 points, is seemingly the strongest performing MEA market in this survey. Current consumer confidence though fallen slightly below that registered a period ago when the country scored 69.1 points, remains well above its level a year ago when Lebanon's CCI score was at 32.0 points, the market's historical average of 46.5 points. This is the only MEA market with more optimistic sentiments than they were a year ago and with a current score above its historical average, and that's why it is deemed as the best performer in the region.

Consumer Confidence Index in the MEA region by country

	1H09	2H08	1H08	Historical average
Egypt	32.3	55.6	32.3	61.2
Kuwait	49.5	96.6	89.4	92.6
Lebanon	64.4	69.1	32	46.5
Qatar	71.4	76.2	88.6	82.4
Saudi Arabia	67.1	72.4	80.1	89
UAE	29.6	75.4	85.4	82.7
South Africa	67.3	78.7	74.3	79.4

Sources: MasterCard Worldwide, Bank Audi's Research Department

UAE to absorb around 50% of FDI flow to the GCC

The UAE expects to remain the main recipient of foreign direct investment in the Gulf Arab region, despite competition from other Gulf States, as per a senior economy official in the country.

The UAE will continue to be the major player when it comes to foreign direct investment, without any doubt. Numbers show that the investment is mainly going to the UAE. The year before the country had around 60% of total FDI to GCC countries, and currently it has around 50%.

As a matter of fact, the UAE has all the ingredients that will make foreign direct investment attractive. Qatar has its own way, and Saudi Arabia has its own industries. Indeed, the UAE offers the best chances for diversification in investment in GCC countries.

Gulf countries have seen ambitious growth plans jolted by the global downturn, as oil and revenues have fallen and the construction and real estate sectors have slowed. The UAE emirate of Dubai relies more on foreign investment for revenue because it has few energy resources of its own.

► CORPORATE NEWS

Emaar Properties awarded development services contract for US\$ 26.6 billion Kingdom City and Kingdom Tower

Emaar Properties was awarded a development services contract by Kingdom Holding Company on behalf of Jeddah Economic Company (40% owned by Kingdom Holding Company) for the management, supervision, development, master planning, traffic study, environment and updating market research, and commencement of ground work relating to the construction of Jeddah's Kingdom City land and Kingdom Tower.

Emaar Properties was selected by Kingdom Holding Company among five other international developers. The preliminary license was obtained and the Emaar team is currently working closely with the Jeddah municipality.

The master plan and designs of the Kingdom City and Kingdom Tower, which would encompass 5.3 square kilometers, make a total investment of more than SR 100 billion (around US\$ 26.6 billion), according to company releases.

Kingdom City in Jeddah is 20 kilometers away from the old city of Jeddah near King Abdulaziz International Airport. The area of the city that comprises of buildings would span across 23 million square meters and would include commercial, residential, institutional, educational, entertainment, retail and hotel facilities, according to company releases. Kingdom City is expected to house 80,000 residents and accommodate 250,000 visitors who would benefit from its facilities, lakes, canals, water sports and other leisure activities.

The triangular Kingdom Tower would be the centerpiece of the Kingdom City development and would be over 1,000 meters high, the highest in the world, as per official statements. It would include five-star hotel accommodations, office space and luxury residences.

Aramco and Total to invest US\$ 9.6 billion in KSA's Jubail refinery

Saudi Arabia's Aramco and France's Total announced they will invest US\$ 9.6 billion (SR 36 billion) to build the 400,000 barrels per day Jubail oil refinery on Saudi Arabia's Persian Gulf coast.

The two oil giant companies had set up a joint venture termed Saudi Aramco Total Refining and Petrochemical Company (SATORP) to build and operate the refinery.

The refinery is expected to become operational by the second half of the year 2013, and would produce diesel and jet fuels, in addition to 700,000 tons per annum of paraxylene, 140,000 tons per annum of benzene, and 200,000 tons per annum of polymer-grade propylene.

The two companies would each own 37.5% of SATORP, while Aramco would offer the remaining 25% to the Saudi public in an IPO scheduled for the fourth quarter of 2010. SATORP has already finalized the awarding plan for engineering, procurement, and construction contracts that make up the dozen of process packages of the joint venture refinery. France's Technip and Spain's Tecnicas Reunidas are among the main contractors that would execute this large scale project.

Rolls-Royce signs US\$ 1.5 billion deal with Gulf Air

Rolls-Royce, the global power systems company, lately sealed a deal with Bahrain's Gulf Air, estimated at US\$ 1.5 billion. Trent 700EP (Enhanced Performance) engines will power 20 Airbus A330 aircraft, with deliveries beginning in 2012.

The contract includes Rolls Royce's long-term service agreement termed TotalCare, according to company releases. Gulf Air also renewed the TotalCare service on Trent 700s that power 10 A330s already in service.

Trent aero engines are leaders in new generation engines for wide body aircraft and have been ordered by several of the Gulf's airliners, according to official statements. Gulf Air executives asserted that the new aircraft would contribute to minimizing operational efficiency while improving customer service in terms of comfort and reliability.

Rolls-Royce has a growing presence in the Middle East region and focuses in various fields such as civil aerospace, defense aerospace, marine and energy. According to company statements, Rolls Royce accounted for the largest market share in the A330 market in the past few years, while eight of the nine Middle East A330 operators have selected Trent 700 engines to power their fleets.

Established in 1950, Gulf Air is fully owned by the Kingdom of Bahrain through Bahrain Mumtalakat Holding Company. The airline now serves over 40 destinations worldwide.

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► CAPITAL MARKETS

Stability reigns over the Arabian markets

The Arabian equity markets maintained a status-quo this week, as reflected by a small decline of 0.6% in the MSCI Arabian Markets Index, versus a wider drop of 3.2% in the global markets. Investors in the region continued to cash profits this week and to match prices with valuations ahead of second quarter results; In addition, there are some market-specific factors that contributed to the status-quo.

Looking at individual markets, the Doha Securities Market was the worst performer this week, trading down -9.2%, led by banks and industrials. The market is actually in correction. Masraf Al-Rayan was among the most active shares in the DSM this week, moving down by 5.4%. Barwa Real Estate's share was also very active, trading down -12.2%. It is worth mentioning that the DSM was up by around 60% since early March on the back of government interventions to support the economy and rising oil prices, yet it reported a year-to-date decline of 5.9%.

In the UAE, the equity markets fell by 4.4% this week, as per MSCI data. The banking, energy and real estate stocks led the decline, mainly on profit taking. The market that has seen a bullish performance recently encouraged investors to cash profits this week. Added to this is the confusion regarding Emaar properties' involvement in Saudi Kingdom Holding project to build the world's tallest tower in Jeddah, which contributed to pushing the index down, and it obliged the UAE stock market regulator to intervene by ordering Emaar to fully explain the confusion over the deal. A clarification that confirms the deal between these two giant companies may drive Emaar's share price up, as it underlines the company's potential to diversify its exposure to falling real estate values in its domestic market at Dubai. In addition, Shuaa Capital traded down -11.0% this week

after the Securities and Commodities Authority in the UAE refused to finalize its share issuance for Dubai Banking Group until both parties agree. As to the banking stocks, Abu Dhabi Commercial Bank was among the top losers this week, trading down by -11.3% on profit taking. All in all, the UAE equity markets reported a positive year-to-date change of 33.3%.

In Oman, the Muscat Securities Market moved up slightly by 0.6% this week. The service sector stocks topped the gainers list, while the banking sector stocks topped the losers list. For instance, Bank Muscat's share price lost 2% this week after it disclosed its direct exposure amounting to OMAR 49 million to two large groups in Saudi Arabia, namely al Gosaibi and Saad group that have defaulted on their payment obligations. Bank Muscat's substantial exposure to these two groups as a proportion of their operations outside Oman raised questions regarding its risk management practices, and brought its share price down. Overall, the MSM accumulated a rise of 6.4% since year-end 2008.

In Saudi Arabia, the Tadawul went up by a tiny 0.4% this week. Petrochemicals were among the top losers on the back of globally lower oil prices, and the banking stocks observed some profit taking operations. Another reason that contributed to dragging the price index down is the confusion regarding a deal between Kingdom Holding and Emaar to develop projects worth at least SAR 100 billion in Jeddah. In fact, Kingdom Holding that said it had signed a deal with Emaar to build the world's tallest tower in Jeddah was later faced with a denial from Emaar. This confusion let Kingdom Holding be among top losers this week. All in all, the Saudi shares are expected to remain stable until second quarter results are released, as the latter will determine the future direction of the market. The market surged by 27.3% since

CAPITAL MARKETS INDICATORS

Market	Price Index	Week-on -week	Year-to-date	Trading Value	Week-on -week	Volume Traded	Market Capitalization	Turnover ratio	P/E	P/BV
Lebanon	128.9	-0.1%	13.5%	21.4	-78.3%	1.6	10,532.8	10.6%	10.9	1.37
Jordan	162.4	-3.8%	0.0%	300.1	8.6%	116.9	35,477.9	44.0%	14.0	2.08
Egypt	737.7	-0.5%	24.7%	1,719.5	16.7%	978.0	76,390.6	117.0%	9.1	1.83
Saudi Arabia	370.9	0.4%	27.3%	9,782.3	4.0%	1,603.5	307,816.5	165.3%	13.2	1.97
Qatar	573.0	-9.2%	-5.9%	693.1	-14.4%	84.7	75,172.5	47.9%	10.0	2.08
UAE	229.1	-4.4%	33.3%	3,019.9	1.7%	7,338.3	134,101.1	117.1%	8.5	1.15
Oman	745.7	0.6%	6.4%	223.3	14.3%	306.7	15,797.3	73.5%	9.9	1.78
Bahrain	443.8	-0.7%	-14.2%	60.6	592.8%	110.4	18,148.4	17.4%	8.2	1.24
Kuwait	678.4	-0.1%	9.4%	2,791.2	-16.2%	3,257.1	113,000.6	128.4%	13.8	1.65
Morocco	480.8	3.8%	6.0%	165.8	35.5%	5.8	67,791.2	12.7%	18.5	3.91
Tunisia	1,122.6	2.8%	22.8%	-	-	5.5	7,374.1	-	-	-
Arabian Markets	477.1	-0.6%	18.9%	18,777.2	0.5%	13,803.2	854,228.8	114.3%	11.4	1.76

Values in US\$ million; volumes in millions

Sources: MSCI Barra, Zawya Investor, Bank Audi's Research Department

NB: Tunisia's figures are not all available yet, and have therefore been excluded from aggregate Arabian Markets figures

the beginning of this year. On the other hand, it is worth mentioning that the new sukuk and bonds started this week trading on Saudi's bourse. Investors must register on Tadawul to trade in the bond and sukuk market.

In Kuwait, the Kuwait Stock Exchange remained almost unchanged this week, nudging down by 0.1%. Investors cashed profits and they repositioned their portfolios ahead of second quarter results. Kuwait boubyan bank was among the most active stocks this week. It traded up 14.0% this week despite the legal dispute between Investment Dar and Commercial Bank of Kuwait over the ownership of a stake in Boubyan Bank. All in all, the KSE traded up 9.4% since year-end 2008. The Kuwait market is among the most expensive markets in the region, trading at a P/E of 13.8 times, compared to P/E of 11.4 times for the region, and it

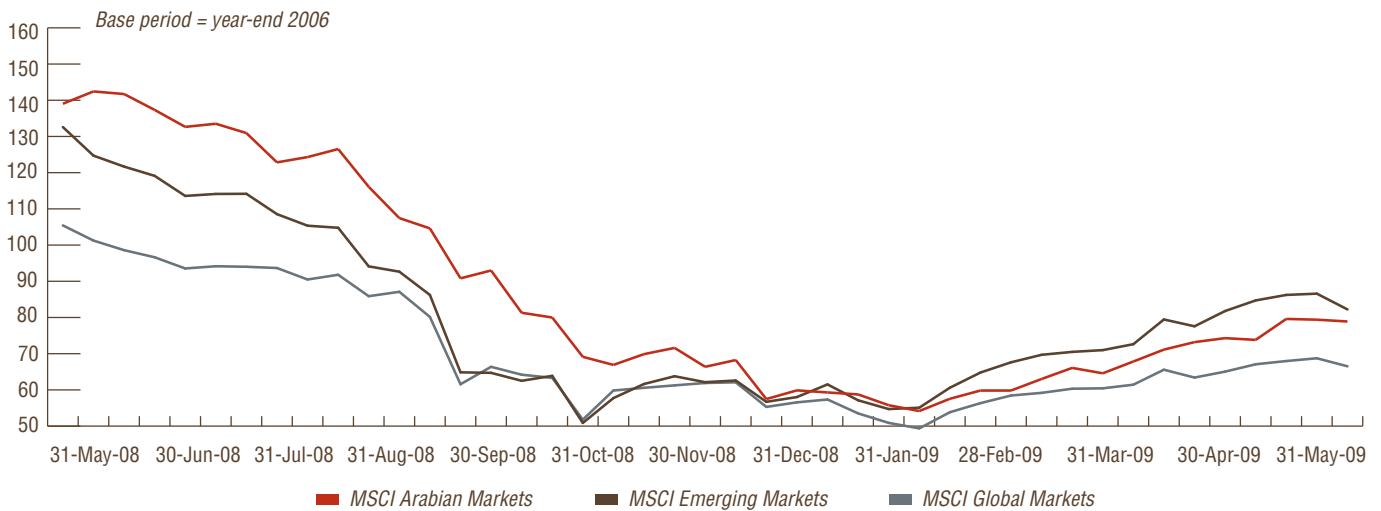
is expected to trade sideways after recent gains.

Outside the Gulf, the Egyptian exchange retreated by 0.5% this week, following the global trend. Orascom Telecom's share price fell by 4.2%. However, despite the down market Commercial International Bank's share price managed to rise by 0.9% week-on-week. In general, the market looked healthy. It moved up by 24.7% since year-end 2008.

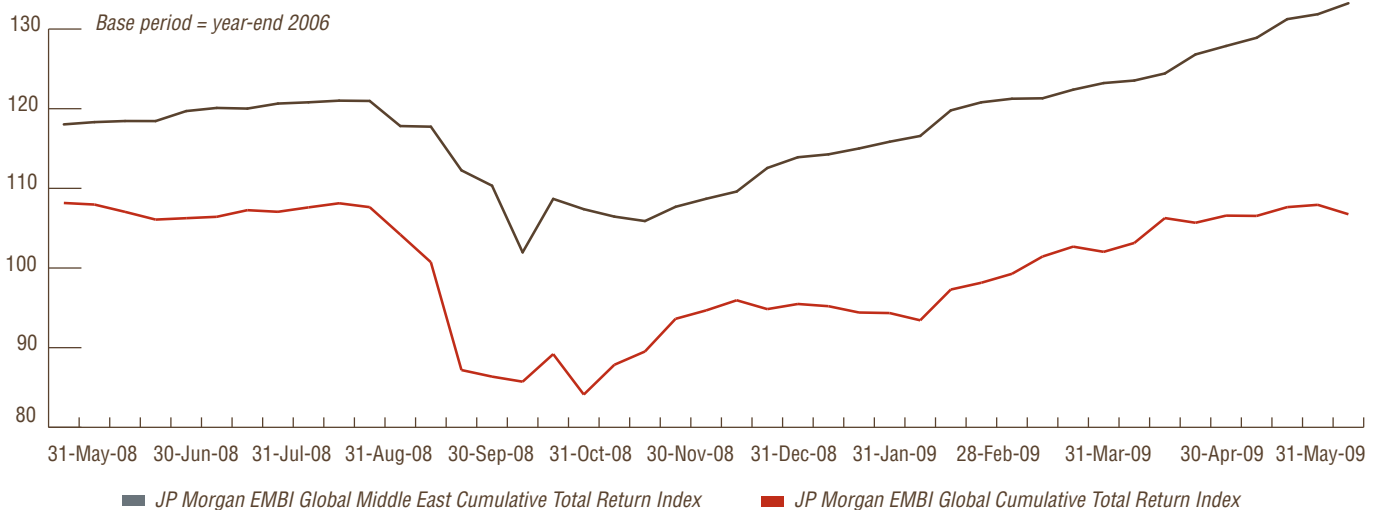
Arab equity markets lost some recent momentum this week on profit taking, and it is expected that they will continue to perform sideways ahead of second quarter results. Though the Arabian markets tracked weak world markets this week and investors started to reposition their portfolios, the overall sentiment remains good.

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Equity Markets Performance: Arab Markets v/s Benchmarks



Fixed Income Markets Performance: Arab Markets v/s Benchmarks



SOVEREIGN RATINGS

	Standard & Poor's	Moody's	Fitch	EIU
LEVANT				
Lebanon	B-/Stable/C	B2/Stable	B-/Stable/B	CCC/Stable
Syria	NR	NR	NR	CCC/Stable
Jordan	BB/Stable/B	Ba2/Stable	NR	CCC/Stable
Egypt	BB+/Stable/B	Ba1/Negative	BB+/Stable/B	BB/Stable
Iraq	NR	NR	NR	CC/Stable
GULF				
Saudi Arabia	AA-/Stable/A-1+	A1/Positive	AA-/Stable/F1+	BBB/Stable
UAE	AA/Stable/A-1+	Aa2/Stable	AA/Stable/F1+	BBB/Stable
Qatar	AA-/Stable/A-1+	Aa2/Stable	NR	A/Stable
Kuwait	AA-/Stable/A-1+	Aa2/Negative	AA/Stable/F1+	A/Stable
Bahrain	A/Stable/A-1	A2/Negative	A/Stable/F1	BBB/Stable
Oman	A/Stable/A-1	A2/Stable	NR	A/Stable
Yemen	NR	NR	NR	CCC/Stable
NORTH AFRICA				
Algeria	NR	NR	NR	BBB/Stable
Morocco	BB+/Stable/B	Ba1/Stable	BBB-/Stable/F3	BB/Negative
Tunisia	BBB/Stable/A-3	Baa2/Stable	BBB/Stable/F2	BB/Stable
Libya	NR	NR	BBB+/Stable/F2	BB/Stable
Sudan	NR	NR	NR	C/Stable

NR = Not Rated

INTERNATIONAL MARKET RATES

	19-Jun-09	12-Jun-09	Dec-08	Weekly Change	Year-to-date
US Prime Rate	3.25%	3.25%	3.25%	0.00%	0.00%
3-M Libor	0.61%	0.62%	1.43%	-0.01%	-0.81%
US Discount Rate	0.50%	0.50%	0.50%	0.00%	0.00%
US 10-year bond	3.77%	3.79%	2.22%	-0.02%	1.55%

FX RATES (per US\$)

	19-Jun-09	12-Jun-09	Dec-08	Weekly Change	Year-to-date
LEVANT					
Lebanese Pound (LBP)	1,498.00	1,498.00	1,507.50	0.0%	-0.6%
Syrian Pound (SYP)	47.15	47.10	46.45	0.1%	1.5%
Jordanian Dinar (JOD)	0.71	0.71	0.71	-0.1%	0.0%
Egyptian Pound (EGP)	5.60	5.61	5.49	-0.1%	2.1%
Iraqi Dinar (IQD)	1,155.00	1,155.00	1,155.00	0.0%	0.0%
GULF					
Saudi Riyal (SAR)	3.75	3.75	3.75	-0.1%	-0.1%
UAE Dirham (AED)	3.67	3.67	3.67	-0.1%	-0.1%
Qatari Riyal (QAR)	3.63	3.64	3.64	-0.2%	-0.2%
Kuwaiti Dinar (KWD)	0.29	0.29	0.28	0.1%	4.4%
Bahraini Dinar (BHD)	0.38	0.38	0.38	0.0%	0.0%
Omani Riyal (OMR)	0.38	0.38	0.38	-0.6%	-0.6%
Yemeni Riyal (YER)	199.75	199.75	199.55	0.0%	0.1%
NORTH AFRICA					
Algerian Dinar (DZD)	72.64	72.29	69.44	0.5%	4.6%
Moroccan Dirham (MAD)	8.06	8.04	8.01	0.3%	0.6%
Tunisian Dinar (TND)	1.36	1.35	1.31	0.2%	3.6%
Libyan Dinar (LYD)	1.25	1.26	1.24	-0.2%	0.8%
Sudanese Pound (SDG)	2.39	2.36	2.20	1.1%	8.5%

COMMODITIES (in US\$)

	19-Jun-09	12-Jun-09	Dec-08	Weekly Change	Year-to-date
Crude oil barrel (Brent)	68.4	71.0	39.8	-3.7%	71.7%
Gold ounce	933.3	937.9	878.2	-0.5%	6.3%
Silver ounce	14.2	14.8	11.3	-4.1%	25.6%
Platinum ounce	1,204.5	1,249.0	924.5	-3.6%	30.3%

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