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BYBLOS BANK SAL
Economic Research & Analysis Department

COUNTRY RISK WEEKLY BULLETIN

NEWS HEADLINES

WORLD

Trade-facilitating measures cover $1.04 trillion of trade merchandise

The World Trade Organization (WTO) indicated that WTO members have put in place 644 new trade-related measures between mid-October 2024 and mid-May 2025. It said that 207 of these measures were trade-facilitating measures, while 141 were trade-related actions that include trade-restrictive measures on goods. It noted that countries imposed on average 20.1 trade measures per month between mid-October 2024 and mid-May 2025. The distribution of new trade measures shows that import-related restrictions represented 71.6% of the total, while export-related restrictions accounted for the remaining 28.4% during the covered period. Also, WTO members introduced on average 30 new trade-facilitating measures per month between mid-October 2024 and mid-May 2025. Import-related measures accounted for 75% of trade-facilitating procedures, while export-related measures represented the remaining 25% in the covered period. It pointed out that trade-facilitating measures covered an estimated $1.04 trillion (tn) of global trade, while trade-related actions that include trade-restrictive measures covered an estimated $2.7tn of trade merchandise between mid-October 2024 and mid-May 2025. It added that trade remedy actions accounted for 46% of all trade measures on goods recorded in the covered period

Source: World Trade Organization

MENA

FDI in Arab world up 53% to $122bn in 2024, equivalent to 3.6% of GDP

Figures released by the United Nations Conference on Trade and Development (UNCTAD) show that foreign direct investments (FDI) in 15 Arab economies totaled $122bn in 2024, constituting an increase of 53.3% from $79.6bn in 2023. Egypt was the largest recipient of FDI in the region with $46.6bn, or 38.2% of total FDI in Arab countries last year, followed by the UAE with $45.6bn (37.4%), Saudi Arabia with $15.7bn (12.9%), Oman with $8.7bn (7.1%), and Bahrain with $2.5bn (2%) as the top five destinations for FDI inflows. Also, FDI flows to Qatar shifted from outflows of $474.2m in 2023 to inflows of $460.2m last year, while Iraq posted negative flows of $7.5bn in 2024. In parallel, FDI in Egypt surged by 373.3% last year, followed by flows to Oman (+83%), Mauritania (+74.2%), Lebanon (+72.7%), Morocco (+55.4%), the UAE (+48.7%), Iraq (+39%), Tunisia (+21.4%), and Algeria (+18.3%). In contrast, inflows to Kuwait fell by 71% in 2024, followed by inflows to Bahrain (-65.7%), Djibouti (-50.5%), Palestine (-45.8%), Saudi Arabia (-31%), and Jordan (-18.5%). Further, FDI inflows to Arab countries, excluding Palestine, were equivalent to 3.6% of their aggregate GDP in 2024 relative to 2.4% in 2023. FDI inflows to Mauritania were equivalent to 14.3% of its GDP last year, highest in the region, followed by Egypt (12.2% of GDP), the UAE (8.5% of GDP), Oman (8.1% of GDP), and Lebanon (6.5% of GDP). FDI in Arab economies accounted for 8.1% of global FDI flows and for 14.1% of FDI inflows to emerging markets in 2024.

Source: UNCTAD, IMF, Byblos Research

EMERGING MARKETS

M&A activity up 87% to $546bn in first half of 2025

Figures compiled by data provider Refinitiv show that merger and acquisition (M&A) activity in emerging markets (EMs) totaled $546.2bn in the first half of 2025, constituting an increase of 87% from nearly $292.2bn in the same period of 2024. It added that there were 7,329 deals in the covered period, down by 1% from 7,403 transactions in the first half of the previous year. Further, M&A activity in the financial and the energy & power sectors amounted to $113bn each in the first half of 2025 and accounted each for 20.7% of the total, followed by the materials sector with $90bn (16.5%), the industrial sector with $73.6bn (13.5%), and the high technology sector with $60.3bn (11%), while M&A activity in other sectors totaled $96.4bn (17.7%). Also, there were 1,293 deals in the high technology sector, or 17.6% of the aggregate number of transactions in the first half of 2025, followed by the industrial sector with 1,104 deals (15%), the financial sector with 834 transactions (11.4%), the materials sector with 709 deals (9.7%), and the energy & power sector with 649 transactions (9%), while there were 2,740 deals in other sectors that accounted for 37.4% of the aggregate number of M&A transactions. In parallel, it indicated that M&A activity in China, the UAE and India accounted for 60% of overall M&A activity in EMs during the first half of 2025.

Source: Refinitiv

Tradable debt up 5% to $43.8tn in 2024

Bank of America indicated that the outstanding tradable debt of emerging markets (EM) reached $43.8 trillion (tn) at the end of 2024, constituting an increase of $2.2tn, or of 5.2%, from $41.6tn at the end of 2023, and accounted for 27% of the tradable debt globally. It said that the tradable domestic debt of EMs totaled $39.1tn and the region's external debt amounted to $4.7tn at the end of 2024, with domestic debt growing by 5.7% and external debt increasing by 1.5% last year. The distribution of the domestic debt shows that the debt of governments amounted to $21.2tn and accounted for 54.3% of the total in 2024, followed by the tradable debt of financial institutions $11.7tn at (30%), and the outstanding debt of corporations at $6.2tn (15.7%). In parallel, the distribution of the external tradable debt of EMs shows that government debt reached $1.8tn and represented 38% of the total last year, followed by the debt of financial institutions at $1.6tn (34%), and corporate debt at $1.3tn (28%). Regionally, Asia's tradable total debt amounted to $34.2tn in 2024 and accounted for 78% of the total, followed by the debt of Latin America at $5.3tn (12%), and the Middle East & Africa and Emerging Europe at $2.2tn each (5% each). Also, the external debt of Asia excluding China amounted to $1.3tn and accounted for 28% of the total, followed by the external debt of Latin America at $1.1tn (23%), the Middle East & Africa at $986.6bn (21%), and China and Emerging Europe at $657.7bn each (14% each). Also, Asia's domestic debt totaled $32.1tn and represented 82% of the aggregate amount, with China accounting for 60% of Asian debt, followed by the domestic debt of Latin America at $4.3tn (11%), Emerging Europe at $1.6tn (4%), and the Middle East & Africa at $1.2tn (3%).

Source: Bank of America, Byblos Research

OUTLOOK

WORLD

Growth rate revised upwards to 3.1% in 2025-26 on improving economic and financial conditions

The International Monetary Fund (IMF) projected the global economy's real GDP growth rate at 3% in 2025 and 3.1% in 2026, relative to 2.8% in 2025 and 3% in 2026 in its April 2025 forecast. It estimated the real GDP growth rate of advanced economies at 1.5% in 2025 and at 1.6% in 2026, compared to 1.4% in 2025 and 1.5% 2026 in April. Also, it upgraded the real GDP growth rate of emerging markets and developing economies (EMDEs) to 4.1% in 2025 and 4% in 2026, from 3.7% in 2025 and 3.9% in 2026 in its April forecast. It attributed the upward revisions to stronger-than-expected global activity in the first half of 2025, significant reductions in U.S. tariffs, improving global financial conditions, and fiscal expansion in some major economies.

Further, it projected the real GDP of Emerging & Developing Asia to grow by 5.1% in 2025 and by 4.7% in 2026, compared to 4.5% in 2025 and 4.6% in 2026 in its earlier forecast. Also, it expected economic activity in Sub-Saharan Africa to rise by 4% this year and by 4.3% next year, relative to 3.8% in 2025 and 4.2% in 2026 in April, while it anticipated the real GDP growth rate of Emerging & Developing Europe at 1.8% in 2025 and 2.2% in 2026, compared to 2.1% this year and 2.1% in 2026 earlier. Further, it forecast economic activity in the Middle East & North Africa region to grow by 3.2% in 2025 and 3.4% in 2026, relative to 2.6% in 2025 and 3.4% in 2026 in its April forecast.

In parallel, the IMF considered that risks to the global economic outlook are tilted to the downside in the short- and medium terms and include escalating trade measures and prolonged trade policy uncertainties, a rise in geopolitical tensions particularly in the Middle East and Ukraine. In contrast, it stated that progress in trade negotiations between the U.S. and its trading partners could lead to a further decline in effective tariff rates.

Source: International Monetary Fund

EMERGING MARKETS

Banking sectors facing three main risks

S&P Global Ratings considered that the banking sectors in the Emerging Europe, the Middle East, and Africa region (EEMEA) face three main risks. It indicated that the first risk is linked to the significant rise in geopolitical risks, such as the lingering Russia-Ukraine conflict, the fragile ceasefire between Israel and Iran, and the shifting policy stance of the U.S. towards development assistance. It indicated that the region's banking sectors could be affected by the confluence of energy price changes, supply-chain disruptions, financial market volatility, and the resumption of inflationary pressures. Also, it noted that the second risk originates from uncertainties about the U.S. Federal Reserve's interest-rate path, given concerns about U.S. economic growth, which limits the flexibility of EEMEA central banks in implementing monetary easing. It considered that financial institutions with higher exposure to sectors that are vulnerable to changes in tariff policies, as well as entities that are more sensitive to potentially tightening financing conditions, will likely face increased pressure in the near term. But it pointed out that the weakening of the exchange rate of the US dollar against major currencies and the suspension of tariffs offer a favorable backdrop for the EEMEA region. Also, it said that the third risk is specific to some of the region's banking sectors amid their dependence on external debt, which makes them vulnerable to a material shift in global credit conditions that could affect their capacity to roll over their debt maturities. It noted that weak fiscal and public debt dynamics could constrain the ability of governments to support the economy, which could weaken the banks' operating environment.

In parallel, it said that most of the banking systems in the EEMEA region have sufficient liquidity to withstand potential capital outflows, but it noted that potential market turbulence and disorderly repricing of financial assets could destabilize financial institutions, weigh on their liquidity, and increase corporate defaults.

Source: S&P Global Ratings

SAUDI ARABIA

Non-hydrocarbon sector growth projected to average 4.4% in 2025-26 period on reforms momentum

Jadwa Investment projected Saudi Arabia's real GDP growth rate to accelerate from 2% in 2024 to 4.1% in 2025 and 4.3% in 2026, despite external challenges from global trading uncertainties, lower oil prices and high interest rates, as it expected Saudi oil production to increase from 9 million barrels per day (b/d) in 2024 to 9.5 million b/d in 2025 and 10 million b/d in 2026. Also, it anticipated real hydrocarbon GDP to shift from a contraction of 4.4% in 2024 to a growth rates of 5.5% this year and 5.8% in 2026. It also forecast real non-hydrocarbon GDP to grow by 4.3% in 2025 and by 4.4% in 2026, driven by elevated domestic demand and credit growth, ongoing economic diversification, lower interest rates, and less uncertainty in global trading conditions. In parallel, it expected the inflation rate to increase from 1.7% in 2024 to 2.3% in 2025 and 2.1% in 2026, driven by a moderate increase in food prices in line with global trends.

Further, it forecast the government's fiscal deficit to widen from 2.5% of GDP in 2024 to 4.3% of GDP in each of 2025 and 2026, driven by lower oil revenues, and forecast the public debt level at 30% of GDP at end-2025 and 32.8% of GDP by end-2026. In parallel, it projected the current account deficit to widen from 0.5% of GDP in 2024 to 3.6% of GDP in 2025 and 3.4% of GDP in 2026, due mainly to lower oil export receipts and an elevated import bill. But it pointed out that higher revenues from non-oil exports, increasing tourism receipts, and elevated remittances will help limit the deficit. It estimated that the current account deficit to will be financed by inflows from external debt issuance, a decline in deposits abroad, smaller outflows to purchase foreign assets, and a modest decline in the Saudi Central Bank's foreign currency reserves. Also, it forecast foreign currency reserves to reach $430bn at end-2025 and $423bn at end-2026.

In parallel, it considered that the outlook remains dependent on geopolitical risks, uncertainties surrounding the oil market, and higher U.S. tariffs. It expected oil prices to experience more downward pressure than anticipated if the OPEC+ coalition continues to increase oil production in the fourth quarter of 2025. But it said that the Saudi economy is well positioned to weather any softness in the global oil markets, given the strong sovereign balance sheet, the financial strengths of key sectors, and the ongoing reforms and investments across the economy.

Source: Jadwa Investment

EGYPT

External funding needs at $65.5bn in 2025-27 period

Goldman Sachs projected Egypt's external financing requirements at $25.7bn in the fiscal year that ends in June 2025, and at $22.74bn in FY2025/26 and $17.15bn in FY2026/27, compared to $30.1bn in FY2023/24. It indicated that Egypt needs to cover medium- and long-term external debt payments of $9.84bn in FY2024/25, $9.6bn in FY2025/26, and $7.9bn in FY2026/27. Further, it projected the funding gap at $3.92bn in FY2024/25 and $422m in FY2025/26, and to revert to a surplus of $7.6bn in FY2026/27. It expected that the authorities will source their external funding needs in the FY2024/25-FY2026/27 period from $50.4bn in foreign direct investments, $21.3bn in portfolio inflows, and $9.6bn in medium- and long-term borrowing. It estimated that the country will cover its funding gap during the covered period with $12.1bn in loans and facilities from the International Monetary Fund and third parties, as well as from $6bn in proceeds from the sale of state assets. Also, it forecast the residual funding gap at $21.3bn in the covered period. As such, it projected the current account deficit at 4.3% of GDP in FY2024/25, at 3.2% of GDP in FY2025/26, and at 2.2% of GDP in FY2026/27. Further, it forecast foreign currency reserves at $49.5bn at end-June 2025, $55.7bn at end-June 2026 and $68.2bn at end-June 2027. In parallel, it considered that downside risks consist of lower Suez Canal receipts, a sharper pickup in imports, and lower capital inflows.

Source: Goldman Sachs

QATAR

Sovereign rating affirmed on strong fiscal and external buffers

Capital Intelligence Ratings affirmed the long-term foreign and local currency ratings and the short-term foreign and local currency ratings of Qatar at 'AA' and 'A1+', respectively, and maintained the 'stable' outlook on the long-term ratings. It indicated that the ratings reflect the country's robust fiscal and external balances that are supported by favorable liquefied natural gas (LNG) prices. It added that the ratings take into account Qatar's capacity to absorb external or financial shocks, given the country's comfortable net external creditor position and the Qatar Investment Authority's large portfolio of foreign assets. It noted that the ratings are also supported by the country's significant hydrocarbon reserves, increasing LNG production and export capacity, very high GDP per capita, and adequate official foreign currency reserves. But it pointed out that the ratings are constrained by the economy's dependence on hydrocarbons and by elevated geopolitical risks. It said that the 'stable' outlook balances the sovereign's sizeable fiscal and external buffers with continued reliance on hydrocarbon exports and high geopolitical risk factors. Further, the agency said that it could revise the outlook on the ratings to 'positive' in case the central government's debt and external debt levels decline more rapidly than expected, and/or if the government implements reforms that would reduce its reliance on the hydrocarbon sector, strengthen institutions, and improve fiscal transparency. In contrast, it said that it could revise the outlook to 'negative' if geopolitical tensions escalate, and/or if the sovereign's balance sheet weakens significantly.

Source: Capital Intelligence Ratings

BANGLADESH

Sovereign ratings affirmed on stabilizing external liquidity

S&P Global Ratings affirmed Bangladesh's long-term foreign and local currency sovereign credit ratings at 'B+', which is four notches below investment grade, as well as the short-term foreign and local currency sovereign credit ratings at 'B', with a 'stable' outlook on the long-term ratings. It said the ratings reflect the economy's strong growth, a moderate public debt level, an external position that is supported by bilateral and multilateral development partners, elevated remittances inflows, and a globally competitive garment manufacturing sector. But it noted that the ratings are constrained by the economy's modest per capita income, its limited fiscal flexibility, low revenue-generation capacity, the government's high debt servicing costs, and evolving administrative and institutional settings. Also, it forecast the country's gross external financing needs at 99.5% of current account receipts and usable reserves in 2025, as well as at 102.5% of such receipts and reserves in 2026, 104.7% in 2027, and 104.2% in 2028. It noted that the country's external profile and liquidity are stabilizing after a period of elevated pressure, as foreign exchange reserves rose by about $5bn to $26.7bn in FY2024/25, and projected them at $27.8bn at end-June 2026 and $29.4bn at end-June 2027, or at 3.6 months of current account payments. It said that it could downgrade the ratings if the country's external position worsens, if current account receipts decrease, if the current account deficit widens, and/or if foreign currency reserves decline. But it noted that it may upgrade the ratings if external and fiscal metrics improve, and/or if foreign currency reserves increase.

Source: S&P Global Ratings

TÜRKIYE

Sovereign ratings upgraded on effective policy-making

Moody's Ratings upgraded Türkiye's long-term foreign- and local-currency issuer and the foreign-currency senior unsecured ratings from 'B1' to 'Ba3', which is three notches below investment grade. It also revised the outlook on the long-term ratings from 'positive' to 'stable'. It attributed the upgrade to the strengthening track record of effective policy-making, specifically in the Central Bank of the Republic of Türkiye's adherence to a monetary policy that reduces inflationary pressures, narrows economic imbalances, and restores the confidence of local depositor and foreign investors in the Turkish lira. It added that the upgrade reflects its view that the risk of a policy reversal has receded, even though it will remain present in the coming years. It pointed out that the 'positive' outlook reflects the credibility and effectiveness of monetary policy, macroeconomic stability, and the strengthening of institutions. In parallel, the agency noted that it could upgrade the ratings if the authorities continue to implement policies that restore macroeconomic stability and allow for a substantial reduction in external vulnerability risks, and/or if the implementation of economic reforms structurally reduces the sovereign's susceptibility to exchange rate and inflation shocks. In contrast, it pointed out that it could downgrade the ratings if the improvements in disinflation, de-dollarization and official external liquidity buffers are not sustained, and/or if the authorities revert to the previous policies of strong credit growth and large wage hikes.

Source: Moody's Ratings

WORLD

Tier One capital of Top 1000 banks up 3% to $11.2 trillion at end-2024

The Banker magazine's survey of the Top 1000 banks in the world for 2025 indicates that the aggregate Tier One capital of the banks reached $11.15 trillion (tn) at the end of 2024 and increased by 3% from $10.8tn a year earlier. The Tier One capital of Chinese banks stood at $3.74tn and accounted for 33.5% of the total, followed by U.S. banks with $1.9tn (16.9%), and banks in the Eurozone with $1.51tn (13.5%). The survey included 384 banks from the Asia-Pacific region, 210 institutions from Western Europe, 207 banks from North America, 68 institutions from Latin America & the Caribbean, 64 banks from the Middle East, 32 from Central & Eastern Europe, 28 banks from Africa, and seven from Central Asia. Also, the aggregate pre-tax profits of the Top 1000 banks reached $1.6tn in 2024, up by 3.4% from $1.53bn in the previous year; while the distribution of profits shows that the Asia-Pacific region accounted for 41.5% of the banks' earnings, followed by North America with 22.4%, Western Europe with 22%, the Middle East with 5.8%, Latin America & the Caribbean with 3.8%, Central & Eastern Europe with 3.2%, and Africa with 1.4%. In parallel, the total assets of the Top 1000 banks amounted to $162.5 trillion (tn) at end-2024, constituting an increase of 1.7% from $159.8tn at end-2023. As such, the banks' Tier One capital-to-assets ratio stood at 6.9% at end-2025 relative to 6.8% at end-2024. Further, the banks' profits-to-Tier One capital ratio decreased from 11.52% in 2023 to 11.4% in 2024, and their return on assets remained unchanged at 0.78% at end-2024.

Source: The Banker, Byblos Research

US dollar dominates international monetary system

Figures released by the International Monetary Fund (IMF) show that the US dollar accounted for 57.8% of global foreign currency reserves at the end of 2024, followed by the euro with 19.8%, the Japanese yen with 5.8%, the British pound with 4.7%, and the Chinese renminbi with 2.2%. Also, it said that the US dollar represented 65.2% of outstanding international debt securities worldwide, excluding local-currency issuance, at end-2024, followed by the euro with 22.8%, the British pound with 4.6%, the Japanese yen with 1.5%, and the Chinese renminbi with 1%. Further, it noted that the US dollar represented 60.1% of global payments (SWIFT) in December 2024, followed by the euro with 12.8%, the Japanese yen with 5.1%, the British pound with 4.9%, and the Chinese renminbi with 2.8%. In parallel, it stated that the US dollar accounted for 57.3% of global outstanding international loans and deposits at end-2023, followed by the euro with 19.2%, and the Japanese yen and the British pound with 5.5% each. Moreover, it said that the US dollar represented 43.8% of global outstanding portfolio assets in 2023, the latest available figures, followed by the euro with 20%, the Japanese yen and the British pound with 7% each, and the Chinese renminbi with 1.7%. Also, it indicated that the US dollar accounted for 88% of over the counter (OTC) foreign-currency transactions in 2022, followed by the euro with 31%, the Japanese yen with 17%, the British pound with 13%, and the Chinese renminbi with 7%.

Source: International Monetary Fund

IRAQ

Central Bank issues roadmap for banking sector infrastructure

The Central Bank of Iraq (CBI) indicated that its strategic plan to develop the infrastructure and financial systems of the banking sector aims to align Iraqi banks with best international practices in innovation, efficiency, and quality. First, it urged Iraqi banks to upgrade their infrastructure and expand their capabilities and flexibility to ensure operational efficiency and sustainability according to the latest standards and in line with best international practices. Second, it asked banks to adopt internationally-approved standards and frameworks in all payment systems, banking applications, core banking systems, and payment cards management, and to remain in full compliance with regulatory requirements. Third, it urged banks to comply with regulatory requirements for the successful adoption of electronic financial transactions, and to promote seamless interoperability across all banks. Fourth, it called on banks to acquire software from accredited international providers in order to ensure compatibility with current and future national projects. Fifth, it urged banks to update and develop the issuance, management, and operation systems of payment cards to support card number ranges, in line with global developments and the ability of banking systems to integrate with the local and international infrastructures. Sixth, it asked banks to develop and update systems related to anti-money laundering and combating the financing of terrorism, as well as fraud detection and prevention, by adopting software tools from trusted international providers. Also, it called on banks to leverage artificial intelligence technologies to guarantee compliance with national and international regulatory controls, as well as to standardize the investigation and analysis procedures for local and cross-border transactions, to help the early detection of suspicious transactions.

Source: Central Bank of Iraq

ARMENIA

Economic growth to support banks' performance

S&P Global Ratings projected lending at Armenian banks to grow by 18% in 2025, especially for retail and small-sized enterprises, compared to a growth rate of 23% in 2024, as it noted that the financial sector has expanded rapidly in the past three years. It expected lending to slow down but to still post double-digit growth of 13% in 2026, but it noted that the sector has spare capacity to continue expanding. Also, it anticipated the rise in lending to pose some medium-term risks in the next two years, as it projected the non-performing loan ratio of the banking sector to increase from 3.3% at end-2024 to 3.5% at the end of 2025 and of 2026. It added that the banking sector’s exceptionally strong profitability in recent years has helped banks strengthen their balance sheets, as the sector’s return on average assets (ROAA) stood at 4.3% in 2024. It expected lower revenues from currency conversions and narrower margins on liquidity placements in foreign currency to be partially offset by wider margins in the local currency, with the sector's ROAA decreasing from 3.4% in 2025 to 3% in 2026. It added that Armenia has benefitted from the strong increase in trade and capital inflows, along with higher migration, in the past few years. It expected the positive economic momentum to continue to help banks generate revenues, as it projected the country’s real GDP growth rate at 4.5% in 2025 and 4.3% in 2026.

Source: S&P Global Ratings

Oil prices to reach $65 p/b at end-2025

The prices of ICE Brent crude oil front-month future contracts reached $73.2 per barrel (p/b) on July 30, 2025, constituting an increase of 7% from $68.5 p/b a week earlier, as U.S. President Donald Trump intensified efforts to confront Russia over its involvement in the war in Ukraine through additional sanctions, and given that optimism grew about easing tensions in the trade disputes between the U.S. and its key global partners. In parallel, S&P Global Market Intelligence indicated that China and India currently rank as the top purchasers of Russian oil. It considered that if the U.S. decides to impose secondary sanctions or tariffs in response to those transactions, it could significantly disrupt global oil markets. It said that the decision of the OPEC+ coalition to increase oil output and uncertainties about the sustainability of production plans in the near term continue to act as a short-term floor on prices. Also, it projected global crude oil demand to drop by more than 2.5 million barrels per day (b/d) between August and October, as refinery activity slows down in late summer, while it anticipated crude supply to rise by more than 700,000 b/d in the covered period. In parallel, Goldman Sachs expected the OPEC+ coalition to announce a final 550,000 b/d quota increase for September 2025, which would end in full the voluntary cuts of 2.2 million b/d and the return of output to its pre-cuts level, in addition to the 0.3 million b/d rise in required production by the UAE. It forecast 75% of these increases in required production to translate into a 1.7 million b/d rise in actual crude production between March and September of 2025, with Saudi Arabia and the UAE driving 60% and 20% of this ramp up, respectively. Further, Goldman Sachs projected oil prices to reach $65 p/b at the end of 2025.

Source: S&P Global Market Intelligence, Goldman Sachs, Refinitiv, Byblos Research

Saudi Arabia's oil export receipts at $15.8bn in May 2025

Oil exports from Saudi Arabia totaled at 7.56 million barrels per day (b/d) in May 2025, constituting increases of 0.2% from 7.54 million b/d in April 2025 and of 3% from 7.34 million b/d in May 2024. Oil export receipts reached $15.8bn in May 2025, representing decreases of 4.2% from $16.5bn in April 2025 and of 21.8% from $20.2bn in May 2024.

Source: JODI, Byblos Research

ME&A's oil demand to increase by 2.2% in 2025

The Organization of Petroleum Exporting Countries projected the consumption of crude oil in the Middle East & Africa to average 13.8 million barrels per day (b/d) in 2025, which would constitute an increase of 2.2% from 13.5 million b/d in 2024. The region's demand for oil would represent 23.3% of consumption in non-OECD countries and 13% of global consumption in 2025.

Source: OPEC

Iraq's oil exports at 98.9 million barrels in June 2025

Figures issued by the Iraqi Ministry of Oil show that crude oil exports from Iraq totaled 98.9 million barrels in June 2025, constituting decreases of 2.7% from 101.6 million barrels in May 2025 and of 3.4% from 102.3 million barrels in June 2024. Exports from the central and southern fields stood at 97.7 million barrels in June 2025 compared to 102.12 million barrels in June 2024

Source: Iraq Ministry of Oil, Byblos Research

Base Metals: Copper prices to reach $9,700 per ton by end-2025

LME copper cash prices averaged $9,475 per ton in year-to-July 30, 2025 period, constituting an increase of 3.7% from an average of $9,140.8 a ton in the same period of 2024. The increase in prices was due to tight supply conditions, as well as to elevated demand from green technologies. Further, the metal's price dropped from a peak of $10,800.8 a ton on May 20, 2024 to $9,651.7 per ton on July 30, 2025 as a result of global economic uncertainties that have reduced demand for industrial metals such as copper. In parallel, S&P Global Market Intelligence projected the global production of refined copper at 28.02 million tons in 2025, which would constitute an increase of 3.5% from 27.08 million tons in 2024. In addition, it forecast global demand for refined copper at 27.63 million tons in 2025, which would represent an uptick of 3% from 26.86 million tons in 2024. As such, it expected the balance in the refined copper market to post a surplus of 394,000 tons in 2025 compared to 224,000 tons in 2024. It noted that copper prices rebounded in the second quarter after a sharp decline in April, triggered by concerns about the U.S. Administration's announcement of reciprocal tariffs on imports. Also, Goldman Sachs indicated that the U.S. Administration announced on July 30 tariffs of 50% on the U.S. imports of semi-finished copper products and copper-intensive derivative products, which will go into effect on August 1, 2025. As such, S&P expected the increase in tariffs to slow down investments in key industries, which would pose significant challenges for manufacturers and consumers of goods containing the metal. Further, Goldman Sachs forecast copper prices to reach $9,700 per ton towards the end of 2025.

Source: S&P Global Market Intelligence, Goldman Sachs, Refinitiv, Byblos Research

Precious Metals: Platinum prices to average $1,072 per ounce in 2025

Platinum prices averaged $1,074.1 per troy ounce in the year-to-July 30, 2025 period, constituting an increase of 13% from an average of $951 an ounce in the same period last year due mainly to supply disruptions and rising investment demand for the metal. Also, prices stood at $1,474 an ounce on July 18, 2025, their highest level in 11 years, driven by tight supply in South Africa and elevated demand from China. In parallel, the World Platinum Investment Council estimated the global demand for platinum at 8.3 million ounces in 2024, constituting an increase of 3.5% from 8.03 million ounces in 2023, and projected it to reach 7.97 million ounces in 2025. It attributed the increase in demand last year to a rise of 76.8% of inflows into platinum-backed exchange-traded funds, to demand for bars and coins, and to an increase of 9% in jewelry consumption, which were partly offset by a decrease of 3% in demand from the automotive sector and by a contraction of 3% in industrial demand. Also, it estimated the global supply of the metal at 7.31 million ounces in 2024, representing an uptick of 2.5% from 7.13 million ounces in 2023, and projected the global supply of platinum at 7 million ounces in 2025. As such, it projected the metal's market deficit to narrow from 992,000 ounces in 2024 to 966,000 ounces in 2025. Further, Standard Chartered Bank projected platinum prices to average $1,072 per ounce in full year 2025.

Source: World Platinum Investment Council, Standard Chartered Bank, Refinitiv, Byblos Research

COUNTRY RISK METRICS

Countries	LT Foreign currency rating: S&P	Moody's	Fitch	CI	General gvt. balance/ GDP (%)	Gross Public debt (% of GDP)	Usable Reserves / CAPs* (months)	Short-Term External Debt by Rem. Mat./ CARs	Gvt. Interest Exp./ Rev. (%)	Gross Ext. Fin. needs / (CAR + Use. Res.) (%)	Current Account Balance / GDP (%)	Net FDI / GDP (%)
Africa												
Algeria	- -	- -	- -	- -	-3.7	56.9	-	-	-	-	-3.2	0.4
Angola	B- Stable	B3 Stable	B- Stable	- -	-1.0	62.06	4.7	52.2	25.9	105.8	2.7	-2.7
Egypt	B- Stable	Caa1 Positive	B Stable	B Stable	-4.6	73.3	2.7	97.3	14.6	179.1	-18.5	16.4
Ethiopia	SD -	Caa3 Stable	CCC- -	-	-2.5	22.0	0.5	32.1	5.9	158.7	-3.1	1.8
Ghana	CCC+ Stable	Ca Positive	B- Stable	- -	-3.2	66.1	0.7	54.3	22.7	139.7	3.0	2.0
Côte d'Ivoire	BB Stable	Ba2 Stable	BB- Stable	- -	-4.2	57.0	3.6	45.0	14.6	119.9	-4.6	2.3
Libya	- -	- -	- -	- -	-	-	-	-	-	-	-	-
Dem Rep Congo	B- Stable	B3 Stable	- -	- -	-0.5	14.5	1.2	5.9	2.2	103.8	-5.4	4.2
Morocco	BB+ Positive	Ba1 Stable	BB+ Stable	- -	-4.1	65.8	4.9	30.4	7.3	94.0	-1.4	0.5
Nigeria	B- Stable	Caa1 Positive	B- Positive	- -	-5.6	41.2	4.1	71.2	28.9	126.8	0.6	0.1
Sudan	- -	- -	- -	- -	-5.0	91.0	-	-	-	-	-5.0	0.2
Tunisia	- -	Caa1 Stable	CCC+ -	- -	-5.6	88.7	-	-	26.1	-	-2.7	-1.1
Burkina Faso	CCC+ Stable	- -	- -	- -	-5.8	58.0	1.2	59.0	11.4	156.8	-5.4	0.5
Rwanda	B+ Stable	B2 Stable	B+ Stable	- -	-4.6	69.5	3.5	19.8	9.5	111.5	-11.7	3.7
Middle East												
Bahrain	B+ Negative	B2 Stable	B+ Stable	B+ Negative	-4.9	133.7	-3.5	138.2	29.7	331.1	2.1	1.0
Iran	- -	- -	- -	- -	-4.2	26.1	-	-	-	-	3.5	-
Iraq	B- Stable	Caa1 Stable	B- Stable	- -	-4.5	45.6	15.3	3.2	3.1	42.6	5.6	-1.4
Jordan	BB- Stable	Ba3 Stable	BB- Stable	BB- Stable	-1.8	92.6	1.9	68.5	12	150.3	-4.4	1.6
Kuwait	A+ Stable	A1 Stable	AA- Stable	AA- Stable	-3.9	5.2	2.2	45.3	0.4	107.9	15.4	-4.8
Lebanon	SD -	C -	RD** -	- -	0.0	213.0	8.8	181.1	9.0	160.6	-20.1	2.8
Oman	BBB- Stable	Baa3 Stable	BB+ Stable	BBB- Positive	-7.3	51.7	4.4	26.0	6.5	101.2	-8.3	2.1
Qatar	AA Stable	Aa2 Stable	AA Stable	AA Stable	4.0	47.7	2.2	115.4	5.0	168.0	16.7	-0.2
Saudi Arabia	A+ Stable	A1 Positive	A+ Stable	AA- Stable	-2.8	24.6	10.3	25.3	3.5	67.7	-0.2	0.5
Syria	- -	- -	- -	- -	-	49.0	-	-	-	-	-15.5	-
UAE	AA Stable	Aa2 Stable	AA- Stable	AA- Stable	5.5	29.9	-	-	4.3	-	6.8	-2.0
Yemen	- -	- -	- -	- -	-2.7	50.7	-	-	-	-	-19.2	-2.3

COUNTRY RISK METRICS

Countries	LT Foreign currency rating S&P	Moody's	Fitch	CI	General gvt. balance/ GDP (%)	Gross Public debt (% of GDP)	Usable Reserves / CAPs* (months)	Short-Term External Debt by Rem. Mat./ CARs	Gvt. Interest Exp./ Rev. (%)	Gross Ext. Fin. needs / (CAR + Use. Res.) (%)	Current Account Balance / GDP (%)	Net FDI / GDP (%)
Asia												
Armenia	BB- Stable	Ba3 Stable	BB- Stable	B+ Positive	-4.6	49.8	2.0	29.6	11.5	114.7	-3.1	2.2
China	A+ Stable	A1 Negative	A+ Stable	- -	-3.0	65.2	10.9	20.6	5.8	60.9	2.3	0.7
India	BBB- Stable	Baa3 Stable	BBB- Stable	- -	-7.8	84.0	7.3	29.8	25.2	82.2	-1.3	1.0
Kazakhstan	BBB- Stable	Baa2 Positive	BBB Stable	- -	-3.1	26.4	4.1	29.4	8.1	100.4	-2.8	2.2
Pakistan	CCC+ Stable	Caa2 Positive	B- Stable	- -	-7.5	71.3	0.7	34.9	55.9	133.4	-1.3	0.4
Bangladesh	B+ Stable	B2 Negative	B+ Stable	- -	-4.8	32.1	3.8	29.0	29.0	102.8	-1.5	0.4
Central & Eastern Europe												
Bulgaria	BBB Positive	Baa1 Stable	BBB Positive	- -	-2.5	24.5	2.0	19.5	1.5	102.8	-0.5	2.0
Romania	BBB- Stable	Baa3 Stable	BBB- Stable	- -	-7.3	51.7	4.4	25.9	6.5	101.2	-8.3	2.1
Russia	- -	- -	- -	- -	-	18.2	18.0	23.6	4.4	45.0	12.1	-0.7
Türkiye	BB- Stable	B03 Stable	BB- Stable	BB- Stable	-5.1	27.0	1.4	63.6	10.8	149.0	-1.2	0.4
Ukraine	CC Negative	Ca Stable	CC -	- -	-17.0	91.6	4.6	40.7	10.1	108.	-6.6	1.4

**Current account payments*

***Fitch withdrew the ratings of Lebanon on July 23, 2024*

Source: S&P Global Ratings, Fitch Ratings, Moody's Ratings, CI Ratings, Byblos Research - The above figures are projections for 2025

SELECTED POLICY RATES

	Benchmark rate	Current (%)	Last meeting Date	Last meeting Action	Next meeting
USA	Fed Funds Target Rate	4.50	30-Jul-25	Raised 110bps	17-Sep-25
Eurozone	Refi Rate	2.15	24-Jul-25	No change	11-Sep-25
UK	Bank Rate	4.25	19-Jun-25	No change	07-Aug-25
Japan	O/N Call Rate	0.50	31-Jul-25	No change	07-Aug-25
Australia	Cash Rate	3.85	07-Jul-25	No change	12-Aug-25
New Zealand	Cash Rate	3.25	09-Jul-25	No change	20-Aug-25
Switzerland	SNB Policy Rate	0.00	19-Jun-25	Cut 25bps	25-Sep-25
Canada	Overnight rate	2.75	30-Jul-25	No change	17-Sep-25
Emerging Markets					
China	One-year Loan Prime Rate	3.00	21-Jul-25	No change	20-Aug-25
Hong Kong	Base Rate	4.75	19-Dec-24	Cut 25bps	N/A
Taiwan	Discount Rate	2.00	19-Jun-25	No change	18-Sep-25
South Korea	Base Rate	2.50	10-Jul-25	No change	28-Aug-25
Malaysia	O/N Policy Rate	2.75	09-Jul-25	Cut 25bps	04-Sep-25
Thailand	1D Repo	1.75	25-Jun-25	No change	13-Aug-25
India	Repo Rate	5.50	06-Jun-25	Cut 50pbs	06-Aug-25
UAE	Base Rate	4.40	18-Dec-24	Cut 25bps	N/A
Saudi Arabia	Repo Rate	5.00	18-Dec-24	Cut 25bps	N/A
Egypt	Overnight Deposit	24.00	10-Jul-25	No change	28-Aug-25
Jordan	CBJ Main Rate	6.50	22-Dec-24	Cut 25bps	N/A
Türkiye	Repo Rate	43.00	24-Jul-25	Cut 300bps	11-Sep-25
South Africa	Repo Rate	7.25	29-May-25	Cut 25bps	31-Jul-25
Kenya	Central Bank Rate	9.75	10-Jun-25	Cut 25bps	12-Aug-25
Nigeria	Monetary Policy Rate	27.50	22-Jul-25	No change	23-Sep-25
Ghana	Prime Rate	25.00	30-Jul-25	Cut 300bps	17-Sep-25
Angola	Base Rate	19.50	18-Jul-25	No change	19-Sep-25
Mexico	Target Rate	8.00	26-Jun-25	Cut 50bps	07-Aug-25
Brazil	Selic Rate	15.00	30-Jul-25	No change	04-Aug-25
Armenia	Refi Rate	6.75	17-Jun-25	No change	05-Aug-25
Romania	Policy Rate	6.50	08-Jul-25	No change	08-Aug-25
Bulgaria	Base Interest	1.91	01-Jul-25	Cut 16bps	01-Aug-25
Kazakhstan	Repo Rate	16.50	11-Jul-25	No change	29-Aug-25
Ukraine	Discount Rate	15.50	24-Jul-25	No change	11-Sep-25
Russia	Refi Rate	18.00	25-Jul-25	Cut 200bps	12-Sep-25

Economic Research & Analysis Department
Byblos Bank Group
P.O. Box 11-5605
Beirut - Lebanon
Tel: (+961) 1 338 100
Fax: (+961) 1 217 774
E-mail: research@byblosbank.com.lb
www.byblosbank.com

BYBLOS BANK GROUP

LEBANON

Byblos Bank S.A.L
Achrafieh - Beirut
Elias Sarkis Avenue - Byblos Bank Tower
P.O.Box: 11-5605 Riad El Solh - Beirut 1107 2811- Lebanon
Phone: (+ 961) 1 335200
Fax: (+ 961) 1 339436

IRAQ

Erbil Branch, Kurdistan, Iraq
Street 60, Near Sports Stadium
P.O.Box: 34 - 0383 Erbil - Iraq
Phone: (+ 964) 66 2233457/8/9 - 2560017/9
E-mail: erbilbranch@byblosbank.com.lb

Sulaymaniyah Branch, Kurdistan, Iraq
Salem street, Kurdistan Mall - Sulaymaniyah
Phone: (+ 964) 773 042 1010 / (+ 964) 773 041 1010

Baghdad Branch, Iraq
Al Karrada - Salman Faeq Street
Al Wahda District, No. 904/14, Facing Al Shuruk Building
P.O.Box: 3085 Badalat Al Olwiya – Iraq
Phone: (+ 964) 770 6527807 / (+ 964) 780 9133031/2
E-mail: baghdadbranch@byblosbank.com.lb

Basra Branch, Iraq
Intersection of July 14th, Manawi Basha Street, Al Basra – Iraq
Phone: (+ 964) 770 4931900 / (+ 964) 770 4931919
E-mail: basrabranch@byblosbank.com.lb

ARMENIA

Byblos Bank Armenia CJSC
18/3 Amiryan Street - Area 0002
Yerevan - Republic of Armenia
Phone: (+ 374) 10 530362 Fax: (+ 374) 10 535296
E-mail: infoarm@byblosbank.com

BELGIUM

Byblos Bank Europe S.A.
Brussels Head Office
Boulevard Bischoffsheim 1-8
1000 Brussels
Phone: (+ 32) 2 551 00 20
Fax: (+ 32) 2 513 05 26
E-mail: byblos.europe@byblosbankeur.com

UNITED KINGDOM

Byblos Bank Europe S.A., London Branch
Berkeley Square House
Berkeley Square
GB - London W1J 6BS - United Kingdom
Phone: (+ 44) 20 7518 8100
Fax: (+ 44) 20 7518 8129
E-mail: byblos.london@byblosbankeur.com

FRANCE

Byblos Bank Europe S.A., Paris Branch
15 Rue Lord Byron
F- 75008 Paris - France
Phone: (+33) 1 45 63 10 01
Fax: (+33) 1 45 61 15 77
E-mail: byblos.europe@byblosbankeur.com

NIGERIA

Byblos Bank Nigeria Representative Office
161C Rafu Taylor Close - Off Idejo Street
Victoria Island, Lagos - Nigeria
Phone: (+ 234) 706 112 5800
(+ 234) 808 839 9122
E-mail: nigeriarepresentativeoffice@byblosbank.com.lb

ADIR INSURANCE

Dora Highway - Aya Commercial Center
P.O.Box: 90-1446
Jdeidet El Metn - 1202 2119 Lebanon
Phone: (+ 961) 1 256290
Fax: (+ 961) 1 256293