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COUNTRY RISK WEEKLY BULLETIN

NEWS HEADLINES

WORLD

Global trade in services up 5% in first quarter of 2025

Figures released by the World Trade Organization show that global trade in services increased by 5% in the first quarter of 2025 from the same quarter of 2024. It noted that the global exports and imports of services grew by 5% each in the first quarter of 2025 from the same period of 2024. It pointed out that the exports of services from Asia rose by 9% in the first quarter of 2025 from the same quarter of 2024, followed by increases of 6% of service exports from South America and of 3% from each of North America and Europe. Also, it noted that the import of services to South America surged by 14% year-on-year in the first quarter of 2025, followed by service imports to North America and Asia (+5% each), and to Europe (+4%). Also, it said that goods-related services expanded by 6% annually in the first quarter of 2025, followed by increases of 5% each in global travel services and in other commercial services, and of 3% in global transport services. In parallel, it indicated that the global trade in computer services surged by 8% year-on-year in the first quarter of 2025, followed by insurance and pension services (+6%), other business services (+5%), charges for the use of intellectual property (+4%), and financial services (+3%). In contrast, it said that the global trade in construction services declined by 15% annually in the first quarter of 2025, followed by personal, cultural, and recreational services (-1%).

Source: World Trade Organization

EMERGING MARKETS

Maturing corporate debt at $335.4bn between July 2025 and end-2030

S&P Global Market Intelligence indicated that the total outstanding corporate debt of emerging markets (EMs) reached $649.5bn at the end of June 2025, with $335.4bn, or 52% of aggregate EM debt, maturing between July 2025 and the end of 2030. It noted that $25.7bn of EM debt are due in the second half of 2025, $68.2bn mature in 2026, $72.3bn are payable in 2027, $56.8bn come due in 2028, $58.9bn have to be settled in 2029, and $53.5bn are due in 2030. Further, it said that the maturing debt of non-financial companies in EMs stands at $246bn and accounts for 73.4% of the due debt between July 2025 and end-2030, while the maturing debt of the financial sector in EMs amounts to $89.4bn (26.6%). Also, it noted that $81.3bn in investment-grade EM debt of financial companies, or 24.2% of the due debt, mature between July 2025 and December 2030, while $8.1bn in speculative-grade EM corporate debt (2.4%) come due during the covered period. It added that $165.5bn in investment-grade EM debt of non-financial corporates, or 49.3% of the due debt, mature between July 2025 and December 2030, while $80.6bn in speculative-grade EM debt of non-financial corporates (24%) come due during the covered period. In parallel, it pointed out that 'BBB'-rated EM corporate bonds that mature between July 2025 and end-2030 stand at $159.8bn and represent 47.6% of the total, followed by bonds in the 'AA/A' bracket with $87bn (26%), debt in the 'BB' range with $70.9bn (21%), bonds in the 'B' segment with $13.8bn (4%), and debt in the 'CCC' segment or lower with $4bn (1.2%).

Source: S&P Global Market Intelligence, Byblos Research

AFRICA

Investment banking fees down 4% to $169.3m in first half of 2025

Figures compiled by data provider Refinitiv show that investment banking fees in Sub-Saharan Africa (SSA) totaled $169.3m in the first half of 2025, constituting a decrease of 4% from $176.4m in the same period last year. The distribution of investment banking fees shows that fees from syndicated lending reached $77.7m and accounted for 46% of the total, followed by merger & acquisition (M&A) fees with $59.3m (35%), debt capital markets fees with $26.8m (15.8%) and equity capital markets fees with $5.5m (3.2%). Also, fees from syndicated lending fees surged by 28%, and those from debt capital markets rose by 14% in the first half of 2025. In contrast, equity capital markets fees dropped by 66% year-on-year and those of M&A transactions decreased by 22%. In parallel, the energy & power industry accounted for $3.1bn or 52.2% of M&A activity in the first half of 2025, followed by the materials segment with $1.2bn (20.1%), the financial sector with $625.2m (10.5%), the telecommunication industry with $274.5m (4.6%), and the consumer staples sector with $257.4m (4.3%), while other sectors totaled $490.4m or 8.3% of M&A activity in the covered period. On a country basis, M&A activity in the South Africa totaled $2.05bn, or 34.4% of aggregate M&A activity in the region in the first half of 2025, followed by Côte d'Ivoire with $1.67bn (28.1 %), Nigeria with $694m (11.7%), Gabon with $300m (5.1%), and Rwanda with $275m (4.6%). Also, the figures show that the SSA region issued $13.1bn in sovereign bonds and $4.8bn in corporate bonds in the first half of 2025.

Source: Refinitiv

MENA

Stock markets up 6.5% in first seven months of 2025

Arab stock markets increased by 6.5%, while Gulf Cooperation Council equity markets improved by 2% in the first seven months of 2025, relative to decreases of 1% each in the same period of 2024. In comparison, global equity markets expanded by 10.4% and emerging market equities grew by 11.3% in the first seven months of 2025. Activity on the Damascus Securities Exchange, based on the official stock market index, jumped by 93.3% in the first seven months of 2025, the Casablanca Stock Exchange surged by 33%, the Dubai Financial Market appreciated by 19.4%, the Tunis Bourse advanced by 19%, the Amman Stock Exchange gained 17%, and the Palestine Exchange yielded 16.4%. Also, the Egyptian Exchange increased by 15%, the Boursa Kuwait grew by 11.7%, the Abu Dhabi Securities Exchange improved by 10%, the Qatar Stock Exchange appreciated by 6.5%, and the Muscat Securities Market increased by 4.5% in the covered period. In contrast, the Beirut Stock Exchange dropped by 19.8% in the first seven months of 2025, the Iraq Stock Exchange shrank by 12%, the Saudi Stock Exchange declined by 9.3%, and the Bahrain Bourse contracted by 1.5% in the covered period. In parallel, the Tehran Stock Exchange decreased by 1.6% in the first seven months of 2025.

Source: Local stock markets, Dow Jones Indices, Refinitiv, Byblos Research

WORLD

New tariffs to have varying impact across economies and sectors

Moody's Ratings considered that the imposition of new tariffs will have an impact on several critical sectors and countries. It indicated that the Asia-Pacific economies are the most exposed to higher U.S. tariffs due to their heavy reliance on trade and to their elevated exposure to the exports of their goods to the U.S., but it said that many of these countries will be subject to lower tariffs than those that the U.S. announced earlier this year. It noted that the sectors most at risk from the latest U.S. tariff announcements include highly integrated industries such as automotive, manufacturing and technology, along with consumer goods and retail. Further, it said that the trade agreements that the U.S. reached since last April cover the majority of imported goods to the U.S., with tariffs from these deals generally lower than those announced on April 2 of this year, despite the broader declaration of increased tariffs on numerous countries. It added that the agreements will help avoid the severe economic effects that the earlier tariffs would have triggered, and will prevent potentially escalating trade wars. Also, the agency indicated that the current U.S. effective tariff rate is around 18% compared to its assumption of a rate of 10% to 15% earlier this year.

In addition, it considered that ongoing uncertainties about the scope of any final agreements and the risk that talks could still breakdown will continue to undermine business planning and investment decisions. It said that fluctuating tariff levels, protracted negotiations with uncertain outcomes, and potential tariffs under different authorities are weighing on consumer sentiment and are complicating business decisions. Further, it noted that the failure of some trading partners to fulfill their obligations under a trade deal with the U.S. could lead to renewed trade tensions and trigger another round of punitive trade measures. Also, it noted that the cost of global trade has increased, as the effective tariff rates will be significantly higher than they were earlier this year, and expected them to remain elevated.

Source: Moody's Ratings

Banking sector facing four main risks

S&P Global Ratings considered that banks around the world face four main risks in the 2025-26 period that consist of a stronger-than-anticipated spillover from the tariff shock to the real economy, an escalation of geopolitical tensions, a weakening of banks' regulatory environment, and evolving risks that include new technologies that could challenge business models and risk management for some banks.

First, it indicated that the new U.S. tariff policy may trigger macro-financial shocks that could transmit to banks. It said that new tariffs could exacerbate tensions on key funding markets, decrease investments and consumption, and increase doubts on the effectiveness of central banks and supervisory coordination in times of crisis, which could lead to several financial risks, such as credit, market, funding, profitability, and business model risks. As such, it forecast credit losses of global banks to rise by $140bn in the 2025-26 period from $661bn in 2024 to $750bn in 2025 and $800bn in 2026. But it considered these losses to be manageable for most banks, due to their solid profitability and strengthened prudential rules. Also, it expected the banks' funding and liquidity profiles to remain stable amid the decline in policy rates, although it anticipated potential further volatility in market interest rates and credit spreads to pose risks to their funding and liquidity buffers. Second, it said that the ongoing Russia-Ukraine war and the conflict between Israel and Iran continue to weigh on investor sentiment in emerging markets.

Third, it indicated that growing pressure to simplify banking regulations and oversight may weaken the regulatory framework or hinder the effectiveness of supervisory actions globally. Fourth, it said that the deployment of generative artificial intelligence (AI) is reshaping the banks' business model, and expected the effects of AI to be gradual, incremental, and uneven among banks. It pointed out that security risks of generative AI are the biggest challenge for banks.

Source: S&P Global Ratings

SAUDI ARABIA

Sound macroeconomic policies support favorable outlook

The International Monetary Fund (IMF) indicated that the Saudi economy has demonstrated strong resilience to shocks and projected the Kingdom's real GDP growth rate at 3.6% in 2025, at 3.9% in 2026 and at an average of 3.4% in the 2027-30 period. Also, it forecast Saudi Arabia’s real non-oil GDP growth rate at 3.4% in 2025, 3.5% in 2026 and to average 3.6% in the 2027-30 period, and to remain supported by the continued implementation of Vision 2030 projects through public and private investments and by strong credit growth, which would help mitigate the impact of lower oil prices.

Further, it projected the current account deficit at 2.6% of GDP in 2025 and 3% of GDP in 2026 and at an average 3.3% of GDP in the 2027-30 period due to elevated external borrowing, reduced foreign asset accumulation, high imports, and remittance outflows. But it stressed that the Kingdom has ample external and fiscal buffers to mitigate the deficits, as it projected the net foreign assets at the Saudi Central Bank to reach $419bn at end-2025, $422bn at end-2026 and to average $426.8bn annually in the 2027-30 period. Further, it forecast international reserves at 14.1 months of import at end-2025 and at 13.3 months of import at end-2026, and to average 12.2 months of imports in the 2027-2030 period. In addition, the IMF considered that the direct impact of rising global trade tensions on the Saudi economy to be limited, as oil products, which accounted for 78% of Saudi Arabia’s exports to the U.S. in 2024, are exempt from U.S. tariffs.

In parallel, the IMF considered that upside risks to the outlook include higher oil production or additional investments linked to Vision 2030 initiatives that would support growth; while downside risk consist of weaker oil demand due to global trade tensions, lower government spending, and regional security risks that could undermine investor sentiment and widen the fiscal. Also, it indicated that, despite high uncertainties and the emergence of twin deficits, the outlook remains favorable, supported by sound macroeconomic policies, strong buffers, and continued reform momentum.

Source: International Monetary Fund

KUWAIT

Sovereign ratings affirmed on exceptionally robust external finances

Capital Intelligence Ratings affirmed Kuwait's short- and long-term foreign and local currency sovereign ratings at 'A1' and 'A+', respectively, and maintained the 'stable' outlook on the long-term ratings. It indicated that the ratings are supported by very strong external finances, including elevated current account surpluses, and the substantial financial assets of the Future Generations Fund. Also, it said that the ratings are underpinned by the country's large hydrocarbon reserves, very high GDP per capita, the very low level of the central government's debt, and a resilient banking sector. But it noted that the ratings are constrained by the country's heavy reliance on hydrocarbons, high geopolitical risk factors, and a rigid budget structure. Further, it indicated that the slow pace of reforms and the moderately weak institutional strength, including limited accountability and checks on the public sector, as well as low policy transparency, are weighing on the ratings. In parallel, it said that the outlook balances the government's low debt and strong external balances, with risks stemming from the slow pace of reforms and the high dependence on hydrocarbons, and noted that the 'stable' outlook indicates that the ratings are likely to remain unchanged in the next 12 months. Also, it said that it could revise the outlook to 'positive' in the next 12 months if the policymaking environment improves significantly, which would the government to embark on serious reforms that address fiscal and economic vulnerabilities, as well as reduce dependence on hydrocarbons.

Source: Capital Intelligence Ratings

JORDAN

Real GDP growth to average 3% in 2026-27 period

Standard Chartered Bank projected Jordan's real GDP growth rate at 2.7% in 2025 and at 3% in each of 2026 and 2027, due to the recovery in domestic demand and in tourism activity, despite persistent regional headwinds. Also, it expected Jordan's firm commitment to structural reforms, along with improving investment and manufacturing activity, to sustain the growth momentum in the second half of 2025. It indicated that encouraging progress on investment facilitation, industrial policy, and food security has partially offset the impact of softer external demand. Further, it anticipated the Central Bank of Jordan's prudent stance, along with the elevated foreign currency reserves that reached $22bn at end-March 2025, to maintain monetary stability and anchor investor confidence. Also, it forecast the fiscal deficit at 5% of GDP in 2025 and at 4% of GDP in each of 2026 and 2027. It expected Jordan to fill the deficit through increased support from the Gulf Cooperation Council countries, especially from the UAE, and from the renewed engagement with European donors to sustain fiscal and external buffers. Further, it projected the current account deficit to narrow from 6% of GDP in 2024 to 5.5% of GDP in 2025 and 5% of GDP in 2026, driven by higher tourism receipts and services exports. But it considered that cuts to U.S. aid, which has averaged $1.45bn per year, pose a material downside risk to the economy.

Source: Standard Chartered Bank

PAKISTAN

Sovereign ratings upgraded on increasing external buffers

S&P Global Ratings upgraded Pakistan's short and long-term sovereign credit ratings from 'C/CCC+' to 'B/B-', respectively, which is six notches below investment grade, and maintained the 'stable' outlook on the long-term ratings. Also, it upgraded the country's Transfer & Convertibility Assessment from 'CCC+' to 'B-'. It attributed the upgrades to improvements in the country's balance of payments and to the accumulation of foreign currency reserves in the last 12 months, which will help Pakistan meet its external obligations and will reduce the near-term risks of a sovereign default. Also, it indicated that bilateral and multilateral aid has supported the increase in official usable foreign currency reserves in recent months, following the International Monetary Fund's approval of the $7bn Extended Fund Facility in September 2024. It said that the 'stable' outlook reflects its expectations that the ongoing economic recovery and the government's efforts to increase revenues will stabilize the fiscal and debt metrics. Also, it forecast the country's gross external financing needs at 110.2% of current account receipts and usable reserves in FY2025/26, as well as at 110.8% of such receipts and reserves in FY2026/27 and 111.2% in FY2027/28. In parallel, the agency said that it may downgrade the ratings if the country's external and fiscal positions deteriorate rapidly, if financial support from key bilateral and multilateral partners erodes, and/or if usable foreign currency reserves decline significantly to levels that will impact external debt obligations.

Source: S&P Global Ratings

TÜRKIYE

Sovereign ratings affirmed, outlook 'stable'

Fitch Ratings affirmed Türkiye's long-term foreign currency issuer default rating (IDR) at 'BB-', which is three notches below investment grade, and maintained the 'stable' outlook on the long-term ratings. It said that the ratings balance the country's high inflation and political interference in monetary policy, low external liquidity relative to its high financing requirements and weaker governance compared to peers, with a low public debt level, a track record of sustaining access to external financing, a resilient banking sector, and high GDP per capita relative to the median of 'BB'-rated sovereigns. Further, it noted that Türkiye's external debt is high relative to its foreign currency reserves, with an international liquidity ratio of 80%, well below the 'BB' median of 154%. As such, it said that the risk of still large external financing needs is mitigated by the resilience of sovereign and private sector access to external finance. It considered that the monetary policy framework remains a key ratings weakness due to its lack of independence, and forecast foreign currency reserves to be equivalent to 4.4 months of current external payments in 2027, which is below the median of 4.7 months of 'BB'-rated peers. In parallel, the agency noted that it could downgrade the ratings if inflationary pressures and balance-of-payments and macro-financial risks increase, if international reserves decline, and/or in case of a deterioration in political or security conditions. It added that it could upgrade the ratings if the inflation rate declines significantly, if the sovereign's external buffers strengthen, and/or the risk of a domestic political shock recedes.

Source: Fitch Ratings

MENA

Banks' Tier One capital at $493.5bn at end-2024

The Banker magazine's survey of the Top 1000 Banks in the world indicated that the aggregate Tier One capital of 69 Middle Eastern banks included in the survey stood at $493.5bn at the end of 2024. The survey includes 16 banks from the UAE, 10 banks from Saudi Arabia, eight banks from Qatar, six banks from each of Bahrain and Kuwait, five banks from each of Israel, Morocco and Oman, four banks from Jordan, two banks from Egypt, and one bank from each of Iran and Lebanon. The survey indicated that the aggregate Tier One capital of Middle Eastern banks accounted for 4.4% of the aggregate Tier One capital of the world's Top 1000 banks at end-2024. The aggregate Tier One capital of banks in Saudi Arabia totaled $154.1bn and accounted for 31.2% of the aggregate Tier One capital of the Top 69 Middle Eastern banks at end-2024. Banks in the UAE followed with $117.5bn (23.8%) of the total, then banks in Qatar with $61.4bn (12.4%), Israel with $54.1bn (11%), Kuwait with $35.5bn (7.2%), Iran with $17.4bn (3.5%), Oman with $13bn and Bahrain with $12.9bn (2.6% each), Morocco with $11bn and Jordan with $10.8bn (2.2% each), Egypt with $5.1bn (1%), and Lebanon with $819m (0.2%). The Saudi National Bank had the highest Tier One capital at $40.8m at end-2024, equivalent to 8.3% of the 69 Middle Eastern banks' aggregate Tier One capital, followed by Al Rajhi Bank with $31.4m (6.4%), Emirates NBD with $30.1m (6.1%), Qatar National Bank with $28.8m (5.8%), and First Abu Dhabi Bank with $26.8m (5.4%) as the top ranked banks. Also, the total assets of Middle Eastern banks reached $4,701bn at end-2024 and accounted for 2.9% of the aggregate assets of the world's Top 1000 banks. As such, the Tier One capital-to-assets ratio (CAR) of Middle Eastern banks was 10.5% at end-2024 compared to the Top 1000 banks' CAR of 6.9%.

Source: The Banker, Byblos Research

TÜRKIYE

Banks' ratings upgraded on improved performance and operating conditions

Moody's Ratings upgraded the local and foreign-currency long-term deposit, issuer and senior unsecured ratings of 15 Turkish banks and affirmed those of two banks. Also, it upgraded the Baseline Credit Assessments (BCAs) of 11 Turkish banks and affirmed the BCAs of six banks, while it revised the outlook from 'positive' to 'stable' on the long-term ratings of all the banks. It attributed the ratings' upgrades to its similar action on the sovereign ratings, as well as to the banks' resilient financial performance and improving operating conditions. It expected the Turkish authorities' firm commitment to an orthodox monetary policy, with a focus on disinflation targets, to support more predictable and improved operating conditions for banks. It added that the government's improved policy credibility is supporting the funding profile of the banking sector. Also, it noted that the 'stable' outlook on all of the banks' ratings reflects solid loan provisions, capital and liquidity buffers, which balance a weak asset quality and moderating profitability. In addition, it indicated that it could downgrade the ratings if the banking sector's solvency and funding profile deteriorate, if the authorities revert to unorthodox policies, and/or in case it downgrades the sovereign rating.

Source: Moody's Ratings

IRAQ

NPLs ratio projected at 18% at end-2026

S&P Global Ratings projected the non-performing loan ratio of the banking sector in Iraq to increase from 16.6% at end-2024 to 17.5% at the end of 2025 and to 18% at end-2026 amid the banks' weak risk management. It forecast the credit growth of Iraqi banks at 6% in the 2025-26 period compared to a growth rate of 5.6% in 2024, given that the transition from a predominantly cash-based economy to a stronger role for the banking system will take time and will require a significant shift in the public's mindset, despite ongoing regulatory reforms. Further, it expected the banking sector's profitability to remain low, and anticipated the sector's return on average assets to slightly increase from 1.3% in 2024 to 1.4% in each of 2025 and 2026. It noted that the deposits of the government and of public institutions accounted for more than 60% of the sector's deposits at end-March 2025, and that the long-term funding of banks is almost non-existent, which is causing significant maturity mismatches, as most deposits are short term funds and fluctuate with oil revenues. In parallel, it considered that the government's capacity and willingness to support the banking system is limited. But it said that the government is pursuing ambitious banking reforms as part of its broader economic modernization efforts, including the restructuring of state-owned banks, changing the ownership structure and board composition of banks to improve governance, as well as tightening capital requirements and rules on foreign currency outflows. Moreover, it pointed out that the Iraqi banking sector is overbanked and fragmented with 77 banks, and is dominated by state-owned banks that hold about 75% of total assets, which is distorting the market.

Source: S&P Global Ratings

CÔTE D'IVOIRE

Capital adequacy ratio at 13.1%, NPLs ratio at 7.3% at end-2023

The International Monetary Fund considered that Côte d'Ivoire's banking sector is one of the soundest in the West African Economic and Monetary Union, as it has benefited from the strengthening of prudential regulations and the resizing and recapitalization of public sector banks. It said that the average risk-weighted capital adequacy ratio of banks increased from 12.6% at the end of 2021 to 13% at end-2022 and to 13.1% at end-2023, the latest available figures. It added that the banks' Tier One capital ratio improved from 12.4% at end-2023 to 12.9% at end-June 2024, and their capital-to-assets ratio was 7.6% at end-2023 relative to 7.3% a year earlier. Also, it noted that the non-performing loans (NPLs) ratio decreased from 7.7% at end-2022 to 7.3% at end-2023, while general provisions covered 63.3% of NPLs at end-2023, relative to 69.9% at end-2022. It added that the banks' NPLs net of provisions were equivalent to 2.8% of total loans and to 20% of capital at end-2023, up from 2.5% of total loans and 17.2% of capital a year earlier. It said that the growth of credit to the private sector decelerated from its peak of 16.2% in 2023 to 11.5% in 2024, amid rising spreads and monetary tightening. Further, it pointed out that the banks' liquid assets were equivalent to 36.3% of total deposits at end-2023 compared to 36.2% at end-2022. It added that the banks' aggregate deposits were equivalent to 71.7% of their liabilities at end-2023 compared to 71.9% at end-2022.

Source: International Monetary Fund

ENERGY / COMMODITIES

Oil prices to reach $64 p/b in fourth quarter of 2025

The prices of ICE Brent crude oil front-month future contracts reached $66.9 per barrel (p/b) on August 6, 2025, constituting a decrease of 8.7% from $73.4 p/b a week earlier, as the OPEC+ coalition agreed to increase its oil production by 541,000 barrels per day (b/d) starting in September, which outweighed concerns about the imposition of additional sanctions on Russia. In parallel, Goldman Sachs indicated that the rise in output by the OPEC+ coalition will complete the return of the 2.2 million b/d of voluntary cuts, in addition to the 0.3 million b/d increase in required UAE production. It anticipated Saudi Arabia and the UAE to contribute 60% and 20% of the increase in oil production, respectively. Further, it expected OPEC+ members to hold production steady beyond September, despite their flexible policy stance and ongoing geopolitical uncertainties. It noted that, assuming that there are no major disruptions from sanctioned producers and that global demand grows slightly, strong supply increases from non-OPEC producers would likely limit the need for additional OPEC+ output. It anticipated OECD commercial oil inventory builds to rise to 0.6 million b/d in the next 12 months, up from 0.2 million b/d so far this year. Also, it expected growing pressure on sanctioned oil supplies from Russia and Iran to pose upside risk to oil prices in the near term. In parallel, it considered the rise in U.S. tariff rates, threats of additional secondary tariffs and weak U.S. activity to pose downside risks to the projected average annual demand growth of 0.8 million b/d in the 2025-26 period. Further, Goldman Sachs projected oil prices to reach $64 p/b in the fourth quarter of 2025.

Source: Goldman Sachs, Refinitiv, Byblos Research

Middle East demand for gold jewelry down 8% in first half of 2025

Demand for gold jewelry in the Middle East totaled 84.8 tons in the first half of 2025, constituting a decline of 7.8% from 92 tons in the same period of 2024, and accounted for 11.7% of global demand for gold jewelry. Demand for gold jewelry in Saudi Arabia reached 25.8 tons, or 30.5% of the region's consumption in the covered period, followed by the UAE with 15.6 tons (18.4%), Iran with 14.5 tons (17%), Egypt with 12.1 tons (14.2%), and Kuwait with 5.1 tons (6%).

Source: World Gold Council, Byblos Research

Asia-Pacific accounts for 32.8 % of global LNG exports in 2024

BP indicated that global Liquefied Natural Gas (LNG) exports reached 544.1billion cubic meters (bcm) in 2024, representing a decrease of 0.5% from 546.6 bcm in 2023. LNG exports from the Asia Pacific region totaled 178.2 bcm and accounted for 32.8% of global exports, followed by the Middle East followed with 131.5 bcm (24.2%), the Americas with 130.6 bcm (24%), then Europe and the Commonwealth of Independent States with 52.7 bcm (9.7%), and Africa with 51.2 bcm (9.4%).

Source: BP, Byblos Research

Algeria's oil exports up 14% in May 2025

Crude oil production in Algeria totaled 920,000 barrels per day (b/d) in May 2025, constituting an increase of 1% from 912,000 b/d in April 2025. Further, aggregate crude oil exports stood at 533,000 b/d in May 2025, up by 14% from 468,000 b/d in April 2025.

Source: JODI, Byblos Research

Base Metals: Iron ore prices to average $95 per dry metric ton in third quarter 2025

LME iron ore cash prices averaged $99.8 per dry metric ton (dmt) in the year-to-August 6, 2025 period, constituting a decrease of 13.8% from an average of $115.7 per dmt in the same period of 2024, due mainly to the oversupply of the metal from major producers and weak demand for steel in China, the world's largest consumer of iron ore, primarily for steel production. Further, S&P Global Market Intelligence projected iron ore prices to trade at between $95 per dmt and $100 a dmt in the remainder of the third quarter of 2025, as high consumption will place a floor of $95 per dmt to prices. But it expected lower consumption in the fourth quarter of the year to weigh on prices, which could decline to $90 per dmt. Also, it anticipated the demand for steel from the global property sector to weaken, which will outweigh higher demand for the metal for infrastructure projects. In addition, in its base-case scenario, Citi Research forecast iron ore prices to average $95 per dmt in the second half of 2025 amid lower demand from China. However, it said that elevated Chinese steel exports and ongoing cost support will likely limit further declines in iron ore prices in the near term. Under its bear case scenario, it expected iron ore prices to average $80 per dmt in the fourth quarter of 2025, assuming that China will implement supply-side reforms that will cut 50 million tons of crude steel output in 2025. In its bull case scenario, it forecast iron ore prices to average $120 per dmt in the fourth quarter of 2025, assuming that China will introduce a policy that will accelerate domestic consumption, in order to offset the headwinds from weaker exports of goods. Further, it projected LME iron ore cash prices to average $95 per dmt in the third quarter of 2025 and $98 a dmt in full year 2025.

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

Precious Metals: Gold prices to average $3,400 per ounce in third quarter 2025

Gold prices averaged $3,120.7 per ounce in the year-to-August 6, 2025 period, constituting an increase of 39.4% from an average of $2,238.1 an ounce in the same period of 2024, as the U.S. tariffs announcement in April increased global tensions, and given that the conflict between Israel and Iran drove gold prices to a record-high in the second quarter of 2025. Further, gold prices reached an all-time high of $3,428.3 per ounce on July 22, 2025, supported by a weaker U.S. dollar and lower Treasury yields, as investors looked for progress in trade talks ahead of the U.S.-imposed deadline for tariffs of August 1, 2025 to reach trade deals with counterparts In parallel, the World Gold Council indicated that global demand for gold totaled 2,384.6 tons in the first half of 2025 and increased by 12.8% from 2,114.3 tons in the same period of 2024. It attributed the increase to a shift of gold-backed exchange-traded funds (ETFs) from outflows of 120.1 tons in the first half of 2024 to inflows of 397.1 tons in the first half of 2025, and to a rise of 6.4% in demand for bars and coins, which were partly offset by a decline of 21% in net purchases by central banks, a decrease of 17.6% in jewelry consumption, and a downturn of 1% in demand from the technology sector. Also, it said that the global supply of gold reached 2,423.2 tons in the first half of 2025, constituting an increase of 1.1% from 2,397.4 tons in the same period of 2024, with mine output representing 72% of the total. Further, Citi Research forecast gold prices to average to $3,400 per ounce in the third quarter of 2025 and $3,200 per ounce in full year 2025.

Source: World Gold Council, Citi Research, 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	A+ 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	B- 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	19-Sep-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-Aug-25	Cut 50pbs	01-Oct-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	7.00	31-Jul-25	Cut 25bps	18-Sep-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	N/A
Armenia	Refi Rate	6.75	05-Aug-25	No change	16-Sep-25
Romania	Policy Rate	6.50	08-Jul-25	No change	08-Aug-25
Bulgaria	Base Interest	1.82	01-Aug-25	Cut 9bps	01-Sep-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

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