

COUNTRY RISK WEEKLY BULLETIN

NEWS HEADLINES

WORLD

Greenfield FDI in digital economy up 40% to \$360bn in 2024

The United Nations Conference on Trade & Development (UNCTAD) indicated that global greenfield foreign direct investments (FDI) in the digital economy totaled \$360bn in 2024, constituting an increase of 39.5% from \$258bn in 2023, compared to \$302bn in 2022, \$292bn in 2021, and \$131bn in 2020. It said that developing economies received on average 30% of greenfield FDI in the digital economy in the 2020-24 period. It added that the digital services and solutions segment in developed economies attracted \$152bn in greenfield FDI and represented 56.5% of global greenfield FDI in the digital economy in the 2020-24 period, followed by developing Asia and Oceania that attracted \$97bn in the same segment (36.1% of greenfield FDI in the digital economy), Latin America and the Caribbean with \$15bn (5.6%), and Asia with \$5bn (1.9%). In addition, it pointed out that greenfield FDI inflows to information and communication technologies (ICT) equipment companies amounted to \$209bn and accounted for 39.4% of total greenfield FDI inflows in digital economy sectors to developing countries in the 2020-24 period, followed by inflows to data centers with \$169bn (31.8%), to digital services and solutions providers with \$117bn (22%), and to ICT infrastructure projects with \$36bn (6.8%). Also, it stated that greenfield FDI inflows to ICT infrastructure projects surged by 125% in 2024, followed by inflows to digital services and solutions providers (+61%), and to data centers (+30.2%), while inflows to ICT equipment firms declined by 46.4% in 2024.

Source: UNCTAD

UAE

Earnings of Abu Dhabi firms up 14%, profits of Dubai firms up 18.7% in first half 2025

The net income of 77 companies listed on the Abu Dhabi Securities Exchange that published their financials totaled AED73.3bn, or \$20bn, in the first half of 2025, constituting an increase of 13.8% from AED64.4bn, or \$17.5bn in the same period of 2024. Listed firms in the financial sector generated net profits of \$8bn and accounted for 40.2% of the total earnings of publicly-listed firms in the first half of 2025. Energy companies followed with \$3.94bn (19.7%), then telecommunication firms with \$2.94bn (14.7%), industrials with \$1.65bn (8.3%), utilities with \$1bn (5.1%), real estate firms with \$984.3m (4.9%), basic materials companies with \$563.7m (2.8%), healthcare providers with \$388.6m (1.9%), consumer discretionary companies with \$294m (1.5%), and consumer staples firms with \$170.6m (1%). In parallel, the cumulative net income of 61 companies listed on the Dubai Financial Market that published their financials totaled AED57.9bn, or \$15.8bn, in the first half of 2025, constituting a rise of 18.7% from AED48.7bn or \$13.3bn in the same period last year. Listed financial firms generated profits of \$10.1bn, or 64% of net earnings in the first half of 2025, followed by real estate companies with \$3.23bn or 20.5% of the total, utilities firms with \$822.6m (5.2%), industrials with \$692.5m (4.4%), telecommunications firms with \$395m (2.5%), and consumer staples companies with \$268.4m (1.7%).

Source: KAMCO, Byblos Research

MENA

Level of innovation varies across Arab world

The World Intellectual Property Organization's Global Innovation Index for 2025 ranked the UAE as the 30th most innovative country globally and the most innovative Arab country. Saudi Arabia followed in 46th place, then Qatar (48th), Morocco (57th), and Bahrain (62nd) as the most innovative economies in the Arab world; while Tunisia (76th), Egypt (86th), Lebanon (90th), Algeria (115th) and Mauritania (131st) are least innovative Arab economies. The index is a composite of 78 variables that are grouped in two sub-indices. The Innovation Input Sub-Index covers an economy's institutions, human capital & research, infrastructure, and market and business sophistication; while the Innovation Output Sub-Index reflects the results of innovative activities within the economy, such as technology, knowledge, and creativity. The average score of the 13 Arab countries included in the survey reached 28.6 points on the 2025 index compared to 26.8 points in the 2024 survey and to 33.8 points on the 2015 index, and was below the global average of 31.5 points. Also, the average score of Gulf Cooperation Council (GCC) countries was 33.6 points, while the average of non-GCC Arab countries stood at 24.3 points. Further, the rankings of nine Arab countries improved, two regressed and two were unchanged, while the scores of all Arab countries increased from the 2024 index. Further, the Arab region's average score was higher than the average scores of South Asia (24.9 points), Latin America and the Caribbean (24.3 points), and Sub-Saharan Africa (19.2 points); and came lower than the average scores of North America (56.4 points), Europe & Central Asia (40.1 points), and East Asia & Pacific (39.1 points).

Source: INSEAD, Cornell University, WIPO, Byblos Research

Arab world trails most regions in broadband Internet speed

Figures published by Cable.co.uk on broadband Internet speed show that Internet speed in Qatar was the 41st fastest among 229 countries globally and the fastest among 20 Arab countries in 2024. The UAE (43rd), Bahrain (69th), Kuwait (81st), and Oman (82nd) followed as the five Arab countries with the fastest broadband Internet speed, while Libya (201st), Djibouti (208th), Sudan (223rd), Yemen (226th), and Syria (227th) registered the slowest speed regionally. The survey noted that broadband Internet speed in Qatar is 101.7 megabytes per second (mbps), while the Internet speed is 2.8 mbps in Syria. The Arab region's simple average broadband Internet speed stood at 30.1 mbps and came below the global average of 55.6 mbps. Also, the region's average broadband Internet speed was higher than the speed in North Africa (12.5 mbps), Sub-Saharan Africa (14.99 mbps), the Commonwealth of Independent States (22.7 mbps), and Oceania (28.9 mbps), but came lower than the average broadband Internet speed in Western Europe (141.1 mbps), the Baltics countries (106.5 mbps), North America (104.2 mbps), Eastern Europe (76.6 mbps), Asia excluding the Near East (57.2 mbps), the Caribbean (53.4 mbps), the Near East (50.3 mbps), South America (44.4 mbps), and Central America (41.4 mbps). Also, the average broadband Internet speed in Gulf Cooperation Council (GCC) countries stood at 70.4 mbps compared to 12.8 mbps in non-GCC Arab countries.

Source: Cable.co.uk. Byblos Research

OUTLOOK

KUWAIT

Elevated buffers to facilitate structural reforms

The Institute of International Finance projected Kuwait's real GDP to shift from a contraction of 2.6% in 2024 to growth rates of 3.6% in 2025 and 3% in 2026, supported by a recovery in oil production and the rollout of large-scale infrastructure projects. Also, it forecast activity in the non-hydrocarbon sector to expand by 2.1% in 2025 and by 3.2% in 2026, and anticipated real oil GDP activity to shift from a contraction of 4.8% in 2024 to growth rates of 5.3% this year and 2.8% in 2026. It expected crude oil output to increase by 5.3% in 2025 and by 2.8% in 2026, and to reach an average of 2.63 million barrels per day (b/d) this year and 2.7 million b/d in 2026.

In parallel, it projected the fiscal deficit, excluding investment income, to widen from 8.7% of GDP in the fiscal year that ends in March 2025 to 9.6% of GDP in FY2025/26 and 10.5% of GDP in FY2026/27, largely due to lower oil revenues, which would more than offset the significant improvement in non-oil revenues and the rationalization of spending in the short-term. It noted that the recently-enacted debt law allows the borrowing of up to \$90bn to finance major infrastructure projects that aim to diversify the economy away from the oil sector. In addition, it forecast the current account surplus to decrease from 28.9% of GDP in 2024 to 26.4% of GDP in 2025 and 21% of GDP in 2026, primarily due to declining oil export receipts. But it projected the assets of the Kuwait Investment Authority (KIA), the country's sovereign wealth fund, to reach \$886.4bn, or the equivalent of 552.6% of GDP in FY2025/26 and \$913bn or 558% of GDP in FY2026/27. It said that the KIA's assets provide the authorities the flexibility to implement fiscal reforms and adjustments at a measured pace. Also, it expected private non-resident capital inflows to recover from \$5.3bn in 2024 to \$14.1bn in 2025 and \$18.5bn in 2026, supported by sovereign bond issuance.

Further, the IIF considered that downside risks to the outlook include decreasing oil prices that could dampen consumer confidence, prolong fiscal deficits, and weaken private investments. But it said that upside risks to the outlook include substantial financial buffers as well as public-private partnership agreements and capital projects that have the potential to attract foreign capital and expertise. It stressed the importance to advance structural reforms and strengthen the business environment to ensure long-term resilience and inclusive growth.

Source: Institute of International Finance

ALGERIA

Growth to slow amid widening twin deficits

The International Monetary Fund (IMF) projected Algeria's real GDP growth rate to decelerate from 3.4% in 2025 to 2.9% in 2026 and to average 2.6% in the 2027-30 period, driven by weaker non-hydrocarbon activity, as financing constraints curb public expenditures despite the easing of oil production cuts by the OPEC+ coalition that would stabilize oil activity. It expected the country's real non-oil GDP to grow by 3.8% in 2025, by 3.2% in 2026, and by an average rate of 2.7% in the 2027-30 period, and for real hydrocarbon GDP to expand by 0.1% in 2025 and 0.2% in 2026 before picking up to an average of 1.6% in the 2027-30 period.

Further, it forecast the fiscal deficit at 11.5% of GDP in 2025, at 12.4% of GDP in 2026, and to average 10% of GDP in the 2027-30 period. It attributed the widening of the deficit to declining hydrocarbon prices and global uncertainties that could constrain public investments and put pressure on fiscal revenues. It called on the authorities to rationalize inefficient spending, boost non-hydrocarbon revenues, and strengthen public financial and investment management. Also, it anticipated the public debt level to increase from 52.5% of GDP at end-2025 to 61.1% of GDP at end-2026 and to 80.6% at end-2030 amid large financing needs.

In addition, it projected the current account deficit to widen from 1.1% of GDP in 2024 to 3.7% of GDP in 2025 and 4.1% of GDP in 2026, and to average 3.3% of GDP in the 2027-30 period, in case of a decline in hydrocarbon exports and an increase in the import bill. It expected foreign currency reserves to regress from \$59.4bn or 12.3 months of import coverage at the end of 2025, to \$49.7bn or 10 months of imports at end-2026, \$41.3bn or 8 months of imports at end-2027, and \$18.6bn or 3.2 months of imports at end-2030. Also, the IMF considered that Algeria's economic prospects face several downside risks that include volatile commodity prices, shifts in global trade policy, escalating conflicts in the Middle East or Ukraine, large contingent liabilities, and high financing needs that could pose risks to fiscal and debt sustainability. In contrast, it pointed out that upside risks can emerge from successful policy adjustment and structural reforms that could reduce the fiscal deficit, support export diversification, improve the business climate, and deepen financial markets.

Source: International Monetary Fund

TÜRKİYE

Consistent reforms and clear policies essential to disinflation process

Deutsche Bank considered that progress on structural reforms and the effective communication of the government's economic program to be essential in the ongoing fight against inflationary pressure. But it noted that the pace of the inflation rate's slowdown remains uncertain and that the disinflation process could become more challenging. As such, it forecast the inflation rate at 21% to 24% by end-2026 and to exceed the 16% target set by the Central Bank of the Republic of Türkiye (CBRT) and by the government.

In addition, it expected the monetary policy's easing cycle to be gradual, while it anticipated macroprudential policies to remain unchanged in the near future, such as a ceiling on credit growth and targets for lira deposits. It indicated that the path of underlying inflation trends, the resilience of domestic demand, as well as pressure on the foreign exchange rate of the Turkish lira and on foreign currency reserves, will determine the pace of interest rate cuts. As such, it projected the policy rates to decline from 36% to 37% at the end of 2025 to between 27% and 30% at end-2026. It anticipated a gradual decrease in interest rates on lira-denominated loans and deposits, which will not fully mirror the CBRT's policy rate easing, but would assist the monetary authorities in containing pressures on foreign currency reserves and in mitigating the pace of the economic recovery that could threaten the inflation outlook. In parallel, it forecast the current account deficit at between 1.2% of GDP and 1.5% of GDP in 2025, reflecting a moderation in domestic demand, favorable commodity prices, contained gold demand, and resilient tourism revenues.

Source: Deutsche Bank



ECONOMY & TRADE

GCC

Food consumption to rise by a CAGR of 1.7% in 2024-29 period

Alpen Capital projected the demand for food in the Gulf Cooperation Council (GCC) countries to grow from 50.9 million metric tons (MT) in 2024 to 55.5 million MT in 2029, and to post a compound annual growth rate (CAGR) of 1.7% during the 2024-29 period. It forecast demand for cereals to post a CAGR of 1.9% during the 2024-29 period, followed by the consumption of vegetables with a CAGR of 1.6%, milk and fruits (+1.5% each), and meat (+1.4%), while it projected demand for other food items to post a CAGR of 1.8% in the covered period. In parallel, it expected demand for cereals to account for 41% of total food consumption in GCC countries in 2029, followed by fruits (15.5%), vegetables (13.6%), milk (12.8%), and meat (7.1%), while it forecast 'other food items' to account for 10.1% of total food consumption in 2029. Further, it expected food consumption in Saudi Arabia to reach 32.1 million MT in 2029 and to account for 57.8% of aggregate food consumption in the GCC economies, followed by the UAE with 8.8 million MT (15.9%), Oman with 7.1 million MT (12.8%), Kuwait with 3.9 million MT (7%), Qatar with 2.3 million MT (4.1%), and Bahrain with 1.3 million MT (2.3%). Also, it projected food consumption in Oman to grow by 3.8% during the 2024-29 period, followed by demand in Bahrain (+3.3%), Saudi Arabia (+1.8%), Kuwait (+1.2%), Qatar (+0.9%), and the UAE (+0.1%).

Source: Alpen Capital

SAUDI ARABIA

Ratings trend contingent on fiscal and external account dynamics

S&P Global Ratings indicated that Saudi Arabia's short- and long-term foreign and local currency sovereign credit ratings of 'A-1' and 'A+', respectively, are supported by elevated oil production, the strong performance of the non-hydrocarbon sector, and the development of domestic capital markets. But it said that the ratings are constrained by the Kingdom's rising government and external debt, as well as by higher related debt-servicing costs. It expected the Saudi Central Bank's substantial foreign currency reserves to cover more than eight months of current account payments in the next few years, and projected usable foreign currency reserves to decrease from \$329.6bn or 9.2 months of imports cover at end-2025, to \$314.5bn or 7.7 months of import by end-2028. It added that the 'stable' outlook on the long-term ratings balances Saudi Arabia's non-oil growth potential and developing domestic capital markets, with elevated government and external debt risks and higher debt-servicing costs. Also, it forecast the Kingdom's gross external financing needs at 78% of current account receipts plus usable reserves in 2025, as well as at 82% in 2026, 86.3% in 2027 and 90% in 2028 of such receipts and reserves. In parallel, it noted that it could upgrade the ratings if reforms and robust non-hydrocarbon activity lead to steady growth in GDP per capita, along with stronger private and foreign investment flows that would reduce pressure on public spending. But it said that it could downgrade the ratings if the pace of debt accumulation across the government and other sectors increased beyond the agency's expectations, and if it significantly weakens public finances and the country's external position.

Source: S&P Global Ratings

EGYPT

External funding needs at \$32.3bn in FY2025/26

JPMorgan Chase & Co. projected Egypt's external financing requirements to decrease from \$39.1bn in the fiscal year that ended in June 2025 to \$32.3bn in FY2025/26. Further, it estimated the funding gap to post a surplus of \$2.1bn in FY2024/25 and of \$2.2bn in FY2025/26. It expected the authorities to source their external funding needs in FY2025/26 from \$17.5bn in net foreign direct investments (FDI) including from the sale of state-owned enterprises (SOEs), \$7.5bn in medium- and long-term loan disbursements, \$5bn in foreign portfolio investments, \$4bn in funding from the International Monetary Fund (IMF), and \$2bn in multilateral and bilateral lending. Also, it projected the current account deficit to narrow from \$16.3bn or 4.6% of GDP in FY2024/25 to \$14.1bn or 3.4% of GDP in FY2025/26. It noted that \$22.8bn of Egypt's external debt, or 6.5% of GDP, are due in 2025 and \$18.2bn or 4.5% of GDP will mature in 2026. In comparison, the bank said that the IMF projected Egypt's external financing requirements to decrease from \$43.3bn in FY2024/25 to \$30.3bn in FY2025/26, excluding the deposits of Gulf Cooperation Council Countries and other amortizations. Further, it noted that the IMF estimated that funding needs posted a gap of \$0.5bn in FY2024/25 and expected it to revert to a surplus of \$4.2bn in FY2025/26. The IMF added that \$22.9bn of Egypt's external debt or 6.6% of GDP are due in 2025 and \$17bn or 4.2% of GDP will mature in 2026.

Source: JPMorgan Chase & Co., International Monetary Fund

ARMENIA

Country risk level assessment maintained

In its annual assessment of country risk level in Armenia, the insurance Rating Agency A.M. Best maintained Armenia in the Country Risk Tier 4 (CRT-4) category, the second lowest segment on its scale of country risk classification. It said that the Country Risk Tiers (CRTs) reflect its assessment of economic, political, and financial system risks in a country, and range from CRT-1, or a Very Low Level of Country Risk, to CRT-5 or a Very High Level of Country Risk. It considered that the country has a "Moderate" Political Risk level, as political stability remains fragile due to frequent Cabinet reshuffles and growing domestic pressure on the prime minister over his efforts to reconcile with Azerbaijan. Further, it assessed the level of Economic Risk as "High". It stated that the economy is driven by consumption and services, as household consumption accounts for 70% of GDP, supported by robust remittances inflows, particularly from Russia. Also, it pointed out that the authorities reached a staff-level agreement with the IMF in April 2025 on the fifth review of Armenia's three-year Stand-By Arrangement of \$170m, and said that the SBA includes reforms, such as improving labor productivity, enhancing tax revenue mobilization, and strengthening the business climate. However, it stated that structural frictions in Armenia's labor market are keeping the unemployment rate elevated. In addition, it considered that Armenia has a "High" level of Financial System Risk, given that the local currency's appreciation has contributed to disinflationary pressures, which allows for more accommodative monetary conditions.

Source: A.M. Best



BANKING

AFRICA

Banks can manage foreign currency funding costs

Moody's Ratings indicated that the cost that African banks are facing to raise funds in foreign currency on international bond markets has significantly increased in recent years amid higher benchmark rates in the U.S. and elevated credit spreads for African issuers. It expected the cost to remain elevated even after the U.S. Federal Reserve's policy rate cuts, but considered that African banks will address the cost challenge by carefully calibrating their evolving sources of foreign currency funding and by deploying the funds in high-yielding assets. Further, it said that banks will likely boost their reliance on syndicated and bilateral lending markets, where they can raise funds at more attractive conditions than from the Eurobonds market. It noted that the ability of international banks to lend in the most advanced African markets, through currency swaps or other collateralized transactions, will drive cheaper pricing of local currency loans and financing instruments. Also, it expected African banks with Eurobonds maturing in the 2025-26 period to refinance their bonds by raising funds through the Eurobonds market, borrowing from other financial markets, or by temporarily using their liquidity. It considered that banks that can refinance temporarily their maturities from their own liquidity will be able to wait for a more favorable window to issue Eurobonds. In addition, it indicated that the gradual increase in foreign currency deposits at some banks will help reduce their reliance on expensive funding sources, as they will use most of their foreign currency deposits to finance short-term foreign currency assets.

Source: Moody's Ratings

ANGOLA

Banking sector's liquidity at 29.5% of assets at end-March 2025

The International Monetary Fund indicated that banks in Angola are well capitalized and profitable, despite the decrease of the sector's liquidity and of its capital buffers. It noted that the sector's capital adequacy ratio rose from 20.7% at the end of 2024 to 22.9% at end-March 2025, while the banks' Tier One Capital ratio stood at 21.9% at end-March 2025 relative to 19.7% at end-2024. It pointed out that the banks' liquid assets accounted for 29.5% of total assets at end-March 2025 relative to 31.1% at end-2024, while the sector's liquid assets represented 36.1% of short-term liabilities at the end of March 2025 compared to 37.7% at end-2024. It added that the sector's liquidity and capital buffers remain adequate despite their decline. It indicated that the banks' loans accounted for 42.7% of total deposits at end-March 2025 relative to 43.6% at end-2024, and that the sector's foreign currency liabilities represented 38.8% of total liabilities at end-March 2025 compared to 40% at end-2024. Also, it noted that the sector's non-performing loans ratio (NPLs) decreased from 19.2% of gross loans at end-2024 to 17.2% of NPLs at end-March 2025. It added that the banks' return on assets increased from 3% in 2024 to 5.2% annually in March 2025, and their return on equity stood at 39.1% in March 2025 on an annualized basis, relative to 24.8% in 2024. In parallel, it urged the Banco Nacional de Angola to continue to closely supervise systemic risks, and to strengthen the financial stability framework.

Source: International Monetary Fund

TUNISIA

Agency takes rating actions on banks

Fitch Ratings upgraded the long-term foreign- and local currency Issuer Default Ratings (IDRs) of Union Bancaire pour le Commerce et l'Industrie (UBCI) from 'CCC+' to 'B-', following its similar action on the sovereign rating. It also affirmed the IDRs of Arab Tunisian Bank (ATB) at 'B-' and of Banque Tuniso-Koweitienne (BTK) at 'CCC-'. Further, it maintained the 'stable' outlook on the ratings of UBCI and ATB. In addition, it upgraded the Viability Rating (VR) of UBCI from 'ccc+' to 'b-' and the VR of ATB from 'ccc' to 'ccc+', driven by the upward revision of the Tunisian banks' operating environment score from 'ccc+' to 'b-', in line with the sovereign rating; while it affirmed the VR of BTK at 'ccc-'. It indicated that the IDRs of UBCI and BTK are supported by their standalone creditworthiness, while the IDRs of ATB are driven by potential support from Arab Bank, its largest shareholder. Also, it pointed out that the VR of UBCI is underpinned by the bank's high sovereign exposure through fixed-income securities, loans to state-owned enterprises, and placements with the Banque Centrale de Tunisie, and that the VR of BTK reflects the prolonged material breach of its regulatory capital requirements. It added that the VR of ATB takes into account the bank's below-average core financial metrics, particularly capitalization, profitability and asset quality. In parallel, it considered that the new lending regulations introduced in 2025, which allow interest-rate reductions on certain fixed-rate loans and require banks to issue prescribed amounts of interest-free loans, will weigh on the banks' profits. It added that the 40% corporate tax rate on bank profits starting on January 1, 2024 and the ceilings on certain fees and commissions are weighing on the sector's profitability.

Source: Fitch Ratings

BANGLADESH

Loan rescheduling plan to ease pressure on banks

Moody's Ratings indicated that the banking sector's NPLs ratio was 24.1% at end-March 2025, up from 11.1% a year earlier, driven by worsening asset quality at state-owned banks and at some private banks with governance issues. It pointed out that Bangladesh Bank's introduction of a rescheduling facility for non-performing loans (NPLs) as of end-June 2025 allows banks to restructure the loans for up to 10 years with a 2% minimum down payment, and can offer a two-year principal and interest repayment moratorium. It added that written-off loans could be rescheduled under this facility, subject to Bangladesh Bank's approval. Also, it noted that the decision mandates the withdrawal of legal cases within 90 days following the rescheduling, which could undermine efforts to recover outstanding dues and potentially increase the banks' financial losses if borrowers default again. Further, it indicated that the decision aims to ease pressure on banks by allowing loan rescheduling with lower provisioning requirements, although the risks of delaying the recognition of assets risks and hampering loan recovery from high-risk borrowers are a credit negative for banks. It noted that banks must ensure that the rescheduling is only for borrowers with genuine recovery potential and is supported by realistic cashflow projections, and that Bangladesh Bank needs to approve the rescheduling of loans that exceed BDT3bn.

Source: Moody's Ratings



ENERGY / COMMODITIES

Oil prices to reach \$63.2 p/b in fourth quarter of 2025

The prices of ICE Brent Crude oil front-month future contracts reached \$69.3 per barrel (p/b) on September 24, 2025, constituting an increase of 2% from \$68 p/b a week earlier, as U.S. crude oil inventories declined and the oil export agreement between the Iraqi federal government and the Kurdistan Regional Government stalled over debt repayment assurances, which led to concerns that the restart of oil exports from Kurdistan could be delayed further, tightening global supply and supporting oil prices. In parallel, the International Energy Agency projected global oil demand to rise by 740,000 barrels per day (b/d) in 2025, driven by resilient deliveries in advanced economies despite relatively subdued consumption in emerging economies. It forecast global oil supply to increase by 2.7 million b/d to 105.8 million b/d in 2025, and to rise by 2.1 million b/d to 107.9 million b/d next year, with non-OPEC+ producers accounting for 1.4 million b/d this year and over 1 million b/d in 2026. It expected the OPEC+ coalition to add 1.3 million b/d in 2025 and 1 million b/d next year. Also, it forecast global oil inventories to rise by an average of 2.5 million b/d in the second half of 2025 as supply outweighs demand. But it considered that geopolitical tensions, trade policies, and additional sanctions on Russia and Iran could affect market balances in the near term. Further, it indicated that the prospect of looming oversupply held back any price increases in the near term, as investor sentiment towards oil remained strongly bearish. It said that the European Union's ban on refined products made from Russian crude oil, starting in 2026, could reduce production in the near future. In parallel, Refinitiv projected oil prices, through its latest crude oil price poll of 31 industry analysts, to average \$63.2 p/b in the fourth quarter and \$67.7 p/b in full year 2025.

Source: International Energy Agency, Refinitiv, Byblos Research

OPEC oil output up by 1.7% in August 2025

Member countries of the Organization of the Petroleum Exporting Countries (OPEC), based on secondary sources, produced an average of 27.95 million barrels of oil per day (b/d) in August 2025, constituting an increase of 1.7% from 27.5 million b/d in July 2025. On a country basis, Saudi Arabia produced 9.7 million b/d, or 34.7% of OPEC's total output, followed by Iraq with 4 million b/d (14.4%), the UAE with 3.3 million b/d (11.6%), Iran with 3.2 million b/d (11.5%), and Kuwait with 2.5 million b/d (9%).

Source: OPEC

Global steel output down 1% in July 2025

Global steel production reached 150.1 million tons in July 2025, constituting decreases of 0.9% from 151.4 million tons in June 2025 and of 1.8% from 152.8 million tons July 2024. Production in China totaled 79.7 million tons and accounted for 53% of global steel output in July 2025, followed by output in India with 14 million tons (9.3%), the U.S. with 7.1 million tons (4.7%), Japan with 6.9 million tons (4.6%), and Russia with 5.7 million tons (3.8%).

Source: World Steel Association, Byblos Research

Kuwait's crude oil production unchanged in June 2025

Crude oil production in Kuwait totaled 2.42 million barrels per day (b/d) in June 2025, unchanged from May 2025. Crude oil exports stood at 2.29 million b/d in June 2025, unchanged from May 2025, and constituting a decrease of 3.9% from 2.38 million b/d in June 2024.

Source: Joint Organizations Data Initiative, Byblos Research

Base Metals: Copper prices to average \$10,000 per ton in fourth quarter of 2025

LME copper cash prices averaged \$9,540.8 per ton in the year-to-September 24, 2025 period, constituting an increase of 4.6% from an average of \$9,121.7 a ton in the same period of 2024. The increase in prices was due to stronger-than-expected demand from China's power grid and renewable energy sectors, with persistent supply disruptions in key producing countries. Further, the metal's price dropped from a peak of \$10,800.8 a ton on May 20, 2024 to \$10,124.6 per ton on September 15, 2025 as a result of global economic uncertainties that have reduced demand for industrial metals such as copper. In parallel, Citi Research projected the global production of refined copper at 26.78 million tons in 2025, which would constitute an uptick of 1.6% from 26.36 million tons in 2024, with mine output representing 86.7% of the global production of refined copper this year. In addition, it forecast global demand for refined copper at 26.72 million tons in 2025, constituting an increase by 2.1% from 26.16 million tons in 2024. In its bull case scenario, it expected copper prices to average \$11,000 per ton in the fourth quarter of 2025 and \$14,000 a ton in 2026, in case of a soft landing of the U.S. economy, a weaker exchange rate of the US dollar as a result of U.S. Federal Reserve rate cuts, and a strong cyclical recovery. In its bear case scenario, it forecast copper prices to average \$8,500 a ton in the second half of 2025, in case U.S. inflation increases despite slowing growth, China's economic momentum stalls amid weak trade and policy support, and copper mine supply disruptions remain limited. In its base case scenario, it anticipated copper prices to average between \$9,500 and \$10,500 a ton in the fourth quarter of 2025 and \$12,000 per ton in the near term, as softer consumption growth from broader U.S. tariffs and economic headwinds, along with subdued U.S. import demand, weigh on market sentiment. Further, it projected copper prices to average \$10,000 per ton in the fourth quarter of 2025.

Source: Citi Research, Refinitiv, Byblos Research

Precious Metals: Platinum prices to average \$1,350 per ounce in fourth quarter of 2025

Platinum prices averaged \$1,134.8 per troy ounce in the year-to-September 24, 2025 period, constituting an increase of 19.3% from an average of \$950.9 an ounce in the same period last year due mainly to supply constraints and rising investment demand for the metal. Also, prices stood at \$1,383 an ounce on July 2, 2025, their highest level in 11 years, driven by supply concerns amid lower mine output in Russia and South Africa. In parallel, Citi Research projected global demand for platinum at 7.27 million ounces in 2025, constituting a decrease of 0.5% from 7.31 million ounces in 2024, and to reach 7.37 million ounces in 2026. Also, it forecast the global supply of platinum to decline by 3.7% from 7.07 million ounces in 2024 to 6.81 million ounces in 2025, and to reach 6.8 million ounces in 2026, with refined output representing 78.2% and 77% of global output in 2025 and 2026, respectively. As such, it projected the deficit in the platinum market to narrow from 502,000 ounces in 2024 to 239,000 ounces in 2025, but it estimated an annual physical deficit of 500,000 in the coming years, as the pickup of demand in other industrial sectors helps offset the structural decline of demand in autocatalysts. Further, it expected platinum prices to average \$1,300 per ounce in the next three months and \$1,400 an ounce in the coming six to 12 months. Also, it noted that China's import of the metal has normalized in July 2025 following strong volumes in April to June 2025. Further, it forecast platinum prices to average \$1,350 an ounce in the fourth quarter of 2025.

Source: Citi Research, Refinitiv, Byblos Research



COUNTRY RISK METRICS

Countries	LT Foreign currency rating				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 (%)
	S&P	Moody's	Fitch	CI								
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	B-Stable	-	-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				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 (%)
	S&P	Moody's	Fitch	CI								
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
	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	Caa1 Stable	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	Action	Next meeting
USA	Fed Funds Target Rate	4.25	17-Sep-25	Cut 25bps	29-Oct-25
Eurozone	Refi Rate	2.15	11-Sep-25	No change	30-Oct-25
UK	Bank Rate	4.00	18-Sep-25	No change	06-Nov-25
Japan	O/N Call Rate	0.50	19-Sep-25	No change	30-Oct-25
Australia	Cash Rate	3.60	12-Aug-25	Cut 25bps	30-Sep-25
New Zealand	Cash Rate	3.00	20-Aug-25	Cut 25bps	08-Oct-25
Switzerland	SNB Policy Rate	0.00	19-Jun-25	Cut 25bps	25-Sep-25
Canada	Overnight rate	2.50	17-Sep-25	Cut 25bps	29-Oct-25
Emerging Markets					
China	One-year Loan Prime Rate	3.00	20-Sep-25	No change	20-Oct-25
Hong Kong	Base Rate	4.75	19-Dec-24	Cut 25bps	N/A
Taiwan	Discount Rate	2.00	18-Sep-25	No change	18-Dec-25
South Korea	Base Rate	2.50	28-Aug-25	No change	23-Oct-25
Malaysia	O/N Policy Rate	2.75	04-Sep-25	No change	06-Nov-25
Thailand	1D Repo	1.50	13-Aug-25	Cut 25bps	08-Oct-25
India	Repo Rate	5.50	06-Aug-25	Cut 50bps	01-Oct-25
UAE	Base Rate	4.15	17-Sep-25	Cut 25bps	N/A
Saudi Arabia	Repo Rate	4.75	17-Sep-25	Cut 25bps	N/A
Egypt	Overnight Deposit	22.00	28-Aug-25	Cut 200bps	02-Oct-25
Jordan	CBJ Main Rate	6.50	22-Dec-24	Cut 25bps	N/A
Türkiye	Repo Rate	40.5	11-Sep-25	Cut 250bps	23-Oct-25
South Africa	Repo Rate	7.00	18-Sep-25	No change	20-Nov-25
Kenya	Central Bank Rate	9.50	12-Aug-25	Cut 25bps	07-Oct-25
Nigeria	Monetary Policy Rate	27.00	23-Sep-25	Cut 50bps	25-Nov-25
Ghana	Prime Rate	21.50	17-Sep-25	Cut 350bps	19-Nov-25
Angola	Base Rate	19.00	19-Sep-25	Cut 50bps	18-Nov-25
Mexico	Target Rate	7.75	07-Aug-25	Cut 25bps	25-Sep-25
Brazil	Selic Rate	15.00	17-Sep-25	No change	N/A
Armenia	Refi Rate	6.75	16-Sep-25	No change	04-Nov-25
Romania	Policy Rate	6.50	08-Aug-25	No change	N/A
Bulgaria	Base Interest	1.82	01-Sep-25	No change	01-Oct-25
Kazakhstan	Repo Rate	16.50	29-Aug-25	No change	10-Oct-25
Ukraine	Discount Rate	15.50	11-Sep-25	No change	23-Oct-25
Russia	Refi Rate	17.00	12-Sep-25	Cut 100bps	24-Oct-25



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