

# LEBANON THIS WEEK

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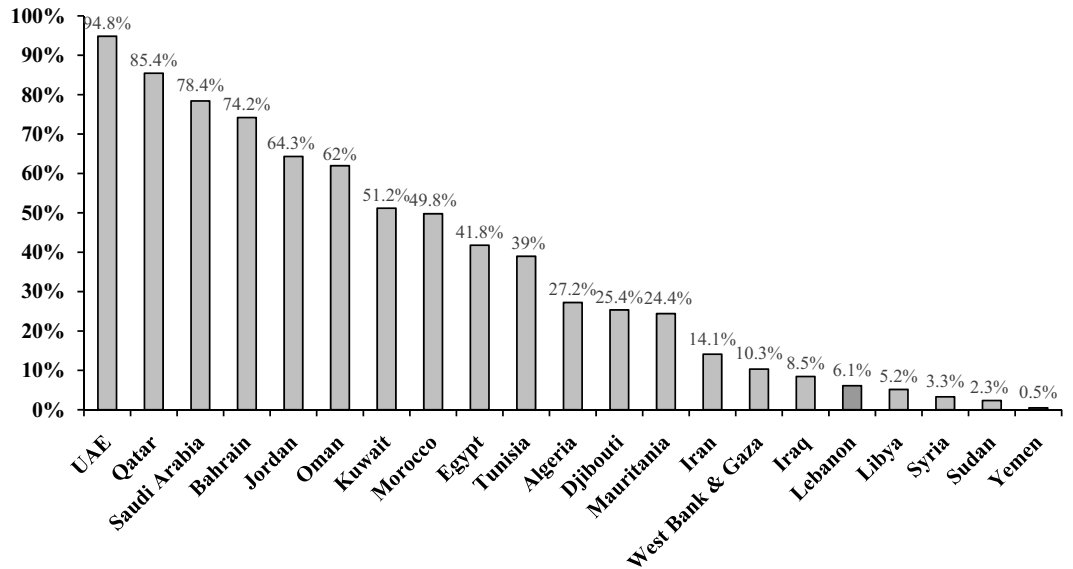
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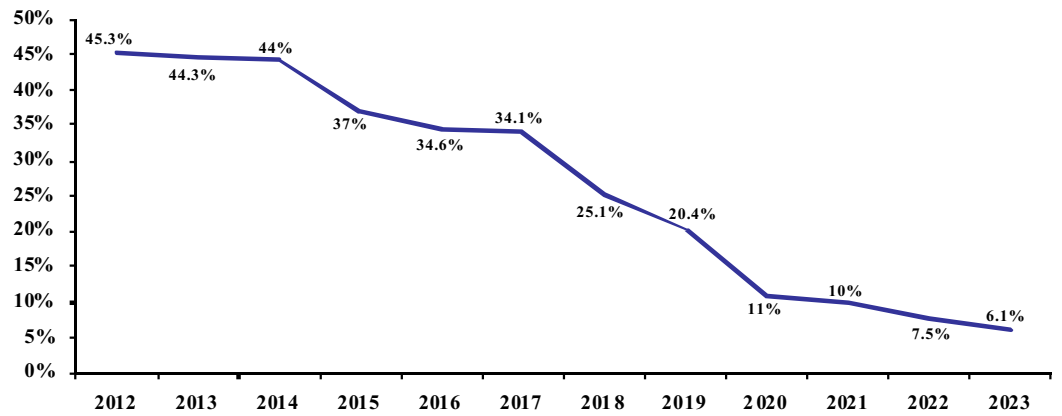
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## Charts of the Week

**Percentile Rankings of Middle East and North Africa Countries on the Government Effectiveness Indicator in 2023 (%)**



**Percentile Rankings of Lebanon on the Government Effectiveness Indicator (%)**



Source: World Bank World Governance Indicators for 2023, Byblos Bank

## Quote to Note

"Losses are mainly driven by the displacement of both employees and business owners from conflict-affected areas, the disruptions to supply chains to and from conflict districts, and changes in consumption behavior in non-conflict zones with a focus on necessary rather than discretionary spending."

*The World Bank, on the causes of the commerce sector's losses from the ongoing military conflict*

## Number of the Week

**203%:** Percentage increase in the public sector's deposits at Banque du Liban in the 12 months ending November 15, 2024

## Lebanon in the News

\$m (unless otherwise mentioned)	2021	2022	2023	% Change*	Dec-22	Nov-23	Dec-23
Exports	3,887	3,492	2,995	-14.2%	272	290	240
Imports	13,641	19,053	17,524	-8.0%	1,251	1,253	1,303
Trade Balance	(9,754)	(15,562)	(14,529)	-6.6%	(979)	(963)	(1,063)
Balance of Payments	(1,960)	(3,197)	2,237	-170.0%	17	186	591
Checks Cleared in LBP**	18,639	27,146	4,396	-83.8%	3,686	359	404
Checks Cleared in FC**	17,779	10,288	3,109	-69.8%	577	106	183
Total Checks Cleared**	36,418	37,434	7,505	-80.0%	4,263	465	587
Fiscal Deficit/Surplus	2,197	-	-	-	-	-	-
Primary Balance	5,009	-	-	-	-	-	-
Airport Passengers	4,334,231	6,360,564	7,103,349	11.7%	551,632	323,523	481,470
Consumer Price Index	154.8	171.2	221.3	5,014bps	122.0	211.9	192.3

\$bn (unless otherwise mentioned)	Dec-22	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	% Change*
BdL FX Reserves	10.40	8.82	8.91	9.14	9.37	9.64	-7.3%
In months of Imports	-	-	-	-	-	-	-
Public Debt	101.81	-	-	-	-	-	-
Bank Assets	169.06	113.72	112.69	112.25	112.58	115.25	-31.8%
Bank Deposits (Private Sector)	125.72	95.59	95.17	94.64	94.97	94.75	-24.6%
Bank Loans to Private Sector	20.05	8.92	8.69	8.58	8.53	8.32	-58.5%
Money Supply M2	77.34	6.64	6.77	6.48	6.78	6.72	-91.3%
Money Supply M3	152.29	78.38	78.10	77.42	77.74	77.75	-48.9%
LBP Lending Rate (%)	4.56	3.77	4.36	3.34	3.29	3.97	20
LBP Deposit Rate (%)	0.60	0.41	0.49	1.02	1.41	0.55	14
USD Lending Rate (%)	4.16	2.40	3.15	3.70	3.08	1.95	(45)
USD Deposit Rate (%)	0.06	0.03	0.03	0.05	0.05	0.03	0

\*year-on-year

\*\*checks figures do not include compensated checks in fresh currencies

Source: Association of Banks in Lebanon, Banque du Liban, Ministry of Finance, Central Administration of Statistics, Byblos Research

## Capital Markets

Most Traded Stocks on BSE*	Last Price (\$)	% Change*	Total Volume	Weight in Market Capitalization	Sovereign Eurobonds	Coupon %	Mid Price \$	Mid Yield %
Audi Listed	2.18	18.5	216,700	5.9%	Dec 2024	7.00	8.88	52,804.83
BLOM GDR	3.65	4.0	200,720	1.3%	Jun 2025	6.25	8.88	1,649.26
Audi GDR	1.72	1.2	151,550	1.0%	Nov 2026	6.60	8.88	166.12
Byblos Common	0.94	1.1	142,267	2.5%	Mar 2027	6.85	8.88	136.69
Solidere "A"	89.90	(2.1)	24,565	41.7%	Nov 2028	6.65	8.88	72.05
Solidere "B"	89.80	(2.9)	14,878	27.1%	Feb 2030	6.65	8.88	51.89
HOLCIM	67.60	0.3	834	6.1%	Apr 2031	7.00	8.88	41.62
BLOM Listed	7.00	0.0	-	7.0%	May 2033	8.20	8.88	30.72
Byblos Pref. 09	29.99	0.0	-	0.3%	Nov 2035	7.05	8.88	23.43
Byblos Pref. 08	25.00	0.0	-	0.2%	Mar 2037	7.25	8.88	20.65

Source: Beirut Stock Exchange (BSE); \*week-on-week

Source: Refinitiv

	Nov 18-21	Nov 11-15	% Change	October 2024	October 2023	% Change
Total shares traded	758,579	338,352	124.2	914,295	1,495,844	(38.9)
Total value traded	\$5,232,909	\$5,390,371	(2.9)	\$24,463,583	\$89,583,309	(72.7)
Market capitalization	\$21.58bn	\$21.72bn	(2.7)	\$22.04bn	\$16.31bn	35.1

Source: Beirut Stock Exchange (BSE)



### Lebanon ranks 110<sup>th</sup> globally, 12<sup>th</sup> among Arab countries in terms of property rights

The Property Rights Alliance ranked Lebanon in 110<sup>th</sup> place among 125 countries around the world and in 12<sup>th</sup> place among 14 Arab countries on its International Property Rights Index for 2024. Also, Lebanon came in 21<sup>st</sup> place among 29 lower middle-income countries (LMICs) included in the survey. In comparison, Lebanon ranked in 114<sup>th</sup> place among 125 countries globally, in 23<sup>rd</sup> place among 29 LMICs and in 12<sup>th</sup> place among 14 Arab economies on the 2023 index. Based on the same set of countries in the 2023 and 2024 surveys, Lebanon's global rank improved by four spots, while its LMIC rank increased by two spots, and its Arab rank was unchanged year-on-year.

The index measures the strength and protection of physical and intellectual property rights in a given country. It is a composite of 11 factors grouped into three equally weighted sub-indices that are the Legal & Political Environment Sub-Index, the Physical Property Rights Sub-Index, and the Intellectual Property Rights Sub-Index. The index rates the property rights level of each country on a scale from zero to 10, with a score of 10 reflecting the highest level of property rights. The countries included in the index represent 93.4% of the world's population.

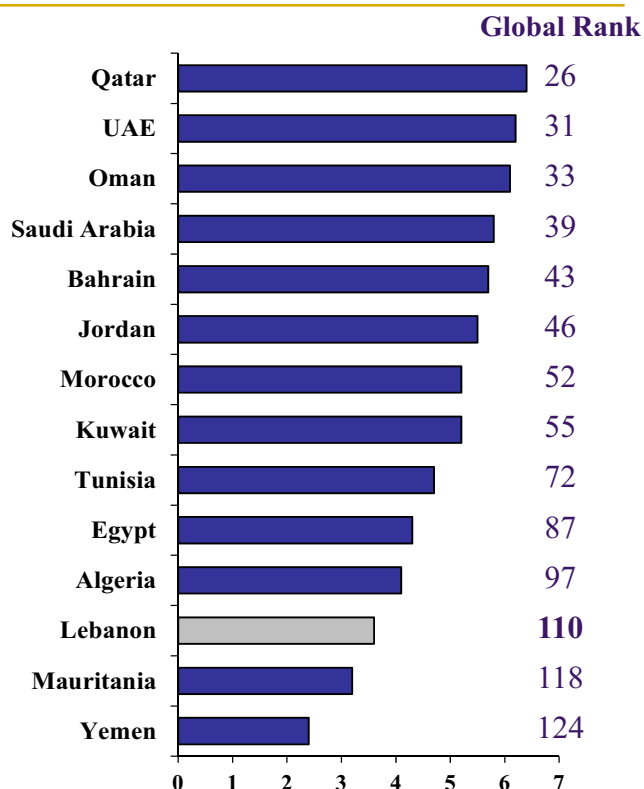
Globally, Lebanon has a more adequate level of property rights than Nicaragua, Madagascar and Iran, while it has a weaker level of property rights than Pakistan, Bangladesh and Cameroon among economies with a GDP of \$10bn or more. It also ranked ahead of Nicaragua, Nigeria, Zimbabwe, Bolivia, Mauritania, Angola, and Haiti among LMICs; while it preceded Mauritania and Yemen among Arab countries. Lebanon receive a score of 3.6 points in the 2024, nearly unchanged from the 2023 survey. Lebanon's score in 2024 came below the global average of 5.18 points, the LMICs' average score of 4.13 points, and the Arab average of 4.9 points. Further, Lebanon's score was lower than the Gulf Cooperation Council (GCC) countries' average score of 5.9 points and the average score of non-GCC Arab countries that stood at 3.7 points. Finland has the most advanced level of property rights worldwide, while Venezuela has the lowest level globally.

In parallel, Lebanon tied with Columbia and Paraguay, preceded the Dominican Republic, Sri Lanka and Uganda, and trailed Kenya, Algeria and Nepal globally on the Physical Property Rights Sub-Index. This component examines the quality of the judicial protection of private property, the complexity of registering a property, and the ease of access to loans. Lebanon ranked ahead of Tunisia, Yemen and Mauritania in the Arab region on this category.

Also, Lebanon came ahead of Nepal, Bolivia and Haiti, and ranked behind Chad, Bangladesh and Madagascar globally on the Intellectual Property Rights Sub-Index. This category examines the level of protection of intellectual property, the strength of a country's patent laws, and the prevailing piracy rates. Lebanon preceded only Yemen in the Arab world on this category.

Further, Lebanon ranked ahead of Nicaragua, Cameroon and Mali, and came behind Zimbabwe, Iran and Russia globally on the Legal & Political Environment Sub-Index. This category examines the judiciary's independence from the influence of political and business groups, the extent that residents have confidence in and abide by the rules of society, the stability of the political system, and the control of corruption. Lebanon preceded only Yemen among Arab countries on this category.

### International Property Rights Index for 2024 Arab Countries Scores & Rankings



Source: Property Rights Alliance, Byblos Research

### Components of the 2024 International Property Rights Index for Lebanon

	Global Rank	Arab Rank	Lebanon Score	Global Average Score	Arab Average Score
Physical Property Rights	73	11	4.7	5.21	5.43
Intellectual Property Rights	118	13	3.6	5.35	4.79
Legal and Political Environment	116	13	2.5	4.98	4.40

Source: Property Rights Alliance, Byblos Research



### Banque du Liban's liquid foreign reserves at \$10.2bn, gold reserves at \$23.7bn at mid-November 2024

Banque du Liban's (BdL) interim balance sheet shows that its total assets reached LBP8,409.4 trillion (tn) on November 15, 2024, relative to LBP8,418.6tn at end-October 2024 and to LBP8,440.9tn at mid-October 2024. BdL indicated that it revised its balance sheet figures starting on October 15, 2024 in accordance with international standards. It said that it changed the classification of "Foreign Assets" to "Foreign Reserve Assets" in order to present non-resident and liquid foreign assets only, while it reclassified the "other resident and/or illiquid items" to its "Securities Portfolio" or to the "Loans to the Local Financial Sector" entries.

BdL noted that its decision is in accordance with the Central Council's Decision 13588 dated October 25, 2023, in order to ensure the alignment of the balance sheet entries with international standards and with the implementation of international best practices.

As such, BdL's Foreign Reserve Assets stood at \$10.2bn at the mid-November 2024, compared to \$10.26bn at end-October 2024, \$10.3bn at mid-October 2024 and \$9.2bn at mid-November 2023. Also, they declined by \$66.3m in the first half of November 2024 and by \$402.1m in October 2024; while they increased by \$1.6bn between the end of July 2023 and the mid-November 2024. The dollar figures are based on the exchange rate of the Lebanese pound of LBP89,500 per US dollar starting on February 15, 2024, according to the BdL Central Council's Decision No. 48/4/24 dated February 15, 2024.

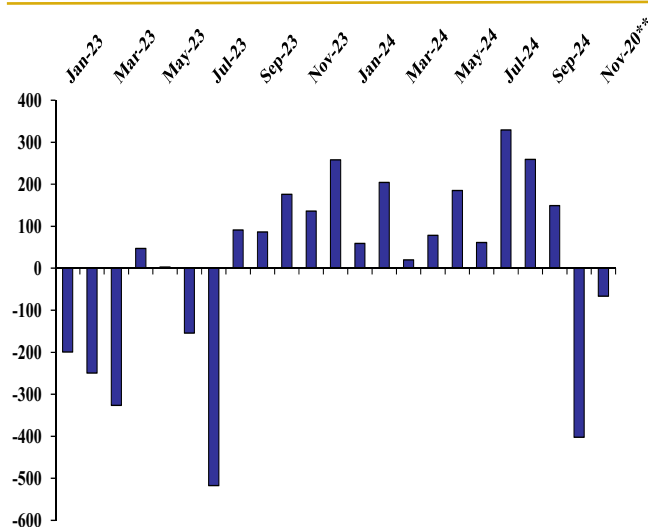
Further, the value of BdL's gold reserves reached \$23.7bn at the mid-November 2024, relative to a peak of \$25.6bn at end-October 2024 and to \$18.2bn at mid-November 2023. Also, BdL's securities portfolio totaled LBP559,016.7bn at mid-November 2024 relative to LBP558,859.6bn at end-October 2024. It noted that the securities portfolio includes Lebanese Eurobonds that have a market value of \$439.2m as at mid-November 2024. Prior to the modifications, BdL included the nominal value of its Lebanese Eurobonds portfolio in the foreign assets item. In addition, loans to the local financial sector stood at LBP38,46bn at mid-November 2024 compared to LBP38,157.5bn at end-October 2024.

Moreover, Deferred Open-Market Operations totaled LBP172,782.7bn at mid-November 2024 relative to LBP170,098.7bn at end-October 2024 and to LBP118,971.3bn at end-2023. BdL said that, based on the Central Council's decision 23/36/45 of December 20, 2023, it has started to present all deferred interest costs originating from open-market operations under this new line item. As a result, it transferred all deferred interest costs included in the "Other Assets" and "Assets from Exchange Operations" entries to the new item. Therefore, the item "Other Assets" stood at LBP22,599.6bn at mid-November 2024 relative to LBP21,715.5bn two weeks earlier.

Also, the Revaluation Adjustments item on the asset side reached LBP3,098,923bn at mid-November 2024 relative to LBP2,930,669bn at end-October 2024. It consists of a special account called the "Exchange Rate Stabilization Fund", in which BdL recorded all the transactions related to foreign exchange interventions to stabilize the exchange rate starting in 2020 and that had a balance of LBP162.96tn at mid-November 2024 relative to LBP162.88tn at end-October 2024. It also consists of a special account in the name of the Treasury that stood at LBP2,935.96tn at mid-November 2024 compared to LBP2,767.8tn at end-October 2024. The account includes the differences between the countervalue at the official exchange rate of BdL's gold and currency holdings and the value of these holdings at the market exchange rate, as well as the profits or losses on BdL's gold and currency holdings from the modification of the official exchange rate of the Lebanese pound or of a foreign currency exchange rate. Further, the balance sheet shows that BdL's loans to the public sector totaled LBP1,486,900.2bn at mid-November 2024 relative to LBP1,486,886.3bn two weeks earlier.

On the liabilities side, BdL's balance sheet shows that currency in circulation outside BdL stood at LBP49,935.2bn at mid-November 2024 compared to LBP50,718bn at end-October 2024, and represented a decrease of 9.8% from LBP55,355.7bn at mid-November 2023. Further, the deposits of the financial sector reached LBP7,685.4tn or the equivalent of \$85.9bn at mid-November 2024, relative to LBP7,711.5tn, or \$86.2bn, at end-October 2024 and to LBP1,332.7tn or \$88.8bn at mid-November 2023; while public sector deposits at BdL totaled LBP538,434.6bn at mid-November 2024 compared to LBP525,076.8bn at end-October 2024 and to LBP177,995.8bn at mid-November 2023.

### Change in Gross Foreign Currency Reserves\* (US\$m)



\*month-on-month change

\*\*as at mid-November 2024, change from end-October 2024

Source: Banque du Liban, Byblos Research



## Net foreign assets of financial sector up \$6.5bn in first nine months of 2024

Figures issued by Banque du Liban (BdL) show that the net foreign assets of the financial sector, which are a proxy for Lebanon's balance of payments, increased by \$6.5bn in the first nine months of 2024. BdL indicated that it revised the series starting with the figures for January 2024 in compliance with the International Monetary Fund's recommendation to align the components of BdL's foreign assets with international norms. As such, it is no longer possible to compare BdL's net foreign assets in 2024, as well as the net foreign assets of the financial sector, with the figures from previous periods.

According to the new methodology, the cumulative surplus in the first nine months of 2024 was caused by an increase of \$6.7bn in the net foreign assets of BdL and a decrease of \$193.4m in those of banks and financial institutions. Further, the net foreign assets of the financial sector increased by \$1.36bn in September 2024 compared to a rise of \$1.27bn in August 2024 and to a surge of \$1.63bn in March 2024. The September increase was caused by a rise of \$1.3bn in the net foreign assets of BdL and an uptick of \$25.5m of those of banks and financial institutions.

The cumulative increase in BdL's net foreign assets is due mainly to the increase in BdL's gold and foreign currency reserves during the covered period. The decrease in the banks' net foreign assets in the first nine months of 2024 is mostly due to a decline in their foreign liabilities. The decrease in the banks' foreign liabilities was driven mainly by a decrease of \$320.7m in liabilities to the non-resident financial sector and a dip of \$171.3m in claims on the non-resident financial sector.

BdL said that it started to include monetary gold, the non-resident foreign securities held by BdL, and the foreign currencies & deposits with correspondent banks and international organizations as part of its foreign assets; while it excluded the Lebanese government's sovereign bonds and its loans in foreign currency to resident banks and financial institutions from the entry. It attributed the modifications to its adoption of the International Monetary Fund's methodology as stipulated in the latter's Sixth Edition of the Balance of Payments and International Investment Position Manual and in the Monetary & Financial Statistics Manual & Compilation Guide. It added that the changes are in line with the BdL Central Council's Decision Number 37/20/24 on September 13, 2024.

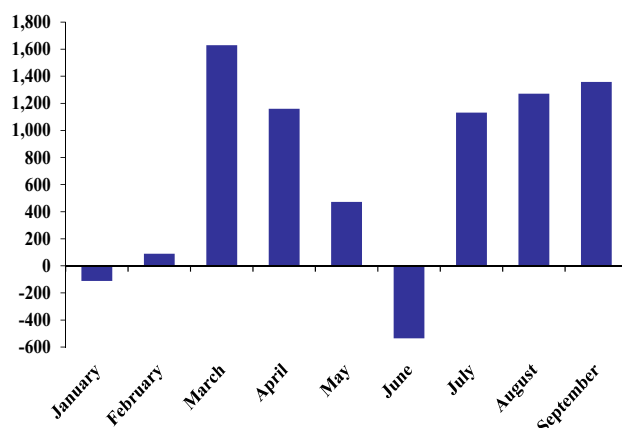
## Nearly 71% of Treasury securities in Lebanese pounds have seven-year maturities or longer at end-September 2024

Figures released by the Association of Banks in Lebanon show that the face value of outstanding Treasury securities denominated in Lebanese pounds stood at LBP73,458bn at the end of September 2024, compared to LBP74,292bn at end-August 2024 and to LBP86,897bn at end-September 2023. The securities were equivalent to \$820.8m at the end of September 2024 based on the exchange rate of LBP89,500 per US dollar, according to the BdL Central Council's Decision No. 48/4/24 dated February 15, 2024. The weighted interest rate on Lebanese Treasury securities was 6.52% in September 2024 compared to 6.35% in September 2023.

Also, the distribution of outstanding Treasury securities shows that 10-year Treasury bonds totaled LBP32,003bn and accounted for 43.6% of aggregate securities denominated in Lebanese pounds at the end of September 2024, followed by seven-year Treasury securities with LBP15,609bn (21.2%), five-year Treasury bonds with LBP10,312bn (14%), three-year Treasury securities with LBP5,916bn (8%), two-year Treasury bonds with LBP3,809bn (5.2%), 12-year Treasury securities with LBP3,076bn (4.2%), 15-year Treasury bonds with LBP1,417bn (2%), and one-year T-bills with LBP1,316bn (1.8%). As such, 71% of outstanding Treasury securities have seven-year maturities or longer and 85% have five-year maturities or more.

In parallel, LBP834bn in outstanding Treasury securities denominated in Lebanese pounds matured in September 2024. The distribution of maturing securities shows that 28.8% consisted of seven-year Treasury bonds, 25.8% were five-year Treasury securities, 25.2% consisted of three-year Treasury bonds, 20.1% were one-year Treasury bills, and 0.1% consisted of two-year Treasury securities. According to ABL, LBP6,294bn in outstanding Treasury securities in Lebanese pounds will mature in the remainder of 2024.

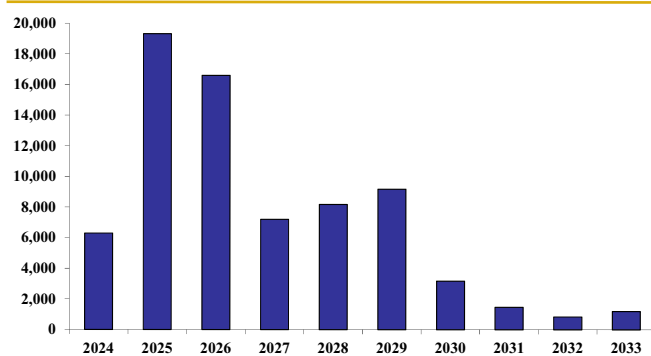
Change in Net Foreign Assets of Financial Sector (US\$m)\*



\*in first nine months of 2024

Source: Banque du Liban, Byblos Research

Projected Maturities of Treasury Securities in LBP\* (LBP billions)



\*as at end-September 2024

Source: Association of Banks in Lebanon, Byblos Research

### **Agricultural sector and food security impacted through multiple channels**

The Food and Agriculture Organization of the United Nations (FAO) and the World Food Program's (WFP) Crop and Food Security Assessment Mission in Lebanon considered that the ongoing war due to Israeli hostilities is having a negative impact on agriculture and food security. The mission estimated the multiple channels that are affecting agriculture and food security in the country consist of labor supply, damaged land, disruptions to supply chains, price increases, reduced incomes, population displacement, and the hindering of humanitarian access.

First, the assessment indicated that the South and Nabatieh governorates account for about 20% of Lebanon's cropland, and that the massive population displacement from the two governorates is leading to labor shortages. It said that the harvesting season of olives and grapes, which are key crops in the South, stretch from September to November, and labor shortages could significantly reduce harvests. It added that the wheat, barley and vegetable planting season, which starts in November, is also at risk, as the decline in labor supply may reduce the sown area, with a negative impact on production in 2025.

Second, it estimated that about 230 hectares of cropland have been burned in the South and Nabatieh governorates since October 2023. It considered that the recent attacks in key agricultural areas in the Baalbeck-Hermel and Beqaa governorates in the east of the country may lead to the abandonment of cropland and deter sowing operations for the 2025 winter cereal crops, which reflects the serious risks of losses and damages.

Third, it stated that, despite multiple crises, food markets have remained functional, with generally stable supply chains from August 2023 to August 2024 for essential goods. But it noted that the intensifying conflict is likely to disrupt supply chains, particularly in the southern and eastern regions where attacks have been mostly concentrated. As such, it said that the destruction of infrastructure may restrict internal trade flows and disrupt supply chains, with higher risks in the South, Nabatieh, Beqaa and Baalbeck-Hermel governorates, which would hinder the movement of agricultural produce, labor and the delivery of essential goods. It added that, in terms of external trade, the Port of Beirut continues to receive previously scheduled vessels. But it cautioned that the heightened risk environment could increase lead times, raise freight costs and, ultimately, result in the increase of import costs. It noted that any reduction in import flows could lead to critical shortages of essential goods, given the country's heavy reliance on imports.

Fourth, it indicated that disruptions to supply chains, combined with demand-side pressure from population displacements and increased population density in some areas, are likely to create upward pressure on the prices of essential goods, including on food and housing, with adverse implications for acute food insecurity. It noted that, based on the WFP's preliminary market data, the cost of the food survival minimum expenditure basket (SMEB) per person has increased from about \$35.8 during the third week of September 2024, at the start of the intensification of the conflict, to up to \$37.4 by the second week of October 2024, a 4.5% increase.

Fifth, it considered that the food security situation in Lebanon is currently extremely fluid, especially with the mass displacement of different population groups following the escalation of the war that has spread to new areas across the country, including to the Beqaa and the southern suburbs of Beirut. It said that the national authorities estimate that more than one million persons are currently directly affected and/or displaced due to the conflict. It noted that internally-displaced persons do not have access to their normal livelihoods, income sources and assets, which increases their vulnerability and severely restricts their ability to access food and other essential goods and services. It considered that the country was already facing severe acute food insecurity, driven by a prolonged economic crisis and the conflict since late 2023, compounded by recent cuts to humanitarian food assistance. It estimated that 1.26 million persons, or about 23% of the population, were facing acute food insecurity as of mid-2024, and expected a further deterioration is expected due to the war's escalation.

Sixth, it said that the conflict and regional instability have already had a significant negative impact on national economic activity, notably through the substantial decline in tourism arrivals in 2024, which is a key contributor to the economy. As such, it noted that most households have already experienced steep income declines, and estimated that further reductions would severely limit their ability to access food and other essential products and services.

Seventh, it said that the ongoing conflict, especially in Southern Lebanon, is resulting in limited humanitarian access to affected communities, while the need for assistance is growing. It added that the escalation of violence has hindered the delivery of humanitarian aid and restricted the operations of organizations trying to support those impacted, especially in hard-to-reach border towns and villages.

The FAO and the WFP indicated that, since they collected the data and conducted the assessment in July and August 2024, the analysis does not fully address the impact of the recent escalation of the war. As such, they said that the escalation of the conflict since mid-September 2024 significantly increases the risk of damage and losses in the agriculture sector, and raises concerns about a severe worsening of acute food insecurity.



## Consumer Price Index up 16% year-on-year in October 2024

The Central Administration of Statistics' Consumer Price Index increased by 53.3% in the first 10 months of 2024 from the same period of 2023. In comparison, it grew by 227.4% and by 186.4% in the first 10 months of 2023 and 2022, respectively, from the corresponding periods of the previous years.

The CPI rose by 15.7% in October 2024 from the same month of 2023 and registered its eighth double-digit increase since July 2020, following a 70.4% year-on-year surge in March 2024, a 59.7% jump in April 2024 from the same month of 2023, a 51.6% rise annually in May, a 41.8% year-on-year increase in June, a 35.4% growth in July, a 35% uptick in August 2024 from August 2023, and a 33% rise annually in September 2024.

The slowdown of the inflation rate from triple-digit increases is due in part to the widespread dollarization of consumer goods and services in the economy, and to the stabilization of the exchange rate of the Lebanese pound against the US dollar since July 2023. However, the cumulative surge in the inflation rate is due in part to the repeated increase in customs tariffs, to the rise of the cost of education, to the surge of fees in the public administration, and to the inability of the authorities to monitor and contain retail prices. It is also due to the impact of rising transportation costs and insurance rates on imported goods in the wake of the war in the Gaza Strip and the cross-border military escalation in Lebanon.

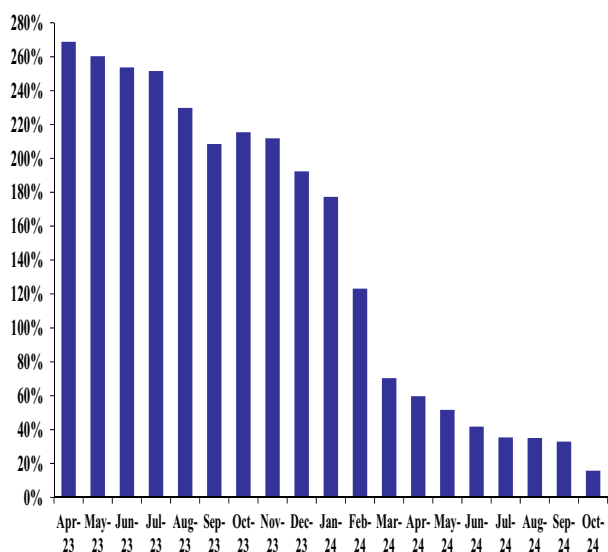
The prices of miscellaneous goods & services rose by 1.4 times in October 2024 from the same month of 2023, followed by the prices of clothing & footwear, communication services, and imputed rent (+1.3 times each). In addition, actual rent surged by 23.8% in October 2024 from October 2023, followed by the cost of food and non-alcoholic beverages (+22.8%), prices at restaurants & hotels (+21%), the cost of alcoholic beverages & tobacco (+19.3%), and the cost of healthcare services (+18.3%). Also, the cost of recreation & entertainment surged by 12.3%, followed by transportation costs (+5%), the cost of education (+1%), and the prices of furnishings & household equipment (+0.4%) in the covered period. In contrast, the price of water, electricity, gas & other fuels decreased by 4.6% in October 2024 from the same month in 2023. Also, the distribution of actual rent shows that new rent surged by 37% and old rent increased by 7.2% in October 2024 from the same month of 2023.

In parallel, the CPI increased by 2% in October 2024 from the previous month, relative to a downturn of 0.2% in September, and to upticks of 0.64% in August, of 2% in July, of 0.3% in June, and of 0.02% in May 2024.

The prices of clothing & footwear increased by 8.6% in October 2024 from September 2024, followed by the cost of food & non-alcoholic beverages (+5%), the prices of alcoholic beverages & tobacco (+2.75%), actual rent (+2%), imputed rent (+1.6%), the cost of water, electricity, gas and other fuels (+0.95%), transportation costs (+0.8%), the prices of miscellaneous goods & services (+0.77%), prices at restaurants & hotels (+0.72%), the cost of furnishings & household equipment (+0.5%), and the cost of recreation & entertainment (+0.22%). In contrast, communication tariffs regressed by 0.1% in October 2024 from the preceding month, while the costs of healthcare and education were nearly unchanged month-on-month in October 2024. Further, the distribution of actual rent shows that new rent increased by 2.1% and old rent rose by 1.6% in September 2024 from August 2024.

Further, the CPI rose by 3.2% in the Bekaa region in October 2024 from September 2024, followed by 2.56% in the North, by 2.38% in Beirut, by 1.96% in the Nabatieh area, by 1.6% in Mount Lebanon, and by 1.4% in the South. In parallel, the Fuel Price Index increased by 1.2%, while the Education Price Index was unchanged in the covered month.

Annual Change in Consumer Price Index\* (%)



\*from the same month of the previous year

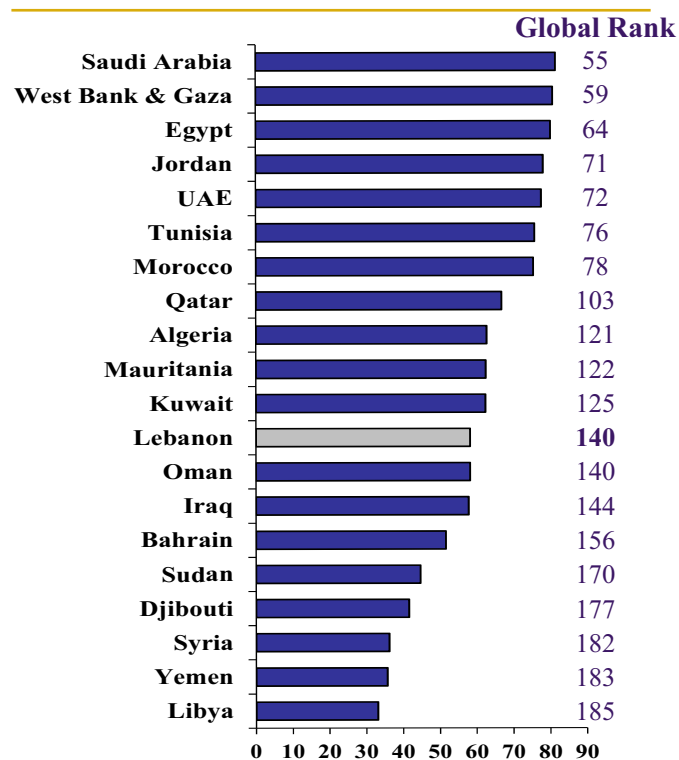
Source: Central Administration of Statistics, Byblos Research

### Lebanon ranks 140<sup>th</sup> globally, 12<sup>th</sup> among Arab countries in the development of its statistical system

The World Bank ranked Lebanon in 140<sup>th</sup> place among 187 countries and in 12<sup>th</sup> place among 20 Arab countries on its Statistical Performance Index (SPI) for 2023. Also, Lebanon came in 37<sup>th</sup> place among 50 lower middle-income countries (LMICs) included in the survey. In comparison, Lebanon ranked in 140<sup>th</sup> place among 186 countries globally, in 38<sup>th</sup> place among 53 LMICs and in 14<sup>th</sup> place in the Arab world in the 2022 survey. Based on the same set of countries in the 2022 and 2023 surveys, Lebanon's global rank was unchanged, while its LMIC rank retreated by two spots and its Arab rank improved by two notches from the 2022 assessment. The index is produced by the World Bank, in collaboration with the International Monetary Fund, Open Data Watch, PARIS21, the International Labor Organization, the World Health Organization, UNESCO, the International Household Survey Network, and the United Nations, among others.

The SPI measures the capacity and maturity of national statistical systems by assessing the use of data, the quality of services, the coverage of topics, the sources of information, and the infrastructure and availability of resources. It also aims to improve development outcomes and track progress toward the United Nations' Sustainable Development Goals (SDGs) in a country. The SPI is based on 51 indicators that are grouped into five pillars that are Data Use, Data Services, Data Products, Data Sources, and Data Infrastructure. A country's score is the simple average score of the five pillars and ranges from one to 100 points, with a score of 100 points reflecting a better statistical system.

**Statistical Performance Index for 2023  
Scores & Rankings of Arab Countries**



Source: World Bank, Byblos Research

Globally, Lebanon's statistical system was as developed as that of Oman, is more developed than the statistical systems of Guyana, Iraq and Afghanistan, and is less advanced than the statistical systems of China, Namibia and Cameroon among economies with a GDP of \$10bn or more. It ranked ahead of Nicaragua, Guinea and Tajikistan, and trailed Laos, Nigeria and Cameroon among LMICs; while it preceded Iraq, Bahrain, Sudan, Djibouti, Syria, Yemen and Libya among Arab countries. Lebanon received a score of 58.2 points on the 2023 survey, down from 58.5 points in 2022. Also, Lebanon's score came lower than the global average score of 69.7 points, the LMICs' average score of 63.5 points and the Arab average score of 61 points. Further, Lebanon's score was lower than the Gulf Cooperation Council (GCC) countries' average score of 66.4 points and the average score of non-GCC Arab countries that stood at 58.8 points.

Lebanon preceded Trinidad and Tobago, and Niger, and trailed Ghana and Bangladesh globally on the Data Services pillar. This category evaluates the quality of data releases, the richness and openness of online access, the effectiveness of advisory and analytical services related to statistics, and the availability and use of data access services in a country. Lebanon preceded Zambia and Nicaragua, and trailed Ghana and Bangladesh among LMICs; while it came ahead of Libya, Sudan, Algeria, Oman, Bahrain, Yemen, Djibouti and Syria in the Arab world on this category.

Also, Lebanon tied with Tajikistan, ranked ahead of Peru and Senegal, and came behind Vietnam and Brunei Darussalam worldwide on the Data Sources pillar. This category assesses multiple data sources from the government and the private sector that generate necessary statistical indicators and useful products. Lebanon preceded Senegal and Tanzania, and trailed Ghana and Vietnam among LMICs; while it came ahead of Algeria, Iraq, Mauritania, Sudan, Yemen, Djibouti, Syria and Libya among Arab countries on this category.

**Components of the 2023 Statistical Performance Indicators for Lebanon**

	Global Rank	LMICs Rank	Arab Rank	Lebanon Score	Global Avg Score	LMICs Avg Score	Arab Avg Score
Data Use	147	38	13	60.0	81.7	78.1	68.5
Data Services	127	30	12	61.6	68.7	62.3	63.1
Data Products	92	23	4	78.1	76.2	75.4	69.7
Data Sources	104	16	12	51.3	55.8	46.1	48.6
Data Infrastructure	160	43	14	40.0	66.2	55.7	55.3

Source: World Bank, Byblos Research



### Currency in circulation down 7.6% in 12 months ending September 2024

Figures released by Banque du Liban (BdL) show that money supply M1, which includes currency in circulation and demand deposits in Lebanese pounds, reached LBP88,177.2bn at the end of September 2024, constituting an increase of 3.2% from LBP85,449.6bn at the end of 2023 and a growth of 2.1% from LBP86,341.1bn at end-September 2023. Currency in circulation stood at LBP46,764.4bn at the end of September 2024, as it decreased by 7.6% from LBP50,599.7bn at end-2023 and regressed by 7.2% from LBP50,405.7bn at end-September 2023.

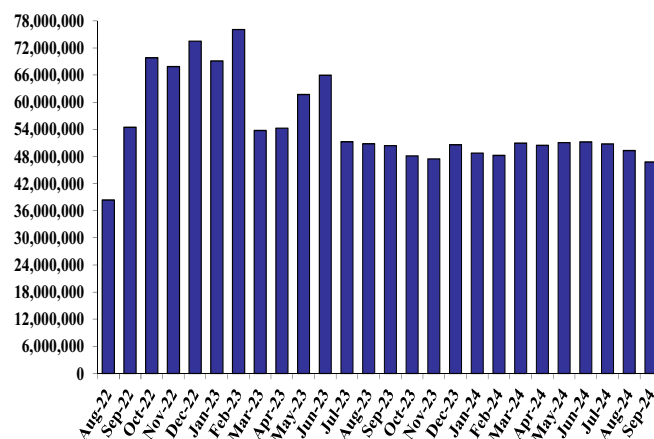
Also, demand deposits in the local currency stood at LBP41,412.8bn at the end of September 2024, and rose by 18.8% in the first nine months of 2024 and by 15.2% from end-September 2023. Money supply M1 regressed by 2.2% in September from LBP90,154.6bn at end-August 2024, with currency in circulation decreasing by 5.2% and demand deposits in local currency increasing by 1.4% month-on-month.

In addition, money supply M2, which includes M1 and term deposits in Lebanese pounds, reached LBP110,059.3bn at the end of September 2024, constituting increases of 9.2% from LBP100,787.3bn at end-2023 and of 8.4% from LBP101,530.7bn a year earlier. Term deposits in Lebanese pounds stood at LBP21,882.1bn at the end of September 2024 and surged by 42.7% from LBP15,337.7bn at end-2023 and by 44% from LBP15,189.7bn at end-September 2023. Money supply M2 regressed by 1.6% in September from LBP111,817.6bn at end-August 2024, while term deposits in local currency increased by 1% month-on-month.

Further, broad money supply M3, which includes M2, deposits in foreign currency and debt securities issued by the banking sector, reached LBP6,254.7 trillion (tn) at the end of September 2024, with deposits in foreign currency totaling LBP6,111tn and debt securities of the banking sector amounting to LBP33,095bn at end-September 2024. In parallel, M3 increased by LBP5,088.5tn in the first nine months of 2024 due to a jump of LBP3,814tn in claims on the public sector, a rise of LBP1,374.7tn in the net foreign assets of deposit-taking institutions, and an expansion of LBP453,482.5bn in claims on the private sector, which were offset by a decline of LBP553,757.3bn in other items. The surge in M3 is due to the impact of the new exchange rate of the Lebanese pound that went into effect on January 31, 2024. BdL indicated that the change in its net foreign assets during the covered period includes the net flow of the internationally traded net Lebanese Government's sovereign bonds in foreign currencies that BdL bought during the same year only.

BdL issued Basic Circular 167/13612 dated February 2, 2024 that asked banks and financial institutions to convert their assets and liabilities in foreign currencies to Lebanese pounds at the exchange rate of LBP89,500 per US dollar when preparing their financial positions. BdL requested banks and financial institutions, in line with the provisions of International Accounting Standard 21, to convert their foreign currency monetary assets and liabilities and non-monetary assets classified by fair value or by equity method at the exchange rate published on BdL's electronic platform at the date of the preparation of the financial statements. It added that the decision is applicable as of January 31, 2024. BdL had modified on February 1, 2023 the official exchange rate of the Lebanese pound against the US dollar from LBP1,507.5 per dollar to LBP15,000 per dollar, as part of the measures to unify the multiple exchange rates of the dollar that prevail in the Lebanese economy.

Currency in Circulation (LBP millions)



Source: Banque du Liban, Byblos Research

### Number of internally displaced persons exceeds 896,000

Figures compiled by the International Organization for Migration (IOM) show that 896,315 individuals have been internally displaced (IDPs) as at November 20, 2024 due to the ongoing hostilities that erupted along Lebanon's border with Israel on October 8, 2023 and that escalated since last September, constituting increases of 21,135 individuals, or of 2.4% from November 6, 2024, of 116,702 persons (+15%) from October 23, 2024, of 87,272 persons (+10.8%) from October 20, 2024, of 62,924 individuals (+7.6%) from October 16, 2024, of 684,996 persons (+324.2%) from September 25, 2024, and of 784,619 (+683.5%) individuals from 111,696 IDPs on September 17, 2024. It noted that 51% of IDPs are females and 49% of them are males.

In parallel, it stated that 370,447 IDPs originated from the Nabatieh governorate and accounted for 41.3% of the total as at November 20, 2024, followed by the governorates of the South with 252,435 IDPs (28.2%), Baalbek-Hermel with 109,838 IDPs (12.3%), Mount Lebanon with 108,449 IDPs (12%), Beirut with 34,364 (3.8%), and the Bekaa with 20,782 IDPs (2.3%). It added that 73% of IDPs are from the Tyre, Nabatieh, Bint Jbeil, Baabda and Marjaayoun districts as at November 20, 2024.

Further, it said that 186,669 IDPs, or 20.8% of the total, came from the Tyre district, followed by 153,051 IDPs from the Nabatieh district (17%); 114,898 IDPs from the Bint Jbeil district (12.8%); 108,449 IDPs from the Baabda district (12.1%); 90,050 IDPs from the Marjaayoun district (10%); 87,630 IDPs from Baalbeck (9.8%); 64,774 IDPs from the Saida district (7.2%); 34,364 IDPs from Beirut (3.8%); 22,208 IDPs from the Hermel district (2.5%); 17,310 IDPs from the West Bekaa district (1.9%); 12,448 IDPs from the Hasbaya district (1.4%); 2,272 IDPs from Zahlé (0.3%); and 1,200 IDPs from the Rashaya and 992 IDPs from the Jezzine districts (0.1% each).

Also, it indicated that the Mount Lebanon governorate is hosting 415,144 IDPs of 46.3% of the total as at November 20, 2024, followed by Beirut with 138,211 IDPs (15.4%), as well as the governorates of the South with 91,058 IDPs (10.2%), the North with 71,872 IDPs (8%), Akkar with 65,955 IDPs (7.4%), Baalbeck-Hermel with 55,113 IDPs and the Bekaa with 55,103 IDPs (6.1% each), and Nabatieh with 3,859 IDPs (0.4%).

It noted that 550,270 IDPs, or 60% of the total, are mainly located in the Chouf, Beirut, Aley, Saida, and Akkar districts. It said that the Chouf district is the host of 17% of IDPs, followed by Beirut with 15%, Aley with 13%; Saida with 8%; and Akkar with 7%, while other districted host the remaining 40% of IDPs.

Further, it pointed out that 78% of the displaced population has relocated beyond the borders of their governorate of origin, while 22% of IDPs remained within their governorate. It noted that 99% of IDPs who are from the Nabatieh governorate relocated to locations outside the boundaries of the governorate, 80% of IDPs who are from the South chose to move outside their area of residence, while 78% of IDPs from Mount Lebanon decided to move within the boundaries of the governorate.

In addition, it indicated that 439,194 IDPs, or 49% of the total, are currently living with host families; 250,968 IDPs (28%) are renting houses; 188,226 IDPs (21%) reside in 1,016 collective shelters; 8,963 IDPs (1%) have relocated to secondary residences; while 8,963 IDPs (1%) are living in unfinished buildings, tents, parks, in self-settled sites, or on the streets.

Also, it pointed out that 54% of IDPs are between 19 and 57 years old, 15% of IDPs are in the 6 to 12 years bracket, 12% of IDPs are between 13 and 18 years of age, 12% of them are more than 58 years old, 5% of IDPs are between three and five years old, and 2% of IDPs are less than two years old.

In parallel, the United Nations Higher Commission for Refugees (UNHCR) estimated that, since the escalation of hostilities, 557,000 persons have crossed from Lebanon to Syria as at November 21, 2024, and that 37% of them are Lebanese and 63% are Syrians. It added that 39,071 Lebanese nationals have arrived in Iraq as at November 20, 2024.

The IOM collected the data nationwide through a combination of face-to-face and remote data collection methods, an utilized a network of over 50 enumerators and 1,500 key informants. the latter consist of government officials, mayors, community representatives, and neighborhood focal points.

### **Social media penetration rate at 85.6% of population**

Figures released by online platform DataReportal about the usage of digital platforms, services and devices in Lebanon, show that the number of internet users reached 4.76 million individuals in Lebanon in January 2024, which represented an internet penetration rate of 90.1% at the time. It revealed that 525,500 individuals in Lebanon did not use the internet last January, indicating that 9.9% of the population remained offline at the beginning of the year. In comparison, it estimated that there were 4.7 million internet users in the country at the start of 2023 resulting in an internet penetration rate of 86.6% at that time. It indicated that the rise in the penetration rate reflects a significant increase in internet adoption in the country from previous years. But it noted that the data for internet usage invariably under-represent the actual figures, as the current adoption and growth may be higher than the collected figures suggest, given the time needed to collect the data. Also, it said that the median mobile internet connection speed through cellular phone networks was 31.06 megabits per second (Mbps) in January 2024, constituting an increase of 2.67 Mbps, or of 9.4%, from 28.39 Mbps a year earlier. It added that the speed of fixed line internet connection stood at 9.39 Mbps in January 2024, representing an increase of 2.14 Mbps or of 29.5% from 7.25 Mbps a year earlier. Also, it pointed out that 95% of Lebanon's internet users used at least one social media platform at the time of the survey.

Further, it said that Lebanon had 4.52 million active social media user identities, which represented a penetration rate of 85.6% of the total population in January 2024, compared to 4.91 million social media users and a 90.5% penetration rate a year earlier. It indicated that there were 3.92 million social media users aged 18 years or older in Lebanon at the start of 2024 relative to 4.06 million users in January 2023. It added that 52.2% of Lebanon's social media users were males and 47.8% were females in January 2024, compared to 50.7% male users and 49.3% female users a year earlier.

Also, it pointed out that there was 4.52 million YouTube users in Lebanon in early 2024, followed by 3.92 million TikTok users aged 18 years or older, then 3.15 million Facebook users, 2.5 million Instagram users, 1.85 million Facebook Messenger users, 1.39 million Snapchat users, 1.2 million LinkedIn users, and 499,300 users of the X platform formerly known as Twitter. In comparison, it stated that Lebanon had 4.91 million YouTube users in early 2023, followed by 2.95 million Facebook users, 2.78 million TikTok users aged 18 years or older, 1.95 million Instagram users, 1.75 million Facebook Messenger users, 1.15 million Snapchat users, one million LinkedIn users, and 531,000 users of the X platform. Further, it said that Platforms, Inc., the company that owns and operates Facebook, Instagram, Threads and WhatsApp, among other products and services, only allows individuals aged 13 years or older to use its platforms. It noted that 77.4% of the eligible audience in Lebanon uses Meta in 2024 compared to 71% in 2023.

In addition, it indicated that there were 4.63 million mobile connections in Lebanon in January 2024, which represented 87.6% of the total population at the time, constituting an increase of 35,000 connections, or of 0.8%, in the 12 months ending January 2024.



### Private sector deposits at \$89.5bn at end-September 2024

The consolidated balance sheet of commercial banks operating in Lebanon shows that total assets stood at LBP9,297.3 trillion (tn), or the equivalent of \$103.9bn at the end of September 2024 compared to LBP9,358.4tn (\$104.6bn) at end-August 2024. Loans extended to the private sector totaled LBP540.4tn at the end of September 2024, with loans to the resident private sector reaching LBP459.3tn and credit to the non-resident private sector amounting to LBP81tn at the end of the month. Loans extended to the private sector in Lebanese pounds reached LBP11.3tn, as they decreased by 1.1% from LBP11.4tn at the end of 2023 and by 10% from LBP12.5tn at end-September 2023; while loans in foreign currency totaled \$5.9bn at the end of September 2024, and contracted by 21.8% from \$7.56bn at the end of 2023 and by 24.8% from \$7.9bn at end-September 2023. The figures reflect Banque du Liban's (BdL's) Basic Circular 167/13612 dated February 2, 2024 that asked banks and financial institutions to convert their assets and liabilities in foreign currencies to Lebanese pounds at the exchange rate of LBP89,500 per US dollar when preparing their financial positions starting on January 31, 2024.

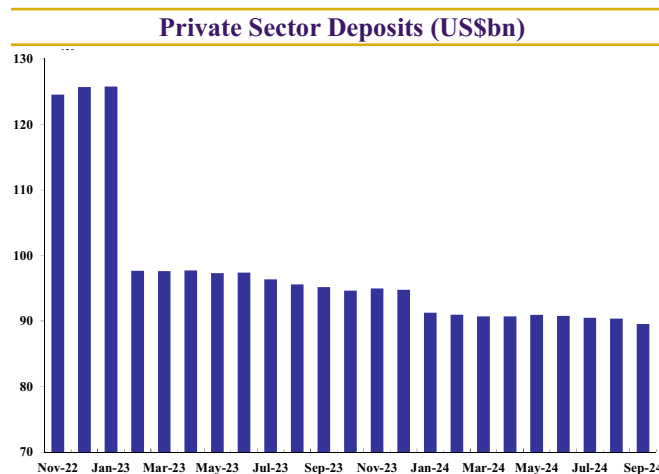
In nominal terms, credit to the private sector in Lebanese pounds decreased by LBP125bn in the first nine months of 2024 and declined by LBP1,232.1bn from a year earlier, while lending to the private sector in foreign currency dipped by \$1.65bn in the first nine months of 2024 and by \$1.95bn from end-September 2023. Further, loans extended to the private sector in Lebanese pounds contracted by LBP16.3tn (-59%) and loans denominated in foreign currency dropped by \$35.2bn (-85.6%) since the start of 2019. The dollarization rate of private sector loans increased from 90.4% at the end of September 2023 to 97.9% at end-September 2024 due to the exchange rate of LBP89,500 per dollar that went into effect on January 31, 2024. The average lending rate in Lebanese pounds was 3.99% in September 2024 compared to 4.36% a year earlier, while the same rate in US dollars was 1.48% relative to 3.15% in September 2023.

In addition, claims on non-resident financial institutions stood at \$4.29bn at the end of September 2024, constituting decreases of \$171.3m (-3.8%) from the end of 2023 and of \$136m (-3.1%) from a year earlier. Also, claims on non-resident financial institutions dropped by \$4.85bn (-53%) from the end of August 2019 and by \$7.7bn (-64.2%) since the start of 2019. Further, deposits at foreign central banks totaled \$834.1m, constituting an increase of \$97m (+13.2%) in the first nine months of 2024 and a decrease of \$36.7m (-4.2%) from a year earlier. Also, cash in vault totaled LBP6,454.2bn, or \$72.1m, compared to LBP8,827bn (\$98.6m) at end-March 2024. In addition, the banks' claims on the public sector amounted to LBP210.2tn at end-September 2024, representing a downturn of 0.8% from LBP212tn end-August 2024. Also, the banks' holdings of Lebanese Treasury bills stood at LBP10.04tn, while their holdings of Lebanese Eurobonds reached \$2.22bn net of provisions at end-September 2024 relative to \$2.58bn a year earlier. Further, the deposits of commercial banks at BdL reached LBP7,275.5tn at the end of September 2024, or \$81.3bn based on the exchange rate of LBP89,500 per dollar.

In parallel, private sector deposits totaled LBP8,014.1tn at the end of September 2024, or \$89.5bn based on the exchange rate of LBP89,500 per US dollar. Deposits in Lebanese pounds reached LBP60.4tn at end-September 2024, as they increased by 16% from the end of 2023 and by 15.5% from a year earlier; while deposits in foreign currency stood at \$88.9bn, and regressed by 2.6% in the first nine months of the year and by 3.1% from the end of September 2023. Resident deposits accounted for 76.5% and non-resident deposits represented 23.5% of total deposits at end-September 2024.

In addition, private sector deposits in Lebanese pounds increased by LBP8,387.1bn and foreign currency deposits declined by \$2.4bn in the first nine months of 2024, while private sector deposits in Lebanese pounds contracted by LBP68.4bn (-0.1%) and foreign currency deposits decreased by \$194m (-0.2%) in September from end-August 2024. Also, aggregate private sector deposits in Lebanese pounds decreased by LBP12.4tn (-17%) and foreign currency deposits declined by \$35.4bn (-28.5%) from end-August 2019, while total private sector deposits in Lebanese pounds shrank by LBP16.76tn (-21.7%) and foreign currency deposits dropped by \$34.2bn (-27.8%) since the start of 2019. The dollarization rate of private sector deposits changed from 96.3% at the end of September 2023 to 99.2% at the end of September 2024 due to the effect of the exchange rate on the Lebanese pound component of the balance sheet.

Further, the liabilities of non-resident financial institutions reached \$2.56bn at the end of September 2024 and decreased by 11% from \$2.9bn at end-2023. Also, the average deposit rate in Lebanese pounds was 0.93% in September 2024 compared to 0.49% a year earlier, while the same rate in US dollars was 0.02% relative to 0.03% in September 2023. In addition, the banks' aggregate capital base stood at LBP409.4tn at the end of September 2024, compared to LBP76.4tn at the end of 2023 and to LBP70.7tn at end-September 2023. In dollar terms, the banks' capital was \$4.6bn at the end of September 2024 relative to \$5.1bn at end-2023 and to \$4.7bn at the end of September 2023.



Source: Banque du Liban, Byblos Research



### **Daily newspaper *Nidaa al Watan* resumes publication under new ownership**

The daily newspaper *Nidaa al Watan* relaunched its digital edition on November 11, 2024 under new ownership. The newspaper was originally launched in the early 1990s but its publication was halted in 2000 due to financial problems. The newspaper resumed its publication on July 1, 2019 as a political daily under new ownership, but it suspended its print edition in March and its online edition in July of this year, citing the poor economic and financial conditions prevailing in the country during the past five years. The relaunch of the daily came after the Ministry of Information issued Decision 266/2024 dated October 8, 2024 that approved the transfer of ownership of *Nidaa al Watan* from the Free Media Company to the firm Lebanese Media Production.

The relaunch of the newspaper coincides with a downturn in Lebanon's print media. According to the media watchdog Media Ownership Monitor, Lebanon has been historically known for having one of the highest ratios of private newspapers per capita in the Middle East and North Africa. But the local print media landscape has contracted significantly due to the rise of online and social media, the economic crisis that began in 2019, and declining advertising revenues, which led to the decrease in the circulation of daily newspapers significantly in recent years. Lebanon currently has six daily newspapers with print editions that also have an online presence, and three dailies that used to have a print edition and that maintained or relaunched their digital editions.

The political daily *Al-Joumhouria* suspended its print edition in August 2024, the latest among a number of newspapers to cease operations in Lebanon. On October 31, 2021, the Lebanese English-language daily newspaper *The Daily Star* closed down citing financial pressures. In February 2019, the daily *Al-Mustaqbal* suspended its printed edition after 20 years of publishing and became a digital newspaper. In September 2018, *Al-Anwar* newspaper stopped publishing printed copies after around 60 years in the market, while pan-Arab newspaper *Al-Hayat* closed its Beirut offices in June 2018 and suspended its local printed edition. Also, the daily *As-Safir* ended its operations in December 2016, and *Al-Balad* newspaper closed down in June 2018. In addition, *Al-Ittihad* newspaper suspended its operations in December 2017, just two months after its launch. In contrast, Lebanon saw the establishment of a large number of online and digital news outlets in recent years.

According to figures issued by *ArabAd* magazine and research firm Ipsos on the advertising market in Lebanon, the share of advertising expenditures on printed media regressed from 29.5% of total advertising spending in 2009 to 11.3% in 2017 and to 5.3% in 2020. In contrast, the share of spending on online advertising increased from 2% in 2009 to nearly 11% in 2017 and to 38.6% in 2020. Further, newspaper adverts dropped by 47% in 2020 from the preceding year due to the economic crisis, compared to an overall drop of 57% in advertising expenditures during the covered year.

## Ratio Highlights

(in % unless specified)	2021	2022	2023	Change*
Nominal GDP (\$bn)	19.8	24.5	24.0	(0.5)
Public Debt in Foreign Currency / GDP	-	-	-	-
Public Debt in Local Currency / GDP	-	-	-	-
Gross Public Debt / GDP	357.7	255.2	195.2	(60.0)
Trade Balance / GDP	(51.9)	(63.5)	(60.5)	3.0
Exports / Imports	24.8	18.3	17.1	(1.2)
Fiscal Revenues / GDP	8.3	5.7	12.9	7.2
Fiscal Expenditures / GDP	10.9	12.2	13.3	1.0
Fiscal Balance / GDP	(2.7)	(6.6)	(0.4)	6.2
Primary Balance / GDP	(1.6)	(6.0)	0.4	-
Gross Foreign Currency Reserves / M2	26.0	13.4	143.5	130.1
M3 / GDP	81.9	35.0	55.8	20.7
Commercial Banks Assets / GDP	107.3	38.9	82.7	43.8
Private Sector Deposits / GDP	79.5	28.9	68.0	39.1
Private Sector Loans / GDP	17.0	4.6	6.0	1.4
Private Sector Deposits Dollarization Rate	79.4	76.1	96.3	20.2
Private Sector Lending Dollarization Rate	56.3	50.7	90.9	40.2

\*change in percentage points 23/22;

Source: Banque du Liban, Ministry of Finance, Central Administration of Statistics, International Monetary Fund, Byblos Research Estimates & Calculations

Note: M2 includes money in circulation and deposits in LBP, M3 includes M2 plus Deposits in FC and bonds

## National Accounts, Prices and Exchange Rates

	2021	2022e	2023f
Nominal GDP (LBP trillion)	245.6	655.2	2,090.7
Nominal GDP (US\$ bn)	19.8	24.5	24.0
Real GDP growth, % change	2.0	1.0	-0.7
Private consumption	123.5	-	1.5
Public consumption	-92.2	-	-9.8
Gross fixed capital	63.8	-	21.8
Exports of goods and services	3.4	3.5	3.0
Imports of goods and services	13.6	19.1	17.5
Consumer prices, %, average	154.8	171.2	221.3
Official exchange rate, average, LBP/US\$	1,507.5	1,507.5	15,000
Parallel exchange rate, average, LBP/US\$	16,821	30,313	86,362
Weighted average exchange rate LBP/US\$	12,006	25,604	76,363

Source: International Monetary Fund, Lebanese customs

## Ratings & Outlook

Sovereign Ratings	Foreign Currency			Local Currency		
	LT	ST	Outlook	LT	ST	Outlook
Moody's Ratings	C	NP	-	C		Stable
Fitch Ratings*	RD	C	-	RD	RD	-
S&P Global Ratings	SD	SD	-	CC	C	Negative

\*Fitch withdrew the ratings on July 23, 2024

Source: Rating agencies

### Banking Sector Ratings

Banking Sector Ratings	Outlook
Moody's Ratings	Negative

Source: Moody's Ratings



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