

LEBANON THIS WEEK

In This Issue

Economic Indicators.....	1
Capital Markets.....	1
Lebanon in the News.....	2

Current account deficit narrows by 5.4% to \$5.6bn in 2024

Lebanon ranks 77th globally, seventh in Arab world in terms of ecosystem for startups

Consumer Price Index up 13% year-on-year in April 2025

Ministry of Public Works launches plan to rehabilitate roads and bridges

Ministry of Finance extends deadlines for tax declarations

Ministry of Social Affairs launches second phase of Road to Stability program

Number of cleared checks in "fresh" foreign currency up 267% in first four months of 2025

European Union to allocate €8m for post-conflict stability in Lebanon

War in South drags down industrial activity in third quarter of 2024

Sovereign rating upgrade contingent on implementation of debt restructuring and reforms

Banque du Liban streamlines operations of electronic wallets providers

Banking sector has 710 branches at end-September 2024

Corporate Highlights.....11

Balance sheet of financial institutions at LBP43 trillion at end-March 2025

Import activity of top five shipping firms and freight forwarders up 28% in first two months of 2025

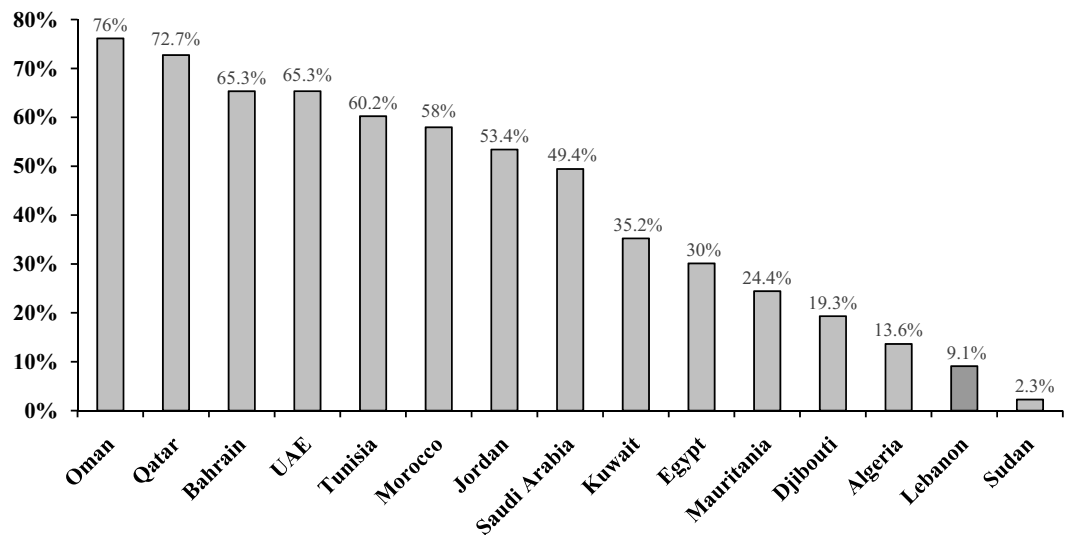
Ratio Highlights.....13

National Accounts, Prices and Exchange Rates13

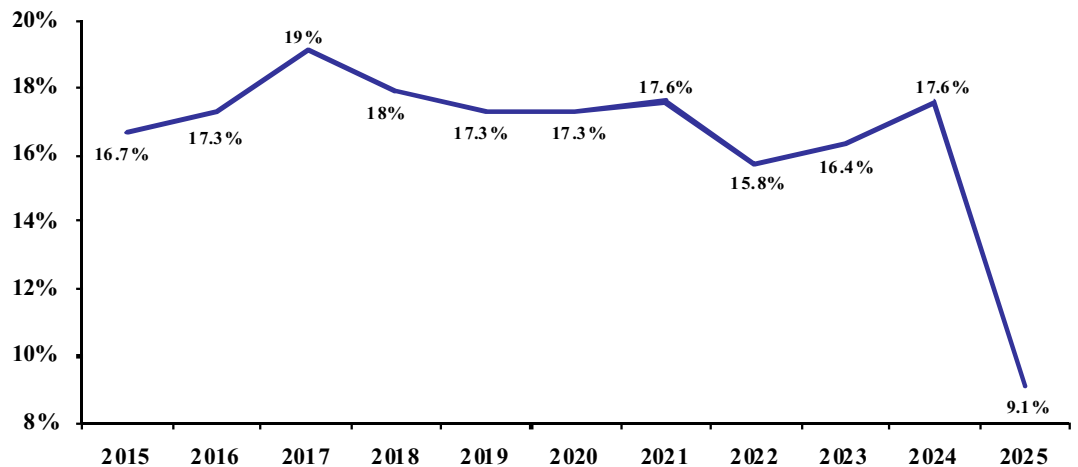
Ratings & Outlook.....13

Charts of the Week

Percentile Rankings of Arab Countries in terms of Property Rights for 2025*



Percentile Rankings of Lebanon in terms of Property Rights



*The Heritage Foundation defines property rights as the ability of individuals to accumulate private property, with this right secured by clear laws that are fully enforced by the State

Source: Heritage Foundation, Index of Economic Freedom for 2025, Byblos Bank

Quote to Note

"Lebanon recorded a fiscal surplus in 2024 following years of deep economic crisis, supported by enhanced revenue mobilization, even amid increased expenditure pressures during the second half of the year."

The International Monetary Fund, on the improvement of public finances in 2024

Number of the Week

4.7%: Projected real growth rate of activity in the services sector in Lebanon in 2025, according to the World Bank

Lebanon in the News

\$m (unless otherwise mentioned)	2022	2023	2024	% Change*	Dec-23	Nov-24	Dec-24
Exports	3,492	2,995	2,707	-9.6%	240,037	177,565	212,165
Imports	19,053	17,524	16,902	-3.5%	1,302,640	1,306,294	1,185,226
Trade Balance	(15,562)	(14,529)	(14,195)	-2.3%	(1,062,603)	(1,128,729)	(973,061)
Balance of Payments	(3,197)	2,237	6,437	187.7%	591.3	(984.4)	(792.4)
Checks Cleared in LBP**	27,146	4,396	877	-80.0%	404	43	69
Checks Cleared in FC**	10,288	3,292	1,299	-60.5%	183	93	81
Total Checks Cleared**	37,434	7,688	2,176	-71.7%	587	136	150
Fiscal Deficit/Surplus	-	380.5	297.4	-21.8%	-	-	-
Primary Balance	-	-	-	-	-	-	-
Airport Passengers	6,360,564	7,103,349	5,624,402	-20.8%	481,470	151,073	379,910
Consumer Price Index	171.2	221.3	45.2	-79.6%	192.3	15.4	18.1
\$bn (unless otherwise mentioned)	Dec-23	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	% Change*
BdL FX Reserves	9.64	10.51	10.65	10.22	10.10	10.09	4.6%
In months of Imports	-	-	-	-	-	-	
Public Debt	-	-	-	-	-	-	
Bank Assets	115.25	104.56	103.88	103.40	103.02	102.76	-10.8%
Bank Deposits (Private Sector)	94.75	90.41	89.54	89.21	88.93	88.65	-6.4%
Bank Loans to Private Sector	8.32	6.59	6.04	6.07	5.99	5.65	-32.1%
Money Supply M2	6.72	1.25	1.23	1.22	1.22	1.46	-78.3%
Money Supply M3	77.75	70.69	69.88	69.64	69.39	69.26	-10.9%
LBP Lending Rate (%)	3.97	5.11	3.99	6.78	6.78	5.61	41.3%
LBP Deposit Rate (%)	0.55	0.86	0.93	2.34	1.17	3.58	550.9%
USD Lending Rate (%)	1.95	2.59	1.48	1.97	4.41	3.70	89.7%
USD Deposit Rate (%)	0.03	0.04	0.02	0.03	0.03	0.03	0.0%

*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	2.74	8.7	18,200	8.0%	Jun 2025	6.25	17.3	12,335.40
Audi GDR	2.40	0.0	15,700	1.4%	Nov 2026	6.60	17.3	159.67
Solidere "A"	81.80	(4.3)	14,126	40.4%	Mar 2027	6.85	17.3	124.17
Solidere "B"	81.00	(3.6)	8,081	26.0%	Nov 2028	6.65	17.3	58.38
BLOM GDR	5.98	(0.2)	7,000	2.2%	Feb 2030	6.65	17.3	40.69
HOLCIM	74.20	(1.2)	59	7.2%	Apr 2031	7.00	17.3	32.12
Byblos Common	0.91	0.0	-	2.5%	May 2033	8.20	17.3	23.30
BLOM Listed	5.17	0.0	-	5.5%	July 2035	12.00	17.3	18.06
Byblos Pref. 09	29.99	0.0	-	0.3%	Nov 2035	7.05	17.3	17.58
Byblos Pref. 08	25.00	0.0	-	0.2%	Mar 2037	7.25	17.3	15.43

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

Source: Refinitiv

	May 19 -23	May 12 -16	% Change	April 2025	April 2024	% Change
Total shares traded	70,416	1,309,067	(94.6)	1,888,985	736,801	156.4
Total value traded	\$2,096,510	\$37,042,141	(94.3)	\$11,875,516	\$18,271,664	(35.0)
Market capitalization	\$20.25bn	\$20.76bn	(2.4)	\$21.15bn	\$17.24bn	22.7

Source: Beirut Stock Exchange (BSE)



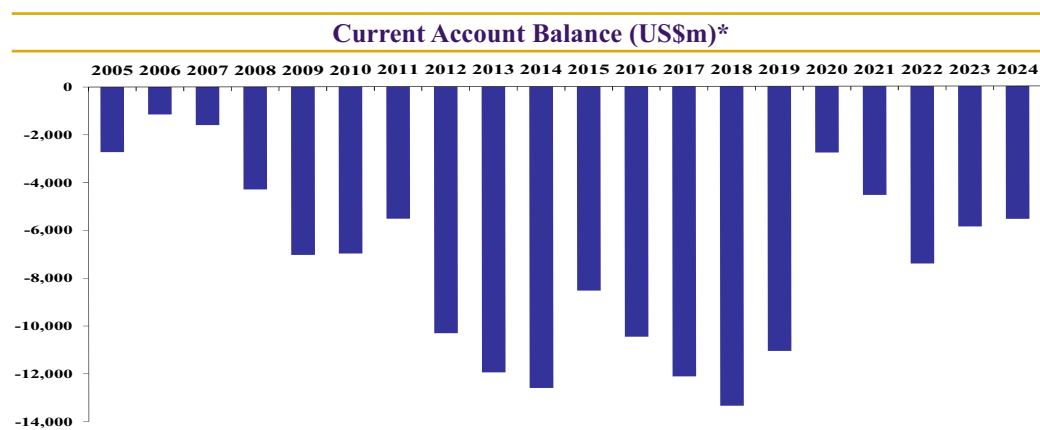
Current account deficit narrows by 5.4% to \$5.6bn in 2024

Figures released by Banque du Liban (BdL) show that the current account deficit reached \$5.56bn in 2024, constituting a drop of 5.4% from a deficit of \$5.88bn in 2023. The deficit was \$1.04bn in the first quarter of 2024, \$1.52bn in the second quarter, \$1.84bn in the third quarter, and \$1.17bn in the fourth quarter of 2024. The figures represent decreases of 25% and of 2.3%, a rise of 16.5%, and a decline of 14%, respectively, from the corresponding quarters of the preceding year. The current account balance consists of the trade balance, which is the exports and imports of merchandise, as well as the services balance that covers the export and import of transportation services, tourism, insurance and other services. The current account balance also includes remittance inflows, investment income, and general government transfers.

The trade deficit reached \$12.33bn in 2024 and narrowed by 3.1% from \$12.72bn in 2023, as it posted its lowest deficit level since 2021 when it stood at \$8.8bn. Imported goods regressed by 4.4% to \$16.1bn in 2024, their lowest value since 2021, while exports decreased by 8.6% last year to \$3.8bn, posting their lowest level since 2006.

Further, the inflows of expatriates' remittances to Lebanon stood at \$6.9bn in 2024, constituting an increase of 5.8% from \$6.5bn in 2023, and reached their highest level since 2019. In addition, remittance outflows from Lebanon were \$1.79bn in 2024 and grew by 0.7% from \$1.77bn in 2023, their highest level since 2021. As such, net remittance inflows to Lebanon totaled \$5.1bn in 2024 and increased by 7.7% from \$4.73bn in 2023. Net remittance inflows in 2024 reached their highest level in the 2002-24 period.

In addition, tourism receipts, which BdL defines as "Travel Services", stood at \$4.65bn in 2024, representing a decline by 16.3% from \$5.56bn in 2023; while outbound tourism spending totaled \$3.5bn last year and decreased by 5.5% from \$3.73bn in 2023. As such, net tourism receipts dropped by 38% to \$1.13bn in 2024. Tourism receipts posted their lowest level since 2021, outbound tourism spending reached their lowest level since 2022, while net tourism receipts posted their lowest level since 2020.



Source: Banque du Liban, Byblos Research

The other components of the balance of payments show that Lebanon's capital account balance, which includes foreign grants, posted a surplus of \$877m in 2024, up by 43.8% from a surplus of \$610m in the previous year, and constituting its second lowest surplus since 2013. The capital account posted an average surplus of \$1.6bn during the 2013-18 period due to the inflow of foreign grants to support displaced Syrians and non-Syrian refugees, as well as host communities in the country. But the surplus started to regress in 2019 due to the decline in the inflows of financial aid.

In addition, Lebanon's financial account balance, which includes net foreign direct investments (FDI), net portfolio investments, and other investments, posted a surplus of \$10.3bn 2024 relative to a surplus of \$3.2bn in 2023. FDI inflows totaled \$1.84bn in 2024 constituting an increase of 72.6% from \$1.07bn in 2023, while FDI outflows stood at \$390.7m in 2024 relative to \$121.1m in 2023. As such, net FDI inflows reached \$1.45bn in 2024 and increased by 53.4% from \$946.1m in 2023. The rise in FDI inflows last year is due mostly to the acquisition of real estate by non-residents, in part from their foreign currency deposits at local commercial banks. Further, net portfolio divestments reached \$1.32bn in 2024 compared to divestments of \$2.55bn in 2023. Also, inflows into other investments amounted to \$5.9bn in 2024 relative to inflows of \$4.1bn in 2023. Other investments consist of the component of the financial account balance that includes deposit flows to the banking sector, as well as debt arrears starting in March 2020.

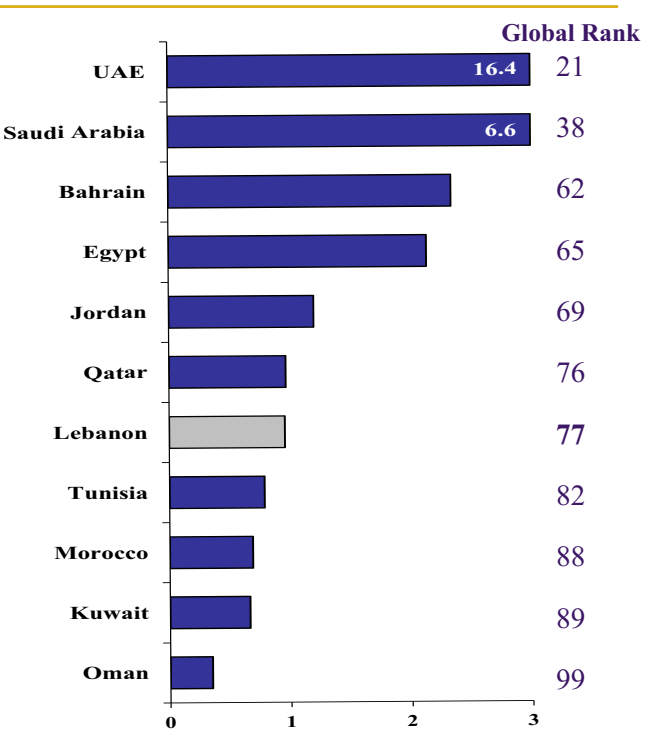
In parallel, unrecorded transactions, or errors and omissions, stood at -\$5.6bn in 2024 relative to +\$2.1bn in 2023. According to BdL, unrecorded transactions are in part due to the inadequate sources of data on some economic sectors. They include time and other adjustments for external trade, insurance services, migrants' transfers, travel services, transportation services, private sector direct investments, and portfolio investments. Finally, BdL's net foreign assets surged by \$5.7bn in 2024 compared to a decrease of \$812.8m in 2023.

Lebanon ranks 77th globally, seventh in Arab world in terms of ecosystem for startups

The Global Startup Ecosystem Index for 2025 ranked Lebanon in 77th place globally and in seventh place among 11 Arab countries. In comparison, Lebanon came in 73rd place globally and in sixth place in the Arab world on the 2024 index. As such, Lebanon's global rank deteriorated by four spots, while its Arab rank regressed by one notch from the 2024 survey. Globally, Lebanon preceded North Macedonia, Bangladesh, and Mongolia, while it trailed Azerbaijan, Cape Verde, and Qatar on the 2025 index.

The index is composed of three sub-indices that are essential for the ecosystems of startups. First, the Quantity Sub-Index incorporates the number of startups, investors, accelerators, and co-working spaces, and other supporting organizations that facilitate and contribute to the growth of an ecosystem. Second, the Quality Sub-Index takes into account the traction of the top startups of an ecosystem, as well as the most successful entities that impact it, such as unicorns, exits, and "pan-theons", which are organizations that have had a massive impact on a startup ecosystem and a narrative that draws more entrepreneurs and attracts investors to the location. Third, the Business Sub-Index consists of a number of business and economic indicators at the national level, such as the ease of doing business in a country or city, Internet speed, and expenditures on research and development, among others. Lebanon received a score of 0.956 points in 2025, unchanged from the 2024 index. Lebanon's score was lower than the global average score of 12.127 points and the Arab average score of 3.006 points. In addition, Lebanon is the only country in the survey whose score was unchanged from 2024. In comparison, the scores of eight Arab countries improved and the score of one Arab economy regressed from the previous survey.

Global Startup Ecosystem Index for 2025
Arab Countries' Scores & Rankings



Source: StartupBlink, UNDP, Byblos Research

In addition, Beirut ranked in 377th place among 1,000 cities globally and in 11th place among 22 Arab cities included in the 2025 index. In comparison, Beirut came in 365th place globally and in eighth place among 21 Arab cities in the 2024 survey. As such, Beirut's rank dropped by 12 spots globally and regressed by three spots regionally from the 2024 survey. Beirut came ahead of Doha, Kuwait City, Algiers, Muscat, Alexandria, Sharjah, Baghdad, Rabat, Erbil, Medina and Agadir among Arab cities. The deterioration in the ranking of Beirut was the least severe in the Arab world, compared to the decline in the ranks of Erbil (-244), Agadir (-82), Algiers (-41), and Amman (-35). Also, the rankings of 16 Arab cities increased, those of five Arab cities deteriorated, while Medina was included for the first time in the index in 2025.

The survey stated that startups in Lebanon received \$0.7m in funding in 2020, obtained \$0.5m in financing in 2021, \$20.6m in funding in 2022, \$0.1m in financing in 2023, and \$0.7m in 2024. Further, the funding of Lebanese startups accounted for 0.02% of the aggregate funding of startups in the Arab world in 2025, as Lebanon came in last place among Arab counties in terms of startups funding on the 2025 index. The survey identified 56 startups based in Lebanon, which accounted for 9.7% of the aggregate number of startups in the Arab world in 2025.

The survey considered that the regional conflict in 2024 and the resulting instability further exacerbated the prevailing conditions in Lebanon, which has placed additional strains on an already fragile economy. Also, it indicated that efforts towards implementing comprehensive economic reforms have been limited, which is affecting entrepreneurs and the country's long-term economic potential. Further, it pointed out that Lebanon's startup scene receives support from initiatives like the European Union-funded Lebanon Innovate program that is coordinated by the Berytech incubator, despite the ongoing challenges. It added that the program aims to revitalize the entrepreneurial ecosystem in the country by fostering innovation through intellectual property support and knowledge transfer, in order to become a knowledge-driven digital nation.

In parallel, the survey considered that Lebanon possesses inherent competitive advantages, including a multilingual population that is proficient in English and French, a strategic geographic location, and a relatively free market economy. Also, it said that leveraging these strengths could foster a thriving startup ecosystem and would serve as a future engine for economic growth. However, it indicated that the retaining local entrepreneurs remains a challenge, as many seek opportunities in more stable environments like the UAE, Europe, and the United States. It added that encouraging young talent to build and maintain their ventures Lebanon is crucial for the sustainable development of the country's startup landscape.

StartupBlink, a global startup mapping and research center that tracks trends affecting the global startup ecosystem, developed the index in 2012 and updates it annually in cooperation with the United Nations Development Program.

Consumer Price Index up 13% year-on-year in April 2025

The Central Administration of Statistics' Consumer Price Index increased by 14.7% in the first four months of 2025 from the same period of 2024. In comparison, it grew by 97% and by 213.4% in the first four months of 2024 and 2023, respectively, from the corresponding periods of the previous years.

The CPI rose by 13% in March 2025 from the same month of 2024 and registered its 14th double-digit increase since the last triple-digit in February 2024 when it stood at 123.2%. The slowdown of the inflation rate from triple-digit rates in previous years 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, healthcare, rent and food prices, to the surge of fees in the public administration, and to the inability of the authorities to monitor and contain retail prices.

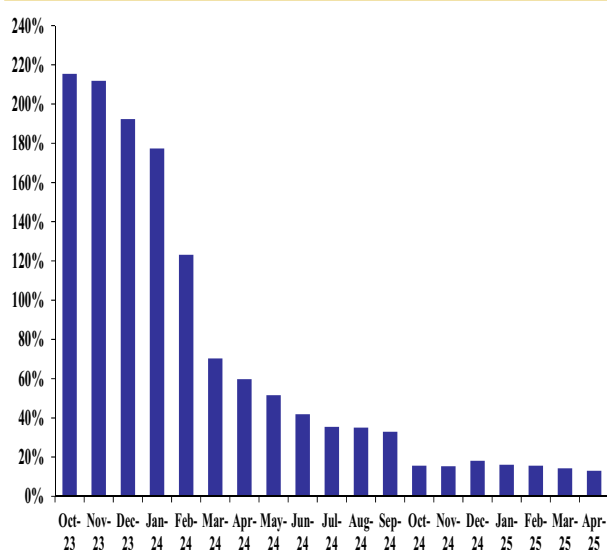
The costs of education and imputed rent surged by 1.3 times in April 2025 from the same month in 2024. Also, the prices of food & non-alcoholic beverages, cost of actual rent, healthcare costs, and the prices of miscellaneous goods & services increased by 1.2 times each in April 2025 from April 2024. Further, rates at restaurants and hotels rose by 14.9% year-on-year in April 2025, followed by the prices of alcoholic beverages & tobacco (+12.4%), the costs of clothing & footwear (+11%), the price of recreation & entertainment (+4.8%), and the prices of water, electricity, gas & other fuels (+3.3%). In contrast, the prices of furnishings & household equipment decreased by 8.4% in April 2025 from the same month of the previous year, followed by the cost of communication (-2.7%) and transportation costs (-1.4%). Also, the distribution of actual rent shows that new rent surged by 26% and old rent increased by 8% in April 2025 from the same month of 2024.

In parallel, the CPI increased by 0.67% in April 2025 from the previous month, relative to a growth of 0.44% in March, an uptick of 0.66% in February, an expansion of 1.1% in January 2025, a rise of 2.4% in December 2024, an increase of 2.3% in November, a growth of 2% in October, 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 surged by 6.1% in April 2025 from March 2025, followed by imputed rent (+2.5%), actual rent (+2.45%), and rates at restaurants and hotels (+1.11%). Also, the cost of food & non-alcoholic beverages surged by 0.74% in April 2025 from March 2025, followed by the cost of recreation & entertainment (+0.57%), the cost of miscellaneous goods & services (+0.52%), and the prices of furnishings & household equipment (+0.5%). In contrast, the prices of water, electricity, gas & other fuels decreased by 1.46% in April 2025 from March 2025, followed by transportation costs (-0.8%), prices of alcoholic beverages and tobacco (-0.34%), and communication costs (-0.02%), while the costs of education and healthcare were unchanged from the previous month.

Also, the distribution of actual rent shows that old rent increased by 2.72%, while new rent grew by 2.25% month-on-month in April 2025. Further, the CPI increased by 1.37% in the South, by 1.1% in the North, by 0.97% in Beirut, by 0.75% in the Nabatieh area, and by 0.47% in Mount Lebanon, while it regressed by 0.27% in the Bekaaa. In parallel, the Fuel Price Index decreased by 3.15% and the Education Price Index was unchanged in April 2025.

Annual Change in Consumer Price Index* (%)



*from the same month of the previous year

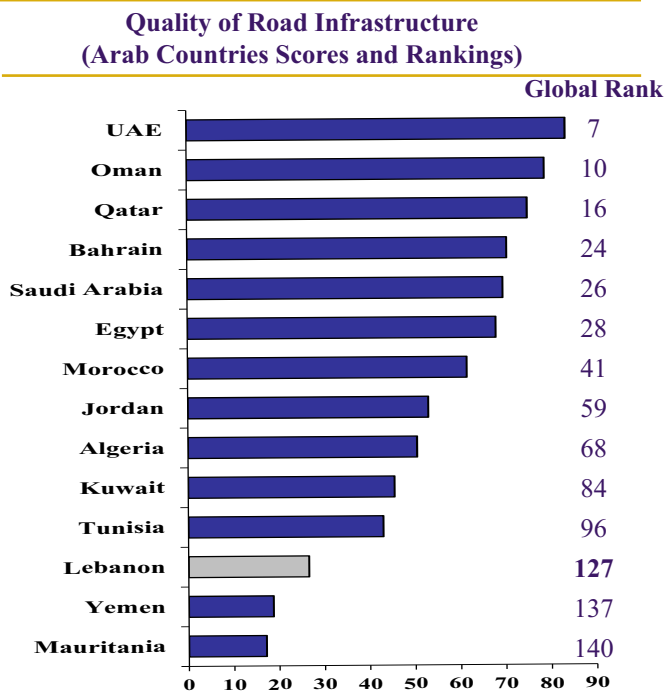
Source: Central Administration of Statistics, Byblos Research

Ministry of Public Works launches plan to rehabilitate roads and bridges

The Ministry of Public Works and Transport launches on May 21, 2025 a national plan to rehabilitate and maintain the network of roads and bridges in Lebanon. It said that the plan covers more than 25 districts across the seven governorates, and includes the maintenance of over 3,000 kilometers (km) and the rehabilitation and resurfacing of 500 km of roads. It added that the plan prioritizes international, primary, and secondary roads.

Further, it indicated that the ministry has set up a specialized project management unit that is equipped with Geographic Information System (GIS) tools to supervise all phases of the plan's implementation. It also noted that central laboratories for soil and pavement testing will play a role in quality control.

In addition, the ministry launched a national plan to rehabilitate Lebanon's road lighting infrastructure by using renewable energy. It said that the plan includes the replacement of missing or damaged lighting poles, the maintenance and enhancement of existing lanterns, and the transition to LED systems that are powered by solar energy. It pointed out that it will launch a pilot lighting project along the 27-kilometer stretch of the southern coastal highway between the town of Khaldeh and the Awali Bridge, before expanding nationwide.



Source: World Economic Forum's Global Competitiveness Index for 2019, Byblos Research

Ministry of Finance extends deadlines for tax declarations

The Ministry of Finance issued Decision 483/1 dated May 20, 2025 that extended until June 16, 2025 inclusive the deadline for companies to submit the declarations for the first quarter of 2025 for the tax on wages and salaries and the payment of the due tax. Further, it issued Decision 484/1 dated May 20, 2025 that extended until June 20, 2025 inclusive the deadline for companies to submit the periodic declaration for the value-added tax (VAT) for the fourth quarter of 2024 and the payment of the due tax, as well as to submit the refund request for the VAT within the deadline to submit the tax declaration for the covered quarter. Also, it issued Decision 485/1 dated May 20, 2025 that extended until June 20, 2025 inclusive the deadline for companies to submit the periodic declaration for the value-added tax (VAT) for the first quarter of 2025 and the payment of the due tax, as well as to submit the refund request for the VAT within the deadline to submit the tax declaration for the covered quarter.

Previously, the ministry issued Decision 384/1 dated April 16, 2025 that extended until May 15, 2025 inclusive the deadline for companies to submit the declarations for the first quarter of 2025 for the tax on wages and salaries and the payment of the due tax. Also, it issued Decision 385/1 dated April 16, 2025 that extended until May 20, 2025 inclusive the deadline for companies to submit the periodic declaration for the value-added tax (VAT) for the first quarter of 2025 and the payment of the due tax, as well as to submit the refund request for the VAT within the deadline to submit the tax declaration for the covered quarter.

Ministry of Social Affairs launches second phase of Road to Stability program

The Ministry of Social Affairs and the Qatar Red Crescent Society (QRCS) launched on May 14, 2025 the second phase of the Road to Stability program that the Qatar Fund for Development (QFFD) is financing. The initiative aims to support the poorest Lebanese and Syrian households that have been affected by the recent Israeli war on Lebanon. It said that the first phase of the project has been completed for the benefit of Syrian refugee households in Lebanon, in collaboration with the Office of the United Nations High Commissioner for Refugees (UNHCR) Further, the ministry noted that it identified 3,325 Lebanese families that will receive monthly cash assistance for three months as part of the program. It indicated that the project represents a qualitative addition to the "AMAN" program, the largest social support program in Lebanon, which currently serves around 800,000 beneficiaries. It said that the project is a direct contribution to establishing a sustainable and inclusive social protection system.

Established in 1978, the QRCS aims to assist and empower vulnerable individuals and communities, and has relief and development operations in countries across the Middle East, Asia, Africa, Europe, and Central and South America.

Number of cleared checks in "fresh" foreign currency up 267% in first four months of 2025

The amount of cleared checks in Lebanese pounds reached LBP19,592bn in the first four months of 2025, constituting a decrease of 17% from LBP23,624bn in the same period last year, while the amount of cleared checks in foreign currency was \$297m and dropped by 49% from \$581m in the first four months of 2024. Also, there were 37,764 cleared checks in the first four months of 2025, down by 49.8% from 75,294 checks in the same period of 2024.

In addition, the amount of cleared checks in Lebanese pounds stood at LBP4,228bn in April 2025, constituting decreases of 27.4% from LBP5,821bn in March 2025 and of 26% from LBP5,703bn in April 2024. Further, the amount of cleared checks in foreign currency was \$42m in April 2025, as it dropped by 50% from \$84m in the previous month and declined by 35.4% from \$65m in April 2024. Also, there were 9,324 cleared checks in April 2025 relative to 9,295 checks in March and to 16,194 cleared checks in April 2024.

Further, the amount of cleared checks in "fresh" Lebanese pounds stood at LBP9,508bn, while the amount of cleared checks in "fresh" foreign currency was \$213.1m in the first four months of 2025, relative to cleared checks of LBP3,404bn in "fresh" Lebanese pounds and of \$59.9m in "fresh" foreign currency in the same period of 2024. Also, there were 4,949 cleared checks in "fresh" Lebanese pounds and 15,449 cleared checks in "fresh" foreign currency in the covered period, compared to 2,023 cleared checks in "fresh" Lebanese pounds and 4,209 cleared checks in "fresh" foreign currency in the same period last year.

In parallel, the amount of returned checks in Lebanese pounds totaled LBP108bn in the first four months of 2025, down by 37.2% from LBP172bn in the same period last year, while the amount of returned checks in foreign currency was \$67m and surged by 227.3% from \$20m in the first four months of 2024. Also, the amount of returned checks in Lebanese pounds stood at LBP21bn in April 2025, as it fell by 19.2% from LBP26bn in March 2025 and rose by 110% from LBP10bn in April 2024. Moreover, the amount of returned checks in foreign currency was \$2m in April 2025, constituting a drop of 60% from \$5m in the previous month and a rise of 100% from \$1m in April 2024.

In addition, the amount of returned checks in "fresh" foreign currency stood at \$938,591, while the amount of returned checks in "fresh" Lebanese pounds was LBP22.6bn in the first four months of the year. In comparison, the amount of returned checks in "fresh" foreign currency totaled \$389,121, while the amount of returned checks in "fresh" Lebanese pounds was LBP3bn in the same period last year.

Further, there were 225 returned checks in the first four months of 2025, representing a decrease of 47.2% from 426 returned checks in the same period last year. Also, the number of returned checks in foreign currency reached 92 in the covered period and declined by 35.2% from 142 checks in the first four months of 2024, while the number of returned checks in Lebanese pounds totaled 133 and dropped by 53.2% from 284 checks from the same period last year. In addition, there were 36 returned checks in April 2025, relative to 88 returned checks in the preceding month and to 97 checks in April 2024. Further, there were 22 returned checks in Lebanese pounds in April 2025 compared to 48 in the previous month and to 75 in April 2024, while there were 14 returned checks in foreign currency in April 2025 relative to 40 checks in the preceding month and 22 returned checks in April 2024.

Also, there were 60 returned checks in "fresh" foreign currency and 24 returned checks in "fresh" Lebanese pounds in the first four months of 2025. In comparison, there were 65 returned checks in "fresh" foreign currency and 8 returned checks in "fresh" Lebanese pounds in the same period of 2024.

European Union to allocate €8m for post-conflict stability in Lebanon

The European Union (EU) announced on May 14, 2025 that it will allocate €8m to support the implementation of the Post-Conflict Stability Project in Lebanon, following the 13-months conflict that erupted in October 2023 and escalated in September 2024. It said that the United Nations Development Program (UNDP) and the United Nations Office on Drugs and Crime (UNODC) will carry out the project to assist communities affected by war in Lebanon and facilitate their return to safe and stable areas. It added that the project aims to enhance the capacity of the Internal Security Forces (ISF) in their delivery of security services, as well as support the Lebanon Mine Action Center (LMAC) in managing unexploded ordnance in conflict-affected areas.

In addition, the UNODC said that it remains committed to supporting Lebanon's efforts to enhance prison conditions and promote the well-being of all prisoners. It indicated that the EU project aims to boost security institutions, tackle immediate challenges, and pave the way for lasting stability and sustainable development in Lebanon with over two decades of collaboration with national authorities and deep expertise in criminal justice and prison reform.

In parallel, the EU announced on May 2, 2024 that it will allocate €1bn in financial support to Lebanon during the 2024-27 period, and that the funds will be disbursed in tranches of €250m per year during the covered timeframe. It stated that the funds will be earmarked to strengthen basic services such as education, healthcare, social protection and water to the most vulnerable individuals in Lebanon, including to refugees, internally displaced persons, and to the host communities of refugees. It added that the support will assist the Lebanese authorities in the implementation of urgent economic, financial and banking sector reforms, especially those requested by the International Monetary Fund, in order to improve economic conditions and the business environment in the country. In addition, it pointed out that the package will support the Lebanese Armed Forces by enhancing their border and migration management, including combating human trafficking and smuggling.



War in South drags down industrial activity in third quarter of 2024

Banque du Liban's quarterly survey about the opinions of business managers shows that the balance of opinions about industrial production was -9 in the third quarter of 2024, down from zero in the previous quarter and from +7 in the third quarter of 2023. The balance of opinions for the level of industrial production in the third quarter of 2024 reached its sixth highest quarterly level since the start of the economic crisis in the fourth quarter of 2019.

The business survey covers the opinions of managers of industrial enterprises about their businesses, in order to depict the evolution of a number of key economic variables. The balance of opinions is the difference between the proportion of surveyed managers who consider that there was an improvement in a particular indicator and the proportion of those who reported a decline in the same indicator. The balance of opinions about industrial production was +8 in the North, zero in Beirut & Mount Lebanon, -10 in the Bekaa, and -69 in the South.

The balance of opinions about demand for industrial goods stood at -11 in the third quarter of 2024 compared to -1 in the preceding quarter and to +6 in the third quarter of 2023. It was +8 in the North, +3 in Beirut & Mount Lebanon, -15 in the Bekaa, and -72 in the South.

In parallel, the balance of opinions about the volume of investments in the industrial sector stood at -14 in the third quarter of 2024, compared to -5 in the second quarter of 2024 and to -12 in the third quarter of 2023. It was +1 in the Bekaa, zero in the North, -18 in Beirut & Mount Lebanon, and -70 in the South.

In addition, the balance of opinions about the level of registered orders was -30 in the third quarter of 2024 relative to -20 in the previous quarter and to -27 in the third quarter of 2023. It was -16 in the North, -18 in Mount Lebanon, -32 in the Bekaa, and -84 in the South.

Further, the balance of opinions about foreign demand for industrial goods was -4 during the third quarter of 2024 compared to -2 in the preceding quarter and to -5 in the third quarter of 2023. It stood at +12 in Beirut & Mount Lebanon, +1 in the North, -5 in the Bekaa, and -61 in the South.

Also, the balance of opinions about the number of employees in the sector was -7 in the third quarter of 2024 relative to -3 in the preceding quarter and to -7 in the third quarter of 2023. It was +4 Beirut & Mount Lebanon, -3 in the Bekaa, -14 in the North, and -30 in the South.

In parallel, the balance of opinions for the level of inventory of finished goods was -18 in the third quarter of 2024 compared to -14 in the previous quarter and to -17 in the third quarter of 2023. It stood at zero in the North, -12 in the Bekaa, -22 in Beirut and Mount Lebanon, and -48 in the South.

Also, the balance of opinions for the level of inventories of raw materials was -22 in the third quarter of 2024 relative to -20 in the preceding quarter and to -22 in the third quarter of 2023. It was -12 in the Bekaa, -16 in the North, -22 in Beirut and Mount Lebanon, and -48 in the South.

Industrial Activity: Evolution of Opinions				
Aggregate results	Q3-21	Q3-22	Q3-23	Q3-24
Production	-44	-1	+7	-9
Total demand	-46	-1	+6	-11
Foreign demand	-18	0	-5	-4
Volume of investments	-34	-20	-12	-14
Inventories of finished goods	-40	-24	-17	-18
Inventories of raw material	-43	-33	-22	-22
Registered orders	-62	-47	-27	-30

Source: Banque du Liban Business Survey for third Quarter of 2024

Sovereign rating upgrade contingent on implementation of debt restructuring and reforms

In its periodic review of Lebanon's sovereign rating, Moody's Ratings indicated that Lebanon's 'C' issuer rating is constrained by a score of 'caa2' on the country's economic strength indicator, as well as a score of 'ca' on the institutional framework category and on each of the fiscal strength and the susceptibility to event risk categories. It noted that the 'caa2' score on the economic strength indicator is driven by the country's deep economic contraction and the decline of foreign currency inflows.

Further, the agency stated that its score of 'ca' on the strength of institutions and governance underscores the very low effectiveness of fiscal policy and the very weak quality of institutions. It considered that Lebanon's score of 'ca' on the fiscal strength category reflects its unsustainable debt trajectory, as well as the agency's expectations that private creditors will likely incur substantial losses in case the government carries out a debt restructuring plan. Further, it pointed out that the 'ca' score on the susceptibility to event risk, which captures the country's vulnerability to sudden events that would materially impact the government's creditworthiness, is driven by political risks, the government's liquidity risks, the banking sector's risks, and external vulnerability risks.

In addition, it noted that the sovereign rating of 'C' reflects its assessment that bondholders will likely incur losses in excess of 65% as a result of the government's decision to default on its Eurobond obligations in March 2020. It said that Lebanon is facing a deep economic, financial and social crisis that the recently-formed government is starting to address. It indicated that the depreciation of the exchange rate of the Lebanese pound, along with a sharp rise in inflation rates in the country following the government's default on its Eurobonds obligations in March 2020, has led to the widespread dollarization of transactions that has been supported by tourism and remittances inflows.

Further, it pointed out that the access to official external funding from the International Monetary Fund and from the international donor community is conditional on the implementation of reforms, including the comprehensive restructuring of the government, and the balance sheets of Banque du Liban (BdL) and the commercial banking sector. It considered that the amendments to Lebanon's banking secrecy law on April 24, 2025 and the Council of Ministers' approval of a draft law on April 12, 2025 on a banking resolution framework, constitute significant steps towards meeting the conditions to gain access to external financial support. It stated that efforts to implement reforms have repeatedly faced obstacles, particularly regarding the distribution of losses across stakeholders, including the government, BdL, commercial banks, and depositors, which exceed \$70bn. It added that the challenge lies in determining how the burden should be shared among the government, BdL, commercial banks, and depositors.

Moreover, it projected Lebanon's real GDP growth rates at 2.5% in 2025 and 3.5% in 2026, despite uncertain security conditions. It expected the successful implementation of key reforms to support Lebanon's economic outlook in the 2025-26 period.

Also, it noted that it could upgrade the sovereign rating in case the government restructures its debt, and depending on the pace of fiscal and institutional reforms, the government's revenue generation capacity, and the economy's adjustment to a new growth model. In addition, it indicated that it would substantially upgrade the rating in case the key drivers of the country's debt dynamics, including economic growth, interest rates, privatization revenues, and the ability to generate and sustain large primary fiscal surpluses, evolve in a way that would ensure the public debt's sustainability in the future. But it noted that it is unlikely to upgrade the rating before the authorities complete the debt restructuring process, given Lebanon's macroeconomic, financial and social challenges, and given the agency's expectation that Eurobond holders will incur very significant losses.

Moody's said Lebanon's 'C' sovereign rating is the lowest on its rating scale and is 11 notches below investment grade. The agency downgraded the country's sovereign ratings from 'Ca' to 'C' in July 2020. It attributed its decision at the time to the recurring delays in the implementation of fiscal and economic policy reforms, which stalled discussions with the IMF and with other international official donors. Further, the agency revised in December 2023 the outlook on the sovereign rating from 'no outlook' to 'stable' due to its expectations that it is unlikely to upgrade the rating before the restructuring of the public debt, given the extent of the macroeconomic, financial and social challenges.

Banque du Liban streamlines operations of electronic wallets providers

Banque du Liban (BdL) issued Intermediate Circular 735/13718 dated May 23, 2025 addressed to banks, financial institutions, and institutions that conduct electronic financial operations in Lebanon, which amends Basic Circular 69/7548 dated March 3, 2000.

First, the circular stipulated that institutions that provide "electronic wallet" services must start their operations, based on the business plan that they have submitted, within six months from the date of the decision to issue an operating license. It noted that BdL's Central Council will withdraw the license of an institution in case it does not abide by the timeframe, while it added that the institution may request an extension for an additional six months in exceptional or urgent circumstances, which will be subject to the final decision of the Central Council. Also, it said that the Central Council will withdraw the license of a company, if the latter suspends its operations for a six-month period. BdL said that it has granted licensed providers of "electronic wallet" services a final grace period until August 25, 2025 to abide by the provisions of their business plan, particularly in terms of reaching the number of users and transactions, and cautioned the firms that do not meet these requirements, that the Central Council will withdraw their licenses.

Second, it pointed out that licensed firms must open special and independent bank accounts at banks operating in Lebanon in order to deposit funds of "electronic wallets", and should consistently maintain a minimum of 100% of the amounts in electronic wallets in its accounts at banks and/or in cash at related institutions, and/or at related parties, such as banks and money transfer operators, among others. It added that the deposited funds must remain completely separate and independent from any other funds of the institution. Further, it stated that the institution must submit a monthly statement to BdL and to the Banking Control Commission of Lebanon (BCCL), that is signed by its General Manager, which details the amounts deposited in the independent accounts and the cash funds, as well as the institution's compliance with the required coverage ratio.

Third, it stipulated that the total movement of funds in the "electronic wallet" should not exceed \$10,000 per month and its balance should not exceed \$3,000 or its equivalent in Lebanese pounds at any time for natural persons, and that the total movement of funds in the "electronic wallet" should not exceed \$50,000 per month and its balance shall not exceed \$30,000 or its equivalent in Lebanese pounds at any time for commercial companies, in accordance with the provisions of Article 45 of the Code of Commerce. It added that BdL may exceptionally approve a ceiling or higher ceilings than the \$30,000, based on a reasonable request submitted by the concerned institution to BdL in this regard. Also, it noted that the balance in the electronic wallet is non-revolving within the same month.

Fourth, it said that the electronic wallet provider must install an appropriate information system that include System Controls, in order to comply with the provisions of Article 3 of Basic Circular 69/7548. It added that these systems must strictly enforce the imposed ceilings and prevent any violations and overrides, as non-compliant institutions will be subject to the penalties stipulated in Article 24 of this circular.

Fifth, it mandated the firms to continuously and effectively monitor the transactions of clients, in order to ensure that they do not engage in any activities that violate the applicable laws and regulations issued by BdL, and to make sure that they do not engage in any financial activities that are not licensed by BdL, such as money exchange or trading in digital currencies, under the penalty of incurring the sanctions stipulated in Article 24 of the circular.

Sixth, it stipulated that the electronic wallet provider must enter into a contract with a major Lebanese insurance company that is licensed and known in the field and that reinsures its operations with highly-rated international reinsurers, in order to cover all of the company's operations and all risks it may face, such as theft, breach of trust, and electronic piracy, among others. It added that the insurance must cover risks arising from the actions of the institution's board members, directors and employees, such as fraud, breach of trust, and embezzlement. It noted that the institution must submit annually to BdL and the BCCL a copy of the insurance contracts, and that it must review the contracts annually to reflect developments requiring adjustments, such as changes in the institution's expansion plans and volume of operations. It stated that non-compliant institutions will be subject to the penalties stipulated in Article 24 of this circular.

Seventh, it asked the electronic wallet providers to commit, within a maximum period of three working days, to transfer the amount of invoices, fees, and amounts collected from its users to the concerned parties, such as ministries, public and private institutions, public administrations, syndicates, and mobile and landline phone companies. It stated that non-compliant institutions will be subject to the penalties stipulated in Article 24 of this decision.

Eighth, it stipulated that BdL and the BCCL may impose administrative penalties in case the electronic wallet providers violate the provisions of this circular. It said that the penalties consist of warnings; the prohibition from performing certain operations or imposing any other limitations on the institution's operations; the permanent or temporary prohibition of any of the chairman and/or members of the board of directors and/or their general managers from carrying out operations related to the circular; and BdL's withdrawal of the license. It noted that the Central Council may impose a fine of at least LBP1bn for each violation, and may also criminally prosecute the violating institution in accordance with the applicable laws.

Ninth, BdL stated that it has suspended until further notice the submission of applications for obtaining a license to provide electronic wallet services and electronic money transfer services. In addition, it stipulated that the circular goes into effect upon its publication.



Banking sector has 710 branches at end-September 2024

Figures issued by Banque du Liban (BdL) show that the Lebanese banking sector had 710 local and foreign branches at the end of September 2024, constituting declines of 51 branches (-6.7%) from 761 branches at end-2023 and of 68 branches (-8.7%) from 778 branches at end-September 2023, as well as decreases of 163 branches (-18.7%) from 873 branches at end-September 2022, of 302 branches (-29.8%) from 1,012 branches at end-September 2021, and of 416 branches (-37%) from 1,126 branches at end-September 2020.

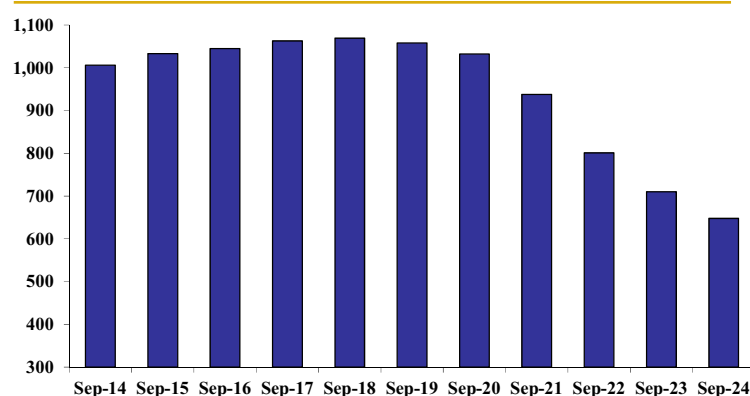
Commercial banks had 692 local and foreign branches at the end of September 2024 compared to 741 branches at end-2023, 758 branches at end-September 2023, 852 branches at end-September 2022, 991 branches from the end of September 2021, and 1,105 branches at end-September 2020. Further, medium- and long-term banks had 18 branches in Lebanon at the end of September 2024, compared to 20 branches a year earlier. In parallel, commercial banks operating in Lebanon had 44 branches outside the country at the end of September 2024, compared to 46 branches at the end of 2023, and relative to 48 branches at end-September 2023, to 51 branches at end-September 2022, to 53 branches at end-September 2021, and to 73 branches at end-September 2020.

The breakdown of the branches of commercial banks shows that banks had 648 local branches at the end of September 2024, down by 47 branches (-6.8%) from 695 branches at the end of 2023, by 62 branches (-8.7%) from 710 branches at end-September 2023, by 153 branches (-19.1%) from 801 branches at the end-September 2022, by 290 branches (-31%) from 938 branches at end-September 2021, and by 384 branches (-37.2%) from 1,032 branches at end-September 2020.

There were 339 branches of commercial banks in Beirut & its suburbs that accounted for 52.3% of total branches in the country at the end of September 2024, followed by 125 branches in Mount Lebanon (19.3%), 72 branches in South Lebanon (11.1%), 69 branches in North Lebanon (10.6%), and 43 branches in the Bekaa region (6.6%).

Also, nine foreign commercial banks operating in the country had 18 branches and four Islamic banks had 12 branches at end-September 2024. In addition, there were seven e-branches that offer banking services through interactive and automated machines at end-September 2024. Further, there were 46 commercial banks in the country at the end of September 2024, unchanged from a year earlier, as well as 12 medium- and long-term banks operating in Lebanon at end-September 2024 relative to 14 such banks at end-2023 and 14 banks at end-September 2023. In parallel, 37 financial institutions had 66 branches in Lebanon at end-September 2024, relative to 39 financial institutions with 68 branches at end-September 2023.

Number of Branches of Commercial Banks in Lebanon



Source: Banque du Liban, Byblos Research

Balance sheet of financial institutions at LBP43 trillion at end-March 2025

Figures released by Banque du Liban show that the consolidated balance sheet of financial institutions in Lebanon totaled LBP43 trillion (tn) at the end of March 2025, or the equivalent of \$480.1m, constituting a decrease of 1.8% from LBP43.8tn (\$489.1m) at the end of 2024, and an increase of 8.8% from LBP39.5tn (\$441.4m) at end-March 2024. The figures reflect Banque du Liban'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.

On the assets side, claims on resident customers amounted to LBP25tn (\$279.6m) at the end of March 2025 and increased by 1.3% from LBP24.7tn (\$276.1m) at end-2024, and by 9% from LBP23tn (\$256.8m) at end-March 2024. Claims on resident customers in Lebanese pounds totaled LBP552.6bn at end-March 2025, constituting a decrease of 7.2% from LBP595.7bn at end-2024 and an increase of 21.3% from LBP455.6bn at end-March 2024; while claims on resident customers in foreign currency amounted to \$273.5m at end-March 2025, up by 1.5% from \$269.5m at end-2024 and by 8.6% from \$251.7m at end-March 2024. Also, claims on non-resident customers stood at \$18.6m at end-March 2025 and increased by 30.5% from \$14.2m at end-2024 and surged by 104.7% from \$9.1m a year earlier.

In addition, claims on the resident financial sector reached LBP9.7tn (\$108.6m) at end-March 2025, down by 15% from LBP11.4tn (\$128m) at end-2024 and by 7% from LBP10.4tn (\$116.7m) at end-March 2024. Also, claims on the resident financial sector in Lebanese pounds amounted to LBP421.9bn at the end of March 2025, constituting increase of 49.6% from LBP281.9bn three months earlier and of 83.3% from LBP230.1bn at end-March 2024; while claims on the resident financial sector in foreign currency totaled \$1034m at end-March 2025, down by 16.7% from \$124.8m at the end of 2024 and by 9% from \$114.2m a year earlier.

Further, claims on the non-resident financial sector reached \$26.3m at the end of March 2025, as they increased by 28.2% in the first quarter of the year and by 81.2% from \$14.5m at end-March 2024. Also, claims on the public sector stood at LBP47.3bn at end-March 2025, and jumped by 61.8% from LBP29.2bn at end-2024 and by 135.2% from LBP20.1bn at the end of March 2024; while the securities portfolio, which includes Lebanese Treasury bills and Eurobonds, amounted to LBP1,083.2bn at end-March 2025 and decreased by 11.1% in the first quarter of the year, while it rose by 28% from LBP847.2bn at end-March 2024. In parallel, currency and deposits with local and foreign central banks reached LBP2.2tn (\$24.6m) relative to LBP2.4tn (\$27.4m) at the end of 2024 and to LBP1.9tn (\$21.7m) at end-March 2024.

On the liabilities side, deposits of resident customers stood at LBP11.2tn (\$125.2m) at the end of March 2025, constituting a decrease of 13.3% from LBP12.9tn (\$144.4m) at the end of 2024 and an increase of 7.5% LBP10.4tn (\$116.4m) a year earlier. Deposits of resident customers in Lebanese pounds amounted to LBP289.1bn at end-March 2025, representing increases of 52.2% from LBP190bn three months earlier and of 226.5% from LBP88.5bn at end-March 2024; while deposits of resident customers in foreign currency totaled \$122m at end-March 2025, as they decreased by 14.3% from \$142.3m at end-2024 and increased by 5.6% from \$115.4m at end-March 2024.

Also, deposits of non-resident customers reached \$4.19m at the end of March 2025, and regressed by 0.7% in the first quarter of the year and by 7.6% from \$4.5m at end-March 2024. Further, liabilities to the resident financial sector amounted to LBP9.42tn (\$105.2m) at end-March 2025, constituting an increase of 2.4% from LBP9.2tn (\$102.75m) at end-2024 and a decrease of 0.3% from LBP9.44tn (\$105.5m) at end-March 2024. Liabilities to the resident financial sector in Lebanese pounds totaled LBP201.2bn at end-March 2025 and dropped by 36% from LBP314.4bn at end-2024 and by 32.3% from LBP297bn at end-March 2024, while liabilities to the resident financial sector in foreign currency reached \$103m and increased by 3.7% from \$99.2m at end-2024 and by 0.8% from \$102.2m at end-March 2024.

In addition, liabilities to the non-resident financial sector amounted to \$34.1m at end-March 2025, as they grew by 2.2% in the first quarter of the year and decreased by 6% from \$36.2m at end-March 2024. Also, public sector deposits totaled LBP388bn at end-March 2025 relative to LBP383.7bn at end-2024 and to LBP484.5bn at end-March 2024, while issued debt securities stood LBP1,998.3bn, relative to LBP1,261.2bn three months earlier and to LBP86.8bn at end-March 2024. Further, the aggregate capital account of financial institutions was LBP8.3tn (\$93m) at end-March 2025 relative to LBP8.2tn (\$91.84m) at the end of 2024 and to LBP6.5tn (\$72.1m) at end-March 2024.

Import activity of top five shipping firms and freight forwarders up 28% in first two months of 2025

Figures released by the Port of Beirut show that the aggregate volume of imports by the top five shipping companies and freight forwarders through the port totaled 36,797 20-foot equivalent units (TEUs) in the first two months 2025, constituting an increase of 28% from 28,749 TEUs in the same period last year. The five shipping and freight forwarding firms accounted for 88.6% of imports to the Lebanese market in the covered period.

Merit Shipping handled 13,437 TEUs in the first two months 2025, equivalent to 25.2% of the total import freight market to Lebanon. Mediterranean Shipping Company (MSC) followed with 10,824 TEUs (20.3%), then Sealine Group with 8,073 TEUs (15%), Gezairi Transport with 2,616 TEUs (5%), and Seanaotics shipping with 1,523 TEUs (3%). Sealine Group registered a rise of 502.5% in imports in the first two months 2025, the highest growth rate among the covered companies, while MEDBRIDGE shipping agency posted a decline of 79%, the steepest decrease among the five firms in the first two months 2025 from the same period of 2024. Also, the import shipping operations of the top five firms through the port regressed by 9.8% in February 2025 from the preceding month and increased by 25.4% from February 2024.

In parallel, the aggregate volume of exports by the top five shipping and freight forwarding firms through the Port of Beirut reached 10,057 TEUs in the first two months 2025, constituting a decrease of 7.6% from 10,888 TEUs in the covered period of 2024. The five companies accounted for 94.3% of exported Lebanese cargo in the covered month.

Merit Shipping handled 5,360 TEUs of freight in the first two months 2025, equivalent to 50.3% of the Lebanese cargo export market. Sealine Group followed with 2,325 TEUs (21.8%), then MSC with 1,369 TEUs (12.8%), Gezairi Transport with 560 TEUs (5.3%), and El Fil Shipping with 443 TEUs (4.2%). Sealine Group posted a surge of 794.2% in exports in the first two months 2025, the highest growth rate among the covered companies, while MAERSK registered a decrease of 96%, the steepest decline among the five firms year-on-year in the first two months 2025. The export-shipping operations of the top five companies regressed by 14.2% in February 2025 from the previous month and by 11.7% from February 2024.

Ratio Highlights

(in % unless specified)	2022e	2023e	2024e	Change*
Nominal GDP (\$bn)	24.9	24.3	32.8	8.5
Public Debt in Foreign Currency / GDP	246.6	177.3	134.5	(42.8)
Public Debt in Local Currency / GDP	13.5	4.3	2.3	(2.0)
Gross Public Debt / GDP	260.1	181.6	136.8	(44.8)
Trade Balance / GDP	(13.6)	(12.7)	(9.5)	3.2
Exports / Imports	24.9	24.3	28	(3.7)
Fiscal Revenues / GDP	5.5	12.9	12.5	(0.4)
Fiscal Expenditures / GDP	11.9	13.3	13.1	(0.2)
Fiscal Balance / GDP	(6.4)	(0.4)	(0.6)	(0.2)
Primary Balance / GDP	(5.4)	0.7	0.4	(0.3)
Gross Foreign Currency Reserves / M2	13.4	138.7	692.5	553.8
M3 / GDP	34.0	56.0	210.6	154.6
Commercial Banks Assets / GDP	37.8	83.0	312.7	229.7
Private Sector Deposits / GDP	28.1	68.3	269.6	201.3
Private Sector Loans / GDP	4.5	6.0	17.2	11.2
Private Sector Deposits Dollarization Rate	76.1	96.3	99.1	2.8
Private Sector Lending Dollarization Rate	50.7	90.9	97.7	6.8

*change in percentage points 24/23;

Source: Banque du Liban, Institute of International Finance, 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

	2022e	2023e	2024e
Nominal GDP (LBP trillion)	675.0	2,082.0	2,943.0
Nominal GDP (US\$ bn)	24.9	24.3	32.8
Real GDP growth, % change	1.3	-1.1	-7.0
Private consumption	2.5	-3.2	-14.9
Public consumption	2.5	2.0	14.6
Private fixed capital	-16.7	6.1	-30.6
Public fixed capital	93.0	27.7	105.1
Exports of goods and services	11.0	3.7	3.8
Imports of goods and services	22.3	20.8	22.0
Consumer prices, %, average	171.2	221.3	45.2
Official exchange rate, average, LBP/US\$	1,507.5	15,000	89,500
Parallel exchange rate, average, LBP/US\$	30,313	86,362	89,500
Weighted average exchange rate LBP/US\$	27,087	85,805	89,700

Source: Institute of International Finance

Ratings & Outlook

Sovereign Ratings	Foreign Currency			Local Currency		
	LT	ST	Outlook	LT	ST	Outlook
Moody's Ratings	C	NP	Stable	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	Outlook
Moody's Ratings	Negative

Source: Moody's Ratings



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