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COUNTRY RISK WEEKLY BULLETIN

NEWS HEADLINES

WORLD

Global debt equivalent to 328% of GDP at end-2024

The Institute of International Finance (IIF) indicated that global debt, which includes the debt of governments, corporates and households, reached $318.4 trillion (tn) at the end of 2024, constituting an increase of $7.2tn, or of 2.3%, from $302.4tn at the end of 2023. The debt of advanced economies accounted for 67.3% of the total, while the debt of emerging markets (EM) represented the balance of 32.6%. It noted that the debt reached 328% of the weighted average global GDP at the end of 2024 compared to 326.4% of global GDP at end-2023. It added that the debt of advanced economies amounted to $214.3tn or 377.4% of GDP, while the debt level of EMs totaled $103.7tn or 245.3% of GDP at end-2024. It pointed out that the aggregate government debt totaled $95.3tn, or 98.5% of global GDP, at the end of 2024, followed by the debt of corporates excluding financial institutions at $91.3tn (91.5% of GDP), the financial sector's indebtedness at $71.4tn (77.7% of GDP), and household debt at $60.1tn (60.3% of GDP). In parallel, it indicated that EM corporate debt ex-financial institutions totaled $39.5tn or 92.1% of GDP at end-2024, followed by EM government borrowing at $30.7tn (72.5% of GDP), EM household debt at $19.3tn (46% of GDP), and the financial sector's indebtedness at $14.2tn (34.7% of GDP). Also, it noted that the borrowing of governments in advanced economies amounted to $64.6tn or 114% of GDP, followed by the financial sector's indebtedness at $57.2.8tn (103.4% of GDP), corporate debt ex financial institutions at $51.8tn (91.1% of GDP), and household debt at $40.8tn (68.9% of GDP).

Source: Institute of International Finance

SAUDI ARABIA

Private equity investments at $11bn in 2020-24 period

Figures released by online platform Magnitt show that private equity (PE) investments in Saudi Arabia stood at $215m in 2020, $648m in 2021, $3.5bn in 2022, $3.86bn in 2023, and $2.83bn in 2024 for a total of $11.1bn during the 2020-24 period. Further, there were eight PE deals in 2020, 19 PE transactions in 2021, 32 deals in 2022, 37 investments in 2023, and 15 transactions in 2024 for a total of 111 transactions in the 2020-24 period. As such, PE investments in the Kingdom posted a compound annual growth rate (CAGR) of 90.5% in the 2020-24 period, while the number of transactions increased by a CAGR of 17% in the covered period. In parallel, PE investments in the telecommunications industry amounted to $2.3bn and accounted for 81.8% of aggregate PE investments in Saudi Arabia in 2024, followed by investments in companies committed to sustainability projects with $225m (8%), the healthcare sector with $190m (6.7%), transport and logistics firms with $83m (2.9%), and financial services companies with $17m (0.6%). Also, there were three investments in each of the food & beverages industry and healthcare sector, or 20% each of the aggregate number of deals in 2024, followed by two transactions in each of the financial services sector and transport & logistics companies (13.3% each), and one deal in the education sector (6.7%), while the remaining four transactions accounted for other industries (26.7%).

Source: Magnitt, Byblos Research

GCC

Fixed income issuance down 23.3% to $43.7bn in first two months of 2025

Fixed income issuance in Gulf Cooperation Council (GCC) countries reached $43.7bn in the first two months of 2025, constituting a decline of 23.3% from $57bn in the same period of 2024. Fixed income output in the first two months of 2025 consisted of $20.7bn in sovereign bonds, or 47.4% of the total, followed by $13.6bn in corporate sukuk (31%), $9.2bn in corporate bonds (21%), and $200m in sovereign sukuk (0.5%). Further, aggregate bonds and sukuk issued by corporates in the GCC stood at $22.8bn in 2024, or 52.2% of fixed income output in the region; while issuance by GCC sovereigns reached $20.9bn, or 47.8% of the total. GCC sovereigns issued $16bn in bonds and sukuk in January and $4.9bn in February 2025, while GCC companies issued $10.6bn in bonds and sukuk in January and $12.2bn in February 2025. In parallel, corporate output in February 2025 included $6bn in sukuk and $55m in bonds that Saudi Arabia-based companies issued, $1.6bn in bonds and $1.25bn in sukuk that UAE-based companies issued, and $250m in bonds output from Qatari firms. In parallel, sovereign proceeds in the covered month consisted of $521.3m in bonds and $180m in sukuk that the UAE issued, $3bn in bonds that Qatar issued, $259.7m in bonds that Oman issued, and of $910m in bonds issued by supranational issuer Arab Petroleum Investments Corporation (APICORP).

Source: KAMCO, Byblos Research

MENA

Energy transition readiness varies across Arab countries

The World Economic Forum's Energy Transition Index for 2024 ranked Qatar in 50th place among 120 countries globally and in first place among 13 Arab countries. The UAE followed in 52nd place, then Saudi Arabia (58th), Oman (62nd), and Morocco (65th), as the five Arab countries with the highest readiness for the energy transition; while Tunisia (89th), Algeria (91st), Bahrain (103rd), Kuwait (104th) and Yemen (119th) have the lowest energy system performance and readiness among Arab countries. The index evaluates the performance of the energy systems of 120 economies, as well as the countries' level of readiness to transition towards a more secure, sustainable, affordable and reliable energy system. The index score's based on 46 indicators grouped in two equally-weighted sub-indices, that are the System Performance Sub-Index and the Transition Readiness Sub-Index. A country's score ranges from zero to 100 points, with higher scores representing the best possible performance. The Arab countries' average score stood at 52.5 points in 2024, compared to the global average score of 56.5 points. In comparison, the average score among Gulf Cooperation Council (GCC) countries was 53.9 points, while it was 51.3 points among non-GCC Arab countries. Also, the rankings of two Arab countries were unchanged, those of five economies improved, and the ranks of six countries deteriorated from 2023; while the scores of six countries regressed, those of six economies increased, and the score of one country remained the same from the 2023 index. Algeria came in first place on the System Performance Sub-Index, while Qatar ranked first on the Transition Readiness Sub-Index.

Source: World Economic Forum, Byblos Research

OUTLOOK

WORLD

Tariff increases to weigh on global growth prospects

Goldman Sachs projected that, under its baseline scenario, a four-percentage point (pp) increase in tariff rates on all imports to the United States would reduce the global real GDP growth rate by 0.5 pp in the near term. It attributed the slowdown to reductions of one percentage point in the real GDP growth rate of major exporters such as Canada, Mexico, and South Korea, a 0.7 pp deceleration in China's growth rate, and a 0.5 pp drag in the real GDP of the Euro Area. Also, it anticipated the tariffs to impact economic activity in the U.S. by 0.2 pp. Further, it forecast the U.S. Administration's imposition of tariff rates of 25% on imports from Canada and Mexico to reduce Mexico's real GDP growth rate by 3.3 pp, Canada's economic growth by 2.2pp, and China's real GDP growth rate by 0.8 pp, which would reduce global economic activity by 0.6 pp. Also, it anticipated that the imposition of tariffs of 25% on imports from the European Union or tariffs of 60% on imports from China to lower global growth by 0.5 pp.

In addition, it projected the U.S. Administration's imposition of global tariffs of 25% on automakers to negatively affect the world's real GDP growth rate by 0.6 pp. It attributed the decrease to a 1.6 pp decline in Mexico's economic activity, a 1.3 pp drag on the real GDP of Canada, a 1.2 pp reduction in South Korea's economic growth, and a decline of 0.7 pp in Japan's growth rate. Also, it considered that the imposition of universal tariffs of 10% on all imports to the U.S. would reduce global real GDP growth by 0.9 pp, as it will significantly impact economic activity across all major economies. Further, it forecast the imposition of reciprocal tariffs by countries that import goods from the U.S. to reduce the global real GDP growth rate by 0.6 pp and that of the U.S. by 0.2 pp.

In parallel, it expected the imposition of tariffs to increase global prices by only 0.2 pp, as it anticipated risks to global inflation rates to be more muted, aside from the inflation rates in Canada and Mexico, which would result in moderate price increases.
Source: Goldman Sachs

SAUDI ARABIA

Non-oil economic activity to pick up to 4% in 2025

The National Bank of Kuwait (NBK) expected Saudi Arabia's non-oil economy to remain strong, driven by higher investment activity, rising foreign direct investments (FDI), and growth in key sectors such as tourism, manufacturing, and logistics. It said that the government continues to be committed to sustaining high levels of investments, particularly in preparation for the 2027 Asian Cup, Expo 2030, and the FIFA World Cup in 2034. It estimated real non-oil GDP growth at 4.3% in 2024 and projected it to exceed 4% in 2025. It pointed out that the Ministry of Finance anticipated a fiscal deficit of SAR101bn for 2025, reflecting increased spending commitments. Also, it said that alternative funding sources, including the well-capitalized Public Investment Fund (PIF), sovereign reserves, and relatively low debt levels, would help sustain economic activity.

Further, it indicated that the economic outlook is positive, supported by the strong increase in investments and the implementation of reforms. It expected off-budgetary spending to rise, mainly through the PIF, which plans to nearly double its annual investments from $40bn currently to $70bn at the start 2025. It said that ongoing reforms that aim to improve regulatory efficiency, increase the participation of females in the labor force, facilitate access to finance, and enhance governance, should further support private sector activity, attract additional FDI, and boost productivity. Also, it expected that the government's continued investment in human capital and digitization to contribute to long-term economic gains.

In parallel, it said that downside risks to the outlook originate primarily from potential declines in oil prices. It added that lower oil revenues could strain the fiscal position and slow the pace of investments, but it noted that the authorities are unlikely to cut spending steeply given the available financial buffers. It said that a slower-than-expected pace of interest rate cuts by the U.S. Federal Reserve will limit rate cuts in the country, given the peg of the Saudi riyal to the US dollar, which could affect the expected increase in private spending and lending activity. Further, it considered that restrictive U.S. trade policies could lead to a rise in imported inflation, which will impact real economic growth.
Source: National Bank of Kuwait

ANGOLA

Economy facing multiple risks with various impact levels

The International Monetary Fund considered that the main risks facing Angola are the volatility of commodity prices, a slowdown in global economic activity, sovereign debt distress, the intensification of regional conflicts, social discontent, and climate change. First, it estimated the impact from commodity price volatility on the Angolan economy and its potential impact on the country are "high", given that the economy is dependent on the oil sector. It said that external and fiscal pressures in emerging markets and developing economies would negatively affect Angola's prospects to access global capital markets. Second, it pointed out that the probability of a slowdown of growth in major economies due to supply disruptions, tight monetary policy, along with adverse spillovers through trade and financial channels, will have a "high" impact the economy, as it would impact oil prices, leading to lower oil revenues for the country and placing additional fiscal and external sector pressures on its economy. Third, it considered that the risk level on Angola from sovereign debt distress in other emerging markets is "medium", as contagion effects and swings in investor sentiment would lead to capital outflows and drive Angola's sovereign risks higher, which would exacerbate external financing pressures.

Fourth, risks to Angola from the intensification of regional conflicts are "low", as higher oil prices can strengthen the country's external position, while they could exert upward pressure on domestic inflation. Fifth, it estimated that the potential impact from social discontent on the economy is "high", as social unrest would likely disrupt policy implementation, which will hinder the government's ability to carry out fiscal consolidation measures. Sixth, it considered that climate change will have a "medium" impact on Angola, as it noted that the country is vulnerable to frequent climate shocks that can affect the agricultural sector, as well as to energy transition risks from reduced global demand for oil, given the economy's high dependence on the hydrocarbon sector.
Source: International Monetary Fund

ECONOMY & TRADE

GCC

Healthcare expenditures to reach $159bn by 2029

Alpen Capital projected healthcare-related expenditures in the Gulf Cooperation Council (GCC) countries to grow from $109.1bn in 2024 to $118.2bn in 2025, $126.4bn in 2026, $136.5bn in 2027, $147.6bn in 2028 and $159bn in 2029, and to post a compound annual growth rate (CAGR) of 7.8% in the 2024-29 period. It anticipated the healthcare sector's outlook to be underpinned by the region's expanding population base, high incidence of non-transmissible diseases, the increasing cost of treatment, rising medical inflation, and the expanding penetration of health insurance. It projected healthcare-related spending in Saudi Arabia at $89.6bn in 2029 and to account for 56.4% of total healthcare expenditures in the GCC region for the year, followed by the UAE with $41.1bn (25.8% of the total), Kuwait with $12.5bn (7.9%), Qatar with $8.3bn (5.3%), Oman with $4.6bn (3%), and Bahrain with $2.7bn (1.7%) in 2029. Further, it forecast spending on healthcare in Saudi Arabia to post a CAGR of 8.8% during the 2024-29 period, followed by spending in Qatar (+8.3%), the UAE (+6.7%), Kuwait (+6.3%), Bahrain (+6%), and Oman (+4%). In parallel, it expected demand for hospital beds in the GCC to expand from 128,256 beds in 2024 to 130,813 beds in 2025, 133,178 beds in 2026, 135,416 beds in 2027, 137,972 beds in 2028, and 140,572 beds in 2029, and to post a CAGR of 1.9% in the 2024-29 period.

Source: Alpen Capital

OMAN

Sovereign ratings upgraded on improved public finances

Capital Intelligence Ratings upgraded Oman's short- and long-term local and foreign currency issuer ratings from 'B' and 'BB+' to 'A3' and 'BBB-', respectively. It also maintained its 'positive' outlook on the long-term ratings. It attributed the upgrades to the authorities' ongoing efforts to strengthen public finances, which have contributed to the reduction of the government's debt level and of the accumulation of financial assets. As such, it expected the government to register a positive net financial asset position in 2025 for the first time since 2017. It said that the central government has maintained a budget surplus from hydrocarbon revenues and asset sales, along with the repayment and buyback of costly external debt, despite the prolonged voluntary cuts in hydrocarbon production. It noted that the increase in fiscal space has supported Oman's capacity to withstand economic shocks. In addition, it said that the upgrade takes into account the improving institutional strength and growing foreign direct investments, as well the government's implementation of structural reforms under the Oman Vision 2040 strategy. But it indicated that the ratings are constrained by limited economic diversification and significant structural budgetary weaknesses, including the vulnerability of revenues to volatile oil prices and relatively rigid expenditures. In parallel, it pointed out that the 'positive' outlook reflects the agency's expectation that ongoing fiscal and structural reforms will continue to strengthen the government's balance sheet. In addition, it said that it could upgrade the ratings if non-oil revenues increase and/or if the economy's reliance on the hydrocarbon sector declines. In contrast, it noted that it could downgrade the ratings if fiscal and external metrics deteriorate.

Source: Capital Intelligence Ratings

TUNISIA

Sovereign ratings upgraded on easing debt pressure

Moody's Ratings upgraded Tunisia's long-term foreign- and local-currency issuer ratings from 'Caa2' to 'Caa1', or seven notches below investment grade, and maintained the 'stable' outlook on the long-term ratings. It attributed the upgrade to the easing of the external debt amortization of Tunisia's private sector, as well as to the Central Bank of Tunisia's (CBT) ability to stabilize foreign currency reserves in the past two years, supported by historically narrow current account deficits. It said that the country's external financing requirements have declined amid robust foreign currency buffers. It added that Tunisia's current account deficits have reached historically low levels of about 2% of GDP in each of 2023 and 2024, compared to an average of 8% of GDP in the 2011-22 period. It indicated that the 'stable' outlook reflects the agency's expectation that Tunisia's external financing needs will be contained, the country's fiscal space will respond to shocks, and government funding will reply on the CBT. It added that the 'stable' outlook balances the stable foreign currency reserves, narrow current account deficit and low external financing needs, with ongoing credit challenges resulting from limited fiscal space and subdued growth prospects. It said that it could upgrade the ratings if sustained progress on structural reforms and fiscal consolidation improves growth prospects and increases fiscal space, and/or if increased access to external financing reduces monetary financing and reduces in government liquidity risks. But it said that it would downgrade the ratings if constraints on the availability of external funding persist, and/or fiscal and external imbalances widen.

Source: Moody's Ratings

ARMENIA

Real GDP growth to average 4.8% in 2025-26 period

The European Bank for Reconstruction and Development (EBRD) estimated Armenia's real GDP growth rate at 5.7% of GDP in 2024. It noted that economic activity expanded by 5.9% in the first nine months of 2024, reflecting the decline in the activity of the services sector, as the migration to Armenia of high-skilled Russian professionals in information and communications technology slowed down, while capital inflows decelerated as a result of a decline in remittance flows and in the net exports of services. Also, it projected economic activity to grow by 5% in 2025 and 4.5% in 2026. It pointed out that public investments, projects financed by international financial institutions, and infrastructure development will continue to support economic growth. Further, it said that the Central Bank of Armenia (CBA) reduced its benchmark interest rate by 25 basis points (bps) in December 2024 and by another 25bps cut in February 2025 to support economic activity. In parallel, it indicated. Also, it said that headline inflation averaged 0.3% in 2024 compared to 2% in 2023 and stood at 1.7% year-on-year in January 2025, which is below the CBA's revised target of 3%. Further, it noted that a potential breakthrough in border negotiations with Türkiye could strengthen Armenia's position as a cross-regional transit route and boost regional trade integration. Also, it considered that downside risks to the outlook originate from geopolitical uncertainties in the region, as delays in peace negotiations with Azerbaijan could undermine economic stability.

Source: European Bank for Reconstruction and Development

BANKING

QATAR

Capital adequacy ratio at 19.8%, NPLs at 3.9% at end-September 2024

The International Monetary Fund considered that the Qatari banking sector is healthy due to its strong capitalization and profitability, high provisioning, and increasing liquidity. It said that the sector's capital adequacy ratio was 19.8% at end-September 2024 relative to 19.9% at end-2023. It added that the banks' liquid assets represented 24.3% of total assets at end-September 2024 compared to 26.9% at end-2023, while they were equivalent to 61.6% of short-term liabilities at end-September 2024 relative to 62.4% at end-2023. Also, it noted that the loans-to-deposits ratio stood at 151.7% at end-September 2024 compared to 152.7% at end-2023. It pointed out that credit to the public sector is substantial, despite its decline from 33.1% of total loans at end-2021 to 30.5% of total credits at end-September 2024. It indicated that the non-performing loans ratio was 3.9% at end-September 2024, unchanged from end-2023, and that the provisioning coverage ratio rose from 77.1% at end-2023 to 81.3% at end-September 2024. It added that the banks' foreign liabilities remain elevated at about 34% of total assets at end-2024, but that banks have diversified their external funding sources. It noted that tighter policy measures have reduced the banks' exposure to non-resident deposits that dropped by more than one third, and replaced them in part by the increase in public sector deposits, which has reduced external vulnerabilities. Also, it indicated that the sector's common equity Tier One ratio was 18.7% at end-September 2024 compared to 18.8% at end-2023.

Source: International Monetary Fund

EGYPT

Public finance imbalances raise bank risks

Moody's Ratings placed the Egyptian banking sector's Macro Profile in the "Very Weak" category, along with Angola, Argentina, Belarus, the Democratic Republic of the Congo, Kyrgyzstan, Nigeria, Pakistan, Russia, Tajikistan, Tunisia, and Uganda, due to the banks' weak credit and funding conditions. It also placed the banking sector's Banking Country Risk level in the "Weak-" category, given the banking system's elevated dollarization rate and its relative reliance on foreign funding. Further, it indicated that the government's high debt level and weak debt affordability constrain its repayment capacity, which affects the banks' asset quality given their exposure to state-owned enterprises (SOEs) that accounted for 50% of the sector's gross loans at end-September 2024. Also, it expected lending activity to rise by 15% to 20% in the next two years, which would compound the banks' asset risks amid higher lending to small- and medium-sized enterprises that lack audited financial statements. It noted that the level of non-performing loans (NPLs) may be understated, as banks do not classify NPLs to SOEs as problematic. In addition, it said that Egyptian banks maintain a stable deposit-based funding structure from the strong flow of remittances and good liquidity in local currency, and benefit from the government's initiatives to deepen financial inclusion. But it stated that the absence of a developed securitization and covered bond market hinders the banks' ability to secure long-term financing. In parallel, it noted that high dollarization rates at banks could affect their capacity to settle maturing dollar-denominated obligations.

Source: Moody's Ratings

TÜRKIYE

Banking sector has positive outlook

Moody's Ratings indicated that the outlook for Türkiye's banking sector is positive due to improving operating conditions in the next 12 to 18 months, orthodox economic policies that have helped ease inflation, as well as to the capacity of the government to support vulnerable banks in case of need. It forecast the banks' non-performing loans (NPLs) ratio to increase from 2% at end-September 2024 to between 2.2% and 3% by the end of 2025, as high inflation rates and tight monetary policy have limited the repayment capacity of borrowers. It said that the deterioration in asset quality will increase loan losses at banks, which will slow their profit growth in the near term. In addition, it considered that the comfortable loans-to-deposits ratio of 90% and the banks' liquid asset base that accounted for 38% of tangible banking assets will support investor confidence. Also, it expected the dollarization rate of deposits to remain stable at 41% in the near term, supported by ongoing confidence in the Turkish lira. In parallel, it said that Turkish banks hold substantial capital and provisioning reserves to absorb loan losses. It pointed out that the banks' tangible common equity was 9.9% of risk weighted assets in September 2024, and that the sector's common equity Tier One and capital adequacy ratios stood at 15.6% and 19.7%, respectively, at end-2024. It added that the banks' internal capital generation and prudent dividend payouts will support their capital buffers in the near term. Further, it anticipated the banks' profitability to remain healthy, and projected the banks' net interest margin to improve in 2025 from 3.5% in the third quarter of 2024.

Source: Moody's Ratings

ANGOLA

Luanda to work with FATF on AML/CFT plan

The Financial Action Task Force (FATF), the global standard-setting body for anti-money laundering and combating the financing of terrorism (AML/CFT), announced on February 21, 2025 that it has maintained Angola on its list of "jurisdictions under increased monitoring". It declared that Angola made a high-level political commitment to work with the FATF and its regional body ESAAMLG to strengthen the effectiveness of its AML/CFT regime. It noted that since the adoption of its mutual evaluation report (MER) in June 2023, Angola has made progress on several of the MER's recommended actions, including by strengthening national cooperation and coordination, improving international collaboration, and enhancing the use of financial intelligence by relevant authorities. It pointed out that the country will continue to collaborate with the FATF to implement its action plan by deepening its understanding of money laundering and terrorist financing risks (ML/TF), strengthening the risk-based supervision of non-bank financial institutions and Designated Non-Financial Businesses and Professions, as well as ensuring that relevant authorities have adequate, accurate, and timely access to beneficial ownership information, and that breaches to obligations are adequately addressed. It urged the authorities to demonstrate an increase in ML investigations and prosecutions; strengthen the ability to identify, investigate and prosecute TF; and establish an effective process to implement targeted financial sanctions. The FATF placed Angola on its list of "jurisdictions under increased monitoring" in October 2024..

Source: Financial Action Task Force

ENERGY / COMMODITIES

Oil prices to average $78 p/b in 2025

ICE Brent crude oil front-month future contracts' prices stood at $69.3 per barrel (p/b) on March 5, 2025, declining to their lowest level since September 10, 2024 when they stood at $69.2 p/b. The drop in oil prices was mainly driven by the OPEC+ coalition's announcement that it would increase oil production starting in April 2025, as well as by by the U.S. Administration's imposition of tariffs on Canadian, Mexican, and Chinese goods, which raised concerns about a potential economic slowdown and a resulting decline in oil demand. In parallel, Goldman Sachs projected global oil demand to slow down to less than 1.1 million barrels per day in 2025 as a result of the imposition of new U.S. tariffs and to lower oil demand from China. Also, it expected Brent prices to drop to $60 p/b in case of a 10% universal U.S. tariff scenario that could lower global real GDP growth and, in turn, weigh on global oil demand. Further, it considered that the increase in U.S. oil supply would slow down significantly if Brent crude oil prices decrease below $70 p/b, given that the breakeven price for many shale producers is $70 p/b and that they would view production at below this price level as less profitable. In addition, it indicated that the OPEC+ members could extend their production increases depending on market conditions, which would weigh on oil prices. Further, it projected oil prices to average $78 p/b in 2025.

Source: Goldman Sachs, Refinitiv, Byblos Research

Saudi Arabia's oil export receipts at $17bn in November 2024

Oil exports from Saudi Arabia totaled at 7.35 million barrels per day (b/d) in November 2024, constituting an increase of 0.3% from 7.33 million b/d in October 2024 and nearly unchanged from 7.34 million b/d in November 2023. Oil export receipts reached $17bn in November 2024, representing decreases of 5.6% from $17.8bn in October 2024 and of 12.3% from $19.3bn in November 2023.

Source: JODI, General Authority for Statistics, Byblos Research

Iraq's oil exports at 103.3 million barrels in January 2025

Figures issued by the Iraq Ministry of Oil show that crude oil exports from Iraq totaled 103.34 million barrels in January 2025, constituting an increase of 2.3% from 101 million barrels in December 2024 and a decrease of 0.2% from 103.5 million barrels in January 2024. Exports from the central and southern fields stood at 102.3 million barrels in January 2025 compared to 100.2 million barrels in December 2024.

Source: Iraq Ministry of Oil, Byblos Research

Global steel output down 1.6% in December 2024

Global steel production reached 144.5 million tons in December 2024, constituting a decrease of 1.6% from 146.8 million tons in November 2024 and an increase of 6.5 % from 135.7 million tons in December 2023. Production in China totaled 76 million tons and accounted for 52.6% of global steel output in December 2024, followed by production in India with 13.6 million tons (9.4%), Japan with 6.9 million tons (4.8%), the U.S. with 6.7 million tons (4.6%), Russia with 5.7 million tons (3.9%), and South Korea with 5.2 million tons (3.6%).

Source: World Steel Association, Byblos Research

Base Metals: Nickel prices to average $14,848.8 per ton in first quarter of 2025

The LME cash price of nickel averaged $15,359.4 per ton in the year-to-March 5, 2025 period, constituting a decrease of 5.8% from an average of $16,305.5 a ton in the same period of 2024, due to the excessive production of the metal by Indonesian and Chinese nickel producers, weak demand, as well as to global economic uncertainties. Nickel prices reached $21,339 per ton on May 20, 2024, their highest level since August 3, 2023 when they stood at $21,369 a ton, due to the ban from the London Metal Exchange on Russian metal exports, following new trade sanctions that the U.S. and the United Kingdom imposed on Russia in response to the latter's invasion of Ukraine. In parallel, Citi Research anticipated the global supply of nickel at 3.74 million tons in 2025, which would constitute an increase of 3.7% from 3.6 million tons in 2024. Also, it forecast the global demand for nickel at 3.65 million tons in 2025, which would represent a rise of 7.1% from 3.4 million tons in 2024. In its base case scenario, it anticipated nickel prices to average between $15,000 and $16,000 per ton in the next three months as manufacturing activity and confidence recover. Further, under its bull case scenario, it forecast nickel prices to average $18,000 a ton in the first quarter of 2025, in case of lower output from Indonesia. In its bear case scenario, it projected nickel prices to average $15,000 per ton through 2025 and 2026 if demand for nickel regresses and remains low due to cyclical downturns in industries that use it, such as construction and manufacturing. Further, S&P Global Market Intelligence forecast nickel prices to average $14,848.8 per ton in the first quarter of 2025, with a low of $14,061.6 per ton and a high of $15,920 a ton.

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

Precious Metals: Platinum prices to average $1,015.8 per ounce in first quarter of 2025

Platinum prices averaged $961.9 per troy ounce in the year-to-March 5, 2025 period, constituting an increase of 5.6% from an average of $910.7 an ounce in the same period last year due mainly to rising demand from the automotive sector. However, prices decreased from a high of $1,065 an ounce on May 17, 2024 to a recent low of $964 per ounce on March 5, 2025 due to weak industrial and investment demand. In parallel, Citi Research projected global demand for platinum to reach 7.85 million ounces in 2025, constituting an increase of 5.1% from 7.47 million ounces in 2024. Also, it forecast the global supply of platinum to grow by 3.3% from 6.88 million ounces in 2024 to 7.1 million ounces in 2025, with refined output representing 77% of global output in 2025. As such, it projected the deficit in the platinum market at 738,000 ounce in 2025 relative to 585,000 ounce in 2024. In addition, it said that the price of platinum will be supported by still robust fundamentals as well as by the positive outlook on gold prices. Also, it expected higher demand from autocatalysts in the automotive sector despite slower-than-expected demand for batteries for electric vehicles. Further, it forecast platinum prices to average $1,015.8 per ounce in the first quarter of 2025, with a low of $927 an ounce and a high of $1,150 per ounce.

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

COUNTRY RISK METRICS

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

COUNTRY RISK METRICS

Countries	LT Foreign currency rating S&P	Moody's	Fitch	CI	General gvt. balance/ GDP (%)	Gross Public debt (% of GDP)	Usable Reserves / CAPs* (months)	Short-Term External Debt by Rem. Mat./ CARs	Gvt. Interest Exp./ Rev. (%)	Gross Ext. Fin. needs / (CAR + Use. Res.) (%)	Current Account Balance / GDP (%)	Net FDI / GDP (%)
Asia												
Armenia	BB- Stable	Ba3 Stable	BB- Stable	B+ Positive	-4.6	49.8	2.0	29.6	11.5	114.7	-3.1	2.2
China	A+ Stable	A1 Negative	A+ Stable	- -	-3.0	65.2	10.9	20.6	5.8	60.9	2.3	0.7
India	BBB- Stable	Baa3 Stable	BBB- Stable	- -	-7.8	84.0	7.3	29.8	25.2	82.2	-1.3	1.0
Kazakhstan	BBB- Stable	Baa2 Positive	BBB Stable	- -	-3.1	26.4	4.1	29.4	8.1	100.4	-2.8	2.2
Pakistan	CCC+ Stable	Caa2 Positive	CCC+ -	- -	-7.5	71.3	0.7	34.9	55.9	133.4	-1.3	0.4
Bangladesh	B+ Stable	B2 Negative	B+ Stable	- -	-4.8	32.1	3.8	29.0	29.0	102.8	-1.5	0.4
Central & Eastern Europe												
Bulgaria	BBB Positive	Baa1 Stable	BBB Positive	- -	-2.5	24.5	2.0	19.5	1.5	102.8	-0.5	2.0
Romania	BBB- Stable	Baa3 Stable	BBB- Stable	- -	-7.3	51.7	4.4	25.9	6.5	101.2	-8.3	2.1
Russia	- -	- -	- -	- -	-	18.2	18.0	23.6	4.4	45.0	12.1	-0.7
Türkiye	BB- Stable	B1 Positive	BB- Stable	BB- Stable	-5.1	27.0	1.4	63.6	10.8	149.0	-1.2	0.4
Ukraine	CC Negative	Ca Stable	CC -	- -	-17.0	91.6	4.6	40.7	10.1	108.	-6.6	1.4

** Current account payments*

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

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

SELECTED POLICY RATES

	Benchmark rate	Current (%)	Last meeting Date	Action	Next meeting
USA	Fed Funds Target Rate	4.50	29-Jan-25	No change	19-Mar-25
Eurozone	Refi Rate	2.90	30-Jan-25	Cut 25bps	06-Mar-25
UK	Bank Rate	4.50	06-Feb-25	Cut 25bps	20-Mar-25
Japan	O/N Call Rate	0.50	24-Jan-25	Raised 25bps	19-Mar-25
Australia	Cash Rate	4.10	18-Feb-25	Cut 25bps	01-Apr-25
New Zealand	Cash Rate	3.75	19-Feb-25	Cut 50bps	28-May-25
Switzerland	SNB Policy Rate	0.50	12-Dec-24	Cut 50bps	20-Mar-25
Canada	Overnight rate	3.00	29-Jan-25	Cut 25bps	12-Mar-25
Emerging Markets					
China	One-year Loan Prime Rate	3.1	20-Feb-24	No change	20-Mar-25
Hong Kong	Base Rate	4.75	19-Dec-24	Cut 25bps	N/A
Taiwan	Discount Rate	2.00	19-Dec-24	No change	20-Mar-25
South Korea	Base Rate	2.75	25-Feb-25	Cut 25bps	17-Apr-25
Malaysia	O/N Policy Rate	3.00	06-Mar-25	No change	08-May-25
Thailand	1D Repo	2.00	26-Feb-25	Cut 25bps	30-Apr-25
India	Repo Rate	6.25	07-Feb-25	Cut 25pbs	09-Apr-25
UAE	Base Rate	4.40	18-Dec-24	Cut 25bps	N/A
Saudi Arabia	Repo Rate	5.00	18-Dec-24	Cut 25bps	N/A
Egypt	Overnight Deposit	27.25	20-Feb-25	No change	17-Apr-25
Jordan	CBJ Main Rate	6.50	22-Dec-24	Cut 25bps	N/A
Türkiye	Repo Rate	45.00	23-Jan-25	Cut 250bps	06-Mar-25
South Africa	Repo Rate	7.50	30-Jan-25	Cut 50bps	20-Mar-25
Kenya	Central Bank Rate	10.75	05-Feb-24	Cut 50bps	N/A
Nigeria	Monetary Policy Rate	27.50	20-Feb-25	No change	20-May-25
Ghana	Prime Rate	27.00	27-Jan-25	No change	31-Mar-25
Angola	Base Rate	19.50	21-Jan-25	Cut 25bps	18-Mar-25
Mexico	Target Rate	9.50	06-Feb-25	Cut 50bps	27-Mar-25
Brazil	Selic Rate	13.25	29-Jan-25	Raised 100bps	N/A
Armenia	Refi Rate	6.75	04-Feb-25	Cut 25bps	18-Mar-25
Romania	Policy Rate	6.50	14-Feb-25	No change	07-Apr-25
Bulgaria	Base Interest	2.82	03-Feb-25	Cut 13bps	03-Mar-25
Kazakhstan	Repo Rate	15.25	17-Jan-25	No change	N/A
Ukraine	Discount Rate	14.50	23-Jan-25	Raised 100bps	06-Mar-25
Russia	Refi Rate	21.00	26-Feb-25	No change	21-Mar-25

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