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COUNTRY RISK WEEKLY BULLETIN

NEWS HEADLINES

WORLD

New international arbitration cases total $102bn in 2024

Figures released by the International Chamber of Commerce (ICC) show that the International Court of Arbitration received 841 new arbitration cases in 2024, constituting a decrease of 3.3% from 870 cases in 2023 and a surge of 21% from 695 cases in 2022. It added that 2,392 parties were involved in arbitration cases in 2024, of which 30.2% were from North & Western Europe, 21.4% from Latin America & the Caribbean, 12.3% from East & South Asia and the Pacific, 10% from the Middle East & Central Asia, 9% each from North America and from Central & Eastern Europe, 6.2% from Sub-Saharan Africa, and 1.9% from North Africa. Also, 69% of ICC arbitrations cases involved cross-border disputes, 50% of newly-registered cases included parties from the same region, and 31% involved parties with the same nationality. Further, there were 93 disputes in the construction & engineering sector, or 23.2% of the total, followed by the energy sector with 170 new cases (20.5%), transportation (6.3%); financing & insurance (5.8%); telecommunications & specialized technologies (5.8%); healthcare, pharmaceuticals & cosmetics (4.8%); business services (4.6%); general trade & distribution (4.5%); leisure & entertainment (4.3%), and industrial equipment & services (4.2%). In addition, the average amount in disputes was $130m in new cases and $211m in cases pending at year-end, while the total amount for disputes in new cases stood at $102bn and the total amount of caseloads pending at year was $354bn. Also, the amount in dispute in newly-registered cases varied from just below $10,000 to $53bn, while the median amount in new cases was about $5m and reached $14m in total cases pending at year-end.

Source: International Chamber of Commerce

GCC

Corporate earnings up 2% to $58.6bn in first quarter of 2025

The net income of listed companies in Gulf Cooperation Council (GCC) countries reached $58.6bn in the first quarter of 2025, constituting increases of 2.1% from $57.4bn in the same period of 2024 and of 2.4% from $57.2bn in the fourth quarter of 2024. Listed companies in Saudi Arabia generated $36.2bn in profits or 61.8% of total corporate earnings in the GCC in the first quarter of 2025, followed by listed firms in Abu Dhabi with $9bn (15.4%), in Dubai with $6bn (10.2%), in Qatar with $3.6bn (6.1%), in Kuwait with $2.5bn (4.3%), in Oman with $0.8bn (1.4%), and in Bahrain with $0.5bn (0.9%). Further, the earnings of listed companies in Oman grew by 14.3% in the first quarter of 2025, followed by the profits of listed firms in Abu Dhabi (+9.8%), companies in Dubai (+5.3%), and firms in Kuwait (+4.2%). In contrast, the earnings of listed firms in Saudi Arabia regressed by 0.5% in the first quarter of 2025. In addition, the profits of listed energy firms in the GCC reached $28.3bn and accounted for 48.4% of total corporate earnings in the first quarter of 2025, followed by the profits of listed banks with $16bn (27.4%), telecommunication firms with $3.5bn (6%), real estate companies with $2.9bn (5%), and materials firms with $1.4bn (2.4%).

Source: KAMCO

MENA

Stock markets up 4% in first half of 2025

Arab stock markets increased by 4%, while Gulf Cooperation Council equity markets improved by 0.4% in the first half of 2025, relative to decreases of 5% and 4.5%, respectively, in the same period of 2024. In comparison, global equity markets expanded by 9.1% and emerging market equities grew by 10% in the first half of 2025. Activity on the Casablanca Stock Exchange surged by 24% in the first half of 2025, the Palestine Exchange appreciated by 17.7%, the Tunis Bourse advanced by 16.3%, the Amman Stock Exchange gained 11.6%, and the Dubai Financial Market yielded 10.6%. Also, the Egyptian Exchange increased by 10.5%, the Boursa Kuwait grew by 6.1%, the Abu Dhabi Securities Exchange improved by 5.7%, and the Qatar Stock Exchange appreciated by 1.7% in the covered period. In contrast, the Beirut Stock Exchange dropped by 17% in the first half of 2025, the Iraq Stock Exchange shrank by 10.1%, the Saudi Stock Exchange declined by 7.2%, the Bahrain Bourse contracted by 2.1%, and the Muscat Securities Market regressed by 1.7% in the covered period. In parallel, the Tehran Stock Exchange increased by 7.3% in the first half of 2025.

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

Greenfield FDI down 36% to $120bn in 2024

Figures compiled by fDi Markets and released by the United Nations Conference on Trade and Development (UNCTAD) show that the Arab region attracted $120.1bn in greenfield foreign direct investments (FDI) in 2024, constituting a decline of 36.4% from $188.8bn in 2023. Greenfield FDI inflows to Arab countries accounted for 18.8% of such flows to developing economies and for 9% of global greenfield FDI in 2024, compared to 24% of inflows to developing countries and 13.4% of global greenfield FDI in 2023. Egypt was the destination of $54.5bn in greenfield FDI in 2024, equivalent to 45.4% of such investments in the Arab world. Saudi Arabia followed with $22.6bn (18.8%), then the UAE with $14bn (11.6%), Tunisia with $13.4bn (11.2%), Morocco with $7.3bn (6.1%), Qatar with $2.6bn (2.2%), Jordan with $2.4bn (2%), Bahrain with $1.3bn (1.1%) and Oman with $1.05bn (0.9%); while the remaining Arab countries received $876.8m in greenfield FDI last year, or 0.7% of inflows to the region. In parallel, Arab countries attracted 2,351 greenfield FDI projects in 2024, up from 2,244 projects in 2023, and accounted for 28% of the aggregate number of greenfield FDI projects in developing economies and for 12% of such projects worldwide. The UAE was the destination of 1,359 greenfield FDI projects last year and accounted for 57.8% of the number of projects in the Arab world. Saudi Arabia followed with 390 projects (16.6%), then Qatar with 185 projects (7.9%), Egypt with 145 projects (6.2%), Morocco with 99 projects (4.2%), Bahrain with 49 projects (2.1%), and Oman with 45 projects (1.9%), while the remaining Arab countries attracted 79 greenfield FDI projects, or 3.4% of the total in 2024.

Source: UNCTAD, Byblos Research

OUTLOOK

EMERGING MARKETS

Capital inflows to rise by 4% to $887bn in 2025

The Institute of International Finance projected non-resident capital inflows to emerging markets (EMs) at $887bn in 2025, constituting an increase of 4.1% from $852bn in 2024, and expected inflows to increase to $935bn in 2026. Also, it forecast foreign direct investments (FDI) in EMs at $380bn this year and at $443bn in 2026 relative to $383bn in 2024, and anticipated portfolio investments to reach $242bn in 2025 and $247bn in 2026 compared to $220bn in 2024. It expected other investments in EMs, mainly banking-related flows, at $265bn in 2025 and $245bn in 2026 compared to $249bn in 2024. Further, it projected resident capital outflows from EMs to decrease from $1,216bn in 2024 to $1,009bn in 2025, due to a 33.2% surge in FDI outflows from the EM region, a 28.7% decline in outward portfolio investments, and a 24.6% decrease in other investments, mainly banking-related flows. It also expected resident capital outflows from EMs at $1,124bn in 2026, and forecast net outflows of $297bn in 2025 and of $245bn in 2026.

In parallel, it projected non-resident capital inflows to EMs excluding China to decrease from $862bn in 2024 to $847bn in 2025, but to increase to $910bn in 2026. It forecast FDI in EMs ex-China at $370bn this year and $413bn in 2026, while it anticipated portfolio inflows to EMs ex-China at $172bn in 2025 and $212bn next year. It expected other investments in EMs ex-China, mainly banking-related flows, at $305bn in 2025 and $285bn in 2026. Further, it projected resident capital outflows from EMs ex-China to decrease from $735bn in 2024 to $619bn in 2025, due to a decline of 20% in portfolio investment outflows and a decrease of 33.8% in other investments, which would be partly offset by a 21.3% surge in FDI outflows from EMs ex-China. It also expected resident capital outflows from EMs at $634bn in 2026. As a result, it forecast net capital inflows to EMs ex-China, to reach $192bn in 2025 and $269bn in 2026.

Source: Institute of International Finance

SAUDI ARABIA

Economic outlook to be supported by elevated fiscal and external buffers

The International Monetary Fund (IMF) indicated that the Saudi economy has demonstrated strong resilience to shocks and projected the Kingdom's real GDP growth rate at 3.5% in 2025 and 3.9% in 2026, and at 3.3% in the medium term, supported by the phasing out of the OPEC+ coalition's oil production cuts. Also, it forecast Saudi Arabia's real non-oil GDP growth rate to decelerate from 4.2% in 2024 to 3.4% in 2025, but to remain sustained by the continued implementation of Vision 2030 projects through public and private investments and by strong credit growth, which would help mitigate the impact of lower oil prices. Also, it expected domestic demand to drive non-oil growth to nearly 4% in 2027 before stabilizing at 3.5% by 2030.

Further, it forecast the fiscal balance to post a deficit of 4.3% of GDP in 2025 and to narrow to 3.3% in 2030, and urged the authorities to step up efforts to increase non-oil revenues and rationalize energy subsidies. It added that the government will cover the fiscal deficit from borrowing, which will lead to an increase in the public debt level from 26.2% of GDP at the end of 2024 to 42% of GDP at end-2030. Further, it forecast the current account deficit to widen from 0.5% of GDP in 2024 to 3.9% of GDP in 2027 due to a pickup in remittance outflows and elevated investment-linked imports. But it said that the Kingdom has ample external and fiscal buffers. Also, it considered that the direct impact of rising global trade tensions on the Saudi economy is limited, as oil products, which accounted for 78% of Saudi Arabia's goods exports to the U.S. in 2024, are exempt from U.S. tariffs, while non-oil exports to the U.S. represent only 3.4% of the Kingdom's total non-oil exports. Further, it expected international reserves to remain adequate at about 11 to 12 months of import cover in the medium term, with foreign assets held by government-related entities providing strong additional buffers.

In parallel, the IMF considered that weaker oil demand and lower oil receipts would lead to wider fiscal deficits, higher debt levels, and costlier financing. In contrast, it anticipated that higher-than-expected oil production and prices, and the accelerated implementation of structural reforms, will support non-oil growth and drive economic diversification in the near term.

Source: International Monetary Fund

ARMENIA

Economic growth to average 4.5% annually in medium term

The International Monetary Fund (IMF) considered that Armenia's economic outlook is favorable, with solid but gradually slowing growth towards potential, as it projected the real GDP growth rate to decelerate from 5.9% in 2024 to 4.5% in the 2025-26 period. Further, it expected the inflation rate to remain around the Central Bank of Armenia's (CBA) target of 3% by end-2025 and to average 3% in the 2026-30 period. Further, it called on the authorities to maintain prudent policies and advance reforms, in order to ensure stability, protect economic buffers and strengthen resilience, given the increased risks from geopolitical and trade tensions, and a possible slowdown among key trading partners.

Also, it forecast the fiscal deficit to widen from 3.7% of GDP in 2024 to 5.5% of GDP in 2025, and to average 3.9% of GDP in the 2026-30 period. It added that the 2025 fiscal target is appropriate and achievable, and urged the government to continue fiscal consolidation efforts; while it called on the authorities to use the excess revenues to strengthen fiscal buffers and protect against potential future shocks. In addition, it projected the public debt level to increase from 48% of GDP at end-2025 to 55.4% of GDP at end-2026. In addition, it forecast the current account deficit to widen from 3.9% of GDP in 2024 to 4.5% of GDP in 2025 and 4.8% of GDP in 2026, driven by a slowdown in external demand and lower remittances inflows. Further, it projected gross foreign currency reserves to decrease from $3.68bn at end-2024 to $3.43bn, or to 3.1 months of import coverage at the end of each of 2025 and 2026.

In parallel, it noted that upside risks to the outlook include stronger domestic demand or an increase in exports, the faster implementation of structural reforms, a potential peace agreement with Azerbaijan, and the normalization of trade relations with Türkiye. It stressed the importance to continue structural reforms in order to improve the business climate, enhance productivity, and support job creation to sustain long-term growth.

Source: International Monetary Fund

JORDAN

Economic growth dependent on pace of structural reforms

The International Monetary Fund projected Jordan's real GDP growth rate to pick up from 2.5% in 2024 to 2.7% in 2025 and 2.9% in 2026, supported by continued sound macroeconomic policies and the implementation of reforms. Further, it forecast the inflation rate at 2.2% in 2025 and 2.6% in 2026, driven by the Central Bank of Jordan's continued efforts to maintain monetary stability and the peg of the Jordanian dinar to the US dollar. In parallel, it noted the authorities' commitment to sound macroeconomic policies and structural reforms. Also, it anticipated the fiscal deficit to narrow from 6.4% of GDP in 2024 to 5.8% of GDP in 2025 and 4.5% of GDP in 2026, and added that the authorities are making gradual progress on fiscal consolidation and sustainability. Also, it forecast the public debt level at 115.7% of GDP in 2025 and 114.9% of GDP in 2026, and anticipated the authorities to continue their fiscal consolidation to place the public debt on a downward path. Further, it called for structural reforms to improve the business environment and attract private investments by strengthening competition, further reducing red tape, and reforming the labor market. In addition, it projected the current account deficit to widen from 5.5% of GDP in 2025 to 5.9% of GDP in 2026, and expected gross foreign currency reserves to cover 7.1 months of imports in each of 2025 and 2026. Also, it urged the authorities to maintain sound fiscal and monetary policies to safeguard macroeconomic stability against increased regional risks.

Source: International Monetary Fund

GHANA

Sovereign ratings upgraded on debt restructuring progress

Fitch Ratings upgraded Ghana's long-term foreign currency Issuer Default Rating (IDR) from 'Restricted Default' (RD) to 'B-' and the country's long-term local currency IDR from 'CCC+' to 'B-', with a 'stable' outlook on the long-term IDRs. It also affirmed the Country Ceiling at 'B-'. It attributed the upgrade of the long-term foreign currency IDR to Ghana's normalization of relations with a significant majority of external commercial creditors. It said that about $2.6bn of external debt still needs to be restructured, with $1bn due to supranational entities and $840m due to official creditors, and expected the country to fully complete its external debt restructuring by the end of 2025. Also, it forecast the interest payments on the foreign currency debt at $1.2bn, or 1.2% of GDP, in 2025 and at $1.9bn, or 1.4% of GDP, in 2026, and expected the continued accumulation of foreign currency reserves to support Ghana's ability to meet its obligations. Further, it projected local-currency debt servicing, excluding Treasury bills refinancing, at 3.8% of GDP in 2025 and 3.9% of GDP in 2026. Further, it considered that strong nominal GDP growth, fiscal consolidation, debt restructuring, and a much larger-than-anticipated appreciation of the exchange rate will contribute to a drop in the public debt level from 72% of GDP at end-2024 to 60% of GDP at the end of 2025 and 2026. In parallel, it said that it could upgrade the ratings if liquidity pressures ease, if the public debt level declines sustainably, and/or if international reserves increase.

Source: Fitch Ratings

ALGERIA

Outlook contingent on economic diversification and fiscal discipline

The International Monetary Fund indicated that Algeria's real GDP growth rate decelerated from 4.1% in 2023 to 3.6% in 2024, as OPEC+ production cuts weighed on the hydrocarbon sector, although non-oil activity remained strong. It noted that economic prospects face several risks, primarily from volatile hydrocarbon prices amid shifting trade policies and geopolitical tensions. But it considered that medium-term economic prospects would improve with the implementation of reforms that aim to diversify the economy away from the hydrocarbon sector. Further, it said that the inflation rate dropped from an average of 9.3% in 2023 to 4% in 2024, and considered that monetary policy should focus on price stability. It noted that additional exchange rate flexibility would strengthen the economy's ability to absorb external shocks. In parallel, it stated that the fiscal deficit widened to 13.9% of GDP in 2024, due to lower hydrocarbon revenues and higher government spending, and expected the deficit to remain wide in 2025. It added that growing fiscal pressures pose significant financing challenges that would increase the public debt level in the medium term. But it urged the authorities to expand the tax base and rationalize subsidies to help rebuild fiscal buffers. In parallel, it noted that the current account balance shifted from a surplus in 2023 to a deficit in 2024 amid lower hydrocarbon output and gas prices. It expected the ongoing global uncertainties and volatile oil prices to weigh on exports and investments, which will contribute to a wider current account deficit in 2025. Further, it stated that foreign currency reserves stand at $67.8bn at end-2024, which are equivalent to 14 months of import coverage.

Source: International Monetary Fund

CÔTE D'IVOIRE

Sovereign ratings affirmed, outlook 'stable'

Fitch Ratings affirmed Côte d'Ivoire's long-term foreign and local currency Issuer Default Ratings (IDRs) at 'BB-', which is three notches below investment grade, and maintained the 'stable' outlook on the long-term IDRs. It also affirmed the Country Ceiling at 'BB', and maintained the short-term local and foreign currency IDRs at 'B'. It said that the ratings take into account the economy's strong growth prospects and sound fiscal management indicators, as well as solid macroeconomic policies as reflected by a track record of low inflation rates and strong engagement with the International Monetary Fund. It added that ratings are supported by the Banque Centrale des Etats de l'Afrique de l'Ouest's foreign currency reserves that increased from $16bn at end-October 2024 to $29.6bn at end-May 2025. But it noted that the ratings are constrained by low income per capita relative to 'BB'-rated peers, low government revenues, and a high public debt level relative to the country's degree of development. Further, it projected the public debt level to decline to 55.2% of GDP by 2026, due strong nominal GDP growth and the narrowing fiscal deficit. Also, it forecast interest payments to absorb 15.5% of revenues in 2026, down from 16.2% in 2024, but to remain above the 'BB' median of 11% in the 2025-26 period. In parallel, it said that it could downgrade the ratings if security conditions and political stability deteriorate, and/or if the government's debt level increases.

Source: Fitch Ratings

QATAR

Agencies take rating actions on banks

Fitch Ratings affirmed the long-term Issuer Default Ratings (IDRs) of Ahli Bank (ABQ), Dukhan Bank (DB), and Qatar International Islamic Bank (QIIB) at 'A'. Also, it maintained the 'stable' outlook on the IDRs of the three banks. Further, the agency affirmed the Viability Rating (VR) of ABQ at 'bbb-', and the VRs of DB and QIIB at 'bb+'. It noted that the IDRs reflect the government's high probability and capacity to support the banks in case of need, irrespective of their size or ownership. Further, it noted that the VRs of the rated banks are supported by Qatar's stable operating environment, the banks' stable asset quality, sound profitability, adequate capitalization metrics, and good liquidity buffers. It said that the ratings of DB and QIIB reflect the banks' high loan concentration, while the rating of ABQ takes into account its elevated reliance on wholesale funding. In addition, Moody's Ratings affirmed the long-term local and foreign currency issuer ratings of Qatar Islamic Bank (QIB) at 'A1', and maintained the 'stable' outlook on the ratings. It also affirmed QIB's Baseline Credit Assessment at 'baa2'. It noted that the ratings balance the bank's strong capital metrics, stable profitability, and robust asset quality, with its significant balance sheet concentrations and its high reliance on external funding. In parallel, in its periodic review of the ratings of the Commercial Bank of Qatar, Moody's Ratings indicated that the bank's local- and foreign- long-term bank deposit ratings of 'A3', as well as its Baseline Credit Assessment of ba1, balance the bank's high likelihood of support from the government, strong profitability, healthy liquidity, and solid capital buffers, against weak asset quality.

Source: Fitch Ratings, 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 June 13, 2025 that it has maintained Angola on its list of "jurisdictions under increased monitoring". It declared that Angola made in October 2024 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 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 the relevant authorities have adequate, accurate, and timely access to beneficial ownership information, and that breaches to obligations are properly 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

MOROCCO

Banks' ratings affirmed, outlook 'stable'

Moody's Ratings affirmed the long-term local- and foreign-currency deposit ratings of Attijariwafa Bank (Attijariwafa), Groupe Banque Centrale Populaire (GBCP), and Bank of Africa - BMCE Bank (BMCE) at 'Ba1', and the ratings of Crédit du Maroc (CdM) at 'Ba2'. It also affirmed the short-term deposit ratings of the four banks at 'Not Prime', and maintained the 'stable' outlook on the banks' long-term ratings. Further, it affirmed the Baseline Credit Assessments (BCAs) of Attijariwafa and CdM at 'ba3', and the BCAs of GBCP and BMCE at 'b1'. It stated that the ratings of the four banks are supported by their established franchise, sound profitability metrics, and comfortable liquidity. It said that the ratings of Attijariwafa, GBCP and BMCE are underpinned by their stable funding, while the rating of CdM is constrained by its tight funding profile. It noted that the rating of CdM reflect its good capitalization, and the ratings of GBCP and BMCE take into account their modest capital ratios, while the rating of Attijariwafa considers its moderate capitalization. Further, it said that weak asset quality and high credit concentrations are weighing on the ratings of GBCP, BMCE, and CdM. It added that the rating of Attijariwafa is supported by the bank's strong and conservative risk management. Also, it pointed out that the four banks benefit from a very high probability of government support, in case of need.

Source: Moody's Ratings

NIGERIA

Directive on regulatory forbearance is positive for banks

Moody's Ratings considered that the Central Bank of Nigeria's (CBN) directive to all banks benefitting from regulatory forbearance related to credit exposures and single obligor limits will strengthen the banking sector's resilience and stability. It said that the CBN asked banks to temporarily suspend the payment of dividends to shareholders, defer the payment of bonuses to directors and senior management, and refrain from making investments in foreign subsidiaries or new offshore ventures. It noted that the directive will encourage banks to significantly increase their provisioning, which will make them more resilient to the risk arising from their lending portfolios. It added that the suspensions will help improve the transparency of the banks' asset quality. But it expected the sector's problem loans ratio to increase in the near term, as some banks will likely opt to exit the forbearance regime before the resolution of all their loans that are currently under regulatory forbearance. Also, it anticipated the required provisioning for the oil and gas forbearance portfolio to be modest relative to the total loan exposure, due to the recoverable value of the underlying assets. It considered that the improvement in the profitability of Nigerian banks in recent years, along with the ongoing recapitalization efforts, will help the banking sector manage the strains from the directives. It said that the ongoing recapitalization process will bring lending exposures back within the single obligor limit. In addition, it expected the banking sector's operating income to be robust in 2025, which will help absorb some of the high provisioning requirements. Also, it noted that the CBN will maintain the temporary suspension until the banks fully exit the regulatory forbearance, and until their capital adequacy and provisioning levels fully comply with the prevailing standards.

Source: Moody's Ratings

ENERGY / COMMODITIES

Oil prices to average $67.6 p/b in third quarter of 2025

The prices of ICE Brent crude oil front-month future contracts averaged $70.8 per barrel (p/b) in the first half of 2025, constituting a decrease of 15% from an average of $83.4 p/b in the same period of 2024, due to higher oil supply form producers outside the OPEC+ coalition and to lower global oil demand, mainly in China. Brent prices reached $69.1 p/b on July 2, 2025 and increased by 3% from $67.1 p/b in the previous day, as Iran suspended officially its cooperation with the International Atomic Energy Agency. In parallel, Goldman Sachs indicated that the sharp decline in the geopolitical risk premium likely originates from traders' experiences with previous geopolitical shocks that did not disrupt oil supply. It added that the geopolitical risk premium takes into account Iran's restrained response to the recent escalations, the U.S. and China strong incentives to prevent large oil disruptions and expectations of large inventory build ups starting in the fall. Also, it expected the OPEC+ coalition to announce another increase in production of 411,000 barrels per day for August 2025 amid firm summer demand for oil and continuing resilience in global economic activity. However, it assumed that the August hike will be the final one, as a significant increase in output from non-OPEC non-shale projects is expected to help rebalance supply and demand, but it considered that the risks remain tilted toward potential additional OPEC+ quota increases beyond August. It said that an increase in oil output would offset a recent drop in Venezuelan oil exports, as U.S. sanctions came into effect at the end of May 2025. Further, Refinitiv projected oil prices, through its latest crude oil price poll of 40 industry analysts, to average $67.6 p/b in the third quarter and $67.9 p/b in full year 2025.

Source: Goldman Sachs, Refinitiv, Byblos Research

Kuwait's crude oil production nearly unchanged in March 2025

Crude oil production in Kuwait totaled 2.41 million barrels per day (b/d) in March 2025, nearly unchanged from February 2025. Crude oil exports from Kuwait stood at 2.47 million b/d in March 2025, constituting increases of 2.5% from 2.41 million b/d in February 2025 and of 5% from 2.35 million b/d in March 2024.

Source: Joint Organizations Data Initiative, Byblos Research

Global steel output up 2% in May 2025

Global steel production reached 158.8 million tons in May 2025, constituting an increase of 2% from 155.7 million tons in April 2025 and a decrease of 3.8% from 165.1 million tons May 2024. Production in China totaled 86.6 million tons and accounted for 54.5% of global steel output in May 2025, followed by production in India with 13.5 million tons (8.5%), the U.S. with seven million tons (4.4%), Japan with 6.8 million tons (4.3%), and Russia with 5.8 million tons (3.7%).

Source: World Steel Association, Byblos Research

Iraq's oil exports at 101.6 million barrels in May 2025

Figures issued by the Iraqi Ministry of Oil show that crude oil exports from Iraq totaled 101.63 million barrels in May 2025, constituting decreases of 2.4% from 104.13 million barrels in May 2024. Exports from the central and southern fields stood at 100.37 million barrels in May 2025 compared to 104.13 million barrels in May 2024.

Source: Iraq Ministry of Oil, Byblos Research

Base Metals: Copper prices to average $9,200 per ton in third quarter of 2025

LME copper cash prices averaged $9,423 per ton in the first half of 2025, constituting an increase of 3.6% from an average of $9,097.2 a ton in the same period of 2024. The increase in prices was due mainly to tighter global supply and to elevated global demand due to the energy transition and strong electrification. Further, the metal's price dropped from a peak of $10,800.8 a ton on May 20, 2024 to $10,109.2 per ton on July 2, 2025 as a result of a decline in China's industrial activity and due to global economic uncertainties, which have lowered demand for industrial metals such as copper. In parallel, Citi Research projected the global production of refined copper at 26.87 million tons in 2025, which would constitute a rise of 1.5% from 26.48 million tons in 2024, with mine output representing 86.2% of the global production of refined copper this year. In addition, it forecast global demand for refined copper at 26.74 million tons in 2025, constituting an increase by 1.8% from 26.27 million tons in 2024. In its bull case scenario, it expected copper prices to average $10,500 per ton in the fourth quarter of 2025 and $12,000 a ton in 2026, in case of a softer implementation of U.S. tariff hikes, along with greater mine supply disruptions and stronger China policy support. In its bear case scenario, it forecast copper prices to average $8,500 a ton in the second half of 2025, in case of potential global trade tensions, which would put downward pressure on copper demand, as well as if lower levels of copper mine supply disruption leave the market oversupplied. In its base case scenario, it anticipated copper prices to average $8,800 a ton in the third quarter of 2025 and $10,000 per ton in the near term, as elevated tariffs, a restrictive monetary environment and headwinds to China's growth delay a broader recovery in global manufacturing activity beyond 2025. Further, it projected copper prices to average $9,200 per ton in the third quarter of 2025.

Source: Citi Research, Refinitiv, Byblos Research

Precious Metals: Platinum prices to average $1,100 per ounce in third quarter of 2025

Platinum prices averaged $1,019.4 per troy ounce in the first half of 2025, constituting an increase of 7.8% from an average of $945.9 an ounce in the same period last year due mainly to weaker supply and rising investment demand for the metal. Also, prices stood at $1,383 an ounce on July 2, 2025, their highest level in 11 years, driven by supply concerns amid lower mine output in Russia and South Africa. In parallel, Citi Research projected global demand for platinum to reach 7.28 million ounces in 2025, constituting a decrease of 1.6% from 7.39 million ounces in 2024. Also, it forecast the global supply of platinum to decline by 3.3% from 7.06 million ounces in 2024 to 6.83 million ounces in 2025, with refined output representing 78.7% of global output in 2025. As such, it projected the deficit in the platinum market to widen from 596,000 ounces in 2024 to 626,000 ounces in 2025. Further, it expected platinum prices to average $1,150 per ounce in the next three months and $1,200 an ounce in the coming six to 12 months due to higher jewelry and investment demand in China. It considered that the need for platinum in catalytic converters has already peaked and expected it to continue decreasing, mainly as manufacturers increasingly substitute palladium with platinum due to widening price differences. Also, it anticipated the decline in platinum inventories in the preceding years and the continued physical deficit to maintain support for platinum prices in the near term. Further, it forecast platinum prices to average $1,100 per ounce in the third quarter of 2025, with a low of $950 an ounce and a high of $1,300 per ounce.

Source: Citi Research, Refinitiv, Byblos Research

COUNTRY RISK METRICS

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

COUNTRY RISK METRICS

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

**Current account payments*

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

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

SELECTED POLICY RATES

	Benchmark rate	Current (%)	Last meeting Date	Last meeting Action	Next meeting
USA	Fed Funds Target Rate	4.50	18-Jun-25	No change	30-Jul-25
Eurozone	Refi Rate	2.15	05-Jun-25	Cut 25bps	24-Jul-25
UK	Bank Rate	4.25	19-Jun-25	No change	07-Aug-25
Japan	O/N Call Rate	0.50	17-Jun-25	No change	31-Jul-25
Australia	Cash Rate	3.85	20-May-25	Cut 25bps	08-Jul-25
New Zealand	Cash Rate	3.25	28-May-25	Cut 25bps	09-Jul-25
Switzerland	SNB Policy Rate	0.00	19-Jun-25	Cut 25bps	25-Sep-25
Canada	Overnight rate	2.75	04-Jun-25	No change	30-Jul-25
Emerging Markets					
China	One-year Loan Prime Rate	3.00	20-Jun-25	No change	20-Jul-25
Hong Kong	Base Rate	4.75	19-Dec-24	Cut 25bps	N/A
Taiwan	Discount Rate	2.00	19-Jun-25	No change	18-Sep-25
South Korea	Base Rate	2.50	29-May-25	Cut 25bps	10-Jul-25
Malaysia	O/N Policy Rate	3.00	08-May-25	No change	09-Jul-25
Thailand	1D Repo	1.75	25-Jun-25	No change	13-Aug-25
India	Repo Rate	5.5	06-Jun-25	Cut 50pbs	06-Aug-25
UAE	Base Rate	4.40	18-Dec-24	Cut 25bps	N/A
Saudi Arabia	Repo Rate	5.00	18-Dec-24	Cut 25bps	N/A
Egypt	Overnight Deposit	24.00	22-May-25	Cut 100bps	10-Jul-25
Jordan	CBJ Main Rate	6.50	22-Dec-24	Cut 25bps	N/A
Türkiye	Repo Rate	46.00	19-Jun-25	No change	24-Jul-25
South Africa	Repo Rate	7.25	29-May-25	Cut 25bps	31-Jul-25
Kenya	Central Bank Rate	9.75	10-Jun-25	Cut 25bps	N/A
Nigeria	Monetary Policy Rate	27.50	20-May-25	No change	22-Jul-25
Ghana	Prime Rate	28.00	23-May-25	No change	28-Jul-25
Angola	Base Rate	19.50	21-May-25	No change	18-Jul-25
Mexico	Target Rate	8.00	26-Jun-25	Cut 50bps	07-Aug-25
Brazil	Selic Rate	15.00	18-Jun-25	Raised 50bps	N/A
Armenia	Refi Rate	6.75	17-Jun-25	No change	05-Aug-25
Romania	Policy Rate	6.50	16-May-25	No change	08-Jul-25
Bulgaria	Base Interest	1.91	01-Jul-25	Cut 16bps	01-Aug-25
Kazakhstan	Repo Rate	16.50	05-Jun-25	No change	11-Jul-25
Ukraine	Discount Rate	15.50	05-Jun-25	No change	24-Jul-25
Russia	Refi Rate	20.00	06-Jun-25	Cut 100bps	25-Jul-25

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