

# COUNTRY RISK WEEKLY BULLETIN

## NEWS HEADLINES

### WORLD

#### Global syndicated lending up 12% to \$6.8 trillion in 2025

Figures compiled by data provider LSEG show that global syndicated lending totaled \$6.8 trillion (tn) in 2025, constituting an increase of 12% from \$6.1tn in 2024. On a regional basis, borrowing in the Americas stood at \$4.5bn and accounted for 66.2% of global borrowing in 2025, followed by Europe with \$1.4tn (20%), the Asia-Pacific region excluding Central Asia with \$579.3bn (8.5%), Japan with \$206.4bn (3%), and the Middle East, Africa and Central Asia (MEA&CA) region with \$161.4bn (2.4%). Also, the amount of syndicated lending increased by 29% in Europe in 2025, followed by the MEA&CA region (+14%), the Americas (+9%), and Japan (+6%), while the amount of syndicated lending in the Asia-Pacific region excluding Central Asia regressed by 1% last year. Further, the number of syndicated loans was 11,068 in 2025, up by 3% from 10,790 loans in 2024. On a regional basis, there were 5,927 loans in the Americas that represented 53.6% of global syndicated borrowing in 2025, followed by Europe with 1,842 transactions (16.6%), Japan with 1,750 deals (15.8%), the Asia-Pacific region excluding Central Asia with 1,382 loans (12.5%), and the MEA&CA region with 247 transactions (2.2%). In addition, acquisition-related financing totaled \$802.6bn in 2025 and increased by 24% from \$647.3bn in 2024. Also, syndicated lending to financial, technology and healthcare sectors accounted for 42% of overall acquisition lending during 2025, up from a combined 36% in 2024. The financial sector accounted for \$1.4tn or 33.5% of global syndicated lending in 2025, with \$872.3bn in the Americas, \$272.3bn in Europe, the Middle East and Africa region, and \$27.3bn in Japan; while the rest of the world represented the remaining \$228bn.

Source: LSEG

### MENA

#### Stock markets up 3% in 2025

Arab stock markets increased by 3%, while Gulf Cooperation Council equity markets grew by 1.6% in 2025 relative to increases of 0.7% and 5.3%, respectively, in 2024. In comparison, global equity markets increased by 22.4% and emerging market equities surged by 30.6% in 2025, relative to rises of 17.5% and 5.1%, respectively, in 2024. Activity on the Amman Stock Exchange jumped by 45.1% in 2025, the Egyptian Exchange surged by 40.6%, the Damascus Securities Exchange, based on the official stock market index, appreciated by 38.3%, the Tunis Bourse improved by 35%, the Muscat Securities Market advanced by 28.2%, and the Casablanca Stock Exchange gained 27.6%. Also, the Bursa Kuwait increased by 21%, the Palestine Exchange yielded 20.8%, the Dubai Financial Market expanded by 17.2%, the Abu Dhabi Securities Exchange improved by 6.1%, the Bahrain Bourse appreciated by 4.1%, and the Qatar Stock Exchange grew by 1.8% last year. In contrast, the Beirut Stock Exchange dropped by 25% in 2025, the Saudi Stock Exchange declined by 12.8%, and the Iraq Stock Exchange decreased by 8.4%. In parallel, the Tehran Stock Exchange grew by 49.4% in 2025.

Source: MSCI indices, Local stock markets, LSEG Workspace, Byblos Research

### EMERGING MARKETS

#### Fixed income trading down 1% to \$4,679bn in first nine months of 2025

Trading in emerging markets debt instruments reached \$4,679bn in the first nine months of 2025, constituting a decrease 0.6% from \$4,706bn in the same period of 2024. Debt trading volumes totaled \$1,517bn in the first quarter, \$1,464bn in the second quarter, and \$1,698bn in the third quarter of 2025. Turnover in local-currency instruments reached \$1,237bn in the third quarter, up by 10% from \$1,127bn in the third quarter of 2024, and accounted for 73% of the debt trading volume in emerging markets in the covered period. In parallel, trading in Eurobonds stood at \$460bn in the third quarter of 2025 and rose by 6% from \$434bn in the same quarter of the previous year. The volume of traded sovereign Eurobonds reached \$319bn and accounted for 69% of total Eurobonds traded in the third quarter of 2025, compared to \$339bn in the second quarter of 2025 and relative to \$294bn and a share of 68% in the third quarter of 2024. Also, the volume of traded corporate Eurobonds amounted to \$137bn and represented 30% of total Eurobonds traded. Further, turnover in warrants and options, and loan assignments, stood at \$675m in the covered quarter. The most frequently-traded instruments in the third quarter were Mexican fixed income assets with a turnover of \$421bn, or 25% of the total, followed by instruments from Brazil with \$244bn (14%), and securities from India with \$129bn (8%). Other frequently-traded instruments consisted of fixed income securities from South Africa at \$96bn (5.7%) and from Singapore at \$68bn (4%).

Source: EMTA

### GCC

#### Fixed income issuance up 10% to \$207.3bn in 2025

Fixed income issuance in Gulf Cooperation Council (GCC) countries reached \$207.3bn in 2025, constituting an increase of 9.8% from \$188.8bn in 2024. Fixed income output in 2025 consisted of \$71.9bn in corporate bonds, or 34.7% of the total, followed by \$57.2bn in corporate sukuk (27.6%), \$53.7bn in sovereign bonds (26%), and \$24.5bn in sovereign sukuk (11.8%). Further, aggregate bonds and sukuk issued by corporates in the GCC stood at \$129.1bn in 2025, or 62.3% of fixed income output in the region; while issuance by GCC sovereigns reached \$78.2bn or 37.7% of the total. GCC sovereigns issued \$16bn in bonds and sukuk in January, \$4.9bn in February, \$5.1bn in March, \$1.2bn in April, \$9.2bn in May, \$900m in June, \$2.9bn in July, \$4.1bn in August, \$8bn in September, \$20.2bn in October, \$5.1bn in November, and \$600m in December 2025; while GCC firms issued \$11.1bn in bonds and sukuk in January, \$12.4bn in February, \$8.6bn in March, \$4.1bn in April, \$15.7bn in May, \$12.8bn in June, \$10.3bn in July 2025, \$3.8bn in August, \$19.2bn in September, \$11.9bn in October, \$14.2bn in November, and \$5bn in December 2025. In parallel, corporate output in December 2025 consisted of \$1.07bn in sukuk and \$688m in bonds that Saudi Arabia-based firms issued, \$707.6m in bonds and \$274.3m in sukuk that Qatari-based companies issued, and \$431.6m in bonds from firms in the UAE. Also, sovereign proceeds in December 2025 consisted of \$340.4 in sukuk that the UAE issued and \$300m in bonds issued by Saudi Arabia.

Source: KAMCO

# OUTLOOK

## EMERGING MARKETS

### Real GDP to grow by 4% in 2026-27 period, economic outlook varies across region

Citi Research projected the real GDP growth rate of emerging markets (EMs) to slightly decelerate from 4.2% in 2025 to 4% in each of 2026 and 2027, due mainly to slowdowns of economic activity in China and in Asian countries excluding China. It said that governments in Asia are being cautious with economic policies and are not using stronger tools to boost growth. It considered that there is also less political pressure to increase spending in Asia since there are no major elections in the 2026-27 period, which adds to the slowdown in EMs. It forecast economic activity in Emerging Asia at 4.7% this year and at 4.6% in 2027, and for the real GDP of the Middle East & Africa (ME&A) region to grow by 4.5% in 2026 and by 4.4% in 2027. Also, it expected economic activity in Emerging Europe to expand by 2.5% in 2026 and 2.6% in 2027, while it anticipated the real GDP growth rate of Latin America at 2% this year and 2.3% next year. In addition, it forecast the inflation rate in EMs to remain broadly stable at 3% in the 2026-27 period compared to 3.1% in 2025. It considered that the risk of currency volatility on inflation or on reversing policy rate cuts are lower than in past cycles.

Further, it projected the fiscal deficit of the EM region to narrow from 4.3% of GDP in 2025 to 4.1% of GDP in 2026 and 3.8% of GDP in 2027. It also expected the current account surplus in EMs to decrease from 2.1% of GDP in 2025 to 1.7% of GDP in 2026 and 1.6% of GDP in 2027, as it anticipated export growth to slow in 2026 following the exceptionally strong performance of the technology sector in 2025. It forecast the current account surplus in Emerging Asia at 3% of GDP this year and at 2.7% in 2027, and for that of the ME&A region at 1.3% of GDP in 2026 and 2.4% of GDP in 2027. Also, it expected Emerging Europe to post deficits of 1.1% of GDP in each of 2026 and 2027, while it anticipated Latin America to register deficits of 1.9% of GDP this year and 2% of GDP next year. It said that the long-term slowdown in foreign direct investments in EMs will be affected by a cyclical drag in 2026. However, it considered manufacturing diversification and investments in artificial intelligence will support EM economic growth in the near-to medium term.

Source: Citi Research

## SAUDI ARABIA

### Contribution of non-oil sector to economic activity to increase

Goldman Sachs indicated that the Saudi authorities are working to position the Kingdom as a leading economy by reducing its reliance on the oil sector and channeling investments to 13 priority sectors. It said that the sectors include automotive, aerospace and defense, healthcare, travel and tourism, urban development, advanced manufacturing, industrial and logistics, and clean energy and renewable infrastructure, as well as the NEOM mega-project. Further, it noted that the authorities expect the fiscal deficit to narrow from 5.3% of GDP in 2025 to 3.3% of GDP in 2026 by reducing capital expenditures by 6%, as the Public Investment Fund is financing the majority of the projects outside the budget. However, it considered that oil revenues at \$61 per barrel (p/b), compared to the budget's implied oil price of \$70 p/b, along with spending increase of 4% relative to the budgeted level, will widen

the deficit to 6% of GDP in 2026. It said that the financing requirements of the government and its related entities in 2026 will remain broadly in line with those of 2025, and anticipated the government's funding needs to translate into external debt issuance of up to \$20bn in 2026, similar to the amount that the Kingdom issued in 2025.

In addition, it considered that the continued elevated domestic investments and the strong growth in aggregate demand are likely to result in sustained current account deficits. It projected to widen from 1.8% of GDP in 2025 to 2.9% of GDP this year, and to remain in the 2% of GDP to 3% of GDP range in the foreseeable future. But it noted that the government is focusing on increasing non-oil exports and on improving the financing mix of the budget. It said that the authorities identified the tourism sector and data centers as priority areas, given their potential to generate non-oil current account receipts at a relatively rapid pace. It added that the authorities are committed to improving the external financing mix across multiple channels, including a greater reliance on equity financing, enhancing the attractiveness of the local government sukuk market to international investors, and attracting more foreign direct investments.

Source: Goldman Sachs

## KUWAIT

### Sustainable non-hydrocarbon growth contingent on fiscal and structural reforms

The International Monetary Fund (IMF) projected Kuwait's real GDP growth rate to accelerate from 2.6% in 2025 to 3.8% in 2026, driven by the unwinding of the OPEC+ coalition's oil production cuts and robust non-oil sector activity, and forecast growth to stabilize at just over 2% in the medium term. Also, it expected non-oil real GDP to expand from 2.7% in 2025 to 3% in 2026 due to a surge in investments. As such, it urged the authorities to implement a comprehensive package of fiscal and structural reforms to sustainably boost non-oil growth in the near-to medium terms.

In addition, it forecast the fiscal deficit to widen from 2.2% of GDP in the fiscal year that ended in March 2025 to 8.7% of GDP in FY2025/26, 9.4% of GDP in FY2026/27 and 11.5% of GDP in FY2031/32, amid higher spending and lower oil revenues. It estimated that the central government will require KD39.1bn in net financing during the FY2025/26-FY2031/32 period to cover its deficits. As such, it called on the authorities to implement fiscal consolidation at a pace of 1% of GDP per year, without which the fiscal deficit would widen by 0.5% of GDP per year. Also, it stressed the need to phase out energy subsidies, lower the compensation of government employees, and scale up public investments, which, along with structural reforms, would mitigate the contractionary impact of fiscal consolidation on the economy.

In parallel, it projected the current account surplus to decrease from 22.9% of GDP in 2025 to 19.1% of GDP in 2026, primarily reflecting lower oil exports receipts, and expected it to gradually decline in the medium term. It noted that risks to the outlook include the volatility of commodity prices, a slowdown in global growth, and shifts in global financial conditions; and that the main domestic risk consists of changes in the speed of structural reforms.

Source: International Monetary Fund



# ECONOMY & TRADE

## EGYPT

### Economic activity to pick up, fiscal risks persist

The International Monetary Fund indicated that Egypt's real GDP growth rate accelerated from 2.4% in the fiscal year that ended in June 2024 to 4.4% in FY2024/25, supported by the robust performance of the non-oil manufacturing, transportation, finance, and tourism sectors, and added that economic activity picked up to 5.3% in the first quarter of FY2025/26. Further, it said that the authorities reiterated their commitment to maintain fiscal discipline, reduce the government's gross financing needs, and place the public debt on a sustained downward path. It added that the government is targeting a primary surplus, including the net acquisition of financial assets, of 4.8% of GDP in FY2025/26 and 5% of GDP in FY2026/27. It expected the government to approve a package of tax reforms in January 2026 in order to increase tax collection by about 1% of GDP in the coming fiscal year. Also, it pointed out that the tax-to-GDP ratio stood at 12.2% of GDP in FY2024/25, which represents a modest level by international standards. As such, it urged the authorities to step up efforts to close the tax-to-GDP gap and to reduce the public debt level, while safeguarding targeted social spending. In addition, it indicated that the balance of payments has significantly improved despite adverse external developments. It said that the current account deficit narrowed, as remittance inflows and tourism receipts remained resilient, and non-oil exports registered strong growth. It noted that external financial conditions eased significantly in 2025, with the stock of non-resident inflows into local-currency debt rising to about \$30bn, and foreign currency reserves reaching \$56.9bn at end-2025. In parallel, it said that the Central Bank of Egypt has maintained an appropriately tight monetary policy stance, and is pursuing a cautious and gradual monetary easing to sustain disinflation efforts that should continue in the near term.

Source: International Monetary Fund

## ANGOLA

### Economic growth to decelerate to 2% in 2026

The International Monetary Fund (IMF) projected Angola's real GDP growth rate to decelerate from 4.4% in 2024 to 1.9% in 2025 and 2% in 2026, largely due to a decline in hydrocarbon production and lower oil prices, as well as to moderate growth in the non-oil sector. Also, it expected economic activity to remain subdued in 2026 and to recover gradually in the medium term, in case the authorities make progress on diversifying the economy away from the hydrocarbon sector. Also, it estimated the inflation rate at 17.2% in 2025 and expected it to remain elevated in the near term. Further, it expected financing pressures to remain elevated in the near term, given the government's sizable debt servicing costs. In addition, it pointed out that the 2026 budget demonstrates the authorities' firm commitment to adjust expenditures and to contain emerging risks, in order to preserve macroeconomic stability and debt sustainability. Further, it noted that the IMF staff and the authorities held productive discussions aimed at reducing the economy's vulnerabilities to oil shocks, while simultaneously addressing development needs and meeting social expectations.

Source: International Monetary Fund

## ARMENIA

### Credit profile reflects growth prospects and solid governance

In its periodic review of Armenia's sovereign ratings, Moody's Ratings indicated that the country's 'Ba3' issuer rating, which is three notches below investment grade, is supported by its robust growth potential and moderately high institutions and governance strength. In contrast, it indicated that persistent tensions with Azerbaijan and broader geopolitical risks constitute a key drag on the country's credit profile. It pointed out that Armenia's economic strength assessment of 'baa2' balances the economy's robust growth prospects with the country's small and middle-income economy, which limits its capacity to absorb shocks. It added that the country's governance strength assessment of 'baa3' reflects the improved credibility and effectiveness of macroeconomic policies and institutions, as well as to the authorities' structural reforms that aim to strengthen the control of corruption and the rule of law. It added that the government's fiscal strength assessment of 'ba1' balances its moderate government debt burden with weakening debt affordability. Further, the agency indicated that the susceptibility to events risks assessment of 'b' is driven by political risks, and added that the Armenia-Azerbaijan peace framework, which the two sides approved in August 2025, provides a basis for normalizing relations between the two countries and for a decline in geopolitical risks. In addition, it stated that the 'stable' outlook on the sovereign ratings reflects the balanced credit risks of the country.

Source: Moody's Ratings

## IRAN

### Economy facing low growth and high inflation rates

The Institute of International Finance considered that the Iranian economy will remain constrained by its global isolation, high inflation rates, and weak investments, and projected its real GDP growth rate at about 1% and its fiscal deficit at 6% of GDP in the fiscal year that ends in March 2026. Further, it pointed out that the official and parallel exchange rates of the Iranian rial to the US dollar continue to depreciate and said that the spread between the two rates has widened to 65% in recent weeks. In addition, it noted that a prolonged stalemate in U.S.-Iranian nuclear negotiations will keep Iran under sustained sanctions and will limit its ability to expand officially-recognized oil exports. Also, it noted that Iran exports between 1.3 million oil barrels per day (b/d) and 1.5 million b/d, primarily to China through gray-market channels, with payments settled in the yuan or through barter arrangements, which provides the regime with minimal but vital foreign-currency inflows. In parallel, it said that Iran's long-term economic potential remains considerable despite persistent macroeconomic pressures and institutional constraints. It considered that the lifting of sanctions, even though it is unlikely to materialize in the near future, would help unlock opportunities to resume trade with global markets and fully develop the country's vast energy resources. However, it said that Iran's energy industry requires substantial foreign direct investments and modern technology to realize its potential as a global energy leader. It noted that market-based reforms that aim to improve the economy's efficiency and competitiveness would strengthen the foundation for private sector-led growth that accounts for only 40% of GDP.

Source: Institute of International Finance



# BANKING

## WORLD

### Foreign reserves at \$13,025.5bn at end-September 2025

Figures released by the International Monetary Fund (IMF) indicate that global foreign exchange reserves reached \$13,025.5bn at the end of September 2025, constituting increases of 5.6% from \$12,330bn at end-2024 and of 2.3% from \$12,727.8bn at end-September 2024. Also, the Currency Composition of Official Foreign Exchange Reserves (COFER) shows that reserves in US dollars reached \$7,414.5bn at end-September 2025 and accounted for 56.9% of total allocated reserves, followed by reserves in the euro with \$2,648bn (20.3%), in the Japanese yen with \$757.8bn (5.8%), in the British pound with \$580.8bn (4.5%), in the Canadian dollar with \$346.9bn (2.7%), in the Australian dollar with \$268.1bn (2.1%), in the Chinese renminbi with \$251.3bn (1.9%), and in the Swiss franc with \$23.2bn (0.2%), while reserves in other currencies amounted to \$734.9bn or 5.6% of the total. Further, foreign exchange reserves in the euro increased by 13.6% in the first nine months of 2025 from end-2024, followed by reserves in the Japanese yen (+9.4%), in the Australian dollar (+6.8%), and in the US dollar (+2.8%), in the British pound (+2.5%); while reserves in other currencies grew by 14% from end-2024. In contrast, foreign exchange reserves in the Chinese renminbi decreased by 1.3% from end-2024, those in the Swiss franc contracted by 1.2%, and foreign exchange reserves in the Canadian dollar regressed by 0.7%.

*Source: International Monetary Fund*

## JORDAN

### Capital adequacy ratio at 18%, NPLs at 5.8% at end-June 2025

The International Monetary Fund (IMF) indicated that the banking sector in Jordan is well capitalized, liquid and healthy. It said that the sector's capital adequacy ratio reached 18% at the end of June 2025, unchanged from end-2024 and well above the minimum regulatory requirement of 12%. Further, it noted that the sector's liquid ratio decreased from 144.7% of total assets at end-2024 to 142.4% of assets at end-June 2025. It pointed out that sector's the non-performing loans (NPLs) ratio increased from 5.6% at end-2024 to 5.8% at end-June 2025, and that the loan-loss reserve coverage for NPLs regressed from 74.5% at end-2024 to 71.3% at end-June 2025. In addition, it said that customer deposits grew by 3.1% in the first half of 2025 compared to 6.8% in 2024; while credit facilities increased by 2% in the first half of 2025 relative to 4.1% in 2024. It noted that the Central Bank of Jordan (CBJ) has maintained prudent provisioning standards, in line with the International Financial Reporting Standard forward-looking expected loss approach. In addition, it stated that the banking sector's return on assets improved from 1.1% in 2024 to 1.3% annually in June 2025, and that their return on equity increased from 9.1% in 2024 to 11.5% annually in June 2025. In parallel, it indicated that the CBJ remains committed to adjusting its policy rates in line with the U.S. Federal Reserve, in order to support the dinar's exchange rate peg to the US dollar and to make sure that foreign currency reserve buffers stay adequate. Further, the IMF called on the CBJ to continue to closely monitor the banks' financial health and to further strengthen the systemic risk analysis, financial sector oversight, and crisis management.

*Source: International Monetary Fund*

COUNTRY RISK WEEKLY BULLETIN

## OMAN

### Banks' ratings upgraded on improved operating conditions and sovereign upgrade

Fitch Ratings upgraded the long-term foreign-currency Issuer Default Rating (IDR) of Bank Muscat (BM) from 'BB+' to 'BBB-' and the long-term IDRs of Ahli Bank Oman (ABO), Bank Dhofar (BD), National Bank of Oman (NBO), and Sohar International Bank (SIB) from 'BB' to 'BB+', and revised the outlook on the banks' long-term IDRs from 'positive' to 'stable'. It attributed the upgrade and the revision of the outlook to the agency's similar action on the sovereign ratings, as well as to the improving probability of government support in case of need. In addition, it upgraded the Viability Ratings (VRs) of BM from 'bb+' to 'bbb-', the ratings of NBO and SIB from 'bb' to 'bb+', while it affirmed the VR of BD at 'bb' and the VR of ABO at 'bb-'. It added that the VRs of the five banks take into account the improved business conditions in the country that will benefit their credit profiles. Also, it pointed out that the ratings of BM, NBO, BD and ABO are supported by their sound funding and good liquidity metrics. It indicated that the VR of NBO is underpinned by the bank's improving asset quality, and that the VRs of ABO, BD and BM are supported by their stable loan quality, while the VR of SIB reflects the decline in its impaired loans. Further, it said that the ratings of BM, BD, NBO and SIB reflect their reasonable capitalization, while the rating of ABO is constrained by its limited capital buffers. In addition, it noted that the VRs of the five banks show the potential support from the Omani authorities in case of need.

*Source: Fitch Ratings*

## BANGLADESH

### Banking sector's country risk assessment maintained

S&P Global Ratings maintained Bangladesh's Banking Industry Country Risk Assessment (BICRA) in 'Group 9'. Also, it maintained the industry risk score at '9', but downgraded the country's economic risk score from '8' to '9'. The BICRA framework evaluates banking systems based on economic and industry risks facing a banking sector, with 'Group 10' including the riskiest sectors. Other countries in the BICRA 'Group 9' are Argentina, Cambodia, Egypt, El Salvador, Kenya, and Mongolia. It said that Bangladesh's economic risk score reflects "extremely high risks" in its credit risks in the economy, "very high risks" in its economic resilience, and "high risks" in its economic imbalances. It projected the sector's non-performing loans ratio to increase from 40.6% as end-2024 to 43% by end-2025 and 42.9% at end-2026. It anticipated a significant improvement in asset quality to depend on broader macroeconomic and political stability, improvement in the governance in the banking sector, and a recovery in the private sector's confidence. Also, it stated that the weak asset quality and capitalization of some banks reflect deficiencies in monitoring practices and in the system's ability to address issues promptly. In parallel, it said that the industry score reflects the country's "extremely high risks" in its institutional framework and competitive dynamics, and "intermediate risks" in its system-wide funding. It indicated that asset classification norms in Bangladesh are weak, primarily due to repeated regulatory forbearance that allows extensive loan restructuring. It added that the trend for the economic and industry risks is 'stable'.

*Source: S&P Global Ratings*

January 8, 2026

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## ENERGY / COMMODITIES

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### Oil prices to average \$60 p/b in first quarter of 2026

The prices of ICE Brent Crude oil front-month future contracts averaged \$68.2 per barrel (p/b) in 2025, constituting a decrease of 14.6% from \$79.9 p/b in 2024, driven by weak demand and oversupply in the global market with rising production by OPEC+ and non-OPEC+ oil production. Also, Brent oil prices reached \$60 p/b on January 7, 2026 and regressed by 1.5% from \$61 p/b at end-2025, amid expectations of ample global supply that outpaces the uncertainties about Venezuela's crude output following the U.S. capture of President Nicolas Maduro. In parallel, Citi Research projected global oil demand to rise from 103.8 million barrels per day (b/d) in 2025 to 104.5 million b/d in 2026, and for global oil supply to increase from 105.3 million b/d in 2025 to 107.1 million b/d this year. Also, it expected oil inventories to rise by 2.2 million b/d in 2026, driven by a 1 million b/d rise in OPEC+ supply and slower non-OPEC growth of 0.3 million b/d. It considered that geopolitics will continue to shape the global oil markets, with the Russia Ukraine conflict likely to persist before a possible settlement by mid-2026. It added that Venezuela faces short term risks but could see a strong rebound in oil supply going forward. Further, it expected geopolitical agreements, weaker Chinese demand, and U.S.-Saudi efforts to lower crude and gasoline prices to weigh on oil prices this year, while actual supply disruptions in the Middle East, Russia, or Latin America to support oil prices in the near term. Further, it projected oil prices to average \$60 p/b in the first quarter of 2026 and \$62 p/b in full year 2026.

Source: Citi Research, LSEG Workspace, Byblos Research

### Iraq's oil exports at 98.7 million barrels in November 2025

Figures issued by the Iraqi Ministry of Oil show that aggregate crude oil exports from Iraq stood at 106.6 million barrels in November 2025, representing a decrease of 4% from 110.9 million barrels in October 2025 and an increase of 7.8% from 98.9 million barrels in November 2024. Exports from the central and southern fields reached 98.7 million barrels in November 2025 compared to 104.8 million barrels in October 2025.

Source: Iraq Ministry of Oil, Byblos Research

### Global steel output up 2.2% in November 2025

Global steel production reached 140.1 million tons in November 2025, constituting decreases of 2.2% from 143.3 million tons in October 2025 and of 4.6% from 146.8 million tons November 2024. Production in China totaled 69.9 million tons and accounted for 50% of global steel output in November 2025, followed by output in India with 13.7 million tons (9.8%), the U.S. and Japan with 6.8 million tons each (4.9% each), and Russia with 5.2 million tons (3.7%).

Source: World Steel Association, Byblos Research

### OPEC oil output nearly unchanged in October 2025

Figures issued by the Iraqi Ministry of Oil show that aggregate crude oil exports from Iraq stood at 106.6 million barrels in November 2025, representing a decrease of 4% from 110.9 million barrels in October 2025 and an increase of 7.8% from 98.9 million barrels in November 2024. Exports from the central and southern fields reached 98.7 million barrels in November 2025 compared to 104.8 million barrels in October 2025.

Source: Iraq Ministry of Oil, Byblos Research

### Base Metals: Copper prices to average \$12,000 per ton in first quarter of 2026

LME copper cash prices averaged \$9,955.5 per ton in 2025, constituting an increase of 8.8% from an average of \$9,146.6 a ton in 2024. Prices averaged \$9,336.5 per ton in the first quarter of 2025, and increased to \$9,508 a ton in the second quarter, to \$9,814 per ton in the third quarter and to \$11,138 a ton in the fourth quarter of 2025, due to stronger global demand, supply constraints from major copper mines, and higher input costs. In parallel, Citi Research projected the global production of refined copper at 27.1 million tons in 2026, which would constitute an uptick of 0.7% from 26.9 million tons in 2026, with mine output representing 86.1% of the global production of refined copper this year. In addition, it expected global demand for refined copper at 27.4 million tons in 2026, which would represent an increase of 2.5% from 26.74 million tons in 2025. In its bull case scenario, it expected copper prices to average \$13,000 per ton in the first quarter of 2026 in case of a soft landing of the U.S. economy, a weaker exchange rate of the US dollar as a result of U.S. Federal Reserve rate cuts, and a strong cyclical recovery. In its bear case scenario, it forecast copper prices to average \$9,500 a ton in 2026 in case U.S. stagflation persists along with an increase in the U.S. Federal Reserve's policy rates, and stalling China export of copper demand. In its base case scenario, it anticipated copper prices to average \$13,000 a ton in the second quarter of 2026, if institutional investor demand for copper serves as a proxy for stronger global economic growth expectations amid a soft U.S. landing. Further, it expected copper prices to average \$12,000 per ton in the first quarter of 2026.

Source: Citi Research, LSEG workspace, Byblos Research

### Precious Metals: Silver prices to average \$60 per ounce in first quarter of 2026

Silver prices averaged \$40.1 per troy ounce in 2025, constituting an increase of 42% from an average of \$28.3 an ounce in 2024. Prices averaged \$32.3 an ounce in the first quarter of 2025, and rose to \$33.6 per ounce in the second quarter, to \$39.5 per ounce in the third quarter, and to \$54.6 per ounce in the fourth quarter of the year. The surge in the metal's prices was due to a rise in industrial demand, especially from the solar and electronics sectors, to investor interest amid economic uncertainties and global supply constraints, as well as to geopolitical instability that reinforced the appeal of the metal as a safe haven for investors. In parallel, Citi Research projected the global supply of silver at 1,048 million ounces in 2026, which would constitute a rise of 0.8% from 1,040 million ounces in 2025. Also, it expected demand for the metal at 1,201 million ounces in 2026, which would represent a decrease of 7.7% from 1,301 million ounces in 2025. Further, in its bear case scenario, it projected silver prices to decline to \$40 per ounce by the end of 2026, due to expectations of a further slowdown in solar panels production, tighter-than-anticipated monetary policy by the U.S. Federal Reserve, a decline in geopolitical tensions, and to the substantial weakening of demand for the metal from China and India. In its bull case scenario, it expected silver prices to rise to \$72 per ounce in the first quarter of 2026, driven by expectations of a potential U.S. hard landing and stagflation risks, larger-than-expected interest rate cuts by the U.S. Federal Reserve, U.S. tariffs on silver imports, and an escalation in geopolitical tensions. Further, it anticipated silver prices to rise to \$62 per ounce within the next three months under its base case scenario, in case of strong investment demand for the metal and constrained supply conditions. Also, it forecast silver prices to average \$60 per ounce in the first quarter of 2026.

Source: Citi Research, LSEG workspace, Byblos Research

# COUNTRY RISK METRICS

Countries	LT Foreign currency rating				General gvt. balance/ GDP (%)	Gross Public debt (% of GDP)	Usable Reserves / CAPs* (months)	Short-Term External Debt by Rem. Mat./ CARs	Gvt. Interest Exp./ Rev. (%)	Gross Ext. Fin. needs / (CAR + Use. Res.) (%)	Current Account Balance / GDP (%)	Net FDI / GDP (%)
	S&P	Moody's	Fitch	CI								
Africa												
Algeria	-	-	-	-								
	-	-	-	-	-3.7	56.9	-	-	-	-	-3.2	0.4
Angola	B-Stable	B3 Stable	B-Stable	-	-1.0	62.06	4.7	52.2	25.9	105.8	2.7	-2.7
Egypt	B Stable	Caa1 Positive	B Stable	B Stable	-4.6	73.3	2.7	97.3	14.6	179.1	-18.5	16.4
Ethiopia	SD-	Caa3 Stable	CCC-	-	-2.5	22.0	0.5	32.1	5.9	158.7	-3.1	1.8
Ghana	B 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	BBB-Stable	Ba1 Stable	BB+	-	-4.1	65.8	4.9	30.4	7.3	94.0	-1.4	0.5
Nigeria	B-Positive	Caa1 Positive	B Stable	-	-5.6	41.2	4.1	71.2	28.9	126.8	0.6	0.1
Sudan	-	-	-	-	-5.0	91.0	-	-	-	-	-5.0	0.2
Tunisia	-	Caa1 Stable	B-Stable	-	-5.6	88.7	-	-	26.1	-	-2.7	-1.1
Burkina Faso	CCC+	-	-	-								
	Stable	-	-	-	-5.8	58.0	1.2	59.0	11.4	156.8	-5.4	0.5
Rwanda	B+ Stable	B2 Stable	B+ Stable	-	-4.6	69.5	3.5	19.8	9.5	111.5	-11.7	3.7
Middle East												
Bahrain	B Stable	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	AA-Stable	A1 Stable	AA-Stable	A+ Stable	-3.9	5.2	2.2	45.3	0.4	107.9	15.4	-4.8
Lebanon	SD-	C-	RD**	-	0.0	213.0	8.8	181.1	9.0	160.6	-20.1	2.8
Oman	BBB-Stable	Baa3 Stable	BBB-Stable	BBB-Positive	-7.3	51.7	4.4	26.0	6.5	101.2	-8.3	2.1
Qatar	AA Stable	Aa2 Stable	AA Stable	AA Stable	4.0	47.7	2.2	115.4	5.0	168.0	16.7	-0.2
Saudi Arabia	A+ Stable	A1 Positive	A+ Stable	AA-Stable	-2.8	24.6	10.3	25.3	3.5	67.7	-0.2	0.5
Syria	-	-	-	-								
	-	-	-	-	-	49.0	-	-	-	-	-15.5	-
UAE	AA Stable	Aa2 Stable	AA-Stable	AA-Stable	5.5	29.9	-	-	4.3	-	6.8	-2.0
Yemen	-	-	-	-								
	-	-	-	-	-2.7	50.7	-	-	-	-	-19.2	-2.3

# COUNTRY RISK METRICS

Countries	LT Foreign currency rating				General gvt. balance/ GDP (%)	Gross Public debt (% of GDP)	Usable Reserves / CAPs* (months)	Short-Term External Debt by Rem. Mat./ CARs	Gvt. Interest Exp./ Rev. (%)	Gross Ext. Fin. needs / (CAR + Use. Res.) (%)	Current Account Balance / GDP (%)	Net FDI / GDP (%)
	S&P	Moody's	Fitch	CI								
Asia												
Armenia	BB- Stable	Ba3 Stable	BB- Stable	B+ Positive	-4.6	49.8	2.0	29.6	11.5	114.7	-3.1	2.2
China	A+ Stable	A1 Negative	A+ Stable	- -	-3.0	65.2	10.9	20.6	5.8	60.9	2.3	0.7
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	B- Stable	Caa1 Stable	B- Stable	- -	-7.5	71.3	0.7	34.9	55.9	133.4	-1.3	0.4
Bangladesh	B+ Stable	B2 Negative	B+ Stable	- -	-4.8	32.1	3.8	29.0	29.0	102.8	-1.5	0.4
Central & Eastern Europe												
Bulgaria	BBB Positive	Baa1 Stable	BBB Positive	- -	-2.5	24.5	2.0	19.5	1.5	102.8	-0.5	2.0
Romania	BBB- Stable	Baa3 Stable	BBB- Stable	- -	-7.3	51.7	4.4	25.9	6.5	101.2	-8.3	2.1
Russia	- -	- -	- -	- -	-	18.2	18.0	23.6	4.4	45.0	12.1	-0.7
Türkiye	BB- Stable	B03 Stable	BB- Stable	BB- Stable	-5.1	27.0	1.4	63.6	10.8	149.0	-1.2	0.4
Ukraine	CC Negative	Ca Stable	CC -	- -	-17.0	91.6	4.6	40.7	10.1	108.	-6.6	1.4

\*Current account payments

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

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



## SELECTED POLICY RATES

	Benchmark rate	Current (%)	Last meeting Date	Action	Next meeting
USA	Fed Funds Target Rate	3.75	10-Dec-25	Cut 25bps	28-Jan-26
Eurozone	Refi Rate	2.15	18-Dec-25	No change	05-Feb-26
UK	Bank Rate	3.75	18-Dec-25	Cut 25bps	05-Feb-26
Japan	O/N Call Rate	0.75	19-Dec-25	Raised 25bps	23-Jan-26
Australia	Cash Rate	3.60	09-Dec-25	No change	03-Feb-26
New Zealand	Cash Rate	2.25	26-Nov-25	Cut 25bps	19-Feb-26
Switzerland	SNB Policy Rate	0.00	11-Dec-25	No change	19-Mar-26
Canada	Overnight rate	2.25	10-Dec-25	No change	28-Jan-26
<b>Emerging Markets</b>					
China	One-year Loan Prime Rate	3.00	20-Dec-25	No change	20-Jan-26
Hong Kong	Base Rate	4.00	11-Dec-25	Cut 25bps	N/A
Taiwan	Discount Rate	2.00	18-Dec-25	No change	N/A
South Korea	Base Rate	2.50	27-Nov-25	No change	15-Jan-26
Malaysia	O/N Policy Rate	2.75	06-Nov-25	No change	22-Jan-26
Thailand	1D Repo	1.25	17-Dec-25	Cut 25bps	25-Feb-26
India	Repo Rate	5.25	05-Dec-25	Cut 25bps	06-Feb-26
UAE	Base Rate	3.65	10-Dec-25	Cut 25bps	N/A
Saudi Arabia	Repo Rate	4.25	10-Dec-25	Cut 25bps	N/A
Egypt	Overnight Deposit	21.00	20-Nov-25	No change	25-Dec-25
Jordan	CBJ Main Rate	6.00	02-Nov-25	Cut 50bps	N/A
Türkiye	Repo Rate	38.00	11-Dec-25	Cut 150bps	22-Jan-26
South Africa	Repo Rate	6.75	20-Nov-25	Cut 25bps	29-Jan-26
Kenya	Central Bank Rate	9.00	09-Dec-25	Cut 25bps	24-Jan-26
Nigeria	Monetary Policy Rate	27.00	25-Nov-25	No change	N/A
Ghana	Prime Rate	18.00	26-Nov-25	Cut 350bps	28-Jan-26
Angola	Base Rate	18.50	18-Nov-25	Cut 50bps	14-Jan-26
Mexico	Target Rate	7.25	06-Nov-25	Cut 25bps	18-Dec-25
Brazil	Selic Rate	15.00	05-Nov-25	No change	N/A
Armenia	Refi Rate	6.50	16-Dec-25	Cut 25bps	03-Feb-26
Romania	Policy Rate	6.50	12-Nov-25	No change	19-Jan-26
Bulgaria	Base Interest	1.80	03-Nov-25	Cut 1bp	N/A
Kazakhstan	Repo Rate	18.00	28-Nov-25	No change	23-Jan-26
Ukraine	Discount Rate	15.50	11-Dec-25	No change	29-Jan-26
Russia	Refi Rate	16.00	19-Dec-25	Cut 50bps	20-Mar-26





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