

COUNTRY RISK WEEKLY BULLETIN

NEWS HEADLINES

WORLD

Global bond issuance up 11% to \$10.3 trillion in 2025

S&P Global Ratings indicated that the global issuance of corporate bonds, U.S. public finance bonds, other international public finance bonds and structured finance products totaled \$10.3 trillion (tn) in 2025, constituting an increase of 10.8% from \$9.3tn in 2024 and compared to \$7.7tn in 2023, \$7.3tn in 2022, \$9.15tn in 2021, and \$8.5tn in 2020. It attributed the rise in bond output to a surge of 17% in the issuance of non-financial corporate bonds, an increase of 12.8% in the output of U.S. public finance bonds, a rise of 10.6% in new structured finance products, a growth of 8% in the issuance of financial corporate bonds, and an uptick of 5.7% in new international public finance bonds. It noted that financial institutions issued \$3.56tn in new bonds, which accounted for 34.6% of bond issuance in 2025, followed by non-financial institutions with \$3.31tn in new bonds (32.1%), while the issuance of investor-placed structured finance bonds reached \$1.45tn (14.1%), international public finance bonds stood at \$1.43tn (13.9%), and U.S. public finance bonds totaled \$578.6bn (5.6%). Further, it projected the aggregate issuance of bonds globally at \$10.8tn in 2026, which would constitute an increase of 4.8% from the previous year. It forecast financial institutions to issue \$3.75tn or 34.8% of bond output in 2026, followed by non-financial institutions with \$3.47tn in new bonds (32.2%), investor-placed structured finance bonds with \$1.53tn (14.2%), international public finance bonds with \$1.43tn (13.2%), and U.S. public finance bonds with \$601.7bn (5.6%).

Source: S&P Global Ratings

SAUDI ARABIA

Venture capital funding up 145% to \$1.7bn in 2025

Figures released by online platform Magnitt show that venture capital (VC) funding in Saudi Arabia reached \$1.72bn in 2025, constituting increases of 145.4% from \$701m in 2024 and of 25.7% from \$1.37bn in 2023. Saudi Arabia accounted for 45% of aggregate VC funding in the Middle East and North Africa region's in 2025, constituting the highest share in the region. Further, there were 257 deals in the Kingdom in 2025, up by 45.2% from 177 investments in 2024 and by 60.6% from 160 transactions in 2023. In parallel, VC investments in fintech firms amounted to \$506m and accounted for 29.4% of aggregate VC investments in Saudi Arabia in 2025, followed by investments in the e-commerce & retail sector with \$392m (22.8%), the gaming industry with \$107m (6.2%), the transport and logistics sector with \$94m (5.5%), and the travel & tourism industry with \$80m (4.7%). Also, there were 55 investments in fintech companies, or 21.4% of the aggregate number of deals in the covered period, followed by the enterprise software sector with 40 transactions (15.6%), the e-commerce & retail industry with 25 deals (9.7%), the information technology solutions sector with 20 investments (7.8%), and the transport & logistics sector with 19 transactions (7.4%). In parallel, there were 10 exits from VC investments in 2025 compared to eight exits in 2024 and seven exits in 2023.

Source: Magnitt, Byblos Research

MENA

Level of readiness for frontier technologies varies across region

The United Nations Conference on Trade and Development (UNCTAD) ranked the UAE in 35th place among 170 countries around the world and in first place among 18 Arab economies on its Readiness for Frontier Technologies Index for 2025. Saudi Arabia followed in 50th place, then Kuwait (56th), Bahrain (65th), and Jordan (68th) as the Arab countries with the highest readiness for frontier technologies; while Iraq (116th), Djibouti (127th), Mauritania (146th), Sudan (163rd), and Yemen (164th) were the lowest-ranked Arab economies. The index assesses the readiness of countries on the equitable use, adoption, and adaptation of frontier technologies. It covers a country's national technological capacities that are related to investments in the infrastructure of the Information & Communication Technology (ICT) sector, to its human capital, and to the level of research and development (R&D). It is based on nine indicators that are grouped into five categories, which are ICT deployment, Skills, R&D, Industry Activity, and Access to Finance. In parallel, the Arab region's average score stood at 0.464 points relative to 0.49 points in the 2024 index and compared to the global average score of 0.501 points. Also, the Arab region's average score came higher than the average scores of South Asia (0.4 points) and Sub-Saharan Africa (0.25 points), but lower than the average scores of North America (0.95 points), Europe & Central Asia (0.71 points), East Asia & Pacific (0.57 points), and Latin America & the Caribbean (0.47 points). The UAE came in first place regionally on the Skills and Industry Activity categories, while Saudi Arabia ranked first on the R&D indicator. Qatar came in first place among Arab countries on the ICT deployment category, while Lebanon ranked first on the Access to Finance category.

Source: UNCTAD, Byblos Research

Stock markets up 3% in January 2026

Arab stock markets increased by 3%, while Gulf Cooperation Council equity markets grew by 1.2% in January 2026 relative to increases of 1.1% and 0.7%, respectively, in January 2025. In comparison, global equity markets increased by 3% and emerging market equities rose by 8.8% in January 2026, relative to decreases of 5.8% and 1.1%, respectively, in January 2025. Activity on the Egyptian Exchange surged by 14.2% in January 2026, the Saudi Stock Exchange appreciated by 8.5%, the Muscat Securities Market advanced by 8%, the Tunis Bourse improved by 6.7%, and the Dubai Financial Market expanded by 6.4%. Also, the Qatar Stock Exchange grew by 5.1% during the covered month, the Palestine Exchange yielded 4.7%, the Abu Dhabi Securities Exchange gained 3%, and the Damascus Securities Exchange, based on the official stock market index, increased by 0.4%. In contrast, the Beirut Stock Exchange dropped by 8.7% in January 2026, the Boursa Kuwait declined by 3.8%, the Iraq Stock Exchange decreased by 3%, the Amman Stock Exchange contracted by 2.2%, the Bahrain Bourse retreated by 1.1%, and the Casablanca Stock Exchange regressed by 1%. In parallel, the Tehran Stock Exchange decreased by 1.5% in the covered month.

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

OUTLOOK

WORLD

Geo-economic confrontation is top risk in 2026-27 period

The World Economic Forum's (WEF) Global Risks Perception Survey for 2026 indicated that respondents identified "geo-economic confrontation" as the top risk among 33 risk factors that the global economy will face in the 2026-27 period, followed by "misinformation and disinformation", "societal polarization", "extreme weather events", "state-based armed conflict", "cyber insecurity", "inequality", "erosion of human rights and/or of civic freedoms", "pollution", and "involuntary migration or displacement". Further, it noted that respondents identified "geo-economic confrontation" as the top-ranked risk this year, while they picked it as the eighth most important risk in the previous survey.

In addition, the survey revealed that 48% of respondents expected geopolitical tensions to be the most likely factor to trigger a material crisis on a global scale in the coming two years, while 33% considered that societal risks are a key concern, 32% anticipated environmental challenges to pose the most significant threat worldwide, 28% cited economic challenges as the most likely issue to cause a material crisis globally, and 22% expected that technological threats will pose the most significant material risks globally in the 2026-27 period.

Further, the results show that 42% of respondents believed that the world will face major disruptions and high risks of global disasters in the 2026-27 period, while 40% expected instability with moderate risks, 9% anticipated a stable outlook during the covered period, 8% thought significant global risks would emerge during the 2026-27 timeframe, and only 1% foresaw a calm future with minimal risks two years from now. The WEF conducted the survey between August and September 2025 and covered 1,302 experts across governments, international organizations, civil society, academia, and businesses worldwide.

Source: World Economic Forum

MENA

Real GDP growth rate to average 3.8% in 2026-27 period, risks tilted to the downside

The World Bank projected the real GDP growth rate of the Middle East & North Africa (MENA) region to accelerate from 3% in 2025 to 3.6% in 2026 and 3.9% in 2027, driven by rising growth in oil-exporting economies, as it anticipated the increase in oil production to outweigh the impact of lower oil prices. Also, it expected the pick-up in exports and in private investments to support economic activity across the MENA region in the near term. But it revised marginally downward its growth forecast for the region from 3.7% in 2026 and 4.1% in 2027 to reflect the more limited increase in oil output in the 2026-27 period. As such, it expected the real GDP growth rate of the region's oil-exporting countries at 3.4% in 2026, down from 3.7% in its June forecasts, and for activity in Gulf Cooperation Council (GCC) countries at 4.4% this year relative to 4.5% in its June forecast. Also, it projected the real GDP growth rate of the MENA's oil-importers at 3.9% in 2026, up from its earlier forecast of 3.6%.

Further, it expected fiscal positions across the MENA region to improve modestly in the 2026-27 period, even though the deficits of non-GCC oil exporters will remain wide, reflecting subdued

oil exports and spending pressures in several economies. Also, it forecast fiscal deficits in the region's oil importers to narrow in the covered period due to contractionary policies, mainly in Egypt, Morocco, Tunisia, and the West Bank & Gaza, among others. It also expected the GCC countries' fiscal deficits to shrink in the 2026-27 period amid higher oil production and tax reforms. In addition, it anticipated the MENA region to maintain current account surpluses in the 2026-27, with improving trade balances on increased oil exports in the GCC.

In parallel, it considered that the risks to the MENA growth outlook are tilted to the downside and include a re-escalation of armed conflicts in the region, heightened trade policy uncertainties, and tightening global financial conditions. But it said that upside risks include larger-than-expected technology-related productivity gains and a further commitment to structural reforms.

Source: World Bank

BANGLADESH

Macroeconomic outlook contingent on reforms and fiscal discipline

The International Monetary Fund considered that Bangladesh's economy continues to face multiple macroeconomic and financial challenges, but it projected the country's real GDP growth rate to accelerate from 3.7% in the fiscal year that ended in June 2025 to 4.7% in each of FY2025/26 and FY2026/27, and to average 5.4% in the 2028-30 period, driven by the execution of new infrastructure projects, and policies to address the financial sector's vulnerabilities. But it said that weak revenue mobilization, banking sector vulnerabilities, the incomplete implementation of the new exchange rate framework, and elevated inflation rates are weighing on macroeconomic stability. Further, it anticipated the inflation rate to remain elevated but to regress from 8.9% in FY2025/26 to 6% in FY2026/27 and to average 5.4% in the 2028-30 period. As such, it called on the authorities to maintain a tight monetary policy in order to reduce the inflation rate.

Further, it projected the fiscal deficit to widen from 4.3% of GDP in FY2025/26 to 4.7% of GDP in FY2026/27 and to average 5.6% of GDP in the 2028-30 period, and forecast the public debt level at 42.4% of GDP at end-June 2026 and 43.4% of GDP at end-June 2027. As such, it called for fiscal consolidation through raising tax revenues and limiting non-essential expenditures. In addition, it forecast the current account deficit at 0.3% of GDP in FY2025/26 and 0.6% of GDP in FY2026/27 due to higher imports that will more than offset the increase in exports of the non-ready-made garments. It said the recent measures by the authorities to realign the exchange rate regime to a crawling peg and the transition to a flexible exchange rate regime would boost foreign currency reserves. As such, it expected the reserves to increase from \$26.7bn at end-June 2025 to \$30.8bn at end-June 2026 and \$35.8bn at end-June 2027.

In parallel, it considered that risks to the outlook are tilted to the downside and include delays in the timely implementation of financial and fiscal reforms, slippages in the execution of the new exchange rate arrangement, declines in foreign currency reserves, delays in addressing the banking sector's weaknesses, tightening credit conditions, social unrest, declining international aid, geopolitical tensions, and volatile commodity markets.

Source: International Monetary Fund

February 5, 2026

ECONOMY & TRADE

AFRICA

More than 80% of sovereigns have sub-investment grade ratings at end-2025

S&P Global Ratings indicated that out of the 27 sovereigns that it rates in Africa, 15% of them, had an investment grade rating, while 23 sovereigns, or the balance of 85%, carried below investment grade ratings at the end of 2025. It said that 52% of rated sovereigns were in the 'B'-rated category at the end of 2025, 22.2% stood in the 'CCC' bracket and below, 14.8% were in the 'BBB' segment, and 11.1% stood in the 'BB' category. In parallel, it noted that there were 18 'stable' outlooks, five 'positive' outlooks, and two 'negative' outlooks on the sovereign ratings, while Ethiopia had a 'non-meaningful' outlook as a result of defaulting on its financial obligations and Senegal carried a 'CreditWatch developing' outlook, which signals that the agency could lower the sovereign's ratings if the government is unable to refinance its upcoming commercial maturities on time and in full. Further, it said that the average sovereign credit rating declined from about 'BB-' at the end of 2010 to 'B' at end-2025, while the average sovereign rating, weighted by GDP, declined from about 'BB' to 'B' during the same timeframe. It pointed out that it upgraded the ratings of Egypt, Ghana, Kenya, Morocco, South Africa, Togo and Zambia by one notch; and downgraded the ratings of Botswana and Senegal by one spot in 2025. Also, it revised the outlook to 'positive' on the ratings of Cape Verde, Nigeria, South Africa and Uganda; and revised the outlooks from 'stable' to 'negative' on the ratings of Botswana and Mozambique.

Source: S&P Global Ratings

GCC

Agency takes rating actions on sovereigns

Capital Intelligence Ratings affirmed Kuwait's short- and long-term foreign and local currency ratings at 'A1/A+' and maintained the 'stable' outlook on the long-term ratings. It said that the ratings are supported by very strong external finances, including elevated current account surpluses, the substantial financial assets of the Future Generations Fund, large hydrocarbon reserves, very high GDP per capita, the very low level of the central government's debt, and a resilient banking sector. But it noted that the ratings are constrained by the country's heavy reliance on hydrocarbons, high geopolitical risks, a weak budget structure, the slow pace of reforms, a moderately weak institutional strength, and low policy transparency. Further, it said that it could downgrade the ratings if the public and external finances deteriorate and/or in case of a significant increase in geopolitical risk factors. In parallel, it affirmed the short- and long-term foreign and local currency ratings of Qatar at 'A1+' and 'AA-', respectively, and maintained the 'stable' outlook on the long-term ratings. It noted that the ratings reflect the country's robust fiscal and external balances that are supported by favorable liquefied natural gas prices and increasing production, its capacity to absorb external or financial shocks due to its comfortable net external creditor position and the sovereign's large portfolio of foreign assets, significant hydrocarbon reserves, very high GDP per capita, and adequate official foreign currency reserves. But it said that the ratings are constrained by the economy's dependence on hydrocarbons, moderate institutional strength, reliance on cross-border funding in the banking system, and elevated geopolitical risks.

Source: Capital Intelligence Ratings

EGYPT

External funding needs at \$56.7bn in 2026-28 period

Goldman Sachs projected Egypt's external financing requirements at \$19.87bn in the fiscal year that ends in June 2026, and at \$16.91bn in FY2026/27 and \$19.9bn in FY2027/28, compared to \$23.7bn in FY2024/25. It indicated that Egypt needs to cover medium- and long-term external debt payments of \$9bn in FY2025/26, \$11bn in FY2026/27, and \$12bn in FY2027/28. Further, it projected the funding gap at \$3.39bn in FY2025/26, \$347m in FY2026/27, and \$582m in FY2027/28. It expected that the authorities will source their external funding needs in the FY2025/26-FY2027/28 period from \$50.1bn in foreign direct investments (FDI), \$15.6bn in portfolio inflows, and \$17.1bn in medium- and long-term borrowing. It estimated that the country will cover its funding gap during the covered period with \$5bn in loans and facilities from the International Monetary Fund and third parties, as well as from \$4bn in proceeds from the sale of state assets. Also, it forecast the residual funding gap at \$4.68bn in the three-year period. As such, it projected the current account deficit at 2.6% of GDP in FY2025/26, at 1.3% of GDP in FY2026/27, and at 1.6% of GDP in FY2027/28. In parallel, it considered that the narrowing of the current account deficit, rising FDI inflows and substantial external support should keep the external financing outlook comfortable.

Source: Goldman Sachs

TÜRKIYE

Outlook on sovereign ratings revised to 'positive' on declining external vulnerabilities

Fitch Ratings affirmed Türkiye's short- and long-term foreign currency issuer default rating (IDR) at 'B' and 'BB-', respectively, which is three notches below investment grade, and affirmed the Country Ceiling at 'BB-'. Also, it revised the outlook on the long-term ratings from 'stable' to 'positive'. It said that the outlook revision reflects the decline in external vulnerabilities, due to a faster-than-expected rise in foreign currency reserves, the improved quality of reserves, lower contingent foreign currency liabilities, the ongoing relatively tight macroeconomic policies, and reduced risks of significant policy loosening. Also, it stated that the ratings are supported by the country's large and diversified economy, low public debt level, and a track record of sustained access to external financing. In contrast, it noted that the ratings are constrained by high inflation rates, weaker governance compared to peers, and political interference in monetary policy. Also, it indicated that foreign currency reserves reached \$205bn at mid-January 2026 relative to \$155bn at end-2024, driven by capital inflows, higher gold prices, and lower dollarization rates. In addition, it expected foreign currency reserves to be equivalent to 4.4 months of current external payments in 2027, which is below the median of 5.1 months of 'BB'-rated peers. In parallel, the agency noted that it could downgrade the ratings if inflationary pressures and balance-of-payments and macro-financial risks increase, if international reserves decline, and/or in case of a deterioration in domestic political or security conditions. But it said that it could upgrade the ratings if the inflation rate declines significantly, if the sovereign's external buffers strengthen, and/or the risk of a domestic political shock recedes.

Source: Fitch Ratings

BANKING

UAE

Agencies take rating actions on banks

Fitch Ratings affirmed the long-term Issuer Default Rating (IDR) of Emirates Development Bank (EDB) at 'AA-', the rating of Commercial Bank of Dubai (CBD) at 'A-', and the IDRs of the National Bank of Ras Al-Khaimah (RAK Bank) and Sharjah Islamic Bank (SIB) at 'BBB+', and maintained the 'stable' outlook on the long-term ratings of the banks. It attributed the affirmation of the IDRs to the strong probability of government support in case of need. Also, it assigned to the Arab Bank for Investment and Foreign Trade (Al Masraf) a senior unsecured long-term rating of 'A' and a short-term rating of 'F1', in line with the bank's long-term IDR of 'A'. Further, it affirmed the Viability Rating (VR) of RAK Bank at 'bbb-', the VR of CBD at 'bb+', and the VR of SIB at 'bb'. It pointed out that the ratings of CBD, EDB, RAK Bank, and SIB are underpinned by their stable funding profiles, adequate liquidity, and improving asset quality metrics. It noted that the ratings of EDB and SIB are supported by their high capitalization, while the VRs of CBD and RAK Bank reflect their satisfactory capital ratios. It noted that the VRs of CBD, SIB, and RAK Bank take into account their healthy profitability metrics. In parallel, Capital Intelligence Ratings affirmed the long-term foreign currency rating of Emirates NBD (ENBD) and Abu Dhabi Commercial Bank (ADCB) at 'A+'. Also, it affirmed the Bank Standalone Rating (BSR) of ADCB at 'bbb+' and the BSR of ENBD at 'bbb', and maintained the 'stable' outlook on the ratings of the two banks. It pointed out that high levels of capitalization, relatively low non-performing loans, sound liquidity, and good profitability metrics support the banks' BSRs.

Source: Fitch Ratings, Capital Intelligence Ratings

KUWAIT

Low risks to banking system funding

S&P Global Ratings maintained Kuwait's banking sector in 'Group 4' under its Banking Industry Country Risk Assessment (BICRA), with an economic risk score of '5' and an industry risk score of '4'. The BICRA framework evaluates global banking systems based on economic and industry risks facing the banking sector, with 'Group 10' including the riskiest sectors. Other countries in BICRA's 'Group 4' consist of Iceland, Israel, Italy, Malaysia, New Zealand, Poland, Portugal, Saudi Arabia, Slovenia, and Taiwan. It indicated that the economic risk score of the Kuwaiti banking sector reflects "intermediate risks" in economic imbalances and in credit risks in the economy, as well as "high risks" in economic resilience. It expected the improved activity in the non-hydrocarbon sector and lower interest rates to support lending growth, and forecast the sector's non-performing loans ratio at 1.5% at end-2026 and 1.4% at end-2027. But it noted that Kuwaiti banks continue to face elevated sector and single-name concentration risks due to the structure of the economy and the limited contribution of the private sector to economic growth. In parallel, it pointed out that the industry score reflects the country's "low risks" in its system-wide funding, "intermediate risks" in its competitive dynamics, and "high risks" in its institutional framework. Also, it said that the banking sector has a good institutional framework and sound funding conditions due to a strong core customer deposit base and a net external asset position. It noted that the trend for the economic and industry risks is 'stable'.

Source: S&P Global Ratings

ARMENIA

Banks' ratings affirmed

Fitch Ratings affirmed the long-term foreign currency Issuer Default Ratings (IDRs) of ACBA Bank (ACBA) and Ardshinbank at 'BB-', and the IDRs of Armeconombank (AEB) and Evocabank at 'B+'. Also, it revised the outlook on the long-term IDR of Ardshinbank from 'stable' to 'positive' and maintained the 'stable' outlook on the long-term IDRs of ACBA, AEB, and Evocabank. It attributed the affirmation of the banks' IDRs to their strong stand-alone credit strength and to solid economic growth in Armenia. Further, it attributed the change in Ardshinbank's outlook to the bank's material and sustained improvement in its business and financial profile in recent years, as well as to its strong position relative to domestic peers, supported by its leading market share and exceptionally strong profitability, robust internal capital generation, and high growth potential. In addition, it affirmed the Viability Ratings (VRs) of ACBA and Ardshinbank at 'bb-', and the VRs of AEB and Evocabank at 'b+'. It said that the VRs of ACBA and Evocabank are supported by their stable loan quality, while the VR of Ardshinbank reflects the bank's improved asset quality, and the VR of AEB is constrained by the bank's low impairment ratio. It pointed out that the VR of Evocabank takes into account its high capital buffers, while the VRs of ACBA, Ardshinbank, and AEB are supported by their comfortable capitalization. It noted that the VRs of ACBC, Ardshinbank and Evocabank are underpinned by their ample liquidity buffers, while the VR of AEB is constrained by its tight liquidity metrics.

Source: Fitch Ratings

ETHIOPIA

Capital adequacy ratio at 18.2%, NPLs ratio at 3.9% at end-September 2025

The International Monetary Fund indicated that the capital adequacy ratio of the Ethiopian banking sector reached 18.2% at the end of September 2025 compared to 17.9% at end-September 2024. It noted that the banks' liquid assets were equivalent to 25% of the sector's total assets at end-September 2025 relative to 18.7% at end-September 2024, while they were equivalent to 31.8% of the sector's aggregate deposits at the end of September 2025 compared to 23.8% a year earlier. Also, it said that the sector's non-performing loans ratio (NPLs) stood at 3.9% at end-September 2025 relative to 4.3% at end-2024 and to 5.5% at end-September 2024, excluding the elevated non-performing debt of state-owned enterprises; while NPLs net of provisions stood at 0.6% of capital at end-September 2025 compared to 0.1% at end-2024 and 0.6% at end-September 2024. In parallel, it pointed out that the banks' return on assets was 4.2% in September 2025 on an annualized basis relative to 1.3% in 2024, while their return on equity stood at 45% in September 2025 on an annualized basis compared to 14.7% in 2024. Also, it pointed out that the National Bank of Ethiopia (NBE) plans to develop a roadmap to deepen the interbank foreign currency market, including by establishing an inter-dealer trading platform by end-September 2026.. It added that the authorities' decision to open the banking sector to foreign participation constitutes a decisive measure to help address long-standing weaknesses in the scope, depth and accessibility of modern financial services in the country. In parallel, the NBE indicated that there are 32 banks currently operating in the country.

Source: International Monetary Fund, National Bank of Ethiopia



ENERGY / COMMODITIES

Oil prices to average \$62 p/b in first quarter of 2026

The price of ICE Brent Crude oil front-month futures contracts averaged \$64.6 per barrel (p/b) in January 2026, constituting an increase of 4.7% from an average of \$61.7 p/b in December 2025, driven by stronger growth in demand for oil globally and tighter supply discipline from the OPEC+ coalition. Also, Brent prices stood at \$67.3 p/b on February 3, 2026 and decreased by 4.8% from end-January 2026 following a de-escalation of tensions between the U.S. and Iran, as the two countries announced plans to resume talks on a nuclear deal. In parallel, Standard Chartered Bank (SCB) expected oil prices to decrease to the low-to-mid \$60 p/b, even though oil price volatility may rise due to risks on both supply and demand. Also, it anticipated global oil demand to pick up in the near term, especially in China, supported by the government's stimulus after long periods of monetary easing. Further, it noted that, in its latest meeting on February 1, the OPEC+ coalition confirmed its earlier decision to pause the production increase in the first quarter of 2026. SCB added that Kazakhstan announced it will raise its February production cut from 569,000 barrels per day (b/d) to 629,000 b/d, while Iraq said that it would reduce its output by 20,000 b/d in February 2026. But it expected the OPEC+ coalition to restart its gradual production increases in the second quarter of 2026 if oil prices hold steady and global sentiment improves, which would also point to limited spare capacity in certain regions. In parallel, it projected oil prices to average \$62 p/b in the first quarter of 2026.

Source: Standard Chartered Bank, LSEG Workspace, Byblos Research

Saudi Arabia's oil export receipts at \$18.7bn in October 2025

Oil exports from Saudi Arabia totaled 8.5 million barrels per day (b/d) in October 2025, representing increases of 5.5% from 8.06 million b/d in September 2025 and of 16% from 7.33 million b/d in October 2024. Oil export receipts reached \$18.7bn in October 2025, up by 1.1% from \$18.5bn in September 2025 and by 4% from \$18bn in October 2024.

Source: OPEC

Algeria's oil exports down 6.7 % in October 2025

Crude oil production in Algeria reached 965,000 barrels per day (b/d) in October 2025, constituting an uptick of 0.5% from 960,000 b/d in September 2025. Further, aggregate crude oil exports stood at 378,000 b/d in October 2025 and decrease by 6.7% from 405,000 b/d in September 2025.

Source: JODI, Byblos Research

ME&A's oil demand to increase by 2.3% in 2026

The Organization of Petroleum Exporting Countries projected the consumption of crude oil in the Middle East & Africa to average 14.13 million barrels per day (b/d) in 2026, which would constitute an increase of 2.3% from 13.81 million b/d in 2025. The region's demand for oil would represent 23.4% of consumption in non-OECD countries and 13.3% of global consumption in 2026.

Source: OPEC

Base Metals: Aluminum prices to average \$2,900 per ton in first quarter of 2026

The LME cash price of aluminum averaged \$2,631 per ton in 2025, constituting an increase of 8.7% from an average of \$2,421.4 a ton in 2024. Prices averaged \$2,624.1 per ton in the first quarter and decreased to \$2,445.8 per ton in the second quarter of 2024, reflecting weaker demand and increased supply pressures in the global metals market. But the metal's prices increased to an average of \$2,620 per ton in the third quarter and to an average of \$2,831.2 per ton in the fourth quarter of the year, driven by stronger demand from the construction and automotive sectors as well as supply constraints from major producers, particularly China. In parallel, Citi Research projected the primary supply of aluminum at 76.14 million tons in 2026, which would constitute an increase of 3% from 73.93 million tons in 2025. Also, it forecast the primary demand for the metal at 76.2 million tons this year, which would represent an uptick of 3% from 73.98 million tons in 2025. In its base case scenario, it expected the price of the metal to average \$2,900 per ton in the first quarter of 2026, supported by expectations of a soft U.S. economic landing and an improved global outlook. In its bear case scenario, it forecast aluminum prices to average \$2,700 per ton in the first quarter of 2026, in case of weak economic growth in the U.S. and if sticky inflation limits further rate cuts by the U.S. Federal Reserve. It noted that tighter financial conditions may weigh on risk appetite and cyclical demand for the metal, while China's exports of Aluminum soften amid weaker external orders and uneven domestic demand. Under its bull case scenario, it projected aluminum prices to average \$3,100 per ton in the first quarter of this year, supported by supply tightness in Indonesia. Also, it forecast aluminum prices to average \$2,900 a ton in first quarter of 2026.

Source: Citi Research, LSEG Workspace, Byblos Research

Precious Metals: Palladium prices to average \$1,400 an ounce in first quarter of 2026

Palladium prices averaged \$1,153.1 per troy ounce in 2025, constituting a rise of 17.3% from an average of \$983.4 an ounce in 2024. Prices averaged \$960.2 an ounce in the first quarter of 2025 and increased to \$989.5 per ounce in the second quarter, to \$1,171.8 per ounce in the third quarter and to \$1,482.6 in the fourth quarter of 2025, driven by elevated demand for autocatalysts in the automotive sector, tightening supply constraints from major producers, and increased investment interest amid geopolitical uncertainties. In parallel, Citi Research anticipated the global supply of palladium at 9.1 million ounces in 2026, which would constitute an uptick of 0.3% from 9.08 million ounces in 2025, with refined output representing 67% of global production in 2026. Also, it forecast demand for the metal at 9.17 million ounces in 2026, which would represent an increase of 0.5% from 9.12 million ounces in 2025. As such, it expected the deficit in the palladium market to increase from 43,000 ounces in 2025 to 65,000 ounces in 2026. Also, it anticipated near term upside risks for palladium prices, as it expected the U.S. to impose tariffs of 50% on palladium, which would increase the metal's prices. Further, it forecast palladium prices to average \$1,400 an ounce in the first quarter of 2026.

Source: Citi Research, LSEG Workspace, Byblos Research



COUNTRY RISK METRICS

Countries	Country Risk Metrics											
	Creditworthiness				Debt & Liquidity							
	S&P	Moody's	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 (%)
Africa												
Algeria	-	-	-	-	-11.3	58.2	-	-	-	-	-8.9	-
Angola	B-	B3	B-	-	-4.2	48.1	4.8	52.0	31.7	104.8	2.5	-1.3
Egypt	B	Caa1	B	B	-7.1	81.0	3.3	63.5	71.9	135.4	-4.0	2.0
Ethiopia	SD	Caa3	CCC-	-	-1.7	30.9	2.5	31.4	10.4	116.0	-2.3	2.0
Ghana	B	Ca	B-	-	-3.9	50.7	2.0	17.4	19.6	95.5	2.9	1.7
Côte d'Ivoire	BB	Ba2	BB	-	-3.1	56.0	3.9	36.4	16.3	107.4	-2.5	2.5
Libya	-	-	-	-	-3.9	75.7	-	-	-	-	-13.1	-
Dem Rep Congo	B-	B3	-	-	-1.8	17.9	1.8	8.0	2.8	97.2	-2.7	2.2
Morocco	BBB-	Ba1	BB+	-	-3.0	62.0	4.6	26.8	7.1	93.7	-2.2	1.7
Nigeria	B-	B3	B	-	-3.8	46.0	5.7	57.2	28.9	101.5	4.4	0.3
Sudan	-	-	-	-	-1.1	81.6	-	-	-	-	-12.7	-
Tunisia	-	Caa1	B-	-	-4.3	80.2	-	-	-	-	-2.2	-
Burkina Faso	CCC+	-	-	-	-3.8	59.1	1.8	59.9	11.2	143.1	-1.9	0.7
Rwanda	B+	B2	B+	-	-4.2	74.1	3.9	20.6	10.4	112.0	-14.7	7.4
Middle East												
Bahrain	B	B2	B+	B+	-5.9	142.7	-4.2	152.5	33.8	380.8	1.3	3.0
Iran	-	-	-	-	-4.0	40.9	-	-	-	-	1.1	-
Iraq	B-	Caa1	B-	-	-4.2	47.7	12.8	3.5	2.4	48.5	2.3	-3.0
Jordan	BB-	Ba3	BB-	BB-	-1.6	94.3	2.3	68.2	13.3	147.6	-6.1	3.1
Kuwait	AA-	A1	AA-	A+	-9.1	17.5	2.3	56.1	1.3	114.6	19.8	-6.0
Lebanon	SD	C	RD**	-	0.0	88.6	2.1	192.2	3.8	264.1	-13.3	3.5
Oman	BBB-	Baa3	BBB-	BBB-	0.0	36.5	1.9	27.6	6.7	113.4	-3.0	7.0
Qatar	AA	Aa2	AA	AA	-0.8	42.5	2.9	136.1	5.0	181.3	13.6	-0.7
Saudi Arabia	A+	A1	A+	AA-	-4.0	30.3	8.3	36.9	3.1	83.0	-2.9	0.8
Syria	-	-	-	-	-4.0	38.4	-	-	-	-	-9.6	-
UAE	AA	Aa2	AA-	AA-	2.9	30.8	-	-	-	-	5.6	-
Yemen	-	-	-	-	-5.1	69.3	-	-	-	-	-6.6	1

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-	Ba3	BB-	B+								
	Stable	Stable	Positive	Positive	-4.1	50.3	2.2	31.4	12.9	117.5	-5.0	1.8
China	A+	A1	A+	-								
	Stable	Negative	Stable	-	-3.0	78.4	11.0	23.6	7.0	60.8	3.6	0.7
India	BBB-	Baa3	BBB-	-								
	Stable	Stable	Stable	-	-6.9	81.4	7.1	29.9	24.2	83.4	-5.6	0.7
Kazakhstan	BBB-	Baa2	BBB	-								
	Stable	Positive	Stable	-	-3.8	28.7	6.5	33.7	13.7	91.5	-4.2	1.5
Pakistan	B-	Caa1	B-	-								
	Stable	Stable	Stable	-	-5.1	70.8	2.7	28.7	47.8	107.4	-0.7	0.3
Bangladesh	B+	B2	B+	-								
	Stable	Negative	Stable	-	-4.5	36.4	3.5	24.3	26.2	99.5	-0.9	0.3
Central & Eastern Europe												
Bulgaria	BBB	Baa1	BBB	-								
	Positive	Stable	Positive	-	-3.4	30.9	1.0	20.7	1.9	115.0	-2.7	2.1
Romania	BBB-	Baa3	BBB-	-								
	Stable	Stable	Stable	-	-6.4	60.7	4.8	27.2	9.1	98.8	-6.6	2.0
Russia	-	-	-	-								
	-	-	-	-	-1.7	20.7	-	-	-	-	0.5	-
Türkiye	BB-	B03	BB-	BB-								
	Stable	Stable	Stable	Positive	-3.6	25.8	3.2	62.9	15.3	132.3	-1.6	0.4
Ukraine	CC	Ca	CC	-								
	Negative	Stable	-	-	-1.3	101.7	5.1	42.1	8.1	108.1	-9.4	2.0

*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 2026



SELECTED POLICY RATES

	Benchmark rate	Current (%)	Date	Last meeting	Next meeting
Advanced Economies					
USA	Fed Funds Target Rate	3.75	28-Jan-26	No change	18-Mar-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	23-Jan-26	No change	19-Mar-26
Australia	Cash Rate	3.85	03-Feb-26	Raised 25bps	17-Mar-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	28-Jan-26	No change	18-Mar-26
Emerging Markets					
China	One-year Loan Prime Rate	3.00	20-Jan-26	No change	24-Feb-26
Hong Kong	Base Rate	4.00	11-Dec-25	Cut 25bps	N/A
Taiwan	Discount Rate	2.00	18-Dec-25	No change	19-Mar-26
South Korea	Base Rate	2.50	15-Jan-26	No change	26-Feb-26
Malaysia	O/N Policy Rate	2.75	22-Jan-26	No change	05-Mar-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	20.00	25-Dec-25	Cut 100bps	12-Feb-26
Jordan	CBJ Main Rate	6.00	02-Nov-25	Cut 50bps	N/A
Türkiye	Repo Rate	37.00	22-Jan-26	Cut 100bps	N/A
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	10-Feb-26
Nigeria	Monetary Policy Rate	27.00	25-Nov-25	No change	24-Feb-26
Ghana	Prime Rate	15.50	28-Jan-26	Cut 250bps	18-Mar-26
Angola	Base Rate	17.50	14-Jan-26	Cut 100bps	12-Mar-26
Mexico	Target Rate	7.00	18-Dec-25	Cut 25bps	05-Feb-26
Brazil	Selic Rate	15.00	05-Nov-25	No change	N/A
Armenia	Refi Rate	6.50	03-Feb-26	No change	17-Mar-26
Romania	Policy Rate	6.50	19-Jan-26	No change	17-Feb-26
Bulgaria	Base Interest	1.81	01-Dec-25	Raised 1bp	N/A
Kazakhstan	Repo Rate	18.00	23-Jan-26	No change	06-Mar-26
Ukraine	Discount Rate	15.00	29-Jan-26	Cut 50bps	19-Mar-26
Russia	Refi Rate	16.00	19-Dec-25	Cut 50bps	20-Mar-26



Economic Research & Analysis Department
Byblos Bank Group
P.O. Box 11-5605
Beirut - Lebanon
Tel: (+961) 1 338 100
Fax: (+961) 1 217 774
E-mail: research@byblosbank.com.lb
www.byblosbank.com

The Country Risk Weekly Bulletin is a research document that is owned and published by Byblos Bank sal. The contents of this publication, including all intellectual property, trademarks, logos, design and text, are the exclusive property of Byblos Bank sal, and are protected pursuant to copyright and trademark laws. No material from the Country Risk Weekly Bulletin may be modified, copied, reproduced, repackaged, republished, circulated, transmitted, redistributed or resold directly or indirectly, in whole or in any part, without the prior written authorization of Byblos Bank sal.

The information and opinions contained in this document have been compiled from or arrived at in good faith from sources deemed reliable. Neither Byblos Bank sal, nor any of its subsidiaries or affiliates or parent company will make any representation or warranty to the accuracy or completeness of the information contained herein.

Neither the information nor any opinion expressed in this publication constitutes an offer or a recommendation to buy or sell any assets or securities, or to provide investment advice. This research report is prepared for general circulation and is circulated for general information only. Byblos Bank sal accepts no liability of any kind for any loss resulting from the use of this publication or any materials contained herein.

The consequences of any action taken on the basis of information contained herein are solely the responsibility of the person or organization that may receive this report. Investors should seek financial advice regarding the appropriateness of investing in any securities or investment strategies that may be discussed in this report and should understand that statements regarding future prospects may not be realized.



BYBLOS BANK GROUP

LEBANON

Byblos Bank S.A.L
Achrafieh - Beirut
Elias Sarkis Avenue - Byblos Bank Tower
P.O.Box: 11-5605 Riad El Solh - Beirut 1107 2811- Lebanon
Phone: (+ 961) 1 335200
Fax: (+ 961) 1 339436

IRAQ

Erbil Branch, Kurdistan, Iraq
Street 60, Near Sports Stadium
P.O.Box: 34 - 0383 Erbil - Iraq
Phone: (+ 964) 66 2233457/8/9 - 2560017/9
E-mail: erbilbranch@byblosbank.com.lb

Sulaymaniyah Branch, Kurdistan, Iraq
Salem street, Kurdistan Mall - Sulaymaniyah
Phone: (+ 964) 773 042 1010 / (+ 964) 773 041 1010

Baghdad Branch, Iraq
Al Karrada - Salman Faeq Street
Al Wahda District, No. 904/14, Facing Al Shuruk Building
P.O.Box: 3085 Badalat Al Olwiya – Iraq
Phone: (+ 964) 770 6527807 / (+ 964) 780 9133031/2
E-mail: baghdadbranch@byblosbank.com.lb

Basra Branch, Iraq
Intersection of July 14th, Manawi Basha Street, Al Basra – Iraq
Phone: (+ 964) 770 4931900 / (+ 964) 770 4931919
E-mail: basrabranch@byblosbank.com.lb

ARMENIA

Byblos Bank Armenia CJSC
18/3 Amiryan Street - Area 0002
Yerevan - Republic of Armenia
Phone: (+ 374) 10 530362 Fax: (+ 374) 10 535296
E-mail: infoarm@byblosbank.com

BELGIUM

Byblos Bank Europe S.A.
Brussels Head Office
Boulevard Bischoffsheim 1-8
1000 Brussels
Phone: (+ 32) 2 551 00 20
Fax: (+ 32) 2 513 05 26
E-mail: byblos.europe@byblosbankeur.com

UNITED KINGDOM

Byblos Bank Europe S.A., London Branch
Berkeley Square House
Berkeley Square
GB - London W1J 6BS - United Kingdom
Phone: (+ 44) 20 7518 8100
Fax: (+ 44) 20 7518 8129
E-mail: byblos.london@byblosbankeur.com

FRANCE

Byblos Bank Europe S.A., Paris Branch
15 Rue Lord Byron
F- 75008 Paris - France
Phone: (+33) 1 45 63 10 01
Fax: (+33) 1 45 61 15 77
E-mail: byblos.europe@byblosbankeur.com

NIGERIA

Byblos Bank Nigeria Representative Office
161C Rafu Taylor Close - Off Idejo Street
Victoria Island, Lagos - Nigeria
Phone: (+ 234) 706 112 5800
(+ 234) 808 839 9122
E-mail: nigeriarepresentativeoffice@byblosbank.com.lb

ADIR INSURANCE

Dora Highway - Aya Commercial Center
P.O.Box: 90-1446
Jdeidet El Metn - 1202 2119 Lebanon
Phone: (+ 961) 1 256290
Fax: (+ 961) 1 256293

