

COUNTRY RISK WEEKLY BULLETIN

NEWS HEADLINES

WORLD

Nearly 25% of respondents identify economic challenges as top concern

A survey conducted by opinion polling and consulting firm Gallup on the most important problems facing the world shows that 23% of surveyed participants identified economic challenges related to living standards, high prices or low wages as the most important problems facing their country, 10% of respondents pointed to unemployment and working conditions as their top concerns, 8% of surveyed adults considered government spending, the public debt, corruption, and taxes as the most critical problems confronting their country; while 7% of participants considered safety and security issues such as crime, violence, drugs, human trafficking, public safety, wars and conflict as the primary challenges affecting their country. Also, 3% of respondents identified hunger, food insecurity, housing availability and affordability, electricity, basic needs, discrimination, racism, poverty, inequality, pollution, air, water, climate change, healthcare costs, and quality of healthcare as their main national concerns; while 2% considered the affordability of education as the most important national issue. Further, the survey reveals that 23% of surveyed participants in North America cited politics and the government as their top concern, while the other regions across the world viewed the economy as their most pressing national problem. It noted that economic concerns come on top or tie for first place as the biggest national issue in 71 out of the 107 countries included in the survey. The survey's results are based on telephone and face-to-face interviews with about 1,000 adults per country that the firm conducted in 107 countries between March and October 2025.

Source: Gallup

Mergers & acquisitions deals up 40% to \$4.9 trillion in 2025

Figures released by Bain & Co. indicate that the volume of global merger and acquisition (M&A) transactions reached \$4.9 trillion (tn) in 2025, constituting an increase of 40% from \$3.5tn in 2024. In comparison, M&A deals stood at \$3.5tn in 2020, \$5.6tn in 2021, \$3.6tn in 2022 and \$3.1tn in 2023. It noted that the value of M&A deals by financial investors surged by 36%, followed by M&A deals by venture capital (+25%), while strategic M&A transactions, which are deals where companies combine or purchase one another with a clear long term business purpose, dropped by 42% last year. Further, it pointed out that strategic M&A transactions in the advanced manufacturing & the services industry amounted to \$856bn and accounted for 17.5% of the total in 2025, followed by M&As in the technology sector with \$555bn (11.3%), in the financial services sector with \$445bn (9.1%), and in the healthcare & life sciences sector with \$388bn (8%). In parallel, it said that strategic M&A transactions in the Americas stood at \$2tn and accounted for 40.8% of total M&A deals, M&A deals in 2025, followed by transactions in the Asia-Pacific region (APAC) with \$869bn (17.7%), and the Europe, the Middle East and Africa region (EMEA) with \$771bn (15.7%). It added that strategic M&A transactions in the Americas surged by 52% last year, while they declined by 33% in the APAC region and by 32% in the EMEA region.

Source: Bain & Co.

MENA

Stock markets' capitalization at \$4.4 trillion at end-January 2026

The aggregate market capitalization of Arab stock markets reached \$4.43 trillion (tn) at the end of January 2026, constituting an increase of 5.5% from \$4.2tn at end-2025. The market capitalization of the Saudi Exchange stood at \$2.55tn at end-January 2026 and accounted for 57.6% of the total, followed by the Abu Dhabi Securities Exchange with \$853.5bn (19.3%), the Dubai Financial Market with \$289.4bn (6.5%), the Qatar Stock Exchange with \$185.6bn (4.2%), Boursa Kuwait with \$167.8bn (3.8%), the Casablanca Stock Exchange with \$115.2bn (2.6%), the Muscat Stock Exchange with \$87bn (2%), the Egyptian Exchange with \$67bn (1.5%), the Amman Stock Exchange with \$37bn (0.8%), the Bahrain Bourse with \$21bn (0.5%), the Iraq Stock Exchange with \$19bn (0.43%), the Beirut Stock Exchange with \$17.7bn (0.4%), the Tunis Stock Exchange with \$13.1bn (0.3%), the Palestine Exchange with \$5bn (0.12%), and the Damascus Stock Exchange with \$2.3bn (0.05%). In parallel, the market capitalization of the Saudi Exchange was equivalent to 193.8% of the country's estimated GDP for 2026, followed by the Abu Dhabi Securities Exchange (142% of GDP), Boursa Kuwait (103% of GDP), the Muscat Stock Exchange (80% of GDP), the Qatar Stock Exchange (77.6% of GDP), the Amman Stock Exchange (62.4% of GDP), the Casablanca Stock Exchange (58.7% of GDP), the Dubai Financial Market (48% of GDP), the Bahrain Bourse (42.8% of GDP), the Beirut Stock Exchange (38.4% of GDP), the Tunis Stock Exchange (21.7% of GDP), the Egyptian Exchange (17% of GDP), and the Iraq Stock Exchange (7% of GDP).

Source: Arab Federation of Capital Markets, International Monetary Fund, Institute of International Finance, Byblos Research

Business environment for innovators varies across Arab world

StartupBlink's Innovators Business Environment Index for 2026 ranked the UAE in fifth place globally and in first place among 14 Arab economies included in the index. Saudi Arabia followed in ninth place, then Bahrain (44th), Qatar (59th), and Kuwait (71st), as the top five business environment for innovators in the Arab world; while Egypt (94th), Algeria (109th), Mauritania (113th), Lebanon (114th) and Iraq (177th) were perceived as having the least favorable business environment for innovators among Arab countries. The index evaluates how easily innovators can start and operate a business across the world. The index is a composite of over 30 measurable parameters that are grouped in three pillars that are Ease of Operating a Business, Business Incentives, and Market Perception. The Arab region's average score stood at 45.3 points, and came lower than the global average score of 51.2 points. Further, the average score of Gulf Cooperation Council (GCC) countries was 61.5 points, while the average score of non-GCC Arab countries was 33 points. The Arab countries' average score came higher than the average scores of Latin America & the Caribbean (45.2 point), South Asia (35.9 points), and Sub-Saharan Africa (29.2 points); but was lower than the average scores of North America (93.1 points), Europe & Central Asia (62.5 points), and East Asia & Pacific (58 points).

Source: StartupBlink, Byblos Research

OUTLOOK

WORLD

Outstanding sustainable debt to reach \$6 trillion in 2027

S&P Global Ratings projected the aggregate amount of outstanding sustainable bonds to exceed \$5.5 trillion in 2026 and to reach about \$6 trillion in 2027. It forecast the global issuance of sustainable bonds at \$800bn to \$900bn in 2026 compared to \$866bn in 2025. It considered that, despite current challenges, sustainable bonds remain a global priority, with a focus on aligning them with international best practices and transparent reporting. It noted that there is potential to refinance upcoming maturities through sustainable debt, which would further support new issuance.

Further, it pointed out that \$4.2 trillion of sustainable bonds will mature between 2026 and 2035. It noted that \$515bn in sustainable bonds are due in 2026, \$516bn mature in 2027, \$601bn are payable in 2028, \$509bn come due in 2029, \$481bn have to be settled in 2030, \$418bn are due in 2031, \$358bn mature in 2032, \$339bn are payable in 2033, \$226bn come due in 2034, and \$216bn have to be settled in 2035. In addition, it estimated that Europe accounts for \$2 trillion, or for 48.5% of the debt that matures during the 2026-35 period, followed by Asia and Oceania with \$851bn (20.4%), Supranationals with \$603bn (14.4%), North America with \$439bn (10.5%), Latin America with \$172bn (4%), and the Middle East and Africa region with \$87bn (2%).

Also, it noted that the continued growth of artificial intelligence and the increased deployment of data centers will stimulate the wider economy in key regions, which may support sustainable bond markets if issuers seek to differentiate their offerings by investing in projects that save energy and cut emissions. It said that stable economic growth in the U.S., the European Union, and China, as well as declining interest rates across developed markets, could promote sustainable bond issuance. But it stated that waning global cooperation across a range of topics may have adverse effects on the issuance of sustainable bonds.

Source: S&P Global Ratings

UAE

Economic growth to pick up on favorable non-hydrocarbon sector activity

Deutsche Bank projected the UAE's real GDP growth rate to accelerate from 4% in 2024 to an annual average rate of 5% in the 2025-27 period, driven by higher oil and gas production and steady growth in the non-hydrocarbon sector. It also expected the real non-hydrocarbon GDP growth rate to remain stable at about 4.4% in the covered period, despite decelerating from a high base of 6.4% in the past few years.

In addition, it projected the fiscal surplus to slightly narrow from 6% of GDP in the 2023-24 period to 4% of GDP in the 2025-27 period amid moderate public debt levels. It noted that an increase in oil and gas production will partially offset the projected decline in oil prices that will weigh on the budget. Also, it said that non-oil revenues account for about 20% of non-oil GDP, the highest among Gulf Cooperation Council countries, and that they will be supported by ongoing revenue mobilization efforts, such as the roll out of the global minimum tax of 15% on large multinational enterprises this year.

In parallel, it projected the current account surplus to decrease from 14% of GDP in the 2023-24 period to 12% of GDP in the 2025-27 period, driven by a less favorable oil and gas price environment. But it expected the surplus to be supported by higher oil and gas production, continued strong tourism receipts, income from the UAEs sizeable foreign investments, and strong inflows of foreign direct investments (FDI), with the authorities targeting an increase in FDI from \$45bn in 2024 to \$65bn annually by 2031. It said that the country's strong external position will allow for continued large investments abroad, including contributions from sovereign wealth funds, the accumulation of foreign currency reserves, and recent investments or agreements in Egypt and Syria. In parallel, it considered that risks to the outlook are tilted to the downside and include lower commodity prices, weaker global growth, tighter financial conditions related to a potentially slower easing by the U.S. Federal Reserve, and/or the escalation of trade tensions or of conflicts in the region.

Source: Deutsche Bank

NIGERIA

Positive economic outlook contingent on fiscal and external sector stability

Bank of America (BofA) projected Nigeria's real GDP growth rate at 4% in 2026, driven by a rebound in non-hydrocarbon activity across the services, industry, and agriculture sectors. Further, it forecast the inflation rate to average 14% in 2026, supported by the stability of the exchange rate of the naira to the US dollar, as well as by the deceleration of food and fuel prices. But it expected the inflation rate to remain above 10% in the medium term due to persistent structural supply-side challenges that have yet to be addressed. It anticipated the Central Bank of Nigeria (CBN) to cut its policy rate by a cumulative 600 basis points to 21% at the end of 2026.

In addition, it considered the government's fiscal position to be structurally weak, as debt servicing cost consumes about 57% of federal revenues, but to be contained in the near term. It said that the 2026 budget assumes a federal government fiscal deficit of about NGN23.8 trillion, or 4.3% of GDP, and that the mobilization of public revenues remains a core fiscal challenge. It noted that the authorities intend to closely monitor public revenues and expenditures and to avoid monetary financing from the CBN. Also, it indicated that the National Assembly is in the process of approving NGN18 trillion in domestic debt issuance, while the government plans to issue \$2.6bn in external debt, which will include \$500m in international sukuk and potentially a Eurobond.

In parallel, it said that the country's external position improved materially, as the current account balance has been in surplus since 2024 amid higher trade surpluses and the devaluation of the naira. Also, it expected oil production to remain broadly stable in 2026 and to rise to between 1.8 million barrels per day (b/d) and 2 million b/d in the 2028-29 period, due to higher investments in oil fields and improvements in security conditions. Moreover, it said that foreign portfolio investments (FPIs) stand at \$15bn to \$20bn currently, and include private placements of about \$5bn. It noted that, in the scenario of the full outflow of FPIs, foreign currency reserves could drop to at least \$30bn. It also expected net foreign currency reserves to exceed \$30bn in the near term, with gross reserves projected to approach \$50bn by end-2026.

Source: Bank of America



ECONOMY & TRADE

QATAR

Economic growth to average 4% in medium term

The International Monetary Fund indicated that Qatar's economy continues to demonstrate resilience amid economic and geopolitical challenges, supported by sound macroeconomic management, the significant expansion of liquefied natural gas (LNG) production in the medium term, strong non-hydrocarbon economic growth, and the implementation of reforms under the Third National Development Strategy. It projected the country's real GDP growth rate at 4% and for the inflation rate to remain at about 2% in the medium term. It anticipated gains from accelerated reforms and elevated LNG production to boost growth more than expected. In parallel, it expected Qatar's commitment to a growth-friendly fiscal consolidation, faster reforms of revenues and expenditures, and anchoring the medium-term fiscal framework to the Third National Development Strategy, to support fiscal sustainability and resilience. Also, it projected the fiscal and external current account surpluses to continue in the medium term. It noted that strong regulations and effective supervision of the financial sector, as well as continued vigilance against pockets of financial vulnerability are essential to maintaining financial stability. Also, it pointed out that risks to the growth outlook include a slowdown in global economic activity, tighter financial conditions, geopolitical tensions, and long-term uncertainties about oversupply in the LNG market.

Source: International Monetary Fund

KUWAIT

Insurance sector facing intermediate risks

S&P Global Ratings indicated that the Insurance Industry and Country Risk Assessment of the property and casualty (P&C) sector in Kuwait is "intermediate". It noted that it derived its assessment as a result of a "moderately high" country risk level and a "moderately low" industry risk level for the domestic P&C insurance sector. It expected the P&C sector to maintain a satisfactory profitability level and that revenue growth will rise by about 6% to 8% per year in the 2026-27 period compared to a sharp drop in gross written premiums in 2025, driven by the country's ongoing economic reforms and planned infrastructure spending as part of the Kuwait Vision 2035 plan that aims to reduce the economy's reliance on the hydrocarbon sector. Also, it projected gross written premiums to increase from KWD404m in 2025 to KWD432m in 2026 and KWD462m in 2027, and forecast the insurance penetration rate to rise from 0.76% of GDP in 2025 to 0.81% of GDP in 2026 and 0.8% of GDP in 2027. In addition, it said that the sector's institutional framework and insurance regulations are still evolving. It noted that, since its formation in 2021, the Insurance Regulatory Unit (IRU) has introduced measures to strengthen the sector and to implement risk-based regulations, and renewed the licenses of 22 local and 12 foreign insurers in 2025. Also, it pointed out that the IRU mandated all insurance and reinsurance firms operating in Kuwait to obtain a credit rating from an accredited international credit rating agency. In parallel, it anticipated Kuwait's growing population and visitor numbers to increase demand for medical insurance, even though the Ministry of Health suspended in September 2024 the country's medical insurance plan for retirees that generated KWD153m in premiums in its final year.

Source: S&P Global Ratings

ANGOLA

Sovereign ratings affirmed, outlook 'stable'

S&P Global Ratings affirmed Angola's long- and short-term sovereign credit ratings at 'B-' and 'B', respectively, which is six notches below investment grade, and maintained the 'stable' outlook on the long-term ratings. Also, it affirmed the country's transfer and convertibility assessment at 'B-'. It said that the 'stable' outlook balances the economy's vulnerability to market conditions, weaker fiscal position and large funding needs, with available foreign currency buffers and the expectation that oil revenues will remain broadly supportive through 2029. It indicated that the ratings are supported by Angola's sizable foreign currency reserves, and that the ratings are constrained by high inflation rates and persistent pressure on public finances, which will keep the economy highly susceptible to external shocks and to the dynamics of the global oil sector. It considered that the government has the capacity to service its debt in the absence of major shocks to oil prices or to production, but it noted that this ability can be constrained in the event of fiscal slippages or rising debt servicing costs associated with higher local currency financing needs. Also, it forecast the country's gross external financing needs at 90.1% of current account receipts plus usable reserves in 2026 and at 95.3% and 102.6% of such receipts and reserves in 2027 and 2028, respectively. Further, it expected the government to utilize its external assets and oil revenues to meet its debt repayment obligations, in order to avoid additional declines in its foreign currency reserves. In parallel, it said that it could downgrade the ratings in the next 12 months if fiscal or external conditions weaken. But it indicated that it could upgrade the ratings if Angola's economic growth is more substantial and sustained than current levels.

Source: S&P Global Ratings

MOROCCO

Real GDP growth projected at 4.9% in 2026

The International Monetary Fund estimated Morocco's real GDP growth rate at 4.9% in 2025, driven by strong agriculture, construction, and service activities. Also, it projected economic growth at 4.9% in 2026, supported by public and private investments and solid agricultural output. Further, it noted that the inflation rate averaged 0.8% in 2025, reflecting low food inflation, and forecast it to pick up to 2% by mid-2027 due to earlier policy rate cuts. Moreover, it said that the fiscal deficit stood at 3.5% of GDP in 2025 compared to a projected deficit of 3.8% of GDP in the 2025 budget. It noted that tax revenues reached 24.6% of GDP in 2025, which marks a significant increase in the last two years due to the recent tax policy reforms and the improvement in revenue administration. Further, it said that the level of foreign currency reserves remains adequate, but it forecast the current account deficit to widen moderately in the near term despite elevated tourism receipts. It stated that sustainable job creation remains a pressing priority to the economy, and requires a more favorable business climate and further reforms to the labor market. Also, it welcomed the authorities' progress in strengthening the medium-term budget and public investment management framework. Further, it noted that risks to the outlook are broadly balanced, with global risks stemming from a potential slowdown in the Euro Area and from commodity price volatility.

Source: International Monetary Fund



BANKING

ARMENIA

Banking sector to remain resilient in 2026

S&P Global Ratings anticipated banks in Armenia to remain resilient in 2026, in line with the previous two years, driven by sufficient capital buffers and solid profitability that will support strong credit growth in the 2026-27 period. It expected the banking sector's lending growth to decelerate from about 27% in 2025 to 20% in 2026, reflecting stricter regulatory measures that aim to slow the increase of unsecured consumer loans that grew by 30% in 2025, while mortgages increased by 20% last year. Further, it expected supportive macroeconomic conditions and moderate lending growth to help maintain asset quality at its current level, while it projected Stage 3 loans to account for 3.5% of total loans in 2026, unchanged from last year. In addition, it projected the banks' return on assets to remain solid but to decrease from 4.1% in 2025 to 3.5% in 2026 due to lower foreign currency revenues and reduced global interest rates. It forecast the cost of risk at Armenian banks at 1.3% in 2026, which will support their profitability, despite the narrowing of net interest margins. In parallel, it expected the government to submit a new draft resolution law to parliament and to gradually implement operational regulations in 2026. Also, it added that the authorities plan to introduce a draft law for a new payments system, and expected the compliance with anti-money laundering and know-your-customer measures to increase.

Source: S&P Global Ratings

IRAN

FATF urges Tehran to implement action plan

The Financial Action Task Force (FATF), the global standard setting body for anti-money laundering and combating the financing of terrorism (AML/CFT), declared in February 2026 that it will maintain Iran on its list of "High Risk Jurisdictions Subject to a Call for Action" until the authorities implement in full their action plan to address the country's significant AML/CFT deficiencies. It said that Iran provided an update to the FATF on its ratification of the United Nations Convention against Transnational Organized Crime (Palermo) and the United Nations Convention for the Suppression of the Financing of Terrorism in January 2026, but it noted that Tehran has failed to implement most of its action plan since 2016. Further, it called on its members and urged all jurisdictions to apply effective counter measures to risks emanating from the country, such as refusing to establish subsidiaries or branches or representative offices of foreign financial institutions in Iran, given that the relevant branch or representative office would be in a country that does not have adequate AML/CFT systems. Also, it said that it may consider additional steps in the near future if Iran fails to demonstrate additional progress on its action plan. As such, it noted that Iran should adequately criminalize terrorist financing; identify and freeze terrorist assets in line with the relevant UN Security Council resolutions; ensure an adequate and enforceable customer due diligence regime; demonstrate how authorities are identifying and sanctioning unlicensed money/value transfer service providers; ratify and implement the Palermo and Terrorist Financing conventions and clarify the capability to provide mutual legal assistance; and make sure that financial institutions verify that wire transfers contain complete information on the originator and the beneficiary.

Source: Financial Action Task Force

TÜRKİYE

Capital adequacy ratio at 18%, NPLs at 2% at end-June 2025

The International Monetary Fund (IMF) indicated that the banking sector in Türkiye is resilient, well capitalized, profitable, and liquid. It said that the sector's capital adequacy ratio reached 18% at the end of June 2025, compared to 20% at end-2024 and 19% at end-2023; while the banks' Tier One capital stood at 15% at the end of June 2025, down from 17% at the end of each of 2023 and 2024. It pointed out that risk weighted assets reached 60% of total assets at end-June 2025 relative to 57% of total assets at end-2024 and to 59% of aggregate assets at end-2023. Further, it noted that the sector's liquid assets stood at 30% of total assets at end-June 2025, unchanged from end-2024 and end-2023. It added that the banks' loans-to-deposits ratio reached 85% at the end of June 2025 unchanged from end-2024 and compared to 79% at end-2023; and that the loans-to-deposits ratio in foreign currency stood at 87% at end-June 2025 relative to 90% at end-2024 and 64% at end-2023. Also, it said that assets in foreign currency accounted for 94% of foreign currency liabilities at end-June 2025, unchanged from end-2024 and compared to 88% at end-2023. Further, it pointed out that the sector's non-performing loans (NPLs) ratio has been stable at 2% since the end of 2022, and that the banks' provisions decreased from 82% of total loans at end-2023 to 77% at end-2024 and 73% at end-June 2025. It added that the banks' return on average assets stood at 1% in the second quarter of 2025 on an annualized basis relative to 2% in 2024 and 3% in 2023, while their return on equity decreased from 43% in 2023 to 31% in 2024 and 15% annually in the second quarter of the year.

Source: International Monetary Fund

TUNISIA

New capital rules to put pressure on banks

Fitch Ratings expected the Tunisian banking sector's capital to be tested by reforms to the country's prudential framework, which could lead some financial institutions to seek fresh capital or take other measures to strengthen their buffers. It stated that the Central Bank of Tunisia's reforms package includes plans to introduce Basel III-aligned capital rules by the end of 2026, which will tighten the banks' solvency standards. It anticipated the measures to have a positive long-term effect on the sector through enhancing capital discipline, risk management practices and the banks' loss-absorption capacity. But it noted that the reforms are taking place in a context of weak operating conditions and deteriorating asset quality due to persistent macroeconomic pressures. Further, it indicated that Tunisian banks calculate their risk-weighted assets (RWAs) for credit and operational risks according to the Basel III methodology, which will lead to higher RWAs for many banks and exert downward pressure on reported capital ratios. Also, it stated that the sector's capital adequacy ratio stood at 14.4% at the end of September 2025, well above the 10% regulatory minimum, but it projected the ratio to decline when the new framework takes effect. In parallel, it said that, while some banks have pre-emptively strengthened their capital positions ahead of the expected measures, the capital of several banks is still insufficient to meet the tighter requirements. As such, it expected these banks to enhance their capital positions through earnings retention, stricter dividend policies and rights issues.

Source: Fitch Ratings



ENERGY / COMMODITIES

Oil prices to average \$61.5 p/b in first quarter of 2026

The price of ICE Brent Crude oil front-month futures contracts reached \$67.4 per barrel (p/b) on February 17, 2026, constituting a decrease of 2% from \$68.8 p/b a week earlier, as talks between the U.S. and Iran progressed, which raised hopes for a de-escalation of tensions and reduced the risks of oil supply disruptions from Middle Eastern producers. But oil prices increased to \$70.4 p/b on February 18, as the U.S. said that Iran ignored key U.S. demands. In parallel, the International Energy Agency (IEA) revised downward its projection for the growth in global oil demand from 950,000 barrels per day (b/d) to 850,000 b/d in 2026, as economic uncertainties and higher oil prices are weighing on global consumption. It expected non-OECD countries to account for all of the increase in demand in 2026, with China contributing to about 200,000 b/d this year. Further, it forecast global oil supply to increase by 2.4 million b/d this year to 108.6 million b/d, and anticipated output growth to be evenly distributed between non-OPEC+ producers and the OPEC+ coalition. Also, it expected global oil supply to recover in the coming months, following the sharp decline in January when severe winter storms curtailed more than one million b/d of output across North America and given that the OPEC+ coalition reaffirmed its commitment to keeping current production quotas in place through March 2026. It noted that extended disruptions at Kazakhstan's main export terminal since November 2025, exacerbated by a recent power outage at the country's largest oil field, temporarily tightened the supply of light crude to Atlantic Basin refiners. In parallel, LSEG Workspace projected oil prices, through its latest crude oil price poll of 31 industry analysts, to average \$61.5 p/b in the first quarter of 2026.

Source: IEA, LSEG Workspace, Byblos Research

OPEC's oil basket price up 1% in January 2026

The price of the reference oil basket of the Organization of Petroleum Exporting Countries (OPEC) averaged \$62.31 per barrel (p/b) in January 2026, constituting an increase of 1% from \$61.7p/b in December 2025. The price of Algeria's Sahara Blend was \$67.73p/b, followed by Nigeria's Bonny Light at \$67.66p/b and Libya's Es Sider at \$66.78p/b. In parallel, eight out of 12 prices in the OPEC basket increased between \$0.38 p/b and \$4.29 p/b in January 2026, while the remaining prices increased between \$0.04 p/b and \$2.29 p/b.

Source: OPEC

Algeria's oil exports up 13.2% in November 2025

Crude oil production in Algeria reached 968,000 barrels per day (b/d) in November 2025, constituting an uptick of 0.3% from 965,000 b/d in October 2025. Further, aggregate crude oil exports stood at 428,000 b/d in November 2025 and increased by 13.2% from 378,000 b/d in October 2025.

Source: JODI, Byblos Research

OPEC oil output down by 0.5% in January 2026

Member countries of the Organization of the Petroleum Exporting Countries (OPEC), based on secondary sources, produced an average of 28.45 million barrels of oil per day (b/d) in January 2026, constituting a slight decrease of 0.5% from 28.56 million b/d in December 2025. On a country basis, Saudi Arabia produced 10.1 million b/d, or 35.4% of OPEC's total output, followed by Iraq with 4.16 million b/d (14.6%), the UAE with 3.39 million b/d (11.9%), Iran with 3.13 million b/d (11%), and Kuwait with 2.58 million b/d (9.1%).

Source: OPEC

Base Metals: Zinc prices to average \$2,712 per ton in first quarter of 2026

The LME cash prices of zinc averaged \$3,247.7 per ton in the year-to-February 18, 2026 period, constituting an increase of 15.5% from an average of \$2,812 a ton in the same period of 2025, due to supply constraints, production cuts at smelters in Japan and Europe, low global inventory levels, and stronger demand from the construction, automotive, and renewable energy sectors. Also, zinc prices reached \$3,393.6 per ton on January 30, 2026, their highest level since February 2, 2023 when they stood at \$3,411.5 a ton, due to increasing supply concerns in global markets. In parallel, the latest available figures released by the International Lead and Zinc Study Group (ILZSG) show that global demand for refined zinc stood at 11.4 million tons in the first 10 months of 2025, constituting an increase of 2.3% from 11.2 million tons in the same period of 2024 due to the increase in demand for the metal in China, India, Saudi Arabia, Thailand, and Europe, which was partially offset by lower demand in South Korea. Also, global zinc production was 11.5 million tons in the first 10 months of 2025, representing a rise of 3% from 11.2 million tons in the same period of 2024, due to the increase in output in Australia, China, the Democratic Republic of Congo, Iran, Mexico, Peru, and South Africa, which outpaced lower production in Brazil, Eritrea and the U.S. Also, the ILZSG indicated that the global market for refined zinc posted a surplus of 76,000 tons and that global inventories decreased by 129,000 tons in the first 10 months of 2025. Further, S&P Global Market Intelligence projected zinc prices to average \$2,712 per ton in the first quarter of 2026, with a low of \$2,380 a ton and a high of \$3,000 per ton in the covered quarter.

Source: ILZSG, S&P Global Market Intelligence, LSEG Workspace, Byblos Research

Precious Metals: Gold prices to average \$5,000 per ounce in first quarter of 2026

Gold prices averaged \$4,802.6 per ounce in the year-to-February 18, 2026 period, constituting a surge of 73.5% from an average of \$2,768 an ounce in the same period of 2025, due mainly to strong demand from central banks around the world, as well as to concerns about global economic uncertainties. Further, gold prices reached an all-time high of \$5,284.6 per ounce on January 28, 2026, driven by the metal's strong appeal as a safe haven for investors, amid geopolitical uncertainties regarding the U.S.-Iran confrontation and growing concerns about global economic stability. But gold prices regressed to \$5,000 per ounce on February 18 due to the appreciation of the exchange rate of the US dollar against major currencies. In parallel, in its bear case scenario, Citi Research forecast gold prices to decline to about \$3,000 per ounce by the end of 2026 and 2027, in case geopolitical tensions ease and fiscal and cyclical risks recede. However, under its bull case scenario, it projected gold prices to reach \$5,000 per ounce at the end of 2026 and \$6,000 an ounce by end-2027, driven by investors reallocating funds away from traditional asset classes, or drawing on personal savings to increase exposure to the metal, amid persistent concerns about U.S. fiscal sustainability, economic cycles, and geopolitical risks. Also, in its base case scenario, it forecast gold prices to average \$4,200 per ounce in the near term, amid reduced concerns about tariffs and inflation rates. But it said that apprehensions about the U.S. fiscal deficit, uncertainties about U.S.-China economic relations, and geopolitical tensions would help prevent gold prices from declining significantly in the near term. Further, it projected gold prices to average \$5,000 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	-	-	-	-	-11.3	58.2	-	-	-	-	-8.9	-
Angola	B- Stable	B3 Stable	B- Stable	-	-4.2	48.1	4.8	52.0	31.7	104.8	2.5	-1.3
Egypt	B Stable	Caa1 Positive	B Stable	B Stable	-7.1	81.0	3.3	63.5	71.9	135.4	-4.0	2.0
Ethiopia	SD	Caa3 Stable	CCC-	-	-1.7	30.9	2.5	31.4	10.4	116.0	-2.3	2.0
Ghana	B Stable	Ca Positive	B- Stable	-	-3.9	50.7	2.0	17.4	19.6	95.5	2.9	1.7
Côte d'Ivoire	BB Stable	Ba2 Stable	BB Stable	-	-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- Stable	B3 Stable	-	-	-1.8	17.9	1.8	8.0	2.8	97.2	-2.7	2.2
Morocco	BBB- Stable	Ba1 Stable	BB+ Stable	-	-3.0	62.0	4.6	26.8	7.1	93.7	-2.2	1.7
Nigeria	B- Positive	B3 Positive	B Stable	-	-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 Stable	B- Stable	-	-4.3	80.2	-	-	-	-	-2.2	-
Burkina Faso	CCC+ Stable	-	-	-	-3.8	59.1	1.8	59.9	11.2	143.1	-1.9	0.7
Rwanda	B+ Stable	B2 Stable	B+ Stable	-	-4.2	74.1	3.9	20.6	10.4	112.0	-14.7	7.4
Middle East												
Bahrain	B Stable	B2 Stable	B+ Stable	B+ Negative	-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- Stable	Caa1 Stable	B- Stable	-	-4.2	47.7	12.8	3.5	2.4	48.5	2.3	-3.0
Jordan	BB- Stable	Ba3 Stable	BB- Stable	BB- Stable	-1.6	94.3	2.3	68.2	13.3	147.6	-6.1	3.1
Kuwait	AA- Stable	A1 Stable	AA- Stable	A+ Stable	-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- Stable	Baa3 Stable	BBB- Stable	BBB- Positive	0.0	36.5	1.9	27.6	6.7	113.4	-3.0	7.0
Qatar	AA Stable	Aa2 Stable	AA Stable	AA Stable	-0.8	42.5	2.9	136.1	5.0	181.3	13.6	-0.7
Saudi Arabia	A+ Stable	A1 Positive	A+ Stable	AA- Stable	-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 Stable	Aa2 Stable	AA- Stable	AA- Stable	2.9	30.8	-	-	-	-	5.6	-
Yemen	-	-	-	-	-5.1	69.3	-	-	-	-	-6.6	-



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- Positive	B+ Positive	-4.1	50.3	2.2	31.4	12.9	117.5	-5.0	1.8
China	A+ Stable	A1 Negative	A+ Stable	- -	-3.0	78.4	11.0	23.6	7.0	60.8	3.6	0.7
India	BBB- Stable	Baa3 Stable	BBB- Stable	- -	-6.9	81.4	7.1	29.9	24.2	83.4	-5.6	0.7
Kazakhstan	BBB- Stable	Baa2 Positive	BBB Stable	- -	-3.8	28.7	6.5	33.7	13.7	91.5	-4.2	1.5
Pakistan	B- Stable	Caa1 Stable	B- Stable	- -	-5.1	70.8	2.7	28.7	47.8	107.4	-0.7	0.3
Bangladesh	B+ Stable	B2 Negative	B+ Stable	- -	-4.5	36.4	3.5	24.3	26.2	99.5	-0.9	0.3
Central & Eastern Europe												
Bulgaria	BBB Positive	Baa1 Stable	BBB Positive	- -	-3.4	30.9	1.0	20.7	1.9	115.0	-2.7	2.1
Romania	BBB- Stable	Baa3 Stable	BBB- 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- Stable	B03 Stable	BB- Stable	BB- Positive	-3.6	25.8	3.2	62.9	15.3	132.3	-1.6	0.4
Ukraine	CC Negative	Ca Stable	CC -	- -	-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 (%)	Last meeting Date	Action	Next meeting
USA	Fed Funds Target Rate	3.75	28-Jan-26	No change	18-Mar-26
Eurozone	Refi Rate	2.15	05-Feb-26	No change	19-Mar-26
UK	Bank Rate	3.75	05-Feb-26	No change	19-Mar-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	19-Feb-26	No change	08-Apr-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	06-Feb-26	No change	N/A
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	19.00	12-Feb-26	Cut 100bps	02-Apr-26
Jordan	CBJ Main Rate	6.00	02-Nov-25	Cut 50bps	N/A
Türkiye	Repo Rate	37.00	22-Jan-26	Cut 100bps	12-Mar-26
South Africa	Repo Rate	6.75	29-Jan-26	No change	26-Mar-26
Kenya	Central Bank Rate	8.75	10-Feb-26	Cut 25bps	N/A
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	05-Feb-26	No change	26-Mar-26
Brazil	Selic Rate	15.00	28-Jan-26	No change	N/A
Armenia	Refi Rate	6.50	03-Feb-26	No change	17-Mar-26
Romania	Policy Rate	6.50	17-Feb-26	No change	07-Apr-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



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