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BYBLOS BANK SAL
Economic Research & Analysis Department

# COUNTRY RISK WEEKLY BULLETIN

## NEWS HEADLINES

### WORLD

#### More than 50% of global population had 5G coverage in 2025

Figures released by the International Telecommunication Union (ITU) show that 55% of the world's population had 5G mobile phone network coverage in 2025, up from 51% in 2023 and 53% in 2024, and compared to 38% of the population who had 4G coverage last year. It said that 84% of the population in high-income economies had 5G network coverage in 2025 compared to 66% of the population in upper-middle income countries, 46% of the population in lower-middle income economies, and 4% of the population in low-income countries. Also, it pointed out that 66% of the global population in urban areas had 5G network coverage compared to 40% who had 5G in rural regions in 2025, while 33% of inhabitant in urban areas had only 4G coverage relative to 45% of the population in rural areas. On a regional basis, it noted that 74% of the Europe's population had 5G coverage in 2025, followed by the Asia-Pacific region with 70%, the Americas with 60%, the Arab States with 13%, Africa with 12%, and the Commonwealth of Independent States region with 8%. In parallel, it pointed out that 36% of all mobile broadband subscriptions worldwide used 5G in 2025.

*Source: International Telecommunication Union*

### MENA

#### Level of economic freedom varies across Arab countries in 2026

The Heritage Foundation ranked the United Arab Emirates in 23rd place globally and in first place in the Arab world on its Index of Economic Freedom for 2026. Qatar followed in 31st place, then Oman (39th), Bahrain (57th), and Saudi Arabia (59th) as the five Arab economies with the highest level of economic freedom. In contrast, Egypt (146th), Tunisia (156th), Algeria (163rd), Lebanon (166th), and Sudan (173rd) are the Arab countries with the lowest level of economic freedom in the region. The index is a broad indicator of economic freedoms in 176 countries and evaluates individual economies based on 12 equally-weighted broad factors of economic freedom. The Arab region's level of economic freedom stood at 56.8% in 2026 compared to the global average of 59.9%, and relative to 57% in the 2025 survey and to 62.4% in the 2016 survey. The GCC countries' average score is 66.9% in 2026 relative to 66.2% on the 2025 index, while the average score of non-GCC Arab countries stands at 50.1% this year compared to 50.8% last year. Also, the rankings of five Arab countries improved, those of nine economies deteriorated, and the ranking of one Arab country remained unchanged year-on-year; while the scores of six Arab countries increased, those of seven economies regressed, and the scores of two countries were unchanged from the 2025 index. The survey classified two Arab economy as "mostly free", four countries in the "moderately free" category, five economies as "mostly unfree", and four sovereigns in the "repressed" economies segment. In parallel, the level of economic freedom in Arab countries is higher than the level of Sub-Saharan Africa (53.2%), but is lower than the level in Europe (68.9%), the Americas (59.7%), and the Asia-Pacific region (58.6%).

*Source: Heritage Foundation, Byblos Research*

#### Investments in startups down 35% to $889.3m in first two months of 2026

Figures released by the Wamda and Digital Digest platforms show that investments in startups in the Middle East and North Africa (MENA) region reached about $889.3m in the first two months of 2026, constituting a decline of 34.5% from $1.36bn in the same period of 2025, while the number of investments in startups totaled 104 in the covered period relative to 121 deals in the first two months of 2025. The data indicates that investments in UAE startups stood at $588.8m, or 66.2% of placements in the region's startups in the first two months of 2026, followed by investments in Saudi Arabia with $143.7m (16.2%), in Egypt with $85.9m (9.7%), in Bahrain with $22.1m (2.5%), and in Morocco with $21m (2.4%). Also, there were 43 investments in Saudi Arabia startups, or 41.3% of the total, in the first two months of 2026, followed by the UAE with 35 deals (33.7%), Egypt with 10 transactions (9.6%), Morocco with four deals (3.8%), and Bahrain, Jordan and Oman with two transactions each (1.9% each). In parallel, investments in fintech startups amounted to $414.4m and accounted for 46.6% of aggregate capital deployed in MENA startups in the covered period, followed by investments in property technology companies with $227m (25.6%), food technology firms with $60m (6.7%), e-commerce companies with $54m (6.1%), and deep technology firms with $51m (5.7%).

*Source: Wamda, Digital Digest*

#### Assets of sovereign wealth funds at 190.4% of GDP in 2025

Figures released by data platform Global SWF show that Arab sovereign wealth funds (SWFs) had $5.6 trillion (tn) in assets under management (AUM) at the end of 2025, and were equivalent to 190.4% of their countries' aggregate GDP. The distribution of AUM on a country basis shows that Kuwait's AUM were equivalent to 636.3% of the country's GDP in 2025, followed by the UAE's AUM at 460% of GDP, Qatar at 261% of GDP, Libya at 142.6% of GDP, Saudi Arabia at 99.8% of GDP, Oman at 50.6% of GDP, Bahrain at 39.7% of GDP, Morocco at 1% of GDP, and Egypt at 0.6% of GDP. Further, the distribution of AUM by SWFs show that the AUM of the Kuwait Investment Authority were equivalent to 636.3% of Kuwait's GDP in 2025, followed by the AUM of the Qatar Investment Authority at 261.1% of the country's GDP, the Abu Dhabi Investment Authority at 208.6% of the UAE's GDP, the Libyan Investment Authority at 142.6% of Libya's GDP, Saudi Arabia's Public Investment Fund at 90.8% of the country's GDP, the Investment Corporation of Dubai at 75.4% of the UAE's GDP, the Abu Dhabi-based Mubadala Investment Company at 62.9% of the country's GDP, the Abu Dhabi-based LIMAD Holding Company at 52.7% of the UAE's GDP, the Oman Investment Authority at 50.6% of the country's GDP, the Bahrain Mumtalakat Holding Company at 37.7% of GDP, the Abu Dhabi-based Emirates Investment Authority at 20.4% of GDP, the Dubai Investment Fund at 14% of the country's GDP, Dubai Holding at 12.7% of GDP, the Abu Dhabi Fund for Development at 10.3% of GDP, Saudi Arabia's National Development Fund at 9% of the Kingdom's GDP, and the Abu Dhabi-based EDGE Group at 2.1% of GDP.

*Source: Global SWF, Byblos Research*

# OUTLOOK

## WORLD

### Trade in goods and services to decelerate in 2026

The World Trade Organization projected the growth of world merchandise trade to decrease decelerate from 4.6% in 2025 to 1.4% in 2026, if the oil price shock stemming from the conflict in the Middle East persists in the near term. However, it forecast the volume of world merchandise trade to grow by 2.4% in 2026 if the conflict is short-lived and if artificial intelligence-related spending remains strong in 2026.

Under its "high energy prices" scenario, it forecast the volume of merchandise exports from South America to increase by 3.5% in 2026, followed by exports from Asia (+3.3%), the Commonwealth of Independent States (CIS) (+2.4%), North America (+1.1%), and Africa (+1%), while it expected the volume of merchandise exports from Europe to decrease by 0.6% in 2026, followed by exports from the Middle East (-0.1%). Further, it projected the volume of merchandise imports to Africa to increase by 4.2% in 2026, followed by imports to South America (+2.7%), Asia (+2.6%), the Middle East (+2%), the CIS (+1.4%), Europe (+0.3%), and North America (+0.2%).

In its "low energy prices" scenario, it expected the volume of merchandise exports from South America and Asia to rise by 3.5% each in 2026, followed by exports from North America (+1.4%), the CIS (+1.3%), Africa (+1.2%), the Middle East (+0.6%), and Europe (+0.5%). Also, it anticipated the volume of merchandise imports to Asia to increase by 3.3% in 2026, followed by imports to Africa (+3.2%), South America (+2.5%), Europe (+1.3%), the Middle East (+1%), and North America (+0.3%), while it forecast the volume of merchandise imports to the CIS to decrease by 2%.

*Source: World Trade Organization*

## GCC

### Regional conflict to have limited near-term impact on fiscal and external balances

Goldman Sachs expected that the impact of a the disruption to hydrocarbon shipping activity through the Strait of Hormuz and a decline in non-oil economic activity in the Gulf Cooperation Council (GCC) countries will lead to a material decrease in real economic growth across the region. As such, it projected the real GDP growth rate of GCC economies to average 0.4% in 2026 compared to a pre-war forecast of 3.4%. It forecast Saudi Arabia's real GDP growth rate at 2.1% in 2026, the UAE's growth rate at 1.8%, and Qatar's real GDP growth rate at 1.6% this year; while it forecast Oman's real GDP at zero percent, Kuwait's economy to contract by 2.7% and for real GDP in Bahrain to shrink by 0.5% in 2026. In comparison, in its pre-war forecast, it projected Qatar's real GDP growth rate at 5.5% in 2026, followed by the UAE at 4.6%, Saudi Arabia at 4.2%, Bahrain at 2.7%, Oman at 2.1%, and Kuwait at 1.3%.

In addition, it considered that the impact of disruptions to hydrocarbon flows through the Strait of Hormuz on the fiscal and external balances of GCC countries will be relatively benign, and that upside risks to oil prices are in principle positive for government revenues and for the external balance in the near term. It forecast the average fiscal deficit of GCC governments at 1.1% of GDP in 2026 relative to a pre-war deficit forecast of 3.2% of GDP. It expected the UAE and Qatar to post fiscal surpluses of 6.8% of GDP and 2% of GDP, respectively, in 2026. In contrast, it forecast Bahrain and Kuwait to register fiscal deficits of 5.3% of GDP and of 4.4% of GDP, respectively, and for Saudi Arabia and Oman to post deficits of 4.3% of GDP and of 1.4% of GDP, respectively. In comparison, in its pre-war forecast, it anticipated the UAE to post a fiscal surplus of 5.4% of GDP, and for the other GCC economies to register deficits ranging from 0.2% of GDP in Qatar to 8.1% of GDP in Kuwait.

In parallel, it projected the average current account surplus of GCC countries at 8.7% of GDP in 2026, up from a pre-war forecast of 5.2% of GDP. It expected Saudi Arabia to post a current account deficit of 0.2% of GDP in 2026, while it anticipated current account surpluses of 25.3% of GDP in Kuwait, of 15% of GDP in Qatar, of 10.9% of GDP in the UAE, of 0.7% of GDP in Oman, and of 0.4% of GDP in Bahrain. But it noted that a prolonged disruption to regional oil production and supply routes will potentially offset any benefits from higher oil prices.

*Source: Goldman Sachs*

## EGYPT

### External sector balance vulnerable to regional conflict and investor sentiment

Goldman Sachs considered that the economic impact of the Middle East conflict on Egypt's balance of payments is likely to be significant if oil prices remain elevated for a long period of time. It projected Egypt's current account deficit to widen from 3.6% of GDP in the fiscal year that ends in June 2026 to 4.1% of GDP in FY2026/27 due mainly to higher global energy prices and a decline in gas import volumes. Under its base-case scenario that assumes ICE Brent oil prices will average $85 per barrel (p/b) in 2026, it forecast the current account balance to post a deficit of 4.8% of GDP in 2026. But in its downside scenario that assumes that energy prices will average $105 p/b for a longer period of time, it anticipated the current account deficit to widen to 5.5% of GDP, while in a severe downside scenario it expected it to reach 6.1% of GDP if oil prices average $115 p/b.

Further, it noted that foreign capital outflows constitute additional downside risks to the funding of Egypt's capital account. Under its base-case scenario, it projected Egypt's external financing requirements at $30.7bn in 2026, which will result in an external funding gap of $1.76bn. In its downside scenario, it forecast the gap to widen to $4bn, while under its severe downside scenario it projected it to widen to $6.44bn. However, it expected Egypt's foreign currency buffers to remain robust and capable of absorbing shocks of severe magnitude. As such, under its base-case scenario, it forecast official foreign currency reserves to decrease from $48.9bn at end-2025 to $47.1bn at end-2026, in its downside scenario it projected reserves to decline to $44.9bn, while under its severe downside scenario it forecast reserves to contract to $42.4bn at the end of this year.

Further, it indicated that about $20bn in foreign portfolio investments remain in the local market, which leaves the exchange rate of the Egyptian pound exposed to the possibility of further outflows and to volatility in the near term, given that foreign investor sentiment is driven in part by broader regional and global factors.

*Source: Goldman Sachs*

## SAUDI ARABIA

### Sovereign ratings affirmed on strong ability to navigate regional crisis

S&P Global Ratings affirmed Saudi Arabia's long-term foreign and local currency sovereign credit ratings at 'A+', as well as the short-term local and foreign currency sovereign credit ratings at 'A-1', with a 'stable' outlook on the long-term ratings. It attributed the ratings' affirmation to the country's elevated oil production and the strong performance of the non-hydrocarbon sector, despite the conflict in the Middle East. But it said that the ratings are constrained by the Kingdom's rising government and external debt, as well as by higher related debt-servicing costs. It noted that Saudi Arabia's policy flexibility, including its ability to shift crude oil exports to the Red Sea port of Yanbu via the East-West pipeline and increase production when the Strait of Hormuz reopens, as well as its large oil storage capacity, are helping mitigate the effects of the conflict in the Middle East on oil output and on economic activity. Also, it expected the Saudi Central Bank's substantial foreign currency reserves to cover more than seven months of current account payments in the next few years. The agency added that the 'stable' outlook reflects its expectation that Saudi Arabia will be able to weather the ongoing regional conflict, and that the non-oil growth momentum and the associated non-oil revenues, will support the economy and fiscal trajectory. Also, it forecast the Kingdom's gross external financing needs at 82.9% of current account receipts plus usable reserves in 2026, as well as at 86.8% in 2027, and 90.3% in 2028 of such receipts and reserves. In parallel, it noted that it could upgrade the ratings if the regional conflict and tensions ease significantly, and if reforms and robust non-oil economic activity lead to steady economic diversification and higher GDP per capita.

*Source: S&P Global Ratings*

## QATAR

### Agencies take rating actions on sovereign

Fitch Ratings affirmed the long-term foreign and local currency Issuer Default Ratings of Qatar at 'AA', and maintained the outlook on the ratings at 'stable'. It attributed the ratings' affirmation to its expectation that the country's large sovereign assets, very high GDP per capita, and additional gas output will strengthen public finances. But it said that the ratings are constrained by the economy's heavy dependence on the hydrocarbon sector, an elevated public debt level compared to similarly-rated peers, considerable contingent liabilities, and low scores on governance indicators. It noted that the economy became a net external creditor at 17% of GDP at end-2025, and it forecast the sovereign's net foreign assets to rise from $494bn, or 227% of GDP, at end-2025 to $532bn or 229% of GDP at end-2027. Further, it said that it could downgrade the ratings if Qatar's external balance sheet deteriorates, if the public debt level increases, and/or if regional geopolitical tensions increase. In parallel, S&P Global Ratings affirmed Qatar's short- and long-term foreign and local currency sovereign credit ratings at 'A-1+' and 'AA', respectively, and maintained the 'stable' outlook on the ratings. It said that the country's sizable external, fiscal and economic flexibility, and the substantial assets of the Qatar Investment Authority support the ratings. But it noted that the ratings are constrained by the increased intensity and duration of the conflict in the Middle East.

*Source: Fitch Ratings, S&P Global Ratings*

## IRAQ

### Sovereign ratings placed on CreditWatch negative

S&P Global Ratings affirmed Iraq's long-term foreign and local currency sovereign credit ratings at 'B-', which is six notches below investment grade, and placed the ratings on CreditWatch with negative implications. It indicated that the CreditWatch negative reflects the risk of a sovereign ratings downgrade, driven by a sharp fall in oil production due to the escalation of tensions in the Middle East and the economy's heavy reliance on hydrocarbon exports. Further, it said that continued disruptions to oil production could have an impact on the country's ability and willingness to service its commercial debt obligations, but it expected the government to draw down on its sizable external buffers to meet its foreign debt repayments, as it noted that Iraq's foreign currency reserves stood at about $97bn at mid-February 2026, which cover about 10 months of current account payments. It added that Iraq's oil production declined recently from 4.2 million barrels per day (b/d) to about 1.2 b/d million due to the effective closure of the Strait of Hormuz, and noted that the increased intensity of the conflict in the Middle East has raised the risk of a more prolonged period of volatility and disruptions to Iraq's oil production. Also, it said that high levels of perceived corruption and domestic political infighting, including electoral divisions, are weighing on the sovereign ratings. Further, it forecast Iraq's gross external financing needs at 56% of current account receipts plus useable reserves in 2026, as well as at 57.9% and 57.4% of such receipts and reserves in 2027 and 2028, respectively. But it noted that a prolonged disruption to oil production will put pressure on the country's fiscal and external balances in 2026.

*Source: S&P Global Ratings*

## CÔTE D'IVOIRE

### Sovereign ratings affirmed, outlook 'stable'

Moody's Ratings affirmed Côte d'Ivoire's long-term issuer and senior unsecured bond ratings from at 'Ba2', which is two notches below investment grade, and affirmed the short-term issuer ratings at 'Not Prime', with a 'stable' outlook on the long-term ratings. It also maintained the local and foreign currency Country Ceiling at 'Baa1' and 'Baa2', respectively. It noted that the ratings are supported by the economy's robust growth model, relatively strong fiscal fundamentals, and macro-financial stability stemming from its membership in the West African Economic and Monetary Union (WAEMU) where foreign currency reserves have reached a record high. Also, it expected the risk of major economic imbalances to remain low, partly due to successive programs with the International Monetary Fund and strong economic growth. In parallel, it said that the 'stable' outlook on the ratings reflects sustained political stability and robust economic growth, and added that upside risks to the outlook originate from the strong potential of the country's extractive sector. In parallel, it said that it could downgrade the ratings if significant political and social tensions hinder the country's medium-term growth prospects, if rising macroeconomic imbalances jeopardize the sustainability of growth, and/or if the authorities are unable to keep the fiscal deficit at moderate levels. But it noted that it could upgrade the ratings in case governance in the public sector improves, if political risks recede, and/or if robust growth supports a sustained reduction in the public debt level.

*Source: Moody's Ratings*

# BANKING

## WORLD

### Global financial system exposed to multiple vulnerabilities

The Financial Stability Board indicated that long-standing global financial system vulnerabilities remain significant, including high levels of sovereign and private sector debt, leverage among non-bank investors, liquidity mismatches in open-ended funds, and risks of operational outages at major financial institutions. It said that asset valuations have climbed to record levels across several markets, which makes them exposed to sharp corrections in the event of a shock. It added that the broad rally in asset prices since April 2025 has led to a further increase in valuations and a continued reduction of yields in key global asset markets. Also, it pointed out that the spreads on global equities, corporate bonds and high yield bonds are at similar levels to the period prior to the 2008 financial crisis. In parallel, it indicated that high and rising levels of sovereign debt globally could intensify debt financing pressures. It said that the impact on financial stability of elevated debt in the financial sector could be affected by the increased role of non-bank financial institutions that use leveraged trading strategies in core sovereign bond markets. It considered that sudden increases in government bond yields could pose risks to banks with significant holdings of sovereign debt. Further, it indicated that the rapid growth of private credit, characterized by opacity, data gaps, and complex links to private equity funds and banks, makes it difficult to assess lending standards and raises the risk that losses to private credit could spread across the financial system during periods of stress.

*Source: Financial Stability Board*

## EGYPT

### Banks adequately positioned to face impact of regional conflict

Fitch Ratings expected the financial profiles of Egyptian banks to remain resilient to the impact of the Iran conflict, and said that they have strong foreign currency liquidity buffers compared to their liquidity level at the outset of the war in Ukraine in 2022. It pointed out that the sector's net foreign assets (NFAs) reached $14.5bn at the end of January 2026, their highest level since 2012, which provides banks with a strong capacity to absorb further portfolio outflows, given the correlation between such outflows and the sector's NFA position. In parallel, it considered that the banks' reliance on foreign funding to be manageable, as it represented less than 10% of their total funding at end-August 2025 and that most of it consists of medium- to long-term funding, which limits near-term refinancing risks. But it stated that the banks' lending in foreign currency accounted for about 33% of the banking sector's loans at end-August 2025, which renders their capital ratios relatively vulnerable to a significant depreciation of the exchange rate of the Egyptian pound. Also, it indicated that the sector's Common Equity Tier 1 was 14% at end-2025, its highest level since 2020 and well above the minimum regulatory requirement. In addition, it anticipated a modest deterioration in the banks' asset quality due to higher energy prices and weaker economic conditions. But it expected asset quality to deteriorate more significantly if the effects of the war in the Middle East are substantially more severe than expected, which could weaken the banks' performance metrics.

*Source: Fitch Ratings*

## TÜRKIYE

### War impact on banks contingent on policy response

In its base-case scenario of a short period to the Middle East conflict, Fitch Ratings considered that the Turkish banking sector's credit risks will be contained due in part to adequate foreign-exchange reserve buffers and the authorities' commitment to a tight policy mix. It noted that the Central Bank of the Republic of Türkiye's net foreign currency reserves, excluding swaps, stood at $57bn as of March 11, 2026, slightly below their end-2025 level. Also, it said that it rates 22 Turkish banks at 'BB-' with a 'positive' outlook on their long-term ratings, in line with the sovereign rating. It stated that the banks' ratings are driven by a mixture of their standalone creditworthiness, government backing, and support from higher-rated international parents, including seven banks with parent companies based in Gulf Cooperation Council countries. It noted that, under its baseline scenario, the banks have adequate liquidity and capital buffers to absorb the risks related to the sector's operating conditions. But it said that economic spillovers stemming from regional instability may pose significant challenges for the banking sector if the conflict persists or intensifies. It expected that a scenario of a more severe conflict would strain the banks' access to foreign currency liquidity and put pressure on refinancing risks. It considered that higher-for-longer inflation rates and interest rates on deposits in lira could put pressure on the banks' operating conditions and profitability, and further weaken their asset quality, although banks currently could absorb a moderate deterioration in asset quality. It added that the banks' capitalization remains sensitive to a depreciation of the exchange rate, particularly following the removal of regulatory forbearance at end-2025.

*Source: Fitch Ratings*

## MOROCCO

### Outlook on banks' ratings revised to 'positive' on improving operating environment

Moody's Ratings affirmed the long-term local- and foreign-currency deposit ratings of Attijariwafa Bank (AWB), Groupe Banque Centrale Populaire (GBCP), Bank of Africa - BMCE Bank (BoA), and Saham Bank at 'Ba1', and the ratings of Crédit du Maroc (CdM) at 'Ba2'. Further, it affirmed the Baseline Credit Assessment (BCA) of Attijariwafa, Saham Bank and CdM at 'ba3', and the BCAs of GBCP and BoA at 'b1'. Also, it revised the outlook on the long-term ratings of the banks from 'stable' to 'positive' due to its similar action on the sovereign. It added that the 'positive' outlook on the banks' ratings reflects the potential strengthening of the sovereign's credit profile and of the sector's operating environment. It stated that the BCAs of Attijariwafa, GBCP, BoA and Saham Bank are supported by their established franchises and sound profitability metrics. It added that the ratings of Attijariwafa, GBCP and BoA are underpinned by their comfortable liquidity, while the BCA of Saham Bank is constrained by its limited liquidity buffers. Also, it said that the ratings of Attijariwafa, GBCP and BoA capture their stable funding, while the rating of CdM is constrained by its tight funding profile. Further, it noted that the rating of Saham Bank reflects its strong capitalization, the BCA of CdM shows its good capitalization, and the ratings of GBCP and BoA reflect their modest capital ratios, while the rating of Attijariwafa considers its moderate capitalization.

*Source: Moody's Ratings*

# ENERGY / COMMODITIES

## Oil prices to average $99 p/b in second quarter of 2026

ICE Brent crude oil front-month futures contracts have been volatile so far in March, trading at between $75.8 per barrel (p/b) and $119.5 p/b due to disruptions in oil flows from the Middle East, reduced shipments through the Strait of Hormuz, and production shut-ins linked to the regional military conflict. In parallel, the International Energy Agency (IEA) considered that the war in the Middle East has led to the largest supply disruption in the history of the global oil market. It said that the flow of crude and refined oil products through the Strait of Hormuz declined from about 20 million barrels per day (b/d) before the war to minimal volumes currently. As a result, it noted that Gulf Cooperation Council countries reduced their total oil production by at least 10 million b/d amid limited alternative routes to bypass the waterway. It expected supply disruptions to worsen in the absence of a rapid resumption of shipping flows through the Strait. In addition, it projected global oil supply to rise by an average of 1.1 million b/d in 2026, with non-OPEC+ producers accounting for the entire increase, although the extent of oil disruptions will depend on the duration of the conflict and on the interruptions of flows. It pointed out that producers have already shut down more than 3 million b/d of refining capacity in the Middle East region due to attacks on oil refineries, gas plants, and export terminals, as well as due to a lack of viable export outlets. Also, it said that the coordinated release of 400 million barrels of oil from strategic reserves provides a significant buffer, but noted that it remains a temporary measure in the absence of a swift resolution to the conflict. Further, Goldman Sachs projected ICE Brent oil prices to average $99 p/b in the second quarter of 2026, up from an earlier forecast of $80 p/b.

*Source: IEA, Goldman Sachs, LSEG Workspace, Byblos Research*

## Kuwait's crude oil production unchanged in January 2026

Crude oil production in Kuwait totaled 2.58 million barrels per day (b/d) in January 2026, unchanged from December 2025. Crude oil exports stood at 1.25 million b/d in January 2026, down from 1.47 million b/d in December 2025 and constituting an increase of 2.5% from 1.23 million b/d in January 2025.

*Source: JODI, Byblos Research*

## OPEC's oil basket price up 9% in February 2026

The price of the reference oil basket of the Organization of Petroleum Exporting Countries (OPEC) averaged $67.9 per barrel (p/b) in February 2026, constituting an increase of 9% from $62.31 p/b in January 2026. The price of Algeria's Sahara Blend was $73.59p/b, followed by Nigeria's Bonny Light at $71.96p/b and Libya's Es Sider at $71.14p/b. In parallel, all prices in the OPEC basket posted monthly increases of between $1.66 p/b and $9.10 p/b in February 2026.

*Source: OPEC*

## Algeria's oil exports down 54% in January 2026

Crude oil production in Algeria reached 971,000 barrels per day (b/d) in January 2026, nearly unchanged from 972,000 b/d in December 2025. Further, aggregate crude oil exports stood at 199,000 b/d in January 2026 and dropped by 54% from 432,000 b/d in December 2025.

*Source: JODI, Byblos Research*

## Base Metals: Zinc prices to average $3,000 per ton in second quarter of 2026

The LME cash prices of zinc averaged $3,240.8 per ton in the year-to-March 26, 2026 period, constituting an increase of 14.3% from an average of $2,836.1 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, Citi Research projected the global supply of zinc at 14.12 million tons in 2026, which would constitute an increase of 1.4% from 13.92 million tons in 2025. Further, it forecast demand for the metal at 13.89 million tons in 2026, which would represent an uptick of 0.9% from 13.77 million tons in 2025. In its base case scenario, it expected the price of the metal to average $2,900 a ton in the near term in response to the disruptions of shipping in the Strait of Hormuz, and to regress to $2,800 per ton by end-2026. In its bear case scenario, it forecast the price of zinc to average $2,500 per ton in 2026, which is close to the marginal mining costs, as minimal disruptions to smelter output and weak demand would weigh on the metal's prices. Also, in its bull case scenario, it projected zinc prices to average $3,500 per ton in the second and third quarters of 2026, supported by persistent supply imbalances between China and the rest of the world and recurring episodes of limited availability of the metal on the London Metal Exchange, which would tighten global markets and encourage Chinese exports. It added that a very soft U.S. economic landing and stronger global manufacturing activity could further support demand. Also, it forecast zinc prices to average $3,000 per ton in the second quarter of 2026.

*Source: Citi Research, LSEG Workspace, Byblos Research*

## Precious Metals: Silver prices to average $65 per ounce in second quarter of 2026

Silver prices averaged $84.1 per troy ounce in the year-to-March 25, 2026 period, constituting an increase of 161.5% from an average of $32.14 an ounce in the same period of 2025. Further, prices peaked at $121.3 per ounce on January 29, 2026, driven mainly by speculative trading and higher demand for safe havens due to global economic uncertainties. In parallel, Citi Research projected the global supply of silver at 1,025 million ounces in 2026, unchanged from last year. It anticipated mine supply to account for 80% of total silver production this year. Also, it forecast demand for the metal at 1,116 million ounces in 2026, representing a decrease of 14.2% from 1,300 million ounces in 2025. Further, under its base case scenario, it anticipated silver prices to rise to $80 per ounce in the next six to 12 months if oil supply uncertainties weigh on global growth. Also, in its bear case scenario, it projected silver prices to decrease from $60 per ounce in the second quarter to $55 an ounce in the third and fourth quarters of 2026, in case of a faster-than-expected substitution of silver in solar PV panels production and the quicker decline of geopolitical risks. However, in its bull case scenario, it expected silver prices to pick up from $55 per ounce in the second quarter of 2026 to $95 per ounce in the third and fourth quarters of the year, as an extended oil supply shortage, along with weaker U.S. economic growth, would result in a stagflation environment, which would drive investors back into silver as a hedge against inflation and financial instability. Also, it forecast silver prices to average $65 per ounce in the second quarter of 2026.

*Source: Citi Research, LSEG Workspace, Byblos Research*

# COUNTRY RISK METRICS

| Countries | LT Foreign currency rating S&P | Moody's | Fitch | CI | General gvt. balance/ GDP (%) | Gross Public debt (% of GDP) | Usable Reserves / CAPs* (months) | Short-Term External Debt by Rem. Mat./ CARs | Gvt. Interest Exp./ Rev. (%) | Gross Ext. Fin. needs / (CAR + Use. Res.) (%) | Current Account Balance / GDP (%) | Net FDI / GDP (%) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Africa** | | | | | | | | | | | | |
| Algeria | - | - | - | - | | | | | | | | |
| | - | - | - | - | -11.3 | 58.2 | - | - | - | - | -8.9 | - |
| Angola | B- | B3 | B- | - | | | | | | | | |
| | Stable | Stable | Stable | - | -4.2 | 48.1 | 4.8 | 52.0 | 31.7 | 104.8 | 2.5 | -1.3 |
| Egypt | B | Caa1 | B | B | | | | | | | | |
| | Stable | Positive | Stable | Stable | -7.1 | 81.0 | 3.3 | 63.5 | 71.9 | 135.4 | -4.0 | 2.0 |
| Ethiopia | SD | Caa3 | CCC- | | | | | | | | | |
| | - | Stable | - | - | -1.7 | 30.9 | 2.5 | 31.4 | 10.4 | 116.0 | -2.3 | 2.0 |
| Ghana | B | Ca | B- | - | | | | | | | | |
| | Stable | Positive | Stable | - | -3.9 | 50.7 | 2.0 | 17.4 | 19.6 | 95.5 | 2.9 | 1.7 |
| Côte d'Ivoire | BB | Ba2 | BB | - | | | | | | | | |
| | Stable | Stable | 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 | B- | B3 | - | - | | | | | | | | |
| Congo | Stable | Stable | - | - | -1.8 | 17.9 | 1.8 | 8.0 | 2.8 | 97.2 | -2.7 | 2.2 |
| Morocco | BBB- | Ba1 | BB+ | - | | | | | | | | |
| | Stable | Stable | Stable | - | -3.0 | 62.0 | 4.6 | 26.8 | 7.1 | 93.7 | -2.2 | 1.7 |
| Nigeria | B- | B3 | B | - | | | | | | | | |
| | Positive | Positive | 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 | B- | - | | | | | | | | |
| | - | Stable | 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+ | B2 | B+ | - | | | | | | | | |
| | Stable | Stable | Stable | - | -4.2 | 74.1 | 3.9 | 20.6 | 10.4 | 112.0 | -14.7 | 7.4 |
| **Middle East** | | | | | | | | | | | | |
| Bahrain | B | B2 | B | B+ | | | | | | | | |
| | Stable | Stable | Stable | 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- | Caa1 | B- | - | | | | | | | | |
| | CWN** | Stable | Stable | - | -4.2 | 47.7 | 12.8 | 3.5 | 2.4 | 48.5 | 2.3 | -3.0 |
| Jordan | BB- | Ba3 | BB- | BB- | | | | | | | | |
| | Stable | Stable | Stable | Stable | -1.6 | 94.3 | 2.3 | 68.2 | 13.3 | 147.6 | -6.1 | 3.1 |
| Kuwait | AA- | A1 | AA- | A+ | | | | | | | | |
| | Stable | Stable | Stable | 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- | Baa3 | BBB- | BBB- | | | | | | | | |
| | Stable | Stable | Stable | Positive | 0.0 | 36.5 | 1.9 | 27.6 | 6.7 | 113.4 | -3.0 | 7.0 |
| Qatar | AA | Aa2 | AA | AA | | | | | | | | |
| | Stable | Stable | Stable | Stable | -0.8 | 42.5 | 2.9 | 136.1 | 5.0 | 181.3 | 13.6 | -0.7 |
| Saudi Arabia | A+ | A1 | A+ | AA- | | | | | | | | |
| | Stable | Positive | Stable | 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 | Aa2 | AA- | AA- | | | | | | | | |
| | Stable | Stable | Stable | Stable | 2.9 | 30.8 | - | - | - | - | 5.6 | - |
| Yemen | - | - | - | - | | | | | | | | |
| | - | - | - | - | -5.1 | 69.3 | - | - | - | - | -6.6 | - |

# COUNTRY RISK METRICS

| Countries | LT Foreign currency rating S&P | Moody's | Fitch | CI | General gvt. balance/ GDP (%) | Gross Public debt (% of GDP) | Usable Reserves / CAPs* (months) | Short-Term External Debt by Rem. Mat./ CARs | Gvt. Interest Exp./ Rev. (%) | Gross Ext. Fin. needs / (CAR + Use. Res.) (%) | Current Account Balance / GDP (%) | Net FDI / GDP (%) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Asia** | | | | | | | | | | | | |
| Armenia | BB- Positive | 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*
***CreditWatch with negative implications*
****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 | Last meeting Action | Next meeting |
|---|---|---|---|---|---|
| USA | Fed Funds Target Rate | 3.75 | 18-Mar-26 | No change | 29-Apr-26 |
| Eurozone | Refi Rate | 2.15 | 19-Mar-26 | No change | 30-Apr-26 |
| UK | Bank Rate | 3.75 | 19-Mar-26 | No change | 30-Apr-26 |
| Japan | O/N Call Rate | 0.75 | 19-Mar-26 | No change | 28-Apr-26 |
| Australia | Cash Rate | 4.10 | 17-Mar-26 | Raised 25bps | 05-May-26 |
| New Zealand | Cash Rate | 2.25 | 18-Feb-26 | No change | 08-Apr-26 |
| Switzerland | SNB Policy Rate | 0.00 | 19-Mar-26 | No change | 18-Jun-26 |
| Canada | Overnight rate | 2.25 | 18-Mar-26 | No change | N/A |
| **Emerging Markets** | | | | | |
| China | One-year Loan Prime Rate | 3.00 | 20-Mar-26 | No change | 20-Apr-26 |
| Hong Kong | Base Rate | 4.00 | 11-Dec-25 | Cut 25bps | N/A |
| Taiwan | Discount Rate | 2.00 | 19-Mar-26 | No change | 18-Jun-26 |
| South Korea | Base Rate | 2.50 | 26-Feb-26 | No change | 10-Apr-26 |
| Malaysia | O/N Policy Rate | 2.75 | 05-Mar-26 | No change | 07-May-26 |
| Thailand | 1D Repo | 1.00 | 25-Feb-26 | Cut 25bps | 29-Apr-26 |
| India | Repo Rate | 5.25 | 06-Feb-26 | No change | 08-Apr-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 | 19.00 | 12-Feb-26 | Cut 100bps | 02-Apr-26 |
| Jordan | CBJ Main Rate | 5.75 | 14-Dec-25 | Cut 25bps | N/A |
| Türkiye | Repo Rate | 37.00 | 12-Mar-26 | No change | 22-Apr-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 | 08-Apr-26 |
| Nigeria | Monetary Policy Rate | 26.50 | 24-Feb-26 | Cut 25bps | 20-May-26 |
| Ghana | Prime Rate | 14.00 | 18-Mar-26 | Cut 150bps | 20-May-26 |
| Angola | Base Rate | 17.50 | 12-Mar-26 | No change | 14-May-26 |
| Mexico | Target Rate | 7.00 | 05-Feb-26 | No change | 26-Mar-26 |
| Brazil | Selic Rate | 14.75 | 18-Mar-26 | Cut 25bps | N/A |
| Armenia | Refi Rate | 6.50 | 17-Mar-26 | No change | 05-May-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 | 06-Mar-26 | No change | 24-Apr-26 |
| Ukraine | Discount Rate | 15.00 | 19-Mar-26 | No change | 30-Apr-26 |
| Russia | Refi Rate | 15.00 | 20-Mar-26 | Cut 50bps | 24-Apr-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

# 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