

## COUNTRY RISK WEEKLY BULLETIN

## NEWS HEADLINES

## WORLD

**Data-only mobile broadband basket at 1.4% of GNI per capita in 2025**

Figures released by the International Telecommunication Union (ITU) show that the global median price of the data-only mobile broadband basket stood at 1.4% of gross national income (GNI) per capita in 2025 compared to 1.5% of GNI per capita in 2024, indicating that the majority of countries have yet to achieve the Broadband Commission's affordability target of 2% of GNI per capita. It said that the median price of the data-only mobile broadband basket in low-income economies reached 9.4% of GNI per capita in 2025, followed by 3.1% of GNI per capita in lower-middle income countries (LMICs), 1.3% of GNI per capita in upper-middle income countries (UMICs), and 0.4% of GNI per capita in high-income economies. On a regional basis, it noted that the median price of the data-only mobile broadband basket in Africa stood at 5.3% of GNI per capita in 2025, followed by 1.8% of GNI per capita in the Americas, 1.5% of GNI per capita in Arab States, 1.4% of GNI per capita in the Asia-Pacific region, 0.9% of GNI per capita in the Commonwealth of Independent States (CIS) region, and 0.4% of GNI per capita in Europe. In parallel, it pointed out that the median price of the fixed broadband basket in low-income economies reached 28.4% of GNI per capita in 2025, followed by 5.6% of GNI per capita in LMICs, 2.6% of GNI per capita in UMICs, and 1% of GNI per capita in high-income economies. On a regional basis, it noted that the median price of the fixed broadband basket in Africa stood at 13.8% of GNI per capita in 2025, followed by 3.1% of GNI per capita in the Americas, 2.8% of GNI per capita in Arab States, 2.3% of GNI per capita in the Asia-Pacific region, 1.3% of GNI per capita in the CIS region, and 0.9% of GNI per capita in Europe.

Source: International Telecommunication Union

## GCC

**Fixed income issuance up 7% to \$62bn in first quarter of 2026**

Fixed income issuance in Gulf Cooperation Council (GCC) countries reached \$61.9bn in the first quarter of 2026, constituting an increase of 6.5% from \$58.1bn in the same period last year. Fixed income output in the first quarter of 2026 consisted of \$23.4bn in corporate bonds, or 37.8% of the total, followed by \$18.4bn in sovereign bonds (29.7%), \$15.6bn in corporate sukuk (25.2%), and \$4.5bn in sovereign sukuk (7.3%). Further, corporates in the GCC issued \$39bn in bonds and sukuk in the first quarter of 2026, or 63% of fixed income output in the region; while the output of GCC sovereigns reached \$22.9bn or 37% of the total. GCC sovereigns issued \$14.4bn in bonds and sukuk in January, \$3.9bn in February and \$3bn in March 2026, while GCC companies issued \$20.6bn in bonds and sukuk in January, \$11.5bn in February and \$6.9bn in March 2026. In parallel, sovereign proceeds in March 2026 consisted of \$3bn in bonds that the UAE issued. Also, corporate output in March 2026 consisted of \$2.25bn in bonds and \$750m in sukuk issued by Qatar-based firms, \$958.1m in sukuk from firms in Saudi Arabia, and \$600m in sukuk and \$180m in bonds that UAE-based firms issued.

Source: KAMCO

## MENA

**Stock markets' capitalization at \$4.3 trillion at end-March 2026**

The aggregate market capitalization of Arab stock markets reached \$4.33 trillion (tn) at the end of March 2026, constituting increases of 3.1% from \$4.2tn at end-2025 and of 0.3% from \$4.32bn at end-March 2025. The market capitalization of the Saudi Exchange stood at \$2.63tn at end-March 2026 and accounted for 60.7% of the total, followed by the Abu Dhabi Securities Exchange with \$753.4bn (17.4%), the Dubai Financial Market with \$244.2bn (5.6%), the Qatar Stock Exchange with \$164.9bn (3.81%), Boursa Kuwait with \$164.4bn (3.8%), the Casablanca Stock Exchange with \$102.7bn (2.4%), the Muscat Stock Exchange with \$98.5bn (2.3%), the Egyptian Exchange with \$59.3bn (1.4%), the Amman Stock Exchange with \$39.2bn (1%), the Iraq Stock Exchange with \$19.6bn (0.5%), the Bahrain Bourse with \$19.5bn (0.45%), the Beirut Stock Exchange with \$18.3bn (0.4%), the Tunis Stock Exchange with \$13.6bn (0.3%), the Palestine Exchange with \$4.86bn (0.11%), and the Damascus Stock Exchange with \$2.14bn (0.05%). In parallel, the market capitalization of the Saudi Exchange was equivalent to 189.3% of the country's estimated GDP for 2026, followed by the Abu Dhabi Securities Exchange (121.2% of GDP), Boursa Kuwait (95.1% of GDP), the Muscat Stock Exchange (84.1% of GDP), the Qatar Stock Exchange (75.9% of GDP), the Amman Stock Exchange (60.4% of GDP), the Casablanca Stock Exchange (52.8% of GDP), the Bahrain Bourse (40% of GDP), the Beirut Stock Exchange (39.7% of GDP), the Dubai Financial Market (39.3% of GDP), the Tunis Stock Exchange (22.4% of GDP), the Egyptian Exchange (13.8% of GDP), and the Iraq Stock Exchange (7.4% of GDP).

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

**Venture capital funding up 75% to \$3.8bn in 2025**

Figures released by online platform Magnitt show that venture capital (VC) funding in the Middle East and North Africa (MENA) region reached \$3.8bn in 2025, constituting increases of 74.5% from \$2.2bn in 2024 and of 44% from \$2.6bn in 2023; while the number of VC deals totaled 688 last year and increased by 5.7% from 651 transactions in 2024 and by 24% from 555 deals in 2023. Further, it noted that there were 287 international VC investors in MENA-based startups in 2025 that accounted for 54.2% of the total number of investors last year, while there were 243 investors from the MENA region that represented 45.8% of the total. Also, the distribution of investors shows that VC investors from the U.S. reached 122 and accounted for 23% of the total in 2025, followed by Saudi Arabia with 95 investors (18%), the UAE with 53 investors (10%), Egypt with 32 investors (6%), the United Kingdom with 21 investors (4%), while investors from other countries reached 207 and represented 39% of the total. In addition, it pointed out that MENA investors accounted for 51% of the total VC capital deployed in 2025, while international investors represented the balance of 49%. In comparison, MENA investors accounted for 56% of the total VC capital deployed in 2024, while international investors represented the remaining of 44%.

Source: Magnitt, Byblos Research

# OUTLOOK

## WORLD

### Growth rate revised downwards to 3.2% in 2026-27 period on conflict escalation

The International Monetary Fund (IMF) downgraded its projection for the global economy's real GDP growth rate to 3.1% in 2026 from 3.3% in January under its baseline scenario that assumes oil prices to average \$82 per barrel (p/b) in 2026 and a short-lived conflict in the Middle East. It attributed the slight downwards revisions to the escalation of conflict in the region and higher energy and food prices worldwide. It projected the real GDP growth rate of advanced economies at 1.8% in 2026 and at 1.7% in 2027, unchanged from its January forecast; while it downgraded its forecast for the real GDP growth rate of emerging markets and developing economies (EMDEs) to 3.9% in 2026 from 4.2% in January. In parallel, under its adverse scenario that assumes oil prices to average \$100 p/b in 2026, higher inflation expectations, and wider sovereign spreads, it projected the global real GDP growth rate at 2.5% this year; while in its severe scenario that assumes an average oil prices of \$110 p/b this year, a significant increase in risk premiums, and a monetary policy response that aims to contain inflationary pressures, it expected the global real GDP growth rate to decelerate to 2% in 2026.

Further, under its baseline scenario, it projected the real GDP of Emerging & Developing Asia to grow by 4.9% in 2026 and by 4.8% in 2027, compared to 5% in 2026 and 4.8% in 2027 in its earlier forecast. Also, it expected economic activity in Sub-Saharan Africa to rise by 4.3% this year and by 4.4% next year, down from 4.6% in each of 2026 and 2027 in its January projection, while it downgraded its forecast for the Middle East & North Africa region's real GDP growth rate to 1.1% in 2026 from 3.9% in January, and upgraded its forecast to 4.8% in 2027 from 4% in 2027 in its previous projection. Also, it anticipated the real GDP growth rate of Emerging & Developing Europe at 2% in 2026 and 2.1% in 2027, compared to its earlier forecast of 2.3% for this year and 2.4% for 2027.

Source: *International Monetary Fund*

## MENA

### Real GDP growth rate revised downwards to 1.6% in 2026 amid regional conflict

The World Bank revised downward its projections for real GDP growth in the Middle East & North Africa (MENA) region, excluding Iran, to 1.6% in 2026 from an earlier forecast of 4.3% in January, reflecting the adverse effects of the ongoing conflict in the region. It noted that the economic outlook is highly uncertain and depends on the intensity and duration of the conflict. Further, it said that downside risks to the outlook include heightened uncertainties that can slow trade through the increase in shipping, insurance, and transportation costs, as well as higher global oil and gas prices. It added that the exposure of Gulf Cooperation Council (GCC) countries to the economic effects of the conflict depends on the concentration of their trade routes, as well as on each country's level of economic diversification.

In addition, it projected the real GDP of the region's oil-exporting economies, excluding Iran, to contract by 1% in 2026, down from its January forecast of 4.7%. Further, it anticipated economic activity GCC countries to grow by 1.3% this year relative to a fore-

cast of 4.4% in January, driven by lower hydrocarbon revenues due to disruptions to oil flows and production. Moreover, it projected the real GDP growth rate of the region's oil-importing economies at 3.7% in 2026, unchanged from its January forecast.

In parallel, it projected the fiscal deficit of the MENA region to narrow from 3.8% of GDP in 2025 to 2.8% of GDP in 2026, as it noted that Qatar, Saudi Arabia, and the UAE have sufficient fiscal space to absorb temporary spending pressures and recover relatively quickly from a short conflict. Also, it anticipated the fiscal deficit of the region's oil exporters to narrow from 7.2% of GDP in 2025 to 4.3% of GDP in 2026 and expected their current account deficit to shift from 3.4% of GDP in 2025 to a balance in 2026. Further, it estimated the fiscal deficit of the region's oil-importing economies to slightly narrow from 5.6% to 5.5% of GDP in 2026, while it forecast their aggregate current account deficit to widen from 2.8% of GDP in 2025 to 3.7% of GDP in 2026, driven by higher import bills.

Source: *World Bank*

## GCC

### Economic activity to contract by 1.4% in 2026 under baseline scenario

In its baseline scenario that assumes an average oil supply disruption of 2.5 million barrels per day (b/d) and a Liquefied Natural Gas (LNG) shortfall of one million b/d in 2026, with oil prices averaging \$85 per barrel (p/b) this year, the Institute of International Finance (IIF) projected the aggregate real GDP of the Gulf Cooperation Council (GCC) countries to contract by 1.4% in 2026 with real hydrocarbon GDP shrinking by 11.8% and real non-oil GDP growing by 2.1%. It said that non-hydrocarbon activity continues to expand in the GCC but at a slower pace, reflecting second-round spillovers from the energy sector and weaker confidence amid prolonged uncertainties, which would limit private investments. Further, it forecast the GCC's aggregate fiscal deficit to slightly widen from 2% of GDP in 2025 to 2.2% of GDP this year, with the public debt level reaching 34.3% of GDP at end-2026. Also, it anticipated the GCC's current account surplus to decline from 5.3% of GDP in 2025 to 2.8% of GDP in 2026 amid lower export volumes. In addition, it expected non-resident capital inflows to GCC countries to drop from \$313bn in 2025 to \$213bn in 2026, with portfolio investments in the GCC standing at \$80bn this year, foreign direct investment (FDI) at \$71bn and other investments at \$63bn in 2026.

Under its pessimistic scenario, the IIF assumes a reduction of about 5 million b/d in GCC crude oil supply and of 1.6 million b/d in LNG exports in 2026, which would tighten global energy markets and pushes average oil prices toward \$105 p/b this year. As such, it projected the aggregate real GDP of the GCC economies to contract by 5.1% in 2026, with real hydrocarbon GDP shrinking by 23.2% and real non-oil GDP growing by 1%. It considered that the magnitude of hydrocarbon supply shortfalls, along with higher shipping costs, insurance premia and operational disruptions, indicate that the rise in oil prices will not offset the decline in export volumes, which would limit or reverse net hydrocarbon revenue gains for some oil producers. Further, it projected the GCC economies' current account surplus at 1.5% of GDP in 2026, as it expected the increase in export receipts to be much slower than in previous price shocks.

Source: *Institute of International Finance*



## ECONOMY & TRADE

### IRAQ

#### **Economic growth to contract by 8.6% in 2026, outlook subject to significant risks**

The World Bank projected Iraq's real GDP to shrink by 8.6% in 2026 compared to a contraction of 0.7% in 2025, as the conflict in the Middle East has led to significant disruptions to economic activity and a sizable loss in oil revenues, while it has aggravated the strains on the fiscal and external accounts and worsened food security challenges. It noted that the Iranian blockade of the Strait of Hormuz, which is the transit route for most of Iraq's oil exports, has significantly reduced export capacity and slowed oil output. As such, it expected real oil GDP to contract by 14.6% and for real non-oil GDP to weaken. It said that oil production declined to 1.3 million barrels per day, resulting in foregone oil revenues of up to \$7bn in March 2026, which will remain at this level if conditions do not improve. Further, it forecast the fiscal deficit to widen from 2.1% of GDP in 2025 to 2.6% of GDP in 2026 and for the public debt level to increase from 53.6% of GDP in 2025 to 57.8% of GDP this year amid fiscal pressures that led to delays in meeting government obligations and to the accumulation of arrears. In addition, it projected the current account deficit to widen from 1.3% of GDP in 2025 to 2.1% of GDP in 2026 due to lower oil export receipts. But it said that the Central Bank of Iraq's sizable international reserves of \$98.7bn, which cover 11 months of imports as of February 2026, mitigate short-term current account and foreign exchange pressure risks.

*Source: World Bank*

### BAHRAIN

#### **Sovereign ratings downgraded on deteriorating public finances**

Capital Intelligence Ratings (CI) downgraded Bahrain's long-term foreign and local currency sovereign ratings from 'B+' to 'B', which is five notches below investment grade. Also, it affirmed the country's short-term foreign and local currency sovereign ratings at 'B', and revised the outlook on the long-term ratings from 'negative' to 'stable'. It attributed the downgrade to the ongoing deterioration of public finances, driven by a wide budget deficit and a high government debt level. Further, it noted that the downgrade reflects rising refinancing risks stemming from the government's elevated gross financing needs and reliance on cross-border funding, which exposes the sovereign to shifts in investor sentiment and global liquidity conditions. In parallel, it said that the ratings are supported by the likelihood of financial support from Gulf Cooperation Council (GCC) countries in case of need, and by continued but declining current account surpluses. But it pointed out that the ratings remain constrained by very limited fiscal flexibility and the country's exposure to very high geopolitical risks. In parallel, it indicated that the 'stable' outlook reflects the agency's baseline assumption that the regional conflict will be short-lived and that weaknesses in the public and external finances will be balanced by the availability of external financing and GCC support. Further, CI noted that it could downgrade the ratings by one notch in the next 12 months if public finances deteriorate, refinancing risks increase, and/or in case of a more prolonged or severe disruption to hydrocarbon production or exports.

*Source: Capital Intelligence Ratings*

### EGYPT

#### **Agencies take rating actions on sovereign**

Moody's Ratings affirmed Egypt's long-term local and foreign currency issuer and senior unsecured ratings at 'Caa1', which is seven notches below investment grade, and maintained the 'positive' outlook on the long-term ratings. It said that the escalation of the Middle East conflict has already begun to negatively affect the economy through higher energy prices, energy supply disruptions, and confidence-sensitive capital outflows. It indicated that the 'positive' outlook reflects the prospect of a sustained reduction in the government's debt service burden and a more established track record of preserving improvements in Egypt's external profile. In parallel, the agency said that it could downgrade the ratings if debt affordability deteriorates in the medium term, and/or if official foreign currency buffers erode significantly. In parallel, S&P Global Ratings affirmed Egypt's short- and long-term local and foreign currency sovereign credit ratings at 'B', which is five notches below the investment grade, and maintained the 'stable' outlook on the long-term ratings. It said the ongoing conflict in the Middle East that is placing renewed strain on Egypt's external position that remains vulnerable to shocks in global energy and food markets. Also, it said that the 'stable' outlook balances Egypt's medium-term growth prospects and strong reform momentum, with renewed risks from a protracted regional conflict. Further, it projected Egypt's gross external financing needs at 137.4% and 136.6% of current account receipts and usable foreign reserves in FY2026/27 and in FY2027/28, respectively. Also, S&P indicated that it could downgrade the ratings if economic imbalances widen, if debt servicing costs put further pressure on government finances, and/or if current geopolitical tensions negatively affect Egypt's access to external markets.

*Source: Moody's Ratings, S&P Global Ratings*

### ANGOLA

#### **External funding needs affecting credit profile**

In its periodic review of Angola's credit profile, Moody's Ratings indicated that the country's sovereign rating of 'B3' reflects Angola's economic and fiscal dependence on oil prices, the weak institutional framework, and vulnerability to foreign exchange risks associated with the government's debt level, despite the significant reduction in the debt burden in recent years. It said that substantial oil, gas and mineral reserves; progress on economic diversification and the implementation of reforms; and considerable buffers that mitigate external risks, including robust foreign currency reserves, balance large funding needs and fiscal pressures. Also, it noted that economic activity has slowed down from 5% in 2024 to 3.1% in 2025 despite the relative strength of the non-oil sector. In addition, it indicated that the economic strength assessment of 'ba3' reflects moderate medium-term economic prospects and relatively low per capita income for an oil sector-driven economy that is not well diversified or highly competitive. Further, it noted that the 'b3' institutions and governance strength assessment captures the weakness of the institutional framework, as reflected by the country's low rankings on governance indicators. It added that the sovereign's 'caa2' fiscal strength takes into account the weak debt affordability and the significant vulnerability of the country's debt burden to foreign exchange risk. It indicated that the 'ba' susceptibility to event risk is constrained by political, government liquidity, external vulnerability, and banking sector risks.

*Source: Moody's Ratings*

# BANKING

## WORLD

### Financial vulnerabilities increase amid Middle East conflict

The Financial Stability Board considered that the impact of the ongoing conflict in the Middle East on financial stability will depend on the duration, scale and consequences of the conflict. It considered that sovereign bond markets are facing a heightened risk of disorderly unwinding that could trigger illiquidity in core markets and cross border spillovers. It noted that risk premia in global equity and debt markets have limited the immediate fallout from the conflict despite some declines in risky asset valuations, but added that these premia leave markets exposed to a sharp adjustment if economic conditions deteriorate. Further, it said that valuations in certain sectors, mainly artificial intelligence related industries that require heavy upfront investment amid significant uncertainty over future returns, were already elevated before the conflict, leaving them particularly exposed to increased vulnerability as the disruption unfolds. Also, it stated that investor sentiment in risky credit markets, mainly private credit, had already weakened before the conflict, with growing concerns about asset quality, valuations and liquidity, prompting larger redemption requests and, in some cases, the enforcement of structural limits. It added that the conflict could intensify debt servicing pressures for leveraged borrowers and erode asset quality, which will raise strains on private credit funds. It noted that there is an elevated risk that even individual borrower defaults could trigger a broader loss of confidence. Further, it said that banks have shown resilience in absorbing shocks, supported by the reforms implemented after the global financial crisis.

Source: *Financial Stability Board*

## QATAR

### Banks' ratings placed on CreditWatch negative

Fitch Ratings placed the long-term Issuer Default Ratings (IDRs) and Government Support Ratings of Qatar National Bank (QNB), Qatar Islamic Bank (QIB), AlRayan Bank, The Commercial Bank (CBQ), Doha Bank, Dukhan Bank (DB), Qatar International Islamic Bank (QIIB) and Ahli Bank (ABQ) on CreditWatch with negative implications. Also, it placed the short-term IDRs of all the banks, except for QNB, on CreditWatch negative. It stated that the eight banks' Viability Ratings, excluding the government support ratings and QNB's short-term IDR, are unaffected by the decision. It attributed the rating actions to its similar action on Qatar's sovereign rating and to a potentially weaker ability of the Qatari authorities to support the banks in case of need. Further, it noted that the CreditWatch negative on the banks' long-term IDRs reflects its view that Qatar's ability to support the domestic banks could come under pressure due to uncertainties over the country's security environment following the Iran war, and the risk of a downside scenario of a prolonged conflict or further damage to Qatar's oil and gas infrastructure, which could further affect the country's sovereign ratings. In parallel, it said that it could upgrade the banks' long-term IDRs if it believes that the sovereign's ability to support the sector has strengthened, as reflected by a sovereign upgrade. But it noted that it could downgrade all of the banks' long-term IDRs in case of a similar action on the sovereign, and/or in case of a negative change in the agency assessment of the government's propensity to provide support.

Source: *Fitch Ratings*

## GCC

### Banks' income up 9.2% to \$64bn in 2025

Figures released by financial services firm KAMCO indicate that listed banks in the six Gulf Cooperation Council (GCC) countries posted aggregate net profits of \$64bn in 2025, constituting an increase of 9.2% from \$58.6bn in 2024. The banks' net earnings totaled \$15.6 bn in the first quarter, \$16.2bn in the second quarter, \$16.6bn in the third quarter and \$15.6bn in the fourth quarter of the year. It attributed the rise in income mainly to the increase in non-interest income by \$8bn, or by 19%, to \$50.3bn in 2025. Moreover, it indicated that loan loss provisions at GCC banks totaled \$11bn at the end of 2025, constituting an increase of 11% from \$9.9bn at end-2024. It added that the aggregate revenues of banks reached \$144.4bn in 2025, representing an increase of 11% from \$130.1bn in 2024. Further, it indicated that the aggregate assets of listed GCC banks stood at \$3.91 trillion (tn) at the end of 2025 and increased by 13% from \$3.46tn a year earlier and by 24.2% from \$3.15tn at end-2023. In addition, it said that the banks' aggregate net loans reached \$2.37tn at the end of 2025 and grew by 14.4% from \$2.07tn at end-2024, while customer deposits amounted to \$2.78tn, and rose by 10.4% from \$2.52tn at end-2024. As such, it pointed out that the aggregate loans-to-deposits ratio of listed GCC banks was 85.4% at the end of 2025 compared to 82.4% a year earlier.

Source: *KAMCO*

## IRAQ

### Agencies take rating actions on banks

S&P Global Ratings placed the long-term issuer credit ratings of First Iraqi Bank (FIB) on Rating Watch with negative implications, reflecting the potential risk of a sovereign downgrade and pressure on the bank's creditworthiness from weaker earnings prospects or lower liquidity. It estimated that the sharp decline in oil production in Iraq due to the increased escalation of the Middle East conflict could lead to a sovereign downgrade, which would, in turn, affect the bank's rating given the concentration of its assets in the country. In addition, Capital Intelligence Ratings affirmed the long- and short-term foreign currency ratings of the National Bank of Iraq (NBI) at 'B', and the long- and short-term foreign currency ratings of the Iraqi Islamic Bank for Investment and Development (IIB) at 'B-' and 'B', respectively. It also affirmed the Bank Standalone Ratings (BSRs) of the two banks at 'b-' and maintained the 'stable' outlook on their ratings and on their BSRs. Further, it affirmed the long- and short-term ratings on the Iraq National Scale of NBI at 'iqA' and 'iqA1', respectively, with a 'stable' outlook. It also affirmed the long- and short-term ratings on the Iraq National Scale of IIB at 'iqBBB+' and 'iqA2', respectively, with a 'stable' outlook. It pointed out that the BSR of NBI is constrained by its high credit risk profile due to a difficult operating environment and Iraq's sovereign risk, and the concentration of assets and customer deposits. In addition, it noted that the rating of IIB is underpinned by good liquidity levels and is supported by customer deposit funding. But it indicated that IIB's high credit risks, the concentration of assets and customer deposits, and its small market share and balance sheet are weighing on its ratings. In parallel, Fitch Ratings affirmed the long-term Issuer Default Rating of Ameen Al Iraq Bank (AIB) at 'CCC' and its Viability Rating at 'ccc', and withdrew the ratings for commercial reasons.

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



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# ENERGY / COMMODITIES

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## Oil prices to average \$115 p/b in second quarter of 2026

ICE Brent crude oil front-month futures contracts averaged \$96.4 per barrel (p/b) in the week ending April 15, constituting a decrease of 8% from an average of \$104.6 p/b in the previous week. It attributed the decline mainly to the two-week ceasefire between the U.S., Israel, and Iran, which began on April 8, 2026, and to expectations of easing U.S.-Iran tensions, following reports that Iran could allow ships to pass through the Strait of Hormuz, which outweighed concerns about ongoing oil and gas supply disruptions. In parallel, the International Energy Agency (IEA) said that it remains unclear if the ceasefire will turn into a lasting peace and a return to regular shipping flows through the Strait of Hormuz. It noted that exports through alternative routes, most notably from the west coast of Saudi Arabia and from Fujairah on the east coast of the UAE, as well as the ITP pipeline that runs from Iraq to Ceyhan in Türkiye, have increased to 7.2 million barrels per day (b/d) from less than 4 million b/d before the war. It indicated that the overall loss in oil exports exceeds 13 million b/d, with associated limited production and damage to energy infrastructure in the region resulting in cumulative supply losses of more than 360 million barrels in March and an expected 440 million barrels for April. In addition, the U.S. Energy Information Administration (EIA) estimated that hydrocarbon supply interruptions in Saudi Arabia, the UAE, Kuwait, Qatar, Bahrain and Iraq averaged 7.5 million b/d in March, and expected output curtailments to increase to a peak of 9.1 million b/d in April before gradually decreasing in the coming months. It said that these disruptions imply a global decline in inventory of 5.1 million b/d in the second quarter of 2026. Further, it projected ICE Brent oil prices to average \$114.6 p/b in the second quarter of 2026.

Source: IEA, EIA, LSEG Workspace, Byblos Research

## OPEC's oil basket price up 71.4% in March 2026

The price of the reference oil basket of the Organization of Petroleum Exporting Countries (OPEC) averaged \$116.4 per barrel (p/b) in March 2026, constituting an increase of 71.4% from \$67.9 p/b in February 2026. The price of Kuwait's Kuwait Export was \$124.25p/b, followed by Iran Heavy at \$124.1p/b and Saudi Arabia's Arab Light at \$121.3p/b. In parallel, all prices in the OPEC basket posted monthly increases of between \$30.65 p/b and \$57.64 p/b in March 2026.

Source: OPEC

## Iraq's oil exports at 14.56 million barrels in March 2026

Figures issued by the Iraqi Ministry of Oil show that aggregate crude oil exports from Iraq stood at 18.6 million barrels in March 2026, constituting a decline of 81.4% from 99.87 million barrels in February 2026. Exports from the central and southern fields reached 14.56 million barrels in March 2026 compared to 93.4 million barrels in February 2026.

Source: Iraq Ministry of Oil, Byblos Research

## OPEC oil output down 27.5% in March 2026

Member countries of the Organization of the Petroleum Exporting Countries (OPEC), based on secondary sources, produced an average of 20.8 million barrels of oil per day (b/d) in March 2026, constituting a decline of 27.5% from 28.7 million b/d in February 2026. On a country basis, Saudi Arabia produced 7.8 million b/d, or 37.5% of OPEC's total output, followed by Iran with 3.06 million b/d (14.7%), the UAE with 1.9 million b/d (9.1%), Iraq with 1.63 million b/d (7.8%), and Nigeria with 1.46 million b/d (7%).

Source: OPEC

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

LME copper cash prices averaged \$12,790.1 per ton in the year-to-April 15, 2026 period, constituting a rise of 37.6% from an average of \$9,296.5 a ton in the same period of 2025. The increase in prices was due to global trade tensions, as well as to elevated demand from green technologies, particularly for renewable energy, electric vehicles, and artificial intelligence (AI) data centers. Further, copper prices reached an all-time high of \$13,524.2 per ton on January 29, 2026, driven by accelerating demand from AI infrastructure and renewable energy projects, tight physical supply, and low inventories. In parallel, Citi Research projected the global production of refined copper at 27.54 million tons in 2026, which would constitute an uptick of 1% from 26.28 million tons in 2025, with mine output representing 84.8% of the global production of refined copper this year. In addition, it expected global demand for refined copper at 27.47 million tons in 2026, which would represent an increase of 2.2% from 26.88 million tons in 2025. In its bull case scenario, it expected copper prices to average \$15,000 per ton by end-2026 in case of a very soft landing of the U.S. economy, a weaker exchange rate of the US dollar if the U.S. Federal Reserve cuts its policy rates, and a strong cyclical recovery. In its bear case scenario, it forecast copper prices to average \$10,000 a ton in the remainder of 2026 if the U.S. Federal Reserve raises its policy rates. In its base case scenario, it anticipated copper prices to average \$12,500 a ton through the second quarter of 2026 and \$11,000 per ton in the remainder of this year, if the Middle East conflict persists and continues to weigh on sentiment through a stronger exchange rate of the US dollar. But it expected the metal's price to rebound to \$12,500 a ton if tensions in the region ease and the Strait of Hormuz reopens by the end of April. Further, it projected copper prices to average \$12,000 per ton in the second quarter of 2026.

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

## Precious Metals: Palladium prices to average \$1,450 an ounce in second quarter of 2026

Palladium prices averaged \$1,681.1 per troy ounce in the first 15 weeks of 2026, constituting a rise of 75.7% from an average of \$957.1 an ounce in the same period of 2025, driven by elevated demand for autocatalysts in the automotive sector, tightening supply from major producers, and increased investment interest amid geopolitical uncertainties. In parallel, Citi Research anticipated the global supply of palladium at 8.97 million ounces this year, which would constitute a decrease of 1.6% from 9.13 million ounces in 2025, with refined output representing 66.3% of global production in 2026. Also, it forecast demand for the metal at 9.59 million ounces in 2026, which would represent a decrease of 0.3% from 9.63 million ounces in 2025. Also, it lowered its palladium price forecast to an average of \$1,600 an ounce in the next six to 12 months, as it expected the trajectory of the metal's prices to follow the pricing of platinum and gold, with the wide platinum-palladium spread likely to persist as investors continue to favor platinum. Further, it expected palladium prices to stay supported in 2026 with an annual average price forecast of \$1,550 per ounce, amid a continued physical deficit across the broader precious metals market. It anticipated that the ongoing U.S. investigations into palladium imports to the U.S. from Russia could potentially lead to the imposition of prohibitively high tariffs on the metal, which would further tighten supply and support prices. Further, it forecast palladium prices to average \$1,450 an ounce in the second quarter of 2026, and \$1,555 per ounce in 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								
<b>Africa</b>												
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
<b>Middle East</b>												
Bahrain	B Stable	B2 Stable	B Stable	B Stable	-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- CWN**	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 CWN**	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								
<b>Asia</b>												
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
<b>Central &amp; Eastern Europe</b>												
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	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	08-Apr-26	No change	27-May-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
<b>Emerging Markets</b>					
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	10-Apr-26	No change	28-May-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	08-Apr-26	No change	05-Jun-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	02-Apr-26	No change	21-May-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	26-Mar-26	No change	28-May-26
Kenya	Central Bank Rate	8.75	08-Apr-26	No change	N/A
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	5.50	07-Apr-26	Cut 100bps	15-May-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



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