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COUNTRY RISK WEEKLY BULLETIN

NEWS HEADLINES

WORLD

Americas account for 46% of world's millionaires in 2025

UBS' annual survey on global wealth indicates that 1.62 billion adults possessed wealth of less than $10,000 and accounted for 42% of total global personal wealth in 2025, followed by 1.58 billion adults whose wealth ranges from $10,000 to $100,000 (41% of total), 588 million individuals whose assets range between $100,000 and $1m (15.3%), and 58 million individuals with wealth that exceeds $1m (1.5%). It said that the global wealth of millionaires across the world totaled $250.59 trillion (tn), and represented 48.4% of the aggregate global personal wealth in 2025, followed by individuals whose wealth ranges from $100,000 to $1m with $200.72tn (38.8%), persons whose wealth is between $10,000 and $100,000 with $63.16tn (12.2%), and individuals whose wealth is below $10,000 with $3.22tn (0.6%). Also, it said that the Americas accounted for 46.3% of the number millionaires worldwide in 2025, followed by Europe, the Middle East and Africa (EMEA) region with 29% of the total, and the Asia Pacific region with 25%. Further, it stated that the Asia Pacific region represented 70.5% of individuals whose wealth is lower than $10,000 globally last year, followed by the Americas with 15.6%, and the EMEA region with 14%. On a country level, it shows that the average wealth per adult stood at $910,382 in Switzerland in 2025, the highest in the world, followed by the U.S. with $696,277, and Luxembourg with $654,732; while the median wealth per adult was $394,005 in Luxembourg, highest in the world, followed by Belgium at $277,166, and Australia at $210,783.

Source: UBS

GCC

Fixed income issuance up 14.4% to $117bn in first half of 2026

Fixed income issuance in Gulf Cooperation Council (GCC) countries reached $116.7bn in the first half of 2026, constituting a rise of 14.4% from $102bn in the same period last year. Fixed income output consisted of $51.7bn in corporate bonds, or 44.3% of the total, followed by $34.6bn in sovereign bonds (29.6%), $22.9bn in corporate sukuk (19.6%), and $7.5bn in sovereign sukuk (6.4%). Further, corporates in the GCC issued $74.6bn in bonds and sukuk in the first half of 2026, or 64% of fixed income output; while the output of GCC sovereigns reached $42.1bn or 36% of the total. GCC sovereigns issued $17.8bn in bonds and sukuk in January, $4.6bn in February, $3bn in March, $9.3bn in April, $2.2bn in May, and $5.2bn in June 2026; while GCC companies issued $21.3bn in bonds and sukuk in January, $11.6bn in February, $6.9bn in March, $3.4bn in April, $13.5bn in May, and $17.9bn in June 2026. Sovereign proceeds in June 2026 consisted of $1.78bn in bonds that Kuwait issued, $1bn in bonds and $500m in sukuk issued by supranational issuer the Arab Petroleum Investments Corporation, $1.4bn in bonds that Bahrain issued, $311.7m in sukuk issued by Oman, and $149.8m in sukuk that the UAE issued. Corporate output in June 2026 consisted of $6bn in bonds and $1bn in sukuk issued by UAE-based firms, $4.15bn in bonds and $1bn in sukuk that firms in Saudi Arabia issued, and $400m in bonds that Oman-based firms issued.

Source: KAMCO

EMERGING MARKETS

M&A activity down 7% to $460bn in first half of 2026

Figures compiled by data provider Refinitiv show that mergers and acquisitions (M&A) activity in emerging markets (EMs) totaled $459.4bn in the first half of 2026, constituting a decrease of 7% from nearly $494bn in the same period of 2025. Also, there were 8,244 deals in the covered period, down by 3% from 8,495 transactions in the first half of the previous year. Further, M&A activity in the materials sector amounted to $78.2bn in the first half of 2026 and accounted for 17% of the total, followed by the high technology industry with $71.8bn (15.6%), the industrial sector with $67.4bn (14.7%), the financial sector with $46bn (10%), and the energy & power sector with $44.7bn (9.7%), while M&A activity in other sectors totaled $151.3bn and represented 33% of the total. Also, there were 1,739 deals in the high technology industry, or 21% of the aggregate number of transactions in the first half of 2026, followed by the industrial sector with 1,487 deals (18%), the materials sector with 724 deals (8.8%), the energy & power sector with 701 transactions (8.5%), and the financial sector with 684 transactions (8.3%), while there were 2,909 deals in other sectors that represented 35.3% of the aggregate number of M&A transactions. In parallel, M&A activity in China and India accounted for 44% of overall M&A activity in EMs during the first half of 2026.

Source: LSEG Workspace

Eurobonds issuance projected at $686bn in 2026

Bank of America estimated that sovereigns and corporates in emerging markets (EMs) issued $450bn in Eurobonds in the first half of 2026, constituting an increase of 20.6% from $373bn in external debt output in the same period of 2025. Also, it said that EMs issued $176bn in sovereign Eurobonds in the first half of 2026, representing a rise of 34.4% from $131bn in the same period of 2025 and accounting for 39% of aggregate issuance. It noted that EMs issued $274bn in corporate Eurobonds in the covered period, up by 13.2% from $242bn in the first half of 2025, and accounted for 61% of aggregate issuance. Further, it indicated that the Emerging Europe, the Middle East and Africa (EEMEA) region excluding Gulf Cooperation Council (GCC) countries issued $66.9bn, or 38% of aggregate EM sovereign output in the first half of 2026, followed by Latin America with $54.6bn (31%), Emerging Asia with $28.2bn (16%), and the GCC with $26.4bn (15%). Also, it pointed out that Emerging Asia issued $104.1bn, or 38% of aggregate EM corporate debt in the covered period, followed by the EEMEA region ex-GCC with $68.5bn (25%), the GCC with $60.3bn (22%), and Latin America with $43.8bn (16%). In parallel, it projected sovereigns and corporates in EMs to issue $686bn in Eurobonds in 2026, compared to $670bn in external debt output in 2025 and a peak of $707bn in Eurobonds in 2020. It forecast EMs to issue $271bn in sovereign Eurobonds in 2026, constituting an increase of 7% from $253bn in 2025 and accounting for 39.5% of aggregate issuance for the year. Further, it expected EMs to issue $415bn in corporate Eurobonds in 2026 compared to $417bn in 2025 and to represent 60.5% of aggregate issuance for the year.

Source: Bank of America, Byblos Research

OUTLOOK

SAUDI ARABIA

Economic growth to rebound to 7.2% in 2027

Jadwa Investment projected Saudi Arabia's real GDP growth rate to decelerate from 4.6% in 2025 to 0.4% in 2026. It forecast the real hydrocarbon sector's GDP to shift from a growth rate of 5.7% in 2025 to a contraction of 5.7% this year due to lower oil production; and expected the real non-hydrocarbon sector's GDP to decelerate from 5.1% in 2025 to 2.7% in 2026, as the conflict in the Middle East is negatively affecting activity in the non-oil sector. In addition, it forecast the kingdom's real GDP growth rate to pick up to 7.2% in 2027 with real hydrocarbon GDP growing by 16.4% in 2027 on the rebound in oil output, and real non-oil GDP picking up to 4.9% in 2027 due to base effects and the ongoing expansion in different sectors.

In addition, it forecast the fiscal deficit to narrow from 5.8% of GDP in 2025 to 5% of GDP in 2026 and 4.3% of GDP next year in case of higher budget revenues. Further, it expected the public debt level to rise from 31.8% of GDP at end-2025 to 34.4% of GDP by end-2026 and 37.4% at end-2027, as the government finances it fiscal deficits through borrowing and due to higher government spending. Also, it considered that Saudi Arabia's oil exports can return to pre-conflict levels without a full normalization of flows through the Strait of Hormuz, given that the country has the option to continue using the East-West pipeline to the Red Sea Port of Yanbu at higher levels than before the conflict. It noted that, prior to the conflict, the country exported around 6.5 million b/d of oil through the Strait of Hormuz and less than 2 million b/d from the East-West pipeline through the Red Sea.

In parallel, it projected the current account deficit to narrow from 2.6% of GDP in 2025 to 0.3% of GDP in 2026 and 1.6% of GDP in 2027, and forecast official foreign currency reserves to increase from $460bn at end-2025 to $484bn at end-2026 and $470bn at end-2027, due to a reduction in portfolio assets abroad and an increase in the foreign placements of the Kingdom's external debt. Further, it stated that the key risk to the outlook is a lasting re-escalation of U.S.-Iran attacks on energy infrastructure in the region, which would heighten instability and delay the normalization of transit through the Strait of Hormuz.

Source: Jadwa Investment

UAE

Outlook supported by resilience to external shocks

The International Monetary Fund expected economic activity in the UAE to recover in the second half of 2026, driven by the growth in exports, despite uncertainties about the duration and intensity of the ongoing conflict in the Middle East and the on-and-off closure of the Strait of Hormuz. It anticipated activity in the hydrocarbon sector to pick up in the second half of the year, as the recovery of oil exports and the rise of oil production following the UAE's exit from the OPEC+ coalition will more than offset conflict-related disruptions. But it expected overall economic activity to decelerate in 2026 due to a slowdown in non-hydrocarbon sector activity, as heightened uncertainties weighed on tourism, transportation, trade, and real estate. Also, it anticipated economic activity in the country to rebound in 2027, as hydrocarbon production scales up and non-oil activity recovers, supported by the normalization of tourism and trade flows.

In addition, it anticipated the fiscal balance to remain in surplus in 2026, supported by favorable oil revenues and conservative budgeting practices; and noted that the low public debt level provides ample fiscal space to respond to a more severe or prolonged shock, in case of need. Also, it expected the current account surplus to moderate in 2026 and to recover in the medium term, as disruptions to non-hydrocarbon trade ease and oil exports increase. It added that the high level of foreign currency reserves continues to provide a comfortable level of import coverage.

In parallel, it urged the authorities to safeguard economic and financial stability, and to address the conflict's impact through proactive and scalable measures. It stressed the need to diversify the economy away from the hydrocarbon sector and to pursue structural reforms to sustain growth. It considered that deeper trade integration, supported by the Comprehensive Economic Partnership Agreements and the National Program to Strengthen Supply Chain Resilience, along with sustained investments in technology and human capital, would reinforce non-oil growth and support the economy's resilience to external shocks.

Source: International Monetary Fund

IRAQ

Outlook contingent on oil output and prices

Standard Chartered Bank revised downward its real GDP forecast for Iraq from a contraction of 5% to 15% in 2026, reflecting the sharpest economic disruption across the Middle East, North Africa, Afghanistan and Pakistan (MENAP) region from the regional conflict, driven by lower oil export volumes. Also, it projected Iraq's real GDP growth rates at 13% in 2027 and 5% in 2028, in case oil output partially recovers. It stated that crude oil production declined from a pre-conflict average of 4.3 million b/d to 1.6 million b/d, while oil export revenues declined from $6.8bn in February to $1.1bn in April 2026. As such, it expected oil production in the country to average 2.9 million barrels per day (b/d) in 2026 and to recover to around 3.6 million b/d in 2027. But it anticipated the recovery in oil output to be gradual given Iraq's heavy reliance on export infrastructure, as more than 90% of its crude exports pass through the Strait of Hormuz.

Further, it projected the fiscal deficit to narrow from 12.5% of GDP in 2026 to 6% of GDP in 2027 and 4.5% of GDP in 2028, if Iraq's oil production and exports recover, as oil related flows account for more than 90% of fiscal revenues. In addition, it expected the government to continue to operate under the monthly spending rule and to prioritize current spending, while reducing capital expenditures in the absence of a full 2026 budget. Also, it forecast the current account deficit to narrow from 7% of GDP in 2026 to 3% of GDP in 2026 and 1.5% of GDP in 2028, as oil exports partially normalize. It added that official foreign currency reserves stood at about $100bn before the conflict and at around $92bn in May 2026, which should be sufficient to avoid an immediate balance-of-payments crisis; and expected the authorities to rely on foreign reserves to support the exchange rate.

In parallel, it stated that the country's exposure to US-Iran tensions, the continued activity of non-state armed factions, and the vulnerabilities of critical infrastructure are keeping the balance of risks tilted slightly to the downside.

Source: Standard Chartered Bank

QATAR

Sovereign rating affirmed on strong fiscal and external buffers

Capital Intelligence Ratings affirmed the long-term foreign and local currency ratings and the short-term foreign and local currency ratings of Qatar at 'AA' and 'A1+', respectively, and maintained the 'stable' outlook on the long-term ratings. It indicated that the ratings reflect the country's strong fiscal and external buffers, which provide resilience against external shocks and have enabled the authorities to absorb the financial impact of the severe disruptions to hydrocarbon production and exports since late February 2026. It added that the ratings take into account Qatar's comfortable net external creditor position and the Qatar Investment Authority's large portfolio of foreign assets. Also, it noted that the country's significant hydrocarbon reserves, very high GDP per capita, and low domestic political stability risks support the ratings. But it pointed out that the ratings are constrained by the economy's dependence on hydrocarbons and by elevated geopolitical risks, as well as by moderate institutional strength, limited fiscal transparency and monetary policy flexibility, and the banks' relatively high reliance on cross-border funding. It said that the 'stable' outlook balances the sovereign's sizeable fiscal and external buffers with elevated geopolitical risk factors and the economy's continued reliance on hydrocarbon exports. Further, the agency said that it could upgrade the ratings if geopolitical risks recede significantly, in case the central government's debt and external debt levels decline more rapidly than expected, and/or if the government implements reforms that would reduce its reliance on the hydrocarbon sector, strengthen institutions, and improve fiscal transparency.

Source: Capital Intelligence Ratings

EGYPT

Travel and tourism to contribute 8.3% of GDP in 2026

The World Travel & Tourism Council estimated that the travel and tourism sector in Egypt contributed 8.4% of the country's GDP in 2025 compared to 7.7% of GDP in 2019. It estimated that the broad travel & tourism (T&T) sector generated $34.4bn in revenues in 2025, up by 5% from 2024 and by 38.8% from $24.8bn in 2019. As such, the industry accounted for 9.3% of the country's total employment in 2025 compared to a share of 8.9% in 2019. In parallel, it estimated the aggregate international spending by visitors to the country at $18.6bn, while spending by local visitors on T&T reached $11.1bn in 2025. Also, leisure spending by visitors to Egypt totaled $26.4bn in 2025 and business spending reached $3.3bn last year. Further, it pointed out that the T&T industry contributed three million jobs in 2025, relative to 2.85 million jobs in 2024 and to 2.3 million jobs in 2019. In parallel, it projected the contribution of the T&T sector to the country's GDP at $35.4bn in 2026 and at $50.1bn in 2036, which would be equivalent to 8.3% of this year's GDP and 8.2% of GDP in 2036. It forecast the employment in the T&T sector at 3 million jobs in 2026, or 9.2% of total employment in the country this year, and at 3.9 million jobs or 10% of the country's total employment in 2036. It projected international spending at $19.2bn in 2026 and $25.3bn in 2036, and anticipated domestic spending at $11.4bn in 2026 and $14.9bn in 2036.

Source: World Travel & Tourism Council

PAKISTAN

External financing needs projected at $25.5bn in FY2026/27

JPMorgan Chase & Co. projected the Pakistani government's external financing needs at $25.5bn in the fiscal year that ends in June 2027, compared to $27.2bn in FY2025/26, and expected it to source $17.6bn from commercial sources and $7.9bn from official borrowing. It said that commercial borrowing consists of the rollover of $8bn in Saudi deposits and $4bn in China's SAFE deposits; $2.35bn from foreign banks; $2bn in international bond issuance; and $1.1bn from the Naya Pakistan Certificate scheme. It added that official borrowing consists of $7.5bn from multilateral creditors and includes $2.6bn from the International Monetary Fund, $1.7bn from the Asian Development Bank, $1.4bn from the International Development Association, $1.2bn from the Islamic Development Bank, and $412m from the World Bank, as well as $400mn in bilateral non-guaranteed financing such as $98m from China, $47m from Saudi Arabia, and $256m from other bilateral partners. Also, it noted that Pakistan is seeking additional official support, including a $10bn stabilization facility from the U.S. and a $6.7bn oil facility from Saudi Arabia. Further, it said the short-term maturity of most deposits creates rollover risks, as reflected by the withdrawal of the UAE of a $3.5bn deposit in FY2025/26. In parallel, it expected external debt repayments at PKR5.97bn ($21.5bn) in FY2026/27 compared to PKR3.49bn ($12.6bn) in FY2025/26.

Source: JPMorgan Chase & Co.

TÜRKIYE

Sovereign ratings affirmed, outlook 'stable'

Fitch Ratings affirmed Türkiye's long-term foreign currency issuer default rating (IDR) at 'BB-', which is three notches below investment grade, affirmed the Country Ceiling at 'BB-', and maintained the 'stable' outlook on the long-term ratings. It said that the ratings are supported by the country's low public debt level, large and diversified economy, a track record of sustaining access to external financing, high GDP per capita relative to the median of 'BB'-rated sovereigns, and a resilient banking sector. But it noted that the ratings are constrained by Turkiye's very high inflation rate, low scores on the World Bank's governance indicators, low external liquidity relative to its high financing requirements, and the country's vulnerability to geopolitical shocks. Further, it noted that the country's external debt is high relative to its foreign currency reserves, and forecast liquid assets to be equivalent to 100% of short-term liabilities at end-2026, well below the median of 151% of similarly-rated peers. Also, it said that the risk of still large external financing needs is mitigated by the resilience of the external debt rollover ratios of banks and corporates that stood at 112% and 182%, respectively at end-May 2026. Further, it forecast foreign currency reserves to decrease from five months of current external payments at end-2025 to 3.9 months at end-2027, which is below the projected median of 4.9 months of 'BB'-rated peers. In parallel, the agency noted that it could downgrade the ratings if inflationary pressures, balance-of-payments and macro-financial risks increase, if international reserves decline, and/or in case of a deterioration in political or security conditions. It added that it could upgrade the ratings if the inflation rate declines significantly, and/or if the sovereign's external buffers strengthen.

Source: Fitch Ratings

MENA

Saudi and UAE banks dominate region's top performing banks

S&P Global Market Intelligence indicated that its survey of the top 30 banks in the Middle East in terms of performance in 2025 included 10 banks from Saudi Arabia, seven banks from the UAE, five banks from Israel, four banks from Qatar, two banks from Kuwait, and one bank from each of Bahrain and Jordan. It said that it based its assessment on seven weighted financial metrics that consist of a bank's return on average equity, net interest margin, non-interest income-to-average assets ratio, cost-to-income ratio, problem loans ratio, liquid assets-to-total assets ratio, and common equity Tier One ratio. It assigned a weight of 16% for each of the first five metrics and a weight of 10% for each of the last two indicators. As a result, it ranked the UAE-based Mashreqbank in first place among the top 30 banks in the region in 2025, followed by the Abu Dhabi Islamic Bank in second place, Emirates NBD in third place, Al Rajhi Banking & Investment Corporation ranked in fourth place, and Kuwait Finance House in fifth place, as the region's best performing banks. Mashreqbank's liquid assets were equivalent to 36.6% of its total assets, while its non-interest income-to-average assets ratio stood at 1.5% at end-2025, the highest among the top five banks. Also, Al Rajhi reported the highest Common Equity Tier One capital at 16.7%, the lowest problem loan ratio of 0.76% and the lowest cost-to-income ratio of 23.4% at end-2025 among the top five banks. Further, Abu Dhabi Islamic Bank posted a return on average equity of 24.3% and a net interest margin of 3.7% in 2025, the strongest results among the top five banks.

Source: S&P Global Market Intelligence

OMAN

Banks benefiting from supportive conditions

Fitch Ratings expected the Omani banks to maintain adequate capitalization metrics in 2026, supported by sound earnings generation and measured growth. It noted that the average common equity Tier One ratio of the banks that it rates stood at 13% at the end of March 2026, which is above the minimum regulatory requirement. It added that the banks' low capital encumbrance and stable asset quality will provide further support to the sector's capitalization buffers. Also, it said that Omani banks benefit from favorable operating conditions, driven by economic diversification efforts and fairly high oil prices. As such, it expected lending to grow by 5% in 2026, and for asset quality to slowly recover this year despite a more uncertain regional context. It noted that the impaired loans ratio of rated banks was 4.2% at end-March 2026, and considered that healthy economic conditions and loan growth are likely to keep the ratio at a reasonable level. In parallel, it indicated that the banks' average operating profits-to-risk-weighted assets ratio reached 2% in the first quarter of 2026, unchanged from 2024 and 2025 levels, as lower interest rates had a limited impact on the sector's interest margins. Also, it expected funding and liquidity conditions to remain stable, as fairly high oil prices will continue to support the growth in customer deposits that account for about 91% of the sector's non-equity funding. It said that stable deposits from the government and government-related entities will further boost liquidity, but it noted that high deposits concentration remains a key risk.

Source: Fitch Ratings

NIGERIA

Asset quality dependent on credit concentration and foreign currency loans

Moody's Ratings maintained the Nigerian banking sector's Macro Profile in the "Very Weak+" category, along with the banking sectors of Argentina, Bangladesh, Cameroon, Kenya, Pakistan and Togo. It also maintained the banking sector's Banking Country Risk level in the "Very Weak+" category. It said that the system's recent exit from the pandemic-related regulatory forbearance has enhanced its resilience to credit risks by prompting banks to significantly increase provisioning and regulatory risk reserves on certain loan exposures. It stated that the exit from regulatory forbearance has enhanced the transparency and comparability of the banks' asset quality, as reflected by the greater recognition of problem loans and a higher ratio of non-performing loans. But it noted that the banking system's significant lending concentration in the oil and gas sector and, more broadly, its exposure to foreign currency loans, pose risks to asset quality. Also, it said that Nigerian banks have significant direct and indirect exposure to the sovereign, with their holdings of sovereign debt representing about 35% of their aggregate assets at end-2025. In addition, it expected the sector's foreign-currency liquidity to improve this year, driven by the implementation of reforms to the country's foreign exchange regime, as well by increased remittance inflows, the repayment of the Central Bank of Nigeria's (CBN) swaps, and the clearing of a significant portion of the unsettled CBN's foreign-exchange forward contracts. It expected the banks to keep high levels of local-currency liquidity on their balance sheets, but it noted that elevated cash reserve requirements will constrain the liquidity available for day-to-day management.

Source: Moody's Ratings

ANGOLA

Luanda to work with FATF on AML/CFT plan

In its June 2026 update, the Financial Action Task Force (FATF), the global standard-setting body for anti-money laundering and combating the financing of terrorism (AML/CFT), announced that it maintained Angola on its list of "jurisdictions under increased monitoring". It indicated that the Angolan authorities made a high-level political commitment in October 2024 to work with the FATF and its regional body ESAAMLG to strengthen the effectiveness of the country's AML/CFT regime. It pointed out that the authorities will continue to collaborate with the FATF to implement its action plan by deepening their understanding of money laundering and terrorist financing risks (ML/TF), strengthening the risk-based supervision of non-bank financial institutions and Designated Non-Financial Businesses and Professions, as well as by ensuring that the relevant authorities have adequate, accurate, and timely access to beneficial ownership information, and that they properly address breaches to obligations. Also, it urged the authorities to demonstrate an increase in ML investigations and prosecutions; strengthen the ability to identify, investigate and prosecute TF; and establish an effective process to implement targeted financial sanctions. The FATF placed Angola on its list of "jurisdictions under increased monitoring" in October 2024 and has kept it on the list in its February, June, October 2025, February and June 2026 reviews.

Source: Financial Action Task Force

Oil prices to average $88 p/b in third quarter of 2026

ICE Brent crude oil front-month futures contracts for September 2026 reached $94 per barrel (p/b) on July 22, 2026, constituting an increase of 10.7% from $85 p/b a week earlier, as Iran closed the Strait of Hormuz following consecutive rounds of U.S. strikes against Iran after the latter attacked oil tankers crossing the Strait. In parallel, Goldman Sachs indicated that risks to the global oil market are tilted to the upside and include shipping disruptions in the Strait of Hormuz and potentially in the Red Sea, along with damages to energy infrastructure from the Middle East and Russia-Ukraine conflicts. Also, it projected Brent oil prices to exceed $120 p/b in the fourth quarter of 2026 and to average $100 p/b in 2027 if hydrocarbon flows through the Strait of Hormuz remain disrupted through 2027. It noted that this scenario assumes that oil output in Gulf Cooperation Council countries will fully recover by December 2027, supported by the expansion of pipeline infrastructure. Further, it expected oil prices to retain most of their recent gains through July and August, supported by additional draws in global and OECD commercial inventories. It said that the outlook for the global oil market reflects an anticipated decline in Middle East production in July, stronger demand from summer travel, and a sharp slowdown in the net releases from the OECD's Strategic Petroleum Reserves, following significant drawdowns in the second quarter. In addition, it projected oil prices to average $88 p/b in the third quarter of 2026.
Source: Goldman Sachs, LSEG Workspace, Byblos Research

U.S. firm to redevelop four Iraqi oil fields

The U.S. oil firm ConocoPhillips announced on July 17, 2026 that it will acquire a 42% stake in British Petroleum Energy Company of Kirkuk Limited, in order to redevelop four major oil fields in northern Iraq under a 25-year contract. The $300m to $500m deal aims to increase oil output from 328,000 barrels per day to production between 450,000 and 500,000 barrels per day within three years, with a longer-term potential of more than 500,000 barrels per day. The consortium, which consists of BP and ConocoPhillips, plans to capture 400 million cubic feet per day of gas to reduce flaring and to supply local power.
Source: J.P. Morgan Chase & Co.

Iraq and Syria sign oil pipeline rehabilitation agreement

Iraq and Syria signed an agreement on July 17, 2026 to rehabilitate Haditha Kirkuk Banias crude oil pipeline, which is not operational currently. The pipeline stretches from Kirkuk in northern Iraq to Syria's Mediterranean coast and has a capacity of 700,000 barrels per day, according to the U.S. Energy Information Administration. The pipeline, which has been closed since it was damaged during the U.S. invasion of Iraq in 2003, is expected to provide an alternative export route to the Strait of Hormuz.
Source: CNBC

ME&A's oil demand to increase by 0.7% in 2026

The Organization of Petroleum Exporting Countries projected in June 2026 the consumption of crude oil in the Middle East & Africa to average 13.83 million barrels per day (b/d) in 2026, which would constitute an increase of 0.7% from 13.74 million b/d in 2025. The region's demand for oil would represent 23.1% of consumption in non-OECD countries and 13.1% of global consumption in 2026.
Source: OPEC

Base Metals: Copper prices to average $13,400 per ton in 2026

LME copper cash prices averaged $13,112.6 per ton in the year-to-July 22, 2026 period, constituting a rise of 38.6% from an average of $9,463.2 a ton in the same period of 2025. The price increase 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 a high of $13,898.5 per ton on July 21, 2026, driven by extremely tight inventories in China and expectations that the U.S. will impose tariffs on the import of refined copper. In parallel, Goldman Sachs indicated that China's copper cathode inventories recently declined to 167,000 tons, reaching the low end of their seasonal range. It said that the tightening mainly came from manufacturers switching from scrap to cathode, rather than from stronger demand. It noted that stricter value-added tax rules in China reduced the circulation of copper scrap from manufacturing waste, from old products or from post-consumer materials, which limited its recycling into new products, weakened secondary rod output and pushed producers toward cathode-based rods. Also, it expected the copper market outside the U.S. to remain tight in the near term. It said that U.S. demand for imported copper, driven by tariff expectations, is drawing supply away from already constrained markets in other regions. It indicated that low copper inventories in China and limited substitution with recycled copper scrap are helping prevent prices from declining in the near term. But it noted that copper prices face short-term downside risks if the Middle East conflict escalates, as this could increase inflation and raise concerns about further interest rate hikes by the U.S. Federal Reserve, which will limit industrial demand for copper. Further, it projected copper prices to average $13,400 per ton in 2026.
Source: Goldman Sachs, LSEG Workspace, Byblos Research

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

Palladium prices averaged $1,526.8 per troy ounce in the year-to-July 22, 2026 period, constituting a rise of 53.1% from an average of $997.3 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 9.1 million ounces this year, which would constitute a decrease of 1% from 9.2 million ounces in 2025, with refined output representing 66% of global production in 2026. Also, it forecast demand for the metal at 9.6 million ounces in 2026, which would represent a decrease of 0.4% from 9.62 million ounces in 2025. Also, it raised its palladium price forecast to an average of $1,500 an ounce in the next three months and kept the metal's price forecast at $1,600 per 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 be supported in the 2026-27 period amid a continued physical deficit across the broader precious metals market. It anticipated that the de-escalation of the conflict in the Middle East and a resolution of the Strait of Hormuz situation will moderate the market's expectations of policy rate hikes by the U.S. Federal Reserve and ease growth and macroeconomic headwinds, which will support palladium prices. Further, it forecast palladium prices to average $1,400 an ounce in the third 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-	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	Positive	-	-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	-								
	Stable	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	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-	Caa1	B-	-								
	Negative	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	CWN**	Stable	-0.8	42.5	2.9	136.1	5.0	181.3	13.6	-0.7
Saudi Arabia	A+	Aa3	A+	AA-								
	Stable	Stable	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	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 (%)
	LT Foreign currency rating											
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*

***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	17-Jun-26	No change	29-Jul-26
Eurozone	Refi Rate	2.40	11-Jun-26	Raised 25bps	23-Jul-26
UK	Bank Rate	3.75	18-Jun-26	No change	30-Jul-26
Japan	O/N Call Rate	1.00	16-Jun-26	Raised 25bps	31-Jul-26
Australia	Cash Rate	4.35	16-Jun-26	No change	11-Aug-26
New Zealand	Cash Rate	2.50	08-Jul-26	Raised 25bps	02-Sep-26
Switzerland	SNB Policy Rate	0.00	18-Jun-26	No change	24-Sep-26
Canada	Overnight rate	2.25	15-Jul-26	No change	02-Sep-26
Emerging Markets					
China	One-year Loan Prime Rate	3.00	20-Jul-26	No change	20-Aug-26
Hong Kong	Base Rate	4.00	11-Dec-25	Cut 25bps	N/A
Taiwan	Discount Rate	2.00	16-Jun-26	No change	17-Aug-26
South Korea	Base Rate	2.50	16-Jul-26	No change	27-Aug-26
Malaysia	O/N Policy Rate	2.75	09-Jul-26	No change	03-Sep-26
Thailand	1D Repo	1.00	24-Jun-26	No change	26-Aug-26
India	Repo Rate	5.25	05-Jun-26	No change	05-Aug-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	09-Jul-26	No change	20-Aug-26
Jordan	CBJ Main Rate	5.75	14-Dec-25	Cut 25bps	N/A
Türkiye	Repo Rate	37.00	11-Jun-26	No change	23-Jul-26
South Africa	Repo Rate	7.00	28-May-26	Raised 25bps	23-Jul-26
Kenya	Central Bank Rate	8.75	09-Jun-26	No change	N/A
Nigeria	Monetary Policy Rate	26.50	21-Jul-26	No change	22-Sep-26
Ghana	Prime Rate	14.00	22-Jul-26	No change	24-Sep-26
Angola	Base Rate	17.50	14-Jul-26	Cut 125bps	15-Sep-26
Mexico	Target Rate	6.50	25-Jun-26	No change	06-Aug-26
Brazil	Selic Rate	14.25	17-Jun-26	Cut 25bps	N/A
Armenia	Refi Rate	6.50	16-Jun-26	No change	04-Aug-26
Romania	Policy Rate	6.50	08-Jul-26	No change	10-Aug-26
Bulgaria	Base Interest	1.81	01-Dec-25	Raised 1bp	N/A
Kazakhstan	Repo Rate	17.00	05-Jun-26	Cut 100bps	24-Jul-26
Ukraine	Discount Rate	15.00	18-Jun-26	No change	30-Jul-26
Russia	Refi Rate	14.25	19-Jun-26	Cut 25bps	24-Jul-26

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