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COUNTRY RISK WEEKLY BULLETIN

NEWS HEADLINES

WORLD

Private equity and venture capital deals up 27% to $333bn in first seven months of 2026

S&P Global Market Intelligence indicated that the aggregate amount of private equity and venture capital (PE/VC) investments worldwide reached $333.1bn in the first seven months of 2026, constituting increases of 26.6% from $263bn in the same period of 2025 and of 16% from $287.1bn in the first seven months of 2024. PE/VC investments totaled $27.6bn in January, $51.2bn in February, $89.2bn in March, $53.8bn in April, $27.5bn in May, $40.6bn in June, and $43.3bn in July 2026. In comparison, PE/VC investments stood at $11.4bn in January, $28.2bn in February, $99.1bn in March, $34.2bn in April, $43.7bn in May, $12.5bn in June, and $34bn in July 2025.Further, it said that 1,622 PE/VC deals took place worldwide in the first seven months of 2026, representing declines of 13% from 1,862 transactions in the same period of 2025 and of 2.5% from 1,664 deals in the first seven months of 2024. Also, it noted that industrial firms attracted 71 deals, and accounted for 31% of the total number of PE/VC deals in July 2026, followed by consumer companies with 33 transactions (14.3%), financial firms with 13 deals (5.7%), the materials sector with nine transactions (4%), energy and utilities companies with five deals (2.2%), and real estate firms with four transactions (1.7%). Further, it indicated that consumer companies attracted 32.8% of the aggregate value of PE/VC deals in July 2026, followed by energy and utilities companies (16.2%), industrial firms (15.5%), real estate firms (13.8%), and financial firms (0.1%).

Source: S&P Global Market Intelligence

MENA

Economies' international perception varies across region

The Wharton School of the University of Pennsylvania ranked the UAE in 10th place among 85 countries worldwide and in first place among 11 Arab countries on its Best Countries Index for 2026. Saudi Arabia followed in 29th place, then Egypt (32nd), Morocco (37th), and Kuwait (47th), as the five highest ranked Arab countries; while Oman (65th), Jordan (66th), Tunisia (72nd), Algeria (79th), and Lebanon (81st) were the lowest ranked Arab countries on the index. The index measures the international perceptions of countries on a number of qualitative characteristics that have the potential to drive trade, travel an investments, and can directly affect national economies. It evaluates individual economies based on 73 country attributes grouped into 10 equally weighted thematic factors. The Arab region's average score stood at 28.3 points in 2026, and came lower than the global average score of 39.9 points. Also, the Arab countries' average score came higher than the average scores of Latin America & the Caribbean (23 point), and Sub-Saharan Africa (15.1 points); but was lower than the average scores of North America (88.8 points), East Asia & Pacific (58.9 points), Europe & Central Asia (45.9 points), and South Asia (24.1 points). Also, Qatar was the top Arab economy on the Agility, Cultural Influence, Entrepreneurship, Movers, Open for Business, Quality of Life, and Social Purpose factors; Morocco ranked first on the Adventure category; Egypt came first on the Heritage factor; and Saudi Arabia ranked first on the Power category.

Source: University of Pennsylvania, Byblos Research

Investments in startups down 34% to $1.87bn in first seven 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 $1.87bn in the first seven months of 2026, constituting a decline of 34% from $2.05bn in the same period of 2025; while there were about 282 investments in startups in the covered period relative to 313 deals in the first seven months of 2025. Investments in UAE startups stood at $1.22bn and accounted for 65.6% of placements in the region's startups in the first seven months of the year, followed by investments in Saudi Arabia with $365.2m (19.6%), Egypt with $165.7m (9%), Morocco with $30.9m (1.7%), and Bahrain with $25.1m (1.3%). Also, there were 97 investments in UAE startups in the first seven months of 2026, followed by Saudi Arabia with 96 deals, Egypt with 36 transactions, Oman with 15 deals, and Qatar with 11 transactions. In addition, investments in fintech startups amounted to about $682m and accounted for 36.4% of total capital deployed in MENA startups in the covered period, followed by logistics companies with $316m (16.9%), property technology firms with $253m (13.5 %), e-commerce firms with $172.1m (9.2%), and Artificial Intelligence firms with $91.6m (4.9%). Also, Business-to-Business startups attracted $898.6m across 169 deals, while Business-to-Consumer startups secured $731.7m across 79 transactions in the first seven months of 2026.

Source: Wamda, Digital Digest

Stock markets' capitalization at $4.3 trillion at end-July 2026

The aggregate market capitalization of Arab stock markets reached $4.31 trillion (tn) at the end of July 2026, constituting increases of 2.6% from $4.2tn at end-2025 and of 1.2% from $4.3tn at end-July 2025. The market capitalization of the Saudi Exchange stood at $2.52tn at end-July 2026 and accounted for 58.5% of the total, followed by the Abu Dhabi Securities Exchange with $786.7bn (18.2%), the Dubai Financial Market with $261.5bn (6.1%), Boursa Kuwait with $170.2bn (4%), the Qatar Stock Exchange with $163.2bn (3.8%), the Casablanca Stock Exchange with $109.8bn (2.5%), the Muscat Stock Exchange with $97.6bn (2.3%), the Egyptian Exchange with $77bn (1.8%), the Amman Stock Exchange with $40.4bn (0.9%), the Iraq Stock Exchange with $21.7bn (0.5%), the Bahrain Bourse with $20.1bn (0.5%), the Beirut Stock Exchange with $18bn (0.42%), the Tunis Stock Exchange with $17bn (0.4%), the Palestine Exchange with $5bn (0.12%), and the Damascus Stock Exchange with $2.1bn (0.05%). Also, the market capitalization of the Saudi Exchange was equivalent to 181.5% of the country's estimated GDP for 2026, followed by the Abu Dhabi Securities Exchange (126.6% of GDP), Boursa Kuwait (98.4% of GDP), the Muscat Stock Exchange (83.3% of GDP), the Qatar Stock Exchange (75% of GDP), the Amman Stock Exchange (62.3% of GDP), the Casablanca Stock Exchange (56.5% of GDP), the Beirut Stock Exchange (54.3% of GDP), the Dubai Financial Market (42% of GDP), the Bahrain Bourse (41.2% of GDP), the Tunis Stock Exchange (28% of GDP), the Egyptian Exchange (18% of GDP), and the Iraq Stock Exchange (8.2% of GDP).

Source: AFCM, IMF, IIF, Byblos Research

OUTLOOK

WORLD

AI-related productivity gains to depend on pace of adoption

The World Bank expected artificial intelligence (AI) to boost global economic growth and productivity in the coming years, and indicated that productivity gains could be significantly larger in advanced economies than in emerging market and developing economies (EMDEs), due to the higher AI exposure and current AI adoption rates in advanced economies than in EMDEs. Under its most optimistic scenario, it projected AI adoption to increase the average annual potential growth rate in advanced economies from 1.2% currently to 3.6% during the last part of the 2020s. In comparison, it expected AI adoption to increase the average annual potential growth rate in EMDEs from 4.1% currently to 4.9% during the same period of time. Further, under its least optimistic scenario, it anticipated AI adoption to marginally increase the average annual potential growth rate in advanced economies from 1.2% to 1.3% during the 2020s. It attributed the more modest productivity gains in EMDEs to their currently lower AI adoption rates and already-higher potential growth.

In addition, it anticipated the future impact of AI on low- and middle-income countries (LMICs) to depend on the speed and direction of technological progress, the nature and extent of structural transformation, and the pace of AI adoption. Under its moderate AI-progress scenario, which assumes a 2.5% annual growth in the exposure of currently non-exposed occupations, it projected the jobs exposed to AI to account for 25% of employment in LMICs by 2035. Under its advanced AI progress scenario, which assumes breakthroughs in physical AI and the spread of AI capabilities to routine manual and non-manual activities, it projected 75% of occupations in LMICs to become exposed to AI and for more than 50% of jobs to be exposed to AI by 2035. Further, under a more rapid adoption scenario, which assumes that LMICs close the adoption gap with high-income countries by 2055, it projected AI adoption rates in LMICs to reach nearly 20 times their current levels by 2035.

Source: World Bank

IRAQ

Fiscal and external outlook contingent on oil prices and production

S&P Global Ratings projected Iraq's real GDP to shift from a contraction of 15.5% in 2026 to a growth rate of 13.5% in 2027 and to grow by an average of 4.6% in the 2028-29 period, in case of a gradual normalization of regional conditions and a sustained recovery in oil production and exports. It noted that Iraq's economy has been significantly affected by disruptions to oil exports through the Strait of Hormuz, as the oil sector accounts for 90% of government revenues and 95% of merchandise export receipts. Further, it forecast oil output to decrease from 4 million barrels per day (b/d) in 2025 to 2.9 million bpd in 2026, as disruptions to oil exports through the Strait of Hormuz and limited storage capacity led to production cuts at some key oil facilities, including the Rumaila and West Qurna fields.

Also, it projected the fiscal deficit to narrow from 7.5% of GDP in 2026 to 5.5% of GDP in 2027 and to average 4.5% of GDP in the 2028-29 period, supported by the normalization of trade routes and the recovery in oil revenues. It anticipated the authorities to rely primarily on domestic debt issuance, particularly on Treasury bills and bonds, to finance the fiscal deficit. It added that improvements to the electronic customs system and the administration's efforts to curb corruption could support tax collection, but expected the increase of non-oil revenues to take time. Further, it projected the public debt level to rise from 53.4% of GDP in 2026 to 56.2% of GDP in 2027 and to average 64.2% of GDP in the 2028-29 period, amid persistent fiscal deficits and the government's reliance primarily on domestic debt issuance to finance its funding needs.

In parallel, it forecast the current account to shift from a deficit of 1.6% of GDP in 2026 to a surplus of 0.9% in 2027 and to average 2.1% of GDP in the 2028-29 period, in case oil exports recover; and projected foreign currency reserves to decrease from $85.9bn by end-2026 to $81.4bn at end-2027. In addition, it stated that the Middle East conflict continues to pose risks to Iraq through potential damage to its physical infrastructure, domestic security risks, and disruptions to key oil export routes.

Source: S&P Global Ratings

ETHIOPIA

Economic activity to accelerate on favorable conditions

Standard Chartered Bank revised upwards its real GDP growth forecast for Ethiopia from 7% to 9.2% in the fiscal year that ended in June 2026 and from 7.5% to 9.1% for FY2026/27, as the economy has remained resilient despite the ongoing debt restructuring only reason, and projected the country's real GDP growth rate at 9% in FY2027/28. It attributed the stronger growth outlook to the momentum from the gold-mining sector and to ongoing reforms, which includes improved foreign currency availability. Also, it indicated that Ethiopia has made significant progress on the restructuring of its external debt, as the authorities reached an agreement in principle with the bondholder committee in late June 2026 and expected it to undertake a bond exchange in the coming months. Further, it anticipated negotiations with other commercial creditors to accelerate, and for the authorities to sign additional bilateral agreements with official creditors in the second half of 2026. Also, it revised upwards its forecasts for the average inflation from 9.3% to 13.7% in 2025/26 and from 9.5% to 11.8% in 202026/27, as rising energy costs increased prices across the economy, and projected the inflation rate at 7% in 2027/28. As such, it expected the National Bank of Ethiopia (NBE) to maintain its policy rate at 15% through the end of 2027 compared to its previous forecasts of 14% at end-2026 and 13% at end-2027.

Further, it revised downward its fiscal deficit forecast from 3% of GDP to 2% of GDP in FY2026/27, driven by fiscal consolation mainly through stronger revenue collection. It projected the fiscal deficit to narrow to 1.8% of GDP in FY2027/28. In parallel, it forecast the current account deficit at 2.5% of GDP in FY2025/26, at 2% of GDP in 2026/27 and at 2.4% of GDP in 2027/28. Also, it revised its forecast for the Ethiopian birr's exchange rate from ETB181 against the US dollar to ETB163 per dollar at end-2026 and from ETB192 per dollar to ETB174 per dollar at end-2027, amid increased foreign currency interventions by the NBE and higher reserves from gold purchases.

Source: Standard Chartered Bank

KUWAIT

Sovereign ratings affirmed on strong fiscal and external positions

Fitch Ratings affirmed Kuwait's long-term local and foreign currency issuer default ratings at 'AA-', and maintained the 'stable' outlook on the long-term ratings. It attributed the ratings' affirmation to the country's strong fiscal and external balance sheets, and noted that the sovereign's net foreign assets relative to GDP are the highest among all similarly-rated peers. But it said that the ratings are constrained by Kuwait's weaker governance indicators compared to similarly-rated peers, the economy's heavy dependence on the oil sector, and its generous welfare system and large public sector that could be a source of long-term fiscal pressure. Also, it expected Kuwait's crude oil production to average 2 million barrels per day in the fiscal year ending in March 2027, before recovering in FY2027/28, as some oil facilities have been damaged by the regional conflict. But it considered that Kuwait has the capacity to restore production quickly once transit conditions through the Strait of Hormuz normalize. Further, it projected the government's debt to rise from 2.9% of GDP in the fiscal year that ended in June 2024 to 38% of GDP in FY2027/28, driven by the resumption of debt issuance, fiscal deficits, and lower oil prices, but expected it to remain below the projected median of 51.5% of GDP for 'AA'-rated sovereigns in 2028. In parallel, it noted that it could downgrade the ratings if an escalation of regional geopolitical tensions affects economic and financial stability, in case of prolonged disruptions to oil export routes, and/or if the country's fiscal and external balances deteriorate.

Source: Fitch Ratings

EGYPT

Sovereign ratings affirmed on improved shock absorption capacity

Capital Intelligence Ratings affirmed Egypt's short- and long-term local and foreign currency ratings at 'B', which is five notches below investment-grade, and maintained the 'stable' outlook on the long-term ratings. It attributed the ratings' affirmation to the material improvement of Egypt's capacity to absorb external shocks, and added that the current policy framework helped the country withstand the impact of geopolitical risks on the economy. Also, it said that the ratings are supported by a flexible exchange rate, the satisfactory banking system net foreign asset position, elevated gross official foreign currency reserves, moderate gross external debt, and a resilient banking system. But it said that the ratings are constrained by persistent current account deficits, structural dependence on imported energy and food, elevated external financing needs, and significant weaknesses in public finances, including a high government debt-to-GDP ratio and very high debt servicing costs. Further, it noted that structural weaknesses in the trade balance persist due to the higher cost of energy imports. As such, it projected the current account deficit to widen from 4.3% of GDP in the fiscal year that ended in June 2025 to 4.5% of GDP in FY2025/26. Also, it noted that the 'stable' outlook balances Egypt's large external financing needs and weak fiscal strength, with its capacity to absorb pressure on the balance of payments, and continued reforms to reduce fiscal and external vulnerabilities. In parallel, it said that it could downgrade the ratings in the next 12 months if the government reverses key reforms, and/or if public debt level increases.

Source: Capital Intelligence Ratings

ANGOLA

Country risk level assessment maintained

In its annual assessment of Angola's country risk level, the insurance Rating Agency A.M. Best maintained Angola in the Country Risk Tier 5 (CRT-5) category, the lowest segment on its scale of country risk classification. It said that the country risk tiers (CRTs) reflect its assessment of economic, political, and financial system risks in a country, and range from CRT-1, or a very low level of country risk, to CRT-5 or a very high level of country risk. It considered that Angola has a "Very high" political risk level, as corruption remains an issue across the public sector, and allegations of political interference and a lack of judicial independence continue to harm confidence in the rule of law. Further, it assessed the level of Financial System Risk as "Very high". It noted that the Angolan banking sector holds a large amount of government debt, which links domestic financial institutions to the country's fragile fiscal position. It added that rising levels of non performing loans are putting pressure on the financial system and are creating risks to financial stability. In addition, it said that Angola has a " high" level of Economic Risk, as it estimated that the economy remains heavily dependent on the oil sector, which exposes the country to external vulnerabilities. It added that the high level of dollarization in the economy constrains the effectiveness of Banco Nacional de Angola's monetary policy.

Source: A.M. Best

TÜRKIYE

Credit profile supported by strong economy and low government debt

In its periodic review of Türkiye's credit profile, Moody's Ratings indicated that the country's sovereign rating of 'Ba3' balances the country's large, diversified and dynamic economy and its low government debt burden, with institutional and governance challenges and elevated domestic political risks, that have previously led to unorthodox policies that increased macroeconomic imbalances and external vulnerabilities. It said that the authorities' track record of effective policymaking has improved since mid-2023, particularly through the Central Bank of the Republic of Türkiye's adherence to a monetary policy framework that is easing inflationary pressures, reducing macroeconomic imbalances, and gradually restoring the confidence of domestic depositors and foreign investors in the Turkish lira In addition, it indicated that the economic strength assessment of 'a2' reflects the country's large, well-diversified and dynamic economy, as well as its relatively high per-capita income. Further, it noted that the 'b1' institutions and governance strength assessment captures the government's track record of moderate fiscal deficits and the improvements in monetary and macroeconomic policy effectiveness since 2023. It added that the sovereign's 'baa1' fiscal strength balances the low government debt burden with deteriorating debt affordability and the sensitivity of the government's debt metrics to currency depreciation and potential spikes in inflation, but it added that this sensitivity level has declined in recent years. Also, it indicated that the 'b' susceptibility to event risk is constrained by domestic political and external vulnerability risks.

Source: Moody's Ratings

SYRIA

World Bank to support financial sector modernization

The World Bank's Board of Executive Directors approved $100m for the Syria Financial Sector Modernization Project. It noted that, Syria's financial sector is small, dominated by banks, relies heavily on cash, has limited financial intermediation and an outdated digital payment infrastructure, and faces challenges in supervision, financial integrity and financial stability. It added that these constraints increase transaction costs, limit access to finance and hinder Syria's reconnection with international financial channels. It added that a functioning financial system is vital for Syria's economic recovery, as it would facilitate business transactions, trade, and investments, and support effective collection of public revenues and government payments. Also, it stated that the project supports core banking systems, cybersecurity, independent asset quality reviews for public and private banks, risk-based supervision, and anti-money laundering and combating the financing of terrorism capabilities. Further, it said that the project aims to establish and put into operation financial sector systems, enable at least 15 million electronic retail payments annually, and support at least 500,000 individuals and businesses in using digital payments. Also, it earmarks $57m to the modernization of payment, financial infrastructure, and the Central Bank of Syria operational systems; $36m to supervisory, integrity, and financial stability systems; and $7m for the project's implementation.
Source: World Bank

JORDAN

Banking sector risk assessment improves

S&P Global Ratings revised upward Jordan's banking sector assessment from 'Group 8' to 'Group 7' under its Banking Industry Country Risk Assessment (BICRA). It also raised the country's economic risk score from '8' to '7' and maintained its industry risk score at '7'. The BICRA framework evaluates banking systems based on the economic and industry risks that they face, with 'Group 10' consisting of the riskiest banking sectors. The other countries in BICRA's Group '7' are Bahrain, Costa Rica, Georgia, Kazakhstan, Morocco, Paraguay, and Thailand. It indicated that the economic risk score reflects "very high risks" in Jordan's economic resilience and its credit risks in the economy, and "intermediate risks" in the country's economic imbalances. It expected the sector's non-performing loans ratio to increase from 5.4% at end-2025 to 6.1% at end-2026, but to regress to 5.5% at end-2027, amid improving economic growth and easing financing conditions. Also, it expected the banks' low exposure to the tourism and transportation sectors, which are sensitive to regional tensions, along with limited economic imbalances, to support a recovery in asset quality. Further, it said that Jordanian banks are exposed to sovereign risk, as sovereign exposure represented about 28.7% of their domestic assets as of April 2026, while banks are indirectly exposed to sovereign risk through credit facilities that they extend to government-related entities. In parallel, it said that the industry risk score reflects the country's "high risks" in its institutional framework, competitive dynamics and system-wide funding. Also, it considered that a stable funding structure supports the creditworthiness of domestic banks. Further, it indicated that the trend for the industry and economic risks is 'stable'.*Source: S&P Global Ratings*

CÔTE D'IVOIRE

FATF points to improvements in AML/CFT regime

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), maintained Côte d'Ivoire on its list of "jurisdictions under increased monitoring". It indicated that Côte d'Ivoire made a high-level political commitment in October 2024 to work with the FATF and its regional body GIABA to strengthen the effectiveness of its AML/CFT regime, and noted that Côte d'Ivoire has substantially completed its action plan. It said that the authorities took steps to enhance the country's AML/CFT regime by enhancing its use of international cooperation in ML/TF investigations and prosecutions; by improving the implementation of risk-based supervision of financial institutions and designated non-financial businesses and professions and conducting outreach campaigns to improve compliance; by improving the verification and access of basic and beneficial ownership information of legal persons and applying sanctions in case of violation; by strengthening the use of financial intelligence by law enforcement authorities and improving disseminations by the Financial Intelligence Unit; by demonstrating a sustained increase in the number of terrorism financing investigations and prosecutions of different types of money laundering offences in line with the country's risk profile, as well as by strengthening the targeted financial sanctions framework. The FATF added that the progress warrants an on-site assessment to verify that that the necessary political commitment remains in place to continue the AML/CFT reforms in the future.
Source: Financial Action Task Force

TÜRKIYE

Banks' performance affected by operating conditions

Fitch Ratings indicated that the average operating profit to risk-weighted assets (RWAs) ratio of Turkish banks deteriorated in the first quarter of 2026, mainly due to the removal of regulatory forbearance on foreign currency RWAs. It added that lower yields on securities and a slight contraction in margins, due to the repricing of loans following the interest rate cuts in the fourth quarter of 2025, as well as still-high trading losses and operating expenses, contributed to the weaker ratio. Further, it said that higher-for-longer interest rates on lira-denominated loans have weakened borrowers' repayment capacity and increased pressure on the banks' asset quality, while inflationary pressures from the Iran conflict have worsened the banks' operating conditions. In addition, it stated that the banks' average non-performing loans (NPLs) ratio increased from 3.1% at end-2025 to 3.3% at end-March 2026, as the amount of newly impaired loans continues to increase across all segments amid still-high interest rates on loans and slower economic growth. Also, it indicated that the banks' average common equity Tier 1 ratio decreased from 14.1% at end-2025 to 11.5% at end-March 2026, following the removal of regulatory forbearance, as well as due to slightly weaker internal capital generation. Further, it said that the share of foreign currency wholesale funding in total non-equity funding remained stable at about 20%, and expected banks to continue to issue debt depending on market conditions.
Source: Fitch Ratings

ENERGY / COMMODITIES

Oil prices to average $85 p/b in third quarter of 2026

ICE Brent crude oil front-month futures contract for October 2026 reached $91.6 per barrel (p/b) on August 19, 2026, constituting an increase of 3% from $91.6 p/b on August 12, 2026, driven by supply uncertainties, as Tehran declared it would adopt a more offensive stance on the conflict in the Gulf, keep the Strait of Hormuz closed, while Washington ruled out extending the ceasefire between the U.S. and Iran. Also, oil prices increased after the UAE decided to suspend all financial and economic transactions with Iran, which could escalate tensions in the Middle East. In parallel, the U.S. Energy Information Administration estimated that the disruption to oil production in the Gulf Cooperation Council (GCC), Iraq, and Iran averaged 5.46 million barrels per day (b/d) in July 2026 compared to an average of 7.48 million b/d in June 2026. It also assumed that oil shipments through the Strait of Hormuz will remain severely constrained through August, with hydrocarbon flows slowly increasing in September. As such, it expected the disruption to oil output in the GCC countries, Iraq and Iran to average 6.57 million b/d in the third quarter of 2026 and to decrease to 4.2 million b/d in the fourth quarter of the year. Further, it anticipated oil prices to remain elevated until global oil flows normalize and oil inventories are replenished, as the continued disruptions to oil flows through the Strait of Hormuz have already triggered a sharp drawdown in global oil inventories. It estimated that global oil inventories declined by an average of 4.2 million b/d in the second quarter of 2026 and projected them to contract by an additional 3.8 million b/d in the third quarter of the year. In addition, it forecast oil prices to average $85 p/b in the third quarter and $86.8 p/b in 2026.

Source: U.S. Energy Information Administration, LSEG Workspace, Byblos Research

Middle East demand for gold jewelry down 23% in first half of 2026

Demand for gold jewelry in the Middle East totaled 65.4 tons in the first half of 2026, constituting a drop of 23% from 84.8 tons in the same period of 2025, and accounted for 13% of global demand for gold jewelry. Demand for gold jewelry in Saudi Arabia reached 23 tons, or 35.2% of the region's consumption in the covered period, followed by Iran with 10.4 tons (16%), and the UAE with 10.3 tons (15.7%).

Source: World Gold Council, Byblos Research

OPEC's oil basket price down 7.5% in July 2026

The price of the reference oil basket of the Organization of Petroleum Exporting Countries (OPEC) averaged $83 per barrel (p/b) in July 2026, constituting a decrease of 7.5% from $89.75 p/b in June 2026. The price of Saudi Arabia's Arab Light was $87.9/b, followed by Nigeria's Bonny Light at $86.45p/b, and Algeria's Sahara Blend at $83.8p/b and. In parallel, all prices in the OPEC basket posted monthly decreases of between $1.93 p/b and $10.26 p/b in July 2026.

Source: OPEC

Kuwait's crude oil production up 2.8% in May 2026

Crude oil production in Kuwait totaled 578,000 barrels per day (b/d) in May 2026, constituting an increase of 2.8% from 562,000 b/d in April 2026 and a drop of 76% from 2.42 million b/d in May 2025. Crude oil exports stood at 24,000 b/d in May 2026, representing declines of 41.5% from 41,000 b/d in April 2026 and of 98% from 1.24 million b/d in May 2025.

Source: JODI, Byblos Research

Base Metals: Zinc prices to average $3,058 per ton in third quarter of 2026

The LME cash prices of zinc averaged $3,417.3 per ton in the year-to-August19, 2026 period, constituting an increase of 24.6% from an average of $2,743.6 a ton in the same period of 2025, due to supply constraints, low global inventory levels, and stronger demand from the construction, automotive, and renewable energy sectors. In parallel, the latest available figures released by the International Lead and Zinc Study Group (ILZSG) show that global demand for refined zinc stood at 4.44 million tons in the first four months of 2026, constituting an increase of 1.4% from 4.38 million tons in the same period of 2025, driven by higher demand for the metal in Europe, China, India, Türkiye, and the United States, which was partially offset by weaker demand in Iran, South Korea and the UAE. Also, global zinc production reached 4.6 million tons in the first four months of 2026, representing an uptick of 3.5% from 4.4 million tons in the same period last year, due to higher output in China, Brazil, Mexico, India, South Korea Korea, and Canada, which more than offset lower production in Japan, Kazakhstan, and Norway. Further, it said that mine output represented 88.5% of the global production of refined copper in the first four months of this year compared to 90.6% in the same period of 2025. Also, the ILZSG indicated that the global market for refined zinc posted a surplus of 145,000 tons and that global inventories increased by 58,000 tons in the first four months of 2026. Further, S&P Global Market Intelligence projected zinc prices to average $3,058.2 per ton in the third quarter of 2026, with a low of $2,800 a ton and a high of $3,200 per ton in the covered quarter.

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

Precious Metals: Gold prices to average $4,300 per ounce in third quarter of 2026

Gold prices averaged $4,572.4 per ounce in the year-to-August 19, 2026 period, constituting a surge of 46% from an average of $3,133.3 an ounce in the same period last year, driven largely by strong demand from central banks worldwide, by persistent concerns about global economic uncertainties, and by heightened Middle East tensions. Also, gold prices dropped by 19.7% from an all-time high of $5,586.2 per ounce on January 29, 2026 to $4,485.4 an ounce on August 19, 2026 due to rising U.S. Treasury yields and a stronger exchange rate of the US dollar against major currencies. In addition, figures released by the World Gold Council show that global flows into gold-backed ETFs shifted from outflows of 76.8 tons in June 2026 to inflows of 23.5 tons in July 2026, which reflected a shift in global flows in ETFs from outflows of $9.2bn in June 2026 to inflows of $3bn in July 2026. It said that inflows from gold-backed ETFs totaled 17.3 tons in Europe in July 2026, followed by 4.9 tons in Asia, and by one ton in other regions, and gold-backed ETFs in North America registered inflows of 0.3 tons in July 2026. In parallel, S&P Global Market Intelligence forecast gold prices to average $4,300 per ounce in the third quarter of 2026, with a low of $4,000 an ounce and a high of $4,700 per ounce in the covered quarter.

Source: World Gold Council, S&P Global Market Intelligence, 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- / 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 / Positive	- / -	-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 / Stable	B3 / Positive	B / Stable	- / -	-3.8	46.0	5.7	57.2	28.9	101.5	4.4	0.3
Sudan	- / -	- / -	- / -	- / -	-1.1	81.6	-	-	-	-	-12.7	-
Tunisia	- / -	Caa1 / Stable	B- / Stable	- / -	-4.3	80.2	-	-	-	-	-2.2	-
Burkina Faso	CCC+ / Stable	- / -	- / -	- / -	-3.8	59.1	1.8	59.9	11.2	143.1	-1.9	0.7
Rwanda	B+ / Stable	B2 / Stable	B+ / Stable	- / -	-4.2	74.1	3.9	20.6	10.4	112.0	-14.7	7.4
Middle East												
Bahrain	B / Stable	B2 / Stable	B / Stable	B / 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- / Negative	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	Aa3 / Stable	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 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 Positive	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+ Negative	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	29-Jul-26	No change	16-Sep-26
Eurozone	Refi Rate	2.40	23-Jul-26	Raised 25bps	10-Sep-26
UK	Bank Rate	3.75	30-Jul-26	No change	17-Sep-26
Japan	O/N Call Rate	1.00	31-Jul-26	No change	18-Sep-26
Australia	Cash Rate	4.35	11-Aug-26	No change	N/A
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-Sep-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-Aug-26	No change	07-Oct-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	23-Jul-26	No change	10-Sep-26
South Africa	Repo Rate	7.00	23-Jul-26	No change	23-Sep-26
Kenya	Central Bank Rate	8.75	11-Aug-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	06-Aug-26	No change	24-Sep-26
Brazil	Selic Rate	14.00	05-Aug-26	Cut 25bps	N/A
Armenia	Refi Rate	6.50	04-Aug-26	No change	15-Sep-26
Romania	Policy Rate	6.50	10-Aug-26	No change	08-Oct-26
Bulgaria	Base Interest	1.81	01-Dec-25	Raised 1bp	N/A
Kazakhstan	Repo Rate	16.75	24-Jul-26	Cut 25bps	04-Sep-26
Ukraine	Discount Rate	15.00	30-Jul-26	No change	17-Sep-26
Russia	Refi Rate	14.00	24-Jul-26	Cut 25bps	11-Sep-26

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