900 ISSUES+
Issue 902 | September 3, 2026

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COUNTRY RISK WEEKLY BULLETIN

NEWS HEADLINES

WORLD

Youth unemployment rate projected at 12.3% in 2026

The International Labor Organization expected global youth unemployment to reach 67.5 million individuals in 2025, which would constitute an uptick of 0.3% from 67.3 million unemployed youth in 2026. As such, it forecast the youth unemployment rate to slightly decrease from 12.4% in 2025 to 12.3% in 2026. It expected lower-middle income countries (LMICs) to have 26.4 million young unemployed persons in 2026 and to account for 39.1% of total youth unemployment, followed by 26.1 million individuals in upper-middle income economies (UMICs) (39% of the total), 8.2 million persons in high-income economies (12%), and 6.7 million young individuals in low-income countries (10%). As a result, it projected the youth unemployment rate at 15% in UMICs this year, at 11.8% in LMICs, at 11.2% in high-income economies, and at 8.7% in low-income economies. Also, it forecast the youth unemployment rate in Arab countries at 26.3% this year, followed by North Africa with 22.3%, Northern, Southern & Western Europe (14.9%), East Asia (14.5%), South Asia (14.4%), Central & Western Asia (13.1%), Latin America & the Caribbean (11.4%), Eastern Europe (11%), North America (10.2%), South-Eastern Asia & the Pacific (9.1%), and Sub-Saharan Africa (8.5%).

Source: International Labor Organization

Smartphone shipments to reach 1.2 billion devices in 2030

S&P Global Market Intelligence Kagan indicated that the global shipments of smartphones reached 1.23 billion devices in 2025, constituting an increase of 2% from 1.21 billion phones in 2024, and projected such shipments to post a compound annual growth rate (CAGR) of -0.4% in the 2025-30 period and to reach 1.21 billion in 2030. Also, it said that the deliveries of smartphones to the Asia-Pacific region reached 632.4 million devices and accounted for 51.3% of global shipments last year, followed by deliveries to the Middle East and Africa with 185.4 million phones (15%), to North America with 147.5 million devices (12%), to Latin America and the Caribbean with 116.6 million phones (9.5%), to Western Europe with 86 million devices (7%), and to Eastern Europe with 64.8 million phones (5.3%). Further, it stated that global revenues from smartphone shipments amounted to $425.7bn in 2025 and increased by 7.4% from $396.5bn in 2024, and forecast such receipts to reach $462.6bn in 2030 and to post a CAGR of 1.7% in the 2025-30 period. In addition, it said that the average selling price of per smartphone stood at $345 in 2025, up by 5.2% from $328 in 2024, and projected the average selling price of smartphone to stand at $383 in 2030 and to increase by a CAGR of 2.1% in the 2025-30 period. In parallel, it noted that Samsung accounted for 19.5% of the global smartphones market in 2025, followed by Apple with 19.3%, Xiaomi with 13.4%, Oppo with 11.3%, and Vivo with 8.6%. It indicated that Apple's revenues from smartphones reached $225.7bn in 2025, followed by Samsung with $68.7bn, Oppo with $31.3bn, Xiaomi with $26.6bn, and Vivo with $24bn.

Source: S&P Global Market Intelligence

Equity capital markets activity up 72% to $569bn in first half of 2026

Global equity capital markets (ECM) activity reached $568.8bn in the first half of 2026, constituting an increase of 71.5% from $413.8bn in the same period last year; while the number of ECM deals stood at 2,423 transactions in the first half of 2026 and increased by 10% from 2,200 deals in the first half of 2025. Also, ECM issuance in the U.S. totaled $301.7bn and accounted for 53% of total ECM offerings in the first half of 2026, followed by the Asia-Pacific excluding Australia with $122.5bn (21.5%), Europe, the Middle East and Africa (EMEA) with $92bn (16.2%), Japan with $21.6bn (3.8%), Australia with $14.1bn (2.5%), and Latin America with $6.8bn (1.2%). Further, global ECM issuance in the first half of 2026 consisted of $269.3bn in follow-on offerings, or 47.3% of the total, followed by $170.1bn in initial public offerings (IPOs) (30%), and $128.8bn in convertible bond offerings (22.6%). Also, there were 1,691 follow-on offerings in the first half of 2026, or 69.8% of the total, followed by 519 IPOs (21.4%), and 209 convertible bond offerings (8.6%). Also, IPOs in the U.S. totaled $120.8bn and accounted for 71% of ECM offerings in the first half of 2026, followed by Asia-Pacific excluding Australia with $28.2bn (16.6%), Europe, the Middle East and Africa (EMEA) with $15.1bn (9%), Japan with $2bn (1.2%), Latin America with $1.5bn (1%), and Australia with $929m (0.5%).

Source: LSEG

MENA

Stock markets up 3.3% in first eight months of 2026

Arab stock markets grew by 3.3% and Gulf Cooperation Council (GCC) equity markets improved by 3.2% in the first eight months of 2026 compared to increases of 2.6% and 1.2%, respectively, in the same period of 2025. Also, Arab stock markets and GCC equity markets advanced by 3.7% and 4%, respectively, in August 2026 from the preceding month, while they expanded by 3.6% each from August 2025. In comparison, global equity markets appreciated by 13.3% and emerging market equities surged by 22.4% in the first eight months of 2026, relative to increases of 13% and of 17%, respectively, in the same period of 2025. Further, global equity markets grew by 2.6% and emerging market equities advanced by 3.2% in August 2026 from the previous month, while they surged by 20.8% and by 36.6%, respectively, from August 2025. Activity on the Tunis Bourse jumped by 44.3% in the first eight months of 2026, the Egyptian Exchange surged by 31.2%, the Muscat Securities Market yielded 29.2%, and the Palestine Exchange expanded by 14%. Also, the Amman Stock Exchange improved by 10.8%, the Saudi Stock Exchange appreciated by 6.1%, the Damascus Securities Exchange increased by 4.8%, the Iraq Stock Exchange gained 2.4%, and the Abu Dhabi Securities Exchange yielded 0.1% during the covered period. In contrast, the Beirut Stock Exchange decreased by 11.6%, the Qatar Stock Exchange dropped by 9%, the Bahrain Bourse declined by 6.3%, the Dubai Financial Market retreated by 3.5%, the Casablanca Stock Exchange contracted by 1%, and the Boursa Kuwait regressed by 0.1% in the first eight months of 2026.

Source: MSCI indices, Local stock markets, LSEG Workspace

OUTLOOK

GCC

Economic outlook vulnerable to export disruptions

Citi Research projected the real GDP of the Gulf Cooperation Council (GCC) countries to shift from a growth rate of 4.5% in 2025 to a contraction of 1% in 2026, driven by the impact of the conflict in the Middle East on regional economies, as the security and energy landscape continues to evolve. Under its base-case scenario that assumes an eventual settlement between the U.S. and Iran, the normalization of hydrocarbon flows through the Strait of Hormuz, and ICE Brent oil prices averaging about $80 per barrel (p/b) in the third quarter and $70 p/b in the fourth quarter of 2026, it expected the GCC's real hydrocarbon GDP to shift from a growth rate of 4.3% in 2025 to a contraction of 7.6% this year due mainly to oil supply disruptions, and for real non-oil GDP to decelerate from 5.1% in 2025 to 1.5% in 2026 as regional tensions weigh on conflict-sensitive services sectors. Also, it forecast the real GDP growth rate of Oman at 4.2% in 2026, followed by growth rates of 0.6% in the UAE and 0.5% in Saudi Arabia; while it projected economic activity in Qatar to shrink by 12.1% this year, followed by contractions of 8.9% in Kuwait and of 3.9% in Bahrain.

Further, under its base-case scenario, it projected Kuwait's current account surplus at 13.6% of GDP in 2026, followed by the UAE at 8.6% of GDP, Oman at 5.6% of GDP, Qatar at 5.4% of GDP, and Bahrain at 0.4% of GDP; while it expected Saudi Arabia to post a current account deficit of 0.9% of GDP this year. Also, it noted that risks to the economic outlook include a longer closure of the Strait of Hormuz or a spread of the conflict to the Red Sea.

Source: Citi Research

SAUDI ARABIA

Large buffers to mitigate marco-financial risks

The Institute of International Finance (IIF) projected Saudi Arabia's real GDP growth rate to decelerate from 4.6% in 2025 to 0.3% in 2026. It forecast the Kingdom's real oil GDP to shift from a growth rate of 5.7% in 2025 to a contraction of 8.5% in 2026, due to lower crude oil output that it estimated to decline from 9.43 million barrels per day (b/d) in 2025 to 8.38 million b/d in 2026. Also, it forecast real non-oil GDP growth to moderate from 4.2% in 2025 to 3.3% in 2026. Further, it projected Saudi Arabia's real GDP growth rate to rebound to 6.4% in 2027, with real oil GDP expanding by 14.4% and for real non-oil GDP to accelerate to 3.8% in case regional tensions ease, shipping routes normalize gradually, and oil production and export volumes recover. It expected non-oil activity to remain supported by construction, transport and other services, as well as by the continued implementation of high-return projects under Vision 2030. It considered that the East-West Pipeline, which transports crude oil to the Yanbu port on the Red Sea, as well as the expanded Red Sea facilities, cannot fully compensate for the restricted access through the Strait of Hormuz.

In parallel, the IIF projected the government's fiscal deficit to widen from 5.8% of GDP in 2025 to 5.9% of GDP, and to narrow slightly to 5.4% of GDP in 2027. It attributed the current fiscal trend to constrained oil export volumes, elevated expenditures on security and logistics, as well as to continued spending on Vision 2030 projects, despite the contribution of higher global oil prices to government revenues Also, it forecast the government's debt level to rise from 31.8% of GDP in 2025 to 33.7% of GDP in 2026 and 36% of GDP in 2027 due to government borrowing. But it indicated that Saudi Arabia's large sovereign assets, substantial foreign currency reserves and strong banking system reduce liquidity and balance-of-payments risks and ensure continued access to external financing.

Further, it forecast the current account deficit to narrow from 2.6% of GDP in 2025 to 1.1% of GDP in 2026 and 1.2% of GDP in 2027, as slightly higher earnings from oil exports would more than offset strong import demand related to Vision 2030 projects, and projected official foreign currency reserves to increase from $493bn at end-2026 to $529bn at end-2027. In addition, it considered that risks to the outlook are tilted to the downside and include a prolonged disruption to shipping routes in the Arabian Gulf and a failure to achieve a durable de-escalation of tensions between the U.S. and Iran.

Source: Institute of International Finance

TUNISIA

Economic activity to remain subdued amid fiscal pressures

Standard Chartered Bank (SCB) revised upwards its real GDP growth forecast for Tunisia from 2% to 2.1% in 2026, following stronger-than-expected economic activity in the first half of the year. But it projected real GDP growth to decelerate to 1.8% in 2027 due to week activity in the manufacturing and extractive sectors, elevated import costs, low investments, high public-sector borrowing, as well as to disruptions to water and electricity supply during periods of extreme hot weather. It anticipated tourism inflows, as well as the recovery of the agricultural sector from the 2023-24 droughts, to support growth. Further, it revised downward its average inflation forecast from 5.6% to 5.2% in 2026, as food, fuel and electricity subsidies mitigated the impact of higher global energy prices, and projected the inflation rate at 5.3% in 2027 and 5.6% in 2028.

Also, it revised its forecast for the fiscal deficit from 5% of GDP to 7.3% of GDP in 2026 and from 5% of GDP to 6.8% of GDP in 2027, and projected the deficit at 6.5% of GDP in 2028, mainly due to elevated global energy prices and the significant subsidy burden. It estimated that each increase of 1$ per barrel in Brent oil prices would add about TND164m in subsidy costs.

Further, it maintained its current account deficit forecast at 4% of GDP in 2026 and revised its projection for the deficit from 3% of GDP to 3.5% of GDP in 2027, while it forecast the deficit to narrow to 3% of GDP in 2028. It expected the significant decline in imports since 2022, as well as strong remittances inflows and tourism receipts, to limit downside risks to the external balance. But it noted that higher global hydrocarbon prices are weighing on the current account balance, as oil and petroleum products account for 17% of Tunisia's total imports. In parallel, it expected the authorities to continue to rely heavily on domestic borrowing amid limited access to external financing, with the government sourcing 78% of its borrowing requirements from domestic sources, such as relying on direct financing from the Central Bank of Tunisia for the third consecutive year.

Source: Standard Chartered Bank

ARMENIA

Country risk level assessment maintained

In its annual assessment of Armenia's country risk level, the insurance Rating Agency AM Best maintained Armenia in the Country Risk Tier 4 (CRT-4) category, the second 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 Armenia has a "Moderate" Political Risk level. It noted that frequent Cabinet reshuffles have weakened the government's ability to implement sustained policy reforms. It added that Armenia's membership in the European Union is a long-term objective that requires further reforms, while it expected the conclusion of a comprehensive peace agreement with Azerbaijan to be a complex and prolonged process. Further, it assessed the level of Economic Risk as "High". It stated that the economy benefited from strong capital inflows, migration, and trade re-routing following Russia's invasion of Ukraine, while economic growth has remained relatively robust. It noted that the country's close economic ties with Russia expose it to external vulnerabilities, including sanctions-related risks. Further, it stated that Armenia's reliance on imported energy makes the economy vulnerable to commodity price shocks and inflationary pressures. In addition, it considered that Armenia has a "High" level of Financial System Risk. It indicated that the Central Bank of Armenia can conduct targeted foreign exchange interventions to support its monetary policy objectives despite Armenia's largely free-floating exchange rate regime.

Source: AM Best

JORDAN

Sovereign ratings affirmed on economic resilience

S&P Global Ratings affirmed Jordan's long-term foreign and local currency sovereign credit ratings at 'BB-', which is three notches below investment grade, and affirmed the short-term foreign and local currency ratings at 'B'. It also affirmed the transfer and convertibility assessment at 'BB+' and maintained the 'stable' outlook on the long-term ratings. It attributed the ratings' affirmation to Jordan's broad economic resilience despite the significant escalation of the conflict in the Middle East. But it said that the ratings are constrained by the country's significant exposure to regional instability, given its location and economic integration within the region. It noted that the 'stable' outlook balances Jordan's resilient economic performance following fiscal and economic reforms and higher international reserves, with elevated regional security risks, a high public debt level, and wide current account deficits. Also, it projected gross foreign currency reserves to reach $26bn at the end of 2026, equivalent to 7.77 months of current account payments, with usable reserves at $10.6bn at year-end. Also, it forecast Jordan's external financing needs at 134.8% of current account receipts and usable reserves in 2026, and at 138.4% and 143% of such receipts and reserves in 2027 and 2028, respectively. Further, it said that it could upgrade the ratings if regional security conditions improve, if tourism, remittance and capital flows increase, if Jordan's external position strengthens, and/or if the country reduces its elevated net general government debt.

Source: S&P Global Ratings

NIGERIA

Outlook on ratings revised to 'positive' on stronger external position

Moody's Ratings affirmed Nigeria's long-term local and foreign currency issuer ratings and foreign currency senior unsecured debt ratings at 'B3', which is six notches below investment grade, and revised the outlook on the ratings from 'stable' to 'positive'. It attributed the outlook revision to the improvement in Nigeria's external position and to stronger-than-expected economic growth, which would enhance the country's capacity to absorb external shocks, strengthen economic resilience and support an increase in government revenues. It added that this progress has resulted in sizeable current account surpluses, an accumulation of external reserves, the improved functioning of the foreign exchange market, and a more effective monetary policy transmission. Further, it said that the affirmation of the ratings balances fiscal pressures arising from the government's still limited capacity to generate revenues and its weak debt affordability, with more robust external buffers and a large and diversified economy. In parallel, it noted that it could upgrade the ratings if the authorities maintain the recent progress in the external sector and if revenue measures improve fiscal metrics and boost confidence. It added that it could revise the outlook to 'stable' if external buffers erode, if external imbalances resurface, or if economic growth weakens materially and reduces the prospects for higher government revenues.

Source: Moody's Ratings

PAKSTAN

Sovereign ratings upgraded on improved external position

Moody's Ratings upgraded Pakistan's long-term local and foreign currency issuer and senior unsecured debt ratings from 'Caa1' to 'B3', which is six notches below investment grade, and maintained the 'stable' outlook on the long-term ratings. It attributed the ratings' upgrade to the agency's expectations that the improvements in governance will allow the government to sustain the recent strengthening of the country's external position and improve fiscal metrics. It considered that Pakistan's external vulnerability risks have receded with the steady increase in foreign currency reserves, supported by sustained macroeconomic stabilization. But it noted that the sovereign's credit profile remains vulnerable due to a structurally fragile external position, still-weak debt affordability, a relatively narrow public revenues base, and constraints on attracting investments and on stimulating high-productivity and economic growth. Further, it pointed out that the 'stable' outlook balances the prospects of a stronger-than-expected improvement in Pakistan's credit fundamentals, with risks that could constrain access to foreign currency financing and reduce fiscal flexibility. Also, it expected the authorities' continued adherence to the International Monetary Fund's program to allow Pakistan to meet its external financing needs of $21bn in the fiscal year that ends in June 2027 and of about $30bn in FY2027/28, along with the continuing increase in foreign reserves. In parallel, it noted that it could upgrade the ratings if the country's debt affordability and external position improve significantly, and/or in case of continued fiscal consolidation. But it said that it could downgrade the ratings if the government's liquidity or external vulnerability risks increase, and/or if social and political risks rise.

Source: Moody's Ratings

BANKING

WORLD

Frontier AI models raise risks to financial stability

The Financial Stability Board considered that the rise of frontier artificial intelligence (AI) models has further complicated the financial system's risk environment, as it noted that these models are demonstrating increasingly advanced autonomy, sophisticated problem solving abilities, and emerging capabilities that could pose significant threats to financial stability. It said that the most immediate concern for the financial system is the potential impact of frontier AI on cyber risk, as it may materially alter the speed, scale and economics of cyber risk, which will undermine market confidence. It stressed the need for financial institutions (FIs) and the authorities to prepare for an environment with more vulnerabilities and faster patching cycles, since these dynamics can create operational and resilience challenges if systems are unable to adapt effectively. Further, it said that frontier AI offers opportunities to strengthen cyber defense, but it pointed out that the resilience and preparedness of FIs and of the authorities must keep pace with advances in the capabilities of frontier AI systems. It noted that FIs, market infrastructures and technology providers will need to strengthen vulnerability management to better handle systemic disruptions, and must prepare for scenarios involving simultaneous disruptions across multiple FIs or shared dependencies, in order to safeguard market confidence. It noted that many jurisdictions lack protocols to manage the development, release and deployment of advanced frontier AI models, which will heighten risks for the financial sector and the wider economy.

Source: Financial Stability Board

Stablecoins to accelerate risk transmission

The International Monetary Fund (IMF) indicated that private sector financial innovation, particularly tokenization and stablecoins, has the potential to transform cross-border payments by making large-value transactions cheaper and faster. It noted that blockchain constitutes a small experiment in global payments, but added that stablecoins could streamline global finance on their own merit and by fueling competition among payment providers and financial intermediaries. It pointed out that dollar-backed stablecoins create a new way for issuer countries to tap into an estimated $15 trillion stock of dollars held outside their borders, which could help lower their fiscal funding costs. But it considered that stablecoins and a more fluid global financial system accelerate the transmission of risks and carry several challenges. First, it indicated that stablecoins could drain banks' deposit bases and increase funding costs, which could result in excessive bank disintermediation and impair credit to households and small businesses. Second, it noted that stablecoins could serve as vehicles for tax evasion and accelerate currency substitution while evading capital controls. Third, it said that stablecoins could undermine financial integrity, especially where anonymity and non-traceability are built into payment systems. Fourth, it stated that the evasion of capital controls exposes countries to exchange rate instability and a loss of monetary sovereignty. As such, the IMF encouraged countries to establish internationally coordinated regulatory policies, maintain strict rules on reserve pools to ensure par redeemability, increase foreign exchange buffers, enforce firm macroeconomic discipline, and ensure central banks remain focused on price stability.

Source: International Monetary Fund

MOROCCO

Agency takes rating action on banks

Capital Intelligence Ratings affirmed the long- and short-term foreign currency ratings of Banque Centrale Populaire (BCP) and Attijariwafa Bank (AWB) at 'BBB- and 'A3', respectively, and the ratings of Bank of Africa (BOA) and Crédit du Maroc (CdM) at 'BB+' and 'B', respectively. Also, it downgraded the long- and short-term foreign currency ratings of Banque Marocaine pour le Commerce et l'Industrie (BMCI) from 'BBB-' and 'A3', respectively, to 'BB+' and 'B', respectively. Further, it affirmed the Bank Standalone Ratings (BSRs) of BMCI, AWB, BCP, and CdM at 'bb' and the BSR of BOA at 'bb-'; while it maintained the 'stable' outlook on the long-term foreign currency ratings and BSRs of the five banks. It attributed the downgrade of the ratings of BMCI to the likely imminent sale of the majority stake of France's BNP Paribas in the bank to the Moroccan Holmarcom Group in the fourth quarter of 2026. Further, it noted that the BSRs of the five banks are supported by their comfortable liquidity buffers and sound funding profiles, but it stated that their BSRs are constrained by their elevated non-performing loan ratios. It pointed out that modest capital ratios are weighing on the ratings of AWB and BOA, while adequate capital buffers underpin the BSRs of BMCI, BCP and CdM. It added that the BSRs of AWB, BOA, and CdM are supported by their healthy profitability, while the BSR of BCP reflects its satisfactory profit ratios, and the BSR of BMCI takes into account its weak profitability metric amid high operating expenditures and an elevated cost of risk.

Source: Capital Intelligence Ratings

PAKISTAN

Banks' ratings upgraded on favorable operating conditions

Moody's Ratings upgraded the long-term local- and foreign-currency deposit ratings of Allied Bank (ABL), Habib Bank (HBL), MCB Bank (MCB), National Bank of Pakistan (NBP) and United Bank (UBL) from 'Caa1' to 'B3', which are six notches below investment grade. Also, it upgraded the Baseline Credit Assessments (BCAs) of ABL, HBL, MCB and UBL from 'caa1' to 'b3', and the BCA of NBP from 'caa2' to 'caa1'. Further, it maintained the 'stable' outlook on the banks' long-term ratings. It attributed the ratings' upgrade to the improvement in Pakistan's operating environment; to the banks' resilient standalone financial profiles, supported by strong liquidity, stable deposit-funded franchises and adequate earnings generation capacity; and to the continued close linkage between the credit profiles of Pakistani banks with the sovereign through their sizeable holdings of government securities, which account for about 67% of the rated banks' assets and for 15.8 times their tangible common equity. It noted that the 'stable' outlook on the ratings of the banks reflects its similar action on the sovereign ratings and balances a faster improvement in Pakistan's credit fundamentals with outstanding risks related to the vulnerabilities related to external financing pressures and fiscal constraints, which, if materialized, could weaken access to foreign-currency financing and further reduce fiscal flexibility. Also, it said that it could downgrade the ratings in case of a deterioration in the banks' financial metrics, while it could upgrade the ratings if the banks maintain their resilient financial performance and/or if the operating environment improves.

Source: Moody's Ratings

Gas prices to average $3.1 per million Btu in third quarter of 2026

The U.S. NYMEX natural gas Henry Hub prices averaged $3.1 per million British thermal unit (Btu) in the first eight months of 2026, constituting a decrease of 12.1% from $3.5 per million Btu in the same period of 2025, due to weaker industrial demand and record domestic production that outpaced consumption growth. In parallel, the International Energy Agency expected the production of natural gas in the Middle East to decline by 10%, or by 80 billion cubic meters (bcm), in 2026, constituting its first drop since 1993. It attributed more than 50% of the decrease to the decline in Liquefied Natural Gas (LNG) exports from Qatar and the UAE due to the disruptions to hydrocarbon flows through the Strait of Hormuz. It added that the gas production and processing facilities in the Middle East have been damaged and that the output of gas-intensive industries such as fertilizer production has decreased as a result of the conflict in the region. Also, it projected the global demand for gas to regress by 0.5%, or by 20 bcm, this year, the third annual decline this decade following previous decreases in 2020 and 2022. Further, it forecast the demand for gas in the Middle East to contract by 4% in 2026, the region's first annual decline in consumption since 1993. It anticipated demand for natural gas in Asia to decrease by 0.5% in 2026 as higher LNG prices spur a switch from gas to coal in the power sector and reduce operating costs across gas- and energy-intensive industries. Also, it forecast the demand for gas in Europe to retreat by more than 2% in 2026 amid a combination of strong growth in power output from renewables and higher natural gas prices. Further, Citi Research projected natural gas prices to average $3.1 per million Btu in the third quarter of 2026, with a low of $2.5 per million Btu and a high of $4.5 per million Btu in the covered quarter.
Source: International Energy Agency, Citi Research, LSEG Workspace, Byblos Research

Saudi Arabia's oil export receipts at $16.8bn in June 2026

Oil exports from Saudi Arabia totaled four million barrels per day (b/d) in June 2026, constituting declines of 11.4% from 4.5 million b/d in May 2026 and of 49% from 7.8 million b/d in June 2025. Oil export receipts reached $16.8bn in June 2026, down by 11% from $18.9bn in the previous month and by 2.3% from $17.2bn in June 2025.
Source: JODI, General Authority for Statistics, Byblos Research

OECD petroleum and liquid fuels demand to decrease by 0.9% in 2026

The U.S. Energy Information Administration projected in July 2026 the consumption of petroleum and liquid fuels in OECD countries at 45.5 million barrels per day (b/d) in 2026, which would represent a decrease of 0.9% from 45.91 million b/d in 2025. It forecast the demand for petroleum and liquid fuels in OECD countries to account for 44.3% of global consumption in 2026.
Source: U.S. Energy Information Administration

Kuwait's crude oil production up 185.5% in June 2026

Crude oil production in Kuwait totaled 1.7 million barrels per day (b/d) in June 2026, constituting an increase of 185.5% from 578,000 barrels b/d in May 2026 and a drop of 31.8% from 2.42 million b/d in June 2025. Crude oil exports stood at 1.06 million b/d in June 2026 compared to 24,000 b/d in May 2026 and to 1.24 million b/d in June 2025.
Source: JODI, Byblos Research

Base Metals: Nickel prices to average $17,548 per ton in 2026

The LME cash prices of nickel averaged $17,445.2 per ton in the first eight months of 2026, constituting an increase of 14.2% from an average of $15,272 a ton in the same period of 2025, driven by stronger demand from electric vehicle battery producers, deliberate supply cuts in Indonesia, ongoing supply disruptions in other exporting countries, and higher energy costs. In parallel, S&P Global Market Intelligence anticipated the global supply of nickel at 3.7 million tons in 2026, which would constitute a decrease of 4.7% from 3.88 million tons in 2025. Also, it forecast the global demand for nickel at 3.64 million tons in 2026, which would represent an increase of 0.5% from 3.62 million tons in 2025. Further, it anticipated the global primary nickel market to tighten in the foreseeable future, despite lowering its demand projections due to weaker demand for nickel-intensive batteries. As such, it expected the surplus in the market to decrease from 262,000 tons in 2025 to 61,000 tons this year. Also, it anticipated the uncertainties about Indonesia's nickel mining quota to continue to affect nickel prices in the near term. Further, it projected nickel prices to average $17,548 per ton in 2026.
Source: S&P Global Market Intelligence, LSEG, Byblos Research

Precious Metals: Gold prices to average $4,200 per ounce in third quarter of 2026

Gold prices averaged $4,572.7 per ounce in the first eight months of 2026, constituting a surge of 45.4% from an average of $3,144.8 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 21.7% from an all-time high of $5,586.2 per ounce on January 29, 2026 to $4,372.7 an ounce on September 2, 2026 due to rising U.S. Treasury yields and a stronger exchange rate of the US dollar against major currencies. In addition, the World Gold Council indicated that the performance of gold prices in the first half of 2026 reflects the metal's sensitivity to shifting macroeconomic conditions, geopolitical risk, and investor sentiment, along with the growing influence of global demand, especially demand from Asia. Also, it estimated that the purchase of 20 tons to 30 tons of gold by central banks would raise global oil prices by approximately 1%; while it noted that a 1% increase in the global inflation rate corresponds to a 0.5% rise in gold prices. In addition, it estimated that a monthly increase of 100 points in the U.S. Federal Reserve's Geopolitical Risk (GPR) index issued by equates to a 2.5% increase in gold prices; while indicated that a 25 basis point decline in the U.S. 10 year Treasury yield translates into a 1.75% increase in the metal's prices. However, it pointed out that a 10% increase in India's import duty on gold implies a 2% decline in gold prices. Further, it considered that gold prices could resume their upward trend to around $4,500 per ounce, but said that only a strong and clear catalyst, such as worsening economic or geopolitical conditions, a reversal in interest rate expectations, or sustained long term investor participation, would push prices toward $5,000 per ounce. In parallel, Standard Chartered Bank forecast gold prices to average $4,200 per ounce in the third quarter of 2026.
Source: World Gold Council, Standard Chartered Bank, 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	B3 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	Ba3 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	29-Sep-26
New Zealand	Cash Rate	2.75	02-Sep-26	Raised 25bps	28-Oct-26
Switzerland	SNB Policy Rate	0.00	18-Jun-26	No change	24-Sep-26
Canada	Overnight rate	2.25	02-Sep-26	No change	N/A
Emerging Markets					
China	One-year Loan Prime Rate	3.00	20-Aug-26	No change	21-Sep-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	3.00	27-Aug-26	Raised 25bps	22-Oct-26
Malaysia	O/N Policy Rate	2.75	03-Sep-26	No change	05-Nov-26
Thailand	1D Repo	1.00	26-Aug-26	No change	28-Oct-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-Aug-26	No change	24-Sep-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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