



In memory of Alain Wanna

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Economic Research & Analysis Department

LEBANON THIS WEEK

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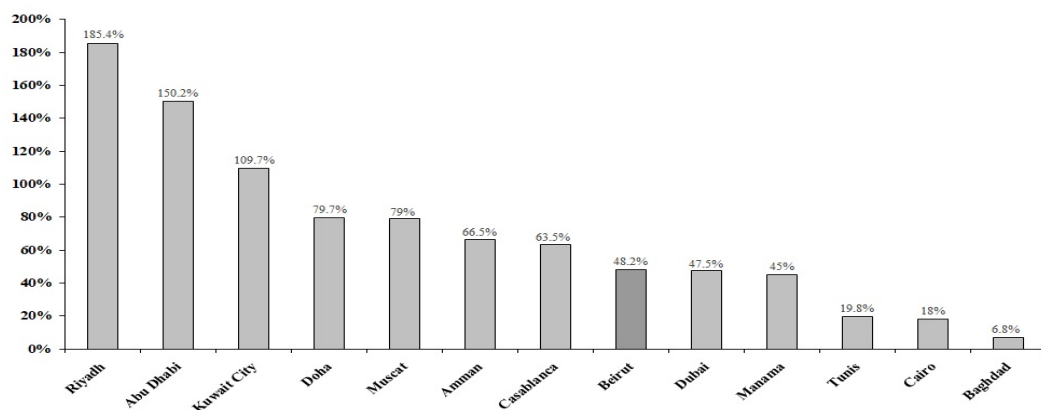
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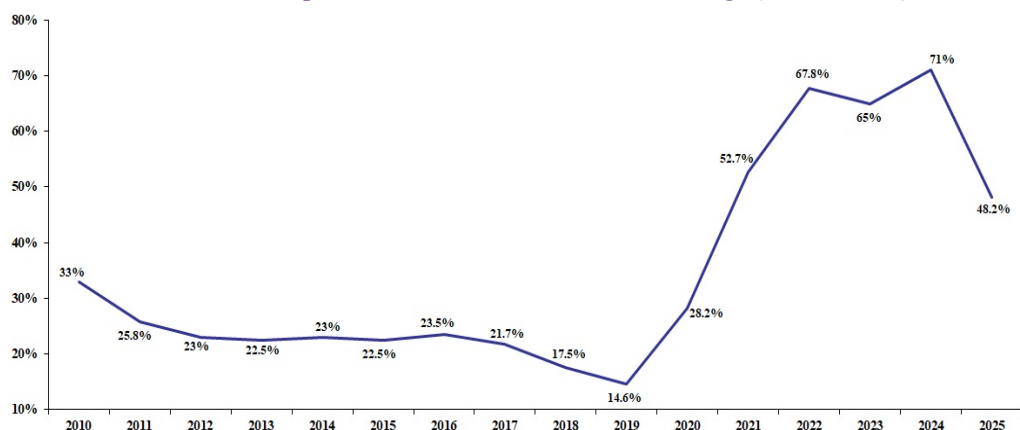
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Chart of the Week

Stock Market Capitalization of Select Arab Markets at end-2025
(in % of 2025 GDP)



Stock Market Capitalization of the Beirut Stock Exchange (in % of GDP)*



*at the end of each year

Source: Arab Federation of Capital Markets, Institute of International Finance, International Monetary Fund, National Accounts, Byblos Bank

Quote to Note

"Lebanon can be a major beneficiary of the gold market trends as the swollen value of Banque du Liban's gold reserve provides the authorities with a policy option to generate liquidity to repay banking sector deposits within the Financial Stability and Deposit Recovery Act."

Bank of America, on a key option for the Lebanese authorities to address bank deposits

Number of the Week

45%: Percentage of surveyed Lebanese who believe that the government will upgrade basic services, according to an opinion poll conducted by polling firm InfoPro in November 2025

Lebanon in the News

\$m (unless otherwise mentioned)	2023*	2024*	2025*	%	Aug-24	July-25	Aug-25
Exports	1,894	1,910	2,366	23.9%	232	370	252
Imports	11,776	11,543	12,937	12.1%	1,554	1,845	1,482
Trade Balance	(9,882)	(9,633)	(10,570)	9.7%	(1,323)	(1,475)	(1,230)
Balance of Payments	1,071	5,107	10,070	97.2%	1,271.1	424.8	1,149.5
Checks Cleared in LBP***	6,820	1,008	509	-49.5%	80	74	56
Checks Cleared in USD***	2,590	950	484	-49.1%	82	45	56
Total Checks Cleared	9,410	1,958	993	-49.3%	162	119	112
Fiscal Deficit/Surplus	-	36.1	-	-	66.6	-	-
Primary Balance	-	428.2	-	-	114.3	-	-
Airport Passengers	5,005,141	4,418,652	4,722,830	6.9%	669,423	793,367	930,037
Consumer Price Index	233.0	63.6	14.6	-77.0%	35.0	14.3	14.2

\$m (unless otherwise mentioned)	Aug-24	Apr-25	May-25	Jun-25	Jul-25	Aug-25	%Change
BdL FX Reserves	10.51	11.01	10.96	11.18	10.84	10.96	4.3%
<i>In months of Imports</i>	-	-	-	-	-	-	-
Public Debt	-	-	-	-	-	-	-
Bank Assets	104.56	102.67	102.17	103.51	102.66	102.36	-2.1%
Bank Deposits (Private Sector)	90.41	88.99	88.62	88.79	88.47	88.35	-2.3%
Bank Loans to Private Sector	6.59	5.53	5.50	5.47	5.43	5.41	-17.9%
Money Supply M2	1.25	1.73	1.63	1.65	1.66	1.63	30.7%
Money Supply M3	70.69	69.42	69.00	68.99	68.70	68.48	-3.1%
LBP Lending Rate (%)	5.11	7.35	9.26	9.11	9.23	9.39	83.8%
LBP Deposit Rate (%)	0.86	1.93	2.08	1.58	3.95	3.21	273.3%
USD Lending Rate (%)	2.59	3.69	5.53	4.83	3.68	5.19	100.4%
USD Deposit Rate (%)	0.04	0.04	0.10	0.04	0.06	0.05	25.0%

*in first eight months of each; **year-on-year

***checks figures do not include compensated checks in fresh currencies

Source: Association of Banks in Lebanon, Banque du Liban, Ministry of Finance, Central Administration of Statistics, Byblos Research

Capital Markets

Most Traded Stocks on BSE*	Last Price (\$)	% Change*	Total Volume	Weight in Market Capitalization
HOLCIM	72.00	0.0	280,435	7.6%
Byblos Common	0.49	(9.3)	116,827	1.5%
Solidere "A"	74.45	(2.0)	69,317	40.5%
Audi GDR	2.90	0.0	27,859	1.9%
Solidere "B"	72.40	(3.5)	22,651	25.6%
Audi Listed	1.50	(21.5)	15,636	4.8%
BLOM Listed	6.71	(2.2)	7,500	7.8%
BLOM GDR	6.60	10.0	7,000	2.7%
Byblos Pref. 08	25.00	0.0	-	0.3%
Byblos Pref. 09	29.99	0.0	-	0.3%

Source: Beirut Stock Exchange (BSE); *week-on-week

Sovereign Eurobonds	Coupon %	Mid Price \$	Mid Yield %
Nov 2026	6.60	28.9	215.31
Mar 2027	6.85	28.9	139.73
Nov 2028	6.65	28.9	50.00
Feb 2030	6.65	28.9	32.74
Apr 2031	7.00	28.9	25.10
May 2033	8.20	28.9	17.70
May 2034	8.25	28.9	15.50
Jul 2035	12.00	28.9	13.49
Nov 2035	7.05	28.9	13.11
Mar 2037	7.25	28.9	11.43

Source: LSEG Workspace

	Jan 12-16	Jan 5-9	% Change	December 2025	December 2024	% Change
Total shares traded	547,225	10,212,120	(94.6)	18,721,012	1,636,678	1,043.8
Total value traded	\$28,025,387	\$34,746,936	(19.3)	74,844,101	71,132,606	5.2
Market capitalization	\$18.39bn	\$18.97bn	(3.1)	\$20.15bn	\$26.95bn	(25.2)

Source: Beirut Stock Exchange (BSE)



Lebanon ranks 78th globally, 10th among Arab countries in terms of readiness for frontier technologies

The United Nations Conference on Trade and Development (UNCTAD) ranked Lebanon in 78th place among 170 countries around the world and in 10th place among 18 Arab economies on its 2025 Readiness for Frontier Technologies Index. In comparison, Lebanon came in 80th place globally and in 10th place regionally in the 2024 survey. Based on the same set of countries in the 2024 and 2025 surveys, Lebanon's global rank advanced by two spots, while its regional rank was unchanged year-on-year. Lebanon ranked in the 54th percentile worldwide in 2025, which means that 44% of countries have a higher readiness for frontier technologies than Lebanon, while it ranked in the 46th percentile among Arab economies, which means that 56% of Arab countries have a higher readiness for frontier technologies than it does. The UNCTAD indicated that frontier technologies include Artificial Intelligence, robotics and biotechnology.

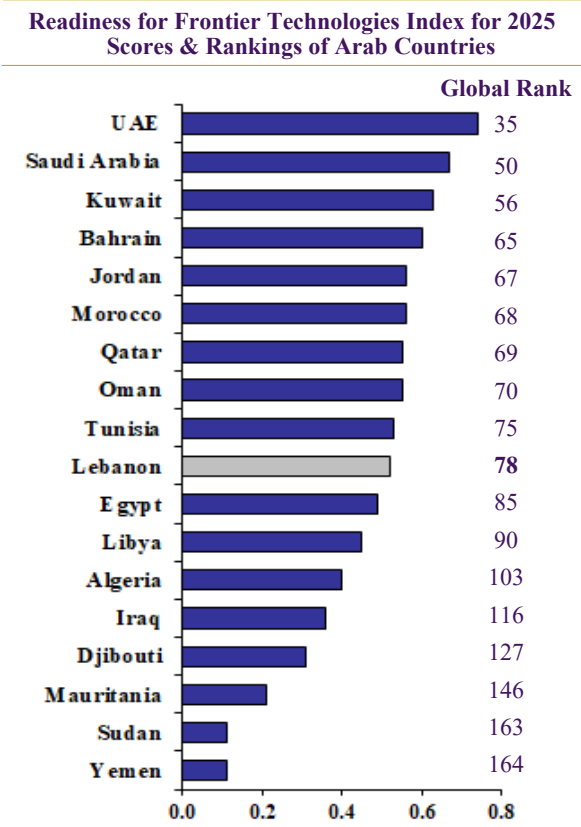
The index assesses the readiness of 170 countries for the equitable use, adoption, and adaptation of frontier technologies. It covers a country's national technological capacities that are related to investments in the infrastructure of the Information & Communication Technology (ICT) sector, to its human capital, and to the level of research and development (R&D). The index is based on nine indicators that are grouped into five categories that are ICT Deployment, Skills, Research & Development, Industry Activity, and Access to Finance. A country's score ranges from zero to one point, with a higher score reflecting a better readiness for frontier technologies.

Globally, Lebanon has a higher readiness for frontier technologies than Georgia, Peru, and Bosnia and Herzegovina; and a lower readiness than Tunisia, Indonesia, and Panama among economies with a GDP of \$10bn or more. Lebanon received a score of 0.52 points on the index, which is above the global average score of 0.5 points and the Arab average of 0.46 points. Further, Lebanon's score came lower than the Gulf Cooperation Council (GCC) countries' average score of 0.62 points and was higher than the average score of non-GCC Arab countries of 0.38 points.

In parallel, Lebanon preceded El Salvador, Cambodia and Myanmar, and trailed New Zealand, Niger and Bahrain globally on the Industry Activity category. This factor captures the activities related to the use, adoption and adaption of frontier technologies in a certain industry. It focuses on the manufacturing, finance and ICT sectors, which are considered early adopters of these technologies. It covers data related to the exports of high-technology products and digitally deliverable services. Lebanon ranked ahead of Djibouti, Jordan, Egypt, Oman, Libya, Yemen, Saudi Arabia, Qatar, Mauritania, Algeria, Sudan, and Iraq in the Arab region on this category.

Further, Lebanon ranked ahead Tunisia, Sri Lanka and Egypt, and came behind Iraq, Honduras and Botswana globally on the ICT Deployment category. This factor examines a country's level of ICT infrastructure based on the percentage of internet users out of the total population and the average Internet download speed. Also, Lebanon led Tunisia, Egypt, Libya, Algeria, Djibouti, Mauritania, Sudan, and Yemen regionally on this category.

In addition, Lebanon ranked higher than Bolivia, Peru and Qatar, and came after Sri Lanka, Paraguay and Panama globally on the Skills category. This component assesses the skills that the labor force in the country acquires through education and in the workplace by taking into account the expected years of schooling, the extent of high-skills employment in the country, and the level of brain drain. Also, Lebanon came ahead of Qatar, Egypt, Jordan, Oman, Iraq, Morocco, Djibouti, Sudan, Mauritania, and Yemen among Arab countries on this category.



Source: UNCTAD, Byblos Research

Components of the 2025 Readiness for Frontier Technologies Index for Lebanon		
	Global Rank	Arab Rank
Access to Finance	22	1
Industry Activity	64	6
Research & Development	71	10
Skills	88	8
Information & Communication	112	10

Source: UNCTAD, Byblos Research

Primary surplus equivalent to 1.5% of GDP in 2024

Figures released by the Ministry of Finance show that public expenditures, which includes budget and Treasury outlays, reached LBP345,000bn, or the equivalent of \$3.85bn, while revenues stood at LBP348,233bn or \$3.9bn on a cash basis in 2024. As such, the fiscal balance posted a surplus of LBP3,233bn, or of \$36.1m and was equivalent to 0.9% of total budget and Treasury expenditures on a cash basis in 2024. Also, the overall primary balance registered a surplus of LBP38,327bn (\$428.2m), or 11.1% of public spending in 2024. In comparison, the draft budget for 2024 projected public expenditures and revenues at LBP299,674bn each, or at \$3.35bn each.

On the expenditures side, current spending stood at LBP257,088bn and represented 74.5% of total spending, followed by Treasury expenditures with LBP42,438bn (12.3%), budget advances with LBP38,127bn (11.1%), outlays to the Customs Administration excluding salaries and wages with LBP3,787bn (1.1%), and capital expenditures with LBP3,560bn (1%). Further, the distribution of current expenditures shows that personnel costs reached LBP175,233bn, and accounted for 68.2% of the total in 2024, followed by debt servicing with LBP35,094 (13.7%), various transfers with LBP30,132bn (11.7%), materials and supplies with LBP11,900bn (4.6%), other current expenditures with LBP4,193bn (1.6%), and external services with LBP534bn (0.2%). Also, the breakdown of debt servicing indicates that the repayment of the principal on foreign debt stood at LBP18,149 or 7.1% of current spending, followed by interest payments on foreign currency debt with LBP11,842bn (4.6%) and interest payments on Lebanese pound-denominated debt with LBP5,103 (2%). In addition, various transfers included LBP16,759bn in outlays on the Aman project and LBP1,233bn to the National Social Security Fund, or 6.5% and 0.5%, respectively, of current spending.

On the revenues side, budget revenues totaled LBP306,034bn (\$3.42bn) and accounted for 87.9% of public receipts in 2024, while Treasury receipts stood at LBP42,199bn (\$471.5m) and represented the balance of 12.1%. In comparison, the draft budget for 2024 forecast budget revenues of LBP295,113bn (\$3.3bn) and Treasury receipts of LBP4,561bn (\$51m) for the corresponding year. Also, tax receipts stood at LBP253,636bn (\$2.8bn), and non-tax revenues reached LBP52,398bn (\$585.5m), or 82.9% and 17.1%, respectively of budgetary receipts. In comparison, the draft budget for 2024 projected tax receipts at LBP229,767bn and non-tax revenues at LBP65,346bn. Further, the distribution of tax revenues shows that receipts from the value added tax (VAT) reached LBP120,187bn, or 47.4% of total tax receipts in 2024, followed by the taxes on income, profits, & capital gains with LBP35,262bn (14%), customs revenues with LBP28,919bn (11.4%), property taxes with LBP17,818bn (7%), excise taxes with LBP16,978bn (6.7%), and other tax revenues that include fiscal stamp fees with LBP14,562bn (5.7%). Also, the breakdown of income tax receipts shows that the tax on profits accounted for 53.4% of income tax revenues in 2024, followed by the tax on wages & salaries with 29.2%, the capital gains tax with 9.7%, the tax on interest income with 6.4%, and penalties on income tax with 1.3%. In addition, real estate registration fees and the built property tax represented 3.8% and 0.8% of total tax receipts, respectively. Also, realized tax receipts accounted for 82.9% of budgetary revenues and for 72.8% of Treasury and budgetary income in 2024.

Further, non-tax revenues consisted of income from public institutions and government properties with LBP37,611bn, or 71.8% of total non-tax receipts in 2024, followed by administrative fees & charges with LBP13,192bn (25.2%), other non-tax revenues that include retirement deductibles with LBP1,428bn (2.7%), and penalties & confiscations with LBP167bn (0.3%). In addition, receipts from telecommunication services reached LBP19,843bn (\$221.7m) in 2024 and accounted for 3% of non-tax budgetary revenues in 2024.

Fiscal Results for 2024 (% of GDP)		
	Budget	Results
Budget Revenues	12.2%	12.1%
Tax Revenues	9.6%	10.0%
Non-Tax Revenues	2.6%	2.1%
Current Expenditures	10.9%	10.2%
Primary Balance	-	1.5%
Treasury Receipts	0.2%	1.7%
Treasury Expenditures	-	1.7%
Total Revenues	12.4%	13.8%
Total Expenditures	12.2%	13.6%
Total Fiscal Balance	0.0%	0.1%

Source: Ministry of Finance, Byblos Research

*the ratios are based on the Ministry of Finance's nominal GDP of LBP2,532.5 trillion for 2024

Number of new construction permits down 17% in first 11 months of 2025

Figures issued by the Orders of Engineers & Architects of Beirut and of Tripoli show that the two orders issued 8,657 new construction permits in the first 11 months of 2025, constituting a decline of 16.8% from 10,407 permits in the same period of 2024. Also, the orders of engineers issued 824 permits in November 2025, representing a decrease of 18.6% from 1,012 permits in October 2025 and a rise of 28.5% from 641 in November 2024. The North accounted for 27.3% of the number of newly-issued construction permits in the first 11 months of 2025, followed by Mount Lebanon with 27.2%, the South with 20.4%, the Nabatieh area with 12%, the Bekaa region with 7.5%, and Beirut with 1%. The remaining 4.8% were permits issued by the Order of Engineers & Architects of Tripoli for regions located outside northern Lebanon. Also, the number of new construction permits issued in Beirut dropped by 77.5% in the first 11 months of 2025 from the same period last year, followed by permits in the Bekaa region (-43.7%), in Mount Lebanon (-31%), in the Nabatieh area (-12.4%), and in the South (-9.7%). In contrast, the number of new construction permits issued for regions located outside northern Lebanon and in the North increased by 45% and 15%, respectively, in the covered period.

Further, the surface area of granted construction permits reached 7.32 million square meters (sqm) in the first 11 months of 2025, constituting an increase of 28.2% from 5.7 million sqm in the same period of 2024. Also, the surface area of granted construction permits stood at 681,195 sqm in November 2025, down by 18.6% from 837,099 sqm in October 2025 and up by 94.5% from 350,159 sqm in November 2024.

Mount Lebanon accounted for 2.58 million sqm, or for 35.2%, of the total surface area of granted construction permits in the first 11 months of 2025. The North followed with 1.45 million sqm (19.7%), then the South with 1.36 sqm (18.6%), the Bekaa area with 654,222 sqm (9%), the Nabatieh region with 618,908 sqm (8.5%), and Beirut with 283,307 sqm (4%). The remaining 383,813 sqm, or 5.2% of the total, represent the surface area of permits that the Order of Engineers & Architects of Tripoli issued for regions located outside northern Lebanon.

Also, the surface area of new construction permits issued in Mount Lebanon surged by 46% in the first 11 months of 2025 from the same period last year, followed by surface areas in Beirut (+44.7%), in the Nabatieh area (+34.2%), in the South (+31.4%), and in the North (+17.3%), while the surface area of new construction permits issued in regions located outside northern Lebanon surged by 51.3%. In contrast, the surface area of new construction permits in the Bekaa dropped by 15% in the covered period. In parallel, the latest available figures show that cement deliveries totaled 1.94 million tons in first eight months of 2025, constituting an increase of 25.8% from 1.54 million tons in the same period of 2024.

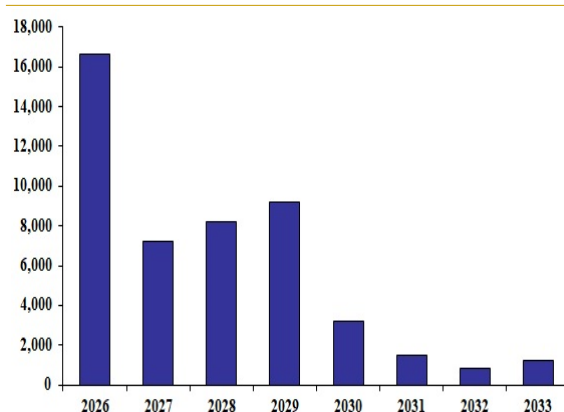
More than 80% of Treasury securities have seven-year maturities or longer at end-2025

Figures released by the Association of Banks in Lebanon show that the face value of outstanding Treasury securities denominated in Lebanese pounds stood at LBP47,847bn at the end of 2025, compared to LBP49,877bn at end-November 2025 and to LBP67,165bn at end-2024. The securities were equivalent to \$534.6m at the end of 2025 based on the exchange rate of LBP89,500 per US dollar, according to the BdL Central Council's Decision No. 48/4/24 dated February 15, 2024. The weighted interest rate on Lebanese Treasury securities was 6.7% in December 2025 compared to 6.54% in December 2024.

Also, the distribution of outstanding Treasury securities shows that 10-year Treasury bonds totaled LBP27,902bn and accounted for 58.3% of aggregate securities denominated in Lebanese pounds at the end of December 2025, followed by seven-year Treasury securities with LBP10,507bn (22%), five-year Treasury bonds with LBP4,716bn (10%), three-year Treasury securities with LBP3,303bn (7%), 15-year Treasury bonds with LBP1,417bn (3%), and two-year Treasury securities with LBP1bn (0.002%). As such, 83.2% of outstanding Treasury securities have seven-year maturities or longer and 93.1% have five-year maturities or more.

In parallel, LBP2,030bn in outstanding Treasury securities denominated in Lebanese pounds matured in December 2025. The distribution of maturing securities shows that 80% consisted of five-year Treasury bonds, 10.8% were of 10-year Treasury securities, 6.1% consisted two-year Treasury bonds, and 3.1% were seven-year Treasury securities. According to the ABL, LBP16,610bn in outstanding Treasury securities in Lebanese pounds will mature in 2026.

**Projected Maturities of Treasury Securities
(in LBP billions)**



*as at end-2025

Source: Association of Banks in Lebanon, Byblos Research

Banque du Liban clarifies mechanism for banks to liquidate excess foreign currency positions

The Banque du Liban (BdL) issued Intermediate Circular 755/13796 dated January 9, 2026 addressed to banks, financial institutions and auditors that amended Basic Circular 32/6568 of April 24, 1997 about foreign exchange operations at banks and financial institutions.

It considered that a bank that has a net short foreign currency open position is in violation of the rules and must liquidate any excess in its position by December 31, 2026. Also, it mandated banks to deposit at BdL special reserves in Lebanese pounds that are equivalent to three times the excess amount of the net short foreign-currency open position, based on the exchange rate of the US dollar used in transactions between banks and BdL, for a one-month period for each day that the bank exceeds the set ceiling after December 31, 2026. BdL stipulates that the circular goes into effect upon its issuance.

BdL issued Intermediate Circular 730/13703 dated February 20, 2025 addressed to banks, financial institutions and auditors that amended Basic Circular 32/6568 of April 24, 1997 about foreign exchange operations at banks and financial institutions.

First, it considered that a bank that has a net long foreign currency open position that exceeds 1% of its total net core capital is in violation of the rules. As such, it granted banks up until December 31, 2025 to liquidate any excess in their net operational foreign currency positions. Also, it mandated banks that still have a long foreign currency open position in excess of 1% of their core capital after the net of 2025 to deposit at BdL special reserves in Lebanese pounds equivalent to three times the excess amount, based on the exchange rate of the US dollar used in transactions between banks and BdL, for a one-month period for each day that the bank exceeds the set ceiling after December 31, 2025.

Second, it considered that a bank that has a net short foreign currency open position is in violation of the rules and must liquidate any excess in its net short foreign currency open position by December 31, 2025. Also, it mandated banks to deposit at BdL special reserves in Lebanese pounds equivalent to three times the excess amount, based on the exchange rate of the US dollar used in transactions between banks and BdL, for a one-month period for each day that the bank exceeds the set ceiling after December 31, 2025.

Banque du Liban eases oversight of import operations of subsidized products

Banque du Liban (BdL) issued Intermediate Circular 748/13787 dated December 30, 2025 addressed to banks that modifies Basic Circular 52/7144 dated October 30, 1998 about documentary credits related to exceptional measures about import and export operations. The circular canceled the text of the last paragraph of Article 1 (bis) of Basic Circular 52/7144 that was added to Intermediate Circular 644/13484 dated October 7, 2022, which tightened the oversight of import operations of subsidized products. The article of Intermediate Circular 644/13484 asked banks to get BdL's pre-approval to open documentary credits or to settle the invoices related to the import of oil derivatives such as gasoline, diesel oil, and gas; and to provide BdL's Foreign Exchange and International Operations Department the final commercial invoice, the bill of lading, and the discharge record of the transaction. Also, it stated that the circular goes into effect upon its issuance.

Figures released by BdL show that the amount of letters of credit (LCs) opened to finance imports to Lebanon totaled LBP5,227.2bn in the first nine months of 2025, or the equivalent of \$58.4m, compared to LBP7,266.7bn (\$81.2m) in the same period of 2024. Opened LCs for imports stood at LBP1,290bn (\$14.4m) in the first quarter, at LBP1,445bn (\$16.4m) in the second quarter, and at LBP2,492.3bn (\$27.9m) in the third quarter of 2025. The dollar figures are based on the official exchange rate of the Lebanese pound to the US dollar of LBP89,500 per dollar starting in 2024. Further, utilized credits for imports reached LBP3,711.5bn (\$41.5m) in the first nine months of 2025 compared to LBP6,296.2bn (\$70.3m) in the same period of 2024. They were equivalent to 71% of opened LCs for imports in the first three quarters of 2025. Also, outstanding import credits stood at LBP5,464bn (\$61.1m) at the end of September 2025 compared to LBP5,085.8bn (\$56.8m) at end-June 2025 and to LBP4,780.4bn (\$53.4m) at end-September 2024.

In addition, the aggregate amount of inward bills for collection reached LBP17,804.1bn (\$199m) in the first nine months of 2025 relative to LBP15,166bn (\$169.5m) in the same period last year. They totaled LBP5,108.4bn (\$57.1m) in the first quarter, LBP6,649.7bn (\$74.3m) in the second quarter, and LBP6,046bn (\$67.6m) in the third quarter of 2025. Also, the outstanding amount of inward bills for collection was LBP1,311.7bn (\$14.7m) at the end of September 2025, while it was LBP1,711.6bn (\$19.1m) at end-June 2025 and LBP1,193bn (\$13.3m) at end-September 2024.

Ministry of Finance clarifies mechanism about declaring operations on Sayrafa platform

The Ministry of Finance (MoF) issued Memo No. 8/S1 about clarifications regarding the application of Decision No. 647/1 dated June 4, 2024 which is related to specifying the mechanism for declaring operations that were executed on Banque du Liban's Sayrafa electronic exchange platform and settling the due tax on them.

The MoF indicated that, pursuant to Article 93 of the General Budget Law for 2024 and in accordance with Decision No. 647/1 and Memo No. 4957/S1 of December 30, 2025, all natural and legal persons are required to declare and settle the tax on profits that they realized from their operations on the Sayrafa platform if the total value of their transactions during the years 2021, 2022, and 2023 exceeded \$15,000, irrespective of the actual profits generated.

Further, it said that the profits resulting from operations on the platform are subject to an "additional" exceptional tax rate of 17%. It clarified that the word "additional" means that taxpayers subject to the income tax on the basis of real profits are required to settle this tax even if they have already been reported in their annual declarations. It added that taxpayers subject to declaring and paying taxes based on lump-sum profits are also obliged to settle this tax even if they already included the revenues from Sayrafa operations in their annual declarations. In addition, it stated that natural or legal persons must submit their tax declaration forms at LibanPost, the manager of the country's postal services, and that taxpayers could pay their taxes through commercial banks, LibanPost, or at one of the money transfer operators approved by the MoF to pay the taxes.

Also, it said that it has set the penalty rate for the verification of taxes at 10% of the amount of the due tax for each month of delay, starting from June 1, 2025, and that it has set the penalty rate for delays in settling the tax at 2% for each month, and the penalty is calculated on the total tax and the tax verification. But it noted that taxpayers could benefit from penalty reductions according to Decision 1065/1 dated December 31, 2025.

Further, it pointed out that the persons who do not have a tax identification number must obtain that number from the relevant financial unit of the MoF responsible for the jurisdiction in which their place of residence is located.

The MoF issued Decision No. 647/1 dated June 4, 2024, in application of Article 93 of Budget Law 324 that was published in the Official Gazette on February 12, 2024. First, it said that commercial banks have to aggregate the amount of all the transactions and operations that natural or legal persons carried out on BdL's Sayrafa electronic exchange platform during 2021, 2022 and 2023 and that are based on BdL Circular 161/13384 of December 16, 2021. It said that every person whose total purchases of US dollars at the exchange rate of the Sayrafa platform exceeded \$15,000 during the covered period is subject to the tax rate of 17% on the profits made from these transactions, as stipulated in Article 93 of Budget Law 324. Second, it mandated all commercial banks and money dealers operating in Lebanon to provide the tax administration electronically, within one month of the publication date of the decision, detailed information about Sayrafa transactions that natural or legal persons carried out through banks and money dealers. It added that the information must include the full name of the natural person, his/her tax identification number if it exists, his/her address of residence, and the amount and date of each transaction.

Third, it stipulated that the profits that are subject to the additional exceptional tax as specified in Article 93 constitute the difference between the amount in Lebanese pounds that the person used to buy the dollars through the Sayrafa platform and the actual value of the dollars in Lebanese pounds on the date of the transaction.

Fourth, it stated that if a natural or legal person is subject to the income tax on a real profits basis, or if a natural or legal person is subject to the income tax on the basis of lump sum profits, and if these persons have or have not shown the profits resulting from their transactions on the Sayrafa platform in their accounting entries and in their annual declaration, they must submit an independent declaration that the MoF prepared specifically for this purpose within a period of two months from the date of publication of this decision. It said that natural or legal persons must show the profits that they generated from their transactions on the platform and subject them to the additional exceptional tax rate of 17%. It added that the tax paid on these profits cannot be deducted from the person's revenues for the year 2024 or for any other year. Further, it indicated that it will impose penalties on natural or legal persons that do not comply with this procedure, according to the amended Article 109 of tax procedures, and another penalty based on the amended Article 55 of tax procedures.

Fifth, it pointed out that the tax administration will audit the activities of taxpayers who did or did not show the revenues from their transactions on the Sayrafa platform in their declarations and records for the years 2021, 2022, and 2023, and will apply the taxes and fines due.

Sixth, the ministry exempted from the exceptional tax of 17% the salaries and wages differentials that resulted from dollar purchases through the Sayrafa electronic platform, as well as the differentials that natural and legal persons who are not subject to the tax on profits generated, except for holdings firms and offshore companies.

Currency in circulation up 47% in 12 months ending November 2025

Figures released by Banque du Liban (BdL) show that money supply M1, which includes currency in circulation and demand deposits in Lebanese pounds, reached LBP111,091bn at the end of November 2025, constituting increases of 3% from LBP107,831bn at end-October 2025 and of 8% from LBP102,718.3bn at the end of 2024 and of 28% from LBP86,645.9bn at end-November 2024. Currency in circulation stood at LBP64,210bn at the end of November 2025, as it rose by 10.6% from LBP58,077.3bn at end-2024 and by 47% from LBP44,685bn at end-November 2024. Also, demand deposits in Lebanese pounds amounted to LBP46,809.2bn at the end of November 2025, as they increased by 4.9% in the first 11 months of 2025 and by 9% from end-November 2024.

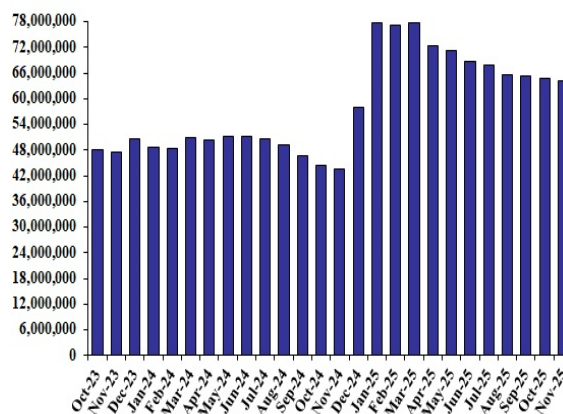
In addition, money supply M2, which includes M1 and term deposits in Lebanese pounds, reached LBP146,932.8bn at the end of November 2025, constituting increases of 3% from end-October 2025, of 12.2% from LBP130,986bn at end-2024 and of 34.4% from LBP109,309.8bn a year earlier. Term deposits in Lebanese pounds totaled LBP35,913.6bn at the end of November 2025 and surged by 27% from LBP28,267.6bn at end-2024 and by 58.5% from LBP22,664bn at end-November 2024.

Further, broad money supply M3, which includes M2, deposits in foreign currency and debt securities issued by the banking sector, stood at LBP6,061.3 trillion (tn) at the end of November 2025, with deposits in foreign currency totaling LBP5,885tn and debt securities of the banking sector amounting to LBP29,417.6bn at end-November 2025.

In parallel, M3 decreased by LBP137,188.8bn in the first 11 months of 2025, due to a jump of LBP1,548.6tn in the net foreign assets of deposit-taking institutions and an increase of LBP298bn in in other items, which were offset by a decline of LBP1,635tn in claims on the public sector, and a contraction of LBP51bn in claims on the private sector.

BdL indicated that its net foreign assets include monetary gold, the non-resident foreign securities held by BdL, and the foreign currencies and deposits with correspondent banks and international organizations; while they exclude the Lebanese government's sovereign bonds and BdL's loans in foreign currency to resident banks and financial institutions. In parallel, BdL issued Basic Circular 167/13612 dated February 15, 2024 that asked banks and financial institutions to convert their assets and liabilities in foreign currencies to Lebanese pounds at the exchange rate of LBP89,500 per US dollar when preparing their financial positions. Also, BdL requested banks and financial institutions, in line with the provisions of International Accounting Standard 21, to convert their foreign currency monetary assets and liabilities and non-monetary assets classified by fair value or by equity method at the exchange rate published on BdL's electronic platform at the date of the preparation of the financial statements. It added that the decision is applicable as of January 31, 2024. BdL had modified on February 1, 2023 the official exchange rate of the Lebanese pound against the US dollar from LBP1,507.5 per dollar to LBP15,000 per dollar, as part of the measures to unify the multiple exchange rates of the dollar that prevail in the Lebanese economy.

Currency in Circulation (LBP millions)



Source: Banque du Liban, Byblos Research

Number of airport passengers up 24.6% in 2025, still below 2023 level

Figures released by the Beirut-Rafic Hariri International Airport (HIA) show that seven million passengers utilized the airport (arrivals, departures and transit) in 2025, constituting an increase of 24.6% from 5.62 million passengers in 2024 and a decrease of 1.3% from 7.1 million passengers in 2023. Also, 594,705 passengers utilized the airport in December 2025, representing a rise of 27.3% from 467,099 passengers in November 2025 and a surge of 56.5% from 379,910 passengers in December 2024. The number of passengers who utilized the airport reached 1.25 million passengers in the first quarter, 1.74 million passengers in the second quarter, 2.4 million passengers in the third quarter, and 1.6 million passengers in the fourth quarter of 2025.

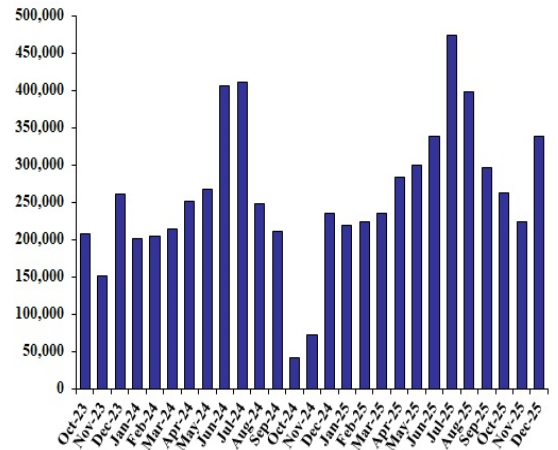
The number of arriving passengers reached 3.6 million passengers in 2025, as they grew by 30% from 2.76 million passengers in 2024 and increased by 3.3% from 3.48 million passengers in 2023. Also, the number of arriving passengers stood at 337,791 in December 2025, representing a surge of 51.3% from 223,212 in November 2025 and an increase of 44% from 234,644 in December 2024. The number of arriving passengers stood at 678,263 in the first quarter, 920,614 passengers in the second quarter, 1.17 million passengers in the third quarter, and 824,113 passengers in the fourth quarter of 2025.

Further, the number of departing passengers totaled 3.4 million in 2025, constituting a rise of 19.6% from 2.86 million passengers in 2024 and a decrease of 5.5% from 3.6 million passengers in 2023. Also, the number of departing passengers reached 256,727 in December 2025 and increased by 5.4% from 243,649 in November 2025 and by 76.8% from 145,216 departing passengers in December 2024. The number of departing passengers stood at 576,277 in the first quarter, 823,890 passengers in the second quarter, 1.23 million passengers in the third quarter, and 781,317 passengers in the fourth quarter of 2025.

In parallel, the airport's aircraft activity totaled 55,561 take-offs and landings in 2025, constituting an increase of 19% from 46,680 takeoffs and landings in 2024. In comparison, aircraft activity declined by 18.4% in 2024 and grew by 9% in 2023. Also, the airport's aircraft activity stood at 4,949 take-offs and landings in December 2025, up by 14.7% from 4,314 take-offs and landings in November 2025 and by 197.7% from 3,111 take-offs and landings in December 2024. The airport's aircraft activity reached 10,406 take-offs and landings in the first quarter, 13,543 take-offs and landings in the second quarter, 17,851 take-offs and landings in the third quarter, and 13,761 take-offs and landings in the fourth quarter of 2025. Middle East Airlines had 24,522 flights in 2025 and accounted for 44.1% of the HIA's total aircraft activity.

In addition, the HIA processed 73,830 metric tons of freight in 2025 that consisted of 54,525 tons of import freight and 19,305 tons of export freight. Middle East Airlines processed 17,671 metric tons of freight in 2025 and represented 24.8% of the total.

Number of Arriving Passengers



Source: Beirut-Rafic Hariri International Airport

Banque du Liban extends terms of several circulars until end-June 2026

Banque du Liban (BdL) issued Intermediate Circular 752/13793 dated January 9, 2026 addressed to banks, financial institutions and auditors that modifies Basic Circular 36/6856 dated December 19, 1997 about bonds that banks and financial institutions can issue and Basic Circular 61/7224 of February 11, 1999 about the issuance of Certificates of Deposits and of banking certificates. The new circular extended Article 6 (bis) of Basic Circular 36/6856 and Article 20 of Basic Circular 61/7224 until June 30, 2026.

Article 6 (bis) of Basic Circular 36/6856 stipulates that banks and financial institutions operating in Lebanon have to pay the principal and coupons of the bonds that they issued, and that are held by a custodian in Lebanon, in accounts at banks operating in the country. Article 20 of Basic Circular 61/7224 states that the same rules will apply to the payments of the principal and interest on Certificates of Deposits and interbank certificates issued by banks and financial institutions that are held by a local custodian. It added that the measures that the clearing house MidClear introduced on foreign transfers will apply to the payments of principal and coupons of the aforementioned bonds and certificates. BdL stated that the circular goes into effect upon its issuance.

Previously, BdL issued Intermediate Circular 738/13727 dated June 18, 2025 addressed to banks, financial institutions and auditors that modified Basic Circular 14/5258 of September 17, 1993 about the opening of deposit accounts in foreign currency at BdL, Basic Circular 36/6856 dated December 19, 1997 about bonds that banks and financial institutions can issue, Basic Circular 61/7224 of February 11, 1999 about the issuance of Certificates of Deposits and of banking certificates, and Basic Circular 67/7534 dated March 2, 2000 about BdL's issuance of Certificates of Deposits in US dollars. The circular extended specific articles and sections in the above circulars until December 31, 2025.

First, the circular stipulated that BdL will reduce by 75% the interest rates that it pays on the commercial banks' term deposits in foreign currency placed at BdL, and that the latter will pay the interest rates in US dollars, other than in cash, in each bank's current account at BdL. Second, it said that it will reduce by 75% the interest rates that it pays on the Certificates of Deposits in US dollars that it has issued and that are held by commercial banks; and that it will pay the interest rates in US dollars, other than in cash, in each bank's current account at BdL. BdL first issued this decision on December 4, 2019 through Intermediate Circular 536/13157 that stipulates that BdL will, exceptionally and for a period of six months, apply new rules on the interest income it pays on term deposits that banks placed in US dollars at BdL and on the Certificates of Deposits that it issued in US dollars. It then extended the terms of the circular repeatedly for six to 24-month periods until the end of June 2025.

Further, the circular stated that banks and financial institutions operating in Lebanon have to pay the principal and coupons of the bonds that they issued, and that are held by a custodian in Lebanon, in accounts at banks operating in the country. It said that the same rules will apply to the payments of the principal and interest on Certificates of Deposits and interbank certificates issued by banks and financial institutions that are held by a local custodian. It added that the measures that the clearing house MidClear introduced on foreign transfers will apply to the payments of principal and coupons of the aforementioned bonds and certificates.

Ministry of Finance extends deadline for settling the verification and collection of penalties

The Ministry of Finance (MoF) issued Decision 1065/1 dated December 30, 2025 that extends until February 15, 2026 inclusive the provisions of Decision No. 872/1 dated October 23, 2025, about determining the bases for settling the verification and collection of fines imposed in accordance with the provisions of tax laws by virtue of the tax assessment certificates issued starting from November 16, 2022.

Decision 872/1 granted rebates on tax penalties on tax adjustments until December 31, 2025. Article 2 reduced the fines on the verification of taxes under the provisions of the Income Tax Law. It added that the reduction applies to the income tax, the built property tax, the inheritance tax, the value-added tax, indirect taxes and fees, as well as to taxes imposed under the Tax Procedures Law, among others, in accordance with the provisions of Articles 4 and 5 of this decision. It said that the fines on the verification of taxes cover proportional fines and lump-sum or fixed fines. It stated that it excluded from the settlements the fines that are less than LBP200,000, or \$5, or €5 for taxes and fees that may be imposed and collected in foreign currency; and the fines that were not paid with the tax or fee within the specified payment period.

Article 3 indicated that the settlement covers the verification fines imposed under the tax assessment tables, or tax notifications, or self-assessments specified in Article 2 of this decision, provided that the taxpayer pays the reduced fine with the due tax or fee in accordance with the provisions of this decision and within the specified deadline. Article 4 states that the taxpayers who have been or will be fined, effective from November 16, 2022, whether before the issuance of this decision and whose fines remain unsettled, or after its issuance until its expiry, are eligible for the settlement, provided the fine is settled with the tax during the period specified pursuant to Article 14 of this decision. Article 5 stipulated that the decision reduces by 85% the proportional fines resulting from violations that took place before the issuance of this decision and by 60% the lump-sum or fixed fines resulting from violations that took place before the issuance of this decision, from the decision's date of issuance until December 31, 2025.

Article 6 stated that the settlement covers late payment fines, or collection fines, related to the income tax on amounts paid to non-residents, as well as on salaries and wages, and on the value-added tax that will become due during the timeframe of this decision. It stated that it excluded from the settlements the fines that are less than LBP200,000, or \$5, or €5 for taxes and fees that may be imposed and collected in foreign currency; and the fines that were not paid with the tax or fee within the specified payment period. Article 7 reduced the late payment fines in Article 6 of this decision, provided that the taxes and verification and collection fines are paid by end-2025. As such, it lowered by 75% the fines for violations that took place prior to the issuance of this decision.

Article 9 stipulated that the taxpayer will forfeit the right to settle the fines subject to this decision if the reduced fine is not paid with the due tax or fee before December 31, 2025. Article 10 noted that fines paid at any time are considered an acquired right of the Treasury and cannot be refunded except for reasons based on a material error, including duplication in the payment of the fine or payment of the fine before the implementation of this decision on the automation systems or as a result of legal objections.

Balance sheet of investment banks at LBP84.2 trillion at end-September 2025

Figures released by Banque du Liban (BdL) show that the consolidated balance sheet of investment banks in Lebanon reached LBP84.2 trillion (tn) at the end of September 2025, or the equivalent of \$941m, constituting an increase of 3.5% from LBP81.4tn (\$909m) at end-2024 and compared to LBP87.9tn (\$981.8m) at end-September 2024. The figures reflect Banque du Liban's Basic Circular 167/13612 dated February 2, 2024 that asked banks and financial institutions to convert their assets and liabilities in foreign currencies to Lebanese pounds at the exchange rate of LBP89,500 per US dollar when preparing their financial positions starting on January 31, 2024.

On the assets side, claims on resident customers stood at LBP6.54tn (\$73.1m) at the end of September 2025 and decreased by 11% in the first nine months of the year. Further, claims on resident customers in Lebanese pounds totaled LBP464.8bn at end-September 2025, constituting a drop of 32% from LBP682.5bn at end-2024, while claims on resident customers in foreign currency amounted to LBP6.1tn (\$67.9m) at end-September 2025 and declined by 8.8% from end-2024 and by 14.5% from LBP7.1tn (\$79.4m) at the end of September 2024. Also, claims on non-resident customers stood at LBP858bn (\$9.6m) at the end of September 2025, representing an increase of 7.8% in the first nine months of the year and a drop of 31.2% from the end of September 2024.

Further, claims on the resident financial sector reached LBP8.72tn (\$97.4m) at end-September 2025 and increased by 8.5% from LBP8.04tn (\$89.8m) at the end of 2024. Claims on the resident financial sector in Lebanese pounds amounted to LBP1.86tn at the end of September and dropped by 62.2% from LBP4.9tn at end-2024, while claims on the resident financial sector in foreign currency totaled LBP6.86tn (\$76.7m) at end-September 2025 and jumped by 119.4% from LBP3.13tn (\$35m) at the end of the previous year.

In addition, claims on the non-resident financial sector reached LBP6.44tn (\$71.9m) at the end of September 2025, constituting decreases of 3.2% in the first nine months of the year and of 4.7% from LBP6.76tn (\$75.5m) at end-September 2024. Also, claims on the public sector stood at LBP37.9bn at end-September 2025 compared to LBP1.47bn at end-2024; while the securities portfolio, which includes Lebanese Treasury bills and Eurobonds, amounted to LBP10.43tn at the end of September 2025 and regressed by 19.2% from LBP12.9tn at the end of 2024. In parallel, currency and deposits with local and foreign central banks reached LBP31.4tn (\$350.7m) at end-September 2025 compared to LBP38.42tn (\$429.3m) a year earlier.

On the liabilities side, deposits of resident customers stood at LBP27.6tn (\$308.2m) at the end of September 2025, constituting a decrease of 16% from LBP32.8tn (\$366.3m) at the end of 2024. Deposits of resident customers in Lebanese pounds amounted to LBP2,709.3bn at end-September 2025 and dropped by 57% during the first nine months of the year, while deposits of resident customers in foreign currency reached LBP24.9tn (\$278m) at the end of September 2025 and decreased by 6.1% from end-2024. Also, deposits of non-resident customers totaled LBP8.36tn (\$93.4m) at the end of September 2025, as they increased by 3.2% from LBP8.1tn (\$90.5m) at end-2024 and decreased by 6.8% from the end of September 2024. Further, liabilities to the resident financial sector amounted to LBP3tn (\$33.8m) at end-September 2025 and dropped by 44.2% from LBP5.4tn (\$60.5m) at end-2024 and by 76.2% from LBP12.7tn (\$142.2m) at end-September 2024. Liabilities to the resident financial sector in Lebanese pounds totaled LBP2,328.1bn at end-September 2025 and surged by 41.4% from end-2024, while liabilities to the resident financial sector in foreign currency reached LBP695.1bn (\$7.8m) at end-September 2025 and dropped by 81.6% from LBP3.8tn (\$42.1m) at end-2024.

In addition, liabilities to the non-resident financial sector amounted to LBP8.8tn (\$98.4m) at end-September 2025 and increased by 7.8% from nine months earlier, while public sector deposits totaled LBP464.8bn at the end of September 2025 relative to LBP762.6bn at the end of 2024.

Further, the aggregate capital account of financial institutions stood at LBP23.85tn (\$266.5m) at the end of September 2025 relative to LBP15tn (\$167.5m) at end-2024 and to LBP13.8tn (\$154.4m) at end-September 2024.



Holcim's largest shareholder finalizes sale of stake to local firms

Cement producer Holcim (Liban) sal announced on January 9, 2026 that its largest shareholder, Holcibel SA, completed the sale of all its 10,162,777 common shares, or of its 52.07% stake in Holcim (Liban) sal to B.Z.L Cement Holding sal and North Pine sal (Holding). It said that the sale was executed through two separate block trades on the Beirut Stock Exchange (BSE) at a share price of \$3.15, with B.Z.L Cement Holding sal acquiring 6,259,569 shares, or 61.6% of total shares sold, and North Pine sal (Holding) acquiring the balance of 3,903,208 shares, or 38.4% of the total. It noted that the two companies settled the block trade in fresh US dollars.

Further, it pointed out that, following the sale of the shares of Holcibel SA, B.Z.L Cement Holding sal holds 32.07% and North Pine sal (Holding) owns 20% of the outstanding common shares of Holcim.

The audited income statement of Holcim (Liban) sal shows that the company posted net losses of LBP225.8bn in 2024 on a standalone basis compared to net income of LBP873.5bn in 2023. The company's sales reached LBP4,719.8bn on a standalone basis in 2024 relative to LBP5,690.1bn in 2023, while its cost of goods sold totaled LBP3,797.3bn last year compared to LBP3,138bn in 2023. This resulted in gross profits of LBP922.5bn in 2024 relative to LBP2,552.1bn in 2023. As such, the firm's gross profits margin was 19.5% in 2024 relative to 44.9% in 2023. In addition, the company's allowance for expected credit losses on dues from related parties amounted to LBP2.1bn in 2024, while it did not post allowances in 2023. Also, Holcim's provision for slow-moving and obsolete inventories stood at LBP19.5bn in 2024 compared to LBP3.6bn in 2023; while net provisions for risk and charges reached LBP85.1bn in 2024 relative to LBP171.3bn in the preceding year.

Further, the firm's assets totaled LBP4,169bn on a standalone basis at the end of 2024 compared to LBP4,060.5bn a year earlier; while its inventory reached LBP2,175bn in 2024 relative to LBP1,656.1bn at end-2023. Also, the company's cash and cash equivalents stood at LBP764.9bn at end-2024 compared to LBP1,456bn at end-2023; while its current ratio, which is a measure of the company's ability to meet its short-term obligations, was 3.1x at the end of 2024 relative to 2.2x a year earlier. In addition, the firm's loans from related parties reached LBP7.5bn at end-2024 relative to LBP255.5bn at end-2023, while its provision for risks and charges totaled LBP342.6bn at end-2024 compared to LBP258.8bn at end-2023. Moreover, Holcim's retained earnings reached LBP783.9bn at end-2024 relative to LBP1,009.7bn at end-2023, while its re-measurement of defined benefit obligations, which refers to the process of updating the value of a company's long-term pension obligations and the assets set aside to meet them, amounted to LBP654.5bn at end-2024 compared to LBP146.8bn at end-2023. The firm's shareholders equity stood at LBP310.1bn at the end of 2024 and LBP1,043.6bn a year earlier.

Holcim's share price increased by 2.7% in 2025, as well as by 17.8% in 2024, by 92% in 2023 and by 60.4% in 2022.

Established in 1957, Holcibel S.A. is a Belgian investment holding company that is engaged primarily in managing equity stakes and financial investments. B.Z.L Cement Holding sal is a Lebanese holding company involved in the cement industry and construction materials; while N.T.P. Investment Group sal (Holding) is the official registered name of North Pine sal (Holding), a Lebanese firm that manages investments across sectors.



Banque du Liban amends requirements for Common Tier One Capital

Banque du Liban (BdL) issued Intermediate Circular 754/13795 dated January 9, 2026 addressed to banks, financial institutions and auditors that modified Basic Circular 44/6939 dated March 25, 1998 about the Capital Adequacy Regulatory Framework of Banks Operating in Lebanon.

The circular stipulates that, contrary to the provisions of Basic Decision 65/7462 of November 23, 1999 about the investment of banks in real estate, the Central Council of BdL may, on an exceptional basis, approve for the relevant bank the formation of 50% of the original 20% increase in its Common Equity Tier One capital (CET1) as at the end of 2018 through the transfer by shareholders of some of their real estate holdings, provided that the bank sells the properties by December 31, 2026 at the latest. Also, it states that the circular goes into effect upon its issuance.

Previously, BdL issued Intermediate Circular 741/13748 dated September 10, 2025 addressed to banks, financial institutions and auditors that modified Basic Circular 44/6939 of March 25, 1998 about the Capital Adequacy Regulatory Framework of Banks Operating in Lebanon. First, the circular prohibited banks and financial institutions from distributing dividends for common shares for the financial years 2019, 2020, 2021, 2022, 2023, 2024, and 2025.

Second, it stipulated that banks can include in their CET1 75% the profits resulting from the revaluation of their real estate assets on the conditions that BdL's Central Council verifies and approves the revaluation, which the bank has to conduct at its own expense, and that the bank conducts the revaluation by December 31, 2026 at the latest. It noted that the banks have to revalue their real estate portfolio in "fresh" US dollars and that they have to utilize the exchange rate of the Lebanese pound at LBP1,507.5 per US dollar for the December 31, 2022 to January 31, 2023 period; at LBP15,000 per dollar for the February 1, 2023 to January 31, 2024 timeframe; and at LBP89,500 per dollar for the February 1, 2024 to May 31, 2025 period. Also, it said that the revaluation of real estate assets should be recorded based on the exchange rate that BdL declares on its electronic platform starting on June 1, 2025.

Third, the circular stated that banks can include in their CET1 75% of the profits generated from the revaluation of fixed assets that they repossessed in settlement of debt in accordance with Article 154 of the Code of Money and Credit, on the conditions that BdL's Central Council verifies, at the bank's expense, the proper revaluation of the assets and approves it, and that the revaluation takes place by the end of December 2026 at the latest. It added that the fixed assets' revaluation should take place in "fresh" US dollars and should be recorded based on the exchange rate of LBP1,507.5 per US dollar for the December 31, 2022 to January 31, 2023 timeframe; at LBP15,000 per dollar for the February 1, 2023 to January 31, 2024 period; and at LBP89,500 per dollar for the February 1, 2024 to May 31, 2025 timeframe. Also, it noted that the revaluation of fixed assets should be recorded based on the exchange rate prevailed on BdL's electronic platform starting on June 1, 2025.



Ratio Highlights

(in % unless specified)	2022	2023	2024e	Change*
Nominal GDP (\$bn)	21.4	31.6	37.9	6.3
Gross Public Debt / GDP	259.8	172.5	137.9	(34.6)
Trade Balance / GDP	(72.8)	(46.0)	(37.5)	8.6
Exports / Imports	18.3	17.1	16.0	(1.1)
Fiscal Revenues / GDP	5.5	12.4	10.2	(2.2)
Fiscal Expenditures / GDP	11.9	12.5	10.1	(2.4)
Fiscal Balance / GDP	(6.9)	(0.1)	0.1	0.2
Primary Balance / GDP	(2.5)	1.4	1.1	(0.3)
Gross Foreign Currency Reserves / M2	13.4	143.5	689.4	545.9
M3 / GDP	35.3	42.2	182.1	139.9
Commercial Banks Assets / GDP	39.1	62.6	271.3	208.7
Private Sector Deposits / GDP	29.1	51.5	233.1	181.6
Private Sector Loans / GDP	4.6	4.5	15.6	11.1
Private Sector Deposits Dollarization	76.1	96.3	99.1	2.8
Private Sector Lending Dollarization	50.7	90.9	97.8	6.9

*change in percentage points 24/23;

Source: National Accounts, Banque du Liban, Ministry of Finance, Institute of International Finance, Byblos Research Estimates & Calculations

Note: M2 includes money in circulation and deposits in LBP, M3 includes M2 plus Deposits in FC and bonds

National Accounts, Prices and Exchange Rates

	2022	2023	2024e
Nominal GDP (LBP trillion)	651.2	2,760.6	3,403.0
Nominal GDP (US\$ bn)	21.4	31.6	37.9
Real GDP growth, % change	1.8	0.5	-7.6
Private consumption	-0.9	4.4	-7.8
Public consumption	-6.9	-3.5	6.6
Private fixed capital	48.7	-14.8	-15.9
Public fixed capital	66.9	-2.3	-12.0
Exports of goods and services	6.0	-4.2	-14.1
Imports of goods and services	17.5	3.5	-10.2
Consumer prices, %, average	171.2	221.3	45.2
Official exchange rate, average, LBP/US\$	1,507.5	15,000	89,500
Parallel exchange rate, average, LBP/US\$	30,313	86,362	89,700
Weighted average exchange rate LBP/US\$	27,087	87,472	89,700

Source: National Accounts, Institute of International Finance

Ratings & Outlook

Sovereign Ratings	Foreign Currency			Local Currency		
	LT	ST	Outlook	LT	ST	Outlook
Moody's Ratings	C	NP	Stable	C	-	Stable
Fitch Ratings*	RD	C	-	RD	RD	-
S&P Global Ratings	SD	SD	-	CCC	C	Stable

*Fitch withdrew the ratings on July 23, 2024

Source: Rating agencies

Banking Sector Ratings	Outlook
Moody's Ratings	Negative

Source: Moody's Ratings



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