

LEBANON THIS WEEK

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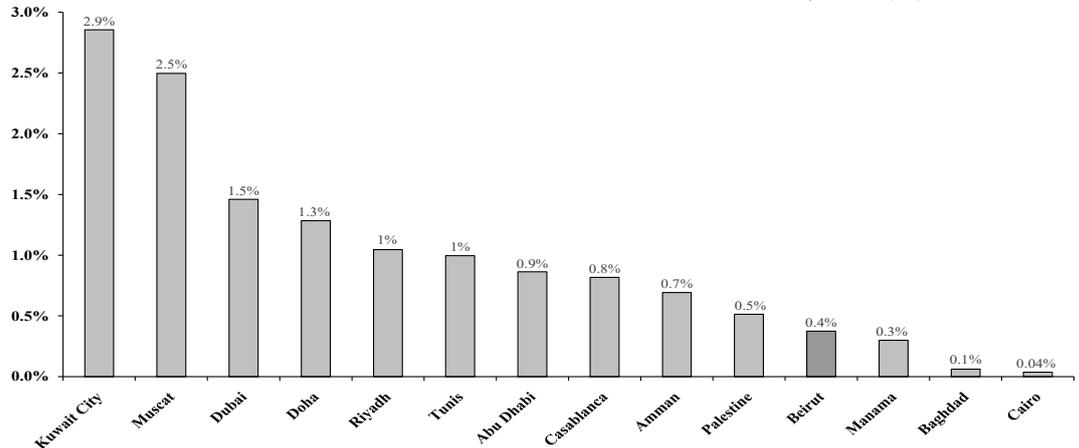
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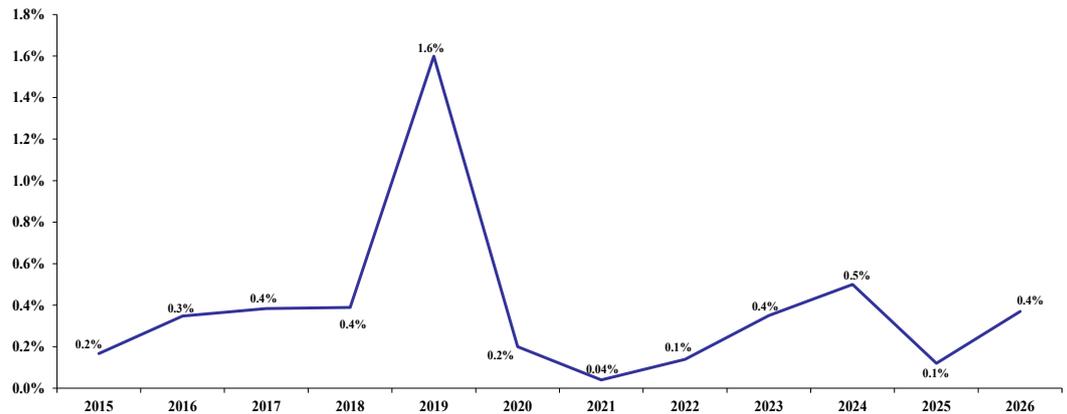
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Chart of the Week

Turnover Ratios of Select Arab Stock Markets in January 2026 (%)



Turnover Ratio on the Beirut Stock Exchange*



*The aggregate value of traded shares during January relative to the market capitalization at the end of January

Source: Arab Federation of Capital Markets, Beirut Stock Exchange, Byblos Bank

Quote to Note

"Restoring strong and sustainable growth will require a comprehensive set of reforms to tackle some of the structural weaknesses that have hampered Lebanon's economic performance for many years."

Ms. Julie Kozack, Director of the International Monetary Fund's Communications Department, on the need to improve the investment climate and business environment in Lebanon

Number of the Week

54%: Lebanon's percentile rank globally in terms of preparedness for advanced technologies, according to the UNCTAD's 2025 Readiness for Frontier Technologies Index

Lebanon in the News

\$m (unless otherwise mentioned)	2023	2024	2025	% Change*	Dec-24	Nov-25	Dec-25
Exports	2,995	2,707	3,639	34.4	212	226	430
Imports	17,524	16,902	21,076	24.7	1,185	1,734	1,698
Trade Balance	(14,529)	(14,195)	(17,436)	22.8	(973)	(1,508)	(1,268)
Balance of Payments	1,143	6,440	19,561	203.7	(790)	1,500	2,231.8
Checks Cleared in LBP**	754	877	702	(20.0)	69	48	67
Checks Cleared in FC**	3,292	1,299	706	(45.7)	81	44	91
Total Checks Cleared**	4,046	2,176	1,408	(35.3)	150	92	158
Fiscal Deficit/Surplus	-	36.1	-	-	(288)	-	-
Primary Balance	-	428.2	-	-	(250)	-	-
Airport Passengers	7,103,349	5,624,402	7,010,580	24.6	379,910	467,099	594,705
Consumer Price Index	221.3	45.2	14.6	(67.7)	18.1	14.7	12.2

\$m (unless otherwise mentioned)	Dec-24	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	%Change*
BdL FX Reserves	10.09	10.96	9.74	9.86	9.34	7.74	-23.3%
<i>In months of Imports</i>	-	-	-	-	-	-	-
Public Debt	-	-	-	-	-	-	-
Bank Assets	103.15	102.36	102.70	102.06	101.82	102.30	-0.8%
Bank Deposits (Private Sector)	88.65	88.35	88.26	87.76	87.67	87.19	-1.6%
Bank Loans to Private Sector	5.95	5.41	5.38	5.46	5.42	5.20	-12.5%
Money Supply M2	1.46	1.63	1.65	1.60	1.64	1.68	14.5%
Money Supply M3	69.26	68.48	68.25	67.81	67.72	67.29	-2.8%
LBP Lending Rate (%)	5.61	9.39	10.07	9.24	11.42	10.90	529
LBP Deposit Rate (%)	3.58	3.21	3.16	2.91	3.25	3.68	10
USD Lending Rate (%)	3.70	5.19	5.97	4.23	5.32	3.68	-2
USD Deposit Rate (%)	0.03	0.05	0.07	0.06	0.12	0.09	6

*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	Sovereign Eurobonds	Coupon %	Mid Price in US\$	Mid Yield %
Solidere "A"	77.40	5.0%	92,436	41.0%	Nov 2026	6.60	30.38	238.76
Solidere "B"	73.45	0.3%	52,433	25.3%	Mar 2027	6.85	30.38	147.12
Audi Listed	1.47	9.7%	37,350	4.6%	Nov 2028	6.65	30.38	49.55
HOLCIM	71.05	0.1%	27,466	7.3%	Feb 2030	6.65	30.38	32.07
BLOM GDR	7.00	0.0%	15,000	2.7%	Apr 2031	7.00	30.38	24.47
Byblos Common	0.61	22.0%	4,000	1.8%	May 2033	8.20	30.38	17.18
BLOM Listed	6.99	0.0%	-	8.0%	May 2034	8.25	30.38	15.01
Byblos Pref. 09	29.99	0.0%	-	0.3%	Jul 2035	12.00	30.38	13.05
Audi GDR	2.90	0.0%	-	1.8%	Nov 2035	7.05	30.38	12.68
Byblos Pref. 08	25.00	0.0%	-	0.3%	Mar 2037	7.25	30.38	11.05

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

Source: LSEG Workspace

	February 16-20	February 10-13	% Change	January 2026	January 2025	% Change
Total shares traded	231,385	95,099	143.3	1,392,012	1,033,733	34.7
Total value traded	\$12,885,560	\$5,166,789	149.4	66,188,310	30,530,982	116.8
Market capitalization	\$18.87bn	\$18.35bn	2.9	\$17.67bn	\$25.60bn	(-31.0)

Source: Beirut Stock Exchange (BSE)



Lebanon ranks 117th globally, 13th among Arab countries in terms of readiness for Artificial Intelligence

Oxford Insights' Government Artificial Intelligence Readiness Index for 2025 ranked Lebanon in 117th place among 195 countries globally and in 13th place among 20 Arab countries. Lebanon also came in 25th place among 50 lower middle-income countries (LMICs) included in the survey. The results of the 2025 index are not comparable with the findings of the previous versions due to changes in the methodology to produce the index. Oxford Insights is a consulting firm that works on the integration of AI in public services and in the exploration of new technologies to increase the impact and efficiency of public service delivery.

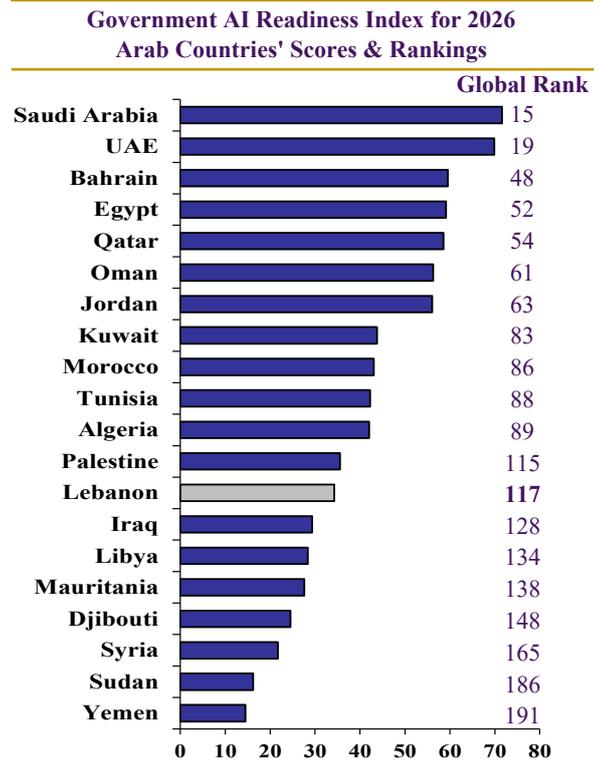
The index measures the readiness and potential of governments to implement Artificial Intelligence (AI) in the delivery of public services to their citizens. The index consists of 69 indicators across 14 dimensions that are aggregated in six pillars that are Policy Capacity, Governance, AI Infrastructure, Public Sector Adoption, Development and Diffusion, and Resilience. The rankings on the index are based on scores that range from zero to 100 points, with higher scores reflecting better readiness and potential to implement Artificial Intelligence in the public sector. The overall score of a country is a weighted average of the six scores on each pillar.

Globally, the survey shows that the Lebanese government is more ready to implement Artificial Intelligence than its counterparts in Cambodia, Kyrgyzstan, and Trinidad and Tobago, while it is less ready than the governments of Bosnia and Herzegovina, Palestine, and Cameroon among economies with a GDP of \$10bn or more. It also preceded Cambodia, Kyrgyzstan, and Laos, and trailed Namibia, Palestine, and Cameroon among LMICs. Lebanon received a score of 34.3 points on the index, lower than the global average scores of 42.5 points, the LMICs score of 35.6 points and the Arab average of 41.7 points. Further, Lebanon's score came lower than the Gulf Cooperation Council (GCC) countries' average score of 59.9 points and higher than the average score of non-GCC Arab countries of 33.9 points.

In parallel, Lebanon ranked ahead of Switzerland and Libya, while it came behind South Africa and Palestine worldwide on the Policy Capacity Pillar. This category measures the government's ability to design and implement effective AI strategies that are aligned with a clear national vision for how AI can benefit the country. Lebanon came ahead of Cameroon and Mauritania, and trailed Nepal and Palestine among LMICs, while it preceded Libya, Iraq, Kuwait, Mauritania, Morocco, Tunisia, Djibouti, Syria, Sudan and Yemen in the Arab region on this category.

Further, Lebanon preceded Montenegro and the Bahamas, and trailed North Macedonia and Armenia globally on the AI Infrastructure Pillar. This category assesses the level of computing power and supporting technical systems of governments and other stakeholders to reliably develop and deploy AI over the long term. Lebanon ranked ahead of Kenya and Nigeria, and came behind Pakistan and Côte d'Ivoire among LMICs, while it preceded Djibouti, Iraq, Syria, Mauritania, Sudan, and Yemen among Arab economies on this category.

In addition, Lebanon preceded Seychelles and North Korea, and trailed Chad and Bosnia and Herzegovina globally on the Resilience Pillar. This category measures the extent to which the government can effectively manage the social, economic, and environmental challenges that arise from a societal transition towards the widespread adoption of AI. Lebanon came ahead of Djibouti and Mauritania, and ranked behind Myanmar and Bolivia among LMICs; while it preceded Djibouti, Mauritania, Sudan, Palestine, and Yemen in the Arab world on this category.



Source: Oxford Insights, Byblos Research

	Global Rank	Arab Rank	LMIC Rank	Lebanon Score	Global Avg score	Arab Avg Score	LMIC Avg Score
Policy Capacity	90	10	20	42.0	42.4	45.1	34.5
AI Infrastructure	106	14	16	41.0	44.2	44.5	36.9
Governance	134	13	32	39.4	52.6	49.8	46.0
Public Sector Adoption	159	15	42	18.7	47.8	43.7	38.7
Development & Diffusion	75	11	12	34.2	31.4	33.4	26.1
Resilience	163	15	39	25.7	43.2	37.1	36.6

Source: Oxford Insights, Byblos Research

Economic outlook contingent on implementation of reforms

S&P Global Ratings projected Lebanon's real GDP growth rate at 3% in 2026 and at an average of 3.4% in the 2027-29 period, compared to a growth rate of 3.5% in 2025. It anticipated economic activity in the 2026-29 period to be driven by the recovery of the services sector and by stronger private consumption, supported by the strong inflow of expatriates' remittances and improved liquidity conditions from the increase of deposit withdrawal limits from dollar bank accounts. Also, it expected the reconstruction of war-affected areas, the recovery of tourism activity, and improved political stability to support economic growth in the 2026-29 period, despite the volatile security situation. In addition, it forecast the size of the Lebanese economy, or nominal GDP, to increase from \$43.4bn in 2025 to \$48.3bn in 2026, \$53.2bn in 2027, \$57.5bn in 2028, and \$61.8bn in 2029.

Further, it said that the government has made progress in approving laws that are a pre-condition to unlock a new funding program with the International Monetary Fund (IMF) and to move forward on the long-delayed restructuring of the public debt. It indicated that Parliament ratified the Bank Restructuring Law in order to form a legal and institutional framework and to establish a new oversight authority to deal with the restructuring of the banking sector; the authorities drafted the Financial Stabilization and Deposits Repayment Act that aims to quantify financial sector losses, as well as to define burden sharing and a deposit recovery strategy; and the Parliament amended the Banking Secrecy Law in April 2025 that grants access to banking sector records with a retroactive effect of 10 years.

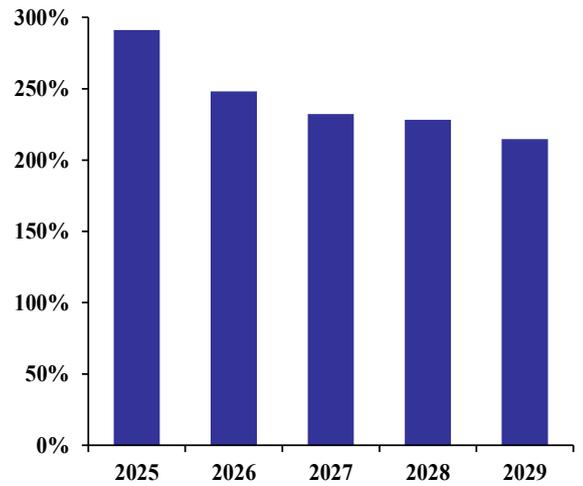
But it stressed the importance to align the banking sector's restructuring law with international standards, along with reforming state-owned enterprises and enhancing legislation on anti-money laundering and combating the financing of terrorism, in order to reach a program with the IMF. It considered that execution risks on reforms are elevated given the limited time until the next parliamentary elections that are scheduled for May 2026, and the risk of military confrontation between Israel and Hezbollah, as the ceasefire agreement of November 2024 remains fragile. Also, it did not expect significant progress on the public debt's restructuring this year, given the limited advances on the banking sector's restructuring and on the deposit recovery strategy.

Further, it said that the government recorded budget surpluses on a cash basis of 1.3% of GDP in 2024 and 3.6% of GDP in 2025, supported by higher receipts from real estate registration fees, transfers from state-owned enterprises, increase in customs receipts due to higher imports, the collection of arrears on the value-added tax and the income tax, and improving tax compliance and digitalization, despite the elevated public sector wage bill that accounts for more than 50% of public expenditures. It noted that the 2026 budget projects a small fiscal surplus of 1% amid hard financing constraints due to the government's limited ability to borrow to fund a deficit. But it expected pressure on public expenditures to remain elevated due to the high public sector wage bill, to capital spending, and to urgent reconstruction needs. It considered that the reforms momentum will support the disbursement of concessional loans and donor funding, which would ease some of the government's funding constraints. As a result, it forecast the fiscal balance to post a surplus of 1% of GDP in each of 2026 and 2027, and to shift to deficits of 1% of GDP in 2028 and 2% of GDP in 2029. It noted that the improved headline fiscal performance in the past two years, along with the stabilization of the exchange rate and the substantial rise in nominal GDP, led to a decline in the net public debt level from 252.6% of GDP at the end of 2022 to 97.4% of GDP at end-2025, and projected it to regress to 81% of GDP at end-2029.

In addition, it projected the current account deficit to narrow from an average of 16% of GDP in the 2023-2025 period to an average of 11% of GDP in the 2026-29 period, and expected the deficit to be financed by unrecorded remittance flows and accumulated resident foreign currency savings. It added that administrative constraints in the public sector and the multiple exchange rates have resulted in limited and infrequent data disclosure. As such, it said that its historical data and forecasts are subject to unusually high uncertainties and that this trend will persist in the near future, but it noted that the authorities are working with the IMF to improve the accuracy of fiscal data. It added that the capability of the Ministry of Finance's personnel and information technology systems are improving, driven by technical and financial donor support.

In parallel, it pointed out that Banque du Liban's (BdL) gross foreign currency reserves, excluding gold reserves, stood at about \$12bn as at January 15, 2026, and exclude an estimated \$7bn in reserve requirements on the banks' foreign currency deposits. It estimated BdL's usable reserves at \$4.8bn at end-2025, and forecast them to reach \$5.1bn at end-2026, \$4.6bn at end-2027, \$5.1bn at end-2028, and \$5.1bn at end-2029.

Lebanon's Gross External Financing Needs (in % of Current Account Receipts and Usable Reserves)



Source: S&P Global Ratings

Banque du Liban's liquid foreign reserves at \$12.1bn, gold reserves at \$45.8bn at mid-February 2026

Banque du Liban's (BdL) interim balance sheet shows that its total assets reached LBP8,405.5 trillion (tn) as at February 15, 2026, relative to LBP8,403.5tn at end-January 2026, LBP8,417tn at mid-January 2026, to LBP8,406.5tn at the end of 2025, and to 8,370.7bn at mid-February 2025. BdL indicated that it revised its balance sheet figures starting on October 15, 2024 in accordance with international standards. It said that it changed the classification of "Foreign Assets" to "Foreign Reserve Assets" in order to present non-resident and liquid foreign assets only, while it reclassified the "other resident and/or illiquid items" to its "Securities Portfolio" or to the "Loans to the Local Financial Sector" entries.

BdL's Foreign Reserve Assets stood at \$12.07bn on February 15, 2026 compared to \$11.95bn at end-January 2026, \$12.04bn at mid-January 2026 and to \$11.89bn at end-2025. As such, they increased by \$178.4m in first six weeks of the year due a rise of \$146.8m in the first half of January 2026, a decrease of \$95m in the second half of the month, and an increase of \$126.5m in the first half of February 2026. As a result, BdL's Foreign Reserve Assets rose by \$3.5bn between the end of July 2023 and mid-February 2026, despite a decline of \$530.3m in the fourth quarter of 2024. The dollar figures are based on the exchange rate of the Lebanese pound of LBP89,500 per US dollar starting on February 15, 2024, according to the BdL Central Council's Decision No. 48/4/24 dated February 15, 2024.

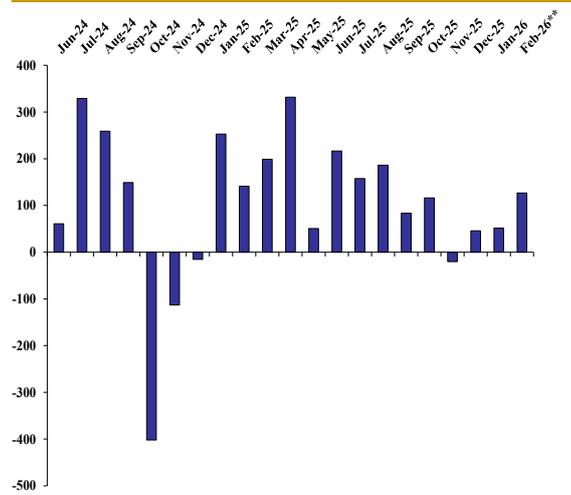
Further, the value of BdL's gold reserves reached \$45.8bn on February 15, 2026 compared to an all-time high of \$45.9bn at the end of January 2026, to \$42.6bn at mid-January 2026, to \$40.4bn at end-2025 and to \$26.9bn at mid-February 2025. Also, BdL's securities portfolio totaled LBP586,267.1bn at mid-February 2026 relative to LBP586,532.5bn two weeks earlier and to LBP555,071.8 on February 15, 2025. BdL noted that the securities portfolio includes Lebanese Eurobonds that had a market value of \$1.55bn at mid-February 2026, compared to \$1.53bn at end-January 2026, to \$1.22bn at the end of 2025, and to \$962.1m on February 15, 2025. Prior to the modifications, BdL included the nominal value of its Lebanese Eurobonds portfolio, which is about \$5bn, in the foreign assets item. In addition, loans to the local financial sector stood at LBP39,299.1bn at mid-February 2026 compared to LBP39,492.4bn at end-January 2026.

Moreover, Deferred Open-Market Operations totaled LBP174,095.3bn at mid-February 2026 relative to LBP173,332.7bn at end-January 2026. BdL said that, based on the Central Council's decision 23/36/45 of December 20, 2023, it has started to present all deferred interest costs originating from open-market operations under this new line item. As a result, it transferred all deferred interest costs included in the "Other Assets" and "Assets from Exchange Operations" entries to the new item. Therefore, the item "Other Assets" stood at LBP12,355bn (\$138m) at end-February 2026 relative to LBP11,814.6bn (\$132m) two weeks earlier.

Also, the Revaluation Adjustments item on the asset side reached LBP925,016.5bn at mid-February relative to LBP930,557.4bn at end-January 2026. It consists of a special account called the "Exchange Rate Stabilization Fund", in which BdL recorded all the transactions related to foreign exchange interventions to stabilize the exchange rate starting in 2020 and that had a balance of LBP167.96tn at mid-February 2026 relative to LBP167.8tn at end-January 2026. It also consists of a special account in the name of the Treasury that stood at LBP757.1tn at mid-February 2026 compared to LBP762.7tn at end-January 2026. Further, the balance sheet shows that BdL's loans to the public sector totaled LBP1,486,983.4bn at mid-February 2026 relative to LBP1,486,971.4bn two weeks earlier, and includes an overdraft of \$16.52bn as at mid-February 2026, unchanged from end-January 2026.

On the liabilities side, BdL's balance sheet shows that currency in circulation outside BdL stood at LBP68,845.4bn at mid-February 2026 compared to LBP68,522.7bn at end-January 2026, and represented a decrease of 19% from LBP85,119.8bn at mid-February 2025. Further, the deposits of the financial sector reached LBP7,380.97tn, or the equivalent of \$82.5bn at mid-February 2026, relative to LBP7,395.4tn (\$82.6bn) at end-January 2026; while public sector deposits at BdL totaled LBP820,383.7bn at mid-February compared to LBP805,710.7bn at end-January 2026, LBP793,337.2bn at mid-January 2026, LBP772,183.1bn at end-2025, and to LBP572,601.4bn at mid-February 2025.

Change in Foreign Reserve Assets* (US\$m)



*month-on-month change

**as at mid-February 2026, change from end-January 2026

Source: Banque du Liban, Byblos Research



Government raises public sector wages, salaries and pensions

The Council of Ministers announced that it decided to grant all public sector workers and employees, as well as retirees and contractual workers, six additional salaries, with full supplements for military personnel, based on the value of their salaries that prevailed in 2019, and that it will start disbursing the raise on March 1, 2026. It estimated the cost of the raise at about \$800m, and said that it will cover it by imposing a fee of LBP300,000 on the price of each gallon of gasoline, adjusting the fee collected by the Lebanese Treasury on shipping containers by restoring it to its previous level of about \$50 for a 20-foot equivalent units (TEUs) container and about \$80 for a 40-TEUs container, and raising the value-added tax (VAT) rate from 11% to 12%. But the Ministry of Finance indicated that these measure will generate \$620m annually and that it will search for additional sources of revenues to cover the balance.

It pointed out that it will study the cost of raising the salaries of active and retired employees to what they were prior to the economic crisis, and will announce its decision not later than the end of March 2026. In addition, it said that it excluded public investment institutions, such as the state-owned telecommunications services provider Ogero, among others, from these measures.

In parallel, the International Monetary Fund (IMF) indicated that, in response to the erosion in the purchasing power of the public sector workforce since the onset of the economic crisis in the country, the government enacted a series of temporary solutions to adjust the remuneration of public sector workers and employees, but it noted that these measures created a fragmented compensation system that weakened the delivery of public services.

It noted that there is limited room for major increases in personnel spending and that there is a need for the careful prioritization of these raises. It cautioned that if the government adjusts pension benefits, expands recruitment in the military and security agencies, and raises the minimum wage for commercial public institutions, this would leave limited space for significant across-the-board increases in the real wages of public sector workers and employees in the 2026-29 period, unless the authorities identify additional sources of revenues or reduce expenditures.

Under its benign baseline scenario, the IMF projected total personnel spending to increase from \$2.7bn in 2025 to \$3.4bn in 2028 and 2029, which would result in a 7% real annual growth of 7% in employee compensation. It said that wages and salaries would increase from \$1.3bn in 2025 to \$1.7bn in 2029, social benefits would rise from \$0.6bn in 2025 to \$0.9bn in 2028 and 2029, transfers of salaries of public institutions would grow from \$0.1bn in 2025 to \$0.2bn in 2028 and reach \$0.1bn in 2029, while pensions and end-of-service indemnities would increase from \$0.6bn in 2025 to \$0.7bn in 2028 and 2029. But it noted that both the real compensation of employees and the pension benefits would remain below pre-crisis level in 2029. In contrast, it said that personnel cost reached \$6.4bn in 2019, as the compensation of employees amounted to \$3.1bn and accounted for 48.5% of the total, followed by pensions and end-of-service indemnities with \$2.3bn (36%), social benefits with \$0.8bn (12.5%), and transfers to public institutions with \$0.3bn (4.7%).

Further it said that an additional increase in government spending on public sector personnel would put the baseline scenario at risk. It added that higher real wages and salaries, significant increases in the workforce of certain ministries and agencies, and pension increases that exceed the modest real growth of the baseline scenario would put significant pressure on public finances. It noted that a downside macroeconomic scenario would reduce the government's capacity to absorb these extra costs, which could force it to cut or postpone other spending and investment projects, or would require new measures.

However, it considered that the Lebanese authorities have an opportunity to develop a fiscally sustainable and equitable medium-term path for public sector personnel spending. It said that this would include fixing salary scales, ensuring parity with inflation and exchange rate realities, integrating allowances into base pay in a transparent way, and charting a new wage policy and salary structure that would restore coherence and equity to the existing fragmented system.

Separately, the Council of Ministers noted that its revenue-raising measures include auditing government subsidies, imposing a 17% additional tax on profits generated from operations on Banque du Liban's Sayrafa electronic exchange platform, enhancing tax collection, reviewing maritime and river properties, enforcing collection orders, and tightening oversight at border crossings to combat smuggling.

Nearly 85% of Treasury securities have seven-year maturities or longer at end-January 2026

Figures released by the Association of Banks in Lebanon show that the face value of outstanding Treasury securities denominated in Lebanese pounds stood at LBP46,549bn at the end of January 2026, compared to LBP47,847bn at end-2025 and to LBP64,766bn at end-January 2025. The securities were equivalent to \$520.1m at the end of January 2026 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 January 2026 compared to 6.53% in January 2025.

Also, the distribution of outstanding Treasury securities shows that 10-year Treasury bonds totaled LBP27,902bn and accounted for 60% of aggregate securities denominated in Lebanese pounds at the end of January 2026, followed by seven-year Treasury securities with LBP10,060bn (21.6%), five-year Treasury bonds with LBP4,066bn (8.7%), three-year Treasury securities with LBP3,103bn (6.7%), 15-year Treasury bonds with LBP1,417bn (3%), and two-year Treasury securities with LBP1bn (0.002%). As such, 84.6% of outstanding Treasury securities have seven-year maturities or longer and 93.3% have five-year maturities or more.

In parallel, LBP1,297bn in outstanding Treasury securities denominated in Lebanese pounds matured in January 2026. The distribution of maturing securities shows that 50% consisted of five-year Treasury bonds, 34.5% were of seven-year Treasury securities, and 15.4% consisted of three-year Treasury bonds. According to the ABL, LBP15,312bn in outstanding Treasury securities in Lebanese pounds will mature in the remainder of 2026.

Number of new construction permits up 33%, surface area up 41% in January 2026

Figures issued by the Orders of Engineers & Architects of Beirut and of Tripoli show that the two orders issued 766 new construction permits in January 2026, constituting a rise of 32.8% from 577 permits in the same month last year. Mount Lebanon accounted for 31% of the number of newly-issued construction permits in the first month of the year, followed by the North with 28%, the South with 17.8%, the Nabatieh area with 13.2%, the Bekaa region with 5.7%, and Beirut with 1.3%. The remaining 3% were permits issued by the Order of Engineers & Architects of Tripoli for regions located outside northern Lebanon.

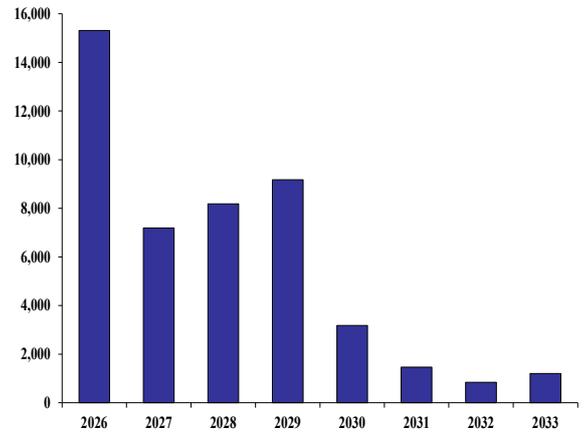
Also, the number of new construction permits issued in Beirut jumped by 400% in January 2026 from the same month last year, followed by permits in the Nabatieh area (+102%), in the Bekaa region (+33.3%), in the North (+33%), in the South (+28.3%), and in Mount Lebanon (+20.3%). In contrast, the number of permits issued in regions located outside northern Lebanon decreased by 14.3% in January 2026.

Further, the surface area of granted construction permits reached 724,238 square meters (sqm) in January 2026, constituting an increase of 41.3% from 512,644 sqm in the same months of 2025.

Mount Lebanon accounted for 267,588 sqm, or for 37%, of the total surface area of granted construction permits in the covered month, followed by the North with 137,884 sqm (19%), the South with 112,031 sqm (15.5%), the Bekaa area with 68,953 sqm (9.5%), Beirut with 55,082 sqm (7.6%), and the Nabatieh region with 49,228 sqm (6.8%). The remaining 33,472 sqm, or 4.6% 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 Beirut surged by 4,045% in January 2026, followed by surface areas in the Bekaa (+151.2%), in the Nabatieh area (+83.3%), in the South (+28%), Mount Lebanon (+25.6%), and in the North (+13.1%), while the surface area of new construction permits issued in regions located outside northern Lebanon decreased by 3%. 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.

Projected Maturities of Treasury Securities* (in LBP billions)



*as at end-January 2026

Source: Association of Banks in Lebanon, Byblos Research

Price-to-income ratio at 23%, gross rental yield at 5.4% in Beirut

The 2026 Property Prices Index, which covers real estate investment trends around the world, shows that the price-to-income ratio in Beirut, or the price of a residential unit relative to the disposable income of a household or a family, was the 23rd highest among 395 cities around the world and the third highest among 18 Arab cities. Also, the price-to-income ratio in Beirut was the 11th highest among 41 cities in lower-middle income countries (LMICs) included in the survey. The survey noted that the ratio reflects the affordability level of purchasing a residential unit, and that a lower ratio indicates a higher affordability.

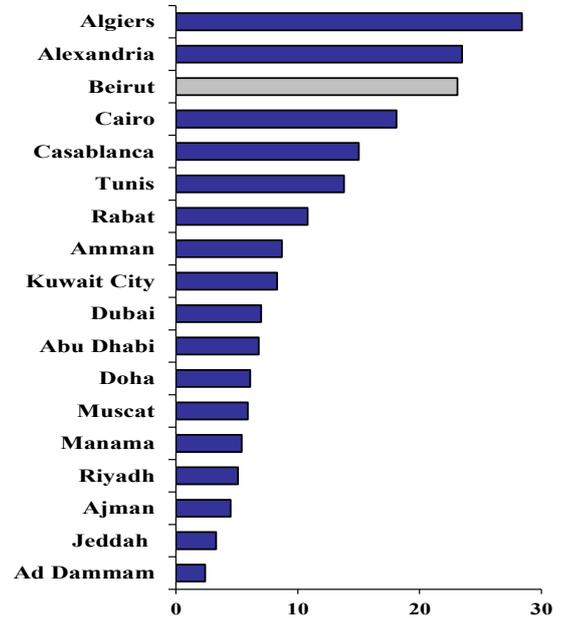
The price-to-income ratio stood at 23.1% in Beirut, which is higher than the global average ratio of 10.8%, the average ratio of 10.9% for Arab cities, and the average ratio of 17.4% for cities in LMICs. As such, the price-to-income ratio in Beirut came higher than it is in Hangzhou and Guangzhou in China, and Jakarta in Indonesia,; while it is lower than in Pattaya in Thailand, Rawalpindi in Pakistan, and Alexandria in Egypt. Further, the price-to-income ratio in Beirut is lower than it is in Colombo in Sri Lanka, Kathmandu in Nepal, Manila, Cebu in the Philippines, Mumbai in India, Hanoi and Ho Chi Minh City in Vietnam, Phnom Penh in Cambodia, Rawalpindi in Pakistan and Alexandria among LMICs; while it is lower than the ratios in Algiers and Alexandria in the Arab world. The index, which is produced by crowd-sourced global database Numbeo, offers the tools needed by foreign and non-resident investors to buy income-generating property overseas.

In addition, Beirut came in 153rd place globally, in 14th place among Arab cities, and in 11th among cities in LMICs on the Gross Rental Yield (GRY) on residential units in city centers, which is the annual gross rent of a residential unit relative the price of the unit in the downtown of the covered cities. The rental yield refers to the potential return on investment of a property, as it reflects the income generated from renting a residential unit relative to the price of the property. The GRY on apartments in Beirut’s center stood at 5.4%, which is lower than the global average of 5.7% and the Arab cities' average ratio of 7.3%; while it is higher than the average ratio of 4.5% among cities in LMICs. Globally, the gross rental yield on residential units in downtown Beirut is higher than the corresponding yields in Monterrey in Mexico, Belo Horizonte in Brazil, and in Porto in Portugal, and is lower than in Valencia in Spain, Larnaca, and Muscat. Further, the gross rental yield in Beirut’s center is higher than it is in Tunis, Alexandria, Kuwait City, and Algiers in the Arab world.

Also, Beirut came in 241st place globally, in fifth place among Arab cities, and in 31st among cities in LMICs on the Price-to-Rent Ratio on residential units in city centers. The ratio is the cost of an apartment relative to the rental income that it can generate. The price-to rent ratio in Beirut stood at 18.5%, which is lower than the global average of 22.5% and the average of 26.4% among cities in LMICs, and is higher than the Arab cities' average of 17.2%. The survey said that lower values in a location indicate that it is better to buy rather than rent a residential unit in this location, while higher values suggest that it is better to rent rather than buy an apartment in the location. Globally, the price-to rent-ratio in Beirut is higher than the corresponding ratios in Minsk in Belarus, Porto and Malaga in Spain, and is lower than in Belo Horizonte, Monterrey, and Oxford in the United Kingdom. Further, the price-to rent-ratio in Beirut is lower than it is in Algiers, Kuwait City, Alexandria, and Tunis among Arab cities.

Finally, Beirut ranked in 199th place globally, in fourth place among Arab cities, and in 30th among cities in LMICs on the Price-to-Rent Ratio outside the downtown of cities. The price-to rent-ratio for residential units located away from the center of Beirut stood at 18.7%, which is lower than the global average of 20.2% and the average of 23.7% among cities in LMICs, but is higher than the Arab cities' average of 15.9%. Globally, the price-to rent-ratio in locations outside the center of Beirut is higher than the corresponding ratios in Buenos Aires, Stavanger in Norway, and Barcelona, and is lower than it is in Frankfurt, Malmo in Sweden, and Birmingham. Further, the price-to rent-ratio in areas located outside the center of Beirut is lower than it is in Algiers, and Tunis among Arab cities.

Price-to-Income ratios of Residential Units in Arab Cities in 2026



Source: Numbeo, Byblos Research



Social media penetration rate at 75% of population

Figures released by online platform DataReportal about the usage of digital platforms, services and devices in Lebanon, show that the number of internet users reached 5.38 million individuals in Lebanon at the end of 2025, which represented an internet penetration rate of 91.8%. It added that 483,000 individuals in Lebanon did not use the internet as of end-2025, which indicates that 8.2% of the population remained offline at the end of the year. In comparison, it estimated that there were 5.34 million internet users in the country in January 2025, resulting in an internet penetration rate of 91.6% at the time. It indicated that the rise in the penetration rate reflects an increase in internet adoption in the country from previous years. But it noted that the data for internet usage under-represents the actual figures, as the current adoption and growth may be higher than the collected figures suggest, given the time needed to collect the data.

Also, it said that the median mobile internet download speed through cellular phone networks was 43.9 megabits per second (Mbps) at the end of 2025, constituting an increase of 13.7 Mbps, or of 45.4%, from 30.2 Mbps in January 2025. It added that the speed of fixed line internet download stood at 16.13 Mbps at end-2025, representing an increase of 3.35 Mbps or of 26.2% from 12.78 Mbps in January 2025.

Further, it said that Lebanon had 4.58 million active social media user identities, which represented a penetration rate of 78.1% of the total population at end-2025, compared to 4.02 million social media users and a penetration rate of 68.9% in January 2025. It indicated that 59.8% of Lebanon's social media users were males and 40.2% were females at end-2025, compared to 60.3% male users and 39.7% female users in January 2025. Also, it indicated that 85.1% of Lebanon's internet users used at least one social media platform at the time of the survey.

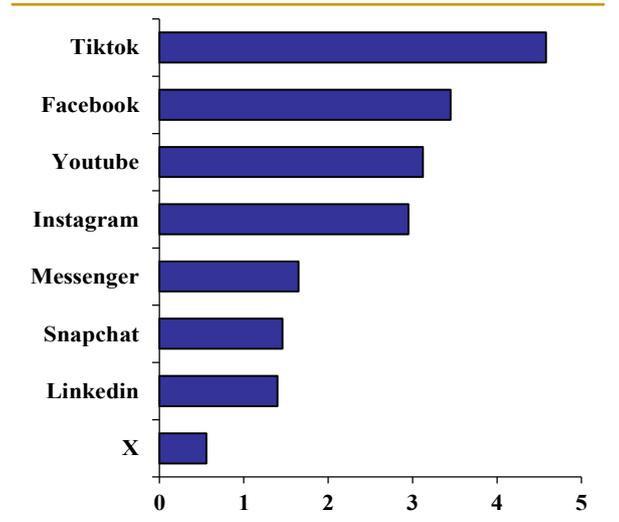
In addition, it pointed out that there was 4.58 million TikTok users aged 18 years or older in Lebanon at the end of 2025, followed by 3.45 million Facebook users, 3.12 million YouTube users, 2.95 million Instagram users, 1.65 million Facebook Messenger users, 1.46 million Snapchat users, 1.4 million LinkedIn users, and about 555,000 users of the X platform formerly known as Twitter. In comparison, it stated that there were 4.02 million TikTok users aged 18 years or older in Lebanon in January 2025, followed by 3.19 million YouTube users, 3.15 million Facebook users, 2.5 million Instagram users, 1.6 million Facebook Messenger users, 1.24 million Snapchat users, 1.3 million LinkedIn users, and about 552,000 users of the X platform formerly known as Twitter.

Further, it said that Meta Platforms, Inc., the company that owns and operates Facebook, Instagram, Threads and WhatsApp, among other products and services, allows individuals aged 13 years or older to use its platforms. It noted that 75.2% of the eligible audience in Lebanon used Facebook at end-2025 compared to 69% in January 2025, while 64.3% of the eligible audience utilized Instagram at the end of 2025 relative to 54.8% in early 2025. It added that 35.9% of the eligible audience in Lebanon used Facebook Messenger the end of 2025 compared to 35.1% in January 2025.

In addition, it stated that 32% of the eligible audience aged 13 years or older in Lebanon used Snapchat at end-2025 relative to 27% at the beginning of 2025, while 12% of the eligible audience aged 13 years or older in Lebanon used the X platform at end-2025, unchanged from January 2025.

In parallel, it indicated that there were 4.76 million mobile connections in Lebanon at end-2025, which represented 81.3% of the total population, relative to 4.68 million mobile connections in early 2025, or 80.4% of the total population at the time.

Number of Users in Lebanon by Application (in millions)



Source: DataReportal

Consumer Price Index up 11% year-on-year in January 2026

The Central Administration of Statistics' Consumer Price Index increased by 10.9% in the first month of 2026 from the same period of 2025, compared to increases of 16.1% in January 2025 from the same month of the preceding year and of 177.3% in January 2024 from January 2023.

The CPI registered its 23rd double-digit increase since the last triple-digit rise in February 2024 when it stood at 123.2%. The slowdown of the inflation rate from triple-digit rates in previous years is due in part to the widespread dollarization of consumer goods and services in the economy and to the stabilization of the exchange rate of the Lebanese pound against the US dollar since July 2023. However, the cumulative increase in the inflation rate is due in part to the rise of the cost of education, rent, recreation and entertainment, and food prices, to the surge of fees in the public administration, to the weakening of the exchange rate of the US dollar against major currencies, and to the inability of the authorities to monitor and contain retail prices.

The cost of education surged by 36% in January 2026 from the same month in 2025, followed the prices of recreation & entertainment (+31.3%), imputed rent (+24%), actual rent (+23.2%), the prices of food & non-alcoholic beverages (+15%), the cost of miscellaneous goods & services (+14.2%), and the rates at restaurants and hotels (+7.2%).

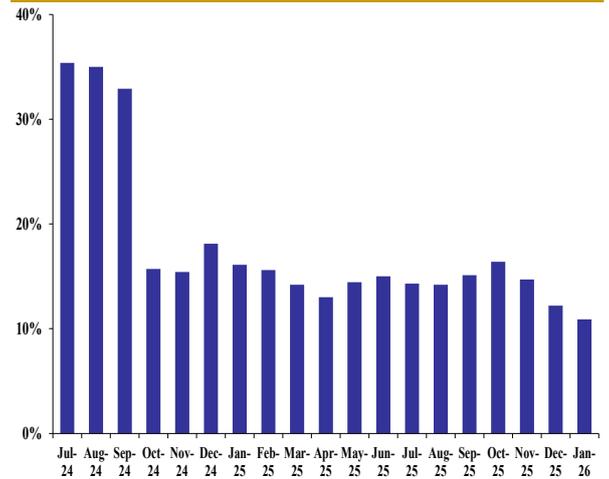
Also, the prices of alcoholic beverages & tobacco grew by 6.9% year-on-year in January 2026, followed by the prices of water, electricity, gas & other fuels (+3.7%), the prices of clothing & footwear (+2.8%), and healthcare costs (+2.2%). In contrast, the prices of furnishings & household equipment regressed by 2.3% in January 2026 from the same month last year, followed by the cost of communication (-1.6%) and transportation costs (-0.7%). Also, the distribution of actual rent shows that new rent surged by 22.9% and old rent increased by 23.6% in January 2026 from the same month of 2025.

In parallel, the CPI regressed by 0.08% in January 2026 from the previous month relative to an uptick of 0.14% in December 2025, an increase of 0.82% in November 2025, a surge of 3.23% in October, a pickup of 0.6% in September, an increase of 0.56% in August, a rise of 1.32% in July, an uptick of 0.76% in June, a jump of 1.31% in May, a rise of 0.67% in April, a growth of 0.44% in March, an uptick of 0.66% in February, and an expansion of 1.1% in January 2025.

The prices of miscellaneous goods & services increased by 2.57% in January 2026 from the preceding month, followed by the cost of alcoholic beverages and tobacco (+1%), imputed rent (+0.64%), rates at restaurants and hotels (+0.62%), actual rent (+0.29%), and the cost of healthcare (+0.001%). In contrast, the cost of transportation decreased by 2.05% in January 2026 from December, followed by the prices of clothing & footwear (-1.27%), the cost of communication (-0.84%), the prices of water, electricity, gas & other fuels (-0.79%), the prices of furnishings & household equipment (-0.24%), the prices of alcoholic beverages & tobacco (-0.13%), and the cost of recreation & entertainment (-0.1%); while the cost of education was unchanged in January 2026 from December 2025. In addition, the distribution of actual rent shows that new rent increased by 0.5% and the old rent was unchanged in January 2026 from the preceding month.

Also, the CPI increased by 0.08% in the South and by 0.05% in the North in January 2026 from the previous month. In contrast, the CPI regressed by 0.5% in the Bekaa, as well as by 0.36% in the Nabatieh area, by 0.17% in Beirut and by 0.03% in Mount Lebanon. In parallel, the Fuel Price Index decreased by 4.5% and the Education Price Index was unchanged month-on-month in January 2026.

Annual Change in Consumer Price Index* (%)



*from the same month of the previous year
Source: Central Administration of Statistics, Byblos Research



Launch of National Digital Identity and Infrastructure project

The Ministry of Interior and Municipalities and the Office of the Minister of State for Information Technology and Artificial Intelligence (MITAI) submitted the National Digital Identity and National Digital Infrastructure project to the Higher Council for Privatization and Partnership for approval. The MITAI said that the initiative represents a fundamental step towards providing secure and reliable digital services to all Lebanese citizens. It noted that the project aims to launch the 'Digital Identity', which is a unified national identity database that will enable citizens to access government digital services securely and reliably, while adhering to the highest standards of data protection and privacy. It added that the Ministry of Interior will manage the 'Digital Identity' project.

Further, it pointed out that the initiative involves developing the National Digital Infrastructure project that MITAI will oversee, which will ensure the integration of government services through a unified national digital platform, supported by a national framework for linking digital services. It noted that this initiative aims to enable interoperability among public administrations, secure the exchange of data, build digital trust, support government infrastructure and cloud services, and strengthen national cybersecurity.

The MITAI launched in December 2025 its digital technology and AI strategy for Lebanon. It declared that it aims to leverage technology and AI to improve public services, drive national development, empower citizens, and generate sustainable economic growth. It indicated that the strategy consists of four strategic objectives that are to build institutional, legal and governance structures to support Lebanon's digital transformation; to invest in secure, interoperable broadbands, cloud, and digital identity systems; to reverse the brain drain through AI-skills programs, support research and development, and provide incentives; and to position Lebanon as a regional innovation hub by establishing the Lebanon Angel Investor Network and a Fund-of-Funds for AI startups.

Further, it said that the strategy's national priorities include the development of a national digital infrastructure by rolling out a unified, sovereign tech stack to enable AI-ready digital government services; scaling the adoption of a national digital ID to streamline access and verify rights in a secure way; expanding interoperable e-payments across ministries and services to support financial inclusion and reduce cash leakages; deploying AI to optimize planning, monitor service delivery, and detect inefficiencies or fraud; using automation and AI to simplify complex government services such as business registration, property documentation, and social benefits; and establishing regulator sandboxes, public data pools, and shared compute, in order to accelerate digital startups and applied AI experimentation.

In addition, it stated that the key performance indicators of its strategy include increasing the share of high-impact government services digitization from 5% in 2025 to 80% by 2030; raising the share of agencies running primarily on sovereign or hybrid cloud from 5% in 2025 to 100% by 2030; raising the aggregate amount of AI and technology deals in Lebanon from \$16m in 2021 to \$50m in 2030; and increasing the number of AI engineers that are working in Lebanon from 800 in 2025 to more than 5,000 engineers by 2030.



Term deposits account for 51.6% of customer deposits at end-2025

Figures issued by Banque du Liban (BdL) about the distribution of bank deposits at commercial banks in Lebanon show that aggregate deposits, which include demand deposits and term deposits, stood at LBP8,071.1 trillion (tn) at the end of 2025, or the equivalent of \$90.2bn, compared to LBP8,209.7tn (\$91.7bn) at end-2024.

Total deposits include private sector deposits that reached LBP7,803.6tn, deposits of non-resident financial institutions that amounted to LBP199.4tn, and public sector deposits that stood at LBP68.2tn at the end of 2025. The figures reflect BdL's Basic Circular 167/13612 dated February 2, 2024 that asked banks and financial institutions to convert their assets and liabilities in foreign currency to Lebanese pounds at the exchange rate of LBP89,500 per US dollar when preparing their financial positions starting on January 31, 2024. Term deposits in all currencies reached LBP4,166.1tn and accounted for 51.6% of total deposits in Lebanese pounds and in foreign currency at the end of 2025 relative to 54% at end-2024. Further, the term deposits in Lebanese pounds of the public sector jumped by 765.4% in 2025, followed by an increase of 39% in the term deposits in Lebanese pounds of the resident private sector.

In contrast, the term deposits of the non-resident financial sector declined by 15.1% in 2025, followed by a decrease of 7.7% in the foreign currency-denominated term deposits of the resident private sector, a contraction of 1.4% in the term deposits of non-residents, and a downturn of 0.07% in the foreign currency-denominated term deposits of the public sector. Aggregate term deposits declined by \$120bn since the end of September 2019, based on the prevailing exchange rate, due to the migration of funds from term to demand deposits and to cash withdrawals, amid the confidence crisis that started in September 2019.

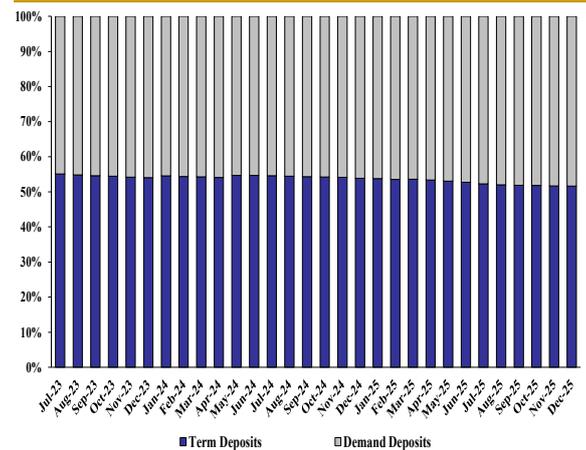
In addition, the foreign currency-denominated term deposits of the resident private sector reached \$32.6bn and accounted for 36% of aggregate deposits at the end of 2025 relative to 38.5% at end-2024. Term deposits of non-residents followed with \$12.1bn or 13.4% of the total, then the term deposits of the non-resident financial sector with \$1.18bn (1.3%), term deposits in Lebanese pounds of the resident private sector with LBP36.2tn (0.4%), term deposits of the public sector in foreign currency with \$150m (0.2%), and term deposits of the public sector in Lebanese pounds with LBP12.3tn (0.15%).

In parallel, demand deposits in all currencies at commercial banks stood at LBP3,905tn at the end of 2025 compared to LBP3,788tn a year earlier, and accounted for 48.4% of aggregate deposits at end-2025 compared to 46% at end-2024. Demand deposits of non-residents rose by \$667.3m in 2025, followed by an increase of \$573.5m in foreign currency-denominated demand deposits of the resident private sector, a jump of LBP6,820.2bn in demand deposits in Lebanese pounds of the public sector, and an increase of LBP6,421.4bn in demand deposits in Lebanese pounds of the resident private sector. In contrast, the public sector's demand deposits in foreign currency declined by \$173m in 2025, followed by a decrease of \$68.7m in demand deposits of the non-resident financial sector.

Also, demand deposits in foreign currency of the resident private sector totaled \$32.3bn and represented 35.8% of deposits at end-2025 relative to 34.6% at end-2024. Demand deposits of non-residents followed with \$9.3bn (10.3%), then demand deposits of the non-resident financial sector with \$1bn (1.2%), demand deposits in Lebanese pounds of the resident private sector with LBP45.5tn (0.6%), demand deposits in foreign currency of the public sector with \$317.7m (0.4%), and demand deposits in Lebanese pounds of the public sector with LBP14tn (0.2%).

Based on the latest available figures, Beirut and its suburbs accounted for 66.6% of private-sector deposits and for 55% of the number of depositors at the end of September 2024. Mount Lebanon followed with 14.7% of deposits and 16.6% of beneficiaries, then South Lebanon with 7.2% of deposits and 9.7% of depositors, North Lebanon with 6.6% of deposits and 11.5% of beneficiaries, and the Bekaa with 4.9% of deposits and 7.3% of depositors.

Breakdown of Deposits at Commercial Banks (%)



Source: Banque du Liban, Byblos Research

Lebanon has 428 banks, financial institutions, and money dealers under BdL's supervision

Banque du Liban (BdL) issued Decision No. 13801 dated January 23, 2026 about the list of banks supervised by BdL. It said that the number of commercial banks (CBs) and medium- and long-term banks, or investment banks (IBs), reached 57 at the end of 2025 compared to 58 CBs and IBs at end-September 2024, 60 CBs and IBs at end-2023, 61 CBs and IBs at end-2022 and end-2021, 63 CBs and IBs at end-2020 and at end-2019, and 65 CBs and IBs at end-2018.

Further, BdL issued Decision No. 13802 dated January 23, 2026 about the list of Financial Institutions (FIs) that it supervises. It noted that there was 37 FIs at the end of 2025, unchanged since end-2023, and relative to 40 FIs at the end of 2022, 2021 and 2020, 44 FIs at end-2019, and 45 FIs at end-2018.

In addition, BdL issued Decision No. 13803 dated January 23, 2026 about the list of Money Dealers/Exchange Institutions (MD&EI) that it supervises. It pointed out that there was 292 Money Dealers/Exchange Institutions at the end of 2025 compared to 297 such institutions at the end of September 2024 and at end-2023, 304 MD&EI at end-2022, 302 of them at end-2021, 301 MD&EI at end-2020, and 303 of them at end-2019.

In parallel, BdL issued Decision No. 13804 dated January 23, 2026 about the list of Specialized Lending Entities (Comptoirs) that it supervises. It indicated that Lebanon had 21 Specialized Lending Entities at the end of 2025, unchanged from end-2018. Also, the list of Electronic Payment Services Providers (EPSPs) supervised by BdL shows the presence of 21 EPSPs at the end of 2025 compared to 19 EPSPs at the end of September 2024 and at end-2023, 13 EPSPs at the end of 2022, 2021 and 2020, and 12 EPSPs at end-2019.

Figures released by BdL show that the consolidated balance sheet of commercial banks operating in Lebanon stood at LBP9,156.3 trillion (tn), or the equivalent of \$102.3bn, at the end of 2025; while the consolidated balance sheet of investment banks in Lebanon reached LBP92.2tn at the end of 2025, or the equivalent of \$1bn; and the balance sheet of financial institutions stood at LBP44.9tn, or \$501.5m at the end of 2025.

Government exempts electric vehicles from customs duties

The Customs Higher Council issued Decision No. 9/2026 dated February 13, 2026 about exempting new imported electric cars, vehicles, and machinery from customs duty and the internal consumption tax. Article 1 grants a full exemption from customs duties and from the internal consumption tax, in accordance with the Customs Tariff of the Harmonized System, for all new cars, vehicles, and machinery, such as electric bicycles and scooters, which operate exclusively on electricity (Full Electric). Article 2 mandates the imported vehicles to be processed through the Mandatory Red Track and to undergo a detailed technical inspection. Article 3 stipulates that this decision is valid for a five years period ending on February 9, 2031 inclusive, and that it went into effect on February 10, 2026, the date of the publication of Budget Law No. 40/2026 in the Official Gazette.

Also, the Customs Higher Council issued No. 10/2026 dated February 13, 2026 about exempting all new imported hybrid cars, including mild hybrid, hybrid and plug-in hybrid, among others, from 80% of the customs duty and internal consumption tax. Article 1 grants an exemption of 80% from customs duty and the internal consumption tax on all types of imported new hybrid cars hybrid types, including mild hybrid, hybrid, and plug-in hybrid. It mandates that the imported vehicle be processed through the Mandatory Red Track and to undergo a detailed technical inspection to determine the type of cars. It requires importers to attach to the customs documentation certificates issued by the manufacturing company that detail the technical characteristics of the imported vehicles. Article 2 stipulates that this decision is valid for a five years period ending on February 9, 2031 inclusive, and that it went into effect on February 10, 2026, the date of publication of Budget Law No. 40/2026 in the Official Gazette.

In parallel, the government started providing incentives for buyers of eco-friendly cars as par of the 2018 Budget Law. The law stipulated that customs and excise taxes on hybrid cars would be reduced to 20%, while electric vehicles would be completely exempt from customs and excise taxes. A hybrid vehicle typically operates on an internal-combustion engine as well as on an electric motor, while an electric vehicle runs on one or more electric or traction motors. Previously, imported electric vehicles and hybrid cars whose price exceeded LBP20bn were subject to customs and excise taxes of 50%, while vehicles with a price below LBP20bn were subject to customs and excise duties of 20%. In addition, the law stipulated that customs and excise taxes on hybrid vehicles for public use, such as hybrid taxis, would be reduced to 10%, while electric vehicles for public use would be fully exempt from customs and excise taxes. It added that public hybrid cars and electric vehicles would be exempt from registration fees, as well as mécanique fees when registered for the first time.



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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