

LEBANON THIS WEEK

In This Issue

Economic Indicators.....1
Capital Markets.....1
Lebanon in the News.....2

Real GDP growth rate at 3.8% in 2025 on improved business and consumer confidence

Lebanon's urbanization rate projected at 90.7% by 2030

Banque du Liban calls for international financial support for Lebanon

Number of new construction permits up 9.5 % in first quarter of 2026

Banque du Liban sets a ceiling for commission that merchants pay to banks

Money supply down 16% in 12 months ending April 16, 2026

Ministry of Finance extends deadlines for tax declarations and payments

Lebanon ranks 115th globally, fourth among Arab countries in press freedom

Number of internally displaced persons exceeds one million support

Corporate Highlights.....9

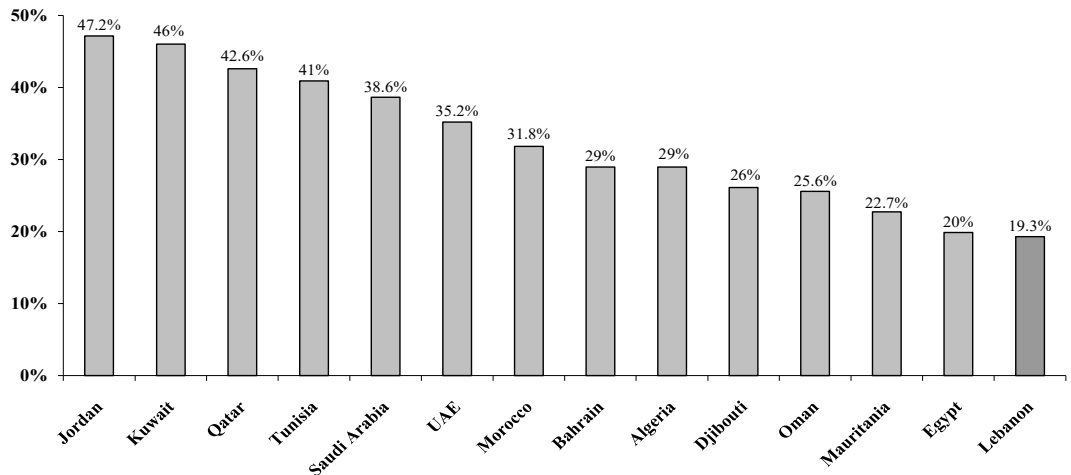
Term deposits account for 51.4% of customer deposits at end-February 2026

Stock market capitalization down 14% to \$18.5bn at end-April 2026

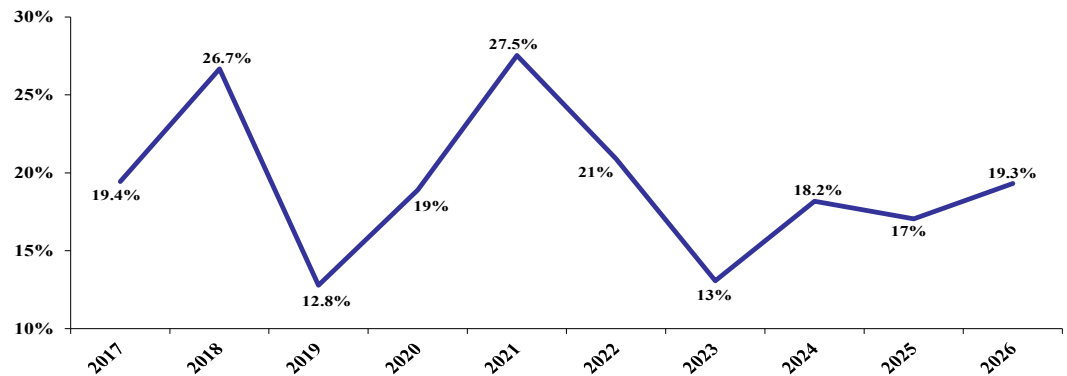
Ratio Highlights.....11
National Accounts, Prices and Exchange Rates11
Ratings & Outlook.....11

Chart of the Week

Percentile Rankings of Arab Countries in terms of Judicial Effectiveness for 2026*



Percentile Rankings of Lebanon in terms of Judicial Effectiveness



*The Heritage Foundation defines Judicial Effectiveness as efficient and fair judicial systems that ensure that laws are fully respected, and that the authorities take appropriate legal actions against violations

Source: Heritage Foundation, Index of Economic Freedom for 2026, Byblos Bank

Quote to Note

"Progress on the economic agenda will be slow, at best, and a delay is likely to any deal with the International Monetary Fund and to an eventual debt restructuring."

Goldman Sachs, on the one of the impacts of the prevailing conflict on structural reforms

Number of the Week

31%: Percentage of surveyed Lebanese who expect a further economic decline in the coming period, according to an opinion poll that ARA Research & Consultancy conducted during the last week of March 2026 on the impact of prevailing war on household conditions

Lebanon in the News

Sm (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

Sm (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 "B"	70.15	(3.9)	27,779	24.7%	Nov 2026	6.60	26.00	464.26
Solidere "A"	73.55	(1.8)	26,716	39.9%	Mar 2027	6.85	26.00	228.72
BLOM Listed	7.20	(0.7)	800	8.4%	Nov 2028	6.65	26.00	62.00
Audi Listed	2.05	0.0	-	6.5%	Feb 2030	6.65	26.00	38.69
Byblos Common	0.84	0.0	-	2.6%	Apr 2031	7.00	26.00	29.06
BLOM GDR	5.50	0.0	-	2.2%	May 2033	8.20	26.00	20.10
Byblos Pref. 09	29.99	0.0	-	0.3%	May 2034	8.25	26.00	17.49
HOLCIM	62.05	0.0	-	6.6%	Jul 2035	12.00	26.00	15.14
Audi GDR	2.45	0.0	-	1.6%	Nov 2035	7.05	26.00	14.71
Byblos Pref. 08	25.00	0.0	-	0.3%	Mar 2037	7.25	26.00	12.77

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

Source: LSEG Workspace

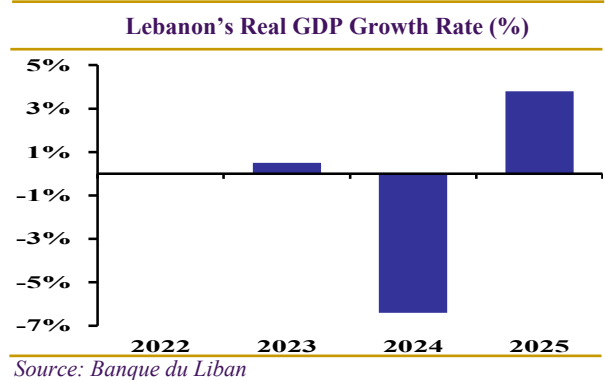
	April 27-30	April 20-24	% Change	April 2026	April 2025	% Change
Total shares traded	55,295	92,954	(40.5)	326,058	1,888,985	(82.7)
Total value traded	\$3,935,307	\$6,263,177	(37.2)	17,486,079	11,875,516	47.2
Market capitalization	18.44	18.77	(1.5)	18.44	21.15	(12.8)

Source: Beirut Stock Exchange (BSE)



Real GDP growth rate at 3.8% in 2025 on improved business and consumer confidence

Banque du Liban’s (BdL) macroeconomic review for the second half of 2025 estimated Lebanon’s real GDP growth rate at 3.8% in 2025, compared to a contraction of 6.4% in 2024 and a growth rate of 0.5% in 2023. It indicated that a gradual recovery in economic activity, supported by decelerating inflation and better liquidity conditions, along with additional measures to restore a degree of confidence and improve the functioning of the public sector, drove the positive growth last year. Also, it estimated Lebanon’s nominal GDP at \$22.8bn in 2022, \$22bn in 2023, \$27.7bn in 2024, and \$33bn in 2025.



Also, it stated that headline inflation fell to 14.6% in 2025 from 45.2% in 2024, which helped stabilize real purchasing power in 2025 and allowed households’ discretionary spending to partially recover despite still-elevated prices. It added that the improvements in consumer confidence, supported by political normalization and better security conditions, further reinforced the rebound in household spending. It indicated that core inflation rose by 13.5% in December 2025 from a year earlier, down from 19.2% year-on-year in December 2024; while headline inflation reached 12.2% year-on-year in December 2025, down from 18.1% in December 2024 from December 2023. It noted that, despite the continued moderation in headline inflation, price dynamics remained elevated and inconsistent with the prolonged period of exchange rate stability.

Also, it indicated that, according to the results of BdL’s Business Survey, the performance of the commerce, tourism, and industrial sectors picked up, as they benefited from stronger domestic demand and the rebound in visitor arrivals, while construction remained subdued in 2025. It said that industrial activity stabilized following previous contractions, reflecting improved operating conditions and stronger demand; while it noted that construction-related real sector indicators showed some recovery, but they continued to lag behind historical trends. It added that the BdL Business Composite Indicator, which monitors activity in key real sectors, rose to its highest level in the third quarter of the 2025 since the onset of the economic crisis, before moderating in the fourth quarter of the year amid slower-than-expected progress in implementing key structural and financial sector reforms.

It pointed out that economic activity strengthened markedly during the second half of 2025, reflecting the normalization of economic conditions following the end of the armed conflict in November 2024, with real-sector indicators and the BdL business survey signaling a gradual recovery in economic activity amid improving but still fragile, macroeconomic and institutional conditions. It added that improved expectations about political stabilization and potential economic reforms supported a temporary rebound in business and consumer confidence. But it noted that the optimism that originated from post-conflict dynamics and policy directions moderated, as progress in implementing structural reforms and financial sector measures proved slower than expected.

Further, BdL stated that domestic consumption increased in 2025, supported by remittance inflows, deposit withdrawals under BdL circulars 158 and 166, and tourism receipts. It estimated remittance inflows at about \$5bn and tourism receipts at nearly \$3.6bn in the first nine months of 2025. It considered that the 63.8% increase in passenger arrivals during the second half of 2025, along with the economy’s high reliance on cash, indicates that unrecorded inflows through physical cash transfers likely helped offset part of the decline in officially recorded remittances. It considered that the consumption-driven recovery remains short-term, liquidity-dependent and externally driven, reflecting a lack of progress on developing the economy’s investment and productive capacity.

It noted that the transition from a caretaker government to a fully empowered executive facilitated the long-awaited establishment of regulatory authorities in the electricity and telecommunications sectors, along with renewed border control measures and institutional appointments, which allowed for the gradual resumption of essential government functions after a prolonged period of administrative paralysis. It said that these developments have modestly strengthened Lebanon’s governance framework and contributed to improving the economy’s operating environment, which sent signals to domestic and international stakeholders about a renewed commitment to addressing structural challenges.

However, it said that Lebanon’s economic recovery remains constrained by persistent structural weaknesses, such as the absence of a comprehensive economic recovery strategy and delays in implementing key reforms, including the ratification and adoption of the Financial Stability and Deposit Recovery (FSDR) Act, which continued to undermine confidence in financial and public institutions, while sustaining the dominance of a cash-based economy. In addition, it noted that elevated regional tensions, mainly between Iran and the U.S., and the fragile security situation in southern Lebanon weighed on investor sentiment in the second half of the year, which limited the recovery in private investments.

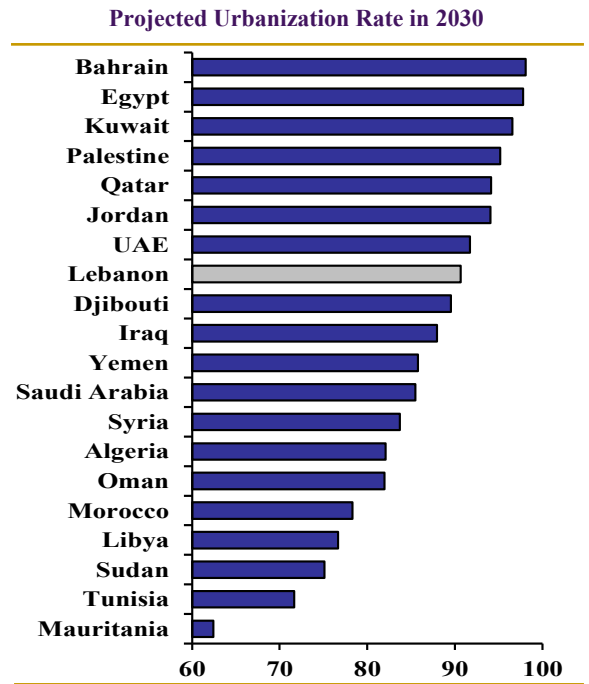
Lebanon's urbanization rate projected at 90.7% by 2030

Figures released by the United Nations Department of Economic and Social Affairs projected Lebanon’s urban population to account for 90.2% of the country’s total population in 2026 and at 90.3% in 2027, relative to urbanization levels of 81.4% in 1990, 84.6% in 2000, 86.8% in 2010, 89.6% in 2020, and 90.1% in 2025. Also, it forecast Lebanon’s urbanization rate at 90.7% in 2030, at 91.7% in 2040 and at 92.5% in 2050. Lebanon’s urbanization rate was the eighth highest among 20 Arab countries in 1990, the ninth largest in each of 2000, 2010 and 2020, and the eighth highest in 2025, and is expected to remain the eighth largest in each of 2030, 2040 and 2050. Bahrain had the highest urbanization level at 97.3% in 1990 among Arab countries and will still have the highest urbanization rate at 98.8% by 2050; while Mauritania had the lowest urbanization level at 44.1% in 1990 and will still have the lowest urbanization rate among Arab countries at 67% by 2050.

Further, the United Nations projected Lebanon’s urban population at 5.32 million and at 5.37 million in 2026 and 2027, respectively, relative to 2.93 million in 1990, 3.66 million in 2000, 4.38 million in 2010, 5.11 million in 2020, and 5.27 million in 2025. It also forecast Lebanon’s urban population to reach 5.54 million in 2030, 6.07 million in 2040 and 6.48 million in 2050. As such, Lebanon's urban population would account for 1.22% of the Arab countries' aggregate urban population by 2030, for 1.15% of the total by 2040 and for 1.08% of the aggregate by 2050. In comparison, the urban population in Lebanon accounted for 1.8% of the region's total urban population in 1990, for 1.6% of the total in 2000, for 1.5% of the region's aggregate in 2010, for 1.4% of the total in 2020, and for 1.3% of the aggregate in 2025.

In addition, Lebanon's urban population is projected to grow at a compound annual growth rate (CAGR) of 0.8% between 2020 and 2030, at a rate of 0.9% during the 2030-2040 period, and at a CAGR of 0.7% between 2040 and 2050, constituting the second lowest CAGR in the 2020-30 period, and the third lowest CAGR in each of the 2030-40 and 2040-50 periods among Arab countries. In comparison, Lebanon's urban population grew by a CAGR of 2.3% between 1990 and 2000 and posted the fourth lowest rate among Arab countries; while it grew at a CAGR of 1.8% during the 2000-10 period and posted the third lowest growth in the region, and by a rate of 1.6% between 2010 and 2020 and posted the fifth lowest growth in the Arab world.

In parallel, the United Nations projected Lebanon's total population at 5.9 million in 2026 and at 5.95 million in 2027, compared to 3.6 million in 1990, 4.33 million in 2000, 5.04 million in 2010, and 5.7 million in 2020. Also, it forecast Lebanon’s population to reach 6.1 million in 2030, 6.62 million in 2040, and 7 million in 2050. As a result, Lebanon’s total population would account for 1.17% of total Arab population by 2030, for 1.1% of the total by 2040 and for 1% of the total by 2050. In comparison, Lebanon’s aggregate population accounted for 1.7% of the region's total population in 1990, for 1.6% of the total in 2000, for 1.4% of the aggregate in 2010, for 1.3% of the total in 2020, and for 1.22% of the aggregate in 2025.



Source: United Nations, Byblos Research

Banque du Liban calls for international financial support for Lebanon

Banque du Liban's (BdL) Governor Karim Souaid indicated that international actors have provided extensive sound advice and support to Lebanese authorities, but he noted that financial support has not been equally forthcoming. He considered that this reflects the international community's preference for reforms and policy correction before committing capital and financial resources to the country. But he noted that economic stabilization requires both technical advice and financial support and added that, without a financial bridge, even well-designed reforms risk being exhausted before they materialize.

Further, he considered that the international community is facing a clear choice, which is whether to support a reform-driven government now, or to postpone financial assistance and risk far more unstable conditions, especially after the war takes its toll and without the assurance of the institutional capacity needed to implement the needed reforms. He added that economic outcomes are determined by constraints, and that Lebanon has reached the point where those constraints can no longer be ignored.

Also, he pointed out that Lebanon's economic potential is well known, as its role as a regional hub for services, such as education, healthcare, finance and trade, is widely recognized. But he noted that the country needs the proper conditions to allow for the re-emergence of its regional role. Further, he stressed that there is not any economic model that can easily absorb the repercussions of armed conflict, as war brings uncertainty that deters investments, accelerates capital flight, and erodes gains from policy reforms. As such, he noted that, even sound economic measures yield diminished returns under such conditions.

In addition, Governor Souaid stated that the government's recent policy adjustments have been moving the country in the right direction, as the fiscal balance has improved, largely through better tax collection and constrained spending, but he noted that this not enough to resolve all impediments towards an economic recovery. He added that BdL's priorities consist of preserving the stability of the exchange rate of the Lebanese pound, maintaining the state's basic functions, and providing the phased repayments to depositors.

But he noted that BdL is trying to reach these objectives within tight constraints, as, without external support, reforms will advance at a slower pace and at greater social cost. He said that the International Monetary Fund is deeply engaged with the government in negotiations that aim to reach a constructive resolution plan, and considered it to be the only credible path to anchor reforms and a sustainable recovery. He deemed that the chance of an accord is rather positive, especially that the authorities have little room to impose any counter-conditions.

In parallel, he pointed out that BdL's proposed restructuring framework for the banking sector stresses that financial losses must be allocated among the state, the central bank and commercial banks, before the sector can recover. He added that prioritizing the gradual disbursement of deposits to smaller depositors, who represent the majority of bank accounts, is both economically rational and socially necessary. He added that the banking sector needs to be recapitalized with fresh equity or has to be downsized to reflect the realities of the Lebanese economy, as any in-between measures would prolong its stagnation.

He added that a large share of economic activity in Lebanon has migrated to cash, but cautioned that a cash-based economy weakens tax collection, damages growth, and facilitates illicit financial activity. As such, he noted that reversing this trend requires restoring trust in the formal banking system; and indicated that BdL is supporting criminal and civil actions, at home and abroad, against former officials and banking principals implicated in systemic and sophisticated fraud, in order to reclaim the misappropriated resources and uphold the rights of depositors whose funds have long borne the cost of such abuses.



Number of new construction permits up 9.5 % in first quarter of 2026

Figures issued by the Orders of Engineers & Architects of Beirut and of Tripoli show that the two orders issued 2,080 new construction permits in the first quarter of 2026, constituting an increase of 9.5% from 1,900 permits in the same quarter of 2025. Also, the orders of engineers issued 495 permits in March 2026, representing decreases of 39.6% from 820 permits in February 2026 and of 10.2% from 551 in March 2025. Mount Lebanon accounted for 33.4% of the number of newly-issued construction permits in the first quarter of 2026, followed by the North with 31%, the South with 15.2%, the Nabatieh area with 9.6%, the Bekaa region with 5.7%, and Beirut with 1.5%. The remaining 3.6% 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 surged by 60% in the first quarter of 2026 from the same period last year, followed by permits in the North (+27.2%), Mount Lebanon (+22.4%) and the Nabatieh area (+1%). In contrast, the number of new construction permits issued for regions located outside northern Lebanon declined by 27.5%, followed by the South with a decrease of 14.8% and the Bekaa region with a contraction of 12% in the covered period.

Further, the surface area of granted construction permits reached 2 million square meters (sqm) in the first quarter of 2026, constituting an increase of 14.5% from 1.75 million sqm in the same period of 2025. Also, the surface area of granted construction permits stood at 442,803 sqm in March 2026, down by 47% from 835,066 sqm in February 2026 and up by 8.3% from 409,038 sqm in March 2025. Mount Lebanon accounted for 815,020 sqm, or for 40.5%, of the total surface area of granted construction permits in the first quarter of 2026. The North followed with 389,658 sqm (19.5%), then the South with 297,570 sqm (15%), Beirut with 155,374 sqm (7.8%), the Bekaa area with 145,327 sqm (7.3%), and the Nabatieh region with 115,219 sqm (5.8%). The remaining 88,151 sqm, or 4.4% 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 154.7% in the first quarter of 2026 from the same quarter of the previous year, followed by surface areas in Mount Lebanon (+44.2%), and the Bekaa (+12.6%). In contrast, the surface area of new construction permits issued in regions located outside northern Lebanon dropped by 23.6%, followed by the North with a decline of 9.6%, the South with a decrease of 8.6%, and the Nabatieh area with a contraction of 7.7% in the covered period. In parallel, the latest available figures show that cement deliveries totaled 3.02 million tons in 2025, constituting an increase of 36% from 2.22 million tons in 2024.

Banque du Liban sets a ceiling for commission that merchants pay to banks

Banque du Liban (BdL) issued Basic Circular 173/13810 dated April 28, 2026 addressed to banks and financial institutions (FIs) that sets a ceiling on the commission that banks and FI's impose on merchants, known as the Merchant Discount Rate (MDR). Article 1 requires banks and FIs to ensure that the commission collected from merchants, known as MDR, does not exceed 1.25% of the value of a single transaction executed through all locally issued bank cards. It further stipulates that the Interchange Fee transferred to the card issuer must not exceed 0.9% of the value of a single transaction. It added that the maximum limit applies to fuel distribution stations (gas stations), supermarkets and mini-markets, hospitals, pharmacies, and large bakeries.

Article 2 prohibits banks and FIs from exceeding the ceiling specified in Article 1 and from collecting any additional direct or indirect commissions, allowances, or fees, from these vital sectors. Article 3 stipulates that banks and FIs must prohibit every business owner who accepts payments via electronic points-of-sales (PoS) or any other electronic means from imposing any additional fee of any kind on the consumer when the latter pays with a locally-issued bank card. Article 4 states that the provisions of this decision enter into effect starting on June 15, 2026. Article 5 stipulates that the Banking Control Commission of Lebanon is responsible for monitoring the proper implementation of the provisions of this decision.

BdL indicated that it based its decision on Article 70 of the Code of Money and Credit, as well as on Law No. 133 dated October 26, 1999, related to the functions of BdL, which assigned it the authority to develop and regulate payment methods and systems, particularly operations carried out via automated teller machines and payment, debit, or credit cards. Also, it attributed its decision to the need to comply with international best practices about regulating payment systems, which have adopted commission ceilings and mandated the acceptance of electronic payment methods in vital sectors. It added that it took the decision after consultation and coordination with both the Ministry of Finance and the Consumer Protection Directorate at the Ministry of Economy and Trade to ensure the integration of monetary with fiscal policies and the protection of consumer rights. Further, it linked its decision to the aim of encouraging the adoption of electronic payment means and expanding their use and acceptance across various economic and vital sectors, as well as to limit the "Cash Economy" in order to establish financial transparency, enhance tax compliance, and contribute to combating tax evasion and illegal activities. BdL said that it believes in the importance of promoting an electronic payment culture among both consumers and merchants, due to its impact on reducing the risks of cash handling and facilitating commercial transactions. It noted that it aims to support financial inclusion and promote the integration of individuals and institutions into the financial and banking system.

Money supply down 16% in 12 months ending April 16, 2026

Figures released by Banque du Liban (BdL) show that money supply M1, which includes currency in circulation and demand deposits in Lebanese pounds, reached LBP98,962.2bn on April 16, 2026, constituting decreases of 0.7% from LBP99,666bn on April 9, 2026 and of 16% from LBP117,923.7bn on April 16, 2025. M1 contracted by LBP703.8bn during the week ending April 16, 2026 due to an increase of LBP536.9bn in demand deposits and a decrease of LBP1,240.7bn in currency in circulation.

In addition, money supply M2, which includes M1 and term deposits in Lebanese pounds, totaled LBP136,507.2bn on April 16, 2026, representing an increase of LBP636.5bn, or of 0.5%, from LBP135,870.6bn on April 9, 2026 and a decrease of 12.7% from LBP156,409bn a year earlier. Money supply M2 contracted by LBP19,902bn year-on-year.

Further, broad money supply M3, which includes M2, deposits in foreign currency and debt securities issued by the banking sector, reached LBP5,911 trillion (tn) on April 16, 2026, and expanded by LBP3,956.6bn, or by 0.1%, during the week ending April 9, 2026, while it contracted by 5% from LBP6,212.5tn on April 16, 2025. Also, BdL indicated that deposits denominated in foreign currency grew by \$37.1m in the week ending April 16, 2026.

Also, money supply M4, which includes M3 and Treasury bills held by the non-banking system, including accrued interest, stood at LBP5,915.3tn on April 16, 2026, constituting an increase of LBP3,957.2bn (+0.1%) from LBP5,911.3tn a week earlier and a decline of 4.9% from LBP6,220.5tn on April 16, 2025. BdL stated that the Treasury bills portfolio held by the non-banking sector increased by LBP630m during the week ending April 16, 2026.

BdL issued 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. 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.

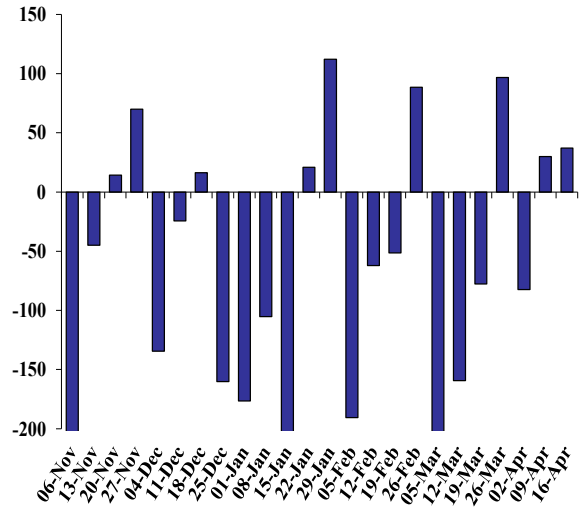
Ministry of Finance extends deadlines for tax declarations and payments

The Ministry of Finance issued Decision No. 464/1 dated April 29, 2026 that extended until May 29, 2026 inclusive the deadline for the non-resident tax declaration, as well as the deadline for companies, public institutions, municipalities, the federations of municipalities, local bodies, councils, and all public funds to submit the declarations for the first quarter of 2026 for the tax on wages and salaries and the payment of the due tax as stipulated in articles 41 and 42 of the Income Tax Law 144.

Further, the ministry issued Decision No. 465/1 dated April 29, 2026 that extended until June 30, 2026 inclusive the deadline for taxpayers who works in several places, known as multi-place taxpayers, or who simultaneously receive a retirement pension or life annuities, as well as for taxpayers who simultaneously receive salaries, wages, or a retirement pension or life annuities, to submit their tax declarations and pay the tax due on wages and salaries for the fiscal year 2025.

Previously, the ministry issued Decision No. 404/1 dated March 31, 2026 that extended until May 29, 2026 all of the legal deadlines that fall between January 2, 2026 and March 31, 2026 inclusive for taxpayers to submit their tax declarations and to pay the due taxes. The decision stipulates that the Treasury should collect all the fines paid for violations of late tax declaration and payments between January 2, 2026 and March 31, 2026 inclusive. The ministry attributed its decision mainly to the Israeli war on Lebanon and the resulting material destruction and significant disruption to public life in many Lebanese regions, and based it on the recommendation of the Director General of the Ministry of Finance.

Weekly Change in Foreign Currency Deposits (USM)



Source: Banque du Liban, Byblos Research



Lebanon ranks 115th globally, fourth among Arab countries in press freedom

International organization Reporters Without Borders ranked Lebanon in 115th place among 180 countries worldwide and in fourth place among 20 Arab countries on its Freedom of the Press Index for 2026. It also ranked Lebanon in 23rd place among 45 lower middle-income countries (LMICs) included in the survey. In comparison, Lebanon came in 132nd place globally, in seventh place regionally, and in 28th place among LMICs in the 2025 survey. Also, Lebanon came in 98th place globally and in third place regionally in the 2016 survey. Further, Lebanon ranked in the 36th percentile worldwide, which means that 64% of economies have a higher level of press freedoms than Lebanon, while it ranked in the 80th percentile among Arab economies, which indicates that 20% of Arab countries have a higher level of press freedoms than it does.

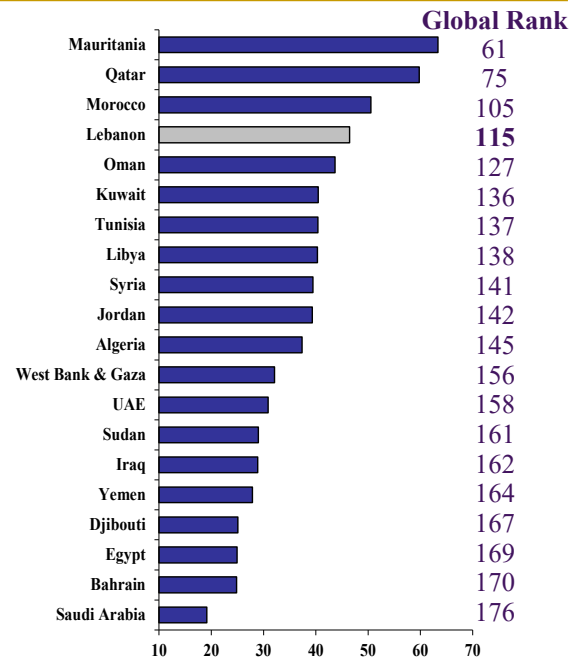
The index measures the level of freedom that journalists and the media have in each country, as well as government efforts to respect press freedoms. It is based on answers to a questionnaire, along with quantitative data on abuses and acts of violence against journalists and media outlets during the covered period. The organization calculates the score of each country or territory based on five contextual indicators that are the Political Context, the Legal Framework, the Economic Context, the Sociocultural Context, and Safety. The survey assigns index scores from zero to 100 per country, with a higher score reflecting a higher level of press freedom in a given jurisdiction. Further, it classifies countries in five situational categories of press freedom that are "good", "satisfactory", "problematic", "difficult", and "very serious".

Globally, Lebanon has a higher level of press freedoms than Israel, Tanzania, and Niger, and a lower level than Nigeria, Benin and the Philippines among economies with a GDP of \$10bn or more. Also, Lebanon ranked ahead of Tanzania, Zimbabwe and Honduras, while it came behind Nigeria, Benin and the Philippines among LMICs. Regionally, Lebanon trailed Mauritania, Qatar and Morocco, while it preceded Oman, Kuwait, Tunisia, Libya, Syria, Jordan, Algeria, the West Bank & Gaza, the UAE, Sudan, Iraq, Yemen, Djibouti, Egypt, Bahrain and Saudi Arabia. Lebanon received a score of 46.49 points on the 2026 index compared to 42.62 points in the 2025 survey and to 68.05 points in the 2016 index. Lebanon's score was below the global average score of 54.30 points, but it came higher than the LMICs average score of 45.6 points and the Arab countries' average score of 37.19 points. Also, Lebanon's score was higher than the Gulf Cooperation Council's (GCC) average score of 36.45 points and the non-GCC Arab countries' average of 36.82 points.

Further, Lebanon preceded Bulgaria and Northern Cyprus, and trailed Malawi and Papua New Guinea on the Political Context indicator, which captures the media's level of independence in case of political pressure from the State or from other political actors. Also, Lebanon ranked ahead of Morocco and Haiti, and came behind Nepal and Papua New Guinea among LMICs; while it preceded Libya, Morocco, Syria, Oman, Tunisia, West Bank & Gaza, Jordan, Kuwait, Yemen, Sudan, Algeria, United Arab Emirates, Iraq, Djibouti, Egypt, Bahrain and Saudi Arabia among Arab countries.

The survey classified the level of press freedoms in Lebanon, along with 52 other countries worldwide, in the "difficult situation" category. Also, Lebanon was among six Arab countries that came in the "difficult situation" segment, while two Arab states were in the "problematic situation" category, and the remaining 12 Arab sovereigns fell in the "very serious situation" segment.

Freedom of the Press Index for 2026 Arab Countries' Scores & Rankings



Source: Reporters Without Borders, Byblos Research

Components of the 2026 Freedom of the Press Index for Lebanon

	Global Rank	Arab Rank	Lebanon Score	Global Average Score	Arab Average Score
Political Context	79	3	47.1	46.6	30.8
Safety	111	7	59.9	66.8	49.2
Legal Framework	116	3	49.9	56.7	35.9
Sociocultural Context	135	6	42.6	57.5	37.0
Economic Context	143	13	33.0	44.0	32.9

Source: Reporters Without Borders, Byblos Research

Number of internally displaced persons exceeds one million support

The United Nations' Office for the Coordination of Humanitarian Affairs (OCHA) indicated that the total number of self-registered internally displaced persons (IDPs) on the Ministry of Social Affairs relief website stood at about 1,049,000 individuals as of April 30, 2026, while the government's Disaster Risk Management (DRM) unit estimated that the number of IDPs who are in shelters stood at 119,623 individuals or 31,322 households who are residing in 626 collective shelters as of April 30, 2026. In addition, the latest figures issued by the Ministry of Public Health show that the Israeli hostilities in Lebanon resulted in 2,586 persons killed and 8,020 wounded since March 2, 2026 until April 30, 2026.

The DRM unit said that food security partners distributed a total of 7,739,866 hot meals and 150,312 Ready-to-Eat meals; while water, sanitation and 159,157 hygiene kits, 50,637 menstrual hygiene kits, and 10,868 baby kits as of April 30, 2026. Also, it noted that shelter partners distributed 285,349 blankets and 236,913 mattresses, as well as 4.37 million liters of water and 60,920 cubic meters of water through water trucking to 625 shelters, in addition to 739,000 liters of fuel to the government's water establishments in the governorates to sustain water supply services that benefited 622,915 people in displacement-affected areas.

Further, it said that around 41,000 internally displaced children are accommodated in 623 collective shelters. It added that a total of 461 schools, 342 public, 71 private, and 48 technical and vocational education and training (TVET) institutions are being used as collective shelters for IDPs, which makes them unavailable for educational use. Also, it noted that that education partners supported 79,200 displaced children by providing them with 1,586 education kits or supplies in shelters and learning centers. In addition, it pointed out that 4,100 internally displaced children received non-formal education through online and in-person modalities.

According to OCHA, the food assistance distributed since the escalation of hostilities on March 2, 2026 consisted of 7.5 million hot and cold meals in collective shelters and 96,000 ready-to-eat kits. It said that the Ministry of Economy and Trade, in coordination with the DRM Unit, launched an initiative to produce and distribute bread through 22 bakeries across Lebanon, and will provide around 31,000 bundles of bread per day through existing ready-to-eat and hot meal over a period of 12 days, starting on April 30, 2026, in the Beirut and Mount Lebanon governorates, and will expand it to other areas across the country the following week.

Also, it noted that 41 Primary Health Care Centers (PHCCs) and three hospitals in the south of the country are currently out of service, while eight PHCCs are operational for chronic disease management and emergency care only. Further, it pointed out that a total of 19,577 children under five years old, adolescent girls, and pregnant and lactating women received one month of emergency nutrition rations and micronutrient supplementation.

In addition, it stated that Protection, Child Protection and Gender-Based Violence (GBV) partners reached 158,728 people inside and outside collective shelters, 67% of which are women and girls. It noted that prioritized activities included community engagement, awareness sessions, case management, Mental Health and Psychosocial Support (MHPSS), as well as 1,410 Protection Cash Grants that address the immediate needs of displaced persons at heightened risk. In addition, Protection, Child Protection and GBV partners supported 19,603 women and girls with dignity kits and 973 people with disabilities received care services and assistive devices.

Moreover, the OCHA indicated that \$15.6m in emergency Multipurpose Cash Assistance through the Government Shock-Responsive Safety Net (SRSN) reached 138,000 households and benefited 490,000 individuals.

Term deposits account for 51.4% of customer deposits at end-February 2026

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 LBP8,034.1 trillion (tn) at the end of February 2026, or the equivalent of \$89.8bn, compared to LBP8,071.1tn (\$90.2bn) at end-2025 and to LBP8,228.6tn (\$91.9bn) at end-February 2025.

Total deposits include private sector deposits that reached LBP7,757.4tn, deposits of non-resident financial institutions that amounted to LBP204.8tn, and public sector deposits that stood at LBP71.9tn at the end of February 2026. 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 LBP4,128.6tn and accounted for 51.4% of total deposits in Lebanese pounds and in foreign currency at the end of February 2026 relative to 53.5% at end-February 2025. Further, the term deposits in Lebanese pounds of the public sector declined by 24.5% from end-2025, followed by a decrease of 1% in the term deposits in Lebanese pounds of the resident private sector and in the foreign currency-denominated term deposits of the resident private sector, a contraction of 0.7% in foreign currency-denominated term deposits of the public sector and in term deposits of the non-resident financial sector, and a downturn of 0.3% in the term deposits of non-residents.

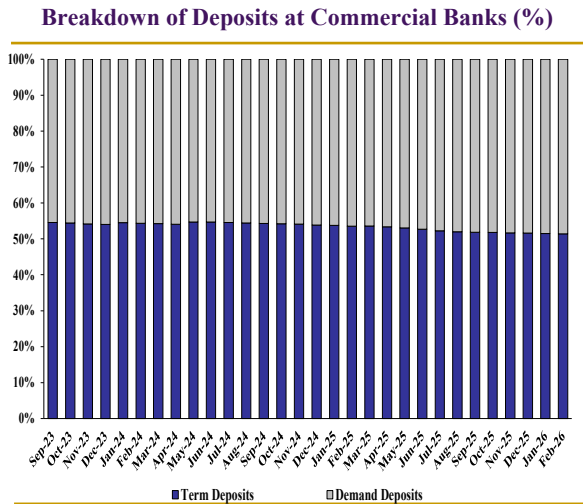
In addition, the term deposits in Lebanese pounds of the public sector surged by 696.3% at end of the February 2026 from a year earlier, followed by an increase of 4% in the term deposits in Lebanese pounds of the resident private sector. In contrast, term deposits of the non-resident financial sector declined by 16% in the covered period, followed by a decrease of 8% in the foreign currency-denominated term deposits of the resident private sector, a contraction of 1.7% in the term deposits of non-residents, and a downturn of 0.2% in foreign currency-denominated term deposits of the public sector. Aggregate term deposits declined by \$120.36bn 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 \$32.2bn and accounted for 36% of aggregate deposits at the end of February 2026 relative to 38% a year earlier. Term deposits of non-residents followed with \$12.07bn or 13.4% of the total, then the term deposits of the non-resident financial sector with \$1.17bn (1.3%), term deposits in Lebanese pounds of the resident private sector with LBP35.87tn (0.4%), term deposits of the public sector in foreign currency with \$148.9m (0.2%), and term deposits of the public sector in Lebanese pounds with LBP9.28tn (0.1%).

In parallel, demand deposits in all currencies at commercial banks stood at LBP3,905.5tn at the end of February 2026 compared to LBP3,823.4tn a year earlier, and accounted for 48.6% of aggregate deposits at end-February 2026 relative to 46.5% a year earlier. Demand deposits of the non-resident financial sector surged by \$68.2m in the first two months of 2026, followed by a jump of LBP4,082.3bn in demand deposits in Lebanese pounds of the public sector, and an increase of \$30.3m in the public sector's demand deposits in foreign currency. In contrast, foreign currency-denominated demand deposits of the resident private sector declined by \$106.2m, followed by a decrease of \$20.4m in demand deposits of non-residents, and a contraction of LBP1,070.8bn in demand deposits in Lebanese pounds of the resident private sector in the covered period.

In comparison, demand deposits of non-residents jumped by 622.1m in the 12 months ending February 2026, followed by a surge of \$186.6m in foreign currency-denominated demand deposits of the resident private sector, an increase of LBP7,724.3bn in demand deposits in Lebanese pounds of the public sector, and a rise of LBP4,697.5bn in demand deposits in Lebanese pounds of the resident private sector. In contrast, demand deposits of the non-resident financial sector declined by \$28.5m in the covered period, followed by a decrease of \$0.86m in the public sector's demand deposits in foreign currency.

Also, demand deposits in foreign currency of the resident private sector totaled \$32.2bn and accounted for 36% of aggregate deposits at end-February 2026, relative to \$32bn (34.8%) at end-February 2025. Demand deposits of non-residents followed with \$9.28bn (10.3%), then demand deposits of the non-resident financial sector with \$1.12bn (1.2%), demand deposits in Lebanese pounds of the resident private sector with LBP44.46tn (0.6%), demand deposits in foreign currency of the public sector with \$348.1m (0.4%), and demand deposits in Lebanese pounds of the public sector with LBP18.13tn (0.2%).



Source: Banque du Liban, Byblos Research

Stock market capitalization down 14% to \$18.5bn at end-April 2026

Figures released by the Beirut Stock Exchange (BSE) indicate that the trading volume reached 3.27 million shares in the first four months of 2026, constituting a decrease of 38.8% from 5.35 million shares traded in the same period of 2025; while aggregate turnover amounted to \$118.3m, representing a rise of 45% from a turnover of \$81.5m in the first four months of 2025. The increase in turnover is due mainly to two block trade in the common shares of Solidere 'A' that consisted of the exchange of 19,000 shares for a total of \$1,370,750 during April 2026.

Also, the trading volume reached 326,058 shares in April 2026, as it contracted by 52.2% from 681,770 shares traded in March 2026 and by 82.7% from 1.88 million shares in April 2025; while aggregate turnover stood at \$17.5m in April 2026, constituting increases of 134.4% from a turnover of \$7.46m in the preceding month and of 47.2% from \$11.88m in April 2025. The market liquidity ratio was 0.6% at the end of April 2026 compared to 0.4% a year earlier.

Further, the market capitalization of the BSE stood at \$18.44bn at the end of April 2026, representing a decline of 12.8% from \$21.2bn end-April 2025 and compared to \$20.15bn at the end of 2025. Real estate equities accounted for 64.6% of the market's capitalization at end-April 2026, followed by banking stocks with 27%, and industrial shares with 8.3%.

In addition, banking stocks accounted for 51.6% of the trading volume in the first four months of 2026, followed by real estate equities with 38.5% and industrial shares with 10%. Further, real estate equities represented 77% of the aggregate value of shares traded, followed by industrial shares with 20.4%, and banking stocks with 2.7%. The average daily traded volume for the first four months of 2026 was 43,637 shares for an average daily amount of \$1.58m. The figures represent a decrease of 38.8% for the average daily traded volume and a surge of 45% for the average daily value in the covered period.

In parallel, the price of Solidere 'A' shares decreased by 12.4% and the price of Solidere 'B' shares declined by 15.2% in the first four months of 2026 from the end of 2025, while the price of Ciments Libanais shares contracted by 13.8% in the covered period.

Further, the price of Solidere 'A' shares declined by 16.5% in January 2026, increased by 8.1% in February, and regressed by 1.7% in March and by 1.3% in April 2026; while the price of Solidere 'B' shares decreased by 16.3% in January, improved by 8.3% in February, and contracted by 6% in March and by 0.5% in April 2026. Also, the price of Ciments Libanais shares regressed by 1.4% in January 2026, was unchanged in February, dropped by 12.6% in March, and was unchanged in April 2026.



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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