

## LEBANON THIS WEEK

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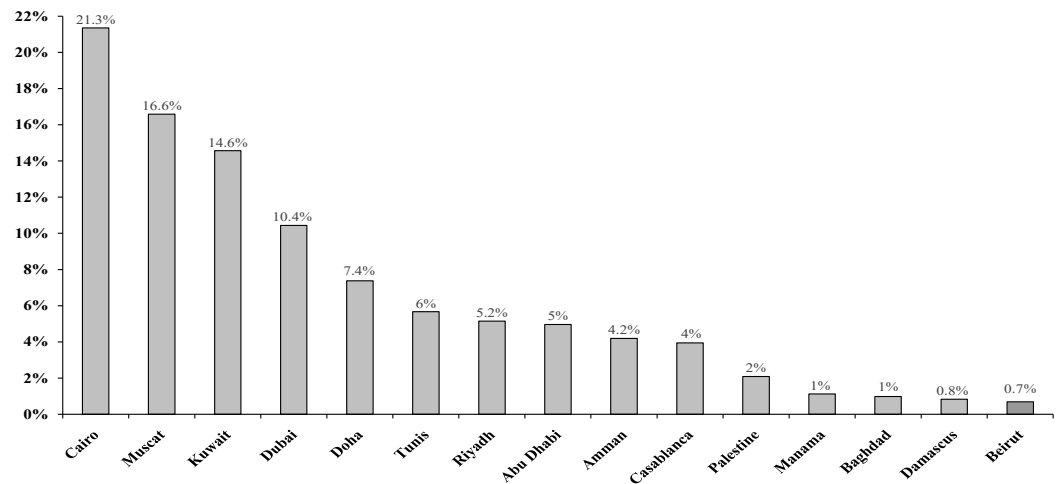
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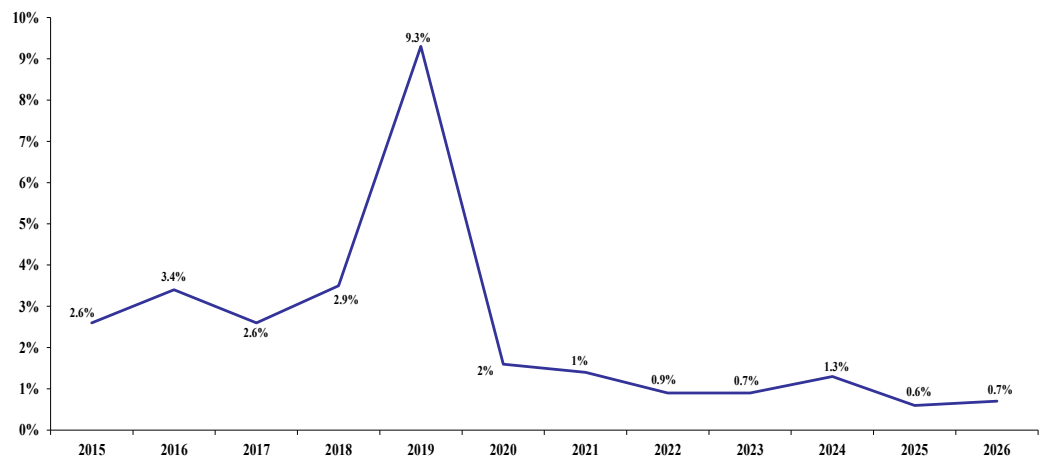
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### Chart of the Week

Turnover Ratios of Select Arab Stock Markets in First Five Months of 2026 (%)



Turnover Ratio on the Beirut Stock Exchange\*



\*The aggregate value of shares traded in the first five months of the year relative to the market capitalization at the end of May of each year

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

### Quote to Note

"Comprehensive judicial reforms to ensure an independent and accountable judiciary should be a key element of Lebanon's reform agenda."

*The International Monetary Fund, on the need to prioritize judicial reforms as part of the Lebanese authorities' comprehensive reforms*

### Number of the Week

**13%:** Projected contraction of the Lebanese economy in 2026, according to the Institute of International Finance

## 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	-	244.2	1,455	496	(268.1)	-	(78.1)
Primary Balance	-	433.6	1,759	305.7	(249.6)	-	52.9
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"	70.40	(0.4)	19,783	38.9%	Nov 2026	6.60	25.75	644.76
BLOM GDR	6.40	14.3	6,000	2.6%	Mar 2027	6.85	25.75	282.97
Solidere "B"	73.10	4.4	4,536	26.3%	Nov 2028	6.65	25.75	65.94
BLOM Listed	7.00	0.0	-	8.3%	Feb 2030	6.65	25.88	40.15
Ciments Libanais	60.00	0.0	-	6.5%	Apr 2031	7.00	26.13	29.68
Byblos Common	0.84	0.0	-	2.6%	May 2033	8.20	27.25	19.70
Audi GDR	2.18	0.0	-	1.4%	May 2034	8.25	27.25	17.11
Audi Listed	1.73	0.0	-	5.6%	Jul 2035	12.00	26.75	15.00
Byblos Pref. 09	29.99	0.0	-	0.3%	Nov 2035	7.05	26.75	14.57
Byblos Pref. 08	25.00	0.0	-	0.3%	Mar 2037	7.25	26.75	12.63

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

Source: LSEG Workspace

	June 8-12	June 1-5	% Change	May 2026	May 2025	% Change
<b>Total shares traded</b>	30,319	96,963	(68.7)	228,555	2,398,966	(90.5)
<b>Total value traded</b>	\$1,770,847	\$5,040,654	(64.9)	5,450,121	48,065,990	(88.7)
<b>Market capitalization</b>	18.08	17.85	1.3	17.92	20.64	(13.2)

Source: Beirut Stock Exchange (BSE)



**Lebanon ranks 47<sup>th</sup> globally, sixth in Arab world in terms of money laundering risks**

The Basel Institute on Governance ranked Lebanon in 47<sup>th</sup> place among 177 countries around the world, in 26<sup>th</sup> place among 47 lower middle-income countries (LMICs), and in sixth place among 15 Arab countries on its Basel Anti-Money Laundering (AML) Index for 2025. In comparison, Lebanon came in 50<sup>th</sup> place among 164 economies globally, in 26<sup>th</sup> place among 43 LMICs, and in sixth place among 12 Arab countries in the 2024 survey. Further, Lebanon ranked in the 27<sup>th</sup> percentile worldwide, which means that 73% of economies have a lower level of money laundering and terrorist financing (ML/TF) risk than Lebanon, while it ranked in the 40<sup>th</sup> percentile among Arab economies, which indicates that 60% of Arab countries have a lower level of ML/TF risk than it does. Based on the same set of countries in the 2024 and 2025 surveys, Lebanon's global rank deteriorated by seven spots, its LMICs rank worsened by three notches, and its Arab rank regressed by one spot year-on-year, which means that Lebanon's level of ML/TF risk increased globally, regionally, and among LMICs in 2025.

The index is an independent global ranking and risk assessment tool that measures a country's vulnerability to ML and TF, and focuses on structural weaknesses that increase exposure to financial crime. It also provides financial institutions a data-driven benchmark to support risk-based anti-money laundering programs, and constitutes a reference point for identifying structural factors associated with higher or lower jurisdiction-level financial crime risks.

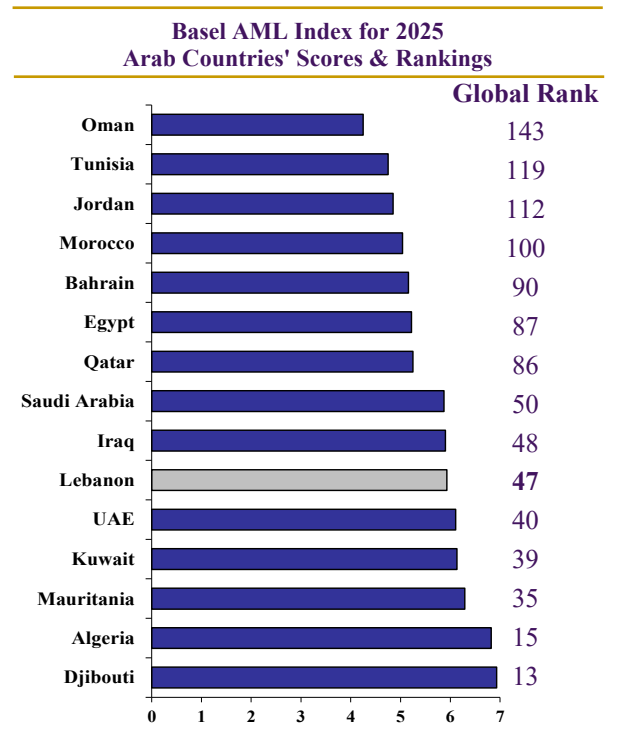
The index measures the risk of ML/TF across 177 jurisdictions and assigns scores from zero to 10 points per jurisdiction, with a score of 10 constituting the highest risk level. It is composed of 17 indicators that are grouped in five domains that are the quality of AML, and countering the financing of terrorism and of proliferation financing; corruption and fraud risks; financial transparency and standards; public transparency and accountability; and political and legal risks. A jurisdiction's score is the weighted average of its scores on the five categories, with the first domain carrying a weight of 50%, the second and the third categories having a weight of 17.5% each, the fourth domain carrying a weight of 5%, and the fifth category having a weight of 10% on the index. Further, it classifies countries in three categories of ML/TF risks that are "lower risk" for scores below 4.7 points, "medium risk" for scores between 4.7 points and 6.08 points, and "higher risk" for scores that exceed 6.08 points.

Lebanon received a score of 5.93 points on the 2025 index, which constitutes a deterioration from 5.81 points in the 2024 survey. Lebanon's score was worse than the global average score of 5.28 points and the Arab countries' average score of 5.63 points, but it was better than the LMICs average score of 6.03 points. Also, Lebanon's score was worse than the Gulf Cooperation Council's (GCC) average score of 5.46 points and the non-GCC Arab countries' average of 5.75 points.

Globally, Lebanon has a lower ML/TF risk level than Zimbabwe, Thailand, and Kyrgyzstan, and a higher level of ML/TF risk than Iraq, Nepal, and Saudi Arabia among economies with a GDP of \$10bn or more. Also, Lebanon had a lower risk level than Côte d'Ivoire, Zimbabwe, and Kyrgyzstan, and a higher level of ML/TF risk than Nepal, Honduras, and India among LMICs. Regionally, Lebanon had a lower ML/TF risk level than Djibouti, Algeria, Mauritania, Kuwait, and the UAE, while it had a higher level of ML/TF risk than Iraq, Saudi Arabia, Qatar, Egypt, Bahrain, Morocco, Jordan, Tunisia, and Oman.

Also, the survey classified Lebanon in the "medium risk" category of ML/TF, along with 81 countries around the world and eight Arab economies that consist of Bahrain, Egypt, Iraq, Jordan, Morocco, Qatar, Saudi Arabia, and Tunisia. The Basel Institute on Governance is an independent center of expertise that aims to advance good governance and to counter corruption.

In parallel, Moody's Ratings considered that a risk-based approach to AML remains important as some jurisdictions appear to struggle to apply effective, proportionate controls. It said that this challenge may be compounded by the rising risks associated with virtual assets, where transparency and enforcement frameworks are inconsistent across markets. It added that global AML/CFT standards appear to be placing increased emphasis on proportionality, which is encouraging regulators and institutions to adopt simplified measures in lower-risk cases and to maintain robust controls where risks are higher.



Source: Basel Institute on Governance, Byblos Research



**Saudi Arabia lifts ban on Lebanese exports**

Saudi Arabia announced on June 9, 2026 that it has lifted its ban on Lebanese exports that it imposed in 2021. The Kingdom’s Ministry of Foreign Affairs said in a statement that the lifting of the ban came at the order of Crown Prince Mohammed bin Salman as a result of “positive steps taken by the Lebanese state” as well as to “what the Kingdom specialized teams have accomplished throughout last year, to the cooperation of their Lebanese counterparts, and to the pledges they received from the Lebanese authorities in this regard”. In particular, the decision came after a series of high-level bilateral meetings where Lebanese officials demonstrated their agricultural traceability system.

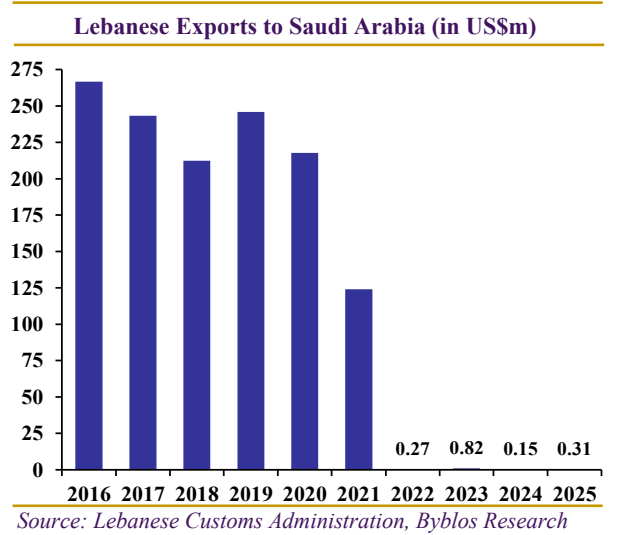
Saudi Arabia announced in early 2021 that it has suspended the imports of fruits and vegetables from Lebanon starting from April 25, 2021, as well as the transit of such products through its territory to other markets. The Saudi authorities attributed their decision to their finding that these products have been used to smuggle illegal substances to the Kingdom, particularly large quantities of Captagon pills that were hidden in packaged products. It said at the time that the ban will continue until Lebanese authorities provide documented guarantees that they will take the necessary actions to stop such operations. The Kingdom extended the ban to all Lebanese products later in 2021.

Lebanon exported \$27.8m worth of fruits and vegetables to Saudi Arabia in 2020, as the Kingdom was the largest market for Lebanon's exports of the two product categories in the covered year and accounted for 16.9% of Lebanese exports of fruits and vegetables. Kuwait followed with 14.1%, then Syria (12.3%), the UAE (10%), Türkiye (7.9%), Qatar (7.5%), Egypt (6.7%), Jordan (5.9%), Iraq (4.6%), and Oman (3.6%). Lebanese exports of fruits and vegetables to the Gulf Cooperation Council (GCC) countries totaled \$88.2m in 2020 and represented 53.8% of Lebanon's total exports of fruits and vegetables, and 9.5% of its aggregate exports to GCC economies in the covered period.

Dried and/or fresh grapes accounted for 27% of the exports of fruits and vegetables to Saudi Arabia in 2020, followed by lettuce & chicory (19.2%), dried and/or fresh citrus fruits (19%), fresh apples, pears & quinces (8.5%), and apricots, cherries, peaches & nectarine (7.8%). In comparison, Lebanon's exports of these two product categories to the Kingdom amounted to \$20.3m in 2017, \$21.2m in 2018 and \$26.6m in 2019.

Further, aggregate Lebanese exports to Saudi Arabia totaled \$1.186bn between 2016 and 2020, and accounted for 7.4% of total Lebanese exports and for 28.1% of such exports to GCC countries. Lebanese exports to Saudi Arabia during the five-year period consisted mainly of prepared foodstuffs (\$275.6m), chemical products (\$179.7m), vegetable products (\$139.7m), electrical machinery (\$126.6m), and wood, paper & paperboard products (\$85.4m). As such, prepared foodstuffs accounted for 23.2% of Lebanese exports to the Kingdom during the 2016-20 period, followed by chemical products (15.2%), vegetable products (11.8%), electrical machinery (10.7%), and wood, paper & paperboard products (7.2%).

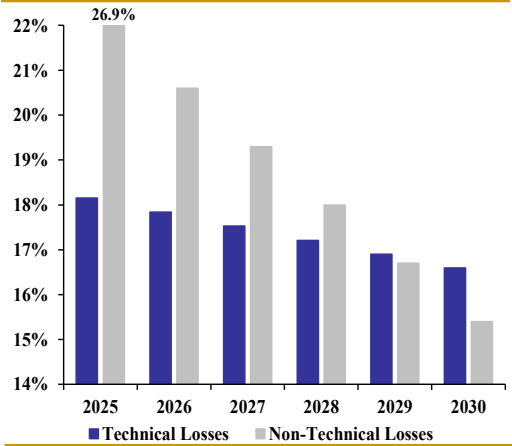
Saudi Arabia was the fourth largest destination of Lebanese exports during the 2016-20 period after Switzerland with \$2.5bn (15.4%), the UAE with \$1.86bn (11.6%), and South Africa with \$1.12bn (7.4%).



**Electricité du Liban’s cost recovery plan projects revenues to rise to \$1.6bn, losses to decline to 29.5% by 2030**

The state-owned Electricité du Liban (EdL) indicated that, with the termination of the Iraqi fuel-for-service swap agreement in August 2025, which allowed the supply of Iraqi fuel oil to Lebanon on favorable terms, it has decided to independently finance the entire value chain of the electricity sector that covers the procurement of combustible fuels, operations, maintenance, and capital expenditures. As such, it said that it has revised and updated its original Cost Recovery Plan (CRP), and developed a new unified modeling framework with technical assistance from the World Bank that integrates an improved plan for utilizing existing generation assets, which consist of the physical infrastructure and facilities used to produce electricity, along with a revised strategy to reduce technical and non-technical losses. It pointed out that the integrated model assesses the financial sustainability of EdL based exclusively on its own internally-generated revenues, with a focus on collection performance, tariff application, and the cost structure associated with the new sources of power generation and the resulting investment needs.

**EdL Technical and Non-Technical Losses (%)**



Source: Electricité du Liban

As such, it expected power generation from EdL’s existing assets to increase from 650 megawatt (MW) in 2025 to 850 MW in 2026, 868 MW in 2027, and 1,013 MW in each of 2028, 2029, and 2030. It also anticipated the average daily supply of electricity to rise from 6.24 hours per day (h/d) in 2025 to 8.16 h/d in 2026, 8.33 h/d in 2027 and 9.72 h/d in each of 2028, 2029, and 2030.

Further, it projected the total losses in the electricity system, which include technical and non-technical losses, to decline from 40.2% of total generated electricity in 2025 to 29.44% in 2030. Also, it forecast technical losses to regress from 18.15% in 2025 to 16.6% in 2030; while it expected non-technical losses to decrease from 26.9% in 2025 to 15.4% in 2030. It noted that the revised non-technical loss-reduction plan reflects the existing field conditions at the time, the expected impact of the 96,000 newly procured meters, and the expected reduction of technical and commercial losses, given the current security and logistical constraints.

In addition, it indicated that the unified model's revenue forecasts assume that all subscribers must pay their electricity dues, especially the public sector and Palestinian refugee camps, whose payment compliance is necessary to maintain EdL’s financial sustainability. It said that the estimated uncollected rate for the public sector and the camps included in the model is 5.5%. It noted that the model assumed a 30% recovery rate of outstanding arrears, along with a progressive improvement in arrears recovery of 2% per year, which reflects planned improvements in enforcement operations, billing accuracy, and collection mechanisms.

In parallel, it pointed out that the projections of the income statement, cashflow statement, and cost recovery ratios reflect the combined effects of optimized generation costs, improved realized revenues, the complete elimination of EdL's dependence on government support to procure combustible fuels, and capital and operational expenditures that are fully funded and sourced directly from EdL's own revenues. As such, it projected EdL’s revenues to increase from \$846m in 2025 to \$1.61bn in 2030, and forecast its expenditures to rise from \$914m in 2025 to \$1.37bn in 2030. As a result, it expected EdL’s income to shift from losses of \$68m in 2025 to profits of \$240m in 2030.

Also, it projected EdL’s net cash flow to shift from a surplus of \$60m in 2025 to deficits of \$170m in 2026, \$28m in 2027, and \$23m in 2028, before returning to surpluses of \$64m in 2029 and \$79m in 2030. It said that the model shows that cash surpluses become sufficient enough to fully fund the required capital investment program, including operating and capital expenditures, independently of government subsidies and external sources of finance.

Further, it stated that the cost recovery ratios analysis underlines the structural enhancement in EdL's financial position, which measures revenues relative to the full economic cost of service delivery, and reflects the convergence of tariff levels, production costs, and efficiency gains. It projected the levelized tariff of EdL to rise from 24.42 cents per kilowatt-hour (c/kWh) in 2025 to 25.4 c/kWh in each of 2029 and 2030. Also, it forecast EdL’s cost of service to rise from 17.99 c/kWh in 2025 to 18.59 c/kWh in 2030; and expected EdL’s cost of losses to regress from 2.41 c/kWh in 2025 to 2.24 c/kWh in 2030.

Moreover, it said that the financial impact of a 1% increase in revenue collection would result in additional revenues of \$8.46m in 2025, \$12.35m in 2026, \$12.89m in 2027, \$15.46m in 2028, \$15.76m in 2029, and \$16.5m in 2030. It added that the financial impact of a 1% recovery in outstanding arrears would result in additional revenues of \$0.49m in 2025, \$0.72m in 2026, \$0.75m in 2027, \$0.9m in 2028, \$0.92m in 2029, and \$0.94m in 2030.



**Trade deficit widens by 19% to \$6.1bn in first four months of 2026**

Figures issued by the Lebanese Customs Administration show that total imports reached \$7.04bn in the first four months of 2026, constituting an increase of 11.3% from \$6.32bn in the same period of 2025; while aggregate exports totaled \$938.2m and dropped by 21.6% from \$1.2bn in the first four months of 2025. As such, the trade deficit widened by 19% to \$6.1bn in the covered period due to a rise of \$716.4m in imports and a decrease of \$258.7m in exports. The coverage ratio, or the exports-to-imports ratio, was 13.3% in the first four months of the year relative to 19% in the same period of 2025.

Non-hydrocarbon imports rose by \$705m, or by 15%, to \$5.37bn in the first four months of 2026; while the imports of oil & mineral fuels increased by \$11.4m, or by 0.7%, to \$1.67bn in the covered period. Oil & mineral fuels accounted for 23.7% of the imports bill in the first four months of 2026 compared to 26.2% in the same period last year, as Lebanon imported nearly 2.2 million tons of oil & mineral fuel in the first four months of the year relative to 2.8 million tons in the same period of 2025.

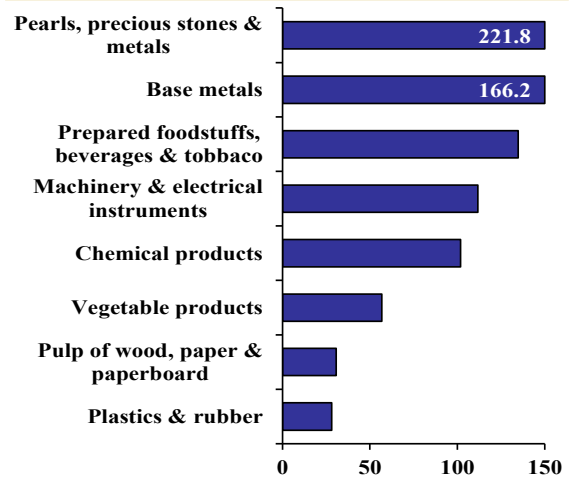
The exports of machinery & electrical instruments surged by \$29.4m, or by 35.8% to \$111.7m in the first four months of 2026; followed by a rise of \$7.6m (+33%) to \$30.7m in exported pulp of wood, paper and paperboard; and an increase of \$7.1m (+14.4%) to \$56.7m in the exports of vegetable products. In contrast, the exports of pearls, precious stones and metals dropped by \$230.7m, or by 51%, to \$221.8m in the covered period; followed by a decline of \$32.2m (-87%) to \$4.76m in exported oil & mineral fuels; and a decrease of \$25m (-13.1%) to \$166.2m in the exports of base metals.

Exports to Germany surged by 141% in the in the first four months of 2026, those to Türkiye jumped by 88.2%, exports to Jordan rose by 63.7%, those to Syria increased by 23.2%, exports to the Ivory Coast grew by 9.6%, and those to the U.S. improved by 4.5%. In contrast, exported goods to Switzerland dropped by 68.7%, those to the UAE fell by 37.7%, exports to Egypt decreased by 26.8%, and those to Iraq regressed by 4.3%. Also, re-exports totaled \$131.4m in the first four months of 2026 compared to \$126.8m in the same period of 2025. The Port of Beirut was the exit point for 46.5% of Lebanon's exports in the first four months of 2026, followed by the Beirut-Rafic Hariri International Airport (31.5%), the Masnaa crossing point (13%), the Port of Tripoli (6.1%), and the Port of Saida (2.9%).

Further, Lebanon's main non-hydrocarbon imports consisted of pearls, precious stones & metals that reached \$1.16bn and that accounted for 16.4% of total imports to Lebanon in the first four months of the year, followed by chemical products with \$654m (9.3%), machinery & electrical instruments with \$604.5m (8.6%), vehicles, aircraft & vessels with \$462.7m (6.6%), and prepared foodstuffs, beverages and tobacco with \$436.2m (6.2%). Also, the imports of vehicles, aircraft & vessels increased by 60% year-on-year; followed by imported arms & ammunition and parts & accessories (+49.6%); the imports of optical, photographic, medical, and musical instruments (+34.4%); the imports of miscellaneous manufactured articles (+34%); and imported animal and vegetable products (+33%).

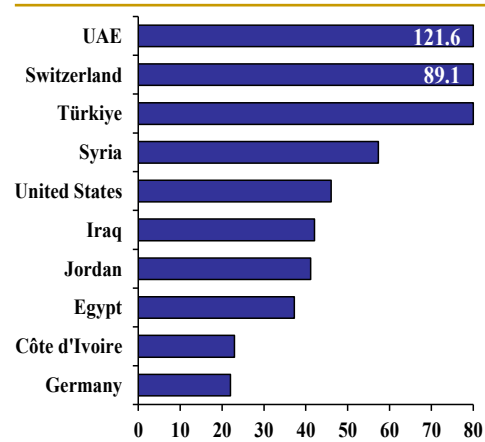
The Port of Beirut was the entry point for 61.4% of Lebanon's merchandise imports in the first four months of 2026, followed by the Beirut-Rafic Hariri International Airport (27.7%), the Port of Tripoli (6.4%), and the Masnaa crossing point (3.9%); while the Port of Saida was the entry points for 0.6% of imports. China was the main source of imports to Lebanon with \$868.4m and accounted for 12.3% of the total in the first four months of 2026, followed by Switzerland with \$612m (8.7%), Greece with \$509.4m (7.2%), the UAE with \$475.7m (6.8%), Egypt with \$472m (6.7%), Saudi Arabia with \$459m (6.5%), Italy with \$417.8m (6%), the U.S. with \$364.8m (5.2%), Türkiye with \$285.7m (4%) and Germany with \$257.8m (3.7%). Further, imported goods from Saudi Arabia surged by 155.8% in the first four months of 2026 from the same period last year, followed by imports from the U.S. (+70.3%), Switzerland (+50.7%), Germany (+30.2%), China (+29%) and Italy (+19%). In contrast, imported goods from Türkiye dropped by 41% in the covered period, followed by imports from Greece (-15%), Egypt (-6.7%), and the UAE (-3.2%).

**Main Lebanese Exports in First Four Months of 2026 (US\$m)**



Source: Lebanese Customs Administration, Byblos Research

**Main Destinations of Lebanese Exports in First Four Months of 2026 (US\$m)**



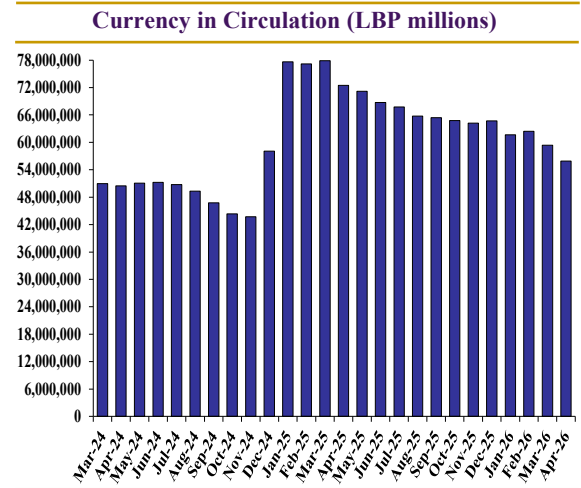
Source: Lebanese Customs Administration, Byblos Research



**Currency in circulation down 23% in 12 months ending April 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 LBP99,130.2bn at the end of April 2026, constituting decreases of 5.4% from LBP104,756.6bn at end-March 2026, of 11% from LBP111,444.4bn at the end of 2025 and of 15.2% from LBP116,868.4bn at end-April 2025.

Currency in circulation stood at LBP55,905.6bn at the end of April 2026, as it declined by 6% from LBP59,396.5bn at end-March 2026, by 13.6% from LBP64,711.1bn at end-2025 and by 23% from LBP72,467.8bn at end-April 2025. Also, demand deposits in Lebanese pounds amounted to LBP43,224.6bn at the end of April 2026, as they regressed by 4.7% from end-March 2026 and by 7.5% from end-2025 and by 2.6% from a year earlier.



Source: Banque du Liban, Byblos Research

In addition, money supply M2, which includes M1 and term deposits in Lebanese pounds, reached LBP139,585bn at the end of April 2026, constituting decreases of 3.6% from LBP144,726.2bn at end-March 2026, of 7% from LBP150,029.8bn at end-2025, and of 10% from LBP155,107.2bn at end-April 2025. Term deposits in Lebanese pounds totaled LBP40,454.7bn at the end of April and increased by 1.2% from LBP39,969.6bn a month earlier and by 5.8% from LBP38,238.8bn at end-April 2025.

Further, broad money supply M3, which includes M2, deposits in foreign currency and debt securities issued by the banking sector, stood at LBP5,925.2 trillion (tn) at the end of April 2026, with deposits in foreign currency totaling LBP5,756.7tn and debt securities of the banking sector amounting to LBP28,938.1bn at the end of April 2026.

In parallel, M3 decreased by LBP97,499bn in the first four months of 2026 due to a jump of LBP222,432.9bn in the net foreign assets of deposit-taking institutions and an increase of LBP16,078.4bn in other items, which were offset by a decline of LBP333,974.3bn in claims on the public sector and a decrease of LBP2,035.9bn in claims on the private sector.

BdL indicated that its net foreign assets include monetary gold, the non-resident foreign securities held by BdL, and the foreign currencies and deposits with correspondent banks and international organizations; while they exclude the Lebanese government's sovereign bonds and BdL's loans in foreign currency to resident banks and financial institutions. In parallel, BdL issued Basic Circular 167/13612 dated February 15, 2024 that asked banks and financial institutions to convert their assets and liabilities in foreign currencies to Lebanese pounds at the exchange rate of LBP89,500 per US dollar when preparing their financial positions.

Also, BdL requested banks and financial institutions in January 2024, 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.



### Customs receipts up 10% to \$216m in first quarter of 2026

Figures released by Banque du Liban indicate that customs revenues totaled LBP19,315.6bn, or \$215.8m, in the first quarter of 2026, compared to LBP17,569.2bn (\$196.3m) in the same period of 2025, to LBP10,014.6bn (\$111.9m) in first quarter of 2024, and to LBP3,806bn (\$43.7m) in the same period of 2023. Customs receipts increased by 10% in the first quarter of 2026 from the same period last year, compared to a rise of 75.4% in the first quarter of 2025 from the same period of the previous year, to a jump of 163% in the first quarter of 2024, and to a rise of 661.4% in the first quarter of 2023.

Further, customs revenues reached LBP5,430.3bn in January, LBP6,535.3bn in February, and LBP7,350.1bn in March 2026. In comparison, they stood at LBP3,612.3bn in January, LBP3,360.9bn in February, and at LBP10,596bn in March 2025. This constituted increases of 50.3% in January and of 94.4% in February, and a decrease of 30.6% in March 2026 from the corresponding months of 2025.

In parallel, figures issued by the Lebanese Customs Administration show that total imports reached \$5.38bn in the first quarter of 2026 and increased by 23% from \$4.38bn in the same period of 2025; while aggregate exports totaled \$630.7m in the first quarter of 2026 and decreased by 32.5% from \$934.8m in the same period of 2025. Also, non-hydrocarbon imports rose by \$968.5m, or by 31%, to \$4.1bn in the first quarter of 2026; while the imports of oil & mineral fuels increased by \$33.5m, or by 2.7%, to \$1.3bn in the covered period.

In parallel, the increase in customs revenues in 2023 and 2024 onwards is due to the modification of the exchange rate of the Lebanese pound at customs, as the Ministry of Finance adjusted the exchange rate of the Lebanese pound to the US dollar for customs purposes in the fourth quarter of 2022 from LBP1,507.5 to LBP15,000 per dollar, as well as to LBP45,000 per dollar in the first quarter of 2023, and to LBP60,000 per dollar from May 2 until May 12, 2023. As such, the ministry said at the time that the exchange rate for the currencies of Lebanon's main import sources became LBP86,000 for the US dollar, LBP93,832 for the euro, LBP106,697 for the British pound, LBP94,910 for the Swiss franc, LBP23,415 for the UAE dirham, LBP12,493 the Chinese yuan, LBP4,466 for the Turkish lira, LBP2,781 for the Egyptian pound, LBP1,049 for the Indian rupee, and LBP646.8 for the Japanese yen, among others.

### Damages to buildings in Mount Lebanon and Beirut at \$365m

The United Nations Development Program (UNDP), in coordination with the Lebanese National Council for Scientific Research (CNRS-L) and in collaboration with the Lebanese Armed Forces (LAF) and the United Nations Department of Safety and Security (UNDSS), announced the results of a rapid assessment of damaged buildings from the Israeli war in Beirut and Mount Lebanon. It said that the assessment aims to provide preliminary estimates of the extent of the damage and support the recovery and reconstruction planning efforts in the affected areas. It noted that the assessment relied on Geospatial Artificial Intelligence (GeoAI) technologies, satellite imagery analysis, and field verification exercises to ensure the accuracy and reliability of the data.

Further, it estimated the direct damage to buildings in Beirut and Mount Lebanon at \$365m with the damage in Mount Lebanon at \$349.7m, or 95.8% of the total, and the damage in Beirut at \$15.4m, and representing the balance of 4.2%. Also, it estimated that 146 buildings, consisting of 3,168 housing units, were completely destroyed; 264 buildings, including 4,437 housing units, were partially damaged; and 54 apartments were directly targeted by Israeli strikes.

In addition, it said that the Bourj El Barajneh, Chiyah, Choueifat-Amroussieh, Hadath, Haret Hreik, and Laylaki areas were the most affected cadasters in Mount Lebanon, while Ain el Mreisseh, Bachoura, Mazraa, and Moussaytbeh were the most affected areas in Beirut. It said that the Israeli strikes destroyed 2,967 units in 133 buildings in the Baabda District, while they partially damaged 243 buildings containing 4,061 units, and targeted 35 apartments. Also, the strikes destroyed seven buildings that consist of 55 units in the Aley District, partially damaged eight buildings that consist of 216 units, and targeted eight apartments. Further, the air strikes destroyed six buildings that consist of 146 housing units in Beirut, partially damaged 13 buildings containing 160 units, and targeted 11 apartments in the capital.

In parallel, the UNDP estimated that the damage produced approximately 648,942 cubic meters (m<sup>3</sup>) of debris, with the Baabda District accounting for 601,384 m<sup>3</sup>, or 92.7% of the total, followed by Beirut with 27,337 m<sup>3</sup> (4.2%), and the Aley District with 20,221 m<sup>3</sup> (3.1%). Also, it pointed out that these findings provide an initial evidence base to support national authorities and partners in prioritizing and directing recovery and reconstruction efforts more effectively and in a sustainable way.



### **Banque du Liban sets new guidelines for micro-lending institutions**

Banque du Liban (BdL) issued Intermediate Circular 765/13820 dated May 21, 2026 addressed to banks and financial institutions (FIs) that amended Basic Circular 93/8779 of July 13, 2004 about micro-loans.

First, the circular grants micro-lending institutions a maximum period of six months to submit an application to establish an FI in accordance with the provisions of Basic Circular 4/13819 dated May 21, 2026, about the conditions for the establishment and functioning of finance companies. It asked FIs to provide BdL with the documents specified in Basic Circular 4/13819, particularly the business plan mentioned in Article 10.

Article 10 states that FIs must prepare a detailed business plan, in cooperation with either an international FI or a local auditing company, in order to develop the plan in a scientific and detailed manner. It said that the plan must include an executive summary, a business strategy and business model, a target market and customer analysis, a market analysis, the products and services the FI plans to offer, a marketing strategy and market entry, an organizational structure and an operational plan, provisions for IT infrastructure, human resource strategy, a risk management strategy, compliance and data protection policies, five-year financial projections, profitability analysis and stress test scenarios, and an exit plan. Also, it stated that FIs must prepare a new business plan whenever there is a development that may lead to a significant impact on the institution's decisions and on its business strategy. It stipulates that, if the FI intends to exit the market, it must prepare a comprehensive exit plan that outlines the process and that safeguards its clients.

Second, it stated that BdL will review the application and will decide to either approve or decline it. It said that, following the application's approval, it will grant the relevant FI a period of six months to achieve full compliance with the provisions of Basic Circular 4/13819. It added that BdL may, in exceptional cases and upon a justified request from the FI, grant the latter additional grace periods to comply with the provisions of the circular. Third, it stipulated that upon the expiration of the previously specified periods, any micro-lending institution whose name is not included on the list of FIs will no longer have the right to conduct credit operations, and will be subject to the provisions of Article 200 of the Code of Money and Credit and Article 770 of the Penal Code. It added that BdL reserves the right to prosecute any institution or company that breaches the rules in front of the relevant judicial authority. In addition, it said that the circular goes into effect upon its issuance.

### **Banque du Liban issues new guidelines on banking cards**

Banque Banque du Liban (BdL) issued Intermediate Circular 767/13823 on May 21, 2026 addressed to banks, financial institutions (FIs), institutions that issue credit and debit cards, and institutions that manage points-of-sales (PoS) devices, which amends Basic Circular 63/7299 of June 10, 1999 about automated teller machines (ATMs) and about debit and credit cards. First, the circular stipulated that banks and FIs may exclusively issue and accept banking cards, which includes the issuance of banking cards, contracting with merchants to enable them to accept card payments, processing transactions on these cards, as well as handling the settlement and payments of the related amounts. Second, it asked banks to notify BdL in advance before issuing banking cards.

Third, it stated that banks and FIs must obtain a license from BdL to issue and accept banking cards, subject to the following conditions: first, banks and FIs must allocate LBP150bn from their own funds in order to issue and accept cards, or an amount of LBP50bn if they only plan to issue cards. Also, it said that banks and FIs must deposit in cash an amount equal to 15% of the allocated capital into a special account in Lebanese pounds at BdL. It added that BdL will return this deposit only when the institution ceases to provide the service. Second, it stipulated that banks and FIs must have sufficient liquidity on a permanent basis to meet all settlement obligations in the same currencies. It noted that the required level of liquidity must be, at a minimum, the average daily settlement obligations calculated on a monthly basis, plus a precautionary liquidity margin of 20%. It added that BdL may impose additional liquidity ratios or margins, depending on the volume of operations and the degree of the related risks. Third, it asked banks and FIs to adopt an appropriate Card Management System (CMS). Fourth, it urged them to adhere to the Payment Card Industry Data Security Standard (PCI DSS). Fifth, it asked them to maintain a membership with international payment card networks, such as Visa and Mastercard, as well as to adhere to the technical and security standards that the latter adopt. Sixth, it called on banks and FIs to adopt specific procedures to combat money laundering and terrorism financing that could result from payment card operations. Seventh, it said that banks and FIs must have the necessary infrastructure to accept payments, as well as to execute settlement operations, monitor merchant activities, classify their risks, perform continuous due diligence, manage chargebacks, and settle resulting disputes.

Fourth, it required banks and FIs to pay BdL an annual fee of LBP3bn in case they issue and accept banking cards, and LBP1bn per year if banks provide only card issuance services. It stated that banks and FIs must pay this fee when they obtain the license, and subsequently before January 31 of each year, under the penalty of revoking the relevant license. Fifth, it granted banks and FIs that are already issuing and accepting cards a grace period until June 30, 2026 to notify BdL that they are providing this service and to confirm their compliance with the rules and conditions, pay the annual fee, and deposit in cash at BdL the 15% ratio of the allocated capital. It added that the circular goes into effect upon its issuance.

### **Banque du Liban sets conditions for establishing finance companies**

Banque du Liban (BdL) issued Basic Circular 4/13819 dated May 21, 2026 addressed to finance companies about the conditions for the establishment and functioning of finance firms in Lebanon. Article 2 prohibits natural and legal persons from engaging in lending activities, except for banks, unless legal persons act under the provisions of this circular. It requires legal persons seeking to provide any of the services specified in this circular to obtain BdL's prior approval in order to be licensed as a finance company authorized to conduct lending operations, fiduciary operations, and microfinance. It states that a finance company that exclusively provides microfinance services is not entitled to offer lending and fiduciary activities unless it obtains the appropriate license for such services.

Article 4 stipulates that a licensed finance firm must be legally incorporated as a Lebanese joint-stock company with registered shares and a transparent shareholding structure that clearly identifies all shareholders up to the ultimate beneficial owners. It added that foreign finance companies, or branches of foreign finance firms established in their home country as joint-stock companies, may open branches in Lebanon provided that they comply with the requirements set forth in this circular.

Article 5 requires finance companies to allocate a minimum capital of LBP300bn for lending operations, of LBP75bn for fiduciary operations, and of LBP50bn for microfinance operations. It noted that the capital requirements are cumulative depending on the number of the operational categories.

Article 7 prohibits finance firms from conducting currency exchange operations, except for the sole purpose of executing operations that are complementary or related to the operations they perform on behalf of their customers. It also forbids firms from transporting banknotes, coins, bullion and minted coins; from issuing, dealing in, and/or facilitating dealings in virtual assets in any way, except in accordance with the regulations issued by BdL in this regard; from receiving deposits under Article 125 of the Code of Money and Credit or attracting deposits; from engaging in any activity prior to obtaining a license from BdL and subscribing to the full capital; and from distributing dividends to shareholders for the 2025 financial year and for prior periods.

Article 10 states that finance companies must prepare a detailed business plan, in cooperation with either an international financial institution or a local auditing firm, in order to prepare the plan in a scientific and detailed manner. It said that the plan must include an executive summary, a business strategy and business model, a target market and customer analysis, a market analysis, the products and services the company plans to offer, a marketing and market entry strategy, an organizational structure and an operational plan, provisions for IT infrastructure, a human resources strategy, a risk management strategy, compliance and data protection policies, five-year financial projections, a profitability analysis, stress test scenarios, and an exit plan. Also, it stated that finance companies must prepare a business plan whenever there is a development that may lead to a significant impact on the institution's decisions and its business strategy. It stipulated that, if a firm intends to exit the market, it must prepare a comprehensive exit plan that outlines the process and that safeguards its clients.

Article 12 requires finance companies to establish a Risk Management Unit or appoint a Risk Officer, depending on the size and nature of its operations. Article 13 mandates a finance firm to start its operations within six months from the decision date of registration on BdL's list of finance companies, under the penalty of its removal from the list. Article 14 stipulates that BdL will remove the company's name from its list if the latter ceases its operations for a period of six consecutive months.

Article 15 requires finance companies to comply with the business plan that they submitted and that will be assessed by BdL annually. It mandates the firms to pay an annual fee of LBP3bn to BdL for each service. Article 16 prohibits finance firms from obtaining, whether directly or indirectly, and as collateral for consumer loans, a real estate mortgage, an irrevocable power of attorney, or a power of attorney for property sales.

Article 17 grants any finance company operating in Lebanon the ability to provide facilities to a single natural person, legal entity, or member of an interrelated group of debtors, subject to a ceiling of 10% of the company's equity for a resident person and 5% for a non-resident person, provided that the total facilities extended to non-residents do not exceed 25% of its equity.

Article 18 requires finance firms to promptly notify BdL and the Banking Control Commission of Lebanon of any lawsuits filed against them, or against any of their shareholders, or managers, and to provide full details of such cases. Article 20 prohibits finance companies from outsourcing risk management, compliance, internal audit, and customer protection services.

Article 21 mandates Lebanese finance companies that intend to open a branch in Lebanon to allocate, within their equity, an amount of LBP15bn for each branch, in addition to the minimum capital requirement. Article 23 requires finance firms to continuously demonstrate that their assets exceed their liabilities to third parties by at least the amount of their equity, and obliges those operating in Lebanon to establish a reserve fund by retaining 10% of their annual net profits. Article 29 stipulates that BdL's Central Council may determine and impose a fine of no less than LBP1bn for each violation of the provisions of this circular.

### European Union extends €32m to support conflict-affected areas

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The Lebanese government, along with the European Union (EU), Denmark and France, through the Agence Française de Développement (AFD), launched on May 19, 2026, a €32m program that aims to support conflict-affected areas in South Lebanon and the Bekaa region. The project's financing package consists of €24.8m in grants from the EU, as well as co-financing of about €5.35m from the Danish Ministry of Foreign Affairs, and €2m in contribution from the AFD.

The EU noted that the initiative was conceived following the war that ended in November 2024. It said that the program will be implemented during the 2026-2029 period in order to support the areas that were heavily affected by the war. It stated that the project aims to assist local institutions in preparing for the recovery, and to support responses to urgent needs on the ground. It added that, once conditions allow, the initiative will support the longer-term economic recovery by strengthening the capacities of local authorities, reviving local businesses, supporting agriculture, and creating employment opportunities for the most vulnerable segments of the population.

On January 14, 2026, the EU announced that it has extended €110.5m in grants to Lebanon, in order to strengthen the country's security sector, advance recovery in conflict-affected areas, and support key reform initiatives. It said that the grants are funded under the €1bn support package that the European Commission announced in May 2024 and that it extended until 2027. It added that the €110.5m allocation is part of the €132m package that the Ministry of Finance announced in December 2025, which includes support for micro- and small enterprises, as well as initiatives to protect the environment and preserve Lebanon's ecosystems. It said that the initiative will be implemented by the agencies of EU member states and United Nations partners.

First, it indicated that it will earmark €30m to strengthen the capacities of the Internal Security Forces to combat organized crime and cybercrime, and to support all security agencies in countering terrorism activity, including terrorism financing and smuggling. It said that it will provide an additional €25m to reinforce border management at land crossing points and airports, and to enhance maritime safety, and that it will allocate €8m to support sustainable and reliable energy solutions for Lebanon's security agencies. Second, the EU pointed out that it will grant €25m to assist communities in conflict-affected areas that continue to face significant challenges, particularly in the South and the Bekaa region. It added the funding aims to help deliver essential services, support small-scale agricultural and environmental projects, create jobs through skills development, assist local businesses, and strengthen social cohesion.

Third, the EU noted that it will allocate €13.5m to support the implementation of the National Anti-Corruption Strategy and to help selected public institutions strengthen their procedures and internal controls, including through digitalization, in order to improve the delivery of public services to citizens.

Also, it said that it will earmark €9m to help Lebanese ministries and public institutions improve the quality, efficiency, and transparency of public services, while supporting the ongoing reforms of the public administration.



### **Number of internally displaced persons exceeds 1.1 million**

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 exceeded 1.1 million individuals as of June 11, 2026, while the government's Disaster Risk Management (DRM) unit estimated that the number of IDPs who are in shelters stood at 134,534 individuals, or 35,741 households, who are residing in 640 collective shelters as of June 10, 2026. In addition, the latest figures issued by the Ministry of Public Health show that the Israeli hostilities in Lebanon resulted in 3,666 persons killed and 11,321 wounded between March 2 and June 10, 2026.

The DRM unit said that food security partners distributed a total of 12.36 million hot and cold meals and 197,156 Ready-to-Eat meals; as well as water, sanitation and 223,733 hygiene kits, 71,934 menstrual hygiene kits, and 14,054 baby kits as of June 10, 2026. Also, it noted that shelter partners distributed 311,299 blankets and 252,004 mattresses, as well as 5.15 million liters of water. Also, OCHA noted that shelter partners distributed 110,770 cubic meters of water through water trucking to 625 shelters, in addition to 851,000 liters of fuel, to the government's water establishments in the governorates to sustain water supply services that benefited 841,128 people in displacement-affected areas.

It added that a total of 446 schools, which consist of 331 public schools, 66 private schools, and 49 technical and vocational education and training (TVET) institutions, are being used as collective shelters for IDPs, which makes them unavailable for educational use.

In addition, it pointed out that 257,493 internally displaced children received formal education through online and in-person modalities; while 4,938 children received non-formal education. Also, it noted that that education partners distributed 1,728 learning materials, supported 106 children with disabilities through assistive devices or rehabilitation services, and delivered 2,003 education and supply kits in shelters and learning centers.

According to OCHA, the food assistance distributed since the escalation of hostilities on March 2, 2026 reached more than 13.3 million hot and cold meals in collective shelters and 145,436 ready-to-eat kits in collective shelters. Also, it noted that 44 Primary Health Care Centers (PHCCs) and three hospitals in the south of the country are currently out of service. Further, it pointed out that a total of 46,320 children under five years old, adolescent girls, and pregnant and lactating women received one month of emergency nutrition rations and micronutrient supplements.

In addition, it stated that Protection, Child Protection and Gender-Based Violence (GBV) partners reached 262,946 people inside and outside collective shelters, 62% 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 Protection Child Protection and GBV partners distributed 3,135 Protection Cash Grants that address the immediate needs of displaced persons at heightened risk. In addition, Protection, Child Protection and GBV partners supported more than 30,375 women and girls with dignity kits, while 1,744 persons with disabilities received care services and assistive devices.



**Term deposits account for 51.4% of customer deposits at end-March 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 LBP7,981.6 trillion (tn) at the end of March 2026, or the equivalent of \$89.2bn, compared to LBP8,071.1tn (\$90.2bn) at end-2025 and to LBP8,227.4tn (\$91.9bn) at end-March 2025.

Total deposits include private sector deposits that reached LBP7,717.8tn, deposits of non-resident financial institutions that amounted to LBP203.3tn, and public sector deposits that stood at LBP60.5tn at the end of March 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.

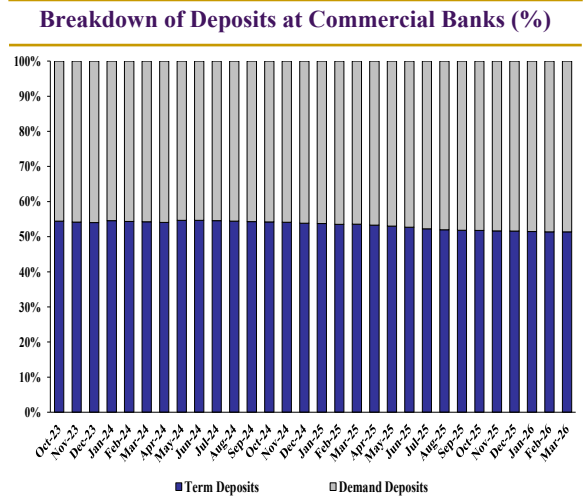
Term deposits in all currencies reached LBP4,101.8tn and accounted for 51.4% of total deposits in Lebanese pounds and in foreign currency at the end of March 2026 relative to 53.6% at end-March 2025. Further, the term deposits in Lebanese pounds of the public sector dropped by 74.5% from end-2025, followed by a decline of 3.3% in term deposits of the non-resident financial sector, a decrease of 1.5% in the foreign currency-denominated term deposits of the resident private sector, a contraction of 0.8% in the term deposits of non-residents and a downturn of 0.2% in foreign currency-denominated term deposits of the public sector. In contrast, the term deposits in Lebanese pounds of the resident private sector increased by 3.8% from end-2025.

In addition, the foreign currency-denominated term deposits of the resident private sector reached \$32.1bn and accounted for 36% of aggregate deposits at the end of March 2026 relative to 38.1% a year earlier. Term deposits of non-residents followed with \$12bn or 13.5% of the total, then the term deposits of the non-resident financial sector with \$1.14bn (1.3%), term deposits in Lebanese pounds of the resident private sector with LBP35.6tn (0.5%), term deposits of the public sector in foreign currency with \$149.6m (0.2%), and term deposits of the public sector in Lebanese pounds with LBP9.28tn (0.04%).

In parallel, demand deposits in all currencies at commercial banks stood at LBP3,879.8tn at the end of March 2026 compared to LBP3,817.7tn a year earlier, and accounted for 48.4% of aggregate deposits at end-March 2026 relative to 46.4% a year earlier. Demand deposits of the non-resident financial sector surged by \$82m in the first quarter of 2026, followed by an increase of \$29m in the public sector's demand deposits in foreign currency. In contrast, foreign currency-denominated demand deposits of the resident private sector declined by \$337.4m, followed by a decrease of \$28.7m in demand deposits of non-residents, and a contraction of LBP1,266bn in demand deposits in Lebanese pounds of the resident private sector and a decrease of LBP1,123.4bn in demand deposits in Lebanese pounds of the public sector in the covered period.

In comparison, demand deposits of non-residents jumped by \$548.9m in the 12 months ending March 2026, followed by a surge of \$102.7m in foreign currency-denominated demand deposits of the resident private sector, an increase of LBP3,298.3bn in demand deposits in Lebanese pounds of the public sector, a rise of LBP4,933.7bn in demand deposits in Lebanese pounds of the resident private sector, and an uptick of \$6.7m in the public sector's demand deposits in foreign currency. In contrast, demand deposits of the non-resident financial sector declined by \$56m from end-March 2025.

Also, demand deposits in foreign currency of the resident private sector totaled \$32.1bn and accounted for 36% of aggregate deposits at end-March 2026, relative to 38.1% a year earlier. Demand deposits of non-residents followed with \$9.27bn (10.4%), then demand deposits of the non-resident financial sector with \$1.13bn (1.3%), demand deposits in Lebanese pounds of the resident private sector with LBP44.3tn (0.6%), demand deposits in foreign currency of the public sector with \$346.8m (0.4%), and demand deposits in Lebanese pounds of the public sector with LBP12.9tn (0.2%).



Source: Banque du Liban, Byblos Research

### **Bank Audi registers profits of LBP1,736bn in first quarter of 2026**

Bank Audi sal, one of six listed banks on the Beirut Stock Exchange, declared unaudited consolidated net profits of LBP1,735.7bn in the first quarter of 2026 compared to unaudited profits of LBP30m in the same quarter of 2025. The bank's net interest income reached LBP3,584.4bn in the first quarter of 2026, constituting a decrease of 21.5% from LBP4,564.8bn in the same period last year; while its net earnings from fees & commissions stood at LBP2,832.7bn in the covered quarter relative to LBP2,459.3bn in the first quarter of 2025. Further, the bank's gross operating income reached LBP6,777.3bn in the first quarter of 2026 compared to LBP11,248bn in the first quarter of 2025, while operating expenditures reached LBP4,729.3bn in the first quarter of 2026, down by 56.7% from LBP10,916.1bn in the same period of the preceding year, with personnel cost accounting for 55.9% of the total. Also, the bank's net operating income totaled LBP6,725bn in the first quarter of 2026 and declined by 40.3% from LBP11,249.3bn in the same period of 2025.

In parallel, the bank's aggregate assets stood at LBP1,322.9 trillion at the end of March 2026, representing a decrease of 2.3% from LBP1,353.4tn at end-2025. Further, net loans & advances to customers reached LBP97,812.1bn at the end of March 2026 compared to LBP101,870.6bn at end-2025, while net loans & advances to related parties amounted to LBP103.3bn at end-March 2026 relative to LBP198.3bn at end-2025. Also, the bank's cash and balances with central banks stood at LBP826,334.7bn at end-March 2026 relative to LBP869,316.5bn at end-2025, while dues from banks and financial institutions reached LBP176,441.2bn at the end of March 2026 compared to LBP152,280.3bn at end-2025. Further, the bank's debt instruments and other similar financial assets at fair value through profits or losses stood at LBP23,586.3bn at end-March 2026 relative to LBP29,202.1bn at end-2025, and assets taken in settlement of debts reached LBP4,852bn at the end of March 2026, unchanged from end-2025.

In addition, customer deposits reached LBP1,128.5 trillion at end-March 2026 compared to LBP1,152.6tn at the end of 2025, while deposits from related parties stood at LBP1,289.4bn relative to LBP1,417bn at end-2025. Also, dues to central banks reached LBP2,402bn at end-March 2026 compared to LBP2,429.3bn at end-2025, while the bank's provisions for risks and charges stood at LBP49,525.9bn at the end of March 2026 relative to LBP51,429.8bn at end-2025. Further, the bank's subordinated loans and similar debts totaled LBP10,535.3bn at end-March 2026 compared to LBP10,529.7bn at end-2025. In parallel, the bank's shareholders' equity was LBP102,975.3bn at the end of March 2026 compared to LBP103,694.4bn at end-2025.



## Ratio Highlights

(in % unless specified)	2023	2024	2025	Change*
Nominal GDP (\$bn)	25.9	30.5	36.1	5.6
Gross Public Debt / GDP	246.2	215.0	191.9	(23.1)
Trade Balance / GDP	-56.01	-46.55	-48.30	(1.8)
Exports / Imports	17.1	16.0	17.3	1.3
Fiscal Revenues / GDP	12.0	12.8	17.9	5.1
Fiscal Expenditures / GDP	13.6	12.6	14.8	2.2
Fiscal Balance / GDP	(1.6)	0.1	3.1	3.0
Primary Balance / GDP	(1.0)	1.4	3.7	2.3
Gross Foreign Currency Reserves / M2	143.5	689.4	461.7	(227.7)
M3 / GDP	51.7	227.2	185.8	(41.4)
Commercial Banks Assets / GDP	76.6	338.4	282.5	(55.8)
Private Sector Deposits / GDP	62.9	290.8	240.8	(50.0)
Private Sector Loans / GDP	5.5	19.5	14.4	(5.1)
Private Sector Deposits Dollarization	96.3	99.1	98.9	(0.2)
Private Sector Lending Dollarization	90.9	97.8	97.8	0.0

\*change in percentage points 25/24;

Source: National Accounts, Banque du Liban, Ministry of Finance, Institute of International Finance, International Monetary Fund, Byblos Research Estimates & Calculations  
Note: M2 includes money in circulation and deposits in LBP, M3 includes M2 plus Deposits in LBP and bonds

## National Accounts, Prices and Exchange Rates

	2023	2024	2025e
Nominal GDP (LBP trillion)	2,257.8	2,728.4	3,241.0
Nominal GDP (US\$ bn)	25.9	30.5	36.1
Real GDP growth, % change	-0.5	-5.2	3.7
Private consumption	3.50	0.30	2.4
Public consumption	-1.00	4.10	11.4
Private fixed capital	-18.60	-10.20	-4.0
Public fixed capital	81.0	35.4	23.1
Exports of goods and services	-4.2	-14.5	-3.6
Imports of goods and services	3.1	0.0	6.4
Consumer prices, %, average	221.3	45.2	14.6
Official exchange rate, average, LBP/US\$	15,000	89,500	89,500
Parallel exchange rate, average, LBP/US\$	86,362	89,700	89,700
Weighted average exchange rate LBP/US\$	87,043	89,474	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

## Banking Sector Ratings

Banking Sector Ratings	Outlook
Moody's Ratings	Negative

Source: Moody's Ratings

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