

Summary:

In July 2017, real sector indicators improved in respect of the previous month. The trade deficit broadened with rising imports and diminishing exports of goods and the overall balance of payments reported a surplus following three consecutive months of negative balance. Official foreign currency reserves retreated a little while the central bank's foreign assets increased further. Banks' assets expanded favorably and interest rates were almost uneventful.

In this issue:

<i>Real sector</i>	<i>p2</i>
<i>External sector</i>	<i>p3</i>
<i>Financial sector</i>	<i>p4</i>
<i>Monetary developments</i>	<i>p5</i>
<i>Public finances</i>	<i>p6</i>
<i>Statistical appendix</i>	<i>p8</i>

Tables:

<i>General indicators of economic activities</i>	<i>p8</i>
<i>Total imports & exports by product</i>	<i>p9</i>
<i>Imports by origin</i>	<i>p9</i>
<i>Exports by destination</i>	<i>p9</i>
<i>Consolidated balance sheet of banks</i>	<i>p10</i>
<i>Money supply and Counterparts</i>	<i>p11</i>
<i>Outstanding public debt</i>	<i>p12</i>
<i>Treasury bills portfolio</i>	<i>p12</i>
<i>Interest rates</i>	<i>p13</i>
<i>Exchange rates</i>	<i>p13</i>

Charts:

<i>Indicative charts</i>	<i>p14</i>
--------------------------	------------

I- REAL SECTOR**In July 2017,**

The total value of checks cleared in the domestic and foreign currencies increased to USD 6,155 million from USD 5,563 million in the previous month and USD 5,238 million in July 2016. Cleared checks o/w 69.1 percent denominated in FC improved in the first seven months of 2017 by 2.0 percent when compared to the first seven months of 2016.

The total value of returned checks in the domestic and foreign currencies rose to USD 122 million from USD 117 million one month back and USD 118 million in July 2016. Yet, returned checks diminished in the first seven months of 2017 by 2.6 percent with reference to the identical period of the past year.

Collected real estate fees climbed to LBP 77.8 billion against LBP 69.6 billion in the preceding month and LBP 67.7 billion twelve months back. Collected fees multiplied in the first seven months of 2017 by 17.0 percent with regard to the first seven months of 2016.

Construction permits advanced to 969 thousand square meters compared to 932 thousand square meters in the previous month and 682 thousand square meters in July 2016. In the first seven months of 2017, construction permits augmented by 3.9 percent in respect of the corresponding period of the preceding year.

Cement deliveries jumped to 466 thousand tons from 383 thousand tons a month earlier and 398 thousand tons in July 2016. Cement deliveries shrank, however, by 0.8 percent in the first seven months of 2017 in comparison with the same time frame of 2016.

The number of passengers arriving to and departing from Beirut International Airport increased to 522,211 and 452,361 respectively to total 974,572 persons. In the first seven months of 2017, arrivals and departures rose by 7.3 percent and 7.6 percent respectively in comparison with those recorded in the alike time interval of 2016.

Agricultural exports amounted to USD 16 million and were in the first seven months of 2017 below those reported in the matching months of the preceding year by only USD 1 million (-1.0 percent).

In June 2017,

Industrial exports (excluding gold ingots) decreased to USD 199 million from USD 206 million in the previous month and USD 225 million in June 2016. Industrial exports contracted in the first half 2017 by 6.9 percent with regard to the first six months of 2016.

Imports of Industrial Equipment retreated to USD 22.2 million from USD 23.1 million one month earlier (USD 20.0 million in June 2016). Imports of industrial equipment deteriorated by 12.1 percent in the first half 2017 when compared to the correspondent time frame of the previous year.

Real Sector Indicators

	Jul-16	Jun-17	Jul-17
Checks cleared (total)			
Number (000)	933	999	1,096
Value (USD million)	5,238	5,563	6,155
Checks cleared in LBP			
Number (000)	327	373	400
Value (LBP billion)	2,246	2,534	2,781
Checks cleared in FX			
Number (000)	606	626	696
Value (USD million)	3,748	3,882	4,310
Returned checks			
Number (000)	19.3	18.6	20.8
Value (USD million)	118	117	122
Construction permits (000 square meters)	682	934	972
Cement deliveries (000 tons)	398	383	466
Collected property taxes (LBP billion)	67.7	69.6	77.8
Passengers arrivals (000)	496	394	522
Passengers departures (000)	396	259	452
Agricultural exports (USD million)	13	17	16
Industrial exports (USD million)	179	199	n.a.
Imports of industrial machinery (USD million)	16.8	22.2	n.a.

Source: BDL, OEA, BIA, CLR, ministry of Industry, Lebanese Customs



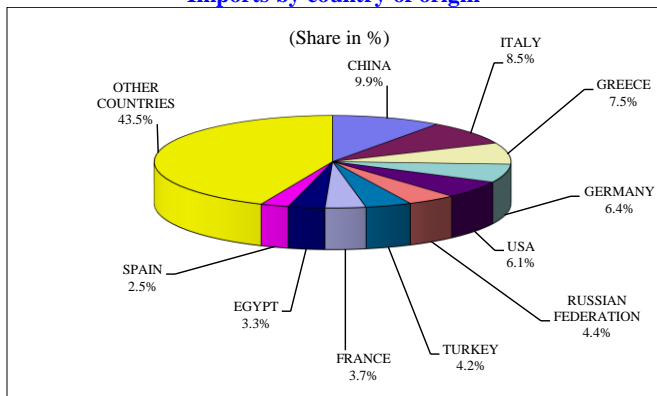
II- EXTERNAL SECTOR

In July 2017,

Imports of goods expanded to USD 1,620 million from USD 1,454 million in the previous month and USD 1,447 million in July 2016. Imports progressed in the first seven months of 2017 by 1.4 percent with reference to the first seven months of the previous year.

In the first seven months of 2017, mineral products lead imported goods with a 19.6 percent share of total imports. They were followed by products of the chemical and machinery and mechanical appliances which accounted for 11.1 percent and 10.3 percent respectively. China topped the list of imports by country of origin with a 9.9 percent share of total. Italy came next with a share of 8.5 percent followed by Greece (7.5 percent) and Germany (6.4 percent).

Imports by country of origin

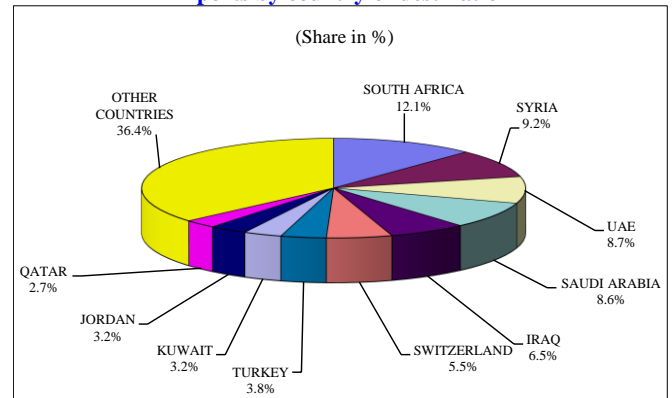


Source: Lebanese Customs

Exports of goods decreased to USD 217 million compared to USD 230 million one month back and USD 247 million in July 2016. Yet, exports improved in the first seven months of 2017 by 1.1 percent in respect of the same period of the preceding year.

In the first seven months of 2017, pearls, precious and semi - precious stones were on top of the list with a share of 21.8 percent of total exports, followed by prepared foodstuffs (16.5 percent), and base metals (11.2 percent). South Africa outperformed all others in terms of exports by country of destination with 12.1 percent share of the total, trailed by Syria (9.2 percent) followed by UAE (8.7 percent) and Saudi Arabia (8.6 percent).

Exports by country of destination



Source: Lebanese Customs

The trade deficit broadened to USD 1,403 million from USD 1,224 million a month earlier and USD 1,200 million in July 2016. It widened thus in the first seven months of 2017 by 1.5 percent vis-à-vis the corresponding time interval of 2016.

External Sector Indicators

USD million	Jul-16	Jun-17	Jul-17
Imports	1,447	1,454	1,620
Exports	247	230	217
Trade deficit	-1,200	-1,224	-1,403
Balance of payments	352	-758	100
Gross foreign currency reserves	32,704	33,887	33,043

Source: Lebanese Customs, BDL.

The overall balance of payments reported a surplus of USD 100 million following a deficit of USD 758 million in June 2017 (USD 352 million surplus in July 2016). Subsequently, a cumulative USD 1,015 million negative balance was recorded in the first seven months of 2017 and represented a decrease in net foreign assets of banks and financial institutions (USD -2,240 million) partly offset by an increase in net foreign assets of the central bank (USD +1,224 million).

Gross foreign currency reserves of the Central bank decreased to USD 33,043 million compared to USD 33,887 million at the end of the previous month (USD 32,704 million end July 2016). The U.S. dollar average rate remained stable at LBP 1,507.5 with the Central bank maintaining its foreign exchange intervention rates at LBP 1,501 per one USD for bid and LBP 1,514 per one USD for ask.



III-FINANCIAL SECTOR

1. Commercial Banks

Total consolidated assets of commercial banks operating in Lebanon amounted to LBP 314,282 billion (USD 208.5 billion) at the end of July 2017, thus increasing by 2.0 percent from end December 2016 (2.7 percent increase in the first seven months of 2016).

Total deposits at commercial banks, including resident and non-resident private sector deposits and public sector deposits grew by 3.5 percent in the first seven months of 2017 and constituted 82.7 percent of total assets with an equivalent value of LBP 259,806 billion (around USD 172.3 billion) at the end of the period.

Commercial Banks Balance Sheet -Main items

End of period-LBP billion	Jul-16	Jun-17	Jul-17
Total Assets	287,823	313,805	314,282
Total deposits	238,633	258,803	259,806
Resident private sector	185,031	200,440	201,451
Non-resident private sector	48,730	52,414	52,393
Public sector deposits	4,872	5,949	5,961
Capital accounts	26,272	28,446	28,305
Total claims on the private sector	84,521	88,070	88,360
Resident private sector	74,727	79,578	79,742
Non-resident private sector	9,794	8,492	8,618
Total claims on public sector	55,068	54,203	52,108
Bills & Bonds in LBP	25,597	29,508	26,594
Bonds in FC	29,324	24,497	25,306
Claims on non resident banks	14,295	18,378	15,986
Other foreign assets	9,401	8,527	8,515
Deposits at the central bank	115,492	135,124	139,729

Source: BDL.

The breakdown of total deposits shows that private sector deposits denominated in LBP increased by 0.4 percent from end December 2016, and those denominated in foreign currencies by 5.3 percent, thus deposit dollarization rate rose to 66.9 percent at end July 2017 (65.8 percent end December 2016). The itemization of total deposits reveals also a growth in resident private sector deposits (+4.0 percent) and in non-resident private sector deposits (+2.3 percent) while public sector deposits stood almost unchanged in the first seven months of 2017 (+0.1 percent).

Subsequently, resident private sector deposits accounted for 77.5 percent of total deposits at end July 2017 (20.2 percent for non-resident private sector and 2.3 percent for public sector deposits).

Total capital accounts amounted to LBP 28,305 billion (USD 18,776 million) at the end of July 2017 and represented around 9.0 percent of total assets. Capital accounts increased by 2.9 percent from end December 2016 (4.5 percent increase in the first seven months of 2016).

Total claims on the resident and non-resident private sector increased by 2.5 percent in the first seven months of the year 2017, reaching LBP 88,360 billion at the end of July 2017. The dollarization rate of these loans was 70.8 percent at the end of the stated month, and the ratio of total loans to total deposits attained 34.8 percent.

Total claims on the public sector were equivalent to LBP 52,108 billion at the end of July 2017, thus decreasing by 0.5 percent from end December 2016. Commercial banks held at the end of the stated month LBP 26,594 billion of Lebanese treasury bills (37.5 percent of the total portfolio in circulation) and USD 16,787 million of Eurobonds (nearly 61.2 percent of the total outstanding portfolio).

Deposits at the Central Bank increased in the first seven months of 2017 by 3.8 percent to total LBP 139,729 billion at the end of July 2017, meanwhile claims on non-resident banks decreased by 5.7 percent to LBP 15,986 billion (USD 10.6 billion) to represent 9.4 percent of private sector deposits in foreign currencies.

2. Investment Banks

Total consolidated assets of investment banks operating in Lebanon (including medium and long term credit banks) amounted to LBP 7,329 billion (around USD 4.9 billion) at the end of July 2017, thus increasing by 3.3 percent from end December 2016 (1.0 percent decrease in the first seven months of 2016).

In the first seven months of 2017, capital accounts rose by 14.3 percent while private sector deposits (resident & non-resident) decreased by 1.1 percent. Claims on public sector increased by 29.4 percent, and those on the private sector by 5.0 percent while cash and banks retreated by 7.8 percent.



3. Financial Markets

The total number of shares traded on the Beirut Stock Exchange jumped to 5,916 thousand shares with a traded value of USD 59.2 million in July 2017 compared to 4,057 thousand shares with a traded value of USD 45.4 million in the previous month (2,887 thousand shares with a value of USD 18.4 million in July 2016).

During July 2017, the traded value by economic sectors was as such: 50.7 percent for Development and Reconstruction, 48.8 percent for Banking and 0.5 percent for Industrial.

Capital Markets

	Jul-16	Jun-17	Jul-17
BSE			
Traded shares (ooo)	2,887	4,057	5,916
Traded value (USD million)	18.4	45.4	59.2
Market capitalization (USD million)	11,084	11,568	11,387
Outstanding treasury bills (LBP billion)	65,765	69,398	69,937
Outstanding sovereign Eurobonds (USD million)	26,427	27,069	27,009
Outstanding private sector (banks) securities (USD million)	850	850	350

Source: BDL, BSE

The market capitalization of listed shares decreased to USD 11,387 million at the end of July 2017, compared to USD 11,568 million at the end of the previous month (USD 11,084 million at the end of July 2016). Banking had a 85.9 percent weight, whereas Development and Construction 11.3 percent.

The face value of the outstanding treasury bills portfolio denominated in the domestic currency and the value of the outstanding sovereign bonds portfolio denominated in foreign currencies (Eurobonds) amounted to LBP 69,937 billion and USD 27,009 million respectively at the end of July 2017.

The outstanding value of bank-issued certificates of deposits, Euro-CDs, and subordinated debt stood almost unchanged at USD 850 million at the end of July 2017. The outstanding value of the certificates of deposits issued by BDL in the domestic currency increased to LBP 34,274 billion and the value of those issued in foreign currencies to USD 23.0 billion.

IV- MONETARY DEVELOPMENTS

The stock of money and quasi money (M3) attained LBP 208,050 billion at the end of July 2017, of which 60.1 percent denominated in foreign currencies, thus increasing by 3.9 percent from end December 2016 (2.4 percent increase in the first seven months of 2016).

Money Supply & Counterparts

	LBP billion	Jul-16	Jun-17	Jul-17
M3		190,891	207,291	208,050
Net foreign assets		48,136	50,051	50,395
Net claims on public sector		77,570	76,719	76,524
Valuation Adjustment		-10,199	-9,239	-9,154
Claims on private sector		78,021	83,486	83,676
Other items-net		-2,637	6,273	6,609
CAS CPI (Dec 2013=100)		96.42	99.61	99.43

Source: BDL, CRI.

The LBP 7,858 billion increase in M3 in the first seven months of 2017 resulted from an increase in each of net other items (+LBP 5,388 billion), claims on the private sector (+LBP 3,488 billion) and net foreign assets (+LBP 683 billion) against a drop in valuation adjustment (-LBP 1,446 billion) and net claims on public sector (-LBP 253 billion).

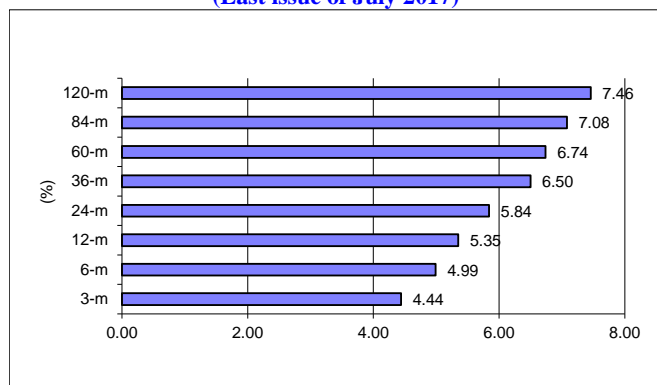
The Consumer Price Index (CPI) for Beirut and Suburbs, published by the Consultation and Research Institute, decreased by 1.78 percent in the month of July 2017 compared to the previous month and by 0.31 percent from December 2016.

The Consumer Price Index (CPI) for Lebanon, published by the Central Administration of Statistics, decreased by 0.19 percent in July 2017 but increased by 0.5 percent from December 2016.

The interest rates on LBP monetary instruments were stable at the end of July 2017 on 45 and 60- day certificates of deposits issued by BDL reading 3.57 percent and 3.85 percent respectively. The yields on the issued Lebanese Treasury bills in LBP also remained steady and read at the end of the stated month: 4.44 percent for three-month bills, 4.99 percent for six-month bills, 5.35 percent for one-year bills, 5.84 percent for two-year bills, 6.50 percent for three-year bills, 6.74 percent for five-year bills, 7.08 percent for seven-year bills and 7.46 percent for ten-year bills.



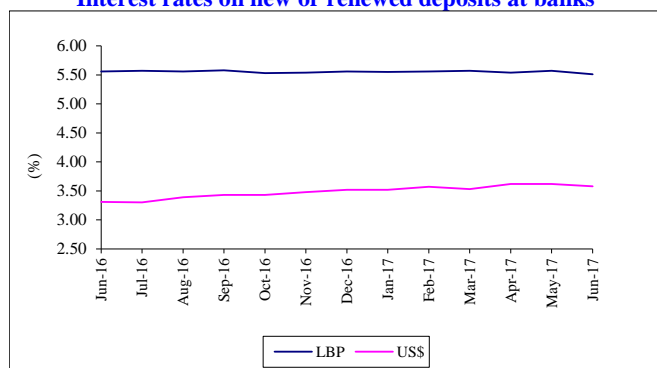
**Yield on Lebanese treasury bills denominated in LBP
(Last issue of July 2017)**



Source: BDL

In July 2017, the average interest rate on new or renewed LBP and USD deposits at commercial banks increased to 5.56 percent (5.51 percent a month ago) and 3.64 percent (3.58 percent in June 2017) respectively. The average 3-month USD LIBOR was 1.31 percent.

Interest rates on new or renewed deposits at banks



In July 2017, the average interest rate on new or renewed loans at commercial banks denominated in LBP and USD decreased to 8.33 percent (8.39 percent a month ago) and 7.25 percent (7.27 percent in June 2017) respectively.

V- PUBLIC FINANCES

Government revenues, including budget revenues and treasury receipts attained LBP 953 billion in February 2017 to sum LBP 2,782 billion in the first two months of 2017 (LBP 2,633 billion in the first two months of

2016). The LBP 2,782 billion revenues comprised LBP 2,612 billion budget revenues and LBP 170 billion treasury receipts.

Government expenditures, consisting of budget and treasury spending, amounted to LBP 1,744 billion in February 2017 to total LBP 3,025 billion in the first two months of 2017 (LBP 3,730 billion in the first two months of 2016). The LBP 3,025 billion expenditures included LBP 742 billion debt service and LBP 2,283 billion other general expenditures o/w LBP 309 billion to EDL and LBP 726 billion related to budget expenditures for previous years.

Fiscal Situation

LBP billion	Feb-16	Jan-17	Feb-17
Government revenues	958	1,828	953
Tax revenues	585	1,276	630
Non-tax revenues	328	417	288
Treasury receipts	45	135	35
Government expenditures	1,732	1,281	1,744
Debt service	357	343	399
Others	1,375	938	1,345
Overall balance	-774	547	-791
Primary balance	-417	890	-392

Source: Ministry of Finance.

Total Deficit decreased as such to LBP 244 billion in the first two months of 2017 from LBP 1,097 billion in the first two months of 2016, and the primary balance reported an LBP 499 billion surplus compared to a LBP 369 billion deficit respectively.

Gross public debt amounted to LBP 115,892 billion (the equivalent of USD 76.9 billion) at the end of July 2017, thus increasing by 2.6 percent when compared to end December 2016 (4.3 percent growth in the first seven months of 2016).

Net public debt, which subtracts public sector deposits at commercial banks and the central bank from gross public debt, amounted to LBP 100,351 billion at the end of July 2017, increasing by 1.7 percent from end of December 2016 (3.2 percent growth in the first seven months of 2016).



Public Debt

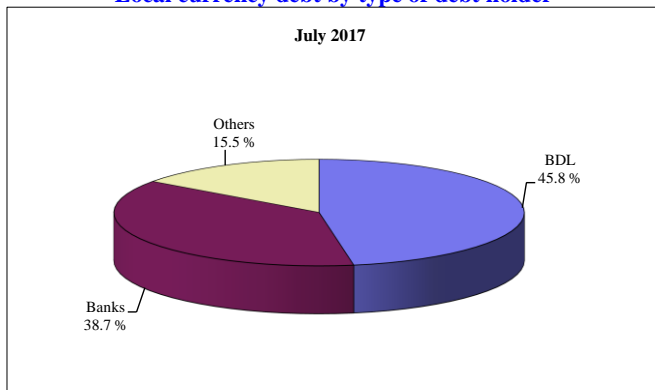
LBP billion	Jul-16	Jun-17	Jul-17
Public Debt (Gross)	110,631	115,243	115,892
Debt in LBP	66,894	70,555	71,104
Debt in FC	43,737	44,688	44,788
Public Debt (Net)	95,802	100,491	100,351
Public sector deposits	14,829	14,752	15,541
Commercial Banks	4,872	5,949	5,961
BDL	9,957	8,803	9,580

Source: BDL.

The shares of the local currency debt and foreign currency debt of the total gross were around 61.4 percent and 38.6 percent respectively at the end of July 2017. The distribution of local currency debt by type of holder was as follows: 38.7 percent for banks (42.9 percent end of June 2017), 45.8 percent for the Central bank (41.6 percent in the previous month) and 15.5 percent for the non-banking sector (15.5 percent one month earlier). The breakdown of the foreign currency debt was as such: Eurobonds (92.3 percent), Multilateral (4.3 percent), Bilateral (3.1 percent), Paris II loans (0.1 percent) and others (0.2 percent).

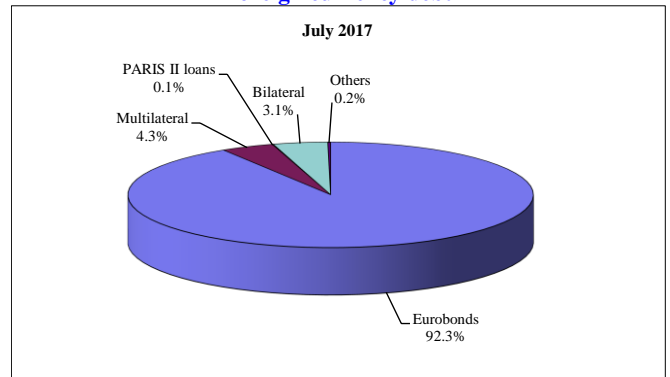
The average maturity of the Government debt securities denominated in the domestic currency was estimated at 1,336 days (3.67 years) as at end July 2017 with a weighted interest of 6.91 percent, while the average maturity of the Government debt instruments denominated in foreign currencies was around 6.90 years with a weighted interest of 6.40 percent.

Local currency debt by type of debt holder



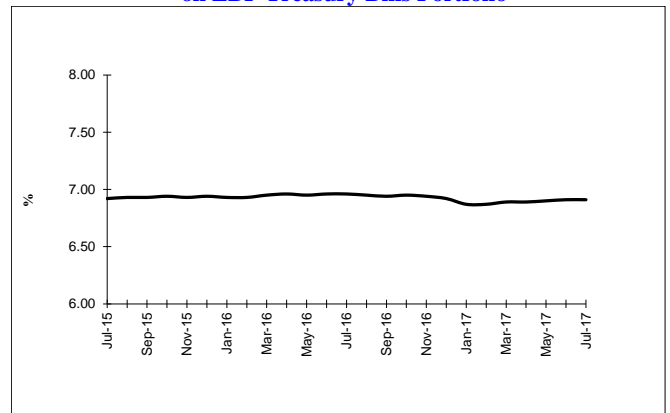
Source: BDL.

Foreign currency debt

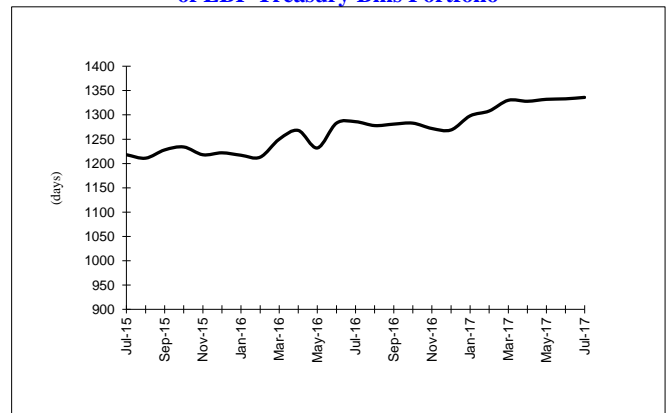


Source: BDL.

Weighted Average Interest Rate on LBP Treasury Bills Portfolio



Weighted Average Life of LBP Treasury Bills Portfolio



GENERAL INDICATORS OF ECONOMIC ACTIVITIES

	2016	Jan - Jul 2016	Jan - Jul 2017	Jul-16	Jun-17	Jul-17
Imports of Industrial Equipment (000's US\$)	235,513	147,842	n.a.	16,802	22,213	n.a.
Building Permits (000's m2)	12,234	7,103	7,385	682	934	972
Cement Delivery (000s' tons)	5,247	2,879	2,856	398	383	466
Checks Cleared in LBP (billion LBP)	29,986	16,899	18,585	2,246	2,534	2,781
Checks Cleared in FC (million US\$)	48,160	27,837	27,507	3,748	3,882	4,310
Shipped Goods (tons)-Beirut Port	1,035,992	546,249	n.a.	68,863	n.a.	n.a.
Unloaded Goods (tons)-Beirut Port	7,700,609	4,623,558	n.a.	669,168	n.a.	n.a.
Passengers Arrivals (000's)-BIA	3,780	2,157	2,314	496	394	522
Passengers Departures (000's)-BIA	3,822	2,001	2,154	396	259	452
Total exports of goods (million USD)	2,977	1,634	1,652	247	230	217
Total imports of goods (million USD)	18,705	10,841	10,998	1,447	1,454	1,620
Balance of Trade (million USD)	-15,728	-9,207	-9,346	-1,200	-1,224	-1,403
Changes of Net Foreign Assets in the banking system (million USD)	1,238	-1,422	-1,015	352	-758	100
Gross Foreign Currency Reserves (End of period-million USD)	34,028	-	-	32,704	33,887	33,043
Consumer Price Index (End of period)	98.93	-	-	96.42	99.61	99.43

Sources: BDL, Lebanese Customs, Consultation & Research Institute, Order of engineers, Beirut International Airport, Port of Beirut, Ministry of Industry.



TOTAL IMPORTS & EXPORTS BY PRODUCT
(Million US Dollars)

Goods	Imports			Exports		
	2016	Jan - Jul 2016	Jan - Jul 2017	2016	Jan - Jul 2016	Jan - Jul 2017
1- Live animals, animal products	837	449	486	14	9	9
2- Vegetable products	869	515	587	189	91	90
3- Fats & edible fats & oils	158	98	101	39	23	20
4- Prepared foodstuffs	1,408	798	819	446	262	272
5- Mineral products	3,745	2,310	2,160	19	11	37
6- Products of the chemical	2,030	1,199	1,226	304	176	184
7- Plastics & articles thereof	730	431	431	133	75	79
8- Raw hides & skins, leather, furskins	74	42	39	12	8	7
9- Wood & articles of wood	229	129	128	13	8	6
10- Paper & paperboard & articles thereof	317	193	167	133	72	87
11- Textiles & textile articles	791	438	427	85	48	41
12- Footwear, headgear, prepared feathers	153	88	85	12	7	7
13- Articles of stone, plaster, cement	467	269	283	22	13	12
14- Pearls, precious or semi-precious stones	1,255	623	606	828	409	361
15- Base metals & articles of base metal	1,174	697	741	253	142	186
16- Machinery & mechanical appliances	1,879	1,087	1,136	334	198	185
17- Transport equipment	1,773	999	1,085	18	9	9
18- Optical instruments & apparatus	331	193	203	19	12	9
19- Arms & ammunition	16	9	8	1	0	1
20- Miscellaneous manufactured articles	450	262	271	93	57	47
21- Works of art	19	10	10	8	3	4
Total	18,705	10,841	10,998	2,977	1,634	1,652

Source: Lebanese Customs.

IMPORTS BY ORIGIN
(Million US Dollars)

	Jan - Jul 2016	Share %	Jan - Jul 2017	Share %
CHINA	1,224	11.3	1,093	9.9
ITALY	829	7.6	933	8.5
GREECE	544	5.0	822	7.5
GERMANY	657	6.1	706	6.4
USA	748	6.9	670	6.1
RUSSIAN FEDERATION	407	3.8	488	4.4
TURKEY	374	3.4	458	4.2
FRANCE	411	3.8	404	3.7
EGYPT	344	3.2	365	3.3
SPAIN	248	2.3	279	2.5
OTHER COUNTRIES	5,055	46.6	4,780	43.5
TOTAL IMPORTS	10,841	100.0	10,998	100.0

Source: Lebanese Customs.

EXPORTS BY DESTINATION
(Million US Dollars)

	Jan - Jul 2016	Share %	Jan - Jul 2017	Share %
SOUTH AFRICA	307	18.8	200	12.1
SYRIA	100	6.1	152	9.2
UAE	141	8.6	143	8.7
SAUDI ARABIA	165	10.1	142	8.6
IRAQ	95	5.8	108	6.5
SWITZERLAND	41	2.5	91	5.5
TURKEY	33	2.0	63	3.8
KUWAIT	39	2.4	53	3.2
JORDAN	57	3.5	53	3.2
QATAR	44	2.7	45	2.7
OTHER COUNTRIES	612	37.5	602	36.4
TOTAL EXPORTS	1,634	100.0	1,652	100.0

Source: Lebanese Customs.



THE CONSOLIDATED BALANCE SHEET OF COMMERCIAL BANKS OPERATING IN LEBANON
(End of Period - Billion LBP)

	2016			2017	
	Jul	Dec	May	Jun	Jul
ASSETS					
Reserves	116,271	135,305	129,632	135,906	140,514
-Cash	779	693	804	782	784
-Deposits at the Central Bank	115,492	134,612	128,828	135,124	139,729
Claims on the Private Sector	74,727	76,943	78,478	79,578	79,742
-Claims denominated in Lebanese Pound	21,803	23,607	25,142	25,474	25,760
-Claims denominated in Foreign Currencies	52,924	53,335	53,336	54,103	53,982
Claims on the Public Sector	55,068	52,344	56,432	54,203	52,108
o/w -Treasury Bills in Lebanese Pound	25,597	28,936	31,582	29,508	26,594
-Treasury Bills in Foreign Currencies	29,324	23,191	24,654	24,497	25,306
Foreign Assets	33,491	34,824	38,535	35,397	33,118
-Claims on Non-Resident Private Sector	9,794	9,256	8,767	8,492	8,618
-Claims on Non-Resident Banks	14,295	16,945	21,139	18,378	15,986
-Other Foreign Assets	9,401	8,623	8,629	8,527	8,515
Fixed Assets	7,429	7,857	7,831	7,945	7,971
Unclassified Assets	838	726	975	776	829
TOTAL ASSETS	287,823	307,999	311,883	313,805	314,282
LIABILITIES					
Liabilities to the Private Sector	185,031	193,765	198,694	200,440	201,451
-Demand Deposits in Lebanese Pound	4,987	5,437	5,587	5,457	5,467
-Other Deposits in Lebanese Pound	70,398	71,467	71,526	71,863	71,964
-Deposits in Foreign Currencies	109,646	116,861	121,580	123,120	124,020
Liabilities to the Public Sector	4,872	5,956	6,430	5,949	5,961
Deposits of Non-Residents	48,730	51,196	51,765	52,414	52,393
-Denominated in Lebanese Pound	6,731	6,827	6,589	6,865	6,625
-Denominated in Foreign Currencies	41,999	44,369	45,175	45,550	45,768
Liabilities to Non-Resident Banks	9,207	9,467	9,804	9,909	10,059
Bonds	420	408	454	434	408
Capital Base	26,272	27,497	28,159	28,446	28,305
-Core Capital	24,448	25,660	26,332	26,611	26,483
-Supplementary Capital	1,824	1,838	1,826	1,835	1,822
Unclassified Liabilities	13,292	19,708	16,578	16,213	15,704
TOTAL LIABILITIES	287,823	307,999	311,883	313,805	314,282

Source: BDL.



MONEY SUPPLY AND COUNTERPARTS
(End of Period - Billion LBP)

	2016		2017		
	Jul	Dec	May	Jun	Jul
<u>Money Supply</u>					
Currency in circulation	4,165	4,592	4,376	4,652	4,544
+ Demand Deposits in LBP	5,070	5,567	5,655	5,585	5,563
= M1	9,236	10,159	10,031	10,237	10,108
+ Other Deposits in LBP	71,136	72,269	72,478	72,862	72,830
= M2	80,371	82,428	82,509	83,100	82,938
+ Deposits in Foreign Currencies	110,257	117,499	122,393	123,924	124,839
+ Bonds	263	266	284	268	273
= M3	190,891	200,192	205,187	207,291	208,050
+ Treasury Bills Held by the Public	11,040	10,797	10,732	10,925	11,027
= M4	201,931	210,989	215,919	218,216	219,077
<u>Counterparts of the Money Supply</u>					
Net Foreign Assets	48,136	49,712	51,268	50,051	50,395
o/w Gold	18,508	16,138	17,581	17,301	17,508
Net Claims on the Public Sector	77,570	76,778	76,601	76,719	76,524
Valuation Adjustment	-10,199	-7,707	-9,442	-9,239	-9,154
Claims on the Private Sector	78,021	80,188	81,789	83,486	83,676
Claims in LBP	22,994	24,918	26,511	26,918	27,224
Claims in FC	55,027	55,270	55,278	56,569	56,451
Other Items (Net)	-2,637	1,222	4,970	6,273	6,609
TOTAL	190,891	200,192	205,187	207,291	208,050

Source: BDL.



OUTSTANDING PUBLIC DEBT BY TYPE OF HOLDER
(End of Period - Billion LBP)
(Actual Value*)

Year And Month	Total Debt	Local Currency Debt				Foreign Currency Debt					
		Central				Total	IDI**	FG+	Paris II		Total
		Bank	Banks	Others ⁽¹⁾	loans				Others ⁽²⁾		
2015	Dec	106,031	24,308	29,878	11,009	65,195	1,515	1,585	83	37,653	40,836
2016	Jul	110,631	30,023	25,831	11,040	66,894	1,590	1,508	67	40,572	43,737
	Aug	111,632	30,442	26,154	11,175	67,771	1,595	1,519	50	40,697	43,861
	Sep	112,663	30,183	27,724	10,885	68,792	1,596	1,519	51	40,705	43,871
	Oct	112,338	30,215	27,540	10,831	68,586	1,590	1,472	50	40,640	43,752
	Nov	112,379	30,436	28,591	10,863	69,890	1,577	1,386	48	39,478	42,489
	Dec	112,910	30,150	29,581	10,797	70,528	1,577	1,395	48	39,362	42,382
2017	Jan	114,846	30,038	31,704	10,590	72,332	1,571	1,412	49	39,482	42,514
	Feb	114,799	28,915	32,202	10,919	72,036	1,750	1,408	32	39,573	42,763
	Mar	116,356	27,942	32,393	10,964	71,299	1,774	1,412	32	41,839	45,057
	Apr	115,978	27,984	32,183	10,756	70,923	1,820	1,397	33	41,805	45,055
	May	115,634	27,767	32,420	10,732	70,919	1,863	1,353	33	41,466	44,715
	Jun	115,243	29,366	30,264	10,925	70,555	1,919	1,360	34	41,375	44,688
	Jul	115,892	32,582	27,495	11,027	71,104	1,919	1,374	35	41,460	44,788

Source :BDL.

* The figures are equal to the principal paid plus the interests due.

** IDI : International Development Institutions.

+ FG : Foreign Governments.

(1) Include: public TB's, public entities TB's and financial institutions TB's.

(2) Include: Eurobonds holders (banks, non banks, residents and non residents), foreign private sector loans and special TB's in FC (expropriation bonds).

TREASURY BILLS PORTFOLIO IN LBP
(Face value, Billion LBP)

Year And Month	In Circulation End of period	Issue	Reimbursement	Weighted	Weighted	
				Average	Average	
				Life	Interest	
				(days)	(%)	
2015	Dec	64,112	905	958	1,222	6.94
2016	Jul	65,765	1,748	1,263	1,286	6.96
	Aug	66,535	1,652	885	1,278	6.95
	Sep	67,627	2,630	1,538	1,281	6.94
	Oct	67,346	1,092	1,373	1,283	6.95
	Nov	68,498	1,732	580	1,272	6.94
	Dec	69,347	1,900	1,051	1,269	6.92
2017	Jan	71,034	3,109	1,422	1,298	6.87
	Feb	70,716	1,670	1,988	1,308	6.87
	Mar	70,067	1,964	2,613	1,330	6.89
	Apr	69,605	916	1,378	1,328	6.89
	May	69,498	1,318	1,425	1,332	6.90
	Jun	69,398	1,426	1,526	1,333	6.91
	Jul	69,937	1,894	1,355	1,336	6.91

Source:BDL.



AVERAGE INTEREST RATES

Year And Month	Average Lending **		Average Deposit		Inter Bank Rate *	3m Libor \$	Interest rates on TBs (last issue)									
	Rate on Funds in		Rate on Funds in				3-m	6-m	12-m	24-m	36-m	60-m	84-m	96-m	120-m	144-m
	LBP	US\$	LBP	US\$												
2015	Dec	7.45	7.06	5.56	3.17	3.03	0.54	4.39	4.87	5.08	5.76	6.40	6.63			7.33
2016	Jul	8.32	7.25	5.57	3.30	3.04	0.70	4.39	4.87	5.08	5.76	6.40	6.63	6.96		7.33
	Aug	8.29	7.28	5.56	3.39	3.02	0.81	4.39	4.87	5.08	5.76	6.40	6.63	6.96		7.33
	Sep	8.44	7.20	5.58	3.43	3.00	0.85	4.39	4.87	5.08	5.76	6.40	6.63	6.96		7.33
	Oct	8.35	7.06	5.53	3.43	3.03	0.88	4.39	4.87	5.08	5.76	6.40	6.63	6.96		7.33
	Nov	8.26	7.16	5.54	3.48	3.00	0.91	4.39	4.87	5.08	5.76	6.40	6.63	6.96		7.33
	Dec	8.23	7.35	5.56	3.52	3.00	0.98	4.39	4.87	5.08	5.76	6.40	4.94	6.96		7.33
2017	Jan	8.47	7.26	5.55	3.52	3.03	1.03	4.39	4.87	5.08	5.76	6.40	4.94	6.96		7.33
	Feb	8.37	7.14	5.56	3.57	3.00	1.05	4.39	4.87	5.08	5.76	6.40	6.63	6.96		7.33
	Mar	8.43	7.32	5.57	3.53	3.00	1.14	4.39	4.87	5.08	5.76	6.40	6.63	6.96		7.33
	Apr	8.33	7.22	5.54	3.62	3.13	1.16	4.39	4.87	5.08	5.76	6.40	6.63	6.96		7.33
	May	8.48	7.36	5.57	3.62	3.00	1.19	4.39	4.87	5.08	5.76	6.40	6.63	6.96		7.33
	Jun	8.39	7.27	5.51	3.58	4.26	1.26	4.39	4.87	5.08	5.76	6.40	6.63	6.96		7.33
	Jul	8.33	7.25	5.56	3.64	3.94	1.31	4.39	4.87	5.08	5.76	6.40	6.63	6.96		7.33

Sources: BDL, Société Financière du Liban s.a.l.

* On Funds in LBP, weighted by daily volume.

** Starting January 2016, lending rates are calculated according to intermediary circular No 389.

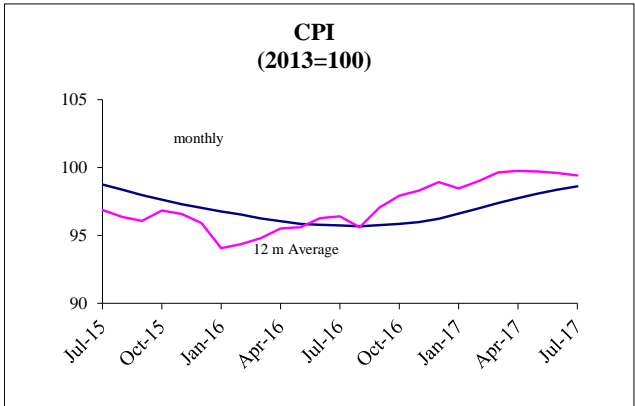
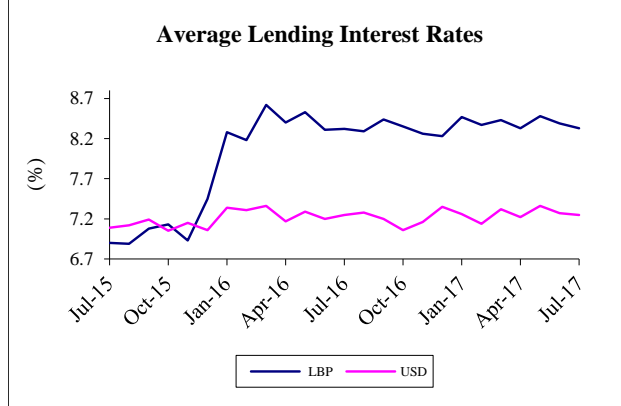
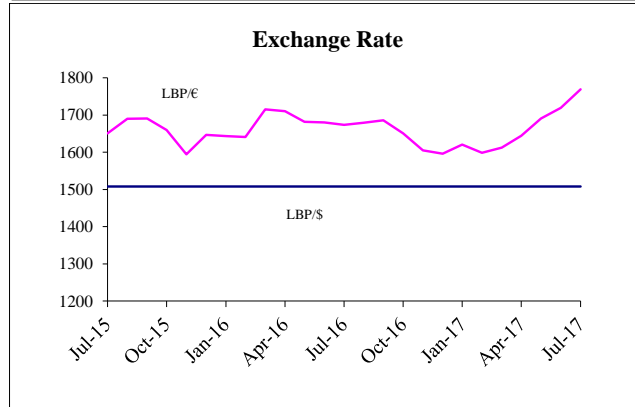
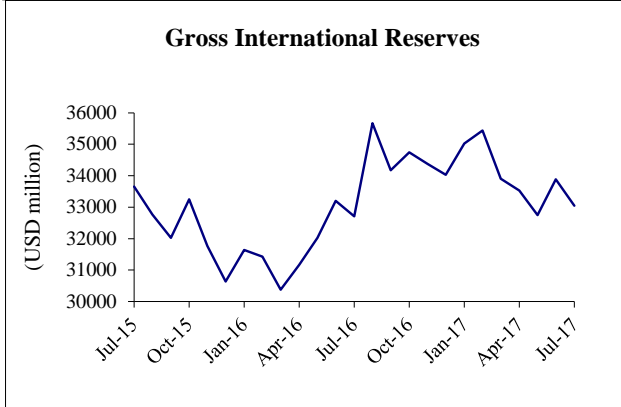
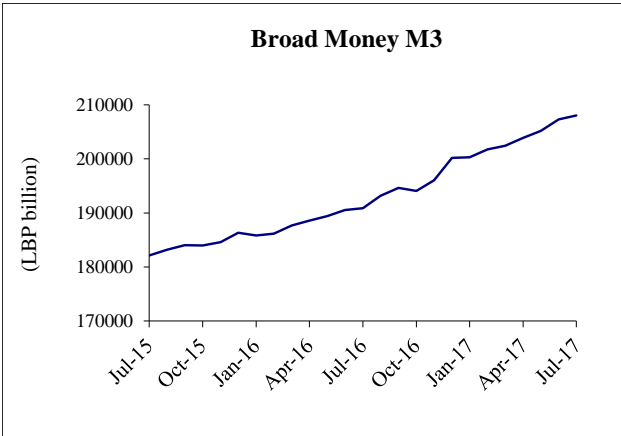
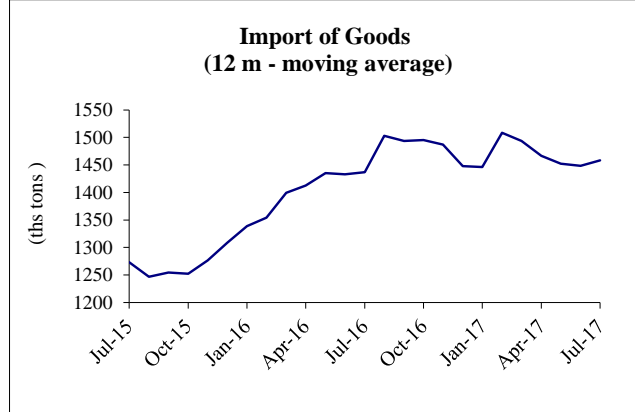
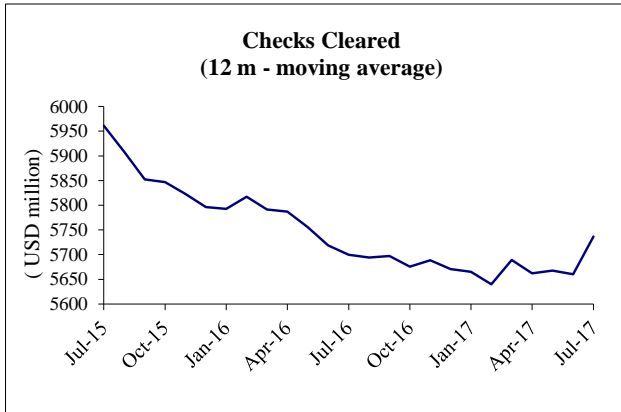
END OF PERIOD EXCHANGE RATES
(LBP per other currencies)

Year and Month	US Dollar	Swiss Franc	British Pound	Japanese Yen	Euro	
2015	Dec	1,507.50	1,520.88	2,232.46	12.51	1,646.64
2016	Jul	1,507.50	1,542.20	1,983.87	14.53	1,673.48
	Aug	1,507.50	1,531.70	1,980.55	14.60	1,679.66
	Sep	1,507.50	1,556.37	1,954.93	14.92	1,685.84
	Oct	1,507.50	1,524.58	1,834.63	14.35	1,650.86
	Nov	1,507.50	1,485.81	1,877.74	13.31	1,605.19
	Dec	1,507.50	1,485.81	1,856.03	12.90	1,596.29
2017	Jan	1,507.50	1,518.43	1,878.80	13.28	1,620.41
	Feb	1,507.50	1,500.75	1,875.33	13.43	1,598.55
	Mar	1,507.50	1,507.20	1,878.50	13.48	1,612.12
	Apr	1,507.50	1,518.13	1,949.80	13.55	1,643.78
	May	1,507.50	1,552.36	1,935.33	13.60	1,690.51
	Jun	1,507.50	1,572.77	1,957.19	13.47	1,719.00
	Jul	1,507.50	1,553.16	1,978.44	13.63	1,768.75

Source: BDL.



Indicative Charts



Research and Statistics Department
Association of Banks in Lebanon
P.O. Box 976
Beirut-Lebanon
Tel: (961) 970 500
Fax: (961) 970 501
E-mail: abl@abl.org.lb

The "Economic Letter" is designed as an internal publication of the Association of Banks in Lebanon, to make its in-house research and statistical information available to the observer of the Lebanese economy in general and the Lebanese banking sector in particular. Despite its value-adding analysis, this publication does not represent the Association's nor any of its member banks' official views on the economic policies, the financial market or the banking issues in Lebanon. This document is strictly for information purposes.

The "Economic Letter", published monthly by ABL, provides the reader with an overview of the most recent developments in the economic activities in Lebanon. The information contained in this document has been compiled in good faith from sources believed to be reliable but no warranty, expressed or implied, is made by ABL.

Reproduction, of the whole or a part of this document, is authorized subject to indication of "Economic Letter", Association of Banks in Lebanon.

