



Summary:

In July 2019, the majority of real sector indicators improved with respect to the preceding month. Both imports and exports of goods increased and the trade deficit widened. Still the overall balance of payments had a small surplus and the foreign currency reserves expanded to comfortable level. Total assets of banks expanded favorably and lending rates stepped up.

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I- REAL SECTOR**1-Construction and Real Estate**

Construction and real estate indicators improved in July 2019 when compared to the preceding month but retreated in relation to July 2018.

| | Aug-19 | Jul-19 | Aug-18 | Change % Aug 2019/Aug 2018 |
|--|---------|---------|---------|----------------------------------|
| Construction permits | | | | |
| Area (s.m) | 483,545 | 626,680 | 676,665 | -28.5 |
| Number (permits) | 961 | 1,160 | 1,007 | -4.6 |
| Cement deliveries (000 tons) | 315 | 368 | 418 | -24.6 |
| Collected real estate fees (LBP billion) | 45.7 | 34.3 | 50.2 | -9.0 |
| Real estate sales operations (number) | 5,747 | 3,427 | 4,903 | 17.2 |
| Value of Real estate sales (LBP billion) | 1,376 | 449 | 889 | 54.8 |
| Real estate transactions (number) | 13,390 | 12,406 | 12,183 | 9.9 |

Sources: BDL, Orders of Engineers of Beirut & Tripoli, General Directorate of Land Registry & Cadastre.

2-Tourism

Indicators of tourism activity advanced in July 2019 in respect of the past month and July 2018.

| | Aug-19 | Jul-19 | Aug-18 | Change % Aug 2019/Aug 2018 |
|---------------------------------------|---------|---------|---------|----------------------------------|
| Number of arriving passengers at BIA | 527,308 | 574,936 | 525,155 | 0.4 |
| Number of departing passengers at BIA | 653,442 | 480,202 | 634,223 | 3.0 |
| Number of arriving tourists | 235,447 | 282,232 | 223,353 | 5.4 |
| Inbound Aircrafts at BIA (flights) | 4,361 | 4,014 | 4,295 | 1.5 |
| Outbound Aircrafts at BIA (flights) | 4,370 | 3,996 | 4,304 | 1.5 |

Sources: Beirut International Airport, Ministry of Tourism.

3-Trade and Services

Trade and services indicators progressed on average in July 2019 vis-à-vis the previous month but regressed in comparison with July 2018.

| | Aug-19 | Jul-19 | Aug-18 | Change % Aug 2019/Aug 2018 |
|--|---------|---------|---------|----------------------------------|
| Checks Cleared | | | | |
| Value (USD million) | 4,839 | 5,070 | 5,439 | -11.0 |
| Number (000 checks) | 873 | 966 | 982 | -11.1 |
| Checks Returned | | | | |
| Value (USD million) | 109 | 117 | 131 | -16.8 |
| Number (checks) | 20,759 | 21,991 | 24,073 | -13.8 |
| Ships at the port of Beirut (number) | 157 | 155 | 155 | 1.3 |
| Weight of unloaded goods at POB (tons) | 511,857 | 527,384 | 624,495 | -18.0 |
| Weight of shipped goods at POB (tons) | 64,348 | 80,983 | 74,372 | -13.5 |
| Discharged containers at POB (number) | 20,675 | 22,172 | 23,762 | -13.0 |
| Revenues of POB (USD million) | 17.2 | 17.2 | 19.0 | -9.5 |
| Merchandise at BIA | | | | |
| Imports (tons) | 3,919 | 4,552 | 4,538 | -13.6 |
| Exports (tons) | 3,646 | 3,722 | 3,805 | -4.2 |

Sources: BDL, Port of Beirut, Beirut International Airport.

4-Industry and Agriculture

Agriculture imports increased in July 2019 with regard to the alike month of 2018 and the past month. Agriculture exports rose in July 2019 in comparison with the preceding month but diminished with reference to July 2018.

| | Aug-19 | Jul-19 | Aug-18 | Change % Aug 2019/Aug 2018 |
|-----------------------------------|---------|---------|---------|----------------------------------|
| Electricity production (MKWH) | 1,457 | 1,378 | 1,494 | -2.5 |
| Imports of gas oil | | | | |
| Value (million USD) | 238.8 | 374.3 | 135.6 | 76.1 |
| Volume (tons) | 399,437 | 614,156 | 201,006 | 98.7 |
| Agriculture imports (USD million) | 120.5 | 151.8 | 140.9 | -14.5 |
| Agriculture exports (USD million) | 17.9 | 16.2 | 18.3 | -2.2 |

Source: BDL, Lebanese Customs.

II- EXTERNAL SECTOR

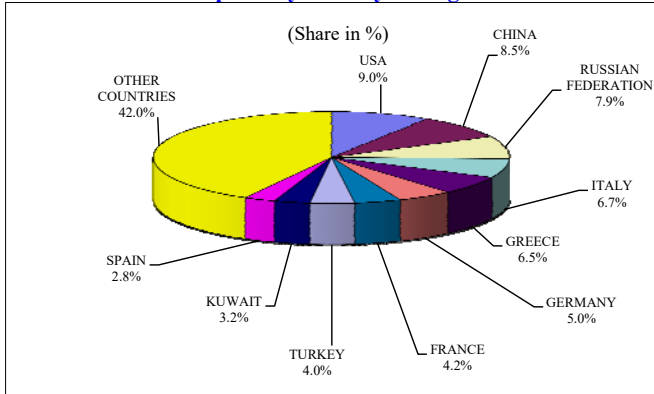
In August 2019,

Imports of goods decreased to USD 1,504 million from USD 2,196 million in July 2019 and USD 1,820 million in August 2018. Imports progressed, however, in the first eight months of 2019 by 0.9 percent with reference to the same period of the previous year.



In the first eight months of 2019, mineral products lead imported goods with a 34.2 percent share of total imports, they were followed by products of the Chemical and machinery & electrical instruments which accounted for 10.1 percent and 8.8 percent respectively. USA topped the list of imports by country of origin with an 9.0 percent share of total. China came next with a share of 8.5 percent followed by Russia (7.9 percent) and Italy (6.7 percent).

Imports by country of origin



Source: Lebanese Customs

| LBP billion | Change % | | | |
|--|----------|--------|--------|-------------------|
| | Aug-19 | Jul-19 | Aug-18 | Aug 2019/Aug 2018 |
| Documentary L/Cs for import (opened credits) | 780.3 | 979.8 | 862.7 | -9.6 |
| Documentary L/Cs for import (utilized credits) | 794.1 | 879.7 | 768.1 | 3.4 |
| Bills for collection for import: Inward bills | 96.9 | 105.4 | 109.4 | -11.4 |
| Documentary L/Cs for export (opened credits) | 335.8 | 513.5 | 340.1 | -1.3 |
| Documentary L/Cs for export (utilized credits) | 445.9 | 442.8 | 362.1 | 23.1 |
| Bills for collection for export: Outward bills | 103.2 | 134.2 | 145.9 | -29.3 |

Source: BDL

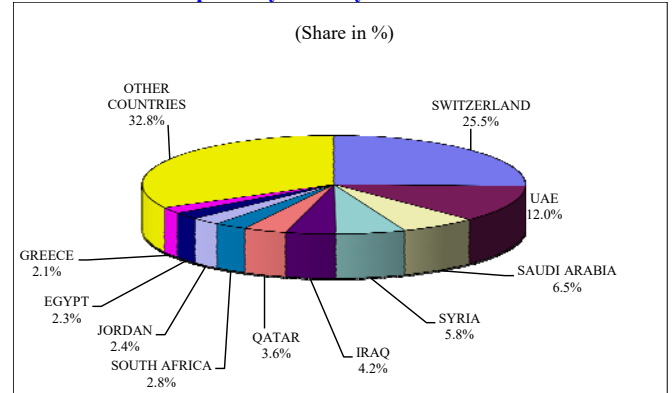
In August 2019,

Exports of goods increased to USD 375 million compared to USD 365 million one month back and USD 229 million in August 2018. Exports rose in the first eight months of 2019 by 24.1 percent in respect of the first eight months of the preceding year.

On a cumulative basis, pearls, precious and semi - precious stones were on top of the list with a share of 37.4 percent of total exports, followed by products of the chemical (10.4 percent) and prepared foodstuffs (10.1 percent). Switzerland outperformed all others in terms of exports by country of destination with 25.5

percent share of the total, trailed by UAE with a share of 12.0 percent, followed by Saudi Arabia (6.5 percent) and Syria (5.8 percent).

Exports by country of destination



Source: Lebanese Customs

The trade deficit narrowed as such to USD 1,129 million from USD 1,831 million in July 2019 and USD 1,591 million in August 2018. It narrowed in the first eight months of 2019 by 3.0 percent vis-à-vis the first eight months of 2018.

External Sector Indicators

| USD million | Aug-18 | Jul-19 | Aug-19 |
|---------------------------------|--------|--------|--------|
| Imports | 1,820 | 2,196 | 1,504 |
| Exports | 229 | 365 | 375 |
| Trade deficit | -1,591 | -1,831 | -1,129 |
| Balance of payments | -408 | 72 | 922 |
| Gross foreign currency reserves | 33,919 | 31,064 | 30,603 |

Source: Lebanese Customs, BDL.

The overall balance of payments reported a surplus of USD 922 million in August 2019 following a surplus of USD 72 million in July 2019 (USD 408 million deficit in August 2018). The USD 4,397 million negative balance recorded in the first eight months of 2019 represented a decrease in net foreign assets of the central bank (USD -1,001 million) and in net foreign assets of banks and financial institutions (USD -3,396 million).

Gross foreign currency reserves of the Central bank decreased to USD 30,603 million at the end of August 2019 compared to USD 31,064 million at the end of July 2019 and USD 33,919 million at end August 2018. BDL foreign assets securities increased, however, to USD 8,084 million in August 2019 from USD 6,027 million at the end of the previous month (USD 9,639 million at the end of August 2018). The official 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 394,807 billion (USD 261.9 billion) at the end of August 2019, thus increasing by 5.0 percent from end December 2018 (8.5 percent increase in the first eight months of 2018).

Total deposits at commercial banks, including resident and non-resident private sector deposits and public sector deposits decreased by 0.7 percent in the first eight months of 2019 and constituted 67.7 percent of total assets with an equivalent value of LBP 267,239 billion (around USD 177.3 billion) at the end of the period.

Commercial Banks Balance Sheet -Main items

| End of period-LBP billion | Aug-18 | Jul-19 | Aug-19 |
|---|---------|---------|---------|
| Total Assets | 359,473 | 390,720 | 394,807 |
| Total deposits | 267,621 | 266,724 | 267,239 |
| Resident customers' deposits | 204,101 | 202,153 | 202,068 |
| Non-resident customers' deposits | 55,286 | 55,585 | 55,811 |
| Resident financial sector liabilities | 1,747 | 2,080 | 2,225 |
| Public sector deposits | 6,488 | 6,906 | 7,135 |
| Non deposit liabilities | 61,605 | 92,743 | 96,334 |
| Capital accounts | 30,246 | 31,253 | 31,234 |
| Total claims on customers | 88,748 | 82,753 | 82,547 |
| Resident customers | 78,730 | 72,967 | 72,602 |
| Non-resident customers | 10,018 | 9,786 | 9,945 |
| Total claims on public sector | 50,869 | 48,274 | 47,951 |
| in LBP | 25,934 | 25,596 | 25,470 |
| in FC | 24,935 | 22,678 | 22,481 |
| Claims on non resident Financial sector | 15,508 | 14,162 | 13,771 |
| Non-resident securities portfolio | 1,667 | 1,616 | 1,448 |
| Other foreign assets* | 17,872 | 17,304 | 17,378 |
| Deposits at the central bank | 182,222 | 222,823 | 227,930 |

Source: BDL.

*Including currency and deposits with other central banks-NR.

The breakdown of total deposits shows that private sector deposits denominated in LBP decreased by 5.7 percent in the first eight months of 2019 while those denominated in foreign currencies increased by 1.0

percent, thus deposit dollarization rate increased to 72.0 percent at end August 2019 from 70.6 percent at the end of 2018. The itemization of total deposits reveals also a growth in public sector deposits (+10.7 percent) but a decrease in non-resident private sector deposits (-1.9 percent) and in resident private sector deposits (-0.8 percent) in the first eight months of 2019. Subsequently, resident private sector deposits accounted for 76.4 percent of total deposits at end August 2019 (20.9 percent for non-resident private sector and 2.7 percent for public sector deposits).

Total capital accounts amounted to LBP 31,234 billion (USD 20,719 million) at the end of August 2019 and represented around 7.9 percent of total assets. Capital accounts increased by 2.8 percent from end December 2018.

Total claims on the resident and non-resident customers declined by 7.1 percent in the first eight months of 2019, reaching LBP 82,547 billion at the end of August 2019. The dollarization rate of these loans was 70.0 percent at the end of the stated month, and the ratio of total claims on resident and non-resident customers to total deposits attained 31.7 percent.

Total claims on the public sector were equivalent to LBP 47,951 billion at the end of August 2019, thus decreasing by 5.3 percent from end December 2018. Commercial banks held at the end of the stated month LBP 25,179 billion of Lebanese treasury bills (31.6 percent of the total portfolio in circulation) and USD 14,912 million of Eurobonds (nearly 49.0 percent of the total outstanding portfolio).

Deposits at the Central Bank (including CDs) increased in the first eight months of 2019 by 16.1 percent to total LBP 227,930 billion at the end of August 2019, whereas claims on non-resident financial sector (excluding deposits with other central banks-NR), decreased by 23.8 percent to LBP 13,771 billion (USD 9.1 billion) to represent 7.4 percent of private sector deposits in foreign currencies. Non-resident securities portfolio decreased by 9.7 percent in the first eight months of 2019 to reach LBP 1,448 billion (USD 1.0 billion) at the end of the period.

2. Investment Banks

Total consolidated assets of investment banks operating in Lebanon (including medium and long term credit banks) amounted to LBP 8,263 billion (around USD 5.5 billion) at the end of August 2019,



thus increasing by 3.3 percent from end December 2018. Deposits, including those of resident and non – resident customers and resident financial sector decreased by 2.9 percent in the first eight months of 2019 to reach LBP 3,000 billion at the end of the period.

3. Financial Markets

The total number of shares traded on the Beirut Stock Exchange decreased to 1,086 thousand shares with a traded value of USD 6.5 million in August 2019 compared to 1,969 thousand shares with a traded value of USD 9.8 million in the previous month and 1,547 thousand shares with a value of USD 12.7 million in August 2018).

During August 2019, the traded value by economic sectors was as such: 83.8 percent for Banking, 15.8 percent for Development and Reconstruction and 0.4 percent for industrial.

Capital Markets

| | Aug-18 | Jul-19 | Aug-19 |
|---|--------|--------|--------|
| BSE | | | |
| Traded shares (ooo) | 1,547 | 1,969 | 1,086 |
| Traded value (USD million) | 12.7 | 9.8 | 6.5 |
| Market capitalization (USD million) | 9,960 | 8,213 | 7,869 |
| Outstanding treasury bills (LBP billion) | 71,662 | 79,413 | 79,675 |
| Outstanding sovereign Eurobonds (USD million) | 32,509 | 29,814 | 29,814 |
| Outstanding private sector (banks) securities (USD million) | 950 | 950 | 950 |

Source: BDL, BSE

The market capitalization of listed shares decreased to USD 7,869 million at the end of August 2019, compared to USD 8,213 million at the end of the previous month and USD 9,960 million at the end of August 2018. Banking had 84.8 percent weight, whereas Development and Construction 12.0 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 79,675 billion and USD 29,814 million respectively at the end of August 2019 (LBP 79,413 billion and USD 29,814 million at

the end of July 2019). In August 2019, Credit default swaps (CDS) on 5–years Lebanese Government Eurobonds in USD ranged between 967 bps and 1340 bps and averaged 1121 bps.

The outstanding value of bank-issued certificates of deposits, notes and bonds amounted to USD 950 million at the end of August 2019. **The outstanding value of the certificates of deposits issued by BDL** in the domestic currency and in USD stood almost unchanged at LBP 48,040 billion and USD 22.7 billion respectively.

IV- MONETARY DEVELOPMENTS

The stock of money and quasi money (M3) attained LBP 211,648 billion at the end of August 2019, of which 65.4 percent denominated in foreign currencies, thus decreasing by 0.6 percent from end December 2018.

Money Supply & Counterparts

| | LBP billion | Aug-18 | Jul-19 | Aug-19 |
|-----------------------------|-------------|---------|---------|---------|
| M3 | | 212,611 | 211,565 | 211,648 |
| Net foreign assets | | 47,833 | 37,517 | 40,204 |
| Net claims on public sector | | 77,085 | 84,429 | 84,549 |
| Valuation Adjustment | | -8,470 | -11,660 | -12,979 |
| Claims on private sector | | 83,767 | 77,789 | 77,443 |
| Other items-net | | 12,396 | 23,489 | 22,432 |
| CAS CPI (Dec 2013=100) | | 107.20 | 108.50 | 108.51 |

Source: BDL, CAS.

The LBP 1,344 billion decrease in M3 in the first eight months of 2019 resulted from a drop in each of claims on the private sector (-LBP 5,656 billion), net foreign assets (-LBP 3,104 billion) and valuation adjustment (-LBP 3,515 billion) against an increase in net items other than foreign assets and claims on private and public sectors (+LBP 8,822 billion) and net claims on public sector (+LBP 2,109 billion).

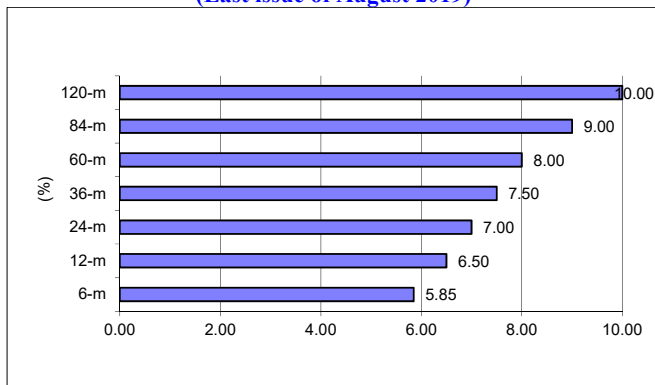
The Consumer Price Index (CPI) for Beirut and Suburbs, published by the Consultation and Research Institute, increased by 0.92 percent in the month of August 2019 compared to the previous month and by 0.34 percent from December 2018.

The Consumer Price Index (CPI) for Lebanon, published by the Central Administration of Statistics remained unchanged compared to July 2019 but increased by 0.45 percent from December 2018.



The interest rates on LBP monetary instruments on 45 and 60- day certificates of deposits issued by BDL were 4.90 percent and 5.08 percent respectively at the end of August 2019. The yields on the issued Lebanese Treasury bills in LBP read at the end of the stated month: 5.85 percent for six-month bills, 6.50 percent for one-year bills, 7.0 percent for two-year bills, 7.50 percent for three-year bills, 8.0 percent for five-year bills, 9.0 percent for seven-year bills and 10.0 percent for ten-year bills.

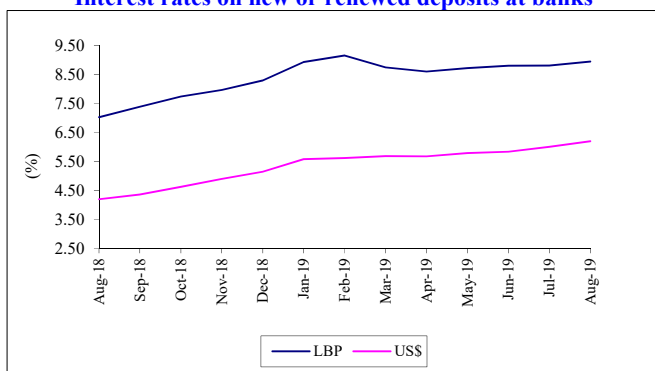
**Yield on Lebanese treasury bills denominated in LBP
(Last issue of August 2019)**



Source: BDL

In August 2019, the average interest rate on new or renewed LBP and USD deposits at commercial banks increased to 8.95 percent (8.81 percent a month ago) and 6.20 percent (6.01 percent in July 2019) respectively. The average 3-month USD LIBOR was 2.17 percent.

Interest rates on new or renewed deposits at banks



In August 2019, the average interest rate on new or renewed loans at commercial banks denominated in LBP and USD increased to 11.24 percent (11.13 percent a month ago) and 10.03 percent (9.90 percent in July 2019) respectively.

V- PUBLIC FINANCES

Government revenues, including budget revenues and treasury receipts attained LBP 1,843 billion in July 2019 to sum LBP 10,516 billion in the first seven months of 2019 (LBP 10,925 billion in the first seven months of 2018). The LBP 10,516 billion revenues comprised LBP 8,372 billion tax revenues, LBP 1,695 billion non-tax revenues and LBP 449 billion treasury receipts.

Fiscal Situation

| LBP billion | Jul-18 | Jun-19 | Jul-19 |
|-------------------------|--------|--------|--------|
| Government revenues | 1,969 | 1,943 | 1,843 |
| Tax revenues | 1,400 | 1,618 | 1,397 |
| Non-tax revenues | 460 | 283 | 342 |
| Treasury receipts | 109 | 42 | 104 |
| Government expenditures | 2,032 | 1,992 | 1,829 |
| Debt service | 399 | 571 | 390 |
| Others | 1,633 | 1,421 | 1,439 |
| Overall balance | -63 | -49 | 14 |
| Primary balance | 336 | 522 | 404 |

Source: Ministry of Finance.

Government expenditures, consisting of budget and treasury spending, amounted to LBP 1,829 billion in July 2019 to sum LBP 14,147 billion in the first seven months of 2019 (LBP 15,565 billion in the first seven months of 2018). The LBP 14,147 billion expenditures included LBP 4,501 billion debt service and LBP 9,646 billion other general expenditures o/w LBP 1,950 billion related to budget expenditures for previous years and LBP 1,264 billion to EDL.

Total Deficit decreased as such to LBP 3,631 billion in the first seven months of 2019 from LBP 4,640 billion in the first seven months of 2018, and the primary balance reported an LBP 870 billion surplus compared to an LBP 102 billion surplus respectively.

Gross public debt amounted to LBP 130,084 billion (the equivalent of USD 86.3 billion) at the end of August 2019, thus increasing by 1.4 percent when compared to end December 2018 (5.2 percent growth in the first eight months of 2018).

Net public debt, which subtracts public sector deposits at banks and the central bank from gross public debt, amounted to LBP 116,952 billion at the end of August 2019, therefore increasing by 2.4 percent from end of December 2018 (5.4 percent growth in the first eight months of 2018).



Public Debt

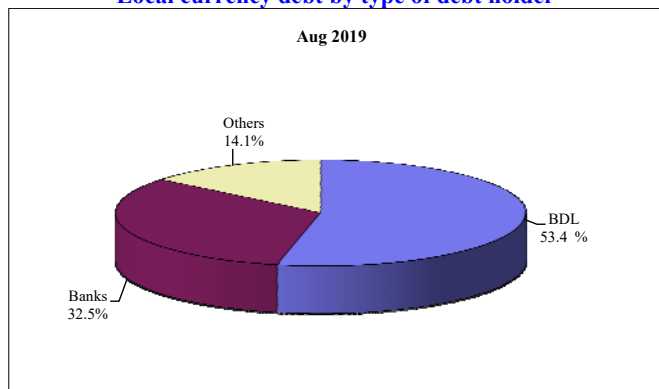
| LBP billion | Aug-18 | Jul-19 | Aug-19 |
|------------------------|---------|---------|---------|
| Public Debt (Gross) | 126,171 | 129,652 | 130,084 |
| Debt in LBP | 72,857 | 80,829 | 81,090 |
| Debt in FC | 53,314 | 48,823 | 48,994 |
| Public Debt (Net) | 109,840 | 116,191 | 116,952 |
| Public sector deposits | 16,331 | 13,461 | 13,132 |
| Banks | 6,608 | 7,035 | 7,251 |
| BDL | 9,723 | 6,426 | 5,881 |

Source: BDL.

The shares of the local currency debt and foreign currency debt of the total gross were around 62.3 percent and 37.7 percent respectively at the end of August 2019. The distribution of local currency debt by type of holder was as follows: 32.5 percent for banks (32.7 percent end of July 2019), 53.4 percent for the Central bank (53.4 percent in the previous month) and 14.1 percent for the non-banking sector (13.9 percent one month earlier). The breakdown of the foreign currency debt was as such: Eurobonds (93.6 percent), Multilateral (4.2 percent), Bilateral (2.1 percent) and others (0.1 percent).

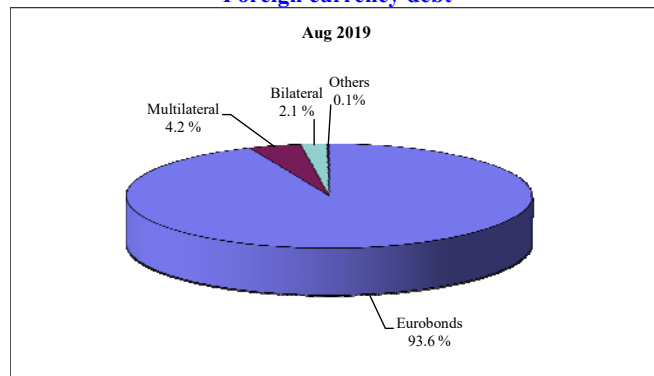
The average maturity of the Government debt securities denominated in the domestic currency is estimated at 1,619 days (4.45 years) as at end August 2019 with a weighted interest of 6.44 percent, while the average maturity of the Government debt instruments denominated in foreign currencies is around 7.45 years with a weighted interest of 6.84 percent.

Local currency debt by type of debt holder



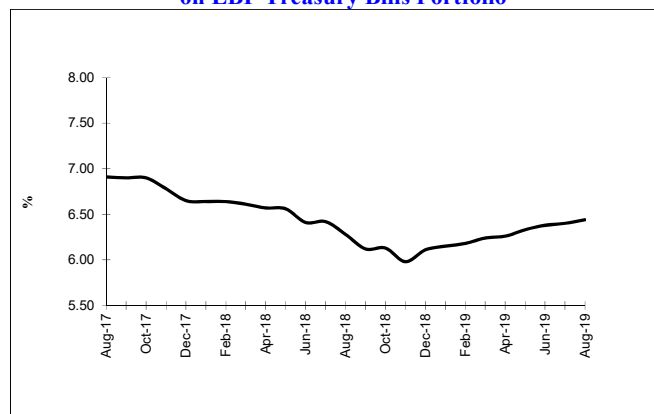
Source: BDL.

Foreign currency debt

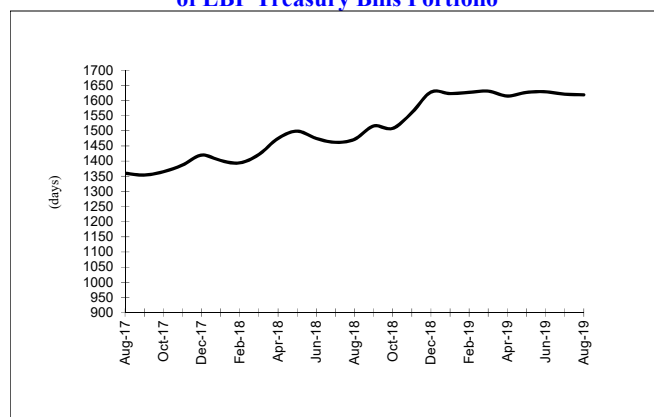


Source: BDL.

Weighted Average Interest Rate on LBP Treasury Bills Portfolio



Weighted Average Life of LBP Treasury Bills Portfolio



GENERAL INDICATORS OF ECONOMIC ACTIVITIES

| | Jan - Dec 2018 | Jan - Aug 2018 | Jan - Aug 2019 | Aug-18 | Jul-19 | Aug-19 |
|--|-------------------|-------------------|-------------------|---------|---------|---------|
| Imports of Industrial Equipment (000's US\$) | 266,359 | 196,817 | n.a | 27,581 | 19,542 | n.a |
| Building Permits (000's m2) | 9,020 | 6,366 | 4,591 | 677 | 628 | 484 |
| Cement Delivery (000s' tons) | 4,702 | 3,197 | 2,243 | 418 | 368 | 315 |
| Checks Cleared in LBP (billion LBP) | 33,366 | 21,536 | 21,214 | 2,679 | 2,865 | 2,802 |
| Checks Cleared in FC (million US\$) | 44,436 | 29,828 | 23,334 | 3,662 | 3,170 | 2,980 |
| Shipped Goods (tons)-Beirut Port | 929,859 | 616,651 | 540,723 | 74,372 | 80,983 | 64,348 |
| Unloaded Goods (tons)-Beirut Port | 7,054,693 | 4,705,688 | 4,154,502 | 624,495 | 527,384 | 511,857 |
| Passengers Arrivals (000's)-BIA | 4,437 | 3,056 | 3,114 | 525 | 575 | 527 |
| Passengers Departures (000's)-BIA | 4,401 | 2,944 | 3,073 | 634 | 480 | 653 |
| Total exports of goods (million USD) | 2,952 | 1,986 | 2,464 | 229 | 365 | 375 |
| Total imports of goods (million USD) | 19,980 | 13,718 | 13,839 | 1,820 | 2,196 | 1,504 |
| Balance of Trade (million USD) | -17,028 | -11,732 | -11,375 | -1,591 | -1,831 | -1,129 |
| Changes of Net Foreign Assets in the banking system (million USD) | -4,823 | -1,165 | -4,397 | -408 | 72 | 922 |
| Gross Foreign Currency Reserves (End of period-million USD) | 32,514 | - | - | 33,919 | 31,064 | 30,603 |
| Consumer Price Index (End of period) | 108.02 | - | - | 107.20 | 108.50 | 108.51 |

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 | | |
|--|---------------|---------------|---------------|--------------|-------------|-------------|
| | | Jan-Aug | Jan - Aug | | Jan-Aug | Jan - Aug |
| | 2018 | 2018 | 2019 | 2018 | 2018 | 2019 |
| 1- Live animals, animal products | 1,039 | 684 | 594 | 24 | 17 | 19 |
| 2- Vegetable products | 965 | 638 | 672 | 183 | 107 | 102 |
| 3- Fats & edible fats & oils | 156 | 103 | 97 | 55 | 32 | 39 |
| 4- Prepared foodstuffs | 1,335 | 897 | 857 | 383 | 270 | 249 |
| 5- Mineral products | 4,169 | 2,921 | 4,732 | 31 | 18 | 51 |
| 6- Products of the chemical | 2,213 | 1,498 | 1,404 | 362 | 231 | 257 |
| 7- Plastics & articles thereof | 773 | 510 | 475 | 180 | 116 | 111 |
| 8- Raw hides & skins, leather, furskins | 67 | 47 | 41 | 11 | 7 | 9 |
| 9- Wood & articles of wood | 225 | 150 | 126 | 8 | 5 | 9 |
| 10- Paper & paperboard & articles thereof | 345 | 244 | 205 | 140 | 97 | 103 |
| 11- Textiles & textile articles | 757 | 504 | 434 | 52 | 34 | 32 |
| 12- Footwear, headgear, prepared feathers | 140 | 97 | 87 | 9 | 7 | 6 |
| 13- Articles of stone, plaster, cement | 445 | 307 | 224 | 24 | 15 | 11 |
| 14- Pearls, precious or semi-precious stones | 1,252 | 904 | 636 | 648 | 468 | 922 |
| 15- Base metals & articles of base metal | 1,269 | 871 | 615 | 380 | 270 | 212 |
| 16- Machinery & mechanical appliances | 2,321 | 1,628 | 1,223 | 322 | 202 | 246 |
| 17-Transport equipment | 1,659 | 1,134 | 892 | 23 | 16 | 18 |
| 18- Optical instruments & apparatus | 366 | 250 | 245 | 17 | 12 | 9 |
| 19- Arms & ammunition | 17 | 11 | 8 | 0 | 0 | 0 |
| 20- Miscellaneous manufactured articles | 439 | 302 | 258 | 86 | 57 | 55 |
| 21- Works of art | 26 | 16 | 14 | 16 | 4 | 5 |
| Total | 19,980 | 13,718 | 13,839 | 2,952 | 1986 | 2464 |

Source: Lebanese Customs.

* Corrected figures

IMPORTS BY ORIGIN
(Million US Dollars)

| | Jan - Aug | Share | Jan - Aug | Share |
|----------------------|---------------|--------------|---------------|--------------|
| | 2018 | % | 2019 | % |
| USA | 1,009 | 7.4 | 1,246 | 9.0 |
| CHINA | 1,382 | 10.1 | 1,181 | 8.5 |
| RUSSIAN FEDERATION | 498 | 3.6 | 1,095 | 7.9 |
| ITALY | 1,080 | 7.9 | 929 | 6.7 |
| GREECE | 1,140 | 8.3 | 905 | 6.5 |
| GERMANY | 782 | 5.7 | 693 | 5.0 |
| FRANCE | 461 | 3.4 | 583 | 4.2 |
| TURKEY | 675 | 4.9 | 556 | 4.0 |
| KUWAIT | 247 | 1.8 | 449 | 3.2 |
| SPAIN | 346 | 2.5 | 392 | 2.8 |
| OTHER COUNTRIES | 6,098 | 44.5 | 5,810 | 42.0 |
| TOTAL IMPORTS | 13,718 | 100.0 | 13,839 | 100.0 |

Source: Lebanese Customs.

* Corrected figures

EXPORTS BY DESTINATION
(Million US Dollars)

| | Jan - Aug | Share | Jan - Aug | Share |
|----------------------|--------------|--------------|--------------|--------------|
| | 2018 | % | 2019 | % |
| SWITZERLAND | 105 | 5.3 | 629 | 25.5 |
| UAE | 274 | 13.8 | 296 | 12.0 |
| SAUDI ARABIA | 137 | 6.9 | 159 | 6.5 |
| SYRIA | 122 | 6.1 | 144 | 5.8 |
| IRAQ | 98 | 4.9 | 104 | 4.2 |
| QATAR | 90 | 4.5 | 89 | 3.6 |
| SOUTH AFRICA | 164 | 8.3 | 68 | 2.8 |
| JORDAN | 57 | 2.9 | 60 | 2.4 |
| EGYPT | 43 | 2.2 | 57 | 2.3 |
| GREECE | 27 | 1.4 | 51 | 2.1 |
| OTHER COUNTRIES | 869 | 43.8 | 807 | 32.8 |
| TOTAL EXPORTS | 1,986 | 100.0 | 2,464 | 100.0 |

Source: Lebanese Customs.



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

| | 2018 | | 2019 | | |
|---|----------------|----------------|----------------|----------------|----------------|
| | Aug | Dec | Jun | Jul | Aug |
| ASSETS | | | | | |
| Reserves | 183,189 | 197,138 | 216,809 | 223,750 | 228,940 |
| -Cash | 968 | 850 | 909 | 927 | 1,010 |
| -Deposits at the Central Bank | 182,222 | 196,288 | 215,900 | 222,823 | 227,930 |
| Claims on the Resident Private and Financial Sectors | 79,535 | 78,796 | 74,439 | 73,574 | 73,210 |
| -Claims denominated in Lebanese Pound | 26,740 | 24,850 | 22,649 | 22,429 | 22,331 |
| -Claims denominated in Foreign Currencies | 52,795 | 53,946 | 51,789 | 51,145 | 50,879 |
| Claims on the Public Sector | 50,869 | 50,651 | 48,890 | 48,274 | 47,951 |
| o/w -Treasury Bills in Lebanese Pound | 25,668 | 26,198 | 25,395 | 25,322 | 25,179 |
| -Treasury Bills in Foreign Currencies | 24,935 | 24,178 | 23,214 | 22,678 | 22,481 |
| Foreign Assets | 35,048 | 37,991 | 33,871 | 33,083 | 32,597 |
| -Claims on Non-Resident Private Sector | 10,018 | 10,728 | 9,986 | 9,786 | 9,945 |
| -Claims on Non-Resident Banks | 15,508 | 18,074 | 14,768 | 14,162 | 13,771 |
| -Currency and deposits with other central banks | 1,679 | 1,487 | 1,481 | 1,421 | 1,351 |
| -Other Foreign Assets | 6,176 | 6,097 | 6,128 | 6,097 | 6,082 |
| -Non Resident securities portfolio | 1,667 | 1,604 | 1,508 | 1,616 | 1,448 |
| Tangible and intangible assets | 7,276 | 7,636 | 7,940 | 7,984 | 8,004 |
| Resident Private securities portfolio | 2,836 | 2,671 | 2,438 | 2,440 | 2,396 |
| Unclassified Assets | 719 | 1,214 | 1,504 | 1,615 | 1,709 |
| TOTAL ASSETS | 359,473 | 376,097 | 385,891 | 390,720 | 394,807 |
| LIABILITIES | | | | | |
| Liabilities to the Resident Private and Financial Sectors | 205,848 | 205,859 | 203,827 | 204,233 | 204,293 |
| -Deposits in Lebanese Pound | 74,442 | 70,696 | 67,828 | 67,452 | 66,926 |
| -Deposits in Foreign Currencies | 131,406 | 135,163 | 135,999 | 136,781 | 137,367 |
| Liabilities to the Public Sector | 6,488 | 6,445 | 7,268 | 6,906 | 7,135 |
| Deposits of Non-Residents Customers | 55,286 | 56,870 | 55,658 | 55,585 | 55,811 |
| -Denominated in Lebanese Pound | 7,036 | 6,501 | 6,145 | 5,990 | 5,878 |
| -Denominated in Foreign Currencies | 48,249 | 50,369 | 49,513 | 49,595 | 49,933 |
| Liabilities to Non-Resident Banks | 12,896 | 13,961 | 14,110 | 14,261 | 14,543 |
| Bonds | 294 | 324 | 472 | 592 | 688 |
| Capital Base | 30,246 | 30,383 | 31,491 | 31,253 | 31,234 |
| -Core Capital | 28,090 | 28,235 | 29,396 | 29,282 | 29,263 |
| -Supplementary Capital | 2,156 | 2,148 | 2,095 | 1,971 | 1,971 |
| Unclassified Liabilities | 48,415 | 62,256 | 73,064 | 77,890 | 81,103 |
| TOTAL LIABILITIES | 359,473 | 376,097 | 385,891 | 390,720 | 394,807 |

Source: BDL.



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

| | 2018 | | 2019 | | |
|---|----------------|----------------|----------------|----------------|----------------|
| | Aug | Dec | Jun | Jul | Aug |
| Money Supply | | | | | |
| Currency in circulation | 4,815 | 5,008 | 5,049 | 5,159 | 5,246 |
| + Demand Deposits in LBP | 6,427 | 6,653 | 5,738 | 5,641 | 6,009 |
| = M1 | 11,242 | 11,661 | 10,788 | 10,800 | 11,255 |
| + Other Deposits in LBP | 68,974 | 65,167 | 63,252 | 62,929 | 61,887 |
| = M2 | 80,216 | 76,828 | 74,039 | 73,729 | 73,143 |
| + Deposits in Foreign Currencies | 132,128 | 135,892 | 136,591 | 137,405 | 138,059 |
| + Bonds | 266 | 272 | 307 | 431 | 447 |
| = M3 | 212,611 | 212,993 | 210,938 | 211,565 | 211,648 |
| + Treasury Bills Held by the Public | 11,070 | 11,444 | 11,025 | 11,221 | 11,465 |
| = M4 | 223,681 | 224,437 | 221,963 | 222,786 | 223,113 |
| Counterparts of the Money Supply | | | | | |
| Net Foreign Assets | 47,833 | 43,308 | 37,153 | 37,517 | 40,204 |
| o/w Gold | 16,772 | 17,743 | 19,674 | 19,901 | 21,222 |
| Net Claims on the Public Sector | 77,085 | 82,439 | 84,382 | 84,429 | 84,549 |
| Valuation Adjustment | -8,470 | -9,464 | -11,426 | -11,660 | -12,979 |
| Claims on the Private Sector | 83,767 | 83,099 | 78,698 | 77,789 | 77,443 |
| Claims in LBP | 28,929 | 27,079 | 24,833 | 24,586 | 24,503 |
| Claims in FC | 54,838 | 56,020 | 53,865 | 53,203 | 52,940 |
| Other Items (Net) | 12,396 | 13,610 | 22,131 | 23,489 | 22,432 |
| TOTAL | 212,611 | 212,993 | 210,938 | 211,565 | 211,648 |

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 | | Others ⁽¹⁾ | Total | IDI** | FG+ | Paris II loans | | Others ⁽²⁾ | Total |
| | | Bank | Banks | | | | | loans | Others ⁽²⁾ | | |
| 2017 | Dec | 119,892 | 35,580 | 27,756 | 10,741 | 74,077 | 2,022 | 1,319 | 18 | 42,456 | 45,815 |
| 2018 | Aug | 126,171 | 35,241 | 26,546 | 11,070 | 72,857 | 2,028 | 1,205 | 0 | 50,081 | 53,314 |
| | Sep | 126,404 | 36,590 | 25,622 | 10,795 | 73,007 | 2,062 | 1,199 | 0 | 50,136 | 53,397 |
| | Oct | 126,693 | 36,638 | 25,461 | 11,217 | 73,316 | 2,058 | 1,165 | 0 | 50,154 | 53,377 |
| | Nov | 126,113 | 38,956 | 25,380 | 11,478 | 75,814 | 2,055 | 1,108 | 0 | 47,136 | 50,299 |
| | Dec | 128,347 | 39,006 | 27,402 | 11,444 | 77,852 | 2,068 | 1,113 | 0 | 47,314 | 50,495 |
| 2019 | Jan | 128,619 | 39,184 | 27,238 | 11,479 | 77,901 | 2,068 | 1,120 | 0 | 47,530 | 50,718 |
| | Feb | 128,518 | 39,318 | 27,086 | 11,230 | 77,634 | 2,071 | 1,126 | 0 | 47,687 | 50,884 |
| | Mar | 129,982 | 40,736 | 26,922 | 11,407 | 79,065 | 2,070 | 1,113 | 0 | 47,734 | 50,917 |
| | Apr | 129,416 | 40,936 | 26,853 | 11,456 | 79,245 | 2,071 | 1,087 | 0 | 47,013 | 50,171 |
| | May | 128,708 | 42,222 | 26,783 | 11,230 | 80,235 | 2,065 | 1,019 | 0 | 45,389 | 48,473 |
| | Jun | 129,242 | 42,984 | 26,576 | 11,026 | 80,586 | 2,065 | 1,034 | 0 | 45,557 | 48,656 |
| | Jul | 129,652 | 43,142 | 26,466 | 11,221 | 80,829 | 2,038 | 1,021 | 0 | 45,764 | 48,823 |
| | Aug | 130,084 | 43,302 | 26,322 | 11,466 | 81,090 | 2,043 | 1,025 | 0 | 45,926 | 48,994 |

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 | | | Weighted Average Life (days) | Weighted Average Interest (%) |
|----------------------|-----|------------------------------|-------|---------------|---------------------------------------|--|
| | | Circulation End of period | Issue | Reimbursement | | |
| | | | | | | |
| 2017 | Dec | 72,812 | 3,247 | 2,818 | 1,420 | 6.65 |
| 2018 | Aug | 71,662 | 2,659 | 1,602 | 1,472 | 6.28 |
| | Sep | 71,762 | 2,458 | 2,358 | 1,516 | 6.12 |
| | Oct | 72,052 | 1,236 | 946 | 1,508 | 6.13 |
| | Nov | 74,497 | 3,295 | 850 | 1,560 | 5.98 |
| | Dec | 76,575 | 2,606 | 529 | 1,628 | 6.11 |
| 2019 | Jan | 76,681 | 1,166 | 1,060 | 1,623 | 6.15 |
| | Feb | 76,370 | 1,068 | 1,379 | 1,627 | 6.18 |
| | Mar | 77,686 | 2,279 | 963 | 1,631 | 6.24 |
| | Apr | 77,822 | 607 | 471 | 1,615 | 6.26 |
| | May | 78,705 | 1,686 | 803 | 1,627 | 6.33 |
| | Jun | 79,228 | 1,525 | 1,002 | 1,629 | 6.38 |
| | Jul | 79,413 | 1,044 | 859 | 1,621 | 6.40 |
| | Aug | 79,675 | 1,206 | 944 | 1,619 | 6.44 |

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 | 120-m | 180-m |
| | LBP | US\$ | LBP | US\$ | | | | | | | | | | | |
| 2017 | Dec | 8.09 | 7.67 | 6.41 | 3.89 | 35.93 | 1.60 | 4.39 | 4.87 | 5.08 | 5.76 | 6.40 | 6.63 | 6.96 | 7.33 |
| 2018 | Aug | 8.81 | 8.12 | 7.03 | 4.20 | 6.27 | 2.32 | 4.39 | 4.87 | 5.08 | 5.76 | 6.40 | 6.63 | 6.96 | 7.33 |
| | Sep | 9.31 | 8.11 | 7.39 | 4.36 | 5.04 | 2.35 | 4.39 | 4.87 | 5.08 | 5.76 | 6.40 | 6.63 | 6.96 | 7.33 |
| | Oct | 9.60 | 8.30 | 7.74 | 4.63 | 14.57 | 2.46 | 4.39 | 4.87 | 5.08 | 5.76 | 6.40 | 6.63 | 6.96 | 7.33 |
| | Nov | 10.15 | 8.57 | 7.97 | 4.90 | 17.07 | 2.65 | 4.39 | 4.87 | 5.08 | 5.76 | 6.40 | 6.63 | 6.96 | 7.33 |
| | Dec | 9.97 | 8.57 | 8.30 | 5.15 | 40.11 | 2.79 | 4.39 | 4.87 | 5.08 | 5.76 | 6.40 | 6.63 | 6.96 | 9.76 |
| 2019 | Jan | 10.41 | 8.89 | 8.93 | 5.58 | 29.75 | 2.77 | 5.23 | 5.68 | 6.10 | 6.88 | 7.36 | 7.85 | 8.81 | 9.76 |
| | Feb | 10.55 | 8.91 | 9.16 | 5.62 | 17.50 | 2.68 | 5.23 | 5.68 | 6.10 | 6.88 | 7.36 | 7.85 | 8.81 | 9.76 |
| | Mar | 10.58 | 9.31 | 8.75 | 5.69 | 4.89 | 2.61 | 5.23 | 5.68 | 6.10 | 6.88 | 7.36 | 7.85 | 8.81 | 9.76 |
| | Apr | 10.74 | 9.34 | 8.60 | 5.68 | 5.24 | 2.59 | 5.23 | 5.68 | 6.10 | 6.88 | 7.36 | 7.85 | 8.81 | 9.76 |
| | May | 10.75 | 9.54 | 8.72 | 5.79 | 18.72 | 2.53 | 5.23 | 5.68 | 6.10 | 6.88 | 7.36 | 7.85 | 8.81 | 9.76 |
| | Jun | 10.94 | 9.49 | 8.80 | 5.84 | 9.29 | 2.40 | 5.23 | 5.68 | 6.10 | 6.88 | 7.36 | 7.85 | 8.81 | 9.76 |
| | Jul | 11.13 | 9.90 | 8.81 | 6.01 | 10.53 | 2.29 | 5.23 | 5.68 | 6.10 | 6.88 | 7.36 | 7.85 | 8.81 | 9.76 |
| | Aug | 11.24 | 10.03 | 8.95 | 6.20 | 17.70 | 2.17 | 5.23 | 5.68 | 6.10 | 6.88 | 7.36 | 7.85 | 8.81 | 9.76 |

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.

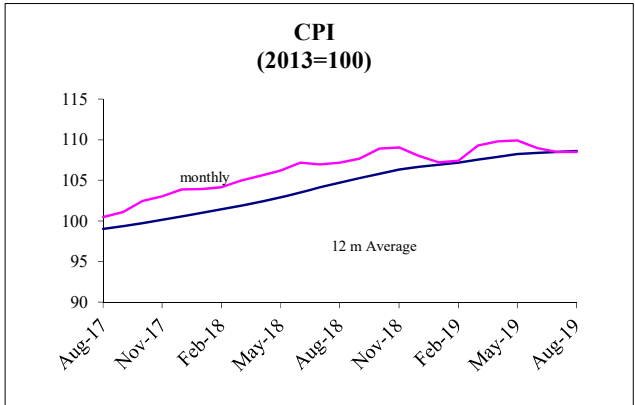
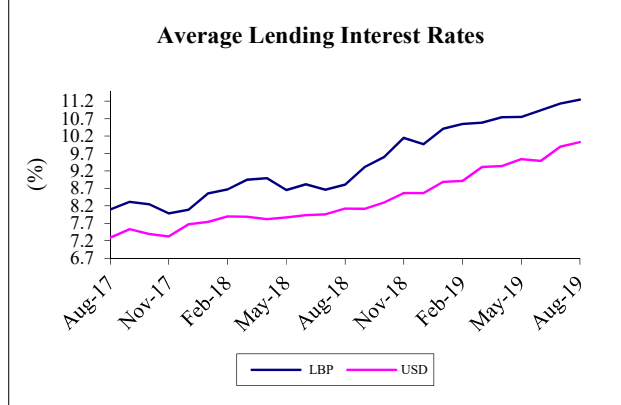
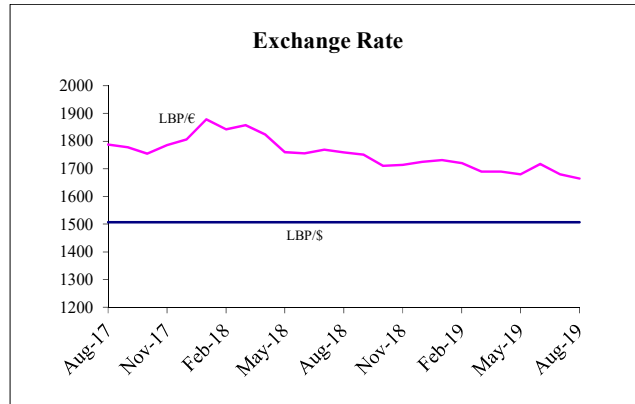
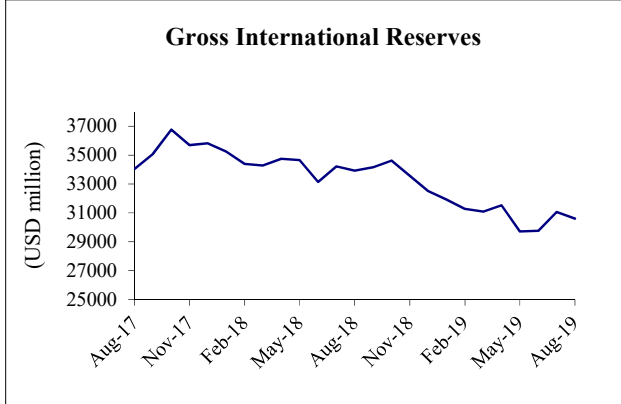
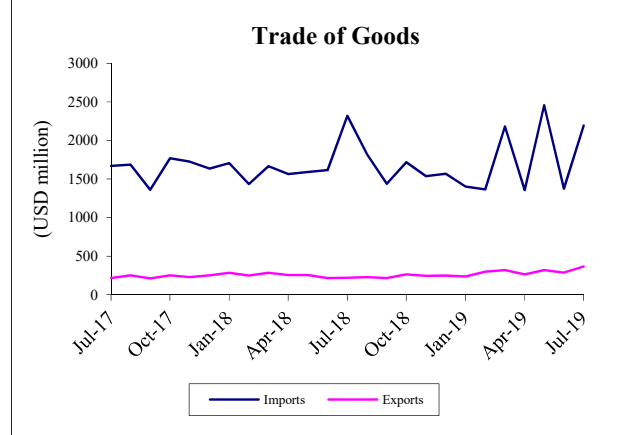
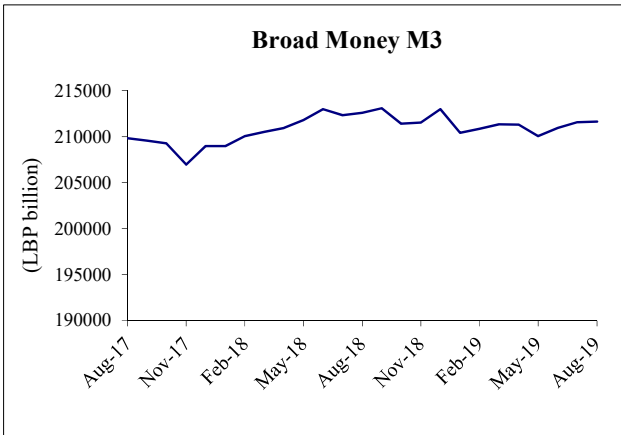
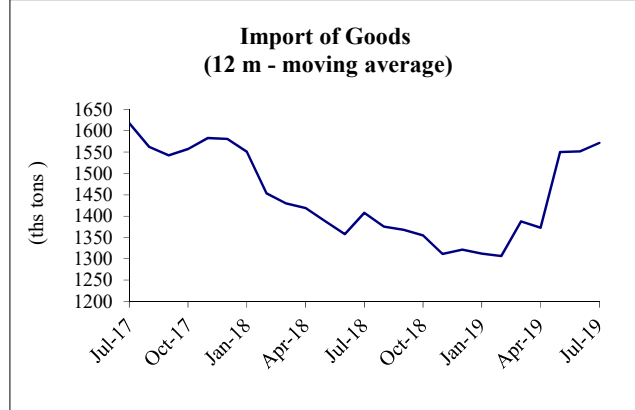
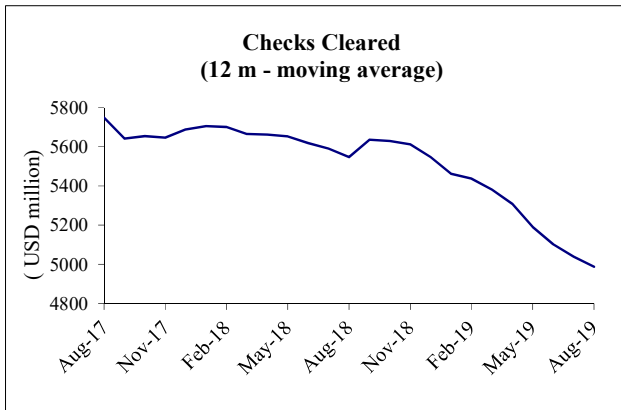
END OF PERIOD EXCHANGE RATES
(LBP per other currencies)

| Year and Month | US Dollar | Swiss Franc | British Pound | Japanese Yen | Euro | |
|-------------------|--------------|----------------|------------------|-----------------|-------|----------|
| 2017 | Dec | 1,507.50 | 1,545.04 | 2,035.58 | 13.39 | 1,806.59 |
| 2018 | Aug | 1,507.50 | 1,557.33 | 1,961.56 | 13.61 | 1,759.55 |
| | Sep | 1,507.50 | 1,542.52 | 1,970.30 | 13.28 | 1,750.81 |
| | Oct | 1,507.50 | 1,499.70 | 1,925.53 | 13.33 | 1,710.41 |
| | Nov | 1,507.50 | 1,513.55 | 1,924.32 | 13.28 | 1,714.33 |
| | Dec | 1,507.50 | 1,529.68 | 1,905.78 | 13.66 | 1,724.73 |
| 2019 | Jan | 1,507.50 | 1,517.97 | 1,979.35 | 13.88 | 1,731.51 |
| | Feb | 1,507.50 | 1,517.67 | 2,005.58 | 13.61 | 1,720.96 |
| | Mar | 1,507.50 | 1,513.10 | 1,963.37 | 13.61 | 1,690.21 |
| | Apr | 1,507.50 | 1,478.96 | 1,961.26 | 13.54 | 1,690.21 |
| | May | 1,507.50 | 1,499.55 | 1,901.71 | 13.86 | 1,680.56 |
| | Jun | 1,507.50 | 1,547.74 | 1,912.26 | 14.00 | 1,717.19 |
| | Jul | 1,507.50 | 1,522.88 | 1,833.57 | 13.89 | 1,680.56 |
| | Aug | 1,507.50 | 1,525.19 | 1,834.93 | 14.16 | 1,664.43 |

Source: BDL.



Indicative Charts



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