



Summary:

In January 2020, real sector indicators retreated on average with reference to the preceding month and January 2018. Imports of goods decreased while exports advanced resulting in a narrower trade deficit. The overall balance of payments reported a modest deficit and the foreign currency reserves of the Central Bank regressed from their previous level. The banks activity diminished more and deposit interest rates declined further.

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

Construction and real estate indicators deteriorated in January 2020 when compared to the preceding month and January 2019 though some minor indicators improved.

| | Feb-20 | Jan-20 | Feb-19 | Change % Feb 2020/Feb 2019 |
|--|--------|---------|---------|----------------------------------|
| Construction permits | | | | |
| Area (s.m) | n.a | 178,775 | 849,889 | - |
| Number (permits) | n.a | 591 | 1,025 | - |
| Cement deliveries (000 tons) | 118 | 85 | 203 | -41.9 |
| Collected real estate fees (LBP billion) | 75.9 | 66.2 | 50.8 | 49.4 |
| Real estate sales operations (number) | 6,166 | 4,668 | 4,192 | 47.1 |
| Value of Real estate sales (LBP billion) | 1,531 | 1,141 | 831 | 84.2 |
| Real estate transactions (number) | 13,707 | 12,035 | 12,470 | 9.9 |

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

2-Tourism

Indicators of tourism activity regressed in January 2020 in respect of the past month and January 2019.

| | Feb-20 | Jan-20 | Feb-19 | Change % Feb 2020/Feb 2019 |
|---------------------------------------|---------|---------|---------|----------------------------------|
| Number of arriving passengers at BIA | 221,817 | 231,380 | 259,081 | -14.4 |
| Number of departing passengers at BIA | 228,637 | 282,957 | 259,979 | -12.1 |
| Number of arriving tourists | n.a | n.a | 118,175 | - |
| Inbound Aircrafts at BIA (flights) | 2,033 | 2,365 | 2,306 | -11.8 |
| Outbound Aircrafts at BIA (flights) | 2,036 | 2,358 | 2,316 | -12.1 |

Sources: Beirut International Airport, Ministry of Tourism.

3-Trade and Services

Trade and services indicators were mixed in January 2020 vis-à-vis the previous month but weakened with reference to January 2019.

| | Feb-20 | Jan-20 | Feb-19 | Change % Feb 2020/Feb 2019 |
|--|---------|---------|---------|----------------------------------|
| Checks Cleared | | | | |
| Value (USD million) | 5,833 | 6,694 | 4,854 | 20.2 |
| Number (000 checks) | 708 | 757 | 852 | -16.9 |
| Checks Returned | | | | |
| Value (USD million) | 112 | 153 | 114 | -1.8 |
| Number (checks) | 15,662 | 25,531 | 20,712 | -24.4 |
| Ships at the port of Beirut (number) | 130 | 130 | 135 | -3.7 |
| Weight of unloaded goods at POB (tons) | 302,536 | 299,276 | 492,031 | -38.5 |
| Weight of shipped goods at POB (tons) | 62,521 | 63,640 | 62,068 | 0.7 |
| Discharged containers at POB (number) | 9,288 | 9,490 | 17,772 | -47.7 |
| Revenues of POB (USD million) | n.a | 12.4 | 16.1 | - |
| Merchandise at BIA | | | | |
| Imports (tons) | 2,961 | 2,623 | 3,913 | -24.3 |
| Exports (tons) | 2,200 | 2,254 | 2,160 | 1.9 |

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

4-Industry and Agriculture

Agriculture imports increased in January 2020 with regard to the past month unlike agriculture exports which decreased.

| | Feb-20 | Jan-20 | Feb-19 | Change % Feb 2020/Feb 2019 |
|-----------------------------------|---------|---------|---------|----------------------------------|
| Electricity production (MKWH) | n.a | 1,113 | 1,026 | - |
| Imports of gas oil | | | | |
| Value (million USD) | 149.6 | 249.5 | 119.4 | 25.3 |
| Volume (tons) | 273,991 | 409,235 | 195,602 | 40.1 |
| Agriculture imports (USD million) | 107.3 | 141.2 | 178.2 | -39.8 |
| Agriculture exports (USD million) | 16.9 | 19.3 | 15.6 | 8.3 |

Source: BDL, Lebanese Customs.

II- EXTERNAL SECTOR

In February 2020,

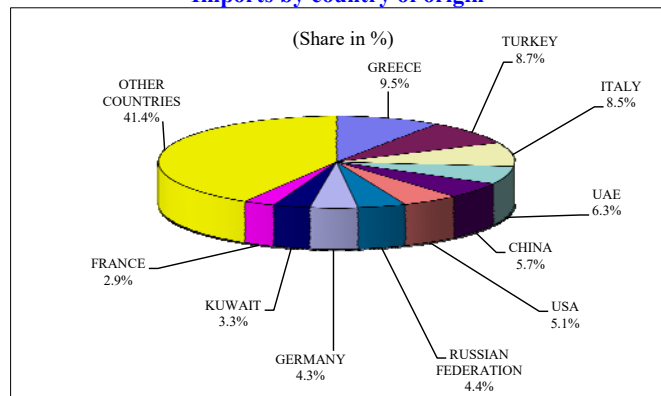
Imports of goods decreased to USD 951 million from USD 1,154 million in January 2020 and USD 1,364 million in February 2019. Imports dropped in the first two months of 2020 by 24.0 percent with reference to the alike months of the previous year.

In the first two months of 2020, mineral products lead imported goods with a 35.6 percent share of total imports, they were followed by products of the Chemical and pearls & precious stones which



accounted for 12.2 percent and 9.9 percent respectively. Greece topped the list of imports by country of origin with an 9.5 percent share of total. Turkey came next with a share of 8.7 percent followed by Italy (8.5 percent) and UAE (6.3 percent).

Imports by country of origin



Source: Lebanese Customs

| LBP billion | Change % | | | |
|--|----------|--------|--------|-------------------|
| | Feb-20 | Jan-20 | Feb-19 | Feb 2020/Feb 2019 |
| Documentary L/Cs for import (opened credits) | 85.3 | 196.8 | 1031.1 | -91.7 |
| Documentary L/Cs for import (utilized credits) | 148.9 | 197.4 | 632.3 | -76.5 |
| Bills for collection for import: Inward bills | 51.6 | 40.6 | 102.9 | -49.9 |
| Documentary L/Cs for export (opened credits) | 15.5 | 98.5 | 447.8 | -96.5 |
| Documentary L/Cs for export (utilized credits) | 81.2 | 196.5 | 409.1 | -80.2 |
| Bills for collection for export: Outward bills | 45.3 | 48.9 | 132.1 | -65.7 |

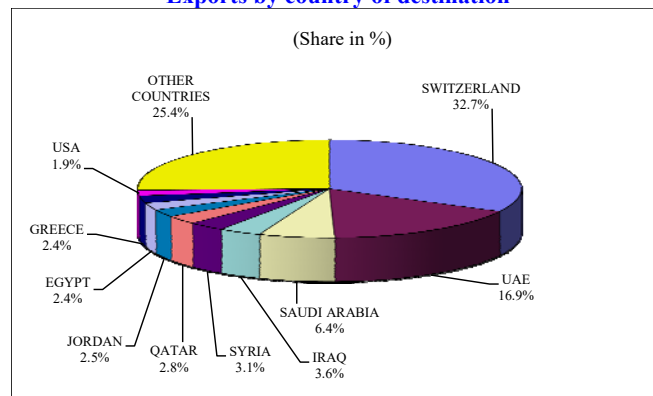
Source: BDL

In February 2020,

Exports of goods increased to USD 343 million compared to USD 333 million in January 2020 and USD 300 million in February 2019. Exports rose in the first two months of 2020 by 26.1 percent in respect of the same two months of the preceding year.

In the first two months of 2020, pearls, precious and semi - precious stones were on top of the list with a share of 46.7 percent of total exports, followed by prepared foodstuffs (9.8 percent) and base metals (8.9 percent). Switzerland outperformed all others in terms of exports by country of destination with 32.7 percent share of the total, trailed by UAE with a share of 16.9 percent, followed by Saudi Arabia (6.4 percent) and Iraq (3.6 percent).

Exports by country of destination



Source: Lebanese Customs

The trade deficit contracted as such to USD 608 million from USD 821 million in January 2020 and USD 1,064 million in February 2019. In January and February 2020, the trade deficit decreased by 36.0 percent when compared to the first two months of 2019.

External Sector Indicators

| USD million | Feb-19 | Jan-20 | Feb-20 |
|---------------------------------|--------|--------|--------|
| Imports | 1,364 | 1,154 | 0 |
| Exports | 300 | 333 | 0 |
| Trade deficit | -1,064 | -821 | 0 |
| Balance of payments | -550 | -158 | -347 |
| Gross foreign currency reserves | 31,271 | 28,960 | 28,340 |

Source: Lebanese Customs, BDL

The overall balance of payments reported a deficit of USD 347 million in February 2020 following a deficit of USD 158 million in January 2020 (USD 550 million deficit in February 2019). The USD 505 million negative balance recorded in the first two months of 2020 represented a decrease in net foreign assets of the central bank (USD -1,602 million) partly offset by an increase in net foreign assets of banks and financial institutions (USD 1,097 million).

Gross foreign currency reserves of the Central bank decreased to USD 28,340 million at the end of February 2020 compared to USD 28,960 million at the end of January 2020 and USD 31,271 million at end February 2019. BDL foreign assets securities decreased to USD 7,459 million in February 2020 from USD 7,709 million at the end of the previous month and USD 7,617 million at the end of February 2019. 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 according to new reporting methodology to LBP 317,083 billion (USD 210.3 billion) at the end of February 2020, decreasing by 3.0 percent from end December 2019. In fact, starting December 2019, and according to the offsetting criteria in IAS 32 “Financial Instruments: Presentation” and the disclosure on offsetting financial assets and liabilities in IFRS 7, the new reporting would offset loans taken from the central bank in LBP with their corresponding deposits at the central bank in LBP carrying same maturities. This would mean that total assets, deposits at the central bank and non-deposit liabilities cannot be compared to the first two months of 2019.

Total deposits at commercial banks, including resident and non-resident private sector deposits and public sector deposits decreased by 4.4 percent in the first two months of 2020 and constituted 74.4 percent of total assets with an equivalent value of LBP 235,992 billion (around USD 156.5 billion) at the end of the period.

Commercial Banks Balance Sheet -Main items

| End of period-LBP billion | Feb-19 | Jan-20 | Feb-20 |
|---|---------|---------|---------|
| Total Assets | 377,237 | 322,301 | 317,083 |
| Total deposits | 265,944 | 241,225 | 235,992 |
| Resident customers' deposits | 202,099 | 184,373 | 180,843 |
| Non-resident customers' deposits | 55,279 | 47,275 | 45,675 |
| Resident financial sector liabilities | 1,870 | 2,172 | 2,187 |
| Public sector deposits | 6,695 | 7,404 | 7,286 |
| Non deposit liabilities | 77,890 | 49,453 | 49,797 |
| Capital accounts | 33,403 | 31,623 | 31,295 |
| Total claims on customers | 85,859 | 71,702 | 68,991 |
| Resident customers | 76,073 | 63,715 | 61,241 |
| Non-resident customers | 9,787 | 7,987 | 7,750 |
| Total claims on public sector | 50,567 | 40,985 | 39,422 |
| in LBP | 26,161 | 21,842 | 21,887 |
| in FC | 24,407 | 19,143 | 17,535 |
| Claims on non resident Financial sector | 15,810 | 9,209 | 8,666 |
| Non-resident securities portfolio | 1,633 | 886 | 855 |
| Other foreign assets* | 17,394 | 14,941 | 14,720 |
| Deposits at the central bank | 202,600 | 177,346 | 176,970 |

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 10.9

percent in the first two months of 2020 and those denominated in foreign currencies decreased by 2.5 percent, thus deposit dollarization rate increased to 77.6 percent at end February 2020 from 76.0 percent at the end of 2019. The itemization of total deposits reveals a decrease in each of non-resident private sector deposits (-6.6 percent), in resident private sector deposits (-4.0 percent) and in public sector deposits (-1.3 percent) in the first two months of 2020.

Subsequently, resident private sector deposits accounted for 77.6 percent of total deposits at end February 2020 (19.4 percent for non-resident private sector and 3.0 percent for public sector deposits).

Total capital accounts amounted to LBP 31,295 billion (USD 20,759 million) at the end of February 2020 and represented around 9.9 percent of total assets. Capital accounts slightly increased by 0.2 percent from end December 2019.

Total claims on the resident and non-resident customers declined by 7.5 percent in the first two months of 2020, reaching LBP 68,991 billion at the end of February 2020. The dollarization rate of these loans was 66.9 percent at the end of the stated month, and the ratio of total claims on resident and non-resident customers to total deposits attained 30.2 percent.

Total claims on the public sector were equivalent to LBP 39,422 billion at the end of February 2020, thus decreasing by 8.8 percent from end December 2019. Commercial banks held at the end of the stated month LBP 21,631 billion of Lebanese treasury bills (25.1 percent of the total portfolio in circulation) and USD 11,632 million of Eurobonds (nearly 36.4 percent of the total outstanding portfolio).

Deposits at the Central Bank (including CDs) amounted to LBP 176,970 billion at the end of February 2020 (0.3 percent decrease from end December 2019), whereas claims on non-resident financial sector decreased by 15.1 percent to LBP 8,666 billion (USD 5.7 billion) to represent 4.9 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 7,609 billion (around USD 5.0 billion) at the end of February 2020, thus decreasing by 1.8 percent from end December 2019. Deposits, including those of resident and non-resident customers and resident financial sector decreased by 6.4 percent in the first two months of 2020 to reach LBP 2,673 billion at the end of the period.



3. Financial Markets

The total number of shares traded on the Beirut Stock Exchange reached 1,730 thousand shares with a traded value of USD 11.3 million in February 2020 compared to 2,048 thousand shares with a traded value of USD 16.3 million in the previous month (121,955 thousand shares with a value of USD 569.9 million in February 2019).

During February 2020, the traded value by economic sectors was as such: 91.4 percent for Development and Reconstruction, 8.5 percent for Banking and 0.1 percent for Industrial.

Capital Markets

| | Feb-19 | Jan-20 | Feb-20 |
|---|---------|--------|--------|
| BSE | | | |
| Traded shares (ooo) | 121,955 | 2,048 | 1,730 |
| Traded value (USD million) | 569.9 | 16.3 | 11.3 |
| Market capitalization (USD million) | 9,336 | 6,965 | 6,235 |
| Outstanding treasury bills (LBP billion) | 76,370 | 86,036 | 86,142 |
| Outstanding sovereign Eurobonds (USD million) | 30,964 | 31,314 | 31,314 |
| Outstanding private sector (banks) securities (USD million) | 950 | 950 | 950 |

Source: BDL, BSE

The market capitalization of listed shares decreased to USD 6,235 million at the end of February 2020, compared to USD 6,965 million at the end of the previous month and USD 9,336 million at the end of February 2019. Banking had 73.4 percent weight, whereas Development and Construction 22.6 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 86,142 billion and USD 31,314 million respectively at the end of February 2020 (LBP 86,036 billion and USD 31,314 million at the end of January 2020). In February 2020, Credit default swaps (CDS) on 5-years Lebanese Government Eurobonds in USD ranged between 3,385 bps and 11,860 bps and averaged 6,090 bps.

The outstanding value of bank-issued certificates of deposits, notes and bonds amounted to USD 950 million at the end of February 2020. The outstanding value of the certificates of deposits issued by BDL in the domestic currency slightly decreased to LBP 47,450 billion and the outstanding value of the certificates of deposits issued by BDL in USD declined to USD 22.1 billion.

IV- MONETARY DEVELOPMENTS

The stock of money and quasi money (M3) attained LBP 197,405 billion at the end of February 2020, of which 69.8 percent denominated in foreign currencies, thus decreasing by 2.7 percent from end December 2019.

Money Supply & Counterparts

| LBP billion | Feb-19 | Jan-20 | Feb-20 |
|-----------------------------|---------|---------|---------|
| M3 | 210,836 | 199,831 | 197,405 |
| Net foreign assets | 41,093 | 40,827 | 40,988 |
| Net claims on public sector | 83,658 | 82,306 | 81,799 |
| Valuation Adjustment | -10,178 | -13,807 | -14,489 |
| Claims on private sector | 80,974 | 68,258 | 65,786 |
| Other items-net | 15,288 | 22,246 | 23,322 |
| CAS CPI (Dec 2013=100) | 107.42 | 118.00 | n.a. |

Source: BDL, CAS.

The LBP 5,426 billion decrease in M3 in February 2020 resulted from a drop in each of claims on the private sector (-LBP 5,028 billion), net claims on public sector (-LBP 2,352 billion) and valuation adjustment (-LBP 1,653 billion) against an increase in net foreign assets (+LBP 903 billion) and in net items other than foreign assets and claims on private and public sectors (+LBP 2,704 billion).

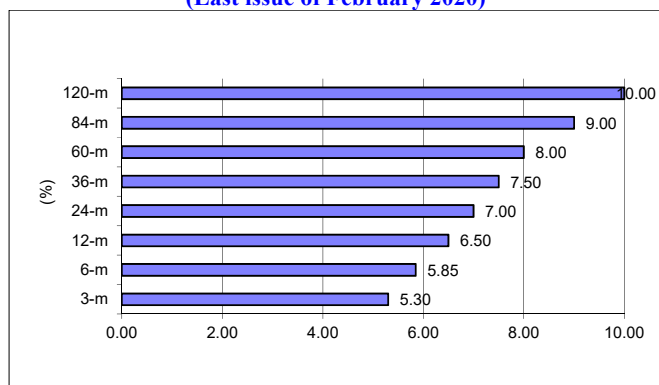
The Consumer Price Index (CPI) for Beirut and Suburbs, published by the Consultation and Research Institute, increased by 1.24 percent in the month of February 2020 compared to the previous month and by 5.79 percent from December 2019.

The Consumer Price Index (CPI) for Lebanon, published by the Central Administration of Statistics increased by 1.38 percent in February 2020 compared to the previous month and by 11.36 percent from February 2019.

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 February 2020. The yields on the issued Lebanese Treasury bills in LBP read at the end of the stated month: 5.30 percent for three-month bills, 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.



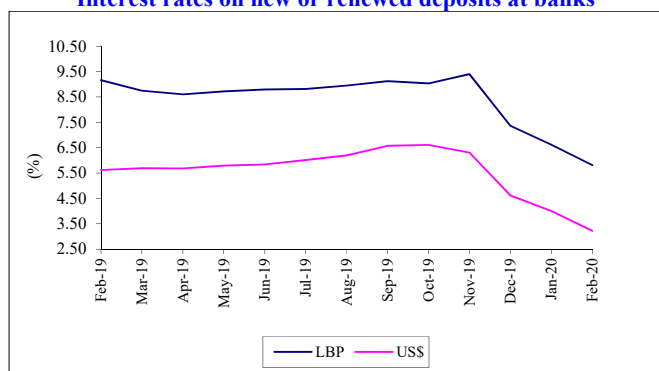
**Yield on Lebanese treasury bills denominated in LBP
(Last issue of February 2020)**



Source: BDL

In February 2020, the average interest rate on new or renewed LBP and USD deposits at commercial banks decreased to 5.81 percent (6.62 percent a month ago) and 3.22 percent (4.00 percent in January 2020) respectively. The average 3-month USD LIBOR was 1.68 percent.

Interest rates on new or renewed deposits at banks



In February 2020, the average interest rate on new or renewed loans at commercial banks denominated in LBP and USD decreased to 9.33 percent (9.86 percent a month ago) and 9.11 percent (10.07 percent in January 2020) respectively.

V- PUBLIC FINANCES

Government revenues, including budget revenues and treasury receipts attained LBP 1,539 billion in January 2020 (LBP 1,725 billion in January 2019). The LBP 1,539 billion revenues comprised LBP 1,218 billion tax revenues, LBP 217 billion non-tax revenues and LBP 104 billion treasury receipts.

Fiscal Situation

| | LBP billion | Feb-19 | Jan-20 | Feb-20 |
|-------------------------|-------------|--------|--------|--------|
| Government revenues | | 995 | 1,539 | 995 |
| Tax revenues | | 818 | 1,218 | 784 |
| Non-tax revenues | | 97 | 217 | 160 |
| Treasury receipts | | 80 | 104 | 51 |
| Government expenditures | | 1,877 | 2,550 | 1,729 |
| Debt service | | 398 | 519 | 416 |
| Others | | 1,479 | 2,031 | 1,313 |
| Overall balance | | -882 | -1,011 | -734 |
| Primary balance | | -483 | -492 | -318 |

Source: Ministry of Finance.

Government expenditures, consisting of budget and treasury spending, amounted to LBP 2,550 billion in January 2020 (LBP 1,834 billion in January 2019). The LBP 2,550 billion expenditures included LBP 519 billion debt service and LBP 2,031 billion other general expenditures o/w LBP 949 billion related to budget expenditures for previous years and LBP 286 billion to EDL.

Total Deficit increased as such to LBP 1,011 billion in January 2020 from LBP 110 billion in January 2019, and the primary balance reported an LBP 492 billion deficit compared to an LBP 349 billion surplus.

Gross public debt amounted to LBP 139,054 billion (the equivalent of USD 92.2 billion) at the end of February 2020, thus increasing by 0.7 percent when compared to end December 2019 (0.1 percent growth in the first two months of 2019).

Net public debt, which subtracts public sector deposits at banks and the central bank from gross public debt, amounted to LBP 124,464 billion at the end of February 2020, therefore increasing by 1.6 percent from end of December 2019 (1.1 percent growth in the first two months of 2019).

Public Debt

| | LBP billion | Feb-19 | Jan-20 | Feb-20 |
|------------------------|-------------|---------|---------|---------|
| Public Debt (Gross) | | 128,518 | 138,682 | 139,054 |
| Debt in LBP | | 77,634 | 87,507 | 87,696 |
| Debt in FC | | 50,884 | 51,175 | 51,358 |
| Public Debt (Net) | | 115,405 | 123,222 | 124,464 |
| Public sector deposits | | 13,113 | 15,460 | 14,590 |
| Banks | | 6,608 | 7,486 | 7,364 |
| BDL | | 6,505 | 7,974 | 7,226 |

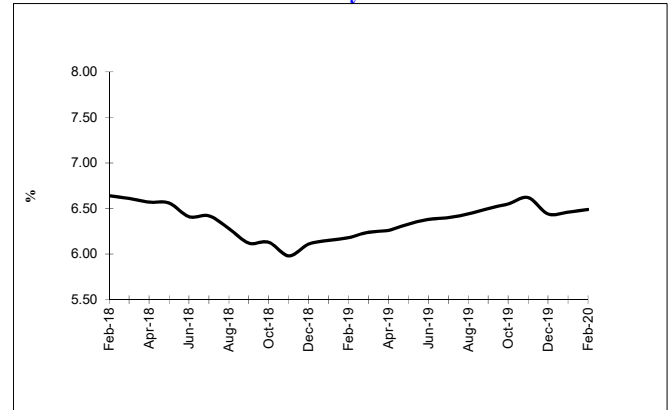
Source: BDL.



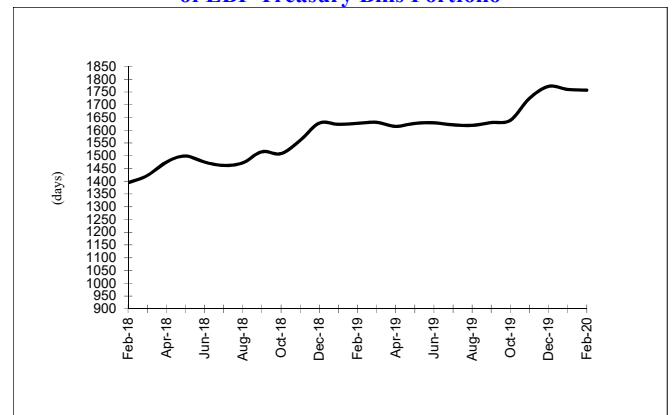
The shares of the local currency debt and foreign currency debt of the total gross were around 63.1 percent and 36.9 percent respectively at the end of February 2020. The distribution of local currency debt by type of holder was as follows: 28.6 percent for banks (28.7 percent end of January 2019), 58.3 percent for the Central bank (58.2 percent in the previous month) and 13.1 percent for the non-banking sector (13.1 percent one month earlier). The breakdown of the foreign currency debt was as such: Eurobonds (93.8 percent), Multilateral (4.2 percent), Bilateral (1.9 percent) and others (0.1 percent).

The average maturity of the Government debt securities denominated in the domestic currency is estimated at 1,757 days (4.83 years) as at end February 2020 with a weighted interest of 6.49 percent, while the average maturity of the Government debt instruments denominated in foreign currencies is around 7.84 years with a weighted interest of 7.38 percent.

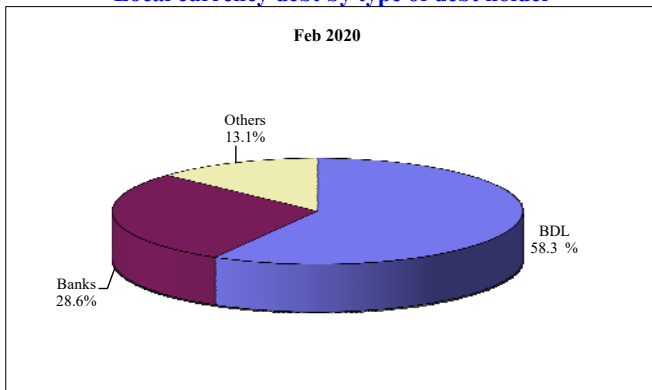
Weighted Average Interest Rate on LBP Treasury Bills Portfolio



Weighted Average Life of LBP Treasury Bills Portfolio

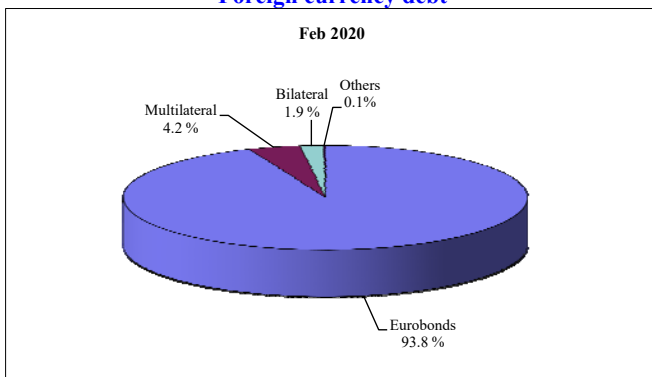


Local currency debt by type of debt holder



Source: BDL.

Foreign currency debt



Source: BDL.



GENERAL INDICATORS OF ECONOMIC ACTIVITIES

| | Jan - Feb 2019 | Jan - Feb 2020 | Feb-19 | Jan-20 | Feb-20 |
|--|-------------------|-------------------|---------|---------|---------|
| Imports of Industrial Equipment (000's US\$) | 42,275 | n.a. | 13,780 | n.a. | n.a. |
| Building Permits (000's m2) | 1,355 | n.a. | 850 | 179 | n.a. |
| Cement Delivery (000s' tons) | 420 | 203 | 203 | 85 | 118 |
| Checks Cleared in LBP (billion LBP) | 5,484 | 6,786 | 2,686 | 3,438 | 3,348 |
| Checks Cleared in FC (million US\$) | 6,118 | 8,024 | 3,072 | 4,413 | 3,611 |
| Shipped Goods (tons)-Beirut Port | 109,120 | 126,161 | 62,068 | 63,640 | 62,521 |
| Unloaded Goods (tons)-Beirut Port | 1,026,340 | 601,812 | 492,031 | 299,276 | 302,536 |
| Passengers Arrivals (000's)-BIA | 529 | 453 | 259 | 231 | 222 |
| Passengers Departures (000's)-BIA | 592 | 512 | 260 | 283 | 229 |
| Total exports of goods (million USD) | 536 | 676 | 300 | 333 | 343 |
| Total imports of goods (million USD) | 2,768 | 2,105 | 1,364 | 1,154 | 951 |
| Balance of Trade (million USD) | -2,232 | -1,429 | -1,064 | -821 | -608 |
| Changes of Net Foreign Assets in the banking system (million USD) | -1,930 | -505 | -550 | -158 | -347 |
| Gross Foreign Currency Reserves (End of period-million USD) | - | - | 31,271 | 28,960 | 28,340 |
| Consumer Price Index (End of period) | - | - | 107.42 | 118.00 | n.a. |

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-Dec 2019 | Jan - Feb 2019 | Jan - Feb 2020 | Jan-Dec 2019 | Jan - Feb 2019 | Jan - Feb 2020 |
| 1- Live animals, animal products | 841 | 128 | 101 | 23 | 2 | 2 |
| 2- Vegetable products | 932 | 201 | 147 | 175 | 29 | 34 |
| 3- Fats & edible fats & oils | 125 | 24 | 21 | 58 | 8 | 8 |
| 4- Prepared foodstuffs | 1,214 | 207 | 125 | 371 | 65 | 66 |
| 5- Mineral products | 6,609 | 509 | 750 | 58 | 16 | 4 |
| 6- Products of the chemical | 1,991 | 337 | 256 | 369 | 44 | 48 |
| 7- Plastics & articles thereof | 643 | 112 | 44 | 153 | 27 | 17 |
| 8- Raw hides & skins, leather, furskins | 56 | 9 | 5 | 13 | 2 | 3 |
| 9- Wood & articles of wood | 175 | 31 | 8 | 13 | 1 | 2 |
| 10- Paper & paperboard & articles thereof | 279 | 44 | 21 | 144 | 21 | 17 |
| 11- Textiles & textile articles | 607 | 103 | 55 | 49 | 6 | 10 |
| 12- Footwear, headgear, prepared feathers | 115 | 22 | 11 | 10 | 1 | 4 |
| 13- Articles of stone, plaster, cement | 307 | 50 | 17 | 19 | 3 | 4 |
| 14- Pearls, precious or semi-precious stones | 931 | 163 | 208 | 1455 | 199 | 316 |
| 15- Base metals & articles of base metal | 850 | 169 | 61 | 297 | 40 | 60 |
| 16- Machinery & mechanical appliances | 1,665 | 336 | 135 | 382 | 50 | 51 |
| 17-Transport equipment | 1,175 | 198 | 77 | 28 | 5 | 10 |
| 18- Optical instruments & apparatus | 337 | 63 | 34 | 15 | 3 | 2 |
| 19- Arms & ammunition | 11 | 1 | 3 | 2 | 0 | 0 |
| 20- Miscellaneous manufactured articles | 355 | 59 | 25 | 89 | 13 | 15 |
| 21- Works of art | 20 | 2 | 2 | 8 | 1 | 1 |
| Total | 19,239 | 2,768 | 2,105 | 3,731 | 536 | 676 |

Source: Lebanese Customs.

* Corrected figures

IMPORTS BY ORIGIN
(Million US Dollars)

| | Jan - Feb | Share | Jan - Feb | Share |
|----------------------|--------------|--------------|--------------|--------------|
| | 2019 | % | 2020 | % |
| GREECE | 205 | 7.4 | 199 | 9.5 |
| TURKEY | 113 | 4.1 | 183 | 8.7 |
| ITALY | 202 | 7.3 | 178 | 8.5 |
| UAE | 95 | 3.4 | 132 | 6.3 |
| CHINA | 313 | 11.3 | 120 | 5.7 |
| USA | 143 | 5.2 | 108 | 5.1 |
| RUSSIAN FEDERATION | 137 | 4.9 | 92 | 4.4 |
| GERMANY | 155 | 5.6 | 91 | 4.3 |
| KUWAIT | 2 | 0.1 | 70 | 3.3 |
| FRANCE | 108 | 3.9 | 60 | 2.9 |
| OTHER COUNTRIES | 1,295 | 46.8 | 872 | 41.4 |
| TOTAL IMPORTS | 2,768 | 100.0 | 2,105 | 100.0 |

Source: Lebanese Customs.

* Corrected figures

EXPORTS BY DESTINATION
(Million US Dollars)

| | Jan - Feb | Share | Jan - Feb | Share |
|----------------------|------------|--------------|------------|--------------|
| | 2019 | % | 2020 | % |
| SWITZERLAND | 94 | 17.5 | 221 | 32.7 |
| UAE | 77 | 14.4 | 114 | 16.9 |
| SAUDI ARABIA | 33 | 6.2 | 43 | 6.4 |
| IRAQ | 18 | 3.4 | 24 | 3.6 |
| SYRIA | 41 | 7.6 | 21 | 3.1 |
| QATAR | 25 | 4.7 | 19 | 2.8 |
| JORDAN | 13 | 2.4 | 17 | 2.5 |
| EGYPT | 12 | 2.2 | 16 | 2.4 |
| GREECE | 7 | 1.3 | 16 | 2.4 |
| USA | 10 | 1.9 | 13 | 1.9 |
| OTHER COUNTRIES | 206 | 38.4 | 172 | 25.4 |
| TOTAL EXPORTS | 536 | 100.0 | 676 | 100.0 |

Source: Lebanese Customs.



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

| | 2018 | | 2019 | | 2020 | |
|---|----------------|----------------|----------------|----------------|----------------|--|
| | Dec | Feb | Dec | Jan | Feb | |
| ASSETS | | | | | | |
| Reserves | 197,138 | 203,460 | 178,208 | 178,563 | 178,044 | |
| -Cash | 850 | 860 | 741 | 1,217 | 1,074 | |
| -Deposits at the Central Bank | 196,288 | 202,600 | 177,468 | 177,346 | 176,970 | |
| Claims on the Resident Private and Financial Sectors | 78,796 | 76,716 | 66,627 | 64,243 | 61,715 | |
| -Claims denominated in Lebanese Pound | 24,850 | 24,035 | 20,883 | 20,648 | 20,391 | |
| -Claims denominated in Foreign Currencies | 53,946 | 52,682 | 45,744 | 43,596 | 41,324 | |
| Claims on the Public Sector | 50,651 | 50,567 | 43,240 | 40,985 | 39,422 | |
| o/w -Treasury Bills in Lebanese Pound | 26,198 | 25,879 | 22,071 | 21,563 | 21,631 | |
| -Treasury Bills in Foreign Currencies | 24,178 | 24,407 | 20,827 | 19,143 | 17,535 | |
| Foreign Assets | 37,991 | 34,837 | 26,534 | 25,036 | 24,241 | |
| -Claims on Non-Resident Private Sector | 10,728 | 9,787 | 8,400 | 7,987 | 7,750 | |
| -Claims on Non-Resident Banks | 18,074 | 15,810 | 10,202 | 9,209 | 8,666 | |
| -Currency and deposits with other central banks | 1,487 | 1,498 | 887 | 862 | 872 | |
| -Other Foreign Assets | 6,097 | 6,110 | 6,111 | 6,093 | 6,098 | |
| -Non Resident securities portfolio | 1,604 | 1,633 | 935 | 886 | 855 | |
| Tangible and intangible assets | 7,636 | 7,666 | 7,925 | 8,097 | 8,068 | |
| Resident Private securities portfolio | 2,671 | 2,614 | 2,413 | 2,396 | 2,377 | |
| Unclassified Assets | 1,214 | 1,377 | 1,850 | 2,979 | 3,217 | |
| TOTAL ASSETS | 376,097 | 377,237 | 326,797 | 322,301 | 317,083 | |
| LIABILITIES | | | | | | |
| Liabilities to the Resident Private and Financial Sectors | 205,859 | 203,969 | 190,566 | 186,545 | 183,030 | |
| -Deposits in Lebanese Pound | 70,696 | 69,916 | 52,687 | 49,969 | 46,950 | |
| -Deposits in Foreign Currencies | 135,163 | 134,054 | 137,879 | 136,576 | 136,080 | |
| Liabilities to the Public Sector | 6,445 | 6,695 | 7,379 | 7,404 | 7,286 | |
| Deposits of Non-Residents Customers | 56,870 | 55,279 | 48,920 | 47,275 | 45,675 | |
| -Denominated in Lebanese Pound | 6,501 | 6,302 | 4,733 | 4,510 | 4,219 | |
| -Denominated in Foreign Currencies | 50,369 | 48,978 | 44,187 | 42,765 | 41,456 | |
| Liabilities to Non-Resident Banks | 13,961 | 14,150 | 13,310 | 12,746 | 12,469 | |
| Bonds | 324 | 340 | 617 | 691 | 769 | |
| Capital Base | 30,383 | 33,403 | 31,240 | 31,623 | 31,295 | |
| -Core Capital | 28,235 | 31,259 | 29,278 | 30,006 | 29,699 | |
| -Supplementary Capital | 2,148 | 2,145 | 1,962 | 1,617 | 1,595 | |
| Unclassified Liabilities | 62,256 | 63,400 | 34,766 | 36,017 | 36,559 | |
| TOTAL LIABILITIES | 376,097 | 377,237 | 326,797 | 322,301 | 317,083 | |

Source: BDL.

N.B. Starting December 2019, and according to the offsetting criteria in IAS 32 "Financial Instruments: Presentation" and the disclosure on offsetting financial assets and financial liabilities in IFRS 7, banks have offset their loans taken from BDL in Lebanese pound with their corresponding placements at Banque du Liban in Lebanese pound carrying same maturities.



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

| | 2018 | | 2019 | | 2020 | |
|--|----------------|----------------|----------------|----------------|----------------|--|
| | Dec | Feb | Dec | Jan | Feb | |
| <u>Money Supply</u> | | | | | | |
| Currency in circulation | 5,008 | 4,631 | 9,818 | 10,734 | 11,972 | |
| + Demand Deposits in LBP | 6,653 | 5,894 | 6,802 | 7,674 | 7,577 | |
| = M1 | 11,661 | 10,525 | 16,620 | 18,408 | 19,549 | |
| + Other Deposits in LBP | 65,167 | 65,201 | 46,864 | 43,135 | 40,127 | |
| = M2 | 76,828 | 75,726 | 63,484 | 61,543 | 59,677 | |
| + Deposits in Foreign Currencies | 135,892 | 134,818 | 138,910 | 137,839 | 137,254 | |
| + Bonds | 272 | 291 | 437 | 449 | 474 | |
| = M3 | 212,993 | 210,836 | 202,831 | 199,831 | 197,405 | |
| + Treasury Bills Held by the Public | 11,444 | 11,230 | 11,246 | 11,442 | 11,488 | |
| = M4 | 224,437 | 222,066 | 214,077 | 211,273 | 208,893 | |
| <u>Counterparts of the Money Supply</u> | | | | | | |
| Net Foreign Assets | 43,308 | 41,093 | 40,084 | 40,827 | 40,988 | |
| o/w Gold | 17,743 | 18,438 | 21,013 | 21,962 | 22,629 | |
| Net Claims on the Public Sector | 82,439 | 83,658 | 84,150 | 82,306 | 81,799 | |
| Valuation Adjustment | -9,464 | -10,178 | -12,835 | -13,807 | -14,489 | |
| Claims on the Private Sector | 83,099 | 80,974 | 70,814 | 68,258 | 65,786 | |
| Claims in LBP | 27,079 | 26,239 | 22,982 | 22,729 | 22,463 | |
| Claims in FC | 56,020 | 54,735 | 47,832 | 45,530 | 43,323 | |
| Other Items (Net) | 13,610 | 15,288 | 20,618 | 22,246 | 23,322 | |
| TOTAL | 212,993 | 210,836 | 202,831 | 199,831 | 197,405 | |

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⁾ | Others ⁽²⁾ | | | | | | |
| 2018 | Dec | 128,347 | 39,006 | 27,402 | 11,444 | 77,852 | 2,068 | 1,113 | 0 | 47,314 | 50,495 |
| 2019 | 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 | 128,680 | 42,222 | 26,783 | 11,230 | 80,235 | 2,037 | 1,019 | 0 | 45,389 | 48,445 |
| | Jun | 129,245 | 42,984 | 26,576 | 11,026 | 80,586 | 2,068 | 1,034 | 0 | 45,557 | 48,659 |
| | Jul | 129,658 | 43,142 | 26,466 | 11,221 | 80,829 | 2,044 | 1,021 | 0 | 45,764 | 48,829 |
| | Aug | 130,094 | 43,302 | 26,322 | 11,466 | 81,090 | 2,053 | 1,025 | 0 | 45,926 | 49,004 |
| | Sep | 130,833 | 44,131 | 26,214 | 11,480 | 81,825 | 2,053 | 1,019 | 0 | 45,936 | 49,008 |
| | Oct | 131,303 | 44,967 | 26,046 | 11,247 | 82,260 | 2,059 | 1,002 | 0 | 45,982 | 49,043 |
| | Nov | 134,895 | 47,491 | 25,502 | 11,284 | 84,277 | 2,046 | 930 | 0 | 47,642 | 50,618 |
| | Dec | 138,150 | 50,717 | 25,316 | 11,246 | 87,279 | 2,074 | 950 | 0 | 47,847 | 50,871 |
| | 2020 | Jan | 138,682 | 50,899 | 25,167 | 11,441 | 87,507 | 2,139 | 950 | 0 | 48,086 |
| Feb | | 139,054 | 51,116 | 25,092 | 11,488 | 87,696 | 2,138 | 951 | 0 | 48,269 | 51,358 |

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 | Issue | Reimbursement | Weighted Average Life (days) | Weighted Average Interest (%) | |
|----------------------|-------------|--------|---------------|---------------------------------------|--|---------------|
| | | | | | | Circulation |
| | | | | | | End of period |
| 2018 | Dec | 76,575 | 2,606 | 529 | 1,628 | 6.11 |
| 2019 | 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 |
| | Sep | 80,306 | 1,518 | 887 | 1,630 | 6.50 |
| | Oct | 80,669 | 1,617 | 1,254 | 1,639 | 6.55 |
| | Nov | 82,543 | 4,751 | 2,877 | 1,725 | 6.62 |
| | Dec | 85,700 | 3,556 | 399 | 1,772 | 6.44 |
| | 2020 | Jan | 86,036 | 1,308 | 972 | 1,760 |
| Feb | | 86,142 | 1,079 | 974 | 1,757 | 6.49 |

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\$ | | | | | | | | | | | | |
| 2018 | 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 | 10.24 |
| 2019 | 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 | no issues | 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 | no issues | 5.68 | 6.10 | 6.88 | 7.36 | 7.85 | 8.81 | 9.76 | |
| | Sep | 10.92 | 10.26 | 9.13 | 6.57 | 19.59 | 2.13 | no issues | 5.68 | 6.10 | 6.88 | 7.36 | 7.85 | 8.81 | 9.76 | |
| | Oct | 11.19 | 10.05 | 9.03 | 6.61 | 62.03 | 1.98 | 5.23 | 5.68 | 6.10 | no issues | 7.36 | 7.85 | 8.81 | 9.76 | |
| | Nov | 9.69 | 10.64 | 9.40 | 6.31 | 73.51 | 1.91 | 5.23 | 5.68 | 6.10 | 6.88 | 7.36 | 7.85 | 8.81 | 9.76 | |
| | Dec | 9.09 | 10.84 | 7.36 | 4.62 | 23.64 | 1.91 | 5.23 | 5.68 | 6.10 | 6.88 | 7.36 | 7.85 | 8.81 | 9.76 | |
| | 2020 | Jan | 9.86 | 10.07 | 6.62 | 4.00 | 58.81 | 1.82 | 5.23 | 5.68 | 6.10 | 6.88 | 7.36 | 7.85 | 8.81 | 9.76 |
| Feb | | 9.33 | 9.11 | 5.81 | 3.22 | 59.71 | 1.68 | 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.

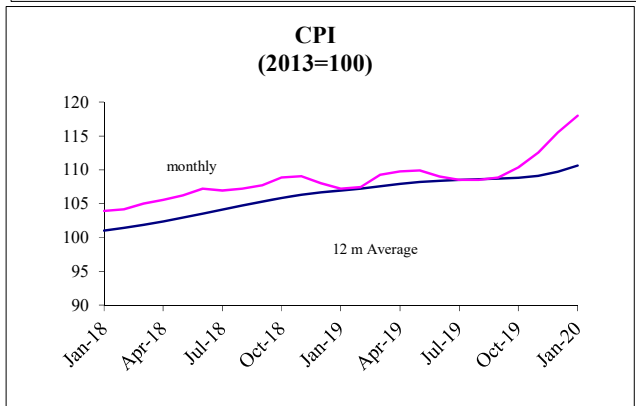
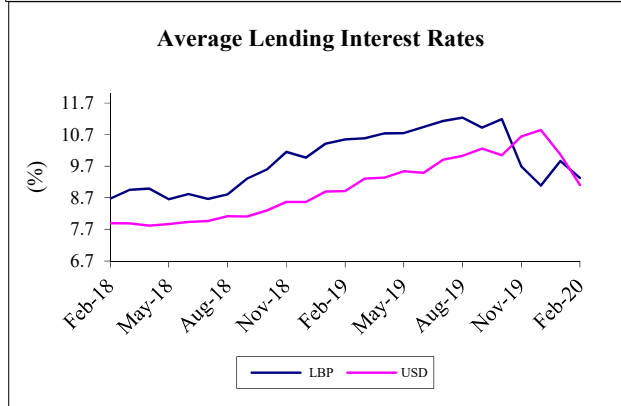
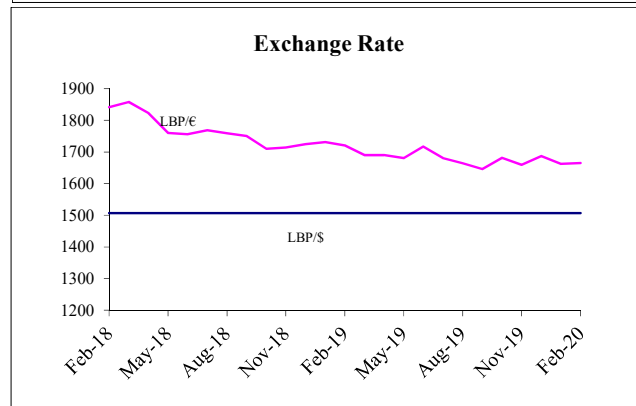
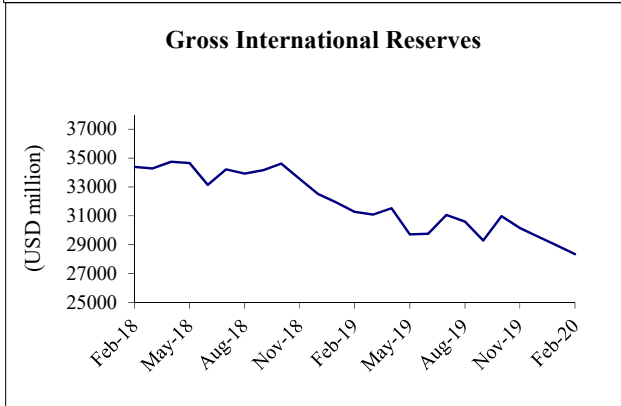
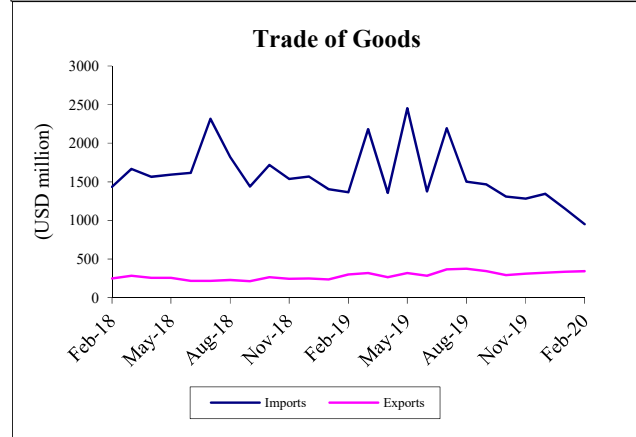
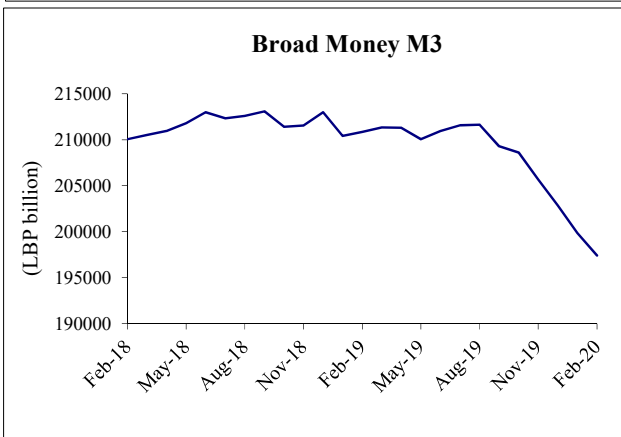
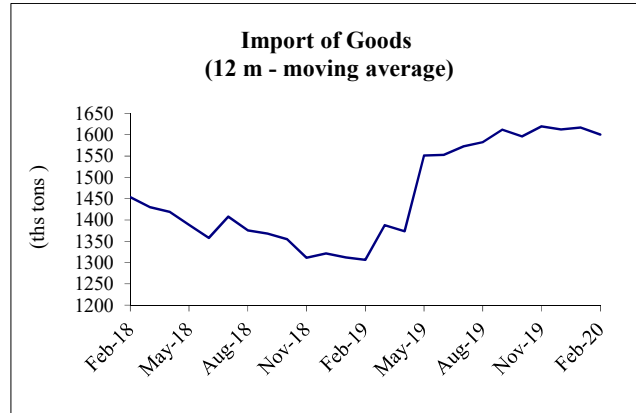
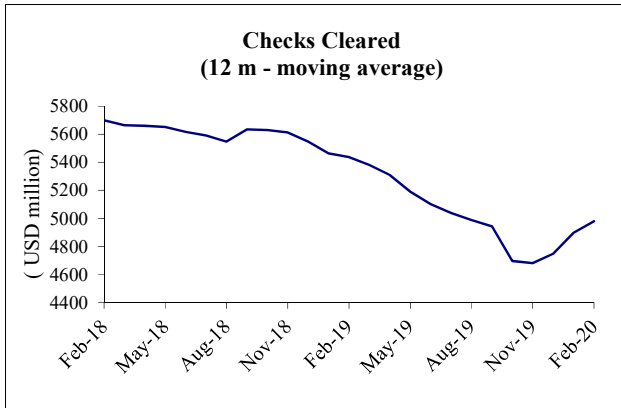
END OF PERIOD EXCHANGE RATES
(LBP per other currencies)

| Year and Month | US Dollar | Swiss Franc | British Pound | Japanese Yen | Euro | |
|-------------------|--------------|----------------|------------------|-----------------|----------|----------|
| 2018 | Dec | 1,507.50 | 1,529.68 | 1,905.78 | 13.66 | 1,724.73 |
| 2019 | 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 |
| | Sep | 1,507.50 | 1,514.77 | 1,854.68 | 13.97 | 1,646.49 |
| | Oct | 1,507.50 | 1,527.20 | 1,954.02 | 13.94 | 1,681.01 |
| | Nov | 1,507.50 | 1,507.95 | 1,943.17 | 13.76 | 1,659.15 |
| | Dec | 1,507.50 | 1,551.09 | 1,977.99 | 13.81 | 1,686.89 |
| | 2020 | Jan | 1,507.50 | 1,553.96 | 1,977.39 | 13.83 |
| Feb | | 1,507.50 | 1,564.12 | 1,945.28 | 13.87 | 1,664.88 |

Source: BDL.



Indicative Charts



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