



Summary:

In August 2018, the majority of real sector indicators retreated when compared to the previous month. Imports of goods decreased while exports increased resulting in a lower trade deficit. The overall balance of payments reported a deficit and the official foreign currency reserves diminished a little. Total assets of banks expanded favorably and the gross public debt grew faster. Deposit and lending rates notched up.

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

Construction and real estate indicators retreated in general in August 2018 when compared to the preceding month and August 2017.

	Aug-18	Jul-18	Aug-17	Change % August 2018/August 2017
Construction permits				
Area (s.m)	683,516	665,529	1,246,512	-45.2
Number (permits)	1,005	1,116	1,379	-27.1
Cement deliveries (000 tons)	418	472	499	-16.2
Collected real estate fees (LBP billion)	50.2	63.4	109.3	-54.1
Real estate sales operations (number)	4,903	5,727	7,813	-37.2
Value of Real estate sales (LBP billion)	889	1,032	1,661	-46.5
Real estate transactions (number)	12,183	15,561	19,769	-38.4

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

2-Tourism

Indicators of tourism activity were mixed in August 2018 in respect of the past month but improved in relation to the alike month of the previous year.

	Aug-18	Jul-18	Aug-17	Change % August 2018/August 2017
Number of arriving passengers at BIA	525,155	564,453	492,603	6.6
Number of departing passengers at BIA	634,223	457,465	573,480	10.6
Number of arriving tourists	223,353	262,779	213,656	4.5
Inbound Aircrafts at BIA (flights)	4,295	3,898	3,957	8.5
Outbound Aircrafts at BIA (flights)	4,304	3,903	3,949	9.0

Sources: Beirut International Airport, Ministry of Tourism.

3-Trade and Services

Trade and services indicators regressed on average in August 2018 against the previous month and August 2017.

	Aug-18	Jul-18	Aug-17	Change % August 2018/August 2017
Checks Cleared				
Value (USD million)	5,439	5,831	5,969	-8.9
Number (000 checks)	982	1,032	1,070	-8.2
Checks Returned				
Value (USD million)	131	136	133	-1.5
Number (checks)	24,073	22,883	19,899	21.0
Ships at the port of Beirut (number)	155	171	175	-11.4
Weight of unloaded goods at POB (tons)	624,495	622,142	707,583	-11.7
Weight of shipped goods at POB (tons)	74,372	84,991	111,649	-33.4
Discharged containers at POB (number)	23,762	24,065	26,425	-10.1
Revenues of POB (USD million)	19.0	20.0	20.8	-8.7
Merchandise at BIA				
Imports (tons)	4,538	4,360	4,915	-7.7
Exports (tons)	3,805	3,214	4,856	-21.6

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

4-Industry and Agriculture

Agriculture imports and exports advanced in August 2018 in respect of the past month but diminished in relation to August 2017.

	Aug-18	Jul-18	Aug-17	Change % August 2018/August 2017
Electricity production (MKWH)	1,494	1,403	1,486	0.5
Imports of gas oil				
Value (million USD)	135.6	762.4	110.0	23.3
Volume (tons)	201,006	1,056,229	224,900	-10.6
Agriculture imports (USD million)	140.9	133.3	160.6	-12.3
Agriculture exports (USD million)	18.3	16.9	21.0	-12.9

Source: BDL, Lebanese Customs.

II- EXTERNAL SECTOR***In August 2018,***

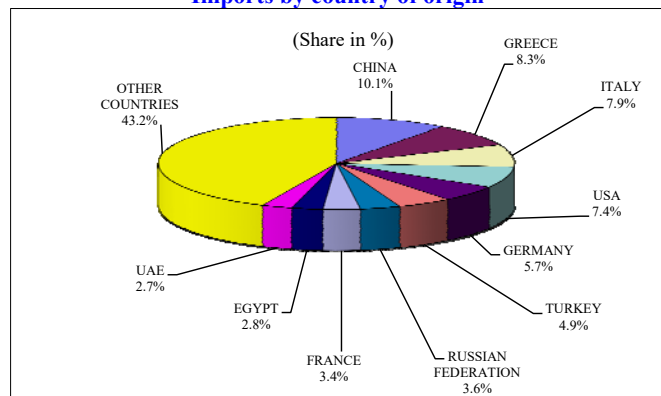
Imports of goods decreased to USD 1,820 million from USD 2,318 million in the previous month but exceeded the USD 1,685 million in August 2017. Yet, imports increased in the first eight months of 2018 by 4.8 percent with reference to the first eight months of the previous year.

In the first eight months of 2018, mineral products lead imported goods with a 21.3 percent share of total imports. They were followed by machinery and



mechanical appliances and products of the chemical which accounted for 11.9 percent and 10.9 percent respectively. China topped the list of imports by country of origin with a 10.1 percent share of total. Greece came next with a share of 8.3 percent followed by Italy (7.9 percent) and USA (7.4 percent).

Imports by country of origin



Source: Lebanese Customs

LBP billion	Aug-18	Jul-18	Aug-17	Change % August 2018/August 2017
Documentary L/Cs for import (opened credits)	862.7	973.7	642.0	34.4
Documentary L/Cs for import (utilized credits)	768.1	798.3	569.9	34.8
Bills for collection for import: Inward bills	109.4	142.3	146.5	-25.3
Documentary L/Cs for export (opened credits)	340.1	438.8	305.0	11.5
Documentary L/Cs for export (utilized credits)	362.1	225.5	361.5	0.2
Bills for collection for export: Outward bills	145.9	164.0	171.1	-14.7

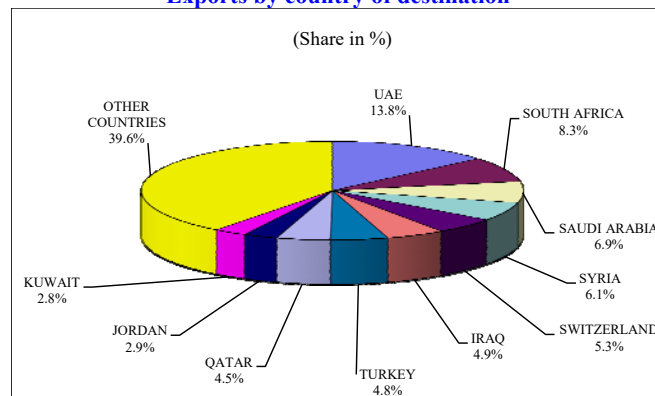
Source: BDL

In August 2018,

Exports of goods increased to USD 229 million compared to USD 218 million one month back (USD 251 million in August 2017). Exports rose in the first eight months of 2018 by 4.3 percent in respect of the first eight months of the preceding year.

In the first eight months of 2018, pearls, precious and semi - precious stones were on top of the list with a share of 23.6 percent of total exports, followed by base metals and prepared foodstuffs (13.6 percent for each) and products of the chemical (11.6 percent). UAE outperformed all others in terms of exports by country of destination with 13.8 percent share of the total, trailed by South Africa with a share of 8.3 percent followed by Saudi Arabia (6.9 percent) and Syria (6.1 percent).

Exports by country of destination



Source: Lebanese Customs

The trade deficit decreased to USD 1,591 million from USD 2,100 million in July 2018 (USD 1,434 million in August 2017). It widened in the first eight months of 2018 by 4.8 percent vis-à-vis the first eight months of 2017.

External Sector Indicators

USD million	Aug-17	Jul-18	Aug-18
Imports	1,685	2,318	1,820
Exports	251	218	229
Trade deficit	-1,434	-2,100	-1,591
Balance of payments	368	-549	-408
Gross foreign currency reserves	34,026	34,211	33,919

Source: Lebanese Customs, BDL.

The overall balance of payments reported a deficit of USD 408 million following a deficit of USD 549 million in July 2018 (USD 368 million surplus in August 2017). The USD 1,165 million negative balance recorded in the first eight months of 2018 represented a decrease in net foreign assets of banks and financial institutions (USD -2,759 million) partly offset by an increase in net foreign assets of the central bank (USD +1,594 million).

Gross foreign currency reserves of the Central bank decreased to USD 33,919 million at the end of August 2018 compared to USD 34,211 million at the end of the previous month and USD 34,026 million at end August 2017, and BDL foreign assets securities decreased to USD 9,639 million from USD 10,216 million at the end of July 2018 (USD 8,288 million at the end of August 2017). 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 359,473 billion (USD 238.5 billion) at the end of August 2018, thus increasing by 8.5 percent from end December 2017 (2.5 percent increase in the first eight months of 2017).

Total deposits at commercial banks, including resident and non-resident private sector deposits and public sector deposits grew by 2.6 percent in the first eight months of 2018 and constituted 74.4 percent of total assets with an equivalent value of LBP 267,622 billion (around USD 177.5 billion) at the end of the period.

Commercial Banks Balance Sheet -Main items

End of period-LBP billion	Aug-17	Jul-18	Aug-18
Total Assets	315,652	356,244	359,473
Total deposits	261,079	267,160	267,621
Resident customers' deposits	201,775	203,856	204,101
Non-resident customers' deposits	52,760	55,203	55,286
Resident financial sector liabilities	466	1,758	1,747
Public sector deposits	6,078	6,343	6,488
Non deposit liabilities	26,479	58,767	61,605
Capital accounts	28,095	30,317	30,246
Total claims on customers	87,431	88,474	88,748
Resident customers	78,803	78,667	78,730
Non-resident customers	8,627	9,808	10,018
Total claims on public sector	50,522	50,178	50,869
in LBP	26,022	25,861	25,934
in FC	24,500	24,317	24,935
Claims on non resident Financial sector	15,417	14,728	15,508
Non-resident securities portfolio	1,489	1,641	1,667
Other foreign assets*	16,357	17,643	17,872
Deposits at the central bank	142,527	180,946	182,222

Source: BDL.

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

The breakdown of total deposits shows that private sector deposits denominated in LBP increased by 2.4 percent from end December 2017, and those denominated in foreign currencies by 2.8 percent, thus deposit dollarization rate slightly decreased to 68.8 percent at end August 2018 (68.7 percent end December 2017). The itemization of total deposits reveals also a growth in non -resident private sector

deposits (+4.3 percent) and in resident private sector deposits (+2.3 percent) and in public sector deposits (+0.1 percent) in the first eight months of 2018. Subsequently, resident private sector deposits accounted for 76.9 percent of total deposits at end August 2018 (20.7 percent for non-resident private sector and 2.4 percent for public sector deposits).

Total capital accounts amounted to LBP 30,246 billion (USD 20,064 million) at the end of August 2018 and represented around 8.4 percent of total assets. Capital accounts increased by 4.9 percent from end December 2017.

Total claims on the resident and non-resident customers declined by 1.1 percent in the first eight months of 2018, reaching LBP 88,748 billion at the end of August 2018. The dollarization rate of these loans was 67.5 percent at the end of the stated month, and the ratio of total claims on resident and non- resident customers to total deposits attained 34.0 percent.

Total claims on the public sector were equivalent to LBP 50,870 billion at the end of August 2018, thus increasing by 5.6 percent from end December 2017. Commercial banks held at the end of the stated month LBP 25,668 billion of Lebanese treasury bills (35.8 percent of the total portfolio in circulation) and USD 16,540 million of Eurobonds (nearly 49.9 percent of the total outstanding portfolio).

Deposits at the Central Bank (including CDs) increased in the first eight months of 2018 by 16.9 percent to total LBP 182,222 billion at the end of August 2018, meanwhile claims on non- resident financial sector, decreased by 9.0 percent to LBP 15,508 billion (USD 10.3 billion) to represent 8.6 percent of private sector deposits in foreign currencies. Non-resident securities portfolio rose by 18.4 percent in the first eight months of 2018 to reach LBP 1,667 billion (USD 1.1 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 7,601 billion (around USD 5.0 billion) at the end of August 2018, thus decreasing by 1.7 percent from end December 2017. Deposits, including those of resident and non –



resident customers and resident financial sector decreased by 8.7 percent in the first eight months of 2018 to reach LBP 3,039 billion at the end of the period.

3. Financial Markets

The total number of shares traded on the Beirut Stock Exchange decreased to 1,547 thousand shares with a traded value of USD 12.7 million in August 2018 compared to 2,162 thousand shares with a traded value of USD 22.9 million in the previous month and 8,063 thousand shares with a value of USD 68.3 million in August 2017.

During August 2018, the traded value by economic sectors was as such: 61.4 percent for Banking, 36.9 percent for Development and Reconstruction and 1.7 percent for Industrial.

Capital Markets

	Aug-17	Jul-18	Aug-18
BSE			
Traded shares (ooo)	8,063	2,162	1,547
Traded value (USD million)	68.3	22.9	12.7
Market capitalization (USD million)	11,470	10,346	9,960
Outstanding treasury bills (LBP billion)	70,354	70,605	71,662
Outstanding sovereign Eurobonds (USD million)	27,015	32,511	32,509
Outstanding private sector (banks) securities (USD million)	850	950	950

Source: BDL, BSE

The market capitalization of listed shares decreased to USD 9,960 million at the end of August 2018, compared to USD 10,346 million at the end of the previous month and USD 11,470 million at the end of August 2017. Banking had a 84.8 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 71,662 billion and USD 32,509 million respectively at the end of August 2018 (LBP 70,605 billion and USD 32,511 million at the end of July 2018). In August 2018, Credit default swaps (CDS) on 5-years Lebanese Government Eurobonds in USD ranged between 606 bps and 658 bps and averaged 630 bps.

The outstanding value of bank-issued certificates of deposits and subordinated debt amounted to USD 950 million at the end of August 2018. The outstanding value of the certificates of deposits issued by BDL in the domestic currency slightly decreased to LBP 47,906 billion from LBP 47,926 billion a month earlier while those issued in foreign currencies stood almost unchanged at USD 23.0 billion.

IV- MONETARY DEVELOPMENTS

The stock of money and quasi money (M3) attained LBP 212,611 billion at the end of August 2018, of which 62.3 percent denominated in foreign currencies, thus increasing by 1.7 percent from end December 2017.

Money Supply & Counterparts

	LBP billion	Aug-17	Jul-18	Aug-18
M3		209,837	212,335	212,611
Net foreign assets		50,654	48,638	47,833
Net claims on public sector		77,656	75,915	77,085
Valuation Adjustment		-9,800	-8,660	-8,470
Claims on private sector		84,633	83,704	83,767
Other items-net		6,694	12,737	12,396
CAS CPI (Dec 2013=100)		100.48	106.96	107.20

Source: BDL, CAS.

The LBP 3,646 billion increase in M3 in the first eight months of 2018 resulted from an increase in each of net items other than foreign assets and claims on private and public sectors (+LBP 7,002 billion), valuation adjustment (+LBP 1,256 billion) and net claims on public sector (+LBP 854 billion) against a drop in net foreign assets (-LBP 3,210 billion) and claims on the private sector (-LBP 2,256 billion).

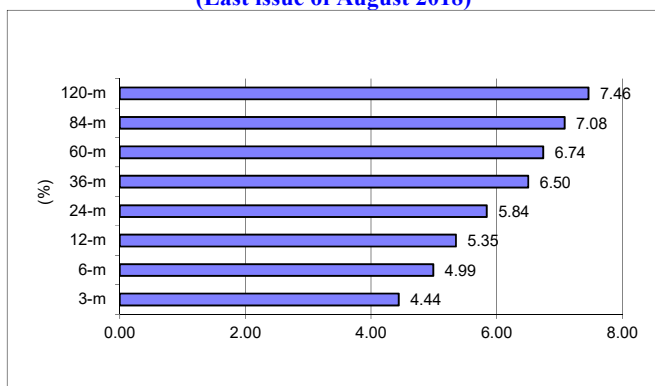
The Consumer Price Index (CPI) for Beirut and Suburbs, published by the Consultation and Research Institute, increased by 0.34 percent in the month of August 2018 compared to the previous month and by 5.27 percent from December 2017.

The Consumer Price Index (CPI) for Lebanon, published by the Central Administration of Statistics slightly increased in August 2018 (+0.2 percent) from July 2018 and by 3.2 percent from December 2017.



The interest rates on LBP monetary instruments were on 45 and 60- day certificates of deposits issued by BDL 4.90 percent and 5.08 percent respectively at the end of August 2018. The yields on the issued Lebanese Treasury bills in LBP 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.

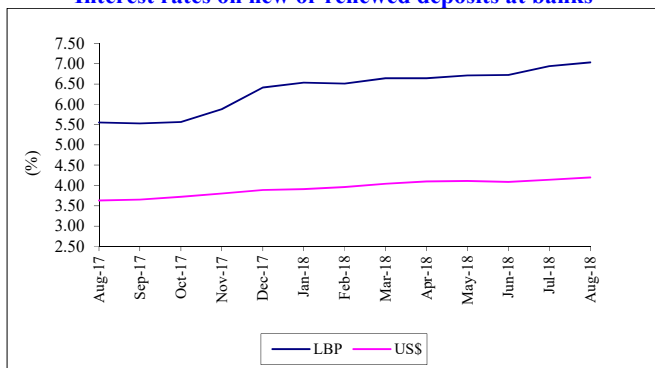
**Yield on Lebanese treasury bills denominated in LBP
(Last issue of August 2018)**



Source: BDL

In August 2018, the average interest rate on new or renewed LBP and USD deposits at commercial banks increased to 7.03 percent (6.94 percent a month ago) and 4.20 percent (4.14 percent in July 2018) respectively. The average 3-month USD LIBOR was 2.32 percent.

Interest rates on new or renewed deposits at banks



In August 2018, the average interest rate on new or renewed loans at commercial banks denominated in LBP and USD increased to 8.81 percent (8.66 percent a month ago) and 8.12 percent (7.96 percent in July 2018) respectively.

V- PUBLIC FINANCES

Government revenues, including budget revenues and treasury receipts attained LBP 1,674 billion in April 2018 to sum LBP 5,746 billion in the first four months of 2018 (LBP 5,555 billion in the first four months of 2017). The LBP 5,746 billion revenues comprised LBP 4,249 billion tax revenues, LBP 962 billion non-tax revenues and LBP 535 billion treasury receipts.

Fiscal Situation

	LBP billion	Apr-17	Mar-18	Apr-18
Government revenues		1,524	1,128	1,674
Tax revenues		1,204	879	1,251
Non-tax revenues		229	204	378
Treasury receipts		91	45	45
Government expenditures		1,718	2,570	1,813
Debt service		665	860	667
Others		1,053	1,710	1,146
Overall balance		-194	-1,442	-139
Primary balance		471	-582	528

Source: Ministry of Finance.

Government expenditures, consisting of budget and treasury spending, amounted to LBP 1,813 billion in April 2018 to total LBP 8,631 billion in the first four months of 2018 (LBP 6,828 billion in the first four months of 2017). The LBP 8,631 billion expenditures included LBP 2,334 billion debt service and LBP 6,297 billion other general expenditures o/w LBP 1,513 billion related to budget expenditures for previous years, LBP 787 billion to EDL and LBP 556 billion transfers to municipalities.

Total Deficit increased as such to LBP 2,885 billion in the first four months of 2018 from LBP 1,273 billion in the first four months of 2017, and the primary balance reported an LBP 551 billion deficit compared to an LBP 942 billion surplus respectively.

Gross public debt amounted to LBP 126,165 billion (the equivalent of USD 83.7 billion) at the end of August 2018, thus increasing by 5.2 percent when compared to end December 2017 (3.2 percent growth in the first eight months of 2017).

Net public debt, which subtracts public sector deposits at banks and the central bank from gross public debt, amounted to LBP 109,834 billion at the end of August



2018, therefore increasing by 5.4 percent from end of December 2017 (3.0 percent growth in the first eight months of 2017).

Public Debt

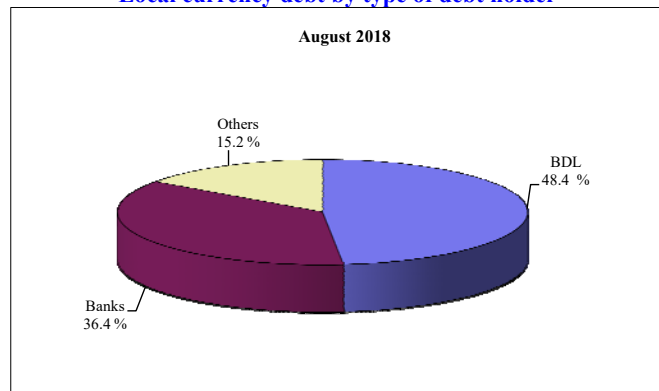
LBP billion	Aug-17	Jul-18	Aug-18
Public Debt (Gross)	116,518	124,975	126,165
Debt in LBP	71,554	71,833	72,857
Debt in FC	44,964	53,142	53,308
Public Debt (Net)	101,261	109,254	109,834
Public sector deposits	15,257	15,721	16,331
Banks	6,078	6,538	6,674
BDL	9,179	9,183	9,657

Source: BDL.

The shares of the local currency debt and foreign currency debt of the total gross were around 57.7 percent and 42.3 percent respectively at the end of August 2018. The distribution of local currency debt by type of holder was as follows: 36.4 percent for banks (36.9 percent end of July 2018), 48.4 percent for the Central bank (47.5 percent in the previous month) and 15.2 percent for the non-banking sector (15.6 percent one month earlier). The breakdown of the foreign currency debt was as such: Eurobonds (93.8 percent), Multilateral (3.8 percent), Bilateral (2.3 percent) and others (0.1 percent).

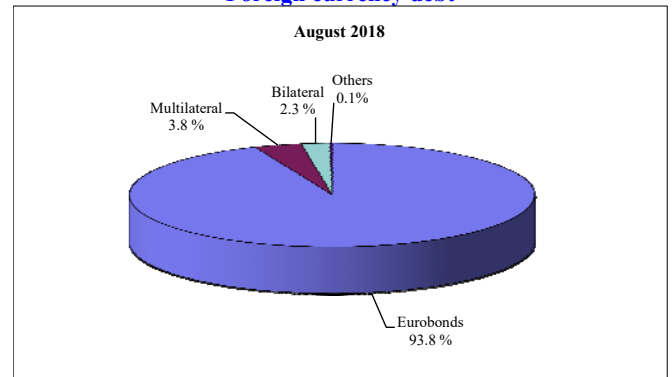
The average maturity of the Government debt securities denominated in the domestic currency is estimated at 1,472 days (4.04 years) as at end August 2018 with a weighted interest of 6.28 percent, while the average maturity of the Government debt instruments denominated in foreign currencies is around 7.78 years with a weighted interest of 6.73 percent.

Local currency debt by type of debt holder



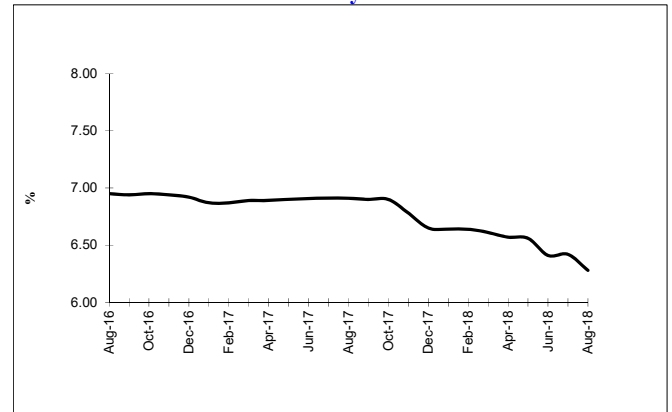
Source: BDL.

Foreign currency debt

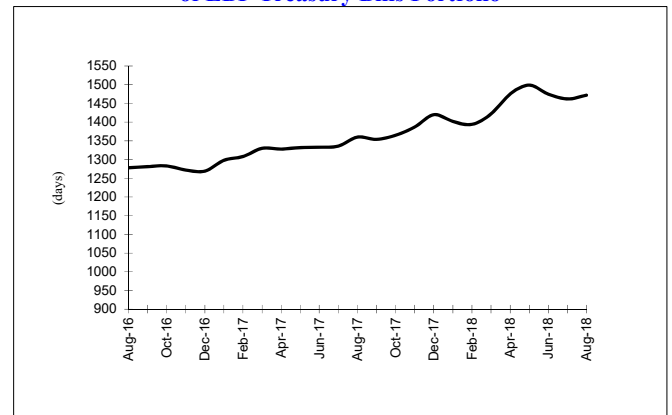


Source: BDL.

Weighted Average Interest Rate on LBP Treasury Bills Portfolio



Weighted Average Life of LBP Treasury Bills Portfolio



GENERAL INDICATORS OF ECONOMIC ACTIVITIES

	2017	Jan - Aug 2017	Jan - Aug 2018	Aug-17	Jul-18	Aug-18
Imports of Industrial Equipment (000's US\$)	257,402	164,025	n.a.	27,043	n.a.	n.a.
Building Permits (000's m2)	11,730	8,376	6,376	1,247	667	674
Cement Delivery (000s' tons)	5,149	3,355	3,197	499	472	418
Checks Cleared in LBP (billion LBP)	32,678	21,402	21,536	2,817	2,831	2,679
Checks Cleared in FC (million US\$)	46,578	31,607	29,828	4,100	3,953	3,662
Shipped Goods (tons)-Beirut Port	1,080,146	684,235	616,651	111,649	84,991	74,372
Unloaded Goods (tons)-Beirut Port	7,549,157	5,063,372	4,705,688	707,583	622,142	624,495
Passengers Arrivals (000's)-BIA	4,103	2,806	3,056	493	564	525
Passengers Departures (000's)-BIA	4,128	2,727	2,944	573	457	634
Total exports of goods (million USD)	2,844	1,903	1,985	251	218	229
Total imports of goods (million USD)	19,582	13,095	13,718	1,685	2,318	1,820
Balance of Trade (million USD)	-16,738	-11,192	-11,733	-1,434	-2,100	-1,591
Changes of Net Foreign Assets in the banking system (million USD)	-156	-647	-1,165	368	-549	-408
Gross Foreign Currency Reserves (End of period-million USD)	35,806	-	-	34,026	34,211	33,919
Consumer Price Index (End of period)	103.89	-	-	100.48	106.96	107.20

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		
	2017*	Jan - Aug 2017*	Jan - Aug 2018	2017	Jan - Aug 2017	Jan - Aug 2018
1- Live animals, animal products	885	580	684	19	13	17
2- Vegetable products	980	654	638	179	107	107
3- Fats & edible fats & oils	164	112	103	36	23	32
4- Prepared foodstuffs	1,375	927	897	458	307	270
5- Mineral products	4,301	2,925	2,921	48	39	18
6- Products of the chemical	2,135	1,418	1,498	320	215	231
7- Plastics & articles thereof	773	504	510	150	95	116
8- Raw hides & skins, leather, furskins	72	48	47	11	8	7
9- Wood & articles of wood	222	144	150	11	8	5
10- Paper & paperboard & articles thereof	300	199	244	142	102	97
11- Textiles & textile articles	787	509	504	67	46	34
12- Footwear, headgear, prepared feathers	146	100	97	10	7	7
13- Articles of stone, plaster, cement	486	329	307	21	13	15
14- Pearls, precious or semi-precious stones	996	671	904	586	401	468
15- Base metals & articles of base metal	1,277	851	871	340	220	270
16- Machinery & mechanical appliances	1,934	1,295	1,628	317	217	202
17- Transport equipment	1,883	1,255	1,134	22	12	16
18- Optical instruments & apparatus	352	234	250	18	11	12
19- Arms & ammunition	16	10	11	1	1	0
20- Miscellaneous manufactured articles	478	317	302	80	53	57
21- Works of art	21	14	16	8	5	4
Total	19,582	13,095	13,718	2,844	1,903	1,985

Source: Lebanese Customs.

* Corrected figures

IMPORTS BY ORIGIN
(Million US Dollars)

	Jan - Aug 2017*	Share %	Jan - Aug 2018	Share %
CHINA	1,256	9.6	1,382	10.1
GREECE	918	7.0	1,140	8.3
ITALY	1,138	8.7	1,080	7.9
USA	1,015	7.8	1,009	7.4
GERMANY	814	6.2	782	5.7
TURKEY	519	4.0	675	4.9
RUSSIAN FEDERATION	559	4.3	498	3.6
FRANCE	474	3.6	461	3.4
EGYPT	405	3.1	386	2.8
UAE	226	1.7	376	2.7
OTHER COUNTRIES	5,771	44.1	5,929	43.2
TOTAL IMPORTS	13,095	100.0	13,718	100.0

Source: Lebanese Customs.

* Corrected figures

EXPORTS BY DESTINATION
(Million US Dollars)

	Jan - Aug 2017	Share %	Jan - Aug 2018	Share %
UAE	160	8.4	274	13.8
SOUTH AFRICA	230	12.1	164	8.3
SAUDI ARABIA	161	8.5	137	6.9
SYRIA	174	9.1	122	6.1
SWITZERLAND	94	4.9	105	5.3
IRAQ	122	6.4	98	4.9
TURKEY	79	4.2	96	4.8
QATAR	59	3.1	90	4.5
JORDAN	60	3.2	57	2.9
KUWAIT	61	3.2	55	2.8
OTHER COUNTRIES	703	36.9	787	39.6
TOTAL EXPORTS	1,903	100.0	1,985	100.0

Source: Lebanese Customs.



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

	2017		2018		
	Aug	Dec	Jun	Jul	Aug
ASSETS					
Reserves	143,293	156,667	177,363	181,826	183,189
-Cash	766	774	837	880	968
-Deposits at the Central Bank	142,527	155,893	176,526	180,946	182,222
Claims on the Resident Private and Financial Sectors	79,091	80,824	80,074	79,461	79,535
-Claims denominated in Lebanese Pound	26,057	26,400	26,717	26,731	26,740
-Claims denominated in Foreign Currencies	53,034	54,424	53,357	52,729	52,795
Claims on the Public Sector	50,522	48,163	50,053	50,178	50,869
o/w -Treasury Bills in Lebanese Pound	25,814	26,556	25,530	25,579	25,668
-Treasury Bills in Foreign Currencies	24,500	21,373	24,248	24,317	24,935
Foreign Assets	33,264	35,579	35,157	34,011	35,048
-Claims on Non-Resident Private Sector	8,627	9,152	9,710	9,808	10,018
-Claims on Non-Resident Banks	15,417	17,035	16,172	14,728	15,508
-Currency and deposits with other central banks	1,420	1,575	1,744	1,658	1,679
-Other Foreign Assets	6,310	6,409	5,923	6,177	6,176
-Non Resident securities portfolio	1,489	1,408	1,608	1,641	1,667
Tangible and intangible assets	6,618	7,131	7,246	7,271	7,276
Resident Private securities portfolio	2,047	2,355	3,101	2,856	2,836
Unclassified Assets	818	713	671	642	719
TOTAL ASSETS	315,652	331,433	353,665	356,244	359,473
LIABILITIES					
Liabilities to the Resident Private and Financial Sectors	202,241	201,263	205,882	205,614	205,848
-Deposits in Lebanese Pound	77,729	73,100	75,521	75,009	74,442
-Deposits in Foreign Currencies	124,512	128,164	130,360	130,605	131,406
Liabilities to the Public Sector	6,078	6,484	6,085	6,343	6,488
Deposits of Non-Residents Customers	52,760	52,998	55,395	55,203	55,286
-Denominated in Lebanese Pound	6,623	6,440	6,996	7,114	7,036
-Denominated in Foreign Currencies	46,137	46,558	48,399	48,089	48,249
Liabilities to Non-Resident Banks	10,260	11,278	12,406	12,647	12,896
Bonds	421	416	471	256	294
Capital Base	28,095	28,831	30,694	30,317	30,246
-Core Capital	26,272	26,955	28,513	28,150	28,090
-Supplementary Capital	1,823	1,876	2,180	2,167	2,156
Unclassified Liabilities	15,798	30,163	42,733	45,865	48,415
TOTAL LIABILITIES	315,652	331,433	353,665	356,244	359,473

Source: BDL.



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

	2017		2018		
	Aug	Dec	Jun	Jul	Aug
<u>Money Supply</u>					
Currency in circulation	4,807	4,887	4,964	4,857	4,815
+ Demand Deposits in LBP	5,619	5,738	6,525	6,598	6,427
= M1	10,427	10,624	11,489	11,455	11,242
+ Other Deposits in LBP	73,267	68,542	69,881	69,313	68,974
= M2	83,694	79,166	81,369	80,768	80,216
+ Deposits in Foreign Currencies	125,817	129,477	131,170	131,316	132,128
+ Bonds	326	322	461	251	266
= M3	209,837	208,965	213,000	212,335	212,611
+ Treasury Bills Held by the Public	10,933	10,741	11,139	11,226	11,069
= M4	220,770	219,706	224,139	223,561	223,680
<u>Counterparts of the Money Supply</u>					
Net Foreign Assets	50,654	51,043	49,909	48,638	47,833
o/w Gold	18,174	18,033	17,391	16,942	16,772
Net Claims on the Public Sector	77,656	76,231	75,792	75,915	77,085
Valuation Adjustment	-9,800	-9,726	-9,090	-8,660	-8,470
Claims on the Private Sector	84,633	86,023	84,332	83,704	83,767
Claims in LBP	28,100	28,657	28,922	28,929	28,929
Claims in FC	56,533	57,366	55,410	54,776	54,838
Other Items (Net)	6,694	5,394	12,057	12,737	12,396
TOTAL	209,837	208,965	213,000	212,335	212,611

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⁾		
2016	Dec	112,910	30,150	29,581	10,797	70,528	1,577	1,395	48	39,362	42,382
2017	Aug	116,518	34,132	26,489	10,933	71,554	1,958	1,398	18	41,590	44,964
	Sep	117,820	34,432	27,132	11,292	72,856	1,999	1,390	18	41,557	44,964
	Oct	118,306	34,945	28,602	11,047	74,594	2,004	1,356	17	40,335	43,712
	Nov	119,656	34,077	28,587	11,100	73,764	2,010	1,316	18	42,548	45,892
	Dec	119,898	35,580	27,756	10,741	74,077	2,028	1,319	18	42,456	45,821
2018	Jan	121,198	37,822	26,413	10,869	75,104	2,049	1,348	19	42,678	46,094
	Feb	122,912	39,510	26,438	10,833	76,781	2,045	1,339	0	42,747	46,131
	Mar	123,423	40,547	25,908	10,845	77,300	2,053	1,342	0	42,728	46,123
	Apr	123,229	40,030	26,040	11,099	77,169	2,041	1,325	0	42,694	46,060
	May	124,383	32,701	26,538	11,336	70,575	2,026	1,209	0	50,573	53,808
	Jun	125,054	34,620	26,363	11,139	72,122	2,043	1,202	0	49,687	52,932
	Jul	124,975	34,127	26,480	11,226	71,833	2,020	1,205	0	49,917	53,142
	Aug	126,165	35,241	26,546	11,070	72,857	2,022	1,205	0	50,081	53,308

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 Life (days)	Average Interest (%)	
2016	Dec	69,347	1,900	1,051	1,269	6.92
2017	Aug	70,354	2,803	2,386	1,360	6.91
	Sep	71,619	2,360	1,095	1,354	6.90
	Oct	73,223	3,025	1,421	1,365	6.90
	Nov	72,383	3,599	4,438	1,387	6.78
	Dec	72,812	3,247	2,818	1,420	6.65
2018	Jan	73,897	1,850	765	1,402	6.64
	Feb	75,445	2,395	847	1,394	6.64
	Mar	75,982	3,524	2,987	1,422	6.61
	Apr	75,805	3,225	3,402	1,475	6.57
	May	69,259	2,228	8,774	1,499	6.56
	Jun	70,881	2,413	791	1,475	6.41
	Jul	70,605	661	937	1,462	6.42
	Aug	71,662	2,659	1,602	1,472	6.28

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	
	LBP	US\$	LBP	US\$											
2016	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	Aug	8.10	7.29	5.55	3.63	4.24	1.31	4.39	4.87	5.08	5.76	6.40	6.63	6.96	7.33
	Sep	8.31	7.53	5.53	3.65	4.00	1.32	4.39	4.87	5.08	5.76	6.40	6.63	6.96	7.33
	Oct	8.24	7.39	5.56	3.72	4.29	1.36	4.39	4.87	5.08	5.76	6.40	6.63	6.96	7.33
	Nov	7.98	7.32	5.88	3.80	69.06	1.43	4.39	4.87	5.08	5.76	6.40	6.63	6.96	7.33
	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	Jan	8.56	7.74	6.53	3.91	4.00	1.73	4.39	4.87	5.08	5.76	6.40	6.63	6.96	7.33
	Feb	8.67	7.90	6.51	3.96	4.20	1.88	4.39	4.87	5.08	5.76	6.40	6.63	6.96	7.33
	Mar	8.95	7.89	6.64	4.04	4.30	2.17	4.39	4.87	5.08	5.76	6.40	6.63	6.96	7.33
	Apr	8.99	7.82	6.64	4.10	4.35	2.35	4.39	4.87	5.08	5.76	6.40	6.63	6.96	7.33
	May	8.65	7.87	6.71	4.11	5.00	2.34	4.39	4.87	5.08	5.76	6.40	6.63	6.96	7.33
	Jun	8.82	7.93	6.72	4.09	5.00	2.33	4.39	4.87	5.08	5.76	6.40	6.63	6.96	7.33
	Jul	8.66	7.96	6.94	4.14	5.00	2.34	4.39	4.87	5.08	5.76	6.40	6.63	6.96	7.33
	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

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.

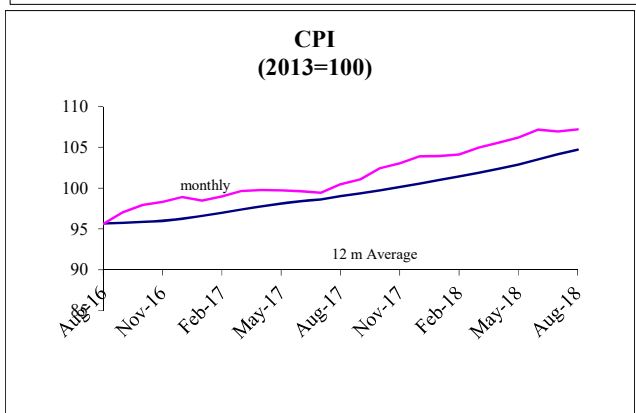
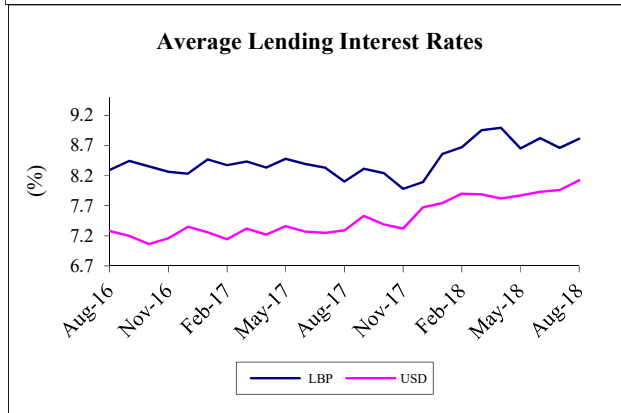
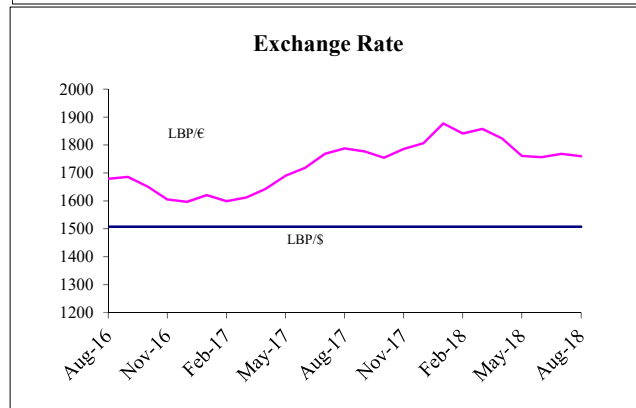
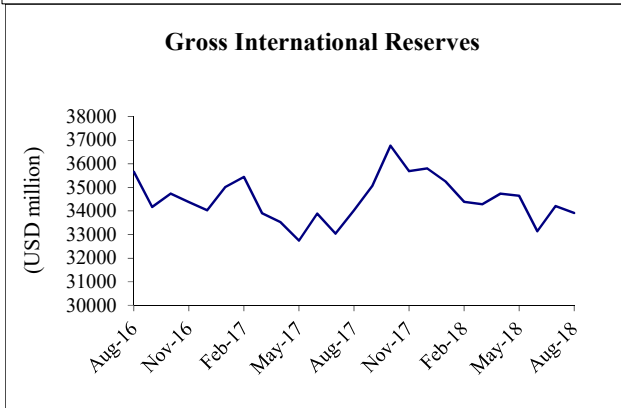
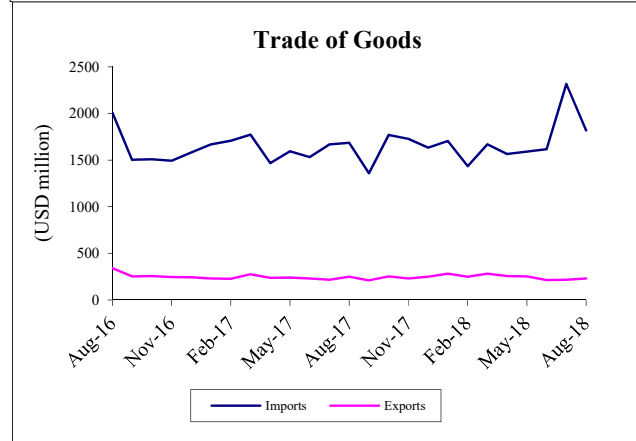
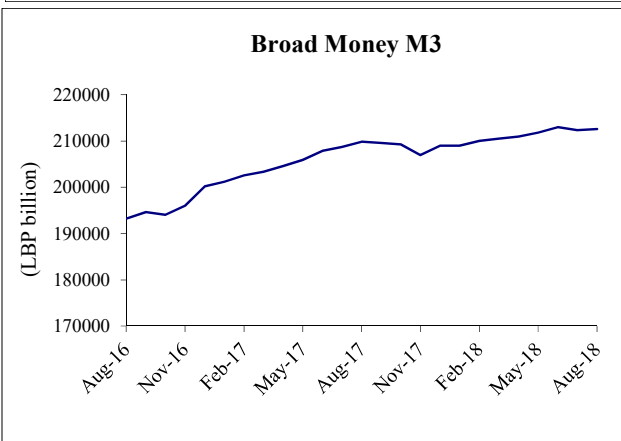
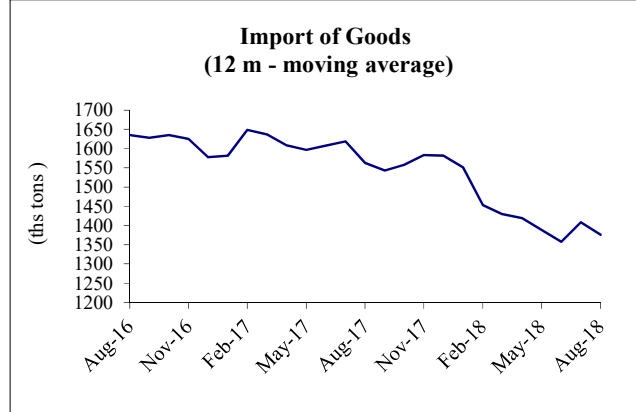
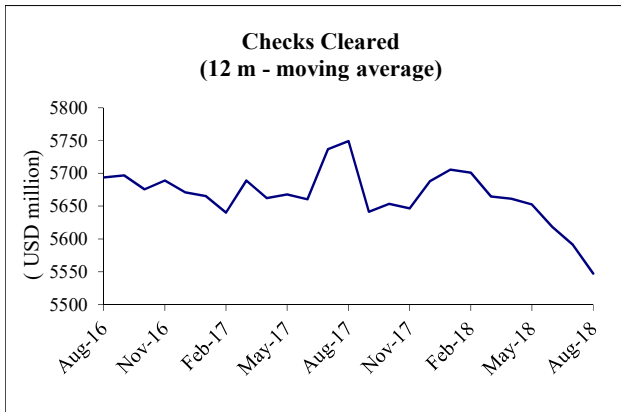
END OF PERIOD EXCHANGE RATES
(LBP per other currencies)

Year and Month	US Dollar	Swiss Franc	British Pound	Japanese Yen	Euro	
2016	Dec	1,507.50	1,485.81	1,856.03	12.90	1,596.29
2017	Aug	1,507.50	1,562.01	1,941.51	13.63	1,787.90
	Sep	1,507.50	1,552.52	2,015.98	13.40	1,777.49
	Oct	1,507.50	1,510.22	1,992.92	13.30	1,754.58
	Nov	1,507.50	1,531.39	2,020.80	13.51	1,785.48
	Dec	1,507.50	1,545.04	2,035.58	13.39	1,806.59
2018	Jan	1,507.50	1,615.93	2,135.68	13.86	1,877.89
	Feb	1,507.50	1,598.28	2,086.83	14.07	1,841.86
	Mar	1,507.50	1,576.06	2,119.70	14.15	1,857.84
	Apr	1,507.50	1,523.03	2,069.04	13.80	1,823.17
	May	1,507.50	1,528.44	2,009.05	13.84	1,760.46
	Jun	1,507.50	1,518.28	1,985.08	13.61	1,756.09
	Jul	1,507.50	1,525.66	1,984.17	13.51	1,768.75
	Aug	1,507.50	1,557.33	1,961.56	13.61	1,759.55

Source: BDL.



Indicative Charts



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