



Summary:

In the first month of 2018, most real sector indicators retreated in relation to the preceding month but improved in respect of January 2017. Both imports and exports of goods progressed as well compared to the first month of the past year and the trade deficit widened. The overall balance of payments reported a surplus and the Central bank's foreign assets of reserves and securities heightened. The expansion in total assets of banks accelerated and lending interest rates increased a little.

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

Construction and real estate indicators retreated in general in January 2018 when compared to the preceding month. Supply side indicators (construction permits and cement deliveries) decreased as well in respect of the same month of the previous year, while demand side ones (real estate operations, sales, transactions and fees) improved.

	Jan-18	Dec-17	Jan-17	Change % Jan 2018/Jan 2017
Construction permits				
Area (s.m)	813,906	901,259	848,967	-4.1
Number (permits)	1,159	1,252	1,176	-1.4
Cement deliveries (000 tons)	275	427	307	-10.4
Collected real estate fees (LBP billion)	72.3	101.2	63.5	13.9
Real estate sales operations (number)	5,346	7,083	4,350	22.9
Value of Real estate sales (LBP billion)	1,031.70	1,417.90	860.5	19.9
Real estate transactions (number)	15,033	18,329	13,350	12.6

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

2-Tourism

Indicators of tourism activity, except departing passengers at BIA, recoiled in January 2018 against the past month but all progressed with regard to the alike month of the previous year.

	Jan-18	Dec-17	Jan-17	Change % Jan 2018/Jan 2017
Number of arriving passengers at BIA	273,128	333,273	246,492	10.8
Number of departing passengers at BIA	324,372	293,270	292,136	11.0
Number of arriving tourists	107,003	141,983	105,257	1.7
Inbound Aircrafts at BIA (flights)	2,680	2,805	2,662	0.7
Outbound Aircrafts at BIA (flights)	2,680	2,802	2,662	0.7

Sources: Beirut International Airport, Ministry of Tourism.

3-Trade and Services

Trade and services indicators declined in the first month of 2018 in relation to December 2017 yet progressed, with the exception of discharged containers at Port of Beirut, with reference to January 2017.

	Jan-18	Dec-17	Jan-17	Change % Jan 2018/Jan 2017
Checks Cleared				
Value (USD million)	5,921	6,258	5,706	3.8
Number (000 checks)	1,020	1,092	989	3.1
Checks Returned				
Value (USD million)	121	144	109	11
Number (checks)	22,028	23,504	18,304	20.3
Ships at the port of Beirut (number)	153	166	128	19.5
Weight of unloaded goods at POB (tons)	559,690	615,894	557,024	0.5
Weight of shipped goods at POB (tons)	79,323	90,222	74,056	7.1
Discharged containers at POB (number)	21,469	24,012	22,670	-5.3
Revenues of POB (USD million)	21	21.9	19.4	8.2
Merchandise at BIA				
Imports (tons)	4,552	5,486	3,946	15.4
Exports (tons)	2,432	3,079	1,675	45.2

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

4-Industry and Agriculture

Indicators of industry and agriculture regressed in January 2018 in respect of the past month. They advanced, however, when compared to January 2017, excluding imports of gas oil, which relatively diminished.

	Jan-18	Dec-17	Jan-17	Change % Jan 2018/Jan 2017
Electricity production (MKWH)	1,254	1,303	1,190	5.4
Imports of gas oil				
Value (million USD)	114.4	229	245	-53.3
Volume (tons)	185,275	415,614	521,166	-64.4
Agriculture imports (USD million)	181.6	183.8	162.3	11.9
Agriculture exports (USD million)	14.6	18.1	14.7	-0.7

Source: BDL, Lebanese Customs.



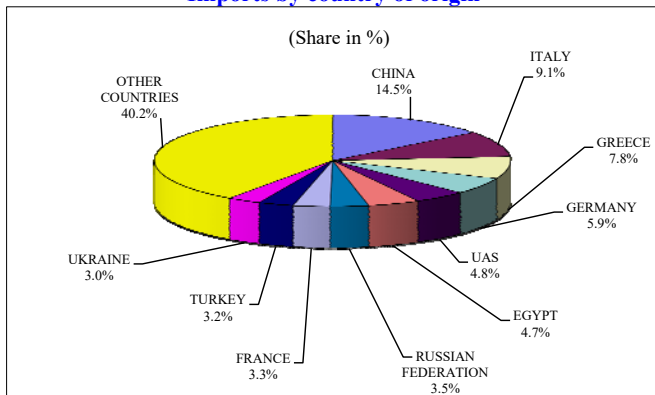
II- EXTERNAL SECTOR

In January 2018,

Imports of goods retreated to USD 1,705 million from USD 5,826 million in the previous month (USD 1,604 million in January 2017). It is important to note however that imports figure for the month of December 2017 includes a significant amount exceeding USD 4 billion related to the delay in registering customs declarations concerning special permits of fuel consignments (where almost 70% of American origin) received by EDL for the period extending from 20/11/2011 to 31/10/2017. Imports increased in January 2018 by 6.3 percent with reference to the first month of the previous year.

In January 2018, mineral products lead imported goods with a 16.2 percent share of total imports. They were followed by machinery and mechanical appliances and products of the chemical which accounted for 14.2 percent and 11.4 percent respectively. China topped the list of imports by country of origin with a 14.5 percent share of total. Italy came next with a share of 9.1 percent followed by Greece (7.8 percent) and Germany (5.9 percent).

Imports by country of origin



Source: Lebanese Customs

Documentary letters of credits opened for imports increased to LBP 817.7 billion (LBP 583.5 billion were actually used in that month) against LBP 771 billion a month earlier (LBP 626.4 billion used) and LBP 796.9 billion in January 2017 (LBP 1,009.8 billion used). As such Documentary LCs opened in the first month of 2018, went up by 2.6 percent when compared to the first month of 2017.

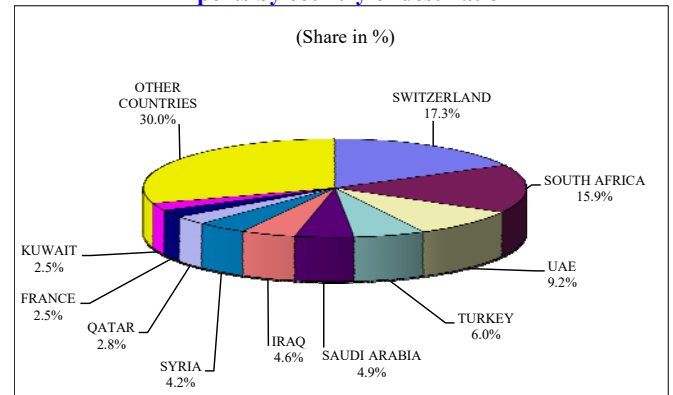
Inward bills for collection (imports) increased to LBP 133.8 billion from LBP 132.4 billion in the preceding month (LBP 294.6 billion in January 2017). Inward bills retreated, however, in the first month of 2018 by 54.6 percent with reference to those reported for the first month of 2017.

In January 2018,

Exports of goods increased to USD 283 million compared to USD 251 million one month back and USD 229 million in January 2017. Exports rose in January 2018 by 23.6 percent in respect of the first month of the preceding year.

In January 2018, pearls, precious and semi - precious stones were on top of the list with a share of 39.0 percent of total exports, followed by base metals (13.4 percent) and products of the chemical (9.5 percent). Switzerland outperformed all others in terms of exports by country of destination with 17.3 percent share of the total, trailed by South Africa with a share of 15.9 percent followed by UAE (9.2 percent) and Turkey (6.0 percent).

Exports by country of destination



Source: Lebanese Customs

Documentary letters of credits opened for exports increased to LBP 532.9 billion (LBP 434.6 billion were actually used in that month) against LBP 393.5 billion a month earlier (LBP 341.5 billion used) but still were below the LBP 555.3 billion in January 2017 (LBP 385.7 billion used). As such Documentary LCs opened in the first month of 2018, fell by 4.0 percent in comparison with the same period of the previous year.



Outward bills for collection (exports) increased to LBP 177.2 billion from LBP 133.9 billion in the preceding month (LBP 213.3 billion in January 2017). Outward bills decreased, however, in the first month of 2018 by 16.9 percent when compared to the amount reported for the first month of 2017.

The trade deficit narrowed to USD 1,422 million from USD 5,575 million a month earlier (USD 1,375 million in January 2017). It widened in the first month of 2018 by 3.4 percent vis-à-vis the first month of 2017.

External Sector Indicators

USD million	Jan-17	Dec-17	Jan-18
Imports	1,604	5,826	1,705
Exports	229	251	283
Trade deficit	-1,375	-5,577	-1,422
Balance of payments	167	854	237
Gross foreign currency reserves	35,023	35,806	35,249

Source: Lebanese Customs, BDL.

The overall balance of payments reported a surplus of USD 237 million following a large surplus of USD 854 million in December 2017 (USD 167 million surplus in January 2017). The USD 237 million positive balance recorded in January 2018 represented a decrease in net foreign assets of banks and financial institutions (USD -749 million) offset by an increase in net foreign assets of the central bank (USD +986 million).

Gross foreign currency reserves of the Central bank decreased to USD 35,249 million compared to USD 35,806 million at the end of the previous month (USD 35,023 million end January 2017), while BDL foreign assets securities increased to USD 7,703 million from USD 6,186 million (USD 4,962 million) at the end of the three dates respectively. 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 335,548 billion (USD 222.6 billion) at the end of January 2018, thus increasing by 1.2 percent from end December 2017 (remained unchanged in the first month of 2017).

Total deposits at commercial banks, including resident and non-resident private sector deposits and public sector deposits grew by 0.3 percent in the first month of 2018 and constituted 78.0 percent of total assets with an equivalent value of LBP 261,639 billion (around USD 173.6 billion) at the end of the period.

Commercial Banks Balance Sheet -Main items

End of period-LBP billion	Jan-17	Dec-17	Jan-18
Total Assets	308,104	331,433	335,548
Total deposits	251,033	260,745	261,639
Resident private sector	194,107	201,263	201,657
Non-resident private sector	51,216	52,998	53,321
Public sector deposits	5,710	6,484	6,661
Capital accounts	27,521	28,831	28,724
Total claims on the private sector	85,850	90,931	89,867
Resident private sector	76,636	81,667	81,038
Non-resident private sector	9,214	9,263	8,829
Total claims on public sector	54,495	48,163	46,779
Bills & Bonds in LBP	31,028	26,556	25,386
Bonds in FC	23,244	21,373	21,157
Claims on non resident banks	16,919	17,835	18,052
Other foreign assets	8,728	8,481	8,599
Deposits at the central bank	132,655	155,893	161,864

Source: BDL.

The breakdown of total deposits shows that private sector deposits denominated in LBP increased by 1.2 percent from end December 2017, while those denominated in foreign currencies stood almost unchanged, thus deposit dollarization rate slightly decreased to 68.4 percent at end January 2018 (68.7 percent end December 2017). The itemization of total deposits reveals also a growth in public sector deposits (+2.7 percent), in non-resident private sector deposits (+0.6 percent) and in resident private sector deposits (+0.2 percent) in January 2018.

Subsequently, resident private sector deposits accounted for 77.1 percent of total deposits at end January 2018 (20.4 percent for non-resident private sector and 2.5 percent for public sector deposits).

Total capital accounts amounted to LBP 28,724 billion (USD 19,054 million) at the end of January 2018 and represented around 8.6 percent of total assets. Capital accounts decreased by 0.4 percent from end December 2017.



Total claims on the resident and non-resident private sector declined by 1.2 percent in the first month of 2018, reaching LBP 89,867 billion at the end of January 2018. The dollarization rate of these loans was 70.5 percent at the end of the stated month, and the ratio of total loans to total deposits attained 35.2 percent.

Total claims on the public sector were equivalent to LBP 46,779 billion at the end of January 2018, thus decreasing by 2.9 percent from end December 2017. Commercial banks held at the end of the stated month LBP 25,386 billion of Lebanese treasury bills (34.4 percent of the total portfolio in circulation) and USD 14,034 million of Eurobonds (nearly 49.7 percent of the total outstanding portfolio).

Deposits at the Central Bank increased in the first month of 2018 by 3.8 percent to total LBP 161,864 billion at the end of January 2018, meanwhile claims on non-resident banks increased by 1.2 percent to LBP 18,052 billion (USD 12.0 billion) to represent 10.3 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 7,897 billion (around USD 5.2 billion) at the end of January 2018, thus increasing by 1.2 percent from end December 2017 (2.0 percent increase in January 2017).

In January 2018, capital accounts rose by 0.2 percent while private sector deposits (resident & non-resident) declined by 0.5 percent. Cash and banks increased by 2.1 percent and claims on private sector by 2.5 percent while claims on the public sector decreased by 3.6 percent.

3. Financial Markets

The total number of shares traded on the Beirut Stock Exchange declined to 5,509 thousand shares with a traded value of USD 45.8 million in January 2018 compared to 11,929 thousand shares with a traded value of USD 116.2 million in the previous month (4,063 thousand shares with a value of USD 37.2 million in January 2017).

During January 2018, the traded value by economic sectors was as such: 70.1 percent for Development and Reconstruction, 29.0 percent for Banking and 0.9 percent for Industrial.

Capital Markets

	Jan-17	Dec-17	Jan-18
BSE			
Traded shares (ooo)	4,063	11,929	5,509
Traded value (USD million)	37.2	116.2	45.8
Market capitalization (USD million)	12,211	11,473	11,765
Outstanding treasury bills (LBP billion)			
Outstanding treasury bills (LBP billion)	71,034	72,812	73,897
Outstanding sovereign Eurobonds (USD million)			
Outstanding sovereign Eurobonds (USD million)	25,718	27,767	27,788
Outstanding private sector (banks) securities (USD million)			
Outstanding private sector (banks) securities (USD million)	850	350	350

Source: BDL, BSE

The market capitalization of listed shares increased to USD 11,765 million at the end of January 2018, compared to USD 11,473 million at the end of the previous month (USD 12,211 million at the end of January 2017). Banking had a 84.9 percent weight, whereas Development and Construction 12.1 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 73,897 billion and USD 27,788 million respectively at the end of January 2018 (LBP 72,812 billion and USD 27,767 million at the end of December 2017). In January 2018, Credit default swaps (CDS) on 5-years Lebanese Government Eurobonds in USD ranged between 430 bps and 511 bps and averaged 451 bps.

The outstanding value of bank-issued certificates of deposits, Euro-CDs, and subordinated debt remained unchanged at USD 350 million at the end of January 2018. **The outstanding value of the certificates of deposits issued by BDL** in the domestic currency increased to LBP 39,493 billion from LBP 35,865 billion a month earlier while those issued in foreign currencies stood almost unchanged at USD 23.2 billion.



IV- MONETARY DEVELOPMENTS

The stock of money and quasi money (M3) attained LBP 208,793 billion at the end of January 2018, of which 61.8 percent denominated in foreign currencies, thus increasing by 0.1 percent from end December 2017 (0.1 percent increase in January 2017).

Money Supply & Counterparts

LBP billion	Jan-17	Dec-17	Jan-18
M3	200,310	208,613	208,793
Net foreign assets	50,697	49,166	50,084
Net claims on public sector	76,648	78,246	78,305
Valuation Adjustment	-8,389	-9,726	-10,383
Claims on private sector	79,907	85,189	84,623
Other items-net	1,447	5,737	6,164
CAS CPI (Dec 2013=100)	98.47	103.89	103.93

Source: BDL, CAS.

The LBP 180 billion increase in M3 in January 2018 resulted from an increase in each of net foreign assets (+LBP 918 billion), net other items (+LBP 427 billion) and net claims on public sector (+LBP 58 billion) against a drop in valuation adjustment (-LBP 657 billion) and in claims on the private sector (-LBP 566 billion).

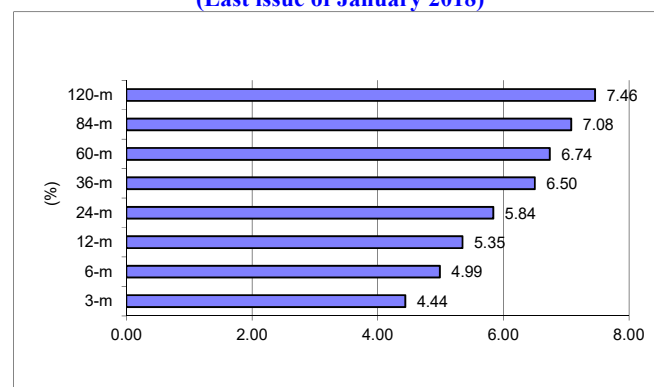
The Consumer Price Index (CPI) for Beirut and Suburbs, published by the Consultation and Research Institute, increased by 1.34 percent in the month of January 2018 compared to the previous month and by 1.56 percent from January 2017.

The Consumer Price Index (CPI) for Lebanon, published by the Central Administration of Statistics, remained almost unchanged in January 2018 but increased by 5.54 percent from January 2017.

The interest rates on LBP monetary instruments were stable at the end of January 2018 on 45 and 60-day certificates of deposits issued by BDL reading 3.57 percent and 3.85 percent respectively. The yields on the issued Lebanese Treasury bills in LBP also remained steady and read at the end of the stated month: 4.44 percent for three-month bills, 4.99 percent for six-month bills, 5.35 percent for one-year bills, 5.84

percent for two-year bills, 6.50 percent for three-year bills, 6.74 percent for five-year bills, 7.08 percent for seven-year bills and 7.46 percent for ten-year bills.

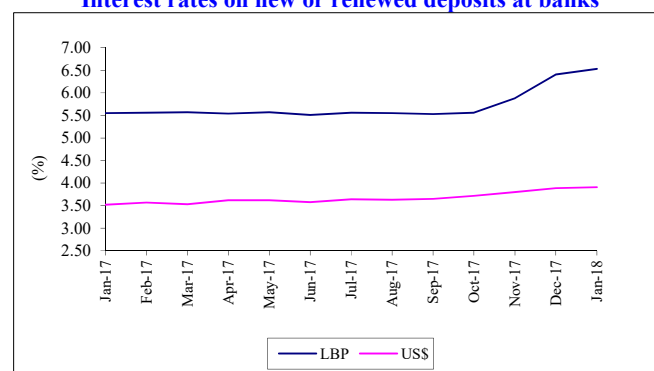
Yield on Lebanese treasury bills denominated in LBP (Last issue of January 2018)



Source: BDL

In January 2018, the average interest rate on new or renewed LBP and USD deposits at commercial banks slightly increased to 6.53 percent (6.41 percent a month ago) and 3.91 percent (3.89 percent in December 2017) respectively. The average 3-month USD LIBOR was 1.73 percent.

Interest rates on new or renewed deposits at banks



In January 2018, the average interest rate on new or renewed loans at commercial banks denominated in LBP and USD increased to 8.56 percent (8.09 percent a month ago) and 7.74 percent (7.67 percent in December 2017) respectively.



V- PUBLIC FINANCES

Government revenues, including budget revenues and treasury receipts attained LBP 964 billion in November 2017 to sum LBP 15,464 billion in the first eleven months of 2017 (LBP 13,744 billion in the first eleven months of 2016). The LBP 15,464 billion revenues comprised LBP 11,631 billion tax revenues, LBP 2,773 billion non-tax revenues and LBP 1,060 billion treasury receipts.

Government expenditures, consisting of budget and treasury spending, amounted to LBP 2,290 billion in November 2017 to total LBP 20,554 billion in the first eleven months of 2017 (LBP 20,383 billion in the first eleven months of 2016). The LBP 20,554 billion expenditures included LBP 7,262 billion debt service and LBP 13,292 billion other general expenditures o/w LBP 1,734 billion to EDL and LBP 1,177 billion related to budget expenditures for previous years.

Fiscal Situation

LBP billion	Nov-16	Oct-17	Nov-17
Government revenues	993	1,830	964
Tax revenues	615	1,273	680
Non-tax revenues	315	416	228
Treasury receipts	63	141	55
Government expenditures	2,618	2,572	2,290
Debt service	1,003	663	1,124
Others	1,615	1,909	1,166
Overall balance	-1,625	-742	-1,327
Primary balance	-622	-79	-203

Source: Ministry of Finance.

Total Deficit decreased as such to LBP 5,089 billion in the first eleven months of 2017 from LBP 6,639 billion in the first eleven months of 2016, and the primary balance reported an LBP 2,173 billion surplus compared to an LBP 239 billion surplus respectively.

Gross public debt amounted to LBP 121,182 billion (the equivalent of USD 80.4 billion) at the end of January 2018, thus increasing by 1.1 percent when compared to end December 2017 (1.7 percent growth in the first month of 2017).

Net public debt, which subtracts public sector deposits at commercial banks and the central bank from gross public debt, amounted to LBP 104,902 billion at the end of January 2018, increasing by 0.4 percent from end of December 2017.

Public Debt

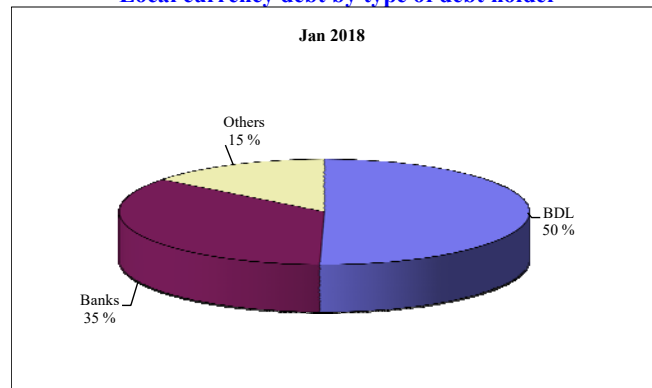
LBP billion	Jan-17	Dec-17	Jan-18
Public Debt (Gross)	114,846	119,898	121,182
Debt in LBP	72,332	74,077	75,104
Debt in FC	42,514	45,821	46,078
Public Debt (Net)	98,498	104,522	104,902
Public sector deposits	16,348	15,376	16,280
Commercial Banks	5,710	6,484	6,661
BDL	10,638	8,892	9,619

Source: BDL.

The shares of the local currency debt and foreign currency debt of the total gross were around 62.0 percent and 38.0 percent respectively at the end of January 2018. The distribution of local currency debt by type of holder was as follows: 35.2 percent for banks (37.5 percent end of December 2017), 50.4 percent for the Central bank (48.0 percent in the previous month) and 14.5 percent for the non-banking sector (14.5 percent one month earlier). The breakdown of the foreign currency debt was as such: Eurobonds (92.3 percent), Multilateral (4.4 percent), Bilateral (2.9 percent) and others (0.4 percent).

The average maturity of the Government debt securities denominated in the domestic currency is estimated at 1,402 days (3.85 years) as at end January 2018 with a weighted interest of 6.64 percent, while the average maturity of the Government debt instruments denominated in foreign currencies is around 6.98 years with a weighted interest of 6.49 percent.

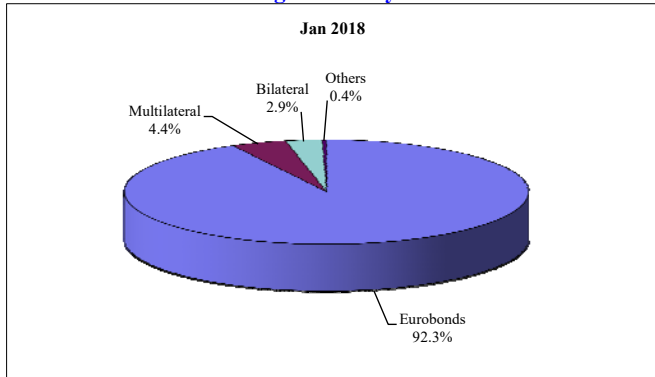
Local currency debt by type of debt holder



Source: BDL.

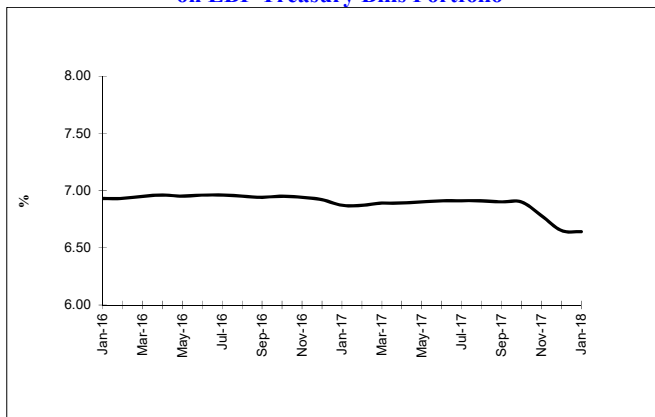


Foreign currency debt

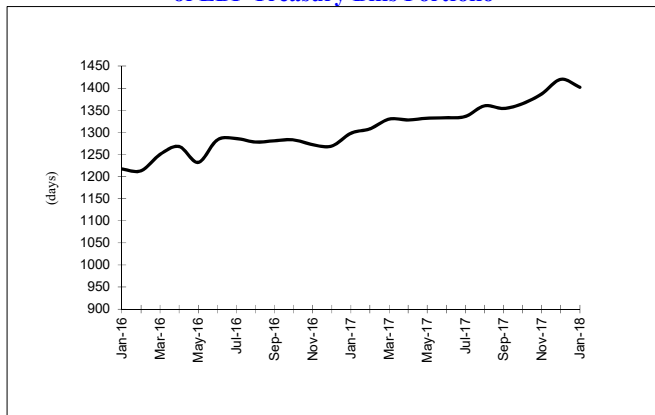


Source: BDL.

Weighted Average Interest Rate on LBP Treasury Bills Portfolio



Weighted Average Life of LBP Treasury Bills Portfolio



GENERAL INDICATORS OF ECONOMIC ACTIVITIES

	2016	2017	Jan-17	Dec-17	Jan-18
Imports of Industrial Equipment (000's US\$)	235,513	n.a.	20,958	n.a.	n.a.
Building Permits (000's m2)	12,234	11,730	849	901	814
Cement Delivery (000s' tons)	5,247	5,149	307	427	275
Checks Cleared in LBP (billion LBP)	29,986	32,678	2,613	3,213	2,965
Checks Cleared in FC (million US\$)	48,160	46,578	3,973	4,127	3,954
Shipped Goods (tons)-Beirut Port	1,035,992	1,080,146	74,056	90,222	79,323
Unloaded Goods (tons)-Beirut Port	7,700,609	7,549,157	557,024	615,894	559,690
Passengers Arrivals (000's)-BIA	3,780	4,103	246	333	273
Passengers Departures (000's)-BIA	3,822	4,128	292	293	324
Total exports of goods (million USD)	2,977	2,844	229	251	283
Total imports of goods (million USD)*	18,705	23,130	1,604	5,826	1,705
Balance of Trade (million USD)*	-15,728	-20,286	-1,375	-5,575	-1,422
Changes of Net Foreign Assets in the banking system (million USD)	1,238	-156	167	854	237
Gross Foreign Currency Reserves (End of period-million USD)	-	-	35,023	35,806	35,249
Consumer Price Index (End of period)	-	-	98.47	103.89	103.93

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

* Import figures for the month of **December 2017** show a significant increase exceeding LBP 6,000 billion due to the delay in registering Customs Declarations rectifying special permits of fuel consignments (2710.19.30) where almost 70% of American origin received by EDL for the period extending from 20/11/2017 to 31/10/2017.



TOTAL IMPORTS & EXPORTS BY PRODUCT
(Million US Dollars)

Goods	Imports			Exports		
	Jan-Dec 2017*	Jan 2017	Jan 2018	Jan-Dec 2017	Jan 2017	Jan 2018
1- Live animals, animal products	885	72	70	19	1	1
2- Vegetable products	980	90	112	179	14	13
3- Fats & edible fats & oils	164	11	14	36	3	3
4- Prepared foodstuffs	1,375	107	111	458	32	26
5- Mineral products	7,849	362	276	48	2	2
6- Products of the chemical	2,135	175	194	320	19	27
7- Plastics & articles thereof	773	60	61	150	8	12
8- Raw hides & skins, leather, furskins	72	5	6	11	1	1
9- Wood & articles of wood	222	16	19	11	1	1
10- Paper & paperboard & articles thereof	300	20	26	142	11	9
11- Textiles & textile articles	787	52	60	67	5	3
12- Footwear, headgear, prepared feathers	146	10	10	10	0	0
13- Articles of stone, plaster, cement	486	36	34	21	1	1
14- Pearls, precious or semi-precious stones	996	149	137	586	72	111
15- Base metals & articles of base metal	1,277	82	130	340	26	38
16- Machinery & mechanical appliances	1,934	156	243	317	24	24
17- Transport equipment	1,883	137	131	22	1	3
18- Optical instruments & apparatus	352	25	28	18	1	1
19- Arms & ammunition	16	2	4	1	0	0
20- Miscellaneous manufactured articles	478	35	36	80	7	6
21- Works of art	21	1	2	8	0	0
Total	23,130	1,604	1,705	2,844	229	283

Source: Lebanese Customs.

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IMPORTS BY ORIGIN
(Million US Dollars)

	Jan 2017	Share %	Jan 2018	Share %
CHINA	140	8.7	247	14.5
ITALY	86	5.4	155	9.1
GREECE	156	9.7	133	7.8
GERMANY	93	5.8	101	5.9
USA	116	7.2	81	4.8
EGYPT	72	4.5	80	4.7
RUSSIAN FEDERATION	88	5.5	59	3.5
FRANCE	56	3.5	57	3.3
TURKEY	53	3.3	54	3.2
UKRAINE	35	2.2	52	3.0
OTHER COUNTRIES	709	44.2	686	40.2
TOTAL IMPORTS	1,604	100.0	1,705	100.0

Source: Lebanese Customs.

EXPORTS BY DESTINATION
(Million US Dollars)

	Jan 2017	Share %	Jan 2018	Share %
SWITZERLAND	23	10.0	49	17.3
SOUTH AFRICA	43	18.8	45	15.9
UAE	17	7.4	26	9.2
TURKEY	8	3.5	17	6.0
SAUDI ARABIA	15	6.6	14	4.9
IRAQ	12	5.2	13	4.6
SYRIA	23	10.0	12	4.2
QATAR	6	2.6	8	2.8
FRANCE	3	1.3	7	2.5
KUWAIT	5	2.2	7	2.5
OTHER COUNTRIES	74	32.3	85	30.0
TOTAL EXPORTS	229	100.0	283	100.0

Source: Lebanese Customs.



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

	2016		2017		2018
	Dec	Jan	Nov	Dec	Jan
ASSETS					
Reserves	135,305	133,444	153,224	156,667	162,692
-Cash	693	789	862	774	827
-Deposits at the Central Bank	134,612	132,655	152,362	155,893	161,864
Claims on the Private Sector	76,943	76,636	80,551	81,667	81,038
-Claims denominated in Lebanese Pound	23,607	23,775	26,721	26,415	26,496
-Claims denominated in Foreign Currencies	53,335	52,861	53,830	55,252	54,542
Claims on the Public Sector	52,344	54,495	49,539	48,163	46,779
o/w -Treasury Bills in Lebanese Pound	28,936	31,028	27,759	26,556	25,386
-Treasury Bills in Foreign Currencies	23,191	23,244	21,563	21,373	21,157
Foreign Assets	34,824	34,860	33,607	35,579	35,480
-Claims on Non-Resident Private Sector	9,256	9,214	9,218	9,263	8,829
-Claims on Non-Resident Banks	16,945	16,919	16,228	17,835	18,052
-Other Foreign Assets	8,623	8,728	8,161	8,481	8,599
Fixed Assets	7,857	7,899	8,178	8,643	8,775
Unclassified Assets	726	771	834	713	784
TOTAL ASSETS	307,999	308,104	325,934	331,433	335,548
LIABILITIES					
Liabilities to the Private Sector	193,765	194,107	199,657	201,263	201,657
-Demand Deposits in Lebanese Pound	5,437	5,500	5,580	5,629	5,597
-Other Deposits in Lebanese Pound	71,467	71,508	67,220	67,471	68,418
-Deposits in Foreign Currencies	116,861	117,098	126,857	128,164	127,641
Liabilities to the Public Sector	5,956	5,710	6,323	6,484	6,661
Deposits of Non-Residents	51,196	51,216	51,808	52,998	53,321
-Denominated in Lebanese Pound	6,827	6,792	6,376	6,440	6,460
-Denominated in Foreign Currencies	44,369	44,424	45,432	46,558	46,861
Liabilities to Non-Resident Banks	9,467	9,653	11,560	11,278	12,008
Bonds	408	406	427	416	435
Capital Base	27,497	27,521	28,133	28,831	28,724
-Core Capital	25,660	25,690	26,307	26,955	26,983
-Supplementary Capital	1,838	1,831	1,826	1,876	1,741
Unclassified Liabilities	19,708	19,491	28,027	30,163	32,741
TOTAL LIABILITIES	307,999	308,104	325,934	331,433	335,548

Source: BDL.



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

	2016		2017		2018
	Dec	Jan	Nov	Dec	Jan
Money Supply					
Currency in circulation	4,592	4,220	4,485	4,889	4,569
+ Demand Deposits in LBP	5,567	5,601	5,726	5,766	5,730
= M1	10,159	9,821	10,211	10,655	10,299
+ Other Deposits in LBP	72,269	72,340	68,126	68,458	69,465
= M2	82,428	82,160	78,337	79,113	79,764
+ Deposits in Foreign Currencies	117,499	117,887	127,896	129,223	128,742
+ Bonds	266	263	287	276	287
= M3	200,192	200,310	206,519	208,613	208,793
+ Treasury Bills Held by the Public	10,797	10,590	11,100	10,741	10,869
= M4	210,989	210,900	217,619	219,354	219,662
Counterparts of the Money Supply					
Net Foreign Assets	49,712	50,697	47,967	49,166	50,084
o/w Gold	16,138	16,747	18,000	18,033	18,674
Net Claims on the Public Sector	76,778	76,648	77,471	78,246	78,305
Valuation Adjustment	-7,707	-8,389	-9,672	-9,726	-10,383
Claims on the Private Sector	80,188	79,907	83,973	85,189	84,623
Claims in LBP	24,918	25,109	28,515	28,277	28,420
Claims in FC	55,270	54,798	55,458	56,913	56,203
Other Items (Net)	1,222	1,447	6,781	5,737	6,164
TOTAL	200,192	200,310	206,519	208,613	208,793

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	Jan	114,846	30,038	31,704	10,590	72,332	1,571	1,412	49	39,482	42,514
	Feb	114,801	28,915	32,202	10,919	72,036	1,752	1,408	32	39,573	42,765
	Mar	116,359	27,936	32,399	10,964	71,299	1,777	1,412	32	41,839	45,060
	Apr	115,980	27,984	32,183	10,756	70,923	1,823	1,396	33	41,805	45,057
	May	115,663	27,767	32,420	10,732	70,919	1,874	1,353	33	41,484	44,744
	Jun	115,278	29,366	30,264	10,925	70,555	1,934	1,363	34	41,392	44,723
	Jul	115,923	32,582	27,495	11,027	71,104	1,931	1,377	35	41,476	44,819
	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	2,029	1,318	18	42,456	45,821
	Jan	121,182	37,822	26,413	10,869	75,104	2,044	1,346	19	42,669	46,078

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	Jan	71,034	3,109	1,422	1,298	6.87
	Feb	70,716	1,670	1,988	1,308	6.87
	Mar	70,067	1,964	2,613	1,330	6.89
	Apr	69,605	916	1,378	1,328	6.89
	May	69,498	1,318	1,425	1,332	6.90
	Jun	69,398	1,426	1,526	1,333	6.91
	Jul	69,937	1,894	1,355	1,336	6.91
	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

Source:BDL.



AVERAGE INTEREST RATES

Year And Month	Average Lending **		Average Deposit		Inter Bank Rate *	3m Libor S	Interest rates on TBs (last issue)								
	Rate on Funds in LBP	Rate on Funds in US\$	Rate on Funds in LBP	Rate on Funds in US\$			3-m	6-m	12-m	24-m	36-m	60-m	84-m	96-m	120-m
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	Jan	8.47	7.26	5.55	3.52	3.03	1.03	4.39	4.87	5.08	5.76	6.40	4.94	6.96	7.33
	Feb	8.37	7.14	5.56	3.57	3.00	1.05	4.39	4.87	5.08	5.76	6.40	6.63	6.96	7.33
	Mar	8.43	7.32	5.57	3.53	3.00	1.14	4.39	4.87	5.08	5.76	6.40	6.63	6.96	7.33
	Apr	8.33	7.22	5.54	3.62	3.13	1.16	4.39	4.87	5.08	5.76	6.40	6.63	6.96	7.33
	May	8.48	7.36	5.57	3.62	3.00	1.19	4.39	4.87	5.08	5.76	6.40	6.63	6.96	7.33
	Jun	8.39	7.27	5.51	3.58	4.26	1.26	4.39	4.87	5.08	5.76	6.40	6.63	6.96	7.33
	Jul	8.33	7.25	5.56	3.64	3.94	1.31	4.39	4.87	5.08	5.76	6.40	6.63	6.96	7.33
	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

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.

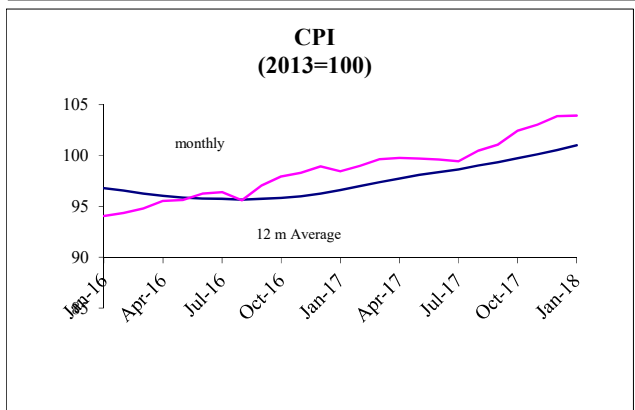
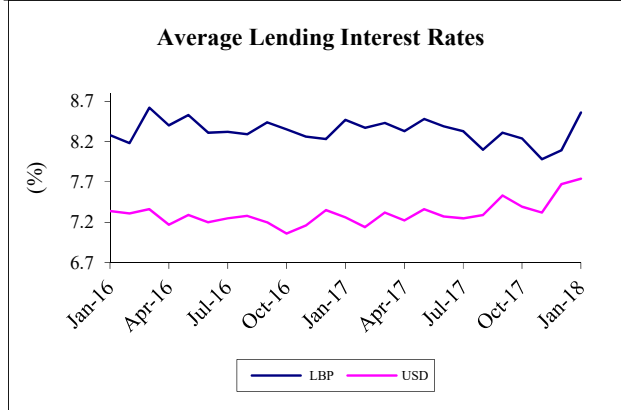
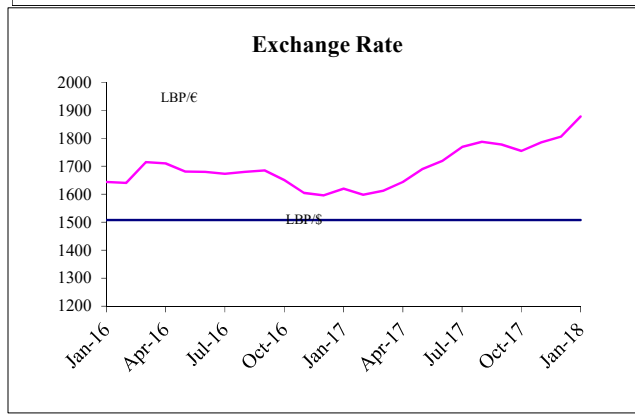
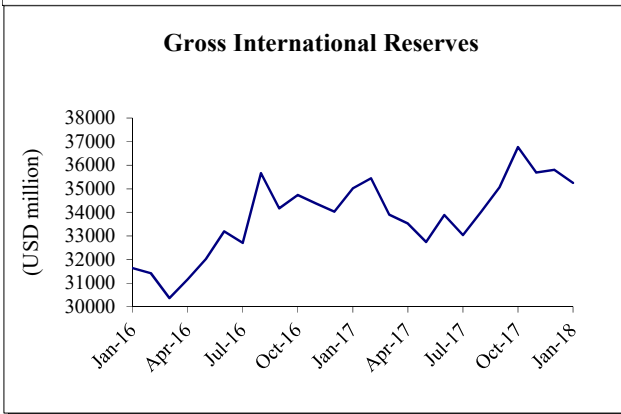
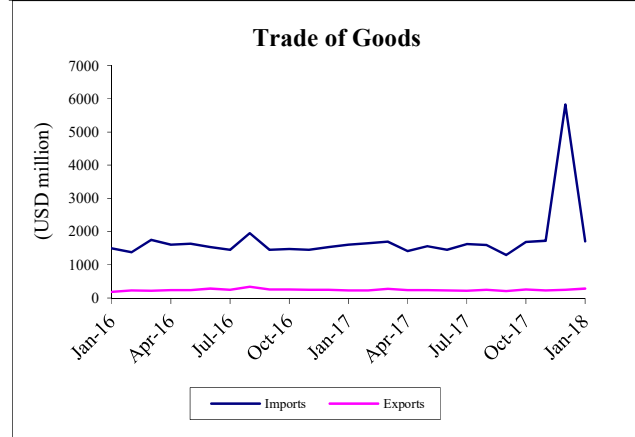
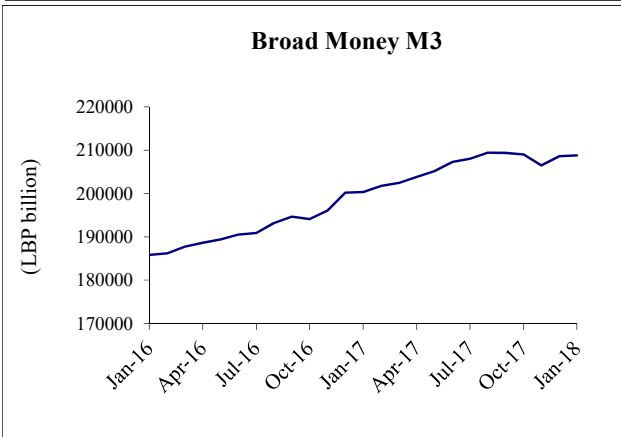
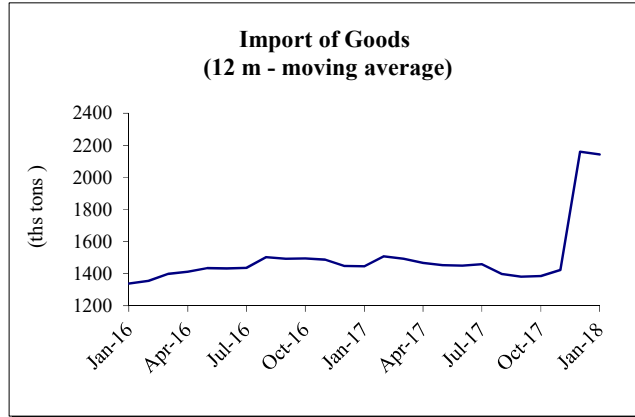
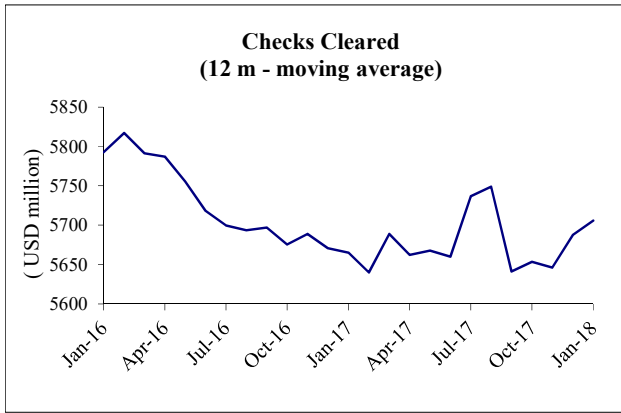
END OF PERIOD EXCHANGE RATES
(LBP per other currencies)

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	Jan	1,507.50	1,518.43	1,878.80	13.28	1,620.41
	Feb	1,507.50	1,500.75	1,875.33	13.43	1,598.55
	Mar	1,507.50	1,507.20	1,878.50	13.48	1,612.12
	Apr	1,507.50	1,518.13	1,949.80	13.55	1,643.78
	May	1,507.50	1,552.36	1,935.33	13.60	1,690.51
	Jun	1,507.50	1,572.77	1,957.19	13.47	1,719.00
	Jul	1,507.50	1,553.16	1,978.44	13.63	1,768.75
	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

Source: BDL.



Indicative Charts



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