



Summary:

In 2016, real sector indicators were mixed and their varied performance pointed to another year of slow economic activity and growth. The trade deficit broadened anew after it shrank considerably in the preceding twelve months period, with dropping oil prices, but still the overall balance of payments reported a significant surplus, after many years of negative balances, owing largely to the swap operations conducted between banks and the Central bank. Financial engineering operations in the second half of 2016 left also their impact on assets and deposits of banks which grew rapidly and the official gross foreign currency reserves reached new heights. The gross public debt swelled faster than a year before and the fiscal situation retreated based on preliminary figures.

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I- REAL SECTOR**In December 2016,**

The total value of checks cleared in the domestic and foreign currencies increased to USD 5,759 million from USD 5,652 million in the previous month (USD 5,974 million in December 2015). Yet, cleared checks o/w 70.8 percent denominated in foreign currencies retreated in the year 2016 by 2.2 percent when compared to the year 2015.

The total value of returned checks in the domestic and foreign currencies rose to USD 117 million compared to USD 109 million one month back (USD 121 million in December 2015). Returned checks dropped, however, in 2016 by 4.6 percent with reference to the preceding year.

Collected real estate fees jumped to LBP 107.4 billion against LBP 76.2 billion in the preceding month and LBP 99.1 billion twelve months back. Collected fees augmented in the year 2016 by 3.4 percent with regard to the year 2015.

Construction permits regressed to 904 thousand square meters compared to 1,185 thousand square meters in the previous month and 1,079 thousand square meters in December 2015. Construction permits slightly decreased in the year 2016 by 0.9 percent in respect of the previous year.

Cement deliveries dropped to 297 thousand tons from 527 thousand tons a month earlier (448 thousand tons in December 2015). Nevertheless, cement deliveries improved by 4.1 percent in 2016 in comparison with 2015.

The number of passengers arriving to Beirut International Airport increased to 316,212 while the number of those departing from BIA diminished to 281,297 to total 597,509 persons. In 2016, arrivals and departures surpassed by 7.5 percent and 3.6 percent consecutively those recorded in the previous year.

Agricultural exports climbed to USD 23 million from USD 18 million one month back but were in the year 2016 below those reported in a year before by USD 13 million (-6.0 percent).

In November 2016,

Industrial exports (excluding gold ingots) diminished to USD 194 million from USD 220 million in the previous month (USD 220 million in October 2015). Industrial exports contracted in the first eleven months of 2016 by 15.2 percent with regard to the first eleven months of 2015.

Imports of Industrial Equipment went up to USD 20.0 million from USD 14.5 million one month earlier and USD 18.9 million in November 2015. Imports of Industrial equipment declined, however, by 3.2 percent in the first eleven months of 2016 when compared to the alike 2015 time phase.

Real Sector Indicators

	Dec-15	Nov-16	Dec-16
Checks cleared (total)			
Number (000)	1,094	1,030	1,026
Value (USD million)	5,974	5,652	5,759
Checks cleared in LBP			
Number (000)	367	366	377
Value (LBP billion)	2,576	2,539	2,833
Checks cleared in FX			
Number (000)	727	664	649
Value (USD million)	4,265	3,968	3,880
Returned checks			
Number (000)	20.0	18.5	19.7
Value (USD million)	121	109	117
Construction permits (000 square meters)			
Cement deliveries (000 tons)	448	527	297
Collected property taxes (LBP billion)			
Passengers arrivals (000)	313	271	316
Passengers departures (000)	298	285	281
Agricultural exports (USD million)	28	18	23
Industrial exports (USD million)	231	194	n.a.
Imports of industrial machinery (USD million)	18.7	20.0	n.a.

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



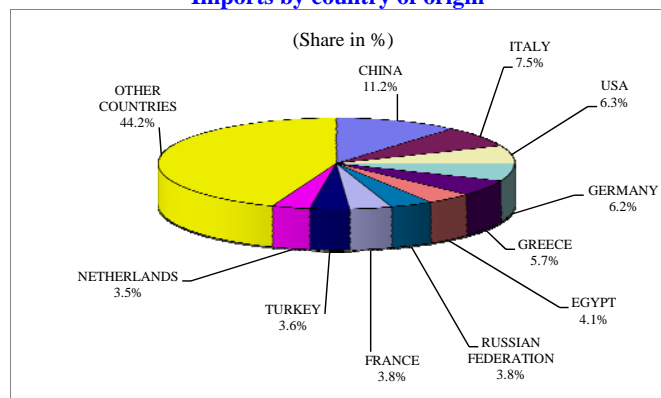
II- EXTERNAL SECTOR

In December 2016,

Imports of goods progressed to USD 1,536 million from USD 1,450 million in the previous month (USD 1,841 million in December 2015). Imports advanced in the year 2016 by 3.5 percent with reference to the year 2015.

In 2016, mineral products lead imported goods with a 20.0 percent share of total imports. They were followed by products of the chemical and machinery and mechanical appliances which accounted for 10.9 percent and 10.0 percent respectively. China topped the list of imports by country of origin with a 11.2 percent share of total. Italy came next with a share of 7.5 percent followed by USA (6.3 percent) and Germany (6.2 percent).

Imports by country of origin

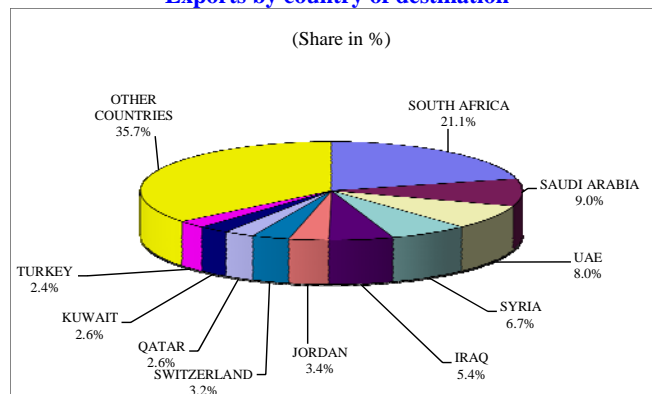


Source: Lebanese Customs

Exports of goods retreated a little to USD 244 million from USD 247 million in the previous month (USD 236 million in December 2015). Yet, exports slightly picked up in 2016 by 0.8 percent in respect of the preceding year.

In 2016, pearls, precious and semi - precious stones were on top of the list with a share of 27.8 percent of total exports, followed by prepared foodstuffs (15.0 percent), and machinery and mechanical appliances (11.2 percent). South Africa outperformed all others in terms of exports by country of destination with 21.1 percent share of the total, trailed by Saudi Arabia (9.0 percent), UAE (8.0 percent) and Syria (6.7 percent).

Exports by country of destination



Source: Lebanese Customs

The trade deficit broadened to USD 1,292 million from USD 1,203 million a month earlier (USD 1,605 million in December 2015). The trade deficit widened, in 2016 by 4.0 percent vis-à-vis the year 2015.

External Sector Indicators

USD million	Dec-15	Nov-16	Dec-16
Imports	1,841	1,450	1,536
Exports	236	247	244
Trade deficit	-1,605	-1,203	-1,292
Balance of payments	-372	453	910
Gross foreign currency reserves	30,638	34,375	34,028

Source: Lebanese Customs, BDL.

The overall balance of payments reported a surplus of USD 910 million following a surplus of USD 453 million in the previous month (USD 372 million deficit in December 2015). Thus, a USD 1,238 million positive balance accumulated in the year 2016 and represented an increase in net foreign assets of the central bank (USD +3,866 million) against a drop in net foreign assets of banks and financial institutions (USD -2,629 million).

Gross foreign currency reserves of the Central bank diminished a little to USD 34,028 million compared to USD 34,375 million at the end of the previous month (USD 30,638 million at end December 2015). 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 307,999 billion (USD 204.3 billion) at the end of December 2016, thus increasing by 9.9 percent from end December 2015 with the support of swap operations conducted with BDL (5.9 percent growth in the year 2015).

Total deposits at commercial banks, including resident and non-resident private sector deposits and public sector deposits grew by 7.4 percent in the year 2016 and constituted 81.5 percent of total assets with an equivalent value of LBP 250,918 billion (around USD 166.4 billion) at the end of December 2016.

Commercial Banks Balance Sheet -Main items

End of period-LBP billion	Dec-15	Nov-16	Dec-16
Total Assets	280,379	302,938	307,999
Total deposits	233,589	245,615	250,918
Resident private sector	180,489	190,102	193,765
Non-resident private sector	48,026	49,884	51,196
Public sector deposits	5,074	5,630	5,956
Capital accounts	25,131	26,761	27,497
Total claims on the private sector	81,744	85,878	86,198
Resident private sector	72,427	76,419	76,943
Non-resident private sector	9,316	9,459	9,256
Total claims on public sector	56,984	52,339	52,344
Bills & Bonds in LBP	30,243	27,937	28,936
Bonds in FC	26,600	24,174	23,191
Claims on non resident banks	17,422	13,837	16,945
Other foreign assets	9,132	8,851	8,623
Deposits at the central bank	106,329	132,499	134,612

Source: BDL.

The breakdown of total deposits shows that private sector deposits denominated in LBP increased by 4.3 percent from end December 2015 and those denominated in foreign currencies by 8.8 percent, thus deposit dollarization rate increased to 65.8 percent at the end of December 2016 (64.9 percent end December 2015). The itemization of total deposits reveals also an increase in public sector deposits (+17.4 percent), in resident private sector deposits (+7.4) and in non-resident private sector deposits (+6.6 percent) in 2016.

Subsequently, resident private sector deposits accounted for 77.2 percent of total deposits at end December 2016 (20.4 percent for non-resident private sector and 2.4 percent for public sector deposits).

Total capital accounts rose to LBP 27,497 billion (USD 18,240 million) at the end of December 2016 and represented around 8.9 percent of total assets. Capital accounts went up by 9.4 percent when compared to end December 2015 (+6.0 percent in 2015).

Total claims on the resident and non-resident private sector expanded by 5.5 percent in the year 2016, reaching LBP 86,198 billion at the end of December 2016. The dollarization rate of these loans was 72.6 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 amounted to LBP 52,344 billion at the end of December 2016, thus decreasing by 8.1 percent from end December 2015. Commercial banks held at the end of the stated month LBP 28,936 billion of Lebanese treasury bills (41.2 percent of the total portfolio in circulation) and USD 15,383 million of Eurobonds (nearly 59.1 percent of the total outstanding portfolio).

Deposits at the Central Bank multiplied in the year 2016 by 26.6 percent to total LBP 134,612 billion at the end of the period, while claims on non-resident banks recoiled by 2.7 percent to LBP 16,945 billion (USD 11.2 billion) to represent 10.5 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 7,094 billion (around USD 4.7 billion) at the end of December 2016, thus increasing by 3.3 percent when compared to end December 2015 (10.7 percent growth in 2015).

In the year 2016, capital accounts increased by 10.3 percent while private sector deposits (resident & non-resident) retreated by 7.5 percent. Claims on public sector increased by 35.0 percent and claims on private sector by 4.4 percent, while "cash and banks" decreased by 5.1 percent.



3. Financial Markets

The total number of shares traded on the Beirut Stock Exchange jumped to 17,812 thousand shares with a traded value of USD 121.4 million in December 2016 compared to 6,377 thousand shares with a traded value of USD 49.0 million in the previous month (4,158 thousand shares with a value of USD 32.1 million in December 2015).

During December 2016, the traded value by economic sectors was as such: 93.0 percent for Banking and 7.0 percent for Development and Reconstruction.

Capital Markets

	Dec-15	Nov-16	Dec-16
BSE			
Traded shares (ooo)	4,158	6,377	17,812
Traded value (USD million)	32.1	49.0	121.4
Market capitalization (USD million)	11,220	11,947	11,903
Outstanding treasury bills (LBP billion)	64,112	68,498	69,347
Outstanding sovereign Eurobonds (USD million)	24,627	25,862	25,726
Outstanding private sector (banks) securities (USD million)	850	850	850

Source: BDL, BSE

The market capitalization of listed shares slightly decreased to USD 11,903 million at the end of December 2016, compared to USD 11,947 million at the end of the previous month (USD 11,220 million at the end of December 2015). Banking had a 83.1 percent weight, whereas Development and Construction 14.5 percent.

The face value of the outstanding treasury bills portfolio denominated in the domestic currency and the value of the outstanding sovereign bonds portfolio denominated in foreign currencies (Eurobonds) amounted to LBP 69,347 billion and USD 25,726 million respectively at the end of December 2016.

The outstanding value of bank-issued certificates of deposits, Euro-CDs, and subordinated debt stood almost unchanged at USD 850 million at the end of December 2016. The outstanding value of the certificates of deposits issued by BDL in the domestic currency decreased to LBP 34,631 billion while the value of those issued in foreign currencies climbed to USD 21.9 billion.

IV- MONETARY DEVELOPMENTS

The stock of money and quasi money (M3) attained LBP 200,192 billion at the end of December 2016, of which 58.8 percent denominated in foreign currencies, thus increased by 7.4 percent from end December 2015 (5.1 percent increase in the year 2015).

Money Supply & Counterparts

LBP billion	Dec-15	Nov-16	Dec-16
M3	186,360	196,028	200,192
Net foreign assets	46,608	48,718	49,712
Net claims on public sector	70,688	76,003	76,778
Valuation Adjustment	-6,401	-8,050	-7,707
Claims on private sector	75,695	79,636	80,188
Other items-net	-229	-279	1,222
CAS CPI (Dec 2013=100)	95.92	98.32	98.93

Source: BDL, CAS.

The LBP 13,832 billion increase in M3 in 2016 resulted from an increase in each of net claims on public sector (+LBP 6,090 billion), claims on the private sector (+LBP 4,494 billion), net foreign assets (+LBP 3,104 billion) and net other items (+LBP 1,451 billion) against a decrease in valuation adjustment (-LBP 1,306 billion).

The Consumer Price Index (CPI) for Beirut and Suburbs, published by the Consultation and Research Institute, decreased by 1.62 percent in December 2016 compared to the previous month and by 0.5 percent from December 2015.

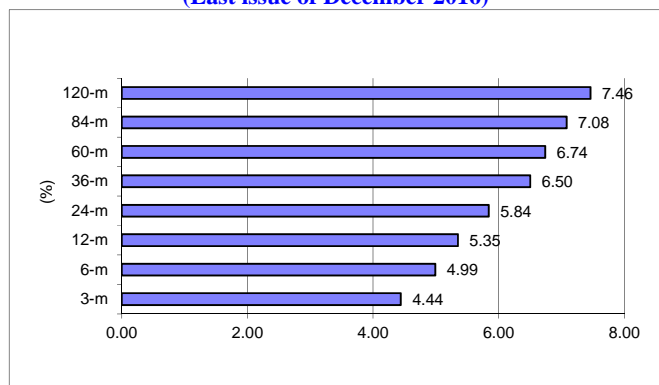
The Consumer Price Index (CPI) for Lebanon, published by the Central Administration of Statistics, increased by 0.62 percent in the month of December 2016 and by 3.1 percent from December 2015.

The interest rates on LBP monetary instruments were stable at the end of December 2016 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 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. It is to mention that the Ministry of Finance issued in December 2016 LBP 1,100 billion 60-month bills at an exceptional yield (5.00 percent).

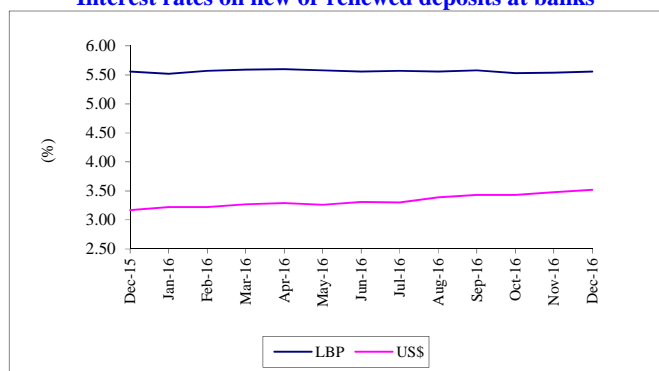
Yield on Lebanese treasury bills denominated in LBP (Last issue of December 2016)



Source: BDL

In December 2016, the average interest rate on new or renewed LBP and USD deposits at commercial banks increased a little to 5.56 percent (5.54 percent a month ago) and 3.52 percent (3.48 percent in November 2016) respectively. The average 3-month USD LIBOR was 0.98 percent.

Interest rates on new or renewed deposits at banks



In December 2016, the average interest rate on new or renewed loans at commercial banks denominated in LBP slightly decreased to 8.23 percent (8.26 percent a month ago) while the average interest rate on new or renewed loans denominated in USD increased to 7.35 percent (7.16 percent in November 2016).

V- PUBLIC FINANCES

Government revenues, including budget revenues and treasury receipts attained LBP 886 billion in August 2016 to sum LBP 10,366 billion in the first eight months of 2016 (LBP 9,955 billion in the first eight months of 2015). The LBP 10,366 billion revenues comprised LBP 9,673 billion budget revenues and LBP 693 billion treasury receipts.

Government expenditures, consisting of budget and treasury spending, amounted to LBP 1,703 billion in August 2016 to total LBP 14,177 billion in the first eight months of 2016 (LBP 12,952 billion in the first eight months of 2015). The LBP 14,177 billion expenditures included LBP 4,422 billion debt service and LBP 9,755 billion other general expenditures o/w LBP 786 billion to EDL and LBP 1,348 billion related to budget expenditures for previous years.

Fiscal Situation

	LBP billion	Aug-15	Jul-16	Aug-16
Government revenues		1,098	1,436	886
Tax revenues		644	1,110	594
Non-tax revenues		406	218	241
Treasury receipts		48	108	50
Government expenditures		1,296	1,510	1,703
Debt service		378	334	422
Others		918	1,176	1,281
Overall balance		-198	-74	-817
Primary balance		181	260	-395

Source: Ministry of Finance.

Total Deficit increased as such to LBP 3,811 billion in the first eight months of 2016 from LBP 2,998 billion in the first eight months of 2015, while the primary balance surplus decreased to LBP 611 billion compared to LBP 1,197 billion respectively.

Gross public debt amounted to LBP 112,890 billion (the equivalent of USD 74.9 billion) at the end of December 2016, thus increasing by 6.5 percent when compared to end December 2015 (5.6 percent growth in the year 2015).

Net public debt, which subtracts public sector deposits at commercial banks and the central bank from gross public debt, amounted to LBP 98,622 billion at the end of December 2016, thus rising by 6.3 percent from end December 2015 (7.4 percent growth in 2015).



Public Debt

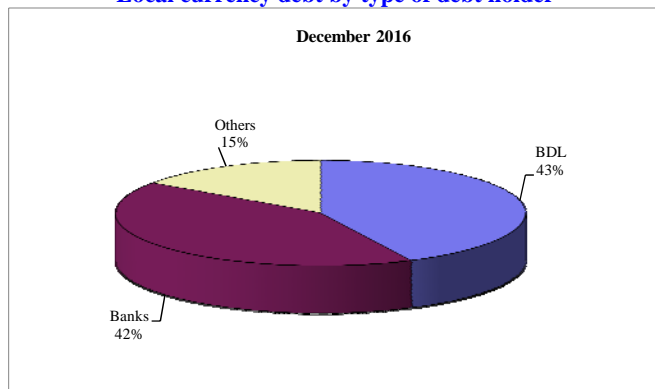
LBP billion	Dec-15	Nov-16	Dec-16
Public Debt (Gross)	106,015	112,379	112,890
Debt in LBP	65,195	69,890	70,528
Debt in FC	40,820	42,489	42,362
Public Debt (Net)	92,788	98,206	98,622
Public sector deposits	13,227	14,173	14,268
Commercial Banks	5,074	5,630	5,956
BDL	8,153	8,543	8,312

Source: BDL.

The shares of the local currency debt and foreign currency debt of the total gross were around 62.5 percent and 37.5 percent respectively at the end of December 2016. The distribution of local currency debt by type of holder was as follows: 41.9 percent for banks (40.9 percent end of November 2016), 42.8 percent for the Central bank (43.6 percent in the previous month) and 15.3 percent for the non-banking sector (15.5 percent one month earlier). The breakdown of the foreign currency debt was as such: Eurobonds (92.6 percent), Multilateral (3.7 percent), Bilateral (3.2 percent), Paris II loans (0.1 percent) and others (0.4 percent).

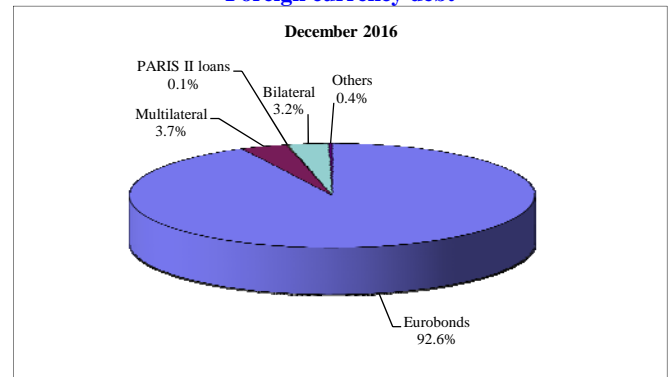
The average maturity of the Government debt securities denominated in the domestic currency was estimated at 1,269 days (3.49 years) as at end December 2016 with a weighted interest of 6.92 percent, and the average maturity of the Government debt instruments denominated in foreign currencies was around 6.19 years with a weighted interest of 6.46 percent.

Local currency debt by type of debt holder



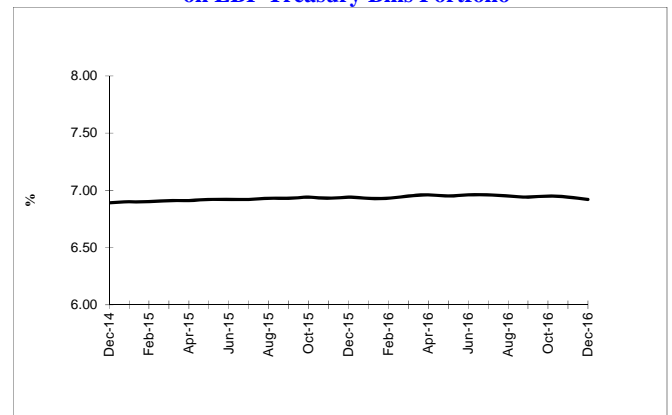
Source: BDL.

Foreign currency debt

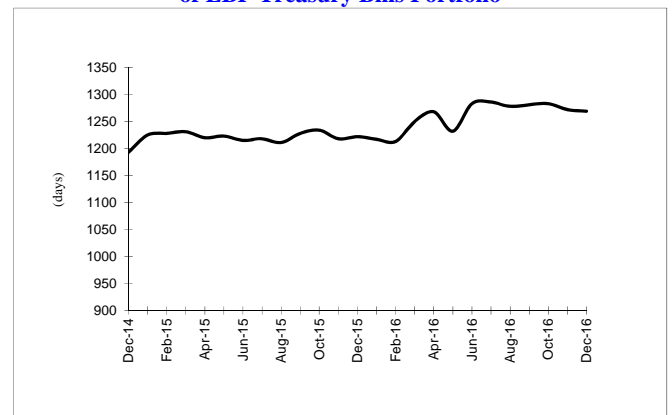


Source: BDL.

Weighted Average Interest Rate on LBP Treasury Bills Portfolio



Weighted Average Life of LBP Treasury Bills Portfolio



GENERAL INDICATORS OF ECONOMIC ACTIVITIES

	Jan - Dec 2015	Jan - Dec 2016	Dec-15	Nov-16	Dec-16
Imports of Industrial Equipment (000's US\$)	243,446	n.a.	18,709	19,966	n.a
Building Permits (000's m2)	12,339	12,234	1,079	1,185	904
Cement Delivery (000s' tons)	5,043	5,247	448	527	297
Checks Cleared in LBP (billion LBP)	28,211	29,986	2,576	2,539	2,833
Checks Cleared in FC (million US\$)	50,845	48,160	4,265	3,968	3,880
Shipped Goods (tons)-Beirut Port	1,082,466	1,035,992	94,618	89,896	86,126
Unloaded Goods (tons)-Beirut Port	7,134,250	7,700,609	650,233	632,995	584,423
Passengers Arrivals (000's)-BIA	3,517	3,780	313	271	316
Passengers Departures (000's)-BIA	3,688	3,822	298	285	281
Total exports of goods (million USD)	2,952	2,977	236	247	244
Total imports of goods (million USD)	18,069	18,705	1,841	1,450	1,536
Balance of Trade (million USD)	-15,117	-15,728	-1,605	-1,203	-1,292
Changes of Net Foreign Assets in the banking system (million USD)	-3,354	1,238	-372	453	910
Gross Foreign Currency Reserves (End of period-million USD)	-	-	30,638	34,375	34,028
Consumer Price Index (End of period)	-	-	95.92	98.32	98.93

Sources: BDL , Lebanese Customs, Central Administration of Statistics, 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	Jan - Dec	Jan - Dec	Jan - Dec	Jan - Dec	Jan - Dec
	2014	2015	2016	2014	2015	2016
1- Live animals, animal products	1,050	908	837	26	32	14
2- Vegetable products	966	910	869	207	184	189
3- Fats & edible fats & oils	187	164	158	33	34	39
4- Prepared foodstuffs	1,412	1,359	1,408	515	483	446
5- Mineral products	4,887	3,439	3,745	43	31	19
6- Products of the chemical	2,011	1,945	2,030	381	411	304
7- Plastics & articles thereof	829	758	730	137	129	133
8- Raw hides & skins, leather, furskins	81	81	74	21	16	12
9- Wood & articles of wood	269	238	229	13	13	13
10- Paper & paperboard & articles thereof	379	319	317	210	158	133
11- Textiles & textile articles	825	819	791	124	106	85
12- Footwear, headgear, prepared feathers	159	160	153	27	17	12
13- Articles of stone, plaster, cement	461	427	467	36	27	22
14- Pearls, precious or semi-precious stones	976	822	1,255	542	434	828
15- Base metals & articles of base metal	1,499	1,159	1,174	374	314	253
16- Machinery & mechanical appliances	2,188	1,993	1,879	445	414	334
17- Transport equipment	1,508	1,758	1,773	34	23	18
18- Optical instruments & apparatus	348	331	331	20	17	19
19- Arms & ammunition	23	24	16	0	0	1
20- Miscellaneous manufactured articles	416	430	450	117	104	93
21- Works of art	20	28	19	7	7	8
Total	20,494	18,069	18,705	3,313	2,952	2,977

Source: Lebanese Customs.

IMPORTS BY ORIGIN
(Million US Dollars)

	Jan - Dec	Share	Jan - Dec	Share
	2015	%	2016	%
CHINA	2,074	11.5	2,094	11.2
ITALY	1,283	7.1	1,409	7.5
USA	1,024	5.7	1,184	6.3
GERMANY	1,222	6.8	1,161	6.2
GREECE	785	4.3	1,074	5.7
EGYPT	462	2.6	774	4.1
RUSSIAN FEDERATION	825	4.6	719	3.8
FRANCE	1,084	6.0	716	3.8
TURKEY	656	3.6	665	3.6
NETHERLANDS	449	2.5	646	3.5
OTHER COUNTRIES	8,205	45.4	8,263	44.2
TOTAL IMPORTS	18,069	100.0	18,705	100.0

Source: Lebanese Customs.

EXPORTS BY DESTINATION
(Million US Dollars)

	Jan - Dec	Share	Jan - Dec	Share
	2015	%	2016	%
SOUTH AFRICA	195	6.6	628	21.1
SAUDI ARABIA	357	12.1	267	9.0
UAE	313	10.6	239	8.0
SYRIA	210	7.1	199	6.7
IRAQ	225	7.6	162	5.4
JORDAN	112	3.8	100	3.4
SWITZERLAND	64	2.2	94	3.2
QATAR	79	2.7	76	2.6
KUWAIT	67	2.3	76	2.6
TURKEY	77	2.6	72	2.4
OTHER COUNTRIES	1,253	42.4	1,064	35.7
TOTAL EXPORTS	2,952	100.0	2,977	100.0

Source: Lebanese Customs.



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

	2014	2015		2016	
	Dec	Dec	Oct	Nov	Dec
ASSETS					
Reserves	96,314	107,021	132,310	133,297	135,305
-Cash	607	693	747	798	693
-Deposits at the Central Bank	95,707	106,329	131,563	132,499	134,612
Claims on the Private Sector	68,391	72,427	76,058	76,419	76,943
-Claims denominated in Lebanese Pound	18,749	20,573	23,009	23,364	23,607
-Claims denominated in Foreign Currencies	49,642	51,854	53,049	53,055	53,335
Claims on the Public Sector	56,308	56,984	52,360	52,339	52,344
o/w -Treasury Bills in Lebanese Pound	31,564	30,243	27,010	27,937	28,936
-Treasury Bills in Foreign Currencies	24,588	26,600	25,148	24,174	23,191
Foreign Assets	36,470	35,870	31,692	32,147	34,824
-Claims on Non-Resident Private Sector	8,339	9,316	9,395	9,459	9,256
-Claims on Non-Resident Banks	18,342	17,422	13,384	13,837	16,945
-Other Foreign Assets	9,789	9,132	8,913	8,851	8,623
Fixed Assets	6,574	7,361	7,657	7,699	7,857
Unclassified Assets	806	716	930	1,037	726
TOTAL ASSETS	264,863	280,379	301,006	302,938	307,999
LIABILITIES					
Liabilities to the Private Sector	172,041	180,489	188,072	190,102	193,765
-Demand Deposits in Lebanese Pound	4,564	4,907	5,253	5,555	5,437
-Other Deposits in Lebanese Pound	64,278	68,678	70,780	70,977	71,467
-Deposits in Foreign Currencies	103,199	106,904	112,039	113,569	116,861
Liabilities to the Public Sector	4,842	5,074	5,641	5,630	5,956
Deposits of Non-Residents	45,680	48,026	49,593	49,884	51,196
-Denominated in Lebanese Pound	5,815	6,680	6,908	6,736	6,827
-Denominated in Foreign Currencies	39,866	41,346	42,685	43,148	44,369
Liabilities to Non-Resident Banks	8,795	9,864	10,270	9,837	9,467
Bonds	352	412	418	423	408
Capital Base	23,719	25,131	26,688	26,761	27,497
-Core Capital	21,954	23,300	24,851	24,924	25,660
-Supplementary Capital	1,765	1,831	1,837	1,838	1,838
Unclassified Liabilities	9,434	11,383	20,323	20,302	19,708
TOTAL LIABILITIES	264,863	280,379	301,006	302,938	307,999

Source: BDL.



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

	2014	2015	2016		
	Dec	Dec	Oct	Nov	Dec
<u>Money Supply</u>					
Currency in circulation	3,647	4,014	4,219	4,172	4,592
+ Demand Deposits in LBP	4,654	5,029	5,401	5,690	5,567
= M1	8,301	9,042	9,620	9,863	10,159
+ Other Deposits in LBP	65,099	69,578	71,536	71,731	72,269
= M2	73,400	78,620	81,156	81,593	82,428
+ Deposits in Foreign Currencies	103,724	107,475	112,655	114,159	117,499
+ Bonds	273	265	268	275	266
= M3	177,397	186,360	194,079	196,028	200,192
+ Treasury Bills Held by the Public	10,429	11,009	10,831	10,863	10,797
= M4	187,826	197,369	204,910	206,891	210,989
<u>Counterparts of the Money Supply</u>					
Net Foreign Assets	53,661	46,608	49,337	48,718	49,712
o/w Gold	16,509	14,846	17,694	16,491	16,138
Net Claims on the Public Sector	63,226	70,688	75,024	76,003	76,778
Valuation Adjustment	-8,146	-6,401	-9,351	-8,050	-7,707
Claims on the Private Sector	71,217	75,695	79,421	79,636	80,188
Claims in LBP	19,748	21,733	24,262	24,646	24,918
Claims in FC	51,469	53,961	55,159	54,990	55,270
Other Items (Net)	-2,561	-229	-353	-279	1,222
TOTAL	177,397	186,360	194,079	196,028	200,192

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				Par II loans	Others ⁽²⁾	Total			
		Bank	Banks	Others ⁽¹⁾	Total						
2014	Dec	100,356	19,855	31,468	10,429	61,752	1,619	1,839	128	35,018	38,604
2015	Dec	106,015	24,308	29,878	11,009	65,195	1,513	1,571	83	37,653	40,820
2016	Jan	106,481	25,380	29,139	11,029	65,548	1,509	1,570	83	37,771	40,933
	Feb	107,363	25,763	29,455	11,106	66,324	1,517	1,578	66	37,878	41,039
	Mar	107,107	26,215	29,036	10,761	66,012	1,527	1,608	69	37,891	41,095
	Apr	108,059	26,752	28,883	10,718	66,353	1,606	1,593	68	38,439	41,706
	May	107,776	24,432	28,745	10,864	64,041	1,601	1,513	67	40,554	43,735
	Jun	109,893	28,560	26,749	10,967	66,276	1,603	1,514	67	40,433	43,617
	Jul	110,631	30,023	25,831	11,040	66,894	1,590	1,508	67	40,572	43,737
	Aug	111,632	30,442	26,154	11,175	67,771	1,595	1,519	50	40,697	43,861
	Sep	112,663	30,183	27,724	10,885	68,792	1,596	1,519	51	40,705	43,871
	Oct	112,338	30,215	27,540	10,831	68,586	1,590	1,472	50	40,640	43,752
	Nov	112,379	30,436	28,591	10,863	69,890	1,577	1,386	48	39,478	42,489
	Dec	112,890	30,150	29,581	10,797	70,528	1,577	1,375	48	39,362	42,362

Source :BDL.

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

** IDI : International Development Institutions.

+ FG : Foreign Governments.

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

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

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

Year And Month	In Circulation End of period	Issue	Reimbursement	Weighted	Weighted	
				Average	Average	
				Life	Interest	
				(days)	(%)	
2014	Dec	60,644	1,339	1,232	1,193	6.89
2015	Dec	64,112	905	958	1,222	6.94
2016	Jan	64,368	1,689	1,433	1,217	6.93
	Feb	65,071	1,229	526	1,213	6.93
	Mar	64,940	2,004	2,135	1,250	6.95
	Apr	65,262	1,464	1,142	1,268	6.96
	May	62,930	2,172	4,504	1,232	6.95
	Jun	65,280	3,403	1,053	1,283	6.96
	Jul	65,765	1,748	1,263	1,286	6.96
	Aug	66,535	1,652	885	1,278	6.95
	Sep	67,627	2,630	1,538	1,281	6.94
	Oct	67,346	1,092	1,373	1,283	6.95
	Nov	68,498	1,732	580	1,272	6.94
	Dec	69,347	1,900	1,051	1,269	6.92

Source:BDL.



AVERAGE INTEREST RATES

Year And Month	Average Lending **		Average Deposit		Inter Bank Rate *	3m Libor \$	Interest rates on TBs (last issue)												
	Rate on Funds in		Rate on Funds in				3-m	6-m	12-m	24-m	36-m	60-m	84-m	96-m	120-m	144-m	180-m		
	LBP	US\$	LBP	US\$															
2014	Dec	7.49	6.97	5.56	3.07	2.75	0.24	4.39	4.87	5.08	5.76	6.40	6.63						
2015	Dec	7.45	7.06	5.56	3.17	3.03	0.54	4.39	4.87	5.08	5.76	6.40	6.63						7.33
2016	Jan	8.28	7.34	5.52	3.22	3.00	0.62	4.39	4.87	5.08	5.76	6.40	6.63	6.96					
	Feb	8.18	7.31	5.57	3.22	3.05	0.62	4.39	4.87	5.08	5.76	6.40	6.63						7.33
	Mar	8.62	7.36	5.59	3.27	3.06	0.63	4.39	4.87	5.08	5.76	6.40	6.63	6.96					7.75
	Apr	8.40	7.17	5.60	3.29	3.07	0.63	4.39	4.87	5.08	5.76	6.40	6.63	6.96					7.33
	May	8.53	7.29	5.58	3.26	3.01	0.65	4.39	4.87	5.08	5.76	6.40	6.63	6.96					7.33
	Jun	8.31	7.20	5.56	3.31	3.80	0.65	4.39	4.87	5.08	5.76	6.40	6.63	6.96					7.33
	Jul	8.32	7.25	5.57	3.30	3.04	0.70	4.39	4.87	5.08	5.76	6.40	6.63	6.96					7.33
	Aug	8.29	7.28	5.56	3.39	3.02	0.81	4.39	4.87	5.08	5.76	6.40	6.63	6.96					7.33
	Sep	8.44	7.20	5.58	3.43	3.00	0.85	4.39	4.87	5.08	5.76	6.40	6.63	6.96					7.33
	Oct	8.35	7.06	5.53	3.43	3.03	0.88	4.39	4.87	5.08	5.76	6.40	6.63	6.96					7.33
	Nov	8.26	7.16	5.54	3.48	3.00	0.91	4.39	4.87	5.08	5.76	6.40	6.63	6.96					7.33
	Dec	8.23	7.35	5.56	3.52	3.00	0.98	4.39	4.87	5.08	5.76	6.40	4.94	6.96					7.33

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.

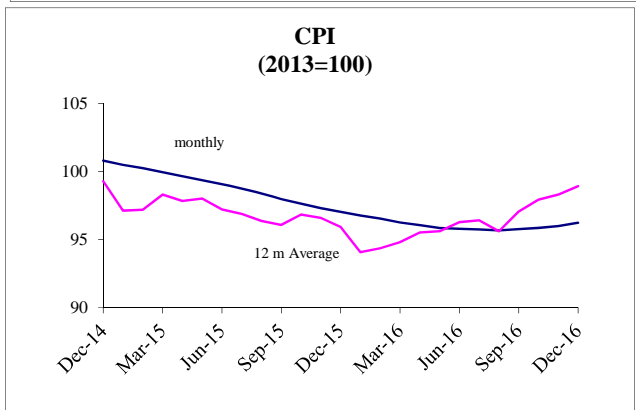
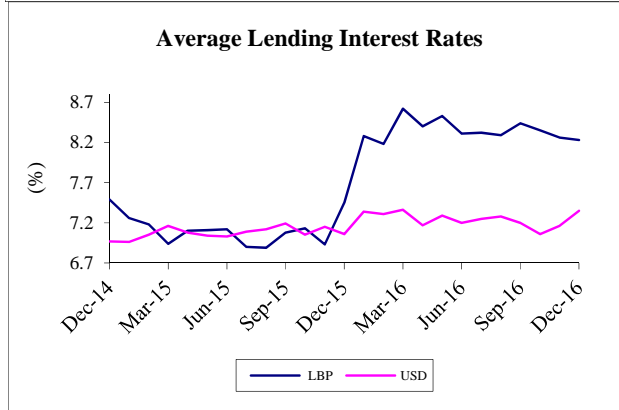
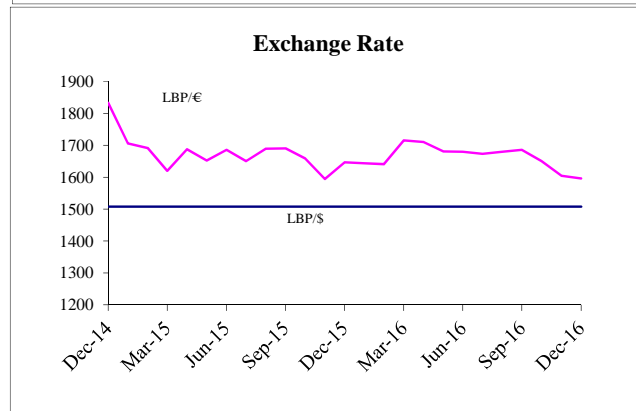
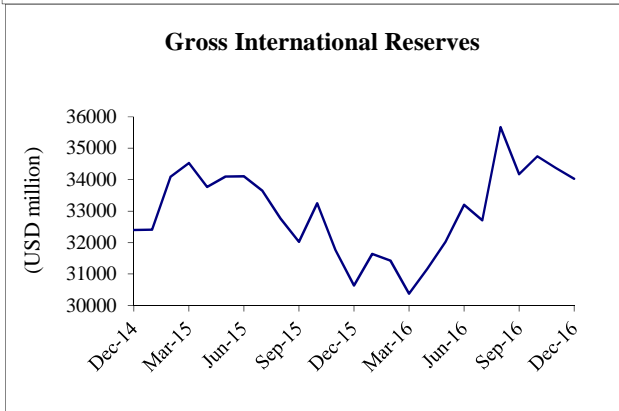
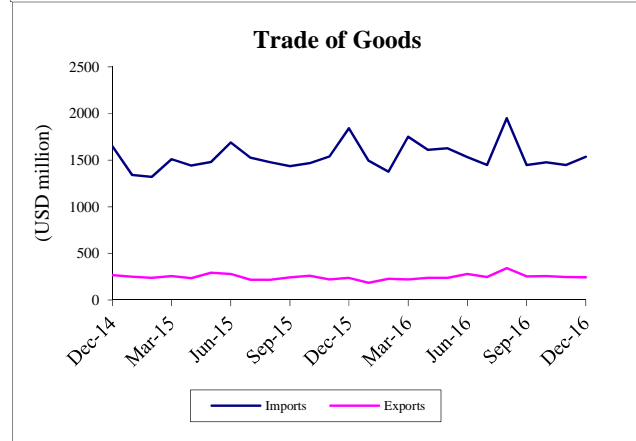
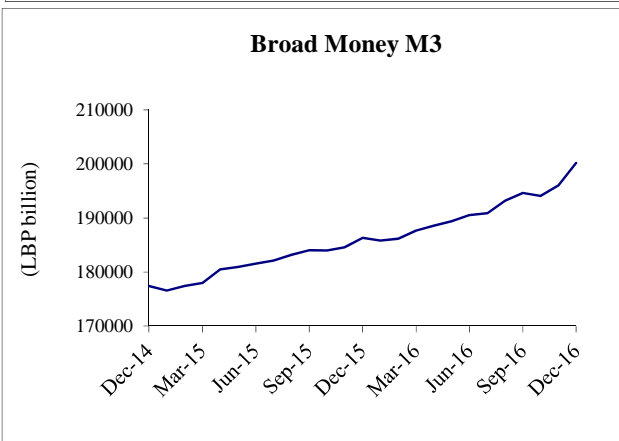
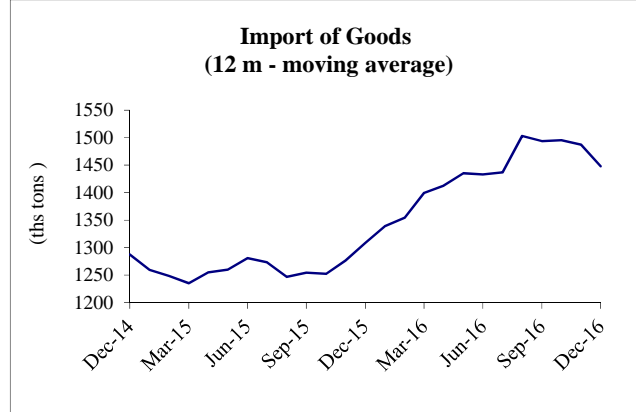
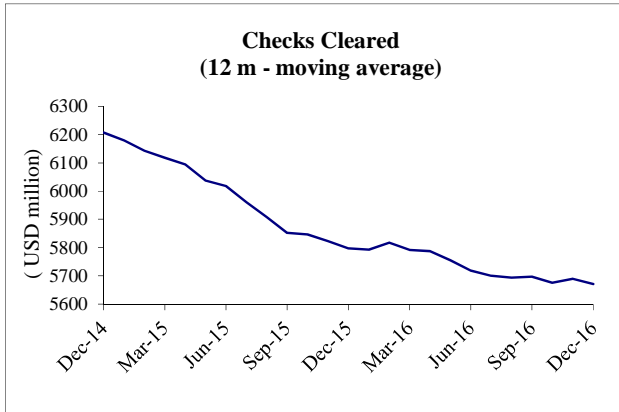
END OF PERIOD EXCHANGE RATES
(LBP per other currencies)

Year and Month	US	Swiss	British	Japanese	Euro	
	Dollar	Franc	Pound	Yen		
2014	Dec	1,507.50	1,524.27	2,341.75	12.62	1,833.87
2015	Dec	1,507.50	1,520.88	2,232.46	12.51	1,646.64
2016	Jan	1,507.50	1,478.67	2,162.36	12.47	1,643.48
	Feb	1,507.50	1,504.64	2,088.49	13.34	1,640.91
	Mar	1,507.50	1,566.56	2,171.40	13.42	1,715.23
	Apr	1,507.50	1,558.95	2,194.02	13.95	1,710.41
	May	1,507.50	1,522.57	2,202.91	13.57	1,681.31
	Jun	1,507.50	1,544.89	2,033.47	14.66	1,680.11
	Jul	1,507.50	1,542.20	1,983.87	14.53	1,673.48
	Aug	1,507.50	1,531.70	1,980.55	14.60	1,679.66
	Sep	1,507.50	1,556.37	1,954.93	14.92	1,685.84
	Oct	1,507.50	1,524.58	1,834.63	14.35	1,650.86
	Nov	1,507.50	1,485.81	1,877.74	13.31	1,605.19
	Dec	1,507.50	1,485.81	1,856.03	12.90	1,596.29

Source: BDL.



Indicative Charts



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