

Lebanon's Access to Foreign Markets

Part III: Trade with Sub-Saharan Africa

With the Economic Diplomacy agenda still intact, the Ministry of Economy and Trade's next analysis will focus on examining the potential for enabling economic and trade cooperation with the countries of the Sub-Saharan African (SSA) region. The non-Arab part of this region includes the following 43 countries:

Country	PPP GDP in Billions of USD			PPP GDP/ Capita USD		
	2011	2012	2013	2011	2012	2013
Angola	104.1	115.3	121.7	5,862	6,092	6,247
Benin	7.3	7.5	8.3	1,489	1,554	1,623
Botswana	15.3	14.4	14.8	14,993	15,706	16,377
Burkina Faso	10.5	11.0	12.2	1,384	1,489	1,585
Burundi	2.4	2.5	2.7	600	620	642
Cameroon	25.5	25.3	28.0	2,252	2,338	2,423
Cape Verde	1.9	1.8	1.9	4,220	4,303	4,338
Central African Republic	2.2	2.2	1.5	819	851	542
Chad	12.2	12.9	13.4	2,289	2,474	2,539
Côte d'Ivoire	24.1	24.7	28.3	1,574	1,707	1,818
Democratic Republic of the Congo	23.9	27.5	30.6	572	606	648
Equatorial Guinea	15.7	16.5	15.6	24,369	24,887	23,370
Eritrea	2.6	3.1	3.4	673	710	707
Ethiopia	31.4	42.5	48.1	1,164	1,256	1,366
Gabon	18.8	17.9	19.2	17,372	18,386	19,478
Gambia	0.9	0.9	0.9	1,792	1,868	1,962
Ghana	38.8	40.4	44.2	3,097	3,316	3,461
Guinea	5.1	5.6	6.3	1,075	1,108	1,125
Guinea-Bissau	1.0	0.8	0.8	1,232	1,209	1,206
Kenya	34.3	40.7	45.1	1,677	1,737	1,812
Lesotho	2.5	2.4	2.3	1,957	2,106	2,255
Liberia	1.5	1.7	1.9	612	658	703
Madagascar	9.9	9.9	11.2	941	957	970
Malawi	5.6	4.2	3.8	842	848	879
Mali	10.7	10.4	11.1	1,116	1,102	1,103
Mauritius	11.3	11.4	11.9	14,754	15,423	16,056
Mozambique	12.5	14.3	15.3	965	1,027	1,090
Namibia	12.8	13.1	12.3	7,360	7,800	8,191
Niger	6.4	6.7	7.4	742	813	829
Nigeria	248.2	264.2	286.5	2,555	2,697	2,831
Republic of the Congo	14.4	13.7	13.8	4,495	4,615	4,791
Rwanda	6.4	7.1	7.4	1,369	1,473	1,538
São Tomé and Príncipe	0.2	0.3	0.3	2,252	2,121	2,194
Senegal	14.5	14.1	15.2	1,866	1,908	1,958
Seychelles	1.1	1.1	1.4	24,648	25,491	26,492
Sierra Leone	2.9	3.8	4.8	1,160	1,333	1,542
South Africa	404.3	382.3	350.8	10,725	11,033	11,259
Swaziland	4.0	3.9	3.6	5,889	6,031	6,218
Tanzania	23.9	28.5	32.5	1,531	1,627	1,715
Togo	3.8	3.9	4.4	988	1,038	1,084
Uganda	18.2	21.2	23.1	1,407	1,424	1,484
Zambia	19.2	20.6	22.4	1,592	1,683	1,754
Zimbabwe	11.0	12.5	13.0	695	762	788
Total SSA-43	1,223	1,265	1,303	4,162	4,330	4,442

Source: IMF World Economic Outlook Database, April 2014

Together, this region has a combined GDP of over USD 1.3 Trillion and a GDP/ Capita average of USD 4,442. Although this share is not as large as other regions of the world, it is dominated by diverse natural resources that the continent enjoys in abundance. In fact, the main exports of African countries are palm oil, crude oil, cocoa, timber, diamonds, gold and other precious metals. In addition, with a population of over 865 Million people and a significant diaspora, expanding our trade agreements with the region could be of benefit to the Lebanese economy.

In terms of trade in goods, aggregate trade with Africa reached USD 1,194 Million in 2013, of which USD 411.6 Million was imported from Africa to Lebanon and USD 782.7 Million was exported from Lebanon to Africa.

Table 2 and 3 below shows the 2013 percentage shares of Imports and Exports respectively for the Top 10 Countries with which Lebanon trades with Africa.

Table 2: Imports

Country	(000s of USD)	% Share of Total	Cumulative % Share of Total
Togo	224,106	54%	54%
Benin	72,313	18%	72%
Ghana	54,055	13%	85%
South Africa	21,967	5%	90%
Côte d'Ivoire	8,181	2%	92%
Guinea	4,455	1%	93%
Nigeria	3,848	1%	94%
Republic of Congo	3,792	1%	95%
Cameroon	2,650	1%	96%
Senegal	2,243	1%	97%
Total SSA - 43	411,615	100%	100%

With regard to imports, Togo, Benin, Ghana, South Africa and Côte d'Ivoire are the most important import partners for Lebanon within the SSA region, making up 92% of Lebanon's total imports from the region. Apart from South Africa, all of these countries are located in West Africa.

Table 3: Exports

Country	(000s of USD)	% Share of Total	Cumulative % Share of Total
South Africa	398,057	51%	51%
Nigeria	73,356	9%	60%
Angola	52,800	7%	67%
Republic of Congo	50,477	6%	73%
Ghana	35,882	5%	78%
Côte d'Ivoire	26,592	3%	81%
Gabon	20,146	3%	84%
Guinea	20,074	3%	87%
Liberia	18,487	2%	89%
Sierra Leone	12,318	2%	91%
Total SSA - 43	782,708	100%	100%

With regards to exports, South Africa, Nigeria, Angola, Republic of Congo and Ghana are the most important export partners for Lebanon, making up 78% of Lebanon's total exports to the SSA region. Again, with the exceptions of South Africa and Angola, all of these countries are located in West Africa.

In terms of Preferential Trade Agreements, a variety exists within the non-Arab Sub-Saharan African region. These include:

- Community of Sahel Saharan States (CEN SAD)
- Common Market for Eastern & Southern Africa (COMESA)
- Southern African Customs Union (SACU)
- Economic Community of West African States (ECOWAS)
- East African Community (EAC)
- Southern African Development Community (SADC)
- Economic Community of Central African States (ECCAS)
- Intergovernmental Authority on Development (IGAD)

Many members of the above agreements overlap with each other. In any case, MoET will examine the countries with which it does the most trade and the products in which we are interested in and see if any Trade blocs are worth exploring in terms of economic and trade opportunities.

Since the top Import and Export partners within the SSA region are located in West Africa and in South Africa, it appears plausible to assume that any future agreements with countries or trade blocs within the SSA region would be emphasized in these areas. With that being said, the Economic Community of West African States (ECOWAS), the Community of Sahel-Saharan States (CEN-SAD) and the Southern African Development Community (SADC) seem to be the most reasonable trade blocs with which Lebanon can negotiate favorable terms of trade.

With regards to traded products, the top products were noted for the Top 5 countries in both the Imports and Export categories.

Table 4: Main Imported Products to SSA region in 2013

Imports					
Country	Product	000s of USD	% Share of Country Imports	% Share of Imports of Top 5 Countries	% Share of Imports of SSA-43
Togo	Gold, unwrought or in semi-manufactured forms	224,057	100%	59%	54%
	Wood and articles of wood, wood charcoal	47	0%	0%	0%
	Total	224,106	100%	59%	54%
Benin	Gold, unwrought or in semi-manufactured forms	72,121	100%	19%	18%
	Wood and articles of wood, wood charcoal	174	0%	0%	0%
	Total	72,313	100%	19%	18%
Ghana	Gold, unwrought or in semi-manufactured forms	47,098	87%	12%	11%
	Dates, figs, pineapples, mangoes, avocados, guavas	3,573	7%	1%	1%
	Wood and articles of wood, wood charcoal	2,954	5%	1%	1%
	Cocoa and cocoa preparations	242	0%	0%	0%
	Total	54,055	100%	14%	13%
South Africa	Gold, unwrought or in semi-manufactured forms	13,201	60%	3%	3%
	Acyclic alcohols and their derivatives	1,285	6%	0%	0%
	Nuts nes	855	4%	0%	0%
	Grapes, fresh or dried	165	1%	0%	0%
	Preserved fruits nes	948	4%	0%	0%
	Total	21,967	100%	6%	5%
Côte d'Ivoire	Wood and articles of wood, wood charcoal	4,503	55%	1%	1%
	Gold, unwrought or in semi-manufactured forms	2,757	34%	1%	1%
	Cocoa and cocoa preparations	674	8%	0%	0%
	Total	8,181	100%	2%	2%
Total Imports of Top 5 Countries		380,622	-	100%	92%
Total Imports from SSA-43		411,613	-	-	100%

In terms of imports, the following points can be made from the above Table 4:

- The main imported product from SSA region is Gold. Among the top 5 countries, gold represents 100% of imports from Togo, 100% of imports from Benin, 87% of Imports from Ghana, 60% of Imports from South Africa and 34% of imports from Cote d'Ivoire.
- Lebanon also imports a) fruits and nuts, b) wood and articles of wood, c) organic chemicals and d) cocoa products. These however, remain negligible relative to Gold.
- Of the five countries, Togo dominates as Lebanon main import partner, accounting for 54% of total imports. Imports from the other top 4 countries – Benin, Ghana, South Africa and Cote d'Ivoire- account for a respective 18%, 13%, 5% and 2% of total imports.



Table 5: Main Exported Products to SSA region in 2013

Exports					
Country	Product	000s of USD	% Share of Country Exports	% Share of Exports of Top 5 Countries	% Share of Exports of SSA-43
South Africa	Gold, unwrought or in semi-manufactured forms	394,441	99%	65%	50%
	Coffee, tea, mate and spices	957	0%	0%	0%
	Machinery, nuclear reactors, boilers, etc	532	0%	0%	0%
	Total	398,057	100%	65%	51%
Nigeria	Engines, spark-ignition reciprocating or rotary int. combust. Piston	17,105	23%	3%	2%
	Electrical, electronic equipment	12,155	17%	2%	2%
	Articles of iron or steel	3,668	5%	1%	0%
	Total	73,356	100%	12%	9%
Angola	Non-alcoholic beverages (excl. water, fruit or vegetable juices)	16,656	32%	3%	2%
	Spirits, liqueurs, other spirit beverages, alcoholic preparations	929	2%	0%	0%
	Wine of fresh grapes	12	0%	0%	0%
	Electrical, electronic equipment	11,464	22%	2%	1%
	Refrigerator, freezer, etc	1,563	3%	0%	0%
	Plastics and articles thereof	3,447	7%	1%	0%
Total	52,800	100%	9%	7%	
Republic of Congo	Electrical, electronic equipment	13,869	27%	39%	2%
	Machinery, nuclear reactors, boilers, etc	6,829	14%	19%	1%
	Aluminium and articles thereof	3,693	7%	10%	0%
	Plastics and articles thereof	3,560	7%	10%	0%
	Total	50,477	100%	8%	6%
Ghana	Electrical, electronic equipment	11,360	32%	2%	1%
	Machinery, nuclear reactors, boilers, etc	7,595	21%	1%	1%
	Articles of iron or steel	3,687	10%	1%	0%
	Plastics and articles thereof	3,144	9%	1%	0%
	Total	35,882	100%	6%	5%
Total Exports of Top 5 Countries		610,572	-	100%	78%
Total Exports to SSA-43		782,708	-	-	100%

In terms of exports, the following points can be made about Table 5 for the year 2013:

- In terms of top products, Gold makes up a half of Lebanese Exports to the SSA region, specifically channelled towards South Africa.
- Other types of exports include: 1) Electrical and electronic equipment, 2) Machinery and 3) Non-alcoholic beverages.
- Of the five countries, South Africa dominates as the major importer of Lebanese goods, reigning in around 51% of total Lebanese exports to the SSA countries. Exports to the other top 4 countries – Nigeria, Angola, Congo and Ghana- are relatively negligible, making up around 5% to 9% of exports to the region.

As highlighted in last month's bulletin, the Ministry of Economy and Trade has already set a list of export products in which Lebanon has a special interest with Africa, where Lebanon would like to have a preferential treatment and more specifically in the following product categories:

- Traditional Lebanese products such as labneh and shakleesh.
- Preparations of vegetables, fruit and nuts.
- Animal or vegetable fats and oils such as Olive Oil
- Wine.

In any case, Lebanon's significant trade potentials with this region, persuades the Ministry of Economy and Trade to continue to make progress in negotiating Economic and Trade agreements. Efforts to take advantage of such efforts are currently one of the Ministry's priorities.

MONTHLY ECONOMIC TRENDS:

• GDP Growth and Economic Forecasts:

– The **Coincident Indicator** — a compound index of a number of economic indicators published by BDL that acts as an estimate of economic performance— showed a slight deterioration in its figure in the first seven months of 2014, as it reached 248.4 and recorded a YTD decrease of 7.3% in 2014 relative to the 5.3% decrease attained in the same period in 2013.

• Real Estate:

– Figures show that the Real Estate sector has generally seen improved activity in 2014. The **Value of Real Estate Sales** rose by 9.7% YTD in July 2014 relative to the same period in 2013, while the total **Number of Sale Transactions** rose 2.2%.

• Tourism:

– For the fourth year running, **Number of Tourists** witnessed a fall in their figures from the peak attained in 2010. The number of tourists continuously fell from a high of 1,326,001 in the first seven month of 2010 down to 746,456 in the same period in 2014. In a turnaround however, the month of July in 2014 registered a 24% increase from the month of July in 2013. Furthermore, the monthly trend in 2014 has been on the increase, where the changes registered between Feb/Mar, Mar/Apr, Apr/May, May/June and June/July were 16%, 23%, 9%, 28% and 13% respectively. This turnaround confirms that the lifting of the unofficial ban on travels to Lebanon by the governments of Saudi Arabia and other Gulf states has had a positive effect on summer tourism.

– **Number of Airport Passengers** however saw a slight rise in the first seven months of 2014. This 0.2% increase relative to the first seven months of 2013 comes with the greatest increase in their number for the longest period ever .

• Trade

Trade began to witness negative results by the end of July 2014. Port of Beirut saw a slowdown in Container Activity and Revenues while the trade deficit showed continued decline in figures. Although the trade deficit continued to increase, the rise in capital inflows was able to offset the trade deficit and keep the Balance of Payments in a surplus position.

– With regards to **Maritime Statistics**, Beirut Port Statistics show a stabilization in **TEU Container Activity** at the local level, as they rose a meagre 0.8% to reach 447,621 TEU in the first seven months of 2014 relative to the same period in 2013. Moreover, **Port of Beirut Revenues** registered a fall in the first seven months of 2014- reaching -3.5%- indicating slowdown in activity at the Port.

– With regards to **Imports**:

- **In terms of value**, imports witnessed a 4.6% fall by end of July 2014 relative to July 2013, to reach USD 11,935 Million. The fall in imports is the result of a YoY decrease in value of Oil imports (-8.6%), Motor Cars and other Vehicles (-11.6%) and Gold (-31.3%). Value of Medicaments and Alloy products however saw a rise of 3.3% and 31.6% respectively. Removing the effects of value of petroleum imports, which represent just over a fifth of the total value of imports, however leads to a smaller decrease in the value of imports, reaching by -3.4%.

- **In terms of volume**, imports witnessed an 2.6% increase in the first seven months of 2014 relative to the previous year. The rise in the volume is the result of the combined increase in the volume of Calcium Phosphates, Petroleum coke, Alloy and Wheats and Meslin products, which saw a rise of 46.8%, 33.9%, 41.9% and 2.9% respectively. The volume of Petroleum oils and Glazed ceramics however, fell 6.6% and 2.0% respectively. Removing the effects of oil imports, which represents almost a third of the total volume of imports, leads to an even steeper rise in the volume of imports, of 7.0%.

– With regards to **Exports**:

- **In terms of value**, exports witnessed a 25.5% decline in the first seven months of 2014, reaching USD 1,935 Million relative to the USD 2,591 Million attained a year earlier. This fall in exports is the result of a YoY decrease in value of Gold (-43.2%), Ferrous waste and scrap (-38.7%) , Copper waste and scrap (-57.5%) and Electric Generating Set and Converters (-30.5%). Value of printed books and brochures however saw a 55.6% rise.

- **In terms of volume**, total exports fell by 34.6%. This fall in exports is the result of a YoY decrease in volume of Ferrous waste and scrap (-37.6%), Mineral or chemical fertilisers, phosphatic (-12.1%) and Potatoes (-10.9%). Value of citrus fruits , Diphosphorus chemicals and Waters, including Mineral waters and aerated water products however, saw a rise of 4.3% , 80.4% , 57.3% respectively.

– As such, the Year to Date **Value of the Trade Deficit** in the first seven months of 2014 showed a rise of 0.9% compared to the same period in 2013, when oil products are included in the equation. Removing oil products leads

to an even further year on year increase in the deficit of 10.1%.
— The **Balance of Payments** saw a net improvement in the first seven months of 2014, as it registered a surplus of USD 131 Million in 2014 relative to the USD 957 Million deficit attained in the same period in 2013. Despite the above mentioned rise in the trade deficit, this improvement came about due to the 13.1% increase in **Capital Inflows** over the said period.

• Banking and Financial

On the whole, Commercial Banking figures grew during the first seven months of the 2014, but for some indicators, at a slower pace than in 2013.

- **Loans to the private sector** continued to witness a rise in the first seven months of the year, growing by 3.7% since the start of 2014. This, however, represents a slowdown relative to the same period in 2013, where the growth in loans to the private sector reached 4.9% in the first seven months of the year. Similarly, growth in the **Number of Kafalat loans** rose by 9% in the first eight months of 2014 but because the **Value of Kafalat** during this period fell to reach USD 71.6 Million relative to the USD 74.7 Million attained a year earlier, this indicates that the average size of the loans being made have been reduced.
- **Private Sector Deposits** also saw a YTD rise up to July 2014 relative to the same period in 2013, to reach USD 141.3 Billion. This 3.7% growth was due to a 4% increase in resident private sector deposits and 2.6% rise in non-resident private sector deposits since the beginning of 2014.
- Similarly, **Foreign Assets** continued to show positive results in 2014 despite the continued fall in the value of Gold Reserves. Foreign Assets in the first seven months of 2014 rose by 10% relative to

the 3.8% fall attained in the same period in 2013. This is due to the **Value of Foreign Currency Reserves** and **Gold Reserves** rising by 10.8% and 7.6% respectively relative to the 4.3% rise and 19.7% fall attained in the first seven months of 2013.

- The total **Value of Checks Cleared** in the banking system, an indicator of overall spending patterns in the economy, rose by 2.3% to reach USD 42,928 Million (LBP and FC combined) by the end of July 2014, from the USD 41,982 Million observed by the end of July 2013. The **Number of Cleared Checks** however, witnessed a slight decline in figures, reaching 7.54 Million compared to the 7.70 Million attained in the same period a year earlier. This has consequently led to a 4.4% rise in the average value of cleared checks between July 2013 and July 2014.

Disclaimer:

The most recent month for August 2014 Issue is highlighted for each of the following indicators:

- Coincidence Indicator Statistics: July 2014
- Real Estate Statistics: July 2014
- Tourism Statistics: July 2014
- Trade Statistics: July 2014
- Banking and Financial Statistics: July 2014

For more information or assistance, please do not hesitate to contact the Economic Research Unit at the Ministry of Economy and Trade:

Tel: +961 1 982 294

Caroline Bitar (ext: 1609): cbitar@economy.gov.lb

Rayane Dandache (ext: 1615): rdandache@economy.gov.lb

KEY ECONOMIC INDICATORS

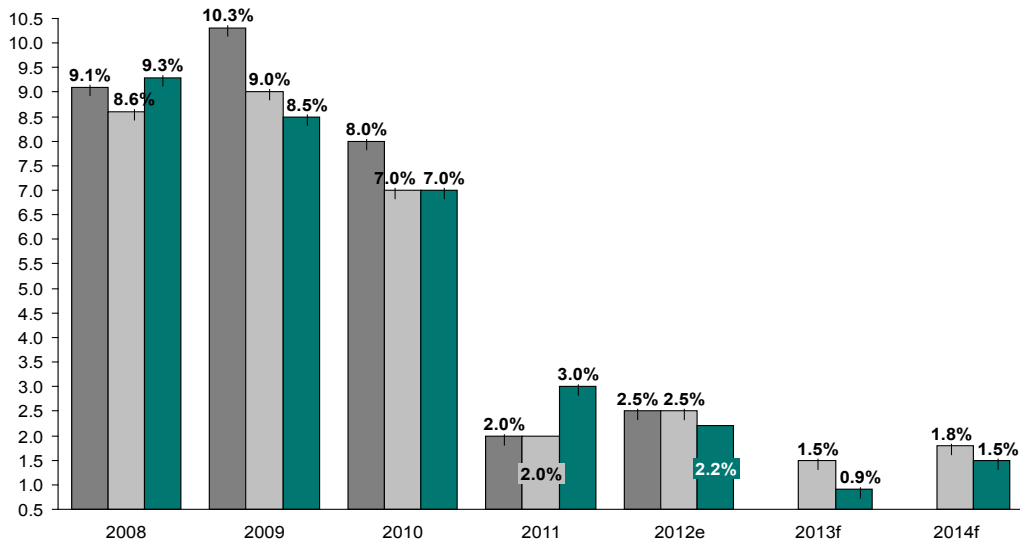
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GENERAL INDICES	Footnote	Period	2014	2013	2014/2013 %Δ	2012	2013/2012 %Δ	2011	2012/2011 %Δ	2010
Nominal GDP (Billions USD)										
CAS	1		-	-		42.9		40.1	7.0%	38.0
IMF	2	Jan-Dec	45.5	44.3	2.6%	42.5	4.2%	40.1	6.1%	38.0
World Bank	3		-	-		42.9		40.1	7.0%	37.1
Real Economic Growth Rate (%)										
CAS	1		-	-		2.5%		2.0%		8.0%
IMF	2	Jan-Dec	1.8%f	1.5%f		2.5%		2.0%		7.0%
World Bank	3		1.5%f	0.9%f		2.2%		3.0%		7.0%
Coincidence Indicator (1993=100)	4	Jan-July	248.4	248.7	-0.1%	247.8	0.4%	257.1	-3.6%	229.0
Growth in Coincidence Indicator (%)	4	YTD July	-7.3%	-5.3%		-6.7%		0.6%		-4.8%
Inflation Rate (%)	1	Jan-Aug	101.39	98.97	2.4%	97.91	1.1%	89.64	9.2%	84.76
Electricity Production (Millions Kwh)	4	Jan-June	5,226	5,516	-5.3%	5,590	-1.3%	6,112	-8.5%	6,011
Number of New Cars registrations	5	Jan-Aug	25,357	24,009	5.6%	23,012	4.3%	21,383	7.6%	22,545
Number of New Industrial Licenses	6	Jan-Dec	-	415		349	18.9%	375	-6.9%	-
LABOR	Footnote	Period	2014	2013	2014/2013 %Δ	2012	2013/2012 %Δ	2011	2012/2011 %Δ	2010
Number of Renewed Work Permits given to Foreign Workers	7	Jan-Dec	-	117,235	-	135,950	-13.8%	123,975	9.7%	114,810
Number of 1st Time Work Permits given to Foreign Workers	7	Jan-Dec	-	40,981	-	53,429	-23.3%	60,981	-12.4%	45,005
CONSTRUCTION AND REAL ESTATE	Footnote	Period	2014	2013	2014/2013 %Δ	2012	2013/2012 %Δ	2011	2012/2011 %Δ	2010
Cement Delivers (000s Tons)	4	Jan-July	3,217,674	3,197,206	0.6%	3,075,46	4.0%	3,248,415	-5.3%	3,103,925
Construction Permits area (000s of Sq m)	8	Jan-Aug	9,475	8,562	10.7%	9,716	-11.9%	11,245	-13.6%	11,767
Total Number of New Permits	8	Jan-Aug	11,310	11,391	-0.7%	12,121	-6.0%	12,412	-2.3%	11,262
Total Value of Real Estate Sales (Millions of USD)	9	Jan-Aug	5,865	5,312	10.4%	5,489	-3.2%	5,232	4.9%	6,379
Total Number of Property Sales, of which:	9	Jan-Aug	45,203	43,883	3.0%	46,011	-4.6%	50,841	-9.5%	62,287
Sales to Locals	9	Jan-Aug	44,538	43,080	3.4%	45,137	-4.6%	49,977	-9.7%	61,032
Sales to Foreigners	9	Jan-Aug	665	803	-17.2%	874	-8.1%	864	1.2%	1,255

[1] Lebanese Central Administration of Statistics (CAS) [2] IMF Article IV Staff Report, 31st July 2014 [3] World Bank World Development Indicators, [4] Banque du Liban, [5] Association of Car Importers in Lebanon, [6] Ministry of Industry, [7] Ministry of Labor [8] Order of Architects in Beirut and Tripoli, [9] Real Estate Directorate



GDP Growth (in Percentage; 2008-2014f)

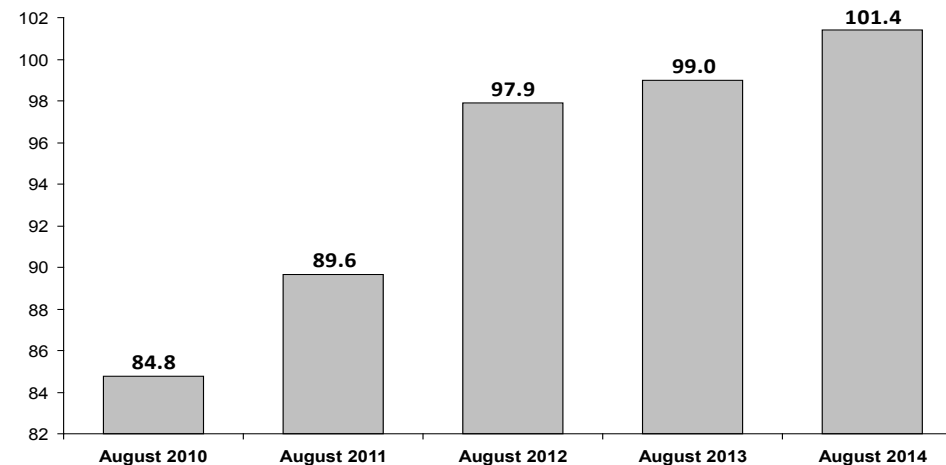


Source: CAS, IMF and World Bank

Note: No CAS GDP Growth Projection for 2013 and 2014

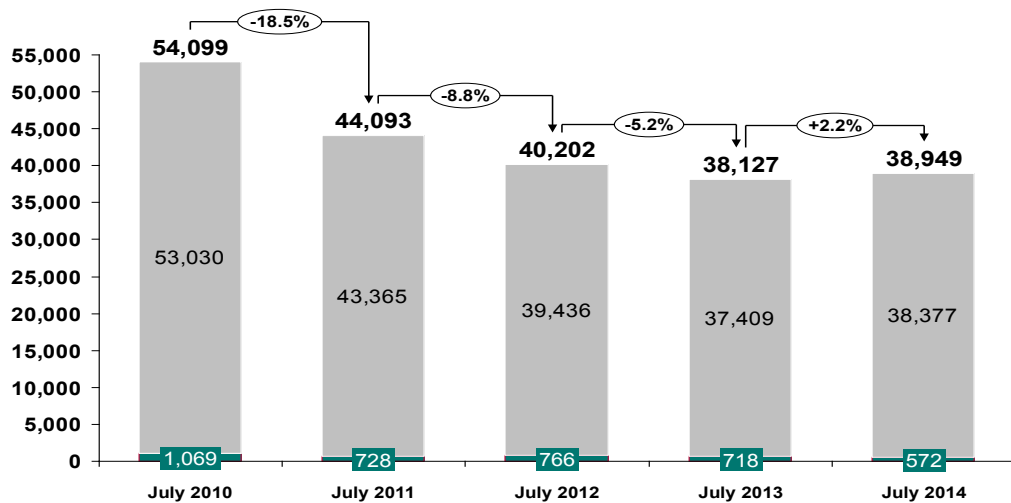
■ CAS ■ IMF ■ World Bank

Evolution in Consumer Price Index (Dec 2013=100)



Source: Central Administration of Statistics. Index was recalculated by MoET in accordance with new base scale and base weight.

Evolution of the Number of Property Sales (in Number of Sales; 2010-2014)

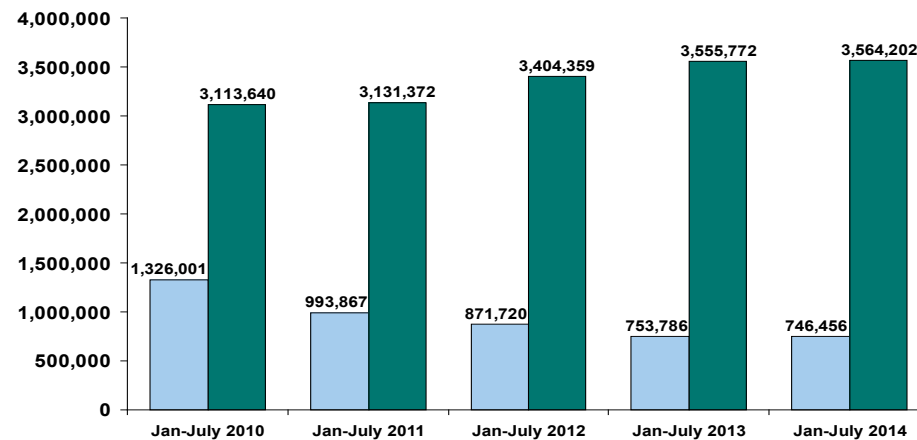


Note: Property Sales include both Local and Foreign Sales

Source: Real Estate Directorate at the Ministry of Finance

■ Local Sales
■ Foreign Sales

Evolution in the Number of Tourists and Airport Passengers (2010-2014)



Source: Ministry of Tourism

■ Tourism
■ Airport Passengers



KEY ECONOMIC INDICATORS

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TRADE	Footnote	Period	2014	2013	2014/2013 %Δ	2012	2013/2012 %Δ	2011	2012/2011 %Δ	2010
Exports Value (Millions of USD), of which:	10	Jan-July	1,934	2,595	-25.5%	2,490	4.2%	2,533	-1.7%	2,414
Exports Volume (Millions of Tons)	10	Jan-July	1.15	1.76	-34.7%	1.33	32.3%	1.71	-22.2%	1.70
Imports Value (Millions of USD), of which:	10	Jan-July	(11,935)	(12,511)	-4.6%	(12,621)	-0.9%	(10,907)	15.7%	(10,429)
<i>Mineral Fuels and Oils</i>	10	Jan-July	2,555	2,794	-8.6%	3,416	-18.2%	1,832	86.5%	1,912
<i>Imports Value, excl Oil Products</i>	10	Jan-July	(9,380)	(9,717)	-3.5%	(9,205)	5.6%	(9,075)	1.4%	(8,517)
Imports Volume (Millions of Tons), of which:	10	Jan-July	8.84	8.62	2.6%	9.42	-8.5%	7.77	21.2%	8.75
<i>Mineral Fuels and Oils</i>	10	Jan-July	2.64	2.82	-6.6%	3.57	-21.0%	2.06	73.5%	2.90
<i>Imports Volume, excl Oil Products</i>	10	Jan-July	6.20	5.80	7.0%	5.85	-0.9%	5.71	2.4%	5.85
Trade Deficit (Millions of USD)	10	Jan-July	(10,001)	(9,916)	0.9%	(10,131)	-2.1%	(8,374)	21.0%	(8,015)
Trade Deficit, excl Oil Products	10	Jan-July	(7,446)	(7,122)	4.5%	(6,715)	6.1%	(6,542)	2.6%	(6,103)
Industrial Exports (excluding Gold Ingots)	6	Jan-Apr	1,016	1,164	-12.7%	1,031	12.9%	1,026	0.4%	1,036
Industrial Machinery	6	Jan-Apr	91	109	-16.3%	89	22.1%	77	15.7%	77
Capital Inflows (Millions of USD), of which:		Jan-July	10,132	8,959	13.1%	8,788	1.9%	7,588	15.8%	10,322
Balance of Payments (Millions of USD)	4	Jan-July	131	(957)	-113.7%	(1,343)	-28.7%	(786)	70.8%	2,307
Value of Transit Goods (Millions of USD)	10	Jan-July	274.3	266.5	2.9%	196.3	35.7%	236.6	-17.0%	231.6
Port Activity (000s Tons of Goods)	11	Jan-July	4,219	4,830	-12.7%	4,144	16.6%	3,794	9.2%	3,876
Port Revenues (Millions of USD)	11	Jan-July	122.3	126.7	-3.5%	100.5	26.1%	92.5	8.7%	96.1
Total TEU (Twenty Foot Equivalent Unit) of which:		Jan-July	718,085	661,935	8.5%	610,751	8.4%	585,859	4.2%	561,703
<i>TEU to Local Market</i>	11	Jan-July	447,621	443,977	0.8%	362,432	22.5%	340,446	6.5%	354,818
<i>Transshipment</i>	11	Jan-July	270,464	217,958	24.1%	248,319	-12.2%	245,413	1.2%	206,885
TOURISM	Footnote	Period	2014	2013	2014/2013 %Δ	2012	2013/2012 %Δ	2011	2012/2011 %Δ	2010
Number of Tourists	12	Jan-July	746,456	753,786	-1.0%	871,720	-13.5%	993,867	-12.3%	1,326,001
Number of Tourists	12	July	161,222	129,922	24.1%	157,171	-17.3%	219,653	-28.4%	361,934
Hotel Occupancy Rates	13	Jan-July	48%	55%	-12.7%	63%	-12.7%	56%	12.5%	74%
Hotel Occupancy Rates	13	July	36%	40%	-10.0%	53%	-24.5%	67%	-20.9%	80%
Evolution in Tourism Spending	14	Jan-June	-	-	-6%	-	-18%	-	20%	-
Number of Airport Passengers	15	Jan-July	3,564,202	3,555,772	0.2%	3,404,359	4.4%	3,131,372	21.2%	3,113,640

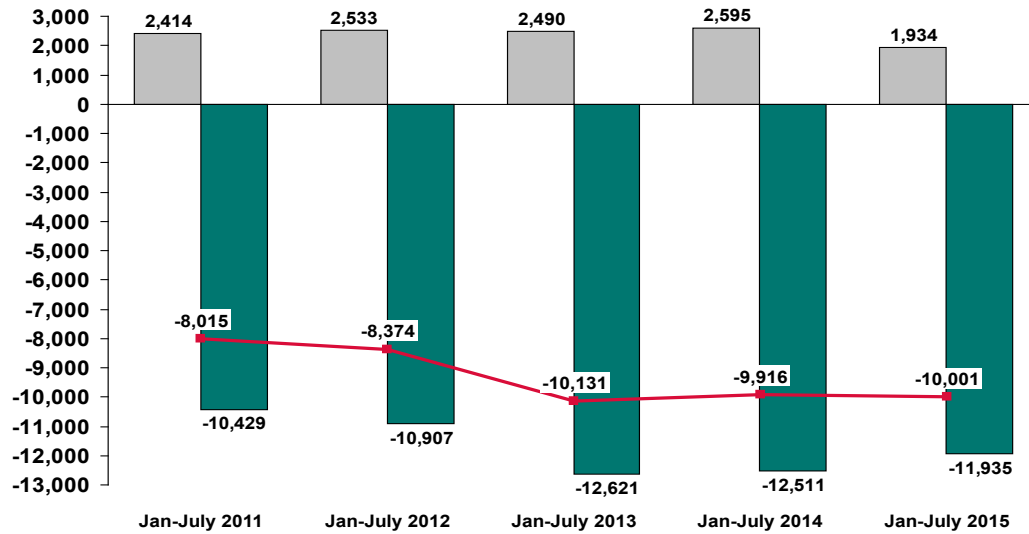
[10] Lebanese Customs at Ministry of Finance, [6] Ministry of Industry, [4] Banque du Liban, [11] Port of Beirut

[12] Ministry of Tourism, [13] Ernst and Young Hotel Benchmark Survey Report July 2014, [14] Global Blue [15] Rafic Hariri Airport



Evolution of Imports, Exports and Trade Deficit

(in Millions of USD; 2010 to 2014)

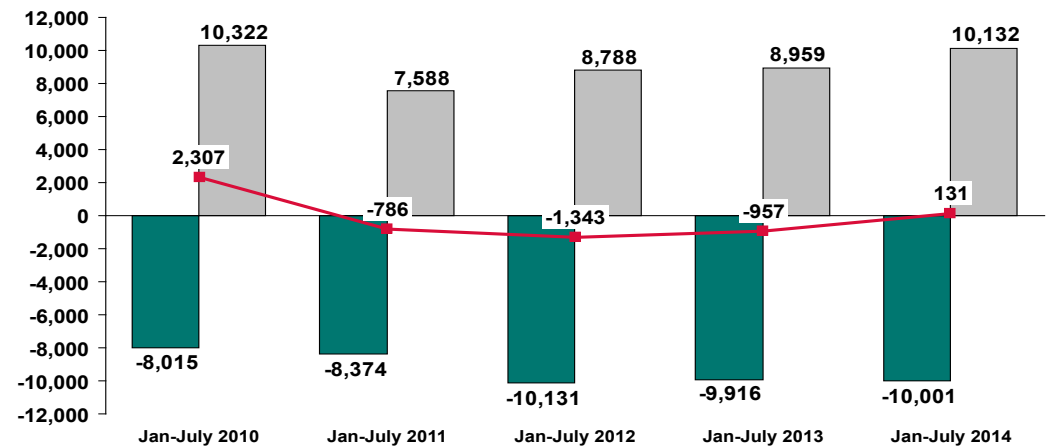


Source: Lebanese Customs

Exports Imports (including Oil) Trade Deficit

Evolution in Trade Deficit, Capital Inflows and Balance of Payments

(in Millions of USD; 2010 to 2014)

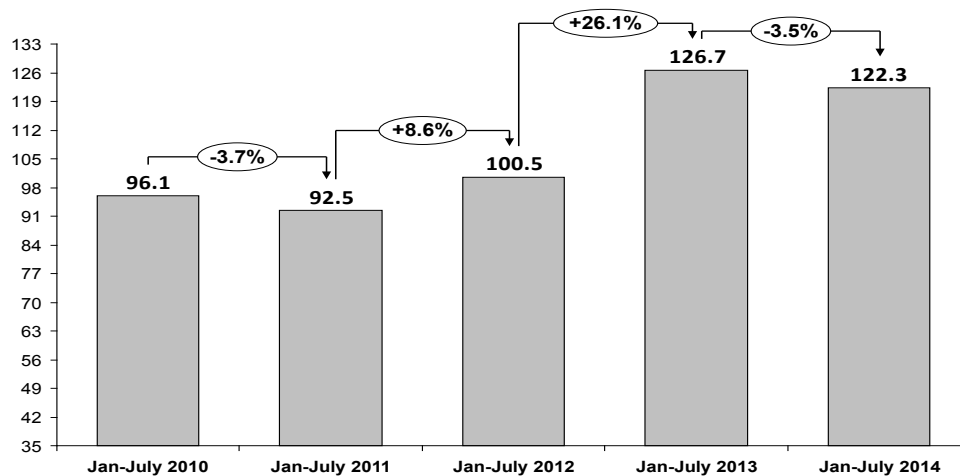


Source: Lebanese Customs & BdL

Trade Deficit Capital Inflows BoP

Evolution in Revenues at Port of Beirut

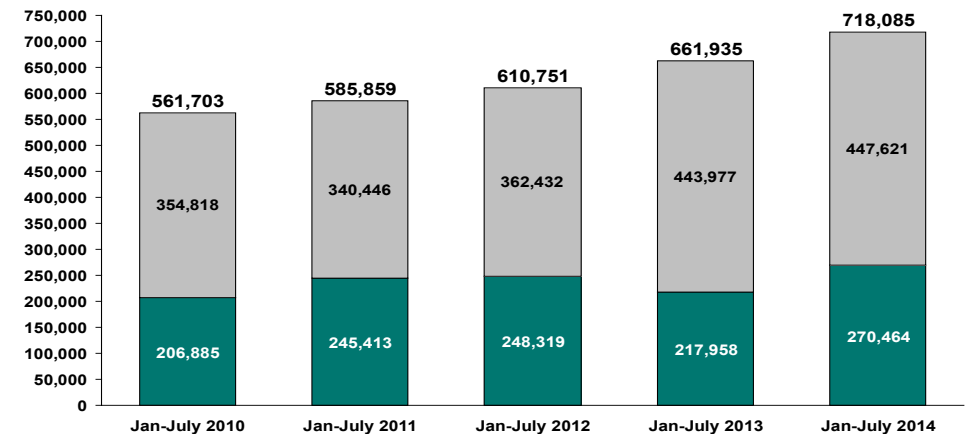
(in Millions of USD; 2010-2014)



Source: Port of Beirut

Evolution in Total TEU Container Activity

(in Millions USD; 2010-2014)



Source: Port of Beirut
Total TEU = TEU to Local Market + Transshipments

TEU to Local Market Transshipments



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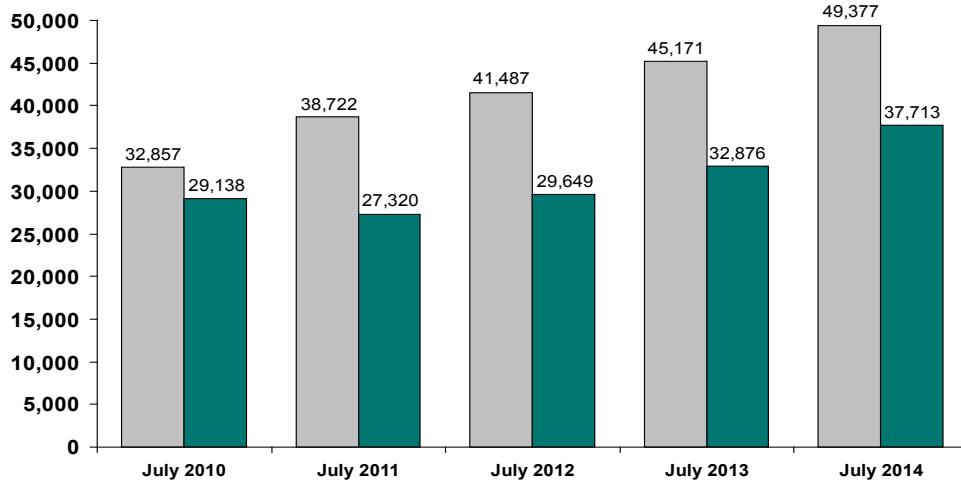
BANKING	Footnote	Period	2014	2013	2014/2013 %Δ	2012	2013/2012 %Δ	2011	2012/2011 %Δ	2010
Commercial Banks Indicators:										
Commercial Banking Assets (Millions USD)	4	July	169,741	157,811	7.6%	145,505	8.5%	136,878	6.3%	124,047
<i>Growth in Commercial Banking Assets (%)</i>	4	YTD July	3.0%	3.9%		3.5%		6.2%		7.6%
Private Sector Deposits (Millions USD)	4	July	141,314	131,178	7.7%	119,752	9.5%	112,140	6.8%	101,926
<i>Growth in Private Sector Deposits (%)</i>	4	YTD July	3.7%	4.9%		3.5%		4.6%		6.4%
Loans to the Private Sector (Millions of USD)	4	July	49,377	45,171	9.3%	41,487	8.9%	38,722	7.1%	32,857
<i>Growth in Loans to the Pr.S (%)</i>	4	YTD July	4.8%	4.9%		4.4%		11.4%		17.1%
Loans to the Public Sector (Millions of USD)	4	July	37,713	32,876	14.7%	29,649	10.9%	27,320	8.5%	29,138
<i>Growth in Loans to the P.S (%)</i>	4	YTD July	0.1%	5.6%		1.5%		-6.8%		0.3%
BdL Indicators:										
Foreign Assets (Millions of USD), of which:	4	July	47,085	43,558	8.1%	44,624	-2.4%	43,792	1.9%	38,710
<i>Growth in Foreign Assets (%)</i>	4	YTD July	10.0%	-3.8%		-1.3%		5.3%		8.4%
Foreign Currency Reserves	4	July	35,138	31,268	12.4%	29,644	5.5%	28,911	2.5%	27,929
<i>Growth in Foreign Currency Reserves (%)</i>	4	YTD July	10.8%	4.3%		-3.8%		1.1%		8.8%
Gold Reserves	4	July	11,947	12,290	-2.8%	14,980	-18.0%	14,882	0.7%	10,781
<i>Growth in Gold Reserves(%)</i>	4	YTD July	7.6%	-19.7%		4.0%		14.4%		7.1%
Lebanese Pound Deposit Rate (%)	4	July	5.54	5.43	2.0%	5.45	-0.4%	5.59	-2.5%	5.79
Lebanese Pound Lending Rate (%)	4	July	7.36	7.13	3.2%	7.24	-1.5%	7.33	-1.2%	8.09
USD Deposit Rate (%)	4	July	3.02	2.89	4.5%	2.84	1.8%	2.86	-0.7%	2.80
USD Lending Rate (%)	4	July	6.96	7.02	-0.9%	7.19	-2.4%	7.03	2.3%	7.05
3-Month TB Yield (%)	4	July	4.44	4.44	0.0%	4.44	0.0%	3.93	13.0%	3.94
6 Month TB Yield (%)	4	July	4.99	4.99	0.0%	4.99	0.0%	4.50	10.9%	4.52
12 Month TB Yield (%)	4	July	5.35	5.35	0.0%	5.35	0.0%	4.81	11.2%	4.8
36-Month TB Coupon (%)	4	July	6.61	6.61	0.0%	6.61	0.0%	6.03	9.6%	5.99

[4] Banque du Liban



Total Loans to the Private (Resident and Non Resident) and Public Sector

(Millions of USD; 2010-2014)

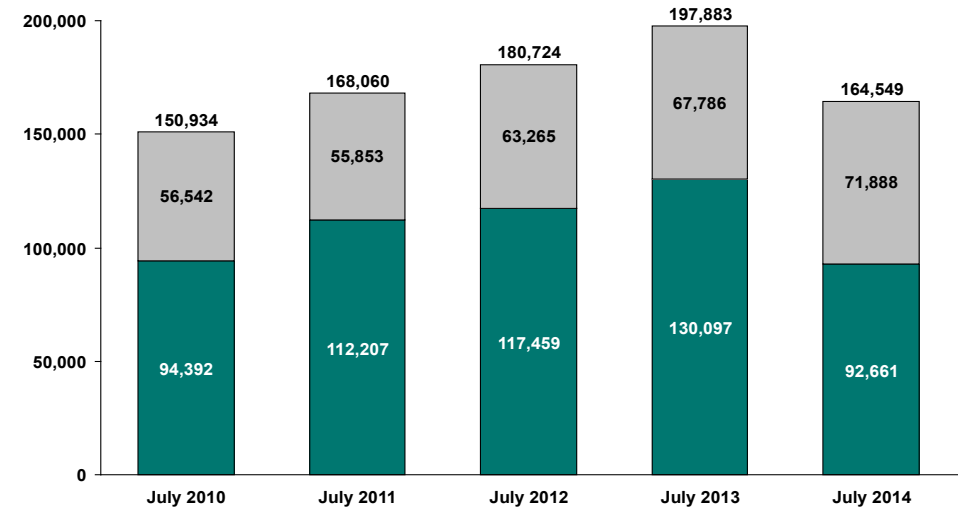


Source: Banque du Liban

Legend: Total Loans to the Private Sector (Grey), Total Loans to the Public Sector (Teal)

Value of Bank Deposits (Lebanese and Foreign Currency)

(in Millions USD; 2010-2014)

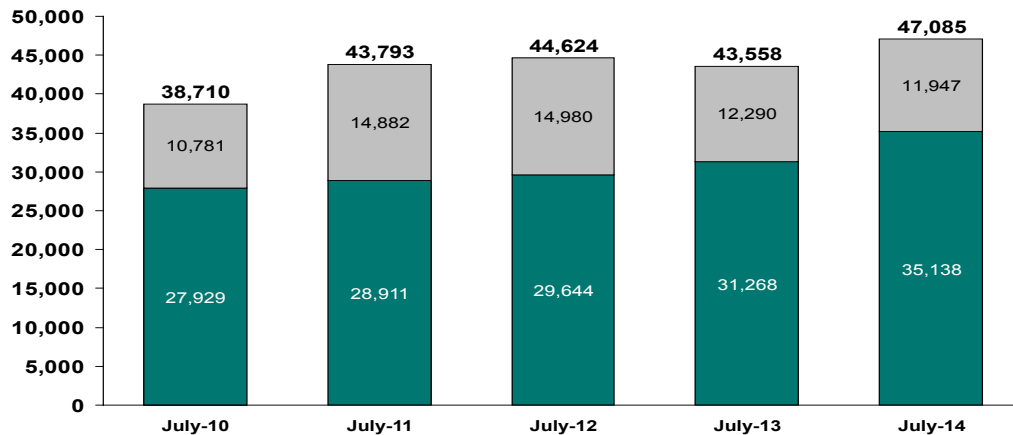


Note: Bank Deposits defined as Resident Private Sector Deposits (excluding Public Sector)
Source: Banque du Liban

Legend: Lebanese Deposits (Grey), Foreign Currency Deposits (Teal)

Value of Foreign Assets held by BdL

(in Millions USD; 2010-2014)

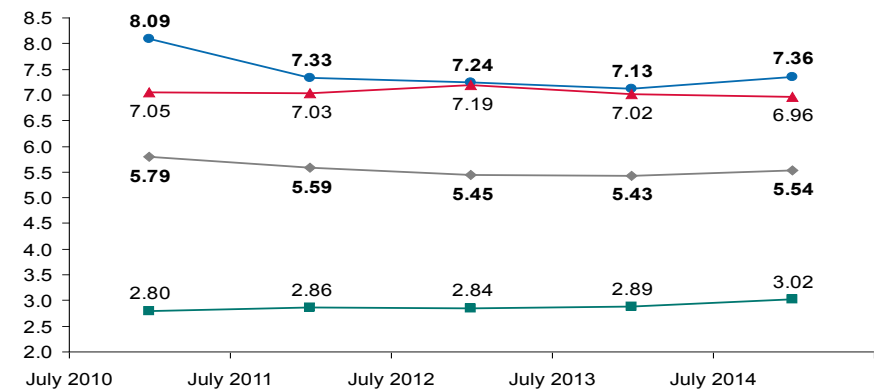


Source: Banque du Liban

Legend: Gold (Grey), Foreign Currency (Teal)

LBP and USD Deposit and Loan Rates

(in Percentage; 2010-2014)



Source: Banque du Liban

Legend: LBP Deposits (Grey), USD Deposits (Teal), LBP Loans (Blue), USD Loans (Red)



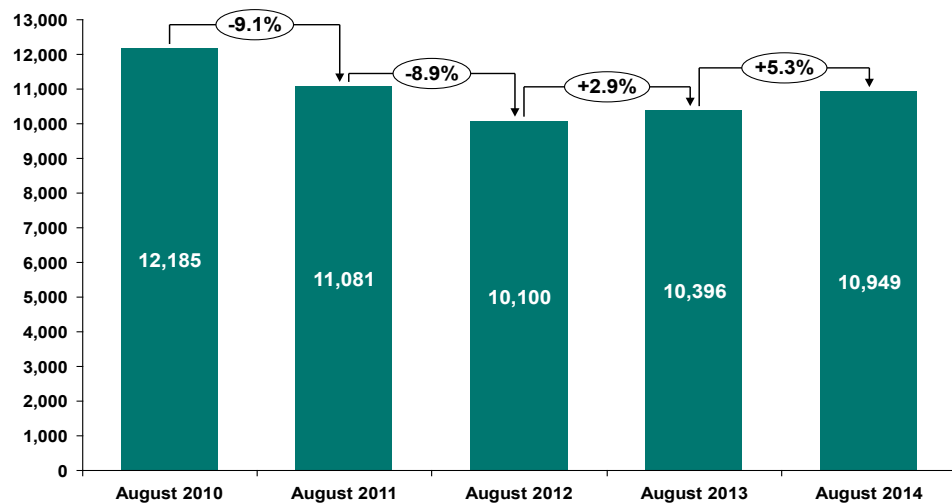
KEY ECONOMIC INDICATORS

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FINANCE	Footnote	Period	2014	2013	2014/2013 %Δ	2012	2013/2012 %Δ	2011	2012/2011 %Δ	2010
M3 Money Supply (Million USD)	4	July	115,582	107,327	7.7%	100,505	6.8%	94,655	6.2%	88,098
<i>Growth in M3 Money (%)</i>	4	YTD July	4.0%	3.2%		3.4%		2.7%		7.3%
Value of Cleared Checks (in Millions of USD)	4	Jan-July	42,928	41,982	2.3%	41,247	1.8%	41,903	-1.6%	40,105
Number of Cleared Checks (in Millions)	4	Jan-July	7.54	7.70	-2.1%	7.55	2.0%	7.50	0.7%	7.92
Value of Kafalat Loans (Millions USD)	17	Jan-Aug	71.6	74.7	-4.1%	95.0	-21.4%	107.2	-11.4%	114.1
Number of Kafalat Loans	17	Jan-Aug	584	536	9.0%	692	-22.5%	831	-16.7%	966
Market Capitalization (Millions USD)	16	Jan-Aug	10,949	10,396	5.3%	10,100	2.9%	11,081	-8.9%	12,185
Value of Traded Shares (Millions of USD)	16	Jan-Aug	289.0	198.0	46.0%	317.0	-37.5%	416.9	-24.0%	1,614.6
Volume of Trade Shares (Millions of Shares)	16	Jan-Aug	40.4	29.1	38.8%	41.5	-29.9%	60.5	-31.4%	241.9
EXCHANGE RATE MARKETS	Footnote	Period	2014	2013	2014/2013 %Δ	2012	2013/2012 %Δ	2011	2012/2011 %Δ	2010
YoY USD-LBP Exchange Rate	18	Aug Close	1,507	1,512.5	-0.4%	1,502	0.7%	1,507.5	-0.4%	1,507.5
YoY EURO-USD Exchange Rate	19	Aug Close	1.3182	1.3241	-0.4%	1.2579	5.3%	1.4369	-12.5%	1.2663
YoY GBP-USD Exchange Rate	19	Aug Close	1.6586	1.5504	7.0%	1.5866	-2.3%	1.625	-2.4%	1.5462
YoY USD-JPY Exchange Rate	19	Aug Close	103.72	98.35	5.5%	78.39	25.5%	76.70	2.2%	84.62

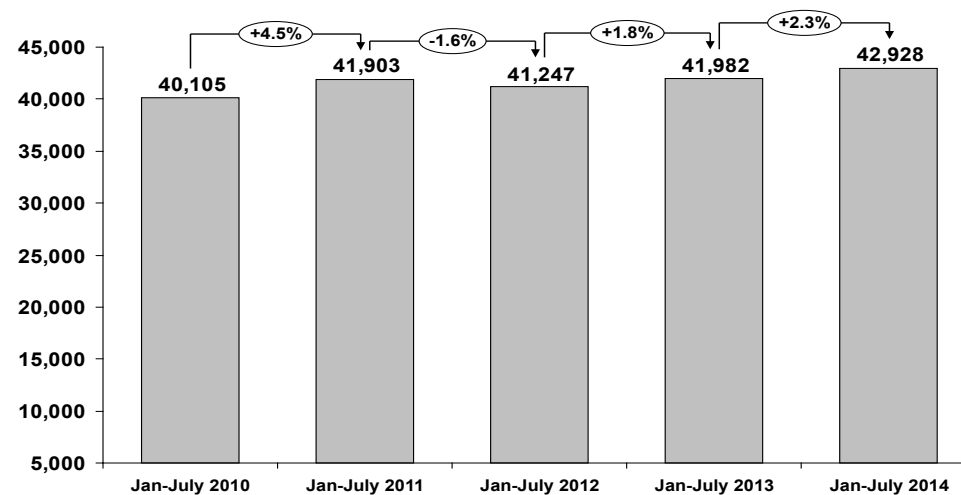


Value of Market Capitalization (in Millions USD; 2010-2014)



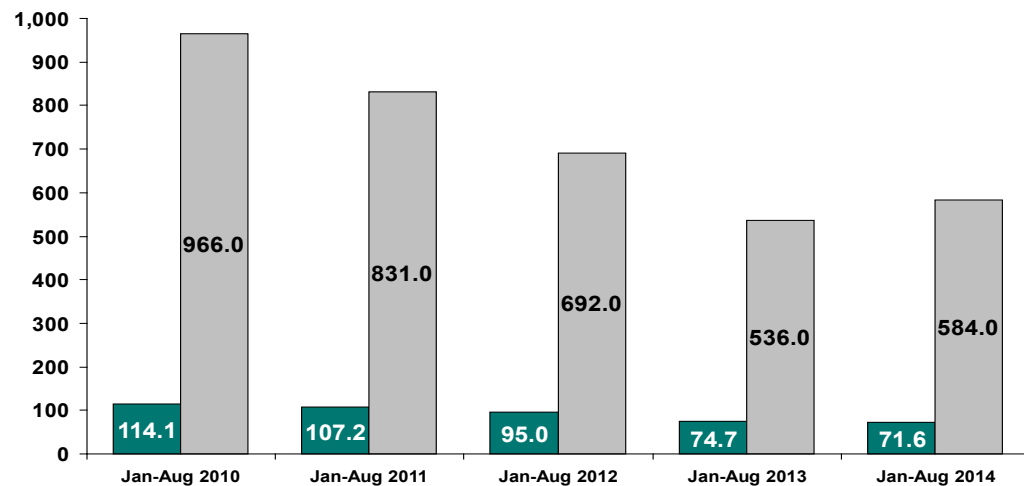
Source: Beirut Stock Exchange

Evolution of the Value of Cleared Checks (in Millions USD; 2010-2014)



Source: Banque du Liban

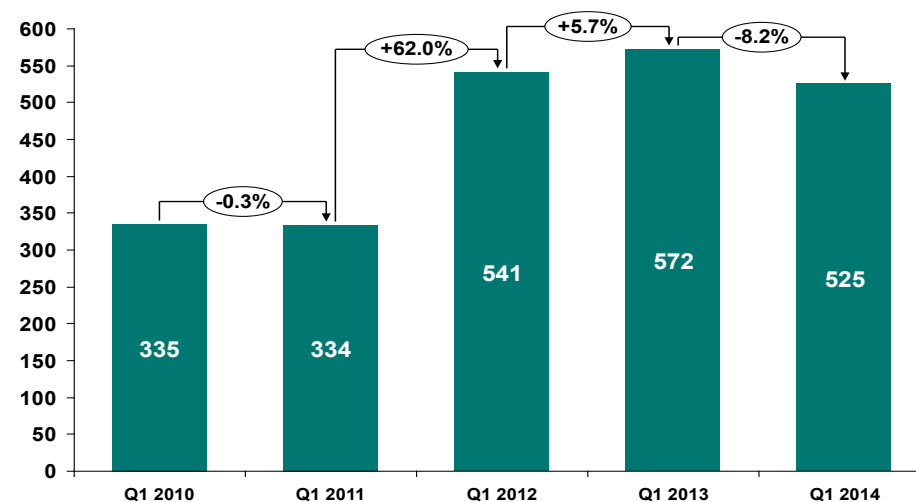
Evolution in Value and Number of Kafalat Loans (in Millions USD/ Number of Loans; 2010-2014)



Source: Kafalat S.A.L

■ Value of Kafalat Loans
■ Number of Kafalat Loans

Evolution of EDL Transfers (in Millions of USD; 2010-2014)



Source: Ministry of Finance



KEY ECONOMIC INDICATORS

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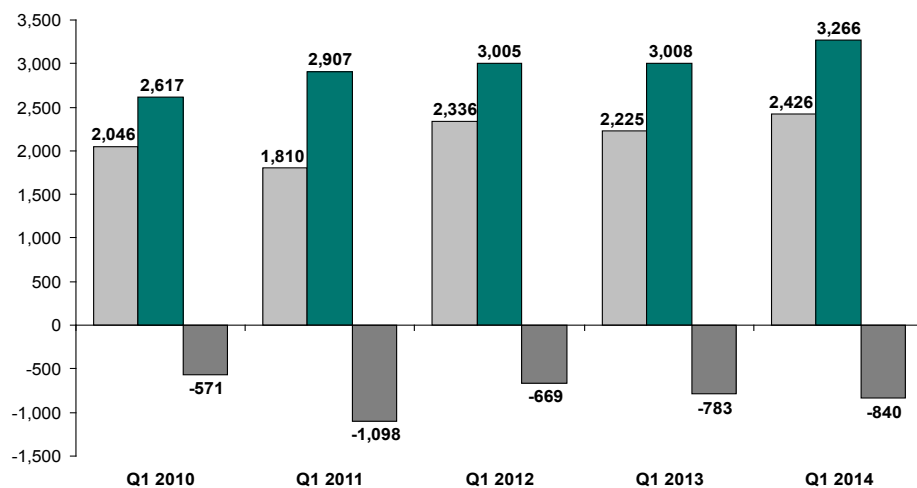
PUBLIC FINANCE [24]	Footnote	Period	2014	2013	2014/2013 %Δ	2012	2013/2012 %Δ	2011	2012/2011 %Δ	2010
Total Revenues (Million USD)	20	Jan-Mar	2,426	2,225	9.0%	2,336	-4.8%	1,810	29.1%	2,046
Total Expenditures (Million USD)	20	Jan-Mar	3,266	3,008	8.6%	3,005	0.1%	2,907	3.4%	2,617
Fiscal Balance (Million USD)	20	Jan-Mar	(840)	(783)	7.3%	(669)	17.0%	(1,098)	-39.1%	(571)
Total Primary Balance (Million USD)	20	Jan-Mar	38	(5)	-895.8%	177	-102.7%	(145)	-222.1%	387
Public Debt (Billions USD)	21	Jan-July	65.6	60.2	9.0%	55.4	8.6%	52.8	5.0%	50.8
Budget Revenues (Millions USD), of which:	20	Jan-Mar	2,222	2,094	6.1%	2,224	-5.8%	1,691	31.5%	1,933
Tax Revenues, of which:	20	Jan-Mar	1,656	1,585	4.4%	1,680	-5.6%	1,489	12.8%	1,557
Misc Tax Rev	20	Jan-Mar	-	700	-	750	-6.7%	619	21.2%	600
Customs Rev	20	Jan-Mar	301	353	-14.8%	351	0.7%	356	-1.4%	440
VAT Rev	20	Jan-Mar	562	532	5.6%	579	-8.1%	514	12.7%	517
Non Tax Rev	20	Jan-Mar	566	509	11.2%	544	-6.4%	203	168.4%	376
Budget Expenditures (Millions of USD), of which:	20	Jan-Mar	2,909	2,470	17.8%	2,498	-1.1%	2,755	-9.3%	2,420
General Expenditures, of which:	20	Jan-Mar	2,031	1,692	20.0%	1,652	2.4%	1,802	-8.3%	1,462
EdL	20	Jan-Mar	525	572	-8.3%	541	5.7%	334	62.0%	335
Interest Payments, of which:	20	Jan-Mar	844	746	13.2%	802	-7.1%	912	-12.0%	926
Lebanese Lira Interest Payments	20	Jan-Mar	617	527	16.9%	540	-2.3%	591	-8.6%	609
Foreign Currency Interest Payments	20	Jan-Mar	227	218	4.2%	262	-16.8%	321	-18.4%	318
Principal Repayments	20	Jan-Mar	34	32	5.8%	44	-26.7%	41	7.1%	31
Treasury Revenues (Millions of USD)	20	Jan-Mar	204	131	55.7%	113	15.9%	118	-4.2%	113
Treasury Expenditures (Millions of USD)	20	Jan-Mar	356	538	-33.8%	507	6.1%	152	233.6%	198
Budget Expenditures (Millions of USD), of which:	22	Mar	3,022	2,884	4.8%	2,746	3.9%	2,776	11.1%	2,471
Personnel Cost, of which:	22	Mar	1,020	988	3.2%	990	-0.5%	992	21.1%	818
Salaries and Wages	22	Mar	685	647	5.8%	629	-8.1%	704	10.7%	568
Retirement + End of Service	22	Mar	284	281	1.2%	300	16.5%	241	46.3%	205
Transfers to EdL	22	Mar	525	572	-8.2%	541	71.0%	334	61.6%	335
Debt Service, of which:	22	Mar	878	778	12.9%	846	-18.3%	953	-11.7%	958
Lebanese Lira Interest Payments	22	Mar	617	527	17.0%	540	-10.7%	590	-11.3%	609
Foreign Currency Interest Payments	22	Mar	228	218	4.3%	262	-32.0%	321	-17.5%	318
Capital Expenditures	22	Mar	190	124	52.9%	157	-16.5%	149	36.4%	115
Treasury Expenditures (Millions of USD)	22	Mar	244	125	95.7%	260	-5.1%	131	78.2%	146

[20] Ministry of Finance- Fiscal Performance Sheet [21] Byblos Weekly Report LTW 369, [22] Public Finance Monitor



Evolution of Total Revenues, Expenditures and Fiscal Balance

(in Millions USD; 2010-2014)

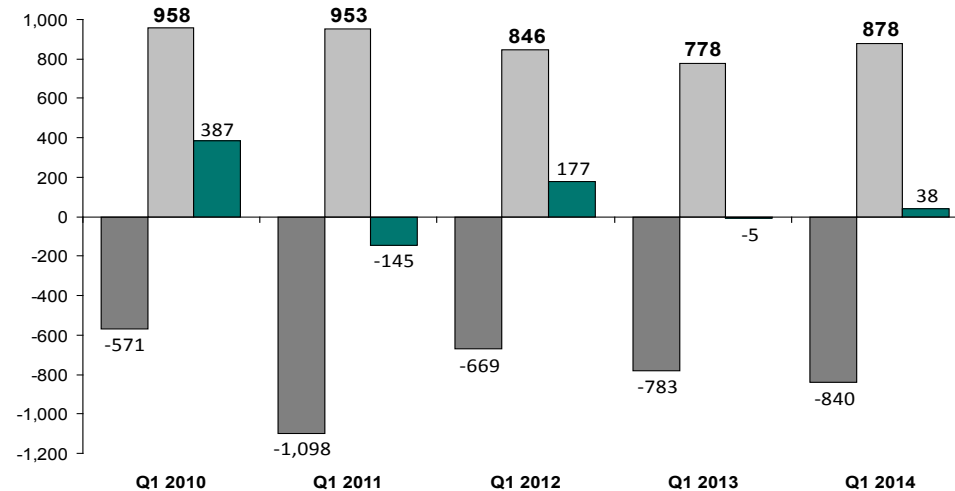


Source: Ministry of Finance

Revenues Expenditures Fiscal Balance

Evolution of the Fiscal Balance, Debt Servicing and Primary Balance

(in Millions USD; 2010-2014)

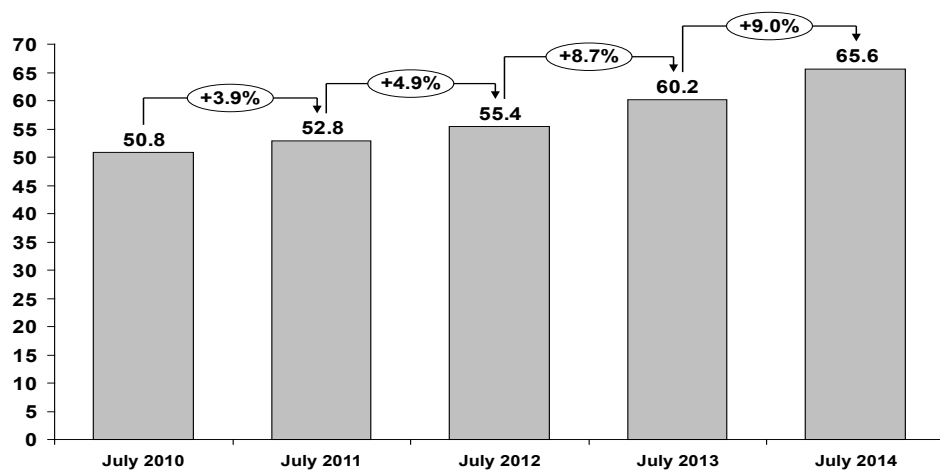


Source: Ministry of Finance

Fiscal Balance Debt Servicing Primary Balance

Evolution of Gross Public Debt

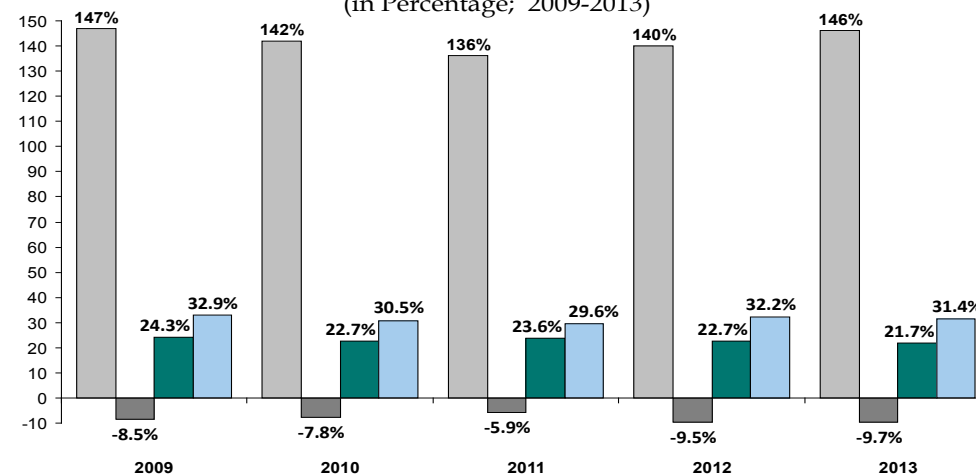
(in Billions of USD; 2010-2014)



Source: Banque du Liban

Evolution of Debt/GDP, Deficit/GDP, Revenues/GDP and Expenditures/GDP

(in Percentage; 2009-2013)



Source: Ministry of Finance

Debt/ GDP Revenues/ GDP
Deficit/ GDP Expenditures/ GDP

