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Preface

The BdL Macroeconomic Review, published by Banque du Liban, is part of the Bank's ongoing commitment to enhancing economic transparency and providing rigorous, policy-relevant analysis. It was first launched in September 2025, covering developments up to June 2025. This publication constitutes its second issue and presents an assessment of recent economic and policy developments in Lebanon, with a particular focus on the second half of 2025 and the year as a whole in comparison with 2024.

In the context of persistent economic, financial, and institutional challenges, the provision of timely, reliable, and accessible economic information remains of paramount importance. Where relevant, references to earlier periods are incorporated to contextualize observed trends and identify key inflection points. The analysis situates current developments within both Lebanon's historical trajectory and the broader global and regional environment, with a view to assessing their implications for the country's macroeconomic outlook. The BdL Macroeconomic Review also covers sectoral economic activity, as well as developments in the monetary, financial, and external sectors.

The interpretation of recent economic developments continues to be constrained by significant limitations in the availability and timeliness of official statistics. Lebanon lacks a comprehensive and up-to-date statistical framework, particularly with respect to the real economy and public finances. Key national accounts aggregates, including Gross Domestic Product (GDP), have not been officially updated since 2023. In addition, several critical datasets, such as the Industrial Production Index, measures of industrial output, and labor market indicators, remain either unavailable or unpublished. In this context, the Review draws on internal estimation methodologies developed by the Economic Research Unit, including the BdL Business Composite Indicator (BCI) as well as a range of proxy indicators, to provide the most robust assessment feasible under prevailing data constraints.

Similarly, the absence of up-to-date public finance statistics imposes limitations on the scope of fiscal analysis. The most recent data published by the Ministry of Finance pertain to 2024 with no available data for the years 2022–2023. Accordingly, this issue does not include an assessment of recent fiscal developments, including budget execution, fiscal balances, or public debt dynamics.

This review was prepared by the Economic Research Unit (ERU) of BdL, under the supervision of Dr. Sana Souaid Jad (Head of the ERU). The core team included Rami Skaineh and Rabih Timotaous (Economists, ERU), with contributions from Maha Mattar (Foreign Affairs Department) for section 5 "Structural and Institutional Reforms".

Abbreviations & Acronyms

12MMA	12-Month moving average	GCC	Gulf Cooperation Council
AI	Artificial Intelligence	GDP	Gross Domestic Product
AML	Anti-Money Laundering	H1	First Half of the Year
ATMs	Automated Teller Machines	H2	Second Half of the Year
BCI	Business Composite Indicator	IMF	International Monetary Fund
BdL	Banque du Liban	INSEE	Institut National de la Statistique et des Etudes Economiques
BO	Balance of Opinion	LBP	Lebanese Pound
BRHIA	Beirut Rafic Hariri International Airport	LHS	Left Hand Side
BoP	Balance of Payments	LNG	Liquefied Natural Gas
CAS	Central Administration of Statistics	MENA	Middle East & North Africa
CET	Cash Electronic Transfer	MLT	Medium- and Long-Term banks and other financial corporations
CFT	Counter-Terrorism Financing	MMBtu	Million metric British thermal unit
CIC	Currency in Circulation	MPO	Macro Poverty Outlook
CIF	Cost, Insurance and Freight	NPL	Non-Performing Loans
CIRET	Centre for International Research on Economic Tendency	OECD	Organization for Economic Cooperation & Development
CPI	Consumer Price Index	OPEC	Organization of the Petroleum Exporting Countries
CTS	Cash Transaction Slip	PCA	Principle Component Analysis
DXY	US dollar Index	PoS	Point of Sale
ECB	European Central Bank	RHS	Right Hand Side
EDL	Électricité du Liban	TTF	Title Transfer Facility
EFFR	Effective Federal Fund Rate	US	United States
eKYC	Electronic Know Your Customer	USD	US Dollar
EPSPs	Electronic Payment System Providers	YoY	Year-on-Year
EU	European Union	UAE	United Arab Emirates
FATF	Financial Action Task Force	VAT	Value Added Tax
FDI	Foreign Direct Investment	Vs	Versus
FNAB	Food & Non-alcoholic Beverages	WEO	World Economic Outlook
FOB	Free on Board	WB	World Bank
FRED	Federal Reserve Economic Data		
FSDR	Financial Stabilization and Deposit Repayment		
FX	Foreign Exchange		

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1. Executive Summary

Global economic growth remained stable at 3.2% in 2025, supported by strong investments in technology and easing inflation, which declined to 4.2% amid lower food and energy prices. This environment enabled major central banks to gradually ease monetary policy, particularly in the second half of the year. In parallel, the MENA region recorded a recovery, with growth rising to 3.3% up from 2.1% in 2024.

For Lebanon, this provided a relatively supportive external environment, characterized by lower imported inflation and improved relations with GCC countries, which contributed to sustained inflows from remittances and tourism. Nonetheless, persistent geopolitical tensions remained a significant downside risk.

Against this backdrop, Lebanon's economy showed signs of modest recovery in 2025 with real GDP growth estimated at 3.8%, following a contraction of 6.4% in 2024, and nominal GDP reaching USD 33 billion, compared with USD 27.7 billion in 2024, according to BdL estimates. The rebound was primarily driven by domestic consumption and a recovery in tourism, supported by decelerating inflation and improved liquidity conditions.

Inflationary pressures eased, with headline and core inflation declining to 12.2% and 13.5% year-on-year respectively, in December 2025. This reflects exchange rate stability, tighter fiscal and monetary policies, and lower global energy prices. However, inflation remained elevated in key sectors due to structural rigidities.

Sectoral performance improved in commerce, tourism, and industry, while construction remained subdued. Although construction-related real sector indicators showed some recovery, they continue to lag behind historical trends, as per the BdL Business Survey results. The BdL Business Composite Indicator rose to its highest level in the third quarter of the 2025 since the onset of the crisis, before moderating in the final quarter amid slower-than-expected progress in implementing key structural and financial sector reforms.

Lebanon's balance of payments reflected widening external imbalances, with the current account deficit reaching USD 5.6 billion in the first nine months of 2025, driven by a USD 10.8 billion trade deficit. Financing weakened amid declines in remittances and international grants while the financial account surplus contracted, signaling increased difficulties in securing stable external funding. Despite these mounting pressures, BdL transitioned towards active foreign reserve accumulation, bolstering its capacity to manage market liquidity and enhance macro-financial stability against persistent volatility.

Indeed, BdL continued to support exchange rate stability and actively manage liquidity, while foreign reserves increased moderately to reach USD 12 billion in December 2025. Banking sector activity remained subdued, characterized by high non-performing loans and limited credit provision. Regulatory measures, including Circulars 158 and 166, supported depositor access to funds and liquidity conditions, while non-bank financial institutions played a significant role in sustaining payment activity under enhanced BdL regulatory oversight.

During the period under review, BdL implemented regulatory and prudential measures to strengthen financial integrity, reinforce depositor protection, and preserve liquidity discipline. The AML/CFT framework was enhanced through a multi-layered control architecture that improved transaction traceability, while digital financial services were modernized through a regulatory framework for e-KYC and e-money activities. These measures were complemented by key legislative developments, including the enactment of the Banking Restructuring Law and progress on the draft Financial Stabilization and Deposits Repayment Act.

However, the modest recovery observed in 2025 is expected to weaken significantly in 2026 as at the time of finalizing this report, the war involving Iran, the United States, and Israel, along with renewed hostilities in Lebanon, had sharply increased uncertainties surrounding the outlook. These developments are not incorporated into the current analysis, but they are expected to generate significant downside risks through higher energy

prices, trade and supply disruptions, inflationary pressures, potentially lower remittance inflows from affected GCC countries, rising humanitarian needs, and further damage to key sectors, particularly tourism and commerce, which had driven growth in 2025. These recent developments are expected to place significant additional strain

on public finances, increase reconstruction costs, and exacerbate existing vulnerabilities in the financial sector, further weakening macroeconomic stability and growth prospects. In light of the rapidly evolving context and persistent geopolitical uncertainties, a reliable economic outlook for 2026 cannot be established at this stage.

2. Economic Developments

2.1 Global Outlook

The global economy maintained a steady real growth of 3.2% in 2025 amid a complex mix of geopolitical instability, trade volatility and sector-specific momentum. Performance during late-2025 was defined by a delicate balancing act as the continued expansion of high-tech sectors provided a buffer against the drag from geopolitical uncertainty and evolving tariff structures. This helped global trade maintain a degree of temporary robustness with the volume of global trade growing by 4.1% for the year.

Advanced economies recorded a growth rate of 1.6% in 2025¹. In the United States, real GDP growth recorded 2.0% in 2025, compared with 2.8% in 2024. Economic activity proved more resilient than expected during the third quarter of 2025, supported by continued government spending and a gradual shift toward a less restrictive monetary policy stance.

In contrast, the Euro Area grew by 1.2% in 2025, up from 0.9% in 2024, but the recovery was subdued, hampered by unresolved internal and external pressures. The region remained constrained by weak momentum, as core manufacturing continued to struggle with elevated energy costs following the disruption of Russian pipeline gas supplies. Although Dutch TTF gas prices² fell by around 30% YoY in December 2025, their annual average was still 9.4% higher than in 2024, pointing to persistently elevated energy costs over much of the year. Unlike the US and several Asian technology hubs that capitalized on a massive technology-driven investment wave, the Euro Area saw significantly fewer gains from the Artificial Intelligence boom during the second half of the year.

China's economy grew by 4.8% in 2025, supported by fiscal stimulus, credit expansion, and front-loaded trade activity that mitigated export pressures. A year-long trade truce reached in

November eased US trade barriers and provided late-year stabilization.

Global inflation continued its downward trend as it decelerated to 4.2% in 2025 from 5.8% in 2024 due mainly to a broad-based drop in commodity prices. Most notably, international food and wheat prices declined by 4.6% and 14% respectively in 2025, while energy prices eased significantly with Brent crude oil falling 14.5% to an average of USD 68.3 per barrel (Table 1).

In this context, headline inflation in the Euro Area moderated to 2.1% in 2025, down from 2.4% in 2024. In the United States, inflation averaged 2.7% in 2025, slightly declining from 3% in 2024, largely reflecting persistent services inflation and a more pronounced increase in core goods prices relative to other advanced economies. In contrast, inflation in China fell to 0.0% in 2025, compared to 0.2% in 2024, with deflationary pressures intensifying toward the end of the year, as weak domestic demand limited the impact of fiscal stimulus measures that the authorities implemented throughout the year.

This sustained disinflationary momentum provided policy space for central banks to shift from aggressive tightening to a more accommodating monetary stance. In the United States, the Federal Reserve reduced its policy rate during 2025, including several cuts in the second half of the year, lowering the Effective Federal Funds Rate (EFFR) to 3.7% by December with an annual average of 4.2% in 2025 vs 5.1% in 2024. In the Euro Area, the European Central Bank's (ECB) main refinancing operations rate averaged 2.4% in 2025, down from 4.1% in 2024, reflecting monetary easing in response to persistently low inflation and subdued economic activity.

In parallel, financial markets adjusted to the more favorable inflation and interest-rate environment.

¹ IMF WEO, October 2025

<https://data.imf.org/en/datasets/IMF.RES:WEO>.

² Benchmark for European natural gas prices.

The exchange rate of the US dollar against major currencies weakened with the US Dollar Index (DXY) declining by 9.5% YoY in December 2025. This depreciation, along with lower real yields, heightened geopolitical uncertainties, and continued central bank gold purchases, supported a sharp increase in precious metal prices. Gold reached successive historical highs of USD 4,377.9 per troy ounce³ at the end of December 2025 while averaging USD 3,440 per Troy ounce in 2025, reflecting its safe-haven and reserve-asset role (Table 1). Similarly, silver posted strong, though more volatile, gains further supported by industrial demand.

While the recent shift toward a more accommodative monetary stance may help ease financing conditions, it stands in contrast to broader fiscal challenges, as the global public debt continued to rise in 2025.

It is important to highlight the key geopolitical shifts shaping the global economy in 2026 with the finalization of this report. The ongoing US–Israel–Iran conflict has disrupted energy and financial markets, raising price volatility and inflationary pressures as the Strait of Hormuz through which roughly 20% of global crude oil and LNG trade flows, experiences disruptions. Asia bears the strongest direct impact due to its heavy reliance on energy imports from the GCC, while Europe remains vulnerable to global price swings given its greater dependence on U.S. and GCC LNG after reducing Russian pipeline gas imports. Additionally, disruptions in fertilizer supply chains are raising production costs for farmers and global food prices, which in turn increase inflationary pressures and may lead major central banks, including the Federal Reserve and the ECB, to delay planned interest rate cuts.

Table 1. Selected Global Indicators*

	2019	2020	2021	2022	2023	2024	2025
Global Real GDP Growth (%)	3.0	-2.7	6.6	3.8	3.5	3.3	3.2
Global Inflation (%)	3.6	3.3	4.7	8.7	6.7	5.8	4.2
Brent Crude Oil (USD per barrel)	64.2	43.3	70.8	99.0	82.3	79.9	68.3
Dutch TTF (USD per MMBtu)	4.5	3.2	15.9	37.5	12.9	10.9	11.9
Commodity Food and Beverage Price Index	98.0	99.8	126.4	145.1	136.3	138.5	135.6
Commodity Food Price Index	99.4	101.1	128.4	147.4	137.4	133.1	127.1
Wheat Price (USD per metric ton)	163.3	185.5	265.8	360.2	272.3	201.2	173.1
Gold Prices (USD per troy ounce)	1,392.2	1,769.5	1,799.8	1,801.5	1,943.1	2,387.2	3,440.0
EFFR (%)	2.2	0.4	0.1	1.7	5.0	5.1	4.2
ECB Main Refinancing Operation Rate (%)	0.0	0.0	0.0	0.6	3.8	4.1	2.4
US Dollar Index	96.4	89.9	96.0	103.5	101.3	108.5	98.3

Source: IMF WEO October 2025, IMF Primary Commodity Prices December 2025, FRED, Reuters

*All indicators are reported as annual averages, except for the DXY which reflects the end-of-year business-day value

³ Reuters, Figure as EOP.

2.2 Regional Outlook

In the second half of 2025, the Middle East and North Africa (MENA) region navigated a complex geopolitical landscape characterized by a fragile stability, despite elevated uncertainty driven by regional conflicts, including a brief but intense escalation between Iran and Israel in June 2025.

In October 2025, the U.S. backed phased ceasefire between Israel and Hamas marked a period of relative, albeit fragile, regional de-escalation. However, this development did not resolve the core sources of tension, and persistent instability, together with broader regional security fragmentation, continued to weigh on the outlook.

As for Syria, the partial easing of U.S. and EU sanctions in 2025 provided some short-term support to trade, aid inflows, and recovery prospects. Nevertheless, persistent security risks, weak institutions, and large reconstruction needs continued to weigh on stabilization efforts. For Lebanon, the key implications stem from the possibility of higher rate of refugee returns to their country and improved transit and trade flows, although Syria's continued fragility still poses border-related and wider security risks.

Economic activity across the MENA region followed a trajectory of gradual strengthening, with real GDP growth rising to 3.3% in 2025 compared to 2.1% in 2024 (Table 2), driven largely by oil-exporting Gulf Cooperation Council (GCC) economies whose growth rate is forecast to accelerate to 3.9% in 2025 from 2.2% in 2024. Within this group, Saudi Arabia's economic activity rebounded significantly, with its growth doubling from 2.0% to 4.0%, while the United Arab Emirates maintained a steady upward path, with its real GDP rising from 4.0% to 4.8%, and Kuwait recovering from a contraction of -2.6% in 2024 to a growth rate of 2.6% in 2025. These economies benefited from a strategic shift in late 2025 as the loosening of OPEC+ voluntary production cuts accelerated, boosting hydrocarbon output alongside robust non-oil sector growth supported by ongoing diversification efforts and large-scale investment projects.

The growth dynamics among other oil exporters were shaped by varying conditions. Iran grew by a moderate 0.6% in 2025 compared to 3.7% in 2024 as it continued to navigate international sanctions and capacity constraints. Meanwhile, Iraq saw a modest adjustment to 0.5% in 2025 following a contraction of 0.2% in 2024, as production remained aligned with OPEC+ targets.

Oil-importing nations, including Egypt, Jordan, Morocco, and Tunisia, benefited from lower energy costs following the decline in oil prices. Real GDP growth for this group accelerated significantly, rising from 1.6% in 2024 to 3.5% in 2025. On an individual basis, Egypt led this recovery with growth increasing from 2.4% to 4.3%, bolstered by strong tourism, remittance inflows, and the waning effects of past currency depreciations. Morocco's growth strengthened to 4.4% from 3.8% in 2024, driven by rising infrastructure investments, agricultural recovery, and robust tourism. Similarly, Tunisia's growth increased to 2.5%, from 1.6% in 2024, supported primarily by improved agricultural conditions. Finally, Jordan's economy remains resilient, rising slightly from 2.5% to 2.7%, aided by agricultural production gains and stable domestic demand.

Consumer price inflation in the MENA region, decelerated from 14.2% in 2024 to 12.2% in 2025. This moderation reflects, in part, the tight monetary policy stance maintained by central banks across the region to anchor inflation expectations and contain price pressures. Headline inflation has therefore eased in most countries, with the notable exception of countries such as Iran, where persistent currency pressures have kept inflation elevated. Within this regional context, inflation in the GCC remained broadly stable at around 2%, while it reached 45.0% in Iran by end-2025.

The moderation in inflation supported a gradual shift toward fiscal consolidation, with governments focusing on rationalizing public spending and carrying out structural reforms to taxes and subsidies. The goal was to rebuild financial buffers, manage sovereign debt levels, and reduce vulnerabilities within the sovereign–financial nexus.

In the MENA region, stabilization progressed as oil exporters saw a narrowing current account surplus while importers faced widening deficits, yet sizable external reserves remained a crucial buffer against volatility.

However, intensified geopolitical tensions, most notably the ongoing war involving the United States, Israel, and Iran that started in early 2026, are expected to weigh on the region's economic outlook for 2026 and reverse the tentative rebound seen in 2025. Risks to energy infrastructure could curb GCC oil production, squeeze public revenues, and heighten fiscal pressures, while higher global oil prices would raise import costs and inflation for oil-importing countries. Against a backdrop of rapidly

evolving geopolitical dynamics and persistent uncertainties, the regional outlook remains highly uncertain, with risks tilted to the downside.

For Lebanon, the main transmission channels are imported inflation and remittance inflows. Slower growth or labor market pressures in host countries, particularly in the GCC, could reduce remittance inflows, constrain external balances and domestic liquidity, limit foreign exchange availability, intensify fiscal vulnerabilities and weigh on the economic recovery. Subdued regional conditions may also affect potential capital inflows, including private investments and reconstruction financing, particularly in light of the direct impact of the current war.

Table 2. Selected Economic indicators - MENA Region

	2022	2023	2024	2025
Nominal GDP (USD billion)	4,110.5	4,019.1	4,106.8	4,101.6
Real GDP Growth (%)	6.7	2.5	2.1	3.3
Consumer Price Inflation Average (%)	13.5	14.7	14.2	12.2
Broad Money Growth (%)	13.7	15.9	15.3	12.4
General Government Fiscal Balance (% of GDP)	3.4	0.2	-1.9	-2.6
Total Government Gross Debt (% of GDP)	42.8	43.8	44.8	46.3
Current Account Balance (% of GDP)	9.6	5.4	3.2	1.7
Total Gross External Debt (% of GDP)	43.6	46.1	49.2	50.5
Gross Official Reserves (USD billion)	1,066.9	1,134.9	1,181.4	1,221.1

Source: IMF-Regional Economic Outlook - Middle East and Central Asia, October 2025 - Statistical Appendix

2.3 Domestic Developments

Lebanon's real economy is expected to record moderate positive growth in 2025, with real-sector indicators and the BdL business survey signaling a gradual recovery in economic activity amid improving but still fragile, macroeconomic and institutional conditions. Building on the institutional developments observed during H1-25, additional measures have contributed to restoring a degree of confidence and improving the functioning of the public sector. The transition from a caretaker government to a fully empowered executive enabled the long-awaited establishment of regulatory authorities in the electricity and telecommunications sectors, along with renewed border control measures and institutional appointments, allowing for the gradual resumption of essential government functions after a prolonged period of administrative paralysis. These developments have modestly strengthened Lebanon's governance framework and contributed to improving the operating environment for economic activity, signaling to domestic and international stakeholders a renewed commitment to addressing structural challenges. In parallel, the resumption of engagement with international partners notably the IMF and members of the GCC has supported cautious optimism regarding prospects for external financial assistance and renewed investment inflows.

Nevertheless, the recovery remains constrained by persistent structural weaknesses. The absence of a comprehensive economic recovery strategy and delays in implementing key reforms, including the ratification and adoption of the financial gap resolution framework, continue to undermine confidence in financial and public institutions while sustaining the dominance of a cash-based economy. In addition, elevated regional tensions, particularly those involving Iran and the United States, and the fragile security situation in southern Lebanon continue to weigh on investor sentiment, limiting the recovery in private investment and foreign direct investment. Against this backdrop, the following sections examine recent developments in economic activity and price

dynamics and assess the key factors shaping Lebanon's macroeconomic conditions.

2.3.1 Overview of Growth Trends

BdL estimates Real GDP growth at 3.8% in 2025, marking a return to a positive, but still fragile, expansion after marginal or negative growth rates during the 2022-2024 period. Following a sharp contraction of 6.4% in 2024, this growth is expected to increase nominal GDP from USD 27.7 billion in 2024 to USD 33 billion in 2025 (Table 3).

Table 3. Lebanon GDP Estimates 2022-2025

	Source	2022	2023	2024	2025
Real GDP Growth (%)	BdL	0.0	0.5	-6.4	3.8
	CAS	1.8	0.5	NA.	NA
	WB	-0.6	-0.8	-7.1	3.5
	IMF	1.0	-0.7	-7.5	NA
Nominal GDP (USD billions)	BdL	22.8	22.0	27.7	33.0
	CAS	21.4	31.6	NA	NA
	WB	21.0	20.1	26.0	30.6
	IMF	24.7	23.6	28.3	NA

Economic activity strengthened markedly during H1-25, reflecting the normalization of economic conditions following the end of the armed conflict in November 2024. Improved expectations regarding political stabilization and potential economic reforms supported a temporary rebound in business and consumer confidence.

As the year progressed, optimism stemming from post-conflict dynamics and policy directions moderated, as progress in implementing key structural reforms and financial sector measures proved slower than expected. This moderation in sentiment was also reflected in the sovereign Eurobonds market towards the end of the year. After rising from USD 13.1 in December 2024 to USD 22.5 by End-September 2025 on the secondary market, prices rose only modestly to USD 23.6 by End-December, with quarterly gains slowing to 4.8% in Q4-2025, compared to 25.0% in Q3-2025. Lebanon's Sovereign Eurobonds continue to suffer from the repercussions of the decision of the government in March 2020 to default on its

external financial obligations and from the absence since then of negotiations with domestic and foreign bondholders on a restructuring or refinancing arrangement.

Nevertheless, the recovery in tourism during the second half of the year helped offset part of the deceleration in momentum, supported by improved regional security conditions following the de-escalation of tensions between the United States and Iran. Tourism inflows were further boosted by international events, including the pastoral visit of Pope Leo XIV in late 2025.

Real Sector indicators broadly confirm the recovery in domestic activity during 2025 (Graph 1). Imports of petroleum derivatives increased by 24.0% while electricity production by EDL rose by 24.6% compared to 2024.

Public revenues also strengthened, as customs revenues surged by 96.0%, while real estate fees⁴ collected increased by 118.8% compared to 2024. Construction activity showed similar improvement, with cement deliveries rising by 36.0%, construction permits by 29.3 %, and construction starts⁵ by 52.9%.

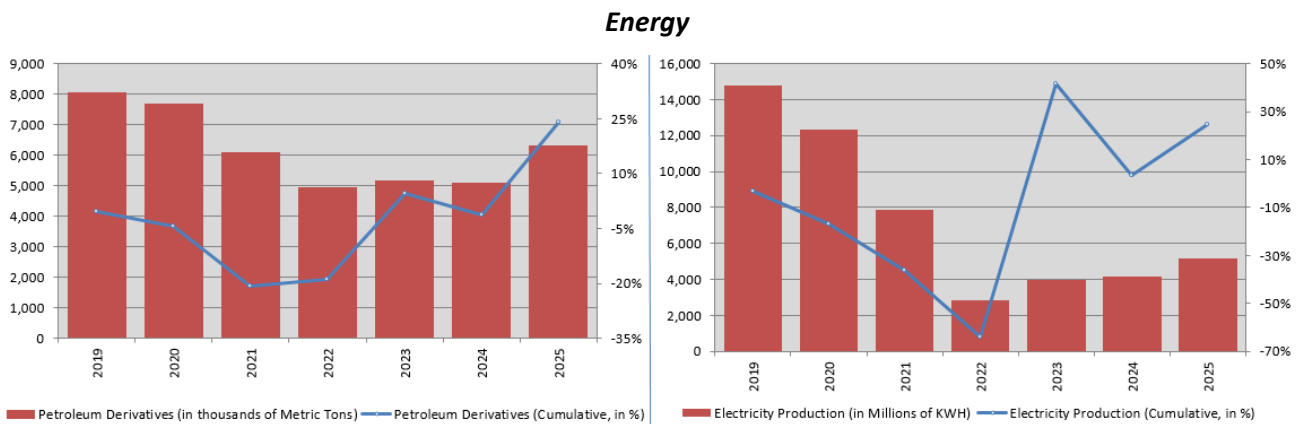
Total passenger arrivals at the Beirut Rafic Hariri International Airport (BRHIA) expanded by around 30%, largely driven by developments during H2-25, while incoming freights at the Port of Beirut increased by 12.1% in 2025.

Finally, payment and transaction data further supported this trend with the issuance of fresh checks surging significantly, as the amount of checks in “fresh” LBP increased by 149% to USD 503.7 million and the amount of checks in “fresh” US dollars rose by 229% to USD 993.1 million, reflecting a sharp increase in transactions in 2025 despite the still modest amounts.

Overall, the recovery in 2025 remains fragile and largely cyclical, driven primarily by a rebound from a low base. Structural constraints, weak financial intermediation, and subdued private investments continued to weigh on the sustainability of growth and on Lebanon’s medium-term economic potential.

The following section examines growth developments in detail, with a focus on demand-side components, sectoral performance and the key factors shaping economic conditions throughout the year.

Graph 1. Real sector Indicators

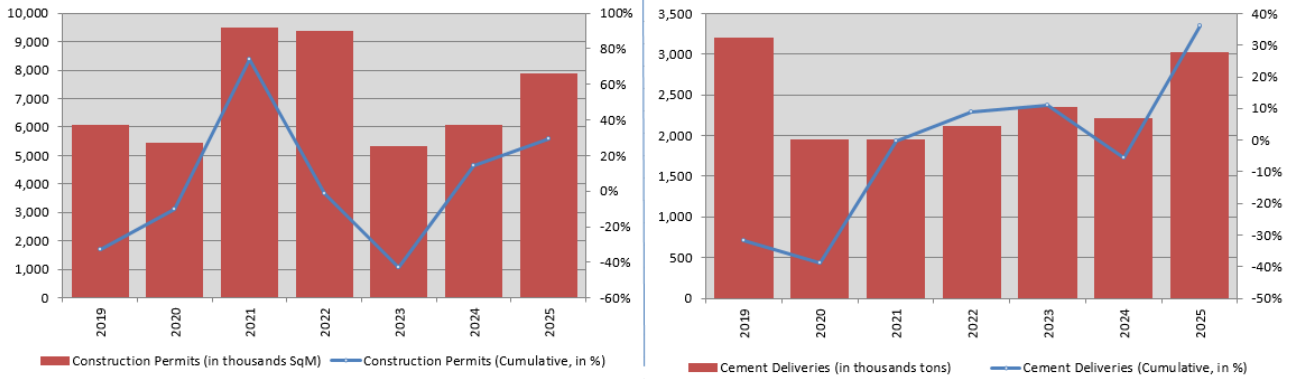


Source: General directorate of Petroleum; EDL; BdL calculations

⁴ Source: General Directorate of Land Registry and Cadastre.

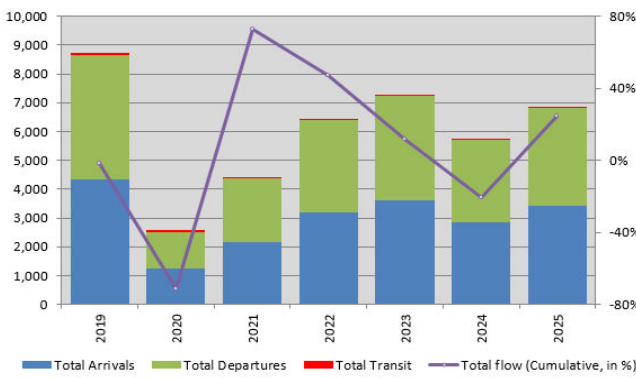
⁵ Source: Order of engineers (Beirut, Tripoli).

Construction

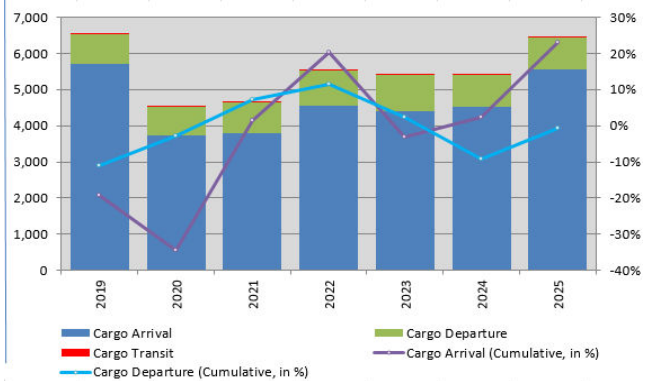


Source: Order of engineers (Beirut, Tripoli); Cement companies; BdL calculations

Airport passengers (in thousands of units)

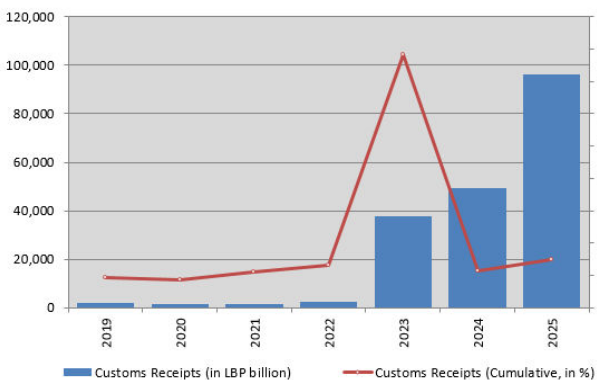


Freight at the Port (in thousands of tons)

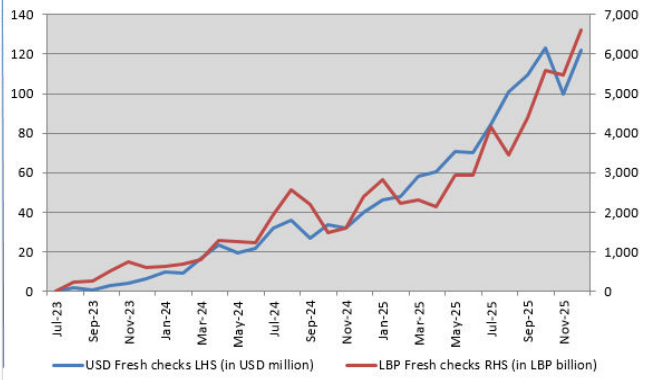


Source: BRHIA; Port of Beirut; BdL calculations

Customs Receipts



Settled Fresh Checks



Source: Customs Administration; BdL calculations

2.3.2 Growth Drivers

Lebanon's economic activity was primarily driven by domestic consumption in 2025, with tourism serving as the main channel supporting demand. Investments and exports remained limited, while imports continued to rise, reflecting persistent structural imbalances and limited policy progress.

Although overall GDP growth was positive, the composition of demand remained narrow, with growth heavily reliant on temporary factors such as seasonal tourism and liquidity inflows. This highlights the economy's continued sensitivity to shifts in confidence and external developments.

Private Consumption

Private consumption recovered in 2025 after contracting in 2024, remaining the main driver of aggregate demand. This reinforced Lebanon's consumption-led growth model, while continuing to contribute to persistent trade imbalances.

Decelerating inflation helped stabilize real purchasing power in 2025, as annual inflation increased by 14.6% in 2025 from 45% in 2024 and 221% in 2023, which allowed households' discretionary spending to partially recover despite still-elevated prices. Improvements in consumer confidence, supported by political normalization and better security conditions, further reinforced the rebound in household spending.

BdL's estimates show that imports of consumer goods, a proxy for consumption, rose by 17.3% in nominal terms in 2025, signaling a recovery in domestic demand. Yet, they remain 16.8% below their 2010–2019 average, underscoring that consumption has not fully recovered to pre-crisis level (Graph 2).

As card transactions capture a broad range of liquidity sources, including public and private sector salaries, withdrawals under BdL circulars, and regular deposit withdrawals, they provide a relatively comprehensive indication of household spending dynamics. Accordingly, the total value of transactions across all payment cards⁶ increased by 16.7% in 2025, while USD-denominated payments representing 97.8 % of the total rose by 18.6%.

The expansion in spending was partly supported by BdL measures easing depositor liquidity constraints as BdL raised the withdrawal limits under Circulars 158 and 166 in July and further in December 2025, providing households with additional purchasing power. The December adjustment is also expected to encourage greater use of digital payments, as the additional USD 200 increase is restricted to point-of-sales (PoS) transactions.

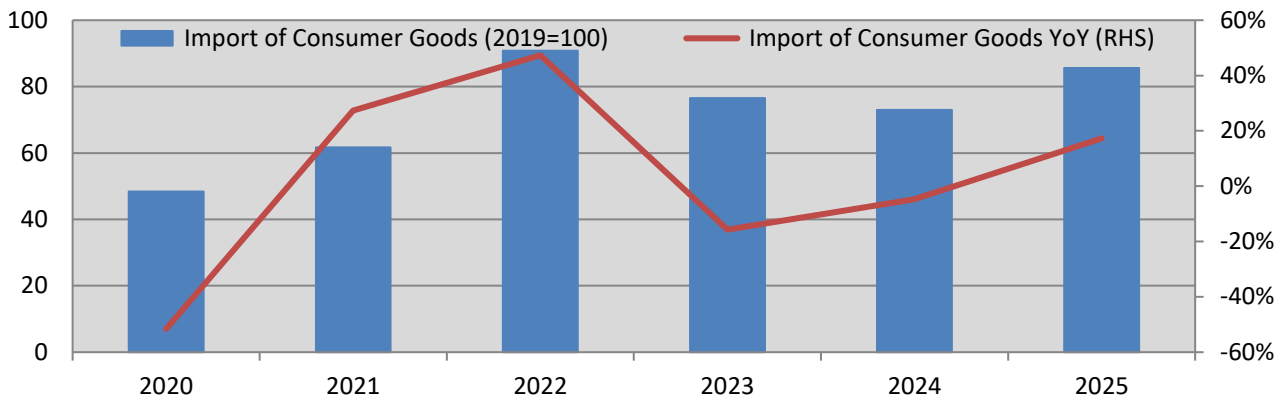
Finally, external inflows remained an important source of support for household consumption. Tourism receipts totaled around USD 3.6 billion in the first nine months of 2025, slightly below the level recorded in the same period last year, while reported remittance inflows⁷ reached approximately USD 6 billion, down by 2.7% YoY. Nevertheless, the 63.8% increase in passenger arrivals during H2-25, combined with the economy's high reliance on cash, suggests that unrecorded inflows through physical cash transfers likely helped offset part of the decline in officially recorded remittances. Passenger arrivals may therefore serve as a partial proxy for such liquidity inflows, especially as a significant share of travelers consists of Lebanese expatriates.

Despite these improvements, the consumption-driven recovery remains short-term, liquidity-dependent and externally driven reflecting lack of progress on developing the economy's investment and productive capacity.

⁶Includes Total POS Payments, ATMs Cash Withdrawals, Cash advances at PoS Terminals and Payments via internet-e-commerce, in both LBP and FX.

⁷ BoP Figures.

Graph 2. Import of Consumer Goods



Source: Customs⁸, BdL Estimations

Public Consumption

In the absence of official national accounts data for 2025, public consumption is assessed indirectly on the basis of budget developments as a proxy. Total government expenditures, reached USD 3.5 billion in 2024, and are projected in the 2025 budget to increase by 44.3% to about USD 5 billion. Of this total, current expenditures account for 88.5% and largely reflect consumption-related spending. This suggests a partial recovery in public consumption following several years of severe compression, supported by the July 2025 increase in the minimum wage from LBP 18 million to LBP 28 million, as well as exchange rate stability, which improved the real purchasing power of public-sector wages.

However, government expenditures remain far below their 2019 level of about USD 16 billion, highlighting the still-limited scale of the recovery. Public consumption continues to be restrained by narrow fiscal space, concerns over the exchange rate implications of higher spending in Lebanese pounds, and the rigid structure of the budget, which leaves limited room for significant reprioritization.

The tax-financed public-sector wage increase planned for 2026 is expected to raise public consumption in nominal terms. However, the real gain may be more limited, as the associated financing measures, including the imposition of an

excise tax USD 3.3 per gallon of gasoline and the proposed increase of the VAT to 12%, are likely to lift prices and erode part of households’ purchasing power. Moreover, given that public consumption remains relatively small relative to private consumption, the net impact on aggregate demand may be constrained. In addition, higher indirect taxes could dampen household spending by reducing real disposable income, while inflationary pressures, particularly from higher energy prices in the wake of the war, could further weigh on overall economic conditions.

Investment (Gross Fixed Capital Formation)

Investments increased in 2025 but remained structurally weak and insufficient to restore productive capacity. According to BdL’s estimates, the imports of machinery and equipment, a proxy for capital formation, rose by 31.9% in nominal terms compared to 2024, as per BdL estimates. Despite this rebound, annual figures remain 39.9% below their 2010–2019 average, indicating that capital formation is recovering from a depressed base rather than signaling a sustained investment cycle (Graph 3).

Private investment activity remained limited and largely concentrated in construction, primarily in small-scale and self-financed projects, as well as in maintenance and replacement/repair, as reflected

⁸2022 trade figures constitute an outlier, reflecting front-loaded import activity undertaken to benefit from the official customs exchange rate

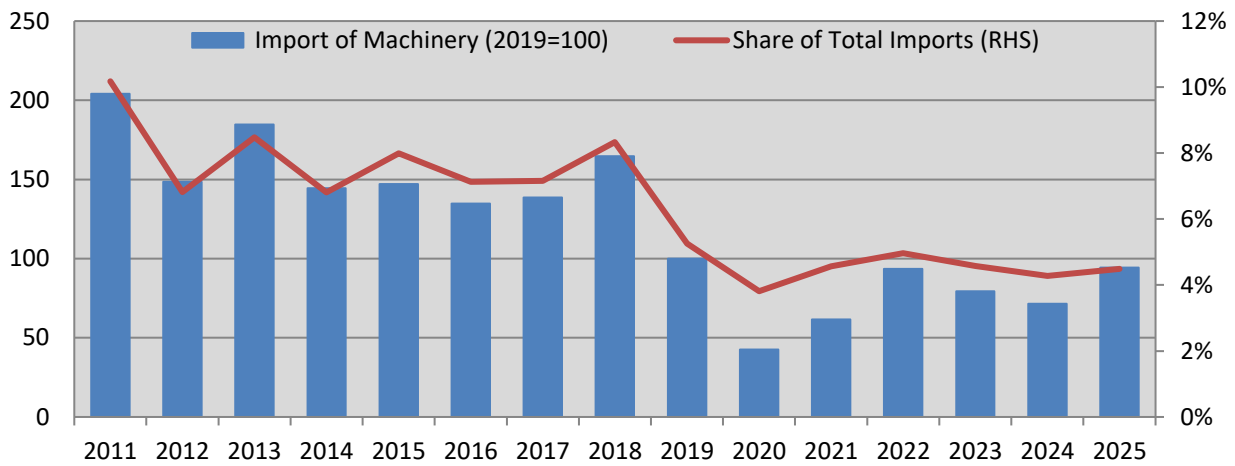
of 1,508 LBP per USD and preempting the shift to the higher customs exchange rate of 15,000 LBP per USD introduced in December 2022 following its prior announcement during the year.

in the increase in cement deliveries in 2025. Financing conditions continue to be a structural constraint as the paralysis of the banking sector is limiting credit intermediation, forcing firms to rely on internal funds or short-term liquidity inflows. Lebanon's country risk profile remains high due to structural weaknesses, unresolved financial sector restructuring, sovereign defaults, and ongoing regional and southern security tensions, which

together constrain investor confidence and long-term capital inflows.

The continued weakness in investments restricts capital deployment and reinforces Lebanon's reliance on consumption-led growth in 2025. This persistent investment shortfall limits productivity gains and weighs on medium-term growth potential.

Graph 3. Import of Machinery



Source Customs, BDL estimation

Trade activity

As per Customs figures, the exports of goods rebounded in 2025, as they increased by 30% to USD 3.6 billion, compared to USD 2.7 billion in 2024. Exports represent only around 10.9% of GDP in 2025, reflecting the limited size of Lebanon's tradable sector. Also, exports remained highly concentrated in a narrow range of products, limiting resilience and constraining the potential expansion of external revenues. As a result, export growth remains insufficient to significantly reduce the persistent trade deficit. Agriculture remains particularly affected, with high shipping costs and restricted access to Gulf markets limiting potential gains. However, continuous improvements in controlling illicit trade support the gradual restoration of trade ties with key regional partners, such as Saudi Arabia.

The imports of goods surged to USD 21.1 billion in 2025, the highest level in Lebanon's history, equivalent to 63.9% of GDP, imports reflecting

Lebanon's strong dependence on external supply. The increase reflects both stronger consumption demand and higher imports of energy products, precious metals and intermediate inputs, as domestic production relies heavily on imported fuel, raw materials, and production inputs.

The trade balance recorded a deficit of USD 17.4 billion which continued to weigh negatively on GDP growth in 2025. Despite the recovery in exports, imports remained a net drag on GDP growth, generating significant import leakage. Elevated import penetration continued to offset gains in export performance and contributed to the widening goods trade deficit, reinforcing Lebanon's persistent external imbalances reflecting strong import dependence and limited export capacity.

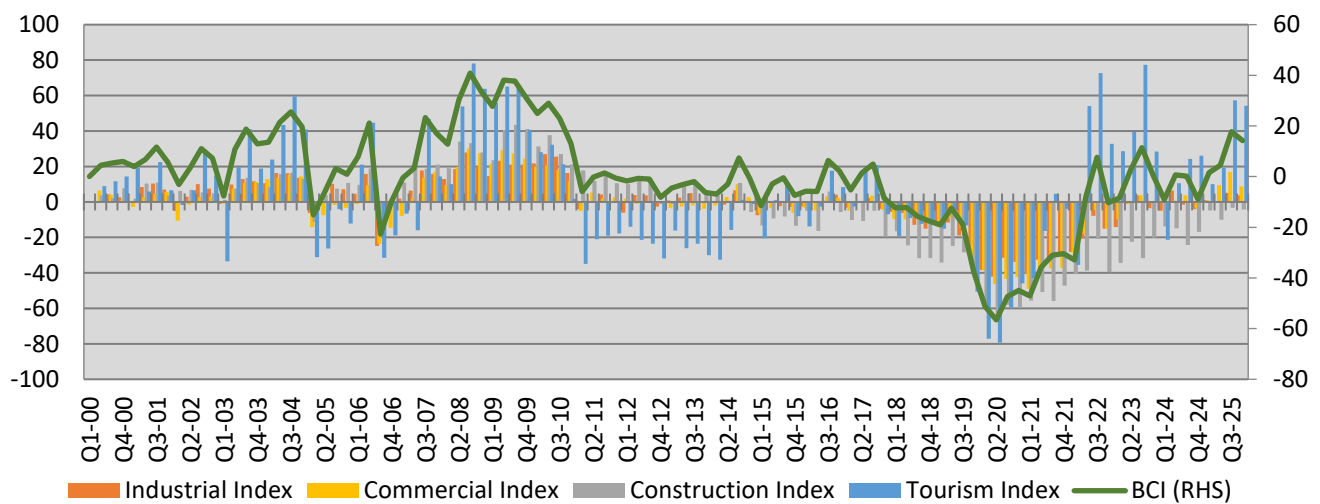
2.4 Sectoral Performance: Business Survey Indicators

BdL's Business Composite Indicator (BCI) improved significantly as it reached +9.5 in 2025 compared to -4.3 in 2024, indicating a recovery in economic activity. This improvement was primarily driven by commerce and tourism, which benefited from stronger domestic demand and the rebound in visitor arrivals. Industrial activity stabilized following previous contractions, reflecting improved operating conditions and stronger demand. Construction activity recorded a modest

uptick, although it remains below its long-term average.

Momentum moderated slightly toward the end of the year, with the BCI easing to +15 in the fourth quarter from a peak of +17 in the third quarter, the highest level recorded since the onset of the crisis (Graph 4).

Graph 4. Business Composite Indicator and its Sectoral Components



Source: Bdl

2.4.1 Industry

Industrial production continued to recover in 2025, with the average balance of opinions (BO) narrowing markedly to -2.8 for the year, compared to -10.8 in 2024. The improvement was more pronounced in H2-25, as the BO turned positive, reaching +9 in the third quarter and +1 in the fourth quarter, compared to -9 and -19 in the corresponding quarters of 2024.

The improvement was largely demand-driven. Improved confidence in a more stable macroeconomic environment supported a gradual recovery in domestic consumption, which allowed firms to adjust output accordingly. In addition, the decrease in energy prices reduced production costs,

further supporting industrial activity. External demand also strengthened, with the BO on foreign demand turning positive to +5 in Q4-25 compared to -17 in Q4-24. Total exports which consist mostly of industrial exports (representing 90% of total exports in 2024⁹) increased by 54% in Q4-25 YoY consistent with the upturn in the foreign demand.

Investment BO, however, slightly increased in 2025 reaching an average of -9.5 in 2025 compared to -11.5 in 2024. Similarly, the BO for Orders remained weak, standing at -24 in Q4-25 compared to -28 in Q4-24. Despite some improvement, both indicators remained in negative territory, pointing to cautious production planning and suggesting that the recovery remains fragile and dependent on sustained demand conditions.

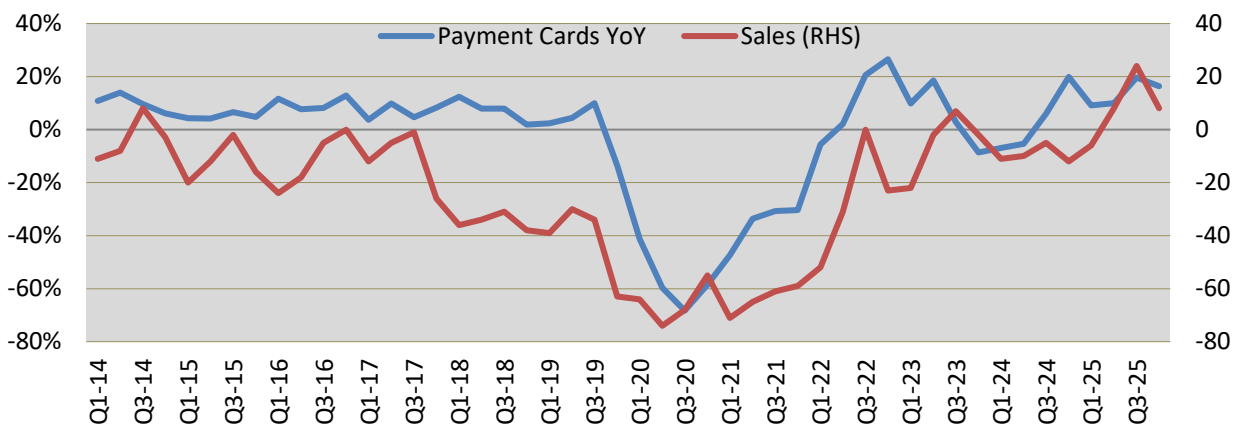
⁹ Industrial Export Report Ministry of Industry – 2024 <http://www.industry.gov.lb/getattachment/IndustrialStatistics/StatisticalReports/2024/1-ARABIC-2024-final-version.docx?lang=ar-LB>.

2.4.2 Commerce

Sales turnover recovered in 2025, with the BO averaging +8.5 for the year, compared to -9.5 in 2024. Quarterly dynamics show momentum building from Q2-25, with the balance peaking at +24 in the third quarter before moderating to +8 in the final quarter of the year. Payment activity confirmed this trend, with annual growth accelerating to 19.6% in Q3-25 before easing to 16.4% in the fourth quarter. The strong performance in the third-quarter likely reflects the combined effects of higher tourism activity and expatriate remittance inflows during the summer season, together with increased domestic demand.

Sales prices remained elevated in 2025, with the BO averaging +51, broadly unchanged from +51.8 in 2024. However, the quarterly movement of this indicator was more contained than in previous years, pointing to a gradual stabilization in price formation following the high volatility observed during the crisis period. CPI inflation developments were consistent with this pattern. Although YoY inflation moderated to 14.5% in Q4-25 from 16.0% a year earlier, it remained relatively sticky at around 15%. This suggests that, despite greater price stability, inflationary pressures persisted, broadly confirming the trend in the sales price survey indicator.

Graph 5. Sales BO vs Payment Cards



Source: BdL

Sales across the three key sub-sectors picked-up significantly in 2025. The sectoral breakdown confirms that the rise in overall sales remained largely driven by the foodstuffs segment (Graph 6). The BO for the sales of foodstuffs averaged +36 in 2025, slightly above +32 in 2024, highlighting the continued dominance of necessity-driven consumption in household spending.

The BO for the sales of Non-Foodstuffs rose sharply from an average of -27 in 2024 to broadly neutral levels in 2025. Quarterly dynamics show a temporary peak of +10 in Q3-25, compared with -29 in Q3-24, highlighting a clear improvement in discretionary retail activity. The return to a positive balance after a prolonged period of contraction suggests the early stages of recovery in discretionary spending. Nevertheless, the indicator remains well below the levels observed in the

foodstuffs segment, reflecting continued caution in household spending on non-essential goods.

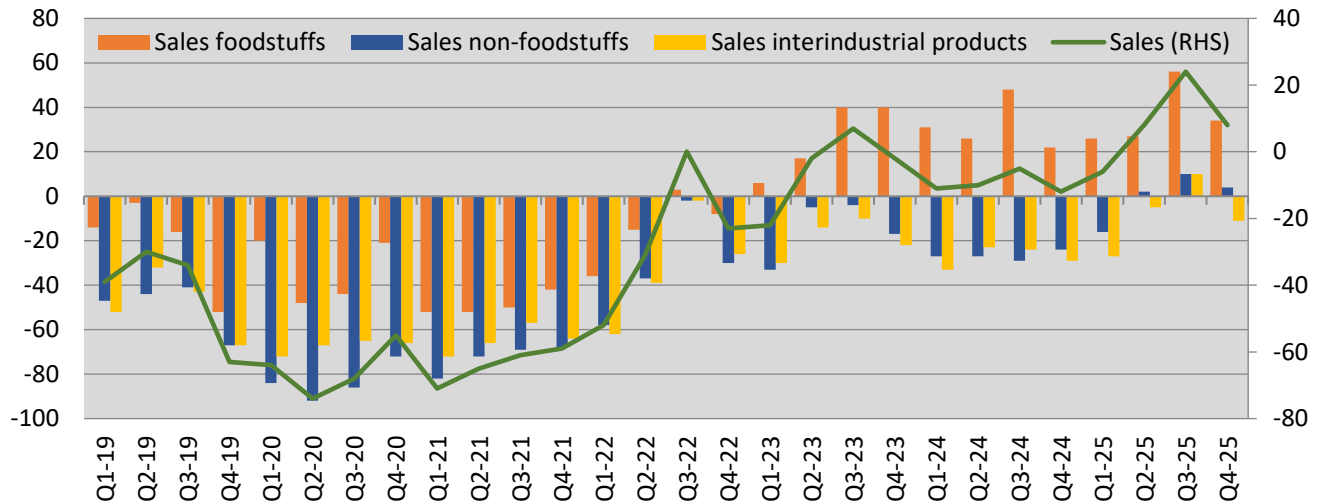
The sales of the Inter-industrial products followed the same trend, but to a lesser extent than the other segments, with the BO averaging -8.3 in 2025, compared to -27.3 in 2024. The indicator briefly turned positive in Q3-25 +10 before declining again to -11.5 in Q4, but remained significantly above the levels recorded in the corresponding quarters of 2024.

Overall, the sub-sector dynamics show a gradual shift in consumer priorities: necessity-driven spending dominates, but discretionary and business-related consumption are beginning to recover. This relative change in dynamics remains constrained by economic uncertainties.

Sales expectations remained moderately positive in Q4-25 at +4, broadly unchanged from +3 in Q4-24, following stronger expectations earlier in 2025, when the balance reached +27 in the first quarter

and +20 in second quarter. Accordingly, business sentiment strengthened during the first half of the year before stabilizing toward year-end.

Graph 6. Sales by Sub-sectors



Source: BdL

2.4.3 Construction

Construction sector activity remained subdued in 2025, although survey indicators point to a gradual improvement from 2024. Nevertheless, construction remains the only surveyed sector still operating below its long-run average.

General activity improved to an average balance of -22.8 in 2025, compared to -38.8 in 2024, with the recovery concentrated in H2-25, reaching -13 in Q4-25. The improvement was primarily driven by private construction, rather than by public works. However, public works recorded a marked expansion of -14 in Q4-25 compared with -60 in Q4-24, suggesting a temporary pick up in public activity that may partly reflect pre-election spending dynamics.

Cement deliveries corroborate this partial improvement, recording a sharp YoY increase of 73.0% in Q4-25. On an annual basis, however, cement deliveries reached around 3 million tons in 2025, the highest level since 2020, yet remained well below pre-2019 levels. This suggests that the recovery reflects limited project execution rather than a broad-based revival in real estate investment.

Despite the recent improvement, the outlook remains fragile as the portfolio of projects stood at -53 in Q4-25 only marginally higher than the -63 in Q4-24, signaling a weak pipeline of projects and limited forward momentum. The absence of effective financial intermediation continues to constrain both supply and demand, which has prevented the sector from transitioning from short-term activity to sustained capital formation.

2.4.4 Hotels and Restaurants

Survey indicators suggest a noticeable improvement in tourism-related activity in 2025. Hotel activity strengthened, with the BO on occupancy rising to an average of +17, compared with -8.0 in 2024. The recovery became more pronounced in H2-25, with occupancy reaching +52 in Q3-25 and +38 in Q4-25. In contrast to H2-24, the 2025 improvement reflects a genuine recovery in tourism demand rather than internal displacement.

Reservations for the following quarter rose significantly, with the balance increasing to -25 in Q4-25 from -52 in Q4-24, signaling more favorable outlook for hotel activity.

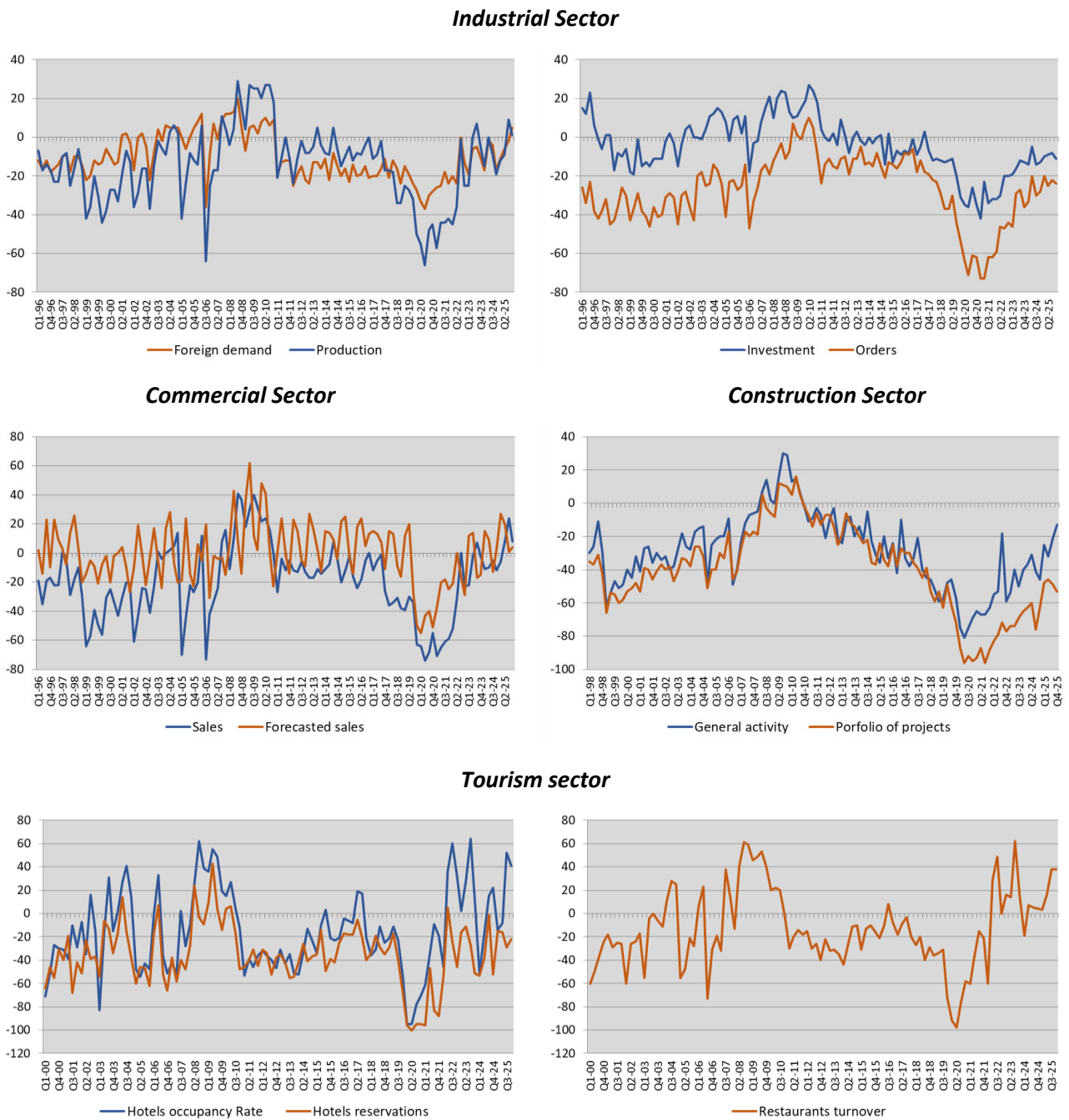
The Restaurant sector also recorded higher activity in line with the recovery in the Hotel sector. After

remaining modest in H1-25, BO for Restaurant turnover strengthened significantly in H2-25, averaging +39. This points to stronger spending on leisure-related activities, suggesting that the broader hospitality sector benefited from the revival in inbound tourism and stronger domestic demand.

Passenger arrivals at BRHIA further support this trend. Total arrivals reached around 3.5 million in

2025 the highest level since 2019. The recovery was especially pronounced in H2-25, with arrivals increasing by 63.8% compared with H2-24. The quarterly pattern in arrivals is therefore consistent with the strengthening observed in hotel occupancy and restaurant turnover over the course of 2025.

Graph 7. Balance of Opinions by Sectors



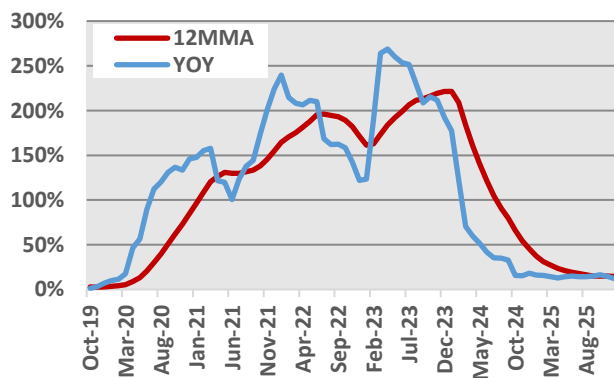
Source: BdL

2.5 Inflation review

Inflation dynamics were primarily shaped by sustained exchange rate stability in 2025, which reduced inflationary pressures and contributed to the gradual anchoring of inflation expectations. According to the Central Administration of Statistics (CAS), the Consumer Price Index (CPI) rose to 7,924.3 in December 2025 from 7,061.1 in December 2024, recording a YoY increase of 12.2%. At the same time, the 12-month moving average (12MMA) of headline inflation continued its downward trajectory, averaging 14.6% in 2025 compared to 45.2% in 2024 (Graph 8).

The 12MMA for headline inflation of December 2025 marked the lowest inflation level since February 2020. However, despite exchange-rate stability, inflation in 2025 largely reflected increases in prices denominated in US dollars. Inflation, therefore, remained significantly above the pre-crisis average of around 3%, pointing to persistent underlying price pressures.

Graph 8. CPI Change



Source: CAS, BdL calculations

When compared with global and regional inflation estimated at around 4.2%, and 12.2% respectively in 2025, Lebanon's inflation remains substantially higher, suggesting that price pressures are increasingly driven by domestic market dynamics rather than external cost shocks. In particular, key CPI subcomponents such as Food and Transportation continue to grow at a faster pace than the underlying global benchmarks. Structural characteristics of the domestic economy, particularly limited competition in certain sectors, continue to support high markups and greater downward rigidity in prices.

Overall, exchange rate stabilization supported by ongoing fiscal and monetary tightening, together with the gradual adjustment of prices following widespread dollarization and relatively subdued global inflation, contributed to the continued moderation in the pace of inflation throughout 2025.

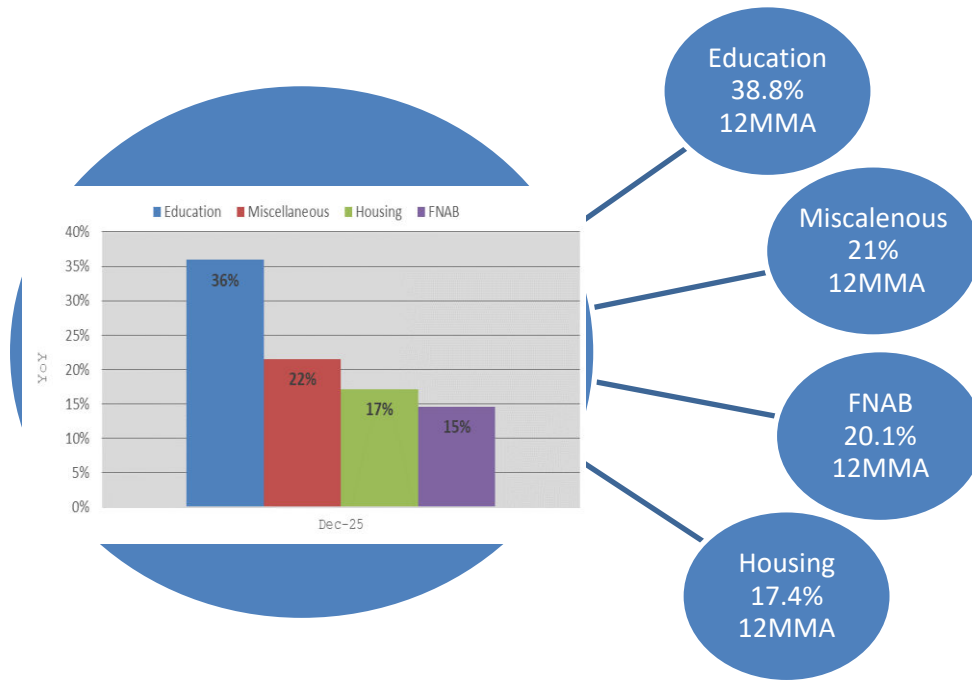
2.5.1 Sectors Experiencing Price Increases

Despite the continued moderation in headline inflation, price dynamics remained elevated and inconsistent with the prolonged period of exchange rate stability. A disaggregated analysis of CPI components shows that the strongest 12MMA increase were recorded in Education, Miscellaneous Goods and Services, Housing, and Food and Non-Alcoholic Beverages (FNAB), each reflecting distinct underlying drivers (Graph 9).

Education prices surged by 38.8% in 2025, after a 187% increase in 2024, driven by post-crisis tuition normalization and labor cost adjustments in US dollars. The index exhibits a pronounced seasonal pattern, typically increasing between September and November at the start of the academic year and remaining broadly stable thereafter. Since the full dollarization of tuition fees, reflected in the CPI from October 2022, these seasonal increases have become more pronounced, producing sharp jumps in the final quarter of each year. In 2025, the education index increased by 76.8% YoY in October and November, followed by a further 35.9% rise in December. These concentrated adjustments may be partly explained by structural deficiencies in public education that shift demand toward private schools and universities, rendering demand in this segment relatively inelastic, and enabling sizable annual fee increases.

The Miscellaneous Goods and Services registered the second highest price increase with 21.6%, largely driven by a 38% increase in jewelry and watches reflecting stronger domestic consumption amid recovering disposable incomes. However, the persistence of elevated prices in this category also reflected the marked increase in global gold and silver prices during 2025, which helped sustain upward pressure on jewelry-related prices.

Graph 9. Expenditure Items Experiencing Price Increase



Source: CAS, BdL calculations

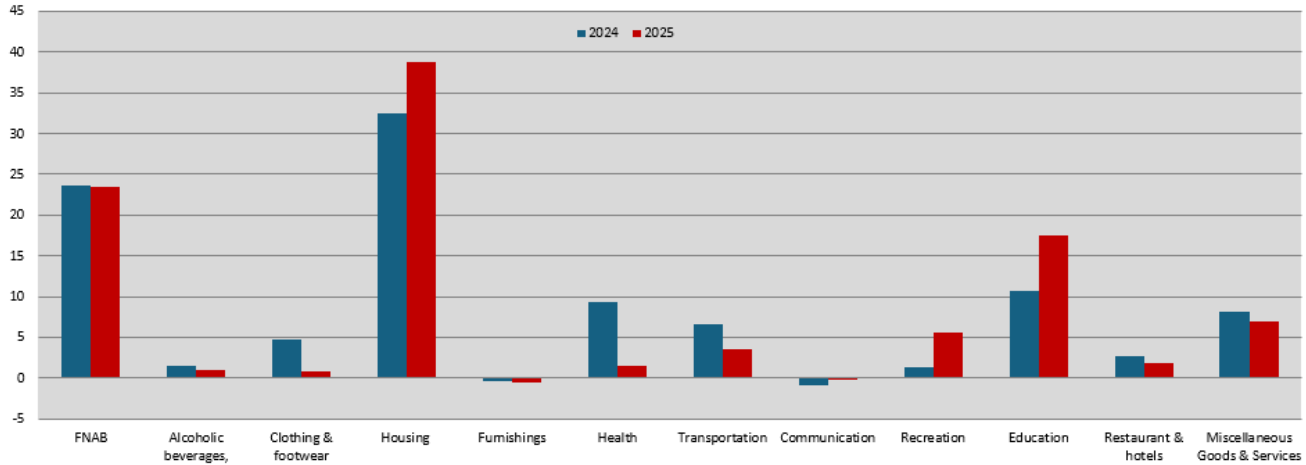
Food inflation remained persistently above headline inflation in 2025, averaging 20.4% despite easing gradually over the course of the year. Price pressures were driven mainly by sharp increases in vegetables and potatoes (84%), and fruits (34%), while coffee, tea, and cocoa rose by 14%. These developments reflect a combination of structural and seasonal pressures: limited domestic production, reliance on imports, and bottlenecks in supply chains that amplify costs along distribution channels. Also, domestic agricultural inefficiencies and seasonal shocks further constrained supply, sustaining elevated food inflation despite relatively moderate global commodity prices.

Housing inflation averaged 17.4% in 2025, driven mostly by the owner-occupied component (+ 27%), while actual rents rose by 20%, and utilities (water, electricity, gas and other fuels) witnessed a relatively moderate increase of 6%. The rise in the owner-occupied housing component may reflect higher municipal fees and property-related charges following the adoption of the new exchange rate for public fee calculations. Rent increases were

supported by persistently strong housing demand in the absence of housing credit, as well as additional demand pressures linked to population displacement following the 2024 conflict and the lack of reconstruction in affected areas.

Inflation was concentrated in a few CPI components in 2025, with Housing, Education, And Miscellaneous Goods and Services jointly accounting for 63.1% of annual inflation, highlighting their dominant role in overall price growth. Housing alone contributed 38.7%, (up from 32.4% in 2024), making it the single largest inflation driver. While food remained the second-largest contributor at 23.5%, together these four components accounted for 86.6% of total inflation. By contrast, transportation accounted for 3.5%, down from 6.7% in 2024, while communication prices continued to make a slight negative contribution of -0.3%, marginally reducing overall inflation (Graph 10).

Graph 10. CPI Component Contributions 2024-2025



Source: CAS and BdL calculations

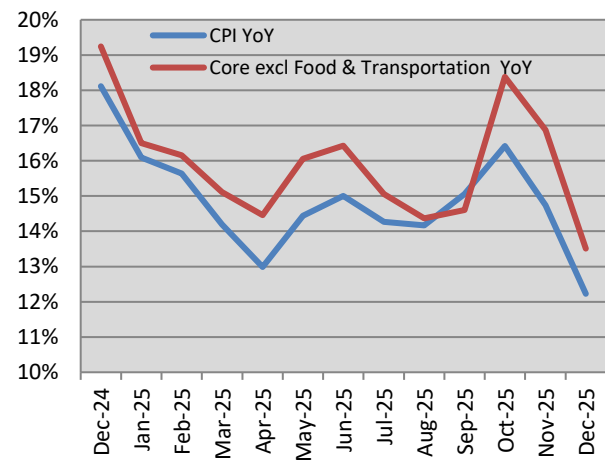
2.5.2 Core vs Headline inflation

In December 2025, core inflation, excluding food and transportation, rose by 13.5% YoY, easing from 19.2% in December 2024, while headline inflation reached 12.2% YoY, down from 18.1% in December 2024 (Graph 11). Over the year, core inflation generally outpaced headline inflation, with the gap widening in November after narrowing earlier in the year. Since exchange-rate stabilization, the differential between headline and core inflation has remained limited, as the declines in global food and energy prices provided somewhat stronger downward pressure on headline inflation, leaving core inflation only marginally higher.

YoY core inflation excluding food stood at 11.7%, pointing to a relatively stronger contribution of food prices to headline inflation. By contrast, core inflation excluding transportation reached 13.8%, indicating that transportation prices had become less inflationary and were helping to restrain

headline inflation. Meanwhile domestic non-tradable components, particularly housing, education, and services, continued to exert upward pressure on core inflation.

Graph 11. Core vs Headline Inflation



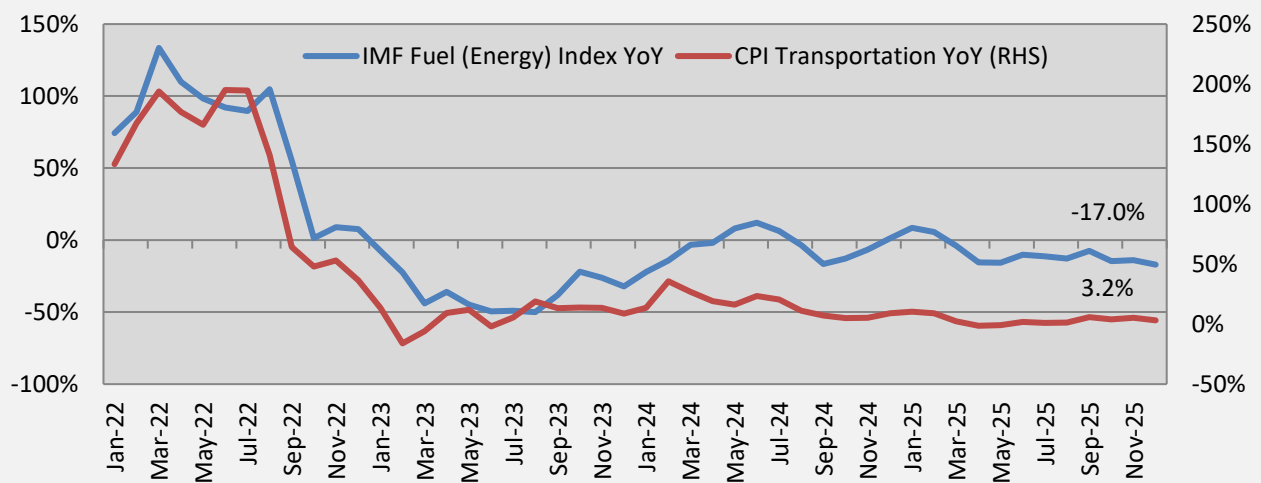
Source: CAS, BdL Calculation

Box 1. Global Commodity Prices Transmission

The 2025 inflation dynamics show that favorable external price developments were only partially transmitted to domestic consumer prices. In 2025, both the IMF fuel¹⁰ and food¹¹ prices indices fell, while the corresponding domestic CPI components, transportation and FNAB, continued to increase and remained well above global price movements. The persistence of positive domestic inflation, even when international prices were falling, suggests that structural rigidities, distribution inefficiencies, and other domestic market factors continued to limit the transmission of external disinflation.

The IMF Fuel Price Index, which captures international energy price developments, declined by about 9% on average in 2025. By contrast, the domestic transportation component of the CPI, although moderating, continued to record positive inflation, rising by an average of 3.4%, compared with 17.9% in 2024. While the two series remained closely linked on a monthly basis, with a correlation of 70%, their movements differed markedly in magnitude. Since the full removal of fuel subsidies in mid-2021, domestic transportation prices have persistently outpaced international fuel price movements. This divergence was particularly pronounced in December 2025, when transportation prices rose by 3.2% YoY despite a 17% decline in the IMF Fuel Price Index. The resulting gap of more than 20 percentage points suggests that additional domestic cost pressures, including operating, shipping, insurance, and logistics costs, continued to dampen the pass-through of lower international fuel prices to final consumer prices (Graph 12).

Graph 12. IMF Fuel Price Index vs CPI-Transportation



Source: CAS, IMF Commodity Prices DB December 2025
 N.B. CPI Index expressed in USD by dividing by market exchange rate

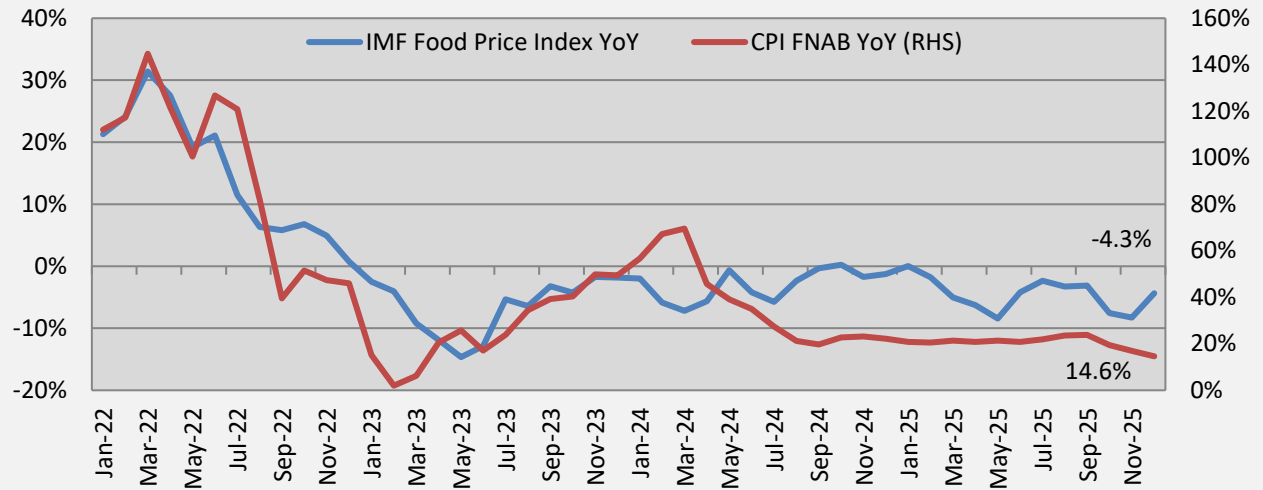
Similarly, the IMF Food Price Index, which reflects international food price developments, declined by 3% in 2025, following a 7% decrease in 2024, while the domestic food component of the CPI rose by 35% in 2025, up from 28% in 2024. The two series remained closely correlated on a monthly basis, particularly following the onset of the crisis and the removal of subsidies, with a correlation of 87% since 2022. Despite this co-movement, domestic food inflation consistently exceeded changes in international food prices, pointing to the influence of import dependence, supply-chain bottlenecks, distribution inefficiencies, wholesale market concentration, and the downward rigidity of essential goods prices, alongside other structural distortions. This pattern is also evident in December 2025, when international food prices recorded a YoY decline of 4%, while the domestic CPI food component increased by 15% (Graph 13),

¹⁰ IMF Fuel (Energy) Index, includes Crude oil (petroleum), Natural Gas, Coal Price and Propane Indices.

¹¹ IMF Food Price Index, includes Cereal, Vegetable Oils, Meat, Seafood, Sugar, and Other Food Price Indices.

highlighting persistent upward pressure from domestic factors even in a context of declining global prices, thereby limiting the transmission of external disinflation to Lebanese consumers.

Graph 13. IMF Food Price Index vs CPI-FNAB



Source: CAS, IMF Commodity Prices DB December 2025
 N.B. CPI Index expressed in USD by dividing by market exchange rate

3. Monetary Overview

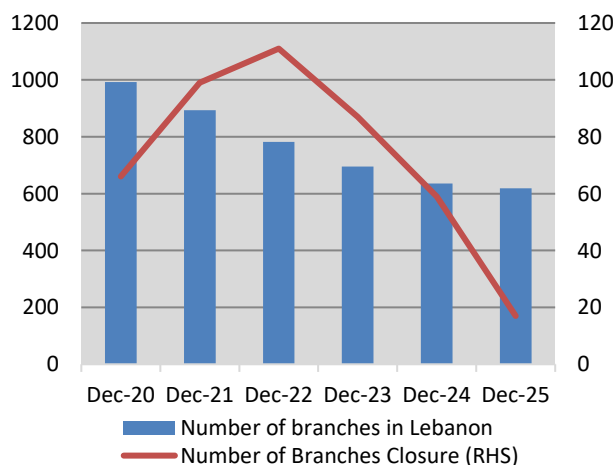
3.1 Structure of the Banking Sector

As of December 2025, the total number of licensed banks in Lebanon remained unchanged at 57, the unchanged from December 2024. The sector continued to consist of 45 commercial banks and 12 investment banks. This stability reflects a transitional phase for the banking sector, pending the implementation of a comprehensive banking sector restructuring framework.

The number of commercial bank branches in Lebanon continued to decline in 2025, albeit at a significantly slower pace, suggesting a degree of stabilization. The total number of branches decreased from 633 in December 2024 to 619 in December 2025, corresponding to 14 additional closures. This contraction marks a notable slowdown compared to 59 closures recorded in 2024 and a peak of 111 in 2023 (Graph 14).

This trend was accompanied by a decline in banking sector employment, with the number of employees falling from 12,972 in June 2025 to 12,684 in December 2025, representing a decrease of 2.2%.

Graph 14. Evolution of Banks' Branches across Lebanon

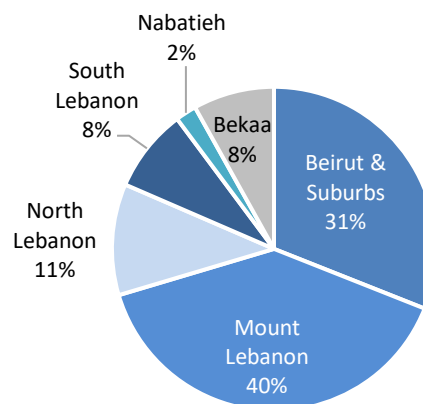


Source: BdL

The banking sector's payment infrastructure showed mixed developments. As of December 2025, the total number of ATMs in Lebanon remained almost stable, increasing slightly from

1,412 in December 2024 to 1,432 ATMs at end-2025. Yet, the regional distribution shows some variations, with Mount Lebanon recording the most notable increase, rising from 553 to 564 ATMs, representing the region with the largest ATM network. The number of ATMs increased slightly in both Beirut and its suburbs, rising from 439 to 444, and in North Lebanon, where it rose from 153 to 159. In contrast, the number of ATMs in South Lebanon declined marginally from 120 to 119, while the Beqaa region registered a small decrease from 119 to 116. These developments might partly reflect security-related constraints and operational challenges in these areas, which limited the expansion of ATM infrastructure compared to other regions (Graph 15).

Graph 15. ATM Regional Distribution, December 2025



Source: BdL

The number of POS machines declined overall, falling from 24,953 machines in December 2024 to 22,357 in December 2025. The contraction was particularly pronounced in H1-25, with the network dropping sharply from 25,033 in March 2025 to 19,911 by June 2025. However, a gradual recovery is observed in H2-25, with the number of machines increasing to 20,732 in August, and continuing to rise steadily to reach 22,357 by December 2025. This rebound may be linked to increases in withdrawal limits under BDL Circulars 158 and 166, which likely encouraged greater use of POS terminals by households and businesses, supporting the recovery of the network.

Overall, these developments point to the gradual stabilization of the sector's physical footprint, with limited further downsizing and a cautious wait-and-see stance ahead of the formal banking sector restructuring measures.

3.2 Para-Banking Activity

Since the 2019 crisis, Lebanon's financial system has shifted toward cash and digital financial services through Electronic Payment Service Provider (EPSPs), as individuals and businesses increasingly rely on electronic operations and wallets amid limited access to traditional banking services.

The number of these institutions operating in Lebanon remained constant at 25, unchanged from June 2025. At the same time, the number of point of sales, including ATMs and cash kiosks, expanded from 3,955 in 2024 to 4,836 in 2025, representing a 22.3% increase during the year. Further, the number of active e-wallet institutions reached 19 in 2025 compared to 12 in December 2024.

Cash Electronic Transfers (CET) Operations

CET cross-border inflows through Electronic Payment Service Providers (EPSPs) ¹²decreased from approximately USD 2.8 billion in 2024 to USD 2.5 billion in 2025, representing an 11.6% decline. Despite this contraction, CET inflows remain structurally significant in the Lebanese economy, rising from around 2.3 % of GDP in 2019 to approximately 7.6 % of GDP in 2025, suggesting that the cash-based economy maintains a significant share of Lebanon's economic circuit. Remittance inflows remain the primary component of these inflows, and accounted for 63.1% in 2025 down from 70.0% in 2024. This underscores their ongoing role in formal inflow channels and their necessity for national consumption and subsistence.

Outflows through CET transactions grew from USD 475 million in 2024 to USD 501 million in 2025, representing a 5.5% increase in value. These outflows accounted for 16.9% of total cross-border CET transactions, which totaled approximately USD 3.0 billion in 2025. Remittances remained the

dominant outflow component, though their share dropped to 68.9% in 2025, compared to 73.8% in 2024. The increase in outflows may reflect sustained remittance activity by foreign workers residing in Lebanon, potentially indicating some stabilization in migrant employment or income conditions despite the broader economic constraints.

On a net level, CET transactions recorded a surplus of USD 2.0 billion in 2025, a 15.1% decrease from the USD 2.3 billion seen in 2024. Net remittance flows declined more sharply, falling by 24.3%, from USD 1.6 billion to USD 1.2 billion in 2025. Nevertheless, these figures indicate the cash market's persistence and a continued reliance on remittances to replenish the Lebanese economy with the foreign currency needed for social stability.

In parallel, total internal CET transactions (received and delivered) fell by 17.6%, dropping from USD 2.7 billion in 2024 to USD 2.2 billion in 2025. Despite this decline, the level remains significant, representing 6.7% of GDP compared to 3.4% of GDP in 2019, reflecting a sustained reliance on domestic money transfer services as the banking sector crisis persists.

Internal collections and payments

Domestic collection and payment activity have grown substantially, driven by the rollout of cash kiosks and prepaid cards, reflecting a shift away from reliance on traditional banking.

For 2024–2025, a notable divergence emerged between these activities, as total internal collections (via cash and banks) declined modestly by 5.4%, from USD 466.9 million to USD 441.7 million, while total internal payments collected (in cash and through banks) rose sharply from USD 179.3 million to USD 236.4 million, representing a robust 31.8% increase due to higher payment frequency.

The share of payments relative to collections rose from 38.4% in 2024 to 53.5% in 2025, indicating faster settlement speeds by CET. This points to higher frequency and intensity of activity within the

¹² Electronic operations institutions (EOIs), previously referred to in Issue 1, have been renamed Electronic Payment Service Providers (EPSPs) following Basic Circular No.1 dated January 9, 2026.

internal payment ecosystem, underscoring the growing role of EPSPs in streamlining government-related payments, even amid broader fluctuations in total revenue.

3.3 Monetary situation

Under comparable exchange rate conditions, LBP aggregates recorded moderate nominal expansion in 2025, although their contribution to overall liquidity remained limited given the high degree of dollarization. M1 reached LBP 111.4 trillion in December 2025, reflecting an increase of LBP 8.7 trillion or 8 % YoY. The expansion was driven mainly by higher currency in circulation, which rose by LBP 6.6 trillion, alongside a moderate increase in demand deposits of LBP 2.1 trillion. In USD terms, M1 amounted to about USD 1.2 billion, accounting for 1.9 % of total M3.

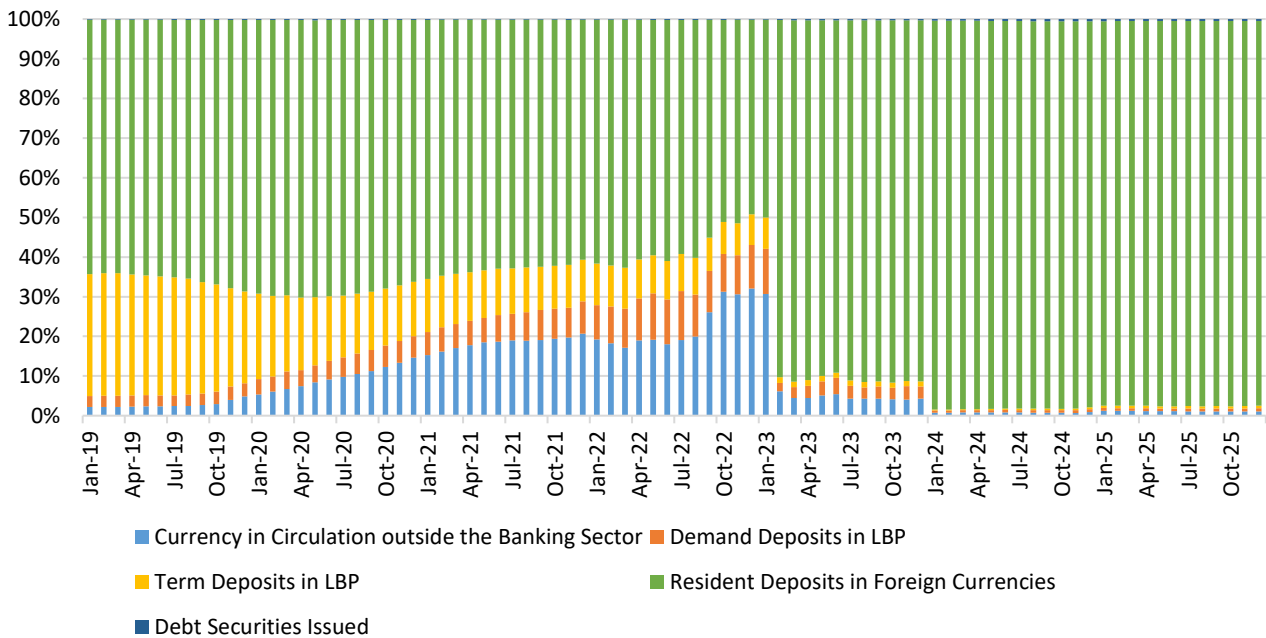
M2 reached LBP 150.0 trillion in December 2025, recording an increase of LBP 19 trillion or of 15% annually. The expansion reflected not only the rise in M1 components but also a strong increase in LBP

term deposits, which grew by LBP 10.3 trillion or 37% during the year, supported by rising social security funds and higher interest rates offered by commercial banks to boost access to LBP funding. In USD terms, M2 stood at approximately USD 1.7 billion, corresponding to 2.5 % of total M3.

In contrast, broad liquidity continued to contract, with M3 declining by USD 1.9 billion or -2.8 % YoY to reach USD 67.3 billion in December 2025. The contraction was driven primarily by a decline of USD 2.1 billion in resident foreign currency deposits, which more than offset the expansion in LBP aggregates (Graph 16).

Overall, 2025 saw monetary developments consistent with a financial system that saw foreign-currency deposits contracting while LBP aggregates grew modestly, with broad liquidity continuing to trend downward. LBP-related aggregates remain a small share of overall liquidity, as foreign-currency deposits continue to dominate the broad money supply.

Graph 16. Money Supply Evolution



M1 = CIC + demand deposits in LBP
 M2 = M1 + other deposits in LBP
 M3 = M2 + deposits in FX

Source: BdL

In this context, a more accurate assessment of monetary conditions requires examining the balance sheets of the Central Bank and the commercial banking sector, particularly developments in foreign reserve assets, gold holdings, and the evolution of fresh liquidity within the banking system.

3.4 BdL Balance Sheet

BdL's total balance sheet reached USD 94.4 billion in December 2025, compared with USD 92.9 billion in December 2024, representing an increase of 1.5 %. Despite this marginal expansion, the balance sheet remains 33.6 % below December 2019 levels.

3.4.1 Assets

3.4.1.1 Gold

BdL's gold reserves recorded a substantial increase in 2025, driven by the sharp appreciation in international gold prices. The market value of gold holdings rose from USD 24.1 billion in December 2024 to USD 40.4 billion in December 2025, representing an increase of approximately USD 16.3 billion. Over the same period, the international gold price rose by 68%¹³. Beyond the annual comparison, the valuation of BdL's gold holdings has increased markedly since January 2019, when it stood at USD

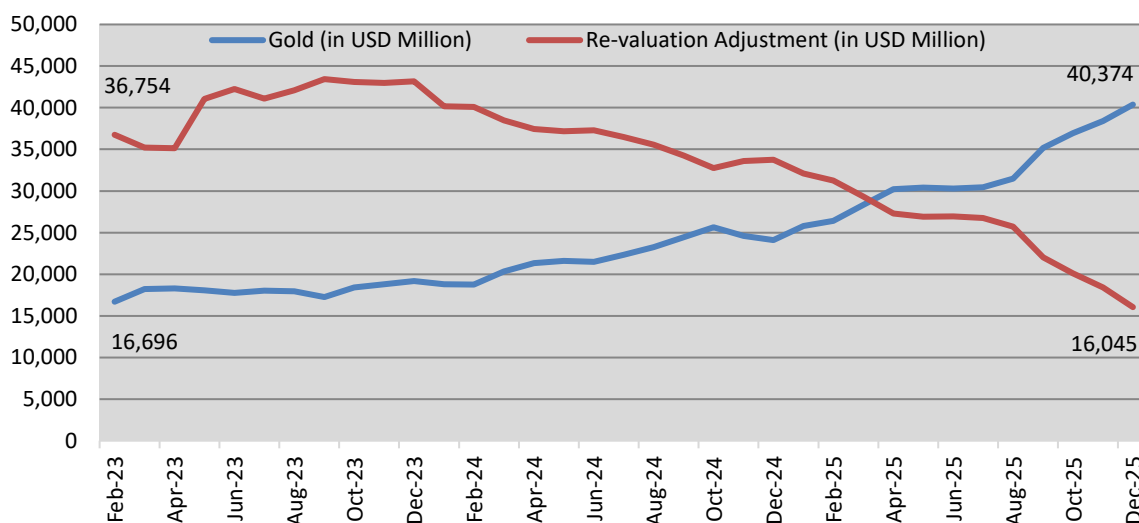
18.4 billion, reflecting the sustained appreciation of international gold prices over the period.

The increase in gold valuations also affected BdL's balance sheet through the revaluation adjustment account, introduced in February 2023 to record accumulated valuation losses following exchange rate adjustments. At its inception, this account amounted to USD 36.7 billion. As gold valuations increased, part of these accumulated losses was offset, reducing the revaluation adjustment to USD 16 billion by December 2025, a decline of roughly 60% since February 2023 and 52% compared with December 2024 (Graph 17).

These developments significantly altered the composition of BdL's balance sheet. By December 2025, gold represented 41% of total assets, compared with 18 % in February 2023, while the revaluation adjustment declined from 35% to 16% of total assets over the same period.

Overall, the sustained rise in gold prices has bolstered BdL's asset base by partially absorbing earlier valuation losses. While gold is not used for short-term liquidity management, its higher valuation has helped reinforce the balance sheet's structural resilience during the current stabilization phase.

Graph 17. BdL Gold Reserves



Source: BdL

¹³ Reuters, December 2025, EOP.

3.4.1.2 Foreign Assets ¹⁴

Total foreign assets, comprising foreign currency holdings and foreign securities, reached USD 12.0 billion in December 2025, increasing by USD 1.8 billion YoY and USD 0.6 billion compared with June 2025. Although the pace of accumulation moderated during H2-25, the overall trend remained positive, indicating a gradual rebuilding of external assets.

In terms of composition, foreign currency holdings declined to USD 7.7 billion in December 2025 from USD 10.1 billion in December 2024, after peaking at USD 11.2 billion in June 2025. At the same time, foreign securities increased sharply from USD 0.2 billion to USD 4.3 billion over the same period. This shift reflects a reallocation of reserve assets from foreign currency balances toward foreign securities, suggesting the beginning of a gradual portfolio diversification strategy in reserve management (Graph 18).

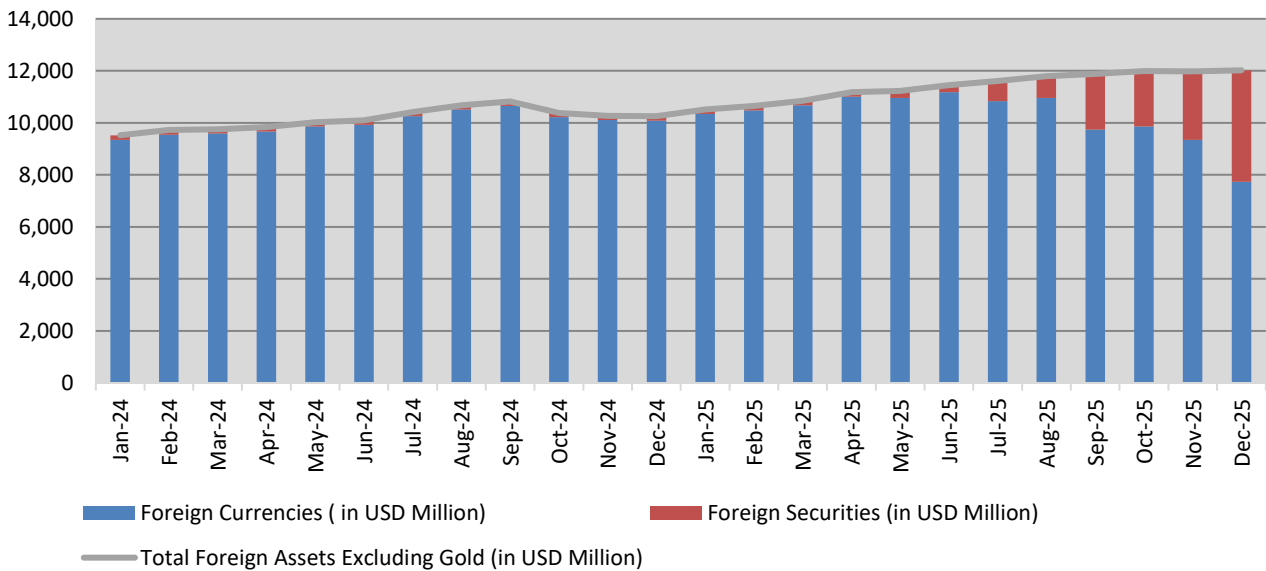
The increase in foreign assets in 2025 reflects stronger fiscal discipline, improved revenue collection, and prudent liquidity management in a

highly dollarized economy. Although most fiscal revenues are denominated in LBP, they are largely generated from economic activity financed in foreign currency, allowing BdL to absorb foreign exchange liquidity while supplying local currency without creating sustained pressures on domestic liquidity.

Sustained inflows from remittances, tourism, and cash-based activity further supported foreign currency liquidity during 2025, facilitating reserve accumulation. Although reserve levels remain below pre-crisis levels, the orderly buildup since the trough demonstrates a gradual strengthening of foreign reserves under improved fiscal-monetary coordination and a unified/market-based exchange rate environment.

Combined with the significant appreciation of gold prices, these developments have substantially reinforced BdL’s overall reserve position, enhancing balance sheet resilience and supporting confidence in the central bank’s capacity to manage liquidity and maintain macro-financial stability.

Graph 18. BdL Foreign Assets excluding Gold



Source: BdL

¹⁴ Includes liquid and non-liquid Foreign Assets.

3.4.1.3 Loans to the Public Sector

Loans to the public sector amounted to USD 16.6 billion as of December 2025, representing around 17 % of BdL's total assets. This item was first recorded on BdL's balance sheet in February 2023, when the balance sheet was reconciled following the adoption of the exchange rate of LBP 15,000 per US dollar.

Prior to this adjustment, these obligations were collateralized by public sector deposits held at BdL. The exchange-rate realignment and balance-sheet reconciliation revealed a net debit position in favor of BdL, requiring the claim to be recognized as an asset. Since then, the item has remained broadly stable, indicating that it reflects the formal recognition of past obligations rather than new lending operations.

3.4.2 Liabilities

3.4.2.1 Financial Sector Deposits

Deposits held by commercial banks, financial institutions, and customers totaled USD 81.4 billion in December 2025, down from USD 83.6 billion a year earlier, a drop of USD 2.3 billion, or of 2.7%. This shows BdL's deposit base continued to shrink in 2025, consistent with a broader, multi-year downsizing of its balance sheet. However, the rate of decline was modest by historical standards, suggesting that the steepest adjustments to this liability category largely occurred in 2023. Consequently, the 2025 outcome indicates a steady, gradual erosion of deposit liabilities rather than a renewed acceleration of balance-sheet pressures.

3.4.2.2 Public Sector Deposits

Public sector deposits accounted for around 9% of BdL's total liabilities in December 2025, up from 6.4% in December 2024, thereby slightly increasing their relative weight in the liability structure, although commercial bank deposits remained by far the dominant component. Compared with 2019, when public sector deposits represented only 3.5%

of total liabilities, their share has risen significantly. In nominal terms, these deposits, mostly in LBP, rose from USD 6.0 billion at end-2024 to USD 8.6 billion at end-2025, equivalent to an increase of USD 2.7 billion, or of 44.6% over the year. This increase extended the upward trend observed since January 2024 and points to a strengthening in government liquidity buffers at the central bank, likely supported by improved fiscal revenue collection following the shift to a market-based exchange rate.

3.4.2.3 Currency in circulation outside BdL

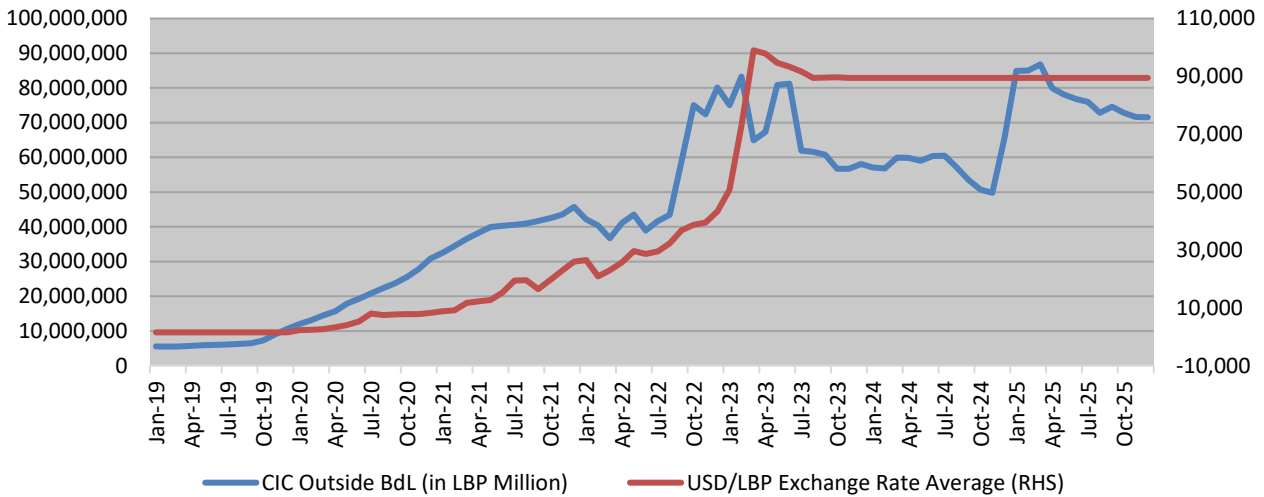
Currency in circulation (CIC) outside BdL increased from LBP 65.6 trillion in December 2024 to LBP 71.5 trillion in December 2025 (Graph 19), equivalent to an annual rise of LBP 6.0 trillion, or of 9.1%. CIC remains limited, representing around 0.8 % of BdL's total balance sheet.

During 2025, CIC exhibited significant intra-year volatility. It peaked at LBP 86.7 trillion in March, reflecting a 32% increase relative to December 2024, before gradually declining to LBP 71.5 trillion by year-end. As such, although CIC ended 2025 above its end-2024 level, the year-end position also reflected a partial moderation from earlier highs.

These fluctuations were primarily linked to fiscal settlement dynamics rather than changes in underlying monetary conditions. Periods with higher CIC reflected increased demand for LBP to settle tax and government fee payments, for which BdL supplied LBP liquidity. As these fiscal obligations were settled, the LBP liquidity was absorbed primarily through the Ministry of Finance accounts at BdL, leading to a subsequent drop in CIC.

Despite these fluctuations, the exchange rate remained broadly stable, reflecting the high degree of dollarization in the Lebanese economy. With most transactions, pricing, and savings conducted in U.S. dollars, the Lebanese pound increasingly functions as a transactional currency for specific domestic payments, limiting the broader macroeconomic impact of temporary changes in CIC.

Graph 19. CIC outside BdL



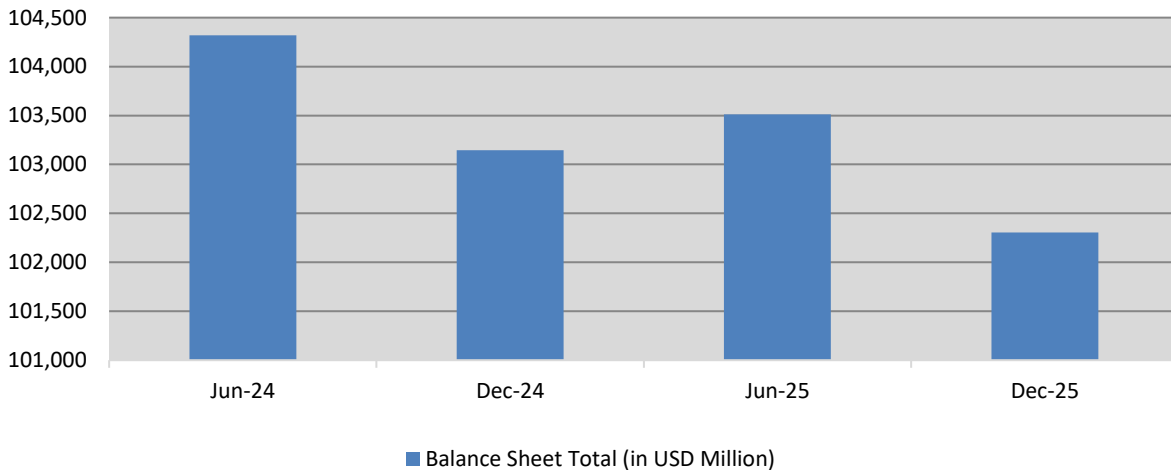
Source: BdL

3.5 Banking Sector Balance Sheet

Total assets of commercial banks reached USD 102 billion in December 2025, slightly below USD 103.5 billion in December 2024, reflecting continued deposit withdrawals and limited banking activity. The balance sheet has remained on a downward

trend since the crisis, although the pace of contraction has moderated following the adoption of market-based exchange rates and the gradual adjustment of bank balance sheets.

Graph 20. Commercial Banks' Balance Sheet



Source: BdL

3.5.1 Assets

Commercial banks' asset structure remained heavily concentrated in placements with BdL in 2025, confirming the continued dominance of sovereign exposures on the bank's balance sheets. Currency and deposits at BdL remained the largest asset component, standing at USD 77.5 billion in December 2025, down from USD 79.6 billion a year

earlier, and still accounting for 76% of total assets. Securities holdings also remained a significant asset category and continued to display notable adjustment dynamics, declining from USD 7.1 billion in December 2024 to USD 6.7 billion in December 2025, representing a decrease of 4.3%.

This decline was driven by a further contraction in resident securities, partly offset by a marked increase in non-resident holdings, pointing to a gradual shift in portfolio composition toward external assets. Overall, the evolution of these asset categories reflects continued balance-sheet deleveraging and the persistence of an asset structure centered on central bank placements. Against this backdrop, the continued contraction in loans further underscores the severe weakening of the banks' traditional intermediation role.

3.5.1.1 Loans

Credit creation, a fundamental banking function and a major driver of economic activity, remains severely impaired. Total claims fell to USD 5.2 billion in December 2025 from USD 5.9 billion in December 2024, a 12.5% YoY contraction. Foreign-currency loans still dominate the portfolio, making up 98% of total claims, while LBP loans account for only 2%. Both components declined during the year, with LBP claims down 10% and FX claims down 13%. Although lending activity is still shrinking, the pace of decline has moderated compared with the 29% drop seen in December 2024, which largely reflected exchange-rate realignment and the sharp drop in the dollar value of LBP-denominated loans.

Total loans declined sharply from USD 58.1 billion in January 2019, representing 23% of banking sector assets and 109% of GDP, to USD 5.2 billion in December 2025, equivalent to 5.1% of assets and about 16% of GDP, highlighting a collapse in financial intermediation.

The decline stems from ongoing balance-sheet deleveraging, limited new lending, and loan repayments that picked up speed in the early crisis phase. During that period, borrowers could settle loans at official exchange rates well below parallel market rates, eroding the real value of the banks' claims and accelerating portfolio contraction. While this effect has eased, the credit downturn increasingly reflects structural constraints, unrepaired bank balance sheets, elevated uncertainties, and the lack of a comprehensive financial sector resolution framework.

From a macroeconomic perspective, the collapse in the credit-to-GDP ratios signals a severe

compression in domestic financial depth. The reduced availability of bank financing constrains private investments, limits capital formation, weakens monetary transmission, and reduces the banking sector's ability to support medium-term economic growth.

3.5.1.2 Asset Quality

From February to October 2025, Lebanon's banking sector continued to show an exceptionally weak asset-quality profile, with non-performing loans (NPLs), defined as loans in high-risk categories 4, 5, and 6, pervasive across all loan sizes. This points to subdued repayment capacity and ongoing structural weaknesses in financial intermediation. On an aggregate basis, the NPL ratio, defined as NPLs relative to total exposures excluding credit-impaired loans, stood at 86.3% in October 2025, essentially unchanged from February 2025. This apparent steadiness does not signal an improvement in asset quality; rather, it masks offsetting movements across loan segments within a portfolio that remains predominantly distressed and heavily skewed toward large exposures.

Developments were mixed across tranches. The most visible improvement was recorded in loans below LBP 10 billion, where the NPL ratio declined from 78.4% in February 2025 to 69.9% in October 2025. However, this mainly reflected a denominator effect, as total exposures in this segment increased by 9% while the stock of NPLs declined by only 3%. Accordingly, the lower ratio was driven more by growth in total exposures than by a meaningful improvement in repayment performance. A similar pattern was observed in the LBP 10–20 billion tranches, where the NPL ratio fell from 83.4% to 80.0%, although this decline was also largely mechanical, as total exposures rose by 6% while NPLs increased by 1%.

In the remaining tranches, changes were limited and did not alter the broader picture of severe impairment. The LBP 20–30 billion and 30–40 billion categories recorded only marginal declines in their NPL ratios, from 86.7% to 85.8% and from 85.0% to 84.6%, respectively. By contrast, the deterioration was observed in the LBP 40–50 billion tranches, where the ratio rose from 86.8% to 88.0%.

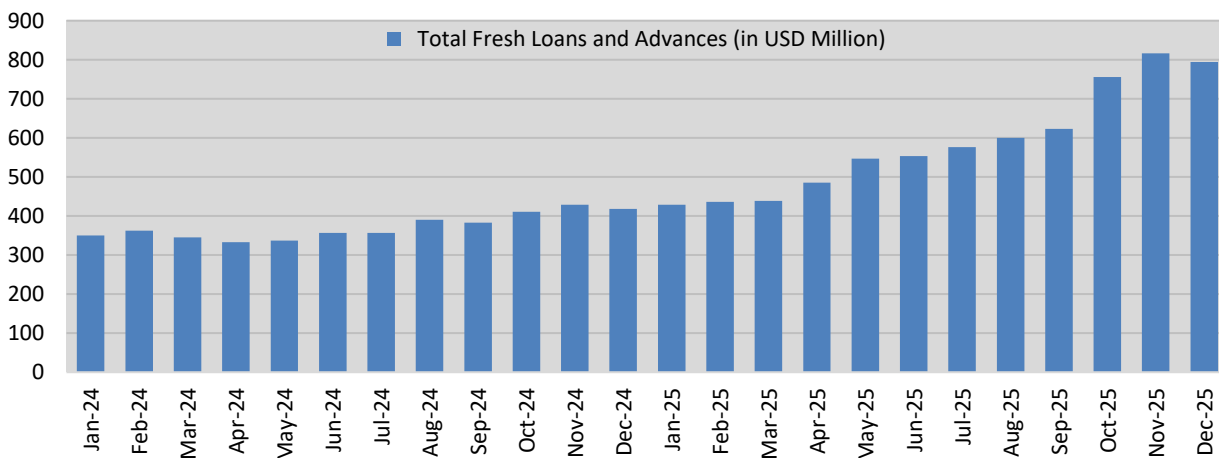
In the largest tranche above LBP 50 billion, the NPL ratio edged up from 86.8% to 87.4%, even though the stock of NPLs fell by 3.1% as total exposures declined by 3.7%. This category still accounted for 87.9% of total exposures and 89.0% of total NPLs, so it remains the dominant contributor to the sector’s overall asset-quality profile. The pronounced impairment within this segment signals that repayment difficulties are still deeply entrenched among the system’s biggest borrowers, and this tranche continues to exert a disproportionate influence on the aggregate NPL ratio. For example, if NPLs in the tranche above LBP 50 billion tranche were reduced by 20% while holding total exposures constant, the portfolio-wide NPL ratio would fall from 86.3% to 70.9%.

Table 4. NPL Evolution Across Tranches

	Dec-19	Feb-25	Oct-25
Under 10	13.3%	78.4%	69.9%
Between 10 and 20	25.1%	83.4%	80.0%
Between 20 and 30	26.8%	86.7%	85.8%
Between 30 and 40	39.3%	85.1%	84.6%
Between 40 and 50	47.4%	86.8%	88.0%
Above 50	33.5%	86.8%	87.4%
Total NPL	8.9%	86.3%	86.3%

Source: BdL

Graph 21. Fresh Loans Evolution



Source: BdL

3.5.2 Liabilities

Total liabilities over the period were largely shaped by developments in customer deposits, which continued to be the main funding source for banks,

3.5.1.3 Fresh Loans

While the overall loan portfolio continued to contract, fresh lending expanded markedly in 2025, reflecting the gradual emergence of a still limited credit channel funded by fresh foreign-currency liquidity. Total fresh loans and advances rose from USD 418 million in December 2024 to USD 794 million in December 2025 (Graph 21), equivalent to an increase of around 90%. This expansion was broad-based over the course of the year, with fresh lending rising steadily and peaking at USD 816 million in November before easing slightly in December. As a result, the share of fresh loans within total credit rose from approximately 7% to about 15% by the end of 2025.

Despite this increase, the volume of fresh lending remains modest compared with the economy’s size, totaling under 2.5 % of nominal GDP. This suggests that bank credit continues to play only a limited role in financing economic activity. Fresh lending therefore represents a relatively narrow, yet gradually growing, credit segment within the banking system.

making up 85.2% of total liabilities in December 2025. Other liability components showed comparatively smaller fluctuations. Excluding deposits, capital accounts were broadly stable, edging down slightly from USD 4.8 billion in

December 2024 to USD 4.7 billion in December 2025. This small decline mainly reflected a reduction in core capital, which decreased from USD 4.4 billion to USD 4.3 billion, while supplementary capital rose modestly from USD 376 million to USD 426 million. Even with this relative stability in 2025, capital accounts remained highly compressed compared to pre-crisis levels, slipping from USD 20.7 billion in December 2019 to USD 4.7 billion in 2025. This indicates that the banks' loss-absorbing capacity remains substantially weakened, with capital buffers well below their pre-crisis size.

Other liabilities, while still a relatively small share of the balance sheet, rose more noticeably from USD 6.1 billion in December 2024 to USD 7.0 billion in December 2025, an increase of about USD 0.9 billion. This uptick appears to reflect only a partial rebound from the unusually compressed level of 2024, as the category remained well below its December 2019 level of USD 23.1 billion. Consequently, the rise in other liabilities did not materially change the overall funding structure, which remains largely deposit-driven.

Overall, these developments suggest that changes in bank liabilities during the year continued to reflect deposit movements and ongoing balance-sheet adjustment, rather than any structural shift in the banking sector's funding profile.

3.5.2.1 Deposits

Total deposits¹⁵ continued to decline in 2025, albeit at a more moderate pace, falling from USD 88.6 billion in December 2024 to USD 87.2 billion in December 2025. The USD 1.5 billion decline was primarily driven by a reduction in foreign-currency deposits due to continued withdrawals of frozen deposits, which decreased from USD 87.9 billion to USD 86.2 billion over the same period i.e. drop of USD 1.6 billion.

In contrast, LBP deposits increased from USD 0.8 billion to USD 1 billion, reflecting a modest expansion in local-currency balances. Despite this increase, deposits remain overwhelmingly denominated in foreign currency, with foreign

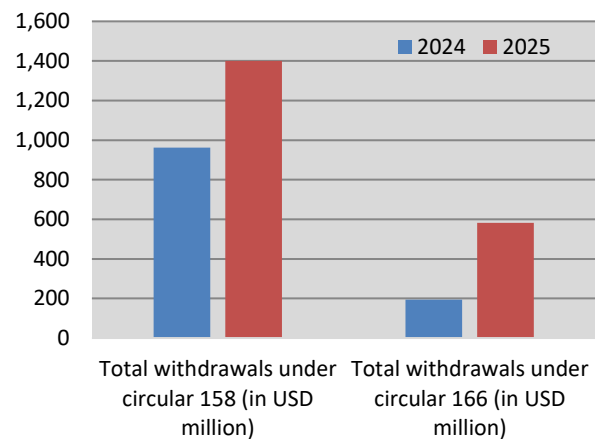
currency deposits accounting for 98.9 % of total deposits.

In this context, Lebanon's current financial sector requires focusing on the evolutions of Circulars 158 and 166, as well as on fresh deposits and fresh loans, which form the essential operating framework amid ongoing economic and financial instability.

3.5.2.2 Circulars 158/166

In the absence of a comprehensive macroeconomic recovery plan and deposit repayment framework, Circulars 158 and 166 remain the primary mechanism facilitating the partial repayment of previously frozen foreign-currency deposits. Since their implementation, these measures have returned a cumulative USD 5.3 billion to depositors by December 2025, up from 4.1 billion in June 2025.

Graph 22. Total Withdrawals under Circulars 158/166



Source: BdL

Total repayments under the two circulars increased by 71.2% YoY in 2025, with repayments under circular 158 rising by 46%, while disbursements under circular 166 increased by 199%. This reflects both the gradual expansion of the beneficiary base and increases in withdrawal limits, which accelerated the pace of deposit recovery during the year (Graph 22).

Circular 158, launched in June 2021, has disbursed approximately USD 4.6 billion to 351,859 depositors

¹⁵ Total Deposits Include Resident customer, Non-Resident Customer, and Resident Financial sector deposits.

in December 2025 up from USD 3.7 billion in June 2025. Of these, 179,252 accounts (50.9%) have been fully settled, while 172,607 depositors continue to receive periodic withdrawals. The remaining outstanding balance in the dedicated sub-accounts reached USD 2.7 billion at end December 2025.

Circular 166, introduced in February 2024, has repaid approximately USD 0.8 billion to 207,699 depositors by December 2025, up from USD 0.4 billion in June 2025, with 63,511 depositors (30.6%) having fully recovered their balances under the scheme. The outstanding balance in related sub-accounts amounted to USD 482.1 million at the same date.

Overall, the two circulars have enabled 559,558 depositors to partially or fully recover their foreign-currency deposits, with 242,763 depositors (43.4%) having fully recovered their balances. In addition, depositors with balances of USD 37,200 or less under Circular 158 have fully recovered their savings.

This phased repayment framework constitutes an important policy instrument for gradually restoring depositor access to funds while maintaining financial sector stability. However, given the regulatory caps and monthly withdrawal limits embedded in the schemes, the macroeconomic impact of these repayments remains gradual, providing modest support to household consumption and economic activity.

3.5.2.3 Fresh Deposits

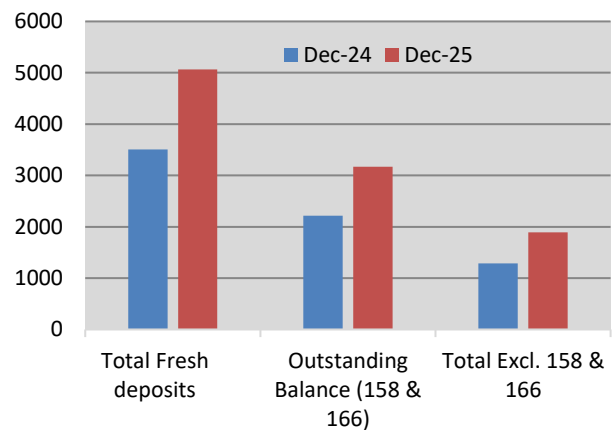
Fresh deposits, defined as foreign currency funds entering the banking system after October 2019 or transferred from abroad, increased from USD 3.5 billion in December 2024 to USD 5.0 billion by

November 2025, marking a rise of approximately USD 1.5 billion. However, this increase largely reflects balances accumulated under Circulars 158 and 166, which rose from USD 1.9 billion to USD 3.2 billion over the same period.

As a result, around 82% of the total increase in fresh deposits during the period is attributable to balances associated with these deposit repayment schemes, rather than new foreign currency inflows into the banking system. Excluding these circular-related balances, the stock of genuinely liquid fresh deposits increased only modestly, from USD 1.6 billion to USD 1.9 billion, reflecting a rise of approximately USD 283 million.

Consequently, while the headline stock of fresh deposits expanded, the effective pool of fully usable foreign currency liquidity within the banking system remains relatively limited. This suggests that the observed growth in fresh deposits primarily reflects the operational mechanics of the structured deposit recovery framework rather than a sustained increase in new external inflow.

Graph 23. Fresh Deposits (in USD million)



Source: BdL

4. Balance of Payments overview¹⁶

Lebanon's balance of was marked by deep structural imbalances and a widening financing gap payments in the first nine months of 2025. Despite growth in nominal economic output, the current account deficit deteriorated relative to GDP as the trade deficit widened, with imports surging faster than exports. This strain was exacerbated by a decline in current transfers, specifically remittances, which weakened the economy's capacity to absorb trade losses. Although a pickup in travel and financial services provided some relief, these gains did not fully offset broader trade and income account pressures. Furthermore, external financing contracted due to a sharp drop in international grants and the liquidation of foreign assets, alongside an increase in external liabilities within the financial account. Amidst these pressures, reserve assets remained a critical anchor, transitioning toward active accumulation to enhance BdL's capacity to manage liquidity and provide a buffer against persistent volatility. Looking ahead beyond 2025, the ongoing conflict is likely to exacerbate imbalances through lower remittance inflows and significantly reduced tourism income.

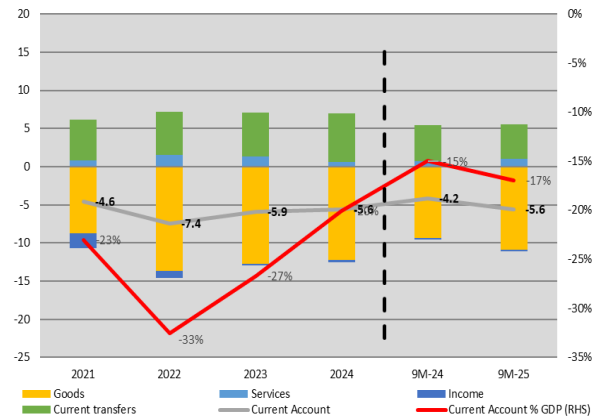
4.1 Current account

The overall current account deficit widened significantly by 34.6%, reaching USD 5.6 billion in the first nine months of 2025, compared to USD 4.2 billion in the same period of 2024. The current account deficit rose to 17% of GDP, up from 15% of GDP, despite the rise in nominal GDP to USD 33.0 billion (Graph 24). The deterioration was driven mainly by a sizeable widening in the trade deficit, as imports surged, particularly within categories like prepared foodstuffs, base metals, and precious stones, outpacing gains in goods exports in absolute terms.

The widening structural imbalance worsened due to a decline in current transfers to USD 4.5 billion, as a drop in remittances weakened the economy's

traditional primary pillar of financing. Despite a rebound in the services surplus to USD 1.0 billion, these gains were insufficient to offset the massive trade deficit and the persistent drain from the income account.

Graph 24. Current account's Components (in USD billion)



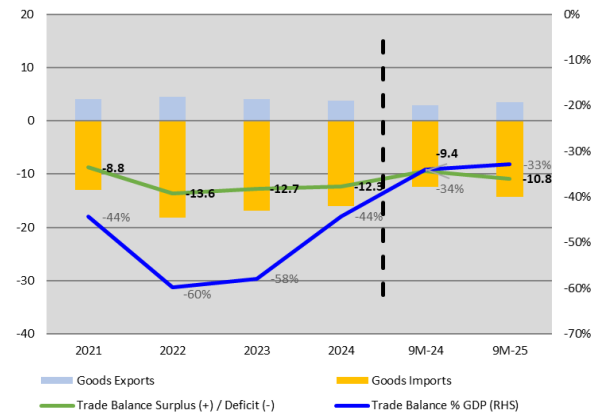
Source: BdL, CAS, Customs

4.1.1 Goods Account

The trade in goods balance experienced a noticeable deterioration during the first nine months of 2025, with the deficit widening by 15.5% to reach USD 10.8 billion, up from USD 9.4 billion during the same period of 2024 (Graph 25). Despite this nominal widening, the trade-to-GDP ratio saw a marginal improvement, narrowing from -34% of GDP to -33% of GDP. This was primarily due to growth in nominal GDP, which rose from USD 22.7 billion in 2024 to USD 33.0 billion in 2025, slightly outpacing the widening deficit. This expansion in the deficit was driven by a substantial 16.2% increase in goods imports, which rose to USD 14.3 billion from USD 12.3 billion in the first 9 months of 2024. This surge largely offset a robust 18.5% growth in goods exports, which reached USD 3.5 billion compared to USD 2.9 billion in the first 9 months of 2024. The General Merchandise account remained the primary driver of this trend, as imports in this category surged by 19.5% to USD 9.9 billion from USD 8.3 billion in the first 9 months of 2024.

¹⁶ BoP figures are available up to September 2025 with ongoing revisions.

Graph 25. Trade balance (in USD billion)



Source: BdL, CAS, Customs

At the category level, the growth in Goods exports was heavily influenced by a 95.6% surge in the “Pearls and precious stones” category, reaching USD 1.0 billion. Other contributors included “Base metals” (+25.6%) and “Chemical products” (+14.3%), though these gains were slightly tempered by a 1.2% decline in “Machinery and electrical instruments”.

On the imports side, the overall surge was led by a 52.9% jump in “Prepared foodstuffs”, reaching USD 1.0 billion, and a 37.6% increase in “Base metals”. Significant growth occurred in “Chemical products” (16.9%) and “Machinery and electrical instruments” (+16.7%). Meanwhile, “Mineral products” remained the largest import category at USD 3.7 billion, representing an 8.4% increase over the first nine months of 2025.

Furthermore, while the net deficit for non-monetary gold transactions narrowed by 13.3% to USD 1.1 billion, this item remains a significant drain on external accounts. As these transactions reflect private gold acquisitions rather than official central bank reserves, the continued high volume of imports indicates a persistent trend of hedging against economic uncertainty, which further diverts foreign currency away from more productive economic sectors.

4.1.2 Services Account

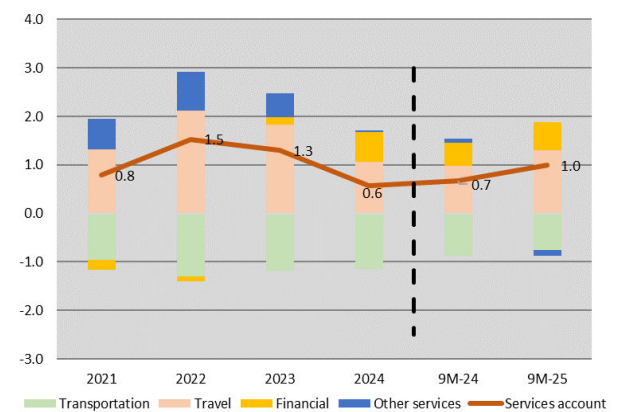
The Services Account, a crucial source of financing used to offset the trade deficit, saw a significant rebound in its surplus during the first nine months of 2025. This balance expanded by 46.5% to reach nearly USD 1.0 billion, up from USD 0.7 billion in the

same period of 2024 (Graph 26). While overall service exports remained relatively stable with a marginal decrease of 0.4%, the substantial improvement in the net balance indicates a significant reduction in service imports (outbound payments). This shift points to a strong recovery in key domestic service sectors, particularly travel and financial services, enabling the economy to retain more value domestically.

The 33.0% increase in the travel surplus (reaching USD 1.3 billion) was primarily anchored by the return of the Lebanese diaspora. Following the de-escalation of hostilities in late 2024, the 2025 summer season saw a major influx of expatriates, underscoring their role not just as visitors, but as the primary economic shock absorbers for the hospitality and travel sectors.

The 21.5% increase in the financial services surplus reflects a stabilization of the sector following a period of extreme volatility. While the commercial banking sector remained constrained, the surplus was bolstered by the regularization of international commissions and enhanced oversight of NBFIs by BdL.

Graph 26. Services account (in USD billion)



Source: BdL

4.1.3 Income Account

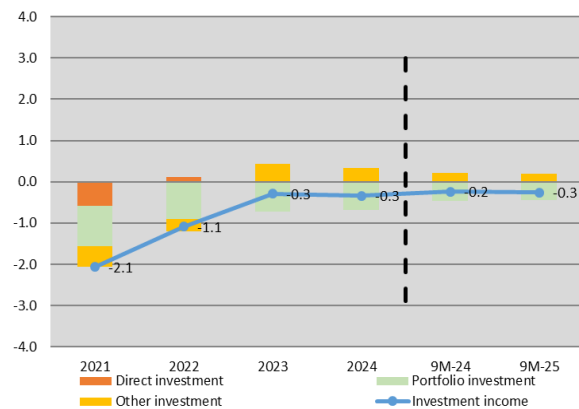
The Income Account, which typically exerts pressure on Lebanon's external position, saw its deficit widening by 41.3% to USD 241 million in the first 9 months of 2025, up from USD 171 million during the same period of 2024. This expansion was driven by a 1.6% increase in payments to non-resident investors (rising to USD 863 million from USD 849 million), coupled with an 8.4% decline in

income receipts (which fell to USD 622 million from USD 678 million). This trend underscores a structural landscape where the servicing costs of foreign liabilities continue to outweigh the earnings generated from Lebanese assets held abroad (Graph 27).

This widening deficit was shaped by a complex interplay within the investment income components. Direct Investments maintained a persistent deficit of USD 17 million (compared to USD 29 million deficit in 9M-2024), as net outflows for profit and dividend repatriation remained a steady drain. The Portfolio Investment deficit remained sizable at USD 429 million (vs. USD 431 million in 9M-2024), primarily fueled by continuous interest payments on long-term bonds held by non-residents. These pressures were only partially offset by the Other Investment category, whose surplus contracted by 15.1% to USD 185 million in the first nine months of 2025 from USD 218 million in the same period of 2024, mainly due to a decrease in interest earned on deposits placed abroad by the Central Bank.

Ultimately, this stagnant income profile indicates an investment climate defined by fragile stabilization rather than productive growth. This reality is underscored by the continued diversion of private capital into hedge assets and other safe-haven instruments, as investors prioritize long-term security over the high-quality, yield-generating domestic ventures needed to rebalance the current account and restore the country's creditworthiness.

Graph 27. Investment Income's Components (in USD billion)



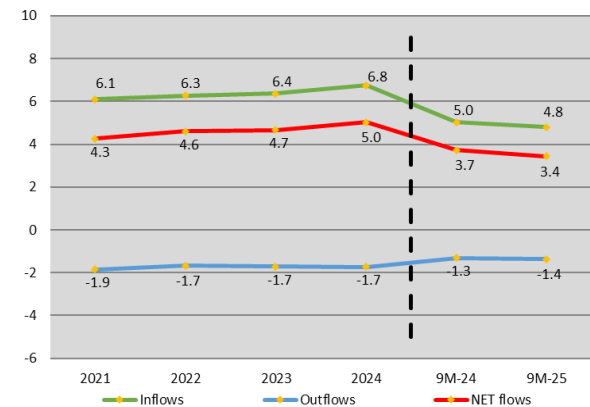
Source: BdL

4.1.4 Current Transfers Account

In this restrictive landscape, current transfers, alongside the services account, stand out as the primary counterweight to Lebanon's external imbalances. Despite a slight 4.8% decrease in the surplus, which eased from USD 4.7 billion in the first nine months of 2024 to USD 4.5 billion in the same period of 2025, these transfers remain a vital lifeline for the economy. This decline was largely driven by an 8.1% drop in net workers' remittances, which fell to USD 3.4 billion from USD 3.7 billion in the previous period. This was partially offset by a 42.9% surge in transfers to the general government, rising to USD 262 million from USD 183 million, likely reflecting increased international aid and technical assistance following the 2024-2025 stabilization efforts.

A closer analysis of workers' remittances, the backbone of current transfers, reveals a 4.8% decline in total inflows (from USD 5.0 billion to USD 4.8 billion). Concurrently, remittance outflows rose modestly by 4.4% to USD 1.4 billion, resulting in a net foreign-currency injection of USD 3.4 billion (Graph 28).

Graph 28. Workers' Remittances Flow (in USD billion)

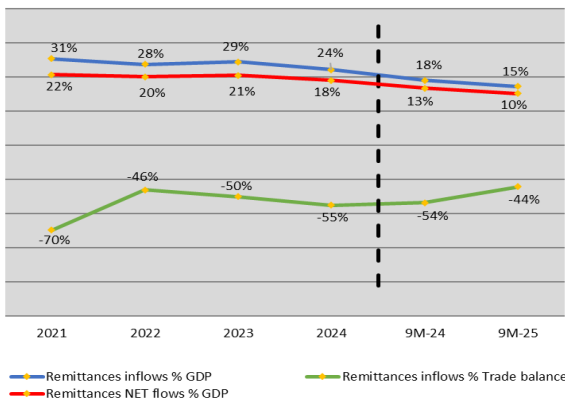


Source: BdL

Historically, the substantial volume of remittance inflows has served as a critical financing mechanism for the trade deficit. In the first nine months of 2025, these inflows covered 44.0% of the trade gap, down from 54.0% in the same period of 2024. Furthermore, by amounting to roughly 15.0% of GDP, remittance inflows underscore the unwavering role of the Lebanese Diaspora in sustaining national consumption (Graph 29). The

dual role of remittances as both a social safety net and a macroeconomic stabilizer provides a consistent stream of foreign currency that mitigates the strain on limited foreign exchange reserves and acts as a critical buffer against external shocks, thereby underpinning financial stability.

Graph 29. Workers' Remittances Inflows (% of GDP & Trade balance)



Source: BdL

4.2 Capital and Financial account

Lebanon's external financing landscape remains highly volatile and structurally strained, as evidenced by the shifting trends in the Capital and Financial Account. During the first nine months of 2025, the combined surplus of these accounts contracted by 32.3% to USD 3.2 billion, down from USD 4.7 billion in the same period of 2024. This deterioration was largely driven by a sharp 60.7% drop in the capital account surplus, compounded by a 23.1% decline in the financial account's net balance, highlighting the increasing difficulty in securing stable external funding.

4.2.1 Capital Account

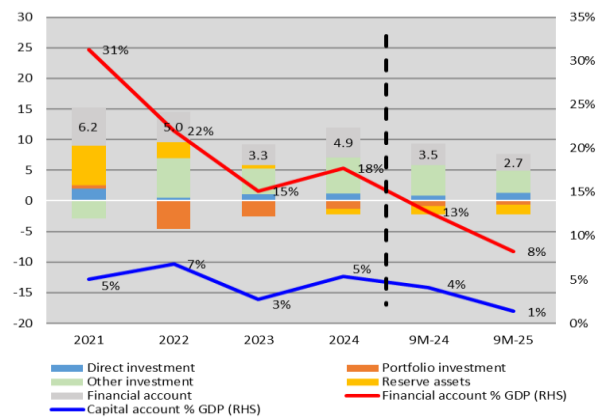
The Capital Account surplus experienced a sharp 60.7% contraction, falling to USD 0.4 billion in the first nine months of 2025 from USD 1.1 billion in the same period of 2024. This downturn was primarily precipitated by a 66.2% reduction in external grants to the general government, which dropped from USD 1.2 billion to USD 0.4 billion, highlighting a significant tapering in international financial support.

This development underscores Lebanon's persistent reliance on international humanitarian assistance as a primary source of non-debt-creating financing in the absence of sustainable capital inflows or access to global credit markets. Historically, the Capital Account-to-GDP ratio has served as a critical barometer of this dependence; after peaking at 7% during the height of the crisis (2020 and 2022), the ratio retrenched to a more constrained 1% in the first nine months of 2025, compared to 4% in the same period of 2024. Such volatility illustrates how the fluctuating nature of international aid directly dictates the country's macroeconomic resilience and its shifting capacity to offset persistent external deficit.

4.2.2 Financial Account

The Financial Account surplus decreased by 23.1%, falling to USD 2.7 billion in the first nine months of 2025 from USD 3.5 billion in the same period of 2024. This surplus, which effectively represents a net borrowing position, reflects the mounting pressure exerted by a 34.6% expansion of the current account deficit and a 60.7% contraction in the capital account surplus over the same period.

Graph 30. Financial Account's Components (in USD billion)



Source: BdL

Consequently, the persistence of this financial surplus was primarily sustained by a sharp 70.9% decrease in financial account assets, representing capital inflows via the liquidation or reduction in the acquisition of foreign assets, and a 13.9% increase in liabilities to non-residents, representing inflows through new external engagements. These inflows served as critical, though potentially unsustainable,

sources for financing the widening gap in the current account.

These dynamics underscore Lebanon's ongoing debt crisis and deepening external imbalances. This structural strain is clearly mirrored in the Financial Account balance-to-GDP ratio, which, after peaking at 39% in 2020 and averaging 25% over the 2020–2024 period, fell to 8% in the first nine months of 2025 from 13% in the same period of the previous year (Graph 30).

Direct Investment

Within the financial account, Direct Investment emerged as a standout performer, marking a significant improvement in the capital position. The net balance surged by 44.5% to reach a surplus of USD 1.3 billion, up from the USD 0.9 billion recorded during the first nine months in 2024 (Graph 30). This upward trajectory was supported by a notable reduction in outward investment alongside a steady increase in foreign capital inflows.

On the assets side, investments abroad experienced a marked slowdown. While Lebanese residents continued to engage in foreign markets, the pace of capital flight lost its previous intensity, with outflows plummeting by 58.3% to USD 0.2 billion. This trend was largely dictated by a sharp 81.9% drop in equity capital outflows, suggesting that the urgent drive to seek refuge in markets abroad has begun to subside.

Simultaneously, Foreign Direct Investment (FDI) into Lebanon demonstrated continued resilience. Inbound investment grew by 7.3%, reaching USD 1.5 billion compared to USD 1.4 billion in the first nine months of 2024. This growth was primarily underpinned by an 8.6% rise in inbound equity capital flows, signaling a gradual recovery in foreign appetite for Lebanese assets despite broader regional uncertainty.

Portfolio Investment

The Portfolio Investment deficit narrowed by 34.5%, contracting to USD 0.6 billion in the first nine months of 2025 from USD 0.9 billion in the same period of the previous year (Graph 30). This narrowing was driven by two distinct shifts in its internal dynamics.

On the assets side, the balance reflected a continued increase in foreign holdings, albeit at a significantly decelerated pace; outflows dropped from USD 0.4 billion in the first nine months of 2024 to nearly USD 0.1 billion in the same period of 2025. This slowdown was primarily due to a reduction in foreign equity security purchases by both resident banks and non-bank sectors, alongside a decline in the acquisition of foreign long-term debt securities by resident banks. Conversely, the resident non-bank sector slightly increased its exposure to foreign long-term debt securities, indicating a renewed, though isolated, interest in international bond markets.

On the liabilities side, the balance registered a stable decrease in both periods, amounting to approximately USD 0.5 billion. With no major changes recorded in either equity or debt securities, this trend highlights a persistent lack of appetite among foreign investors for Lebanese stocks and bonds, particularly as the country's sovereign default remains unresolved.

Ultimately, the stagnant and deficient nature of the portfolio investment account underscores the urgent need for structural reforms to restore investor confidence and re-establish access to international capital markets.

Other Investment

This category remains a vital component of the financial account, serving as a key source of financing for the current account deficit. The Other Investment surplus narrowed by 25.6%, falling to USD 3.6 billion in the first nine months of 2025 from USD 4.9 billion in the same period of 2024 (Graph 30).

On the assets side, the balance reflected a continued decrease, totaling USD 2.3 billion in the first nine months of 2025 compared to USD 3.8 billion in the same period of 2024. This contraction was primarily driven by a reduction in currency and deposit assets, which stood at USD 1.4 billion in the first nine months of 2025 versus USD 0.1 billion in the same previous period. Meanwhile, the "Other Assets" item remained steady at USD 3.7 billion across both periods.

On the liabilities side, the balance saw a slight increase of 15.6%, registering USD 1.3 billion in the first nine months of 2025 compared to USD 1.1 billion in the same period of 2024. This movement was largely influenced by a decline in currency and deposit liabilities, which fell to USD 0.5 billion in the first nine months of 2025 from USD 0.7 billion in the previous period. The “Other Liabilities” item remained unchanged at USD 0.7 billion for both periods. Consequently, the reduced net inflow from Other Investments suggests a tightening of the traditional channels used to bridge the current account gap during this period.

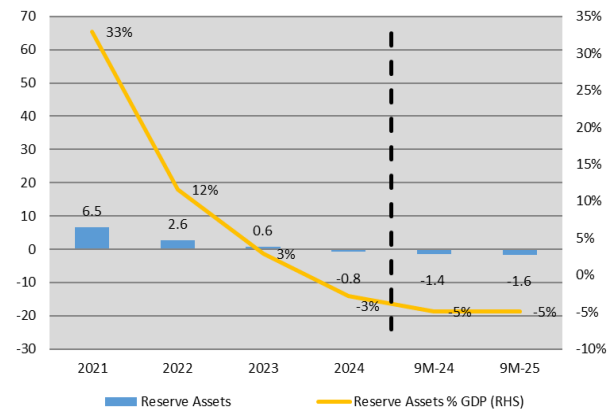
Reserve Assets¹⁷

The Reserve Assets function as the primary anchor for Lebanon’s fragile macro-financial stability, marking a critical transition from depletion toward active accumulation. In the first nine months of 2025, reserve assets registered a net accumulation of USD 1.6 billion (recorded as -USD 1.6 billion)¹⁸, representing a 19.4% growth in the pace of accumulation compared to the USD 1.4 billion buildup seen in the same period of 2024 (Graph 31).

This steady expansion of reserves bolsters the Central Bank’s capacity to stabilize the exchange rate and manage market liquidity, while maintaining a vital lifeline for financing essential imports. By strengthening the BoP and acting as a form of national insurance, these assets provide a necessary buffer against external shocks and

persistent economic imbalances. Ultimately, this sustained accumulation signals improved financial discipline, helping to rebuild investor confidence and facilitate essential international payment adjustments.

Graph 31. Reserve Assets (in USD billion)



Source: BdL

Unclassified Transactions

Unclassified transactions, known as “Net Errors and Omissions” (NEO), serve as a statistical adjustment for unrecorded BoP transactions. This category shifted from a deficit of USD 0.5 billion in first nine months of 2024 to a surplus of USD 2.4 billion during the same period in 2025. Beyond its technical function, a substantial NEO figure offers key diagnostic signals. For instance, positive values often indicate unrecorded inflows, such as informal remittances, while negative balances may suggest discreet capital outflows.

¹⁷ According to the BdL Central Council’s Decision Number 37/20/2024, which redefined the composition of the country’s foreign assets, the BdL began re-categorizing assets in January 2024 to include only highly liquid and stable components like monetary gold, non-resident foreign securities, and foreign currencies and deposits with Correspondent Banks & International Organizations. At the same time, the new

definition excluded less liquid assets such as Lebanese government sovereign bonds and BDL loans in foreign currencies to resident banks. This redefinition provides a more accurate and transparent measure of the country’s readily available foreign reserves.

¹⁸ Under the IMF sign conventions, the negative values recorded for this item in the financial account signify a net increase in assets.

5. Structural and Institutional Reforms

During the second half of 2025 and January 2026, BdL pursued a set of regulatory, prudential, and institutional measures aimed at strengthening financial integrity, reinforcing depositor protection, supporting liquidity discipline, and advancing the modernization of digital financial services. These measures were complemented by key legislative developments relating to the enactment of the Banking Restructuring Law and the advancement of the draft Financial Stabilization and Deposits Repayment Act. The subsections below outline the principal actions undertaken during the period.

5.1 Financial Integrity and AML/CFT Framework

Between July 2025 and January 2026, BdL reinforced the anti-money laundering and counter-terrorism financing (AML/CFT) framework through a structured and layered control architecture extending from the system's perimeter to the bank-client interface.

Basic Circular No. 170 (14 July 2025) – Dealings with Sanctioned and Unlicensed Entities

BdL prohibited banks, financial institutions, intermediaries and collective investment schemes from engaging, directly or indirectly, in financial or commercial transactions with unlicensed exchange houses, unlicensed money transfer companies, and entities subject to international sanctions. The prohibition also extends to facilitating access to the banking system.

This measure strengthens the first protective layer by securing the financial system's perimeter and preserving correspondent banking relationships.

Basic Circular No. 3 (14 November 2025) – AML/CFT Obligations for Non-Bank Financial Institutions

BdL strengthened AML/CFT requirements applicable to NBFIs, including specialized lending entities (comptoirs), financial and exchange institutions, domestic and cross-border electronic funds transfer providers, and E-Wallet service providers.

The Circular introduced a mandatory standardized KYC form and imposed enhanced reporting obligations for all exchange, cash and funds transfer transactions equal to or exceeding USD 1,000 (or its equivalent). For transactions at or above this threshold, institutions must collect and verify detailed customer identification data, document the purpose of the transaction and source of funds, and report the transaction electronically within defined timelines.

This measure constitutes a central control mechanism designed to tighten customer due diligence, enhance transaction traceability, and close AML/CFT gaps in the non-banking financial sector.

Basic Circular No. 171 (14 November 2025) – Procedures for Requests to Lift Banking Secrecy

BdL operationalized the amended banking secrecy framework by imposing a deadline of fifteen business days for banks and financial institutions to respond to requests submitted by BdL or the Banking Control Commission of Lebanon. Requests may be transmitted securely in written or electronic form. This measure strengthens supervisory enforcement and institutional transparency.

Basic Circular No. 172 (21 January 2026) – Introduction of the Cash Transaction Slip (CTS)

BdL introduced the Cash Transaction Slip as an additional monitoring tool for significant cash activity at banks and financial institutions. Under this Circular, customers must complete a standardized CTS form when conducting, at the same institution and on the same day, one or more cash deposits equal to or exceeding USD 10,000 (or its equivalent). Institutions are required to cross-check the declared information against existing KYC records and apply appropriate monitoring procedures. This measure enhances traceability and reinforces the third layer of AML/CFT controls at the bank-client interface.

Taken together, Circulars 170, 3 and 172 establish a structured three-tiered protection framework ("Rings of Fire"), extending controls from financial service providers to banks and ultimately to correspondent banking channels. This layered

architecture aims to combat economic opacity, mitigates systemic exposure to illicit flows, and supports Lebanon's alignment with FATF and international AML/CFT standards.

5.2 Depositor Protection, Prudential Measures and Liquidity Discipline

During the period under review, BdL adopted prudential measures aimed at reinforcing depositor fairness, preserving capital and maintaining liquidity discipline.

Basic Circular No. 169 (1 July 2025) – Equal Treatment of Depositors

BdL instructed banks not to disburse, from foreign-currency deposits placed prior to 17 November 2019 or subsequently transferred between accounts, amounts exceeding the ceilings set in BdL circulars without prior written approval. The measure seeks to ensure equal treatment among depositors and limit preferential practices.

Intermediate Circular No. 739 (14 August 2025) – Amendment to Foreign-Currency Liquidity Requirements

BdL introduced a further amendment to Basic Circular 154 (August 2020), under which banks are required to maintain correspondent accounts equal to 3% of their foreign-currency deposits. The amendment revised the reference date for calculating foreign-currency liquidity requirements at correspondent banks and extended the compliance deadline in light of prevailing balance-sheet conditions.

Intermediate Circulars No. 740 and 741 (29 August & 10 September 2025) – Capital Adequacy Adjustments and Dividend Restrictions

BdL introduced temporary flexibility regarding capital buffers while prohibiting dividend distributions for the financial years 2019 through 2025. The Circulars also defined conditions under which certain revaluation gains may be reflected in regulatory capital, subject to BdL verification and approval.

Intermediate Circular No. 742 (10 September 2025) – Safeguards on LBP Checks

The Circular introduced safeguards concerning the issuance and use of certain LBP checks, requiring banks to verify, at their own responsibility, that requests to issue bankers or certified checks serve legitimate personal or commercial purposes (such as payment of taxes, fees, or guarantees) and do not result in currency speculation.

Intermediate Circular No. 743 (10 September 2025) – Local PoS Transactions in LBP

The Circular stipulated that all LBP-denominated card transactions conducted locally by individuals through PoS devices are not subject to any restrictions, fees, or commissions, supporting continuity and efficiency of domestic electronic payments.

Intermediate Circular No. 744 (27 October 2025) – Liquidity Coverage and Eurobond Holdings

BdL introduced restrictions regarding the inclusion of Eurobond holdings within liquidity coverage calculations, and clarified permitted uses of related proceeds, reinforcing liquidity discipline within the banking sector. The Circular specifies that proceeds from Eurobond sales may be used either to secure foreign-currency liquidity for one year to meet obligations under Basic Circular 158 on foreign-currency deposit withdrawals, or to finance commercial and investment activities, excluding operating expenses.

Intermediate Circulars No. 746 and 747 (28 November 2025) – Amendments to Circulars 158 and 166 on the Exceptional Framework for Dollar Deposit Withdrawals

BdL adjusted the framework governing foreign-currency deposit withdrawals by revising withdrawal ceilings and operational parameters, maintaining a balance between depositor access and prevailing liquidity constraints. The Circulars further raised monthly withdrawal limits, expanded the scope of eligible beneficiaries, and introduced card-based usage of part of the authorized amounts to reduce reliance on cash.

5.3 Regulation of Digital Financial Services and Payment Systems

In January 2026, BdL modernized the regulatory framework governing electronic financial services.

Intermediate Circular No. 750 (9 January 2026) – Electronic Financial and Banking Operations

BdL redefined the scope of financial and banking operations conducted through electronic means at banks and financial institutions. These include digital payments, local and cross-border electronic transfers, electronic lending and trading, virtual card issuance, payment gateways, e-money services and electronic Know-Your-Customer (E-KYC) onboarding.

The Circular introduced prior approval or notification requirements to BdL for the provision or modification of electronic services, depending on the activity, while subjecting certain services, notably e-money, to prior authorization (for financial institutions only). It also allowed banks and financial institutions to onboard individual customers through E-KYC under enhanced AML/CFT controls, risk-based monitoring, and compliance with FATF guidance on digital identity, with an initial operational ceiling of USD 10,000, subject to BdL approval for higher limits.

The Circular further authorizes the use of electronic signatures under defined security conditions, mandates local data hosting in Lebanon, strengthens data and consumer protection safeguards, and prohibits dealings in virtual assets unless expressly authorized by BdL.

Basic Circular No. 1 (9 January 2026) – Establishing a Comprehensive Regulatory Framework for Electronic Payment Services Providers (EPSPs)

The Circular defines an Electronic PSP as any institution (except for banks, financial institutions, and exchange Institutions) intending to provide specified electronic payment services, including e-money (E-Wallets), local and cross-border money transfer, money collection and payment (e.g., bills/taxes), and payment facilitation (including payment gateways), and requires prior licensing by BdL.

The Circular sets out licensing criteria and minimum capital requirements by service category, corporate and governance standards, risk management, compliance, internal audit, IT and security arrangements, ongoing reporting, and operational safeguards. The framework also defines permitted services, prohibits unauthorized activities (such as dealing in virtual assets and issuing debenture bonds), and includes provisions on customer protection and AML/CFT compliance.

These measures aim to provide clear legal and supervisory rules for Lebanon's growing digital payments sector, enhance consumer protection and operational safety, and support the modernization of the national payment ecosystem in line with international best practices.

5.4 Legislative Developments: Financial Stabilization and Deposit Repayment

Banking Restructuring Law (31 July 2025)

Parliament enacted the law governing the restructuring and resolution of the banking sector in Lebanon, establishing a general framework for bank restructuring or liquidation. The primary objectives of this law are to address cases of bank distress, ensure the protection of deposits throughout both resolution and restructuring processes, and prevent the use of public funds in the recovery of any failing bank. Implementation is linked to the enactment of the FSDR Law.

Draft Financial Stabilization and Deposits Repayment Act (FSDR) – December 2025

On 26 December 2025, the Council of Ministers approved the draft FSDR Act and forwarded it to Parliament following its signature on 29 December 2025.

Pursuant to Articles 71 and 72 of the Code of Money and Credit, BdL Governor was formally consulted and participated in the work leading to the drafting of the Law on FSDR, the so-called Gap Law, a fundamental text designed to restore trust, protect depositors' rights, and reorganize the banking sector.

BdL expressed support for the overall architecture of the draft and its core principles, including

reduction of the financial deficit through elimination of irregular claims, segmentation of deposits into defined categories, repayment through a combination of cash and asset-backed instruments over time within available liquidity, and allocation of responsibilities among the State, BdL and commercial banks.

BdL further emphasized that the legislation must satisfy two essential criteria: fair allocation of financial burdens, and implementation that is both realistic and enforceable. It underscored the need for clearly defined and binding State commitments

and noted that while deposit repayment constitutes a legal right, credibility depends on available assets, effective liquidity and a repayment schedule capable of being honored in practice. BdL also expressed reservations regarding approaches that would result in systematic depletion of banks' equity capital prior to removal of irregular claims and proper application of the hierarchy of claims, stressing the importance of preserving the banking sector's role in supporting economic recovery.

6. Annexes

Annex 1: The BdL Business Survey Methodology

The BdL Business Survey is a quarterly qualitative survey conducted since 1996 by BdL. The BdL has followed international knowledge and experience by adopting similar methods to those undertaken by the INSEE and Banque de France. Furthermore, the methodology is in line with the harmonized business tendency surveys implemented by the OECD, thus allowing comparison of the results across various countries. Business tendency surveys are of special importance in the lack of standard national statistics.

The BdL Business survey gathers informed opinions and expectations from enterprise managers regarding the evolution of their business activities. Its primary objective is to detect short-term economic trends, anticipate turning points in the business cycle, and provide early signals to support timely decision-making by policymakers, analysts, and investors.

The survey provides timely insights into key economic variables such as production, demand, employment, investment, input costs, inventories, etc. The questionnaire consists exclusively of close-ended questions, with three predefined response options: increase, remain unchanged, and decrease. Respondents are asked to evaluate each variable across two time periods: the past quarter compared to the same quarter of the previous year and expectations for the upcoming quarter.

The survey covers a nationally representative sample of 1,030 firms operating in four major sectors of the Lebanese economy: industry, commerce, construction, and tourism (including hotels and restaurants). The sample is selected using a stratified random sampling method. Stratification is based on geographical region, sub-sector, and firm size, with the latter measured by annual turnover.

Data collection is conducted through face-to-face interviews or e-mail by BdL Branches Interviewers with enterprise managers. Fieldwork begins after the fifth working day of the month following the end of each quarter.

Responses to each survey question serve as individual indicators. These responses are aggregated into a Balance of Opinion (BO), which reflects the net direction of change in each variable. The BO is calculated as the weighted difference between the percentage of firms reporting an increase and the percentage reporting a decrease. Responses are weighted by the annual turnover of each firm, ensuring that larger enterprises have proportionally greater influence on the results. The resulting BO ranges from -100 to +100, where a positive value indicates a net improvement, a negative value indicates a net deterioration, and a value of zero reflects no net change. For example, if 47 percent of firms report an increase in production and 25 percent report a decrease, the resulting balance of opinion is 22.

The BdL Business Survey is considered an essential indicator of economic activity in Lebanon. By capturing timely information on business sentiment and expectations, it complements official statistics and supports short-term economic monitoring, forecasting, and policy formulation.

The BdL Business Composite Indicator

The BdL Business Composite Indicator (BdL-BCI) is a quarterly composite indicator developed by the Economic Research Unit at BdL. It serves as a timely tool to monitor and forecast short-term economic activity in Lebanon, using qualitative data from the BDL Business Survey.

The BCI follows the approach used by the European Commission for their sentiment indicators. It combines business survey results in the form of BO from the four surveyed sectors: Industry, Commerce (Trade), Construction, Tourism (Hotels & Restaurants).

For each sector, a composite indicator is computed by averaging selected survey variables such as production, employment, and turnover that show a strong correlation with Economic Activity (BdL Coincident Indicator, Real GDP Growth). This selection ensures inclusion of variables most representative of overall economic conditions in each sector.

To create the overall BCI, the four sectoral indicators are aggregated using weights derived from Principal Component Analysis (PCA). This statistical technique assigns weights that maximize the common variance across sectors, providing a more accurate reflection of the general economic climate. The PCA-weighted BCI demonstrates a strong correlation with economic activity (>80% with BdL CI and >90% Real GDP growth), making it an effective tool for monitoring short-term economic fluctuations, especially when official real sector data is delayed or unavailable.

The BCI helps identify turning points, monitor economic trends and provides a concise snapshot of business sentiment and economic momentum in Lebanon.

Table 5. Selected BdL Business Survey Indicators, BO

	Industry					Commerce		Construction		Hotels and Restaurants		
	Demand	Foreign demand	Production	Investment	Orders	Sales	Forecasted sales	General activity	Portfolio of projects	Hotels occupancy rate	Hotels reservations	Restaurants turnover
Q1-19	-29	-15	-25	-12	-37	-39	12	-58	-63	-21	-29	-36
Q2-19	-30	-19	-27	-11	-30	-30	20	-48	-49	-11	-17	-34
Q3-19	-36	-24	-32	-20	-44	-34	-27	-46	-61	-23	-40	-31
Q4-19	-53	-27	-50	-31	-54	-63	-50	-57	-72	-54	-68	-72
Q1-20	-58	-33	-55	-35	-64	-64	-55	-75	-87	-95	-96	-92
Q2-20	-68	-37	-66	-36	-71	-74	-43	-81	-96	-95	-100	-98
Q3-20	-52	-30	-48	-26	-61	-68	-40	-75	-92	-78	-95	-77
Q4-20	-50	-28	-45	-35	-62	-55	-51	-69	-95	-71	-95	-58
Q1-21	-63	-26	-57	-42	-73	-71	-37	-65	-93	-61	-96	-60
Q2-21	-44	-25	-44	-23	-73	-65	-20	-67	-87	-34	-47	-37
Q3-21	-46	-18	-44	-34	-62	-61	-18	-67	-96	-9	-83	-15
Q4-21	-48	-24	-42	-32	-62	-59	-25	-63	-88	-19	-88	-21
Q1-22	-51	-20	-45	-32	-59	-52	-21	-55	-83	-46	-53	-60
Q2-22	-34	-24	-36	-30	-46	-31	0	-53	-79	36	5	29
Q3-22	-1	0	-1	-20	-47	0	-16	-18	-72	60	-24	49
Q4-22	-23	-13	-25	-20	-44	-23	-29	-59	-77	32	-46	0
Q1-23	-27	-19	-25	-19	-46	-22	12	-54	-74	2	-16	16
Q2-23	-2	-6	0	-16	-29	-2	14	-40	-74	28	-11	14
Q3-23	6	-5	7	-12	-27	7	-17	-50	-69	64	-27	62
Q4-23	-6	-10	-4	-13	-36	-2	-15	-40	-65	12	-51	15
Q1-24	-16	-17	-15	-14	-33	-11	15	-37	-63	-51	-53	-19
Q2-24	-1	-2	0	-5	-20	-10	9	-31	-60	-18	-39	7
Q3-24	-11	-4	-9	-14	-30	-5	-13	-41	-76	15	-1	5
Q4-24	-21	-17	-19	-13	-28	-12	3	-46	-63	22	-52	4
Q1-25	-12	-11	-12	-10	-20	-6	27	-25	-48	-14	-15	3
Q2-25	-9	-6	-9	-9	-25	8	20	-32	-46	-8	-16	16
Q3-25	9	-2	9	-8	-22	24	1	-21	-49	52	-29	38
Q4-25	2	5	1	-11	-24	8	4	-13	-53	38	-25	40

Source: BdL

Annex 2 : CPI CAS report

Table 6. CPI Report - December 2025

Expenditure Divisions	Weights (in %)	December index 2025	December index 2024	Yearly Change (in%)
Food & non-alcoholic beverages	20.0	34,561.5	30,147.4	14.6
Alcoholic beverages, tobacco	1.4	26,750.2	24,742.4	8.1
Clothing & footwear	5.2	31,540.7	30,936.0	2.0
Housing water, electricity, gas & other fuels	28.4	1,743.0	1,487.5	17.2
<i>Actual rent</i>	2.9	783.8	628.9	24.6
<i>Old rent</i>	0.4	398.3	322.3	23.6
<i>New rent</i>	0.6	1,268.3	1,011.4	25.4
<i>Owner occupied</i>	13.6	1,032.3	818.1	26.2
<i>Water, electricity, gas & other fuels</i>	11.8	3,867.2	3,648.3	6.0
Furnishings, household equipment & routine household maintenance	3.8	16,463.5	16,732.9	-1.6
Health	7.7	5,374.7	5,258.3	2.2
Transportation	13.1	11,585.2	11,230.1	3.2
Communication	4.5	1,802.6	1,815.3	-0.7
Recreation, amusement, & culture	2.4	8,393.0	6,379.5	31.6
Education	6.6	6,671.9	4,908.1	35.9
Restaurant & hotels	2.8	40,180.6	37,354.7	7.6
Miscellaneous goods & services	4.1	16,995.5	13,980.1	21.6
Consumer Price Index	100.0	7,924.3	7,061.1	12.2

Source: CAS

Annex 3. Monetary and Banking tables

Table 7. BdL Balance Sheet (EOP, in USD million)

	Dec-24	Dec-25
Gold	24,102.1	40,374.5
Foreign Currencies	10,089.1	7,739.2
Other Foreign Assets	0.0	0.0
Claims On Customers	2.9	3.6
Loans To Commercial Banks	431.0	432.9
Loans To MLT Banks & Other Fin. Corporations	11.9	10.7
Loans To Public Sector	16,613.9	16,613.9
Re-Valuation Adjustment (Articles 75 & 115 Of C.M.C.)	33,753.1	16,044.6
Securities Portfolio	6,257.2	10,717.6
<i>O/W Foreign Securities</i>	168.2	4,280.4
Fixed Assets	6.0	8.0
Deferred Open-Market Operations	1,526.6	1,905.7
Assets From Exchange Operations Of Fin. Instruments	0.0	0.0
Other Assets	152.8	77.1
Total Assets = Total Liabilities	92,946.7	93,927.8
Currency In Circulation Outside BdL	732.6	799.2
Commercial Banks' Deposits	82,858.3	80,564.4
MLT Banks & Other Fin. Corporations' Deposits	732.2	756.7
Customers' Deposits	53.5	47.7
Public Sector Deposits	5,964.5	8,627.7
Re-Valuation Adjustment (Articles 75 & 115 Of C.M.C.)	0.0	0.0
Securities Other Than Shares	0.0	0.0
Foreign Liabilities	1,836.9	1,845.9
Special Long-Term Liabilities	0.0	0.0
Capital Accounts	695.2	1,156.2
Other Liabilities	73.5	129.9

Source: BdL

Table 8. Consolidated Balance Sheet of Commercial Banks (EOP, in USD million)

	Dec-24	Dec-25
Currency And Deposits With Bdl	79,660.0	77,483.6
-Vault Cash In LBP	80.2	70.4
-Deposits With Bdl	79,579.8	77,413.2
Currency And Deposits With Other Central Banks-NR	626.5	570.6
Claims On Resident Customers	4,955.3	4,189.8
-In LBP	125.1	111.9
-In Foreign Currencies	4,830.2	4,077.9
Claims On Non-Resident Customers	871.4	925.8
-In LBP	1.6	1.6
-In Foreign Currencies	869.8	924.2
Claims On Resident Financial Sector	118.7	85.7
-In LBP	2.7	3.0
-In Foreign Currencies	116.0	82.8
Claims On Non-Resident Financial Sector	4,693.0	5,392.6
Claims On Public Sector	20.4	13.7
Resident Securities Portfolio	6,248.7	5,335.2
-Lebanese Treasury Bills	98.1	82.2
-Lebanese Republic Sovereign Eurobonds	2,209.6	2,331.7
-Other Securities	3,941.0	2,921.3
Non-Resident Securities Portfolio	805.1	1,413.8
Tangible Assets	1,203.9	2,467.0
Intangible Assets	1,282.7	1,479.4
Other Foreign Assets	2,489.5	2,782.9
Other Assets	171.2	164.5
Total Assets = Total Liabilities	103,146.4	102,304.7
Resident Customers' Deposits	67,026.5	65,161.8
-In LBP	694.3	846.5
-In Foreign Currencies	66,332.2	64,315.2
Non-Resident Customers' Deposits	20,912.6	21,411.5
-In LBP	30.4	36.3
-In Foreign Currencies	20,882.2	21,375.2
Resident Financial Sector Liabilities	707.2	617.7
-In LBP	33.9	66.6
-In Foreign Currencies	673.2	551.1
Non-Resident Financial Sector Liabilities	2,506.1	2,227.4
Public Sector Deposits	576.3	761.9
Debt Securities Issued-R	366.6	331.4
Debt Securities Issued-NR	150.0	23.7
Capital Accounts	4,788.1	4,722.1
<i>O/W Non Resident</i>	<i>313.3</i>	<i>347.1</i>
-Core Capital	4,412.5	4,296.6
-Supplementary Capital	375.6	425.5
Other Liabilities	6,113.1	7,047.3

Source: BdL, figures are subject to change

Annex 4. Balance of Payments

Table 9. BoP Figures first nine Months of 2025 (in USD billion)

[BPM5 presentation]	2019	2020	2021	2022	2023	2024	9M-24	9M-25	(% chg.)
Current Account	-11.078	-2.779	-4.556	-7.426	-5.871	-5.564	-4.153	-5.588	34.6%
Goods (Trade in Goods Balance)	-13.378	-6.499	-8.770	-13.621	-12.731	-12.262	-9.396	-10.848	15.5%
Credit (Goods Exports)	4.839	4.097	4.142	4.518	4.140	3.783	2.928	3.470	18.5%
Debit (Goods Imports)	-18.218	-10.596	-12.912	-18.139	-16.871	-16.044	-12.323	-14.319	16.2%
General merchandise	-14.264	-7.100	-8.816	-13.200	-11.488	-10.568	-8.292	-9.905	19.5%
Exports FOB (Credit)	3.241	2.717	3.251	3.444	1.690	2.944	2.239	2.189	-2.2%
Exports of goods in trade statistics	3.731	3.544	3.380	3.491	2.995	2.707	2.104	2.714	29.0%
o/w Pearls, precious stones and metals	1.455	1.410	1.018	0.753	0.760	0.572	0.501	0.980	95.6%
o/w Base metals and articles of base metal	0.297	0.306	0.464	0.489	0.429	0.406	0.319	0.401	25.6%
o/w Prepared foodstuffs; beverages, tobacco	0.371	0.375	0.404	0.390	0.377	0.413	0.303	0.317	4.4%
o/w Products of the chemical or allied indust	0.369	0.323	0.343	0.369	0.296	0.330	0.242	0.277	14.3%
o/w Machinery; electrical instruments	0.382	0.312	0.302	0.343	0.387	0.307	0.233	0.230	-1.2%
Imports FOB (Debit)	-17.506	-9.816	-12.067	-16.644	-13.179	-13.511	-10.531	-12.094	14.8%
Imports of goods in trade statistics	-19.239	-11.310	-13.641	-19.054	-17.524	-16.902	-12.943	-14.984	15.8%
o/w Mineral products	6.609	3.244	3.877	5.581	4.644	4.387	3.432	3.721	8.4%
o/w Pearls, precious stones and metals	0.931	0.894	1.238	1.682	2.526	2.572	1.883	2.271	20.6%
o/w Products of the chemical or allied indust	1.991	1.684	1.460	1.165	1.266	1.391	1.065	1.244	16.9%
o/w Machinery; electrical instruments	1.665	0.897	1.181	2.456	1.633	1.304	1.019	1.189	16.7%
o/w Vehicles, aircraft, vessels, transport equip	1.175	0.472	1.122	1.999	1.152	0.811	0.921	0.961	4.4%
o/w Prepared foodstuffs; beverages, tobacco	1.214	0.755	0.814	1.018	1.045	1.217	0.622	0.951	52.9%
o/w Vegetable products	0.932	0.797	0.836	0.990	0.945	1.005	0.768	0.808	5.2%
o/w Base metals and articles of base metal	0.850	0.382	0.565	0.824	0.795	0.755	0.557	0.766	37.6%
Goods for processing	0.085	0.085	0.122	0.176	0.254	0.117	0.088	0.082	-7.3%
Repairs on goods	-0.009	0.000	-0.006	0.014	0.000	0.001	0.001	0.001	12.8%
Goods procured in ports by carriers	0.159	0.012	0.145	0.229	0.198	0.145	0.125	0.117	-6.8%
Nonmonetary gold	0.651	0.504	-0.214	-0.840	-1.696	-1.957	-1.318	-1.143	-13.3%
Services	0.440	0.067	0.787	1.529	1.301	0.575	0.680	0.995	46.5%
Credit	13.579	4.856	5.713	8.098	7.986	7.133	5.801	5.776	-0.4%
Debit	-13.139	-4.789	-4.927	-6.569	-6.685	-6.559	-5.122	-4.781	-6.7%
Transportation	-1.139	-0.806	-0.958	-1.304	-1.171	-1.136	-0.865	-0.761	-12.0%
Travel	2.255	0.682	1.317	2.127	1.833	1.057	0.984	1.309	33.0%
Communication services	0.091	0.060	0.117	0.128	0.075	0.045	0.030	0.004	-86.4%
Construction services	0.083	0.025	0.028	0.040	0.069	0.071	0.055	0.037	-31.5%
Insurance services	-0.329	-0.150	-0.061	0.119	0.187	0.182	0.129	0.065	-49.6%
Financial services (other than insurance)	-0.628	-0.278	-0.204	-0.088	0.150	0.618	0.466	0.567	21.5%
Computer and information services	0.128	0.069	0.044	0.053	0.014	0.037	0.028	0.014	-49.6%
Royalties and license fees	0.003	0.014	0.006	0.012	0.015	-0.002	-0.002	-0.007	225.2%
Other business services	0.101	0.482	0.530	0.456	0.123	-0.307	-0.151	-0.271	79.6%
Personal, cultural and recreational services	-0.154	0.000	-0.008	0.003	-0.001	0.006	0.003	0.017	531.1%
Government services, n.i.e.	0.028	-0.032	-0.023	-0.016	0.009	0.004	0.002	0.021	841.8%
Income	-1.247	-1.015	-1.893	-0.995	-0.224	-0.268	-0.171	-0.241	41.3%
Credit	3.098	1.607	0.052	0.683	1.006	0.927	0.678	0.622	-8.4%
Debit	-4.345	-2.622	-1.945	-1.679	-1.230	-1.194	-0.849	-0.863	1.6%
Compensation of employees	-0.096	-0.093	0.168	0.095	0.069	0.070	0.072	0.020	-71.9%
Investment income	-1.151	-0.921	-2.060	-1.091	-0.293	-0.337	-0.242	-0.261	7.9%
Direct investment	0.278	0.646	-0.589	0.113	-0.009	-0.028	-0.029	-0.017	-41.9%
Portfolio investment	-0.586	-0.929	-0.965	-0.901	-0.724	-0.650	-0.431	-0.429	-0.3%
Other investment	-0.843	-0.638	-0.506	-0.302	0.440	0.340	0.218	0.185	-15.1%
Current transfers	3.108	4.668	5.320	5.660	5.784	6.390	4.734	4.506	-4.8%
Credit	8.312	7.711	7.720	7.609	7.715	8.307	6.178	6.010	-2.7%
Debit	-5.205	-3.043	-2.401	-1.949	-1.931	-1.917	-1.444	-1.503	4.1%
General government	0.044	-0.016	-0.009	-0.011	0.175	0.251	0.183	0.262	42.9%
Other sectors	3.064	4.685	5.329	5.672	5.610	6.139	4.551	4.244	-6.7%
Workers' remittances	3.316	3.929	4.257	4.603	4.658	5.021	3.731	3.430	-8.1%
Credit (inflows)	6.711	6.289	6.108	6.277	6.370	6.757	5.035	4.791	-4.8%
Debit (outflows)	-3.395	-2.360	-1.851	-1.674	-1.712	-1.736	-1.304	-1.361	4.4%
Other transfers	-0.253	0.756	1.071	1.069	0.951	1.119	0.820	0.815	-0.7%
Capital and financial account	7.221	11.430	7.187	6.569	3.935	6.401	4.672	3.164	-32.3%
Capital account	1.298	1.666	0.998	1.544	0.610	1.484	1.139	0.448	-60.7%
Credit	2.014	1.815	1.104	1.718	0.737	1.699	1.320	0.602	-54.4%
Debit	-0.716	-0.149	-1.106	-0.174	-0.127	-0.216	-0.181	-0.154	-14.9%
Capital transfers	1.325	1.702	0.982	1.554	0.630	1.518	1.170	0.444	-62.0%
General government	1.420	1.695	0.980	1.348	0.575	1.555	1.218	0.412	-66.2%
Other sectors	-0.095	0.008	0.001	0.206	0.055	-0.037	-0.048	0.032	-167.6%
Migrants' transfers	-0.149	-0.005	-0.010	0.012	0.006	0.008	0.006	0.007	3.4%
Acquisition/disposal of NP-NF assets	-0.027	-0.036	0.016	-0.010	-0.020	-0.034	-0.031	0.004	-111.2%

Financial account	5.922	9.764	6.189	5.025	3.325	4.918	3.533	2.716	-23.1%
Direct investment	1.561	1.578	1.939	0.528	1.110	1.181	0.888	1.282	44.5%
Abroad	-0.345	-0.029	1.339	-0.034	-0.109	-0.583	-0.502	-0.209	-58.3%
In Lebanon	1.905	1.607	0.600	0.561	1.219	1.764	1.390	1.491	7.3%
Portfolio investment	-1.106	2.205	0.588	-4.556	-2.551	-1.357	-0.896	-0.587	-34.5%
Assets	1.239	0.844	-0.280	0.228	-0.068	-0.647	-0.370	-0.060	-83.8%
Equity securities	0.344	0.380	-0.029	0.271	0.011	-0.065	-0.075	0.071	-193.7%
Debt securities	0.895	0.464	-0.252	-0.043	-0.079	-0.582	-0.295	-0.131	-55.7%
Liabilities	-2.346	1.361	0.868	-4.784	-2.482	-0.710	-0.526	-0.527	0.3%
Equity securities	0.351	-0.303	0.049	0.018	0.022	0.064	0.054	0.053	-2.2%
Debt securities	-2.697	1.664	0.819	-4.801	-2.505	-0.773	-0.580	-0.580	0.0%
Other investment	3.078	-7.203	-2.864	6.406	4.123	5.892	4.902	3.646	-25.6%
Assets	7.800	0.399	2.474	5.965	5.049	4.705	3.776	2.343	-37.9%
Trade credits	0.238	0.312	0.029	-0.001	-0.046	-0.045	-0.029	0.003	-110.6%
Loans	2.102	1.111	0.880	0.345	0.343	0.000	-0.042	-0.003	-93.6%
Currency and deposits	4.517	0.898	2.377	2.313	0.341	-0.334	0.106	-1.397	-1417.9%
Other assets	0.943	-1.922	-0.811	3.308	4.411	5.084	3.740	3.740	0.0%
Liabilities	-4.722	-7.602	-5.339	0.442	-0.926	1.187	1.126	1.302	15.6%
Trade credits	-0.446	-0.264	-0.028	0.027	0.036	0.031	0.034	0.008	-75.3%
Loans	-0.072	-2.043	-0.983	0.017	0.114	-0.190	-0.342	0.132	-138.6%
Currency and deposits	-4.204	-6.232	-6.263	-1.426	-2.468	0.123	0.733	0.460	-37.2%
Other liabilities	0.000	0.937	1.935	1.823	1.393	1.223	0.702	0.702	0.0%
Reserve Assets	2.390	13.183	6.527	2.647	0.643	-0.798	-1.361	-1.625	19.4%
Unclassified Transactions (N.E.O)	3.857	-8.652	-2.630	0.857	1.936	-0.837	-0.519	2.424	-567.0%

Source: BdL, BoP figures are subject to ongoing revisions and methodological refinements.

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