



Summary:

In August 2016, most real sector indicators progressed when compared to the previous month. Imports and exports of goods advanced as well leading to a broader trade balance deficit. Still the overall balance of payments reported an exceptional surplus and total assets and deposits of banks expanded rapidly. Official foreign currency reserves at the BDL reached a record high level.

In this issue:

<i>Real sector</i>	<i>p2</i>
<i>External sector</i>	<i>p3</i>
<i>Financial sector</i>	<i>p4</i>
<i>Monetary developments</i>	<i>p5</i>
<i>Public finances</i>	<i>p6</i>
<i>Statistical appendix</i>	<i>p8</i>

Tables:

<i>General indicators of economic activities</i>	<i>p8</i>
<i>Total imports & exports by product</i>	<i>p9</i>
<i>Imports by origin</i>	<i>p9</i>
<i>Exports by destination</i>	<i>p9</i>
<i>Consolidated balance sheet of banks</i>	<i>p10</i>
<i>Money supply and Counterparts</i>	<i>p11</i>
<i>Outstanding public debt</i>	<i>p12</i>
<i>Treasury bills portfolio</i>	<i>p12</i>
<i>Interest rates</i>	<i>p13</i>
<i>Exchange rates</i>	<i>p13</i>

Charts:

<i>Indicative charts</i>	<i>p14</i>
--------------------------	------------

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

The total value of checks cleared in the domestic and foreign currencies increased to USD 5,821 million from USD 5,238 million in the previous month (USD 5,891 million in August 2015). Yet, cleared checks o/w 71.4 percent denominated in foreign currencies retreated in the first eight months of 2016 by 2.7 percent when compared to the identical period of 2015.

The total value of returned checks in the domestic and foreign currencies stood almost unchanged at USD 118 million compared to the previous month (USD 107 million in August 2015). Returned checks dropped in the first eight months of 2016 by 5.3 percent with reference to the first eight months of the past year.

Collected real estate fees improved to LBP 71.0 billion against LBP 67.7 billion in the preceding month and LBP 67.9 billion twelve months back. Collected fees augmented in the first eight months of 2016 by 3.1 percent with regard to the corresponding 2015 time frame.

Construction permits progressed to 978 thousand square meters compared to 673 thousand square meters in the previous month (1,348 thousand square meters in August 2015). Yet, construction permits decreased in the first eight months of 2016 by 3.1 percent in respect of the same preceding year's period.

Cement deliveries multiplied to 517 thousand tons from 398 thousand tons in the previous month and 474 thousand tons in August 2015. Cement deliveries increased by 7.6 percent in the first eight months of 2016 in comparison with the similar time interval of 2015.

The total number of passengers departing from Beirut International Airport went up to 511,507 while arriving to BIA fell to 405,416 to total 916,923 persons. In the first eight months of 2016, arrivals and departures surpassed by 7.7 percent and 4.5 percent consecutively those recorded in the corresponding previous year's duration.

Agricultural exports rose to USD 20 million from USD 13 million in the previous month but were in the first eight months of 2016 below those reported in the matching months of 2015 by USD 9 million (-7.0 percent).

Industrial exports (excluding gold ingots) swelled to USD 233 million from USD 179 million in the previous month (USD 233 million in August 2015). Industrial exports shrank, however, in the first eight months of 2016 by 14.7 percent with regard to the first eight months of 2015.

Imports of Industrial Equipment increased to USD 19.0 million from USD 16.8 million one month earlier (USD 21.3 million in August 2015). Nonetheless, in the first eight months of 2016, industrial equipment imports declined by 4.9 percent in comparison with the similar 2015 time frame period.

Real Sector Indicators

	Aug-15	Jul-16	Aug-16
Checks cleared (total)			
Number (000)	1,064	933	1,065
Value (USD million)	5,891	5,238	5,821
Checks cleared in LBP			
Number (000)	344	327	372
Value (LBP billion)	2,408	2,246	2,436
Checks cleared in FX			
Number (000)	720	606	693
Value (USD million)	4,294	3,748	4,205
Returned checks			
Number (000)	18.9	19.3	18.6
Value (USD million)	107	118	118
Construction permits (000 square meters)	1,348	674	981
Cement deliveries (000 tons)	474	398	517
Collected property taxes (LBP billion)	67.9	67.7	71.0
Passengers arrivals (000)	379	496	405
Passengers departures (000)	511	396	512
Agricultural exports (USD million)	21	13	20
Industrial exports (USD million)	233	179	233
Imports of industrial machinery (USD million)	21.3	16.8	19.0

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



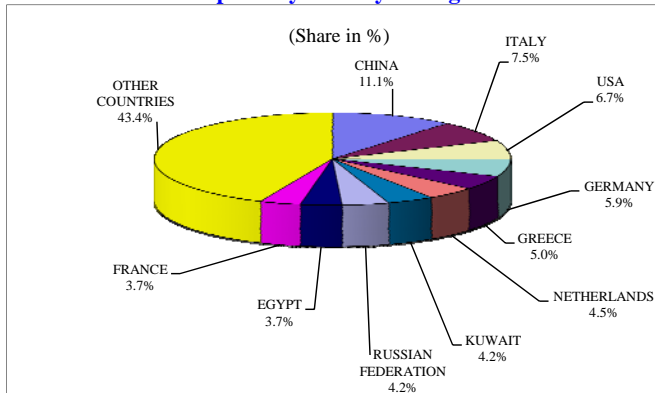
II- EXTERNAL SECTOR

In August 2016,

Imports of goods climbed to USD 1,951 million from USD 1,447 million in the previous month and USD 1,479 million in August 2015. Imports advanced in the first eight months of 2016 by 8.5 percent with reference to the first eight months of the previous year.

In the first eight months of 2016, mineral products lead imported goods with a 22.3 percent share of total imports. They were followed by products of the chemical and machinery and mechanical appliances which accounted for 10.7 percent and 9.8 percent respectively. China topped the list of imports by country of origin with a 11.1 percent share of total. Italy came next with a share of 7.5 percent followed by USA (6.7 percent) and Germany (5.9 percent).

Imports by country of origin

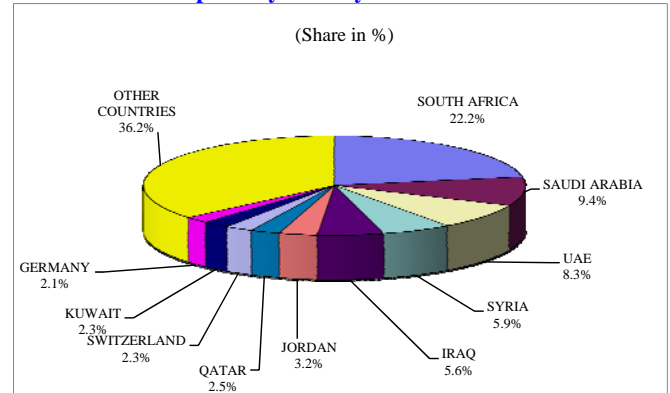


Source: Lebanese Customs

Exports of goods rose to USD 340 million from USD 247 million in the previous month and USD 219 million in August 2015. Nonetheless, exports shrank in the first eight months of 2016 by 0.8 percent in respect of the same eight months of the preceding year's period.

In the first eight months of 2016, pearls, precious and semi - precious stones were on top of the list with a share of 28.4 percent of total exports, followed by prepared foodstuffs (15.0 percent), and machinery and mechanical appliances (11.3 percent). South Africa outperformed all others in terms of exports by country of destination with 22.2 percent share of the total, trailed by Saudi Arabia (9.4 percent), UAE (8.3 percent) and Syria (5.9 percent).

Exports by country of destination



Source: Lebanese Customs

The trade deficit broadened to USD 1,611 million from USD 1,200 million a month earlier and USD 1,260 million in August 2015. The trade deficit widened in the first eight months of 2016 by 10.4 percent vis-à-vis the corresponding time interval of 2015.

External Sector Indicators

	USD million	Aug-15	Jul-16	Aug-16
Imports		1,479	1,447	1,951
Exports		219	247	340
Trade deficit		-1,260	-1,200	-1,611
Balance of payments		-332	352	1,788
Gross foreign currency reserves		32,765	32,704	35,667

Source: Lebanese Customs, BDL.

The overall balance of payments reported a large surplus of USD 1,788 million following a surplus of USD 352 million in the previous month (USD 332 million deficit in August 2015). Thus, a USD 366 million positive balance accumulated in the first eight months of 2016 and represented a drop in net foreign assets of banks and financial institutions (USD -3,723 million) offset by an increase in net foreign assets of the central bank (USD +4,089 million).

Gross foreign currency reserves of the Central bank jumped to USD 35,667 million due to BDL's financial engineering measure compared to USD 32,704 million at the end of the previous month and USD 32,765 million at end August 2015. The U.S. dollar average rate remained stable at LBP 1,507.5 with the Central bank maintaining its foreign exchange intervention rates at LBP 1,501 per one USD for bid and LBP 1,514 per one USD for ask.



III-FINANCIAL SECTOR

1. Commercial Banks

Total consolidated assets of commercial banks operating in Lebanon amounted to LBP 295,129 billion (USD 195.8 billion) at the end of August 2016, thus increasing by 5.3 percent from end December 2015 (3.4 percent increase in the first eight months of 2015).

Total deposits at commercial banks, including resident and non-resident private sector deposits and public sector deposits increased by 3.5 percent in the first eight months of 2016 and constituted 81.9 percent of total assets with an equivalent value of LBP 241,828 billion (around USD 160.4 billion) at the end of August 2016.

Commercial Banks Balance Sheet -Main items

End of period-LBP billion	Aug-15	Jul-16	Aug-16
Total Assets	273,788	287,823	295,129
Total deposits	230,343	238,633	241,828
Resident private sector	177,776	185,031	187,198
Non-resident private sector	47,789	48,730	49,619
Public sector deposits	4,777	4,872	5,011
Capital accounts	24,731	26,272	26,272
Total claims on the private sector	79,005	84,521	84,985
Resident private sector	70,575	74,727	75,307
Non-resident private sector	8,430	9,794	9,678
Total claims on public sector	56,478	55,068	52,344
Bills & Bonds in LBP	30,965	25,597	25,882
Bonds in FC	25,375	29,324	26,299
Claims on non resident banks	16,994	14,295	12,790
Other foreign assets	9,334	9,401	9,426
Deposits at the central bank	103,509	115,492	126,419

Source: BDL.

The breakdown of total deposits shows that private sector deposits denominated in LBP increased by 4.0 percent from end December 2015 and those denominated in foreign currencies by 3.4 percent, thus deposit dollarization rate stood almost unchanged at 64.8 percent at the end of August 2016 (64.9 percent end December 2015). The itemization of total deposits reveals also an increase in resident private sector deposits (+3.7) and in non-resident private sector deposits (+3.3 percent) against a decrease in public sector deposits (-1.2 percent) in the first eight months of 2016.

Subsequently, resident private sector deposits accounted for 77.4 percent of total deposits at end August 2016 (20.5 percent for non-resident private sector and 2.1 percent for public sector deposits).

Total capital accounts were almost steady at LBP 26,272 billion (USD 17,428 million) at the end of August 2016 and represented around 8.9 percent of total assets. Capital accounts increased by 4.5 percent when compared to end December 2015 (+4.3 percent in the first eight months of 2015).

Total claims on the resident and non-resident private sector expanded by 4.0 percent in the first eight months of 2016, reaching LBP 84,985 billion at the end of August. The dollarization rate of these loans was 73.9 percent at the end of the stated month, and the ratio of total loans to total deposits attained 35.9 percent.

Total claims on the public sector diminished to LBP 52,344 billion at the end of August 2016, thus decreasing by 8.1 percent from end December 2015. Commercial banks held at the end of the stated month LBP 25,882 billion of Lebanese treasury bills (38.3 percent of the total portfolio in circulation) and USD 17,446 million of Eurobonds (nearly 64.8 percent of the total outstanding portfolio).

Deposits at the Central Bank rose in the first eight months of 2016 by 18.9 percent to total LBP 126,419 billion at the end of the period, and claims on non-resident banks recoiled by 26.6 percent to LBP 12,790 billion (USD 8.5 billion) to represent 8.3 percent of private sector deposits in foreign currencies.

2. Investment Banks

Total consolidated assets of investment banks operating in Lebanon (including medium and long term credit banks) amounted to LBP 6,835 billion (around USD 4.5 billion) at the end of August 2016, thus decreasing by 0.4 percent from end December 2015 (5.2 percent increase in the first eight months of 2015).

In the first eight months of 2016, capital accounts increased by 8.4 percent while private sector deposits (resident & non -resident) retreated by 7.9 percent. Claims on public sector increased by 17.2 percent and claims on private sector by 0.7 percent, while “cash and banks” decreased by 5.8 percent.



3. Financial Markets

The total number of shares traded on the Beirut Stock Exchange increased to 8,673 thousand shares with a traded value of USD 87.0 million in August 2016 compared to 2,887 thousand shares with a traded value of USD 18.4 million in the previous month and 2,759 thousand shares with a value of USD 36.1 million in August 2015.

During August 2016, the traded value by economic sectors was as such: 96.1 percent for Banking and 3.9 percent for Development and Reconstruction.

Capital Markets

	Aug-15	Jul-16	Aug-16
BSE			
Traded shares (ooo)	2,759	2,887	8,673
Traded value (USD million)	36.1	18.4	87.0
Market capitalization (USD million)	11,165	11,084	10,982
Outstanding treasury bills (LBP billion)	63,117	65,765	66,535
Outstanding sovereign Eurobonds (USD million)	23,536	26,427	26,429
Outstanding private sector (banks) securities (USD million)	850	850	850

Source: BDL, BSE

The market capitalization of listed shares decreased to USD 10,982 million at the end of August 2016, compared to USD 11,084 million at the end of the previous month and USD 11,165 million at the end of August 2015. Banking had a 83.2 percent weight, whereas Development and Construction 13.7 percent.

The face value of the outstanding treasury bills portfolio denominated in the domestic currency and the value of the outstanding sovereign bonds portfolio denominated in foreign currencies (Eurobonds) amounted to LBP 66,535 billion and USD 26,429 million respectively at the end of August 2016.

The outstanding value of bank-issued certificates of deposits, Euro-CDs, and subordinated debt stood almost unchanged at USD 850 million at the end of August 2016. The outstanding value of the certificates of deposits issued by BDL in the domestic currency remained unchanged at LBP 37,370 billion while the value of those issued in foreign currencies multiplied to USD 15.4 billion.

IV- MONETARY DEVELOPMENTS

The stock of money and quasi money (M3) attained LBP 193,180 billion at the end of August 2016, of which 57.9 percent denominated in foreign currencies, thus increased by 3.7 percent from end December 2015 (3.3 percent increase in the first eight months of 2015).

Money Supply & Counterparts

	LBP billion	Aug-15	Jul-16	Aug-16
M3		183,185	190,891	193,180
Net foreign assets		50,135	48,136	50,695
Net claims on public sector		67,372	77,570	75,343
Valuation Adjustment		-7,131	-10,199	-9,982
Claims on private sector		73,511	78,021	78,629
Other items-net		-703	-2,637	-1,506
CAS CPI (Dec 2013=100)		96.37	96.42	95.61

Source: BDL, CAS.

The LBP 6,819 billion increase in M3 in the first eight months of 2016 resulted from an increase in each of net claims on public sector (+LBP 4,655 billion), net foreign assets (+LBP 4,087 billion) and claims on the private sector (+LBP 2,935 billion) against a decrease in valuation adjustment (-LBP 3,581 billion) and in net other items (-LBP 1,277 billion).

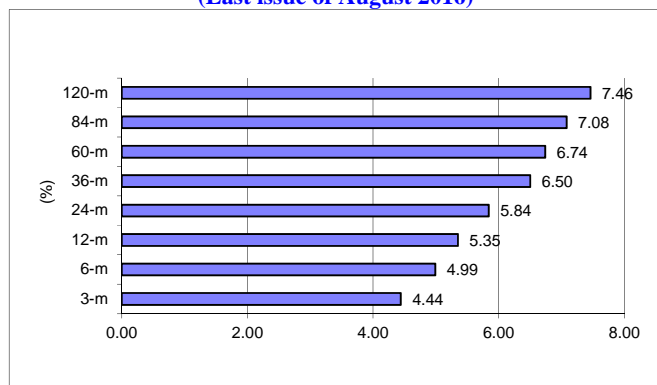
The Consumer Price Index (CPI) for Beirut and Suburbs, published by the Consultation and Research Institute, decreased by 0.38 percent in August 2016 compared to the previous month but increased by 0.74 percent from December 2015.

The Consumer Price Index (CPI) for Lebanon, published by the Central Administration of Statistics, decreased by 0.84 percent in the month of August 2016 and by 0.32 percent from December 2015.

The interest rates on LBP monetary instruments were stable at the end of August 2016 on 45 and 60-day certificates of deposits issued by BDL reading 3.57 percent and 3.85 percent respectively. The yields on the issued Lebanese Treasury bills also remained steady and read at the end of the stated month: 4.44 percent for three-month bills, 4.99 percent for six-month bills, 5.35 percent for one-year bills, 5.84 percent for two-year bills, 6.50 percent for three-year bills, 6.74 percent for five-year bills, 7.08 percent for seven-year bills and 7.46 percent for ten-year bills.



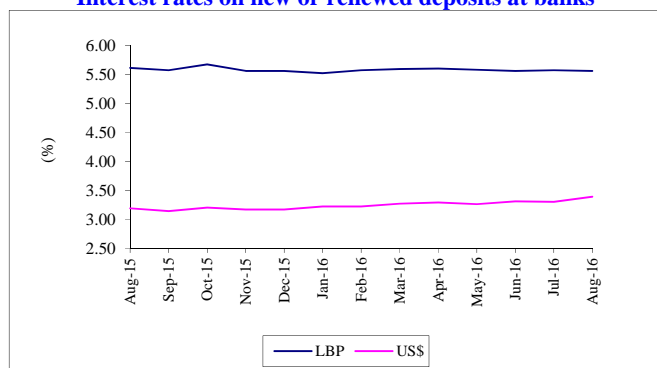
**Yield on Lebanese treasury bills denominated in LBP
(Last issue of August 2016)**



Source: BDL

In August 2016, the average interest rate on new or renewed LBP deposits at commercial banks was almost steady at 5.56 percent (5.57 percent a month ago) while the average interest rate on new or renewed USD deposits increased to 3.39 percent (3.30 percent in July 2016). The average 3-month USD LIBOR was 0.81 percent.

Interest rates on new or renewed deposits at banks



In August 2016, the average interest rate on new or renewed loans at commercial banks denominated in LBP slightly decreased to 8.29 percent (8.32 percent a month ago) and the average interest rate on new or renewed loans denominated in USD increased a little to 7.28 percent (7.25 percent in July 2016).

V- PUBLIC FINANCES

Government revenues, including budget revenues and treasury receipts attained LBP 1,195 billion in June 2016 to sum LBP 8,045 billion in the first six months of 2016 (LBP 7,546 billion in the first half 2015). The LBP 8,045 billion revenues comprised LBP 7,510 billion budget revenues and LBP 535 billion treasury receipts.

Government expenditures, consisting of budget and treasury spending, amounted to LBP 1,592 billion in June 2016 to total LBP 10,964 billion in the first six months of 2016 (LBP 10,237 billion in the first half 2015). The LBP 10,964 billion expenditures included LBP 3,666 billion debt service and LBP 7,298 billion other general expenditures o/w LBP 504 billion to EDL and LBP 1,332 billion related to budget expenditures for previous years.

Fiscal Situation

	LBP billion	Jun-15	May-16	Jun-16
Government revenues		1,464	1,838	1,195
Tax revenues		1,146	1,497	675
Non-tax revenues		267	285	382
Treasury receipts		50	56	138
Government expenditures		1,561	1,898	1,592
Debt service		534	879	553
Others		1,027	1,019	1,039
Overall balance		-97	-60	-397
Primary balance		436	818	156

Source: Ministry of Finance.

Total Deficit increased as such to LBP 2,919 billion in the first six months of 2016 from LBP 2,690 billion in the first six months of 2015, while the primary balance surplus increased to LBP 747 billion compared to LBP 716 billion respectively.

Gross public debt amounted to LBP 111,621 billion (the equivalent of USD 74.0 billion) at the end of August 2016, thus increasing by 5.3 percent when compared to end December 2015 (3.5 percent growth in the first eight months of 2015).

Net public debt, which subtracts public sector deposits at commercial banks and the central bank from gross public debt, amounted to LBP 96,618 billion at the end of August 2016, thus rising by 4.1 percent from end December 2015 (4.6 percent growth in the first eight months of 2015).



Public Debt

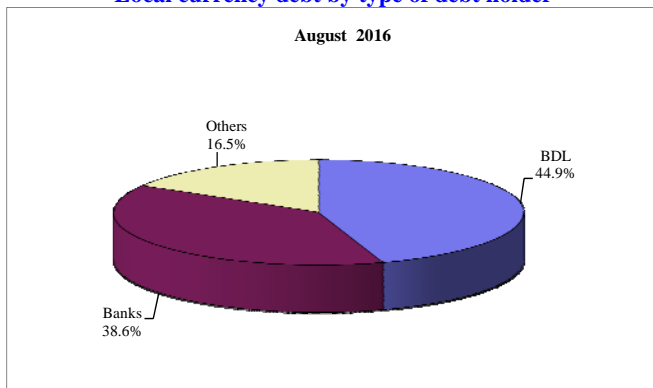
LBP billion	Aug-15	Jul-16	Aug-16
Public Debt (Gross)	103,858	110,628	111,621
Debt in LBP	64,413	66,894	67,771
Debt in FC	39,445	43,734	43,850
Public Debt (Net)	90,327	95,799	96,618
Public sector deposits	13,531	14,829	15,003
Commercial Banks	4,777	4,872	5,011
BDL	8,754	9,957	9,992

Source: BDL.

The shares of the local currency debt and foreign currency debt of the total gross were around 60.7 percent and 39.3 percent respectively at the end of August 2016. The distribution of local currency debt by type of holder was as follows: 38.6 percent for banks (38.6 percent end of July 2016), 44.9 percent for the Central bank (44.9 percent in the previous month) and 16.5 percent for the non-banking sector (16.5 percent one month earlier). The breakdown of the foreign currency debt was as such: Eurobonds (92.6 percent), Multilateral (3.6 percent), Bilateral (3.4 percent), Paris II loans (0.1 percent) and others (0.3 percent).

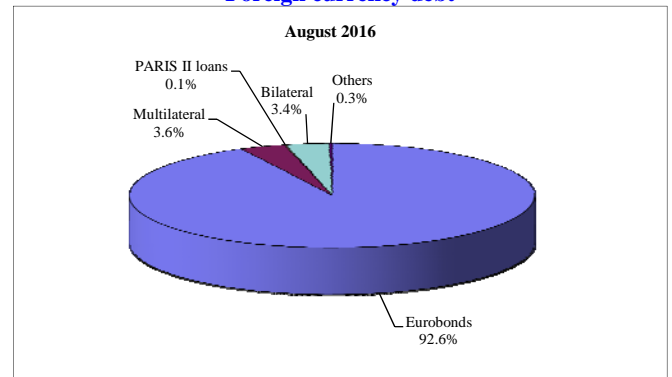
The average maturity of the Government debt securities denominated in the domestic currency was estimated at 1,278 days (3.50 years) as at end August 2016 with a weighted interest of 6.95 percent, but the average maturity of the Government debt instruments denominated in foreign currencies was around 6.36 years with a weighted interest of 6.41 percent.

Local currency debt by type of debt holder



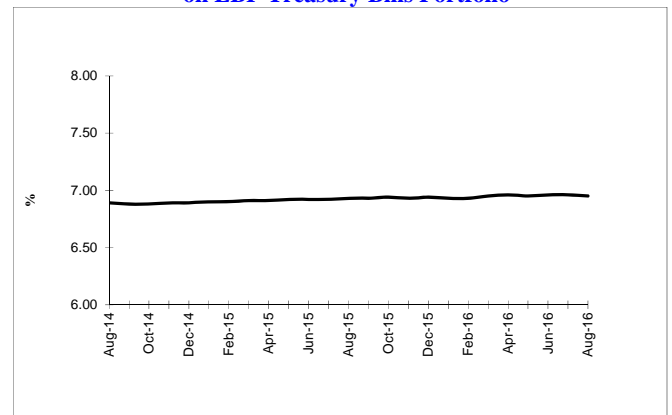
Source: BDL.

Foreign currency debt

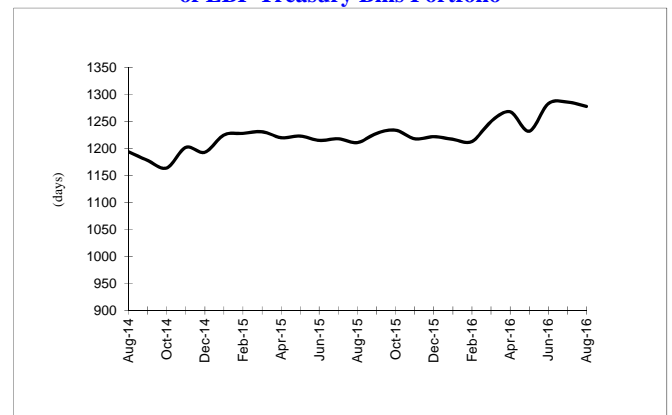


Source: BDL.

Weighted Average Interest Rate on LBP Treasury Bills Portfolio



Weighted Average Life of LBP Treasury Bills Portfolio



GENERAL INDICATORS OF ECONOMIC ACTIVITIES

	2015	Jan - Aug 2015	Jan - Aug 2016	Aug-15	Jul-16	Aug-16
Imports of Industrial Equipment (000's US\$)	243,446	175,475	166,875	21,305	16,802	19,033
Building Permits (000's m2)	12,339	8,272	8,024	1,348	674	981
Cement Delivery (000s' tons)	5,043	3,156	3,396	474	398	517
Checks Cleared in LBP (billion LBP)	28,211	18,408	19,335	2,408	2,246	2,436
Checks Cleared in FC (million US\$)	50,845	33,890	32,042	4,294	3,748	4,205
Shipped Goods (tons)-Beirut Port	1,082,466	680,442	656,875	112,645	68,863	110,626
Unloaded Goods (tons)-Beirut Port	7,134,250	4,727,983	5,275,386	681,416	669,168	651,828
Passengers Arrivals (000's)-BIA	3,517	2,379	2,563	379	496	405
Passengers Departures (000's)-BIA	3,688	2,405	2,513	511	396	512
Total exports of goods (million USD)	2,952	1,990	1,974	219	247	340
Total imports of goods (million USD)	18,069	11,787	12,792	1,479	1,447	1,951
Balance of Trade (million USD)	-15,117	-9,797	-10,818	-1,260	-1,200	-1,611
Changes of Net Foreign Assets in the banking system (million USD)	-3,354	-1,649	366	-332	352	1,788
Gross Foreign Currency Reserves (End of period-million USD)	30,638	-	-	32,765	32,704	35,667
Consumer Price Index (End of period)	95.92	-	-	96.37	96.42	95.61

Sources: BDL , Lebanese Customs, Central Administration of Statistics, Order of engineers, Beirut International Airport, Port of Beirut, Ministry of Industry.



TOTAL IMPORTS & EXPORTS BY PRODUCT
(Million US Dollars)

Goods	Imports			Exports		
	2015	Jan - Aug 2015	Jan - Aug 2016	2015	Jan - Aug 2015	Jan - Aug 2016
1- Live animals, animal products	908	569	556	32	19	10
2- Vegetable products	910	614	570	184	109	109
3- Fats & edible fats & oils	164	112	112	34	22	26
4- Prepared foodstuffs	1,359	885	926	483	325	296
5- Mineral products	3,439	1,997	2,859	31	24	13
6- Products of the chemical	1,945	1,314	1,368	411	281	208
7- Plastics & articles thereof	758	498	495	129	86	87
8- Raw hides & skins, leather, furskins	81	54	50	16	10	9
9- Wood & articles of wood	238	152	149	13	9	9
10- Paper & paperboard & articles thereof	319	222	227	158	103	86
11- Textiles & textile articles	819	535	518	106	71	56
12- Footwear, headgear, prepared feathers	160	108	104	17	12	8
13- Articles of stone, plaster, cement	427	287	312	27	19	15
14- Pearls, precious or semi-precious stones	822	561	797	434	297	560
15- Base metals & articles of base metal	1,159	803	804	314	211	163
16- Machinery & mechanical appliances	1,993	1,370	1,248	414	285	223
17-Transport equipment	1,758	1,176	1,152	23	17	11
18- Optical instruments & apparatus	331	220	219	17	11	14
19- Arms & ammunition	24	13	10	0	0	0
20- Miscellaneous manufactured articles	430	280	301	104	73	64
21- Works of art	28	20	13	7	5	6
Total	18,069	11,787	12,792	2,952	1,990	1,974

Source: Lebanese Customs.

IMPORTS BY ORIGIN
(Million US Dollars)

	Jan - Aug	Share	Jan - Aug	Share
	2015	%	2016	%
CHINA	1,402	11.9	1,417	11.1
ITALY	918	7.8	957	7.5
USA	682	5.8	857	6.7
GERMANY	819	6.9	756	5.9
GREECE	514	4.4	634	5.0
NETHERLANDS	138	1.2	579	4.5
KUWAIT	16	0.1	543	4.2
RUSSIAN FEDERATION	604	5.1	541	4.2
EGYPT	311	2.6	479	3.7
FRANCE	715	6.1	474	3.7
OTHER COUNTRIES	5,668	48.1	5,555	43.4
TOTAL IMPORTS	11,787	100.0	12,792	100.0

Source: Lebanese Customs.

EXPORTS BY DESTINATION
(Million US Dollars)

	Jan - Aug	Share	Jan - Aug	Share
	2015	%	2016	%
SOUTH AFRICA	135	6.8	439	22.2
SAUDI ARABIA	250	12.6	186	9.4
UAE	205	10.3	164	8.3
SYRIA	139	7.0	116	5.9
IRAQ	153	7.7	110	5.6
JORDAN	73	3.7	64	3.2
QATAR	57	2.9	49	2.5
SWITZERLAND	48	2.4	46	2.3
KUWAIT	45	2.3	45	2.3
GERMANY	38	1.9	41	2.1
OTHER COUNTRIES	847	42.6	714	36.2
TOTAL EXPORTS	1,990	100.0	1,974	100.0

Source: Lebanese Customs.



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

	2015		2016		
	Aug	Dec	Jun	Jul	Aug
ASSETS					
Reserves	104,168	107,021	114,170	116,271	127,181
-Cash	660	693	726	779	763
-Deposits at the Central Bank	103,509	106,329	113,444	115,492	126,419
Claims on the Private Sector	70,575	72,427	74,550	74,727	75,307
-Claims denominated in Lebanese Pound	20,028	20,573	21,536	21,803	22,207
-Claims denominated in Foreign Currencies	50,547	51,854	53,014	52,924	53,101
Claims on the Public Sector	56,478	56,984	56,463	55,068	52,344
o/w -Treasury Bills in Lebanese Pound	30,965	30,243	26,500	25,597	25,882
-Treasury Bills in Foreign Currencies	25,375	26,600	29,822	29,324	26,299
Foreign Assets	34,758	35,870	33,547	33,491	31,894
-Claims on Non-Resident Private Sector	8,430	9,316	9,692	9,794	9,678
-Claims on Non-Resident Banks	16,994	17,422	14,462	14,295	12,790
-Other Foreign Assets	9,334	9,132	9,392	9,401	9,426
Fixed Assets	7,060	7,361	7,425	7,429	7,442
Unclassified Assets	749	716	806	838	960
TOTAL ASSETS	273,788	280,379	286,961	287,823	295,129
LIABILITIES					
Liabilities to the Private Sector	177,776	180,489	184,647	185,031	187,198
-Demand Deposits in Lebanese Pound	4,773	4,907	5,046	4,987	5,471
-Other Deposits in Lebanese Pound	67,681	68,678	70,211	70,398	70,805
-Deposits in Foreign Currencies	105,322	106,904	109,389	109,646	110,922
Liabilities to the Public Sector	4,777	5,074	5,323	4,872	5,011
Deposits of Non-Residents	47,789	48,026	48,497	48,730	49,619
-Denominated in Lebanese Pound	6,585	6,680	6,660	6,731	7,190
-Denominated in Foreign Currencies	41,204	41,346	41,838	41,999	42,430
Liabilities to Non-Resident Banks	9,425	9,864	9,357	9,207	9,921
Bonds	361	412	406	420	466
Capital Base	24,731	25,131	26,223	26,272	26,272
-Core Capital	22,964	23,300	24,394	24,448	24,447
-Supplementary Capital	1,767	1,831	1,830	1,824	1,825
Unclassified Liabilities	8,929	11,383	12,508	13,292	16,641
TOTAL LIABILITIES	273,788	280,379	286,961	287,823	295,129

Source: BDL.



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

	2015		2016		
	Aug	Dec	Jun	Jul	Aug
<u>Money Supply</u>					
Currency in circulation	3,664	4,014	4,150	4,165	4,230
+ Demand Deposits in LBP	4,885	5,029	5,149	5,070	5,582
= M1	8,549	9,042	9,299	9,236	9,811
+ Other Deposits in LBP	68,452	69,578	70,973	71,136	71,586
= M2	77,001	78,620	80,272	80,371	81,398
+ Deposits in Foreign Currencies	105,908	107,475	109,981	110,257	111,512
+ Bonds	276	265	267	263	270
= M3	183,185	186,360	190,520	190,891	193,180
+ Treasury Bills Held by the Public	10,820	11,009	10,967	11,040	11,175
= M4	194,005	197,369	201,487	201,931	204,355
<u>Counterparts of the Money Supply</u>					
Net Foreign Assets	50,135	46,608	47,357	48,136	50,695
o/w Gold	15,741	14,846	18,314	18,508	18,274
Net Claims on the Public Sector	67,372	70,688	76,777	77,570	75,343
Valuation Adjustment	-7,131	-6,401	-10,005	-10,199	-9,982
Claims on the Private Sector	73,511	75,695	77,844	78,021	78,629
Claims in LBP	21,135	21,733	22,729	22,994	23,422
Claims in FC	52,376	53,961	55,115	55,027	55,207
Other Items (Net)	-703	-229	-1,453	-2,637	-1,506
TOTAL	183,185	186,360	190,520	190,891	193,180

Source: BDL.



OUTSTANDING PUBLIC DEBT BY TYPE OF HOLDER
(End of Period - Billion LBP)
(Actual Value*)

Year And Month	Total Debt	Local Currency Debt				Foreign Currency Debt					
		Central		Others ⁽¹⁾	Total	IDI**	FG+	Paris II		Total	
		Bank	Banks					loans	Others ⁽²⁾		
2014	Dec	100,356	19,855	31,468	10,429	61,752	1,619	1,839	128	35,018	38,604
2015	Aug	103,858	22,899	30,694	10,820	64,413	1,489	1,688	85	36,183	39,445
	Sep	103,608	22,896	30,459	10,783	64,138	1,482	1,684	84	36,220	39,470
	Oct	104,086	23,363	30,497	10,860	64,720	1,465	1,640	83	36,178	39,366
	Nov	106,181	23,898	30,455	10,946	65,299	1,491	1,538	80	37,773	40,882
	Dec	106,015	24,308	29,878	11,009	65,195	1,513	1,571	83	37,653	40,820
2016	Jan	106,481	25,380	29,139	11,029	65,548	1,509	1,570	83	37,771	40,933
	Feb	107,363	25,763	29,455	11,106	66,324	1,517	1,578	66	37,878	41,039
	Mar	107,107	26,215	29,036	10,761	66,012	1,527	1,608	69	37,891	41,095
	Apr	108,059	26,752	28,883	10,718	66,353	1,606	1,593	68	38,439	41,706
	May	107,776	24,432	28,745	10,864	64,041	1,601	1,513	67	40,554	43,735
	Jun	109,890	28,560	26,749	10,967	66,276	1,603	1,511	67	40,433	43,614
	Jul	110,628	30,023	25,831	11,040	66,894	1,590	1,505	67	40,572	43,734
	Aug	111,621	30,442	26,154	11,175	67,771	1,592	1,511	50	40,697	43,850

Source :BDL.

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

** IDI : International Development Institutions.

+ FG : Foreign Governments.

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

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

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

Year And Month		In Circulation End of period	Issue	Reimbursement	Weighted	Weighted
					Average	Average
					Life	Interest
					(days)	(%)
2014	Dec	60,644	1,339	1,232	1,193	6.89
2015	Aug	63,117	1,060	911	1,211	6.93
	Sep	63,021	1,661	1,757	1,228	6.93
	Oct	63,654	1,789	1,156	1,234	6.94
	Nov	64,165	1,032	521	1,218	6.93
	Dec	64,112	905	958	1,222	6.94
2016	Jan	64,368	1,689	1,433	1,217	6.93
	Feb	65,071	1,229	526	1,213	6.93
	Mar	64,940	2,004	2,135	1,250	6.95
	Apr	65,262	1,464	1,142	1,268	6.96
	May	62,930	2,172	4,504	1,232	6.95
	Jun	65,280	3,403	1,053	1,283	6.96
	Jul	65,765	1,748	1,263	1,286	6.96
	Aug	66,535	1,652	885	1,278	6.95

Source:BDL.



AVERAGE INTEREST RATES

Year And Month	Average Lending **		Average Deposit		Inter Bank Rate *	3m Libor \$	Interest rates on TBs (last issue)										
	Rate on Funds in		Rate on Funds in				3-m	6-m	12-m	24-m	36-m	60-m	84-m	96-m	120-m	144-m	180-m
	LBP	US\$	LBP	US\$													
2014	Dec	7.49	6.97	5.56	3.07	2.75	0.24	4.39	4.87	5.08	5.76	6.40	6.63				
2015	Aug	6.89	7.12	5.61	3.19	2.89	0.32	4.39	4.87	5.08	5.76	6.40	6.63	6.96			
	Sep	7.08	7.19	5.57	3.14	3.05	0.33	4.39	4.87	5.08	5.76	6.40	6.63			7.33	
	Oct	7.13	7.05	5.67	3.20	3.03	0.32	4.39	4.87	5.08	5.76	6.40	6.63	6.96		7.33	
	Nov	6.93	7.15	5.56	3.17	3.03	0.37	4.39	4.87	5.08	5.76	6.40	6.63	6.96			
	Dec	7.45	7.06	5.56	3.17	3.03	0.54	4.39	4.87	5.08	5.76	6.40	6.63			7.33	
2016	Jan	8.28	7.34	5.52	3.22	3.00	0.62	4.39	4.87	5.08	5.76	6.40	6.63	6.96			
	Feb	8.18	7.31	5.57	3.22	3.05	0.62	4.39	4.87	5.08	5.76	6.40	6.63			7.33	
	Mar	8.62	7.36	5.59	3.27	3.06	0.63	4.39	4.87	5.08	5.76	6.40	6.63	6.96			7.75
	Apr	8.40	7.17	5.60	3.29	3.07	0.63	4.39	4.87	5.08	5.76	6.40	6.63	6.96		7.33	
	May	8.53	7.29	5.58	3.26	3.01	0.65	4.39	4.87	5.08	5.76	6.40	6.63	6.96		7.33	
	Jun	8.31	7.20	5.56	3.31	3.80	0.65	4.39	4.87	5.08	5.76	6.40	6.63	6.96		7.33	
	Jul	8.32	7.25	5.57	3.30	3.04	0.70	4.39	4.87	5.08	5.76	6.40	6.63	6.96		7.33	
	Aug	8.29	7.28	5.56	3.39	3.02	0.81	4.39	4.87	5.08	5.76	6.40	6.63	6.96		7.33	

Sources: BDL, Société Financière du Liban s.a.l.

* On Funds in LBP, weighted by daily volume.

** Starting January 2016, lending rates are calculated according to intermediary circular No 389.

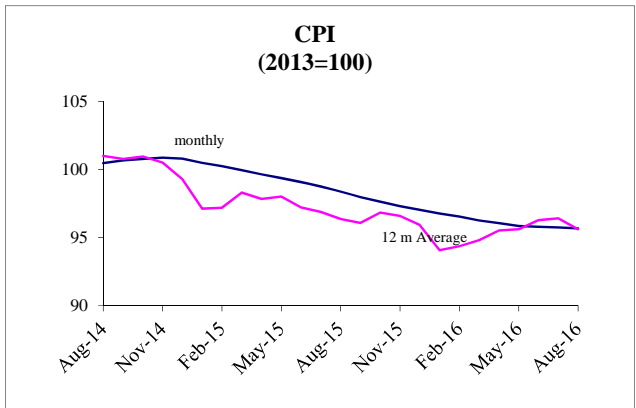
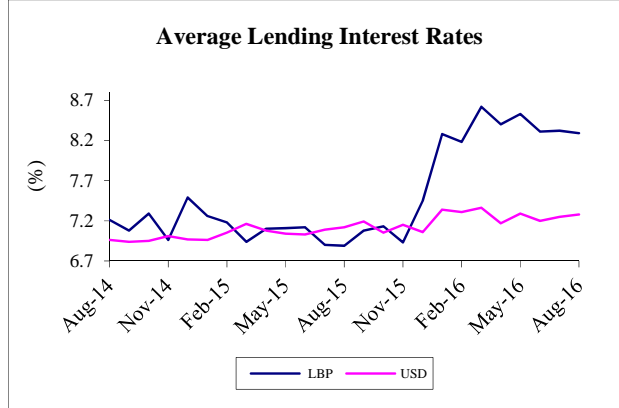
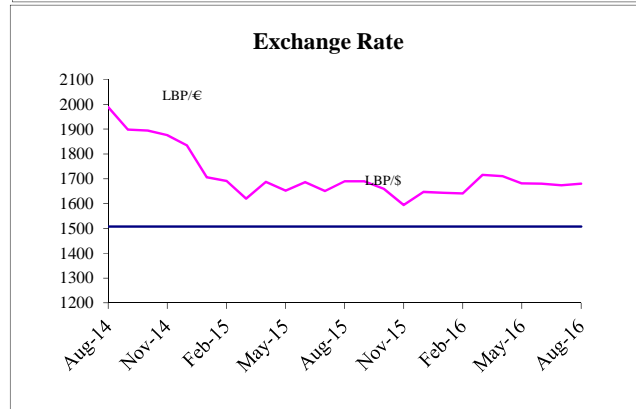
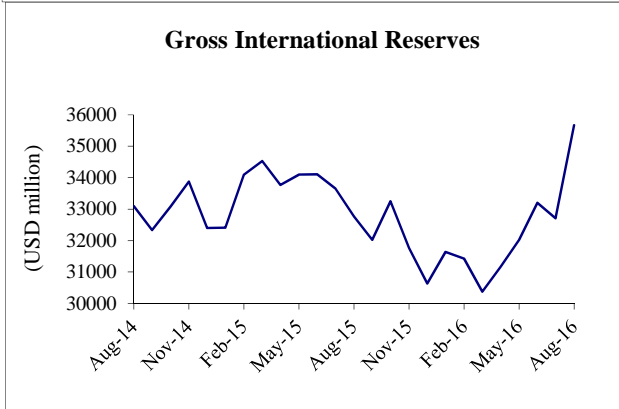
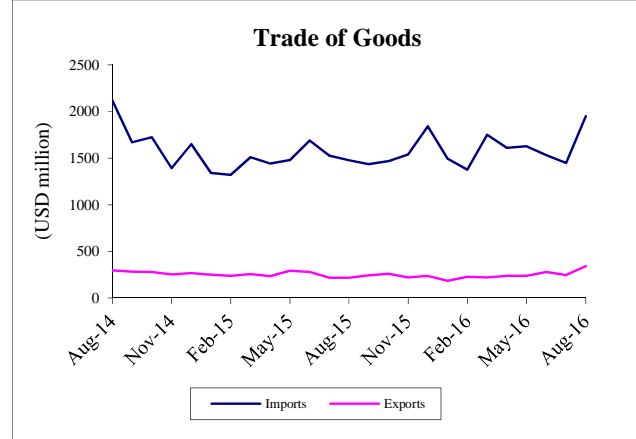
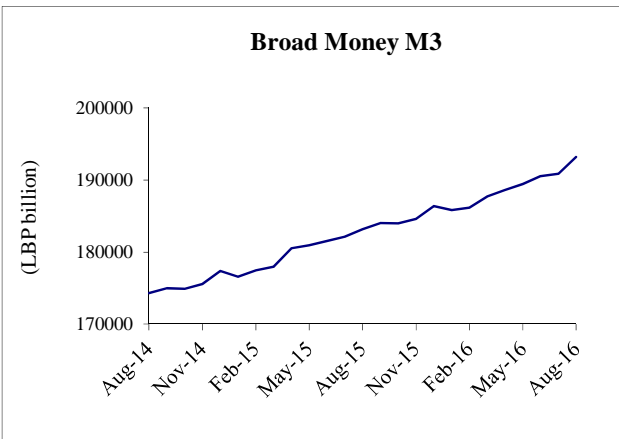
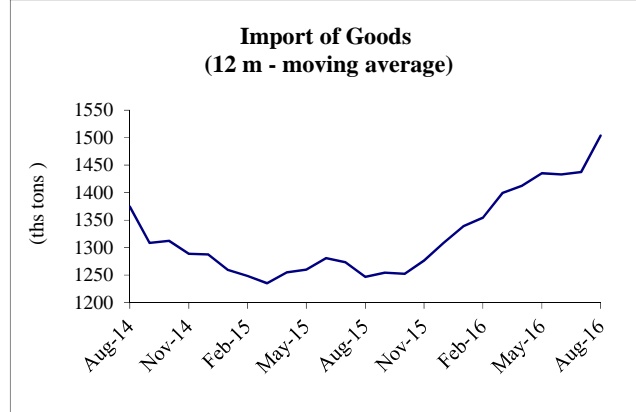
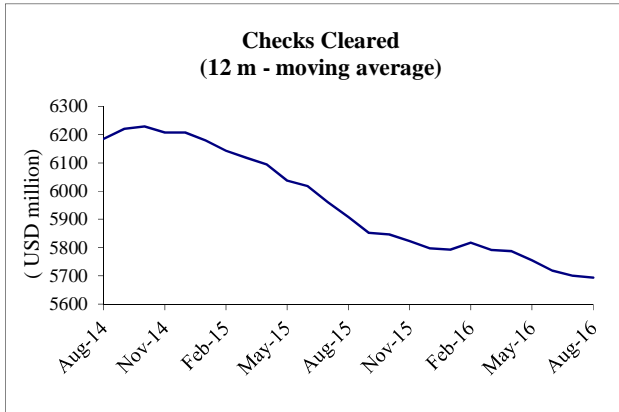
END OF PERIOD EXCHANGE RATES
(LBP per other currencies)

Year and Month	US Dollar	Swiss Franc	British Pound	Japanese Yen	Euro	
2014	Dec	1,507.50	1,524.27	2,341.75	12.62	1,833.87
2015	Aug	1,507.50	1,562.99	2,324.11	12.43	1,690.06
	Sep	1,507.50	1,548.70	2,291.25	12.54	1,690.51
	Oct	1,507.50	1,527.05	2,312.66	12.51	1,659.31
	Nov	1,507.50	1,462.31	2,261.85	12.25	1,594.18
	Dec	1,507.50	1,520.88	2,232.46	12.51	1,646.64
2016	Jan	1,507.50	1,478.67	2,162.36	12.47	1,643.48
	Feb	1,507.50	1,504.64	2,088.49	13.34	1,640.91
	Mar	1,507.50	1,566.56	2,171.40	13.42	1,715.23
	Apr	1,507.50	1,558.95	2,194.02	13.95	1,710.41
	May	1,507.50	1,522.57	2,202.91	13.57	1,681.31
	Jun	1,507.50	1,544.89	2,033.47	14.66	1,680.11
	Jul	1,507.50	1,542.20	1,983.87	14.53	1,673.48
	Aug	1,507.50	1,531.70	1,980.55	14.60	1,679.66

Source: BDL.



Indicative Charts



Research and Statistics Department
Association of Banks in Lebanon
P.O. Box 976
Beirut-Lebanon
Tel: (961) 970 500
Fax: (961) 970 501
E-mail: abl@abl.org.lb

The "Economic Letter" is designed as an internal publication of the Association of Banks in Lebanon, to make its in-house research and statistical information available to the observer of the Lebanese economy in general and the Lebanese banking sector in particular. Despite its value-adding analysis, this publication does not represent the Association's nor any of its member banks' official views on the economic policies, the financial market or the banking issues in Lebanon. This document is strictly for information purposes.

The "Economic Letter", published monthly by ABL, provides the reader with an overview of the most recent developments in the economic activities in Lebanon. The information contained in this document has been compiled in good faith from sources believed to be reliable but no warranty, expressed or implied, is made by ABL.

Reproduction, of the whole or a part of this document, is authorized subject to indication of "Economic Letter", Association of Banks in Lebanon.

