

## LEBANON THIS WEEK

### In This Issue

**Economic Indicators**.....1  
**Capital Markets**.....1  
**Lebanon in the News**.....2

Reconstruction of Port of Beirut requires governance-related reforms

Government liquidity risk raises susceptibility to event risks

Addressing public finance imbalances, unifying exchange rates and restructuring banking sector are key to restoring confidence

Net foreign assets of financial sector down \$10bn in first 11 months of 2020

Phased lifting of subsidies to yield \$2.6bn in annual savings

Number of airport passengers down 71% in 2020

Occupancy rate at Beirut hotels at 16%, room yields down 81% in first 10 months of 2020

Oil and gas consortium to continue offshore exploration work

Banking Control Commission details mechanism for banks' foreign currency liquidity

Nearly 90% of Syrian refugees in Lebanon living under extreme poverty line

Lebanon ranks 97<sup>th</sup> worldwide, second in Arab region in terms of human freedom

Nearly eighty seven percent of Treasury securities in Lebanese pounds have five-year maturities or longer

### Corporate Highlights .....9

Private sector deposits down \$32.6bn in 15-month period ending November 2020

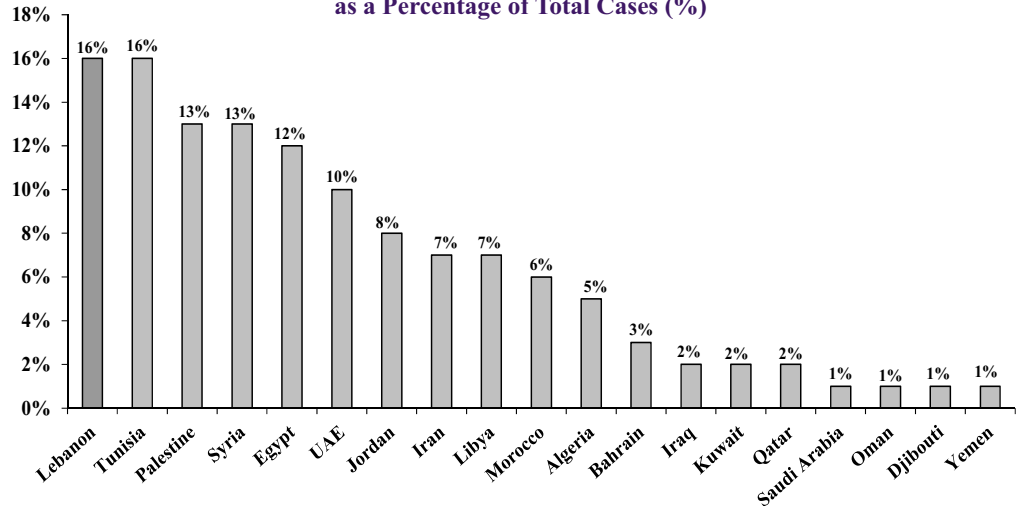
Solidere's sales contracts at \$393m in 2020

Arab Bank's net income in Lebanon down 13% to \$14.4m in 2019

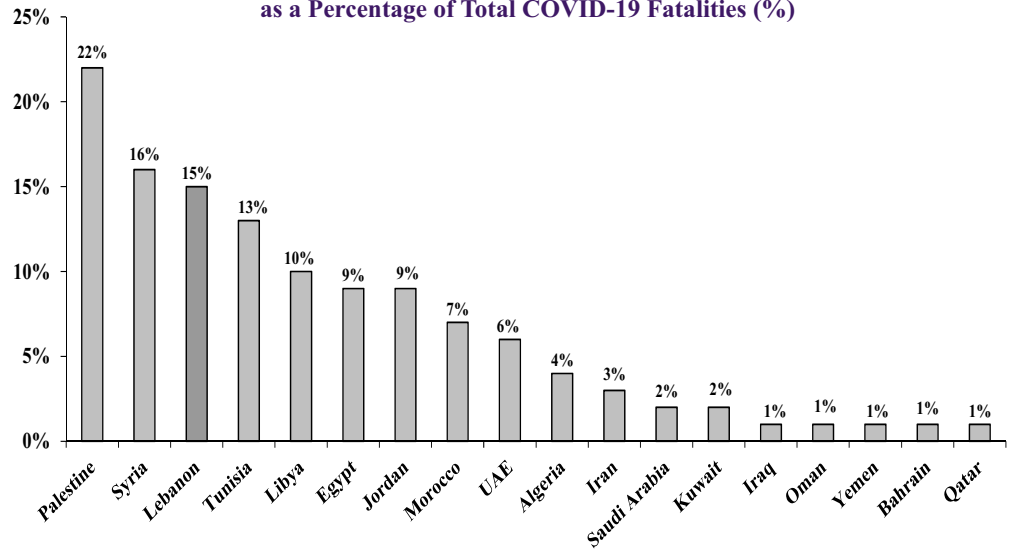
**Ratio Highlights**.....11  
**National Accounts, Prices and Exchange Rates** .....11  
**Ratings & Outlook**.....11

### Charts of the Week

**COVID-19 Cases in the Two Weeks Ending January 3, 2021 in MENA Countries as a Percentage of Total Cases (%)**



**COVID-19 Fatalities in the Two Weeks Ending January 3, 2021 in MENA Countries as a Percentage of Total COVID-19 Fatalities (%)**



Source: World Bank, Worldometer, Ministry of Public Health, Byblos Bank

### Quote to Note

"A program with the International Monetary Fund could put Lebanon's public debt level on a firm downward path through the implementation of fiscal measures."

*The Institute of International Finance, on the importance of reaching a funding agreement between Lebanese authorities and the International Monetary Fund*

### Number of the Week

**5:** Number of months that Lebanon has been without a functioning government

## Lebanon in the News

\$m (unless otherwise mentioned)	2019	Jan-Sep 2019	Jan-Sep 2020	% Change*	Sep-19	Aug-20	Sep-20
Exports	3,731	2,806	2,632	(6.2)	342	274	373
Imports	19,239	15,304	7,878	(48.5)	1,466	799	955
Trade Balance	(15,508)	(12,498)	(5,246)	(58.0)	(1,124)	(525)	(582)
Balance of Payments	(5,851)	(5,955)	(9,608)	61.3	(59)	(1,968)	(2,108)
Checks Cleared in LBP	22,146	16,133	14,456	(10.4)	2,060	1,433	1,645
Checks Cleared in FC	34,827	26,265	26,211	(0.2)	2,940	2,411	2,949
Total Checks Cleared	56,973	42,407	40,675	(4.1)	5,000	3,844	4,594
Fiscal Deficit/Surplus**	(5,837)	(2,952)	(2,535)	(14.1)	(542)	(436)	-
Primary Balance**	(287)	368	(1,136)	-	(208)	(430)	-
Airport Passengers	8,684,937	7,040,341	1,756,664	(75.0)	818,339	200,368	199,391
Consumer Price Index (%)	2.9	2.6	66.2	6360	1.1	120	131

\$bn (unless otherwise mentioned)	Dec-19	Sep-19	Jun-20	Jul-20	Aug-20	Sep-20	% Change*
BdL FX Reserves	29.55	29.30	25.87	23.56	22.76	20.00	(31.7)
In months of Imports	21.95	19.48	30.30	25.55	28.48	20.95	7.5
Public Debt	91.64	86.79	93.40	93.70	94.27	94.81	9.2
Bank Assets	216.78***	262.20	201.09	198.08	195.71	192.57	(26.6)
Bank Deposits (Private Sector)	158.86	170.30	144.50	143.30	143.04	142.18	(16.5)
Bank Loans to Private Sector	49.77	54.50	41.42	40.30	39.64	38.60	(29.2)
Money Supply M2	42.11	46.73	39.02	39.25	40.21	40.94	(12.4)
Money Supply M3	134.55	138.83	129.51	129.48	130.53	130.92	(5.7)
LBP Lending Rate (%)	9.09	10.92	6.84	7.15	7.14	7.89	(303)
LBP Deposit Rate (%)	7.36	9.13	4.16	3.76	3.47	3.35	(578)
USD Lending Rate (%)	10.84	10.26	7.49	7.42	7.54	7.54	(272)
USD Deposit Rate (%)	4.62	6.57	1.64	1.49	1.28	1.15	(542)

\*year-on-year \*\*figures for the period reflect the first eight months of each year \*\*\*The annual decline in assets in December 2019 is mainly due to the "netting" on the assets and liabilities' sides of the consolidated balance sheet of commercial banks as part of the implementation of international accounting standard IFRS 7  
Source: Association of Banks in Lebanon, Banque du Liban, Ministry of Finance, Central Administration of Statistics, Byblos Research

## Capital Markets

Most Traded Stocks on BSE	Last Price (\$)	% Change*	Total Volume	Weight in Market Capitalization	Sovereign Eurobonds	Coupon %	Mid Price \$	Mid Yield %
Solidere "A"	18.75	1.4	54,800	27.9%	Apr 2021	8.25	14.13	2431.86
Byblos Common	0.50	(5.7)	29,334	4.2%	Oct 2022	6.10	13.38	157.99
Audi GDR	1.20	9.1	11,653	2.1%	Jan 2023	6.00	13.13	128.86
Solidere "B"	18.41	0.7	7,779	17.8%	Jun 2025	6.25	13.25	51.42
BLOM GDR	2.20	0.0	950	2.4%	Nov 2026	6.60	13.13	37.73
Audi Listed	1.20	(1.6)	385	10.5%	Feb 2030	6.65	13.00	23.66
HOLCIM	13.13	(9.4)	1	3.8%	Apr 2031	7.00	13.00	20.87
BLOM Listed	2.07	0.0	-	6.6%	May 2033	8.20	12.88	17.31
Byblos Pref. 08	43.00	0.0	-	1.3%	Nov 2035	7.05	13.13	14.20
Byblos Pref. 09	40.00	0.0	-	1.2%	Mar 2037	7.25	13.00	13.00

Source: Beirut Stock Exchange (BSE); \*week-on-week

Source: Refinitiv

	Jan 4-8	Dec 28-30	% Change	Dec 2020	Dec 2019	% Change
Total shares traded	106,202	650,340	(83.7)	3,480,130	1,527,358	128
Total value traded	\$1,200,920	\$5,833,703	(79.4)	\$29,046,630	\$24,640,092	18
Market capitalization	\$6.71bn	\$6.72bn	(0.2)	\$6.72bn	\$7.76bn	(13.3)

Source: Beirut Stock Exchange (BSE)



### **Reconstruction of Port of Beirut requires governance-related reforms**

---

The World Bank indicated that the reconstruction of the Port of Beirut needs to incorporate serious reforms to address the underlying governance concerns and deficiencies that have contributed to the explosion on August 4, 2020. It estimated the damages to the port from the explosion at \$350m.

It considered that the Port of Beirut's current governance framework reflects Lebanon's complex political and economic realities that have made the port's operations non-compliant with recognized good practices. It pointed out that the current framework constrains the port's efficiency, as several key government agencies for transport, trade, and border management have overlapping mandates, divergent strategies, often operate under outdated processes and regulations, and do not coordinate among themselves. It added that the port has been managed by a temporary administrative committee since 1990 that was established in a legal vacuum, which resulted in serious governance, transparency, and accountability issues. It said that this committee is not in itself a legal entity and does not publish balance sheets or financial statements. It added that the Lebanese Customs are not structured to perform their mission properly, and that the Higher Council for Customs and the Customs Directorate have proven to be inefficient and subject to political exploitation and power struggles.

As such, the World Bank deemed that the establishment of a robust institutional framework for ports in Lebanon is a crucial prerequisite to rebuild the Port of Beirut, as it will help restore the trust of Lebanese society and economic operators in the port's capacity to provide support in overcoming the country's economic crisis.

It considered that the reconstruction of the port should have four key pillars. First, it said that the port should have a new governance structure based on the "landlord port model", where the public port authority owns the land and infrastructure and awards operational licenses, leases and concessions to one or several private operators. Second, it noted that the country should have an efficient and modern customs administration, as well as a border agency and trade processes that have an essential role in addressing transparency, predictability and security issues. Third, it indicated that the authorities should launch open and transparent bidding processes for selecting operators or concessionaires for the port. Fourth, it said that the authorities should put in place a national transportation strategy for the country, which would specify the role of the Port of Beirut, among other ports and economic corridors in Lebanon. It noted that the master plan for the port should be in line with the national transportation plan.

It indicated that Lebanese authorities should prepare a well-developed law that has a clear vision for the Lebanese port and maritime sector in order to allow the Beirut Port's governance to meet global standards. It recommended a "three-tiered" structure for the Port of Beirut that is based on a national port and maritime administration responsible for strategic planning and policy setting; the formation of landlord port authorities for each main port in the country; and transferring commercial operations to specialist private operating companies. It pointed out that the establishment of a port authority will provide a clear delineation of responsibilities and functions among public and private entities. It considered that this model provides the government the ability to safeguard the public interest in the long term, while benefiting from the private sector's cost-efficiency and expertise.

Further, the World Bank indicated that Lebanon should undertake all procurement related to the Port of Beirut in an open and competitive manner, in line with the reforms in the Public Procurement and Public Private Partnership laws. It noted that this would be essential to facilitate the rebuilding of the basic infrastructure and to mobilize the private sector to fund, build and operate the port terminals and other logistics and free zone areas.

### **Government liquidity risk raises susceptibility to event risks**

---

In its periodic review of the rating of Lebanon, Moody's Investors Service indicated that Lebanon's 'C' issuer rating reflects a score of 'b3' on the country's economic strength indicator, of 'caa3' on the institutional framework category, of 'ca' in terms of fiscal strength, and of 'ca' on the susceptibility to event risk category.

It noted that the 'b3' score on the economic strength indicator is driven by the rapidly deteriorating economic and financial conditions in the country. In parallel, it indicated that the score of 'caa1' on the strength of institutions and governance underscores the very low effectiveness of fiscal policy along with deteriorating monetary and financial policy capabilities. It added that Lebanon's creditworthiness is constrained by its unsustainable debt trajectory, as well as by expectations that domestic and external private creditors will incur substantial losses under the caretaker government's debt restructuring plan, in case it is implemented as it is. Further, it pointed out that the 'ca' score on the susceptibility to event risk is due to the government's liquidity risk and its impact on other drivers of event risk.

Lebanon's 'C' rating is the lowest rating on Moody's rating scale and is 11 notches below investment grade. The agency downgraded the country's sovereign ratings from 'Ca' to 'C' in July 2020, as it expected losses to private creditors to exceed 65%, given the recurring delays in the implementation of fiscal and economic policy reforms, which stalled discussions with the International Monetary Fund and with other international official donors.

### Addressing public finance imbalances, unifying exchange rates and restructuring banking sector are key to restoring confidence

Banque du Liban (BdL) Governor Riad Salamé indicated that Lebanese authorities need to restore confidence in Lebanon through three essential pillars. First, he said that Lebanon has to balance its budget and negotiate with its creditors following the government's decision to default on its sovereign debt on March 7, 2020. He noted that the second pillar consists of restructuring the banking sector, while the third pillar is to unify the multiple exchange rates that currently exist in the local market and to stop speculations on the Lebanese pound. He pointed out that Lebanon needs to have a government in place in order to proceed with the three pillars, as the situation in the country can deteriorate in the absence of a Cabinet.

In addition, Governor Salamé indicated that BdL's intervention to defend the peg started in November 2017 when Prime Minister Saad Hariri resigned from Riyadh. He considered that this was a turning point, given that all monetary indicators reversed, as demand for US dollars increased and outflows of deposits from Lebanon materialized. He stated that Lebanon, in coordination with the International Monetary Fund, could move to a floating exchange rate system whereby BdL will intervene to limit large fluctuations. But he reiterated that this process needs a government in place and an agreement with the IMF. He noted that the country cannot revert to a pegged exchange rate.

Further, he clarified that BdL has not opposed the forensic audit of its accounts and that it submitted its own accounts to the firm that was conducting the audit. He said that the legal issue regarding the accounts of BdL's "clients", which are the government and the banks, was solved when Parliament enacted in December 2020 Law 200 that suspended for one year the banking secrecy on all accounts that will be subject to the forensic audit. As such, he affirmed that BdL will give the auditors access to the needed accounts.

In parallel, Governor Salamé indicated that the foreign currency liquidity at commercial banks was used to finance imports that amounted to \$65bn between 2017 and 2019. He considered that the value of imports is very large compared to the size of the Lebanese economy.

### Net foreign assets of financial sector down \$10bn in first 11 months of 2020

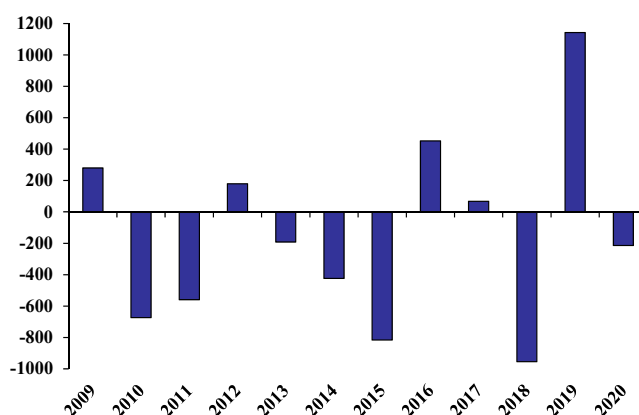
Figures issued by Banque du Liban (BdL) show that the net foreign assets of the financial sector, which are a proxy for Lebanon's balance of payments, declined by \$10.2bn in the first 11 months of 2020 compared to a decrease of \$5bn in the same period of 2019.

The cumulative deficit in the first 11 months of the year was caused by a drop of \$13.1bn in the net foreign assets of BdL, which was partly offset by an increase of \$2.9bn in those of banks and financial institutions. The deficit in the covered period reached its widest level in the first 11 months of a year since BdL started to publish the data in 1993, mainly due to sustained drawdowns of BdL's foreign currency reserves amid the drying up of capital inflows after the government defaulted on its foreign obligations in March.

Further, the net foreign assets of the financial sector regressed by \$214.4m in November 2020 compared to a decline of \$380m in October 2020 and to an increase of \$1.1bn in November 2019. The November decline was caused by a drop of \$630m in the net foreign assets of BdL, which was partly offset by an increase of \$415.5m in those of banks and financial institutions.

The cumulative increase in the banks' net foreign assets is due to the steeper decline of their foreign liabilities relative to the decrease of their foreign assets. The drop in foreign liabilities was driven to a large extent by a decrease in non-resident deposits and in liabilities to the non-resident financial sector; while the decline in the banks' foreign assets was mostly due to a contraction of the banks' claims on the non-resident financial sector, as well as to a decline of their claims on non-resident customers. In parallel, the decrease in BdL's net foreign assets was due in part to the financing of the imports of hydrocarbons, wheat, medicine, medical equipment, a basket of more than 300 food and non-food items, and raw materials for agriculture and industry.

Change in Net Foreign Assets of Financial Sector\* (US\$m)



\*in November of each year

Source: Banque du Liban

### Phased lifting of subsidies to yield \$2.6bn in annual savings

The World Bank considered that the current subsidies system in Lebanon is distortive, expensive and benefits predominantly wealthier consumers. It added that replacing the prevailing system with a less costly and more effective compensation scheme would ease the pressure on Lebanon's balance of payments, significantly extend the lifespan of Banque du Liban's (BdL) remaining foreign currency reserves, and support Lebanon's poor and middle class.

It estimated the current cost of the subsidies at \$437m per month, which is accelerating the depletion of foreign currency reserves at BdL. It cautioned that importers will be forced to revert in full to the parallel exchange rate market for their foreign currency needs, in case BdL abandons its support for imports of critical goods and essential items, which would exacerbate inflationary pressures and potentially fuel an "inflationary-depreciation" trend. It added that, in anticipation of higher prices, many importers and retailers are already hoarding critical and essential goods, which has created supply shortages and raised the prices of such goods.

In parallel, it expected that the removal of subsidies on the imports of critical goods and essential items would reduce import demand and relieve pressure on the balance of payments in the range of \$1.7bn to \$3.2bn based on consumption figures in 2020. However, it stressed that the lifting of subsidies is likely to fuel inflationary pressure, which would lead to a worsening of economic activity and declining standards of living.

The World Bank proposed a phased approach to lifting subsidies, whereby the first phase consists of removing the current subsidies on hydrocarbon imports except on fuel subsidies for Electricité du Liban (EdL) starting in January 2021, as well as on essential items as identified by the Ministry of Economy & Trade. It added that the second phase stipulates removing fuel subsidies for EdL and reforming EdL's pricing system starting in January 2022. It noted that the third phase includes the lifting of subsidies on medicine, contingent on the implementation of broad medical coverage for Lebanese citizens, and will start in January 2023. It anticipated the required budget outlays for this phased approach at a total of \$1.5bn in the first year of implementation, and to gradually decline to \$311m by the fifth year, which would be equivalent to an average annual spending of about \$779m. As such, it expected the removal of subsidies in the first phase of the plan and the introduction of a cash transfer compensation mechanism to result in net savings of about \$2.6bn annually over a five-year implementation period. However, it cautioned that a cash transfer scheme requires careful design, transparent implementation, and adequate financing, as the monetization of such outlays through the printing of money by BdL, whether directly or through budgetary allocations, would only further exacerbate the current macroeconomic conditions in the country. It added that the plan needs to identify and select the beneficiaries of cash transfers, undertake the payment of such transfers, as well as put in place an effective monitoring system, which is critical for the success of any social safety net program and for establishing trust with the vulnerable communities.

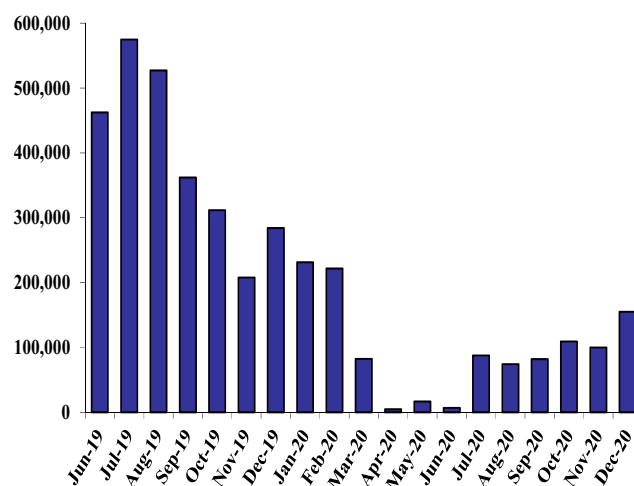
### Number of airport passengers down 71% in 2020

Figures released by the Beirut-Rafic Hariri International Airport (HIA) show that 2,501,975 passengers utilized the airport (arrivals, departures and transit) in 2020, constituting a decline of 71.2% from 8.68 million passengers in 2019. The number of arriving passengers dropped by 72.6% to 1,172,049 in 2020, compared to a decrease of 3.5% in 2019 and to a rise of 8.1% in 2018. Also, the number of departing passengers fell by 71% to 1,268,200 in 2020, relative to a decrease of 1.1% in 2019 and to an increase of 6.6% in 2018.

In parallel, the airport's aircraft activity totaled 27,062 take-offs and landings in 2020, representing a decline of 62.6% from 72,279 takeoffs and landings in 2019. In comparison, aircraft activity declined by 1.8% in 2019 and increased by 3.4% in 2018. In addition, the HIA processed 63,929 metric tons of freight last year that consisted of 29,593 tons of import freight and 34,336 tons of export freight. Middle East Airlines had 9,889 flights in 2020 and accounted for 36.5% of HIA's total aircraft activity.

The significant decline in the number of airport passengers and aircraft activity in 2020 is mainly due to the closure of the airport between March 18 and the end of June, as well as to the lockdown measures and the closure of airports in several countries in response to the outbreak of the coronavirus worldwide. However, the number of passengers that utilized the airport increased by nearly 10 times month-on-month to reach about 150,000 in July and by an additional 33% to around 200,000 passengers in August 2020, as the airport resumed its partial activity at the beginning of July. It then declined marginally to 199,391 passengers in September, improved to 242,817 in October, decreased to 220,333 in November, and rose to 282,130 passengers in December 2020, as a result of the end-of-year holiday season. Also, the airport's aircraft activity increased from 653 take-offs and landings in June to 1,884 in July and reached 2,770 take-offs and landings in August 2020. It moderated to 2,157 take-offs and landings in September, improved to 2,398 take-offs and landings in October, stabilized at 2,366 take-offs and landings in November, and increased to 2,783 take-offs and landings in December 2020. Still, the number of passengers that utilized the airport in December of last year fell by 48.2% and aircraft activity dropped by 42.4% from December 2019.

Number of Arriving Passengers



Source: Beirut-Rafic Hariri International Airport

### Occupancy rate at Beirut hotels at 16%, room yields down 81% in first 10 months of 2020

EY's benchmark survey of the hotel sector in the Middle East indicates that the average occupancy rate at four- and five-star hotels in Beirut was 16% in the first 10 months of 2020 relative to 71% in the same period of 2019, and compared to an average rate of 37% in 14 Arab markets included in the survey. The occupancy rate at Beirut hotels was the lowest in the region in the covered period, while it was the fifth highest in the first 10 months of 2019. The occupancy rate at hotels in Beirut regressed by 55.4 percentage points in the first 10 months of 2020, representing the steepest decline in the region. In comparison, the average occupancy rate in Arab markets declined by 29 percentage points in the covered period.

The occupancy rate at Beirut hotels stood at 37% in October 2020, constituting a decrease of 24.3 percentage points from 61% in October 2019. It was the sixth highest rate in the region in the covered month. The occupancy rate at Beirut hotels reached 25% in January, 30% in February, 10% in March, 2% in April, 3% in May, 3% in June, 11% in July, 22% in August and 43% in September 2020. In comparison, it stood at 60% in January, at 71% in February, at 79% in March, at 85% in April, at 45% in May, at 77% in June, at 77% in July, at 83% in August and at 77% in September 2019.

The average rate per room at Beirut hotels was \$161 in the first 10 months of 2020, decreasing by 17.1% from \$195 in the same period of 2019 and constituting the fifth highest rate in the region. The average rate per room in Beirut was higher than the regional average of \$134.4 that regressed by 19.3% from the first 10 months of 2019. The average rate per room at Beirut hotels was \$179 in October 2020 relative to \$138 in January, \$123 in February, \$122 in March, \$124 in April, \$108 in May, \$170 in June, \$283 in July, \$202 in August and \$157 in September 2020, and up by 68.7% from \$106 in October 2019.

Further, revenues per available room (RevPAR) were \$26 at Beirut hotels in the first 10 months of 2020, the lowest rate in the region alongside the RevPAR of Madinah, compared to \$139 in the same period of 2019. Beirut's RevPAR regressed by 81.4% year-on-year and posted the steepest decrease regionally. Beirut posted a RevPAR of \$67 in October 2020, up by 2% from \$65 in October 2019. The RevPAR in Beirut was the fifth highest in the region in the covered month. In comparison, Beirut posted RevPARs of \$35 in January, \$37 in February, \$12 in March, \$2 in April, \$3 in May, \$5 in June, \$32 in July, \$45 in August, and \$68 in September 2020; while it registered RevPARs of \$118 in January, \$132 in February, \$146 in March, \$174 in April, \$83 in May, \$181 in June, \$164 in July, \$180 in August, and \$83 in September 2019. Abu Dhabi posted the highest hotels occupancy rate in the region at 71% in the first 10 months of 2020, while Kuwait city registered the highest average rate per room at \$206, and Ras Al-Khaimah had the highest RevPAR at \$79 in the covered period.

### Oil and gas consortium to continue offshore exploration work

The Ministry of Energy and Water announced that the consortium that won bids for the exploration of oil and gas in Block 4 and Block 9 of Lebanon's territorial waters will continue its petroleum activities in the country. The consortium consists of Total E&P Liban sal, Eni Lebanon B.V. and Novatek Lebanon sal, and is operating under the leadership of Total.

It indicated that the consortium submitted to the ministry the Work and Budget Programs for 2021 for the two blocks, which include studies and data analysis to complete the activities in Block 4 where the consortium drilled an exploration well as per the Exploration and Production Agreement. It also noted that the drilling of the first exploration well in Block 9 will take place before the end of the first phase of the exploration period, which was extended until August 13, 2022. The five-year exploration phase is divided into a first phase of three years followed by a timeframe of two years. The ministry indicated that the explosion at the Port of Beirut on August 4, 2020 caused damages to the supply base designated for the implementation of petroleum activities in Lebanese maritime waters.

Total E&P Liban sal announced in April 2020 that the results of the drilling of Lebanon's first exploration well were "negative". It indicated that it found evidence of traces of gas in the exploration well, which confirms the presence of a hydrocarbon system in Lebanon's territorial waters. However, it said that it did not find reservoirs in the Tamar formation, which was the main target of the exploration well located 30 kilometers offshore of Beirut. It pointed out that despite the "negative" results, the exploration activity has provided valuable information that will be incorporated in future complementary studies about the exploration potential of Lebanon's offshore Exclusive Economic Zone.

#### Hotel Sector Performance in First 10 Months of 2020

	Occupancy Rate (%)	RevPAR (US\$)	RevPAR % change
Ras Al Khaimah	47	79	(24.1)
Kuwait City	35	72	(45.7)
Dubai	39	72	(55.6)
Riyadh	50	71	(27.5)
Jeddah	37	65	(62.1)
Doha	57	60	(20.8)
Abu Dhabi	71	53	(29.8)
Makkah	32	34	(71.6)
Manama	26	33	(60.4)
Amman	29	32	(64.9)
Cairo	30	28	(67.6)
Muscat	24	27	(67.0)
Madina	23	26	(71.5)
<b>Beirut</b>	<b>16</b>	<b>26</b>	<b>(81.4)</b>

Source: EY, Byblos Research

### **Banking Control Commission details mechanism for banks' foreign currency liquidity**

The Banking Control Commission of Lebanon (BCCL) issued on December 24, 2020 memo 18/2020 about rebuilding the banks' liquidity in foreign currency as per Banque du Liban's Basic Circular 154 dated August 27, 2020.

The memo clarified that a bank's liquidity in foreign currency needs to cover at least 3% of the aggregate amount of its total deposits in foreign currency as at the end of July 2020. It noted that each bank should deposit the liquidity requirement in a "free foreign account" that is not subject to any obligations in foreign currency.

It defined the "free foreign account" as a bank's net claims on the non-resident financial sector that are due in one year or less. Specifically, it asked banks to exclude from the claims the transactions related to foreign trade, such as documentary credits for imports, as well as the guarantees and other financing operations extended to the non-resident financial sector.

It also defined a bank's deposits in foreign currency as the deposits of the non-financial sector that include customer deposits, deposits from related parties, and public-sector deposits that are denominated in foreign currency. Basic Circular 154 stipulates that banks should meet the 3% ratio by the end of February 2021.

In parallel, the memo indicated that each bank should have at all time the required liquidity against "fresh funds", in order to guarantee the customers' ability to transfer these funds abroad, to withdraw banknotes, and to access these funds through payment cards in Lebanon or abroad.

### **Nearly 90% of Syrian refugees in Lebanon living under extreme poverty line**

A survey commissioned by the United Nations High Commissioner for Refugees (UNHCR), the World Food Program (WFP) and the United Nations Children's Fund (UNICEF) indicated that 49% of Syrian refugee households in Lebanon were suffering from "food insecurity", or were unable to have access to sufficient, safe and nutritious food in 2020, compared to 28% of households who faced similar conditions in 2019. It also said that 89% of Syrian refugees in Lebanon were living under the extreme poverty line in 2020, up from 55% in 2019. It indicated that the Survival Minimum Expenditure Basket stood at a monthly LBP308,722 per capita and consists of basic items that households need per month for their physical survival. It estimated that 91% of Syrian refugee households lived below the poverty line in 2020, or below the Minimum Expenditure Basket of LBP350,200 per capita, up from 73% in 2019.

In addition, the survey indicated that 21% of Syrian refugee households lived in non-permanent structures in 2020 compared to 20% in 2019, and 12% of households resided in non-residential accommodations last year relative to 11% in 2019; while 67% of Syrian refugee households lived in residential accommodations in 2020 compared to 69% in 2019. It also noted that the average monthly rent of surveyed Syrian refugee households in Lebanon declined from LBP267,000 in 2019 to LBP264,642 in 2020, and that 5% of households were living under the threat of eviction. It said that rent ranged from LBP93,419 per month for non-permanent structures, such as tents at informal settlements, to an average of LBP256,365 and LBP314,230 per month for non-residential and residential accommodations, respectively, in 2020.

Also, the survey said that the labor force participation rate among Syrian refugees in Lebanon was 39% in 2020 relative to 38% in 2019, with a share of 67% among men and 12% among women. It added that the unemployment rate was 37% in 2020 among the Syrian labor force in Lebanon compared to 31% in 2019, with a higher percentage among women (46%) compared to men (35%).

In addition, the survey noted that Syrian refugee households consisted of five individuals on average in 2020, similar to the past few years. It said that 11% of households reported that each of their members had legal residency in Lebanon relative to 10% in 2019 and 17% in 2018. Also, 69% of households stated that none of their members had legal residency in 2020, up from 61% in 2019; while 31% of households reported that at least one member had legal residency in 2020, down from 33% in 2019.

Further, the survey indicated that the cost of treatment was the main barrier for Syrian refugees to access primary and secondary healthcare or hospital care in 2020. It noted that the proportion of households that did not have access to healthcare due to cost considerations has continued to increase since 2017, as 57% of refugees that required primary healthcare were able to access this service relative to 63% in 2019; while 15% of refugees that required hospital care received this service relative to 22% in 2019.

The survey's results are part of the 2020 Vulnerability Assessment for Syrian Refugees in Lebanon. The data was collected from 4,563 Syrian refugee households in 26 districts across Lebanon. The survey was conducted between August and September 2020 for quantitative analysis, and discussion groups were held to gather qualitative information.

### Lebanon ranks 97<sup>th</sup> worldwide, second in Arab region in terms of human freedom

The Fraser Institute's 2020 Index of Human Freedom ranked Lebanon in 97<sup>th</sup> place among 162 countries globally and in second place among 18 Arab economies. It also ranked Lebanon in 31<sup>st</sup> place among 42 upper middle-income countries (UMICs) included in the survey. Based on the same set of countries, Lebanon's global rank regressed by one spot from the previous survey, while its regional rank was unchanged year-on-year.

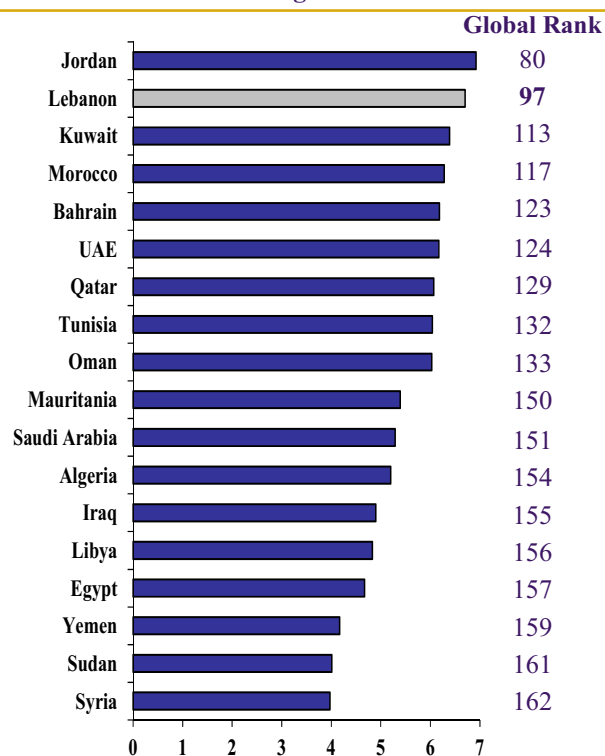
The index measures the extent of human freedoms in a country, or the absence of forced constraints imposed on individuals. It includes 76 variables distributed into 12 broad indicators of economic and personal freedoms that are the Rule of Law; Security and Safety; freedoms of Movement; Religion; Association, Assembly & Civil Society; Expression & Information; Identity & Relationships; as well as the Size of Government; Legal System & Property Rights; Access to Sound Money; Freedom to Trade Internationally; and Regulation of Credit, Labor & Business. The 12 factors are grouped into two sub-indices that are the Personal Freedom Sub-Index and the Economic Freedom Sub-Index. A country's overall score on the index is the average of the two sub-indices and ranges from zero to 10, with a higher score reflecting a higher level of human freedom.

Globally, Lebanon has a higher level of human freedom than Belarus, Senegal and Mozambique, and a lower level than Papua New Guinea, Sri Lanka and Zambia among economies with a GDP of \$10bn or more. It also has a higher level of human freedom than Belarus, Thailand and Russia, and a lower level than Mexico, Colombia and Brazil among UMICs. Lebanon received a score of 6.7 points, down from 6.73 points in the previous survey. Lebanon's score is lower than the global average score of 6.93 points and the UMICs' average score of 6.83 points, but is higher than the Arab average score of 5.51 points. Also, Lebanon's score is higher than the Gulf Cooperation Council (GCC) countries' average score of 6.02 points and the average score of non-GCC Arab countries of 5.26 points.

Lebanon ranks in 103<sup>rd</sup> place globally, in 29<sup>th</sup> place among UMICs and in first place regionally on the Personal Freedom Sub-Index. This category captures the level of civil liberties in a country, such as the freedom of speech, religion, association and assembly. Globally, Lebanon ranked ahead of Mexico and Gabon, and came behind Sri Lanka and Rwanda on this indicator. It also ranked ahead of Mexico and behind Guatemala among UMICs. Lebanon received a score of 6.52 points on this category, lower than the global average score of seven points and the UMICs average score of 6.87 points, but higher than the Arab region's average score of 4.9 points.

Also, Lebanon ranks in 83<sup>rd</sup> place globally, in 21<sup>st</sup> place among UMICs and in fourth place regionally on the Economic Freedom Sub-Index. This category measures the extent that a country's policies and institutions support economic freedom. Globally, Lebanon ranked ahead of Qatar and Kenya, and came behind Bosnia & Herzegovina and Sri Lanka on this category. It also ranked ahead of Thailand and behind Bosnia & Herzegovina among UMICs. Regionally, Lebanon was preceded by Jordan, Bahrain and the UAE on this indicator. Lebanon received a score of 6.88 points on this category, higher than the global average score of 6.86 points, the UMICs' average score of 6.78 points and the Arab average score of 6.12 points.

**Index of Human Freedom for 2020  
Scores & Rankings of Arab Countries**



Source: Fraser Institute, Byblos Research



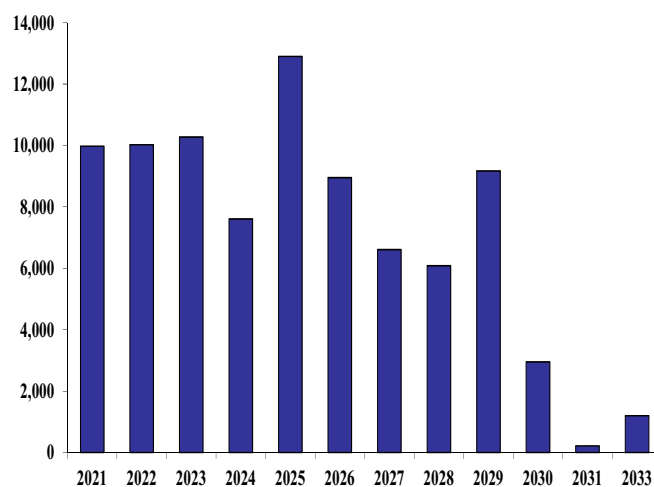
### Nearly eighty seven percent of Treasury securities in Lebanese pounds have five-year maturities or longer

Figures released by the Association of Banks in Lebanon (ABL) show that the face value of outstanding Treasury securities denominated in Lebanese pounds reached LBP88,161bn, or the equivalent of \$58.5bn, at the end of November 2020, compared to LBP82,543bn, or \$54.8bn, at the end of November 2019. The dollar figures are converted at the official exchange rate of the Lebanese pound against the US dollar. The weighted interest rate on Lebanese Treasury securities denominated in Lebanese pounds was 6.44% in November 2020 compared to 6.62% in November 2019.

The distribution of outstanding Treasury securities shows that 15-year Treasury bonds accounted for 1.6%, or LBP1,417bn, of aggregate securities denominated in Lebanese pounds at the end of November 2020; 12-year Treasury securities represented 3.5% of the total (LBP3,076bn); and 10-year Treasury bonds had a share of 37.7% (LBP33,264bn). Also, the share of eight-year Treasury securities was 0.1% (LBP67bn), seven-year Treasury bonds accounted for 21% (LBP18,519bn), five-year Treasury securities represented 23% (LBP20,180bn), the share of three-year Treasury bonds was 9.7% (LBP8,558bn), two-year Treasury bills represented 2% (LBP1,805bn), one-year T-bills accounted for 1.2% (LBP1,086bn), the share of six-month T-bills was 0.15% (LBP130bn), and three-month T-bills represented 0.1% (LBP59bn) of the total. As such, 64% of outstanding Treasury securities have seven-year maturities or longer and 86.8% have five-year maturities or more.

In parallel, LBP321bn in outstanding Treasury securities denominated in Lebanese pounds matured in November 2020, of which 43% were five-year Treasury bonds, 36.4% were three-year Treasury securities, 10% were three-month Treasury bills, 6.2% were one-year T-bills, 2.5% were two-year Treasury bonds, and 2% were six-month T-bills. According to ABL, LBP9,976 of outstanding Treasury bonds in Lebanese pounds will mature in 2021, while LBP10,026bn will come due in 2022.

**Projected Maturities of Treasury Securities in LBP\*  
(LBP billions)**



\*As at end-November

Source: Association of Banks in Lebanon, Byblos Research

### Private sector deposits down \$32.6bn in 15-month period ending November 2020

The consolidated balance sheet of commercial banks operating in Lebanon shows that total assets stood at \$190.3bn at the end of November 2020, constituting a decrease of 12.2% from \$216.8bn at the end of 2019 and a decline of 26.7% from \$259.7bn at end-November 2019. The dollar figures are based on the official exchange rate of the Lebanese pound to the US dollar. The year-on-year decline in assets is mainly due to the "netting" on the assets and liabilities' sides of the consolidated balance sheet of banks, as part of the implementation of international accounting standard IFRS 7 starting in December 2019.

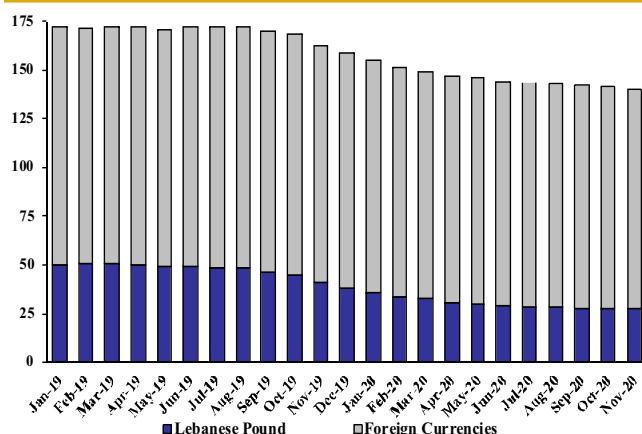
Loans extended to the private sector reached \$37.1bn at the end of November 2020 and declined by 25.4% from end-2019 and by 29.3% from a year earlier. Loans to the resident private sector totaled \$32.9bn, constituting a decrease of 25.6% from the end of 2019 and of 29.3% from end-November 2019. Also, credit to the non-resident private sector reached \$4.2bn at end-November 2020, and contracted by 24.4% from end-2019 and by 29% from a year earlier. In nominal terms, credit to the private sector contracted by \$12.7bn in the first 11 months of 2020 relative to a decrease of \$6.9bn in the same period of 2019, as lending to the resident private sector declined by \$11.3bn and credit to the non-resident private sector regressed by \$1.4bn in the covered period. The dollarization rate of private sector loans regressed from 69.6% at end-November 2019 to 60.3% at the end of November 2020. The average lending rate in Lebanese pounds was 7.92% in November 2020 compared to 9.69% a year earlier, while the same rate in US dollars was 6.63% relative to 10.64% in November 2019.

In addition, claims on non-resident financial institutions reached \$4.6bn at the end of November 2020 and dropped by \$2.2bn (-32%) from end-2019, by \$2.9bn (-38.7%) from a year earlier, and by \$4.5bn (-49.6%) from the end of August 2019. Also, deposits at foreign central banks totaled \$621.3m, constituting an increase of \$32.8m (+5.6%) from end-2019 and a decrease of \$35.2m (-5.4%) from end-November 2019. In addition, the banks' claims on the public sector stood at \$22bn at end-November 2020, down by \$6.7bn (-23.3%) from end-2019 and by \$8.4bn (-27.7%) from the end of November 2019. The banks' holdings of Lebanese Treasury bills stood at \$11.9bn, while their holdings of Lebanese Eurobonds reached \$9.9bn at end-November 2020. Further, the deposits of commercial banks at BdL totaled \$111bn at the end of November 2020, down by 5.8% from \$117.7bn at the end of 2019 and by 28.6% from \$155.3bn at the end of November 2019, following the netting operation.

In parallel, private sector deposits totaled \$140bn at the end of November 2020 and contracted by 12% from the end of 2019 and by 14% from end-November 2019. Deposits in Lebanese pounds reached the equivalent of \$27.6bn at end-November 2020 and declined by 27.6% from the end of 2019 and by 33% from a year earlier; while deposits in foreign currency reached \$112.3bn, as they regressed by 7% from end-2019 and by 7.5% from the end of November 2019. Resident deposits totaled \$112.8bn at the end of November 2020 and decreased by \$13.6bn (-10.8%) from the end of 2019 and by \$16.6bn (-12.8%) from a year earlier. Also, non-resident deposits reached \$27.1bn at end-November 2020, as they regressed by \$5.3bn (-16.4%) from end-2019 and by \$6.1bn (-18.3%) from the end of November 2019. In nominal terms, private sector deposits declined by \$3.8bn in January, by \$3.4bn in February, by \$2.1bn in March, by \$2.1bn in April, by \$1.2bn in May, by \$1.8bn in June, by \$1.2bn in July, by \$258.2m in August, by \$856m in September, by \$1.22bn in October, and by \$1.1bn in November 2020. As such, aggregate private sector deposits dropped by \$19bn in the first 11 months of 2020 relative to a decrease of \$11.7bn in the same period of 2019, with deposits in Lebanese pounds regressing by \$10.5bn and foreign-currency deposits shrinking by \$8.4bn. In addition, private sector deposits declined by \$2.2bn in September, by \$1.9bn in October, by \$5.8bn in November and by \$3.7bn in December 2019. As such, aggregate private sector deposits dropped by \$32.6bn in the 15-month period ending in November 2020, due largely to the repayment of loans, to the hoarding of cash at households, to banks and companies paying their foreign obligations, and to deposit outflows. The dollarization rate of private sector deposits was 80.3% at end-November 2020 compared to 76% at the end of 2019 and to 74.7% a year earlier.

Further, the liabilities of non-resident financial institutions reached \$7.2bn at the end of November 2020 and decreased by 19% from end-2019. Also, the average deposit rate in Lebanese pounds was 2.91% in November 2020 compared to 9.4% a year earlier, while the same rate in US dollars was 0.97% relative to 6.31% in November 2019. The ratio of private sector loans to deposits in foreign currency stood at 20% at the end of November 2020 compared to 30% a year earlier, well below BdL's limit of 70%. The same ratio in Lebanese pounds reached 53.4% at end-November 2020 relative to 38.7% from a year earlier. As such, the total private sector loans-to-deposits ratio reached 26.5% compared to 32.3% at end-November 2019. The banks' aggregate capital base stood at \$18.9bn at the end of November 2020, down by 8% from \$20.6bn a year earlier.

Private Sector Deposits (US\$bn)



Source: Banque du Liban, Byblos Research

### **Solidere's sales contracts at \$393m in 2020**

Solidere, the Lebanese Company for the Development and Reconstruction of Beirut Central District sal, indicated that its unaudited revenues from land sales totaled \$393m in 2020. It said that the sales revenues will be reflected in the company's 2020 and 2021 financials. In addition, it announced that it has paid off in full its obligations to banks in 2020, which exceeded \$200m, as well as improved significantly its balance sheet. It added that its cash and bank deposits balances have increased substantially at the end of 2020, which supports its liquidity position and its ability to face urgent and future challenges. The company noted that it is currently in the process of repairing the severe damages to its facility that resulted from the Beirut Port explosion on August 4, 2020.

Solidere announced earlier in 2020 that it will periodically publish the amounts of signed sales contracts in order to ensure the accuracy of the information that circulates in the media. The company's revenues from land sales totaled \$234.5m in 2019, \$1.27m in 2018, \$94,500 in 2017 and \$203.3m in 2016. Solidere posted consolidated unaudited net profits of \$38.1m in the first half of 2020, constituting a decline of 9.7% from \$42.1m in the same period of 2019. In comparison, it registered consolidated audited net profits of \$49m in 2019, relative to net losses of \$115.7m in 2018 and of \$116.4m in 2017, and to net profits of \$75.3m in 2016.

Solidere is Lebanon's largest listed firm on the Beirut Stock Exchange in terms of market capitalization as at the end of 2020. The price of "Solidere A" shares closed at \$18.5 per share on December 30, 2020, up by 153% from \$7.3 per share at end-2019, while the price of "Solidere B" shares closed at \$18.29 and increased by 151% from \$7.29 per share at end-2019.

### **Arab Bank's net income in Lebanon down 13% to \$14.4m in 2019**

The Jordan-based Arab Bank plc announced audited net profits of \$14.4m in 2019 for its operations in Lebanon, constituting a decrease of 13.1% from net earnings of \$16.5m in 2018. The bank's net operating income regressed by 6.8% to \$52m in 2019, with net fees & commissions receipts declining by 5.4% to \$7.1m. In contrast, net interest income increased by 11.7% to \$56m in 2019.

Total operating expenditures decreased by 7.5% to \$32.5m in 2019, with staff expenses contracting by 4.6% to \$17.5m and administrative & other operating expenditures declining by 11.1% to \$13.2m. The bank's cost-to-income ratio dropped from 56.6% in 2018 to 48.6% in 2019. The bank's return on assets in Lebanon marginally decreased from 1.3% in 2018 to 1.1% in 2019, while its return on equity stood at 12.1%, down from 14.1% in 2018.

In parallel, total assets reached \$1.29bn at the end of 2019, nearly unchanged from \$1.3bn at end-2018; while loans & advances to customers, excluding loans & advances to related parties, regressed by 12.5% to \$576.8m. Also, customer deposits, excluding deposits from related parties, totaled \$990.3m at end-2019, down by 0.7% from a year earlier. The loans-to-deposits ratio dropped from 66.1% at end-2018 to 58.2% at end-2019. The bank's shareholders' equity reached \$118.8m at end-2019 and increased by 1.6% from \$117m a year earlier.



## Ratio Highlights

(in % unless specified)	2017	2018	2019	Change*
Nominal GDP (\$bn)	53.1	55.0	51.3	(3.70)
Public Debt in Foreign Currency / GDP	57.2	60.9	65.8	4.89
Public Debt in Local Currency / GDP	92.5	93.9	112.9	18.96
Gross Public Debt / GDP	149.7	154.8	178.6	23.85
Total Gross External Debt / GDP**	190.3	192.8	196.3	3.50
Trade Balance / GDP	(31.5)	(31.0)	(30.2)	0.73
Exports / Imports	14.5	14.8	19.4	4.62
Fiscal Revenues / GDP	21.9	21.0	19.5	(1.53)
Fiscal Expenditures / GDP	28.9	32.4	29.7	(2.62)
Fiscal Balance / GDP	(7.1)	(11.4)	(10.3)	1.09
Primary Balance / GDP	2.7	(1.2)	(0.5)	0.65
Gross Foreign Currency Reserves / M2	68.2	63.8	70.2	6.38
M3 / GDP	260.8	256.9	262.2	5.29
Commercial Banks Assets / GDP	413.7	453.6	422.6	(31.04)***
Private Sector Deposits / GDP	317.4	316.9	309.7	(7.21)
Private Sector Loans / GDP	112.3	108.0	97.0	(10.96)
Private Sector Deposits Dollarization Rate	68.7	70.6	76.0	5.41
Private Sector Lending Dollarization Rate	68.6	69.2	68.7	(0.50)

\*change in percentage points 19/18; \*\*includes portion of public debt owed to non-residents, liabilities to non-resident banks, non-resident deposits (estimated by the IMF), Bank for International Settlements' claims on Lebanese non-banks; \*\*\*The decline in assets in 2019 incorporates the "netting" on the assets and liabilities' sides of the consolidated balance sheet of commercial banks as part of the implementation of international accounting standard IFRS 7;

Source: Association of Banks in Lebanon, International Monetary Fund, Central Administration of Statistics, Byblos Research Estimates & Calculations

Note: M2 includes money in circulation and deposits in LBP, M3 includes M2 plus Deposits in FC and bonds

## National Accounts, Prices and Exchange Rates

	2018	2019e	2020f
Nominal GDP (LBP trillion)	82.9	80.8	99.4
Nominal GDP (US\$ bn)	55.0	51.3	25.8
Real GDP growth, % change	-1.9	-6.7	-26.4
Private consumption	-1.3	-7.3	-23.4
Public consumption	6.7	2.5	-64.7
Gross fixed capital	-1.8	-11.1	-32.2
Exports of goods and services	0.5	-4.0	-31.6
Imports of goods and services	1.1	-4.9	-39.5
Consumer prices, %, average	6.1	2.9	85.2
Official exchange rate, average, LBP/US\$	1,507.5	1,507.5	1,507.5
Parallel exchange rate, average, LBP/US\$	n/a	1,620	5,528
Weighted average exchange rate LBP/US\$	1,507.5	1,575	3,853

Source: Institute of International Finance- December 2020

## Ratings & Outlook

Sovereign Ratings	Foreign Currency			Local Currency		
	LT	ST	Outlook	LT	ST	Outlook
Moody's Investors Service	C	NP	-	C		-
Fitch Ratings	RD	C	-	CC	C	-
S&P Global Ratings	SD	SD	-	CC	C	Negative
Capital Intelligence Ratings	SD	SD	-	C-	C	Negative

\*for downgrade

\*\*CreditWatch negative

Source: Rating agencies

### Banking Sector Ratings

	Outlook
Moody's Investors Service	Negative

Source: Moody's Investors Service

---

**Economic Research & Analysis Department**  
**Byblos Bank Group**  
**P.O. Box 11-5605**  
**Beirut – Lebanon**  
**Tel: (961) 1 338 100**  
**Fax: (961) 1 217 774**  
**E-mail: [research@byblosbank.com.lb](mailto:research@byblosbank.com.lb)**  
**[www.byblosbank.com](http://www.byblosbank.com)**

---

Lebanon This Week is a research document that is owned and published by Byblos Bank sal. The contents of this publication, including all intellectual property, trademarks, logos, design and text, are the exclusive property of Byblos Bank sal, and are protected pursuant to copyright and trademark laws. No material from Lebanon This Week may be modified, copied, reproduced, repackaged, republished, circulated, transmitted, redistributed or resold directly or indirectly, in whole or in any part, without the prior written authorization of Byblos Bank sal.

The information and opinions contained in this document have been compiled from or arrived at in good faith from sources deemed reliable. Neither Byblos Bank sal, nor any of its subsidiaries or affiliates or parent company will make any representation or warranty to the accuracy or completeness of the information contained herein.

Neither the information nor any opinion expressed in this publication constitutes an offer or a recommendation to buy or sell any assets or securities, or to provide investment advice. This research report is prepared for general circulation and is circulated for general information only. Byblos Bank sal accepts no liability of any kind for any loss resulting from the use of this publication or any materials contained herein.

The consequences of any action taken on the basis of information contained herein are solely the responsibility of the person or organization that may receive this report. Investors should seek financial advice regarding the appropriateness of investing in any securities or investment strategies that may be discussed in this report and should understand that statements regarding future prospects may not be realized.

---

# BYBLOS BANK GROUP

## LEBANON

---

Byblos Bank S.A.L  
Achrafieh - Beirut  
Elias Sarkis Avenue - Byblos Bank Tower  
P.O.Box: 11-5605 Riad El Solh - Beirut 1107 2811- Lebanon  
Phone: (+ 961) 1 335200  
Fax: (+ 961) 1 339436

## IRAQ

---

Erbil Branch, Kurdistan, Iraq  
Street 60, Near Sports Stadium  
P.O.Box: 34 - 0383 Erbil - Iraq  
Phone: (+ 964) 66 2233457/8/9 - 2560017/9  
E-mail: [erbilbranch@byblosbank.com.lb](mailto:erbilbranch@byblosbank.com.lb)

Sulaymaniyah Branch, Kurdistan, Iraq  
Salem street, Kurdistan Mall - Sulaymaniyah  
Phone: (+ 964) 773 042 1010 / (+ 964) 773 041 1010

Baghdad Branch, Iraq  
Al Karrada - Salman Faeq Street  
Al Wahda District, No. 904/14, Facing Al Shuruk Building  
P.O.Box: 3085 Badalat Al Olwiya – Iraq  
Phone: (+ 964) 770 6527807 / (+ 964) 780 9133031/2  
E-mail: [baghdadbranch@byblosbank.com.lb](mailto:baghdadbranch@byblosbank.com.lb)

Basra Branch, Iraq  
Intersection of July 14th, Manawi Basha Street, Al Basra – Iraq  
Phone: (+ 964) 770 4931900 / (+ 964) 770 4931919  
E-mail: [basrabranch@byblosbank.com.lb](mailto:basrabranch@byblosbank.com.lb)

## UNITED ARAB EMIRATES

---

Byblos Bank Abu Dhabi Representative Office  
Al Reem Island - Sky Tower - Office 2206  
P.O.Box: 73893 Abu Dhabi - UAE  
Phone: (+ 971) 2 6336050 - 2 6336400  
Fax: (+ 971) 2 6338400  
E-mail: [abudhabirepoffice@byblosbank.com.lb](mailto:abudhabirepoffice@byblosbank.com.lb)

## ARMENIA

---

Byblos Bank Armenia CJSC  
18/3 Amiryan Street - Area 0002  
Yerevan - Republic of Armenia  
Phone: (+ 374) 10 530362 Fax: (+ 374) 10 535296  
E-mail: [infoarm@byblosbank.com](mailto:infoarm@byblosbank.com)

## NIGERIA

---

Byblos Bank Nigeria Representative Office  
161C Rafu Taylor Close - Off Idejo Street  
Victoria Island, Lagos - Nigeria  
Phone: (+ 234) 706 112 5800  
(+ 234) 808 839 9122  
E-mail: [nigeriarepresentativeoffice@byblosbank.com.lb](mailto:nigeriarepresentativeoffice@byblosbank.com.lb)

## BELGIUM

---

Byblos Bank Europe S.A.  
Brussels Head Office  
Boulevard Bischoffsheim 1-8  
1000 Brussels  
Phone: (+ 32) 2 551 00 20  
Fax: (+ 32) 2 513 05 26  
E-mail: [byblos.europe@byblosbankeur.com](mailto:byblos.europe@byblosbankeur.com)

## UNITED KINGDOM

---

Byblos Bank Europe S.A., London Branch  
Berkeley Square House  
Berkeley Square  
GB - London W1J 6BS - United Kingdom  
Phone: (+ 44) 20 7518 8100  
Fax: (+ 44) 20 7518 8129  
E-mail: [byblos.london@byblosbankeur.com](mailto:byblos.london@byblosbankeur.com)

## FRANCE

---

Byblos Bank Europe S.A., Paris Branch  
15 Rue Lord Byron  
F- 75008 Paris - France  
Phone: (+33) 1 45 63 10 01  
Fax: (+33) 1 45 61 15 77  
E-mail: [byblos.europe@byblosbankeur.com](mailto:byblos.europe@byblosbankeur.com)

## CYPRUS

---

Limassol Branch  
256 Archbishop Makariou III Avenue, Eftapaton Court  
3105 Limassol - Cyprus  
Phone: (+ 357) 25 341433/4/5  
Fax: (+ 357) 25 367139  
E-mail: [byblosbankcyprus@byblosbank.com.lb](mailto:byblosbankcyprus@byblosbank.com.lb)

## ADIR INSURANCE

---

Dora Highway - Aya Commercial Center  
P.O.Box: 90-1446  
Jdeidet El Metn - 1202 2119 Lebanon  
Phone: (+ 961) 1 256290  
Fax: (+ 961) 1 256293