

Figures released by the Ministry of Finance, Customs Directorate, indicate a trade deficit of US\$ 4,635 million during January-April of 2015, 22 percent lower than the deficit of US\$ 5,964 million registered during the same period of 2014. The US\$ 1,329 million improvement in the trade deficit is rooted in significantly lower imports by US\$ 1,423 million despite the slight decrease of US\$ 94 million in exports during the period under consideration.

Total **imports** reached US\$ 5,614 million during January-April of 2015, registering a decrease of 20 percent in value and 8 percent in volume, when compared to the same period of 2014.

- This drop in imports was induced by a significantly lower bill of "**Mineral fuel and oil**" of 48 percent (US\$ 824 million)¹, reflecting a 16 percent decline in terms of volume. In details, EDL fuel imports dropped from US\$ 529 million in January-April 2014 to nil during the same period this year. Also Non-EDL fuel imports contracted by 25 percent (US\$ 295 million) when compared to the same period of 2014².
- Imports of "**Unwrought & semi-manufactured gold, diamonds, precious stones & metals**" continued to decrease in terms of value with a year-on-year drop of 23 percent (US\$ 82 million), along with a decline of 14 percent in volume terms.
- Excluding "**Mineral fuel and oil**" and "**Unwrought gold, un-mounted diamond & precious stones**", imports decreased by 10 percent (US\$ 517 million) during January-April 2015 compared to the same period of 2014. The main decreases were witnessed in "**Iron and steel**", "**Electrical machinery and equipment**", "**Aircraft engines and boilers**" and "**plastic and articles thereof**" with 48 percent (US\$ 173 million)³, 28 percent (US\$ 104 million)⁴, 7 percent (US\$ 29 million)⁵ and 13 percent (US\$ 29 million)⁶ respectively. In contrast, imports of "**Vehicles other than railway**" and "**Articles of apparel and clothing**" increased by 7 percent (US\$ 31 million)⁷ and 13 percent (US\$ 22 million)⁸ respectively.
- China ranked as Lebanon's top import trading partner in January-April 2015 with a share of 12 percent of total imports, noting that almost 15 percent of imports from this country are "**Aircraft engines, Boilers, machinery and mechanical appliances**". Italy and Germany followed with shares of 7 percent and 6 percent respectively.

Exports reached US\$ 978 million during January-April of 2015, reflecting a decrease of 9 percent compared to the same period of 2014, along with a decrease of 2 percent in terms of volume.

¹ The large drop in value is mainly attributed to lower international fuel prices with the Brent price dropping to an average of US\$ 55.32 per barrel during Jan-April 2015 from US\$ 108.065 per barrel during the same period of 2014.

² This drop in value of non-EDL fuel imports came despite the 17 percent increase in terms of volume, reflecting the large drop in international fuel prices.

³ Mainly due to a decline in imports from China and Turkey by 60 percent (US\$ 142 million) and 56 percent (US\$ 16 million) respectively.

⁴ This contraction is mainly attributed to lower imports from China and Italy by 44 percent (US\$ 58 million) and 33 percent (US\$ 8 million).

⁵ The drop in "Aircraft engines" is attributed to lower imports from Germany and China by 44 percent (US\$ 25 million) and 18 percent (US\$ 22 million) respectively that offset the increase in imports from United Kingdom by 256 percent (US\$ 37 million).

⁶ The drop in "Plastics" is attributed to lower imports from Saudi Arabia by 10 percent (US\$ 10 million).

⁷ This increase is a result of a hike of imports from Japan and United states by 16 percent (US\$ 11 million) and 13 percent (US\$ 8 million).

⁸ Mainly due to an increase in imports from China and Turkey by 20 percent (US\$ 10 million) and 57 percent (US\$ 9 million).

- Exports of "**Unwrought gold, un-mounted diamond & precious stones**" decreased by 24 percent (US\$ 47 million) in terms of value, while in terms of volume it increased by 34 percent⁹.
- Excluding "Unwrought gold, un-mounted diamond & precious stones", exports decreased year-on-year by 5 percent (US\$ 46 million, mainly due to a decline in "**Aircraft engines, Boilers, machinery and mechanical appliances**" and "**Plastic and articles**" by 18 percent (US\$ 14 million)¹⁰ and 21 percent (US\$ 9 million)¹¹ respectively.
- On the other hand, few categories registered a year-on-year increase, mainly exports of "**Electrical machinery and equipment**" which rose by US\$ 6 million (9 percent)¹².
- **From a regional perspective**, exports to Arab countries witnessed a simple increase of 0.1 percent (US\$ 1 million) during January-April 2015 compared to the same period of 2014. This increase is attributed to higher exports to Saudi Arabia by 13 percent (US\$ 15 million)¹³ which offset the decrease in exports to Syria by 18 percent (US\$ 14 million).
- Lastly, the **breakdown of Lebanese exports by major destination** shows that Saudi Arabia and the United Arab Emirates were at the top of the list during the first four months of 2015 with respective shares of 13 percent and 11 percent, followed by other regional countries mainly Iraq with a share of 8 percent.

⁹ This is mainly due to the export of a relatively large volume of "articles of goldsmiths or silversmiths wares and parts thereof, of precious metal or/of metal clad with precious metal" with 9,047 Kgs (50 percent of total exports of "Unwrought gold, un-mounted diamond & precious stones") having a value of US\$ 327 thousand (0.2 percent of total exports in this category). In comparison, these exports registered a volume of 2,003 Kgs in January-April 2014 with a value of US\$ 97 thousand.

¹⁰ Due to lower exports to Iraq by 51 percent (US\$ 8 million).

¹¹ This decrease is related to lower exports to USA by 74 percent (US\$ 5 million).

¹² This increase can be explained by higher exports to Saudi Arabia by 111 percent (US\$ 9 million).

¹³ Mainly due to a y-o-y rise in exports of Electrical products by US\$ 17 million during January-April of 2015.

Table 1: Trade activity by value

(US\$ millions)	2014	2015	% Change	2011	2012	2013	2014	2015	% Change
	April	April	April 15/14	Jan – April	Jan – April	Jan – April	Jan – April	Jan – April	Jan – April 15/14
Imports	1,641	1,444	-12%	6,079	7,523	7,363	7,036	5,614	-20%
<i>of which mineral fuel & oil</i>	304	187	-38%	1,284	2,586	1,866	1,726	902	-48%
-EDL registered fuel imports	0	0	NA	324	1,292	405	529	0	-100%
-Non EDL fuel imports	304	187	-38%	960	1,294	1,461	1,197	902	-25%
<i>of which Unwrought & semi-manufactured gold, diamonds, precious stones & metals</i>	99	71	-28%	486	571	501	351	269	-23%
Exports	300	235	-22%	1,330	1,472	1,604	1,072	978	-9%
<i>of which Unwrought gold, un-mounted diamond, & precious metals</i>	58	33	-42%	434	647	419	201	154	-24%
Trade Balance	-1,340	-1,209	-10%	-4,749	-6,051	-5,759	-5,964	-4,635	-22%

Source: Directorate General of Customs, Ministry of Finance

Table 2: Trade activity by volume

(Millions of kgs)	2014	2015	% Change	2011	2012	2013	2014	2015	% Change
	April	April	April 15/14	Jan – April	Jan – April	Jan – April	Jan – April	Jan – April	Jan – April 15/14
Imports	1,104	1,339	21%	4,623	5,656	5,051	5,204	4,813	-8%
<i>of which mineral fuel & oil</i>	336	324	-3%	1,727	2,874	1,997	1,974	1,659	-16%
-EDL registered fuel imports	0	0	#DIV/0!	545	1,505	403	560	0	-100%
-Non EDL fuel imports	336	324	-3%	1,182	1,370	1,594	1,414	1,659	17%
<i>of which Unwrought & semi-manufactured gold, diamonds, precious stones & metals (Kgs)</i>	91,037	49,732	-45%	266,285	294,735	422,762	304,536	262,063	-14%
Exports	169	123	-27%	1,035	715	1,012	582	568	-2%
<i>of which Unwrought gold, un-mounted diamond, & precious metals (Kgs)</i>	2,892	3,498	21%	47,057	49,772	26,330	13,503	18,037	34%
Trade Balance	-936	-1,216	30%	-3,588	-4,941	-4,039	-4,622	-4,244	-8%

Source: Directorate General of Customs, Ministry of Finance

✚ The distribution of the top traded products is as follows:

Table 3: IMPORT Distribution by Product (in US\$ million)

Rank	Product	Jan-April 2014	% Share	Jan-April 2015	% Share	Value Change	% Change
1	Mineral fuels and oils	1,726	25%	902	16%	-824	-48%
2	Vehicles and accessories, cranes & lorries	431	6%	462	8%	31	7%
3	Aircraft engines, Boilers, machinery and mechanical appliances	436	6%	406	7%	-29	-7%
4	Pharmaceutical products	391	6%	386	7%	-5	-1%
5	Unwrought & semi-manufactured gold, diamonds, precious stones & metals	351	5%	269	5%	-82	-23%
6	Electrical machinery and equipment	365	5%	261	5%	-104	-28%
7	Plastics and articles thereof	220	3%	191	3%	-29	-13%
8	Articles of apparel and clothing	169	2%	190	3%	22	13%
9	Iron and Steel	357	5%	184	3%	-173	-48%
10	Cereals	109	2%	113	2%	3	3%
	Others	2,482	35%	2,250	40%	-233	-9%
	Total	7,036	100%	5,614	100%	-1423	-20%

Source: MOF, DGC

Table 4: EXPORT Distribution by Product (in US\$ million)

Rank	Product	Jan-April 2014	% Share	Jan- April 2015	% Share	Value Change	% Change
1	Unwrought & semi-manufactured gold, diamonds, precious stones & metals	201	19%	154	16%	-47	-24%
2	Electrical machinery and equipment	68	6%	74	8%	6	9%
3	Aircraft engines, Boilers, machinery and mechanical appliances	78	7%	64	6%	-14	-18%
4	Preparations of vegetables	44	4%	48	5%	4	9%
5	Essential oils and resino	37	3%	42	4%	5	13%
6	Plastic and articles thereof	44	4%	35	4%	-9	-21%
7	Processed and Refined Copper	34	3%	31	3%	-3	-10%
8	Beverages, spirts and vinegar	30	3%	31	3%	1	3%
9	Furniture, bedding, mattresses	28	3%	30	3%	2	7%
10	Paper and paperboard	29	3%	27	3%	-2	-7%
	Others	479	45%	444	45%	-35	-7%
	Total	1,072	100%	978	100%	-94	-9%

Source: MOF, DGC



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