

Figures released by the Ministry of Finance, Customs Directorate, indicate a trade deficit of US\$ 5,964 million during the period of January-April of 2014, 4 percent higher than the deficit of US\$ 5,759 million registered during the same period of 2013. The US\$ 206 million deterioration in the trade deficit is rooted in significantly lower exports - by US\$ 532 million - which were partly counterbalanced by lower imports of US\$ 326 million.

Total **imports** amounted US\$ 7,036 million during the period of January-April 2014, registering a decrease of 4 percent in value terms, while in terms of volume it increased by 3 percent when compared to the same period of 2013.

- Imports of "**Mineral fuel and oil**" registered a year-on-year decrease of 8 percent (US\$ 140 million), reflecting a 1 percent decrease in terms of volume. This drop is induced by lower non EDL fuel imports¹ by 18 percent, partly offset by a significant increase of 31 percent in EDL fuel imports from US\$ 405 million in January- April 2013 to US\$ 529 million in the same period of 2014.
- Imports of "**Unwrought & semi-manufactured gold, diamonds, precious stones & metals**" continued to witness a decrease since February 2013, dropping during January-April 2014 by 30 percent (US\$ 150 million)², reflecting a remarkable decline of 28 percent in terms of volume.

Table 1: Imports break down of Natural and precious stones (US\$ Million)

Description	Jan-April 2013	Jan-April 2014	Value Change	% Change
Diamonds, whether or not worked, but not mounted or set	79	66	-14	-18%
Precious stones (other than diamonds) and semi-precious stones	3	9	6	300%
Gold (including gold plated with platinum)	399	257	-142	-36% ³
Articles of jewelry and parts	13	11	-2	-15%
Imitation jewelry	5	5	0	0%

Source: Directorate General of Customs, Ministry of Finance

- Excluding "**Mineral fuel and oil**" and "**Unwrought gold, un-mounted diamond & precious stones**", imports slightly decreased by 1 percent (US\$ 35 million) during January-April 2014 compared to the same period of 2013. In fact, the main decreases were witnessed in "**Electrical machinery and equipment**", "**Vehicles and accessories, cranes & lorries**" and "**Tobacco and manufactured tobacco substitutes**" registering respective

¹ This decrease in imports of Non EDL Fuel can be partly attributed to a decrease in the average oil prices during January-April 2014 (US\$ 108 per barrel of crude oil) when compared to the same period of 2013 (US\$ 110 per barrel).

² This significant drop is mainly attributed to lower imports from Egypt and Benin by 100 percent (US\$ 74 million) and 89 percent (US\$ 53 million) respectively.

³ This can be partly attributed to a lower price of gold during the period of Jan-Apr 2014 with an average of US\$ 1295 per ounce compared to an average of US\$ 1595 during the same period of 2013.

drops of 25 percent (US\$ 123 million)⁴, 12 percent (US\$ 61 million)⁵ and 37 percent (US\$ 34 million)⁶ respectively compared to the previous year, against respective declines of 19 percent, 10 percent and 16 percent in terms of volume.

- The impact of these decreases has more than offset the rises in imports of **“Iron and Steel”**, **“Dairy produce; birds' egg”** and **“Paper and paperboard”** which increased respectively by 39 percent (US\$ 100 million)⁷, 16 percent (US\$ 18 million) and 17 percent (US\$ 16 million). This variation in value is interpreted in respective rises of 49 percent, 2 percent and 14 percent in terms of volume.
- As for the **breakdown of Lebanese imports by country of origin** during the period of January-April of 2014, China remained Lebanon’s top import trading partner with a share of 13 percent of total imports, noting that 27 percent of imports from this country are “Iron and steel”. Italy and United States followed with respective shares of 9 and 8 percent.

Total **exports** reached US\$ 1072 million during the period of January-April of 2014, reflecting a significant decrease of 33 percent when compared to the same period of 2013, along with a decline of 42 percent in terms of volume.

- Exports of **“Unwrought gold, un-mounted diamond & precious stones”** decreased significantly by 52 percent (US\$ 218 million)⁸ in terms of value, compared to a decrease of 49 percent in terms of volume.

Table 2: Exports of Natural and precious stones (US\$ Million)

Description	Jan-April 2013	Jan-April 2014	Value Change	% Change
Diamonds, whether or not worked, but not mounted or set.	52	27	-25	-48%
Precious stones (other than diamonds) and semi-precious stones.	5	5	0	0%
Gold (including gold plated with platinum).	331	147	-184	-56% ⁹
Articles of jewelry and parts.	26	19	-7	-27%

Source: Directorate General of Customs, Ministry of Finance

⁴This decline in imports of Electrical machinery is rooted in lower imports from turkey by 98 percent (US\$ 218 million) most probably due to the importation of equipment related to the Turkish electricity production barges, that was partly counterbalanced by higher imports from China and Germany by 82 percent (US\$ 60 million) and 207 percent (US\$ 25 million) respectively.

⁵This decrease is mainly attributed to lower imports from Korea, Germany and the United Kingdom by 36 percent (US\$ 21 million), 14 percent (US\$ 19 million) and 34 percent (US\$ 16 million) respectively.

⁶Mainly due to lower imports from Germany by 79 percent (US\$ 25 million).

⁷This increase is attributed to higher imports from china by 275 percent (US\$ 174 million) despite the retraction of imports from Ukraine by 53 percent (US\$ 58 million).

⁸ This decrease is mainly attributed to lower exports to South Africa and Switzerland by 48 percent (US\$ 120 million) and 76 percent (US\$ 65 million) respectively.

⁹ Refer to footnote 3.

- Exports of "**Mineral fuel and oil**" continued to register a significant decrease from the beginning of 2014, dropping by 96 percent both in terms of value and volume¹⁰ during the period of January-April of 2014 compared to the same period of 2013.
- Excluding "**Unwrought gold, un-mounted diamond & precious stones**" and "**Mineral fuel and oil**", the most notable decreases were registered in exports of "**Copper and Articles**", "**Electrical machinery and equipment**" and "**Iron and Steel**" which declined by 58 percent (US\$ 47 million)¹¹, 34 percent (US\$ 34 million)¹² and 43 percent (US\$ 27 million)¹³ respectively.
- These decreases were partly counterbalanced by slightly higher exports of "**Printed books and newspapers**" and "**Miscellaneous edible preparations**" by 72 percent (US\$ 16 million)¹⁴ and 43 percent (US\$ 9 million)¹⁵ respectively.
- **From a regional perspective**, exports to Arab countries witnessed a year-on-year decrease of 32 percent (US\$ 252 million) during the first four months of 2014. This decrease is mostly attributed to lower exports to Syria by 73 percent (US\$ 211 million)¹⁶.
- Lastly, the **breakdown of Lebanese exports by major destination** shows that South Africa¹⁷ was at the top of the list during January-April 2014 with a share of 12 percent of total exports - noting that almost all exports to this country are "unwrought gold, un-mounted diamond & precious stones"- followed by other regional countries mainly Saudi Arabia and the United Arab Emirates with respective shares of 11 percent and 9 percent.

¹⁰ This y-o-y drop in exports of fuel is mostly due to the decrease in exports to Syria by 98 percent (US\$ 222 million).

¹¹ Driven by respective decreases of 60 percent (US\$ 19 million), 76 percent (US\$ 10 million) and 86 percent (US\$ 8 million) in exports to Korea, Greece and China.

¹² Driven by a drop in exports to Saudi Arabia and Iraq by 71 percent (US\$ 19 million) and 56 percent (US\$ 13 million) respectively.

¹³ Mainly due to a drop in exports to Turkey by 42 percent (US\$ 23 million).

¹⁴ Mainly to Saudi Arabia with an increase of US\$ 10 million.

¹⁵ Due to an increase in exports to Syria by US\$ 4 million.

¹⁶ Mainly due to lower exports of fuel as stated in Footnote 9 above.

¹⁷ Although exports to this country decreased by 48 percent (US\$ 120 million) in January-April 2014 due to a drop in gold exports.

Table 3: Trade activity by value

(US\$ millions)	2013	2014	% Change	2010	2011	2012	2013	2014	% Change
	April	April	Apr 2014/2013	Jan-Apr	Jan-Apr	Jan-Apr	Jan-Apr	Jan-Apr	Jan-Apr 2014/2013
Imports	1,849	1,641	-11%	5,762	6,079	7,523	7,363	7,036	-4%
<i>of which mineral fuel & oil</i>	375	304	-19%	1180	1,284	2,586	1,866	1,726	-8%
<i>-EDL registered fuel imports</i>	57	0	-100%	380	324	1,292	405	529	31%
<i>-Non EDL fuel imports</i>	318	304	-4%	800	960	1,294	1,461	1,197	-18%
<i>of which Unwrought & semi-manufactured gold, diamonds, precious stones & metals</i>	130	99	-24%	363	486	571	501	351	-30%
Exports	412	300	-27%	1,358	1,330	1,472	1,604	1,072	-33%
<i>of which Unwrought gold, un-mounted diamond, & precious metals</i>	104	58	-44%	367	434	647	419	201	-52%
<i>of which mineral fuel & oil</i>	53	3	-95%	2	1	2	231	10	-96%
Trade Balance	-1,437	-1,340	-7%	-4,405	-4,749	-6,051	-5,759	-5,964	4%

Source: Directorate General of Customs, Ministry of Finance

Table 4: Trade activity by volume

(millions of Kgs)	2013	2014	% Change	2010	2011	2012	2013	2014	% Change
	April	April	Apr 2014/2013	Jan-Apr	Jan-Apr	Jan-Apr	Jan-Apr	Jan-Apr	Jan-Apr 2014/2013
Imports	1,244	1,104	11%	4,822	4,623	5,656	5,051	5,204	3%
<i>of which mineral and fuel oil</i>	435	336	-23%	1,941	1,727	2,874	1,997	1,974	-1%
<i>-EDL registered fuel imports</i>	57	0	-100%	672	545	1,505	403	560	39%
<i>-Non EDL fuel imports</i>	378	336	-11%	1,269	1,182	1,370	1,594	1,414	-11%
<i>of which Unwrought & semi-manufactured gold, diamonds, precious stones & metals (Kgs)</i>	217,731	91,037	-58%	273,146	266,285	294,735	422,762	304,536	-28%
Exports	236	169	-29%	1,092	1,035	715	1,012	582	-42%
<i>of which Unwrought & semi-manufactured gold, diamonds, precious stones & metals (Kgs)</i>	9,216	2,892	-69%	39,489	47,057	49,772	26,330	13,503	-49%
<i>of which mineral and fuel oil</i>	54	2	-96%	2	1	1	225	9	-96%
Trade Balance	-1,008	-936	-7%	-3,729	-3,588	-4,941	-4,039	-4,622	14%

Source: Directorate General of Customs, Ministry of Finance

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

Table 5: IMPORT Distribution by Product (in US\$ million)							
Rank	Product	Jan-Apr 2013	% Share	Jan-Apr 2014	% Share	Value Change	% Change
1	Mineral fuels and oils	1,866	25%	1,726	25%	-140	-8%
2	Aircraft engines, Boilers, machinery and mechanical appliances	443	6%	436	6%	-7	-2%
3	Vehicles and accessories, cranes & lorries	492	7%	431	6%	-61	-12%
4	Pharmaceutical products	387	5%	391	6%	4	1%
5	Electrical machinery and equipment	488	7%	365	5%	-123	-25%
6	Iron and Steel	257	3%	357	5%	100	39%
7	Unwrought & semi-manufactured gold, diamonds, precious stones & metals	501	7%	351	5%	-150	-30%
8	Plastics and articles thereof	213	3%	220	3%	6	3%
9	Articles of apparel and clothing	176	2%	169	2%	-7	-4%
10	Dairy products	116	2%	135	2%	18	16%
	Other	2,423	33%	2,457	35%	34	1%
	Total	7,363	100%	7,036	100%	-326	-4%

Source: MOF, DGC

Table 6: EXPORT Distribution by Product (in US\$ million)							
Rank	Product	Jan-Apr 2013	% Share	Jan-Apr 2014	% Share	Value Change	% Change
1	Unwrought & semi-manufactured gold, diamonds, precious stones & metals	419	26%	201	19%	-218	-52%
2	Aircraft engines, Boilers, machinery and mechanical appliances	75	5%	78	7%	3	4%
3	Electrical machinery and equipment	102	6%	68	6%	-34	-34%
4	Plastic and articles thereof	42	3%	44	4%	2	5%
5	Preparations of vegetables	38	2%	44	4%	6	16%
6	Printed book, newspapers	22	1%	38	4%	16	72%
7	Essential oils and resino	31	2%	37	3%	6	18%
8	Iron and Steel	63	4%	36	3%	-27	-43%
9	Processed and Refined Copper	81	5%	34	3%	-47	-58%
10	Miscellaneous edible preparations	21	1%	30	3%	9	43%
	Other	709	44%	461	43%	-248	-35%
	Total	1,604	100%	1,072	100%	-532	-33%

Source: MOF, DGC



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