

Figures released by the Ministry of Finance, Customs Directorate, indicate a trade deficit of US\$ 5,361 million during January-April 2016, 16 percent higher than the deficit of US\$ 4,635 million registered during the same period of 2015. The US\$ 726 million deterioration in the trade deficit is rooted in significantly higher imports by US\$ 618 million coupled with a decrease of US\$ 107 million in exports during the period under consideration.

Total **imports** reached US\$ 6,232 million during January-April 2016, registering an increase of 11 percent in value terms and 26 percent in volume terms, when compared to the same period of 2015.

- This hike in imports was induced by a significantly higher bill of "**Mineral fuel and oil**" by 72 percent (US\$ 651 million), reflecting a 78 percent increase in terms of volume. This is due to the registration of US\$ 867 million worth of fuel imports to EDL during the first four months of 2016 compared to nil during the similar period of 2015, despite the contraction in the value of non-EDL fuel imports by 24 percent (US\$ 216 million)<sup>1</sup> when compared to the same period a year earlier.
- Imports of "**Unwrought & semi-manufactured gold, diamonds, precious stones & metals**" witnessed a year-on-year increase of 9 percent (US\$ 24 million) in terms of value, while in volume terms it increased by a mere 0.4 percent. Despite the drop in gold prices from an average of US\$ 1,213.1 per ounce during January-April 2015 to US\$ 1,196.6 per ounce during the same period of 2016, the year-on-year increase is more pronounced in value terms than in volume terms, mainly due to higher imports of "Gold (including gold plated and platinum) unwrought" by 29 percent (against 32 percent in volume), therefore increasing the share of this high value subcategory from 62 percent from total imports of "Unwrought gold, un-mounted diamond & precious stones" during January-April 2015 to 72 percent during the same period of 2016.
- Excluding "**Mineral fuel and oil**" and "**Unwrought gold, un-mounted diamond & precious stones**", imports decreased by a mere 1 percent (US\$ 57 million) during January-April 2016 compared to the same period of 2015. In fact, the main decreases were witnessed in "**Aircraft engines, Boilers, machinery and mechanical appliances**" and "**Electrical machinery and equipment**" with 13 percent (US\$ 54 million)<sup>2</sup> and 14 percent (US\$ 36 million)<sup>3</sup> respectively compared to the previous year. These decreases were partly counterbalanced by the increase in imports of "**Vehicles other than railway or tramway**" and "**Pharmaceutical products**" by 11 percent (US\$ 51 million)<sup>4</sup> and with 5 percent (US\$ 18 million)<sup>5</sup> respectively.
- As for the main import partners, China ranked first during January-April 2016 with a share of 11 percent of total imports, noting that almost 16 percent of imports from this country are "**iron and steel**". The United States and Italy followed with a share of 8 percent each.

<sup>1</sup> Despite the increase in volume terms by 10 percent, the drop in value is mainly attributed to lower international fuel prices with the Brent price dropping from an average of US\$ 55.4 per barrel during Jan-Apr 2015 to US\$ 35.8 per barrel during the same period of 2016.

<sup>2</sup> This contraction is mostly attributed to lower imports from the United Kingdom and the United States by 78 percent (US\$ 41 million) and 46 percent (US\$ 18 million) respectively.

<sup>3</sup> Mainly due to a decline in imports from Germany by 71 percent (US\$ 22 million).

<sup>4</sup> This increase is mainly due to a hike in imports from the United States, Japan and Germany by 21 percent (US\$ 15 million), 15 percent (US\$ 12 million) and 5 percent (US\$ 7 million) respectively.

<sup>5</sup> This is attributed to higher imports from Ireland and the United States by 43 percent (US\$ 8 million) and 18 percent (US\$ 8 million) respectively.

**Exports** amounted to US\$ 871 million during January-April 2016, reflecting a major decrease of 11 percent compared to the same period of 2015. This drop in value is reflected in a decrease of 15 percent in terms of volume.

- Exports of "**Unwrought gold, un-mounted diamond & precious stones**" decreased by 3 percent (US\$ 4 million) in terms of value, while in terms of volume the decrease was more pronounced with 35 percent<sup>6</sup>.
- Excluding "Unwrought gold, un-mounted diamond & precious stones", exports registered a significant year-on-year decrease of 13 percent (US\$ 103 million), partly due to a drop in exports of "**Electrical machinery and equipment**" which plunged by 22 percent (US\$ 16 million)<sup>7</sup>. On the other hand, few categories registered a year-on-year increase, mainly exports of "**Plastics and articles**" which rose by 19 percent (US\$ 7 million)<sup>8</sup>.
- **From a regional perspective**, exports to Arab countries witnessed a year-on-year decrease of 20 percent (US\$ 108 million) during January-April 2016. It is worth mentioning that this decrease is attributed to lower exports to Iraq, Saudi Arabia and the United Arab Emirates by 35 percent (US\$ 28 million)<sup>9</sup>, 21 percent (US\$ 27 million)<sup>10</sup> and 23 percent (24 million)<sup>11</sup> respectively.
- Lastly, the **breakdown of Lebanese exports by major destination** shows that Saudi Arabia and South Africa were at the top of the list during January-April 2016 with a share from total exports of 12 percent each, followed by other regional countries mainly the United Arab Emirates with a share of 9 percent.

---

<sup>6</sup> This is mainly due to a large drop in volume of exports of "articles of goldsmiths or silversmiths wares and parts thereof, of precious metal or/of metal clad with precious metal" from 9,047 Kgs during Jan-Apr 2015 to 3,180 Kgs during the same period of 2016, with a drop in their value of 10 percent (US\$ 327 thousand in Jan-Apr 2015 compared to US\$ 295 thousand in Jan-Apr 2016).

<sup>7</sup> This decrease can be explained by lower exports to Saudi Arabia by 63 percent (US\$ 11 million).

<sup>8</sup> Driven by an increase in exports to Syria by US\$ 9 million.

<sup>9</sup> With lower exports of Essential oil and resinous by 5 million.

<sup>10</sup> Partly due to a US\$ 11 million drop in exports of "Electrical machinery and equipment" during Jan-Apr 2016.

<sup>11</sup> This drop is due to a 53 percent y-o-y decrease (US\$ 21 million) in exports of "Unwrought gold, un-mounted diamond & precious stones" to the United Arab Emirates during the aforementioned period.

**Table 1: Trade activity by value**

(US\$ millions)	2015	2016	% Change	2012	2013	2014	2015	2016	% Change
	April	April	April 16/15	Jan – Apr	Jan – Apr	Jan – Apr	Jan – Apr	Jan – Apr	Jan - Apr 16/15
<b>Imports</b>	1,444	1,610	11%	7,523	7,363	7,036	5,614	6,232	11%
<i>of which mineral fuel &amp; oil</i>	187	367	96%	2,586	1,866	1,726	902	1,553	72%
-EDL registered fuel imports	0	209	NA	1,292	405	529	0	867	NA
-Non EDL fuel imports	187	158	-16%	1,294	1,461	1,197	902	686	-24%
<i>of which Unwrought &amp; semi-manufactured gold, diamonds, precious stones &amp; metals</i>	71	81	13%	571	501	351	269	294	9%
<b>Exports</b>	235	237	1%	1,472	1,604	1,072	978	871	-11%
<i>of which Unwrought gold, un-mounted diamond, &amp; precious metals</i>	33	41	21%	647	419	201	154	150	-3%
<b>Trade Balance</b>	<b>-1,209</b>	<b>-1,373</b>	<b>14%</b>	<b>-6,051</b>	<b>-5,759</b>	<b>-5,964</b>	<b>-4,635</b>	<b>-5,361</b>	<b>16%</b>

Source: Directorate General of Customs, Ministry of Finance

**Table 2: Trade activity by volume**

(Millions of kgs)	2015	2016	% Change	2012	2013	2014	2015	2016	% Change
	April	April	April 16/15	Jan – Apr	Jan – Apr	Jan – Apr	Jan – Apr	Jan – Apr	Jan - Apr 16/15
<b>Imports</b>	1,339	1,499	12%	5,656	5,051	5,204	4,813	6,061	26%
<i>of which mineral fuel &amp; oil</i>	324	687	112%	2,874	1,997	1,974	1,659	2,959	78%
-EDL registered fuel imports	0	286	NA	1,505	403	560	0	1,137	NA
-Non EDL fuel imports	324	400	24%	1,370	1,594	1,414	1,659	1,822	10%
<i>of which Unwrought &amp; semi-manufactured gold, diamonds, precious stones &amp; metals (Kgs)</i>	49,732	47,423	-5%	294,735	422,762	304,536	262,063	263,196	0.4%
<b>Exports</b>	123	131	7%	715	1,012	582	568	482	-15%
<i>of which Unwrought gold, un-mounted diamond, &amp; precious metals (Kgs)</i>	3,498	1,594	-54%	49,772	26,330	13,503	18,037	11,675	-35%
<b>Trade Balance</b>	<b>-1,216</b>	<b>-1,368</b>	<b>12%</b>	<b>-4,941</b>	<b>-4,039</b>	<b>-4,622</b>	<b>-4,244</b>	<b>-5,579</b>	<b>31%</b>

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- Apr 2015	% Share	Jan-Apr 2016	% Share	Value Change	% Change
1	Mineral fuels and oils	902	16%	1,553	25%	651	72%
2	Vehicles and accessories, cranes & lorries	462	8%	513	8%	51	11%
3	Pharmaceutical products	386	7%	404	6%	18	5%
4	Aircraft engines, Boilers, machinery and mechanical appliances	406	7%	353	6%	-54	-13%
5	Unwrought & semi-manufactured gold, diamonds, precious stones & metals	269	5%	294	5%	24	9%
6	Electrical machinery and equipment	261	5%	225	4%	-36	-14%
7	Plastics and articles thereof	191	3%	193	3%	3	1%
8	Articles of apparel and clothing	190	3%	185	3%	-5	-3%
9	Iron and steel	184	3%	184	3%	0	0%
10	Preparations of cereals	96	2%	95	2%	-1	-1%
	Others	2,266	40%	2,233	36%	-33	-1%
	<b>Total</b>	<b>5,614</b>	<b>100%</b>	<b>6,232</b>	<b>100%</b>	<b>618</b>	<b>11%</b>

Source: MOF, DGC

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

Rank	Product	Jan- Apr 2015	% Share	Jan- Apr 2016	% Share	Value Change	% Change
1	Unwrought & semi-manufactured gold, diamonds, precious stones & metals	154	16%	150	17%	-4	-3%
2	Aircraft engines, Boilers, machinery and mechanical appliances	64	6%	63	7%	0	0%
3	Electrical machinery and equipment	74	8%	58	7%	-16	-22%
4	Essential oils and resinoids; perfumery, cosmetics	42	4%	47	5%	5	13%
5	Preparations of vegetables	48	5%	44	5%	-4	-9%
6	Plastics and articles thereof	35	4%	42	5%	7	19%
7	Miscellaneous edible preparations	26	3%	31	4%	4	17%
8	Furniture, bedding, mattress	30	3%	24	3%	-6	-21%
9	Beverages, spirits	31	3%	23	3%	-7	-24%
10	Edible fruit and nuts	21	2%	23	3%	2	8%
	Others	455	46%	367	42%	-88	-19%
	<b>Total</b>	<b>978</b>	<b>100%</b>	<b>871</b>	<b>100%</b>	<b>-107</b>	<b>-11%</b>

Source: MOF, DGC



For further information please contact:  
**Ministry of Finance**  
Macro fiscal Department – Budget Directorate  
Tel: 961 1 956000- ext: 1716- 1731  
Website: [www.finance.gov.lb](http://www.finance.gov.lb)