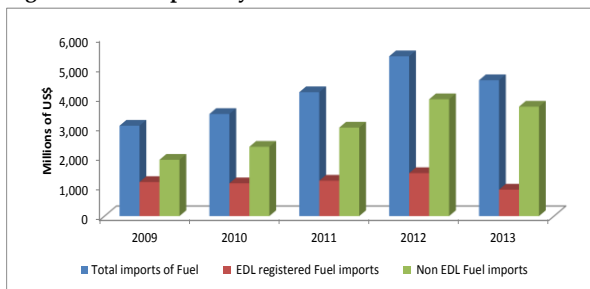


Figures released by the Ministry of Finance, Customs Directorate, indicate a **trade deficit** of US\$ 15,736 million during the period of January-November 2013, with a slight increase of 2.8 percent from the deficit of US\$ 15,307 million registered a year earlier. The US\$ 429 million deterioration in the trade deficit is rooted in lower exports by US\$ 406 million along with a slight increase of US\$ 24 million in imports for the period under consideration.

Total **imports** amounted US\$ 19,432 million during the period of January-November 2013, registering a mere increase of 0.1 percent when compared to the same period of 2012. This year-on-year change is a result of opposite evolutions in several import categories.

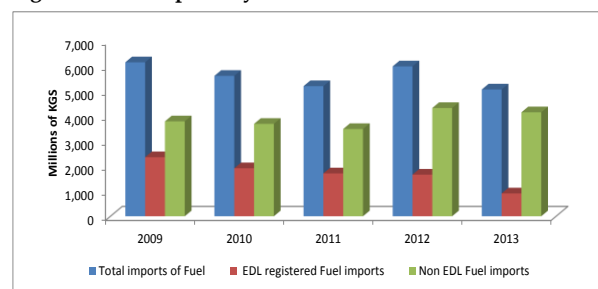
- Imports of "**Mineral fuel and oil**" declined significantly by 15 percent (US\$ 803 million) (Figure 1), reflecting a 15.4 percent decrease in terms of volume (Figure 2). This drop is induced by lower EDL fuel imports, mainly due to their delayed registration<sup>1</sup>. Non-EDL fuel imports registered a lower year-on-year decrease (6 percent) reaching US\$ 3,673 million by the end of November 2013, compared to US\$ 3,921 million during the same period of 2012<sup>2</sup>.

**Figure 1: Fuel imports by Value**



Source: Directorate General of Customs, Ministry of Finance

**Figure 2: Fuel imports by Volume**



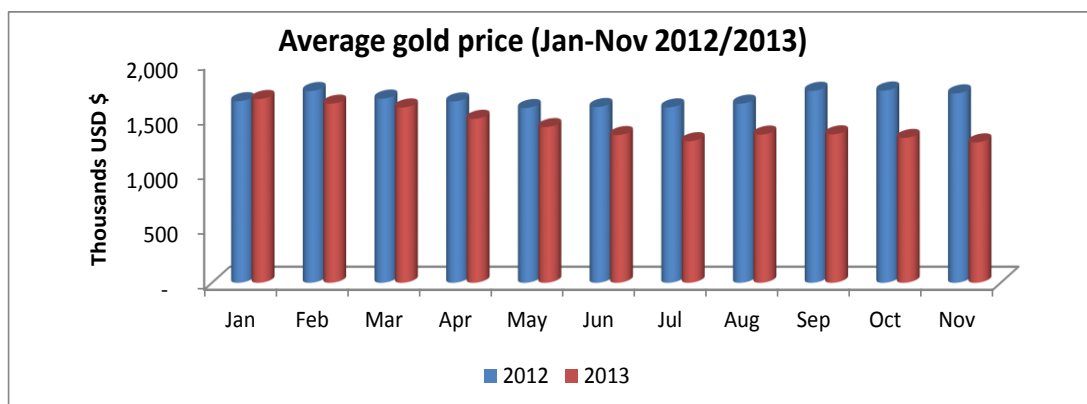
Source: Directorate General of Customs, Ministry of Finance

- Imports of "**Unwrought & semi-manufactured gold, diamonds, precious stones & metals**" continued to witness a decrease since February 2013, dropping by 29 percent (US\$ 427 million) in terms of value during the period of January-November 2013, whereas in terms of volume it increased by 5 percent<sup>3</sup>. Almost all of its subcategories slid down (as shown in Table 1), mainly imports of diamonds and gold. In contrast, imports of imitation jewelry witnessed a minor increase of US\$ 1 million (9 percent).

<sup>1</sup> In the similar period of 2012, US\$ 1,444 million worth of oil imports by EDL were registered, while this year, only US\$ 888 million were registered reflecting a drop of 38 percent in value terms and of 45 percent in volume.

<sup>2</sup> Although non-EDL fuel imports witnessed a slight decrease during Jan-Nov 2013 compared to the same period of 2012, we notice that it registered an increase of 19 percent compared to Jan-Nov 2011. Noting that 2012 witnessed an exceptional increase of fuel imports partly driven by the rise in imports of generators used for electricity production.

<sup>3</sup> This can be explained by a lower price of gold during the period of January-November 2013 with an average of US\$ 1,428 per ounce compared to an average of US\$ 1,667 during the same period of 2012.



Source: [http://ycharts.com/indicators/gold\\_price](http://ycharts.com/indicators/gold_price)

**Table 1: Imports of Natural and precious stones (Millions US\$)**

Description	Jan-Nov 2012	Jan-Nov 2013	Value Change	% Change
Diamonds, whether or not worked, but not mounted or set.	249	182	-67	-27%
Precious stones (other than diamonds) and semi-precious stones.	17	13	-4	-24%
Gold (including gold plated with platinum).	1106	797	-309	-28%
Articles of jewelry and parts.	66	42	-24	-36%
Imitation jewelry.	11	12	1	9%

Source: Directorate General of Customs, Ministry of Finance

- Excluding "Mineral fuel and oil" and "Unwrought gold, un-mounted diamond & precious stones", imports increased by 10 percent (US\$ 1,254 million) during January-November of 2013 compared to the same period of 2012. In fact, the main increases were witnessed in "**Electrical machinery and equipment**" and "**Aircraft engines, boilers, machinery and mechanical appliances**" registering year-on-year rises of 42 percent (US\$ 343 million)<sup>4</sup> and 14 percent (US\$ 147 million)<sup>5</sup> respectively during the period under consideration<sup>6</sup>. On the other hand, imports of "**Iron and steel**" decreased by 4 percent (US\$ 35 million)<sup>7</sup> in value terms while in terms of volume it increased by 4 percent<sup>8</sup>.

<sup>4</sup> The surge in imports of "Electrical machinery and equipment" was mainly driven by higher imports from Turkey which increased remarkably by US\$ 219 million (mostly due to the importation of equipment related to the Turkish electricity production barges) coupled with an increase of imports from China by US\$ 123 million (53 percent).

<sup>5</sup> This increase is attributed to higher imports from China followed by the United Kingdom by 27 percent (US\$ 70 million) and 89 percent (US\$ 42 million) respectively.

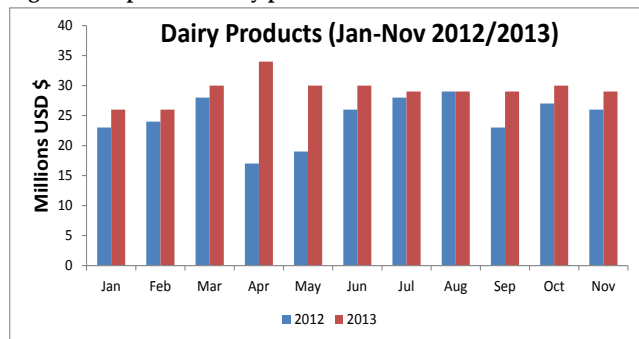
<sup>6</sup> In terms of volume, these imports increased by 1 percent for the first category while it decreased by 1 percent for the latter.

<sup>7</sup> This decrease is attributed to weaker imports from Turkey and Italy by 46 percent (US\$ 124 million) and 59 percent (US\$ 30 million) respectively, despite the considerable increase in imports from China which rose significantly by 269 percent (US\$ 167 million).

<sup>8</sup> Mostly due to a decline in the average international price of iron from US\$ 191 per metric ton during 2012 to US\$182.9 during 2013.

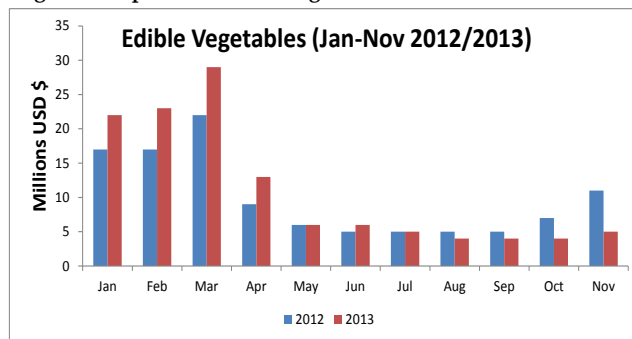
- Although they do not constitute relatively a great share in total imports, **imports of food** and related derivatives witnessed a significant rise in some of its sub-categories during January-November 2013 compared to the same period of 2012, mainly in “dairy products, bird’s eggs and natural honey” (19 percent)<sup>9</sup>, “preparation of cereals, flour, starch or milk; pastry cooks’ products” (18 percent) and “edible vegetables and certain roots and tubers” (11 percent)<sup>10</sup>, knowing that these categories constitute 1.7 percent, 1.1 percent and 0.6 percent respectively from total imports.

Figure 3: Imports of Dairy products



Source: Directorate General of Customs, Ministry of Finance

Figure 4: Imports of Edible Vegetables



Source: Directorate General of Customs, Ministry of Finance

- As for the **breakdown of Lebanese imports by country of origin**, China remains at the top of the list during the period under consideration with a share of 11 percent of the total imports, noting that almost 17 percent of imports from this country are “Electrical machinery and equipment”. Italy, United States and France followed with respective shares of 8 percent for the first country, and 7 percent for each of the last two countries.

Total **Exports** amounted to US\$ 3,696 million during January-November 2013, decreasing by 10 percent when compared to the same period of 2012<sup>11</sup>.

- Although “**Unwrought gold, un-mounted diamond & precious stones**” exports continued to drop registering a sharp fall of 54 percent (US\$ 874 million) in terms of value compared to the same period of 2012<sup>12</sup> (as shown in the Table 2 below), coupled with a decrease of 51 percent in terms of volume, exports of “**Mineral fuel and oil**” and “**Processed and refined copper**” registered an improvement of US\$ 272 million<sup>13</sup> and US\$ 48 million<sup>14</sup> respectively.

<sup>9</sup> The monthly breakdown of the mentioned imports for both 2012 and 2013 can be shown in the figure 3 above.

<sup>10</sup> The monthly breakdown of the mentioned imports for both 2012 and 2013 is illustrated in the figure 4 above, showing a relative stabilization from May 2013 after a high rise during the first quarter compared to the same period of the previous year.

<sup>11</sup> It should be noted that a significant amount of exports, mainly fuel, is effectively re-exports to neighboring countries which would reduce total registered exports by an equivalent amount.

<sup>12</sup> This fall in gold exports is rooted in lower exports mainly to South Africa and Switzerland by US\$ 458 million (54 percent) and US\$ 303 million (66 percent) respectively.

<sup>13</sup> With a year-on-year increase in exports to Syria by US\$ 275 million during Jan-Nov 2013 when compared to the same period last year.

<sup>14</sup> Mainly due to higher exports to Korea by 91 percent (US\$ 36 million).

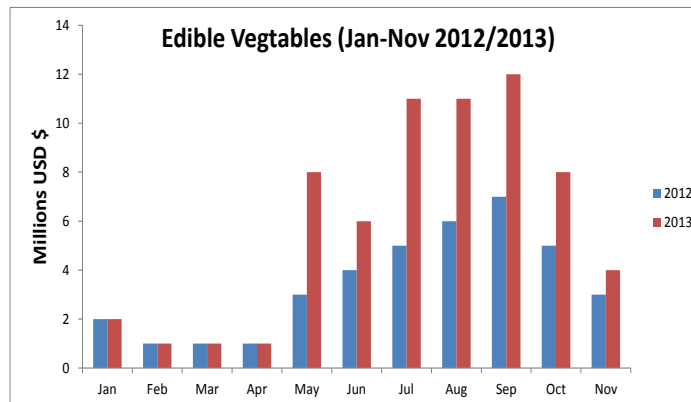
**Table 2: Exports of Natural and precious stones( Millions US\$)**

Description	Jan-Nov 2012	Jan-Nov 2013	Value Change	% Change
Diamonds, whether or not worked, but not mounted or set.	190	102	-88	-46%
Precious stones (other than diamonds) and semi-precious stones.	15	10	-5	-33%
Gold (including gold plated with platinum).	1,306	551	-755	-58%
Articles of jewelry and parts.	99	74	-25	-25%

Source: Directorate General of Customs, Ministry of Finance

- Excluding "Mineral fuel and oil" and "Unwrought gold, un-mounted diamond & precious stones", exports increased by 8 percent (US\$ 197 million) year-on-year during January-November 2013. Among these exports, Edible vegetables surged up significantly by 70 percent (US\$ 27 million).

**Figure 5: Exports of Edible Vegetables**



Source: Directorate General of Customs, Ministry of Finance

- From a regional perspective**, exports to Arab countries continued to increase during January-November 2013 compared to the same period of 2012, registering a rise of 28 percent (US\$ 435 million) mainly attributed to higher exports to Syria and Iraq by US\$ 241 million and US\$ 182 million respectively.
- Lastly, the **breakdown of Lebanese exports by major destination** shows that Syria was at the top of the list during January-November 2013 with a share of 13 percent of the total. South Africa ranked second with a share of 10 percent of total exports, noting that almost all exports to this country are "unwrought gold, un-mounted diamond & precious stones". Iraq and Saudi Arabia followed with respective shares of 10 percent and 8 percent of total exports.

Table 3: Trade activity by value

(US\$ millions)	2012	2013	% Change	2009	2010	2011	2012	2013	% Change
	Nov	Nov	Nov 2013/2012	Jan-Nov	Jan-Nov	Jan-Nov	Jan-Nov	Jan-Nov	Jan-Nov 2013/2012
<b>Imports</b>	1604	1772	10%	14,862	16,486	18,494	19,408	19,432	0.1%
<i>of which mineral fuel &amp; oil</i>	402	538	34%	3,033	3,427	4,159	5,364	4,561	-15%
-EDL registered fuel imports	-	269	NA	1,144	1,101	1,189	1,444	888	-38%
-Non EDL fuel imports	402	269	-33%	1,889	2,326	2,970	3,921	3,673	-6%
<i>of which Unwrought &amp; semi-manufactured gold, diamonds, precious stones &amp; metals</i>	81	88	9%	697	1,071	1,932	1,481	1,054	-29%
<b>Exports</b>	364	263	-28%	3,121	3,768	3,928	4,102	3,696	-10%
<i>of which Unwrought gold, un-mounted diamond, &amp; precious metals</i>	116	32	-72%	969	1,025	1,390	1,620	746	-54%
<i>of which mineral fuel &amp; oil</i>	14	5	-64%	11	5	4	59	331	461%
<b>Trade Balance</b>	<b>-1240</b>	<b>-1509</b>	<b>22%</b>	<b>-11,741</b>	<b>-12,718</b>	<b>-14,566</b>	<b>-15,307</b>	<b>-15,736</b>	<b>2.8%</b>

Source: Directorate General of Customs, Ministry of Finance

Table 4: Trade activity by volume

(Millions of Kgs)	2012	2013	% Change	2009	2010	2011	2012	2013	% Change
	Nov	Nov	Nov 2013/2012	Jan-Nov	Jan-Nov	Jan-Nov	Jan-Nov	Jan-Nov	Jan-Nov 2013/2012
<b>Imports</b>	1,231	1,329	8%	13,556	13,957	13,989	14,208	14,521	2.2%
<i>of which mineral fuel &amp; oil</i>	460	631	37%	6,151	5,609	5,199	5,988	5,065	-15.4%
-EDL registered fuel imports	-	291	NA	2,360	1,918	1,713	1,663	912	-45%
-Non EDL fuel imports	460	340	-26%	3,791	3,691	3,485	4,326	4,153	-4%
<i>of which Unwrought &amp; semi-manufactured gold, diamonds, precious stones &amp; metals (Kgs)</i>	68,203	67,198	-1%	1,017,008	949,150	983,898	1,026,592	1,080,028	5%
<b>Exports</b>	254	195	1%	2,679	2,819	2,522	2,387	2,606	9%
<i>of which Unwrought gold, un-mounted diamond, &amp; precious metals (kgs)</i>	11,401	5,086	-55%	173,777	114,763	119,962	116,383	57,289	-51%
<i>of which mineral fuel &amp; oil</i>	14	4	-71%	19	6	3	55	327	495%
<b>Trade Balance</b>	<b>-978</b>	<b>-1,134</b>	<b>16%</b>	<b>-10,877</b>	<b>-11,138</b>	<b>-11,467</b>	<b>-11,821</b>	<b>-11,915</b>	<b>0.8%</b>

Source: Directorate General of Customs, Ministry of Finance

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

<b>Table 5: IMPORT Distribution by Product (in US\$ million)</b>							
Rank	Product	Jan-Nov 2012	% Share	Jan-Nov 2013	% Share	Value Change	% Change
1	Mineral fuels and oils	5,364	28%	4,561	23%	-804	-15%
2	Vehicles and accessories, cranes & lorries	1,331	7%	1,411	7%	79	6%
3	Aircraft engines, Boilers, machinery and mechanical appliances	1,074	6%	1,222	6%	147	14%
4	Electrical machinery and equipment	821	4%	1,164	6%	343	42%
5	Unwrought & semi-manufactured gold, diamonds, precious stones & metals	1,481	8%	1,054	5%	-427	-29%
6	Pharmaceutical products	888	5%	1,008	5%	120	14%
7	Iron and Steel	806	4%	771	4%	-35	-4%
8	Plastics and articles thereof	551	3%	633	3%	83	15%
9	Articles of apparel and clothing	437	2%	448	2%	11	2%
10	Dairy produce; birds' egg	270	1%	323	2%	53	20%
	Other	6,384	33%	6,837	35%	453	7%
	<b>Total</b>	<b>19,408</b>	<b>100%</b>	<b>19,432</b>	<b>100%</b>	<b>24</b>	<b>0.1%</b>

Source: MOF, DGC

<b>Table 6: EXPORT Distribution by Product (in US\$ million)</b>							
Rank	Product	Jan-Nov 2012	% Share	Jan-Nov 2013	% Share	Value Change	% Change
1	Unwrought & semi-manufactured gold, diamonds, precious stones & metals	1,620	39%	746	20%	-874	-54%
2	Mineral fuel and oil	59	1%	331	9%	272	463%
3	Electrical machinery and equipment	236	6%	239	6%	3	1%
4	Aircraft engines, Boilers, machinery and mechanical appliances	198	5%	230	6%	32	16%
5	Processed and Refined Copper	136	3%	184	5%	48	35%
6	Iron and steel	140	3%	152	4%	12	9%
7	Plastic and articles thereof	125	3%	126	3%	1	1%
8	Preparation of vegetable	100	2%	105	3%	6	6%
9	Essential oils and resino	76	2%	95	3%	19	25%
10	Beverages, spirits and vinegar	71	2%	91	2%	20	28%
	Other	1,341	33%	1,397	38%	156	4%
	<b>Total</b>	<b>4,102</b>	<b>100%</b>	<b>3,696</b>	<b>100%</b>	<b>-406</b>	<b>-10%</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)