

Monthly figures released by the Ministry of Finance, Customs Directorate, show a trade deficit of US\$ 13,511 million during the period of January-November 2015, 15 percent lower than the deficit of US\$ 15,805 million recorded during the same period of 2014. The US\$ 2,294 million improvement in the trade deficit is rooted in significantly lower imports by US\$ 2,618 million despite the US\$ 324 million decrease in exports.

Total **imports** amounted to US\$ 16,227 million during the first eleven months of 2015, registering a remarkable decrease of 13.9 percent in value and a slight drop of 1 percent in volume, when compared to the same period of 2014.

- Imports of "**Mineral fuel and oil**" declined significantly by 38.4 percent (US\$ 1,705 million) in value; while in terms of volume the decrease was less explicit with 2.3 percent¹. In details, EDL fuel imports dropped from US\$ 834 million in January-November 2014 to US\$ 152 million during the same period this year. Also Non-EDL fuel imports decreased by 28.4 percent (US\$ 1,023 million) when compared to the same period of 2014².
- Imports of "**Unwrought & semi-manufactured gold, diamonds, precious stones & metals**" dropped by 18 percent (US\$ 162 million) in terms of value and 21.1 percent³ in terms of volume.
- Excluding "**Mineral fuel and oil**" and "**Unwrought gold, un-mounted diamond & precious stones**", imports decreased by 5.6 percent (US\$ 751 million) during January-November 2015 compared to the same period of 2014. The main decreases were witnessed in "**Iron and steel**", "**Electrical machinery and equipment**" and "**plastic and articles thereof**" with respective drops of 31.3 percent (US\$ 230 million)⁴, 10.8 percent (US\$ 92 million)⁵ and 11 percent (US\$ 70 million)⁶ that were partly counterbalanced by the increase in imports of "**Vehicles other than railway**" by 10.1 percent (US\$ 136 million)⁷.
- China remained Lebanon's top import trading partner during the period of January-November of 2015 with a share of 12 percent (US\$ 1,911 million) of total imports, noting that almost 15 percent of imports from this country are "**Iron and steel**". Italy and Germany followed with shares of 7 percent each.

¹ The discrepancy between the drop in value and the one in volume reflects the large decrease in international fuel prices with the Brent price dropping to an average of US\$ 53.66 per barrel during the period of January-November 2015 from US\$ 102.36 per barrel during the same period of 2014.

² In volume terms, non-EDL fuel imports increased by 13.6 percent that is most probably due to an increase in fuel consumption following the drop in international fuel prices.

³ This can be explained by the drop in some sub-categories, mainly import of Coins which dropped drastically by 98 percent from 127,875 Kgs to 2,735 Kgs and imports of Imitation jewelry decreasing by 11 percent reaching 896,391 Kg during Jan-Nov 2015 from 1,001,640 Kg in Jan-Nov 2014.

⁴ Mainly due to a decline in imports from China by 40 percent (US\$ 186 million).

⁵ This contraction is mainly attributed to lower imports from China, Korea and Italy by 22 percent (US\$ 65 million), 31 percent (US\$ 15 million) and 23 percent (US\$ 13 million) respectively, despite the increase in imports from Germany by 52 percent (US\$ 33 million).

⁶ The drop in imports of "Plastics" is partly attributed to lower imports from Saudi Arabia by 18 percent (US\$ 26 million).

⁷ This increase is a result of a hike in imports from USA, Germany and Japan and by 20 percent (US\$ 41 million), 10 percent (US\$ 38 million) and 16 percent (US\$ 34 million) respectively.

Total **exports** reached US\$ 2,716 million during January-November of 2015, with a decrease of 10.7 percent in value terms and 12.7 percent in terms of volume, compared to the same period of 2014.

- Exports of "**Unwrought gold, un-mounted diamond & precious stones**" declined by 20.2 percent (US\$ 103 million) in terms of value, along with a 19.7 percent drop in terms of volume.
- Excluding "Unwrought gold, un-mounted diamond & precious stones", exports decreased year-on-year by 8.7 percent (US\$ 221 million), partly due to a decrease in "**Aircraft engines, Boilers, machinery and mechanical appliances**" and "**Beverages**" by 9 percent (US\$ 18 million)⁸ and 17 percent (US\$ 16 million)⁹ respectively. On the other hand, exports of "**Essential oils**" and "**Fertilizers**" increased by US\$ 13 percent (13 million) and 12 percent (US\$ 9 millions)¹⁰ respectively.
- **From a regional perspective**, exports to Arab countries witnessed a drop by 8 percent (US\$ 119 million) during January-November of 2015 compared to the same period of 2014, mainly due to decreases in exports to Iraq, Syria, Saudi Arabia and Jordan by 15 percent (US\$ 34 million)¹¹, 13 percent (US\$ 28 million), 6 percent (US\$ 20 million) and 12 percent (US\$ 14 million) respectively.
- 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 period of January-November of 2015 with respective shares of 12 percent and 11 percent of total exports.

⁸ Mainly due to lower exports to Iraq by 48 percent (US\$ 18 million).

⁹ Partly due to lower exports to Saudi Arabia, Kuwait and United Arab Emirates by 36 percent (US\$ 4 million), 38 percent (US\$ 2 million) and 20 percent (US\$ 2 million).

¹⁰ Due to higher exports to Bangladesh and Brazil by 50 percent (US\$ 13 million) and 121 percent (US\$ 12 million) partly counterbalanced by the drop in exports to France by 94 percent (US\$ 13 million).

¹¹ Due to a drop in exports of "Aircraft engines, boilers, machinery and mechanical appliances" and "Printed books, newspapers, pictures and other products" by 48 percent (US\$ 18 million) and 63 percent (US\$ 12 million) respectively.

Table 1: Trade activity by value

(US\$ millions)	2014	2015	% Change	2011	2012	2013	2014	2015	% Change
	November	November	Nov 15/14	Jan – Nov	Jan – Nov	Jan – Nov	Jan – Nov	Jan – Nov	Jan – Nov 15/14
Imports	1,393	1,539	11%	18,494	19,408	19,432	18,845	16,227	-14%
<i>of which mineral fuel & oil</i>	250	320	28%	4,159	5,364	4,561	4,438	2,733	-38%
-EDL registered fuel imports	0	152	NA	1,189	1,444	888	834	152	-82%
-Non EDL fuel imports	250	168	-33%	2,970	3,921	3,673	3,604	2,581	-28%
<i>of which Unwrought & semi-manufactured gold, diamonds, precious stones & metals</i>	74	64	-14%	1,932	1,481	1,054	900	738	-18%
Exports	248	222	-11%	3,928	4,102	3,696	3,040	2,716	-11%
<i>of which Unwrought gold, unmounted diamond, & precious metals</i>	29	28	-2%	1,390	1,620	746	511	407	-20%
Trade Balance	-1,145	-1,318	15%	-14,566	-15,306	-15,736	-15,805	-13,511	-15%

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
	November	November	Nov 15/14	Jan – Nov	Jan – Nov	Jan – Nov	Jan – Nov	Jan – Nov	Jan – Nov 15/14
Imports	1,040	1,326	27%	13,989	14,208	14,521	14,114	13,977	-1%
<i>of which mineral fuel & oil</i>	345	535	55%	5,199	5,988	5,065	5,201	5,083	-2%
-EDL registered fuel imports	0	176	NA	1,713	1,663	912	880	176	-80%
-Non EDL fuel imports	345	359	4%	3,485	4,326	4,153	4,321	4,907	14%
<i>of which Unwrought & semi-manufactured gold, diamonds, precious stones & metals (Kgs)</i>	88,854	68,190	-23%	983,898	1,026,592	1,080,028	1,184,551	934,286	-21%
Exports	187	127	1%	2,522	2,387	2,606	2,057	1,796	-13%
<i>of which Unwrought gold, unmounted diamond, & precious metals (Kgs)</i>	10,242	13,237	29%	119,962	116,383	57,289	80,974	65,060	-20%
Trade Balance	-852	-1,198	41%	-11,467	-11,821	-11,915	-12,057	-12,181	1%

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- Nov 2014	% Share	Jan- Nov 2015	% Share	Value Change	% Change
1	Mineral fuels and oils	4438	24%	2733	17%	-1705	-38%
2	Vehicles and accessories, cranes & lorries	1345	7%	1481	9%	136	10%
3	Aircraft engines, Boilers, machinery and mechanical appliances	1142	6%	1089	7%	-53	-5%
4	Pharmaceutical products	1045	6%	1031	6%	-14	-1%
5	Electrical machinery and equipment	851	5%	760	5%	-92	-11%
6	Unwrought & semi-manufactured gold, diamonds, precious stones & metals	900	5%	738	5%	-162	-18%
7	Plastics and articles thereof	638	3%	568	4%	-70	-11%
8	Iron and Steel	733	4%	504	3%	-230	-31%
9	Articles of apparel and clothing	473	3%	496	3%	23	5%
10	Live animals	340	2%	311	2%	-29	-9%
	Others	6940	37%	6518	40%	-422	-6%
	Total	18,845	100%	16,227	100%	-2618	-14%

Source: MOF, DGC

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

Rank	Product	Jan- Nov 2014	% Share	Jan- Nov 2015	% Share	Value Change	% Change
1	Unwrought & semi-manufactured gold, diamonds, precious stones & metals	511	17%	407	15%	-103	-20%
2	Electrical machinery and equipment	201	7%	191	7%	-10	-5%
3	Aircraft engines, Boilers, machinery and mechanical appliances	205	7%	188	7%	-18	-9%
4	Preparations of vegetables	117	4%	116	4%	-1	-1%
5	Plastics and articles thereof	120	4%	116	4%	-4	-4%
6	Essential oils and resinous	102	3%	116	4%	13	13%
7	Processed and Refined Copper	91	3%	97	4%	7	7%
8	fertilizers	71	2%	80	3%	9	12%
9	Beverages, spirits and vinegar	93	3%	77	3%	-16	-17%
10	Furniture, bedding, mattresses	78	3%	75	3%	-3	-4%
	Others	1452	48%	1254	46%	-197	-14%
	Total	3040	100%	2716	100%	-324	-11%

Source: MOF, DGC



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