

Figures released by the Ministry of Finance, Customs Directorate, indicate a trade deficit of US\$ 5,303 million for the first four months of 2018, 6 percent lower than the deficit of US\$ 5,648 million registered a year earlier¹. The US\$ 345 million improvement in the trade deficit is jointly due to a US\$ 240 million drop in imports and a US\$ 105 million increase in exports.

Total **imports** reached US\$ 6,374 million during January-April 2018, registering a considerable year-on-year contraction of 4 percent in value terms, and a more pronounced setback of 28 percent in volume terms.

- Imports of "**Mineral fuel and oil**" registered a significant drop of 34 percent (US\$ 542 million) in value terms with a more prominent decrease of 47 percent in terms of volume². This contraction in terms of value was mainly driven by the considerable decline in EDL fuel imports by US\$ 485 million (81 percent) during the first four months of 2018 compared to the same period of 2017. On the other hand, non EDL fuel imports witnessed a much smaller drop of 6 percent in value and a 19 percent in volume when compared to 2017.
- Imports of "**Unwrought & semi-manufactured gold, diamonds, precious stones & metals**" witnessed a year-on-year rise of 14 percent (US\$ 54 million) in terms of value along with a more pronounced increase of 70 percent in volume terms³.
- Excluding "**Mineral fuel and oil**" and "**Unwrought gold, un-mounted diamond & precious stones**", imports rose year-on-year by 5 percent (US\$ 248 million) in January-April 2018. In fact, the main increases were witnessed in "**Aircraft engines, Boilers, machinery and mechanical appliances**", "**Dairy produce, birds' eggs, natural honey**" and "**Pharmaceutical products**" with 30 percent (US\$ 109 million)⁴, 26 percent (US\$ 25 million) and 6 percent (US\$ 23 million)⁵ respectively. These increases were slightly counterbalanced by a drop of 9 percent (US\$ 50 million)⁶ in imports of "**Vehicles other than railway**".
- As for the top import partners, China ranked first during the first four months of 2018 with a share of 11 percent from total imports. Italy and Greece followed with respective shares of 9 percent and 8 percent.

¹ Trade figures for the years 2014-2017 differ from those previously published due to the reallocation of the fuel oil consignments received by EDL between 20/11/2011 and 31/10/2017 over the respective months of the covered period, and that were initially recorded as a bulk in December 2017 due to the delay in registering the related Customs declarations.

² The drop is more pronounced in terms of volume due to higher international prices of fuel with the Brent reaching an average of US\$ 68.13 per barrel during the first four months of 2018 compared to US\$ 53.30 per barrel during the similar period of 2017.

³ Mainly driven by considerable quantities of "Coins" imported during the first four months of 2018 reaching a total of 250 tons, against only 6 kilograms during the corresponding period of 2017.

⁴ This increase is attributed mainly to higher imports from China and Italy by 103 percent (US\$ 97 million) and 63 percent (US\$ 27 million) respectively, noting that imports from the United Kingdom dropped by 38 percent (US\$ 10 million).

⁵ During January- April 2018, imports from Switzerland, Italy and Denmark increased by 37 percent (US\$ 10 million), 26 percent (US\$ 6 million) and 33 percent (US\$ 5 million) respectively compared to the same period of 2017. These increases were partly offset by the decrease in imports from Jordan by 39 percent (US\$ 6 million).

⁶ The decrease is mainly due to the drop in imports from Germany by US\$ 32 million (22 percent) and South Korea by US\$ 20 million (51 percent).

Exports amounted to US\$ 1,071 million in January-April 2018, reflecting a notable year-on-year increase of 11 percent in value against a drop of 3 percent in volume terms.

- Exports of "**Unwrought gold, un-mounted diamond & precious stones**" were the main reason behind this increase in total exports, inching up by 30 percent (US\$ 68 million) in terms of value, compared to a less prominent increase of 21 percent in terms of volume⁷.
- Excluding "**Unwrought gold, un-mounted diamond & precious stones**", exports improved by 5 percent (US\$ 37 million) in terms of value. This was mainly due to a rise in exports of "**Iron and Steel**" by 62 percent (US\$ 20 million)⁸. On the other hand, some export categories witnessed a slight deterioration, mainly "**Aircraft engines, Boilers, machinery and mechanical appliances**" and "**Electrical machinery and equipment**" which dropped by 11 percent (US\$ 5 million)⁹ and 10 percent (US\$ 6 million) respectively.
- **From a regional perspective**, exports to Arab countries increased by 2 percent (US\$ 9 million) in January-April 2018 compared to January-April 2017. This rise was driven by higher exports to the United Arab Emirates by 52 percent (US\$ 44 million)¹⁰ and Qatar by 105 percent (US\$ 24 million) that were partly counterbalanced by a drop in exports to Syria and Saudi Arabia by 46 percent (US\$ 46 million)¹¹ and 15 percent (US\$ 12 million) respectively.
- Lastly, the **breakdown of Lebanese exports by major destination** shows that the United Arab Emirates was at the top of the list during the first four months of 2018 with a share of 12 percent from total exports, followed by South Africa and Switzerland with respective shares of 10 percent and 9 percent from total exports.

⁷ Partly driven by a considerable y-o-y increase in exports of "Diamond", which rose by 265 percent (US\$ 53 million) during the period under consideration.

⁸ This hike is driven by the rise of US\$ 55 percent (16 million) in exports to Turkey.

⁹ Due to lower exports to Saudi Arabia by 50 percent (US\$ 5 million).

¹⁰ Driven by a notable rise in exports of "Unwrought gold, un-mounted diamond & precious stones" by US\$ 50 million (218 percent).

¹¹ With lower exports of "Sugars and sugar confectionery" and "Mineral Fuel and oil" by US\$ 27 million and US\$ 23 million respectively.

Table 1: Trade activity by value

(US\$ millions)	2017	2018	% Change	2014	2015	2016	2017	2018	% Change
	April	April	Apr 2018/2017	Jan- Apr	Jan- Apr	Jan- Apr	Jan- Apr	Jan- Apr	Jan-Apr 2018/2017
Imports	1,467	1,564	7%	7,312	5,781	6,333	6,614	6,374	-4%
<i>of which mineral fuel & oil</i>	247	232	-6%	2,002	1,071	1,655	1,609	1,067	-34%
-EDL registered fuel imports	53	0	-100%	806	170	969	601	115	-81%
-Non EDL fuel imports	194	232	20%	1,196	902	686	1,008	951	-6%
<i>of which Unwrought & semi-manufactured gold, diamonds, precious stones & metals</i>	73	100	37%	351	269	294	400	454	14%
Exports	235	256	9%	1,072	978	870	965	1,071	11%
<i>of which Unwrought gold, un-mounted diamond, & precious metals</i>	46	56	20%	201	154	150	225	293	30%
Trade Balance	-1,231	-1,308	6%	-6,241	-4,803	-5,464	-5,648	-5,303	-6%

Source: Directorate General of Customs, Ministry of Finance

Table 2: Trade activity by volume

(Millions of kgs)	2017	2018	% Change	2014	2015	2016	2017	2018	% Change
	April	April	Apr 2017/2016	Jan- Apr	Jan- Apr	Jan- Apr	Jan- Apr	Jan- Apr	Jan-Apr 2018/2017
Imports	1,325	1,203	-9%	5,613	5,259	6,586	6,961	5,019	-28%
<i>of which mineral fuel & oil</i>	571	425	-26%	2,382	2,107	3,485	3,583	1,888	-47%
-EDL registered fuel imports	153	0	-100%	968	448	1,663	1,531	223	-85%
-Non EDL fuel imports	418	425	2%	1,414	1,659	1,822	2,052	1,665	-19%
<i>of which Unwrought & semi-manufactured gold, diamonds, precious stones & metals (Kgs)</i>	95,102	59,554	-37%	304,536	262,063	263,196	321,259	544,714	70%
Exports	172	151	-12%	582	568	482	660	637	-3%
<i>of which Unwrought gold, un-mounted diamond, & precious metals (Kgs)</i>	3,116	3,881	25%	13,503	18,037	11,675	15,173	18,350	21%
Trade Balance	-1,154	-1,052	-9%	-5,031	-4,691	-6,104	-6,302	-4,382	-30%

Source: Directorate General of Customs, Ministry of Finance

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

Rank	Product	Jan-Apr 2017	% Share	Jan-Apr 2018	% Share	Value Change	% Change
1	Mineral fuels, mineral oils and products of their distillation	1,609	24%	1,067	17%	-542	-34%
2	Vehicles other than railway	555	8%	505	8%	-50	-9%
3	Aircraft engines, Boilers, machinery and mechanical appliances	369	6%	479	8%	109	30%
4	Unwrought & semi-manufactured gold, diamonds, precious stones & metals	400	6%	454	7%	54	14%
5	Pharmaceutical products	414	6%	437	7%	23	6%
6	Electrical machinery and equipment	235	4%	255	4%	20	9%
7	Iron and steel	227	3%	248	4%	22	9%
8	Articles of apparel and clothing accessories	171	3%	195	3%	24	14%
9	Plastic and articles thereof	198	3%	192	3%	-5	-3%
10	Dairy produce; birds' egg	98	1%	123	2%	25	26%
	Others	2,338	35%	2,419	38%	81	3%
	Total	6,614	100%	6,374	100%	-240	-4%

Source: MOF, DGC

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

Rank	Product	Jan-Apr 2017	% Share	Jan-Apr 2018	% Share	Value Change	% Change
1	Unwrought & semi-manufactured gold, diamonds, precious stones & metals	225	23%	293	27%	68	30%
2	Electrical machinery and equipment	60	6%	54	5%	-6	-10%
3	Iron and steel	32	3%	52	5%	20	62%
4	Plastic and articles thereof	43	4%	52	5%	9	20%
5	Aircraft engines, Boilers, machinery and mechanical appliances	48	5%	43	4%	-5	-11%
6	Preparations of vegetable	36	4%	40	4%	4	10%
7	Essential oils and resinoids	41	4%	38	4%	-4	-10%
8	Copper and articles thereof	25	3%	34	3%	9	35%
9	Miscellaneous edible preparations	31	3%	27	3%	-4	-12%
10	Fertilizers	18	2%	27	2%	9	50%
	Others	405	42%	411	38%	6	1%
	Total	965	100%	1,071	100%	105	11%

Source: MOF, DGC



For further information please contact:
Ministry of Finance
Macro fiscal Department – Budget Directorate
Tel: 961 1 956000 - ext. 1729-1731
Website: www.finance.gov.lb