

Figures released by the Ministry of Finance, Customs Directorate, show a trade deficit of US\$ 14,709 million during January-November 2017, 2 percent higher than the deficit of US\$ 14,437 million registered during the same period of 2016. The US\$ 273 million deterioration in the trade deficit is rooted in higher imports by US\$ 135 million in addition to a drop of US\$ 137 million in exports.

Total **imports** reached US\$ 17,304 million during the aforementioned period, registering an increase of 1 percent in value against a 2 percent decrease in volume terms when compared to the same period of 2016.

- Imports of "**Mineral fuel and oil**" witnessed a drop of 4 percent (US\$ 137 million) in value terms, along with a decrease of 5 percent in volume terms. Year-on-year decline could be justified by lower EDL fuel imports which retreated to US\$ 661 million during January-November 2017 compared to US\$ 1,348 million a year earlier, despite the remarkable year-on-year rise of 26 percent (US\$ 549 million) in non-EDL fuel imports.
- Imports of "**Unwrought & semi-manufactured gold, diamonds, precious stones & metals**" decreased by 23 percent (US\$ 263 million) year-on-year in value, against an increase in their volume by 26 percent¹.
- Excluding "**Mineral fuel and oil**" and "**Unwrought gold, un-mounted diamond & precious stones**", imports increased by 4 percent (US\$ 536 million) during January-November 2017 compared to the same period of 2016. In details, the main year-on-year increases were witnessed in:
 1. Imports of "**Vehicles other than railway**" which rose by 6 percent (US\$ 96 million) year-on-year in the first eleven months of 2017, mainly due to higher imports from the United States, Canada and Germany by 10 percent (US\$ 30 million), 68 percent (US\$ 25 million) and 6 percent (US\$ 23 million) respectively despite the decrease in imports from Japan by 7 percent (US\$ 18 million).
 2. Imports of "**Aircraft engines, Boilers, machinery and mechanical appliances**" which increased by 6 percent (US\$ 58 million) with higher imports from France and China by 91 percent (US\$ 24 million) and 7 percent (US\$ 19 million) respectively.
 3. Imports of "**Iron and Steel**" which increased by 9 percent (US\$ 50 million) with higher imports from Ukraine, Turkey and Greece by US\$ 100 million, US\$ 72 million and US\$ 24 million respectively, despite the considerable drop of imports from China by US\$ 187 million.
- As for the main import partners, China ranked first during January-November 2017 registering a share of 10 percent from total imports, with almost 17 percent of imports from this country being "**Aircraft engines, Boilers, machinery and mechanical appliances**". Italy and Greece followed with shares of 9 and 7 percent respectively.

Exports amounted to US\$ 2,595 million during January-November 2017, reflecting a 5 percent decrease compared to the same period of 2016. The drop in value was contrasted by an increase of 19 percent in volume terms.

¹ As a result of lower imports of the high-priced "Gold (including gold plated with platinum) unwrought or in semi-manufactured forms, or in powder form" against a considerable increase in the volume of imported "Coins" compared to the same period last year.

- Exports of "**Unwrought gold, un-mounted diamond & precious stones**" decreased significantly by 32 percent (US\$ 246 million)² in terms of value, against an increase of 22 percent in terms of volume³.
- Excluding "**Unwrought gold, un-mounted diamond & precious stones**", exports increased by 6 percent (US\$ 109 million). This is partly due to an increase in exports of "**Iron and steel**" and "**Copper and Articles thereof**" which rose by 97 percent (US\$ 46 million)⁴ and 21 percent (US\$ 13 million)⁵ respectively. On the other hand, exports of "**Aircraft engines, Boilers, machinery and mechanical appliances**" decreased by 18 percent (US\$ 29 million)⁶.
- **From a regional perspective**, exports to Arab countries witnessed a year-on-year increase of 7 percent (US\$ 83 million) during January-November 2017. This increase is driven by higher exports to Syria by 35 percent (US\$ 59 million), Kuwait and Qatar by 25 percent (US\$ 17 million) each, despite the decline in exports to Saudi Arabia by 11 percent (US\$ 28 million).
- Lastly, the **breakdown of Lebanese exports by major destination** shows that South Africa maintained its position at the top of the list during January-November 2017 despite the drop in its share from total exports from 22 percent last year to 11 percent this year, noting that almost all exports to this country consisted of "**Unwrought & semi-manufactured gold, diamonds, precious stones & metals**". The United Arab Emirates and Syria followed with a share of 9 percent each, and Saudi Arabia registered a share of 8 percent.

² Due to lower exports of "Gold (including gold plated with platinum) unwrought or in semi-manufactured forms, or in powder form" after major y-o-y drops starting June 2017.

³ This hike is due to higher imports of "Articles of jewelry and parts thereof, of precious metal or of metal clad with precious metal" with an exceptional volume of 25,637 Kgs registered during July 2017 against 60 Kgs only in July 2016.

⁴ Driven by higher exports to Turkey by 108 percent (US\$ 43 million).

⁵ With higher exports to China and Korea by US\$ 8 million and US\$ 7 million respectively.

⁶ Mostly due to lower exports to Germany by 85 percent (US\$ 23 million).

Table 1: Trade activity by value

(US\$ millions)	2016	2017	% Change	2013	2014	2015	2016	2017	% Change
	November	November	November 17/16	Jan – Nov	Jan – Nov	Jan – Nov	Jan – Nov	Jan – Nov	Jan – Nov 17/16
Imports	1,450	1,726	19%	19,432	18,845	16,227	17,169	17,304	1%
<i>of which mineral fuel & oil</i>	170	425	150%	4,561	4,438	2,733	3,433	3,296	-4%
-EDL registered fuel imports	0	199	NA	888	834	152	1,348	661	-51%
-Non EDL fuel imports	170	225	33%	3,673	3,604	2,581	2,086	2,635	26%
<i>of which Unwrought & semi-manufactured gold, diamonds, precious stones & metals</i>	100	73	-27%	1,054	900	738	1,137	873	-23%
Exports	247	229	-7%	3,696	3,040	2,716	2,732	2,595	-5%
<i>of which Unwrought gold, un-mounted diamond, & precious metals</i>	55	45	-18%	746	511	407	781	535	-32%
Trade Balance	-1,203	-1,497	24%	-15,736	-15,805	-13,511	-14,437	-14,709	2%

Source: Directorate General of Customs, Ministry of Finance

Table 2: Trade activity by volume

(millions of Kgs)	2016	2017	% Change	2013	2014	2015	2016	2017	% Change
	November	November	November 17/16	Jan – Nov	Jan – Nov	Jan – Nov	Jan – Nov	Jan – Nov	Jan – Nov 17/16
Imports	1,225	1,664	36%	14,521	14,114	13,977	16,124	15,817	-2%
<i>of which mineral fuel & oil</i>	391	817	109%	5,065	5,201	5,083	7,179	6,802	-5%
-EDL registered fuel imports	0	420	NA	912	880	176	2,131	1,511	-29%
-Non EDL fuel imports	391	397	1%	4,153	4,321	4,907	5,048	5,291	5%
<i>of which Unwrought & semi-manufactured gold, diamonds, precious stones & metals (Kgs)</i>	95,390	146,371	53%	1,080,028	1,184,551	934,286	1,049,961	1,323,395	26%
Exports	160	118	-26%	2,606	2,057	1,796	1,499	1,779	19%
<i>of which Unwrought gold, un-mounted diamond, & precious metals (Kgs)</i>	15,110	2,946	-81%	57,289	80,974	65,060	55,981	68,229	22%
Trade Balance	-1,066	-1,546	45%	-11,915	-12,057	-12,181	-14,625	-14,038	-4%

Source: Directorate General of Customs, Ministry of Finance

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

Rank	Product	Jan-Nov 2016	% Share	Jan-Nov 2017	% Share	Value Change	% Change
1	Mineral fuels, mineral oils and products of their distillation	3,433	20%	3,296	19%	-137	-4%
2	Vehicles other than railway	1,575	9%	1,671	10%	96	6%
3	Pharmaceutical products	1,119	7%	1,168	7%	49	4%
4	Aircraft engines, Boilers, machinery and mechanical appliances	1,004	6%	1,062	6%	58	6%
5	Natural or cultured pearls	1,137	7%	873	5%	-263	-23%
6	Electrical machinery and equipment	711	4%	709	4%	-2	0%
7	Plastics and articles thereof	548	3%	587	3%	39	7%
8	Iron and steel	534	3%	584	3%	50	9%
9	Articles of apparel and clothing accessories	481	3%	487	3%	6	1%
10	Cereals	263	2%	296	2%	33	13%
	Others	6,365	37%	6,571	38%	206	3%
	Total	17,169	100%	17,304	100%	135	1%

Source: MOF, DGC

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

Rank	Product	Jan-Nov 2016	% Share	Jan-Nov 2017	% Share	Value Change	% Change
1	Natural or cultured pearls	781	29%	535	21%	-246	-32%
2	Electrical machinery and equipment	148	5%	161	6%	13	9%
3	Plastics and articles thereof	120	4%	133	5%	13	11%
4	Aircraft engines, Boilers, machinery and mechanical appliances	159	6%	130	5%	-29	-18%
5	Essential oils and resinoids	115	4%	112	4%	-3	-2%
6	Preparations of vegetables	99	4%	98	4%	-2	-2%
7	Iron and Steel	47	2%	93	4%	46	97%
8	Miscellaneous edible preparations	83	3%	85	3%	2	2%
9	Copper and articles thereof	63	2%	76	3%	13	21%
10	Printed books, newspapers	66	2%	70	3%	4	5%
	Others	1050	38%	1,102	42%	51	5%
	Total	2,732	100%	2,595	100%	-137	-5%

Source: MOF, DGC



For further information please contact:
Ministry of Finance
Macro fiscal Department – Budget Directorate
Tel: 961 1 956000- ext.: 1716-1729-1731
Website: www.finance.gov.lb