

Figures released by the Ministry of Finance, Customs Directorate, indicate a trade deficit of US\$ 2,591 million for Jan-Apr 2020, significantly lower than the deficit of US\$ 5,185 million registered a year earlier. The US\$ 2,594 million improvement in the trade deficit is rooted in significantly lower imports by US\$ 2,630 million, which was partly offset by a drop of US\$ 37 million in exports.

Total **imports** reached US\$ 3,676 million during Jan-Apr 2020, decreasing by 42 percent¹ in value terms and by 31 percent in volume terms compared to the same period of 2019.

- Imports of "**Mineral fuel and oil**" dropped significantly by 37 percent (US\$ 682 million)² while in terms of volume it retracted by 25 percent. This decrease is mainly rooted in significantly lower EDL fuel imports by 53 percent (US\$ 429 million) reaching US\$ 388 million during Jan-Apr of 2020 compared to US\$ 817 million during the same period of 2019. On the other hand, non-EDL fuel imports also narrowed by 25 percent (US\$ 253 million) reflecting in an 18 percent decrease in volume terms.
- Imports of "**Unwrought & semi-manufactured gold, diamonds, precious stones & metals**" witnessed a slight year-on-year drop of 3 percent (US\$ 8 million) in terms of value to reach US\$ 291 million, while in volume terms they remarkably declined by 65 percent. This discrepancy between value and volume can be partly explained by the increase in average gold prices to US\$ 1,607 per ounce during Jan-Apr 2020 compared to US\$ 1,299 per ounce during the same period of 2019. Also, the composition of the imports from this category has contributed to increasing this difference, with a considerable drop in imports of the low cost "imitation jewelry" by 152 tons accounting for a decline of only US\$ 2 million in value terms.
- Excluding "**Mineral fuel and oil**" and "**Unwrought gold, un-mounted diamond & precious stones**", imports decreased by 46 percent (US\$ 1,940 million) in Jan-Apr 2020 compared to the similar period of 2019. In fact, most imports categories, with the exception of some foods items, witnessed a year-on-year drop during the covered period. In details, the main decreases were registered in "**Vehicles other than railway**", "**Electrical machinery and equipment**", "**Aircraft engines, Boilers, machinery and mechanical appliances**" and "**Plastics and articles thereof**" with 70 percent (US\$ 267 million)³, 66 percent (US\$ 185 million)⁴, 57 percent (US\$ 180 million)⁵ and by 57 percent (US\$ 108 million)⁶ respectively.

¹ Significantly affected by the disruption in the international bank transfers.

² Partly affected by the drop in international fuel prices with Brent price reaching a record low of US\$ 9.12 per barrel on April 21, 2020. Year-to date average price registered US\$ 42.68 per barrel compared to US\$ 65.06 in Jan-Apr 2019.

³ With lower imports from all countries mainly from Germany by US\$ 52 million, as well as the United States and Japan by US\$ 49 million and US\$ 44 million respectively.

⁴ Imports from China, Vietnam and Finland were the main sources for this drop with respective decreases of US\$ 88 million, US\$ 16 million and US\$ 10 million respectively.

⁵ This decrease is mainly attributed to lower imports from China by US\$ 61 million, Germany by US\$ 18 million and Italy by US\$ 12 million.

⁶ Imports from Saudi Arabia, China and Italy were the main sources for this drop with respective decreases of US\$ 28 million, US\$ 21 million and US\$ 7 million respectively.

- Greece ranked as Lebanon's top import trading partner in Jan-Apr 2020 with a share of 8 percent of total imports, noting that almost 95 percent of imports registered from this country were "**Mineral fuel and oil**". Turkey, the United States and Italy followed with shares of 7 percent each.

Exports amounted to US\$ 1,085 million in Jan-Apr 2020, reflecting a 3 percent decline in value along with a drop of 6 percent in volume terms, compared to the same period of 2019.

- Exports of "**Unwrought gold, un-mounted diamond & precious stones**" increased significantly by 20 percent (US\$ 68 million) in terms of value during Jan-Apr of 2020, reflected in turn by an increase of 169 percent⁷ in terms of volume.
- Excluding "**Unwrought gold, un-mounted diamond & precious stones**", exports decreased by a 13 percent (US\$ 104 million) in terms of value. The main export categories witnessing year-on-year changes were "**Plastics and articles thereof**", "**Aircraft engines, Boilers, machinery and mechanical appliances**" and "**Electric machinery and equipments**" with respective drops of 41 percent (US\$ 22 million)⁸, 19 percent (US\$ 13 million)⁹ and 21 percent (US\$ 11 million)¹⁰, against a rise in exports of "**Edible fruits and nuts**" by 76 percent (US\$ 17 million)¹¹.
- **From a regional perspective**, exports to Arab countries witnessed a decline of 13 percent (US\$ 70 million) in Jan-Apr 2020 compared to the similar period of 2019. It is worth mentioning that this drop is mainly attributed to lower exports to Syria, the United Arab Emirates and Algeria by 48 percent (US\$ 40 million)¹², 9 percent (US\$ 13 million) and 68 percent (US\$ 11 million) respectively.
- Lastly, the **breakdown of Lebanese exports by major destination** shows that Switzerland was at the top of the list during Jan-Apr of 2020 with a share of 28 percent of total exports – with almost 98 percent of exports to this country being "Unwrought gold, un-mounted diamond & precious stones" - followed by the United Arab Emirates and Saudi Arabia with respective shares of 13 percent and 7 percent.

⁷ This is mainly attributed to large exports of "Waste and scrap of precious metal or of metal clad" registering 24,890 Kgs during Jan-Apr of 2020 compared to nil in 2019.

⁸ Mainly due to a decrease in exports to Syria by US\$ 16 million.

⁹ With lower exports to Georgia by US\$ 9 million.

¹⁰ With lower exports to many countries mainly to Syria by US\$ 3 million and to Iraq, Egypt and Nigeria by US\$ 1 million each.

¹¹ Mainly due to higher exports to Jordan, Turkey and Syria by US\$ 5 million for the first two and by US\$ 3 million for the latter.

¹² With a y-o-y drop of US\$ 28 million in exports of "Mineral fuel and oil" and US\$ 16 million in "Plastics and articles thereof" during the covered period.

Table 1: Trade activity by value

(US\$ millions)	2019	2020	% Change	2016	2017	2018	2019	2020	% Change
	April	April	Apr 2020/2019	Jan- Apr	Jan- Apr	Jan- Apr	Jan- Apr	Jan- Apr	Jan-Apr 2020/2019
Imports	1,357	745	-45%	6,334	6,614	6,374	6,306	3,676	-42%
<i>of which mineral fuel & oil</i>	242	150	-38%	1,655	1,609	1,067	1,828	1,146	-37%
-EDL registered fuel imports	0	61	NA	969	601	115	817	388	-53%
-Non EDL fuel imports	242	89	-63%	686	1,008	951	1,011	758	-25%
<i>of which Unwrought & semi-manufactured gold, diamonds, precious stones & metals</i>	66	24	-63%	294	400	455	300	291	-3%
Exports	266	171	-36%	870	965	1,071	1,121	1,085	-3%
<i>of which Unwrought gold, un-mounted diamond, & precious metals</i>	71	40	-43%	150	225	294	346	414	20%
Trade Balance	-1,091	-574	-47%	-5,464	-5,648	-5,303	-5,185	-2,591	-50%

Source: Directorate General of Customs, Ministry of Finance

Table 2: Trade activity by volume

(Millions of kgs)	2019	2020	% Change	2016	2017	2018	2019	2020	% Change
	April	April	Apr 2020/2019	Jan- Apr	Jan- Apr	Jan- Apr	Jan- Apr	Jan- Apr	Jan-Apr 2020/2019
Imports	1,029	904	-12%	6,586	6,961	5,019	5,641	3,868	-31%
<i>of which mineral fuel & oil</i>	372	458	23%	3,485	3,583	1,888	3,020	2,276	-25%
-EDL registered fuel imports	0	189	NA	1,663	1,531	223	1,240	823	-34%
-Non EDL fuel imports	372	269	-28%	1,822	2,052	1,665	1,781	1,453	-18%
<i>of which Unwrought & semi-manufactured gold, diamonds, precious stones & metals (Kgs)</i>	59,514	8,532	-85.7%	263,196	321,259	544,714	201,424	70,270	-65%
Exports	141	97	-31%	482	660	637	561	525	-6%
<i>of which Unwrought gold, un-mounted diamond, & precious metals (Kgs)</i>	2,777	17,018	513%	11,675	15,173	18,350	18,646	50,085	169%
Trade Balance	-888	-808	-9%	-6,104	-6,302	-4,382	-5,079	-3,343	-34%

Source: Directorate General of Customs, Ministry of Finance

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

Rank	Product	Jan-Apr 2019	% Share	Jan-Apr 2020	% Share	Value Change	% Change
1	Mineral fuels and oils	1,828	29%	1,146	31%	-682	-37%
2	Pharmaceutical products	413	7%	374	10%	-39	-9%
3	Unwrought & semi-manufactured gold, diamonds, precious stones & metals	300	5%	291	8%	-8	-3%
4	Aircraft engines, Boilers, machinery and mechanical appliances	318	5%	138	4%	-180	-57%
5	Cereals	105	2%	122	3%	17	16%
6	Vehicles and accessories, cranes & lorries	383	6%	116	3%	-267	-70%
7	Live animals	99	2%	109	3%	10	10%
8	Electrical machinery and equipment	279	4%	94	3%	-185	-66%
9	Plastics and articles thereof	189	3%	81	2%	-108	-57%
10	Dairy produce; birds' egg	108	2%	64	2%	-45	-41%
	Other	2,283	36%	1,140	31%	-1,143	-50%
	Total	6,306	100%	3,676	100%	-2,630	-42%

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

Rank	Product	Jan-Apr 2019	% Share	Jan-Apr 2020	% Share	Value Change	% Change
1	Unwrought & semi-manufactured gold, diamonds, precious stones & metals	346	31%	414	38%	68	20%
2	Aircraft engines, Boilers, machinery and mechanical appliances	70	6%	57	5%	-13	-19%
3	Preparations of vegetable	43	4%	43	4%	0	-1%
4	Electrical machinery and equipment	53	5%	42	4%	-11	-21%
5	Edible fruit and nuts	22	2%	38	4%	17	76%
6	Essential oils and resinoids	40	4%	35	3%	-5	-13%
7	Iron and steel	30	3%	34	3%	4	12%
8	Plastics and articles thereof	55	5%	33	3%	-22	-41%
9	Paper and paperboard	22	2%	20	2%	-2	-9%
10	Beverages, spirits and vinegar	21	2%	19	2%	-2	-9%
	Other	419	37%	351	32%	-68	-16%
	Total	1,121	100%	1,085	100%	-37	-3%



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