

Figures released by the Ministry of Finance, Customs Directorate, indicate a trade deficit of US\$ 2,017 million for Jan-Mar 2020, significantly lower than the deficit of US\$ 4,093 million registered a year earlier. The US\$ 2,076 million improvement in the trade deficit is rooted in significantly lower imports by US\$ 2,018 million - mainly due to restrictions imposed on transfers - along with an increase of US\$ 58 million in exports.

Total **imports** reached US\$ 2,931 million during Jan-Mar 2020, decreasing by 41 percent in value terms and by 36 percent in volume terms compared to the same period of 2019.

- Imports of "**Mineral fuel and oil**" dropped significantly by 37 percent (US\$ 590 million) while in terms of volume it retracted by 31 percent. This decrease is mainly rooted in significantly lower EDL fuel imports by 60 percent (US\$ 490 million) reaching US\$ 327 million during the first quarter of 2020 compared to US\$ 817 million during the same period of 2019. On the other hand, non-EDL fuel imports also dropped by 13 percent (US\$ 100 million) reflecting in a 16 percent decrease in volume terms.
- Imports of "**Unwrought & semi-manufactured gold, diamonds, precious stones & metals**" witnessed a year-on-year rise of 14 percent (US\$ 33 million) in terms of value, while in volume terms they declined by 56 percent, with average gold price increasing to US\$ 1,582 per ounce during Jan-Mar 2020 compared to US\$ 1,303 per ounce during the same period of 2019.
- Excluding "**Mineral fuel and oil**" and "**Unwrought gold, un-mounted diamond & precious stones**", imports decreased by 47 percent (US\$ 1,461 million) in Jan-Mar 2020 compared to the similar period of 2019. In details, the main decreases were witnessed in "**Vehicles other than railway**", "**Aircraft engines, Boilers, machinery and mechanical appliances**" and "**Electrical machinery and equipment**" with 66 percent (US\$ 184 million)¹, 57 percent (US\$ 141 million)² and 65 percent (US\$ 140 million)³ respectively. These decreases were slightly counterbalanced by an increase of 29 percent (US\$ 20 million)⁴ in imports of "**live animals**".
- Greece ranked as Lebanon's top import trading partner in Jan-Mar 2020 with a share of 9 percent of total imports, with almost 96 percent of imports from this country being "**Mineral fuel and oil**". Italy and Turkey followed with shares of 8 percent each.

Exports amounted to US\$ 914 million in Jan-Mar 2020, reflecting a 7 percent rise in value and a 2 percent in volume terms, compared to the same period of 2019.

¹ With lower imports from all countries mainly from Germany by US\$ 36 million, as well as the United States and Japan by US\$ 33 million and US\$ 26 million respectively.

² This decrease is mainly attributed to lower imports from China by US\$ 46 million (74 percent), Germany by US\$ 16 million (66 percent) and France by US\$ 12 million (79 percent).

³ Imports from China, Vietnam and France were the main sources for this drop with respective decreases of US\$ 66 million, US\$ 11 million and US\$ 6 million respectively.

⁴ With imports from Colombia reaching US\$ 14 million in the first quarter of 2020 compared to nil in the same period of last year.

- Exports of "**Unwrought gold, un-mounted diamond & precious stones**" increased significantly by 36 percent (US\$ 98 million) in terms of value during the first quarter of 2020, reflected in turn by an increase of 108 percent⁵ in terms of volume.
- Excluding "**Unwrought gold, un-mounted diamond & precious stones**", exports decreased by a 7 percent (US\$ 40 million) in terms of value. The main export categories witnessing year-on-year changes were "**Plastics and articles thereof**" and "**Aircraft engines, Boilers, machinery and mechanical appliances**" with respective drops of 36 percent (US\$ 14 million)⁶ and 17 percent (US\$ 10 million)⁷, against a rise in exports of "**Iron and steel**" by 70 percent (US\$ 14 million)⁸ and "**Edible fruits and nuts**" by 65 percent (US\$ 12 million)⁹.
- **From a regional perspective**, exports to Arab countries witnessed a decline 4 percent (US\$ 17 million) in Jan-Mar 2020 compared to the similar period of 2019. It is worth mentioning that this drop is mainly attributed to lower exports to Syria and Algeria by 44 percent (US\$ 27 million) and 76 percent (US\$ 10 million) respectively. These drops were partly counterbalanced by a rise in exports to the United Arab Emirates by 14 percent (US\$ 16 million) and Saudi Arabia by 17 percent (US\$ 9 million).
- Lastly, the **breakdown of Lebanese exports by major destination** shows that Switzerland was at the top of the list during the first quarter of 2020 with a share of 29 percent of total exports, followed by the United Arab Emirates and Saudi Arabia with respective shares of 14 percent and 7 percent.

⁵ This is mainly attributed to large exports of "Waste and scrap of precious metal or of metal clad" which rose by 13,328 Kgs in the first quarter of 2020 compared to nil in 2019.

⁶ Mainly due to a decrease in exports to Syria by US\$ 12 million.

⁷ With lower exports mainly to Georgia by US\$ 9 million.

⁸ Mainly due to higher exports to Egypt by US\$ 8 million and Greece by US\$ 6 million.

⁹ Mainly due to higher exports to Turkey, Saudi Arabia and Syria by US\$ 4 million for the first two and by US\$ 2 million for the latter.

Table 1: Trade activity by value

(US\$ millions)	2019	2020	%	2016	2017	2018	2019	2020	%
	March	March	Change Mar 2020/2019	Jan- Mar	Jan- Mar	Jan- Mar	Jan- Mar	Jan- Mar	Change Jan-Mar 2020/2019
Imports	2,181	826	-62%	4,688	5,147	4,810	4,949	2,931	-41%
<i>of which mineral fuel & oil</i>	1,088	248	-77%	1,252	1,362	834	1,587	996	-37%
-EDL registered fuel imports	817	71	-91%	724	548	115	817	327	-60%
-Non EDL fuel imports	271	177	-35%	528	815	719	770	670	-13%
<i>of which Unwrought & semi-manufactured gold, diamonds, precious stones & metals</i>	71	59	-17%	213	327	355	234	268	14%
Exports	320	238	-26%	634	730	814	856	914	7%
<i>of which Unwrought gold, un-mounted diamond, & precious metals</i>	77	57	-25%	109	179	237	275	373	36%
Trade Balance	-1,861	-589	-68%	-4,053	-4,417	-3,996	-4,093	-2,017	-51%

Source: Directorate General of Customs, Ministry of Finance

Table 2: Trade activity by volume

(Millions of kgs)	2019	2020	%	2016	2017	2018	2019	2020	%
	March	March	Change Mar 2020/2019	Jan- Mar	Jan- Mar	Jan- Mar	Jan- Mar	Jan- Mar	Change Jan-Mar 2020/2019
Imports	2,380	879	-63.1%	4,922	5,636	3,816	4,610	2,963	-36%
<i>of which mineral fuel & oil</i>	1,727	518	-70%	2,632	3,012	1,463	2,648	1,818	-31%
-EDL registered fuel imports	1,240	161	-87%	1,211	1,378	223	1,240	634	-49%
-Non EDL fuel imports	487	357	-27%	1,422	1,634	1,240	1,408	1,184	-16%
<i>of which Unwrought & semi-manufactured gold, diamonds, precious stones & metals (Kgs)</i>	36,730	8,102	-78%	215,773	226,157	485,080	141,910	61,738	-56%
Exports	201	148	-26%	351	488	486	420	429	2%
<i>of which Unwrought gold, un-mounted diamond, & precious metals (Kgs)</i>	4,614	4,843	5%	10,081	12,057	14,469	15,870	33,067	108%
Trade Balance	-2,179	-731	-66%	-4,571	-5,148	-3,330	-4,190	-2,535	-39%

Source: Directorate General of Customs, Ministry of Finance

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

Rank	Product	Jan-Mar 2019	% Share	Jan-Mar 2020	% Share	Value Change	% Change
1	Mineral fuels and oils	1,587	32%	996	34%	-590	-37%
2	Unwrought & semi-manufactured gold, diamonds, precious stones & metals	234	5%	268	9%	33	14%
3	Pharmaceutical products	324	7%	258	9%	-66	-20%
4	Aircraft engines, Boilers, machinery and mechanical appliances	245	5%	104	4%	-141	-57%
5	Vehicles and accessories, cranes & lorries	280	6%	96	3%	-184	-66%
6	Cereals	83	2%	92	3%	9	11%
7	Live animals	67	1%	87	3%	20	29%
8	Electrical machinery and equipment	216	4%	76	3%	-140	-65%
9	Plastics and articles thereof	137	3%	58	2%	-80	-58%
10	Articles of apparel and clothing	118	2%	52	2%	-66	-56%
	Other	1,657	33%	845	29%	-813	-49%
	Total	4,949	100%	2,931	100%	-2,018	-41%

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

Rank	Product	Jan-Mar 2019	% Share	Jan-Mar 2020	% Share	Value Change	% Change
1	Unwrought & semi-manufactured gold, diamonds, precious stones & metals	275	32%	373	41%	98	36%
2	Aircraft engines, Boilers, machinery and mechanical appliances	59	7%	49	5%	-10	-17%
3	Electrical machinery and equipment	40	5%	34	4%	-6	-15%
4	Iron and steel	20	2%	33	4%	14	70%
5	Preparations of vegetable	32	4%	33	4%	1	3%
6	Edible fruit and nuts	19	2%	31	3%	12	65%
7	Essential oils and resinoids	31	4%	28	3%	-3	-11%
8	Plastics and articles thereof	40	5%	26	3%	-14	-36%
9	Aluminium and articles thereof	15	2%	16	2%	0.3	2%
10	Paper and paperboard	17	2%	15	2%	-2	-10%
	Other	308	36%	276	30%	-32	-10%
	Total	856	100%	914	100%	58	7%



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