

Figures released by the Ministry of Finance, Customs Directorate, indicate a trade deficit of US\$ 5,185 million for Jan-Apr 2019, 2 percent lower than the deficit of US\$ 5,303 million registered a year earlier. The US\$ 118 million improvement in the trade deficit is rooted in lower imports by US\$ 68 million followed by the increase of US\$ 50 million in exports.

Total **imports** reached US\$ 6,306 million during Jan-Apr 2019, decreasing by 1 percent in value terms, while in volume terms they increased by 11 percent compared to the same period of 2018¹.

- Imports of "**Mineral fuel and oil**" increased significantly by 71 percent (US\$ 762 million) while in terms of volume it increased by 58 percent. This rise is mainly rooted in significantly higher EDL fuel imports by 608 percent (US\$ 702 million) reaching US\$ 817 million² during the first four months of 2019 compared to US\$ 115 million in the same period of 2018. On the other hand, non EDL fuel imports increased at a slower pace with 6 percent (US\$ 60 million) against 5 percent in volume terms.
- Imports of "**Unwrought & semi-manufactured gold, diamonds, precious stones & metals**" witnessed a major year-on-year drop of 34 percent (US\$ 155 million) in terms of value, along with a sharper decline of 63 percent in volume terms³. We should note that average gold price decreased to US\$ 1,299 per ounce during Jan-Apr 2019 compared to US\$ 1,330 per ounce during the same period of 2018.
- Excluding "**Mineral fuel and oil**" and "**Unwrought gold, un-mounted diamond & precious stones**", imports decreased by 14 percent (US\$ 675 million) in Jan-Apr 2019 compared to the similar period of 2018. In details, the main decreases were witnessed in "**Aircraft engines, Boilers, machinery and mechanical appliances**", "**Vehicles other than railway**" and "**Iron and Steel**" with 33 percent (US\$ 160 million)⁴, 24 percent (US\$ 121 million)⁵ and 40 percent (US\$ 99 million)⁶ respectively. These decreases were slightly counterbalanced by an increase of 9 percent (US\$ 24 million)⁷ in imports of "**Electrical machinery and equipment**".
- Russia ranked as Lebanon's top import trading partner in Jan-Apr 2019 with a share of 10 percent of total imports, with almost 89 percent of imports from this country being "**Mineral fuel and oil**"⁸. China and Greece followed with shares of 9 percent and 7 percent respectively.

¹ Driven by a 16 percent drop in non-fuel imports, constituting 71 percent of total imports in value and 47 percent in volume during Jan-Apr 2019.

² This surge in EDL fuel imports can be partly explained by the fact that these imports entered the market under a special permission and were registered as a bulk in March 2019, whereas they should have been recognized in their respective periods.

³ With imports of the low value "Coins" dropping y-o-y by 250 tons during Jan-Apr 2019.

⁴ This decrease is mainly attributed to lower imports from China by 57 percent (US\$ 109 million) and Italy by 48 percent (US\$ 34 million) that were slightly counterbalanced by higher imports from the United Kingdom by 79 percent (US\$ 13 million).

⁵ With lower imports from Germany by US\$ 39 million, as well as from the United States and Japan by US\$ 30 million and 19 million respectively.

⁶ Imports from Ukraine, Saudi Arabia and Russia were the main sources for this drop with respective decreases of US\$ 34 million, US\$ 33 million and US\$ 15 million.

⁷ With higher imports from China and Vietnam by US\$ 33 million and US\$ 18 million respectively, despite the decrease in imports from Italy by US\$ 11 million.

⁸ Imports of "Mineral fuel and oil" from Russia witnessed a significant y-o-y increase, reaching US\$ 544 million in Jan-Apr 2019 compared to US\$ 125 million in Jan-Apr 2018.

Exports amounted to US\$ 1,121 million in Jan-Apr 2019, reflecting a 5 percent rise in value while on volume terms they dropped by 12 percent, compared to the same period of 2018⁹.

- Exports of "**Unwrought gold, un-mounted diamond & precious stones**" increased by 18 percent (US\$ 52 million) in terms of value during the first four months of 2019, along with a rise of 2 percent in terms of volume.
- Excluding "**Unwrought gold, un-mounted diamond & precious stones**", exports decreased by a mere 0.2 percent (US\$ 2 million) in terms of value. The main export categories witnessing year-on-year changes were "**Aircraft engines, Boilers, machinery and mechanical appliances**" and "**Mineral fuels and oils**" with respective increases of 64 percent (US\$ 28 million)¹⁰ and 348 percent (US\$ 26 million)¹¹, against a drop in exports of "**Iron and steel**" by 41 percent (US\$ 21 million)¹² and a decrease in exports of "**Processed copper**" by 22 percent (US\$ 8 million)¹³.
- **From a regional perspective**, exports to Arab countries witnessed an increase of 14 percent (US\$ 65 million) in Jan-Apr 2019 compared to the similar period of 2018. It is worth mentioning that this increase is mainly attributed to higher exports to Syria and the United Arab Emirates by 54 percent (US\$ 29 million) and 20 percent (US\$ 25 million) respectively. These increases were partly counterbalanced by a drop in exports to Iraq by 17 percent (US\$ 9 million) and Kuwait by 25 percent (US\$ 7 million).
- Lastly, the **breakdown of Lebanese exports by major destination** shows that Switzerland and the United Arab Emirates were at the top of the list during the first four months of 2019 with a share of 14 percent of total exports each, followed by Syria and Saudi Arabia with a share of 7 percent each.

⁹ With exports of "Iron and steel" dropping remarkably in volume terms from a share of 26.1 percent from total exports in Jan-Apr 2018 to a share of 19.2 percent in Jan-Apr 2019 (against a drop from 4.8 percent to 2.7 percent in value) as well as exports of "Fertilisers" decreasing from 14.1 percent to 5.7 percent from the total volume of exports in Jan-Apr 2019 (against a drop from 2.5 percent to 0.9 percent in value).

¹⁰ Mainly due to an increase in exports to Hong Kong and Georgia by US\$ 10 million and US\$ 9 million respectively.

¹¹ Mostly going to Syria with exports reaching US\$ 28 million in Jan-Apr 2019 against less than US\$ 1 million in the same period of 2018.

¹² Mainly due to lower exports to Turkey by US\$ 45 million, despite the respective increases of US\$ 18 million and US\$ 8 million in exports to Greece and Egypt.

¹³ The rise is attributed to lower exports to Korea and China by US\$ 3 million each.

Table 1: Trade activity by value

(US\$ millions)	2018	2019	% Change	2015	2016	2017	2018	2019	% Change
	April	April	Apr 2019/2018	Jan- Apr	Jan- Apr	Jan- Apr	Jan- Apr	Jan- Apr	Jan- Apr 2019/2018
Imports	1,564	1,357	-13%	5,781	6,334	6,614	6,374	6,306	-1%
<i>of which mineral fuel & oil</i>	232	242	4%	1,072	1,655	1,609	1,067	1,828	71%
-EDL registered fuel imports	0	0	NA	170	969	601	115	817	608%
-Non EDL fuel imports	232	242	4%	902	686	1,008	951	1,011	6%
<i>of which Unwrought & semi-manufactured gold, diamonds, precious stones & metals</i>	100	66	-34%	268	294	400	455	300	-34%
Exports	256	266	4%	978	870	965	1,071	1,121	5%
<i>of which Unwrought gold, un-mounted diamond, & precious metals</i>	56	71	27%	154	150	225	294	346	18%
Trade Balance	-1,308	-1,091	-17%	-4,803	-5,464	-5,648	-5,303	-5,185	-2%

Source: Directorate General of Customs, Ministry of Finance

Table 2: Trade activity by volume

(Millions of kgs)	2018	2019	% Change	2015	2016	2017	2018	2019	% Change
	April	April	Apr 2019/2018	Jan- Apr	Jan- Apr	Jan- Apr	Jan- Apr	Jan- Apr	Jan- Apr 2019/2018
Imports	1,203	1,025	-15%	5,259	6,586	6,961	5,019	5,594	11%
<i>of which mineral fuel & oil</i>	425	372	-12%	2,107	3,485	3,583	1,888	2,980	58%
-EDL registered fuel imports	0	0	NA	448	1,663	1,531	223	1,240	456%
-Non EDL fuel imports	425	372	-12%	1,659	1,822	2,052	1,665	1,740	5%
<i>of which Unwrought & semi-manufactured gold, diamonds, precious stones & metals (Kgs)</i>	59,554	59,514	-0.1%	262,063	263,196	321,259	544,714	201,424	-63%
Exports	151	141	-7%	568	482	660	637	561	-12%
<i>of which Unwrought gold, un-mounted diamond, & precious metals (Kgs)</i>	3,881	2,777	-28%	18,037	11,675	15,173	18,350	18,646	2%
Trade Balance	-1,052	-884	-244%	-4,691	-6,104	-6,302	-4,382	-5,033	15%

Source: Directorate General of Customs, Ministry of Finance

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

Rank	Product	Jan-Apr 2018	% Share	Jan-Apr 2019	% Share	Value Change	% Change
1	Mineral fuels and oils	1,067	17%	1,828	29%	762	71%
2	Pharmaceutical products	437	7%	413	7%	-24	-5%
3	Vehicles and accessories, cranes & lorries	505	8%	383	6%	-121	-24%
4	Aircraft engines, Boilers, machinery and mechanical appliances	479	8%	318	5%	-160	-33%
5	Unwrought & semi-manufactured gold, diamonds, precious stones & metals	454	7%	300	5%	-155	-34%
6	Electrical machinery and equipment	255	4%	279	4%	24	9%
7	Plastics and articles thereof	192	3%	189	3%	-3	-2%
8	Articles of apparel and clothing	195	3%	167	3%	-28	-14%
9	Iron and steel	248	4%	149	2%	-99	-40%
10	Dairy products; birds' egg	123	2%	108	2%	-15	-12%
	Other	2,419	38%	2,170	34%	-249	-10%
	Total	6,374	100%	6,306	100%	-68	-1%

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

Rank	Product	Jan-Apr 2018	% Share	Jan-Apr 2019	% Share	Value Change	% Change
1	Unwrought & semi-manufactured gold, diamonds, precious stones & metals	293	27%	346	31%	53	18%
2	Aircraft engines, Boilers, machinery and mechanical appliances	43	4%	70	6%	28	64%
3	Plastics and articles thereof	52	5%	55	5%	3	7%
4	Electrical machinery and equipment	54	5%	53	5%	-1	-2%
5	Preparations of vegetable	40	4%	43	4%	4	9%
6	Essential oils and resinoids	38	4%	40	4%	3	7%
7	Mineral fuels and oils	7	1%	33	3%	26	348%
8	Iron and steel	52	5%	30	3%	-21	-41%
9	Processed Copper	34	3%	27	2%	-8	-22%
10	Animal or vegetable fats	18	2%	23	2%	5	30%
	Other	440	41%	399	36%	-41	-9%
	Total	1,071	100%	1,121	100%	51	5%



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