

## Expansions in output and new orders accelerate in November 2025



December 4, 2025

### Contact Information

Mira Said

Senior Research Analyst

[mira.said@blominvestbank.com](mailto:mira.said@blominvestbank.com)

**The BLOM Lebanon PMI rose to 51.3 in November 2025 from 50.6 in October 2025, its fourth straight month in expansion.** Growth was driven by record-high new orders, matching September's peak, which supported output and reflected higher spending ahead of the Pope's December visit and the stronger access to foreign markets. After eight consecutive months of contraction, export orders returned to the expansion zone, reaching the same two-year peak last recorded in February. Stronger local and foreign demand also sustained employment in the expansion zone, although slightly below October's level. The pace of job creation eased to only a fractional rate overall, yet notably, this was the first time since late 2023 that private sector payrolls in Lebanon have grown in back-to-back months.

That said, according to the Central Administration of Statistics (CAS), [Lebanon's annual inflation rate increased to 16.42% in October 2025](#), up from 15.06% in September 2025. The renewed pickup in inflation was mainly driven by rising import costs, particularly for food and essential goods. The highest yearly increase was recorded in the "Education" component, which rose by 76.80% in October 2025 due to the continued dollarization of tuition fees. On a monthly basis, inflation increased by 3.23%. It is also interesting to note that the average inflation rate, between the period of November 2024 and October 2025 stood at 15.15%.

As per market sources, [cumulative Lebanese car market expanded by 52.41% year over year \(YoY\) by October 2025](#), reaching 10,917 cars. On a monthly basis, 1,470 cars were sold. The leading sellers of vehicles in Lebanon during October 2025 were Toyota, MG, and Hyundai with number of vehicles sold in October 2025 alone totaled 249, 207, and 132 respectively.

Moreover, [the cumulative activity at Rafic Hariri International Airport rose by 16.87% YoY to 5,949,999 travelers](#). This improvement is largely driven by the exceptionally low base of October 2024, when the war in Lebanon was at its peak. In details, cumulative total arrivals increased by 23.43% YoY, cumulative total departures rose by 10.86% YoY, while cumulative transit passengers declined by 49.63% YoY. In October 2025 alone, airport activity totaled 543,735 passengers, marking a 181.3% YoY increase but a sharp 20.32% month-on-month (MoM) decline. The monthly drop is attributed to the usual post-summer seasonal slowdown.

In addition, [cumulative container activity at the Port of Beirut rose by 18.04% YoY to 756,457 TEU by October 2025](#). Cumulative container activity, referring to cargo loaded onto or unloaded from ships at the port, saw an increase of 23.13% YoY to 577,883 TEU. Meanwhile, cumulative transshipment activity, which involves cargo transferred from one ship to another at an intermediate port, increased by 4.11% YoY to 178,574 TEU. On a monthly basis the total activity increased by 42.13% to 92,980 TEU compared to October 2024.

Apart from that, [Lebanon saw a cumulative 20.99% YoY drop in construction permits to 7,520 by October 2025](#). This decline is attributed to the uncertainty in the political situation in addition to the prolonged insecurity as Israeli attacks are continued. As such, people are cautious to start new construction projects. **Despite the drop in the number of permits, the Cumulative Construction Area Authorized by Permits (CAP) rose by 24.11% to 6,544,126 square meters (sqm) by October 2025, likely reflecting a shift toward larger group projects rather than smaller, individual ones.** In details, construction activity declined across all governorates compared to the previous year except for North Lebanon, with the steepest fall in Beirut (-77.93%) followed by Bekaa (-46.18%) and Mt. Lebanon (-33.08%).

Also, according to the General Directorate of Land Registry and Cadastre (LRC), [the cumulative number of real estate \(RE\) transactions reached 58,559, valued at \\$5.03B by October 2025](#). This valuation is calculated at the new official rate of USD/LBP 89,500, effective from February 1<sup>st</sup>, 2024. Real estate transactions reached 6,876 deals in October 2025, valued at \$622.31M. This marks a 119.96% annual increase and a 7.94% monthly rise. Beirut captured the largest share of transaction value at 31.34% (\$195.1M), followed by Metn with 15.48% (\$96.32M).

Besides that, as per the data published by the Association of Lebanese Banks' (ABL), [the total number of cleared checks in the Lebanese financial system decreased remarkably by 43.65% YoY to 92,393 checks by October 2025](#). Similarly, the cumulative value of cleared checks in local currency decreased by 23.48% YoY to LBP 52.44B by October 2025. Likewise, the cumulative value of cleared checks in foreign currency dropped by 49.24% YoY to reach \$571M by October 2025. Moreover, the volumes of cleared checks in Lebanese Pounds and foreign currencies witnessed substantial yearly drop of 41.32% and 68.41% respectively to settle at 87,941 and 4,452 checks, by October 2025. Accordingly, the dollarization rate of checks in terms of volume fell from 8.59% in October 2024 to 4.82% in October 2025.

Apart from that, [Lebanon's consolidated commercial banks' balance sheet showed that total assets declined by 1.14% YoY to stand at \\$102.7B by September 2025](#) amid Banque Du Liban's (BDL) adoption of a new exchange rate of LBP 89,500 per USD effective 31/01/2024. On the assets side, currency and deposits with Central Bank represented a high figure of 76.84% of total assets; they dropped annually by 3.01% to settle at \$78.91B in September 2025. Deposits with BDL represented 99.88% of total reserves, and decreased by 3.05% YoY, to reach \$78.81B in September 2025. On the liabilities side, resident customers' deposits were the main account, representing 64.34% of total liabilities; they dropped by 2.36% since September 2024 to reach \$66.1B by the month of September 2025. In more details, deposits in foreign currencies (being 98.74% of resident customers' deposits) declined by 2.70% YoY to reach \$65.24B by September 2025, additionally deposits in LBP (1.26% of resident customers' deposits) increased by 34.86% YoY to stand at \$835.32M by September 2025. This reveals that a slightly higher proportion of deposits are now held in LBP, as the dollarization ratio for private sector deposits decreased from 99.25% in September 2024 to 98.96% in September 2025.

In details, [BLOM Bank Released its Non-audited Financials for Q3 2025](#). BLOM realized net losses of 63.36 million in Q3 2025 compared to net profit of \$592.87 million in Q3 2024. This is due to the fact that BLOM Bank incurred losses from liquidating its excess FX position, at the exchange rate of 15,000 LBP per USD, in accordance with BDL intermediate circular 733 issued on 27/3/2025. As to assets, they stood at \$17.99 billion, less by 0.23% from end 2024; deposits reached \$16.14 billion, up by 0.70%; loans reached \$1.01 billion, higher by 5.97%; and shareholders' equity was \$1.23 billion, down by 3.89%. Note also, that "the net Income for the year shown in the Profit and Loss Statement for 31/12/2024, is mainly unrealized Income obtained from the FX translation of Foreign Currency Monetary Assets and Liabilities to Lebanese Pound, for the accounts of banks and their affiliated subsidiaries in Lebanon, at the exchange rate set at the time of preparing the Financial Statements in accordance with the Circular No. 300 issued by Banking Control Commission on 27 November, 2023.

At the same time, [Bank Audi published its non-audited financial results for Q3 2025](#). Bank Audi's net profits amounted to \$95.09 million in Q3 2025 compared to \$28,000 in Q3 2024. As to assets, they stood at \$14.73 billion in Q3 2025, less by 11.64% relative to end 2024; deposits reached \$12.68 billion, up by 2.16%; loans stood at \$1.03 billion, higher by 4.21%; and shareholders' equity was \$1.07 billion, higher by 12.48%.

In parallel, as per BDL's latest monetary report, [the Balance of Payments \(BoP\) recorded a cumulative surplus of \\$13,894.6M up to September 2025](#), far above than the surplus over the same period last year of \$6,464.9M. Accordingly, cumulative Net Foreign Assets (NFAs) of BDL rose by \$12,681.6M while the cumulative NFAs of commercial banks increased by \$1,213.1M by September 2025. The significant increase in the change of BDL NFA is mainly explained by the increase in the value of the Monetary Gold. On a monthly basis, NFAs of BDL rose by \$3,781.0M, similarly the NFAs of commercial banks increased by \$43.8M in September 2025.

Alongside that, [according to BDL's balance sheet, the Central Bank's total assets increased by 0.76% YoY, reaching \\$94.7B by mid-November 2025](#). In details, the gold account, representing 40.63% of BDL's total assets, increased by 62.59% yearly to reach \$38.5B by mid-November 2025. Regarding foreign assets item, recently BDL amended it and replaced it by foreign reserve assets item to include only non-resident and liquid foreign assets. Thus, other resident and / or illiquid assets were transferred to securities portfolio or loans to local financial sector. In more details, Lebanese Government Eurobonds with a nominal value of \$4.85B were transferred to securities portfolio; whereas \$298.8M was transferred to loans to financial sector. **As such, BDL foreign reserve assets, consisting of 12.65% of total assets (after transferring the Eurobonds to securities portfolio and the other resident and / or illiquid assets to loans to financial sector) rose by 17.48% YoY and stood at \$11.98B by mid-November 2025. Additionally, foreign reserve assets increased by \$109.5M in the first two weeks of November 2025.** On the liabilities front, financial sector deposits, representing 88.56% of BDL's total liabilities, decreased by 2.36% annually and reached \$83.84B by mid-November 2025 compared to last year, of which more than 90% are denominated in dollars. Moreover, public sector deposits, representing 9.09% of BDL's total liabilities, rose by 43.07% yearly and reached \$8.61B by mid-November 2025.

In addition, BDL issued [intermediate circular 744 \(Decision 13761\)](#), amending basic circular 150. The amendment excludes banks' Eurobond holdings from the 100% cash coverage ratio and prohibits non-compliant banks from selling these Eurobonds. For compliant banks, Eurobonds sales proceeds can only be used in two ways, as per the priority below:

1. To secure liquidity for meeting basic circular 158 requirements for one year.

2. To finance commercial and investment activities, but not operational expenses

Moreover, BDL issued [Basic Circular 3 \(Decision 13769\)](#), requiring all non-bank financial institutions under its supervision—including exchange offices, credit institutions, transfer companies, and e-wallets—to complete and maintain “Know Your Customer” (KYC) forms and the RF-1 “Cash Transactions Form” for currency and exchange operations in line with anti-money laundering and counter-terrorism financing standards. The circular mandates detailed information collection on institutions, clients, and transactions, with RF-1 required for any cash transaction of \$1,000 or more, and expanded KYC requirements for both individuals and corporate. Institutions must securely store this data, submit encrypted copies to BDL within two working days, and ensure accessibility to the Banking Control Commission of Lebanon (BCCL). Compliance deadlines are set for December 1, 2025 for new clients and six months for existing accounts.

On a separate note, to address Lebanon’s financial gap, *Lebanon Opportunities* published an article by Riad Obegi and Claude Khayat of Banque Bemo titled [“Revitalizing the Financial System: A pragmatic approach to market-based solution beyond politics.”](#) The authors propose transforming banks’ frozen deposits at BDL into tradable financial instruments—Certificates of Deposit (CDs)—that would carry interest, have varied maturities, and be listed on the Beirut stock exchange. Issued by BDL, these CDs would be allocated to banks in proportion to their existing deposits. Implementation would be straightforward: BDL would assess each bank’s deposits, issue CDs with maturities ranging from one to ten years, and list them for trading. This process requires no new laws or political negotiations. The mechanism would strengthen bank balance sheets without printing money, enhance transparency as pricing and interest rates emerge from market supply and demand, and provide investors with transparent, low-risk, interest-bearing instruments, some of which could be partially guaranteed.

Also on the the financial gap law, the IMF and BDL hold sharply different positions, discussed in [IMF vs BDL Positions on Resolving the Financial Gap: Some Critical Thoughts](#). **The IMF follows the international “hierarchy of claims” model: banks’ equity must be wiped out before depositors face any losses.** Deposits are treated at the level of each bank, not the sector, and once equity is gone, repayment schemes can be negotiated among the government, BDL, and banks, conditional on government assistance being consistent with debt sustainability. This approach is seen as harsh: it blames banks entirely, risks eliminating most of them, relies on uncertain debt sustainability, and ignores differences between stronger and weaker banks. **The leaked BDL plan** takes another path. It reduces deposits from \$83 billion to \$53 billion by excluding “ineligible” funds, then repays \$21 billion in cash over five years to small depositors (up to \$150,000 for each depositor). The remaining \$32 billion would be



settled through perpetual asset-backed securities (and may be in combination with a bail-in). The \$21 billion cash repayment would be shared among government (\$8.8 billion), BDL (\$8.5 billion), and banks (\$3.7 billion). This plan spreads the burden, ties liabilities to BDL's assets (gold, reserves, foreign holdings), and allows some banks to survive and recapitalize. **Critical observations stress that the crisis originated at BDL, not commercial banks, making the IMF's equity-first approach unfair; and a "hierarchy of responsibilities approach is preferred".** Banks were compelled to place deposits at BDL, have already lost over \$16 billion in equity, and cannot be blamed alone.

Additionally, in its November 18, 2025 review, [the international rating agency Moody's affirmed Lebanon's C rating with a stable outlook](#), noting that bondholders' losses from the March 2020 default are still expected to exceed 65%.

**In conclusion, the BLOM Lebanon PMI recorded its fourth straight month in expansion**, mainly driven by stronger local and foreign demand. Yet, the outlook remains fragile. The 12-month outlook index recorded 40.1, firmly in contraction, for the sixth month in a row, amid fears of Israel–Hezbollah tensions escalation. Indeed, in November Israel struck Beirut for the first time in months, and carried out one of the deadliest attacks since the truce killing at least 13 people in a Palestinian refugee camp. **Still, amid these challenges, some initiatives such as Beirut One keeping hopes for reforms and international support, and talks with the IMF are pointing to a possible deal in the near future.**

Expansions in output and new orders accelerate in  
November 2025



For your Queries:  
BLOMINVEST BANK s.a.l.

Research Department

Zaituna Bay

POBOX 11-1540 Riad El Soloh

Beirut 1107 2080 Lebanon

Mira Said

[mira.said@blominvestbank.com](mailto:mira.said@blominvestbank.com)

Research Department

Tel: +961 1 991 784

[research@blominvestbank.com](mailto:research@blominvestbank.com)

*Disclaimer*

*This report is published for information purposes only. The information herein has been compiled from, or based upon sources we believe to be reliable, but we do not guarantee or accept responsibility for its completeness or accuracy. This document should not be construed as a solicitation to take part in any investment, or as constituting any representation or warranty on our part. The consequences of any action taken on the basis of information contained herein are solely the responsibility of the recipient.*