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	26/02/2026	19/02/2026	Change	Year to Date
BLOM Bond Index (BBI)	31.11	31.24	-0.44%	28.67%
Weighted Yield	58.53%	57.78%	1.30%	-13.70%
Weighted Spread	5,500	5,427	1.35%	-14.48%

The **BLOM Bond Index (BBI)**, which tracks Lebanese government Eurobonds (excluding coupon payments), fell by **0.44%** in the week ending **February 26th 2026**, closing at **31.11 points**, due to stagnation in security and political situations. However, BBI improved significantly by 28.67% YTD. And as bond prices decrease, yields increase and so the weighted yield rose by **130** basis points to **58.53%**.

On the security front, Israel's attacks on South Lebanon and Beqaa continued in addition to assassinations of Hezbollah's military members. Additionally, Lebanese's Army's Commander General visited Washington and communicated Army's plan for the second phase of weapon surrender between Awali River and Litani River. General Haykal also informed US officials he met the logistical and financial needs for the Army to be able to implement the plan. Moreover, General Haykal along with the Director General of Internal Security Forces (ISF) Major General Raed Abdallah visited Cairo to present the needs of Lebanese Army and ISF prior to the Paris Conference scheduled on March 5th, 2026 in support Lebanese official armed forces.

On the political front, the debate regarding the elections law and especially voting of non-residents is still ongoing. Rumors about renewing the mandate of the existing Lebanese Parliament started circulating despite the continuous denial of different political parties

**Lebanese Eurobonds Prices Ease Marginally Amid
Political and Security Ambiguity**



	26/02/2026	19/02/2026	Change
BBI	31.11	31.24	-0.44%
JP Morgan EMBI	1038.16	1037.23	0.09%
5Y LEB	42.30%	42.00%	30
10Y LEB	28.90%	28.50%	40
5Y US	3.57%	3.65%	(8)
10Y US	4.02%	4.08%	(6)
5Y SPREAD	3,873	3,835	38
10Y SPREAD	2,488	2,442	46

In the U.S., Treasury yields dropped over the course of the week, the 5-year and 10-year bonds decreased by 8 and 6 basis points respectively to record 3.57% and 4.02%. The decrease was primarily driven by Labor data in addition to Fed pricing assumptions, while waiting for the upcoming expected data related to inflation, future Fed speeches and geo-political developments.

As per US Department of Labor latest data, initial jobless claims increased by 4,000 to record 215k. In the meanwhile, continuous jobless claims dropped to 1,833k in the previous week. As for US's 4-week moving average for initial jobless claims, that dismisses week-to-week volatility, they rose to 220.25k in the week ending February 21st, 2026 from 219.5k in the week before.

On the monetary front, Federal Open Market Committee (FOMC) is expected to keep rates unchanged in its next meeting with a 96.1% probability as per CME Group latest data (detailed in table below).

Target Rate (bps)	Probability(%)			
	Now *	1 Day 26 Feb 2026	1 Week 20 Feb 2026	1 Month 27 Jan 2026
300-325	0.0%	0.0%	0.0%	0.6%
325-350	3.9%	4.5%	3.5%	16.7%
350-375 (Current)	96.1%	95.5%	96.5%	82.7%

* Data as of 27 Feb 2026 04:15:48 CT

On the economic front, US Composite PMI recorded 52.3 in February 2026 compared to 53 in January. Moreover, US economy witnessed a 1.4% expansion in fourth quarter of 2025, down from 4.4% expansion in thrid quarter of the same year.

On the geo-political front, US President Trump announced that he would increase global tarrifs from 10% to 15% after Supreme Court’s decision decision to reject his reciprocal tariffs. Moreover, the dicussions between American and Iranian officials regarding a nuclear deal is still ongoing in Geneva, with some optimism regarding reaching a deal.

5Y Credit Default Swaps (CDS)

	26/02/2026	19/02/2026
KSA	79.84	79.35
Dubai	50.08	49.80
Brazil	128.69	129.18
Turkey	230.34	226.02

Source: Bloomberg

Maturity	Coupon in %	Prices		Weekly	Yields		Weekly
		26/02/2026	19/02/2026	Change	26/02/2026	19/02/2026	Change bps
23/03/2027	6.85%	29.533	29.741	-0.70%	169.54%	164.60%	493.59
29/11/2027	6.75%	29.561	29.697	-0.46%	98.21%	96.72%	148.80
20/03/2028	7.00%	29.515	29.622	-0.36%	84.67%	83.60%	106.86
03/11/2028	6.65%	29.496	29.746	-0.84%	65.81%	64.91%	90.00
25/05/2029	6.85%	29.516	29.782	-0.89%	56.44%	55.74%	69.74
27/11/2029	11.50%	29.981	29.918	0.21%	60.47%	60.38%	8.21
26/02/2030	6.65%	29.696	29.916	-0.74%	47.42%	46.94%	48.14
22/04/2031	7.00%	29.722	29.942	-0.73%	40.33%	39.98%	34.50
20/11/2031	7.15%	29.85	29.954	-0.35%	37.93%	37.75%	18.47
23/03/2032	7.00%	29.704	29.981	-0.92%	36.48%	36.13%	35.04
17/05/2033	8.20%	30.006	30.184	-0.59%	35.76%	35.54%	21.83
17/05/2034	8.25%	30.141	30.251	-0.36%	33.78%	33.65%	13.48
27/07/2035	12.00%	29.921	30.03	-0.36%	42.68%	42.54%	13.55
02/11/2035	7.05%	29.827	30.213	-1.28%	28.94%	28.61%	33.03
23/03/2037	7.25%	29.858	30.192	-1.11%	28.06%	27.77%	28.25

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