BLOMINVEST BANK SAL

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News Release

Purchasing Managers' Index™
MARKET SENSITIVE INFORMATION
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Data collected February 10-23

BLOM Lebanon PMI®

PMI rebounds in February as new business growth re-accelerates sharply

PMI above 50.0 no-change mark for seventh straight month

Output and new orders rise solidly after stagnating in January

Inflationary pressures intensify

Operating conditions in the Lebanese private sector economy improved in February amid solid increases in both new business and output. The latest expansion marked a pick-up from the beginning of the year, when the economy broadly stalled. Overall, Lebanon's private sector registered a seventh consecutive month of expansion — the longest uninterrupted sequence of growth since survey data collection began in 2013.

As for business capacity, job numbers rose fractionally amid a fresh rise in backlogged orders. Meanwhile, price pressures intensified, reflecting excise taxes and higher costs relating to imports and the subsequent pass-through into output charges.

The headline BLOM Lebanon PMI® posted above the critical 50.0 threshold that separates growth from contraction again in February, marking a seventh successive monthly improvement in the health of the Lebanese private sector. Rising from 50.1 in January to 51.2, the PMI signalled a modest but accelerated rate of growth that was slightly stronger than that seen on average over the current expansionary phase.

Commenting on the February 2026 BLOM Lebanon PMI, Mira Said, Senior Research Analyst at BLOMINVEST Bank, said:

"The BLOM Lebanon PMI rose to 51.2 in February, from 50.1 in January, its seventh straight month in expansion. Growth was driven by rising new orders, and stronger output, but these came with inflationary pressures. In February, the cabinet announced hikes in petrol and value-added taxes (VAT). Petrol taxes, effective immediately, fuelled inflationary pressures. It seems that the proposed VAT increases, still awaiting parliament's approval, pushed customers to buy in advance before prices rose, driving new orders higher and output to meet demand. Notably, despite rising inflation, staff costs remained almost stagnant, so real wages slipped relative to inflation. The 12-month outlook index stayed in contraction but climbed to a 6-month high. Economic and political uncertainties continue to weigh on expectations, though rising U.S.-Iran tensions seem to have raised hopes of a breakthrough in the Lebanese crisis."

The main findings of February's survey were as follows:

New orders received by private sector businesses in Lebanon rose further midway through the opening quarter of 2026. February's upturn was a marked improvement from January, when demand virtually stalled. Sales growth was domestic-driven, underlying data suggested, as new export orders declined marginally for a third successive month.

Greater intakes of new work underpinned a renewed uplift in business activity. After stagnating during the first month of the year, output rose at a relatively robust pace in February. Private sector firms in Lebanon also raised their purchasing volumes – the sixth time in the past seven months that this has been the case.

Nevertheless, capacity pressures emerged, with backlogs of work accumulated to the greatest degree in a year. This encouraged private sector companies in Lebanon to hire additional staff. Although job creation was limited, it was the first time since last November that employment has risen.

Accelerated inflationary pressures were a main feature of the latest survey results. Staff costs increased marginally, marking the first month of rising wage bills in three months, while purchase price inflation quickened to a five-month high, reflecting excise taxes and higher fees for imported products. Subsequently, charges were lifted to the greatest extent since September 2025.

Looking ahead, business sentiment across Lebanon remained downbeat. Economic and inflation concerns, in part linked to the recent hike in fuel tax and VAT, conflicts across the Middle East and uncertainty dampened expectations. Nevertheless, the Future Output Index rose to a six-month high.

-Ends-

The headline figure derived from the survey is the Purchasing Managers' Index™ (PMI®). The PMI is a composite index, calculated as a weighted average of five individual sub-components: New Orders (30%), Output (25%), Employment (20%), Suppliers' Delivery Times (15%) and Stocks of Purchases (10%). Readings above 50.0 signal an improvement in business conditions on the previous month, while readings below 50.0 show a deterioration.

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Note to Editors:

The BLOM Lebanon Purchasing Managers' Index™ is based on data compiled from monthly replies to questionnaires sent to purchasing executives in approximately 400 private sector companies, which have been carefully selected to accurately represent the true structure of the Lebanese economy, including manufacturing, services, construction and retail. The panel is stratified GDP and company workforce size. Survey responses reflect the change, if any, in the current month compared to the previous month based on data collected mid-month. For each of the indicators the 'Report' shows the percentage reporting each response, the net difference between the number of higher/better responses and lower/worse responses, and the 'diffusion' index. This index is the sum of the positive responses plus a half of those responding 'the same'.

The Purchasing Managers' Index (PMI®) is a composite index based on five of the individual indexes with the following weights: New Orders - 0.3, Output - 0.25, Employment - 0.2, Suppliers' Delivery Times - 0.15, Stock of Items Purchased - 0.1, with the Delivery Times index inverted so that it moves in a comparable direction.

Diffusion indexes have the properties of leading indicators and are convenient summary measures showing the prevailing direction of change. An index reading above 50 indicates an overall increase in that variable, below 50 an overall decrease.

S&P Global do not revise underlying survey data after first publication, but seasonal adjustment factors may be revised from time to time as appropriate which will affect the seasonally adjusted data series. Historical data relating to the underlying (unadjusted) numbers, first published seasonally adjusted series and subsequently revised data are available to subscribers from S&P Global. Please contact economics@spglobal.com.

About BLOMINVEST BANK

BLOMINVEST BANK, established in 1994, is the investment arm of BLOM Bank SAL, one of the largest banks in Lebanon. As part of its expansionary vision towards the MENA region, the bank has established one investment arm in Saudi Arabia, "BLOMINVEST KSA" and launched three brokerage and trading firms in Egypt, Syria, and Jordan, namely "BLOM Bank Egypt Securities", "Syria and Overseas for Financial Services", and "Financial Services Experts Company". BLOMINVEST BANK is one of few institutions within the greater Levant region that offer Private banking, Investment banking, Asset Management, Brokerage, and Research services under one roof. Based on its track record, BLOMINVEST BANK to date remains the most awarded local investment bank. For more information, see www.blominvestbank.com.

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We are widely sought after by many of the world's leading organizations to provide credit ratings, benchmarks, analytics and workflow solutions in the global capital, commodity and automotive markets. With every one of our offerings, we help the world's leading organizations plan for tomorrow, today.

About PMI

Purchasing Managers' Index™ (PMI®) surveys are now available for over 40 countries and also for key regions including the eurozone. They are the most closely-watched business surveys in the world, favoured by central banks, financial markets and business decision makers for their ability to provide up-to-date, accurate and often unique monthly indicators of economic trends. To learn more go to spglobal.com/marketintelligence/en/mi/products/pmi.html