

# BLOM Lebanon PMI<sup>®</sup>

## PMI rises to three-month high in May, moving closer to the growth threshold

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### BLOM Lebanon PMI rises to 49.7

#### Exports weigh on total order books

#### Business confidence remains weak

Lebanon's private sector economy remained under pressure in May, although there was some reprieve in the form of softer output and new business declines. In fact, rates of reduction were only marginal in both instances. Export conditions remained fiercely challenging however, with the war in the Middle East adversely impacting demand from foreign clients.

Regarding the 12-month outlook for activity, survey respondents remained pessimistic overall, reflecting concerns about a possible re-escalation of conflict, particularly in the South of Lebanon.

The headline BLOM Lebanon PMI<sup>®</sup> posted 49.7 in May. This was an increase from April's 48.2, and although it was still below the 50.0 no-change threshold, it was only just, signalling a deterioration in business conditions that was only marginal. Overall, the PMI rose to a three-month high in May.

Private sector business activity

continued to decrease across Lebanon midway through the second quarter of 2026. Instability, weak demand and high costs led output levels to fall, according to anecdotal evidence. The same factors led to a further reduction in the volume of new business received in May. However, rates of decline seen in both output and new orders were only marginal and the slowest for three months.

Demand weakness was most apparent at Lebanon's export markets, according to the latest survey data, which showed intakes of new work from abroad falling since April. That said, the contraction was far less pronounced than that seen in the month prior.

Private sector firms in Lebanon had to contend with more stretched supply chains in May. Average delivery times from vendors lengthened to a greater extent than in April. Stocks of purchases were reduced to plug shortfalls arising from supplier delays. Some companies intentionally reduced inventories due

BLOM Lebanon PMI

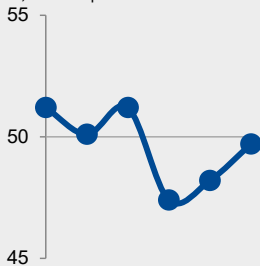
sa, >50 = improvement since previous month



# 49.7

LEBANON PMI  
MAY '26

PMI  
Dec '25 - May '26  
sa, >50 = improvement



to lower demand, however.

Anecdotal data also revealed that, in tandem with cost pressures, weak sales performances had negatively affected employment levels. While modest, the pace at which workforce numbers fell was the quickest in almost five-and-a-half years. There was a rise in pressure on the operating capacities of private sector companies in Lebanon. Backlogs of work rose for the first time since February.

Turning to operating costs, the latest survey data revealed a solid monthly increase. This was driven by purchasing prices, underlying figures showed, with respondents frequently citing higher

prices paid for imports. Indeed, the rate of purchase cost inflation was close to April's 37-month high. Prices charged were upwardly adjusted, although the extent to which they rose was softer than in April.

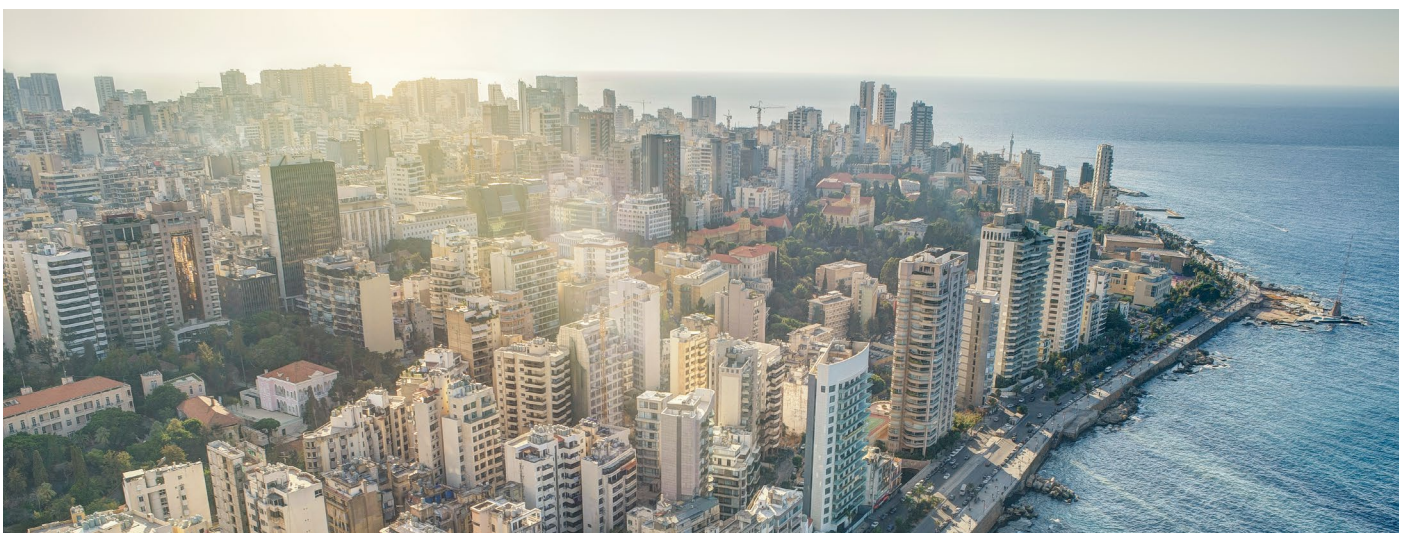
Regarding the 12-month outlook for business activity, private sector firms in Lebanon remained pessimistic. Downbeat expectations reflected some panellists' concerns of war escalating, particularly in the South of Lebanon. Uncertainty regarding investment and reconstruction efforts were also mentioned.

## Comment

Commenting on the May 2026 BLOM Lebanon PMI, Ms. Mira Said, Research Associate at BLOMINVEST Bank, said:

*"It looks like the Lebanese economy caught a break in May 2026, as the BLOM Lebanon PMI rose to 49.7 compared to April's 48.2. Indices for both total new orders and exports recovered, the latter noticeably to 41.9 from April's low of 30.0, though they both remained in contraction mode. It seems that regional and local*

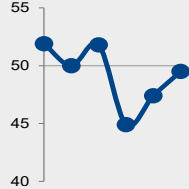
*ceasefires, however grossly imperfect, provided some respite to Lebanese private businesses. That said, two major drawbacks were noticeable: the faster decline in employment and the persistent pessimistic mood of the private sector. These two will never turn around meaningfully until and unless the war ends, sovereignty restored, and structural reforms implemented."*



## Output and demand

### Output Index

Dec '25 - May '26  
sa, >50 = growth



### Output

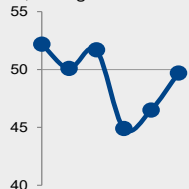
Private sector business activity decreased in Lebanon during May. This marked the third successive monthly contraction. Lower output was a result of the instability caused by the war in the region, reduced demand and high costs, according to surveyed companies. That said, the rate of decrease slowed again and was only marginal overall.

### New orders

The seasonally adjusted New Orders Index remained below the 50.0 no-change mark in May, indicating lower inflows of new business received by private sector companies in Lebanon. Uncertainty, weak market conditions and insecurity adversely impacted sales performances, anecdotal evidence revealed. However, the reduction in total new orders was fractional and the slowest over the current three-month contraction period.

### New Orders Index

Dec '25 - May '26  
sa, >50 = growth



### Output Index

sa, >50 = growth since previous month

49.5  
May '26



### New Orders Index

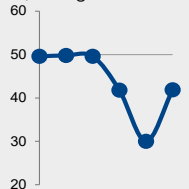
sa, >50 = growth since previous month

49.7  
May '26



### New Export Orders Index

Dec '25 - May '26  
sa, >50 = growth



### New export orders

Adjusted for seasonality, the New Export Orders Index posted well inside sub-50.0 contraction territory in May, pointing to a further sharp fall in demand from international customers. That said, it rose markedly from April's recent low, signalling a much softer rate of deterioration. The war in the Middle East was frequently mentioned as a reason for lower export sales.

### New Export Orders Index

sa, >50 = growth since previous month

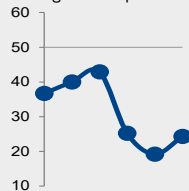
41.9  
May '26



## Business expectations

### Future Output Index

Dec '25 - May '26  
>50 = growth expected



With more than half (52%) of survey respondents predicting lower business activity over the next 12 months, the Future Output Index remained in pessimistic territory in May. Fears of the war in the Middle East escalating, particularly in the South of Lebanon, was a key reason for firms' downbeat assessments. There were also reservations about reconstruction and investment activity.

### Future Output Index

>50 = growth expected over next 12 months

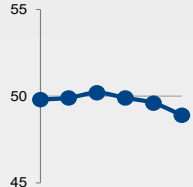
24.3  
May '26



## Employment and capacity

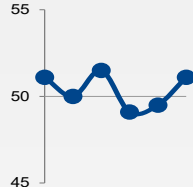
### Employment Index

Dec '25 - May '26  
sa, >50 = growth



### Backlogs of Work Index

Dec '25 - May '26  
sa, >50 = growth



### Employment

A lack of new incoming work and increased cost pressures prompted private sector companies in Lebanon to reduce employment midway through the second quarter. Notably, the rate of job shedding was the most pronounced in close to five-and-a-half years, albeit only modest overall.

### Backlogs of work

Adjusted for seasonal factors, the Backlogs of Work Index posted above the 50.0 no-change level in May, signalling a renewed increase in outstanding business at Lebanese private sector firms. The rate of accumulation was moderate and the fastest for three months.

### Employment Index

sa, >50 = growth since previous month

48.9

May '26



### Backlogs of Work Index

sa, >50 = growth since previous month

51.1

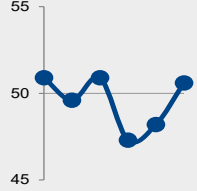
May '26



# Purchasing and inventories

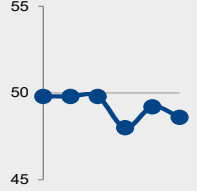
## Quantity of Purchases Index

Dec '25 - May '26  
sa, >50 = growth



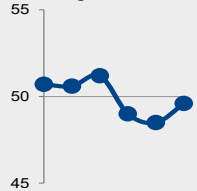
## Suppliers' Delivery Times Index

Dec '25 - May '26  
sa, >50 = faster times



## Stocks of Purchases Index

Dec '25 - May '26  
sa, >50 = growth



## Quantity of purchases

After back-to-back months of cutbacks, private sector firms in Lebanon lifted purchasing volumes in May. The upturn compared favourably with the survey's long-run trend of decline. The rise in buying activity was marginal overall.

## Suppliers' delivery times

The seasonally adjusted Suppliers' Delivery Times Index posted below the neutral 50.0 threshold in May, as has been the case since last September. As a result, the PMI sub-index signalled a further deterioration in vendor performance. Companies frequently commented on delays receiving imported products.

## Stocks of purchases

Private sector companies in Lebanon reduced their inventories midway through the second quarter of 2026. This was evidenced by the respective seasonally adjusted index recording below the 50.0 level. The reduction was fractional, however, and the slowest seen over the current three-month spell of stock depletion.

## Quantity of Purchases Index

sa, >50 = growth since previous month

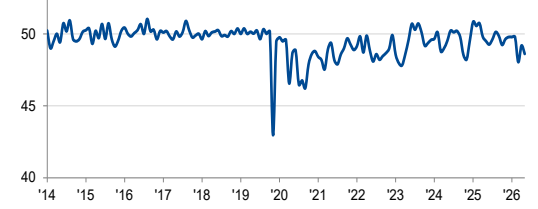
50.6  
May '26



## Suppliers' Delivery Times Index

sa, >50 = faster times since previous month

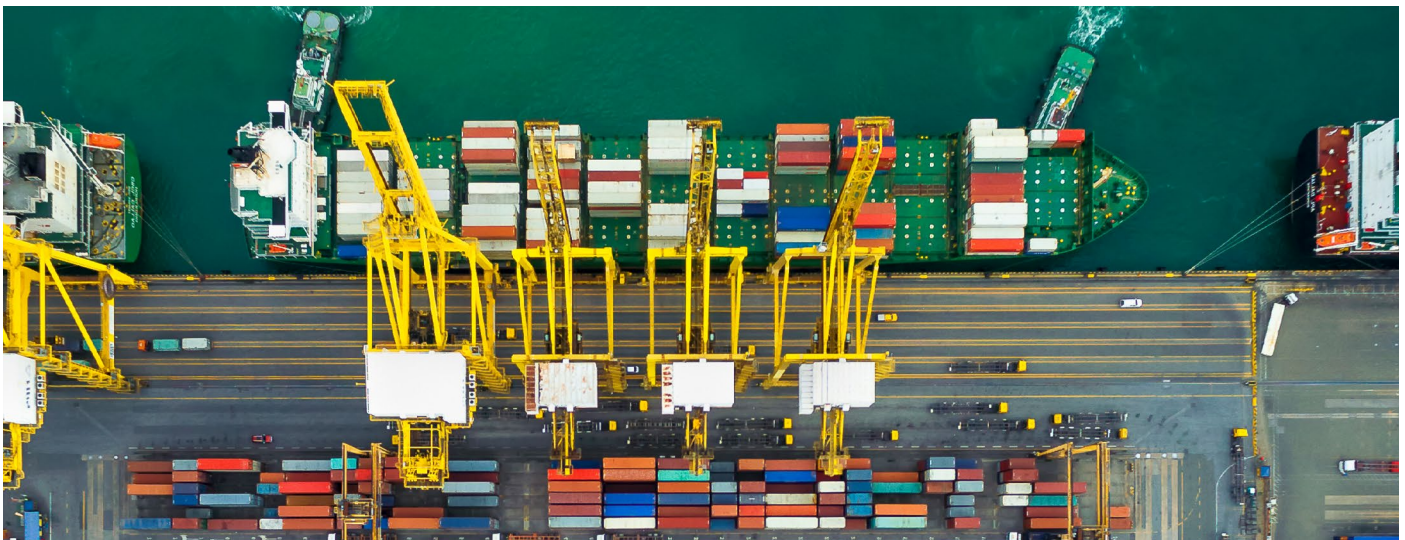
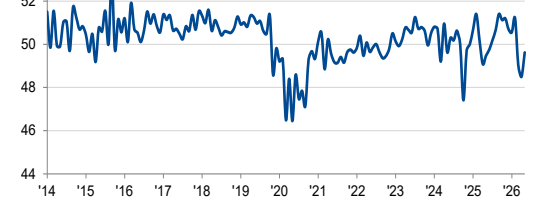
48.6  
May '26



## Stocks of Purchases Index

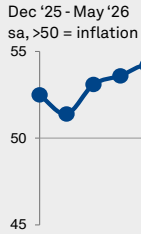
sa, >50 = growth since previous month

49.6  
May '26



# Prices

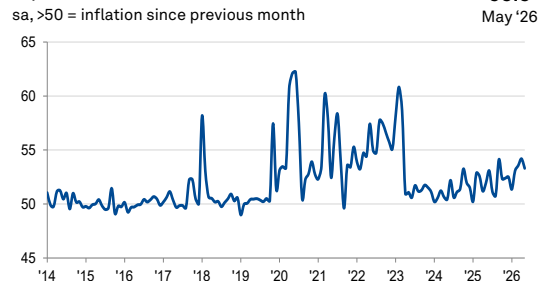
## Input Prices Index



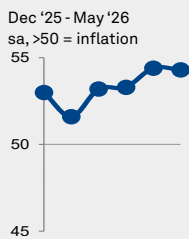
## Overall input prices

Amid widespread reports of rising purchasing prices, private sector companies in Lebanon faced higher total operating costs during the latest survey period. The rate of inflation, which was above its historic average, was solid, but eased to a three-month low.

## Input Prices Index



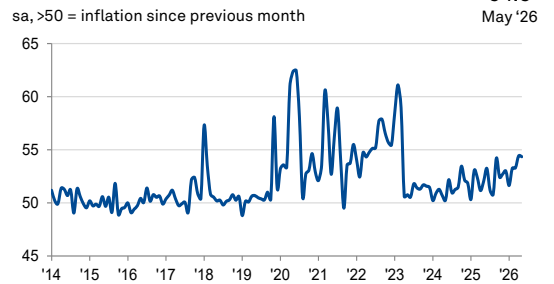
## Purchase Prices Index



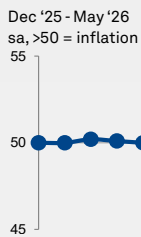
## Purchase prices

Purchasing prices were the main factor behind May's bout of private sector cost inflation. According to panellists, imported goods had risen in price due to greater fees relating to transportation and insurance. Construction materials were also reportedly more expensive. The pace of increase in purchasing costs was only fractionally slower than April's 37-month high.

## Purchase Prices Index



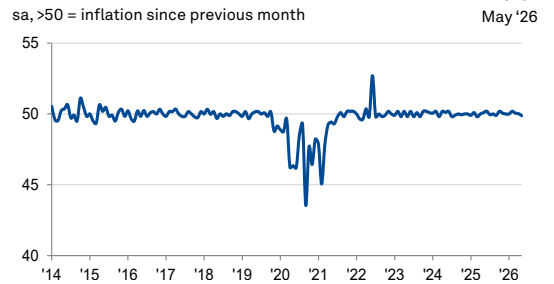
## Staff Costs Index



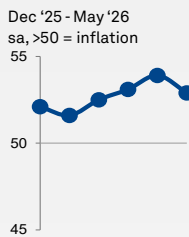
## Staff costs

Staff costs remained broadly stable at the midway point of the second quarter. The respective seasonally adjusted index stayed close to the 50.0 no-change threshold.

## Staff Costs Index



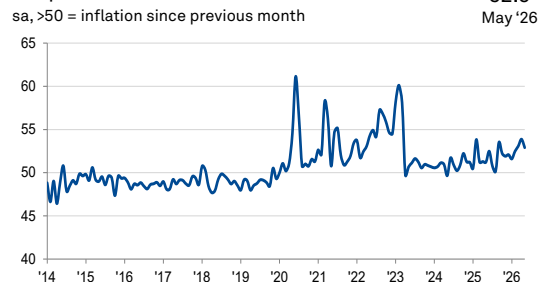
## Output Prices Index



## Output prices

Prices charged by private sector businesses in Lebanon were raised, according to May survey data. Around 5% of companies lifted their fees, with the remainder reporting no change on the month. The rate of inflation was solid but slowed for the first time since January, in turn easing to a three-month low.

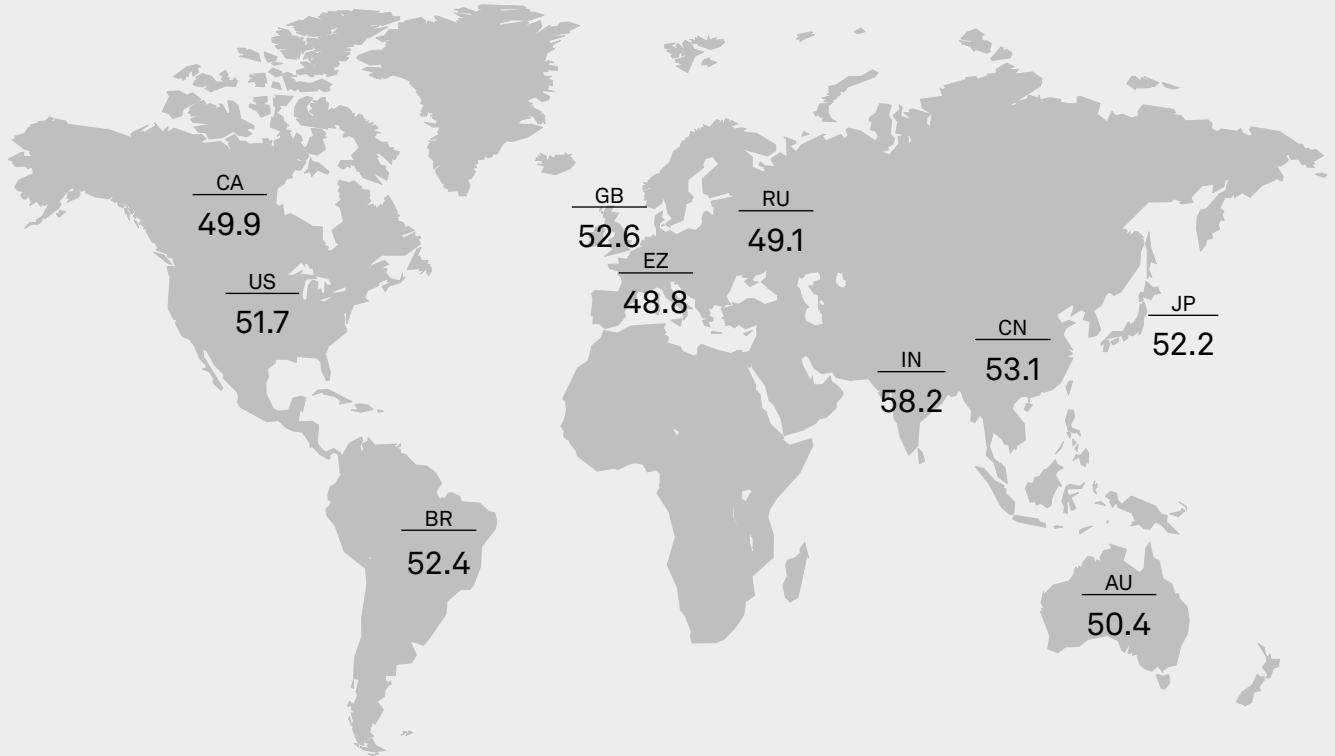
## Output Prices Index



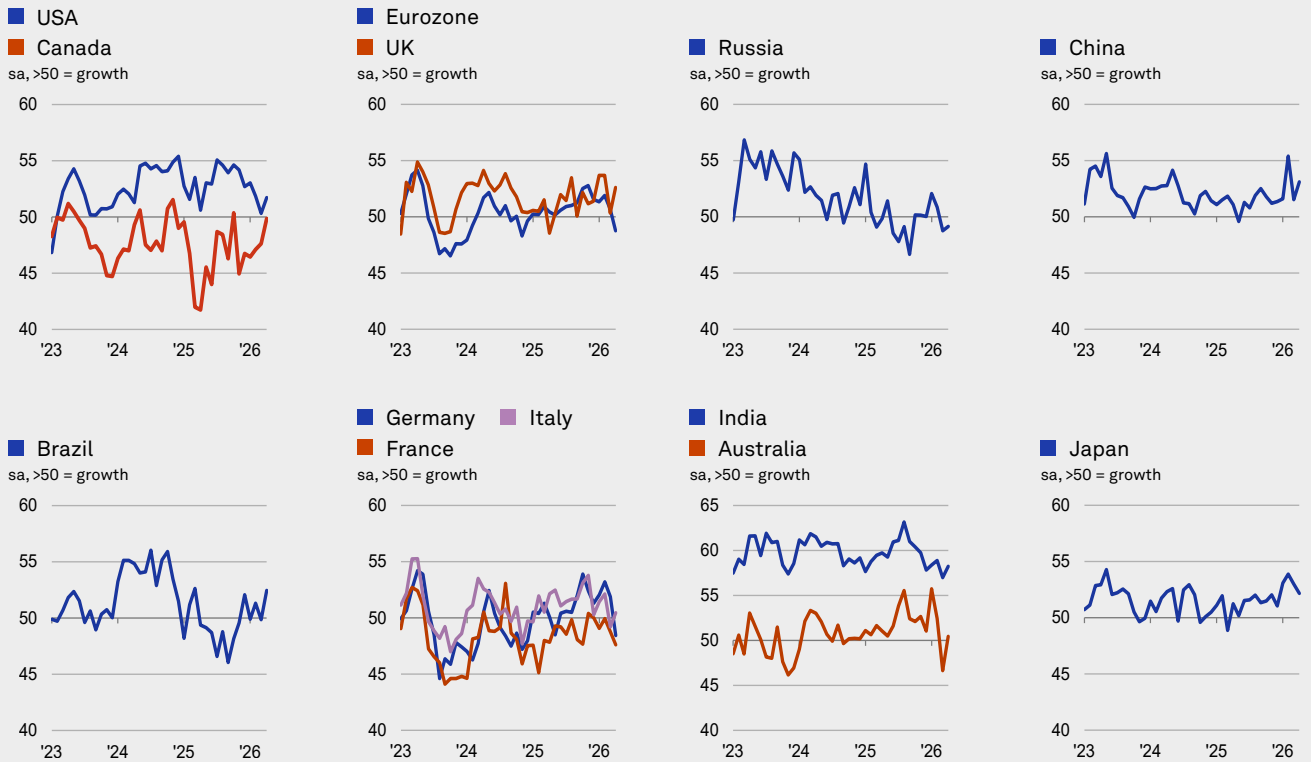
# International PMI

Composite Output Index, Apr '26  
sa, >50 = growth since previous month

The Composite Output Index is a GDP-weighted average of the Manufacturing Output Index and the Services Business Activity Index.



## Composite Output Index



## Survey methodology

The BLOM Lebanon PMI® is compiled by S&P Global from responses to questionnaires sent to purchasing managers in a panel of around 400 private sector companies. The panel is stratified by detailed sector and company workforce size, based on contributions to GDP. The sectors covered by the survey include agriculture, mining, manufacturing, construction, wholesale, retail and services. Data were first collected May 2013.

Survey responses are collected in the second half of each month and indicate the direction of change compared to the previous month. A diffusion index is calculated for each survey variable. The index is the sum of the percentage of 'higher' responses and half the percentage of 'unchanged' responses. The indices vary between 0 and 100, with a reading above 50 indicating an overall increase compared to the previous month, and below 50 an overall decrease. The indices are then seasonally adjusted.

The headline figure is the Purchasing Managers' Index™ (PMI). The PMI is a weighted average of the following five indices: New Orders (30%), Output (25%), Employment (20%), Suppliers' Delivery Times (15%) and Stocks of Purchases (10%). For the PMI calculation the Suppliers' Delivery Times Index is inverted so that it moves in a comparable direction to the other indices.

Underlying survey data are not revised after publication, but seasonal adjustment factors may be revised from time to time as appropriate which will affect the seasonally adjusted data series.

For further information on the PMI survey methodology, please contact [economics@spglobal.com](mailto:economics@spglobal.com).

### Survey dates

Data were collected 12-22 May 2026.

#### Survey questions

Private sector

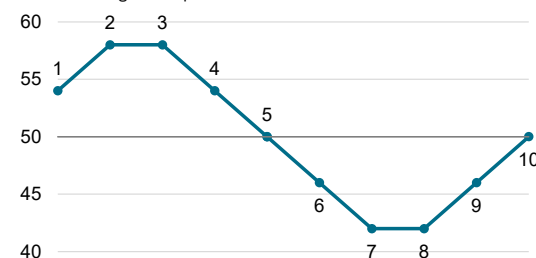
Output	Suppliers' Delivery Times
New Orders	Stocks Of Purchases
New Export Orders	Input Prices
Future Output	Purchase Prices
Employment	Staff Costs
Backlogs Of Work	Output Prices
Quantity Of Purchases	

#### Index calculation

$$\% \text{ "Higher" } + (\% \text{ "No change"}) / 2$$

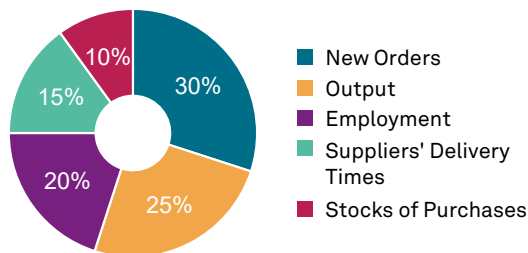
#### Index interpretation

50.0 = no change since previous month



- |                          |                            |
|--------------------------|----------------------------|
| 1 Growth                 | 6 Decline, from no change  |
| 2 Growth, faster rate    | 7 Decline, faster rate     |
| 3 Growth, same rate      | 8 Decline, same rate       |
| 4 Growth, slower rate    | 9 Decline, slower rate     |
| 5 No change, from growth | 10 No change, from decline |

#### PMI component weights



#### Sector coverage

PMI data include responses from companies operating in sectors classified according to the following ISIC Rev.4 codes:

C Manufacturing	M Professional, Scientific and Technical Activities
F Construction	N Administrative and Support Service Activities
G Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	P Education*
H Transportation and Storage	Q Human Health and Social Work Activities*
I Accommodation and Food Service Activities	R Arts, Entertainment and Recreation
J Information and Communication	S Other Service Activities
K Financial and Insurance Activities	

\*Private sector

## Index summary

### Private sector

sa, 50 = no change over previous month. \*50 = no change over next 12 months.

	PMI	Output	New Orders	New Export Orders	Future Output*	Employment	Backlogs of Work	Quantity of Purchases	Suppliers' Delivery Times	Stocks of Purchases	Overall Input Prices	Purchase Prices	Staff Costs	Output Prices
12 '25	51.2	51.9	52.2	49.6	36.7	49.8	51.1	50.9	49.8	50.7	52.5	53.0	50.0	52.1
01 '26	50.1	50.0	50.1	49.8	40.0	49.9	50.0	49.6	49.8	50.6	51.4	51.6	50.0	51.6
02 '26	51.2	51.8	51.7	49.6	42.9	50.2	51.5	50.9	49.8	51.2	53.1	53.2	50.2	52.5
03 '26	47.4	44.9	44.9	41.8	25.2	49.9	49.1	47.3	48.0	49.0	53.6	53.3	50.1	53.1
04 '26	48.2	47.4	46.5	30.0	19.2	49.6	49.5	48.2	49.2	48.5	54.2	54.4	50.0	53.9
05 '26	49.7	49.5	49.7	41.9	24.3	48.9	51.1	50.6	48.6	49.6	53.3	54.3	49.9	52.9

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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.

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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.

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