

BLOM Lebanon PMI®

PMI stays above expansion threshold in October

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Private sector business activity rises for third straight month

Fastest increase in employment since August 2013

Purchasing growth quickens as firms bolster inventories

Private sector business conditions across Lebanon continued to improve during October as output, sales and employment all grew. Purchasing volumes were also lifted as firms bolstered their inventories. Higher stock levels came amid reports of disruption in the receipt of imported products, with panellists often citing customs delays.

Meanwhile, there were softer rises in both input costs and output prices during October. Looking ahead, surveyed businesses turned more pessimistic towards the year-ahead outlook for business activity, with concerns of an escalation in regional tensions leading to apprehension among Lebanese companies.

The headline BLOM Lebanon PMI® posted above the critical 50.0 threshold which separates growth from contraction in October. This marked the third time in as many months that the headline index has posted in expansion territory — the longest uninterrupted

sequence in the survey history. That said, at 50.6, down from September's near 12-and-a-half-year high of 51.5, the headline index did signal a loss of momentum.

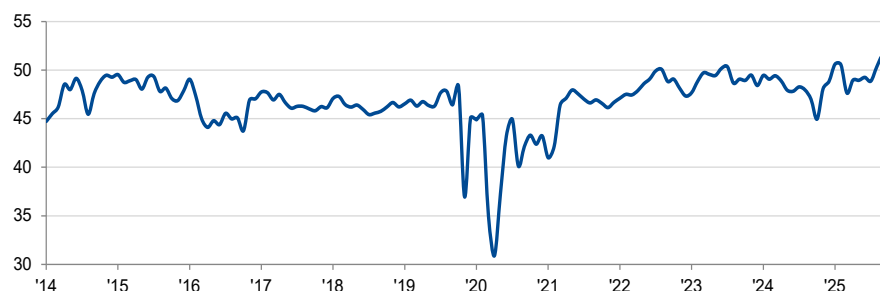
Business activity grew at the start of the fourth quarter. That said, the rate of increase slowed from September's survey high to a marginal pace. This was also true for new orders which, after rising at a record pace in the month prior, registered a slowdown in growth. October's softer upturn in sales was partly down to uncertainty, anecdotal evidence showed.

As for export orders, October data signalled a reduction on the month. However, the decrease was only marginal and the softest seen over the current eight-month sequence of decline.

Employment growth was reinstated during the latest survey period, marking the first increase in workforce numbers since February. Moreover,

BLOM Lebanon PMI

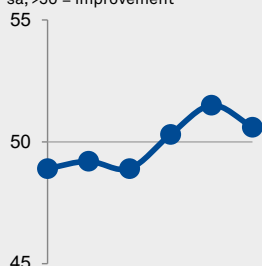
sa, >50 = improvement since previous month



50.6

LEBANON PMI
OCT '25

PMI
May - Oct '25
sa, >50 = improvement



the expansion in private sector jobs was the sharpest in just over 12 years. A concurrent rise in staff costs was recorded in October, although the increase was fractional.

Overall input costs rose at the beginning of the fourth quarter. Purchase prices primarily drove inflation in October, with panellists citing greater outlays on food, commodities, transportation and electrical components. That said, the increase in prices paid was slower than that seen in September. Firms were subsequently less aggressive with their own price setting.

Amid a slowdown in purchase price inflation, private sector companies in

Lebanon lifted their buying volumes in October. In fact, the rate of growth quickened to an eight-month high. Firms also added to their stocks of purchases, extending a sequence of expansion that began in July.

Firms were able to raise their inventories despite supply-chain disruption, with average input lead times lengthening to the greatest extent in just under a year amid reports of customs delays.

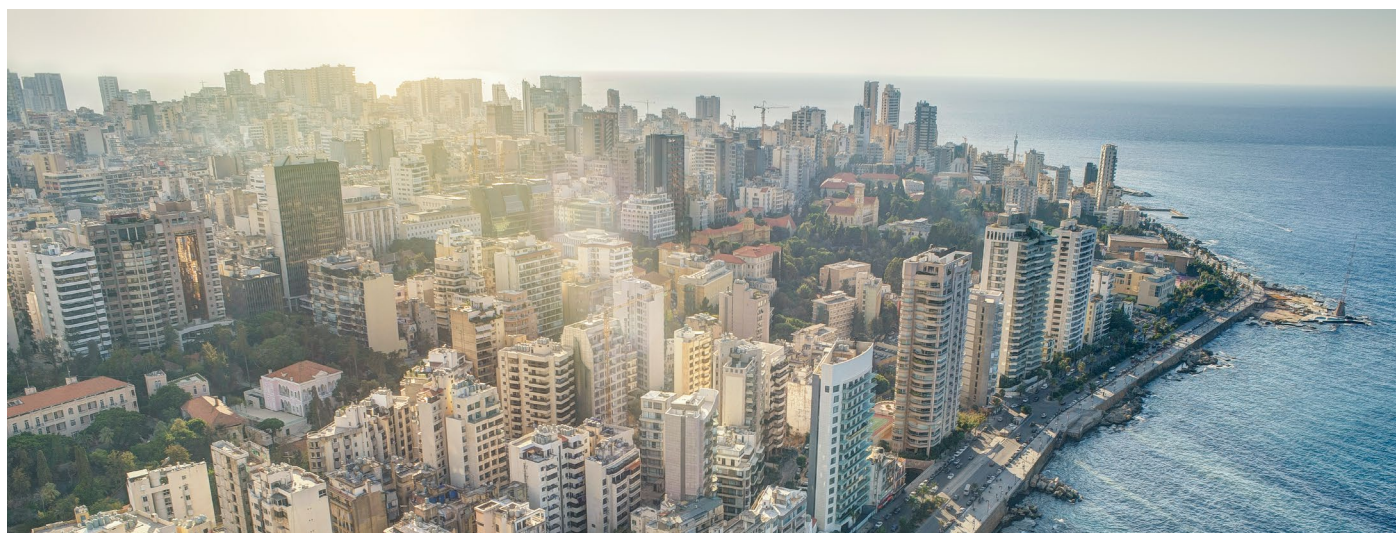
Looking ahead, business expectations deteriorated in October. Uncertainty and concerns of an escalation in tensions across the Middle East weighed on sentiment. Firms were their most pessimistic since July.

Comment

Commenting on the October 2025 BLOM Lebanon PMI, Helmi Mrad, Senior Research Analyst at BLOMInvest BANK said:

"The BLOM Lebanon PMI for October 2025 surpassed the 50.0 threshold for the third month in a row and recorded 50.6, down from 51.5 in September 2025. The improvement in private sector business conditions in October was attributed to increases in output and new orders, but growth was at a softer pace than in September. Interesting to note also that employment grew for the

first month since February and at the fastest rate in just over 12 years. However, these positive outcomes were a product of domestic expansion as exports remained stagnant. In addition, private sector companies were more pessimistic regarding the 12-month outlook than in September due to more political uncertainty, in addition to the potential war escalation on the southern border. We hope internal and external diplomacy can eliminate these two obstacles, otherwise full economic recovery will not materialize."



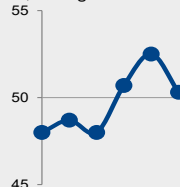
PMI®

by S&P Global

Output and demand

Output Index

May - Oct '25
sa, >50 = growth



Output

Private sector companies across Lebanon reported a third successive month-on-month rise in their activity levels during October. This marked the longest uninterrupted sequence of expansion since the survey began in 2013. However, the rate of growth slowed from September and was only marginal overall.

New orders

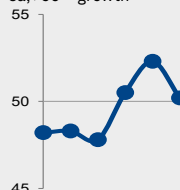
In line with business activity, new orders received by private sector firms in Lebanon rose for the third time in as many months at the start of the fourth quarter. The upturn slowed from the survey high posted in September, however, and was fractional overall. Some companies noted that uncertainty had adversely impacted sales performances.

New export orders

Adjusted for the influence of seasonality, the New Export Orders Index registered just below the 50.0 no-change threshold once again in October, indicating another marginal decrease in new work received from non-domestic clients. That said, the pace of reduction was the softest seen over the current eight-month sequence of deteriorating foreign customer demand.

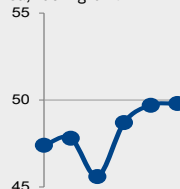
New Orders Index

May - Oct '25
sa, >50 = growth



New Export Orders Index

May - Oct '25
sa, >50 = growth



Output Index

sa, >50 = growth since previous month

50.3

Oct '25



New Orders Index

sa, >50 = growth since previous month

50.2

Oct '25



New Export Orders Index

sa, >50 = growth since previous month

49.8

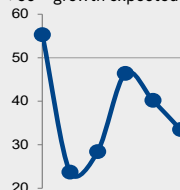
Oct '25



Business expectations

Future Output Index

May - Oct '25
>50 = growth expected



The Future Output Index fell further below the neutral 50.0 level in October, signalling an increase in pessimistic sentiment towards the year-ahead outlook across the Lebanese private sector. Some panellists were concerned that political uncertainty, as well as concerns of an escalation of tensions in the Middle East, would hinder future economic activity levels.

Future Output Index

>50 = growth expected over next 12 months

33.5

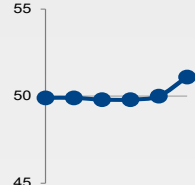
Oct '25



Employment and capacity

Employment Index

May - Oct '25
sa, >50 = growth



Employment

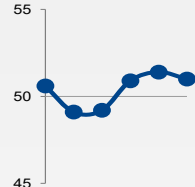
Private sector workforce numbers across Lebanon's private sector rose during the latest survey period, marking the first time since February that employment growth has been registered. Albeit modest, the rate of job creation was the quickest since August 2013.

Backlogs of work

The seasonally adjusted Backlogs of Work Index posted above the 50.0 no-change threshold during the opening month of the fourth quarter, indicating a rise in outstanding business volumes across Lebanon's private sector. The pace of accumulation was modest and slightly slower than that seen in September. October's uptick extended the current sequence of rising unfinished orders to three months.

Backlogs of Work Index

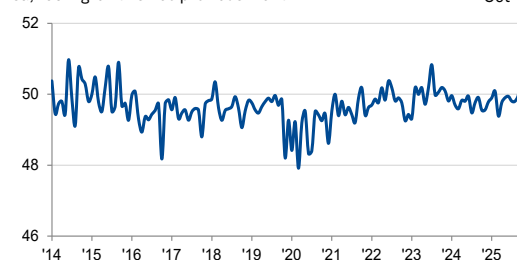
May - Oct '25
sa, >50 = growth



Employment Index

sa, >50 = growth since previous month

51.1
Oct '25



Backlogs of Work Index

sa, >50 = growth since previous month

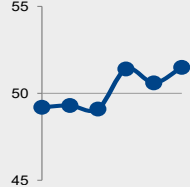
51.0
Oct '25



Purchasing and inventories

Quantity of Purchases Index

May - Oct '25
sa, >50 = growth



Quantity of purchases

Purchased volumes of raw materials, intermediate goods and other items required by businesses rose during October. Additionally, the rate of expansion picked up from September to the quickest in eight months. The latest expansion was in marked contrast with the long-run series trend of decline. Buying activity has increased in each month since August.

Quantity of Purchases Index

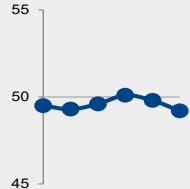
sa, >50 = growth since previous month

51.5
Oct '25



Suppliers' Delivery Times Index

May - Oct '25
sa, >50 = faster times



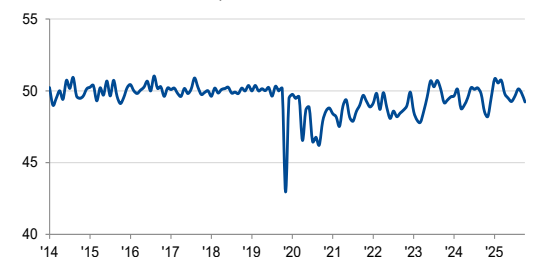
Suppliers' delivery times

Amid reports of delays at customs, October survey data highlighted a lengthening of suppliers' delivery times. While the extent of the disruption was only marginal, the respective seasonally adjusted index fell to its lowest level in almost a year, signalling the most marked delays since November 2024.

Suppliers' Delivery Times Index

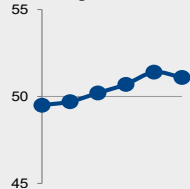
sa, >50 = faster times since previous month

49.2
Oct '25



Stocks of Purchases Index

May - Oct '25
sa, >50 = growth



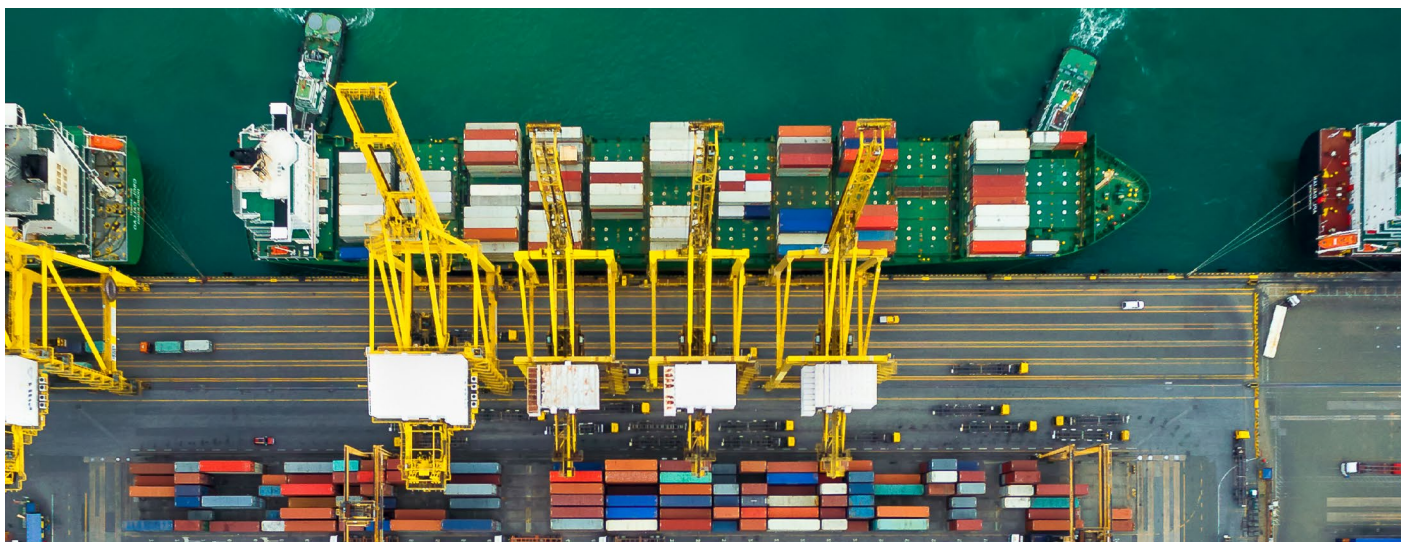
Stocks of purchases

The seasonally adjusted Stocks of Purchases Index continued its expansionary trend at the beginning of the fourth quarter. October's increase came in tandem with an accelerated rise in buying volumes. The rate of accumulation in input stocks was only narrowly softer than September's recent high.

Stocks of Purchases Index

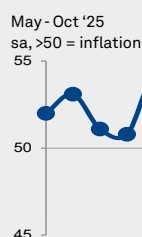
sa, >50 = growth since previous month

51.1
Oct '25

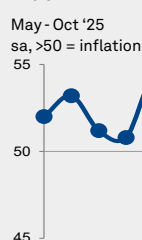


Prices

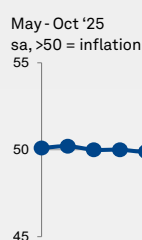
Input Prices Index



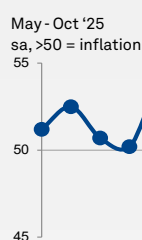
Purchase Prices Index



Staff Costs Index



Output Prices Index



Overall input prices

Operating expenses faced by private sector businesses in Lebanon increased during the latest survey period. Purchasing costs were the main factor pushing up firms' input prices, underlying data revealed. However, the overall rate of inflation was softer than that seen in the previous month.

Purchase prices

As has been the case since October 2021, purchase cost inflation was registered during the opening month of the fourth quarter. Food, transportation, electrical components and commodities were reported as being more expensive by respondents. Firms also often commented on greater import prices. However, the increase in purchase costs was moderate and slower than that seen in September.

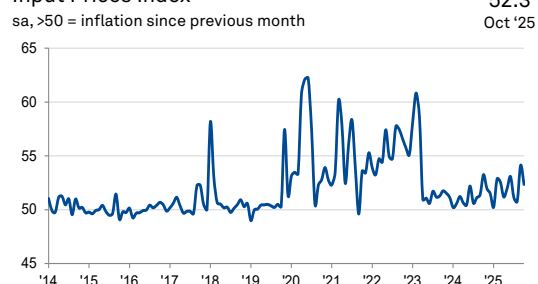
Staff costs

The seasonally adjusted Staff Costs Index ticked posted above the 50.0 no-change mark for the first time since June, indicating a renewed increase in wage bills for private sector companies in Lebanon. The rise was only somewhat fractional overall, however.

Output prices

When it came to their own prices charged, private sector companies in Lebanon made upward adjustments during October. Where an increase was reported, firms cited greater raw material and energy costs. Around 4% of panel members lifted their output prices, while the remainder (96%) left them unchanged. The rate of inflation weakened but was above the survey's historic average.

Input Prices Index



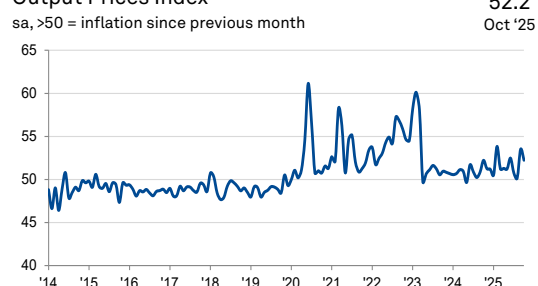
Purchase Prices Index



Staff Costs Index



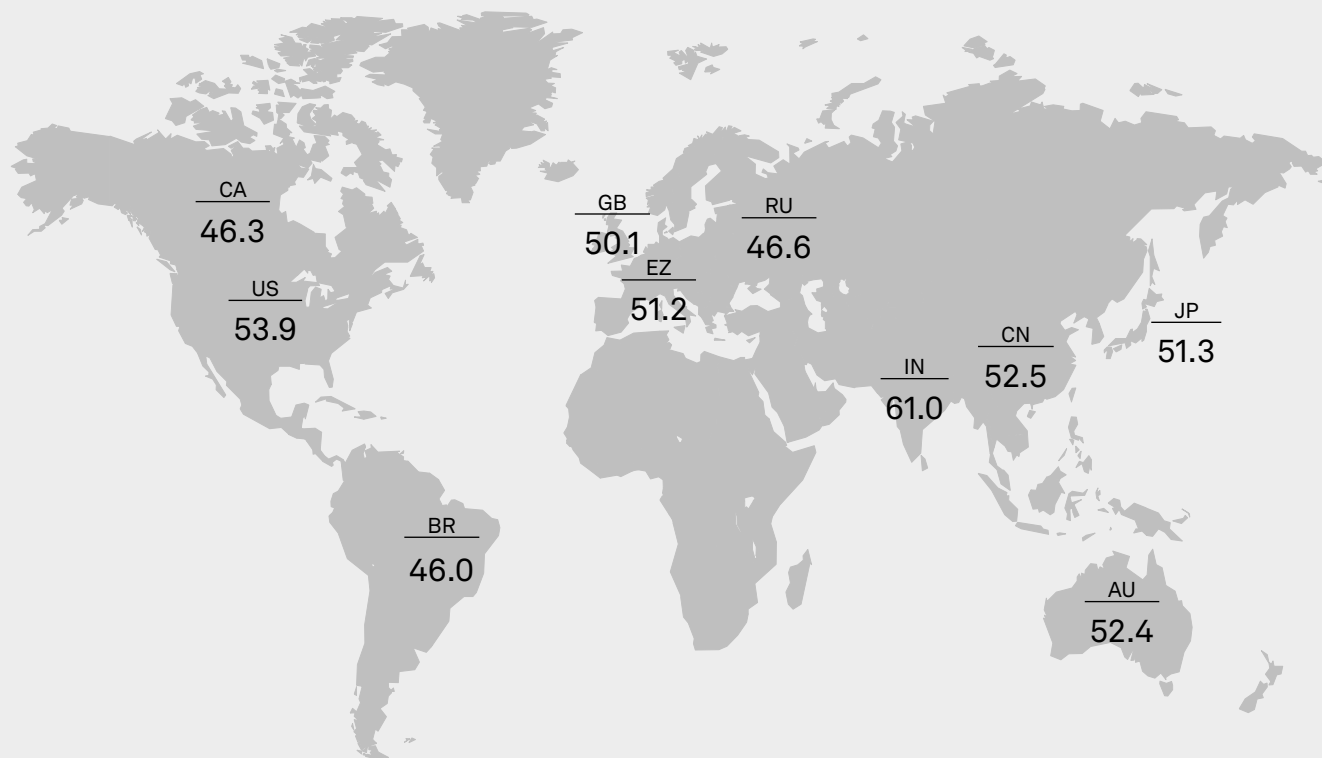
Output Prices Index



International PMI

Composite Output Index, Sep '25
 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.

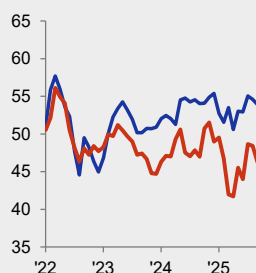


Composite Output Index

■ USA

■ Canada

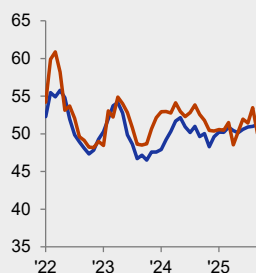
sa, >50 = growth



■ Eurozone

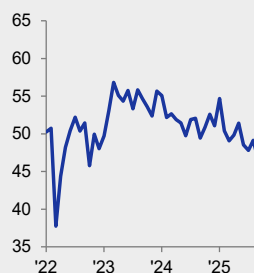
■ UK

sa, >50 = growth



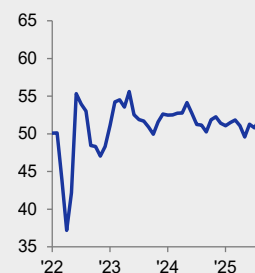
■ Russia

sa, >50 = growth



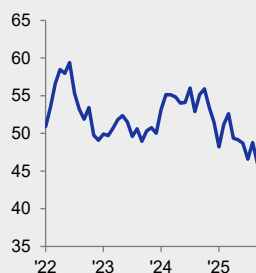
■ China

sa, >50 = growth



■ Brazil

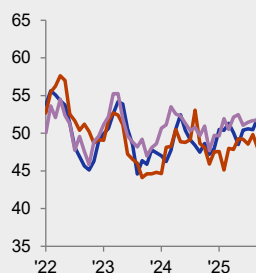
sa, >50 = growth



■ Germany ■ Italy

■ France

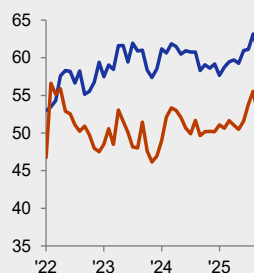
sa, >50 = growth



■ India

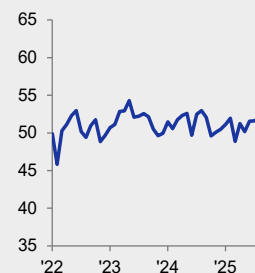
■ Australia

sa, >50 = growth



■ Japan

sa, >50 = growth



PMI®

by **S&P Global**

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.

Survey dates

Data were collected 9-27 October 2025.

Survey questions

Private sector

Output
New Orders
New Export Orders
Future Output
Employment
Backlogs Of Work
Quantity Of Purchases

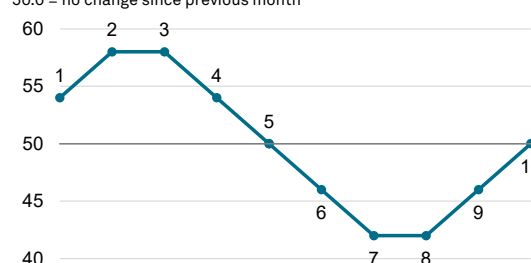
Suppliers' Delivery Times
Stocks Of Purchases
Input Prices
Purchase Prices
Staff Costs
Output Prices

Index calculation

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

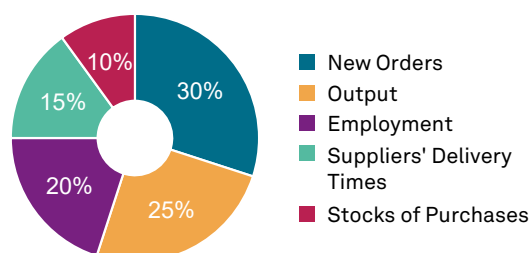
Index interpretation

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
05 '25	48.9	48.0	48.2	47.4	55.3	49.9	50.6	49.2	49.5	49.5	52.0	52.0	50.1	51.2
06 '25	49.2	48.7	48.3	47.8	23.7	49.9	49.1	49.3	49.3	49.7	53.1	53.2	50.2	52.5
07 '25	48.9	48.0	47.8	45.6	28.4	49.8	49.2	49.1	49.6	50.2	51.1	51.2	50.0	50.7
08 '25	50.3	50.7	50.5	48.7	46.4	49.8	50.9	51.4	50.1	50.7	50.8	50.8	50.0	50.2
09 '25	51.5	52.5	52.3	49.7	40.2	50.0	51.4	50.6	49.8	51.4	54.1	54.2	49.9	53.5
10 '25	50.6	50.3	50.2	49.8	33.5	51.1	51.0	51.5	49.2	51.1	52.3	52.4	50.2	52.2

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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.

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.

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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.

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PMI®

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