

BLOM Lebanon PMI®

Lebanese economy loses momentum in August

Contents

Overview

Comment

Output and demand

Business expectations

Employment and capacity

Purchasing and inventories

Prices

International PMI

Survey methodology

Further information

BLOM Lebanon PMI falls to 50.1, from 50.7

New orders down marginally, driven by exports

Inflation eases but remains elevated

Lebanon's private sector economy showed signs of slowing during August. A fresh decrease in new business led activity levels to virtually stagnate, while purchasing growth eased. Inflationary pressures remained elevated, despite cooling slightly since July. Although there was a further improvement in confidence, Lebanese companies remained pessimistic towards the year-ahead outlook.

The headline BLOM Lebanon PMI® was once again above the crucial 50.0 threshold that separates growth from decline in August, although only just. Down from 50.7 in July to 50.1, the latest figure signalled a slowdown in growth across Lebanon's private sector economy.

August survey data signalled a fresh decrease in new business intakes. After two months of expansion, total sales volumes shrank midway through the third quarter. The reduction was only marginal overall, however. Uncertainty, insecurity and price pressures were all

cited as reasons for weaker demand, according to panel member reports.

Non-domestic markets were a key drag on sales performances. New export orders declined markedly in August, extending the current period of falling international client demand to nine months. The pace of contraction was far less pronounced than that seen in July, however.

Business activity levels across Lebanon were virtually unchanged in August. The broad stagnation was, however, a contrast to modest improvements in both June and July.

Surveyed businesses exercised greater caution regarding purchasing and stocks during August. Buying activity continued to rise, albeit with the pace of expansion easing. In turn, inventories grew at a softer rate. According to anecdotal evidence, high costs and demand uncertainty led some firms to dial back their stockpiling.

Nevertheless, supply chain conditions

BLOM Lebanon PMI

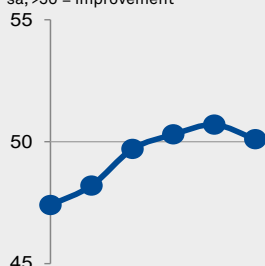
sa, >50 = improvement since previous month



50.1

LEBANON PMI
AUG '26

PMI
Mar - Aug '26
sa, >50 = improvement



remained challenging. Average vendor lead times continued to lengthen, reflecting disruption in the Middle East and ongoing security risks. Delays were less pronounced than in July, however.

Price pressures remained elevated during August. Purchasing costs were a key contributor to overall inflation, detailed sub-index data revealed. In fact, overall operating expenses rose at the second-fastest pace for almost three-and-a-half years. Imported goods, household products, construction materials and fuel were all reported as up in price. Higher shipping fees were also mentioned.

Increased cost burdens were passed

on to customers during August. Output charges rose at a historically strong rate, with the pace of inflation also the second-quickest in just over three years.

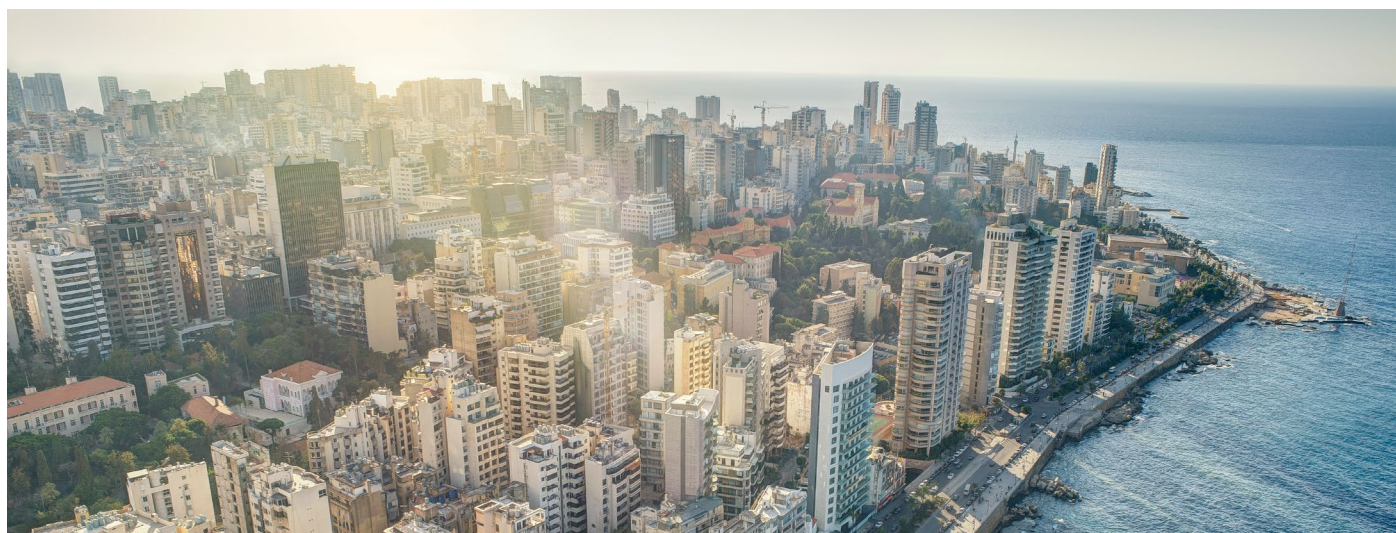
Looking ahead, private sector firms in Lebanon were pessimistic towards the 12-month outlook, although the degree of negativity eased. In fact, the Future Output Index rose to its highest level since February.

Comment

Commenting on the August 2026 BLOM Lebanon PMI, Dr FADI Osseiran, Special Advisor to BLOM GM, said:

"The BLOM Lebanon PMI faced a hard reality in August 2026, dropping to 50.1 from 50.7 in July 2026. Uncertainty, security concerns, and price pressures, all weighed negatively on demand. Additionally, weakness in the tourism sector and a subdued goods export performance, driven by a troubled regional market, likely contributed to

the fall in output and the PMI. As such, the economy seems to be shackled to a stagnant state, that could even regress to lower levels come the Fall/Autumn. And, unfortunately, its fate remains tied to deadlocked internal and regional wars, and the difficulty in gaining momentum to the reform and structural adjustments process. We hope against hope that these wars end soon!"



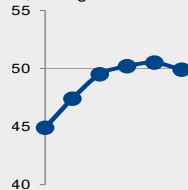
PMI®

by **S&P Global**

Output and demand

Output Index

Mar - Aug '26
sa, >50 = growth



Output

After back-to-back months of growth in June and July, August saw private sector business activity levels across Lebanon virtually stagnate. The seasonally adjusted Output Index posted a fraction beneath the 50.0 no-change threshold. Cautious spending behaviour by customers weighed on activity, according to some companies.

Output Index

sa, >50 = growth since previous month

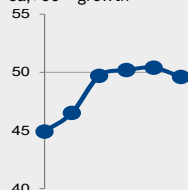
49.9

Aug '26



New Orders Index

Mar - Aug '26
sa, >50 = growth



New orders

Adjusted for seasonal variations, the New Orders Index recorded in sub-50.0 contraction territory midway through the third quarter. This marked the first month of decreasing sales volumes since May. Uncertainty, security concerns and price pressures were reasons given for lower new business intakes, anecdotal evidence showed. However, the pace of reduction was only marginal.

New Orders Index

sa, >50 = growth since previous month

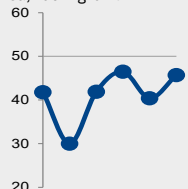
49.6

Aug '26



New Export Orders Index

Mar - Aug '26
sa, >50 = growth



New export orders

International demand conditions facing private sector firms in Lebanon remained challenging in August. Regional instability was often cited as the key factor holding foreign clients back from placing orders. The reduction in new export sales was solid overall, although it was markedly slower than that seen in July.

New Export Orders Index

sa, >50 = growth since previous month

45.7

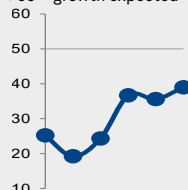
Aug '26



Business expectations

Future Output Index

Mar - Aug '26
>50 = growth expected



The Future Output Index resumed its upward trajectory in August. The latest increase was the third seen in the past four months and took it to its highest level since February. That said, the sentiment gauge remained in pessimistic territory. Survey respondents often attributed their downbeat year-ahead expectations to the uncertainty surrounding the war in the Middle East.

Future Output Index

>50 = growth expected over next 12 months

39.0

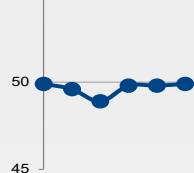
Aug '26



Employment and capacity

Employment Index

Mar - Aug '26
sa, >50 = growth



Employment

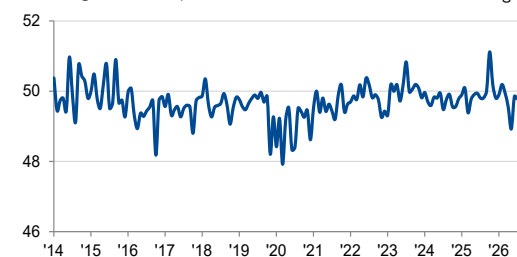
There was little change in private sector workforce numbers across Lebanon during the latest survey period. The seasonally adjusted Employment Index held close to the no-change threshold of 50.0 in August and was broadly in line with its long-run average (49.8). While some businesses lowered staffing due to falling activity, some hired to support existing workloads.

Employment Index

sa, >50 = growth since previous month

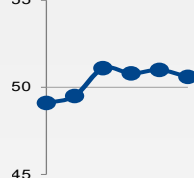
49.9

Aug '26



Backlogs of Work Index

Mar - Aug '26
sa, >50 = growth



Backlogs of work

The trend of backlog accumulation continued midway through the third quarter. Outstanding business volumes rose for a fourth month in succession during August. However, the pace at which work-in-hand increased was the slowest over this period and only marginal overall.

Backlogs of Work Index

sa, >50 = growth since previous month

50.6

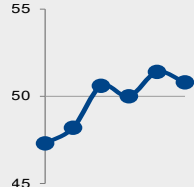
Aug '26



Purchasing and inventories

Quantity of Purchases Index

Mar - Aug '26
sa, >50 = growth



Quantity of purchases

Private sector firms in Lebanon continued to raise their purchase volumes during August. There were some reports of buying activity being lifted to replenish stocks. However, the pace of purchasing growth eased from that seen in July as the uncertain demand outlook led some to adopt more reserved procurement strategies.

Quantity of Purchases Index

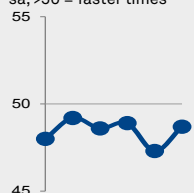
sa, >50 = growth since previous month

50.8
Aug '26



Suppliers' Delivery Times Index

Mar - Aug '26
sa, >50 = faster times



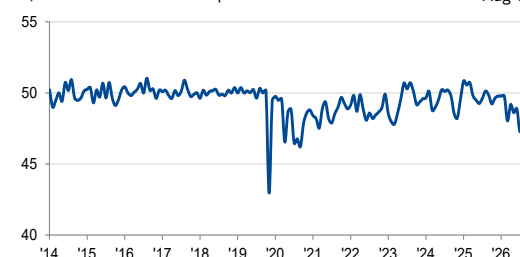
Suppliers' delivery times

After accounting for seasonal factors, the Suppliers' Delivery Times Index posted below the 50.0 no-change level in August, indicating a decline in vendor performance. Security risks in the local region contributed to longer shipping times, according to some surveyed companies. However, delays were less pronounced than in July.

Suppliers' Delivery Times Index

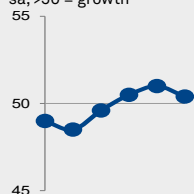
sa, >50 = faster times since previous month

48.7
Aug '26



Stocks of Purchases Index

Mar - Aug '26
sa, >50 = growth



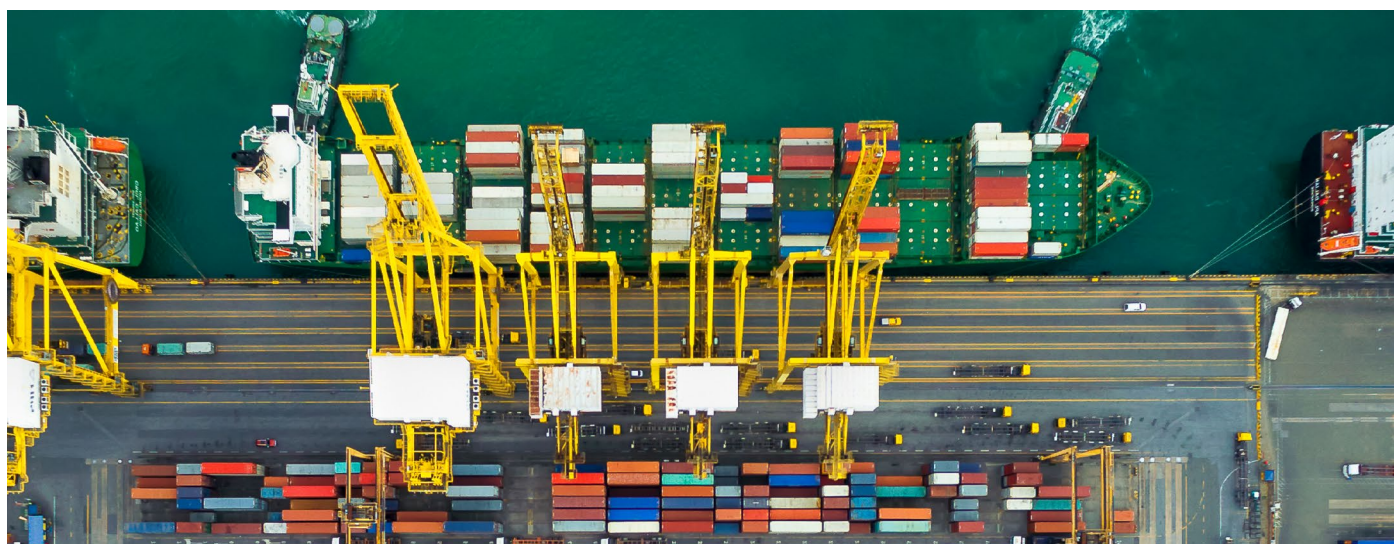
Stocks of purchases

For a third consecutive month, inventories at private sector firms in Lebanon rose. That said, the expansion was a muted one, with the respective seasonally adjusted index posting only just above the 50.0 no-change mark. According to panel members, stock level caution reflected high costs and demand uncertainty.

Stocks of Purchases Index

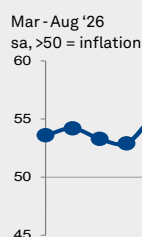
sa, >50 = growth since previous month

50.4
Aug '26



Prices

Input Prices Index



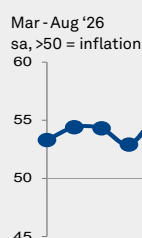
Overall input prices

Overall input prices rose to a historically strong degree in August. The rate of inflation was above its survey trend and, despite easing on the month, was the second-fastest in nearly three-and-a-half years. Purchase prices remained the key driver of inflationary pressures.

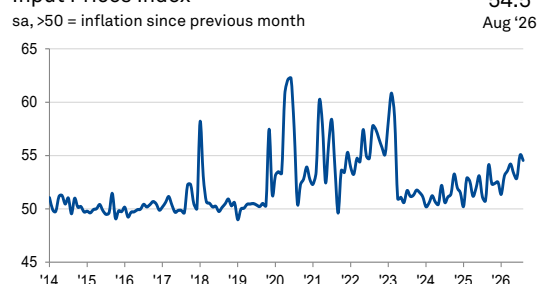
Purchase prices

Purchasing costs rose markedly midway through the third quarter. Qualitative responses from panel members highlighted increased prices for construction materials, imported food and beverages, household products and fuel. Some also mentioned surcharges related to shipping as a result of the associated risk in the local region. The pace of inflation ticked down, however.

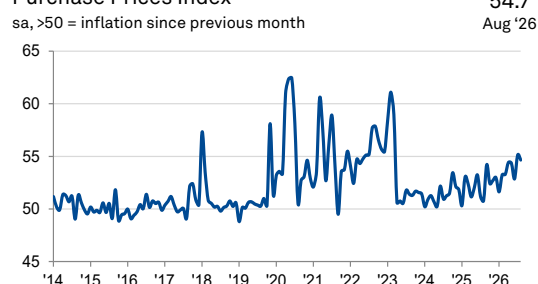
Purchase Prices Index



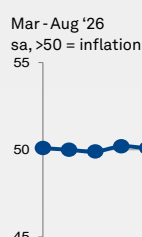
Input Prices Index



Purchase Prices Index



Staff Costs Index



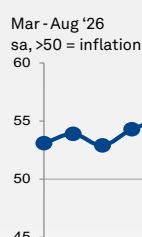
Staff costs

There was a fractional rise in wages during August. This was evidenced by the seasonally adjusted Staff Costs Index posting just above the no-change threshold of 50.0. This was broadly in line with what was seen in July.

Staff Costs Index



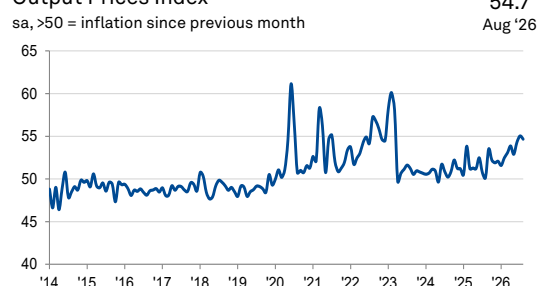
Output Prices Index



Output prices

Private sector companies in Lebanon lifted their prices charged midway through the third quarter, thereby extending the current sequence of increases to 27 months. Rises to selling prices was often attributed to cost pressures, indicating that firms passed on some of their higher expenses to customers. The rate of output charge inflation was the second-steepest since March 2023, behind July.

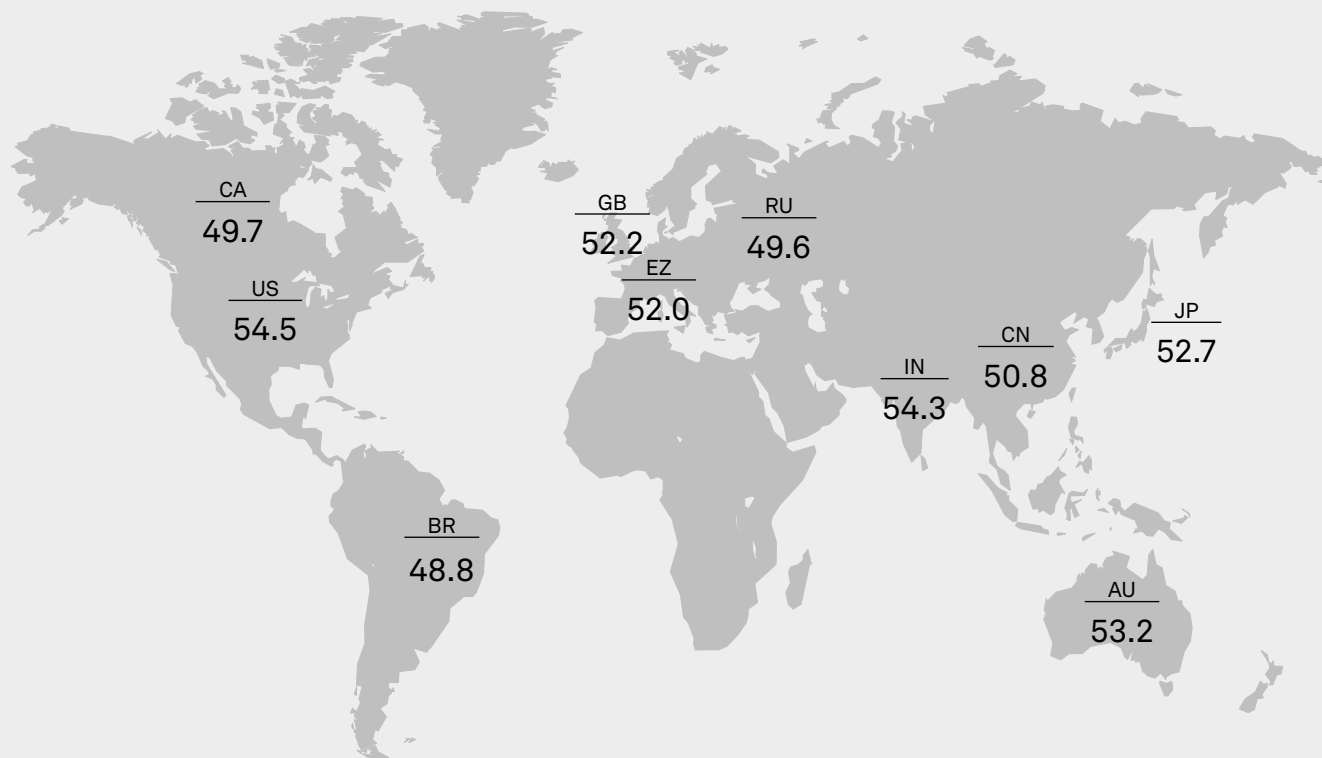
Output Prices Index



International PMI

Composite Output Index, Jul '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.

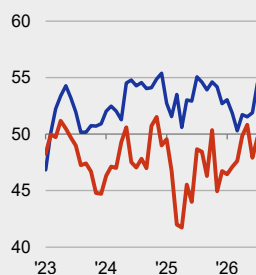


Composite Output Index

■ USA

■ Canada

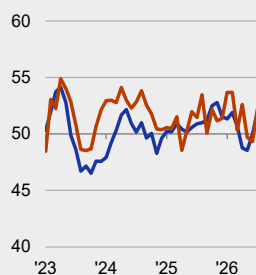
sa, >50 = growth



■ Eurozone

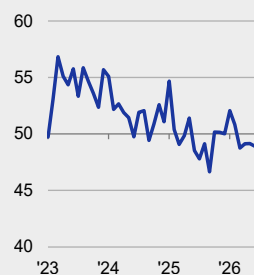
■ UK

sa, >50 = growth



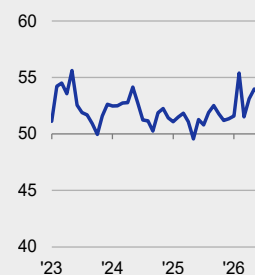
■ Russia

sa, >50 = growth



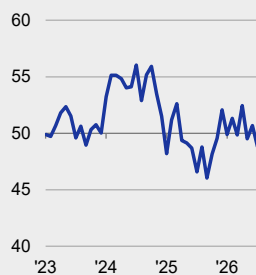
■ China

sa, >50 = growth



■ Brazil

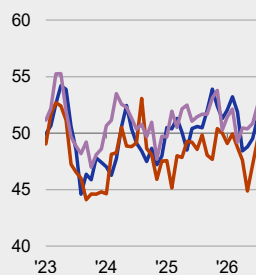
sa, >50 = growth



■ Germany ■ Italy

■ France

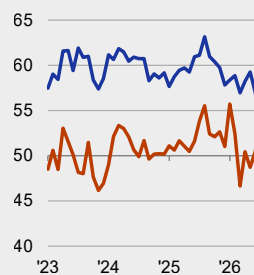
sa, >50 = growth



■ India

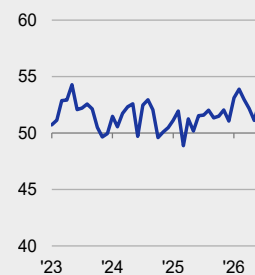
■ Australia

sa, >50 = growth



■ Japan

sa, >50 = growth



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 12-24 August 2026.

Survey questions

Private sector

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

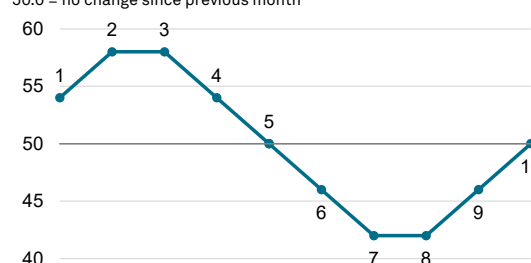
Suppliers' Delivery Times
Stocks Of Purchases
Input Prices
Purchase Prices
Staff Costs
Output Prices

Index calculation

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

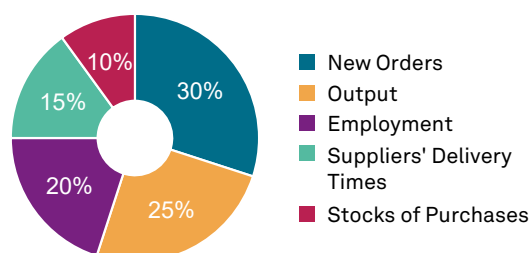
Index interpretation

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
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
06 '26	50.3	50.2	50.2	46.5	36.7	49.8	50.8	50.0	48.9	50.5	52.9	52.9	50.2	54.3
07 '26	50.7	50.5	50.4	40.4	35.6	49.8	51.0	51.4	47.3	51.0	55.0	55.1	50.1	55.0
08 '26	50.1	49.9	49.6	45.7	39.0	49.9	50.6	50.8	48.7	50.4	54.5	54.7	50.1	54.7

Contact

Dr Ali Bolbol
 Chief Economist / Head of Research
 BLOMINVEST Bank
 T: +961 1 739 817
ali.bolbol@blominvestbank.com

Joe Hayes
 Senior Principal Economist
 S&P Global Market Intelligence
 T: +44-1344-328-099
joe.hayes@spglobal.com

Kriti Khurana
 Corporate Communications
 S&P Global Market Intelligence
 T: +91-971-101-7186
kritikhurana@spglobal.com
press.mi@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.

www.blominvestbank.com

About S&P Global

S&P Global (NYSE: SPGI) S&P Global provides essential intelligence. We enable governments, businesses and individuals with the right data, expertise and connected technology so that they can make decisions with conviction. From helping our customers assess new investments to guiding them through ESG and energy transition across supply chains, we unlock new opportunities, solve challenges and accelerate progress for the world.

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.

www.spglobal.com

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.

www.spglobal.com/marketintelligence/en/mi/products/pmi.html

Disclaimer

The intellectual property rights to the data provided herein are owned by or licensed to S&P Global and/or its affiliates. Any unauthorised use, including but not limited to copying, distributing, transmitting or otherwise of any data appearing is not permitted without S&P Global's prior consent. S&P Global shall not have any liability, duty or obligation for or relating to the content or information ("Data") contained herein, any errors, inaccuracies, omissions or delays in the Data, or for any actions taken in reliance thereon. In no event shall S&P Global be liable for any special, incidental, or consequential damages, arising out of the use of the Data. Purchasing Managers' Index™ and PMI® are either trade marks or registered trade marks of S&P Global Inc or licensed to S&P Global Inc and/or its affiliates.

This Content was published by S&P Global Market Intelligence and not by S&P Global Ratings, which is a separately managed division of S&P Global. Reproduction of any information, data or material, including ratings ("Content") in any form is prohibited except with the prior written permission of the relevant party. Such party, its affiliates and suppliers ("Content Providers") do not guarantee the accuracy, adequacy, completeness, timeliness or availability of any Content and are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, or for the results obtained from the use of such Content. In no event shall Content Providers be liable for any damages, costs, expenses, legal fees, or losses (including lost income or lost profit and opportunity costs) in connection with any use of the Content.

PMI®

by **S&P Global**