Lebanese Eurobonds Rise as Investors Monitor the IMF Visit's Outcome

November 13, 2026

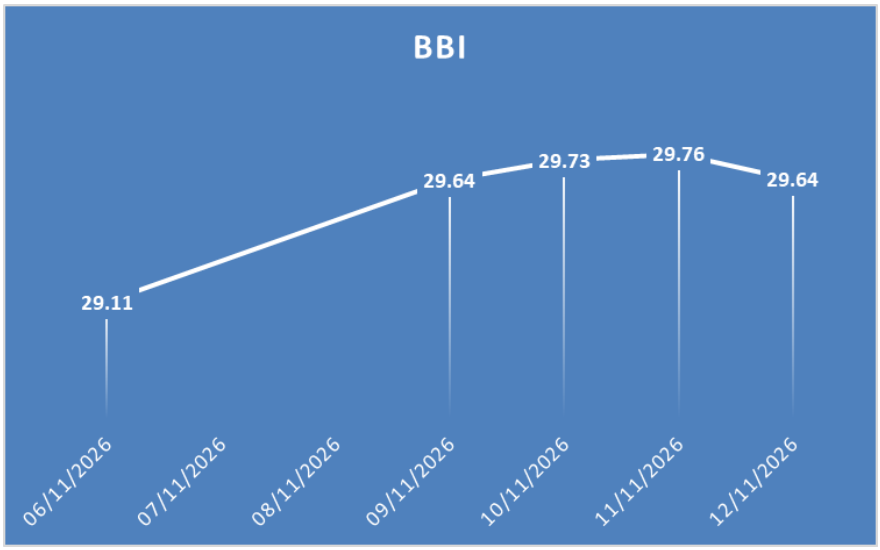
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	12/11/2026	06/11/2026	Weekly Change	Year to Date
BLOM Bond Index (BBI)	29.64	29.11	1.84%	22.59%
Weighted Yield	66.53%	66.97%	-0.65%	-1.90%
Weighted Spread	6,195.36	6,266.70	-1.14%	-3.66%

The **BLOM Bond Index (BBI)**, which tracks defaulted Lebanese government Eurobonds that haven't matured yet (excluding coupon payments), rose by 1.84% week-to-date to 29.64 points on November 12, 2026, on track for a third consecutive weekly gain, supported by optimism over the International Monetary Fund's (IMF) mission to Lebanon this week.

Bond prices are now trading between 27.95¢ and 29.94¢ on the dollar for maturities ranging from 2027 to 2037.

		Prices		Weekly
Maturity	**Coupon in %**	**12/11/2026**	**06/11/2026**	**Change**
29/11/2027	6.75	28.00	27.51	1.80%
20/03/2028	7	28.17	27.87	1.08%
03/11/2028	6.65	27.95	27.65	1.10%
25/05/2029	6.85	28.15	27.64	1.83%
27/11/2029	11.5	28.21	27.79	1.50%
26/02/2030	6.65	28.11	27.62	1.75%
22/04/2031	7	28.38	27.80	2.10%
20/11/2031	7.15	28.41	27.95	1.66%
23/03/2032	7	28.45	27.90	1.97%
17/05/2033	8.2	29.81	29.13	2.35%
17/05/2034	8.25	29.94	29.22	2.49%
27/07/2035	12	29.34	28.56	2.73%
02/11/2035	7.05	29.21	28.72	1.68%
23/03/2037	7.25	29.21	28.76	1.58%



The rise comes as Lebanon opened a new round of negotiations with the IMF in Beirut. Most of the weekly gain came on Monday, when the BBI rose by about 1.8% ahead of the IMF mission's arrival in Beirut that evening. Talks opened on Tuesday, November 10, at the Ministry of Finance, led by Finance Minister Yassine Jaber alongside BDL Governor Karim Souaid and Economy Minister Amer Bisat, with meetings scheduled through Friday.

The talks focused on restructuring Lebanon's banking sector, a prerequisite for an IMF deal. In August, Parliament passed the bank resolution law, which the IMF welcomed as a major step. However, last month President Joseph Aoun challenged an amendment on BDL's independence and powers before the Constitutional Council, and the IMF said it would review any changes against international standards. The talks also covered the Financial Stability and Deposit Recovery Law, commonly known as the Financial Gap Law, which remains the other main sticking point before an agreement can be reached.

According to an article titled *Jaber: state and BDL bear losses first* published by MTV on November 10, Jaber said he hoped to reach a preliminary agreement with the Fund this week. He added that both sides agree on applying international principles to loss allocation, under which the state and BDL bear losses first, followed by banks, with depositors last. *It is worth noting that the IMF typically insists on wiping out bank equity first, rather than after the state and the BDL.* The remaining differences, Jaber said, concern each party's capacity to absorb losses rather than any fundamental disagreement. The state, he noted, will absorb losses within its capacity while preserving public debt sustainability, bearing in mind that it still has to restructure its Eurobonds. Jaber also said the Financial Gap Law, whose absence currently prevents an IMF program, should be passed by March 2027 at the latest, although the final decision rests with Parliament.

Meanwhile, an article titled *Lebanon–IMF Negotiations Advance Toward Returning Deposits: Circular Payouts to Be Deducted from the $100,000 Deposit* published by Annahar on November 13 reports that the talks have moved from sizing the gap and distributing losses to the mechanisms for repaying deposits and defining the state's obligations.

On the state's obligations to BDL, the article reports a preliminary consensus that the state will commit to repaying no less than $16.5 billion, while BDL is seeking about $24.9 billion, i.e. the $16.5 billion plus $8.4 billion linked to subsidy operations. The repayment schedule is still under discussion: at $500 million per year, repayment would total $10 billion over 20 years, $12.5 billion over 25 years and $16.5 billion over 33 years. The final amount awaits an IMF assessment of the maximum the state can afford.

This is the key question for Eurobond holders: every dollar the state commits to BDL over the next two to three decades competes with the resources available to service restructured Eurobonds. Capping these obligations within the IMF's debt sustainability framework would therefore support recovery values.

The IMF has also said that any agreement will require a 2027 budget, a medium-term fiscal framework and further reforms. The mission is scheduled to conclude on Friday, November 13, and an IMF update on the outcome of the discussions is expected to be shared at that time.

However, regional risks remain elevated. Israel continues to strike Lebanon and occupy large parts of the south, while Hezbollah Secretary-General Naim Qassem said on November 11 that there would be "no disarmament under Israeli occupation." The BBI slipped by 0.4% on Thursday, the only daily decline of the week.

A new round of war would delay the reforms required by the IMF, add to reconstruction needs and strain the medium-term fiscal framework, weighing on debt sustainability and on recovery values for Eurobond holders.

As prices of the 5-year and 10-year bonds increased, their yields declined by 65 and 40 basis points to 47.15% and 30.1%, respectively.

	12/11/2026	06/11/2026	Weekly Change
JP Morgan EMBI	1,017.30	1,022.13	-0.47%
5Y LEB	47.15%	47.80%	(65)
10Y LEB	30.10%	30.50%	(40)
5Y US	4.95%	4.64%	31
10Y US	5.10%	4.86%	24
5Y SPREAD	4,220	4,316	(96)
10Y SPREAD	2,500	2,564	(64)

In the U.S., the 5-year and 10-year Treasury yields rose this week by 31 and 24 basis points to 4.95% and 5.1%, respectively.

The rise follows a tighter monetary policy expectation. This comes as CPI rose more than expected in October, as higher energy costs from the US-Israeli war with Iran began spilling over into other sectors of the economy.

Metric	October (Actual)	October (Forecast / Range)	September (Previous)
Core CPI (Monthly)	+0.3%	+0.2%	+0.3%
Core CPI (Year-over-Year)	+2.8% *(estimated)*	—	+2.6%
Headline CPI (Monthly)	+0.4%	+0.3%	+0.6%
Headline CPI (Year-over-Year)	+3.9% to 4.0% *(estimated)*	—	+3.7%

Missing Data: The BLS published no October year-over-year inflation readings due to data collection gaps from the October 2025 federal government shutdown.

Reuters Poll Estimates: Economists polled by Reuters estimated the October YoY change using Sept/Nov 2025 averages or interpolated levels from independent sources.

Fed officials added to the pressure with increasingly hawkish remarks. Governor Christopher Waller said a 50-basis-point hike in December could be justified, while Dallas Fed President Lorie Logan backed at least two more 25-basis-point hikes as inflation persists.

Oil prices also rebounded after President Donald Trump said the US no longer needs a deal with Iran, further fueling inflation fears.

According to the CME FedWatch Tool, traders now fully price in a rate hike at the Fed's December 9 meeting: an 88.8% probability of a 0.25% hike and an 11.2% probability of a 0.5% hike. A week earlier, they priced in a 76.3% probability of a 0.25% hike and a 23.7% probability of keeping rates unchanged.

Target Rate (bps)	Probability(%)	
	Now *	1 Week 06-Nov-26
375-400 (Current)	0.00%	23.70%
400-425	88.80%	76.30%
425-450	11.20%	0.00%

* Data as of 13 Nov 2026 01:21:29 CT

5Y Credit Default Swaps (CDS)		
	12/11/2026	06/11/2026
KSA	66.02	69.96
Dubai	59.11	61.41
Brazil	147.44	150.21
Turkey	232.88	248.40
Source: Bloomberg		

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