Lebanese Republic

Presidency of the Council of Ministers

Central Administration of Statistics

Gross Domestic Product
Fourth quarter of 2019

CAS has recently switched from an annual system to a new quarterly system of national accounts. The sources and methods used to compile quarterly estimates of GDP are very similar to those used in the former annual system. The difference is that annual data sources may not be available for some months after the end of the year. Until then, some temporary quarterly indicators or projections are used. When the annual data becomes available, the quarterly estimates are revised to align with the annual ones so that, when the four quarters are added up, they result in the same annual numbers.

The estimates

For the year ending in December 2019, the Gross Domestic Product (GDP) of Lebanon is provisionally estimated at 80.8 trillion Lebanese Pounds. In terms of value, this is 2.5 per cent lower than in the year ending December 2018. In volume terms, the GDP declined by 6.7 per cent, after inflation of 4.5 per cent was taken out.

In Table 1, quarterly series of GDP estimates are presented. This shows that the real quarter-to-quarter GDP growth rates are, -3 per cent for Q1, -7 per cent for Q2, -2 per cent for Q3 and -15 per cent for Q4 2019.

For transparency purposes, this report underlines that some changes were made to the quarterly data related to 2019 Q1 and Q2 which has been previously published. In light of better and more accurate sources for our calculation, growth rates were adjusted.

Table 2 shows the estimated gross value added of each activity during the 12-month period ending December 2019 and how this changed compared with the previous 12 months. The volume of construction taking place during these 12 months showed the largest fall, down by 29%. Business services (down by 15%), Manufacturing and utilities (down by 13%), hotels and restaurants (down by 12%) and commercial trade and transport (down by 11%) were also affected more than other activities.

Table 1

Gross domestic product
By activity
Not seasonally adjusted

| Year | Quarter | GDP at current prices LBP trillion | Volume index (2015=100) chain-linked | *% change (compared with the same period in the previous year)* | | |
				value	*price*	*volume*
2015		75.3	100.0			
2016		77.2	101.5	2.5%	1.0%	1.5%
2017		80.1	102.4	3.8%	2.9%	0.8%
2018		82.9	100.5	3.5%	5.5%	-1.9%
2019		80.8	93.7	-2.5%	4.5%	-6.7%
2016	Q1	18.1	94			
	Q2	19.4	103			
	Q3	19.6	104			
	Q4	20.1	105			
2017	Q1	18.6	97	3%	0%	3%
	Q2	19.6	102	1%	2%	-1%
	Q3	20.6	106	5%	4%	1%
	Q4	21.4	105	6%	6%	0%
2018	Q1	19.8	96	6%	7%	-1%
	Q2	20.9	101	7%	8%	-1%
	Q3	21.2	102	3%	6%	-3%
	Q4	21.0	102	-1%	2%	-3%
2019	Q1	20.0	93	1%	4%	-3%
	Q2	20.0	95	-4%	2%	-7%
	Q3	21.7	100	2%	4%	-2%
	Q4	19.2	87	-9%	7%	-15%

Source: Central Administration for Statistics

GDP at current prices (LBP trillions)
for the years ending in the given month

GDP volume index (2015=100)
for the years ending in the given month
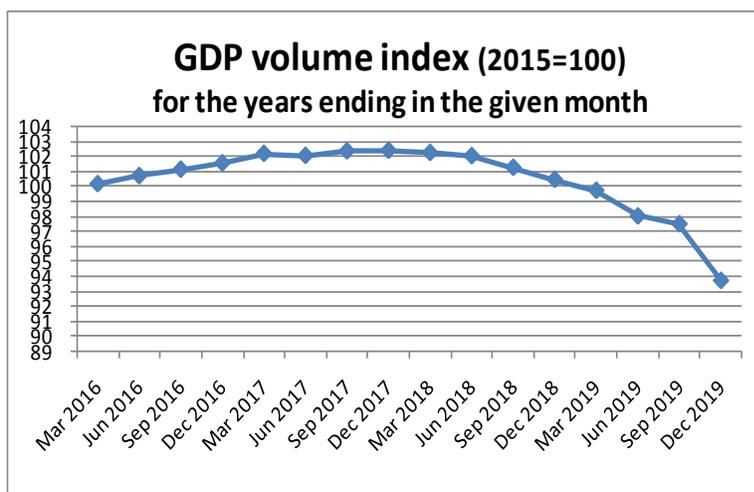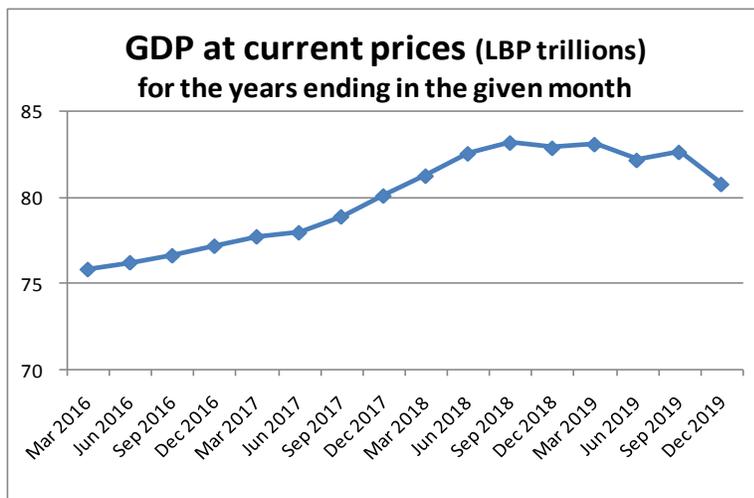
Table 2
Gross domestic product   GDP
By activity
Billions of Lebanese Pounds

Description	ISIC code	Year ending Dec 2018 at current prices	Year ending Dec 2019 at current prices	annual % change		
				value	*price*	*volume*
Gross domestic product at market prices		**82,908**	**80,795**	**-2.5%**	**4.5%**	**-6.7%**
Taxes less subsidies on products		4,883	4,296	-12%	8%	-18%
Gross value added at basic prices		**78,025**	**76,499**	**-2.0%**	**4.3%**	**-6.0%**
Agriculture, livestock, forestry & fishing	A	2,681	2,483	-7%	-12%	6%
Mining, manufacturing & utilities	B,C,D,E	8,648	8,224	-5%	10%	-13%
Construction	F	3,147	2,087	-34%	-7%	-29%
Commercial trade & transport	G,H	13,059	12,290	-6%	5%	-11%
Hotels & restaurants	I	2,539	2,415	-5%	8%	-12%
Information & communications	J	1,717	1,584	-8%	1%	-9%
Financial services	K	7,035	7,378	5%	9%	-4%
Real estate	L	12,609	13,231	5%	2%	3%
Business services	M,N	5,556	5,149	-7%	9%	-15%
Personal services, private education & health	P,Q R,S,T	10,014	10,385	4%	6%	-2%
Public administration, education & health	O,P,Q	11,020	11,273	2%	2%	0%

Source: Central Administration for Statistics

Notes

GDP is calculated according to the production approach. For many activities, indicators of output are derived by deflating aggregated sales data (from the quarterly returns made by VAT traders) using appropriate elements of the consumer price index. For some others, for example construction and electricity, volume indicators are used. The publication "*National accounts data sources and compilation methods*" provides more details. The results provide a good indication of activity overall but they are not accurate in every detail.

Activity in a small economy such as that of Lebanon tends to be more variable than that in large ones. Growth can be more rapid and contraction more acute. The quarterly statistics can be volatile and should be used with caution. For this reason the numbers presented in this release focus more on the latest 12-month period than on the latest quarter.

For more detailed quarterly time series please contact:

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