

## News Release

### Purchasing Managers' Index™ MARKET SENSITIVE INFORMATION

EMBARGOED UNTIL: 11:00 (BEIRUT) / 09:00 (UTC), March 5<sup>th</sup> 2025

Data collected February 10-24

## BLOM Lebanon PMI®

### Lebanese private sector economy sees further growth in February

**BLOM Lebanon PMI remains in expansion territory**

**Stronger sales, including from abroad, support activity growth**

**Businesses strongly optimistic on year-ahead outlook**

sa, >50 = improvement since previous month



The BLOM Lebanon PMI® survey continued to signal an improving private sector economy midway through the opening quarter of the year. Growth was supported by greater levels of new business, especially from abroad. With sales performances strengthening, the latest survey results signalled a marked rise in purchasing volumes, while employment also ticked up. The year-ahead outlook also remained buoyant, with survey respondents predicting further activity growth over the next 12 months.

The headline BLOM Lebanon PMI® continued to record in expansion territory during February. At 50.5, the index was little-changed from January's 50.6, which was the highest reading since May 2013. Overall, the PMI pointed to one of the most marked improvements in the health of the private sector economy since the survey began almost 12 years ago.

Commenting on the February 2025 BLOM Lebanon PMI, Mira Said, Senior Research Analyst at BLOMINVEST BANK said:

*"The BLOM Lebanon PMI slowed marginally in February to 50.5 from January's peak (since May 2013) of 50.6 but remained in the expansion zone. Also, all sub-indices were in positive territory. Notably, input prices rose, leading to higher purchase prices for consumers. The election of a new president, the formation of a new cabinet believed to be pro-reform, boosted optimism among Lebanese businesses. However, the PMI may have eased due to Israel's continued presence in five strategic locations, which threatens Lebanon's security. Additionally, political and sectarian divisions, along with widespread corruption, add to the challenges. Despite this, the new government is committed to negotiating with the IMF and to implementing a spectrum of reforms. Amid uncertainty over Lebanon's ability to recover, some believe the country has hit rock bottom and can only improve from here."*

#### The main findings of February's survey were as follows:

Stronger demand conditions remained a prominent feature of the latest survey results. New order growth was sustained for a second month running in February, albeit with the pace of expansion losing some momentum. Nevertheless, the upturn in sales was among the sharpest on record. This reflected greater new business volumes from overseas customers. For the first time since November 2023, private sector firms in Lebanon registered higher new export orders.

Greater levels of client interest underpinned a further expansion in business activity during February, marking back-to-back months of increase for the first time in just over a year-and-a-half.

Improved sales performances squeezed companies' operating capacities, however, as evidenced by an uptick in backlogged orders. In fact, the accumulation in outstanding work was the most marked since the survey began in May 2013. In response to greater workloads, private sector firms in Lebanon raised their employment levels for the first time since November 2023.

Another key finding from the latest data was with regards to the business outlook, with the survey's sentiment gauge – the Future Output Index – posting well inside optimistic territory. Buoyant expectations partly reflected positivity surrounding the recent elections, anecdotal evidence revealed, as well as hopes of rejuvenated tourism this year.

Meanwhile, there was a renewed expansion in purchasing activity across the Lebanese private sector. The expansion was the quickest in over 11-and-a-half years. Concurrently, stocks of inputs expanded at an accelerated pace. Inventory growth was aided by speedier supplier delivery times.

As for pricing trends, the latest survey data signalled an intensification of inflationary pressures across Lebanon. Operating expenses were driven higher by sharper rises in purchasing costs. Greater shipping fees were accompanied by vendor charge increases, according to anecdotal evidence. The uptick in total costs was the quickest in four months.

To protect their margins, surveyed businesses raised their own prices charged in February. The pace of output price inflation quickened to a 23-month high.

-Ends-

The headline figure derived from the survey is the Purchasing Managers' Index™ (PMI®). The PMI is a composite index, calculated as a weighted average of five individual sub-components: New Orders (30%), Output (25%), Employment (20%), Suppliers' Delivery Times (15%) and Stocks of Purchases (10%). Readings above 50.0 signal an improvement in business conditions on the previous month, while readings below 50.0 show a deterioration.

*If you prefer not to receive news releases from S&P Global, please email [press.mi@spglobal.com](mailto:press.mi@spglobal.com). To read our privacy policy, [click here](#).*

### For further information, please contact:

#### **BLOMINVEST Bank:**

Dr Ali Bolbol, Chief Economist / Head of Research

Telephone +961 1 739 817

Email [ali.bolbol@blominvestbank.com](mailto:ali.bolbol@blominvestbank.com)

#### **S&P Global Market Intelligence:**

Joe Hayes, Principal Economist

Telephone +44-1344-328-099

Email [joe.hayes@spglobal.com](mailto:joe.hayes@spglobal.com)

Kriti Khurana, Corporate Communications

Telephone + 91-971-101-7186

Email [kritikhurana@spglobal.com](mailto:kritikhurana@spglobal.com)

[press.mi@spglobal.com](mailto:press.mi@spglobal.com)

#### **Note to Editors:**

The BLOM Lebanon Purchasing Managers' Index™ is based on data compiled from monthly replies to questionnaires sent to purchasing executives in approximately 400 private sector companies, which have been carefully selected to accurately represent the true structure of the Lebanese economy, including manufacturing, services, construction and retail. The panel is stratified GDP and company workforce size. Survey responses reflect the change, if any, in the current month compared to the previous month based on data collected mid-month. For each of the indicators the 'Report' shows the percentage reporting each response, the net difference between the number of higher/better responses and lower/worse responses, and the 'diffusion' index. This index is the sum of the positive responses plus a half of those responding 'the same'.

The Purchasing Managers' Index (PMI®) is a composite index based on five of the individual indexes with the following weights: New Orders - 0.3, Output - 0.25, Employment - 0.2, Suppliers' Delivery Times - 0.15, Stock of Items Purchased - 0.1, with the Delivery Times index inverted so that it moves in a comparable direction.

Diffusion indexes have the properties of leading indicators and are convenient summary measures showing the prevailing direction of change. An index reading above 50 indicates an overall increase in that variable, below 50 an overall decrease.

S&P Global do not revise underlying survey data after first publication, but seasonal adjustment factors may be revised from time to time as appropriate which will affect the seasonally adjusted data series. Historical data relating to the underlying (unadjusted) numbers, first published seasonally adjusted series and subsequently revised data are available to subscribers from S&P Global. Please contact [economics@spglobal.com](mailto:economics@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. For more information, see [www.blominvestbank.com](http://www.blominvestbank.com).

#### **About S&P Global ([www.spglobal.com](http://www.spglobal.com))**

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.

#### **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. To learn more go to [spglobal.com/marketintelligence/en/mi/products/pmi.html](http://spglobal.com/marketintelligence/en/mi/products/pmi.html)

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.