

Economic perceptions amidst challenges

Methodology

- This survey was conducted by Statistics Lebanon Ltd between **04.12.2018** and **13.12.2018**.
- The Face to Face survey sample of **n=1,200** was drawn using the Probability Proportional to Size (PPS) sampling technique.
- It covered **all the Lebanese governorates** and **socio-economic groups** and consisted of Lebanese **males and females equally** (50/50) aged above **18 years**.
- Statistical data analysis was accomplished using **SPSS 22**.
- The survey's **margin of error is ± 2.83%**.

Demographics

Gender	
Male	50%
Female	50%

Age	
18-39 years	47%
40-59 years	38%
>= 60 years	16%

Marital Status	
Married	62%
Single	31%
Widowed	4%
Divorced / Separated	2%

Religion	
Christian	39%
Sunni	27%
Shia	26%
Druze	8%

Number of household members living in the house	
1-3 members	35%
4- 6 members	58%
7-10 members	7%

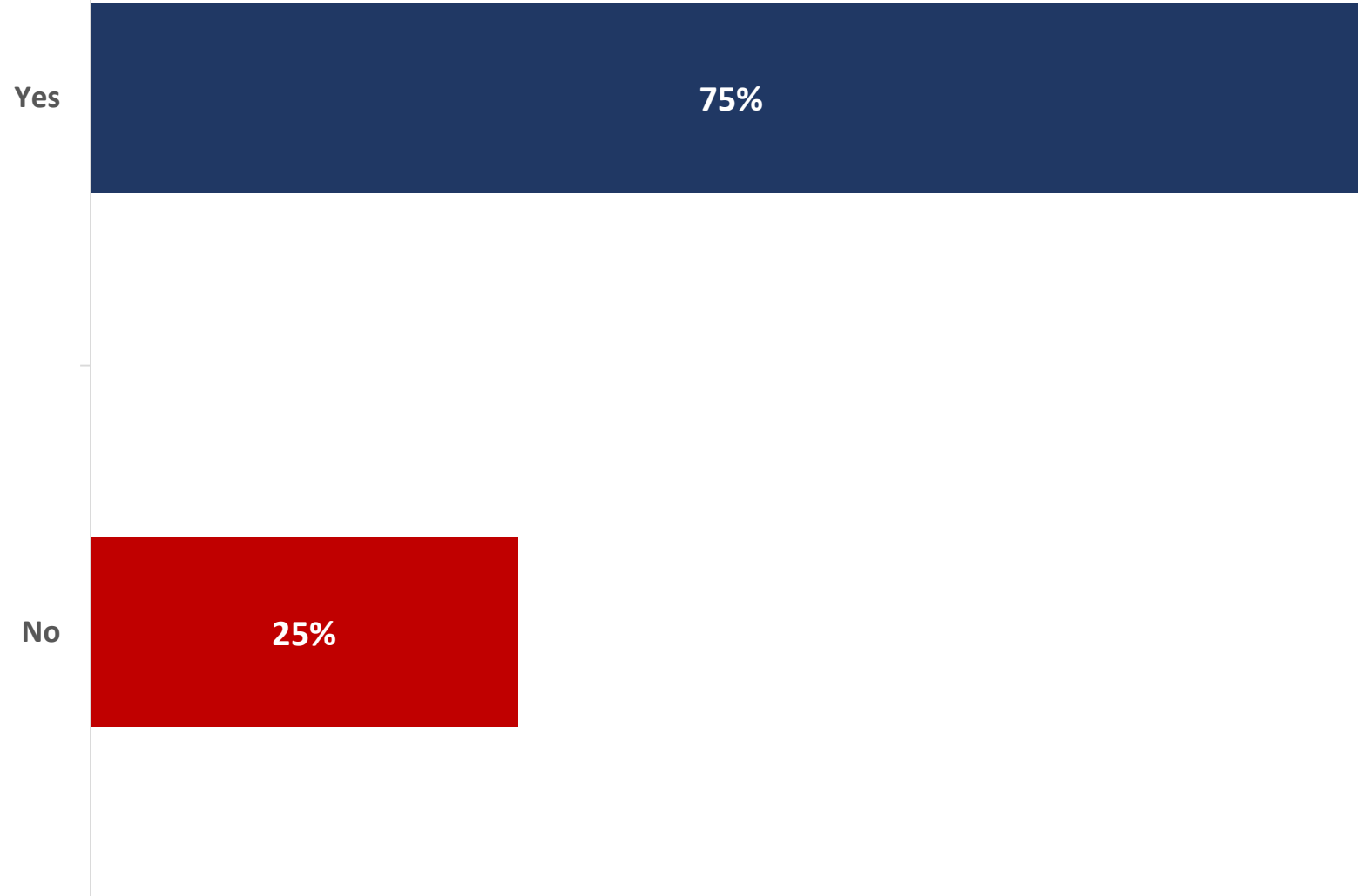
Monthly income of the family	
1001\$ – 2000\$	36%
501\$ - 1000\$	24%
2001\$ -3500\$	22%
< = 500\$	12%
3501\$ - 5000\$	6%
5001\$ - 7000\$	1%

Level of education	
Intermediate stage	31%
Secondary certificate or equivalent	15%
University degree	14%
Some secondary education - no certificate	14%
Primary stage	9%
Technical / vocational education	7%
Some university education without a certificate	7%
No schooling completed	3%
Master's degree	1%

Governorate	
MOUNT LEBANON	33%
NORTH	14%
SOUTH	11%
BEIRUT	10%
AKKAR	7%
BEKAA	7%
KESRWAN-JBEIL	7%
BAALBEK-EL HERMEL	6%
EL NABATIEH	6%

District	
Baabda	13%
El Meten	12%
Beirut	10%
Akkar	7%
Tripoli	7%
Baalbek	5%
Chouf	5%
Sour	5%
Aley	4%
Kesrwane	4%
Saida Villages	3%
Zahle	3%
El Minieh-Dennie	3%
El Nabatieh	3%
Jbeil	3%
West Bekaa	3%
Bent Jbeil	2%
El Koura	2%
Saida	2%
Zgharta	2%

Do you work?

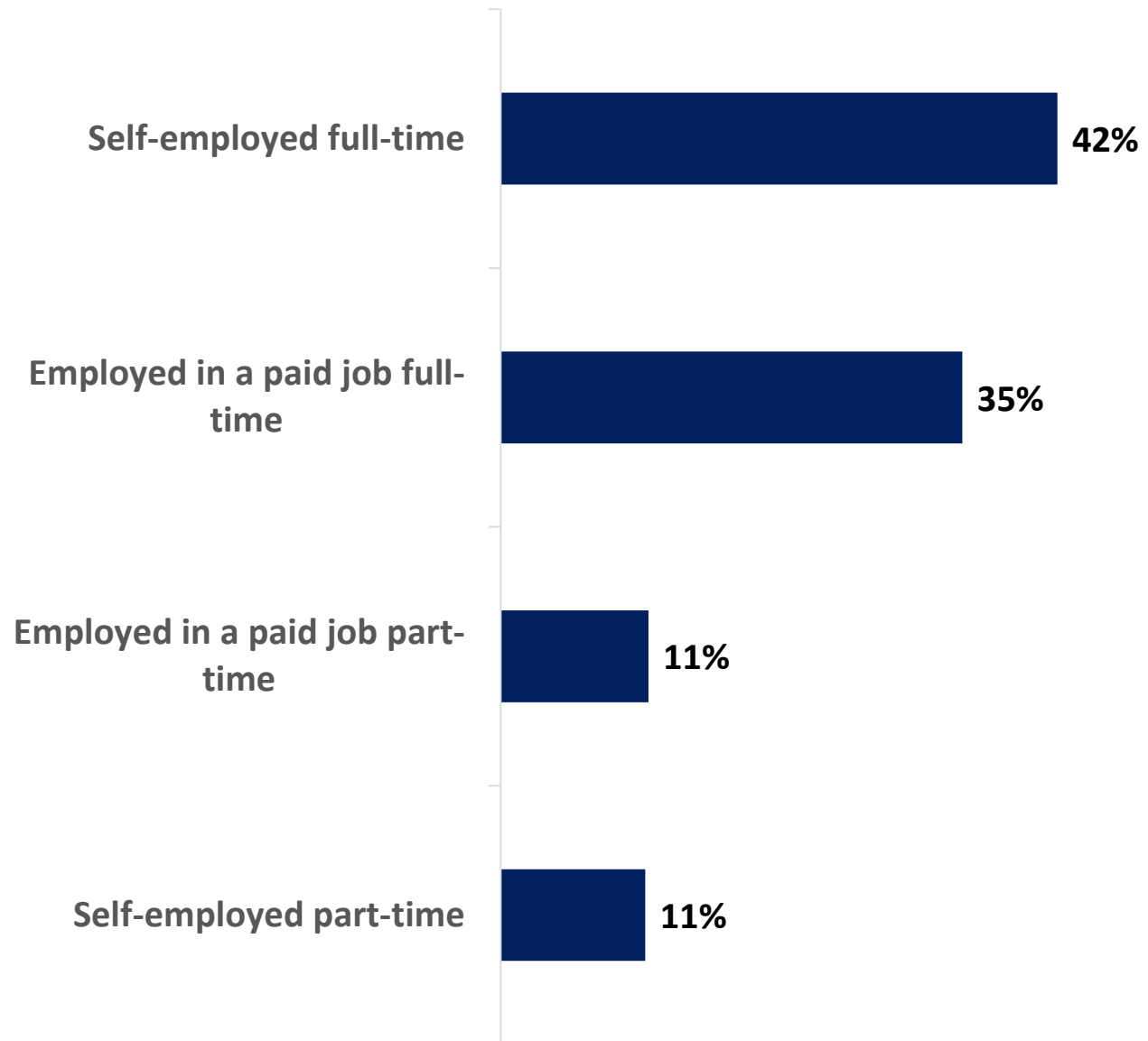


How many jobs do you have?

n = 897

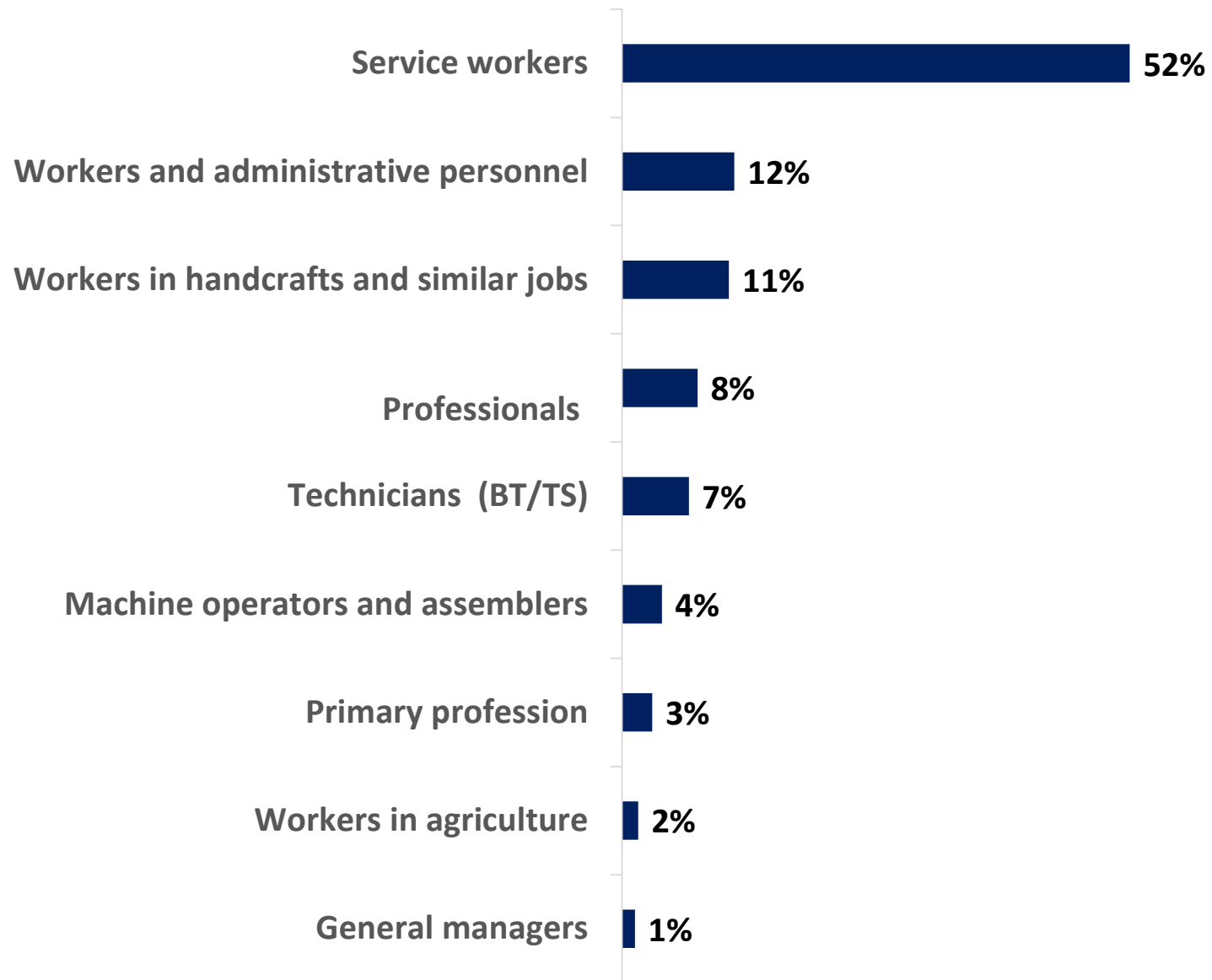


Job status
n = 897

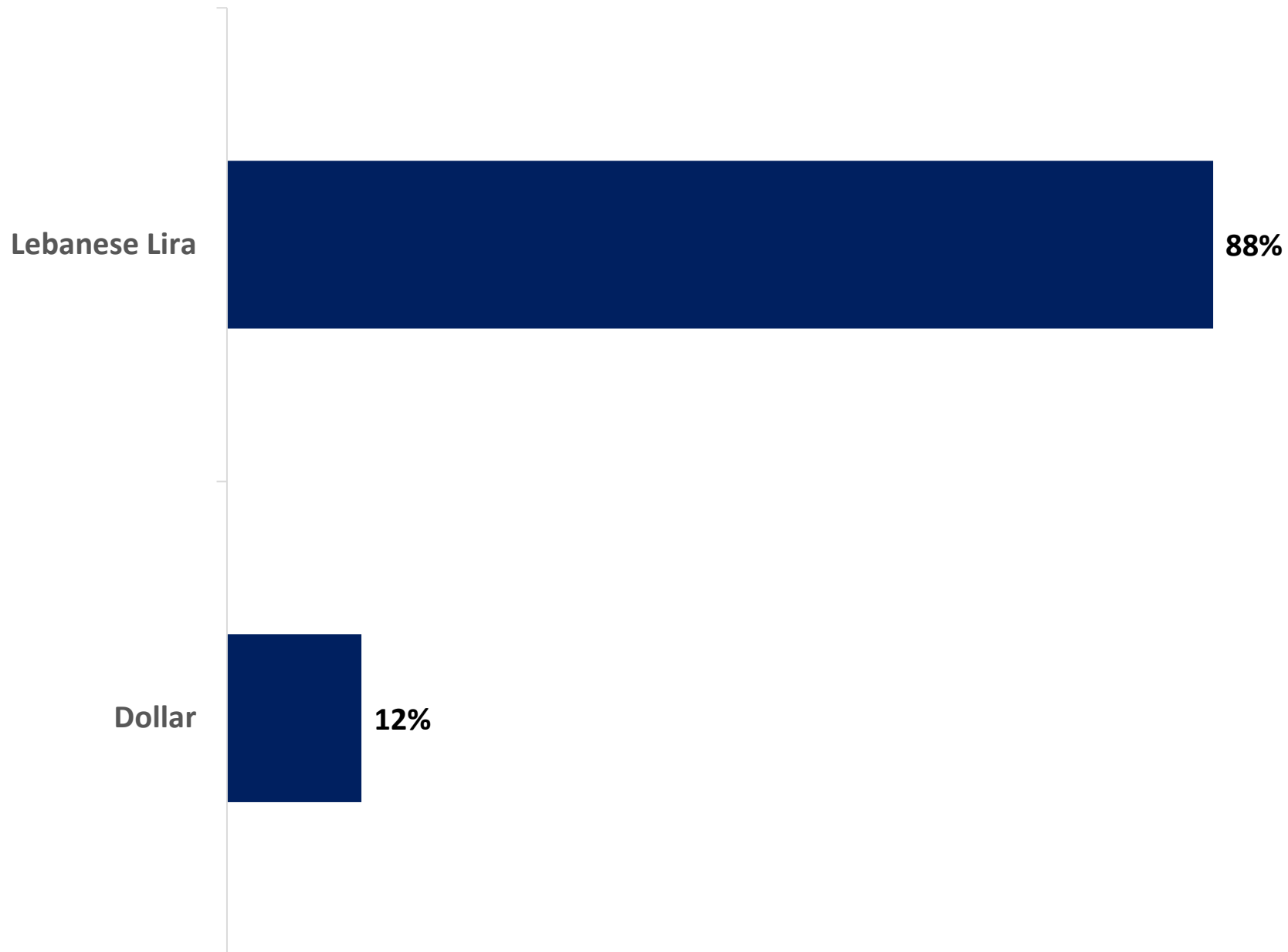


For those who work: What is your job?

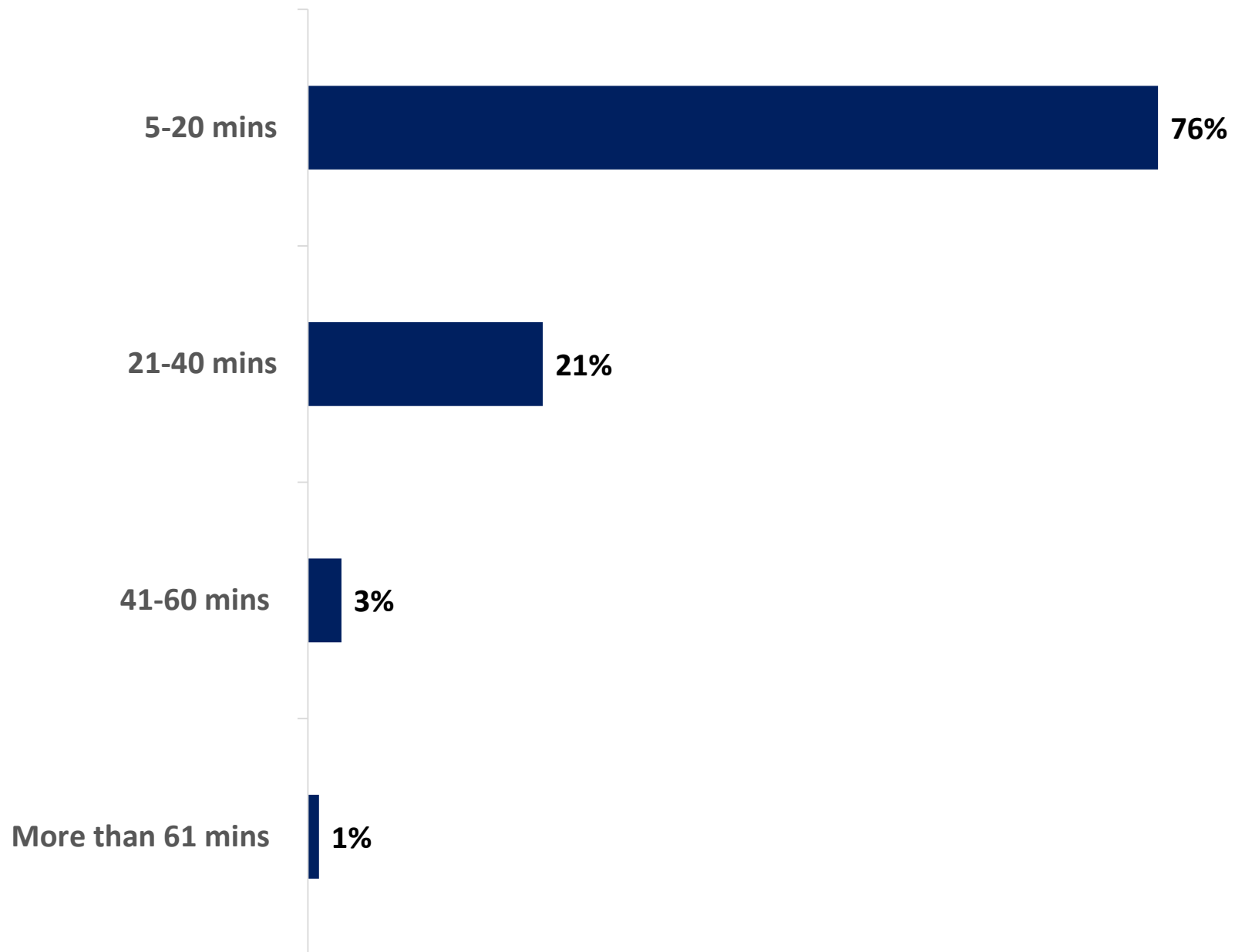
n=897



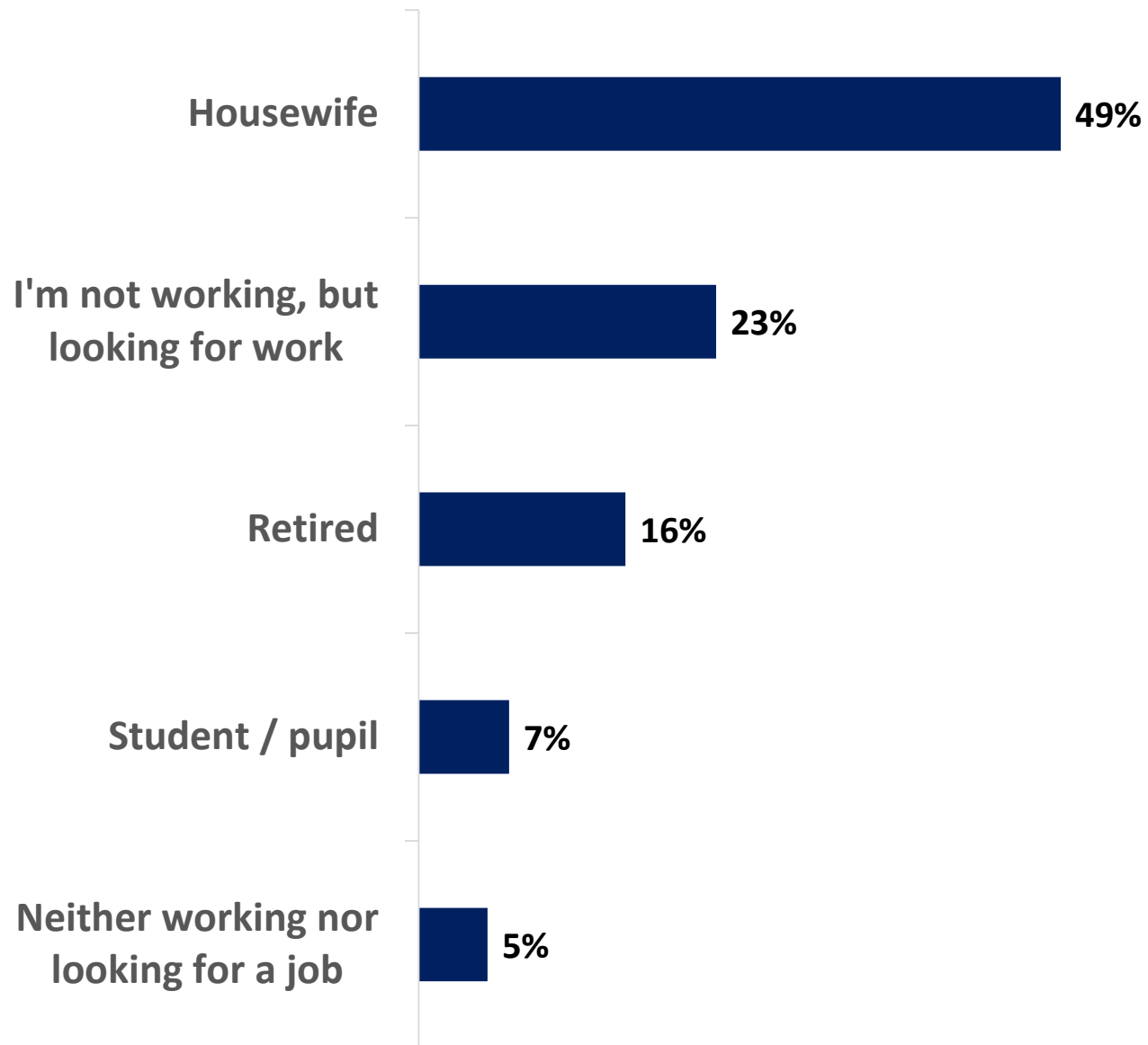
Do you receive your salary in Lebanese Lira or in Dollars?



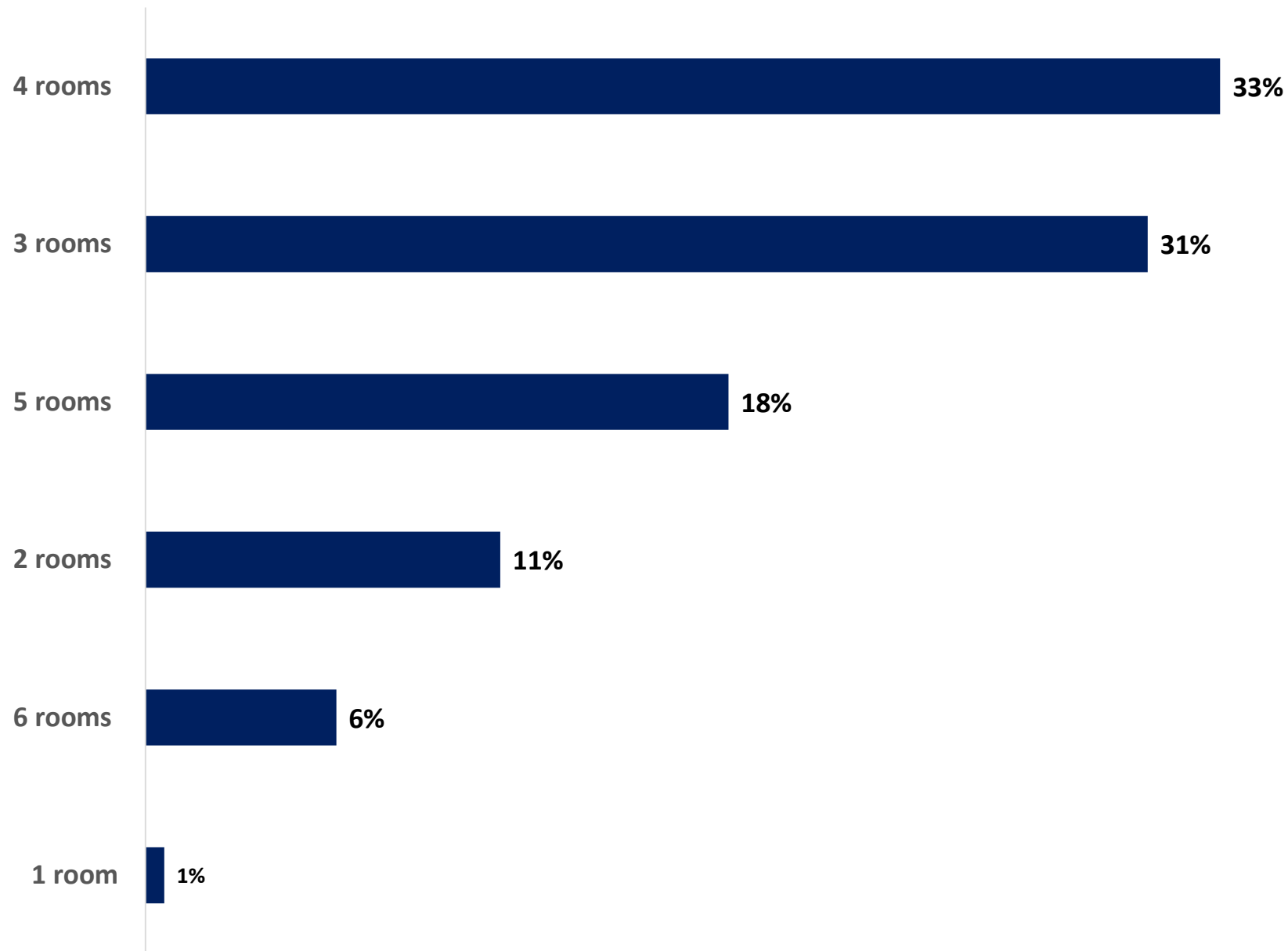
How long does it take to get to work? (With traffic congestion calculated) / min



If you don't work why? n=303



Number of rooms in the house (without the kitchen and the bathroom):



Does the family employ domestic workers?



Social Demographics

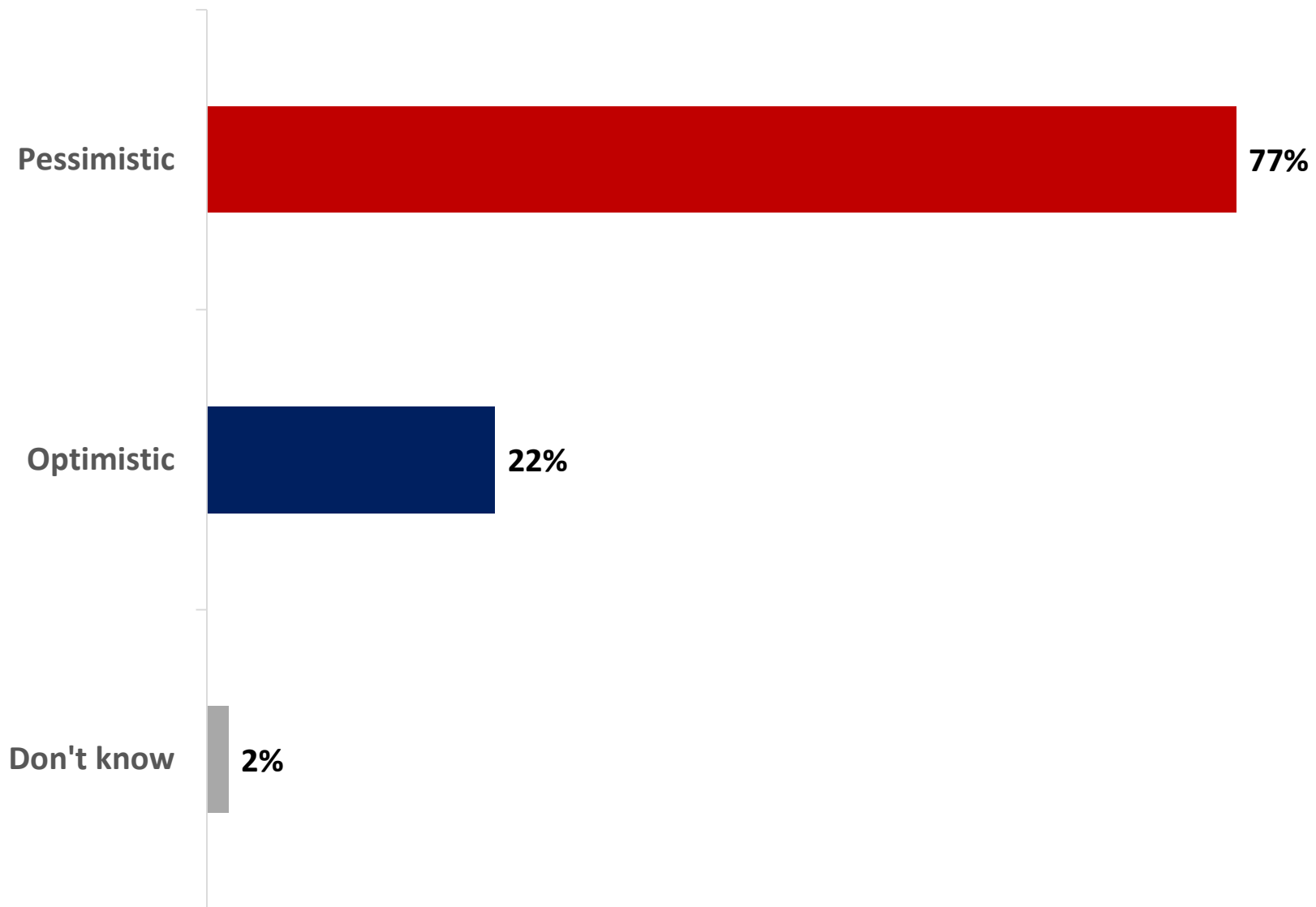
- The social demographics results showed that **three-quarters (75%)** of the sample are **employed** and the **vast majority** of them have just **one job (97%)**. Of those
 - 42% are self-employed
 - While 35% are in a paid full-time job.
 - Slightly more than half (52%) are working in the service/sales sector.
- Amongst **the unemployed**, nearly half (49%) are **housewives** and 23% are **looking for a job**.
- The majority of respondents to fall into **three monthly income categories**;
 - 36% earn from 1,001-2,000\$
 - 24% earn 501-1,000\$
 - 22% earn 2,001-3,500\$
 - And the vast majority of the respondents (88%) receive their salaries in Lebanese Lira.
- The majority of this sample (64%) live in **3-4 rooms houses**, excluding the kitchen and the bathroom, and only **10% have domestic workers**.

Problems and Concerns of the Lebanese

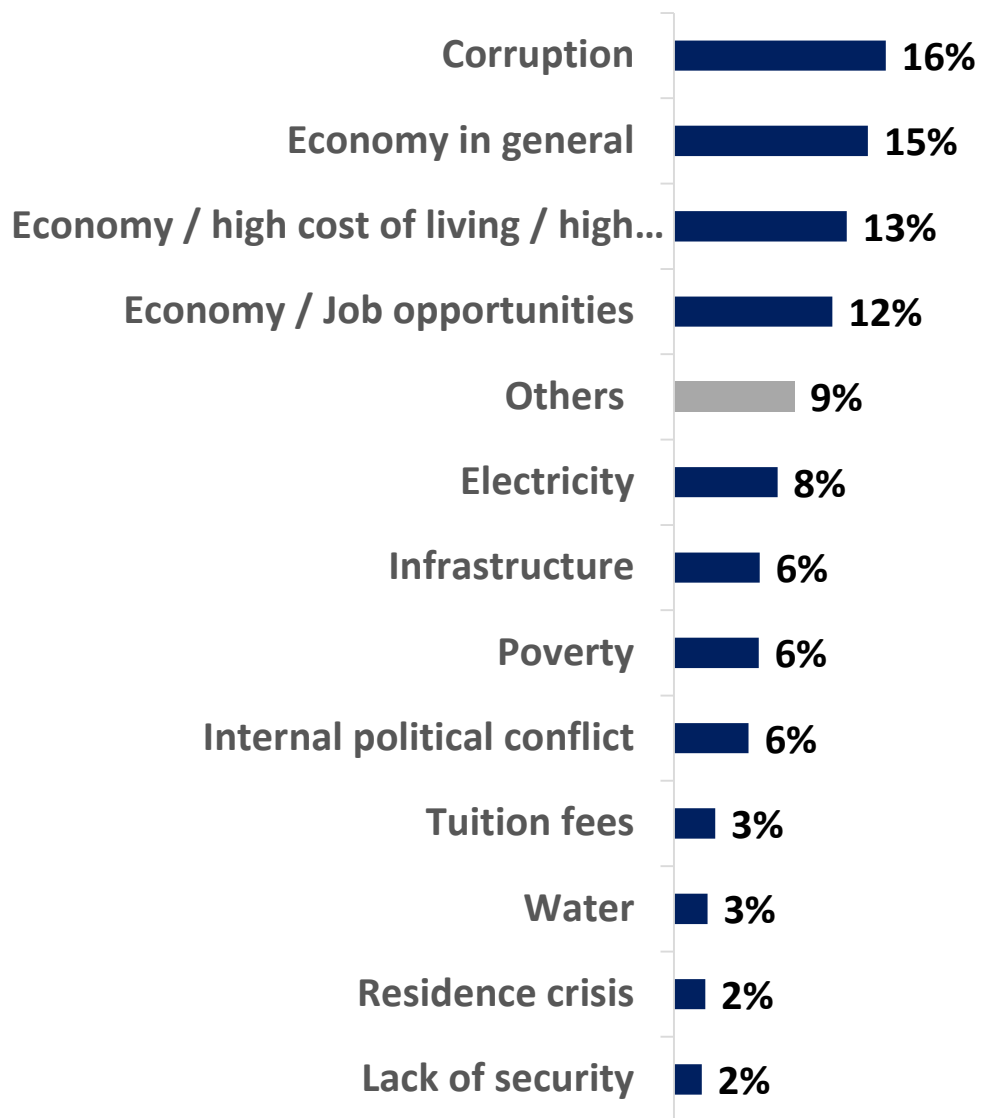
In general, would you say that things in Lebanon are moving in the right or wrong direction?



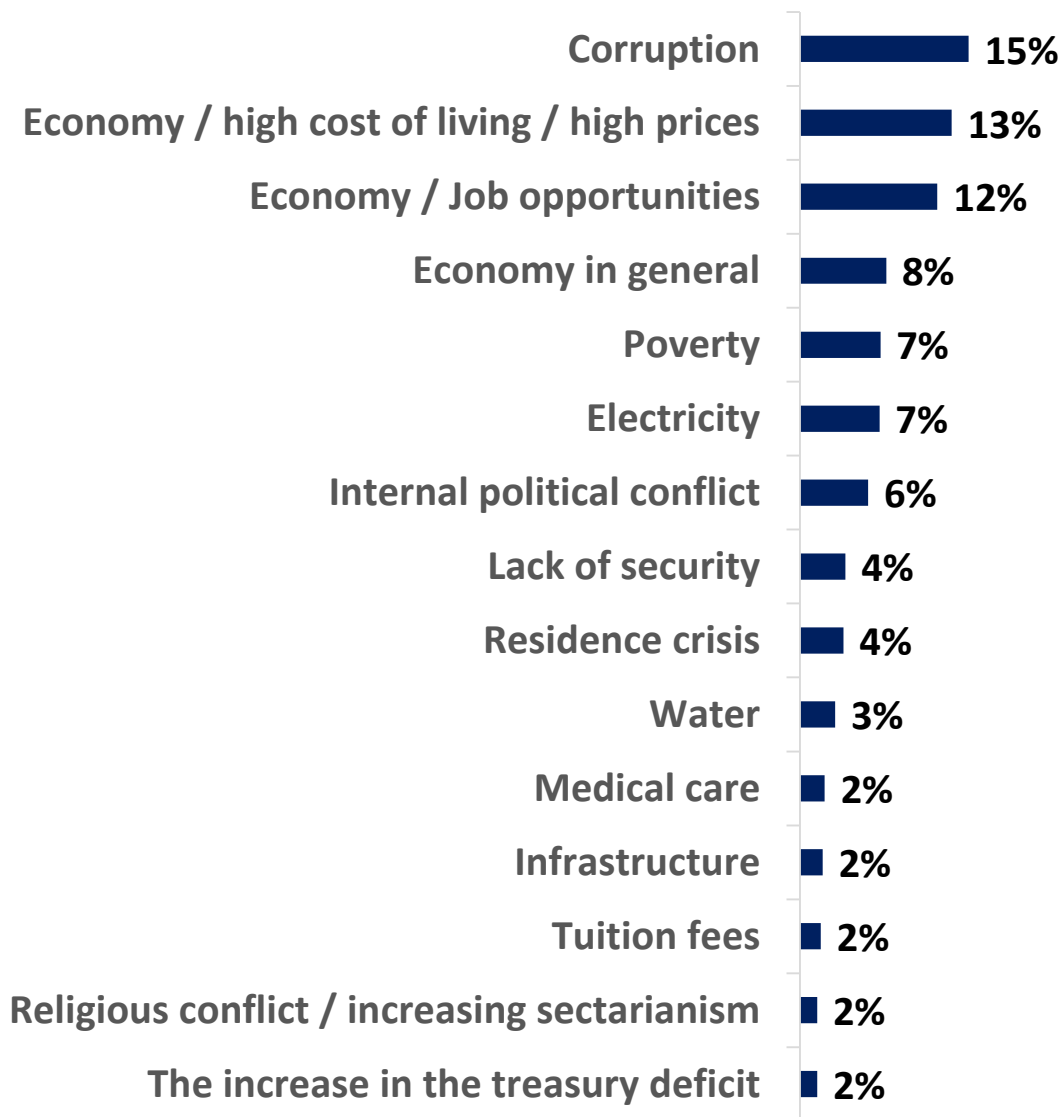
Are you optimistic or pessimistic about the future of Lebanon?



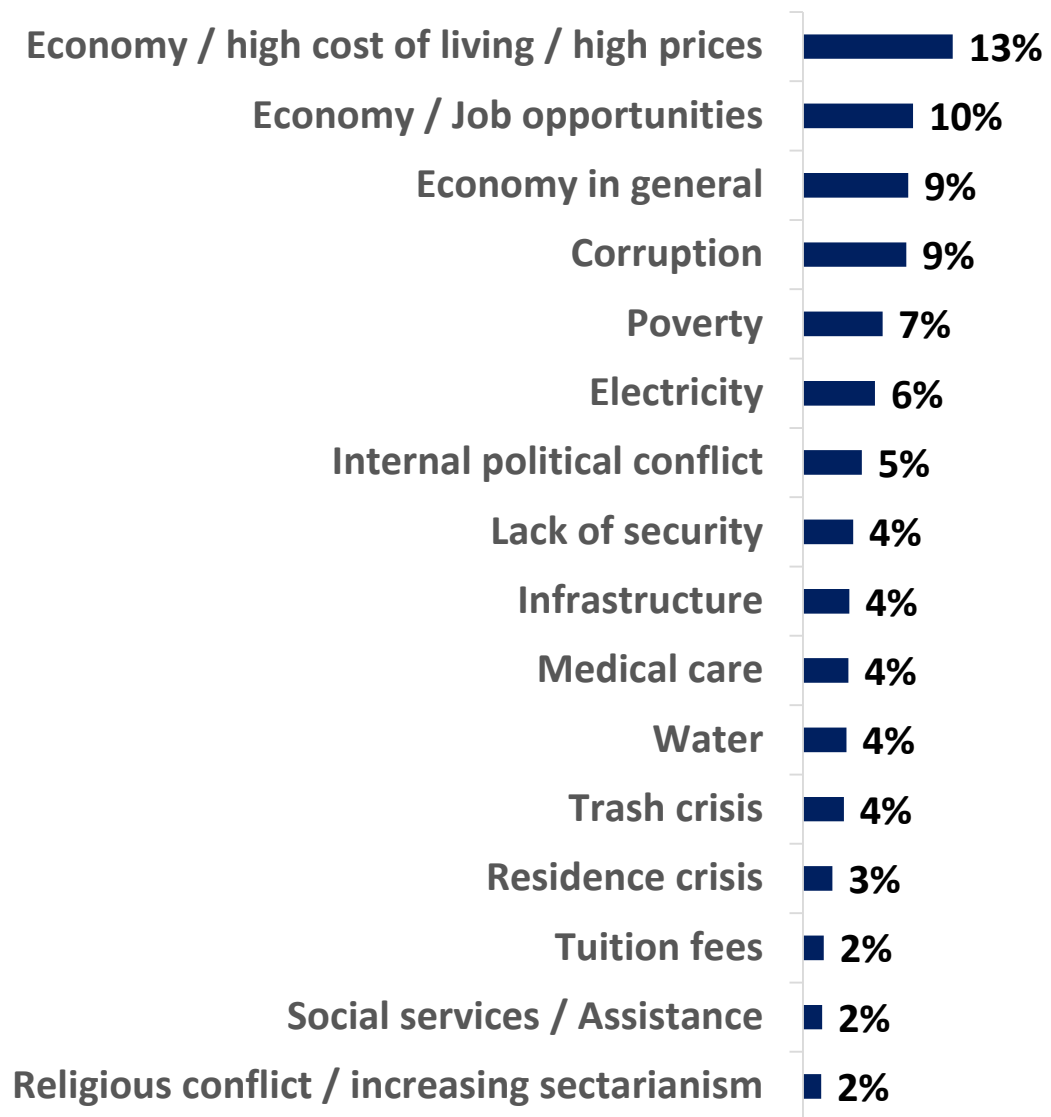
In your opinion, what is the biggest problem facing Lebanon today?



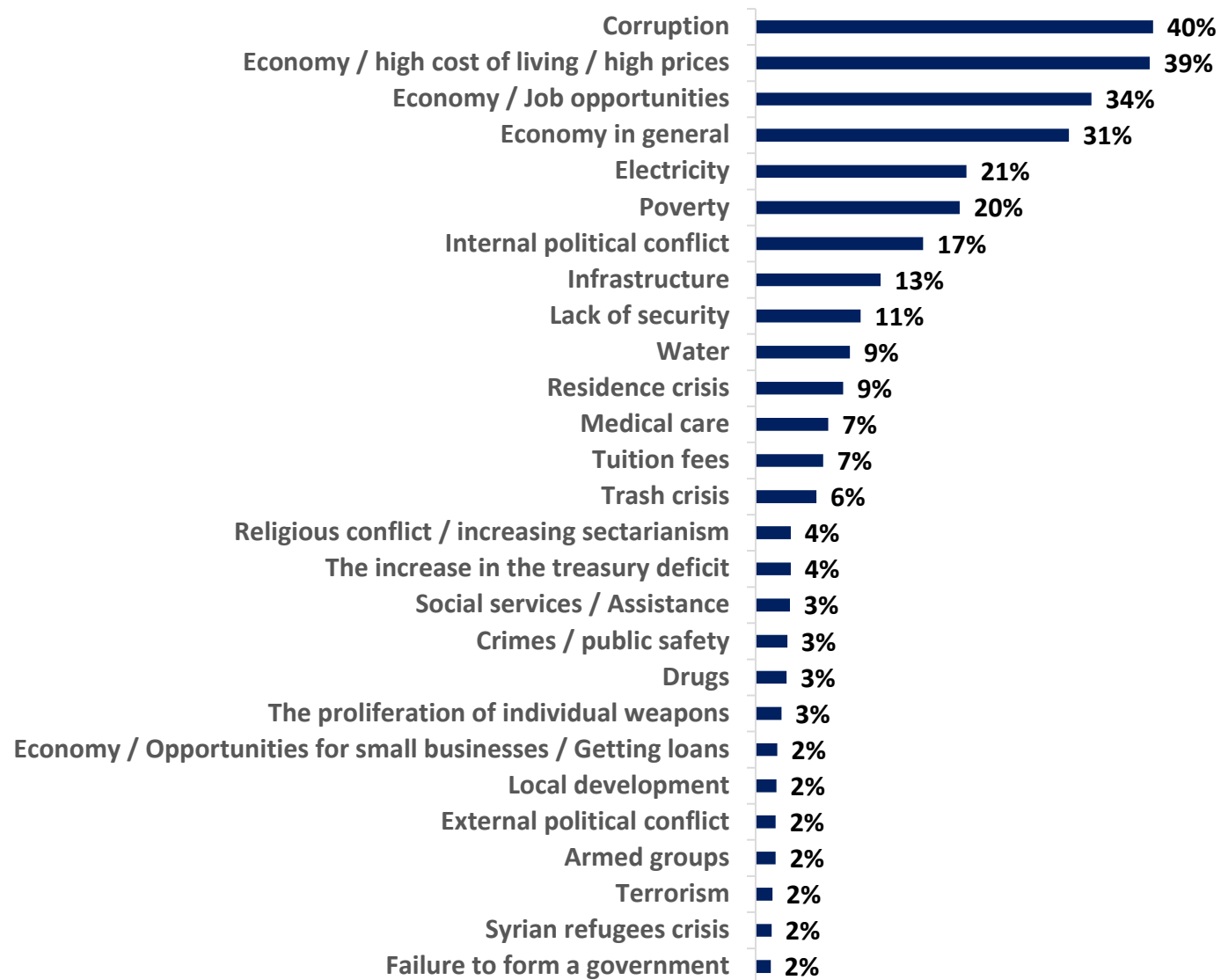
What is the second biggest problem facing Lebanon today?



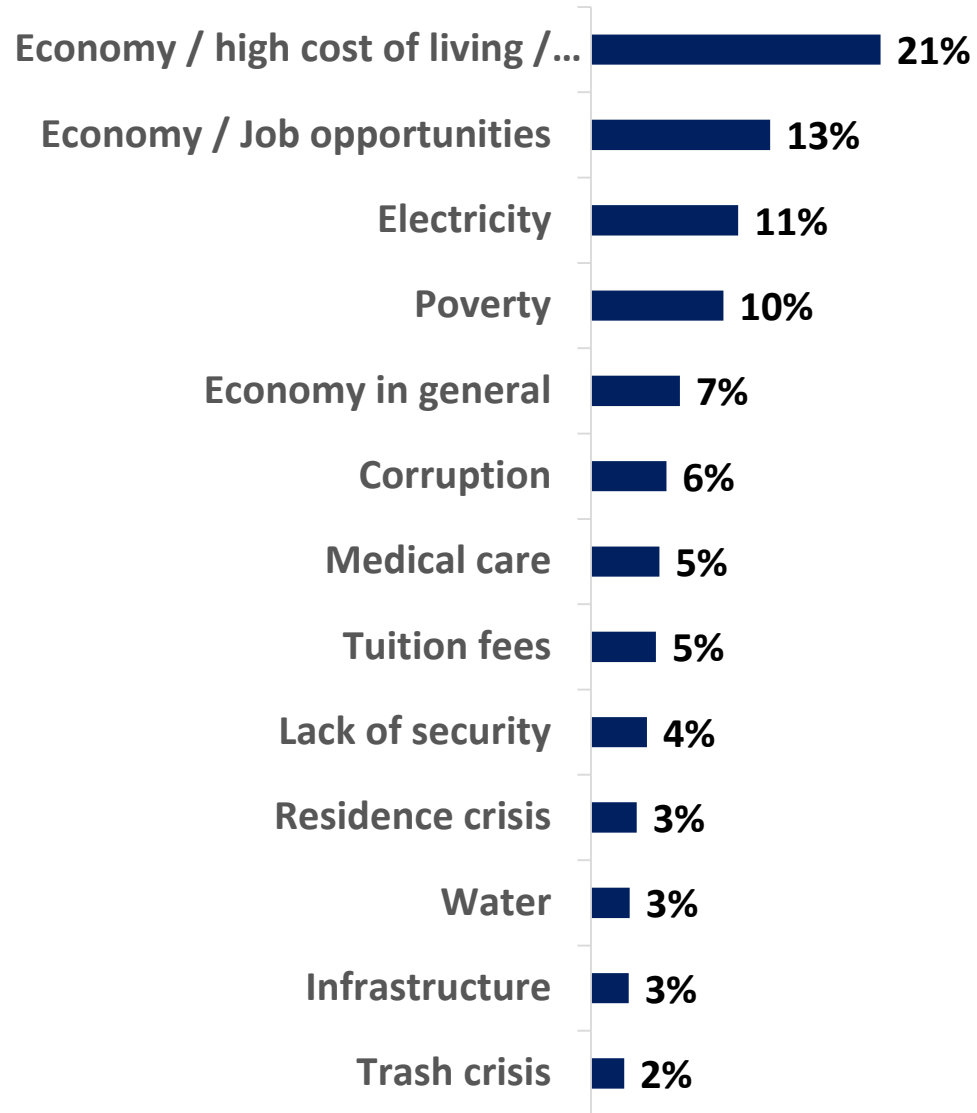
What is the third biggest problem facing Lebanon today?



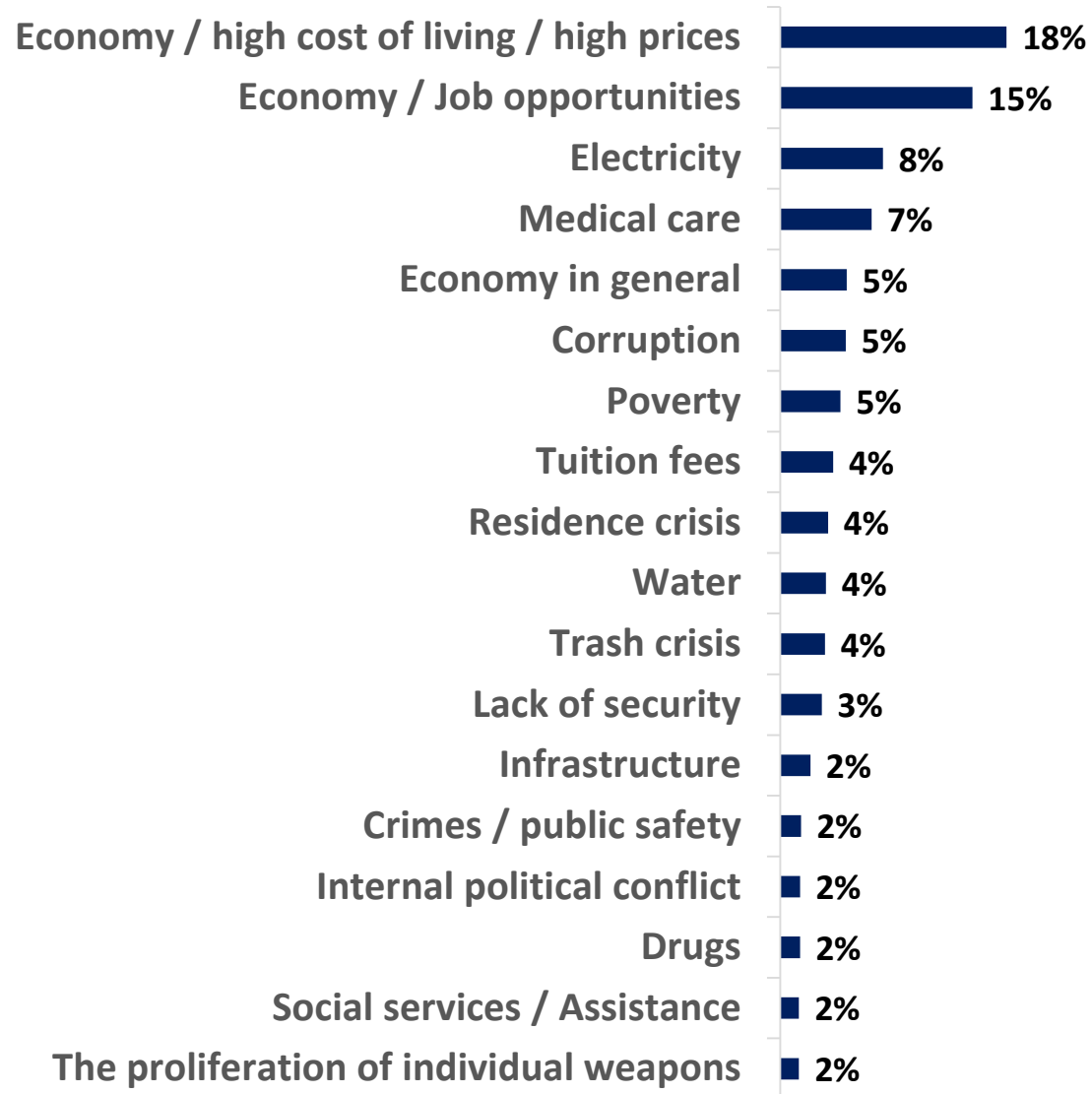
What are the biggest three problems facing Lebanon today?



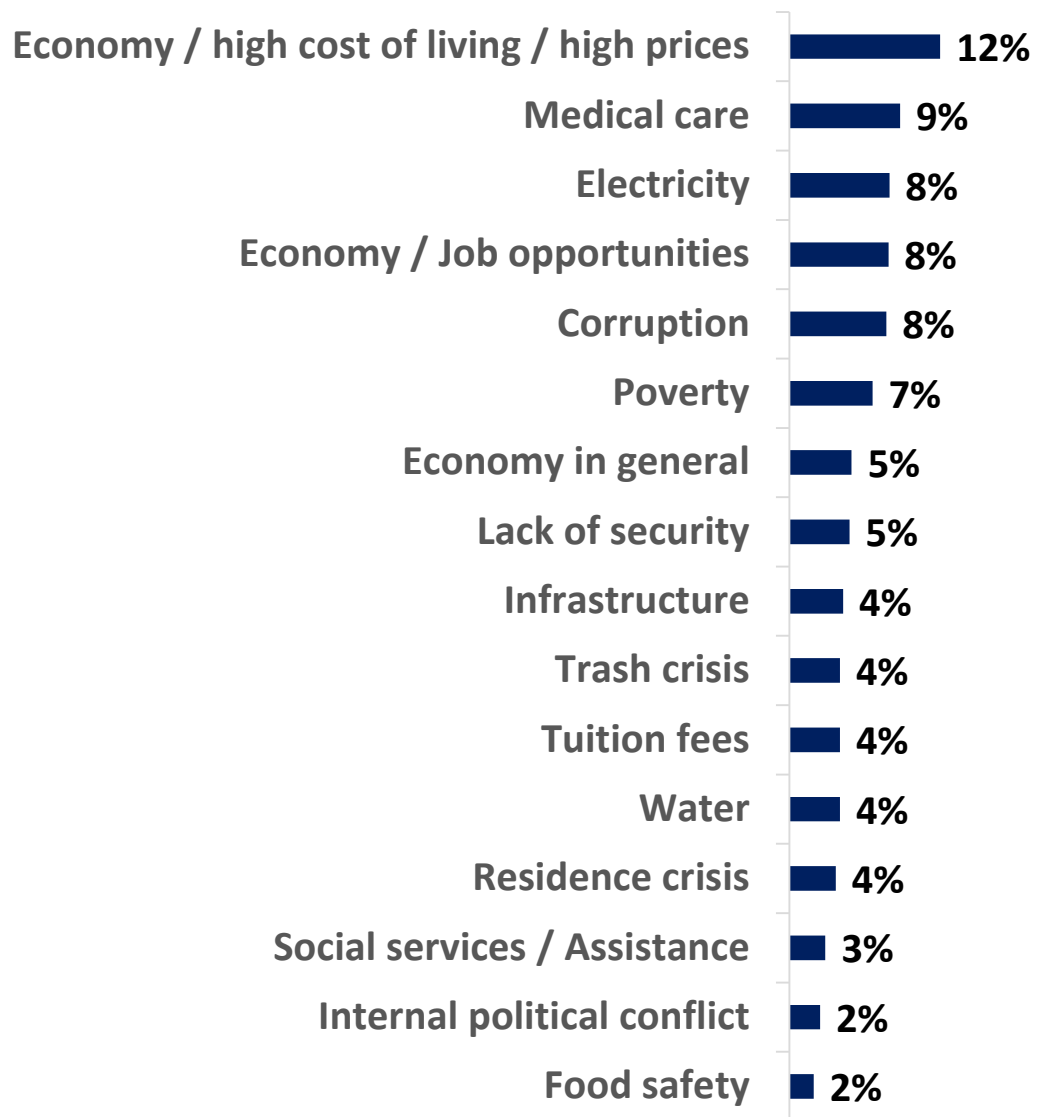
What do you think is the biggest problem facing your family today?



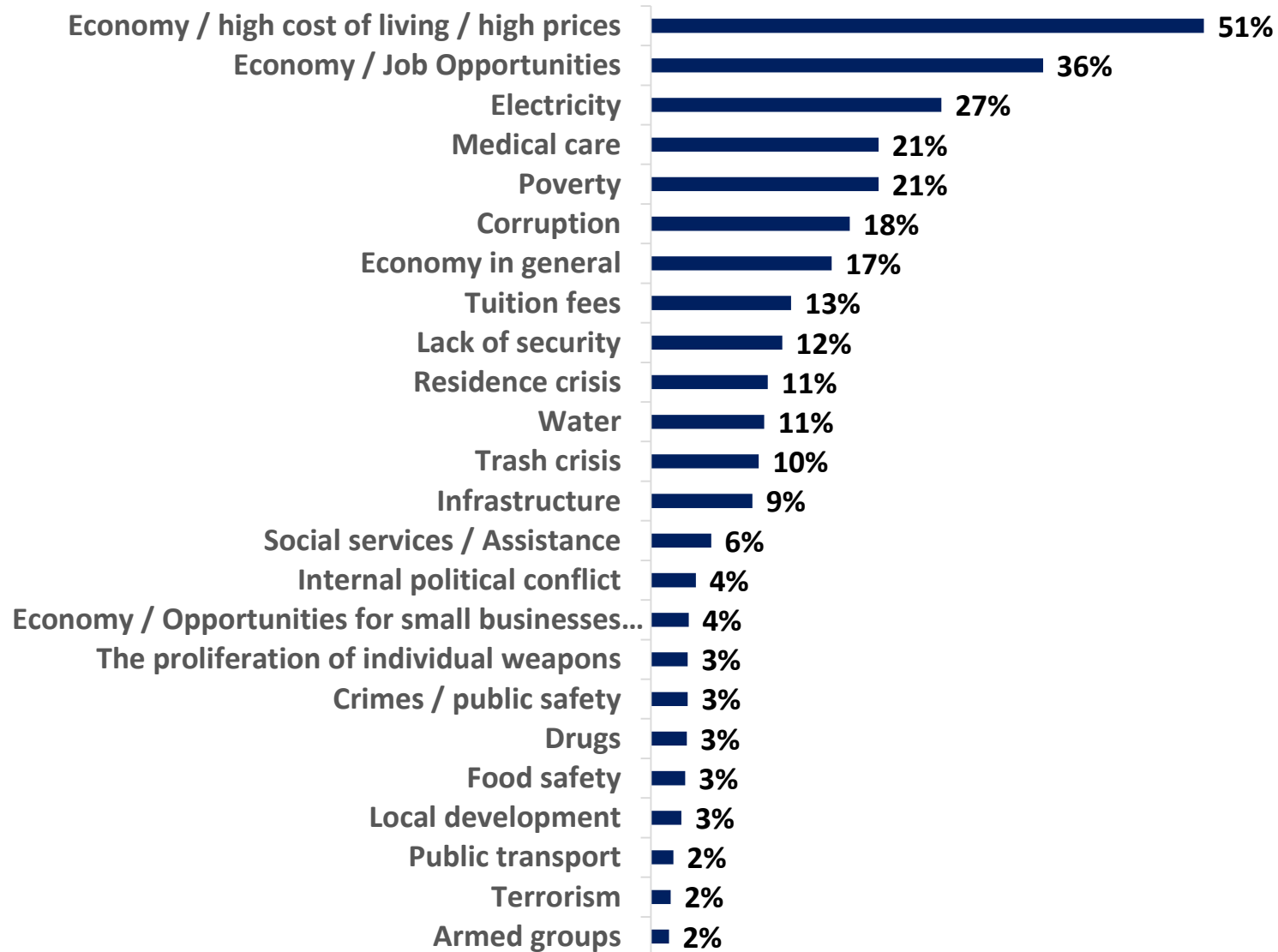
What is the second biggest problem facing your family today?



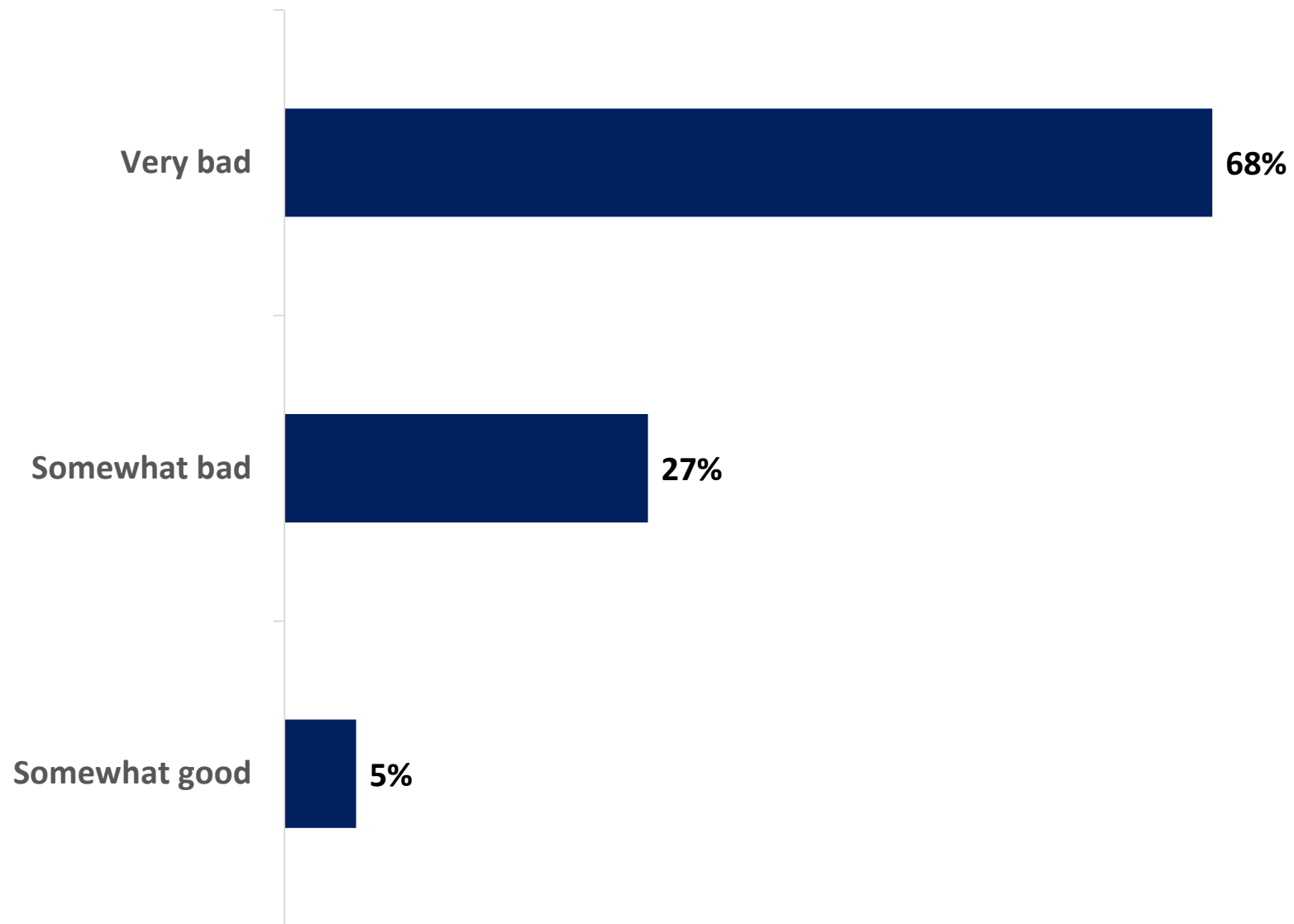
What is the third biggest problem facing your family today?



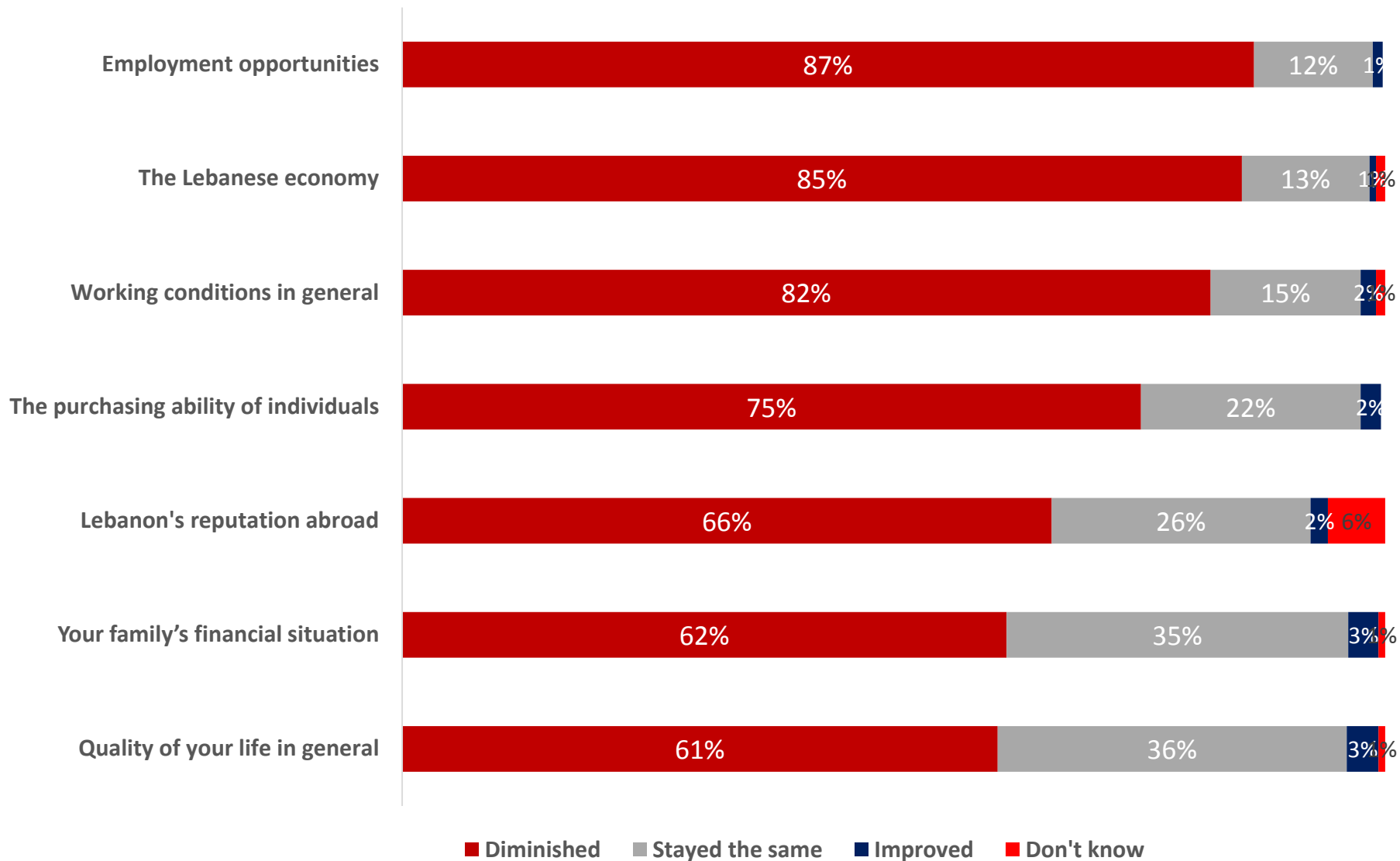
What are the biggest three problems facing your family today?



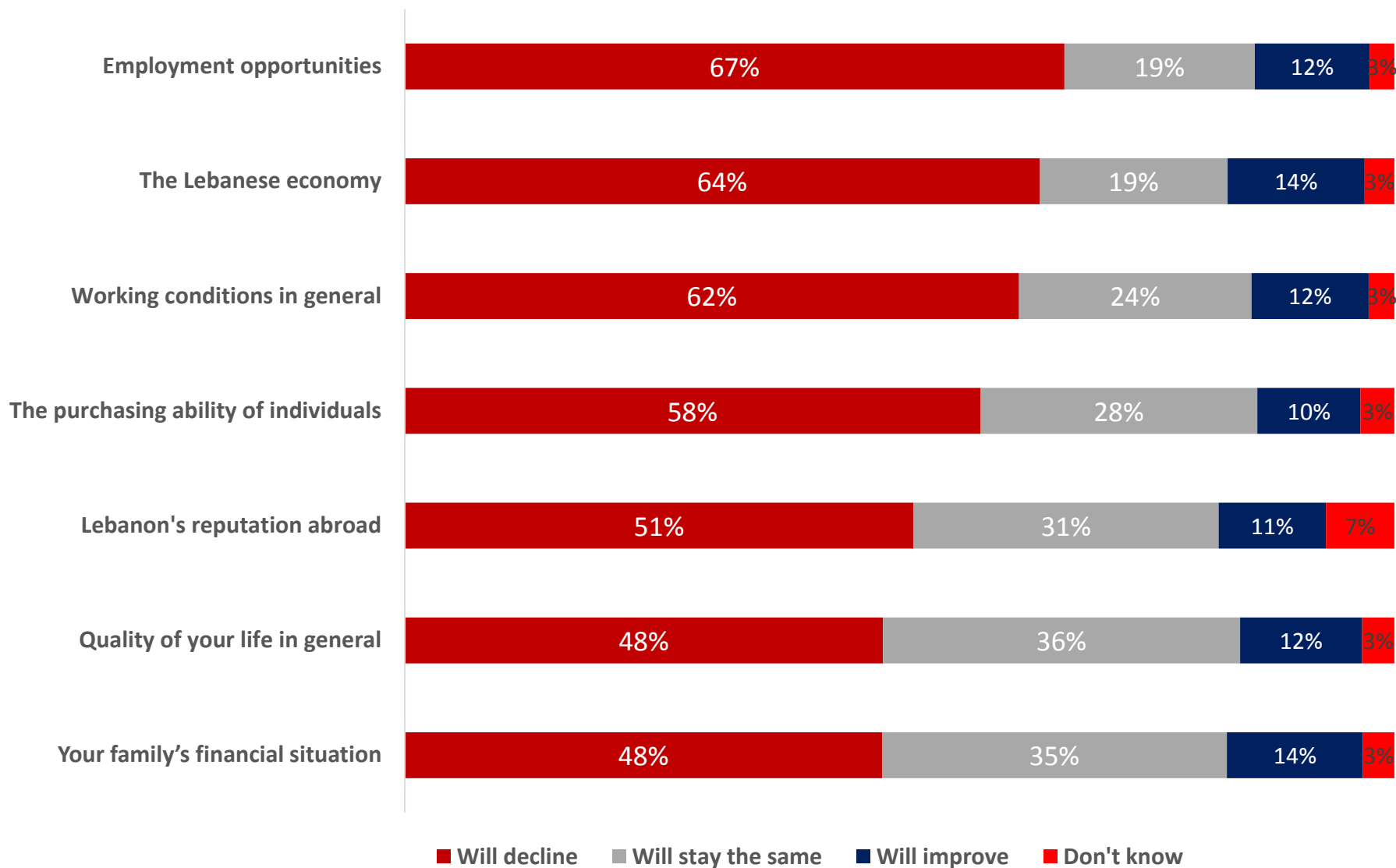
How do you assess the current economic situation in Lebanon?



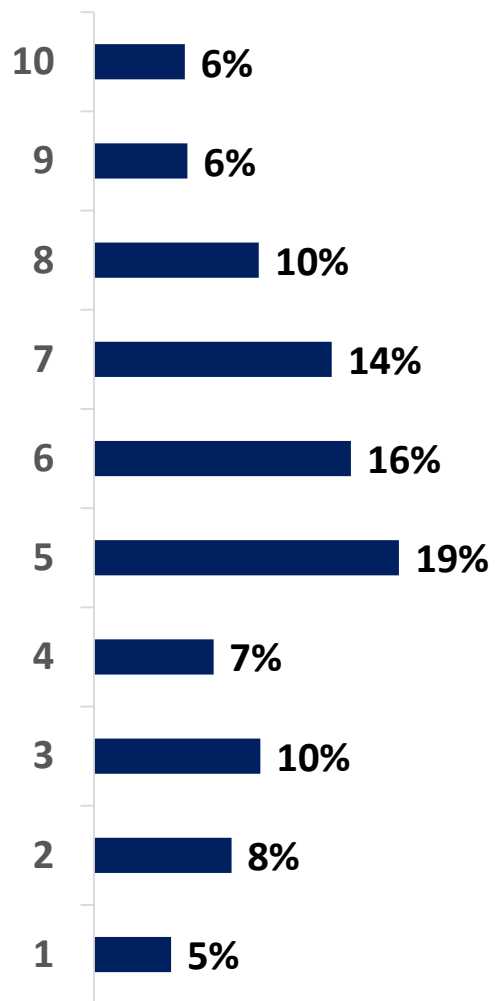
Compared to the 12 months ago, do you consider that the following things have improved or regressed compared to what they were?



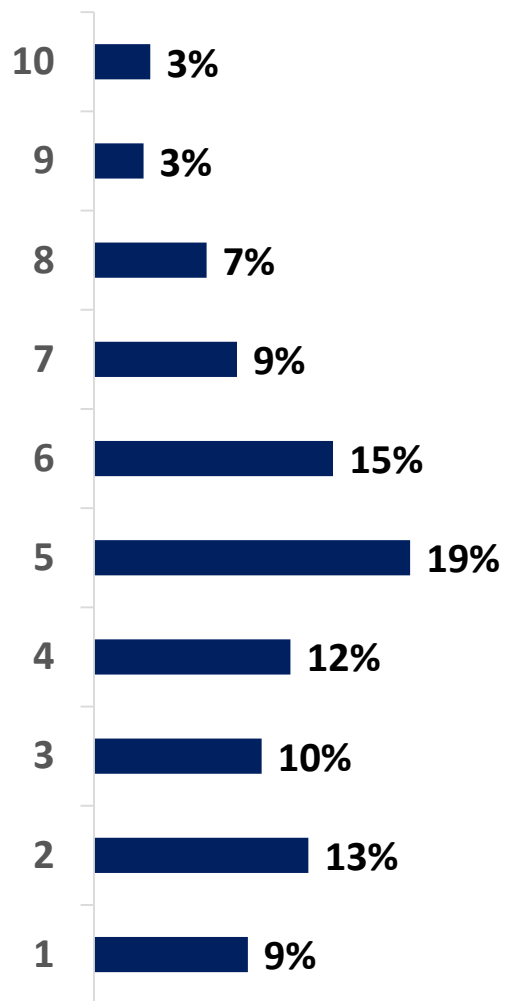
During the next 12 months, do you think that the following things will improve or decline compared to now?



During the past 12 months, to what extent did you trust the Lebanese Lira?
(Answer on a scale of 10 points so that 10 means very much and 0 means you did not trust)

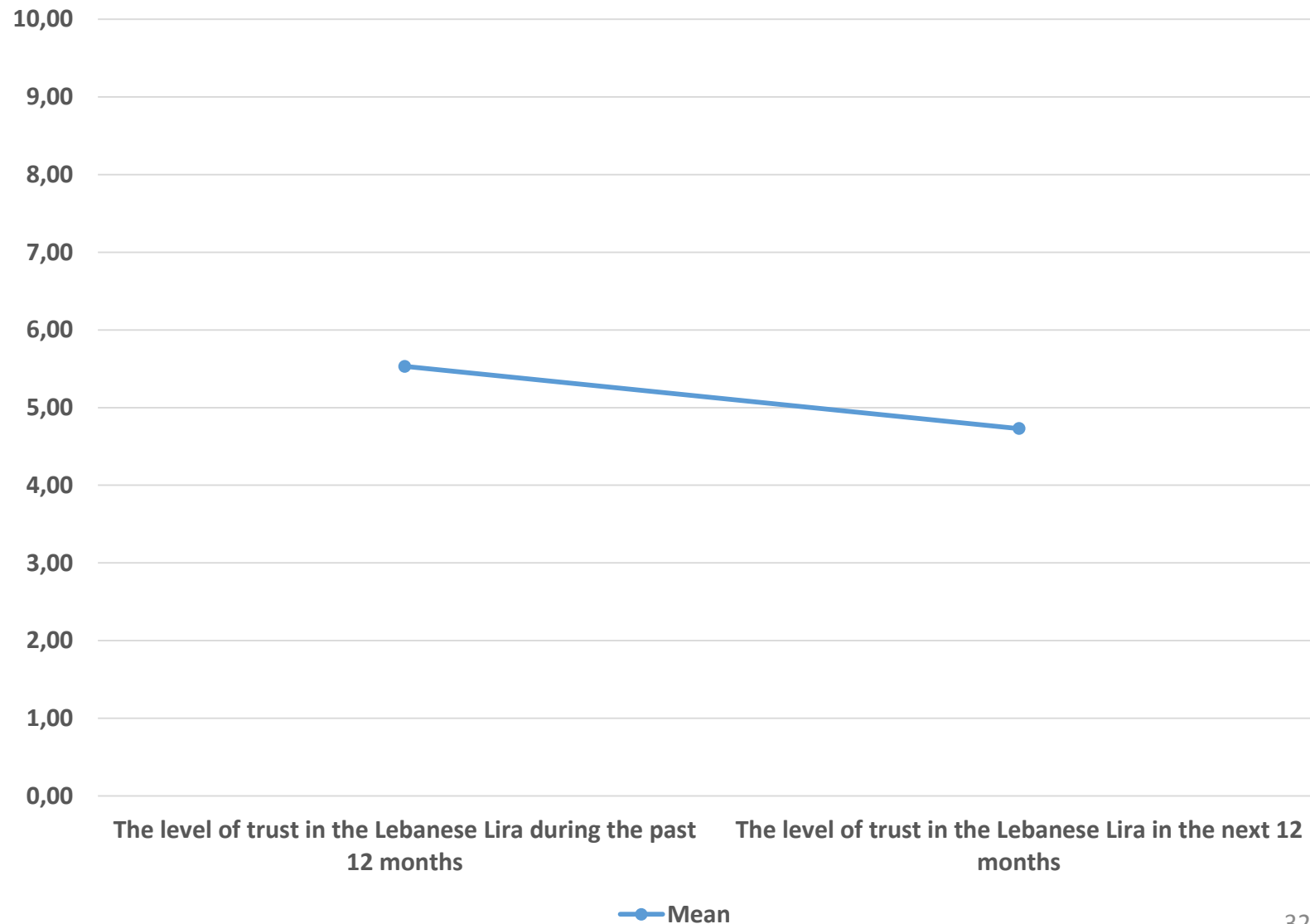


To what extent will you trust the Lebanese Lira in the up coming 12 months?
(Answer on a scale of 10 points so that 10 means very much and 0 means you do not trust)

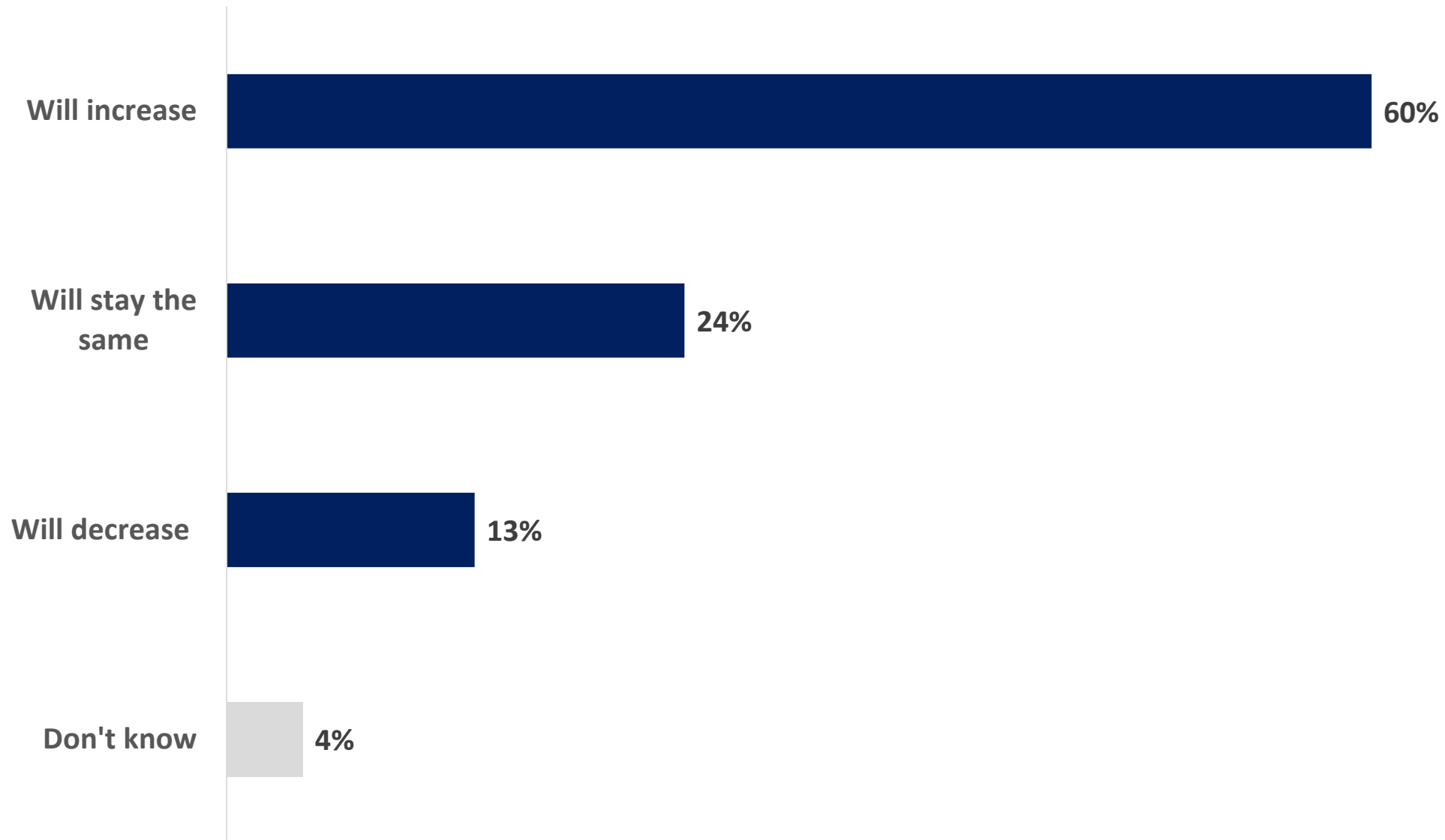


The level of trust in the Lebanese Lira	Mean
The level of trust in the Lebanese Lira during the past 12 months	5.53
The level of trust in the Lebanese Lira in the next 12 months	4.73

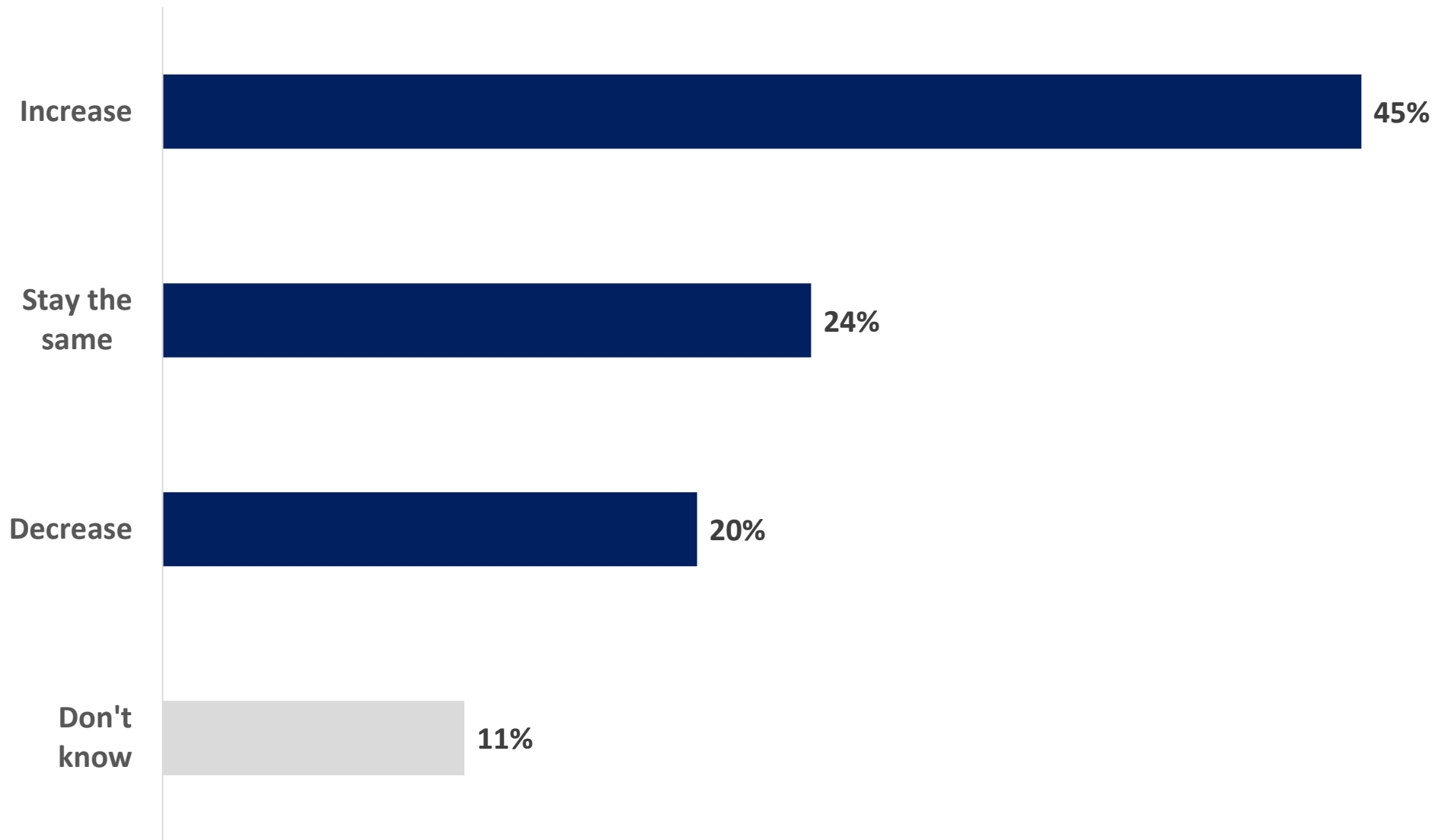
Mean of trust level in the Lebanese Lira



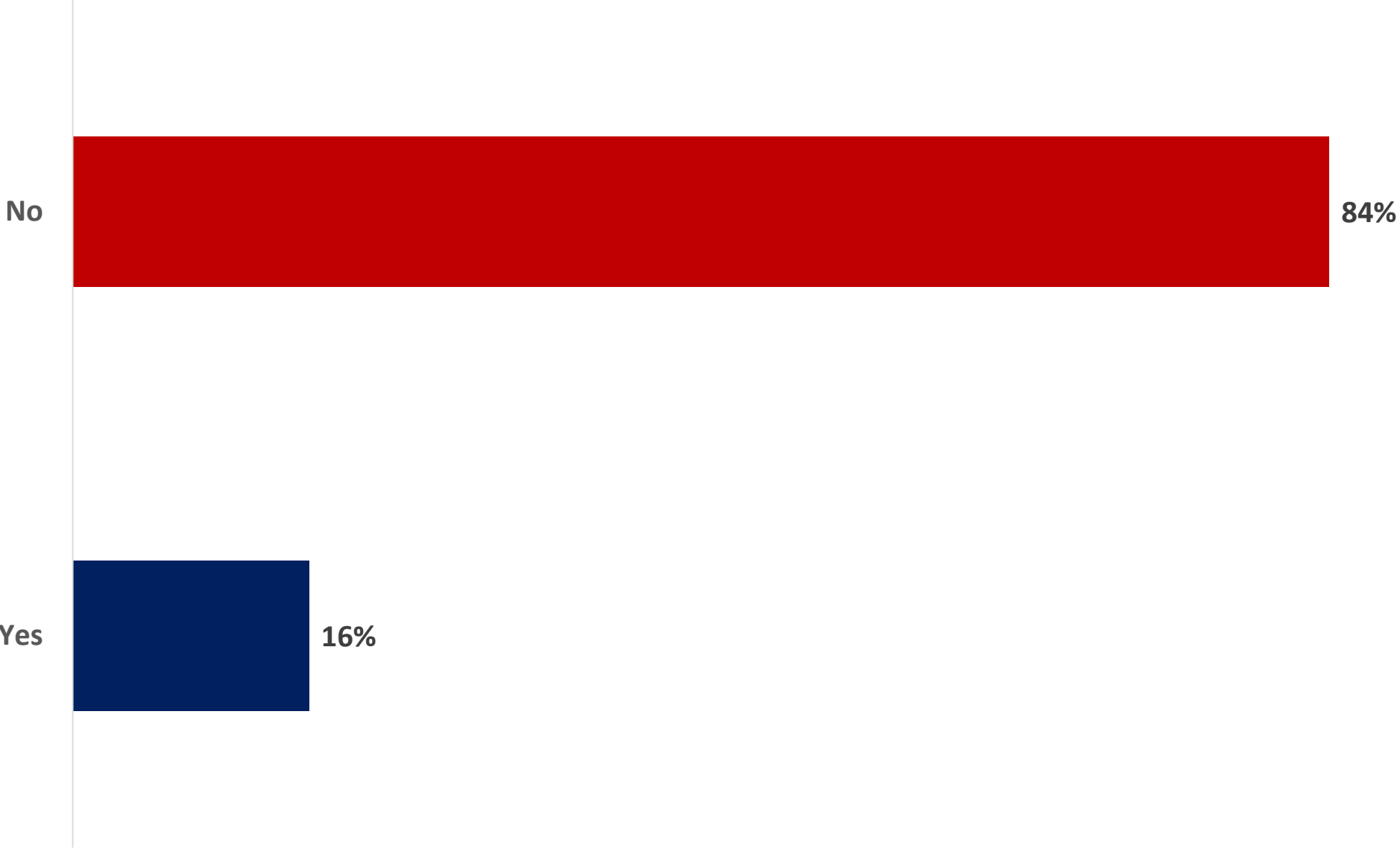
Do you think consumer goods prices will increase or decrease in the next 12 months?



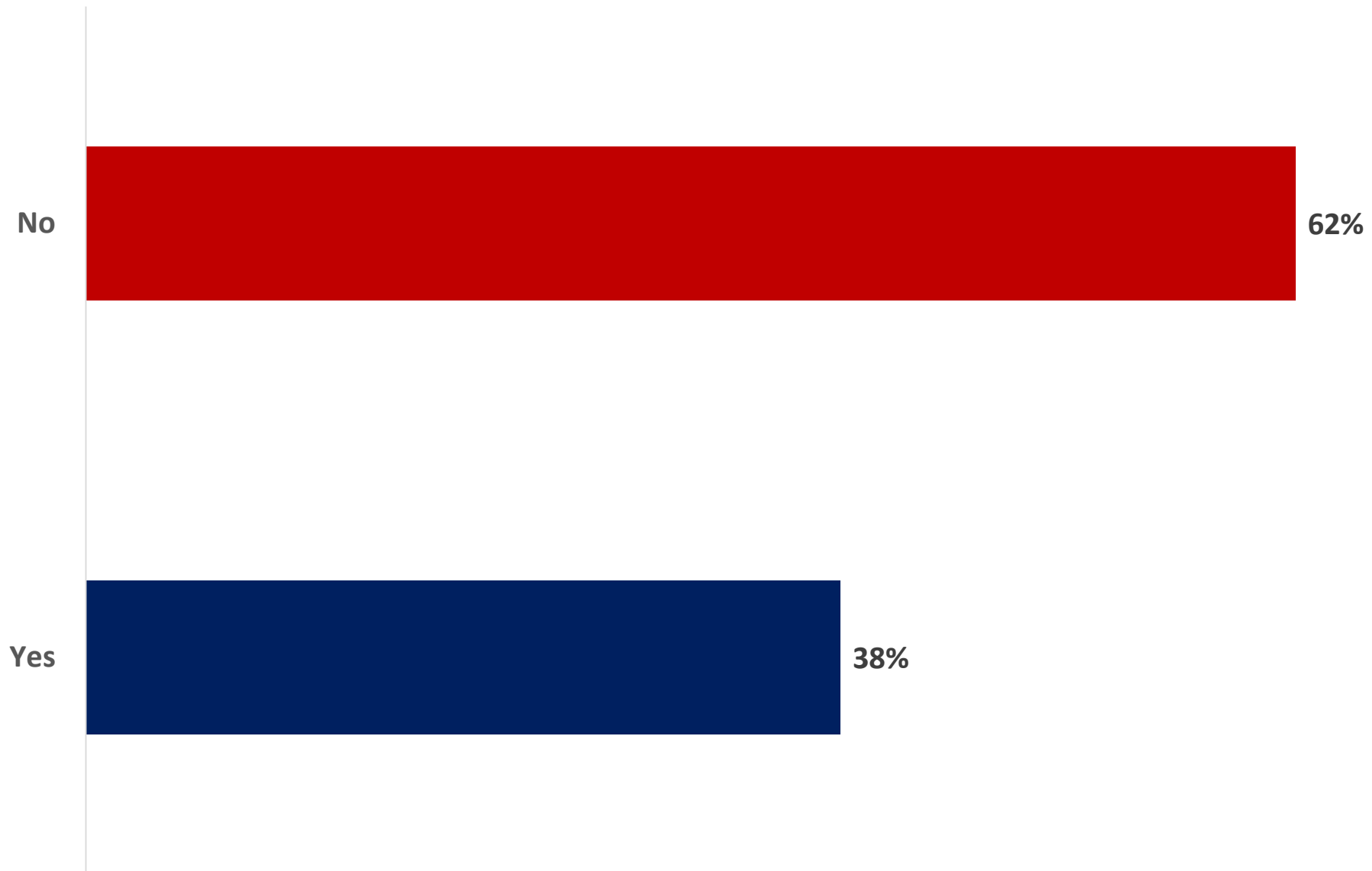
What do you think will happen to the loan interest rate loans during the next 12 months; increase, stay the same or decrease?



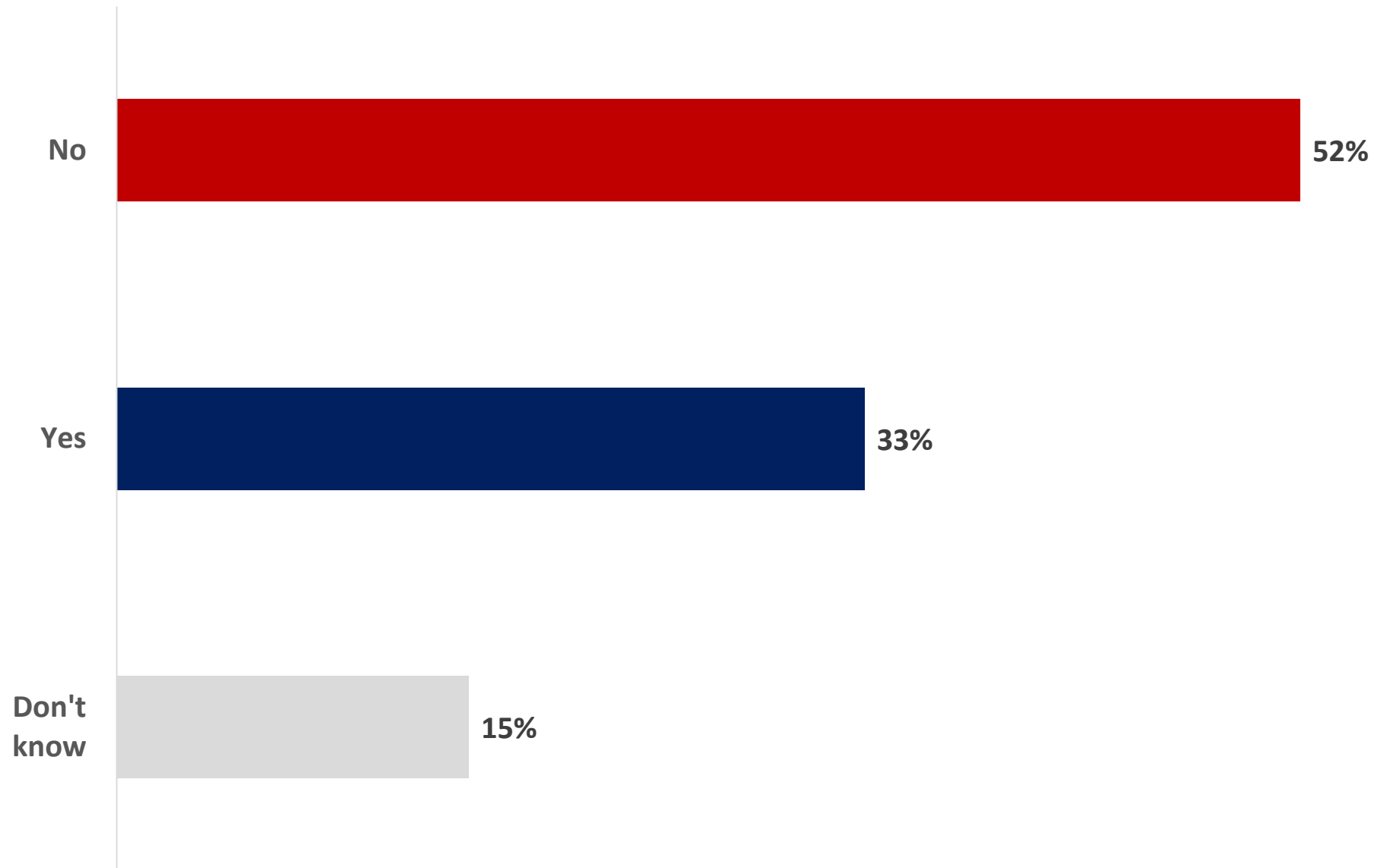
Have you personally been affected by the housing crisis?



Has anyone close to you been affected by the housing crisis?



In your opinion, will there be a solution to the housing loan crisis over the next year?



Analysis: Problems and Concerns of the Lebanese

- The overwhelming majority of the respondents (**95%**) believed that things in Lebanon are **moving in the wrong direction** while only **4%** considered that things are **moving in the right direction**.
 - Just 22% are optimistic about the future outlook of the country compared to 77% who are pessimistic.
- The biggest three problems facing Lebanon today according to the respondents are:
 - **Corruption** (40%) was the foremost single issue
 - Followed very closely by **high cost of living/ high prices** (39%) and **job opportunities** (34%)
- While the three biggest problems facing respondents' families today are:
 - For half (51%) it was the **high cost of living** as the major problem
 - Followed by **job opportunities** (36%) and **electricity** (21%)
- Overall when probed, up to **two-thirds (68%)** considered the current **economic situation** in Lebanon to be **as very bad**

Analysis: Problems and Concerns of the Lebanese

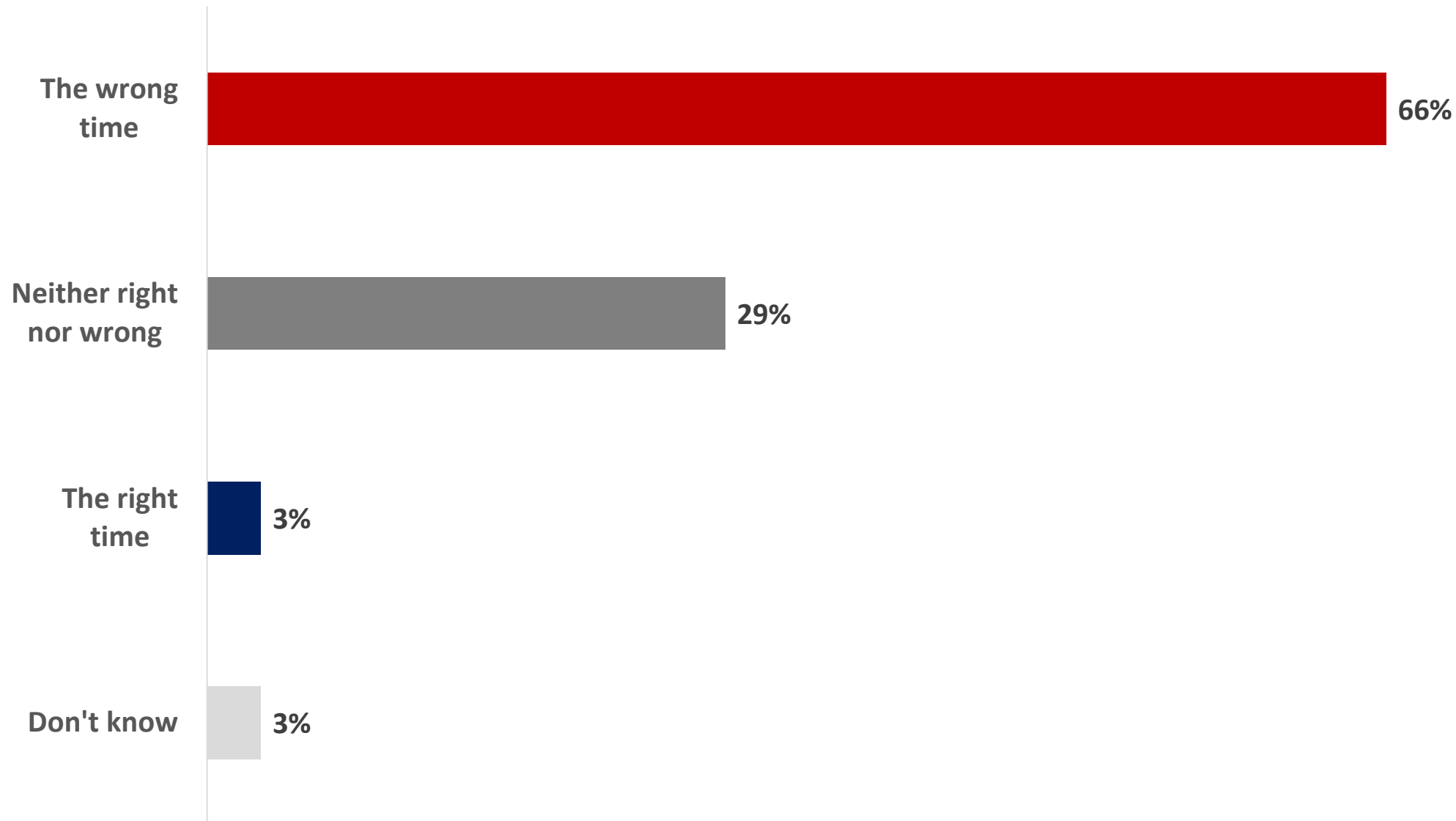
- The majority of the respondents considered that the following have **regressed year on year** (compared to the past 12 months):
 - Employment opportunities (87%)
 - The Lebanese economy (85%)
 - Working conditions (82%)
 - The purchasing ability of individuals (75%)
 - Lebanon's reputation abroad (66%)
 - Family's financial situation (62%)
 - Quality of life in general (61%)
- Nevertheless respondents were **less pessimistic** about the future (next 12 months) regarding:
 - Employment opportunities (67%)
 - The Lebanese economy (64%)
 - Working conditions (62%)
 - Working conditions in general (58%)
 - Lebanon's reputation abroad (51%)
 - Quality of life in general (48%)
 - Family's financial situation (48%)

Analysis: Problems and Concerns of the Lebanese

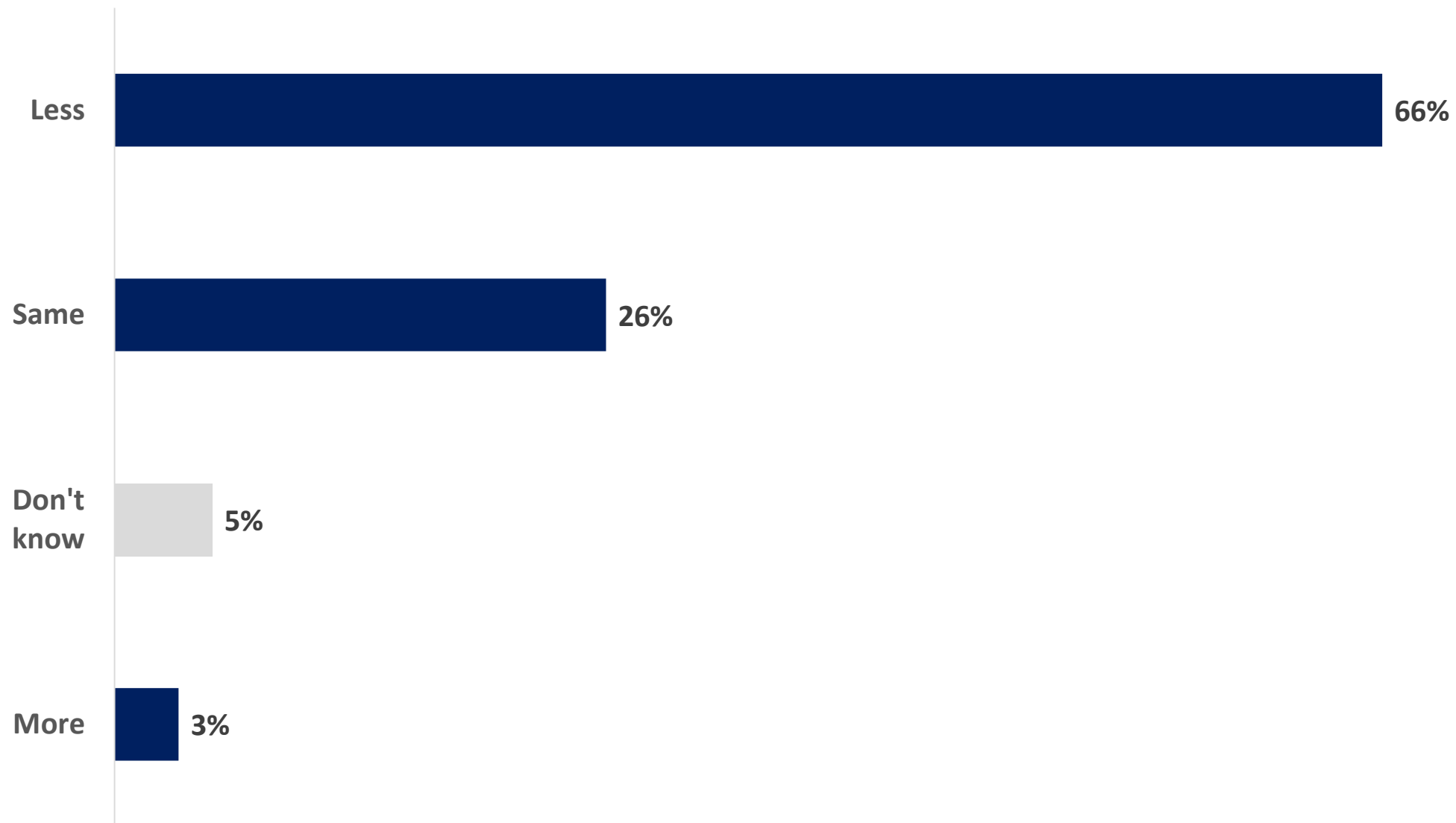
- Respondents had **higher levels of trust** in the **Lebanese Lira in the past 12 months** (M=5.53) **than they reported to have in the next 12 months** (M=4.73).
- A **majority (60%)** of the sample believed that the **price of consumer goods will increase** in the next 12 months and nearly **half (45%)** of respondents think that the **interest rate on loans will also increase** in the upcoming 12 months .
- **16%** of the respondents reported being **personally affected by the housing crisis** and **38%** had someone close also affected by it.
- More than **half (52%)** of the respondents were pessimistic about finding a **solution to the housing loan crisis** over the next year whereas **33% were optimistic** about solving this issue.

Lebanese Financial Situation

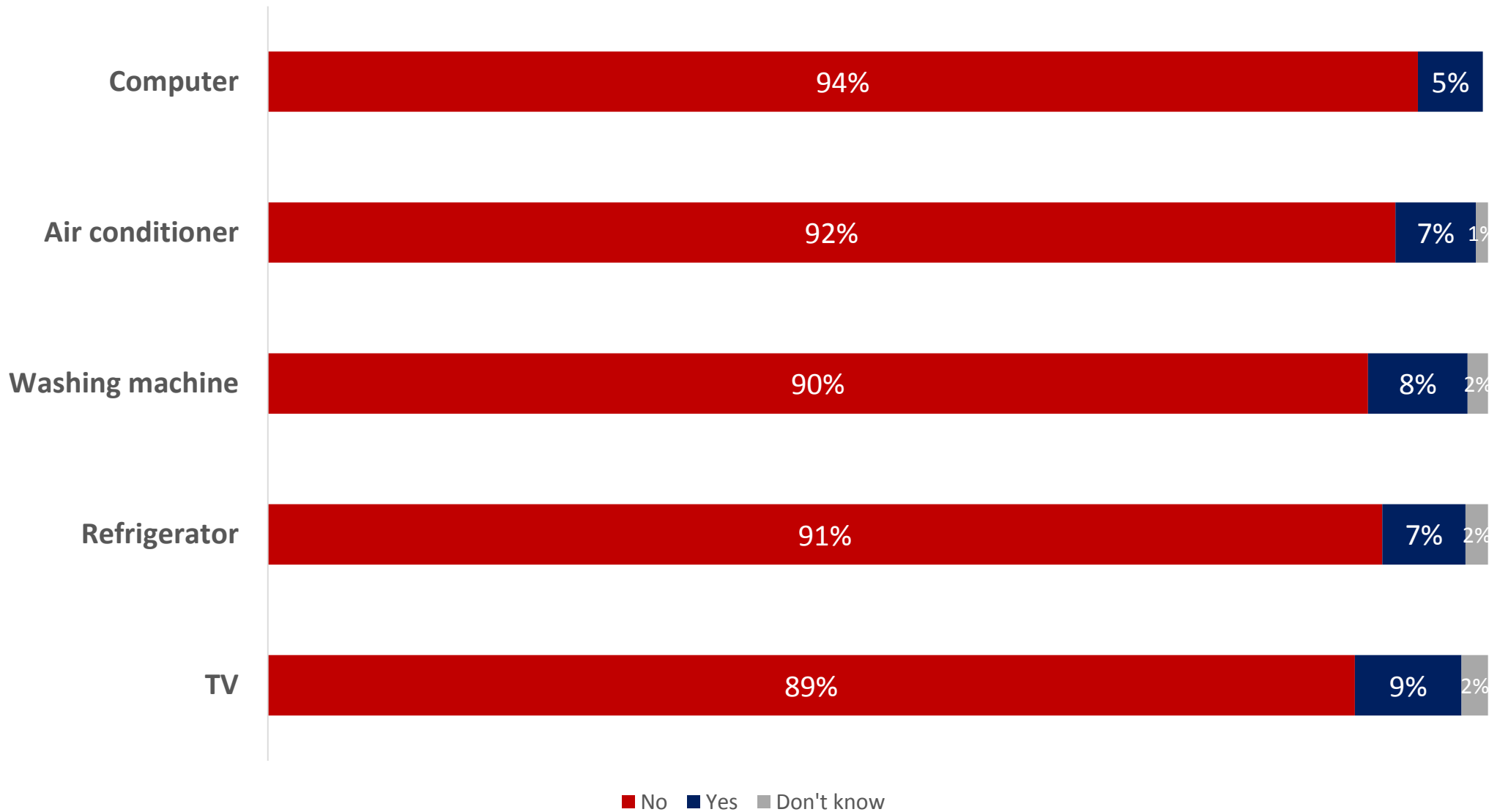
Do you think it is the right time to buy home appliances such as home furnishing, TV, fridge, or any similar items?



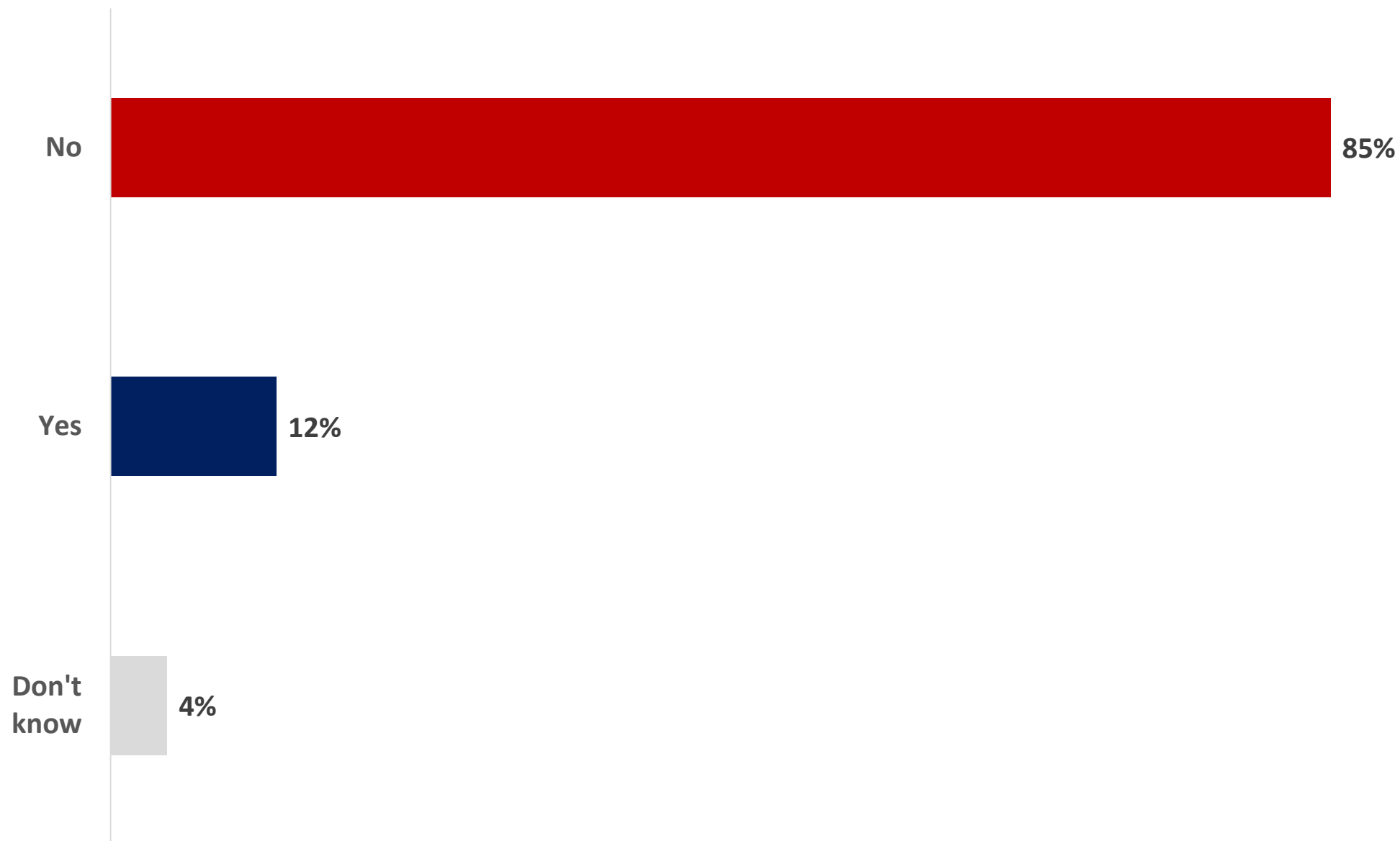
Compared to the past 12 months, do you expect to buy more or less household appliances such as furniture and electrical appliances?



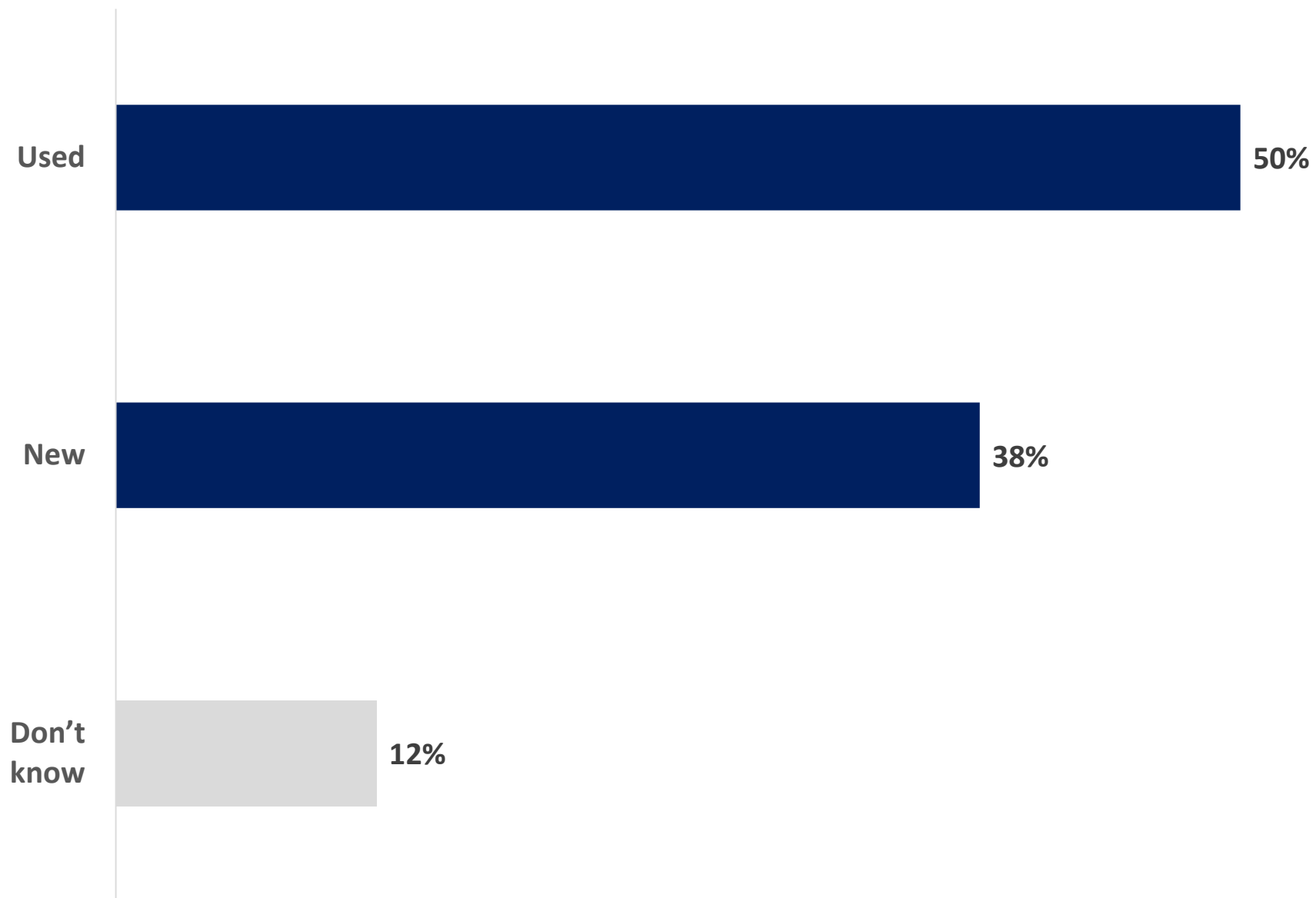
With regard to basic home appliances, do you plan on purchasing the following in the next 12 months?



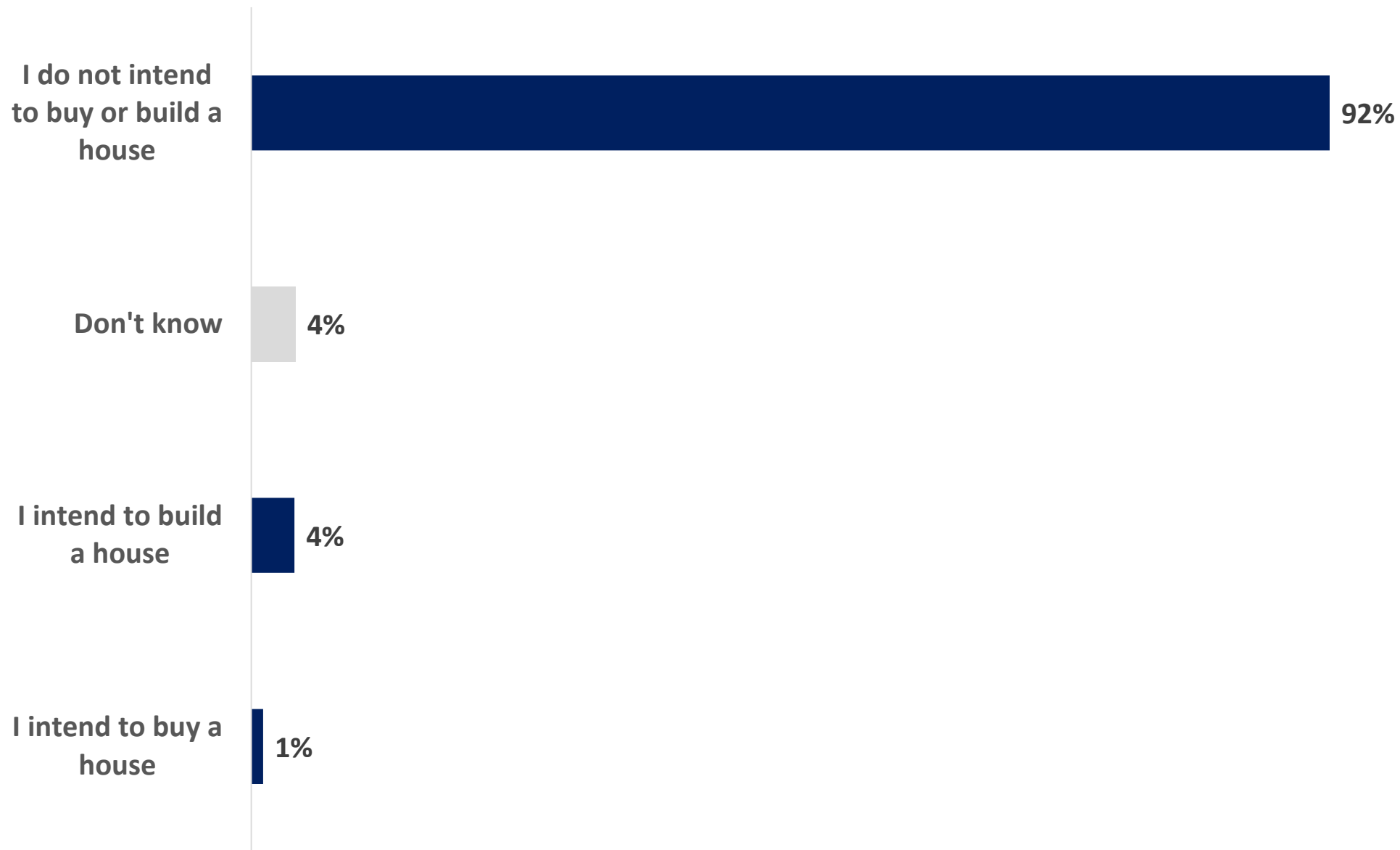
Do you intend to buy a car in the next 12 months?



If yes, do you intend to buy a new or used car? n = 138



Do you intend to buy or build a house in the next 12 months (to live with one of your family members, or a holiday home, or rent etc.)?



Do you intend to spend large sums on improving and renovating your home within the next 12 months?



Are you planning to sell any property that you or a member of your family own, in the next 12 months?



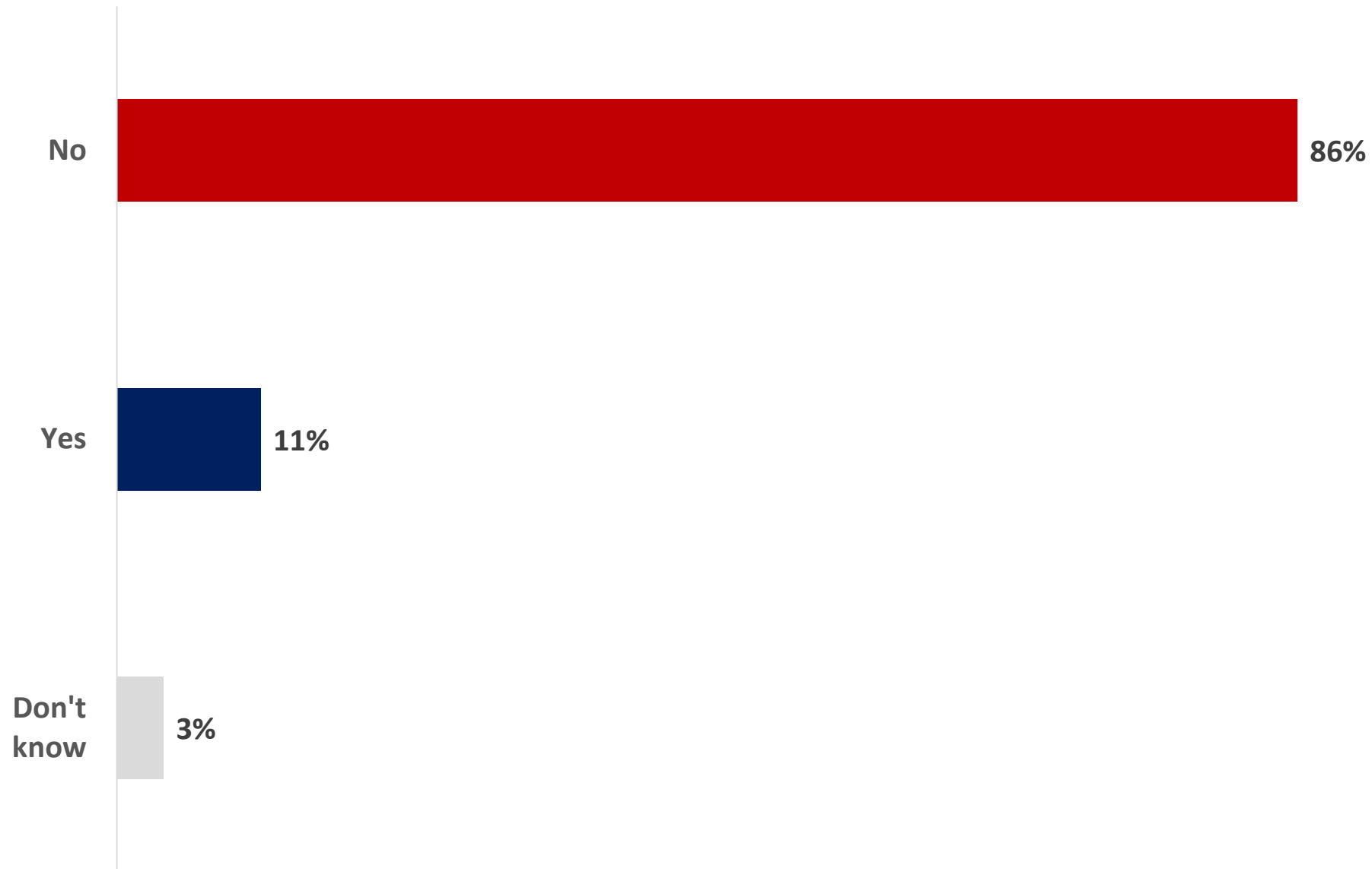
Are you considering investing in Lebanon in the next 12 months?



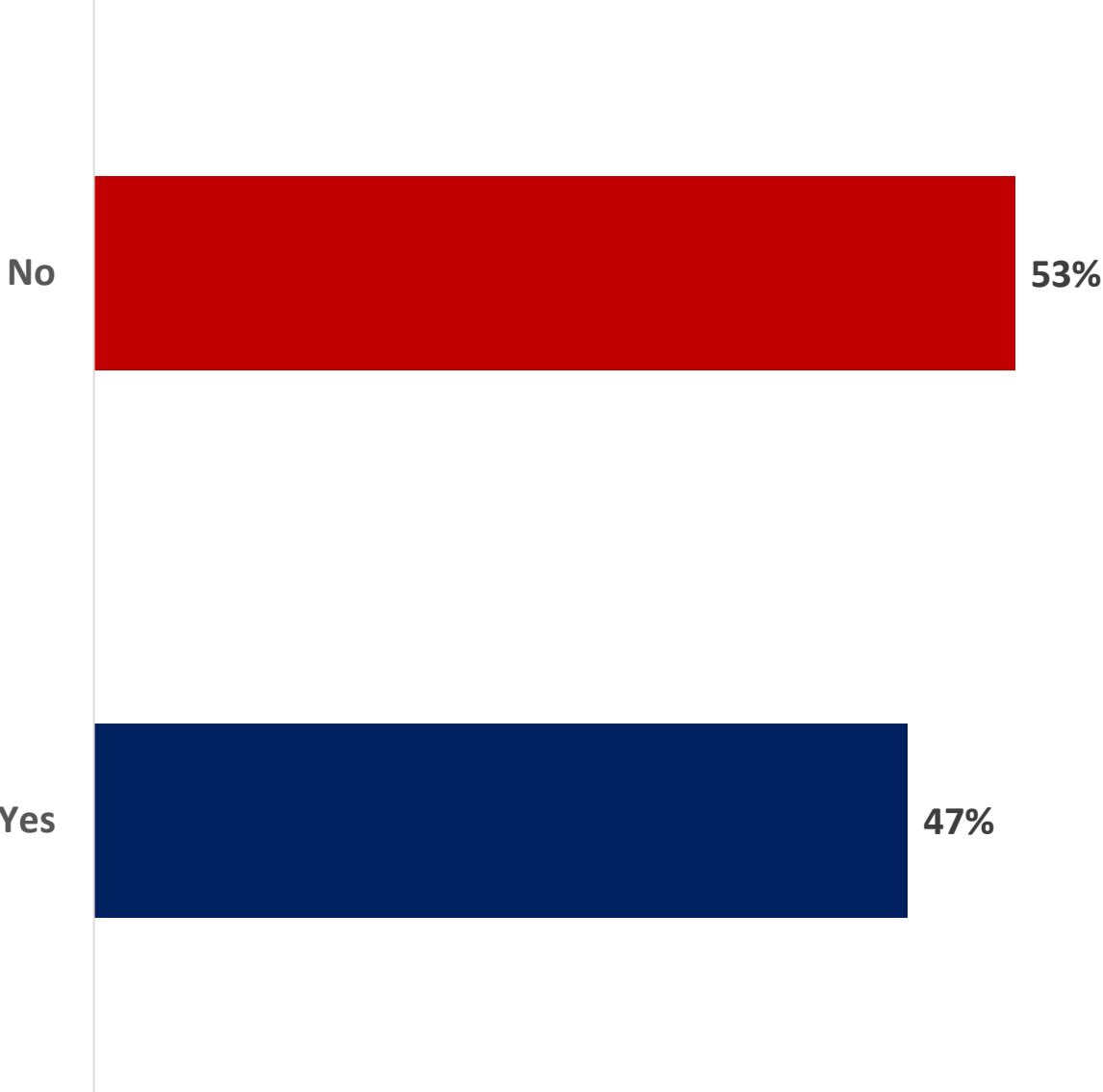
Are you considering investing outside of Lebanon?



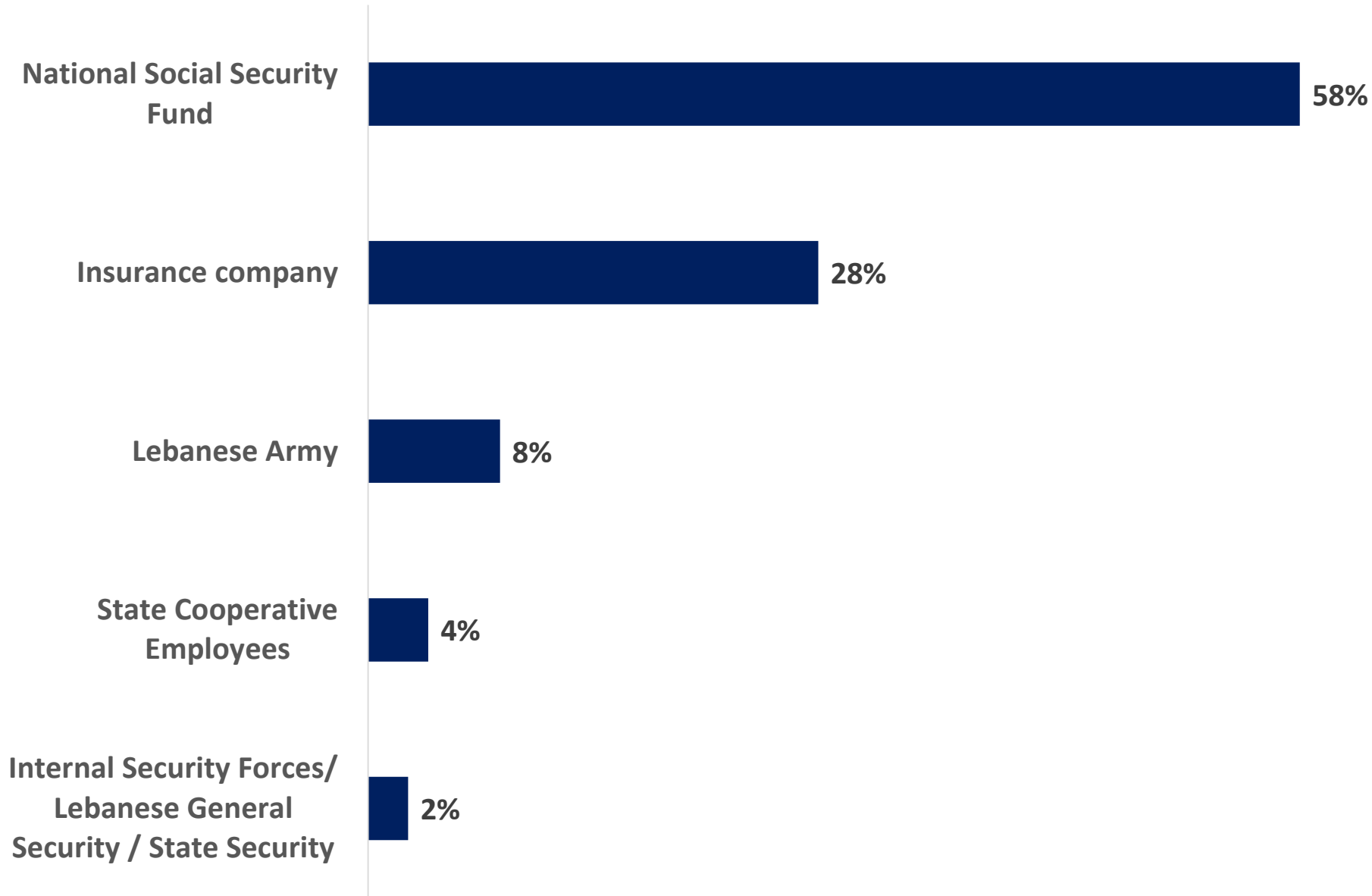
Are you intending to go on vacation outside of Lebanon in the coming 12 months?



Do you have any health coverage?



If yes, specify: n = 563



Do you have a life insurance policy?



Do you intend to renew it?

n = 87



Do you intend to get a life insurance policy? n = 1113



Banking information

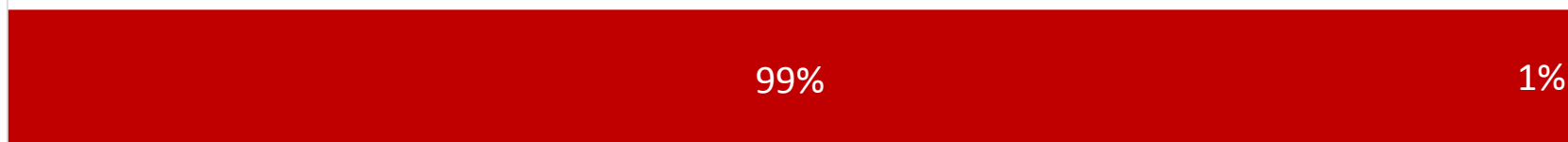
Do you have a bank account in Lebanon?



Do you have a bank credit card?

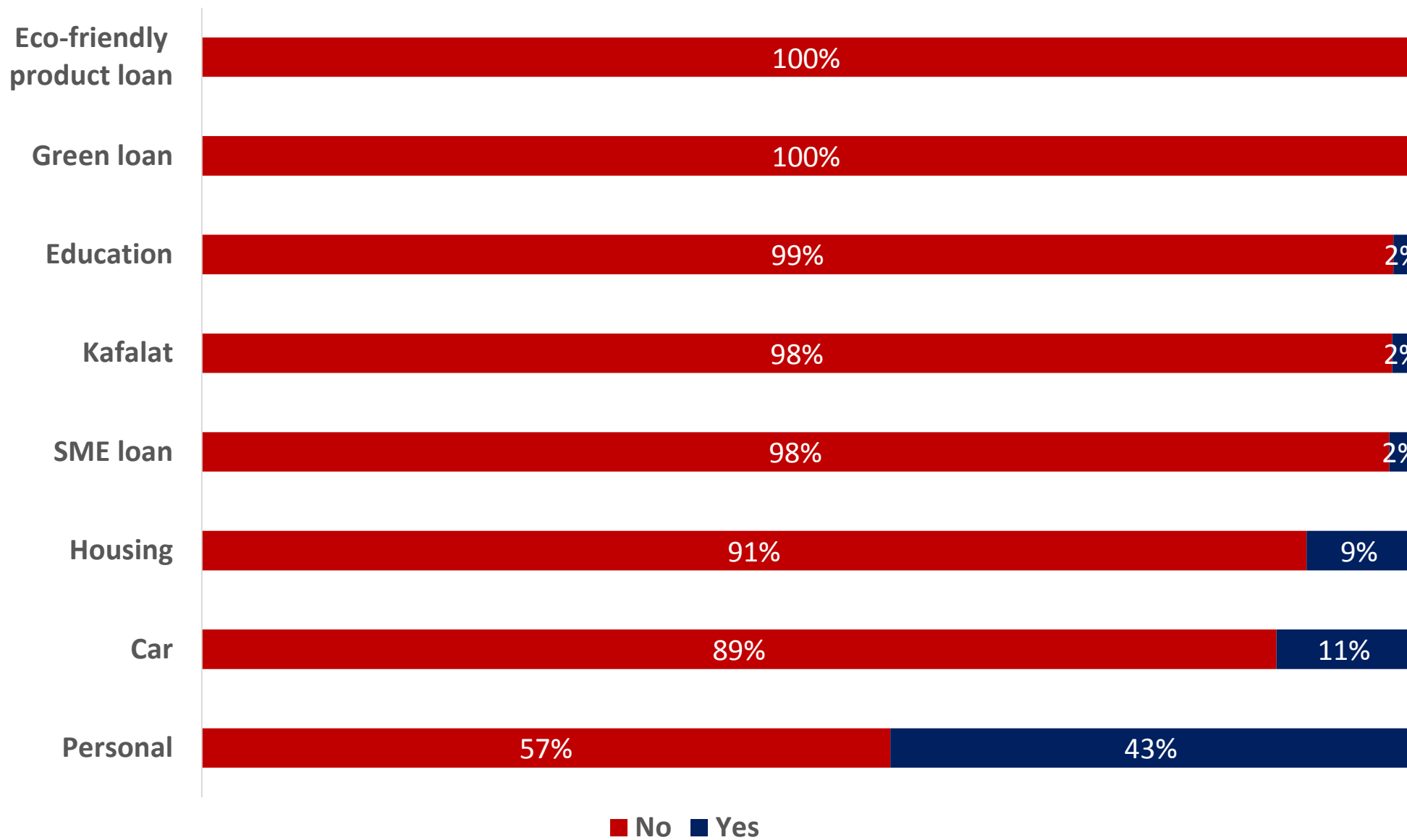


Do you have a bank account outside of Lebanon?

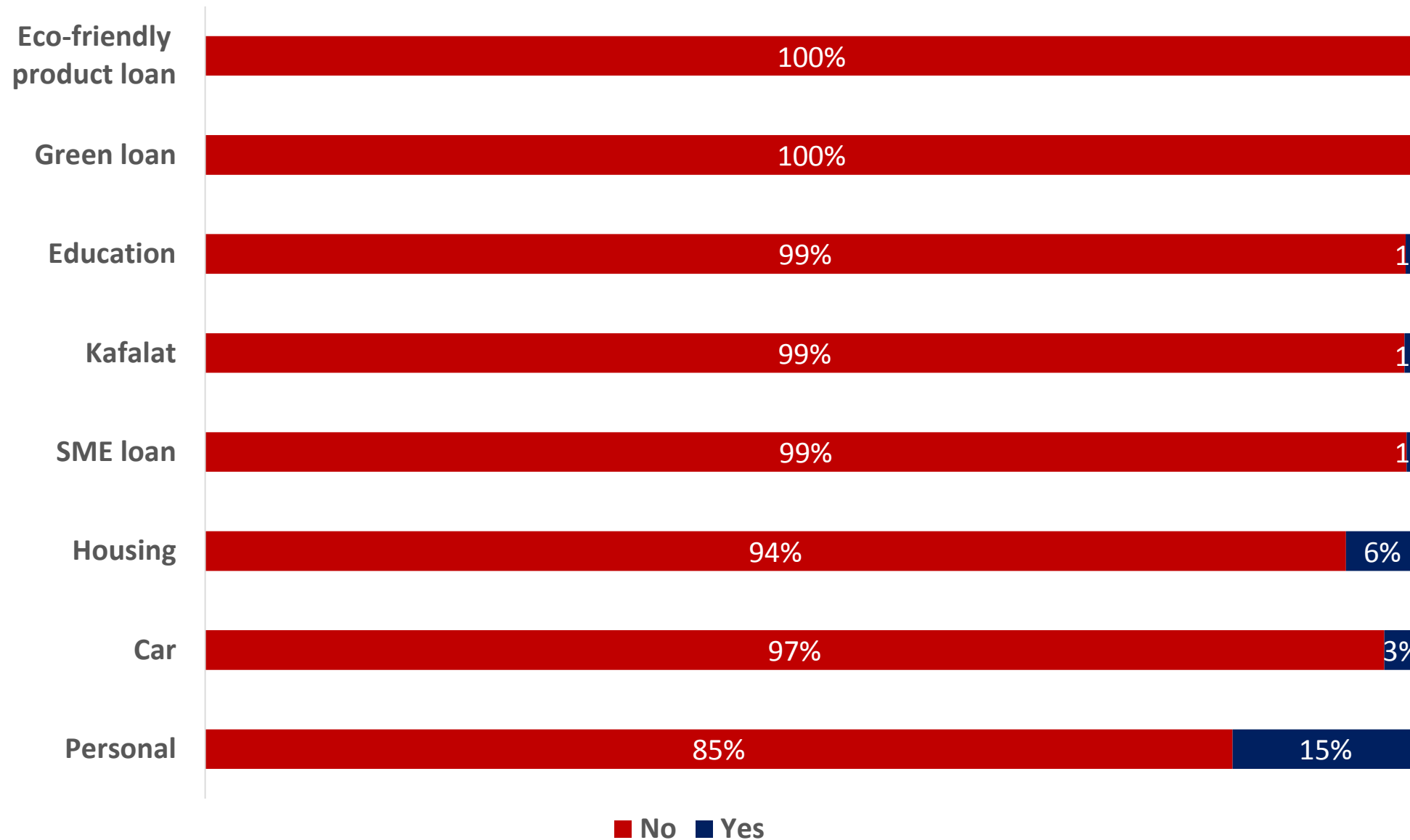


■ No ■ Yes

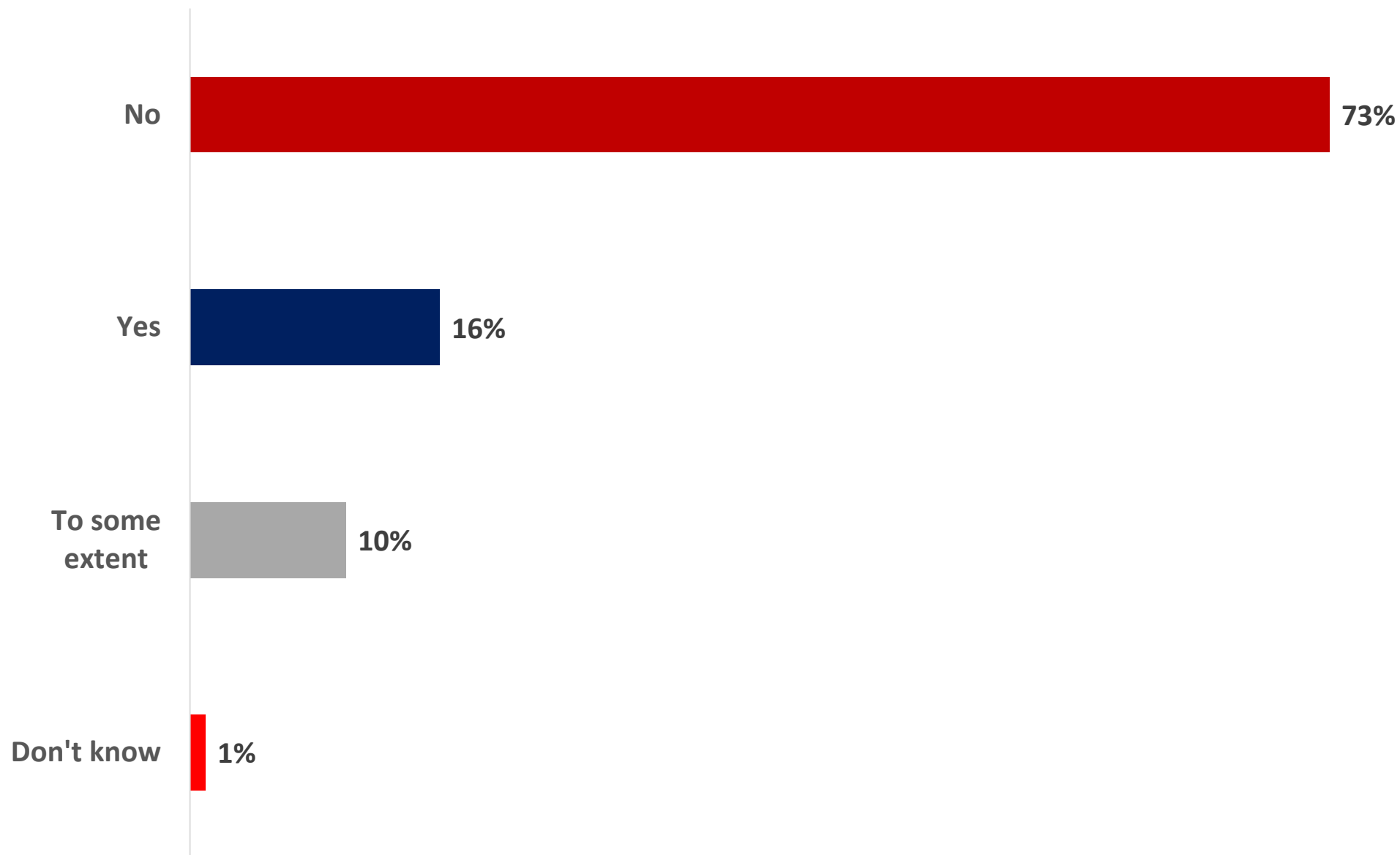
Do you have any loan...?



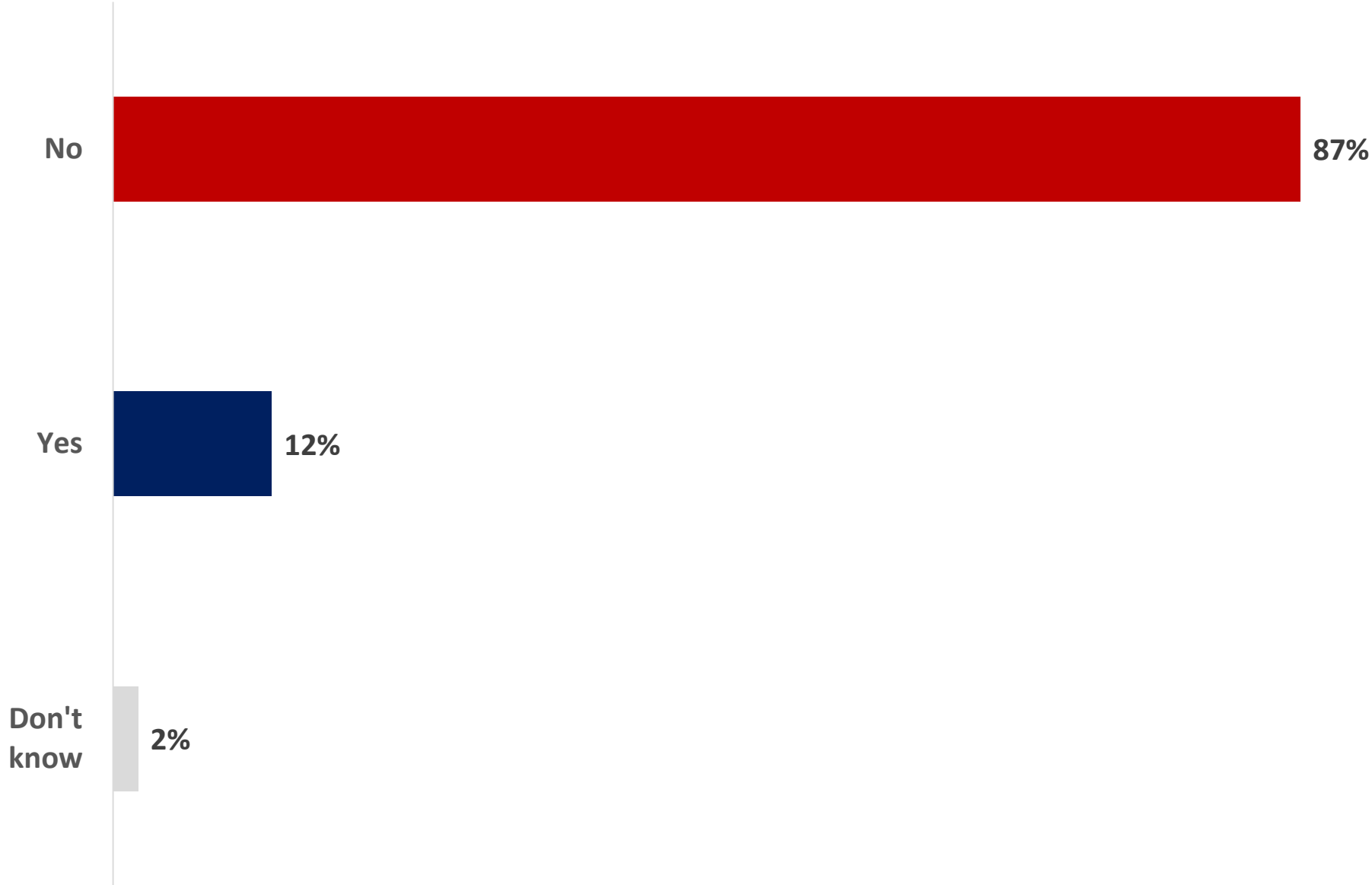
Do you intend to get a loan



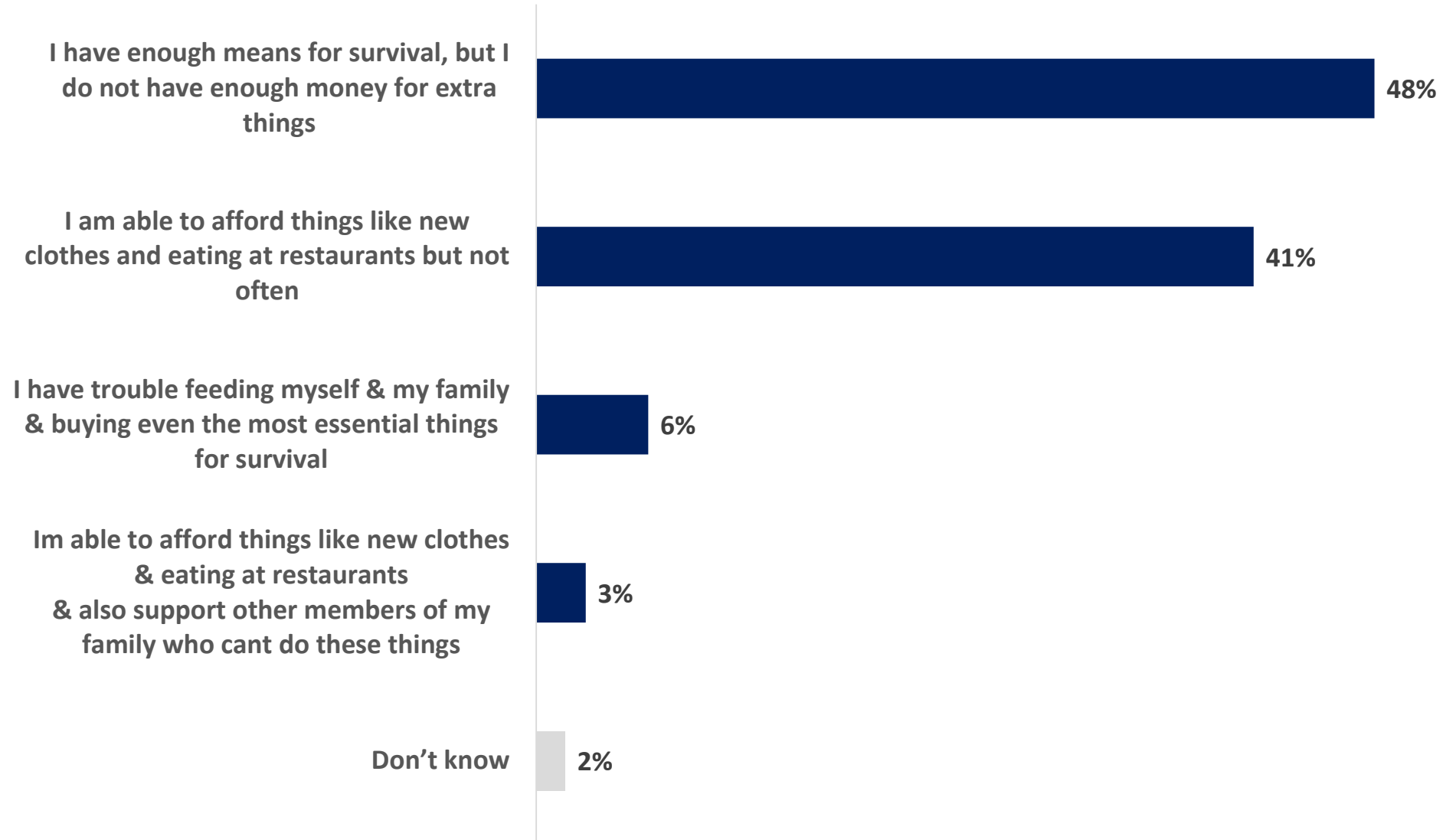
Given the economic situation, do you think that now is the time to save?



Are you able to save?



Which statement best describes your current economic situation?



Analysis: Lebanese Financial Situation

Lebanese financial capabilities

- **Two-thirds (66%)** of the survey sample said that it is the **wrong time to buy home appliances** such as home furnishing, TV, fridge, or any similar items and expected to buy fewer household appliances compared to the past 12 months.
- With regard to basic home appliances, the **majority are not willing to purchase any of the following** in the next 12 months:
 - Computer (94%)
 - Air conditioner (92%)
 - Washing machine (90%)
 - Refrigerator (91%)
 - TV (89%)
- An overwhelming **85%** of respondents are **not willing to buy a new car** in the next 12 months. And half of those who are willing to buy a car (**12%**) **will buy a used** one.
- The vast **majority (92%)** are **not willing to buy or build a house** in the next 12 months.
- Similarly, **91%** are **not intending to spend large sums on improving and renovating** their homes within the next 12 months
- Despite this, **91%** are **not planning to sell** any property they own.

Analysis: Lebanese Financial Situation

- The **overwhelming majority** of the survey participants are **neither considering investing in Lebanon (92%) nor outside Lebanon (96%)**.
- Nearly **one in ten (11%)** is intending to go on **vacation outside of Lebanon** in the coming 12 months.
- Overall, **more than half (53%)** of respondents **do not have any health coverage**.
- While nearly **half (47%)** have a health coverage as follows:
 - National Social Security Fund (58%)
 - Insurance company (28%)
 - Lebanese Army (8%)
 - State Cooperative Employees (4%)
 - Internal Security Forces/ Lebanese General Security / State Security (2%)
- The **vast majority (93%)** of the respondents **do not have a life insurance policy** and is not planning to get it. The **minority (7%)** who have it are **intending to renew it**.

Analysis: Lebanese Financial Situation

Banking information

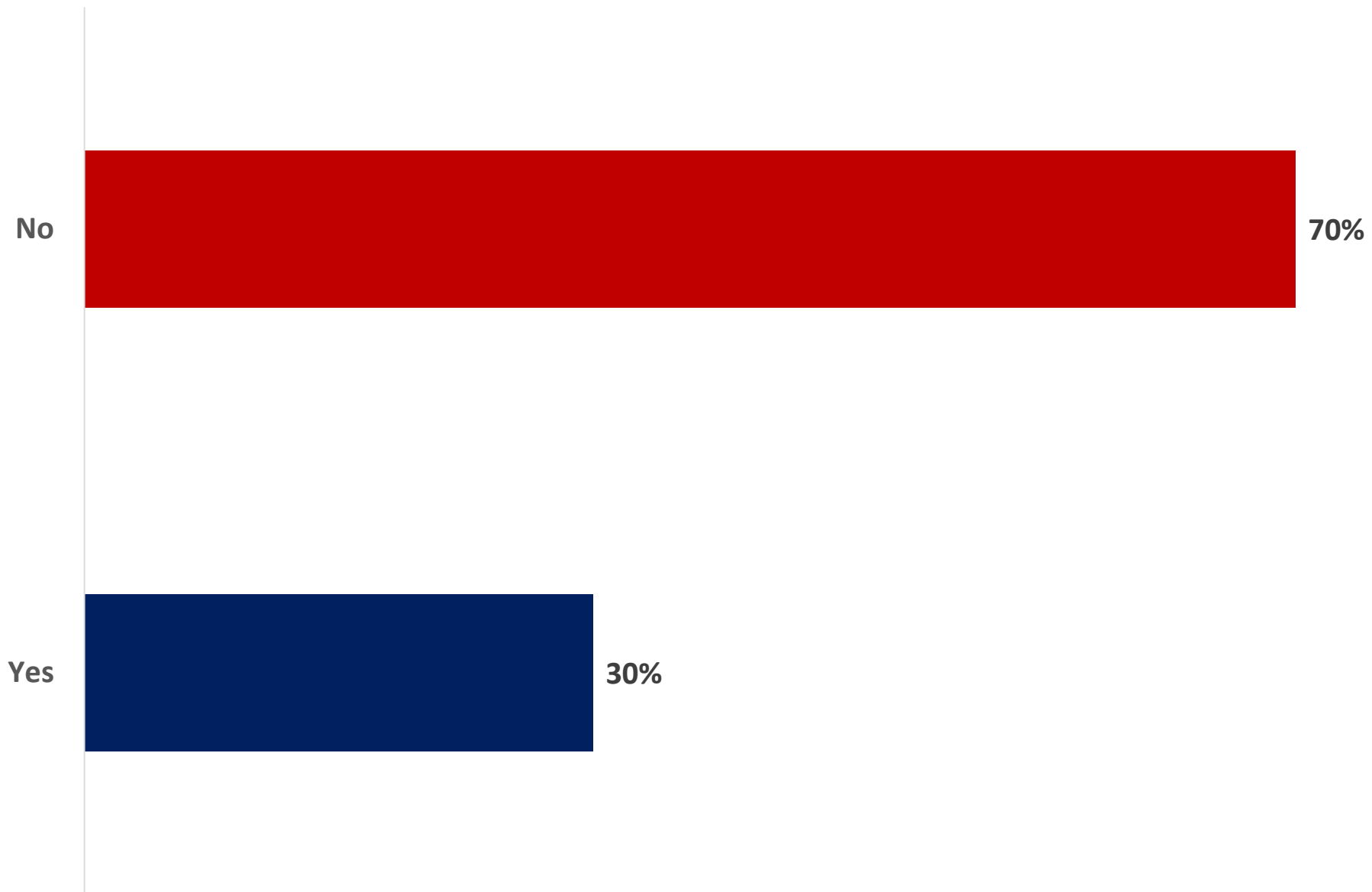
- **45%** of the respondents have a **bank account**, a higher percentage have a **credit card (57%)** and only 1% have a bank account outside Lebanon.
- The majority of the Lebanese respondents do not have the following loans:
 - None of the respondents have Eco-friendly product loan and Green loan.
 - Almost none have education loan (99%), Kafalat or SME loan.
 - 11% have a car loan and 9% have a housing loan.
- Nevertheless, nearly half (43%) have personal loans.
- The **vast majority** of the respondents **do not intend to get any type of loan.**

Analysis: Lebanese Financial Situation

- Given the economic situation, almost **three-quarters (73%)** of the respondents reported that **now is not the time to save** and only a **minority (16%)** said that now is the time to save. When asked if they are able to do that a higher percentage **(87%) reported that they are unable to save money** and only 12% are able to save.
- When respondents were asked about what best describes their economic situation; nearly **half (48%)** of the respondents reported **having enough means for survival, but not for extra things**, and **41% are able to afford** things like new clothes and eating at restaurants but not often. A **minority (3%)** are able to afford things like new clothes, eating at restaurants, and also **support other members of the family** who cant do these things.

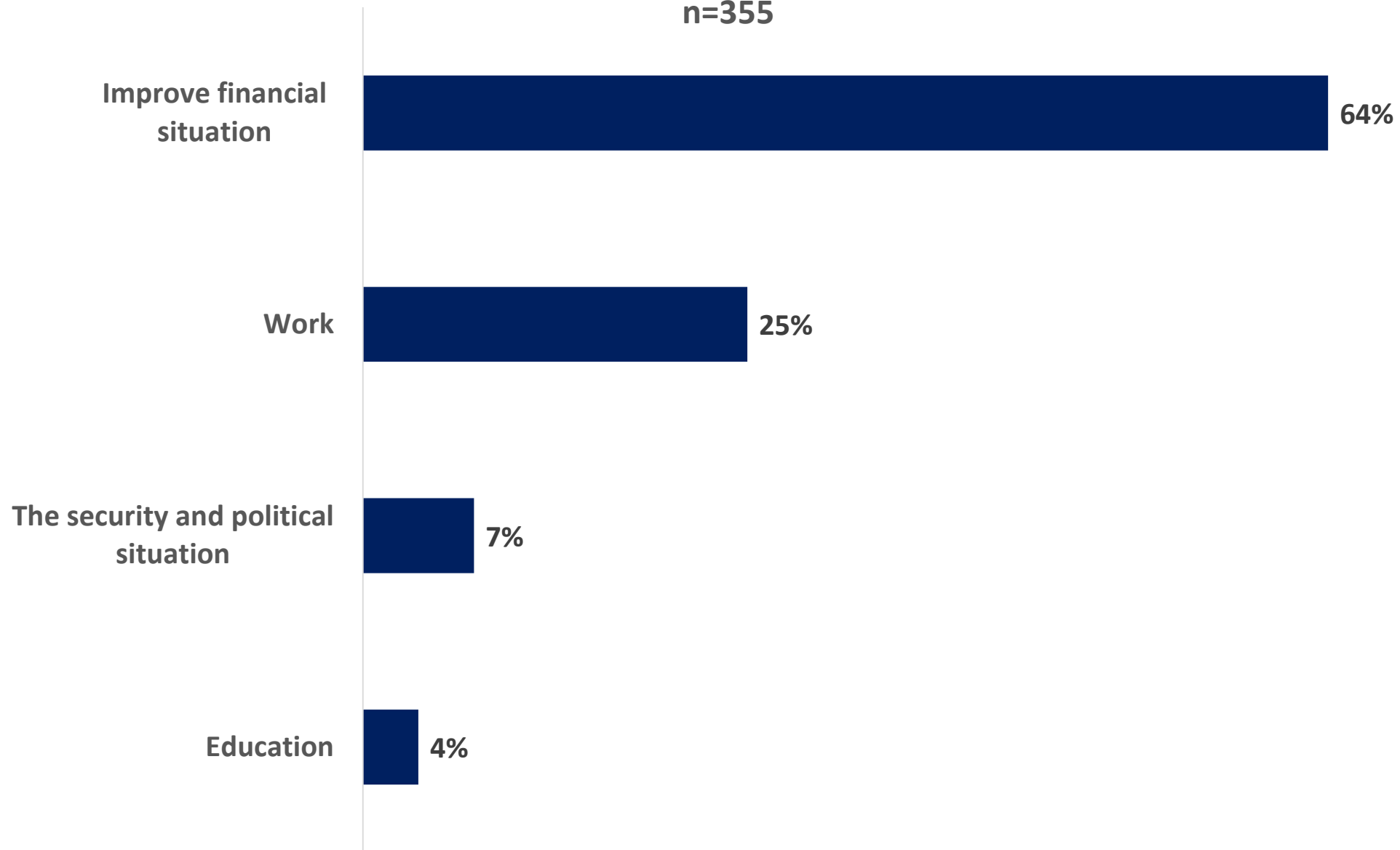
Lebanese and Emigration

Are you considering emigration?

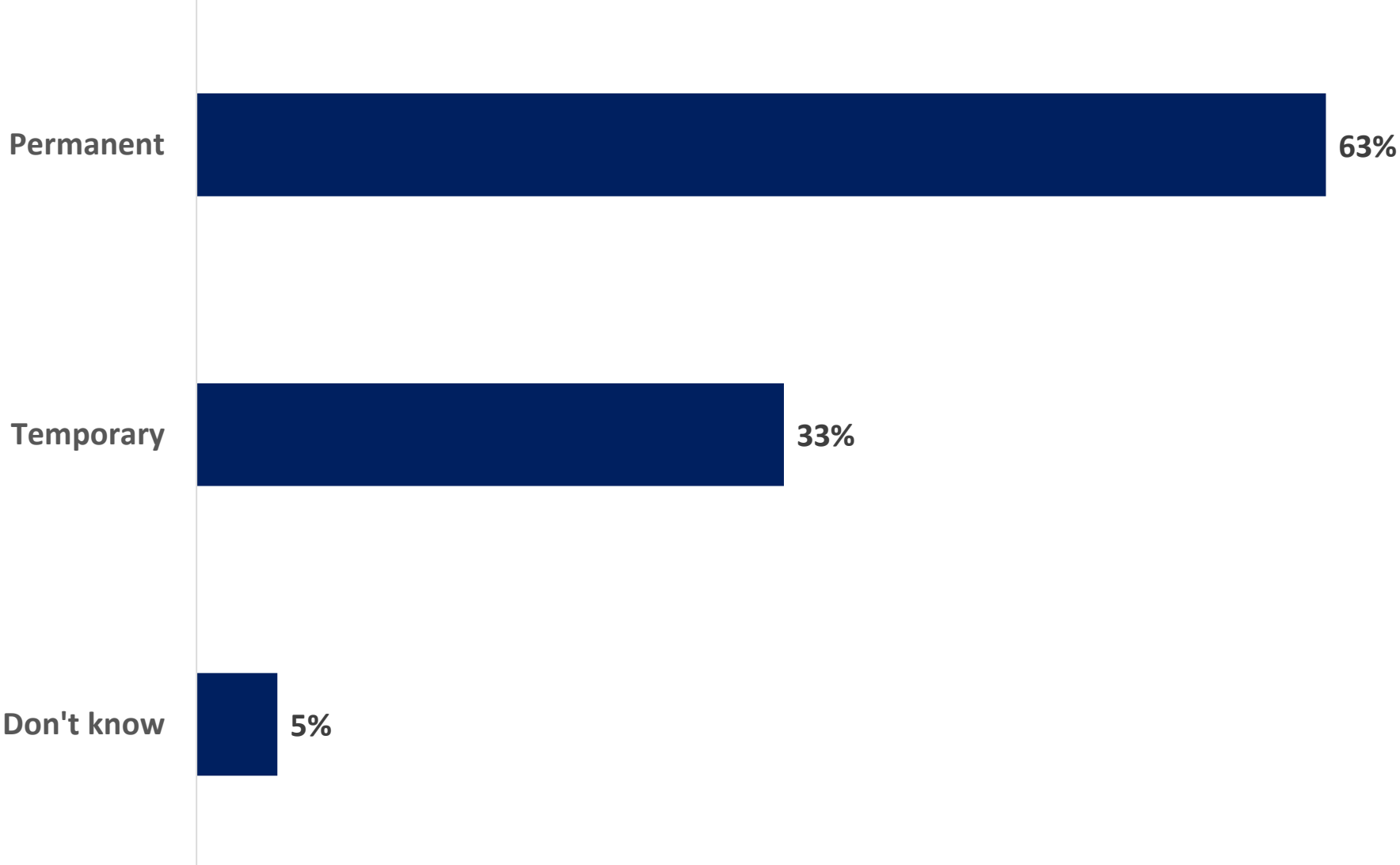


If the answer is "Yes", what prompts you to emigrate?

n=355



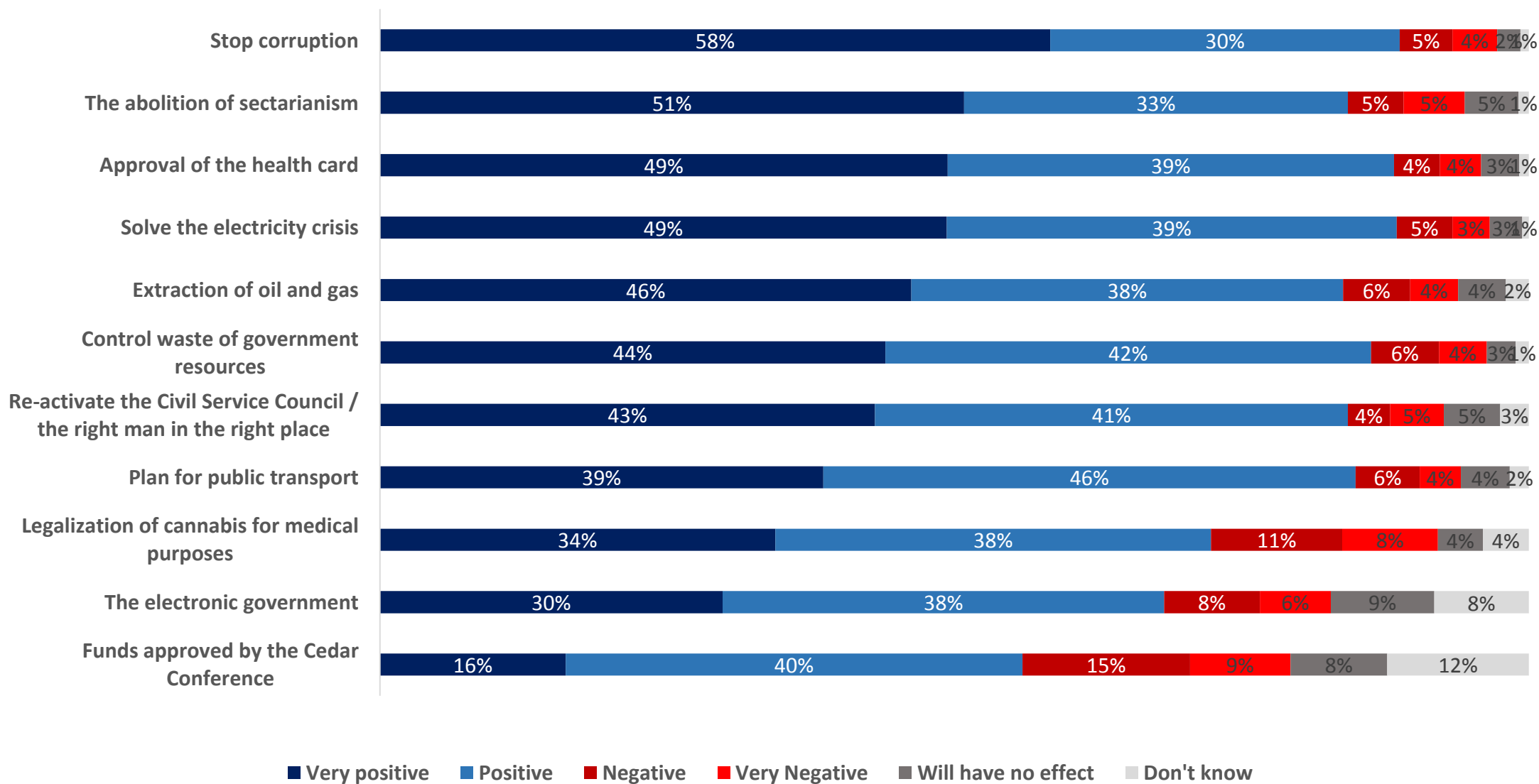
If yes, what type of emigration?
n=355



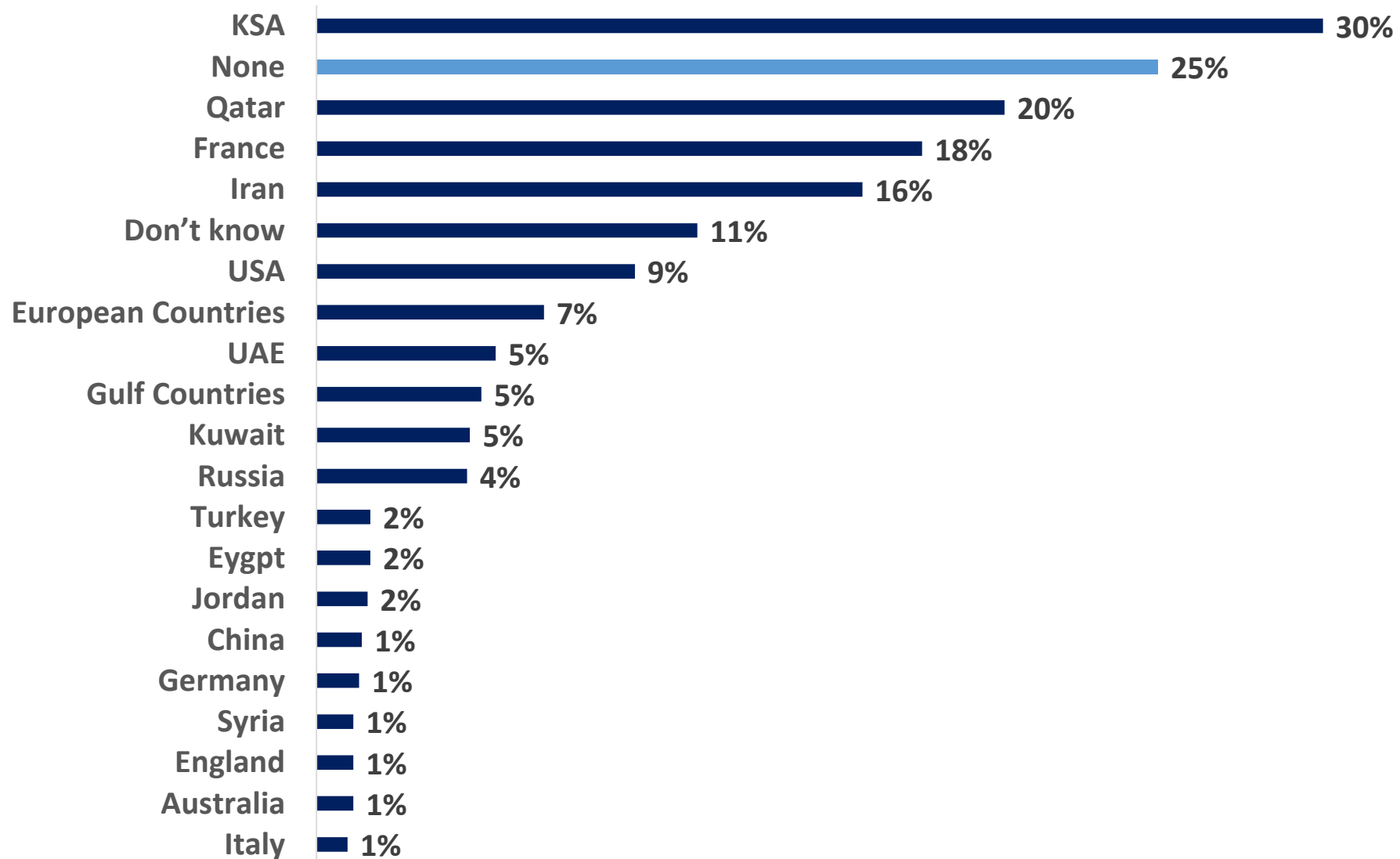
Analysis: Lebanese and Emigration

- In Lebanon, **three-in-ten (30%)** are **considering emigration** mainly to **improve their financial situation (64%)** or **seek employment(25%)**.
- **Majority of the respondents (63%)** who are considering emigration want to **permanently leave Lebanon** and **33%** are considering a **temporary emigration**.

In your opinion, how will each of the following affect the Lebanese economy?



In your opinion, which countries are helping Lebanon economically?



Conclusion

The results of this study show that the **major problem** facing the Lebanese today is the **economy** and specifically the **high cost of living**.

The sample mainly categorized the **economic situation** in Lebanon as **very bad** and said to have lower levels of trust in Lebanese Lira in the future. Participants also believed that **prices** for consumer goods as well as for the interest rate for loans **will increase** during the next 12 months.

Overall the Lebanese described their financial situation as **having enough for survival** but not for extra things since they are unable to save nor spend money on luxury/extra items. As a result of this, **more respondents** reported having a **credit card** than a **bank account**.

The vast majority of the respondents are **not incentivized to spend or invest**. Respondents are **not willing to spend money** on home appliances, renovation, new car or home, neither are they willing to invest inside or outside Lebanon. Only one in ten is intending to go on vacation abroad.

A considerable number of respondents reported **not having any health coverage** and the majority had **no life insurance** policy.

Conclusion

According to the respondents the Lebanese **economy can only be improved** by stopping **corruption**, solving the **electricity crisis**, approving the **health card**, controlling **waste of government resources**, planning a **public transport** system, abolition of **sectarianism**, extraction of **oil and gas**, re-activating the **Civil Service Council**, and **legalization of cannabis** for medical purposes.

In conclusion the current study shows that the majority of the Lebanese public are facing **challenging socio-economic conditions**.



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