

## Executive Summary

- The non-hydrocarbon sector drove real GDP growth in Q4-2016
- Nominal GDP in Q4 expanded on higher investment
- Qatar's population grew by 5.2% year on year in March
- Inflation decelerated to 0.7% year on year in February

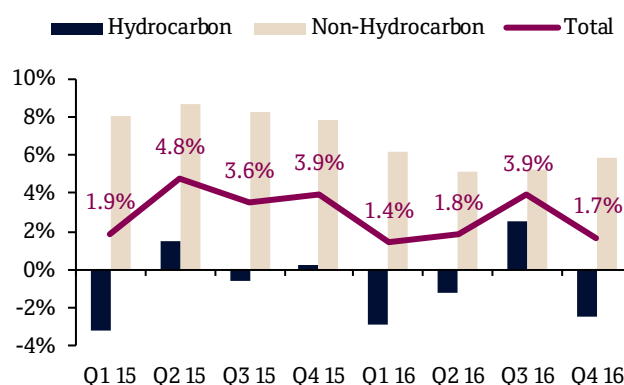
## The non-hydrocarbon sector drove real GDP growth in Q4-2016

*New Data*

- Real GDP growth slowed to 1.7% year on year in Q4 2016 while Q3 real GDP was revised upwards to 3.9% from 3.7% previously
- Growth in the non-hydrocarbon sector picked up to 5.9% year on year, while Q3 GDP was revised upwards to 5.3% from 4.7%; construction was the fastest growing sector in Q4, with growth at 17.3% year on year
- The hydrocarbon sector contracted by 2.5% year on year in Q4, following an expansion of 2.6% in Q3

## Real GDP growth by sector

(% change, year on year)



Sources: Ministry of Development Planning and Statistics (MDPS), Haver Analytics and QNB Economics

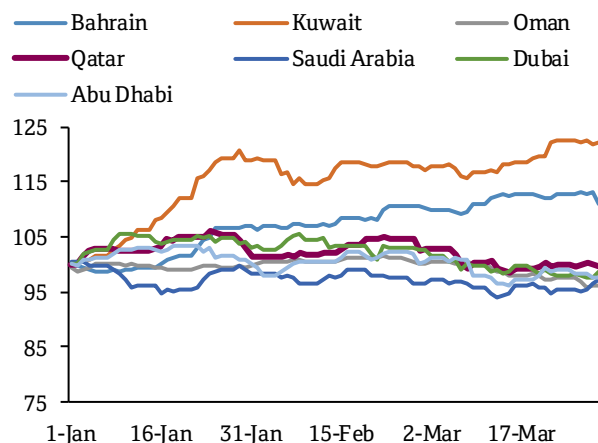
## GCC stock indices mostly fell in March

*New Data*

- March saw mostly weak performance across the GCC on concerns of oil price performance
- Kuwait has outperformed in the region, with gains of 3.6% over the month. This has reportedly been driven by large trades placed on a single stock which is typically illiquid. At the start of the year, Kuwait's stock market also performed well on expectation of market reforms which should improve market liquidity and reduce trading costs

## Stock market indices

(Index, rebased, 31 Dec 2016 = 100)

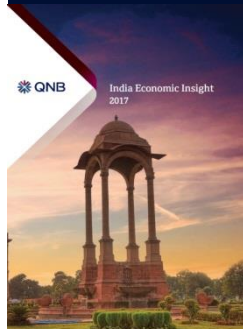


Sources: Bloomberg and QNB Economics

## QNB Economics Weekly Commentary

- [US growth robust despite delays to fiscal stimulus](#)
- [Is the EM capital flight crisis over?](#)
- [Euro Area growth to ease in 2017](#)
- [China growth targets imply more debt-fuelled fiscal stimulus](#)
- [Fed more likely to use rates than balance sheet to tighten policy](#)
- [Oil after OPEC — range-bound at USD55-60](#)
- [China chooses yuan stability over growth to stem outflows](#)

## India Economic Insight 2017



QNB Economics recently published the India Economic Insight 2017, providing an overview of the Indian economy, with in-depth analysis and forecasts. The report is available on the [QNB website](#) along with other published Economic Insight Reports.

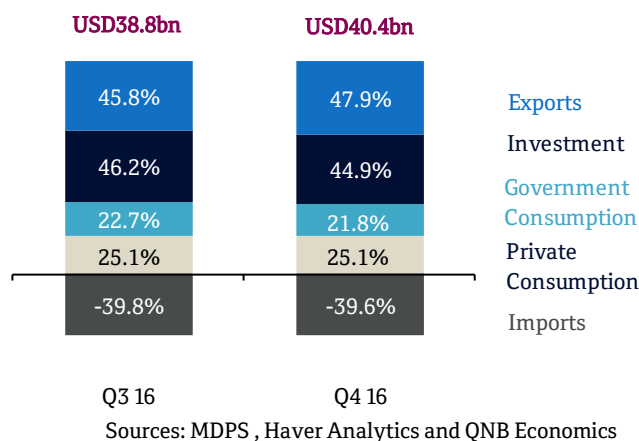
## Nominal GDP in Q4 expanded on higher investment

New Data

- Qatar's quarterly GDP expanded by 4.1% year on year to USD40.4bn in Q4 2016, while Q3 GDP was revised upwards to USD38.8bn from USD38.6bn previously
- Investment was the biggest contributor to GDP, with 11.8% growth year on year and an expanded share of 44.9% from 41.0% a year ago
- Net exports continue to fall on a year on year basis, although at a slowing pace; net exports fell 42.1% in Q4 compared to 71.4% in Q3; government and private consumption grew by 7.1% and 8.1%, respectively

### GDP by expenditure

(bn USD and share in total GDP)



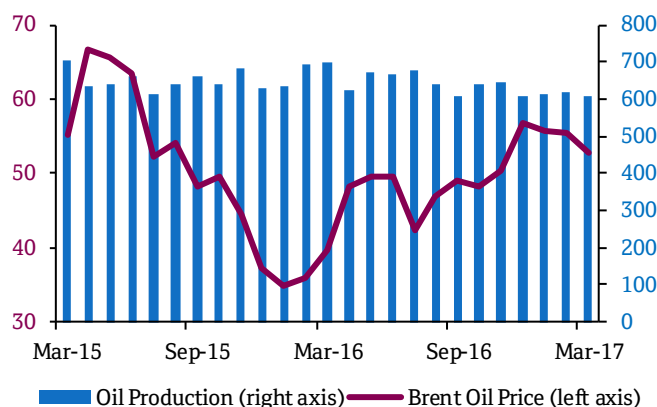
## Qatar oil production fell in March

New Data

- Oil production fell to 610k barrels per day (b/d) in March, from 620k b/d in February as Qatar continues to comply with OPEC production cuts
- Brent crude oil prices fell by 5.0% month on month in March, reaching USD52.8/b
- The fall in Brent reflects ongoing concern over rising US oil production
- We forecast Brent crude prices to be range bound in 2017 and fall between USD55-60/b

### Oil prices and production

(USD/b, left axis; Oil production (k b/d), right axis)



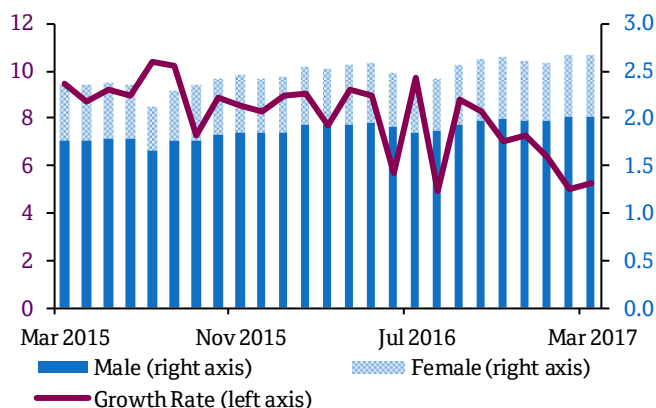
## Qatar's population grew by 5.2% year on year in March

New Data

- Qatar's population stood at 2.7m in March, with growth relatively steady at 5.2% from 5.0% the previous month
- The male and female populations rose by 4.8% and 6.6% year on year, respectively — women make up close to 25% of the population

### Population

(m, % year on year)



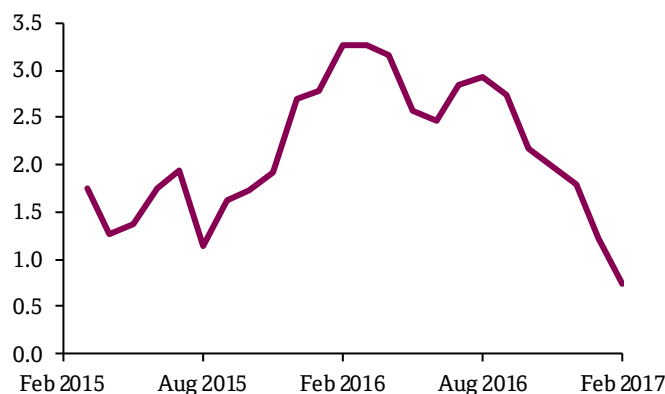
## Inflation decelerated to 0.7% year on year in February

**New Data**

- Consumer price index (CPI) inflation decelerated further to 0.7% in February from 1.2% the previous month as housing inflation, the biggest component of the CPI basket with close to 22% weighting, dipped into deflationary territory
- Food and beverages inflation has accelerated, although it is still in deflation (-0.5%)

### CPI Inflation

(% change, year on year)



Sources: MDPS, Haver Analytics and QNB Economics

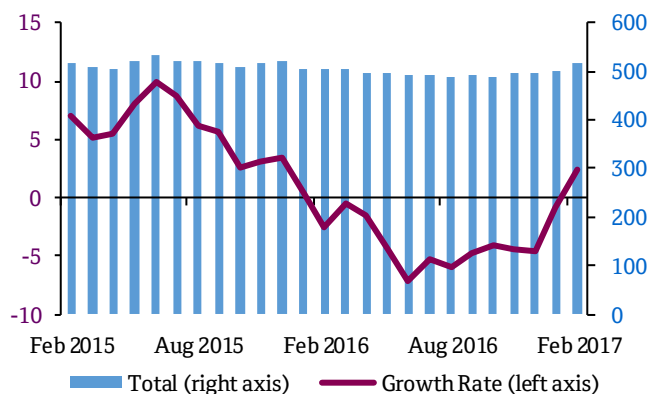
## Broad money grew by 2.5% year on year in February

**New Data**

- Broad money supply (M2) expanded for the first time in 12 months, growing 2.5% from -0.8% in January
- This was helped by a smaller than usual contraction in foreign currency deposits which fell by only 0.6% in February versus 10.8% year on year the previous month

### Broad money (M2)

(bn QAR, % year on year)



Sources: QCB, Haver Analytics and QNB Economics

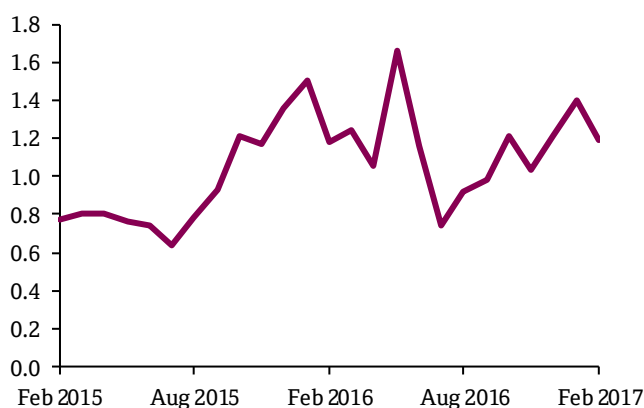
## Overnight interbank rates fell to 1.19% in February

**New Data**

- Overnight interbank rates fell to 1.19% February from 1.40% in January; the 3-month interbank rate stayed nearly flat at 1.65% while the 1-year interbank rate picked up to 2.25% from 2.15%
- The QCB hiked its policy lending and deposit rates in March, in line with the US Fed rate hike; the lending rate rose to 5.00% from 4.75% while the deposit rate rose to 1.25% from 1.00%. The QCB also reduced the cash reserve ratio to 4.50% from 4.75%

### Interbank interest rate: overnight

(%)



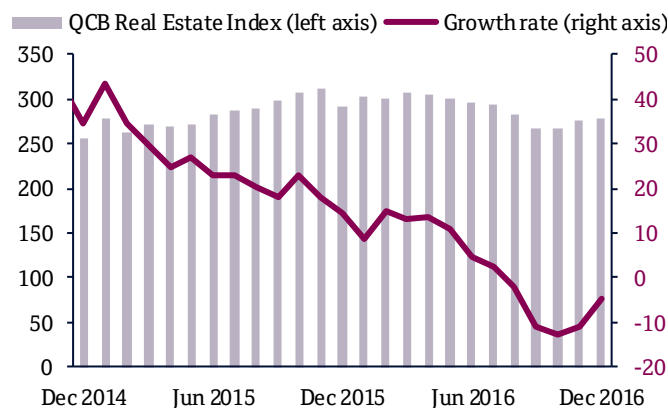
Sources: QCB, Haver Analytics and QNB Economics

## The real estate price index contracted by 4.5% year on year in December

- After bottoming out in September 2016, the real estate price index (REPI) picked up steadily, rising by 4.6% in the three months to December
- However, on a year-to-year basis, the index has contracted by 4.5% in December
- The REPI reflects the prices of land, residential and commercial transactions

### Real estate price index

(Index and % change year on year)



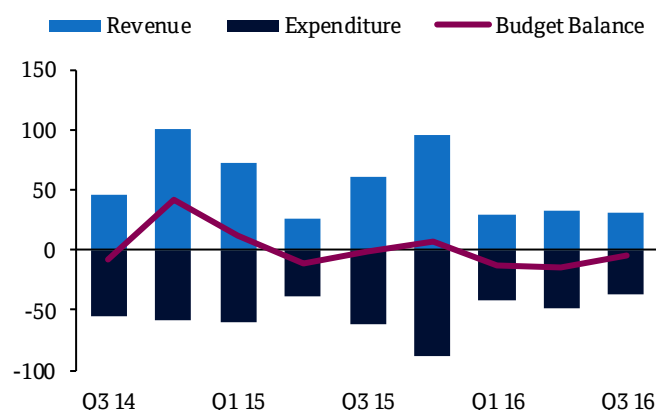
Sources: QCB, Haver Analytics and QNB Economics

## The fiscal deficit narrowed to 3.6% of GDP in Q3 2016

- The fiscal deficit narrowed sharply to QAR5.1bn (3.6% of GDP) in Q3 2016 from QAR15.2bn (11.3% of GDP) in Q2
- Revenue declined to QAR31.4bn in Q3 from QAR33.2bn in Q2, while expenditure fell to QAR36.5bn from QAR48.3bn
- The 2017 budget announced by the government projects a reduction in the fiscal deficit to QAR28.4bn in 2017 from a deficit of QAR46.5bn in 2016

### Budget balance

(bn QAR)



Sources: QCB, Haver Analytics and QNB Economics

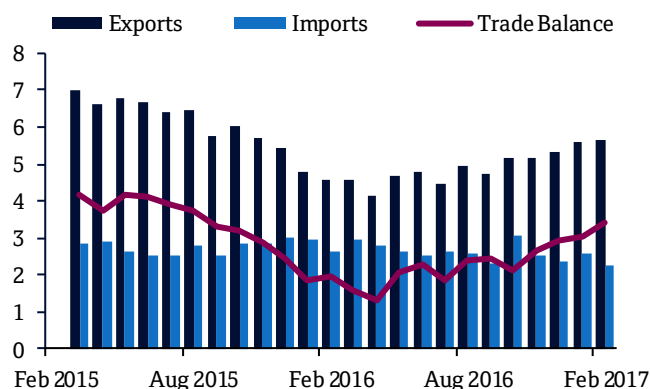
## The trade surplus grew to USD3.4bn in February

*New Data*

- Exports grew 22.5% year on year and 0.8% month on month to USD5.6bn, helped by the recovery in oil and gas prices; imports fell 15.4% year on year and 12.6% month on month
- Japan was the largest export market, with a share of 19.1% of total exports, followed by South Korea and India; China, the US and the UAE were the top three countries of origin for imports

### Trade balance

(bn USD)



Sources: MDPS, Haver Analytics and QNB Economics

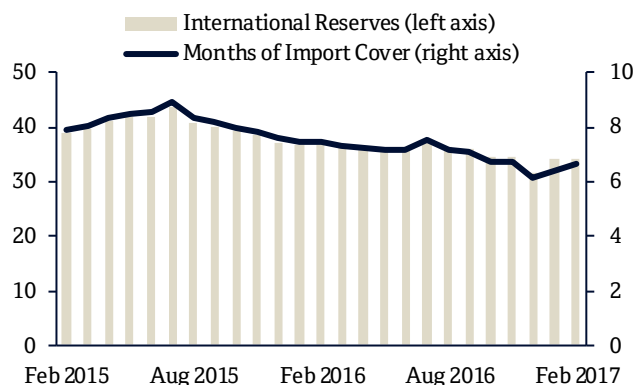
## International reserves were steady at USD34.2bn in February

**New Data**

- International reserves stood at USD34.2bn compared to USD34.1bn in January
- The current level of reserves is equivalent to 6.6 months of import cover, which is well above the IMF recommended minimum of three months for a fixed-exchange rate regime

### International reserves and months of import cover

(bn USD, left axis; Months of import cover, right axis)



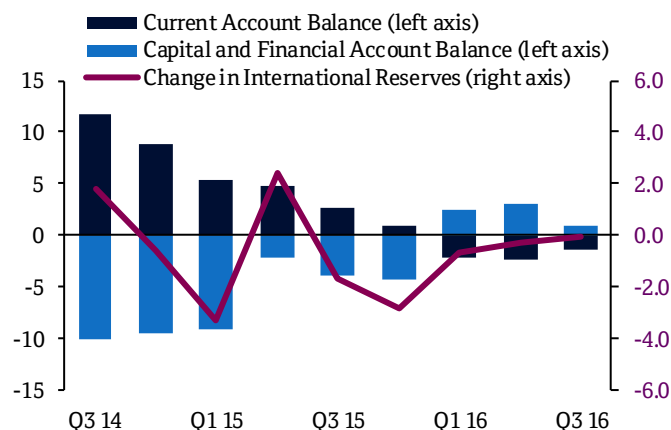
Sources: QCB, Haver Analytics and QNB Economics

## The balance of payments deficit narrowed to near balance in Q3 2016

- The balance of payments (BoP) deficit narrowed for the third consecutive quarter, reaching a deficit of USD0.1bn in Q3 2016 from a deficit of USD0.3bn in Q2 2016
- The improvement in the BoP was driven by a fall in the current account deficit to USD1.5bn from USD2.5bn; this compensated for weaker inflows into the capital account, which recorded a USD0.9bn surplus in Q3 compared to a surplus of USD3.0bn in Q2

### Balance of payments

(bn USD)



Sources: Qatar Central Bank (QCB), Haver Analytics and QNB Economics

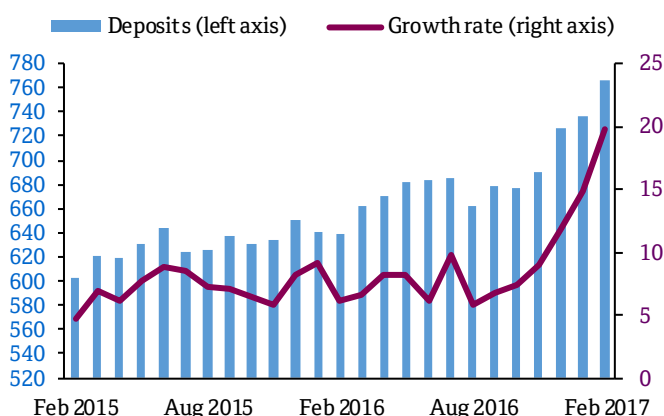
## Bank deposit growth accelerated to 19.8% in February

**New Data**

- Bank deposits grew 19.8% year on year in February from 14.8% growth in January
- The share of non-resident deposits to total deposits moderated to 25.8% from 27.1% the previous month
- Private sector deposit growth jumped to 10.6% year on year from 2.8% while the contraction in public sector deposits eased to -4.1% from -13.3%
- Non-resident deposits grew 101.4% as the banking sector continued to source foreign funds

### Bank deposits

(bn QAR and % change year on year)



Sources: QCB, Haver Analytics and QNB Economics

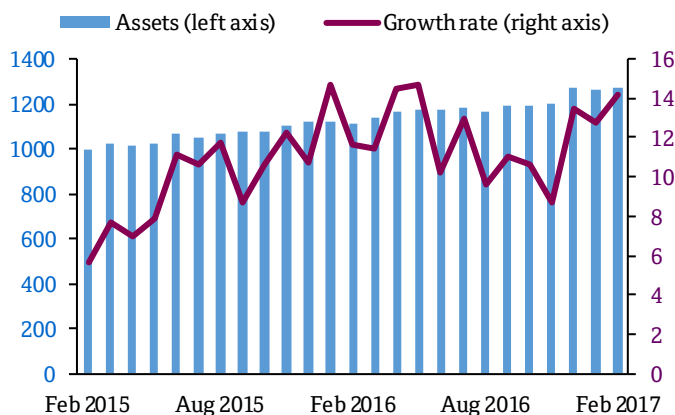
## Bank assets grew to QAR1.27tn in February

*New Data*

- Bank assets grew 14.2% year on year in February compared to 12.8% in January
- Domestic assets grew 12.1% year on year in February, from 12.8% in the previous month driven largely by growth in domestic credit

### Bank assets

(bn QAR and % change year on year)



Sources: QCB, Haver Analytics and QNB Economics

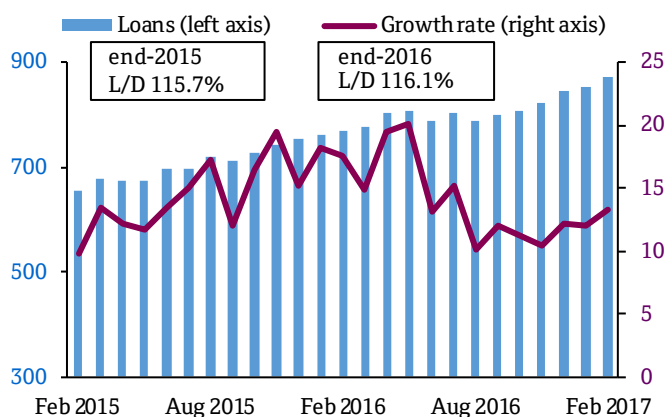
## Bank credit grew by 13.3% year on year in February

*New Data*

- Loan growth accelerated to 13.3% year on year in February from 12.1% in January
- Loans to the public sector (41.0% of total domestic credit) drove the headline, with growth of 26.5% year on year in February
- Private sector loans grew by 7.0% year on year while foreign credit grew by 6.5%

### Bank credit

(bn QAR and % change year on year)



\*L/D refers to the loans to deposits ratio

Sources: QCB, Haver Analytics and QNB Economics

**Main News**

- **Qatar within FTSE global equity index series –** As per announcement made by FTSE on March 1, 2017, “Treatment of Qatar within FTSE Global Equity Index Series”, 20 of the 22 companies selected in September 2016 will see their investibility weights double. The changes to the FTSE Secondary Emerging Market index will be effective from March 20, 2017 (QSE)
- **Real estate transactions stood at QR548mn in Qatar between March 5-9 –** The weekly bulletin released by the real estate registration department at the Ministry of Justice said that the types of real estate traded ranged from plots of land, houses to residential and commercial buildings, housing complexes and multi-purpose buildings (Gulf-Times.com)
- **The Qatar Financial Center (QFC) is aiming to account for at least 5% of the market capitalization of the Qatar Stock Exchange** through the listing of its entities on the local bourse. The QFC also plans to triple foreign direct investments flows from its registered firms to more than QR200bn in the next five years, according to its top official (Gulf-Times.com)
- **Qatar will double the supply of liquefied natural gas (LNG) to Poland** to 2mn tons per annum as part of efforts to strengthen the bilateral economic and trade relations between the two countries. Qatargas has signed a side agreement to the existing sale and purchase agreement (SPA) with Polish Oil and Gas Company (Gulf-Times.com)
- **Qatar Holding is selling as much as \$900mn in shares of Banco Santander’s Brazilian unit,** according to a prospectus to be filed. Qatar is offering 80mn units that are composed of one common share and one preferred share in Banco Santander and will be sold in an international sale being underwritten by banks including Credit Suisse Group and Bank of America’s Merrill Lynch unit, according to the prospectus (Gulf-Times.com)
- **Qatar plans to increase its investments in the UK by £5bn within the next five years,** deepening the countries’ trade ties as London prepares to quit the European Union. The plan will be carried out through the Qatar Investment Authority, the country’s sovereign wealth fund, and its subsidiaries, according to HE the Finance Minister Ali Sherif al-Emadi (Gulf-Times.com, Peninsula Qatar)
- **Qatar Investment Authority (QIA) will transfer oversight of its approximately \$100bn domestic portfolio to the country’s finance ministry** as the sovereign fund undergoes its second overhaul in three years, people with knowledge of the matter said (Gulf-Times.com)
- **Qatar Science and Technology Park (QSTP) has launched a Product Development Fund** as part of its mission to accelerate technology development and innovation within the private sector in Qatar (Gulf-Times.com)

## National Accounts

| Nominal GDP (QAR bn)                       | 2012         | 2013         | 2014         | 2015         | 2016         | Q4 2016      | YoY%        |
|--|--------------|--------------|--------------|--------------|--------------|--------------|-------------|
| <b>Total</b>                               | <b>680.1</b> | <b>723.4</b> | <b>750.7</b> | <b>599.3</b> | <b>555.0</b> | <b>147.1</b> | <b>2.1%</b> |
| Oil & Gas                                  | 394.7        | 403.0        | 394.2        | 231.3        | 168.3        | 46.4         | -6.4%       |
| Non-Oil                                    | 285.4        | 320.3        | 356.5        | 368.0        | 386.7        | 100.7        | 6.5%        |
| Agriculture and Fishing                    | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.3          | 2.8%        |
| Industry                                   | 104.9        | 116.1        | 129.5        | 119.3        | 119.7        | 31.0         | 7.0%        |
| Manufacturing                              | 71.6         | 73.8         | 76.1         | 58.1         | 50.2         | 13.1         | -0.4%       |
| Electricity, Gas and Water                 | 2.4          | 3.0          | 3.3          | 3.5          | 3.6          | 0.8          | -0.2%       |
| Construction                               | 30.9         | 39.3         | 50.0         | 57.8         | 65.9         | 17.0         | 14.0%       |
| Services                                   | 193.7        | 219.3        | 246.6        | 270.4        | 290.4        | 76.0         | 6.4%        |
| Trade, Restaurants and Hotels <sup>1</sup> | 46.3         | 54.7         | 61.7         | 67.7         | 71.2         | 19.3         | 4.7%        |
| Transport and Communications               | 22.0         | 23.0         | 25.1         | 26.8         | 28.0         | 7.0          | 3.7%        |
| Finance and Real Estate                    | 61.2         | 67.3         | 78.3         | 87.6         | 95.9         | 25.4         | 7.7%        |
| Government Services <sup>2</sup>           | 47.7         | 55.3         | 61.0         | 65.7         | 71.0         | 18.0         | 6.9%        |
| Other Services <sup>3</sup>                | 14.3         | 16.3         | 17.3         | 19.1         | 20.6         | 5.3          | 8.0%        |
| Household Services                         | 2.3          | 2.7          | 3.2          | 3.5          | 3.8          | 1.0          | 7.6%        |
| Imputed Bank Service Charges               | -17.2        | -19.0        | -22.8        | -24.5        | -26.1        | -6.8         | 5.3%        |
| Import Duties                              | 3.3          | 3.2          | 2.3          | 1.8          | 1.6          | 0.4          | -18.1%      |

1. Includes: Trade, accommodation and recreation

2. Includes: Human Health and social work activities, education and public administration

3. Includes: Professional, scientific and technical activities

Source: MDPS and Haver Analytics

Note: Numbers in red indicate new data

MDPS revised historical National Accounts data in August 2016, affecting historical data going back to 2011

| Real GDP (% change, YoY)      | 2012        | 2013        | 2014        | 2015        | 2016        | Q3 2016     | Q4 2016     |
|-------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>Total</b>                  | <b>4.7%</b> | <b>4.4%</b> | <b>4.0%</b> | <b>3.6%</b> | <b>2.2%</b> | <b>3.9%</b> | <b>1.7%</b> |
| Oil & Gas                     | 1.2%        | 0.1%        | -0.6%       | -0.5%       | -1.0%       | 2.6%        | -2.5%       |
| Non-Oil                       | 9.9%        | 10.4%       | 9.8%        | 8.2%        | 5.6%        | 5.3%        | 5.9%        |
| Agriculture and Fishing       | 4.6%        | 5.9%        | 25.0%       | 8.5%        | 8.1%        | 7.9%        | 7.5%        |
| Industry                      | 11.3%       | 10.5%       | 10.7%       | 8.9%        | 5.8%        | 5.9%        | 7.4%        |
| Manufacturing                 | 11.5%       | 5.5%        | 4.2%        | 3.3%        | -1.0%       | -1.2%       | 0.2%        |
| Electricity, Gas and Water    | 47.5%       | 11.9%       | 11.1%       | 7.0%        | 4.1%        | 3.7%        | 2.1%        |
| Construction                  | 8.8%        | 21.2%       | 22.8%       | 17.8%       | 15.4%       | 15.9%       | 17.3%       |
| Services                      | 8.9%        | 11.5%       | 10.4%       | 8.2%        | 5.9%        | 5.2%        | 5.5%        |
| Trade, Restaurants and Hotels | 8.8%        | 14.8%       | 12.1%       | 8.2%        | 4.0%        | 3.5%        | 3.7%        |
| Transport and Communications  | 3.6%        | 3.7%        | 9.3%        | 4.6%        | 4.6%        | 4.4%        | 3.4%        |
| Finance and Real Estate       | 10.2%       | 10.9%       | 11.9%       | 10.4%       | 7.5%        | 6.4%        | 7.2%        |
| Government Services           | 10.3%       | 13.9%       | 8.7%        | 6.7%        | 6.3%        | 6.0%        | 5.9%        |
| Other Services                | 8.1%        | 6.7%        | 5.5%        | 8.7%        | 5.7%        | 5.6%        | 6.1%        |
| Household Services            | 6.0%        | 10.3%       | 9.2%        | 8.9%        | 5.8%        | 3.5%        | 4.9%        |
| Imputed Bank Service Charges  | 8.1%        | 22.0%       | 16.2%       | 8.7%        | 8.4%        | 7.1%        | 8.4%        |
| Import Duties                 | 19.9%       | 0.0%        | -28.0%      | -23.2%      | -11.1%      | -14.0%      | -19.9%      |

Source: MDPS and Haver Analytics



## Balance of Payments

| Balance of Payments (USD bn)                   | 2012         | 2013         | 2014         | 2015         | Q3 16       |
|--|--------------|--------------|--------------|--------------|-------------|
| <b>Current Account Balance</b>                 | <b>62.0</b>  | <b>60.5</b>  | <b>49.4</b>  | <b>13.8</b>  | <b>-1.5</b> |
| Trade Balance (Goods)                          | 102.2        | 101.9        | 95.6         | 48.8         | 7.0         |
| Exports  | 133.0        | 133.3        | 126.7        | 77.3         | 14.6        |
| Imports  | -30.8        | -31.5        | -31.1        | -28.5        | -7.5        |
| Service Balance                                | -14.0        | -16.3        | -19.3        | -15.8        | -4.3        |
| Income Balance                                 | -12.1        | -10.4        | -9.3         | -3.6         | -0.4        |
| Transfer Balance                               | -14.1        | -14.7        | -17.5        | -15.7        | -3.8        |
| <b>Capital &amp; Financial Account Balance</b> | <b>-44.4</b> | <b>-52.1</b> | <b>-49.2</b> | <b>-19.7</b> | <b>0.9</b>  |
| Capital Account                                | -6.1         | -4.8         | -5.5         | -0.7         | -0.1        |
| Financial Account                              | -38.3        | -47.4        | -43.6        | -18.9        | 1.0         |
| Direct Investment (outwards)                   | -1.8         | -8.0         | -6.7         | -4.0         | 0.5         |
| Direct Investment (into Qatar)                 | 0.4          | -0.8         | 1.0          | 1.1          | 0.3         |
| Portfolio investment (net)                     | 2.8          | -18.3        | -19.9        | -16.5        | 0.8         |

Sources: QCB and Haver Analytics; Note: Not all Balance of Payment lines are shown in the table

| Top 5 Export Destinations (USD bn) | 2012 | 2013 | 2014 | 2015 | 2016 |
|------------------------------------|------|------|------|------|------|
| Japan                              | 36.9 | 39.9 | 33.2 | 16.0 | 10.9 |
| Korea                              | 24.7 | 24.6 | 24.7 | 13.5 | 8.5  |
| India                              | 14.6 | 13.8 | 16.0 | 9.2  | 7.1  |
| China                              | 6.8  | 8.5  | 9.5  | 5.3  | 4.5  |
| United Arab Emirates               | 5.9  | 5.1  | 5.4  | 4.3  | 3.1  |

| Top 5 Import Sources (USD bn) | 2012 | 2013 | 2014 | 2015 | 2016 |
|-------------------------------|------|------|------|------|------|
| United States of America      | 2.8  | 3.2  | 3.5  | 3.6  | 4.1  |
| Germany                       | 1.7  | 1.8  | 2.2  | 2.4  | 2.9  |
| United Arab Emirates          | 2.0  | 1.9  | 2.5  | 2.9  | 2.7  |
| China                         | 2.5  | 2.7  | 3.2  | 3.8  | 2.6  |
| Japan                         | 2.1  | 1.9  | 2.0  | 2.1  | 2.1  |

Source: IMF Direction of Trade Statistics, MDPS and Haver Analytics

|                           | 2012  | 2013  | 2014  | 2015  | 2016  | Mar-17 | MoM%  | YoY%   |
|---------------------------|-------|-------|-------|-------|-------|--------|-------|--------|
| Oil production ('000 bpd) | 733.4 | 733.7 | 723.9 | 709.2 | 656.0 | 610.0  | -1.6% | -12.7% |
| Brent Crude (avg)         | 111.7 | 108.8 | 99.5  | 53.6  | 45.0  | 52.5   | -6.2% | 32.0%  |
| Qatar average price*      | 108.6 | 111.2 | 104.5 | 97.5  | 50.6  | 54.6   | 0.1%  | 70.6%  |
| Dukhan*                   | 109.7 | 111.8 | 101.8 | 98.5  | 51.7  | 55.2   | 1.2%  | 72.5%  |
| Marine*                   | 107.5 | 110.6 | 107.1 | 96.6  | 49.5  | 54.0   | 1.3%  | 88.8%  |

\*Data as of February 2017

Source: Bloomberg, Intercontinental Exchange, JODI and Haver Analytics

## Budget, Population & Money

| Government Budget (% of GDP) | 2012 | 2013 | 2014 | 2015 | Q1 2016 | Q2 2016 | Q3 2016 |
|------------------------------|------|------|------|------|---------|---------|---------|
| Balance                      | 13.8 | 19.3 | 12.3 | 1.2  | -9.9    | -11.3   | -3.6%   |
| Revenue                      | 37.0 | 47.6 | 45.7 | 42.7 | 22.0    | 24.6    | 22.4%   |
| Expenditure                  | 23.3 | 28.3 | 33.4 | 41.5 | 31.9    | 35.9    | 26.0%   |

| Population (m people in Qatar) | 2013 | 2014 | 2015 | Mar-17 | MoM%  | YoY% |
|--------------------------------|------|------|------|--------|-------|------|
| Total                          | 2.00 | 2.22 | 2.44 | 2.66   | -0.5% | 5.2% |

Source: MDPS and Haver Analytics; Monthly data based on number of people in Qatar and annual data based on residency

| Money Supply (% change, YoY) | 2013  | 2014  | 2015 | 2016  | Feb-17 |
|------------------------------|-------|-------|------|-------|--------|
| Broad money (M2)             | 19.6% | 10.6% | 3.4% | -4.6% | 2.5%   |
| M1                           | 16.5% | 17.3% | 2.1% | 1.1%  | 0.4%   |
| Quasi-money                  | 20.6% | 8.6%  | 3.9% | -6.4% | 3.2%   |

| Interest rates (% end period) | 2013 | 2014 | 2015 | 2016  | Mar-17 |
|-------------------------------|------|------|------|-------|--------|
| QCB deposit                   | 0.75 | 0.75 | 0.75 | 1.00  | 1.25   |
| QCB lending                   | 4.50 | 4.50 | 4.50 | 4.75  | 5.00   |
| Interbank overnight*          | 0.77 | 0.65 | 0.90 | 1.16  | 1.19   |
| Demand deposit*               | 0.66 | 0.56 | 0.33 | 0.20  | 0.35   |
| Overdraft*                    | 6.20 | 5.50 | 5.61 | 4.97  | 4.22   |
| Credit card*                  | 8.36 | 8.86 | 9.37 | 10.66 | 10.23  |

\* Data as of February 2017

Source: QCB and Haver Analytics

## Banking Sector Snapshot

### Banking Sector Indicator

| (In QR mn)   | 2012    | 2013    | 2014      | Dec-15    | Jul-16    | Aug-16    | Sep-16    | Oct-16    | Nov-16    | Dec-16    | Jan-17    | Feb-17    | Change MoM | Change YTD |
|--|---------|---------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|------------|
| <b>Total Assets</b>                                | 820,512 | 915,911 | 1,011,702 | 1,120,739 | 1,183,070 | 1,169,431 | 1,194,233 | 1,192,320 | 1,202,214 | 1,271,766 | 1,261,940 | 1,273,729 | 0.9%       | 14.2%      |
| <b>Total Credit (Loans)</b>                        | 510,048 | 577,976 | 653,418   | 752,630   | 803,505   | 790,026   | 798,502   | 807,884   | 821,051   | 844,011   | 854,080   | 872,980   | 2.2%       | 13.3%      |
| <b>Total Deposits</b>                              | 458,066 | 548,384 | 601,074   | 650,261   | 685,012   | 661,640   | 679,095   | 676,873   | 690,846   | 726,880   | 736,028   | 765,795   | 4.0%       | 19.8%      |
| <b>Loan to Deposit Ratio</b>                       | 111%    | 105%    | 109%      | 116%      | 117%      | 119%      | 118%      | 119%      | 119%      | 116%      | 116%      | 114%      |            |            |
| <b>Credit Facilities (Geographic)</b>              |         |         |           |           |           |           |           |           |           |           |           |           |            |            |
| <b>Total Domestic Credit</b>                       | 478,305 | 535,657 | 589,739   | 664,700   | 717,173   | 703,390   | 712,408   | 713,453   | 727,053   | 748,647   | 757,654   | 778,064   | 2.7%       | 14.2%      |
| <b>Total International Credit</b>                  | 31,743  | 42,319  | 63,679    | 87,930    | 86,332    | 86,636    | 86,094    | 94,431    | 93,997    | 95,364    | 96,426    | 94,916    | -1.6%      | 6.5%       |
| <b>Domestic Credit Facilities - Public Sector</b>  |         |         |           |           |           |           |           |           |           |           |           |           |            |            |
| <b>Government</b>                                  | 51,746  | 56,549  | 64,737    | 76,822    | 115,424   | 99,961    | 104,793   | 110,329   | 124,246   | 138,683   | 147,654   | 165,548   | 12.1%      | 79.0%      |
| <b>Government Institutions</b>                     | 139,585 | 152,516 | 140,427   | 140,148   | 139,367   | 139,418   | 140,375   | 141,817   | 140,110   | 139,386   | 139,807   | 140,120   | 0.2%       | 1.0%       |
| <b>Semi-Government Institutions</b>                | 27,222  | 30,679  | 28,400    | 21,312    | 21,927    | 21,886    | 21,853    | 12,948    | 12,879    | 15,806    | 13,289    | 13,275    | -0.1%      | -36.5%     |
| <b>Total Domestic Public Sector Credit</b>         | 218,553 | 239,745 | 233,564   | 238,282   | 276,718   | 261,264   | 267,021   | 265,093   | 277,235   | 293,876   | 300,750   | 318,942   | 6.0%       | 26.5%      |
| <b>Domestic Credit Facilities - Private Sector</b> |         |         |           |           |           |           |           |           |           |           |           |           |            |            |
| <b>General Trade</b>                               | 33,280  | 36,011  | 48,257    | 59,147    | 60,440    | 61,467    | 62,049    | 64,001    | 64,450    | 64,673    | 63,940    | 61,048    | -4.5%      | 13.0%      |
| <b>Industry</b>                                    | 9,339   | 11,592  | 12,253    | 17,207    | 15,695    | 15,792    | 16,236    | 16,166    | 16,283    | 18,113    | 16,103    | 16,203    | 0.6%       | 12.1%      |
| <b>Contractors</b>                                 | 16,546  | 23,331  | 30,367    | 37,544    | 37,139    | 37,643    | 38,183    | 38,743    | 38,600    | 38,156    | 37,528    | 38,165    | 1.7%       | 1.9%       |
| <b>Real Estate</b>                                 | 85,562  | 85,388  | 95,142    | 121,214   | 124,850   | 125,187   | 126,188   | 126,654   | 129,115   | 130,490   | 130,720   | 132,446   | 1.3%       | 4.7%       |
| <b>Consumption &amp; Others</b>                    | 78,587  | 87,020  | 106,363   | 123,599   | 121,657   | 122,799   | 123,605   | 124,504   | 126,358   | 129,882   | 133,487   | 132,736   | -0.8%      | 9.7%       |
| <b>Services</b>                                    | 36,438  | 52,570  | 63,792    | 67,707    | 80,675    | 79,238    | 79,127    | 78,292    | 75,012    | 73,457    | 75,126    | 78,523    | 4.5%       | 3.7%       |
| <b>Total Domestic Private Sector Credit</b>        | 259,752 | 295,912 | 356,175   | 426,418   | 440,456   | 442,126   | 445,387   | 448,360   | 449,818   | 454,771   | 456,903   | 459,122   | 0.5%       | 7.0%       |
| <b>Deposit Details (Geographic)</b>                |         |         |           |           |           |           |           |           |           |           |           |           |            |            |
| <b>Resident Deposits</b>                           | 417,337 | 514,804 | 552,955   | 563,629   | 546,925   | 524,152   | 532,600   | 527,935   | 530,940   | 543,656   | 536,838   | 568,364   | 5.9%       | 5.0%       |
| <b>Non-resident Deposits</b>                       | 40,729  | 33,579  | 48,119    | 86,632    | 138,087   | 137,488   | 146,496   | 148,937   | 159,906   | 183,224   | 199,190   | 197,432   | -0.9%      | 101.4%     |
| <b>Deposits - Public Sector (Domestic)</b>         |         |         |           |           |           |           |           |           |           |           |           |           |            |            |
| <b>Government</b>                                  | 44,445  | 68,294  | 59,252    | 53,278    | 66,274    | 46,400    | 50,568    | 50,288    | 46,467    | 58,055    | 47,627    | 62,619    | 31.5%      | 32.1%      |
| <b>Government Institutions</b>                     | 104,378 | 124,390 | 129,609   | 116,896   | 93,897    | 92,502    | 91,881    | 91,385    | 95,184    | 93,319    | 87,074    | 96,570    | 10.9%      | -14.4%     |
| <b>Semi Government Institutions</b>                | 31,906  | 37,447  | 39,275    | 38,931    | 34,336    | 35,229    | 37,289    | 36,184    | 36,186    | 34,546    | 34,541    | 36,587    | 5.9%       | -16.8%     |
| <b>Total Public Sector Deposit</b>                 | 180,729 | 230,131 | 228,136   | 209,106   | 194,507   | 174,131   | 179,738   | 177,857   | 177,837   | 185,920   | 169,242   | 195,776   | 15.7%      | -4.1%      |
| <b>Deposits - Private Sector (Domestic)</b>        |         |         |           |           |           |           |           |           |           |           |           |           |            |            |
| <b>Personal</b>                                    | 116,257 | 145,841 | 162,251   | 148,439   | 161,573   | 160,203   | 160,483   | 160,023   | 159,236   | 161,083   | 165,035   | 168,091   | 1.9%       | 7.1%       |
| <b>Companies &amp; Institutions</b>                | 120,350 | 138,833 | 162,567   | 206,084   | 190,846   | 189,818   | 192,378   | 190,056   | 193,868   | 196,653   | 202,562   | 204,497   | 1.0%       | 13.6%      |
| <b>Total Private Sector Deposit</b>                | 236,607 | 284,673 | 324,819   | 354,523   | 352,419   | 350,021   | 352,862   | 350,078   | 353,104   | 357,736   | 367,596   | 372,588   | 1.4%       | 10.6%      |

Source: QCB

| Company Name                          | Price April 05 | % Change WTD | % Change YTD | Market Cap. QR Million | TTM P/E | P/B | Div. Yield |
|---------------------------------------|----------------|--------------|--------------|------------------------|---------|-----|------------|
| Qatar National Bank                   | 146.10         | (0.61)       | (1.34)       | 134,944                | 11.1    | 2.5 | 2.2        |
| Qatar Islamic Bank                    | 102.30         | 0.39         | (1.54)       | 24,173                 | 11.9    | 1.7 | 4.6        |
| Commercial Bank of Qatar              | 33.95          | (0.15)       | 4.46         | 13,086                 | 41.3    | 0.7 | 8.5        |
| Doha Bank                             | 31.40          | (0.16)       | (6.82)       | 8,113                  | 10.1    | 0.9 | 9.2        |
| Al Ahli Bank                          | 34.00          | (2.86)       | (8.46)       | 6,812                  | 10.8    | 1.6 | 2.8        |
| Qatar International Islamic Bank      | 68.50          | 0.74         | 9.08         | 10,369                 | 13.2    | 1.6 | 5.8        |
| Masraf Al Rayan                       | 42.15          | (3.55)       | 12.10        | 31,613                 | 15.3    | 2.5 | 4.2        |
| Al Khalij Commercial Bank             | 14.60          | 0.00         | (14.12)      | 5,256                  | 12.3    | 0.7 | 5.1        |
| Qatar First Bank                      | 8.63           | 0.94         | (16.21)      | 1,726                  | N/A     | 1.0 | N/A        |
| National Leasing                      | 19.05          | 5.37         | 24.35        | 943                    | 187.0   | 0.9 | 2.6        |
| Diala Holding                         | 22.62          | 0.94         | 5.26         | 643                    | 164.6   | 2.5 | N/A        |
| Qatar & Oman Investment               | 9.79           | 0.20         | (1.61)       | 308                    | 23.1    | 1.0 | 5.1        |
| Islamic Holding Group                 | 66.60          | 4.06         | 9.18         | 377                    | 91.0    | 2.6 | 1.5        |
| <b>Banking and Financial Services</b> |                |              |              | <b>238,362</b>         |         |     |            |
| Zad Holding                           | 89.50          | 5.05         | 0.34         | 1,171                  | 11.5    | 1.4 | 4.5        |
| Qatar German Co. for Medical Devices  | 9.90           | 3.12         | (1.98)       | 114                    | N/A     | 1.2 | N/A        |
| Salam International Investment        | 10.55          | 0.48         | (4.52)       | 1,206                  | 10.6    | 0.7 | 7.6        |
| Medicare Group                        | 95.70          | (6.27)       | 52.15        | 2,693                  | 41.4    | 2.7 | 1.9        |
| Qatar Cinema & Film Distribution      | 30.00          | 1.87         | 9.29         | 188                    | 44.1    | 1.4 | 3.3        |
| Qatar Fuel                            | 136.00         | (0.73)       | 1.95         | 13,522                 | 15.3    | 1.9 | 4.7        |
| Widam Food Co.                        | 65.20          | 4.49         | (4.12)       | 1,174                  | N/A     | 3.9 | 5.4        |
| Mannai Corp.                          | 80.00          | (1.48)       | 0.00         | 3,650                  | 6.8     | 1.4 | 5.0        |
| Al Meera Consumer Goods               | 168.40         | 0.42         | (4.05)       | 3,368                  | 16.9    | 2.4 | 5.3        |
| <b>Consumer Goods and Services</b>    |                |              |              | <b>27,086</b>          |         |     |            |
| Qatar Industrial Manufacturing        | 43.70          | (1.80)       | (1.80)       | 2,077                  | 10.7    | 1.4 | 6.9        |
| Qatar National Cement                 | 78.60          | (1.75)       | 0.53         | 5,137                  | 10.8    | 1.7 | 4.6        |
| Industries Qatar                      | 110.30         | (0.63)       | (6.13)       | 66,732                 | 22.6    | 2.0 | 3.6        |
| Qatari Investors Group                | 61.20          | (2.39)       | 4.62         | 7,609                  | 27.5    | 3.0 | 1.6        |
| Qatar Electricity and Water           | 220.00         | 0.50         | (3.08)       | 24,200                 | 15.7    | 2.9 | 3.4        |
| Aamal                                 | 14.35          | (0.35)       | 5.28         | 9,041                  | 19.5    | 1.2 | N/A        |
| Gulf International Services           | 28.30          | 2.35         | (9.00)       | 5,259                  | 79.6    | 1.4 | 3.5        |
| Mesaieed Petrochemical Holding        | 14.93          | 1.36         | (5.51)       | 18,757                 | 18.8    | 1.3 | 4.0        |
| <b>Industrials</b>                    |                |              |              | <b>138,810</b>         |         |     |            |
| Qatar Insurance                       | 70.30          | (0.28)       | (4.66)       | 19,495                 | 17.5    | 2.4 | 1.9        |
| Doha Insurance                        | 16.64          | (1.54)       | (8.57)       | 832                    | 11.5    | 0.8 | 3.6        |
| Qatar General Insurance & Reinsurance | 39.20          | 1.55         | (16.60)      | 3,430                  | 15.6    | 0.5 | 3.8        |
| Al Khaleej Takaful Insurance          | 21.70          | 14.21        | 2.84         | 554                    | 42.2    | 1.0 | 4.6        |
| Qatar Islamic Insurance               | 63.00          | (7.76)       | 24.51        | 945                    | 14.9    | 2.7 | 5.6        |
| <b>Insurance</b>                      |                |              |              | <b>25,256</b>          |         |     |            |
| United Development                    | 19.70          | 0.61         | (4.60)       | 6,975                  | 11.2    | 0.6 | 6.3        |
| Barwa Real Estate                     | 35.75          | 3.62         | 7.52         | 13,911                 | 8.7     | 0.8 | 7.0        |
| Ezdan Real Estate                     | 15.80          | 0.70         | 4.57         | 41,909                 | 23.0    | 1.4 | 3.2        |
| Mazaya Qatar Real Estate Development  | 14.43          | 4.72         | 0.28         | 1,591                  | 21.3    | 1.1 | N/A        |
| <b>Real Estate</b>                    |                |              |              | <b>64,387</b>          |         |     |            |
| Ooredoo                               | 96.60          | (5.29)       | (5.11)       | 30,943                 | 14.1    | 1.4 | 3.6        |
| Vodafone Qatar                        | 9.34           | 4.01         | (0.32)       | 7,896                  | N/A     | 1.7 | N/A        |
| <b>Telecoms</b>                       |                |              |              | <b>38,839</b>          |         |     |            |
| Qatar Navigation (Milaha)             | 76.50          | (0.65)       | (19.98)      | 8,761                  | 12.2    | 0.6 | 4.6        |
| Gulf Warehousing                      | 52.40          | (0.19)       | (6.43)       | 3,071                  | 14.7    | 2.0 | 3.1        |
| Qatar Gas Transport (Nakilat)         | 21.25          | (1.16)       | (7.97)       | 11,773                 | 12.4    | 2.2 | 4.7        |
| <b>Transportation</b>                 |                |              |              | <b>23,605</b>          |         |     |            |
| <b>Qatar Exchange</b>                 |                |              |              | <b>556,345</b>         |         |     |            |

Source: Bloomberg, \* Trailing Twelve Months

This report is produced by QNB Economics' Economics Team in collaboration with QNB Financial Services. For questions, or to receive it by email each month, please contact:

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