



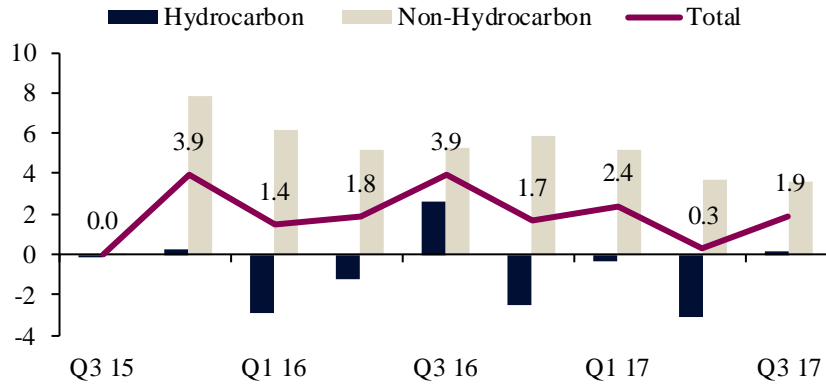
QNB Qatar Monthly Monitor February 2018

Highlights

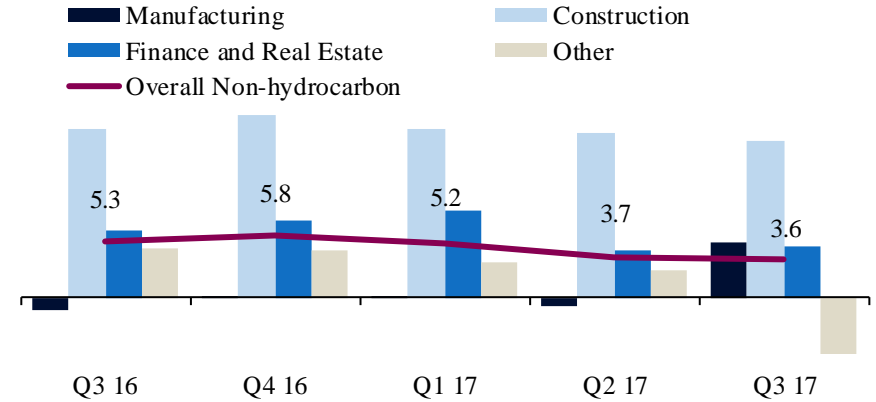
- **Imports increased 28.8% y/y in December while exports grew 34.5% y/y**
- **QCB foreign exchange reserves increased to USD37.6bn in December from USD36.9bn in November, equating to over 6.5 months of import cover**
- **The real estate price index rose 1.8% m/m in December**

Economic Activity

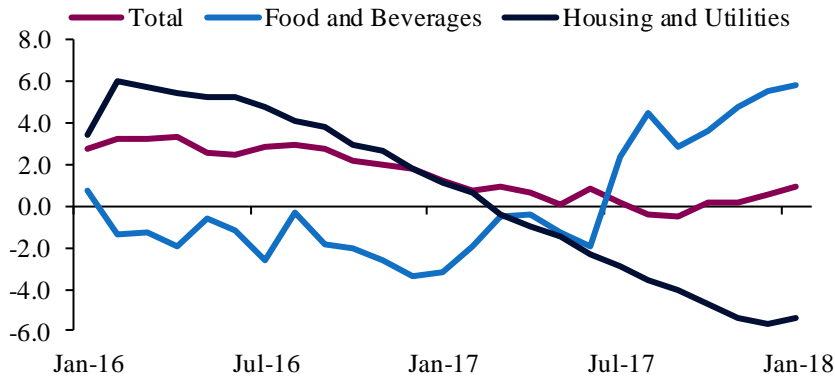
Real GDP picked up in Q3 mainly due to a recovery in the hydrocarbon sector
(% year on year)



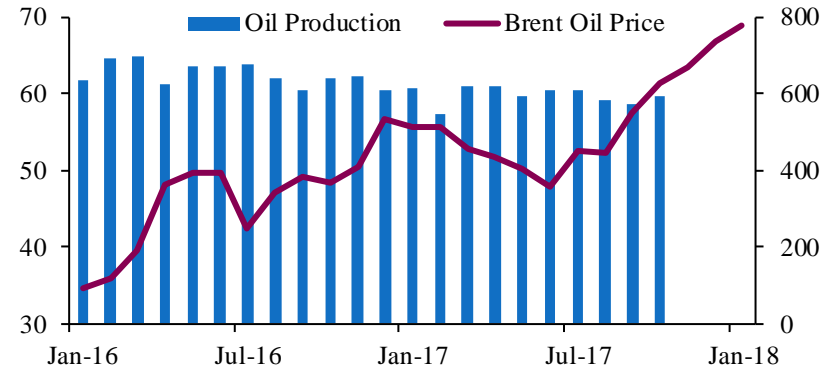
Non-hydrocarbon real GDP growth remained broadly flat in Q3
(% year on year)



Inflation rose to 0.9% in January from 0.6% in December, with food prices rising 5.8% and housing and utility prices declining 5.4%
(% year on year)



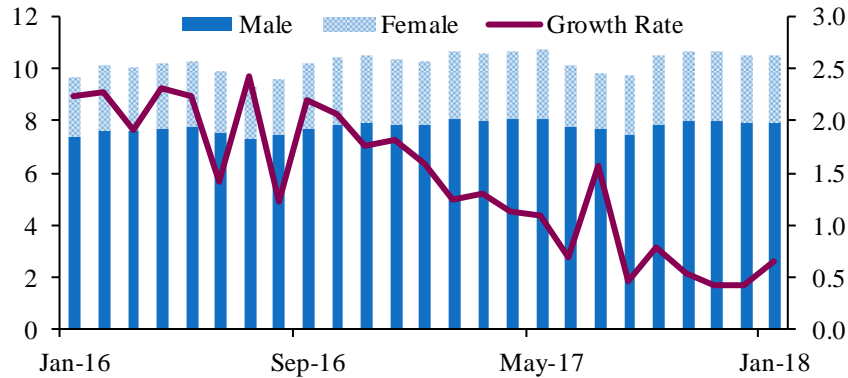
Brent crude prices continued to rise, averaging USD69.1/b in December; Qatar's oil production rose to 596k b/d in October from 571k b/d prior
(USD/b, left axis; Oil production (k b/d), right axis)



Economic Activity

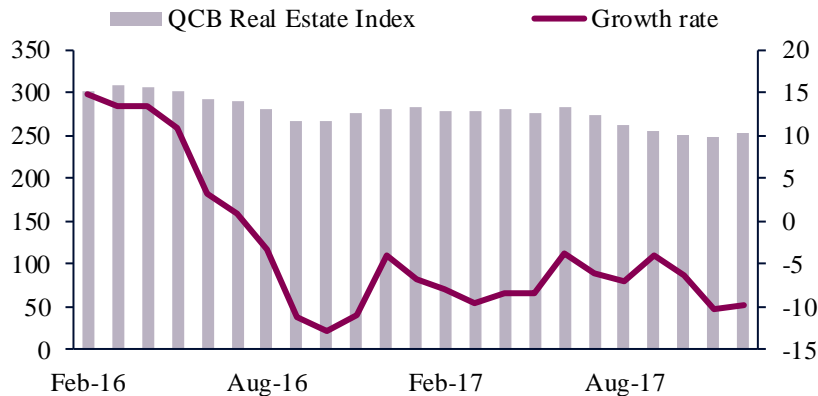
Qatar's population grew 2.6% y/y, reaching 2.64m in January; women made up close to 25% of the population

(m, male and female right axis; % year on year, left axis)



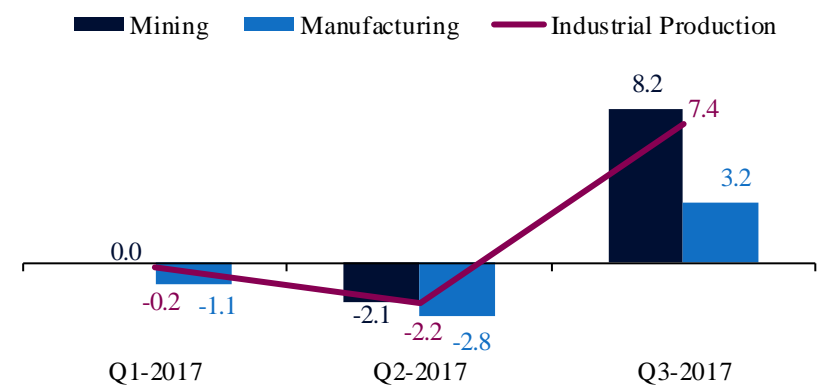
The real estate price index rose 1.8% m/m in December

(Index, left axis; % year on year, right axis)



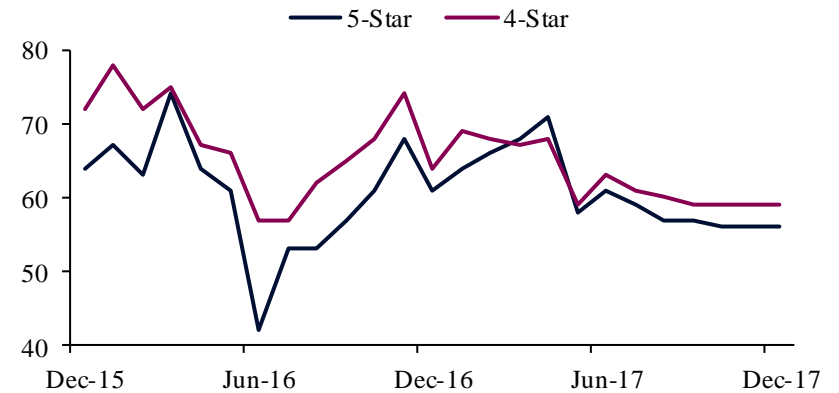
Industrial production surged to 7.4% y/y growth in Q3 on a rebound in the mining sector mainly due to less maintenance on LNG trains

(% year on year)



5-star and 4-star hotel occupancy rates remained flat at 56% and 59% respectively in December

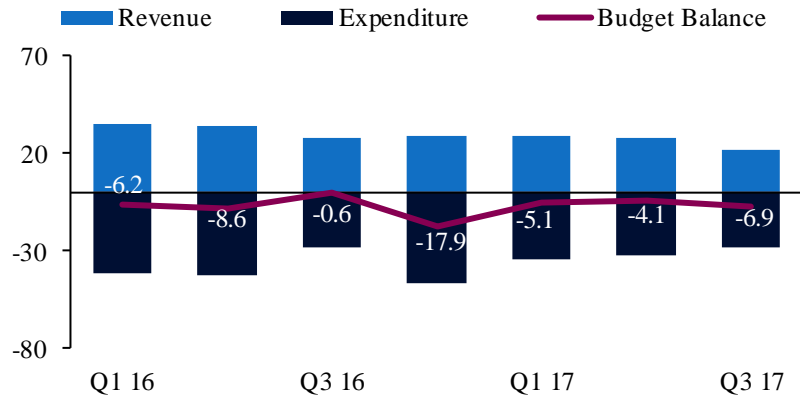
(% occupancy rate)



Fiscal and External Balances

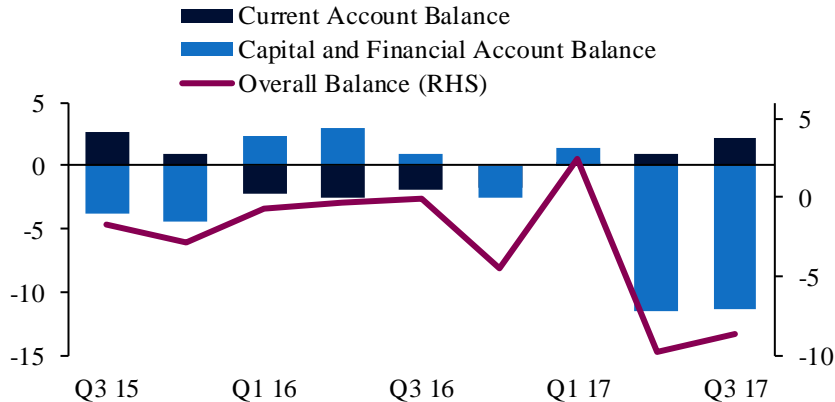
The fiscal deficit widened in Q3 to 6.9% of GDP from 4.1% in Q2-2017

(% of GDP)



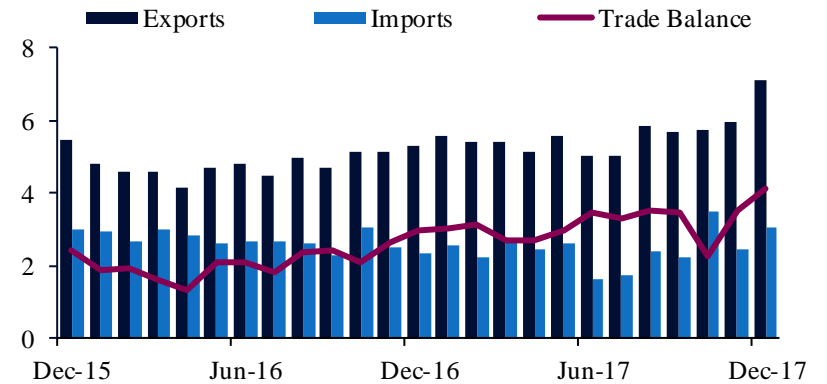
The current account surplus widened to 5.3% of GDP in Q3 from 2.5% in Q2 while the deficit in the financial account narrowed

(bn USD; Balances, left axis; Overall Balance, right axis)



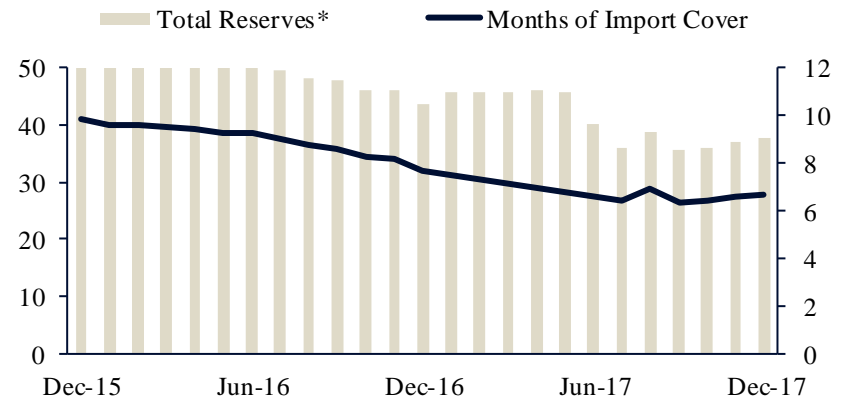
Imports increased 28.8% y/y in December while exports grew 34.5% y/y

(bn USD)



QCB foreign exchange reserves increased to USD37.6bn in December from USD36.9bn in November, equating to over 6.5 months of import cover

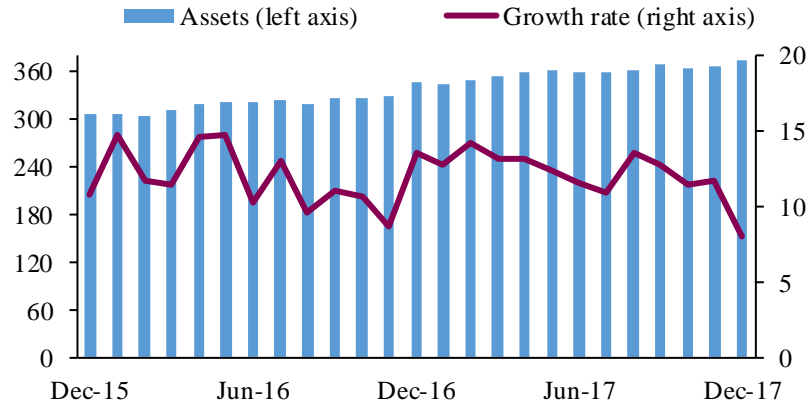
(bn USD; Reserves, left axis; Months of import cover, right axis)



Money and Banking

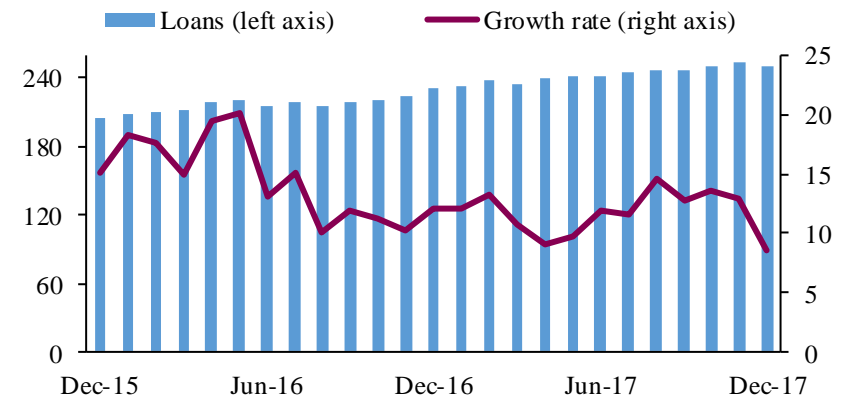
Assets expanded to USD374.6bn in December, growing 8.0% y/y

(bn USD and % year on year)



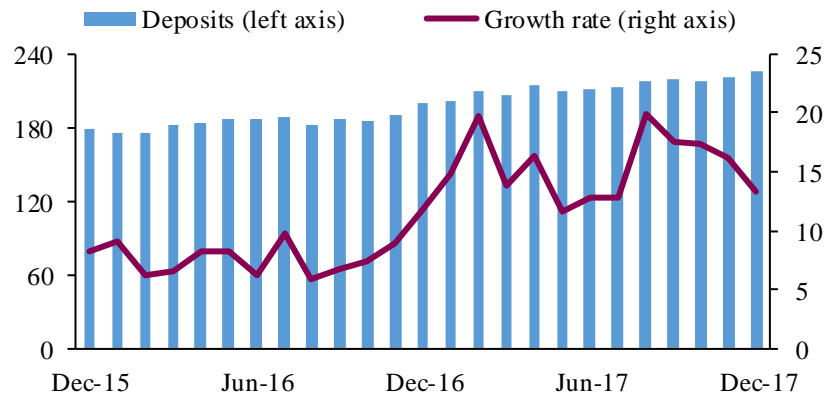
Credit growth was 8.6% y/y in December; lending to the public sector grew 16.2% y/y

(bn USD and % year on year)



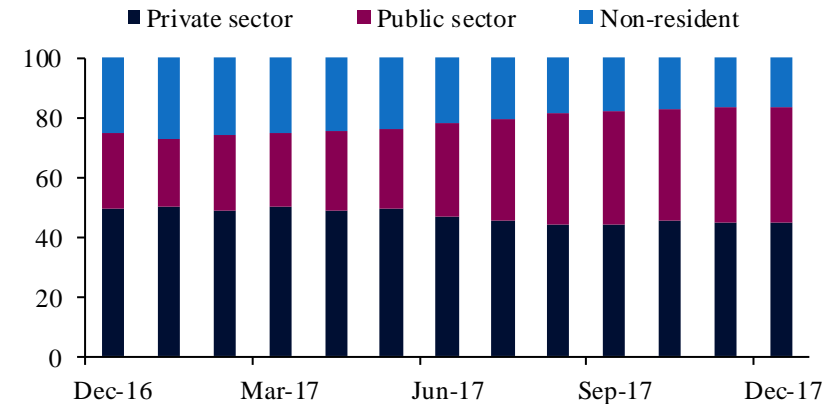
Bank deposit growth was 13.2% in December

(bn USD and % year on year)



Non-resident and private sector deposits grew 1.6% m/m and 3.2% m/m in December respectively

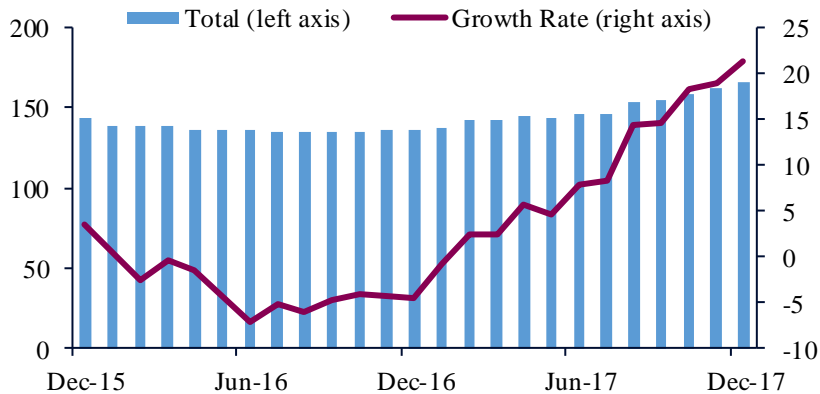
(% of total)



Money and Banking

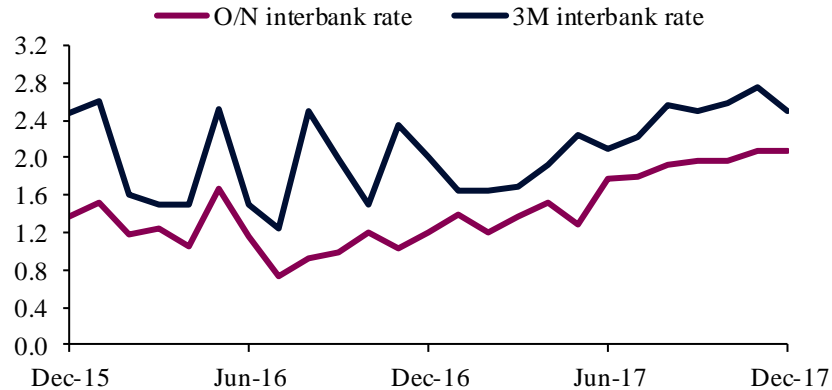
Broad money supply (M2) grew to 21.3% in December, up from 18.8% in November

(bn USD and % year on year)



The overnight interbank rate remained flat at 2.08% while the 3-month interbank rate declined to 2.50% in December from 2.75% in November

(%)



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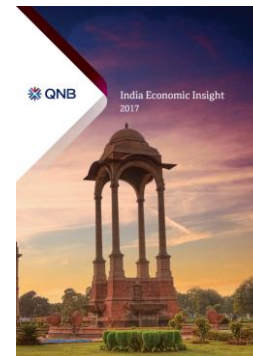
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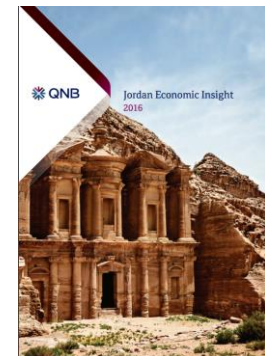
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