

## Executive Summary

- Investment spending reached 30.4% of GDP in Q2 2014, pushing double-digit non-hydrocarbon GDP growth
- Inflation moderated to 3.6% in September 2014, although rents continue to rise; we forecast inflation to average 3.4% in 2014 and 3.5% in 2015
- International reserves reached an all-time high of USD43.8bn at end-September 2014; we forecast reserves to continue rising further on large current-account surpluses for the remainder of 2014 and 2015
- Qatari oil prices continued to decline on weaker global demand and oil production fell in September 2014

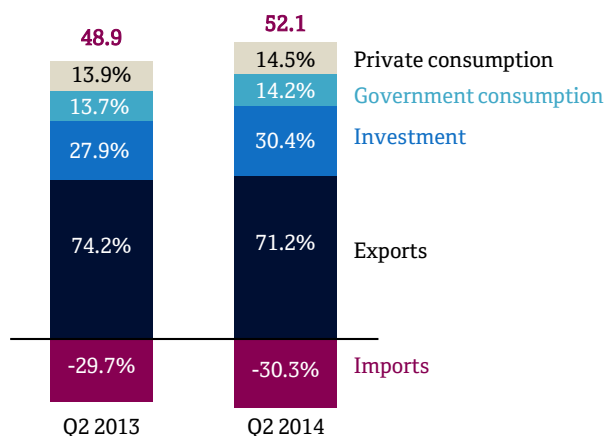
## Investment spending reached 30.4% of GDP in Q2

The share of investment in GDP rose to 30.4%, compared with 27.9% a year earlier, according to new data published by the Ministry of Development Planning and Statistics (MDPS). This is driven by the implementation of major projects in preparation for the FIFA 2022 World Cup. As a result, non-hydrocarbon real GDP growth continued to expand at a double digit rate (11.3%) in Q2. The share of private consumption to GDP rose to 14.5% in Q2 (13.9% a year earlier). The share of private consumption remains low by international standards, but is expected to rise over the medium term.

Looking ahead, large scale infrastructure spending and population growth is expected to drive growth in construction, manufacturing and transportation, while hydrocarbon production is expected to recover.

## GDP by Expenditure

(bn USD and share in total GDP)

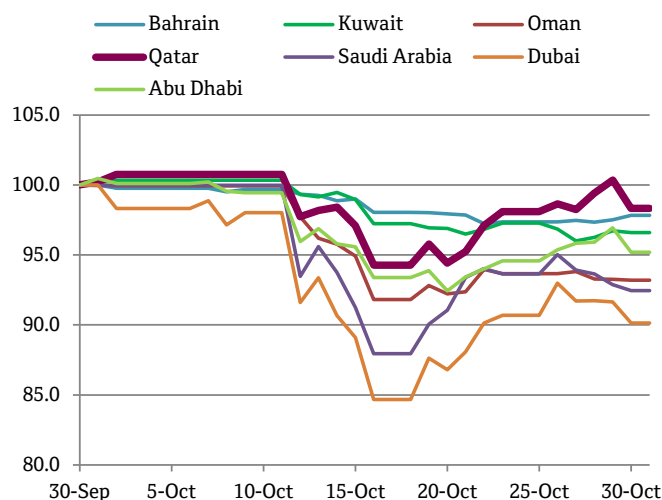


Sources: MDPS and QNB Group analysis

## QNB Economics Weekly Commentary

- [Qatar's investment program would be sustainable at much lower oil prices](#)
- [Jordan's Economy Continues to Recover](#)
- [A Requiem for Quantitative Easing in the United States](#)
- [China's Latest Stimulus Seems To Have Been Enough to Avoid a Hard Landing](#)
- [Is the World Economy Heading for the Great Deflation?](#)

## Stockmarket Indices (rebased with 30 September 2014 = 100)



Sources: Bloomberg and QNB Group analysis

**Declining oil prices dented investor sentiment in the month of October 2014.** Qatar fared the best, shedding only 1.7%. Overall, all the regional markets ended in negative territory as investors preferred to book profits.

Dubai benchmark index (DFMGI) declined the most by 9.9% month-on-month (MoM). Saudi's Tadawul All-Share TASI Index was the second worst performer over the month, losing 7.6%. Overall, all the regional markets ended in negative territory, as investors preferred to book profits.

## Indonesia Economic Insight Report 2014



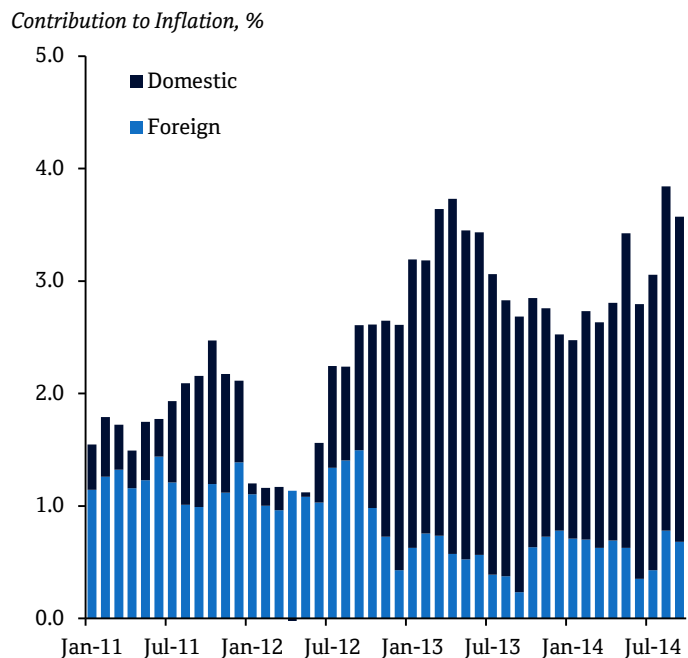
QNB Group has recently published the Indonesia Economic Insight 2014 report, providing an overview of the Indonesian economy, with in-depth analysis and forecasts. The report is available on the [QNB website](#) along with the recently published [Qatar Economic Insight September 2014](#).

## Inflation moderated to 3.6% in September 2014, although rents continue to rise

Qatar's Consumer Price Index (CPI) for September 2014 rose 3.6% year-on-year (from 3.8% year-on-year in the previous month). On a month-on-month bases, inflation remained flat relative to August 2014. Housing and rents (the largest component of overall inflation with a 32.2% share) rose 0.6% month-on-month (8.1% year-on-year) in September 2014 leading to an acceleration in domestic inflation. Counterbalancing these domestic inflationary pressures, foreign inflation has been on a downward trend this year as international food prices have been falling on record global food harvests and large stockpiles. Domestic food prices rose in September to 0.5% month-on-month (0.9% year-on-year) owing to seasonal effects, raising the contribution of foreign inflation to 0.7%.

We forecast overall CPI inflation to accelerate further in the remaining months of 2014 and average 3.4% in 2014 and 3.5% in 2015. Domestic inflation will mainly be driven by rising rents in response to the growing population. Lower international food prices are likely to keep foreign inflation low, thus partly offsetting the rise in domestic inflation. However, there is a risk that large investment spending and the growing population could lead to supply bottlenecks owing to limited domestic capacity. This could push up domestic inflation more than expected in our baseline forecasts.

### CPI Inflation rose to 3.6% in September 2014



*Domestic inflation includes:* Houses rent, Water Charges and House Maintenance + Medical Care and Health Services + Entertainment, Recreation and Culture + Miscellaneous Goods and Services

*International inflation includes:* Food, Beverages and Tobacco + Clothing and Footwear + Furniture, Textiles and Home Appliances

Sources: MDPS and QNB Group analysis

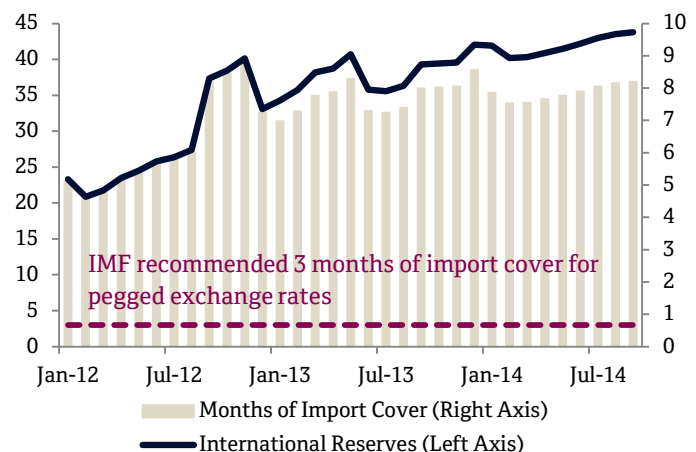
## International reserves reached an all-time high at end-September 2014

Qatar's international reserves increased USD0.3bn to reach an all-time high of USD43.8bn at end-September 2014. This compares to a level of USD39.3bn at end-September 2013. The large increase reflects the strong current account surplus Qatar is enjoying. The latest data show that the import cover stood at 8.2 months at end-September 2014, well above the IMF-recommended level of 3 months for pegged exchange rates.

Qatar's international reserves have been steadily rising over the years on large current account surpluses. Going forward, QNB Group expects international reserves to rise further in 2014 and 2015 on continued high current account surpluses.

### International reserves reached an all-time high at end-September 2014

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



Sources: Qatar Central Bank (QCB) and QNB Group analysis

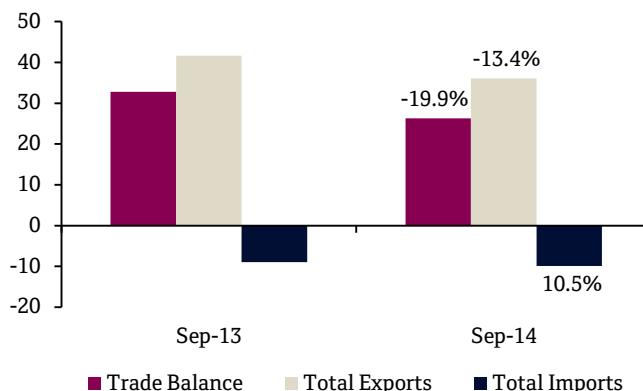
## Foreign merchandise trade surplus narrowed to QAR26.3bn in September 2014

**Qatar's foreign merchandise trade balance registered a surplus of QAR26.3bn in September 2014.** The surplus however decreased 19.9% year-on-year, primarily on a strong rise in imports (10.5% year-on-year) related to the growing population and large investment spending. Total exports decreased 13.4% year-on-year in September 2013 on lower oil exports.

**Total exports in September stood at QAR36.1bn and imports at QAR9.8bn.** Japan topped the export destination in September, accounting for 22.2% of Qatar's exports, followed by South Korea (17.5%) and India (14.5%). The USA was the largest exporter to Qatar in September (14.5%), followed by China (10.2%) and Germany (7.7%).

### The trade surplus narrowed in September 2014

(bn QAR, % year-on-year)



Sources: MDPS and QNB Group analysis

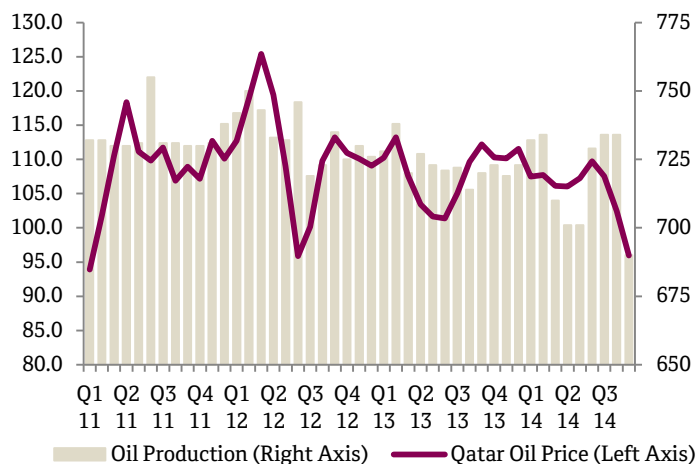
## Qatari oil prices continued to decline on weaker global demand and oil production fell in September 2014

**Qatari oil prices fell in September 2014 owing to weak global demand.** The stagnant Eurozone economy, the large Q2 contraction in Japan and the slowdown in Emerging Markets are all contributing to the weakness in hydrocarbon demand and putting downward pressure on international oil prices.

**Qatar's crude oil production fell in September to 690k barrels per day (b/d), but redevelopment plans should stabilize output.** In recent years, Qatar Petroleum (QP) has implemented a redevelopment program to steady production at its oil fields. This heavy investment in existing oil fields such as Bul Hanine, Al Shaheen and Dukhan, should lead to a stabilization of oil production around 700k b/d.

### Oil prices continued to decline on a weaker global economy

(USD/b, left axis; Oil production (000's b/d), right axis)



Qatar oil prices are calculated as the unweighted average of land and marine prices

Sources: Bloomberg and QNB Group analysis

**Economic News**

- **S&P affirms AA/A-1+ for Qatar, outlook stable** – Standard & Poor's (S&P) Ratings Services has affirmed its 'AA' long-term and 'A-1+' short-term foreign and local currency sovereign credit ratings on Qatar. The outlook is stable. S&P also affirmed the 'AA' long-term issue ratings on the bonds issued by Qatari Diar Finance and SoQ Sukuk A. The ratings reflect S&P's view of Qatar's high economic wealth and strong fiscal and external balance sheets. (Bloomberg)
- **Non-oil sector seen infusing 9.1% growth to Qatar's GDP** – GCC business consultant Dr. Abdul Latif Al-Khaja said that industries in the non-hydrocarbon sector are expected to contribute 9.1% to Qatar's GDP growth between 2013 and 2016. According to Al-Khaja, Qatar's GDP growth is expected to reach 6.9% between 2013 and 2016 with the oil & gas sector contributing an expected 4.4% and the non-hydrocarbon industries 9.1%. While the government has focused on developing Qatar's energy sector in the past, Al-Khaja said the oil & gas industry would take a back seat as investment in the non-hydrocarbon industries will drive the economy. (Gulf-Times.com)
- **QCB: Real estate price index at all-time high** – According to the QCB quarterly update, the real estate price index in Qatar reached an all-time high, surging a record 42.1% year-on-year in September 2014. The index touched a record 253.8 points in September 2014. The QCB index for real estate prices has been steadily rising throughout this year except May 2014, when the index fell marginally to 213.8 points from 216.0 points in April. The prices, however, rebounded by hitting 230.6 points in June 2014. (GulfBase.com)

**Private Sector News**

- **Barwa Real Estate to liquidate four subsidiaries** – Barwa Real Estate Group's board of directors announced its intension to liquidate four of its local subsidiaries. Okaz Media W.L.L, Barwa Technology S.P.C, Lucair Real Estate S.P.C and Knowledge Group S.P.C are the subsidiaries that are facing liquidation. The group noted that these units have been dormant for a while and are not generating any revenue. (Peninsula Qatar)
- **CBMFM wins HVAC contract from QP** – Cofely Besix Mannai Facility Management (CBMFM) has been awarded its first contract by Qatar Petroleum (QP) to maintain and replace all the heating, ventilating & air conditioning (HVAC) equipment located at Dukhan Fields in Qatar. CBMFM will be responsible for maintaining more than 1,200 HVAC equipments in Dukhan Fields, covering an area of around 65 kilometers and containing 700 oil & gas and water injection wells. The contract with Qatar Petroleum is valid for an initial five-year period and will require a total of 120 operational personnel. (QE)
- **Ashghal begins construction of Mashaf-Mesaieed road** – The Public Works Authority (Ashghal) has started constructing the Al Wakrah parallel road that extends from Al Mashaf to Mesaieed. The entire project costs QR2.2bn and is expected to be completed by 2017. The road is 11 kilometers long with five lanes on both sides. The project also includes pedestrian crossing, bridge and separate lanes for motorbikes and pedestrians in addition to a tunnel. (Peninsula Qatar)

## National Accounts

Nominal GDP (QAR bn)	2010	2011	2012	2013	Q2 14	YoY%	QoQ%
<b>Total</b>	<b>455.4</b>	<b>618.1</b>	<b>691.4</b>	<b>737.7</b>	<b>189.7</b>	<b>6.6%</b>	<b>-2.2%</b>
Oil & Gas	239.7	359.2	392.7	401.2	96.7	0.8%	-6.3%
Non-Oil	215.7	258.9	298.7	336.5	92.9	13.5%	2.5%
Agriculture and Fishing	0.5	0.6	0.6	0.7	0.2	9.2%	0.5%
Industry	40.8	56.7	70.2	72.1	31.3	11.9%	3.0%
Manufacturing	40.8	56.7	70.2	72.1	19.4	7.2%	4.5%
Electricity, Gas and Water	2.1	2.4	3.4	3.8	1.1	9.9%	56.4%
Construction	27.5	28.3	31.2	35.9	10.5	22.0%	-2.9%
Services	140.9	162.1	188.6	219.2	60.9	14.5%	2.2%
Trade, Restaurants and Hotels	31.5	35.6	39.1	45.5	11.6	11.1%	-0.3%
Transport and Communications	18.1	21.0	23.5	25.9	6.5	13.6%	-3.2%
Financial and Business Services	60.3	65.6	74.7	88.8	27.5	21.3%	4.7%
Social Services	4.5	5.0	5.8	6.4	1.7	9.9%	3.4%
Government Services	37.4	46.2	60.1	69.8	18.9	10.0%	2.0%
Household Services	1.9	2.0	2.3	2.7	0.8	21.2%	3.4%
Imputed Bank Service Charges	-12.7	-13.4	-16.8	-19.9	-6.1	21.2%	2.1%
Import Duties	3.8	3.9	4.6	4.8	0.8	4.1%	0.7%

Source: MDPS

Real GDP (QAR bn)	2010	2011	2012	2013	Q2 14	YoY%	QoQ%
<b>Total</b>	<b>284.2</b>	<b>321.2</b>	<b>340.9</b>	<b>362.8</b>	<b>93.9</b>	<b>5.7%</b>	<b>-0.2</b>
Oil & Gas	126.1	145.8	147.7	147.9	35.9	-2.2%	-2.5
Non-Oil	158.1	175.4	193.2	215.0	58.0	11.3%	1.2
Agriculture and Fishing	0.4	0.5	0.5	0.5	0.1	9.5%	1.5
Industry	185.0	210.8	219.6	226.8	21.7	9.7%	0.9
Manufacturing	25.5	28.2	31.2	32.9	8.5	3.4%	2.9
Electricity, Gas and Water	2.3	2.5	2.7	2.9	0.9	11.6%	54.3
Construction	31.0	34.3	37.9	43.1	12.2	14.5%	-2.9
Services	105.9	116.9	129.5	146.5	35.3	12.2%	1.4
Trade, Restaurants and Hotels	21.7	24.5	26.1	29.5	7.5	11.1%	-0.2
Transport and Communications	18.0	20.2	22.7	24.9	6.1	11.8%	-4.8
Financial and Business Services	32.3	34.3	38.2	43.7	13.1	16.6%	4.4
Social Services	3.5	3.6	3.9	4.2	1.2	9.6%	3.1
Government Services	28.9	32.7	36.9	42.5	11.5	9.3%	2.0
Household Services	1.5	1.5	1.6	1.7	0.5	11.3%	2.6
Imputed Bank Service Charges	-8.5	-9.9	-12.0	-14.4	-4.5	13.5%	0.1
Import Duties	2.7	2.7	3.3	3.3	0.9	10.2%	1.4

Source: MDPS

N.B. Data which is new or revised this month is shown in red.



## Balance of Payments

Balance of Payments (USD bn)	2010	2011	2012	2013	Q2 14
<b>Current Account Balance</b>	<b>24.0</b>	<b>52.0</b>	<b>62.0</b>	<b>62.6</b>	<b>14.9</b>
Trade Balance (Goods)	54.0	87.4	102.2	105.5	26.0
Exports	75.0	114.3	133.0	136.9	33.8
Imports	-20.9	-26.9	-30.8	-31.5	-7.8
Invisibles	-30.1	-35.4	-40.2	-42.9	-11.1
Services	-5.8	-9.5	-14.0	-16.3	-4.6
Income	-12.9	-13.3	-12.1	-11.3	-1.9
Transfers	-11.4	-12.7	-14.1	-15.2	-4.6
<b>Capital &amp; Financial Account Balance</b>	<b>-10.7</b>	<b>-62.6</b>	<b>-44.4</b>	<b>-54.5</b>	<b>-12.3</b>
Capital Account	-2.1	-3.6	-6.1	-4.8	-1.4
Financial Account	-8.6	-59.0	-38.3	-49.7	-10.8
Direct Investment (outwards)	-1.9	-6.0	-1.8	-8.0	-2.8
Direct Investment (into Qatar)	4.7	-0.1	0.3	-0.8	0.2
Portfolio investment (net)	-	-	-	-14.3	-4.3

Sources: QCB, MDPS, UNCTAD; Note: Not all Balance of Payment lines are shown in the table

Top 5 Export Destinations (USD bn)	2009	2010	2011	2012	2013
Japan	15.5	21.5	29.9	36.9	39.9
Korea	6.9	12.0	20.1	24.7	24.6
India	4.0	6.4	10.9	14.6	14.3
European Union	4.4	10.1	18.2	13.1	12.7
China	0.9	2.2	4.5	6.8	8.9

Top 5 Import Sources (USD bn)	2009	2010	2011	2012	2013
European Union	8.1	7.4	6.7	6.8	7.3
United States	3.1	2.7	2.6	2.8	3.2
United Arab Emirates	1.8	1.6	1.8	2.0	2.0
Saudi Arabia	1.3	1.2	1.2	1.2	1.2
United Kingdom	1.1	1.2	1.1	1.1	1.3

Source: IMF Direction of Trade Statistics - sometimes differ from MDPS

Crude oil (USD / barrel)	2010	2011	2012	2013	Sep-14	MoM%	YoY%
Oil production ('000 bpd)	733.0	734.0	733.7	724.0	690.0	-6.0%	-4.2%
Qatar average price	77.7	108.4	111.2	108.2	95.6	-2.0%	2.3%
Dukhan	78.4	109.7	111.8	108.8	97.0	-2.0%	2.6%
Marine	77.2	107.5	110.6	107.6	95.0	-2.0%	2.1%

Source: OPEC (Direct communications), Reuters

## Budget, Population, Money & Prices

Government Budget (% of GDP) <sup>1</sup>	2010	2011	2012	2013
Balance	2.7	7.8	11.4	15.6
Revenue	34.3	36.0	41.1	47.0
Expenditure	31.6	28.2	29.7	31.4

Population (m people in Qatar)	2010	2011	2012	2013	Oct-14	MoM%	YoY%
Total	1.72	1.73	1.83	2.00	2.22	1.3%	9.5%

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

Inflation (% ch, 12mth rolling average YoY)	2010	2011	2012	2013	Sep-14	MoM%	YoY%
<b>Overall</b> (weights shown in brackets below)	<b>-2.4</b>	<b>1.9</b>	<b>1.9</b>	<b>3.1</b>	<b>3.0</b>	<b>0.0</b>	<b>3.6</b>
Food, beverages & tobacco (13.2%)	2.1	4.3	3.7	2.3	1.2	0.5	0.9
Clothing & footwear (5.8%)	-1.3	7.5	2.8	0.2	2.1	0.0	2.7
Rents, water & maintenance (32.2%)	-12.8	-4.8	-3.3	5.8	6.4	0.6	8.1
Furniture, textiles & appliances (8.2%)	4.1	2.9	4.9	3.1	4.6	-0.1	5.2
Health care (2.0%)	3.5	2.6	1.5	2.3	1.2	0.0	0.7
Transport & communication (20.5%)	2.6	6.4	2.2	1.4	1.9	-0.4	2.7
Entertainment, leisure & culture (10.9%)	2.9	2.0	6.0	7.3	2.6	-0.8	0.2
Miscellaneous goods & services (7.2%)	4.7	5.6	4.8	-2.5	-1.9	-0.3	1.0

Source: MDPS

Money Supply (QAR bn)	2010	2011	2012	2012	Sep-14	MoM%	YoY%
Broad money (M2)	264.7	310.0	381.1	455.7	489.7	0.0%	8.6%
M1	68.3	81.8	90.9	105.9	119.1	-2.4%	8.0%
Quasi-money	196.4	228.1	290.1	349.8	370.5	0.8%	8.8%

Interest rates (% , end period)	2010	2011	2012	2013	Sep-14	MoM bp	YoY bp
QCB deposit	1.50	1.50	0.75	0.75	0.75	0.0	0.0
QCB lending	5.50	5.50	4.50	4.50	4.50	0.0	0.0
Interbank overnight	1.39	0.74	0.77	0.85	0.66	-2.2	-26.7
Demand deposit	1.34	0.62	0.65	0.58	0.56	-0.9	-10.5
Overdraft	8.19	7.42	6.63	6.10	5.40	-7.0	-44.0
Credit card	19.92	10.69	9.11	8.13	8.61	-3.1	75.7

Source: QCB

1/ Fiscal year data ending March 31.

## Banking Sector Snapshot : September 2014

### Review and Outlook

The loan book increased 4.0% month-on-month (up 10.1% YTD) while deposits increased 1.9% month-on-month (+8.4% YTD) in the month of September 2014. Public sector drove the strong growth in the overall loan book. Moreover, deposits also increased 1.9% month-on-month (deposits increased 1.3% month-on-month in August). Thus, the LDR increased to 107% vs. 105% in August. Going forward, we expect increased activity in the sector. We continue to expect improvement in the public sector, in addition to large corporate loan growth to be the primary drivers of the overall loan book in 2014 followed by the SMEs and consumer lending. Our view is based on the expected uptick in project mobilizations in the coming months.

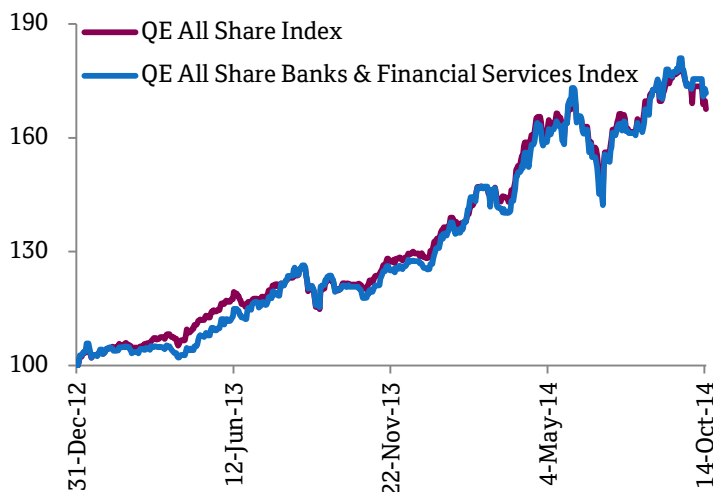
**Public sector posted a strong performance in the month of September 2014.** The public sector deposits increased 7.8% month-on-month (+9.9 YTD 2014) for the month of September 2014. Delving into segment details, the government institutions' segment (represents ~55% of public sector deposits) improved 2.1% month-on-month (+10.8% YTD 2014). Moreover, the semi-government institutions' segment posted a growth of 12.8% month-on-month (down 9.1% YTD 2014). In addition, the government segment increased 16.5% month-on-month (+18.6% YTD).

**On the other hand, private sector deposits declined 2.3% month-on-month (+8.0% YTD 2014).** On the private sector front, the companies & institutions' segment decreased 5.0% month-on-month (+7.0% YTD 2014) while the consumer segment posted flat performance, up 0.4% month-on-month and 8.9% YTD 2014.

**The overall loan book increased 4.0% month-on-month vs. a 0.8% growth month-on-month in August 2014.** Total domestic public sector loans grew 3.9% month-on-month to recover lost ground (flat YTD). The government segment's loan book grew 23.0% month-on-month (up 22.1% YTD 2014). However, the government institutions' segment (represents ~57% of public sector loans) declined 2.3% month-on-month and is down 10.5% YTD. Furthermore, the semi-government institutions' segment declined 1.6% month-on-month (+12.0% YTD). Hence, the government institutions and semi-government segment pulled the overall growth down for the month of September 2014.

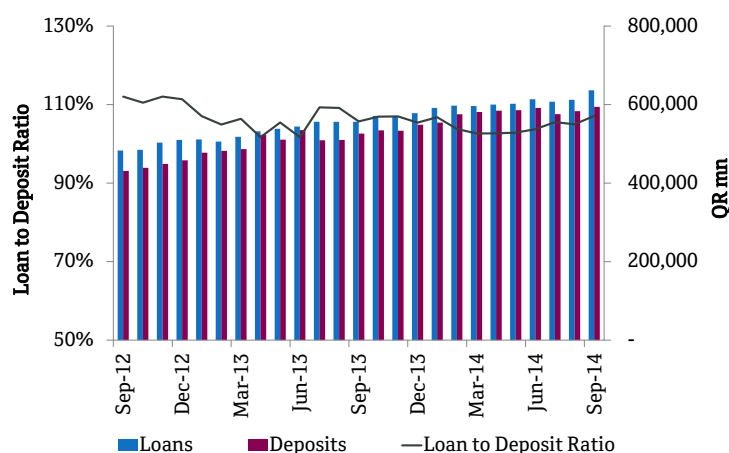
**Private sector loans gained 2.4% month-on-month and are up 13.5% YTD. Consumption & Others** (contributes ~30% to private sector loans) increased 1.7% month-on-month (+15.8% YTD). Furthermore, the **Real Estate** segment (contributes ~26% to private sector loans) grew 2.1% month-on-month (+3.5% YTD). However, **Services** segment posted a decline of 1.8% month-on-month but is still up 20.5% in the first nine months of 2014. Overall, Contractors (+22.2% YTD) and Services (+20.5% YTD) segments are the best performing segments in the private sector YTD. On the other hand, the Industry segment is down 1.3% YTD.

### Banking Sector Index vs. QE All Share Index



Source: Bloomberg

### Banking Sector - Loan to Deposit (LDR)



Source: QCB

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Banking Sector – Key Stats						
Banks	Closing Price	Change YTD (%)	EPS 2014E (QR)	P/E 2014E (x)	P/B 2014(x)	Dividend Yield 2014 (%)
QE Banks & Financial Services Index	3,253.49	33.14	N/A	N/A	2.3	3.6
Al Ahli Bank (ABQK)	53.00	25.27	3.6	14.9	2.1	5.7
Al Khalij Commercial Bank (KCBK)	21.40	7.05	1.4	15.3	1.3	5.1
Commercial Bank of Qatar (CBQK)	68.60	16.27	6.6	10.4	1.3	2.9
Doha Bank (DHBK)	56.10	(3.61)	5.5	10.3	1.5	8.0
Masraf Al Rayan (MARK)	51.30	63.90	2.6	19.9	3.4	3.4
Qatar International Islamic Bank (QIIK)	83.50	35.33	5.4	14.4	2.2	5.4
Qatar Islamic Bank (QIBK)	109.00	57.97	6.2	17.6	2.1	4.1
Qatar National Bank (QNBK) *	201.20	16.98	15.0	13.5	2.6	3.4

Source: QNBFS estimates, Bloomberg estimates (\*) and data (as of October 16, 2014)

Banking Sector Indicators										
(In QR mn)	2010	2011	2012	2013	Mar-14	Jun-14	Aug-14	Sep-14	Change MoM	Change YTD
<b>Total Assets</b>	567,482	694,301	820,512	915,911	952,148	961,850	954,816	989,349	3.6%	8.0%
<b>Total Credit (Loans)</b>	314,481	403,563	510,048	577,976	596,344	613,500	612,146	636,348	4.0%	10.1%
<b>Total Deposits</b>	306,788	363,612	458,066	548,384	581,000	591,397	583,075	594,192	1.9%	8.4%
<b>Loan to Deposit Ratio</b>	<b>103%</b>	<b>111%</b>	<b>111%</b>	<b>105%</b>	<b>103%</b>	<b>104%</b>	<b>105%</b>	<b>107%</b>		
<b>Credit Facilities (Geographic)</b>										
<b>Total Domestic Credit</b>	293,920	376,695	478,305	535,657	550,417	556,628	558,495	575,576	3.1%	7.5%
<b>Total International Credit</b>	20,561	26,867	31,743	42,319	45,927	56,872	53,651	60,772	13.3%	43.6%
<b>Domestic Credit Facilities - Public Sector</b>										
<b>Government</b>	36,303	40,801	51,746	56,549	67,288	61,191	56,122	69,023	23.0%	22.1%
<b>Government Institutions</b>	50,452	90,619	139,585	152,516	150,361	144,287	139,740	136,462	-2.3%	-10.5%
<b>Semi-Government Institutions</b>	16,303	17,750	27,222	30,679	28,617	34,624	34,909	34,351	-1.6%	12.0%
<b>Total Domestic Public Sector Credit</b>	<b>103,058</b>	<b>149,170</b>	<b>218,553</b>	<b>239,745</b>	<b>246,266</b>	<b>240,102</b>	<b>230,771</b>	<b>239,836</b>	<b>3.9%</b>	<b>0.0%</b>
<b>Domestic Credit Facilities - Private Sector</b>										
<b>General Trade</b>	24,875	26,855	33,280	36,011	39,610	38,774	38,799	43,257	11.5%	20.1%
<b>Industry</b>	6,648	6,534	9,339	11,592	10,440	10,828	11,359	11,440	0.7%	-1.3%
<b>Contractors</b>	18,411	16,220	16,546	23,331	26,458	26,309	27,310	28,504	4.4%	22.2%
<b>Real Estate</b>	51,042	76,220	85,562	85,388	85,113	84,804	86,581	88,392	2.1%	3.5%
<b>Consumption &amp; Others</b>	60,345	71,986	78,587	87,020	89,049	93,637	99,146	100,794	1.7%	15.8%
<b>Services</b>	29,541	29,709	36,438	52,570	53,480	62,174	64,529	63,353	-1.8%	20.5%
<b>Total Domestic Private Sector Credit</b>	<b>190,862</b>	<b>227,525</b>	<b>259,752</b>	<b>295,912</b>	<b>304,151</b>	<b>316,526</b>	<b>327,724</b>	<b>335,740</b>	<b>2.4%</b>	<b>13.5%</b>
<b>Deposit Details (Geographic)</b>										
<b>Resident Deposits</b>	277,107	343,777	417,337	514,804	550,048	558,245	549,335	560,378	2.0%	8.9%
<b>Non-resident Deposits</b>	29,681	19,835	40,729	33,579	30,952	33,153	33,740	33,814	0.2%	0.7%
<b>Deposits - Public Sector (Domestic)</b>										
<b>Government</b>	18,486	40,825	44,557	68,459	76,856	84,935	69,661	81,169	16.5%	18.6%
<b>Government Institutions</b>	32,277	57,351	104,378	124,390	135,485	126,889	134,990	137,862	2.1%	10.8%
<b>Semi Government Institutions</b>	21,309	27,700	31,794	37,283	25,341	30,429	30,051	33,894	12.8%	-9.1%
<b>Total Public Sector Deposit</b>	<b>72,071</b>	<b>125,876</b>	<b>180,729</b>	<b>230,131</b>	<b>237,682</b>	<b>242,253</b>	<b>234,702</b>	<b>252,925</b>	<b>7.8%</b>	<b>9.9%</b>
<b>Deposits - Private Sector (Domestic)</b>										
<b>Personal</b>	90,828	103,093	116,257	145,841	162,317	162,406	158,148	158,837	0.4%	8.9%
<b>Companies &amp; Institutions</b>	114,207	114,809	120,350	138,833	150,048	153,585	156,485	148,615	-5.0%	7.0%
<b>Total Private Sector Deposit</b>	<b>205,036</b>	<b>217,902</b>	<b>236,607</b>	<b>284,673</b>	<b>312,366</b>	<b>315,991</b>	<b>314,633</b>	<b>307,452</b>	<b>-2.3%</b>	<b>8.0%</b>

Source: QCB

Qatar Exchange Monthly Performance							
Company Name	Price (October 30)	% Change 5-Day	% Change YTD	Market Cap. QR Million	TTM P/E	P/B	Div. Yield
Qatar National Bank	214.30	2.58	24.59	149,952	14.4	2.7	3.3
Qatar Islamic Bank	112.00	(2.18)	62.32	26,465	17.9	2.2	3.6
Commercial Bank of Qatar	73.90	2.92	25.25	21,944	12.2	1.3	2.3
Doha Bank	58.00	(0.68)	(0.34)	14,986	10.5	1.3	7.8
Al Ahli Bank	55.50	(2.46)	31.18	9,168	16.1	2.3	N/A
Qatar International Islamic Bank	87.00	(0.57)	41.00	13,169	16.3	2.5	4.3
Masraf Al Rayan	51.00	(3.77)	62.94	38,250	20.4	3.5	2.9
Al Khaliji Bank	21.80	(0.86)	9.05	7,848	14.0	1.4	4.6
National Leasing	25.85	(4.26)	(14.26)	1,279	32.0	1.0	5.8
Dlala Holding	58.20	(3.00)	163.35	1,292	16.4	4.8	N/A
Qatar & Oman Investment	17.00	3.34	35.78	536	21.3	1.4	3.5
Islamic Holding Group	151.40	16.55	229.13	606	42.8	9.4	1.1
<b>Banking and Financial Services</b>				<b>285,494</b>			
Zad Holding	87.60	(1.46)	26.04	1,146	10.6	1.5	4.0
Qatar German Co. for Medical Devices	12.10	(1.06)	(12.64)	140	N/A	0.8	N/A
Salam International Investment	17.70	2.31	36.05	2,023	27.6	1.2	5.6
Medicare Group	126.40	(0.47)	140.76	3,557	23.9	4.2	1.4
Qatar Cinema & Film Distribution	43.20	(2.04)	7.73	247	20.8	1.7	N/A
Qatar Fuel	215.20	(0.83)	(1.53)	18,176	15.8	2.8	3.6
Qatar Meat and Livestock	61.00	2.35	17.99	1,098	20.5	4.3	3.4
Al Meera Consumer Goods	185.80	(0.64)	39.38	3,716	13.7	2.9	4.3
<b>Consumer Goods and Services</b>				<b>30,103</b>			
Qatar Industrial Manufacturing	45.80	0.44	8.62	2,176	11.1	1.4	N/A
Qatar National Cement	132.00	1.54	10.92	6,481	14.5	2.5	4.5
Industries Qatar	188.40	(1.62)	11.55	113,982	17.9	3.6	5.8
Qatari Investors Group	49.35	(1.50)	12.93	6,136	28.8	2.8	1.5
Qatar Electricity and Water	182.20	(5.05)	10.18	20,042	13.0	3.1	3.7
Mannai Corp.	111.90	(0.62)	24.47	5,105	9.6	2.5	4.9
Aamal	14.83	0.00	(1.13)	8,898	16.6	1.3	N/A
Gulf International Services	119.00	(1.24)	143.85	22,115	22.2	6.1	1.3
Mesaieed Petrochemical Holding	31.75	0.32	N/A	39,888	N/A	2.9	1.1
<b>Industrials</b>				<b>224,823</b>			
Qatar Insurance	97.10	(1.42)	82.52	15,588	15.5	2.7	2.1
Doha Insurance	33.50	2.45	34.00	1,675	11.9	1.6	6.1
Qatar General Insurance & Reinsurance	45.00	0.00	12.73	3,113	2.0	0.7	2.8
Al Khaleej Takaful Insurance	46.00	(0.43)	63.84	1,021	11.6	1.4	N/A
Qatar Islamic Insurance	88.00	2.09	51.99	1,320	16.1	4.6	4.3
<b>Insurance</b>				<b>22,717</b>			
United Development	26.65	(5.16)	23.76	9,436	25.1	0.9	3.6
Barwa Real Estate	42.95	4.88	44.13	16,713	12.2	1.2	4.7
Ezdan Real Estate	19.70	6.78	15.88	52,254	38.9	1.7	1.6
Mazaya Qatar Real Estate Development	24.10	4.15	115.56	2,410	11.3	2.0	3.1
<b>Real Estate</b>				<b>80,813</b>			
Qatar Telecom	123.50	(2.76)	(9.99)	39,560	15.6	1.6	3.2
Vodafone Qatar	20.70	0.98	93.28	17,500	N/A	3.0	0.8
<b>Telecoms</b>				<b>57,059</b>			
Qatar Navigation (Milaha)	97.80	1.88	17.83	11,201	11.2	0.9	5.1
Gulf Warehousing	58.00	13.06	39.76	2,759	21.4	3.3	2.6
Qatar Gas Transport (Nakilat)	23.75	0.42	17.28	13,300	15.1	3.6	4.6
<b>Transportation</b>				<b>27,259</b>			
<b>Qatar Exchange</b>				<b>728,269</b>			

Source: Bloomberg, \* Trailing Twelve Months

This report is produced by QNB Group's Economics Team in collaboration with QNB Financial Services. Past issues are available online at <http://tinyurl.com/QatarMonitor>. For questions, or to receive it by email each month, please contact:

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