

Executive Summary

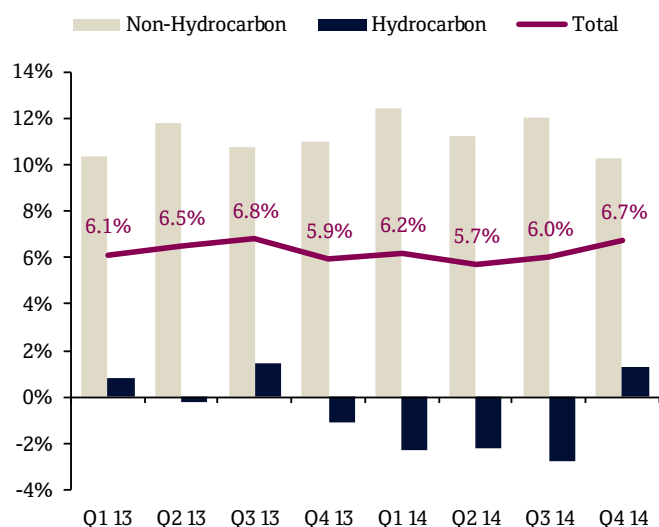
- Qatar's real GDP growth accelerated to 6.7% in Q4 2014 as hydrocarbon production recovered
- Qatar's population reached 2.35m in March 2015, reflecting the large influx of expatriate workers
- International reserves fell slightly to USD38.7bn at end-February 2015 on lower export receipts
- Qatari oil prices and production recovered in February 2015

Qatar's real GDP growth accelerated to 6.7% in Q4 2014 as hydrocarbon production recovered

Real GDP growth picked up to 6.7% in Q4 2014 (year-on-year) compared with 6.0% in Q3. In particular, hydrocarbon production grew 1.3% in Q4, having contracted in the previous four quarters due to maturing oil fields and scheduled maintenance at gas facilities. Meanwhile, non-hydrocarbon growth remained in double-digits (10.3%). The Q4 data means that full year 2014 growth was 6.2%, compared with 6.3% in 2013.

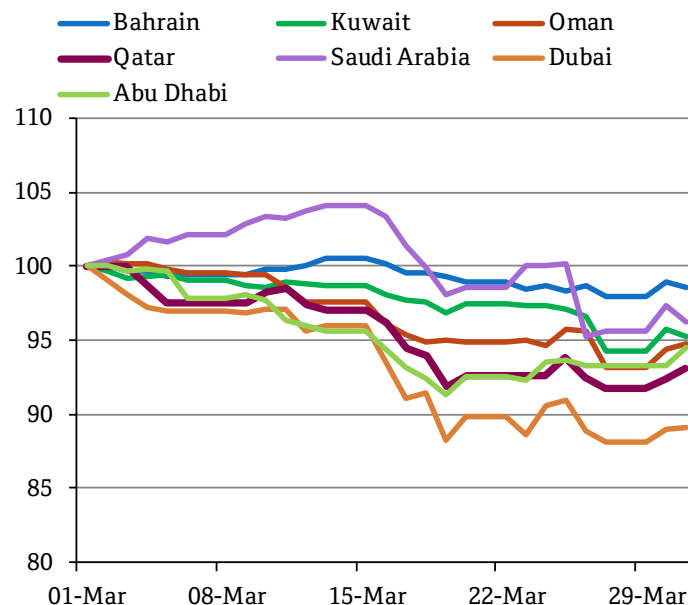
Real GDP growth accelerated to 6.7% in Q4 2014

Real GDP growth, year on year



Sources: Ministry of Development Planning and Statistics (MDPS) and QNB Group analysis

Stock market Indices (rebased, 28th February 2015 = 100)



Sources: Bloomberg and QNB Group analysis

The GCC indices ended March in negative territory. Dubai's DFMGI plunged by 9.1% month-on-month (MoM). All the other main stockmarket indices in the GCC also fell during the month: Qatar -5.9%; Saudi Arabia -5.7%; Oman -4.9%; Kuwait -4.8%; Abu Dhabi -4.7%; and Bahrain -1.7%. Year to date, the Saudi market remained the best performing index with a gain of 5.3%, followed by Bahrain (1.3%), Abu Dhabi (-1.3%), Oman (-1.7%), Kuwait (-3.9%), Qatar (-4.7%) and Dubai (-6.9%).

QNB Economics Weekly Commentary

- [The Qatari Economy Grew Fast in 2014 Despite Falling Oil Prices](#)
- [Global Headwinds To Slow Several Asian Countries](#)
- [Has The Fed Run Out Of Patience?](#)
- [Will China Meet its 2015 Growth Target?](#)
- [India's Budget Delivers on Modi's Reform Agenda](#)
- [Qatar is Well-Positioned to Continue Its Diversification Process](#)
- [Little Global Spillover from the Greek Drama](#)
- [Why Did Bank Indonesia Cut Interest Rates?](#)
- [Are We In For Another US Dollar Squeeze?](#)

Qatar Economic Insight Report 2015



QNB Group has recently published the [Qatar Economic Insight 2015 report](#), providing an overview of Qatar's economy, with in-depth analysis and forecasts. The report is available on the [QNB website](#) along with the recently published [Kuwait Economic Insight 2015](#) and other reports.

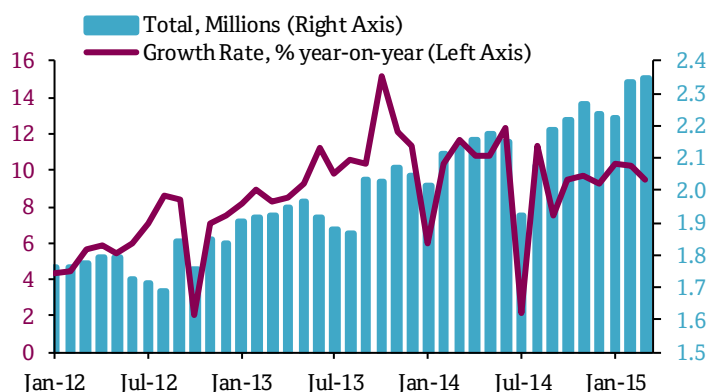
Qatar's population reached 2.35m in March 2015 reflecting the large influx of expatriate workers

Qatar's population grew by 9.5% in the year to March 2015 to reach 2.35m, the highest on record. Qatar's rapid population growth is a result of the large influx of expatriate workers that are being hired to implement the infrastructure investment programme. Last month's population growth registered a slight slowdown from 10.3% growth in the year to February. Population growth in the 12 months to March equates to an increase of 203,000 people, equivalent to a growth rate of 9.5%.

Qatar's population is projected to grow by 7.0% in 2015, reflecting a continued influx of expatriates. In turn, this larger population will feed into higher economic growth by boosting aggregate demand and investment in housing and services.

Population growth registered 9.5% in the year to March 2015

(m, % year-on-year)



Sources: MDPS and QNB Group analysis and forecasts

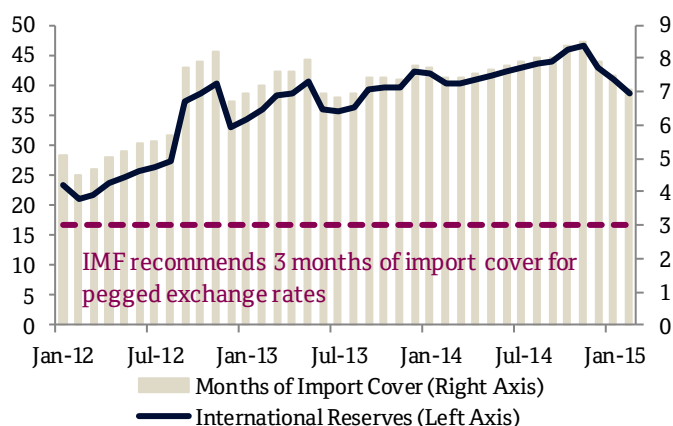
International reserves fell slightly to USD38.7bn at end-February 2015 on lower export receipts

Qatar's international reserves fell slightly to USD38.7bn at end-February 2015 reflecting lower export receipts. This compares to USD40.2bn at end-February 2014. Despite the slight fall, import cover remains more than adequate at 7.1 months of prospective imports at end-February 2015, well above the IMF-recommended level of 3 months for pegged exchange rates.

More broadly, Qatar's international reserves have been steadily rising over the years on large current account surpluses. Going forward, QNB Group expects international reserves to remain broadly stable at 7 months of prospective import cover over the medium term, notwithstanding the lower trade surplus.

International reserves fell slightly in February

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



Sources: QCB and QNB Group analysis

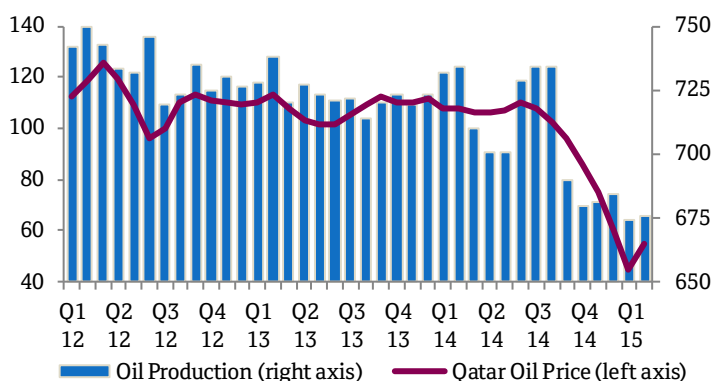
Qatari oil prices and production recovered in February 2015

In February, Qatari oil prices rose 22.9% from USD44.6/barrel in January to USD54.8/b. As we outlined in a recent commentary ([Are Oil Prices Poised For a Rebound?](#)), the rebound was driven by a technical rebound in international oil markets. So, we do not expect a significant further rebound in oil prices in 2015. However, in 2016-17 we do expect fundamental adjustments to the supply of crude oil, particularly amongst US shale oil producers, which should lead to a gradual recovery in oil prices.

Qatar's crude oil production rose slightly in February. Qatar Petroleum (QP) is implementing a redevelopment program to steady production at its oil fields. This heavy investment in maturing oil fields should stabilise oil production going forward.

Oil prices and production recovered slightly

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



Qatar oil prices are the unweighted average of land and marine prices
 Sources: Bloomberg and QNB Group analysis

Economic News

- QNBK: Qatar's real GDP to grow 7% in 2015, 7.5% in 2016** – QNB Group (QNBK), in its 'Qatar Economic Insight 2015' report, said that Qatar's real GDP growth is projected to accelerate to 7% in 2015, 7.5% in 2016 and 7.9% in 2017, as the government continues to invest heavily in the non-hydrocarbon sector despite lower oil prices. The non-hydrocarbon sector is projected to continue its double-digit growth on the back of large investments in construction, financial services and real estate. The large influx of expatriate workers, driven by major investment projects, will add to aggregate demand, putting moderate pressure on domestic inflation. Counterbalancing this, foreign inflation is expected to slow during 2015-17 as international commodity prices fall on weak global demand, record food harvests and a stronger dollar. Overall inflation is projected to slow to 2.5% in 2015 as rising rents are expected to be partly offset by lower international food prices, before accelerating to 3.2% in 2016 and 3.3% in 2017. Meanwhile, the Barzan Project is expected to drive growth in the hydrocarbon sector, which may grow by 0.8% in 2015, 1.8% in 2016 and 1.9% in 2017, despite the declining oil production in maturing oilfields. QNBK said the lower hydrocarbon revenues and rising capital spending are expected to tip the fiscal balance into a deficit of 2.2% of GDP in 2015, 3.4% in 2016 and 3.7% in 2017. The hydrocarbon revenue is expected to decline due to lower oil prices and declining production, but this will be partly offset by the higher non-hydrocarbon revenue, supported by better corporate tax collection. The Qatari government is expected to increase its capital spending, while stabilizing its current expenditure through further expenditure rationalization. Bank lending is expected to rise by 9% in 2015, 10% in 2016 and 11% in 2017, driven by project lending and an expanding population. (Gulf-Times.com)
- MDPS: Qatar's trade surplus totals QR73.5bn in 4Q2014** – According to the Ministry of Development Planning & Statistics (MDPS), Qatar's trade surplus stood at QR73.5bn in 4Q2014 as compared to QR94.7bn in 4Q2013. The value of Qatar's total exports amounted to QR104.2bn in 4Q2014, down 13.8% from QR121.0bn registered in 4Q2013. As per MDPS, the YoY decline in total exports was mainly due to lower exports of mineral fuel, lubricants and related materials. The value of Qatar's imports stood at QR30.7bn in 4Q2014, up 16.9% over 4Q2013. The YoY increase reflects higher imports of machinery & transport equipment. (Gulf-Times.com)
- Fitch upgrade confirms strength in Qatar economy** – The international credit rating agency, Fitch Ratings, has issued 'AA' ratings for Qatar's long-term foreign and local currency Issuer Default Ratings (IDRs). The outlooks are Stable. The AA rating is the third highest possible rating offered to any country or institution. Such upgrades to credit ratings help in attracting investment. The Minister of Finance HE Mr. Ali Shareef Al Emadi said that the upgrade of Qatar's credit rating to AA and a stable outlook confirm the strong credit position of the country. The minister said that Fitch's upgrade is in line with ratings given by other agencies such as Standard & Poor's and Moody's. (Peninsula Qatar, Reuters)
- StanChart: Qatar 'better positioned' to face lower LNG prices than other producers, inflation to rise to 4.2% by 2015-end** – Standard Chartered Bank (StanChart) in its latest "Global focus" report said that Qatar can "better withstand" lower prices than many of the new supply points coming online, as the "world's lowest-cost producer" of liquefied natural gas. StanChart said LNG from markets such as Australia and Mozambique is much more expensive to produce. (Gulf-Times.com)

Private Sector News

- QEWS awards QR4bn hydroelectric deal to Mitsubishi** – Qatar Electricity & Water Company (QEWS) said that it will award a QR4bn contract to Mitsubishi for building the country's largest power and water plant, after the Japanese firm submitted the lowest bid. The plant would have a production capacity of 2,400 megawatts (MW) of power and 130mn gallons of water per day and it is expected to be completed in 2Q2018. Meanwhile, QEWS is also planning to construct a water desalination plant in Ras Laffan, which would be 60% owned by QEWS. (GulfBase.com)
- DHBK plans to launch ETF on QSE** – Doha Bank (DHBK) is planning to launch an exchange traded fund (ETF) on the Qatar Stock Exchange (QSE) with Amwal acting as the fund manager and the Group Securities as the liquidity provider. An agreement has been signed to appoint Amwal as the fund manager, as well as to get licensing for the index benchmark from QSE. DHBK's CEO R. Seetharaman said that the Qatar Index ETF,

which is pending regulatory approvals, will track the QSE Index. Once approved by the Qatar Financial Markets Authority (QFMA), the ETF would list on QSE and provide investors with exposure to the index benchmark with a single trade. He added that the Group Securities will provide bid and ask prices, as well as coordinate with the fund manager to manage the supply of ETF units on QSE. (QSE)

- **QSE-listed companies earn QR45.6bn net profit in FY2014** – The Qatar Stock Exchange (QSE) announced that all the QSE-listed companies except Vodafone Qatar (VFQS) have disclosed their financial statements for the year ended December 31, 2014. The combined net profit of all companies as of December 31, 2014 amounted to QR45.6bn, up 8.9% as compared to QR41.9bn in 2013. VFQS' financial year starts on April 1 and ends on March 31. (QSE)
- **QNBK expansion to focus on Mideast, Africa and Asia** – QNB Group's (QNBK) CEO Ali Ahmed al-Kuwari said that the bank will continue its expansion, with a clear focus on strengthening its presence in the Middle East (Mideast) region, Africa and Asia. International expansion offers QNBK the opportunity to leverage its sectoral expertise in oil & gas, construction and infrastructure and capture investment and trade flows across its network in Africa, Asia and the Mideast. He said that QNBK aspires to become a Middle East & Africa (MEA) icon by 2017. The overall corporate strategy comprises three pillars – maintain dominant position in Qatar, grow the ongoing high return-on-equity businesses and continue international expansion. He said Qatar's non-hydrocarbon sector is expected to represent 80% of the country's GDP in the long-term, rising from the current 51% share of Qatar's GDP. He noted that Qatar's private sector is growing at an unprecedented rate, with the SMEs and mid-sized companies taking the lead. This would accelerate the pace in the non-hydrocarbon sector and enable it to contribute a sizeable share to the country's GDP. The fall in oil prices will only have a minor impact on the strong diversification drive of the Qatari economy. He

said domestically, QNB will continue to support the country's economic development and its national strategic projects. The Qatari economy continues to outperform the rest of the MENA region with an estimated growth around 6.5% in 2014, projected to accelerate to 7.0% in 2015, 7.5% in 2016 and 7.8% in 2017. (Gulf-Times.com, Peninsula Qatar)

- **Fitch upgrades QNBK credit ratings** – QNB Group (QNBK) has consolidated both its position as the leading Financial Institution in the MENA Region and its region leading credit rating performance following the news by Fitch Ratings that the Group's Long Term Rating has been upgraded to AA- from the previous A+ with an immediate effect. The move by internationally renowned Fitch Ratings follows their recent report on the positive outlook of The State of Qatar and in particular, the "healthy condition" of the banking Sector. They concluded that local banks were highly capitalised and that asset quality was solid. Commitment from the Government to the sector was a key underlying factor in the reflected cumulative upgrade of Bank Ratings supported by sovereign wealth funds and the on-going strong revenues from hydrocarbon production. (QNB Group Press Release)
- **LREDC awards construction contracts worth QR6.2bn** – Lusail City Real Estate Development Company (LREDC) has announced QR6.2bn worth development works in Lusail City. The projects will be located within the Central Zone of the Lusail City spread over 38 square kilometers and will include development packages for Lusail Plaza, Commercial Street and a unique crescent-shaped street. The Qatari Diar-Bin Laden Construction joint venture is the contractor of Lusail Plaza. The QR4.12bn estimated project will be linked with internal roads connected to trams and underground rails. A joint venture of WCT and Al Ahli has bagged the QR1.21bn worth contract for the Commercial Street project, while the third package for the Crescent Street includes the development of 3 km-long stretch at QR918m. (Peninsula Qatar)

National Accounts

Nominal GDP (QAR bn)	2011	2012	2013	2014	Q4 14	YoY%	QoQ%
Total	618.1	693.3	739.8	771.0	194.4	2.4%	0.7%
Oil & Gas	359.2	392.7	402.3	389.4	94.3	-6.0%	-1.0%
Non-Oil	258.9	300.6	337.5	390.0	100.1	11.8%	2.4%
Agriculture and Fishing	0.6	0.6	0.7	0.8	0.2	9.0%	0.5%
Industry	87.4	104.8	112.7	124.8	31.4	9.7%	-2.2%
Manufacturing	56.7	70.2	73.5	77.3	19.1	3.5%	-5.1%
Electricity, Gas and Water	2.4	3.4	3.8	4.1	1.1	11.4%	-6.9%
Construction	28.3	31.2	35.4	43.4	11.2	22.0%	3.7%
Services	166.8	190.5	221.0	0.0	67.6	12.8%	4.5%
Trade, Restaurants and Hotels	35.6	39.1	45.3	52.0	14.8	13.1%	5.4%
Transport and Communications	21.0	23.5	24.6	27.6	7.1	12.1%	-2.9%
Financial and Business Services	70.3	76.6	90.6	109.2	28.6	16.0%	6.0%
Social Services	5.0	5.8	6.1	6.7	1.7	8.7%	0.1%
Government Services	46.2	60.1	69.8	75.9	19.3	7.5%	0.7%
Household Services	2.0	2.3	2.7	3.2	0.8	15.0%	7.8%
Imputed Bank Service Charges	-13.4	-16.8	-18.2	-21.8	-4.6	7.8%	-11.4%
Import Duties	3.9	4.6	3.0	3.2	0.9	6.7%	9.8%

Source: MDPS

Real GDP (% change, YoY)	2010	2011	2012	2013	2014	Q4 14	QoQ%
Total	16.7	13.0	6.0	6.3	6.2	6.7	1.5
Oil & Gas	28.9	15.6	1.3	0.2	-1.5	1.3	1.3
Non-Oil	8.6	10.9	10.0	11.0	11.0	10.3	1.7
Agriculture and Fishing	19.7	5.4	4.5	5.9	9.3	9.6	0.0
Industry	23.4	13.9	4.2	3.1	3.1	12.3	0.3
Manufacturing	17.6	10.4	10.7	5.6	4.1	5.0	-3.3
Electricity, Gas and Water	13.5	7.9	10.6	6.4	10.6	12.9	-23.2
Construction	9.5	10.5	10.6	12.1	18.0	17.7	4.7
Services	6.9	10.3	10.8	13.4	11.4	9.4	2.6
Trade, Restaurants and Hotels	2.5	12.9	6.7	12.3	14.1	12.8	4.5
Transport and Communications	10.2	12.4	12.4	4.0	10.4	10.4	-1.9
Financial and Business Services	7.4	6.3	11.4	19.0	13.6	9.2	3.4
Social Services	1.9	3.0	9.2	7.1	8.8	7.5	1.6
Government Services	8.7	13.1	12.8	15.1	7.8	5.9	-0.9
Household Services	2.2	0.8	6.0	10.3	11.0	12.8	7.6
Imputed Bank Service Charges	3.3	33.4	8.2	22.1	11.5	7.6	-8.2
Import Duties	17.8	-1.1	20.5	-0.5	6.9	0.2	-1.6

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	Q3 14
Current Account Balance	24.0	52.0	62.0	62.6	12.7
Trade Balance (Goods)	54.0	87.4	102.2	105.5	24.8
Exports	75.0	114.3	133.0	136.9	32.7
Imports	-20.9	-26.9	-30.8	-31.5	-7.9
Invisibles	-30.1	-35.4	-40.2	-42.9	-12.1
Services	-5.8	-9.5	-14.0	-16.3	-5.0
Income	-12.9	-13.3	-12.1	-11.3	-2.7
Transfers	-11.4	-12.7	-14.1	-15.2	-4.4
Capital & Financial Account Balance	-10.7	-62.6	-44.4	-54.5	-11.3
Capital Account	-2.1	-3.6	-6.1	-4.8	-1.4
Financial Account	-8.6	-59.0	-38.3	-49.7	-9.8
Direct Investment (outwards)	-1.9	-6.0	-1.8	-8.0	-1.6
Direct Investment (into Qatar)	4.7	-0.1	0.3	-0.8	0.3
Portfolio investment (net)	-	-18.9	2.8	-14.3	-6.7

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	Q3 14
Japan	15.5	21.5	29.9	36.9	39.9	7.2
Korea	6.9	12.0	20.1	24.7	24.6	5.8
India	4.0	6.4	10.9	14.6	14.3	3.9
European Union	4.4	10.1	18.2	13.1	12.7	2.3
China	0.9	2.2	4.5	6.8	8.9	1.6

Top 5 Import Sources (USD bn)	2009	2010	2011	2012	2013	Q3 14
European Union	8.1	7.4	6.7	6.8	7.3	2.4
United States	3.1	2.7	2.6	2.8	3.2	1.4
United Arab Emirates	1.8	1.6	1.8	2.0	2.0	0.5
Saudi Arabia	1.3	1.2	1.2	1.2	1.2	0.3
United Kingdom	1.1	1.2	1.1	1.1	1.3	0.4

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

Crude oil (USD / barrel)	2011	2012	2013	2014	Feb-15	MoM%	YoY%
Oil production ('000 bpd)	733.4	733.7	723.2	709.2	676.0	0.3%	-7.9%
Qatar average price	108.1	111.0	107.7	97.2	54.3	23.1%	-49.3%
Dukhan	109.7	111.8	108.9	98.5	56.1	22.1%	-48.5%
Marine	107.5	110.6	107.1	96.6	53.5	23.7%	-49.8%

Source: Organisation of the Petroleum Exporting Countries (OPEC), Reuters

Budget, Population, Money & Prices

Government Budget (% of GDP)	2010	2011	2012	2013
Balance	2.7	7.8	11.4	15.5
Revenue	34.3	36.0	41.0	46.9
Expenditure	31.6	28.2	29.7	31.3

Population (m people in Qatar)	2011	2012	2013	2014	Feb-15	MoM%	YoY%
Total	2.19	1.71	2.05	2.24	2.35	0.5%	9.5%

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

Inflation (% change, average YoY)	2011	2012	2013	2014	Dec-14	MoM%	YoY%
Overall (weights shown in brackets below)	1.9	1.9	3.1	3.0	2.7	-0.3	2.7
Food, beverages & tobacco (13.2%)	4.3	3.7	2.3	0.4	-0.4	-0.4	-0.4
Clothing & footwear (5.8%)	7.5	2.8	0.2	2.8	2.7	-0.1	2.7
Rents, water & maintenance (32.2%)	-4.8	-3.2	5.8	7.0	7.4	0.0	7.4
Furniture, textiles & appliances (8.2%)	2.8	4.9	3.2	4.5	3.5	-0.3	3.5
Health care (2.0%)	2.6	1.5	2.3	0.9	0.8	0.0	0.8
Transport & communication (20.5%)	6.4	2.2	1.4	1.8	1.2	-0.5	1.2
Entertainment, leisure & culture (10.9%)	2.0	6.0	7.3	1.7	0.4	-1.0	0.4
Miscellaneous goods & services (7.2%)	5.6	4.9	-2.5	-0.7	0.4	0.0	0.4

Source: MDPS

Money Supply (QAR bn)	2011	2012	2013	2014	Feb-15	MoM%	YoY%
Broad money (M2)	310.0	381.1	455.7	504.0	517.9	-0.2%	7.6%
M1	81.8	90.9	105.9	124.3	130.9	-0.3%	17.3%
Quasi-money	228.1	290.1	349.8	379.8	386.9	-0.2%	4.8%

Interest rates (% , end period)	2011	2012	2013	2014	Feb-15	MoM bp	YoY bp
QCB deposit	0.75	0.75	0.75	0.75	0.75	0.0	0.0
QCB lending	4.50	4.50	4.50	4.50	4.50	0.0	0.0
Interbank overnight	0.74	0.77	0.85	0.73	0.77	-2.4	37.0
Demand deposit	0.62	0.65	0.58	0.54	0.57	24.4	0.3
Overdraft	7.42	6.63	6.10	5.35	5.91	-18.3	23.5
Credit card	10.69	9.11	8.13	9.64	9.85	79.2	108.0

Source: QCB

1/ Fiscal year data ending March 31.

Banking Sector Snapshot : January 2015

Review and Outlook

The loan book grew by 1.7% MoM (flattish YTD) after receding by 1.4% MoM in January 2015. Deposits followed suit and gained 2.4% MoM (flattish YTD) in the month of February 2015. Public sector drove total credit growth with a gain of 1.5% MoM (down 5.7% YTD). Moreover, public sector deposits expanded by 5.2% MoM (down 1.0% YTD). Thus, the LDR stood at 109% vs. 110% at the end of January.

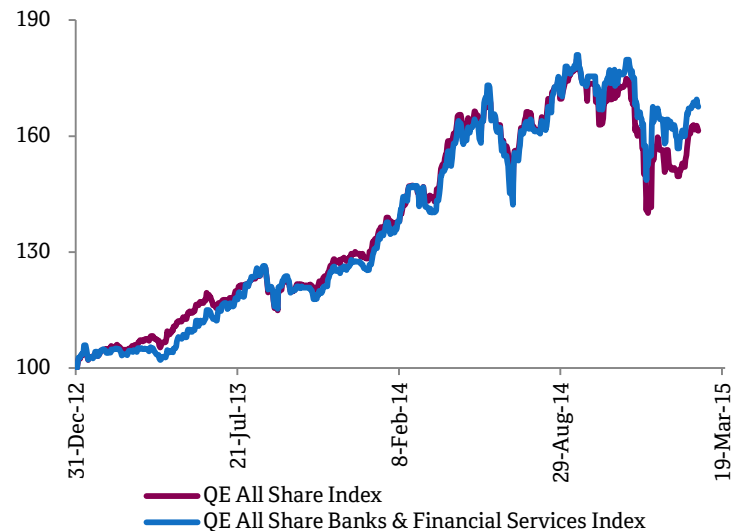
The public sector deposits increased by 5.2% MoM for the month of February 2015. Delving into segment details, the government institutions' segment (represents ~64% of public sector deposits) expanded by 12.8% MoM (+11.6% YTD). On the other hand, the government segment contracted by 11.4% MoM (down 31.7% YTD) after dropping by 22.9% in January 2015. Moreover, the semi-government institutions' segment posted flat performance. On the other hand, private sector deposits receded by 0.5% MoM (down 1.1% YTD). On the private sector front, the companies & institutions' segment decreased by 3.2% MoM (down 4.7% YTD) while the consumer segment climbed up by 2.2% MoM (+2.6% YTD). Non-resident deposits grew by 9.1% MoM (+13.7% YTD).

The overall loan book rebounded and posted healthy performance. Total domestic public sector loans increased by 1.5% MoM (down 5.7% YTD) vs. drop of 7.1% MoM in January 2015. The government segment's loan book expanded by 11.8% MoM (down 14.5% YTD) after dropping by 23.6% in January. Moreover, semi-government institutions' segment also grew by 3.2% MoM (down 0.5% YTD). However the government institutions' segment (represents ~62% of public sector loans) declined by 2.5% MoM (down 2.7% YTD). Hence, the government and semi-government sub-segments pushed the overall loan book up for the month of February 2015.

Private sector loans exhibited flattish performance MoM (up 1.6% YTD). Consumption & Others followed by Contractors positively contributed toward the loan growth. Consumption & Others (contributes ~30% to private sector loans) increased by 2.3% MoM. Contractors (contributes ~9% to private sector loans) increased by 2.8% MoM. On the other hand, Real Estate (contributes ~26% to private sector loans) decreased by 2.2% MoM.

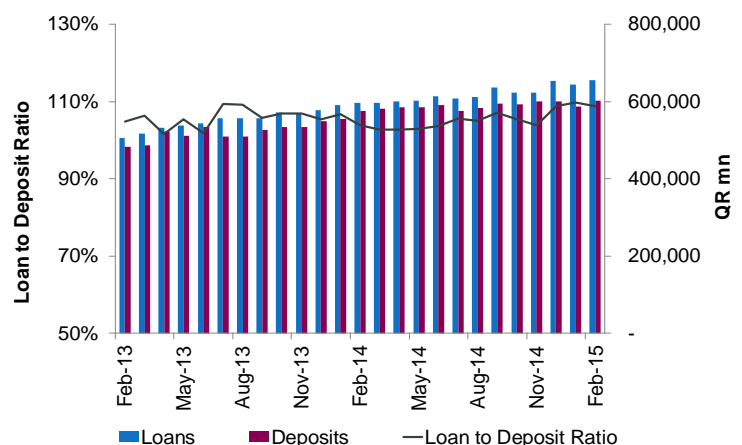
Overall for 2014, Consumption & Others followed by General Trade and Services were the biggest contributors to the loan book growth. Consumption & Others increased by 22.2% in 2014. General Trade grew by 34.0% in 2014. Services segment grew by 21.3% in 2014. On the other hand, the Industry segment only witnessed a 5.7% increase.

Banking Sector Index vs. QE All Share Index



Source: Bloomberg

Banking Sector - Loan to Deposit (LDR)



Source: QCB

Banking Sector – Key Stats						
Banks	Closing Price	Change YTD (%)	EPS 2014E (QAR)	P/E 2014E (x)	P/B 2014(x)	Dividend Yield 2014 (%)
QE Banks & Financial Services Index	3,118.03	(2.68)			2.1	4.2
Al Ahli Bank (ABQK)	49.00	(1.28)	3.5	13.8	2.0	4.1
Al Khalij Commercial Bank (KCBK)	21.00	(4.76)	1.7	12.4	1.3	4.8
Commercial Bank of Qatar (CBQK)	58.00	(6.86)	7.0	8.3	1.1	6.5
Doha Bank (DHBK)	50.50	(11.40)	4.7	10.7	1.4	7.9
Masraf Al Rayan (MARK)	45.30	2.49	2.9	15.41	2.8	4.4
Qatar International Islamic Bank (QIIB)	76.30	(6.61)	6.0	12.65	2.0	5.6
Qatar Islamic Bank (QIBK)	99.00	(3.13)	7.5	13.18	1.8	4.5
Qatar National Bank (QNBK) *	188.00	(11.70)	16.1	11.6	2.3	4.1

Source: QNBFS estimates, Bloomberg estimates (*) and data (as of March 22, 2015)

Banking Sector Indicators										
(In QR mn)	2012	2013	Mar-14	Jun-14	Sep-14	Dec-14	Jan-15	Feb-15	Change MoM	Change YTD
Total Assets	820,512	915,911	952,148	961,850	989,349	1,011,702	976,103	998,870	2.3%	-1.3%
Total Credit (Loans)	510,048	577,976	596,344	613,500	636,348	653,418	644,586	655,424	1.7%	0.3%
Total Deposits	458,066	548,384	581,000	591,397	594,192	601,074	587,830	602,029	2.4%	0.2%
Loan to Deposit Ratio	111%	105%	103%	104%	107%	109%	110%	109%		
Credit Facilities (Geographic)										
Total Domestic Credit	478,305	535,657	550,417	556,628	575,576	589,739	576,862	581,948	0.9%	-1.3%
Total International Credit	31,743	42,319	45,927	56,872	60,772	63,679	67,724	73,475	8.5%	15.4%
Domestic Credit Facilities - Public Sector										
Government	51,746	56,549	67,288	61,191	69,023	64,737	49,474	55,322	11.8%	-14.5%
Government Institutions	139,585	152,516	150,361	144,287	136,462	140,427	140,140	136,648	-2.5%	-2.7%
Semi-Government Institutions	27,222	30,679	28,617	34,624	34,351	28,400	27,372	28,249	3.2%	-0.5%
Total Domestic Public Sector Credit	218,553	239,745	246,266	240,102	239,836	233,564	216,986	220,219	1.5%	-5.7%
Domestic Credit Facilities - Private Sector										
General Trade	33,280	36,011	39,610	38,774	43,257	48,257	48,522	48,122	-0.8%	-0.3%
Industry	9,339	11,592	10,440	10,828	11,440	12,253	12,456	13,148	5.6%	7.3%
Contractors	16,546	23,331	26,458	26,309	28,504	30,367	31,561	32,432	2.8%	6.8%
Real Estate	85,562	85,388	85,113	84,804	88,392	95,142	96,613	94,455	-2.2%	-0.7%
Consumption & Others	78,587	87,020	89,049	93,637	100,794	106,363	107,146	109,607	2.3%	3.0%
Services	36,438	52,570	53,480	62,174	63,353	63,792	63,577	63,966	0.6%	0.3%
Total Domestic Private Sector Credit	259,752	295,912	304,151	316,526	335,740	356,175	359,876	361,729	0.5%	1.6%
Deposit Details (Geographic)										
Resident Deposits	417,337	514,804	550,048	558,245	560,378	552,955	537,655	547,297	1.8%	-1.0%
Non-resident Deposits	40,729	33,579	30,952	33,153	33,814	48,119	50,175	54,733	9.1%	13.7%
Deposits - Public Sector (Domestic)										
Government	44,557	68,459	76,856	84,935	81,169	59,445	45,826	40,620	-11.4%	-31.7%
Government Institutions	104,378	124,390	135,485	126,889	137,862	129,609	128,250	144,707	12.8%	11.6%
Semi Government Institutions	31,794	37,283	25,341	30,429	33,894	39,082	40,648	40,637	0.0%	4.0%
Total Public Sector Deposit	180,729	230,131	237,682	242,253	252,925	228,136	214,724	225,964	5.2%	-1.0%
Deposits - Private Sector (Domestic)										
Personal	116,257	145,841	162,317	162,406	158,837	162,251	162,917	166,484	2.2%	2.6%
Companies & Institutions	120,350	138,833	150,048	153,585	148,615	162,567	160,014	154,848	-3.2%	-4.7%
Total Private Sector Deposit	236,607	284,673	312,366	315,991	307,452	324,819	322,931	321,332	-0.5%	-1.1%

Source: QCB

Company Name	Price (March 26)	% Change 5-Day	% Change YTD	Market Cap. QR Million	TTM P/E	P/B	Div. Yield
Qatar National Bank	187.10	0.05	(12.12)	130,919	12.5	2.3	4.0
Qatar Islamic Bank	99.50	0.91	(2.64)	23,511	14.8	1.9	4.3
Commercial Bank of Qatar	56.80	(7.71)	(8.79)	18,553	9.9	1.1	5.6
Doha Bank	49.65	(0.70)	(12.89)	12,828	9.5	1.1	8.1
Al Ahli Bank	48.00	(2.04)	(3.30)	8,722	14.5	2.1	2.8
Qatar International Islamic Bank	76.60	0.79	(6.24)	11,595	14.1	2.2	5.2
Masraf Al Rayan	45.85	1.21	3.73	34,388	17.2	3.0	3.8
Al Khaliji Bank	20.80	4.00	(5.67)	7,488	13.2	1.3	4.8
National Leasing	20.70	2.07	3.50	1,024	23.7	0.8	4.1
Dlala Holding	35.25	(7.24)	(17.64)	783	11.7	2.7	N/A
Qatar & Oman Investment	13.76	(12.91)	(10.65)	433	16.7	1.2	5.8
Islamic Holding Group	116.00	(3.09)	(6.83)	464	28.9	6.8	2.6
Banking and Financial Services				250,708			
Zad Holding	93.30	3.67	11.07	1,220	6.0	0.9	3.8
Qatar German Co. for Medical Devices	10.15	(3.70)	0.00	117	N/A	0.7	N/A
Salam International Investment	12.75	(3.34)	(19.56)	1,458	19.0	0.9	4.7
Medicare Group	142.50	1.06	21.79	4,011	22.1	4.3	1.3
Qatar Cinema & Film Distribution	49.00	0.00	11.36	280	22.7	1.9	N/A
Qatar Fuel	178.50	(1.65)	(12.63)	15,076	13.3	2.2	5.0
Qatar Meat and Livestock	56.00	(2.61)	(7.28)	1,008	16.2	3.7	3.7
Al Meera Consumer Goods	215.90	3.25	7.95	4,318	19.1	3.1	3.7
Consumer Goods and Services				27,488			
Qatar Industrial Manufacturing	45.00	0.00	3.81	2,138	13.3	1.4	6.7
Qatar National Cement	116.80	(1.93)	(2.67)	6,308	15.0	2.4	3.1
Industries Qatar	132.20	(1.78)	(21.31)	79,981	12.6	2.4	5.3
Qatari Investors Group	38.40	(2.78)	(7.25)	4,774	21.1	2.1	2.0
Qatar Electricity and Water	186.00	3.85	(0.80)	20,460	13.0	3.0	4.0
Mannai Corp.	103.40	(9.30)	(5.14)	4,717	8.9	2.2	5.8
Aamal	14.98	(4.46)	3.55	9,437	16.4	1.3	6.4
Gulf International Services	87.20	1.28	(10.20)	16,205	11.5	N/A	6.3
Mesaieed Petrochemical Holding	25.75	(2.65)	-12.7	32,350	18.0	2.2	5.6
Industrials				176,372			
Qatar Insurance	77.90	5.13	(1.12)	14,382	14.4	2.5	2.8
Doha Insurance	26.65	(0.37)	(8.10)	1,333	10.4	1.2	3.8
Qatar General Insurance & Reinsurance	55.20	(8.91)	7.59	4,391	5.0	0.8	3.2
Al Khaleej Takaful Insurance	43.10	0.23	(2.43)	1,100	14.8	1.7	3.0
Qatar Islamic Insurance	77.00	(3.75)	(2.53)	1,155	15.7	3.7	5.2
Insurance				22,361			
United Development	21.12	(3.78)	(10.47)	7,478	11.9	0.7	5.9
Barwa Real Estate	45.40	(3.61)	8.35	17,666	6.1	1.1	4.4
Ezdan Real Estate	14.85	(3.57)	(0.47)	39,390	29.3	1.3	2.7
Mazaya Qatar Real Estate Development	17.47	(3.48)	(8.77)	1,747	10.3	1.3	4.3
Real Estate				66,281			
Qatar Telecom	103.00	(2.37)	(16.87)	32,993	15.8	1.4	3.9
Vodafone Qatar	17.34	1.70	5.41	14,659	N/A	2.6	1.0
Telecoms				47,652			
Qatar Navigation (Milaha)	99.70	(1.19)	0.20	11,418	10.8	0.8	5.5
Gulf Warehousing	58.00	1.75	2.84	2,759	19.7	3.2	2.6
Qatar Gas Transport (Nakilat)	22.20	(4.10)	(3.90)	12,432	13.8	3.2	5.4
Transportation				26,609			
Qatar Exchange				617,471			

Source: Bloomberg, * Trailing Twelve Months

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

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