



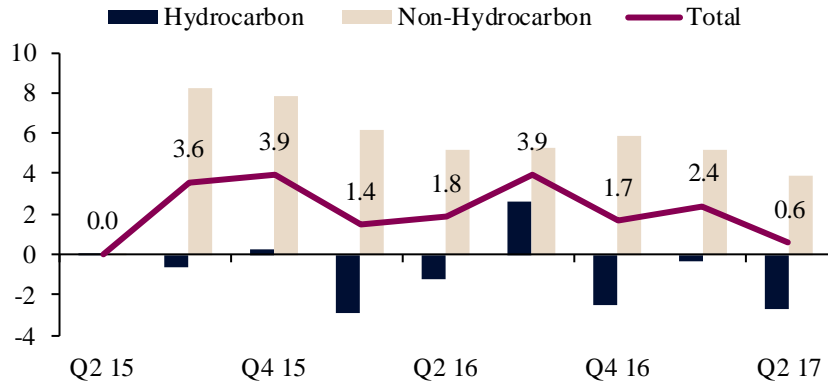
# QNB Qatar Monthly Monitor December 2017

# Highlights

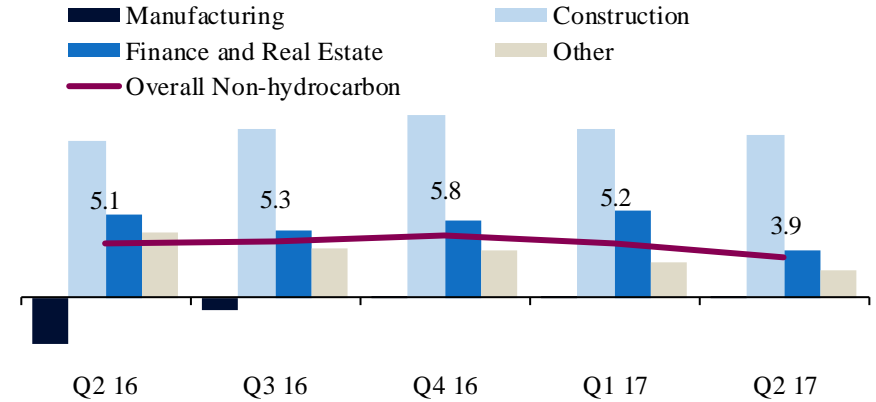
- **Imports rose to an all-time high in October, growing by 52.9% m/m and 11.2% y/y**
- **Inflation was unchanged at 0.2% in November; higher food prices were offset by lower housing and utilities costs**
- **Qatar's population expanded to 2.68mn in November, growing by 1.7% y/y**

# Economic Activity

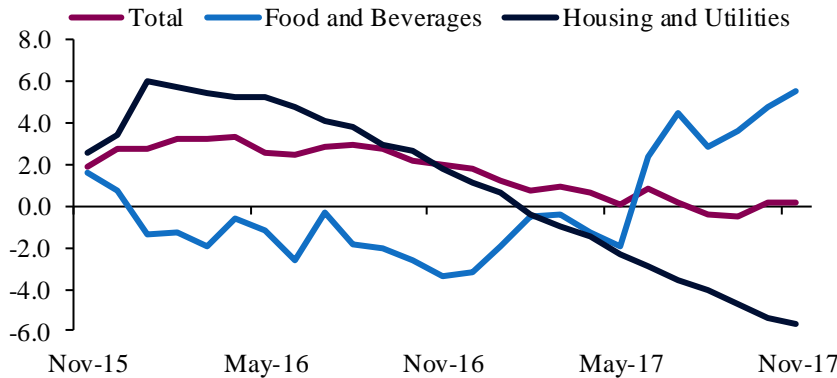
**Real GDP growth slowed in Q2 mainly due to a contraction in the hydrocarbon sector**  
 (% year on year)



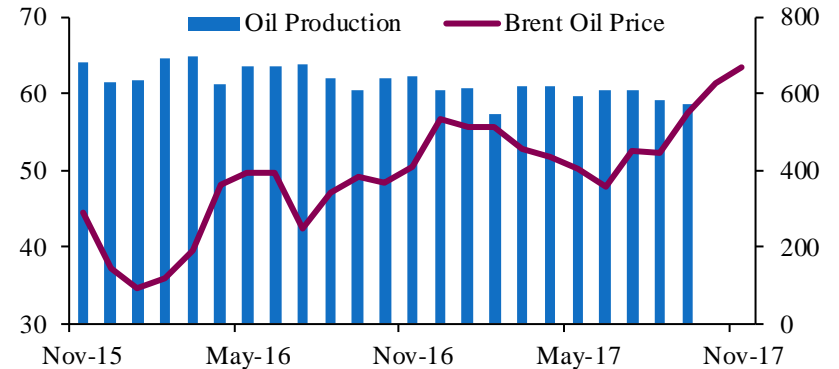
**Non-hydrocarbon real GDP growth slowed in Q2, mainly due to the construction, finance and real estate sectors**  
 (% year on year)



**Inflation was unchanged at 0.2% in November; higher food prices were offset by lower housing and utilities costs**  
 (% year on year)



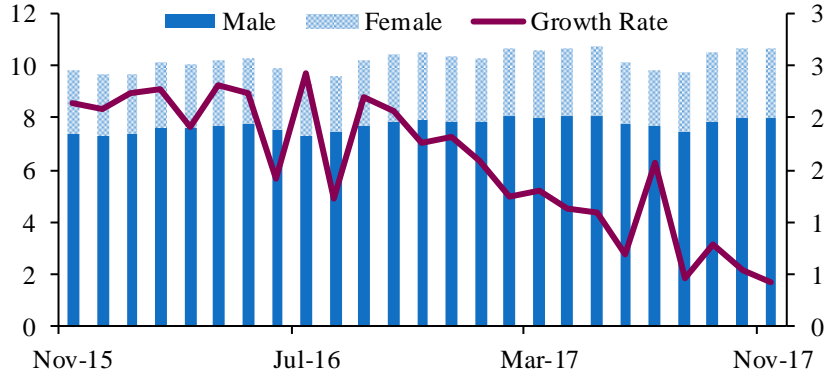
**Brent crude prices continued to rise, averaging USD63.6/b in November; Qatar's oil production fell to 571k b/d in September from 585k b/d prior**  
 (USD/b, left axis; Oil production (k b/d), right axis)



# Economic Activity

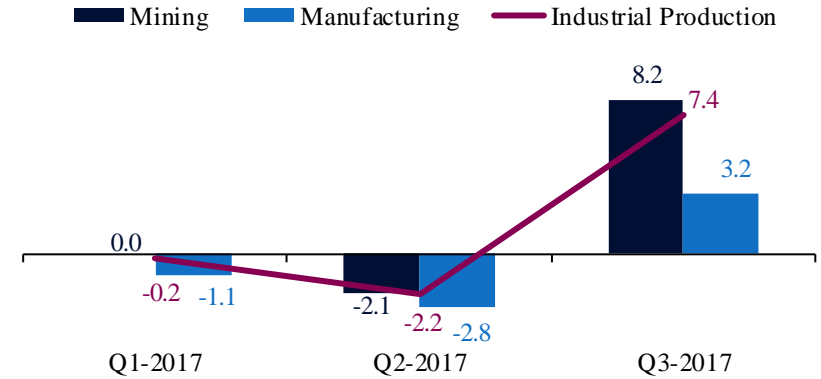
Qatar's population expanded to 2.68mn in November, growing by 1.7% y/y

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



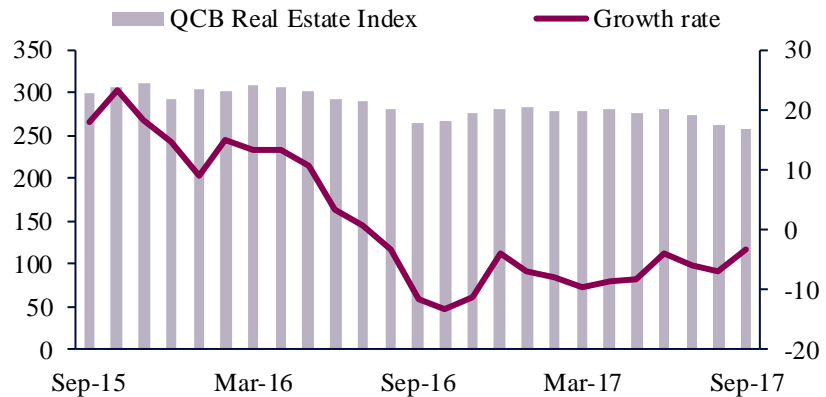
Industrial production surged to 7.4% y/y growth due to a rebound in the mining sector

(% year on year)



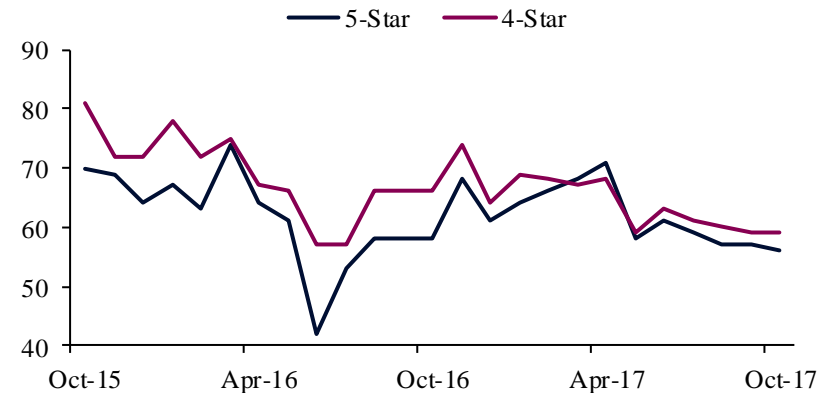
The real estate price index stabilised in Q3, although it still fell 5.4% over the previous year

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



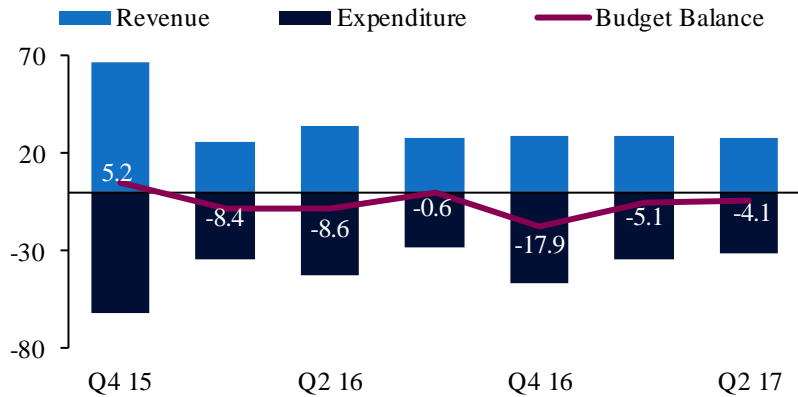
5-star hotel occupancy rates dipped to 56% in October from 57% prior while 4-star occupancy rates stayed flat at 59%

(% occupancy rate)

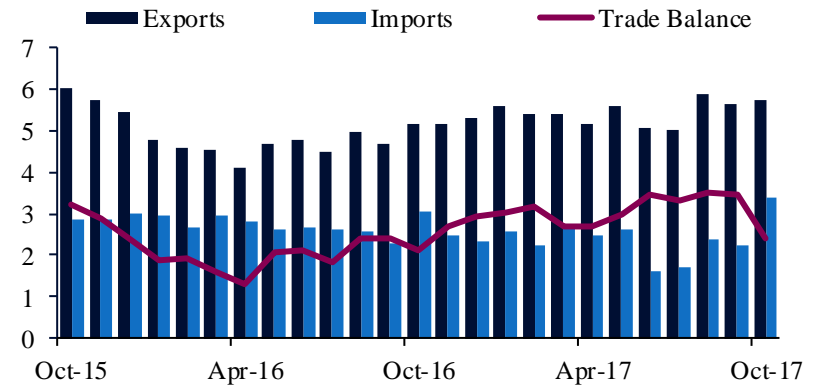


# Fiscal and External Balances

The fiscal deficit continued to narrow, reaching 4.1% of GDP in Q2 from a revised deficit of 5.1% in Q1-2017 (previously 5.5%)  
(% of GDP)

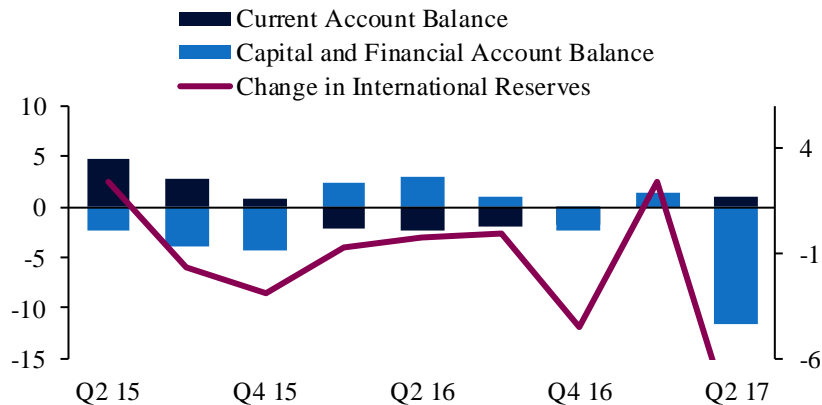


Imports rose to an all-time high in October, growing by 52.9% m/m and 11.2% y/y  
(bn USD)



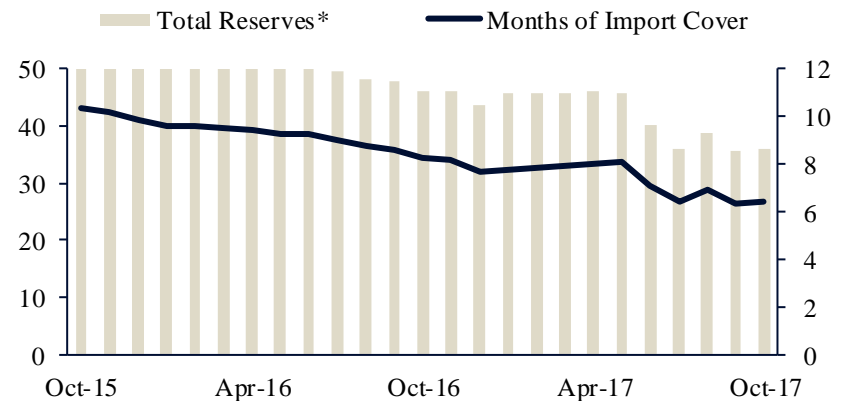
The current account surplus widened to 2.4% of GDP while the financial account fell into deficit

(bn USD; Balances, left axis; Reserves, right axis)



Reserves have stabilised around USD36bn in October or over six months of import cover

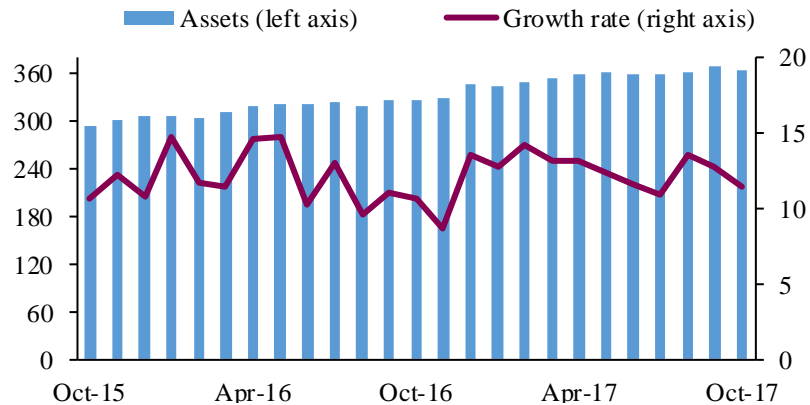
(bn USD; Reserves, left axis; Months of import cover, right axis)



# Money and Banking

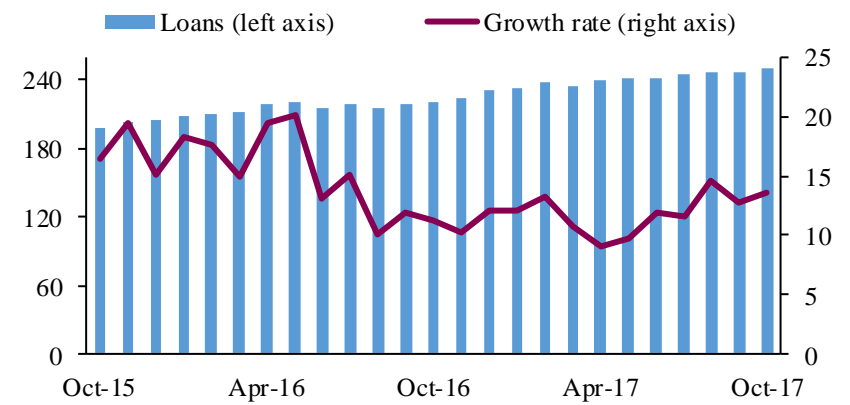
**Assets contracted to USD362bn in October, with growth slowing to 11.4% y/y from 12.8% prior**

*(bn USD and % year on year)*



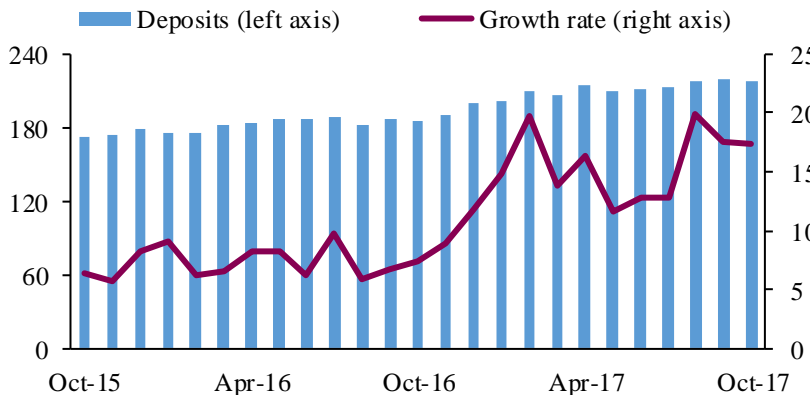
**Credit grew at 13.6% y/y in October from 12.7% y/y in September; lending to the public sector grew the most, at 29.6% y/y**

*(bn USD and % year on year)*



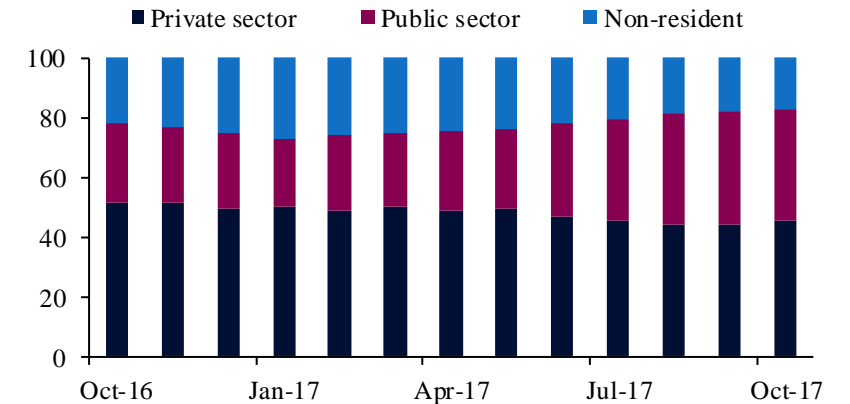
**Bank deposit growth was flat at 17.4% y/y in October from 17.5% in September**

*(bn USD and % year on year)*



**For a third consecutive month, private sector deposits increased signifying eased pressures in the banking system**

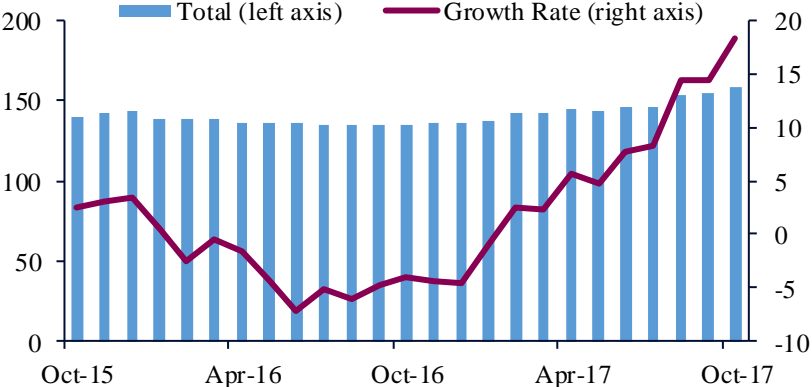
*(% of total)*



# Money and Banking

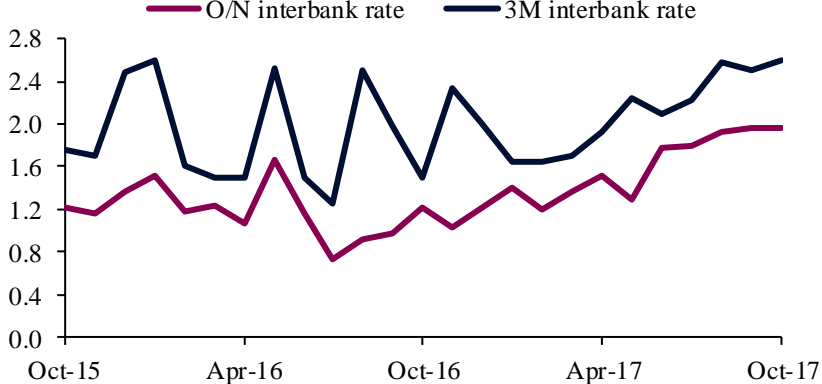
**Broad money supply (M2) growth accelerated to 18.3% in October from 14.5% in September**

*(bn USD and % year on year)*



**Overnight interbank rates were stable at around 2% in October; the 3-month interbank rate rose marginally to 2.6% from 2.50%**

*(%)*



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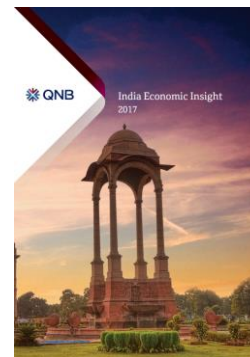
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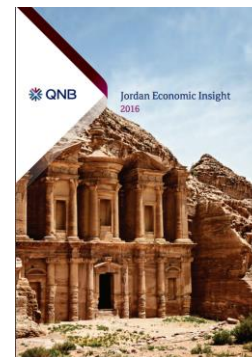
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