



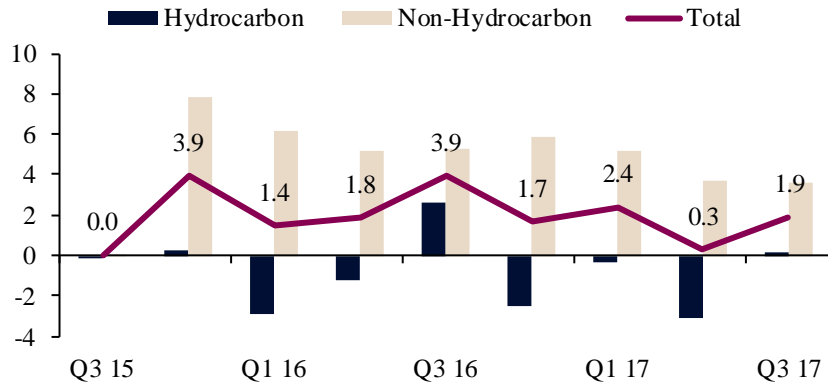
QNB Qatar Monthly Monitor January 2018

Highlights

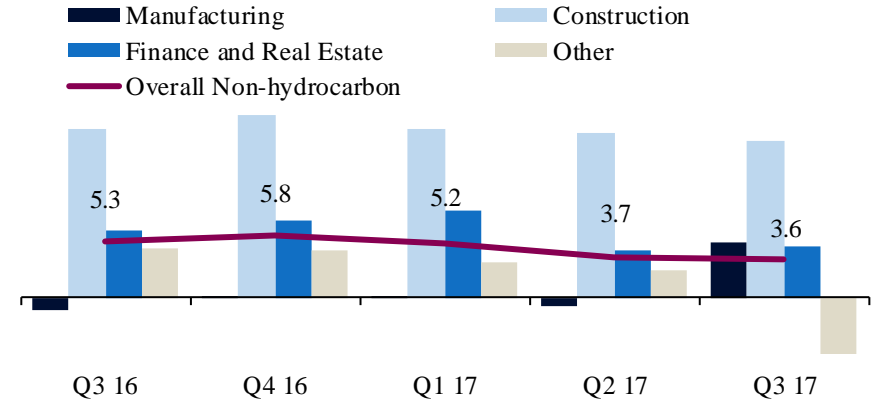
- **Real GDP picked up in Q3 mainly due to a recovery in the hydrocarbon sector**
- **Inflation was 0.6% in December, with food prices rising 5.6% and housing and utility prices declining 5.8%**
- **The current account surplus widened to 5.3% of GDP in Q3 from 2.5% in Q2 while the deficit in the financial account narrowed**

Economic Activity

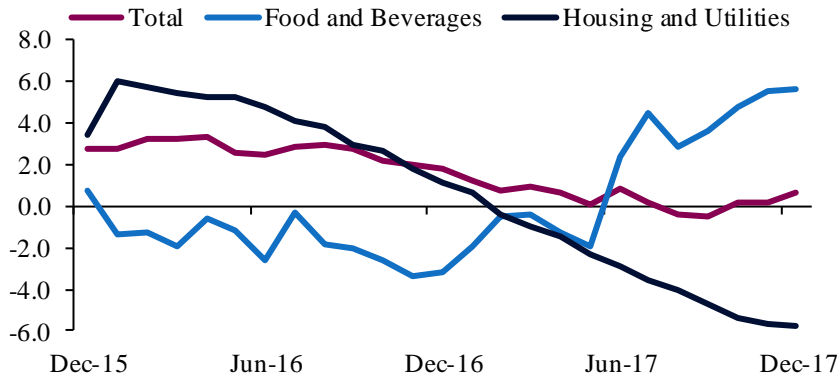
Real GDP picked up in Q3 mainly due to a recovery in the hydrocarbon sector
(% year on year)



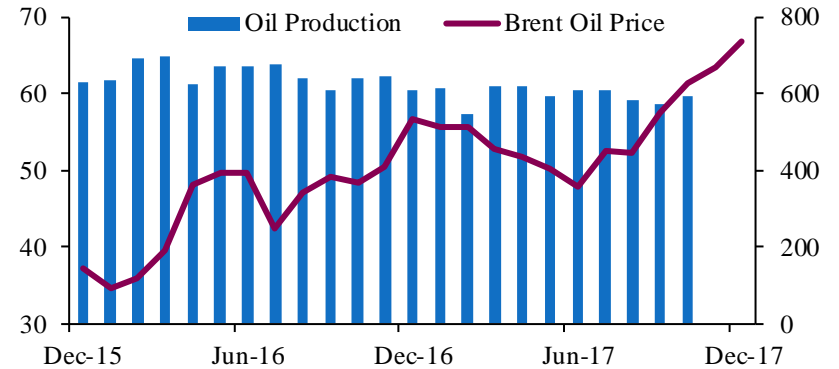
Non-hydrocarbon real GDP growth remained broadly flat in Q3
(% year on year)



Inflation was 0.6% in December, with food prices rising 5.6% and housing and utility prices declining 5.8%
(% year on year)



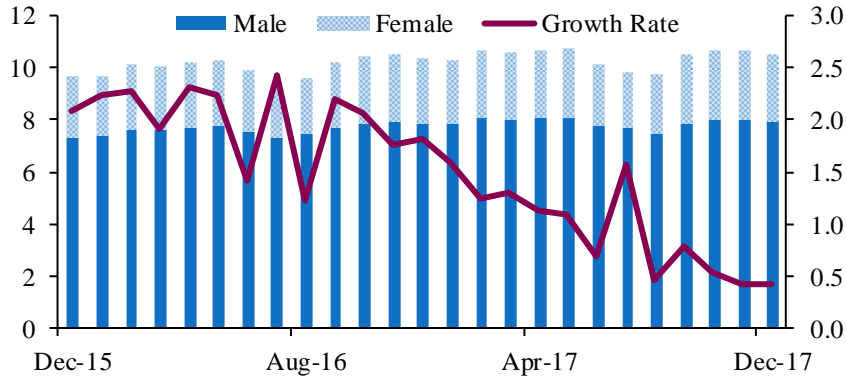
Brent crude prices continued to rise, averaging USD66.9/b in December; Qatar's oil production rose to 596k b/d in October from 571k b/d prior
(USD/b, left axis; Oil production (k b/d), right axis)



Economic Activity

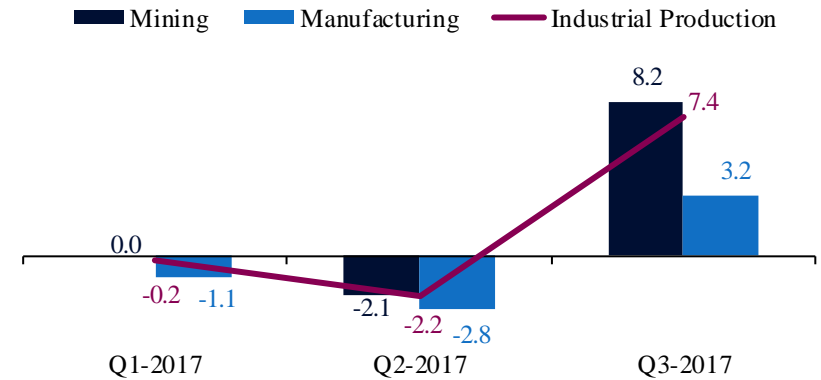
Qatar's population grew by 1.7% y/y, reaching 2.64m in December; women made up close to 25% of the population

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



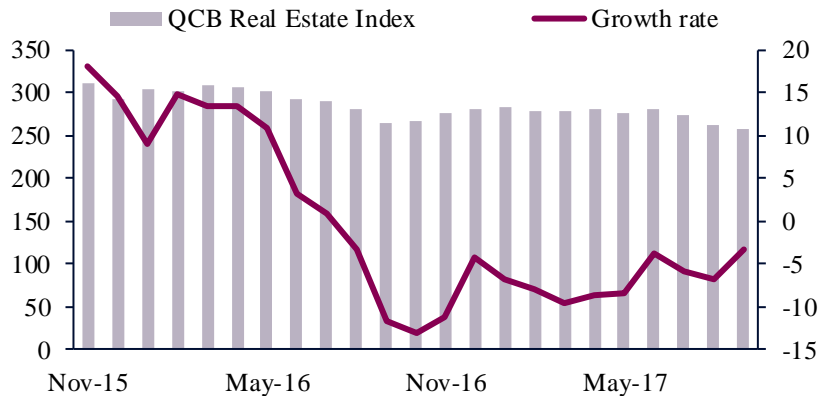
Industrial production surged to 7.4% y/y growth on a rebound in the mining sector due to less maintenance on LNG trains

(% year on year)



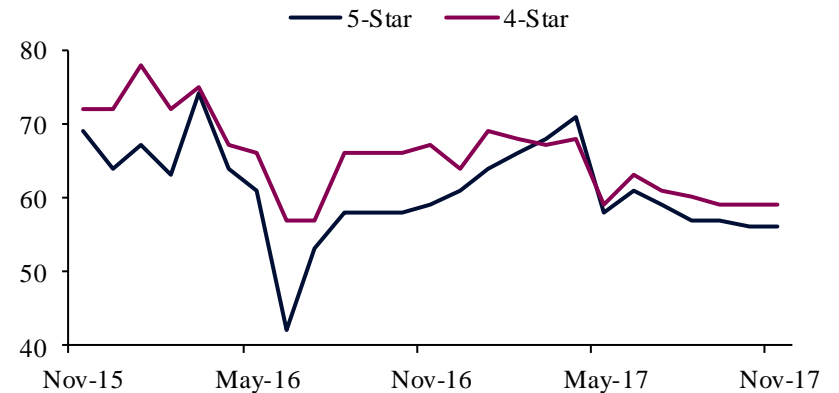
The real estate price index stabilised in Q3, although it still fell 5.4% from a year ago

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



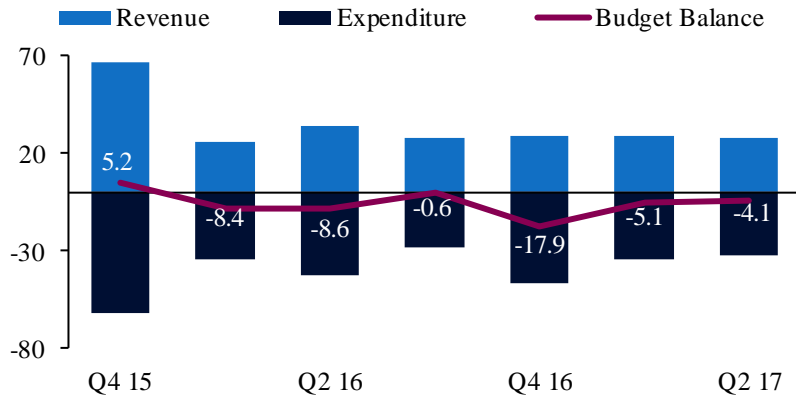
5-star and 4-star hotel occupancy rates remained flat at 56% and 59% respectively in November

(% occupancy rate)

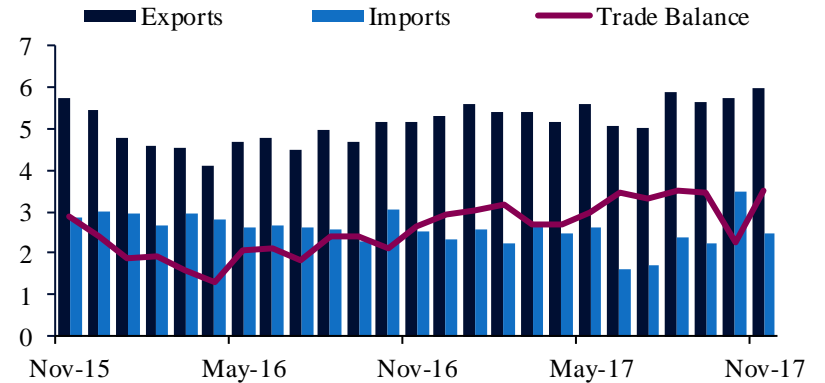


Fiscal and External Balances

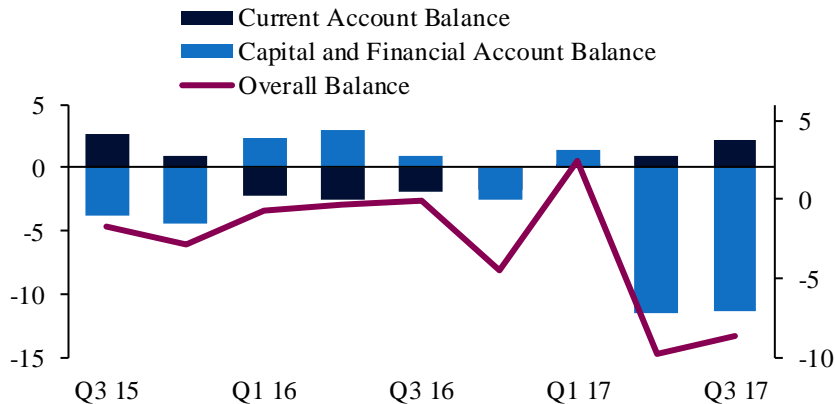
The fiscal deficit continued to narrow, reaching 4.1% of GDP in Q2 from a revised deficit of 5.1% in Q1-2017 (previously 5.5%)
(% of GDP)



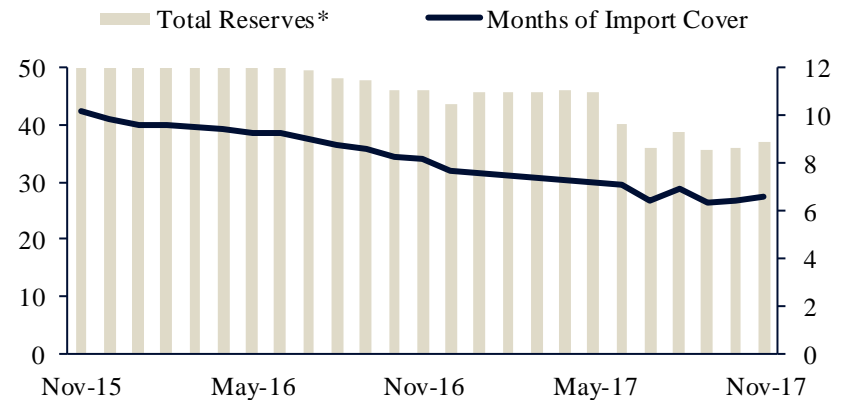
Imports declined 2% y/y in November while exports grew 15.9% y/y, likely helped by higher hydrocarbon prices and increased output
(bn USD)



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)

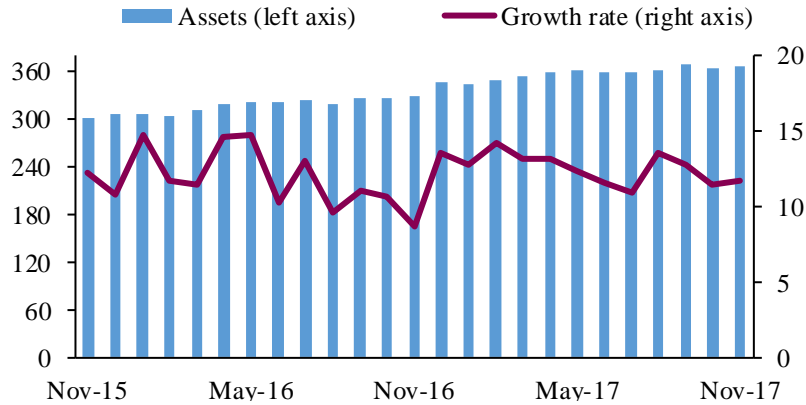


Reserves increased to USD36.9bn in November from USD36.1bn prior, equating to over 6.5 months of import cover
(bn USD; Reserves, left axis; Months of import cover, right axis)

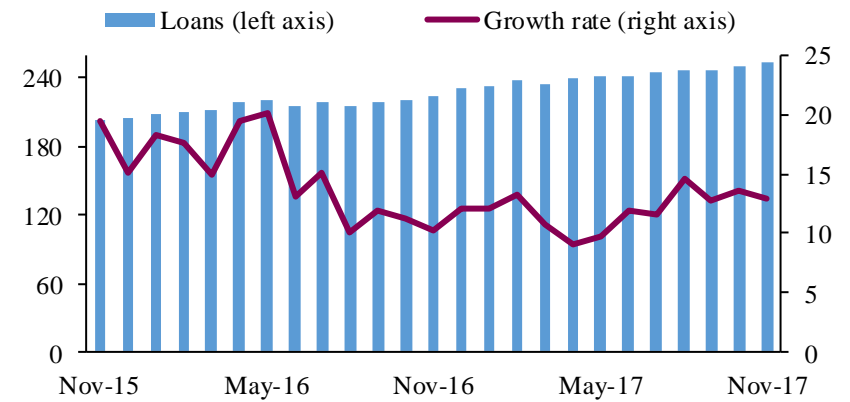


Money and Banking

Assets expanded to USD366bn in November, with the growth rate picking up to 11.7% y/y from 11.4% prior
(bn USD and % year on year)

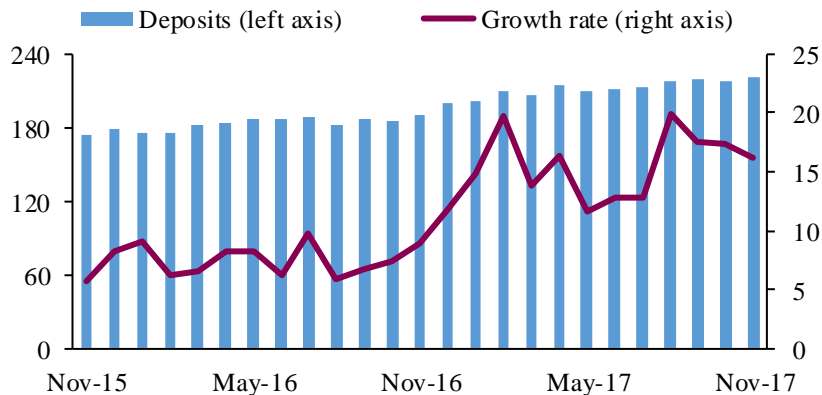


Credit growth slowed to 12.9% y/y in November from 13.6% y/y in October; lending to the public sector grew 26.6% y/y
(bn USD and % year on year)

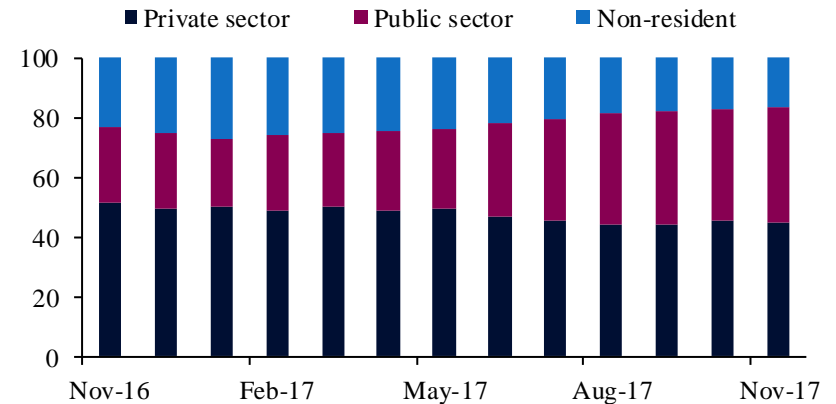


Bank deposit growth was 16.1% y/y in November

(bn USD and % year on year)



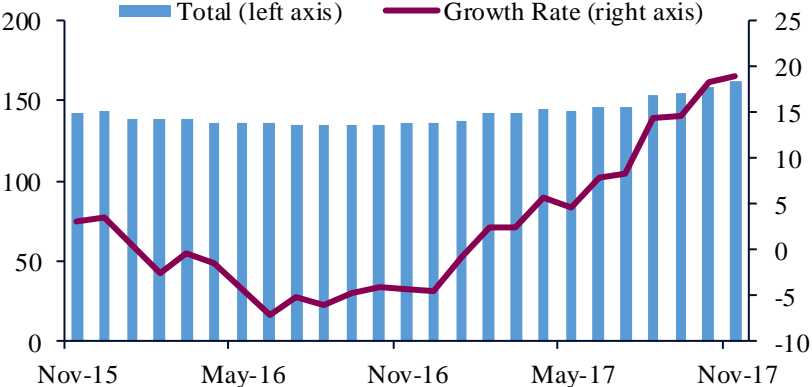
Private sector deposits increased for a fourth consecutive month in November as pressures on the banking system continued to ease
(% of total)



Money and Banking

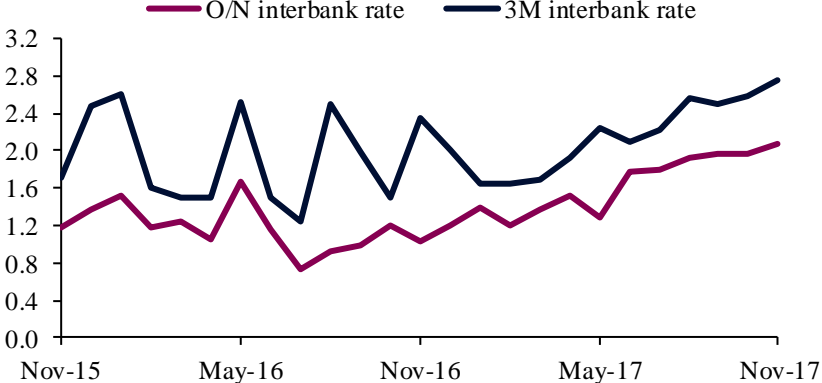
Broad money supply (M2) grew to 18.9% in November, up from 18.3% in October

(bn USD and % year on year)



Overnight and 3-month interbank rates were 2.07% and 2.75% respectively in November

(%)



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