

GULF TIMES

BUSINESS



TURNOVER AND VOLUMES RISE: Page 16

Strong buying interests lift QSE above 9,400 levels

Qatar's resilient model is a bigger opportunity for UK in bilateral terms: Doha Bank group CEO



Seetharaman addressing the Qatar British Business Forum yesterday.

Qatar's resilient model is a bigger opportunity for the UK in bilateral terms, according to Doha Bank group chief executive Dr R Seetharaman.

Speaking at the Qatar British Business Forum, which was held yesterday, he said the total bilateral trade between Qatar and the UK amounted to £5bn in 2016. There are more than 79 UK companies operating in the field of oil and gas, infrastructure and information technology. Highlighting that the UK can be partner in Qatar's FIFA 2022 World Cup projects, especially in stadium and cyber security; he said "Qatar's resilient model is a bigger opportunity in bilateral terms."

He said that the International Monetary Fund (IMF) expects Qatar to report GDP growth of 2.6% and 2.7% in 2018 and 2019 respectively. Qatar's banking system needs no further support from the Qatar Central Bank and sovereign wealth fund as the decline in non-resident liabilities of lenders have subsided, he said quoting IMF report.

As per the credit rating agency Moody's, Qatar injected \$38.5bn of its \$340bn reserves into economy to cushion the impact on account of embargo.

Qatar had shown buoyancy in the times of crises and this upgrade was testament of its fundamental strength. In response to the economic blockade, Qatar has emerged strong and has brought various reforms to transform itself into a self-reliant economy.

Some of these reforms include landmark residency

bill, relaxing entry visa requirements for citizens of 80 countries and enhancing food security. Qatar will also raise liquefied natural gas production by 30% to 100mn tonnes per annum within five to seven years after lifting a moratorium on gas development earlier in 2017.

Qatar has made alternate arrangements for supplies, the Omani port was used for shipping supplies and Doha's own port was also opened successfully. The 2018 budget assumes the same conservative oil price of \$45/barrel as used for the 2017 budget.

Revenues were budgeted as QR175.1bn, up 2.9% compared with 2017, mainly due to an expected increase in non-oil revenue. Spending is expected to total QR203.2bn, up 2.4% from the budget plan for 2017, with the deficit declining 1.1% to QR28.1bn. The deficit will be financed through the issuance of debt.

Total allocations for health, education and transportation were earmarked at QR83.5bn or 41% of total expenditure, while that for the health sector was QR22.7bn (11.2%), he said, adding the transportation and other infrastructure projects were assigned the largest share in the 2018 budget with allocations of QR42bn, 21% of total expenditure.

On the global economy, Seetharaman said although the growth for 2018 and 2019 is projected at 3.9% by IMF in July 2018, the Bretton Wood's institution expects short term and medium risks erupting from trade war which can erode 50bps from global growth by 2020.