

# Qatar to grow at 4.3% in 2016, says Doha Bank chief

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QATAR'S 2016 growth is expected to be 4.3 percent, and the country's fiscal and external positions to shift to deficits from 2016, Doha Bank Chief R Seetharaman has said.

Speaking at the inaugural Asian Ambassadors' Group 'Lunch Talk' on Monday, Seetharaman said Qatar has built a large net asset position that will help it weather the current lower hydrocarbon price environment.

He said Qatar has budgeted for revenues of

**The members of the Asian Group consist of 20 Ambassadors including the seven ASEAN embassies in Qatar.**

QR156 billion and expenditures of QR202.5 billion in 2016.

According to Seetharaman Health, education and infrastructure accounted for the largest share of the 2016 expenditure. Major infrastructure expenditures amounting to QR50.6 billion would include railways, the new Doha port, several large roadways and the expansion of electricity, water and sewage networks.

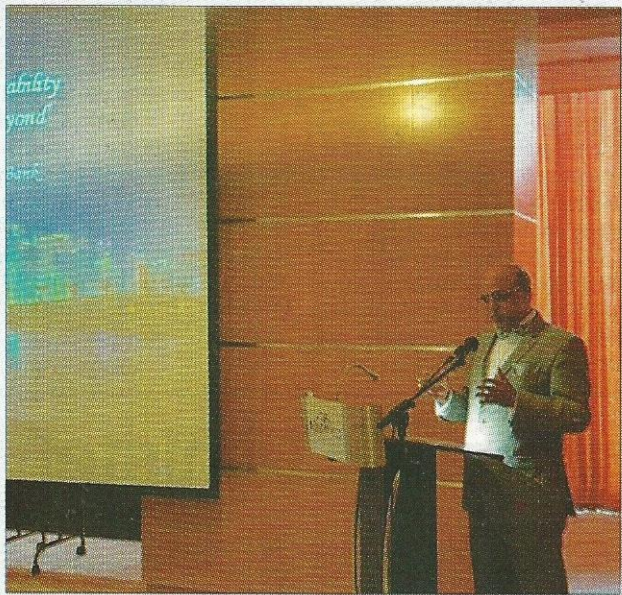
Giving an insight on Qatar's banking sector, the Doha Bank CEO said, "Qatar banking balance sheet growth was more than 10 percent YTD in December 2015 and loan growth was more than 15 percent YTD.

He said In 2015 the real estate sector lending was more than 27 percent YTD, retail sector was close to 17 percent YTD, contracting sector more than 23 percent YTD and service sector was more than 6 percent YTD.

The customer deposit growth was more than 8 percent YTD. In 2016 the deposits from public sector are expected to come down. Qatari banks had widened their funding base on account of weak domestic funding.

"There could be challenges to lending on account slowdown in infrastructure segment. The slowdown in lending and surge in cost of funding may impact Qatari Banks," Seetharaman added.

The members of the Asian Group consist of 20 Ambassadors including the seven ASEAN embassies in Qatar namely Brunei, Indonesia, Malaysia, Philippines, Singapore, Thailand and Vietnam and is currently chaired by Singapore and Malaysia as the Vice Chairman.



Doha Bank Chief Executive Officer R Seetharaman at a function in Doha recently.