



Another memorable year for Qatar

QATAR IS CELEBRATING its national day this week and hence it would be the right time to review the key trends in Qatar. Qatar has made rapid progress and is set for further growth aligned with the Qatar National Vision 2030 (QNV 2030). Through QNV 2030 Qatar will sustain its own development and provide high standard of living for its entire people for generations to come.

Qatar National Development Strategy 2011-16 aims to balance five major challenges identified in QNV 2030 and will support economic, social and political progression of Qatar. In the upcoming years the potential is seen in sectors such as transport and communications, construction and financial services.

Qatar's real GDP growth is expected to be around 6.2 per cent in 2012 and current account surplus is expected to exceed 20 per cent as percentage of nominal GDP. In 2013, overall growth is expected to moderate to 4.5 per cent. The non-hydrocarbon sector is seen maintaining momentum in 2013.

Qatar's hydrocarbon reserves are estimated to be worth \$9.5 trillion and will represent 15 per cent of GCC hydrocarbon reserves. Qatar has stakes in France's Total and the Anglo-Dutch Shell oil companies.

In 2007, Qatar exported LNG to eight different countries and in 2011 it exported to 23 different countries. The recent export destinations include places such as Argentina, Brazil and Chile. Total LNG capacity is 77 million tonnes.

In 2012, Qatar had sale and purchase (SPA) contracts for around 55 million tonnes, which is 71 per cent of its production capacity. By 2014, SPA export commitments will increase to 64 million tonnes which are 83 per cent of its total production capacity. Qatar's new SPA contracts are mainly towards Asia Pacific and South America.

Qatar witnessed significant activity in the bond market with banks and corporates actively tapping the market this year. GCC had fresh bond issues close to \$42 billion out of which Qatari bond issues exceed \$9 billion. Major banks



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such as Qatar National Bank, Doha Bank, Qatar Telecom came with bond issues this year. Qatar had also commenced trading of treasury bills since end of December 2011. Qatar Central Bank periodically issues treasury bills for a period of 91 days, 182 days and 273 days. Qatar is also planning its own rating agency.

In April 2012 Qatar came with new equity indices to complement the existing Qatar Exchange Index in sectors such as banks and financial services, industrials, real estate, insurance etc.

Qatar is ranked 11th globally in Global Competitiveness Report 2012-13. Qatar Central Bank (QCB) and *Bloomberg* are partnering to launch the first-ever Qatar Interbank Offer Rate (Qibor) fixings which will encourage more active interbank market in Qatar.

Qatar also hosted the UN Climate Change Conference (COP18/ CMP8) in November-December 2012. The conference has come out with "Doha Climate Gateway" which will push forward the solutions towards climate change.

Progress was noted in unified regulation reforms with QCB governor appointed as chairman of the Qatar Financial Centre Regulatory Authority in March 2012. Also a law passed in December 2012, which arms QCB with more powers and authorities as it works as a supervisory authority for entities such as Qatar Financial Centre and Qatar Exchange.

Overall Qatar has witnessed progress on various fronts and significant developments and it has become another memorable year for Qatar.

The author is the group chief executive officer at Doha Bank. Views expressed are his own and do not reflect the newspaper's policy