

Doha Bank hosts African ambassadors' meeting

Doha Bank hosted a breakfast meeting, organised yesterday by the South African embassy on behalf of all African embassies in Qatar. South African ambassador Faisal Moosa delivered the welcome remarks in the presence of Doha Bank CEO Dr R Seetharaman, African ambassadors, and the bank's senior management, as well as key staff for leading corporates in Qatar.

For his part, Seetharaman spoke on the Qatari economy, saying the IMF expects Qatar to grow by 2.7% in 2018 and 2.8% in 2019. He noted that Qatar plans to increase its LNG production capacity from 77 metric tonnes per annum (mtpa) to 110mtpa, which "is likely" to increase the Qatar's trade with various countries.

"Last week, the State of Qatar achieved a successful return to the international financial markets with a total of three tranches worth \$12bn. The first tranche included five-year bonds worth \$2bn, pricing 90 basis points over US Treasury bonds on five-year bonds. The second tranche was worth \$4bn for 10 years was 135 basis points over US Treasury basis points, while the third tranche for 30 years is worth \$6bn and 175 basis points above US Treasury bonds.

"The book was oversubscribed and the current issuance reflects Qatar's ability to borrow at cost effective rate. Qatar is the first country in the world to issue Formosa bonds on the Taipei Stock Exchange since 2018," Seetharaman explained.

Seetharaman said Qatar's banking sector remains sound, adding that foreign liabilities withdrawn in the immediate aftermath of the diplomatic rift have been partially replaced with greater attention being paid to the diversity of funding sources and deposit maturity structure.



Doha Bank CEO Dr R Seetharaman joins African ambassadors in Qatar, as well as the bank's senior management and key staff for leading corporates in Qatar during a breakfast meeting held yesterday.

"Official deposits placed with banks after the rift have been reduced. As higher oil prices and returning foreign liabilities have enhanced banking liquidity, credit to the private sector has been growing at a healthy pace. The Qatar Central Bank continues to closely monitor developments in the real estate sector in view of the softening in prices and potential implications for the banking sector.

"Qatar has amended various laws and one of them being investment law. In May 2018,

the Cabinet took the necessary measures to issue a draft law that aims to attract non-Qatari capital to the country and promote economic development after reviewing the Advisory Council's recommendations on the matter," Seetharaman said.

He noted that the draft legislation was prepared to replace Law No 13 of 2000 regulating the investment of non-Qatari capital in the country's economic activity.

Seetharaman said the draft law stipulates that non-Qatari investors "may invest in

all economic sectors up to 100% of the capital, and may own no more than 49% of the share capital of Qatari listed companies on the Qatar Exchange, after the approval of the Ministry of Economy and Commerce on the percentage proposed in the company's memorandum of association and articles of association. They may also hold a percentage exceeding the mentioned percentage with the approval of the Cabinet upon a proposal by the minister concerned."