

BUSINESS



'Oil, vaccination, constructive geopolitics bode well for Qatar's economic growth': Doha Bank CEO

Doha Bank recently hosted a virtual client conference on the 'Impact of Oil Prices and Changing Regional Dynamics'.

Distinguished speakers include Dr Yarkin Cebeci, Economist, Turkey & Middle East Region – JP Morgan, and Anita Yadav, CEO, Global Credit Advisory, as well as Dr R Seetharaman, CEO of Doha Bank, who moderated the event, which was attended by a large number of Doha Bank's corporate customers.

Seetharaman spoke about the global economy, world trends, and how Covid-19 has provided "great lessons for humanity." He spoke about the "good progress" that Qatar is making with its vaccine drive amidst the surge in Covid-19 cases; the country remains cautiously optimistic about the outlook for the global economy.

The IMF April 2021 report stated that the global economy is projected to grow at 6% in 2021, moderating to 4.4% in 2022.

Advanced economies are expected to grow by 5.1% in 2021 and 3.6% in 2022. The emerging and developing economies are expected to grow by 6.7% in 2021 and 5% in 2022.

Cebeci spoke about the impact of Covid-19 on the economy and the severity of the recession it has caused, making it "the third most severe recession in a century." Cebeci said he expects a "sharp economic recovery" and "a global rebound, one not seen perhaps in the last 50 years," with a lot of global growth recovery coming from emerging economies, especially China.

"The emerging economies

are solving current account issues and their fiscal performance is getting better," he said.

According to Cebeci, he does not expect US Federal Reserve to hike interest rates before end of 2022, with US treasury yields expected to reach 1.8% to 1.9% by end of this year. On oil prices, Cebeci said their house view was that oil would be between \$60 and \$70 per barrel in the coming year.

Yadav spoke on topics ranging from the US economy, oil prices, US bond yields, reforms in the region, the influence of Opec, and the importance of Qatar in the region.

Yadav said she believes that the US's focus would be on its economy, Covid-19, the infrastructure bill, and corporate taxes.

She expects oil to range between \$55 and \$65 per barrel with production cuts by Opec and a potential increase in supply, keeping prices "range-bound."

Yadav said she is bullish on the GCC as a whole and Qatar in particular. Qatar is well-positioned globally with Google, Microsoft, and Oracle having a presence in the country, which is marketing its fintech capabilities.

The GCC is "a great investment destination" with tax-free zones, trade promotion agencies, favourable corporate taxes, and continuous improvement in ease of doing business rankings, she said.

Gudni Stiholt, Chief Treasury and Investments officer for Doha Bank thanked the speakers who joined in from different parts of the world and shared their views and ideas.