

Qatar's economy performing better after blockade: CEOs

Qatar's real GDP growth forecast to be the second fastest in the GCC region in next five years, says QFC CEO

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QATAR has performed better than most of the key economic indicators since blockade. CEOs of prime Qatari entities have said.

Speaking at a knowledge sharing session titled 'Qatar - Land of Opportunities' organised by Doha Bank on Sunday, Qatar Financial Centre (QFC) CEO Yousef Mohamed Al Jaidi said that Qatar has performed better in five out of the seven key economic indicators in the post-blockade period of almost two and half years.

Comparing pre-blockade period (2014-2016) with post-blockade period (2017-2019), he said, Qatar's nominal GDP, non-hydrocarbon growth, hydrocarbon growth, real GDP growth forecast and average annual inflation have fared better in the post-blockade period.

Real GDP growth and Qatar Real Estate Price Index are the only two economic indicators where the country witnessed marginal decline, he said.

Despite the ongoing blockade imposed on the country, Jaidi said, Qatar's real GDP is forecast to grow at a compound annual growth rate of 2.8 percent in the next five years, the second fastest in the GCC region.

Highlighting the factors impacting Real GDP growth in Qatar, he said, "Qatar's planned expansion of LNG production and infrastructure projects related to 2020 Fifa World Cup will drive growth in Qatar in the next five years."

Unhindered exports and planned increase in LNG production capacity will enable positive and stable current account surplus for the coming years, he said.

In spite of the blockade, he said, Qatar has been successful in attracting more than \$1.5 billion worth of capital investment from more than 22 countries in the first half of 2019 alone.

The economic blockade has not impacted Qatar Investment Authority's (QIA) continued strategic invest-



Dignitaries at the knowledge sharing session titled 'Qatar - Land of Opportunities' organised by Doha Bank in Doha on Sunday.

ment in the USA and Europe.

"This year QIA announced plans to raise investments in the United States to \$45 billion in the next two years from \$30 billion. QIA is looking to balance investment so that the US level is close to that in Europe," he said.

"Qatar has been successful in controlling inflation and keeping consumer prices in check compared to its GCC peers despite the ongoing blockade," he said.

Describing Qatar as 'small, rich and ambitious', Jaidi said, the country has bounced back to desirable stable ratings by the various rating agencies echoing their confidence in Qatar as a safe and stable place for investment by the international financial community.

Delivering keynote speech on the occasion, Doha Bank CEO R Sentharaman said Qatar has emerged stronger in the post-blockade period. He said, "Qatar's overall GDP growth is projected to reach 2.6 percent in 2019. Qatar's banking sector remains sound. Foreign liabilities withdrawn in the immediate af-

Growth driver

Qatar's planned expansion of LNG production and infrastructure projects related to 2020 Fifa World Cup will drive growth in Qatar in the next five years, Qatar Financial Centre CEO Yousef Mohamed Al Jaidi said

termath of the diplomatic rift have been partially replaced with greater attention being paid to the diversity of funding sources and deposit maturity structure."

Sharing his insights into global economy, he said, "According to IMF report in July this year, global growth is forecast at 3.2 percent in 2019. Growth in advanced economies is projected at 1.9 percent in 2019. The emerging market growth is expected to grow at 4.1 percent in 2019. There has been an escalation in trade tension

between the two largest economies US and China in recent times and has contributed to volatility in financial markets. The risk of recession has also increased."

He also highlighted the developments in Qatar's hydrocarbon and non-hydrocarbon segment, free zones, new investment law, real estate law, PPP Law, food security and tourism.

Speaking on the occasion, Qatar Stock Exchange (QSE) CEO Rashid Ali Al Mansoori highlighted the exceptional performance of Qatar Stock Exchange last year.

"Despite the ongoing blockade, Qatar Stock Exchange emerged as the best performing market in the GCC region. The exchange is performing better than many regional markets this year as well," he said.

He said that several initiatives are being taken to make the exchange more attractive to foreign investors.

He said that QSE is working on four key strategies like increase the offering in the stock market by doing more

listings, enhance smarter regulation, local asset management and promoting the market through road shows and other marketing initiatives to make Qatar a more desirable place for international investments.

Just Real Estate Chairman Nasser I. Ansari said that Qatar's real estate sector is very promising for investors.

"Post blockade, the country has taken many measures to become more resilient to avoid any potential crisis. Qatar has opened up doors for international companies to own their offices and real estate. The govt has taken measures that would enhance the welfare of expats and Qataris, thereby generating more jobs and creating a favourable environment for more white-collar expats to come to Qatar," Ansari said.

Citing Qatar as an 'ideal place for investment in real estate sector, he said, "Currently, it is a buyers' market. So it will not stay like this forever. This is the right time for the investors to take advantage of the market dynamics."

Global Organisation of Research and Development (GORD) Chairman Yousef Alhorri said that Qatar has become an active partner in the international community for climate change.

Talking about Global Sustainability Assessment System (GSAS), developed by GORD, he said, "GSAS is a performance-based rating system to assess the sustainability merits of buildings and infrastructure projects taking into consideration the region's specific environment and ecological aspects. FIFA has officially endorsed GSAS certifications as the key sustainability requirement for the stadiums serving the World Cup 2022 following the recommendations of third-party experts commissioned by FIFA on the review of GSAS and other international systems."

Doha Bank Chairman Sheikh Fahad bin Mohammed bin Jabor Al Thani and Doha Bank Managing Director Sheikh Abdul Rehman bin Mohammed bin Jabor Al Thani were also present on the occasion.