

# Confidence in Qatari economy continues to grow: Banker

## The Peninsula

Market's confidence in Qatari economy is improving. The stock-market turnaround and the sovereign bond prices reflect investors' growing appetite in Qatar, according to Dr R Seetharaman (pictured), CEO of Doha Bank.

He was delivering key note speech at a Financial Institutions (FI) event titled "Qatar – A sustainable performer," hosted by Doha Bank, at Singapore recently. Abdalla Al Hamar, Qatar's Ambassador to Singapore was the Chief Guest of the event which saw the participation of representatives of embassies and high commissions, from Kuwait, Oman, Turkey, India, Sri Lanka, Malaysia, South Africa, Indonesia,

Brunei and Philippines besides leading corporate executives and bankers in Singapore.

"Qatari Riyal – Dollar six Month Forward points have normalised after initial reactions in June 2017, reflecting improved market confidence and sentiments. Rebound in Doha Stock market index and Qatar Sovereign bond prices reflect improving market confidence in Qatari Economy," Dr Seetharaman said.

"Qatar economy is expected to grow by 3.4 percent in 2017 and will have a fiscal deficit of 7.7 percent in 2017. The Nominal GDP of close to 30 percent comes from Mining and Quarrying (Mainly Hydrocarbon) and remaining from Non-Hydrocarbon sectors. Net foreign currency liability of all banks (QR 120bn) in Qatar is more



than 135 percent of QCB reserves. QCB reserves are more than six times of volatile non-resident deposit outflow (QR14bn) during June 2017. Qatar has a reserve of \$340bn including assets of its Sovereign Wealth Fund. Qatar's reserves are more than 200 percent of its GDP," he said giving an insight into Qatar's economy.

Detailing on key reforms

here, he highlighted that Qatar is ranked 18th in 'the Global Competitiveness Report 2016-17' and stands second in the region.

"A new law for Public Private Partnership (PPP) businesses in Qatar should provide an additional level of comfort to the private sector and foreign investors."

He stressed that the Arbitration Law issued in February, is a positive step towards support of the arbitration process. The new law is inspired by the UNCITRAL Model Law, an international template for law on arbitration.

"In terms of food security, Qatar now has many local companies that are supporting the country and it can develop these businesses further and boost its food production to

provide both locally and internationally.

Qatar Budget 2017 has allocated for key sectors such as health, education and infrastructure QR87.1bn (\$23.9bn) which is made up of nearly 44percent of the total expenditure in the 2017."

"Transportation and infrastructure projects, which represented a main pillar of enhancing sustainable development, have been allocated QR42bn. The completion of the New Orbit Highway will facilitate the world cup infrastructure works as per schedule in Qatar," he said.

He also gave insight on Qatar – Singapore Bilateral relations. "Qatar-Singapore trade volume is close to \$3.1bn. Singapore has emerged as a strategically important hub for

Qatar's LNG exports. Keppel Group, a Singapore based MNC has a Joint Venture tie up with Qatar Gas Transport Company. Qatar's financial stability is evident and the Economic progression is sustainable."

"Qatar economy is opening up on account of current scenario which will give enormous opportunities for Singapore companies to participate in Qatar's development. The key sectors includes food security, education, health care, infrastructure and logistics where Singapore companies have an edge over other global industries," he stressed.

"Qatar and Singapore have excellent bilateral relationships and the resilience of Qatar will further encourage Singapore's participation in Qatar's diversification," he added.