

# BUSINESS



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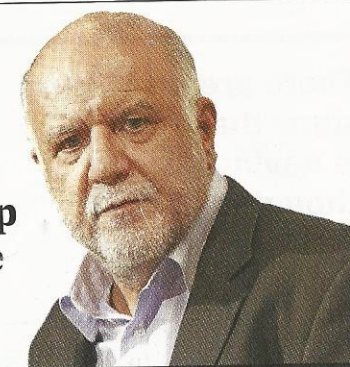
**Brexit has increased global uncertainty: Li**

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▼ QE	9,816.75	-26.10 PTS
▼ DOW	17,100.64	-300.11 PTS
▼ FTSE100	5,982.20	-156.49 PTS
▼ BRENT	\$45.99	-\$1.65

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## Brexit to create 'more business opportunities' for Qatar

**Some experts said that since the US dollar, to which Qatari Riyal is pegged, has strengthened against the pound, imports from the UK will now become relatively cheaper.**

**By Mohammad Shoeb**  
The Peninsula

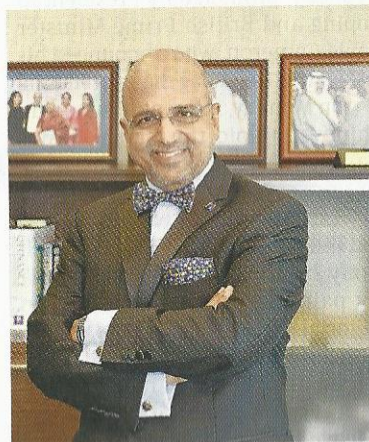
**DOHA:** Britain's decision to leave the European Union (EU) has caused adverse impact on stock markets globally, but experts suggest that it may not be "necessarily bad" for the Qatari economy as it will create more opportunities for trade and investments for Qatari businesses in the UK and EU

due depreciation in currencies.

Enquiries with some analysts and bankers suggest that the development will also have a positive impact on Qatar in many respects. Some say that since the US dollar, to which the Qatari Riyal is pegged, has strengthened against the English pound, imports from the UK will now become relatively cheaper. Others argue that a weaker pound will also attract more investments from overseas, including from Qatar. And more Britons will try to take up jobs outside the country.

"The Brexit development is both a challenge and an opportunity. We are closely monitoring the various Brexit developments and looking for potential opportunities in line with our enterprise risk management framework," said Dr R Seetharaman, Group CEO of Doha Bank.

He added: "It needs to be seen whether the volatility in the financial markets, including oil, will continue or subside which again depends on the progress of exit negotiations between the UK and Euro region. I still believe there are ample areas to explore on bilateral relationships between Qatar



Dr R Seetharaman, Henk Jan Hoogendoorn and Promoth Manghat.

and the UK and EU region respectively such as investments, tourism and education. Long-term investors in Qatar will look for opportunities in the UK and EU region's property sector and corporates with strong fundamentals."

Henk Jan Hoogendoorn, Chairman of the Dutch Business Council, also shared similar views, saying: "Apart from a small hit in the stock market it is not necessarily bad for

Qatar. The Qatari Riyal, with its peg to the USD, will come out stronger (against) the GBP and Euro. So our import will be cheaper. Perhaps also a good time to invest in the UK."

He added: "However, as a fellow European it is sad to see the UK leave. Although "it ain't over till the fat lady sings". And in the longer run both the UK and Europe need to come to terms with this new reality."

Henk, a Dutch, noted that for the Netherlands, the UK is one of the most important trade partners. There will be some impact. "Remember there have been some very successful Anglo-Dutch companies like Shell and Unilever which are around much longer than the EU. So we will keep calm and carry on."

He noted that with the historic decision now there is more

likelihood that the US Fed will not increase the interest rates this year, allaying apprehensions of capital outflow. However, the dollar is expected to remain strong, as a result banks and governments could consider to issue US dollar denominated bonds. And the banking sector in Qatar will remain stable provided there is enough liquidity. Commenting on Brexit, Promoth Manghat, CEO of UAE Exchange Group, said: "Brexit has turned stock markets highly volatile in various parts of the world. Also, to be noticed is the fall in the GBP against the USD to which even the Qatari Riyal is pegged. However, a weaker GBP/EUR and a stronger US dollar will impact tourism and real estate as the UK and Europe are major sources for both these sectors."

Manghat, a non-resident Indian, added: "Indian Rupee has also depreciated as the GBP weakened, which could impact remittances to India positively. Meanwhile, a significant change is expected in the business environment, political platform and socio-economic fabric in the EU and particularly in the UK."