



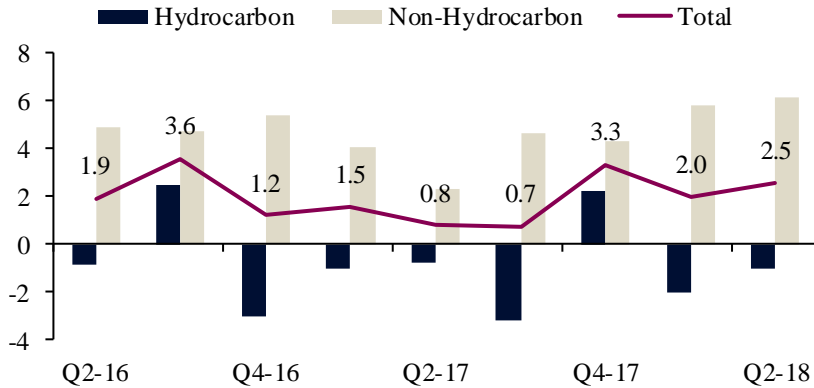
# QNB Qatar Monthly Monitor December 2018

# Highlights

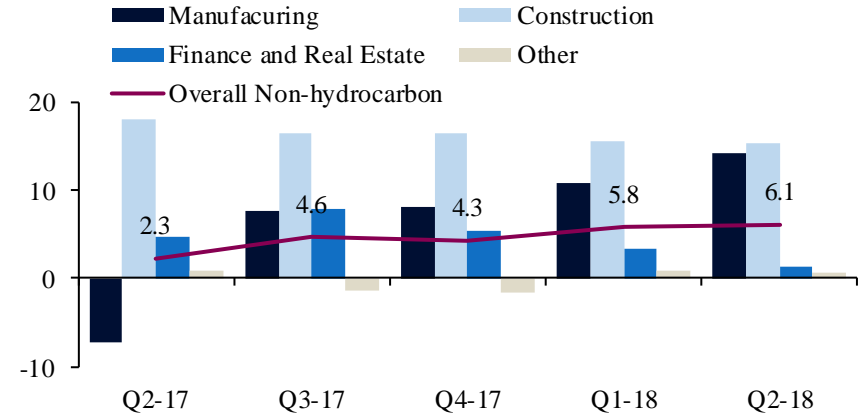
- **Brent crude prices dropped to average USD 65.9/b in November; Qatar's oil production rose to 609 kb/d in October from 570 kb/d**
- **Qatar's population increased further by 2.8% y/y to stand at a record high of 2.76 Mn in November**
- **The trade balance surplus grew 129.1% y/y to stand at USD 5.2 Bn in October**
- **QCB foreign exchange reserves rose 2.0% m/m to reach USD 47.4 Bn in October, equating to 8.5 months of import cover**

# Economic Activity

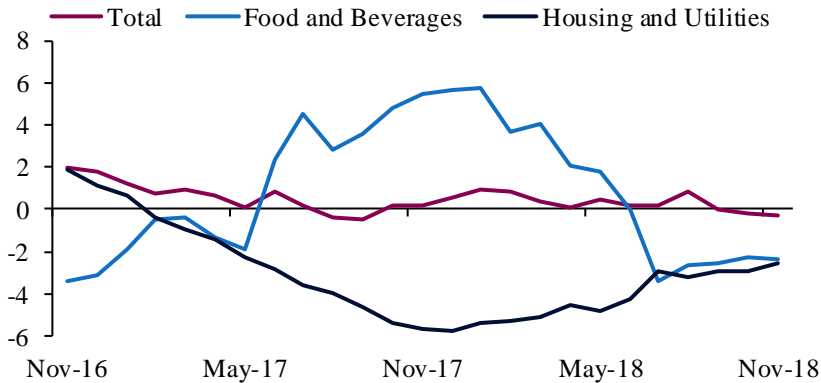
**Real GDP growth picked up in Q2. Non-hydrocarbon GDP growth was a solid 6.1% y/y**  
(% year on year)



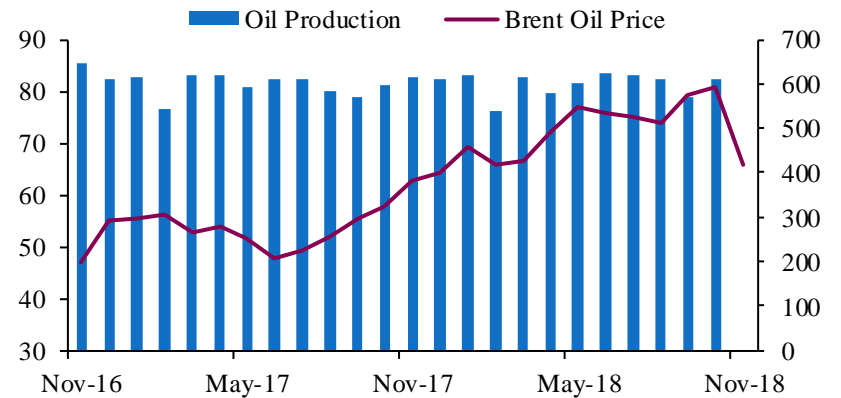
**Booming construction output, up 15.3% y/y, remained the key driver of activity in the non-hydrocarbon sector. Manufacturing gained 14.1% y/y**  
(% year on year)



**CPI inflation was broadly flat in November**  
(% year on year)

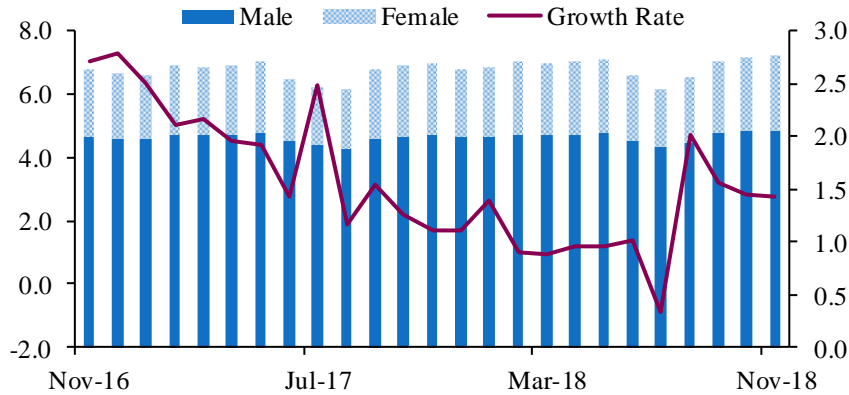


**Brent crude prices dropped to average USD 65.9/b in November; Qatar's oil production rose to 609 kb/d in October from 570 kb/d in September**  
(average prices (USD/b), left axis; oil production (k b/d), right axis)



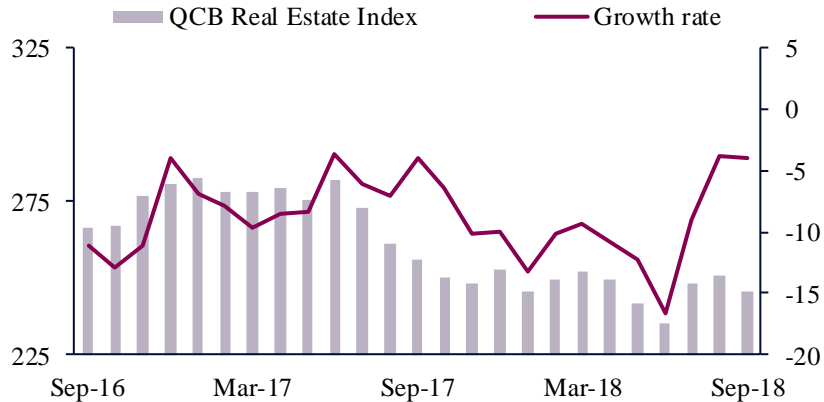
# Economic Activity

**Qatar's population increased 2.8% y/y to stand at 2.76 Mn in November; women made up close to 25.5% of the population**  
*(m, male and female right axis; % year on year, left axis)*

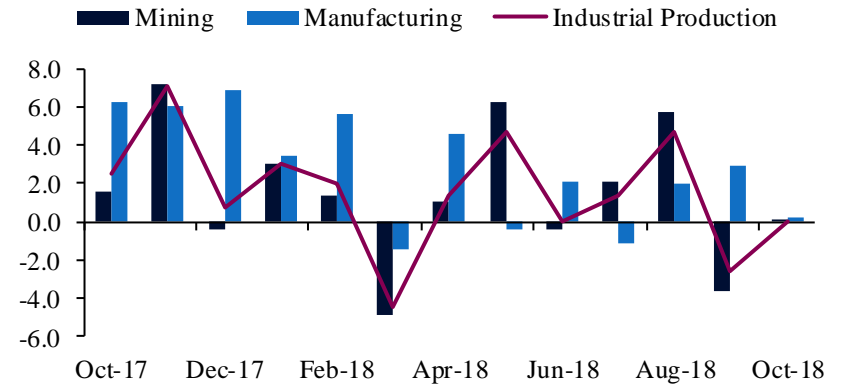


**The real estate price index is signaling prices are stabilizing**

*(Index, left axis; % year on year, right axis)*

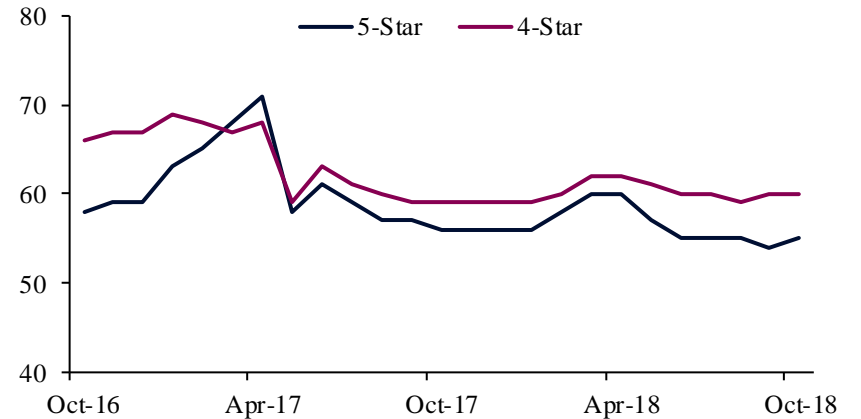


**Manufacturing and hydrocarbon output were stable in October**  
*(% year on year)*



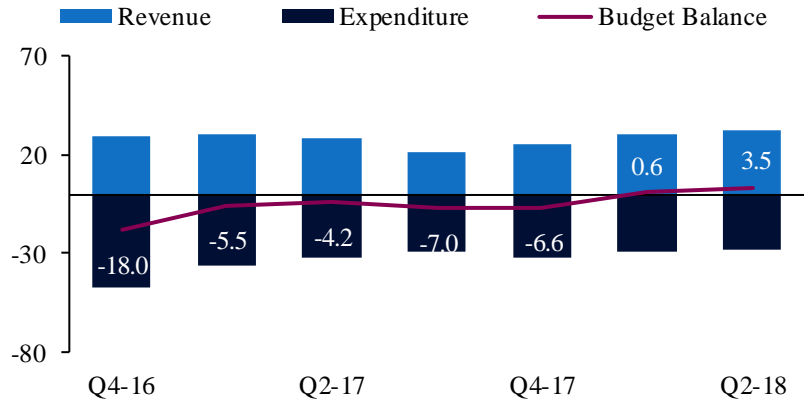
**5-star and 4-star hotel occupancy rates remained stable in October at 55% and 60% respectively**

*(%, occupancy rate)*

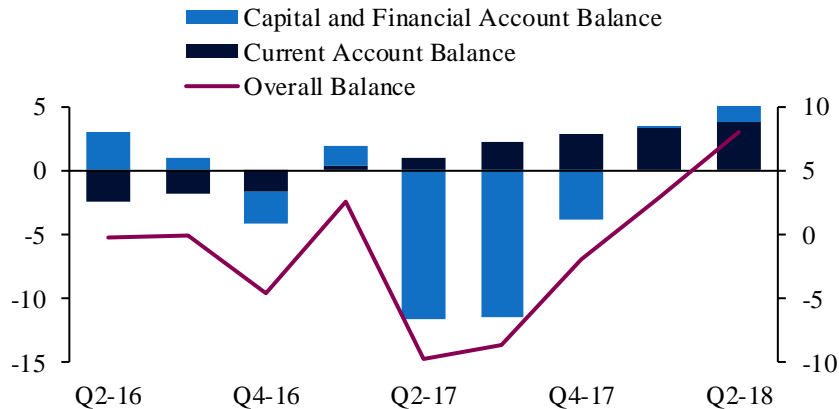


# Fiscal and External Balances

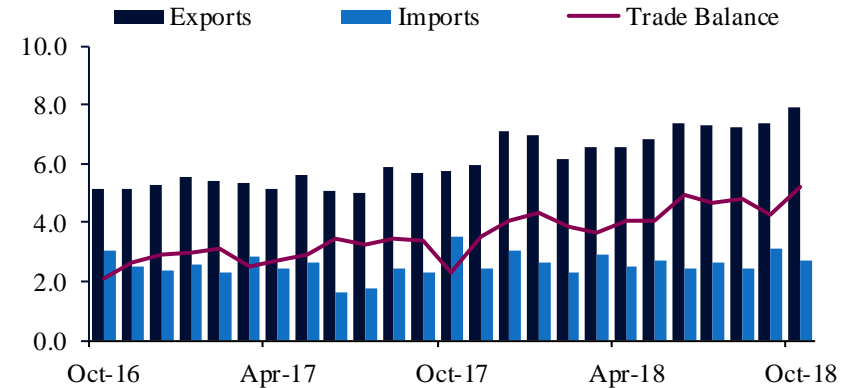
The fiscal account surplus widened to 3.5% of GDP in Q2 due to higher oil prices  
(% of GDP)



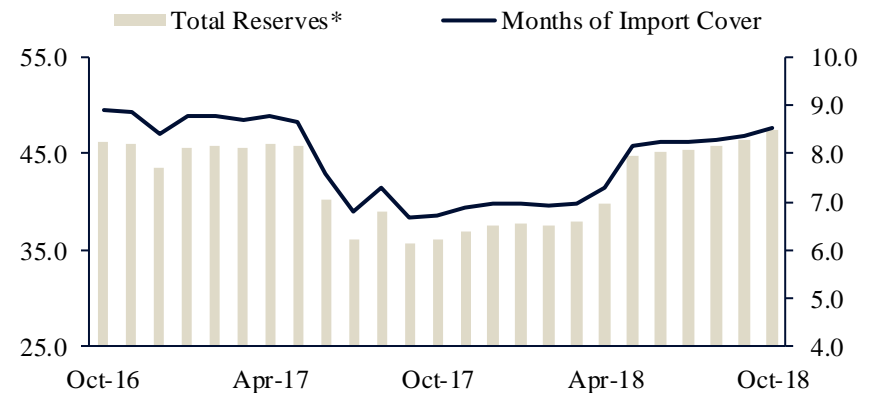
The current account surplus widened while net capital and financial flows were positive in Q2  
(USD Bn, balances, left axis; USD Bn, change in overall balance, right axis)



The trade balance surplus grew 129.1% y/y to stand at USD 5.2 Bn in October  
(USD Bn)



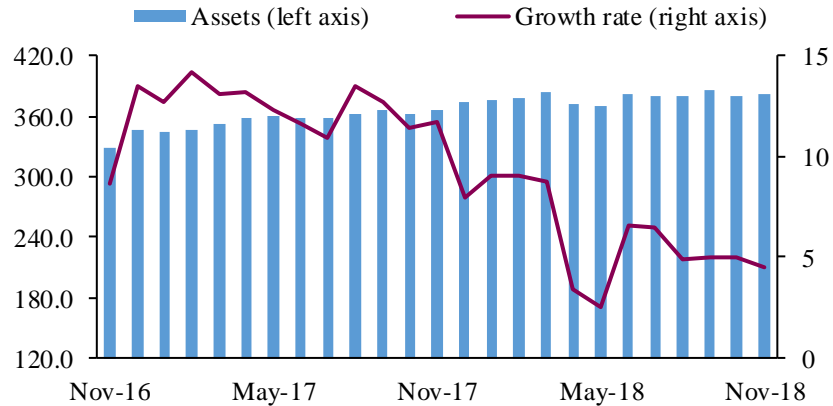
QCB foreign exchange reserves rose 2.0% m/m to reach USD 47.4 Bn in October, equating to 8.5 months of import cover  
(USD Bn; reserves, left axis; months of import cover, right axis)



# Money and Banking

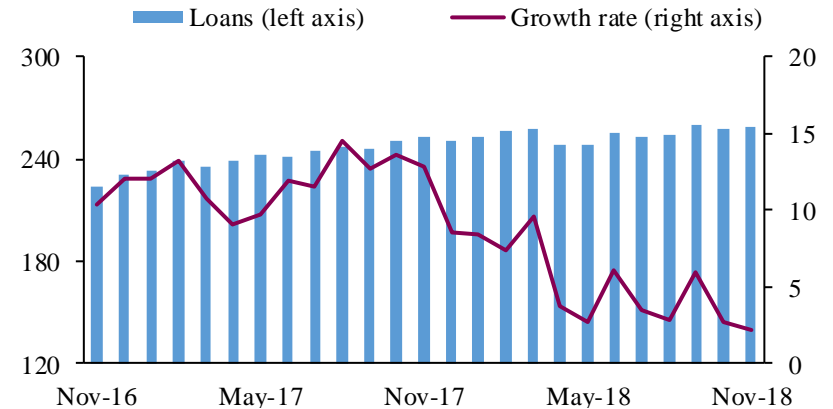
**Bank asset growth was 4.6% y/y in November**

*(USD Bn and % year on year)*



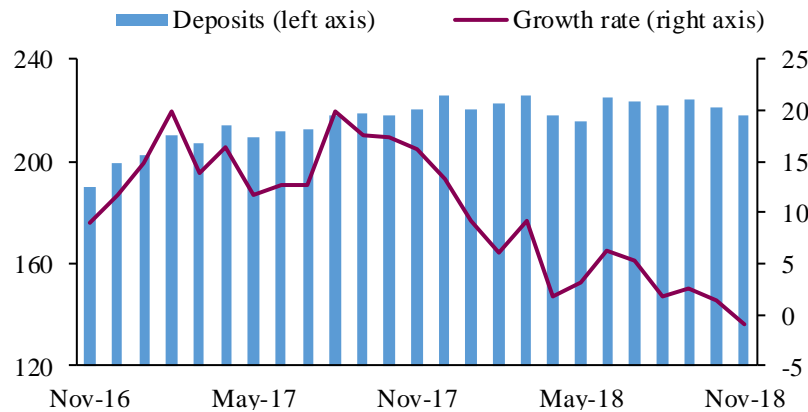
**Credit growth was 2.1% y/y in November**

*(USD Bn and % year on year)*



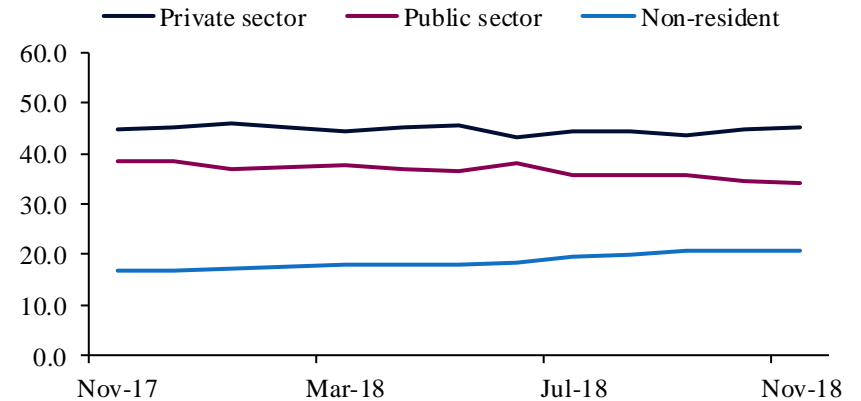
**Bank deposit growth was -1.0% y/y in November**

*(USD Bn and % year on year)*



**Private sector, public sector and non-resident deposits declined respectively 0.7%, 2.4% and 1.7% m/m in November**

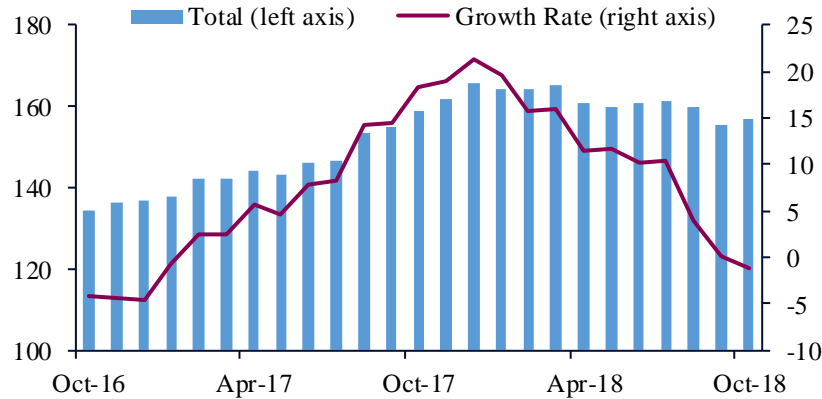
*(% of total)*



# Money and Banking

## Broad money supply (M2) declined 1.2% y/y in October

(USD Bn and % year on year)



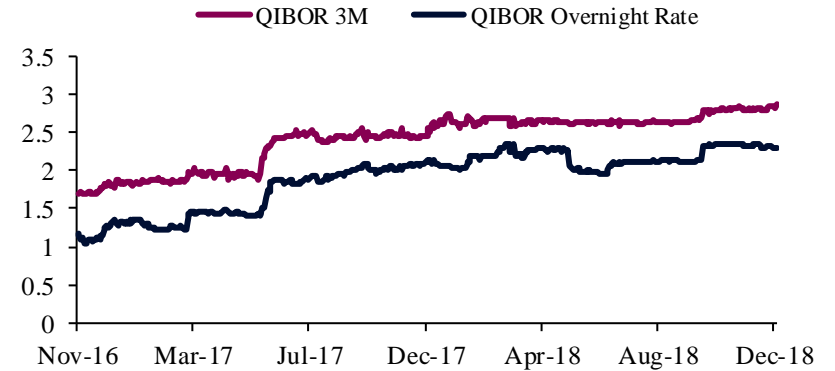
## Qatar Sovereign 5-year CDS Spreads remained stable at around 75 bps

(Basis points, latest data as at 20<sup>th</sup> December)



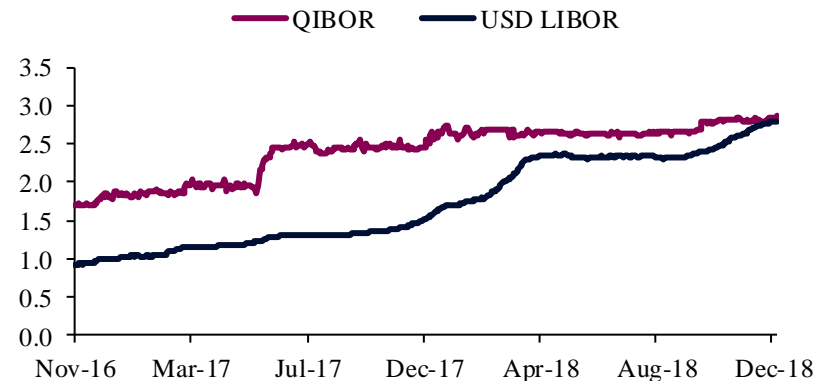
## Interbank rates went slightly up following global monetary tightening

(%, latest data as at 20<sup>th</sup> December)



## QIBOR and LIBOR 3-month interest rates converged further

(%, latest data as at 20<sup>th</sup> December)



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