



# QNB Qatar Monthly Monitor May 2018

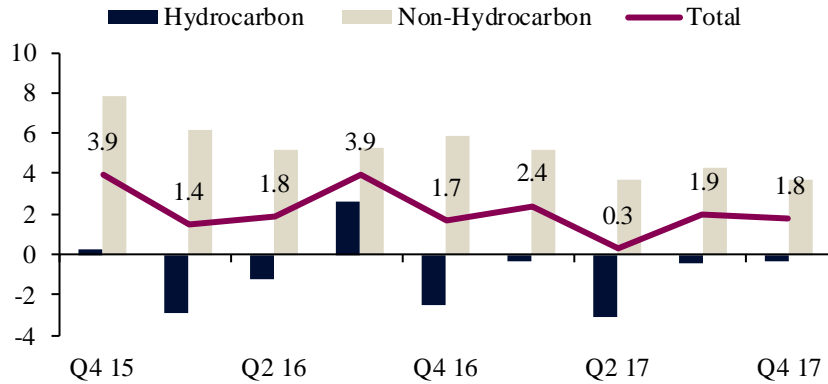
# Highlights

- **The property sector continued its recovery, with the real estate index rising 1.0% m/m in March and housing inflation rising**
- **Brent crude prices rose 7.6% from March to an average of USD72/b in April**
- **Bank deposits growth rose to 9.1% in March and deposits from the non-resident and private sectors were stable**

# Economic Activity

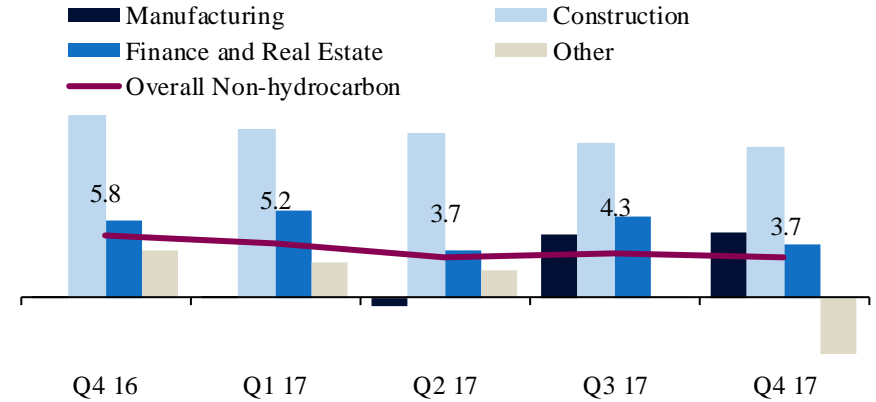
**Real GDP growth slowed marginally in Q4 mainly due to temporary shutdowns for LNG maintenance**

(% year on year)



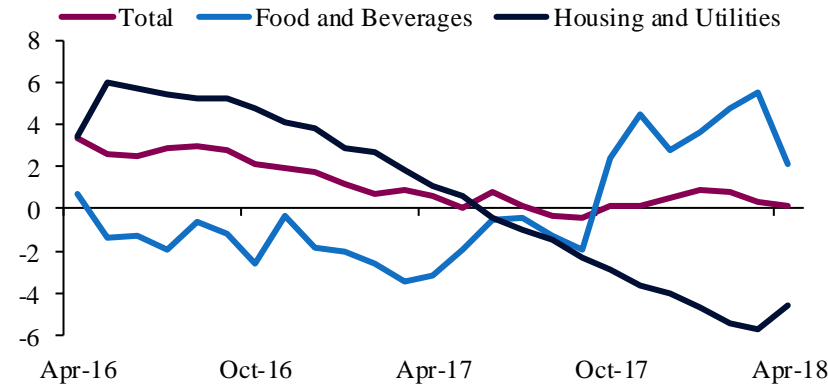
**Non-hydrocarbon real GDP growth was 4.2% for the full year 2017**

(% year on year)



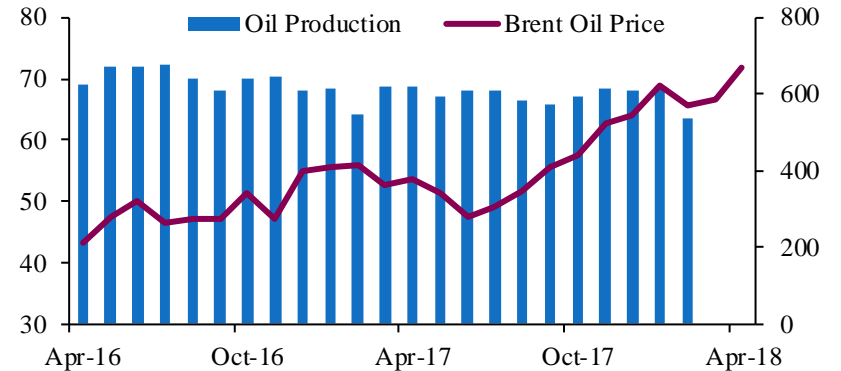
**Inflation slowed to 0.1% y/y in April; food inflation eased while housing inflation picked up**

(% year on year)



**Brent crude prices rose to an average of USD72/b in April; Qatar's oil production fell to 539k b/d in February from 621k b/d prior**

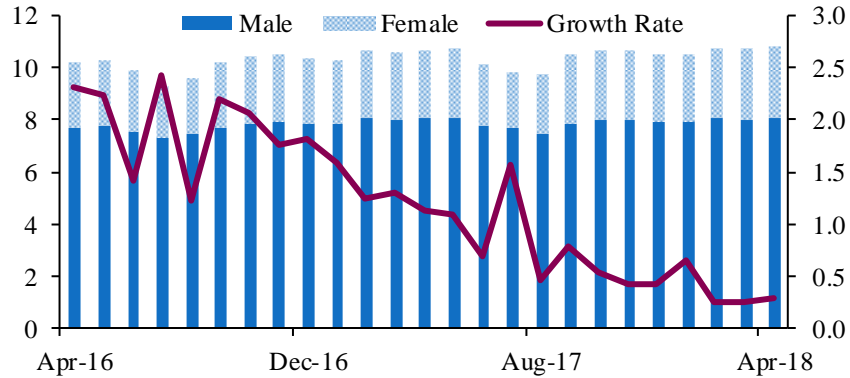
(average prices (USD/b), left axis; Oil production (k b/d), right axis)



# Economic Activity

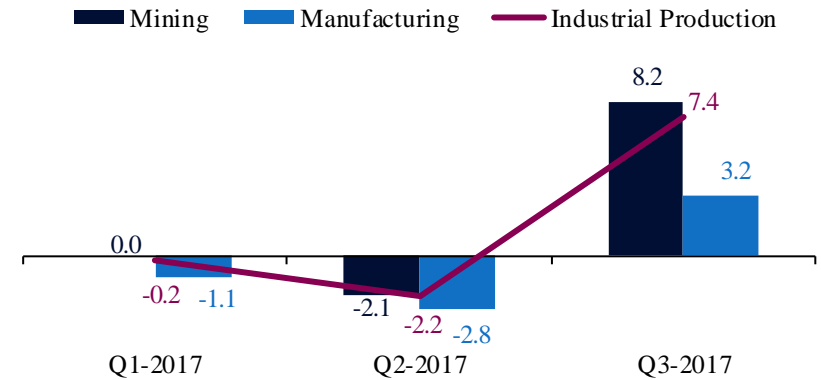
**Qatar's population grew 1.2% y/y, reaching 2.71m in April; women made up close to 25% of the population**

(m, male and female right axis; % year on year, left axis)



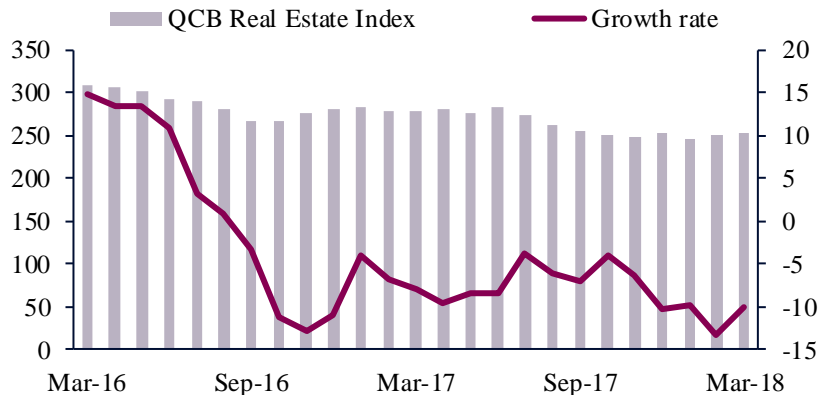
**Industrial production surged to 7.4% y/y growth in Q3 on a rebound in the mining sector likely due to less maintenance on LNG trains**

(% year on year)



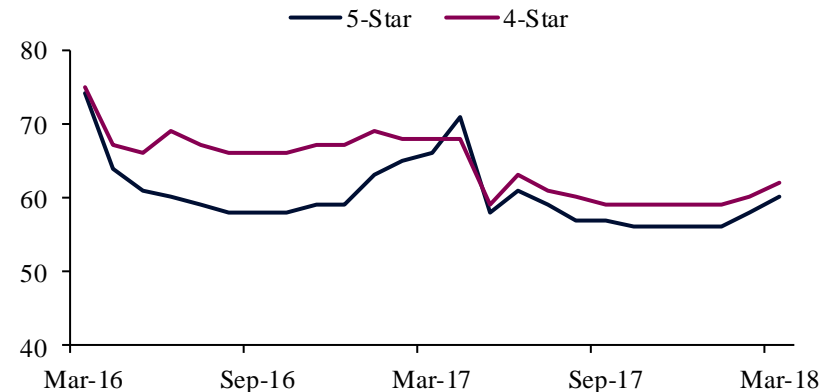
**The real estate price index continued its recovery, rising 1.0% m/m in March**

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



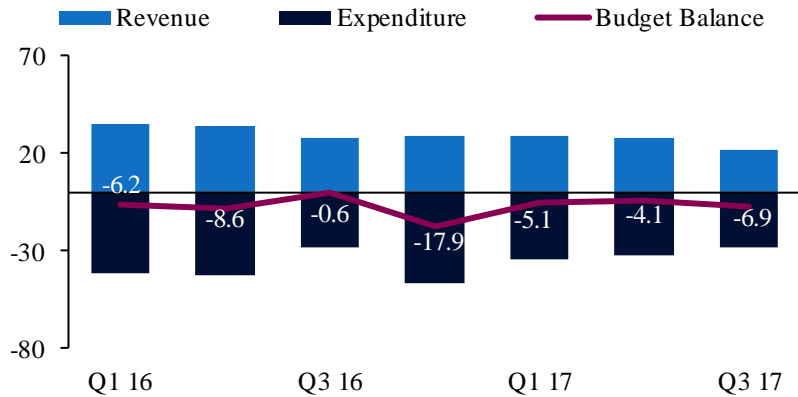
**5-star and 4-star hotel occupancy rates rose to 60% and 62% in March from 58% and 60% in February respectively**

(% occupancy rate)

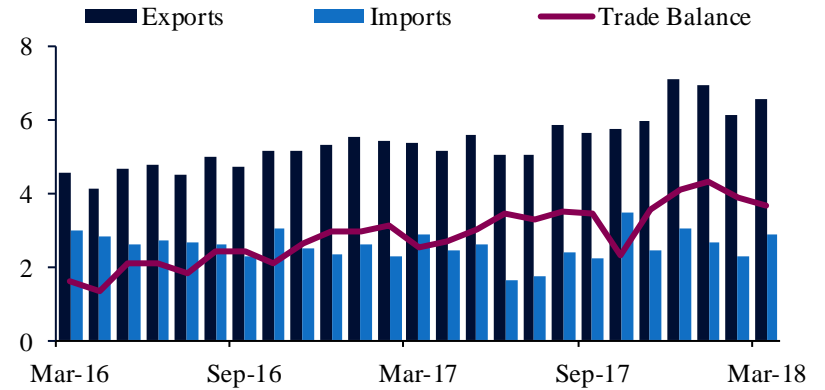


# Fiscal and External Balances

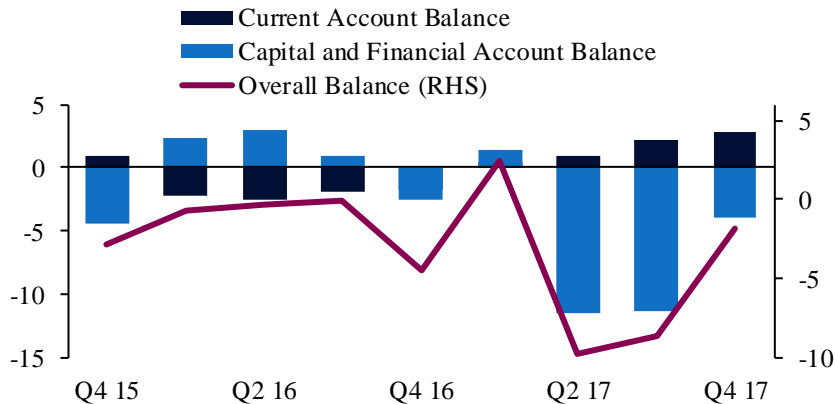
The fiscal account remained in deficit in Q3 but should recover subsequently as revenue rises in line with higher oil prices  
(% of GDP)



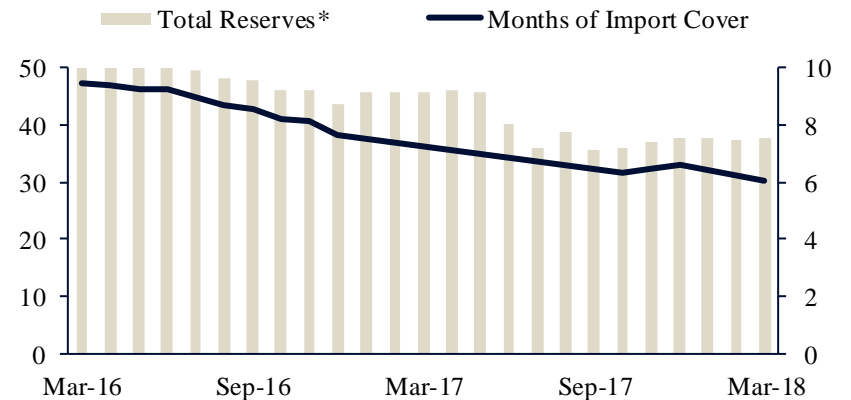
Exports grew 22.0% y/y in March as a result of higher oil prices while imports grew marginally at 1.3% y/y  
(bn USD)



The current account surplus widened to 6.4% of GDP in Q4 in line with higher oil prices while the financial account deficit narrowed  
(% of GDP; Balances, left axis; bn USD, change in Overall Balance, right axis)



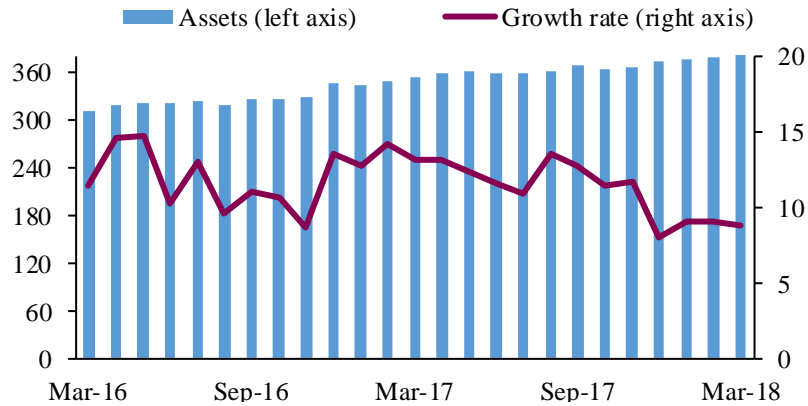
QCB foreign exchange reserves remained broadly stable at around USD38bn, equating to 6 months of import cover  
(bn USD; Reserves, left axis; Months of Import Cover, right axis)



# Money and Banking

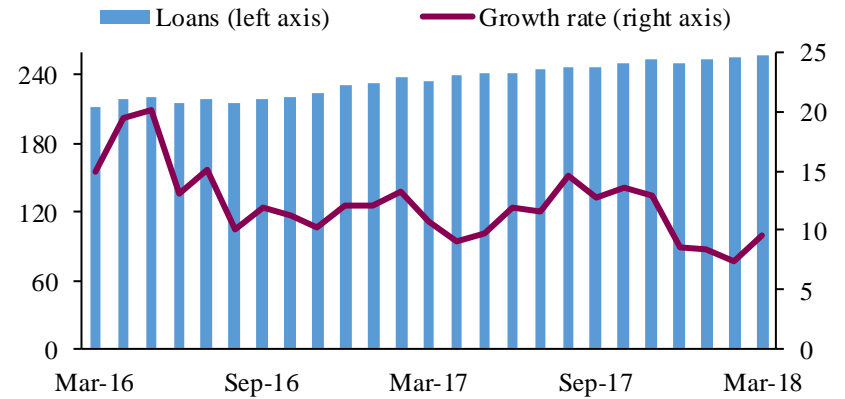
Bank assets expanded to USD383.2bn growing 8.8% y/y in March

(bn USD and % year on year)



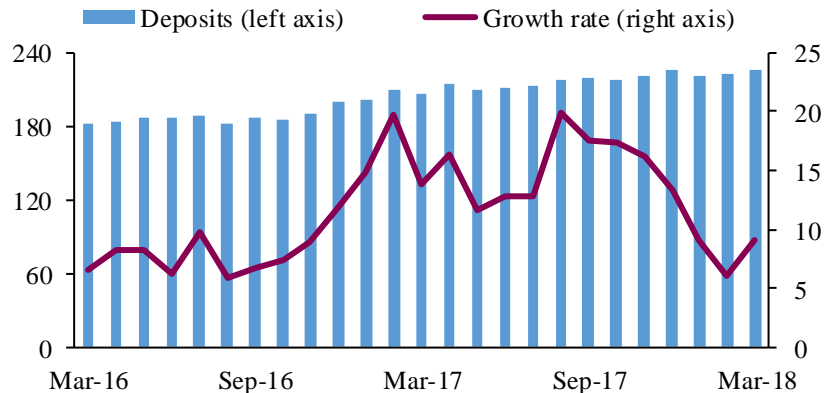
Credit growth was 9.6% in March, driven by lending to the public sector, which grew 15.0% y/y

(bn USD and % year on year)



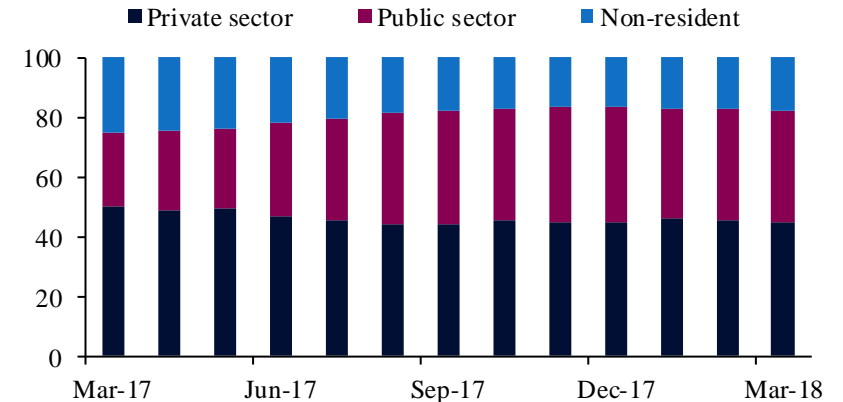
Bank deposit growth was 9.1% y/y in March compared to 6.0% y/y in February

(bn USD and % year on year)



Deposits from the non-resident and private sector remained stable in March

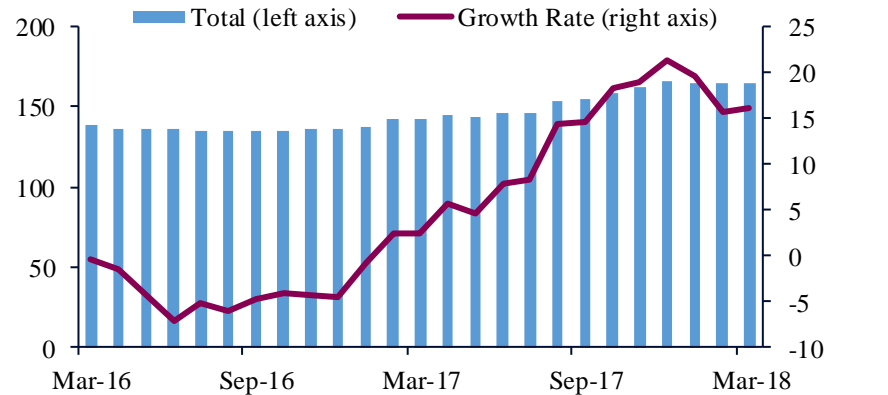
(% of total)



# Money and Banking

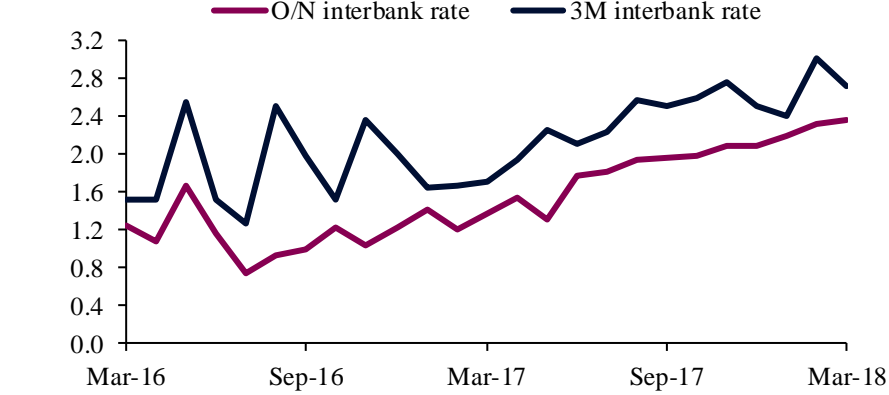
**Broad money supply (M2) grew by 16.1% in March compared to 15.7% in February**

*(bn USD and % year on year)*



**Interbank rates continue to rise in line with increases in US short-term rates**

*(%)*



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