



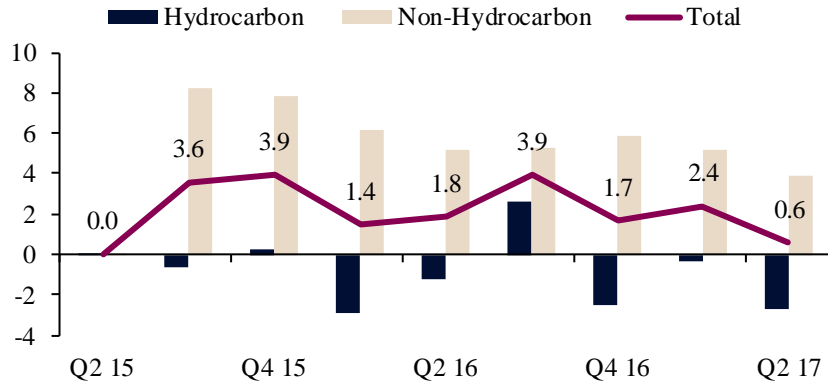
QNB Qatar Monthly Monitor October 2017

Highlights

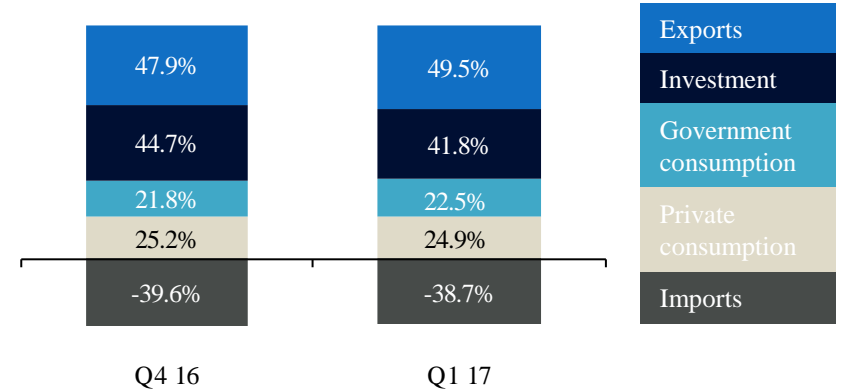
- **Imports recovered close to pre-blockade levels as new trade routes and new trade partners were established**
- **Qatar's population rose 3.2% year on year to 2.63 million in September, recovering from the usual summer slump**
- **Real GDP growth slowed in Q2 mainly due to a contraction in the hydrocarbon sector**

Economic Activity

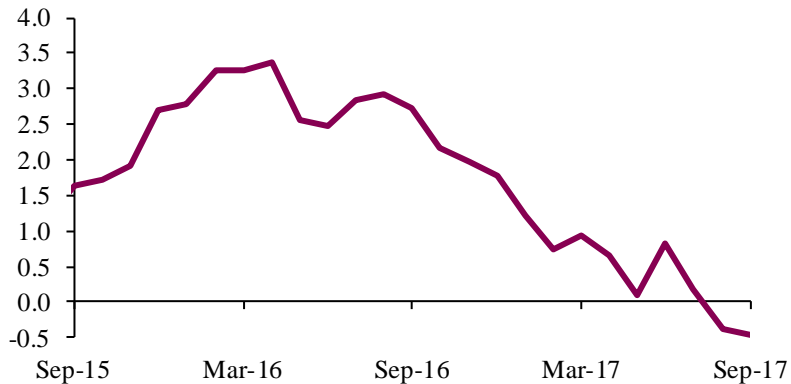
Real GDP growth slowed in Q2 mainly due to a contraction in the hydrocarbon sector
 (% year on year)



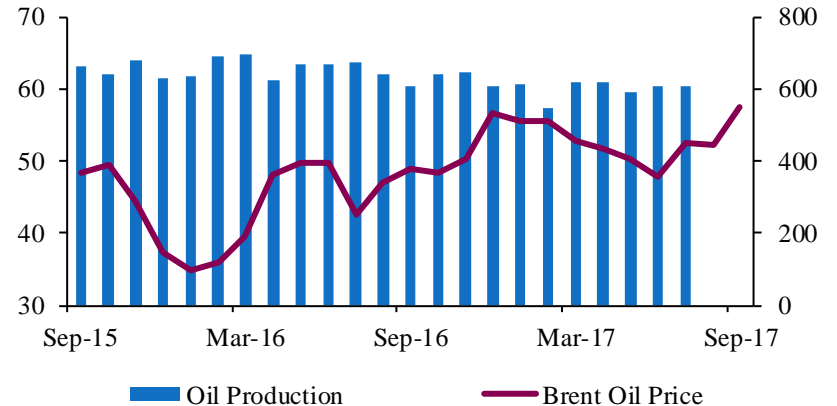
Nominal GDP in Q1 grew 14.6% year on year, driven by exports on the back of higher oil prices
 (share in total GDP)



Inflation fell to -0.5% in September from -0.4% in August, mainly due to falling rents
 (% year on year)



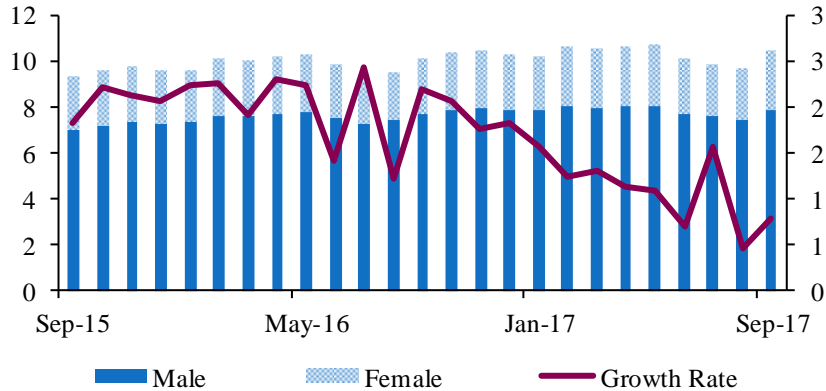
Brent crude prices rose 17.3% to USD57.5/b in September while Qatar's oil production stayed flat at 611 k b/d in July
 (USD/b, left axis; Oil production (k b/d), right axis)



Economic Activity

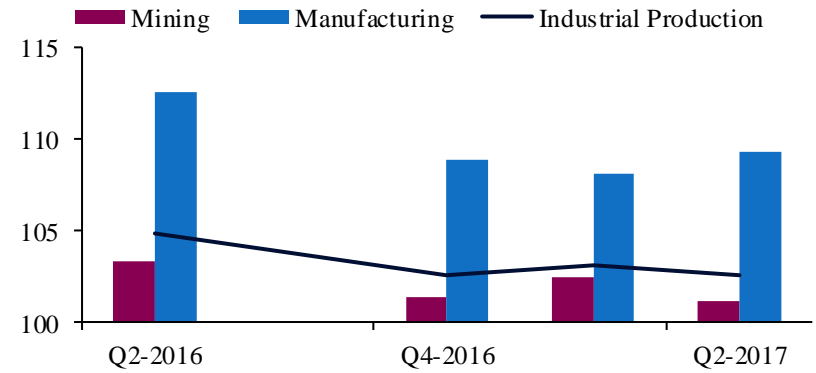
Qatar's population rose 3.2% year on year to 2.63million in September, recovering from the usual summer slump

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



Industrial production fell 2.2% in Q2, dragged down by a contraction in hydrocarbons

(% year on year)



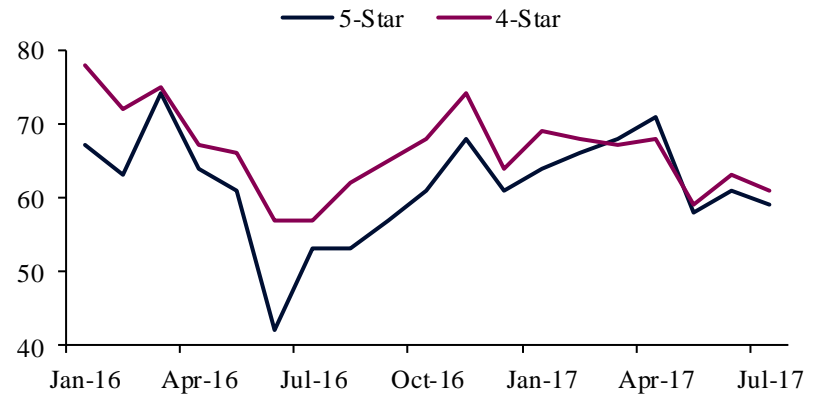
The real estate price index picked up slightly in Q2 compared to Q1, although it was still down 5.5% year on year in June

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



Hotel occupancy rates averaged 60% in July, which is normal over the slower summer period

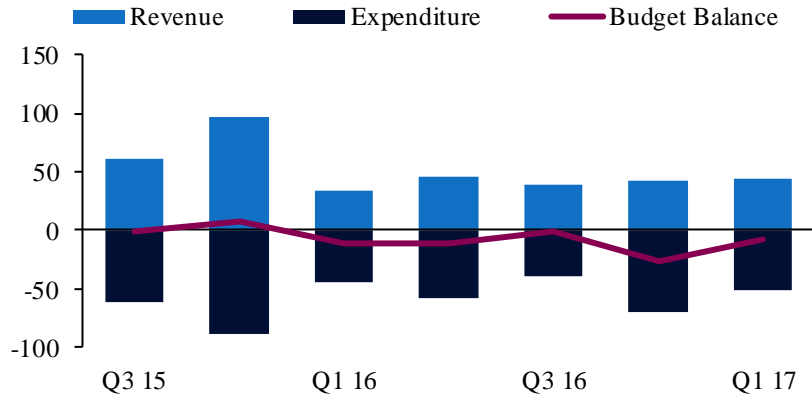
(% occupancy rate)



External and Fiscal Balances

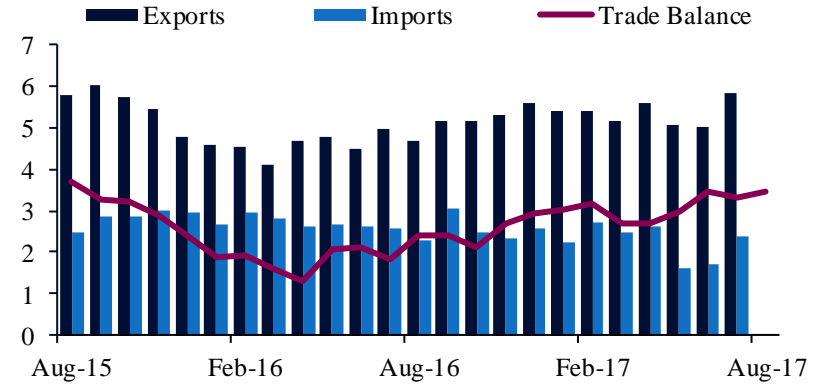
The fiscal deficit narrowed to 5.5% of GDP in Q1 from 17.9% in Q4-2016

(bn QAR)



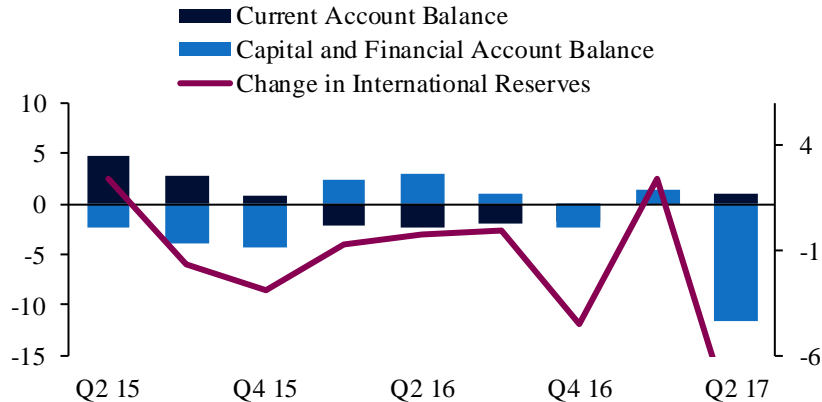
Imports recovered close to pre-blockade levels as new trade routes and new trade partners were established

(bn USD)



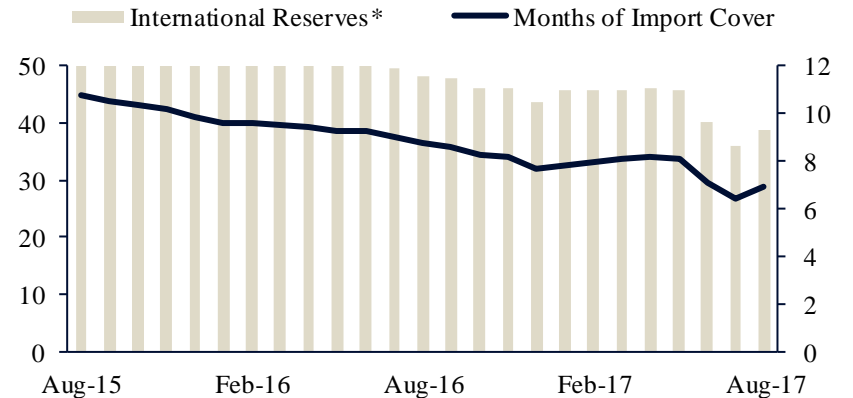
The current account surplus widened to 2.4% of GDP while the financial account swung into deficit

(bn USD; Balances, left axis; Reserves, right axis)



International reserves recovered to USD39bn in August with the disclosure of USD19bn in foreign liquid assets by the QCB

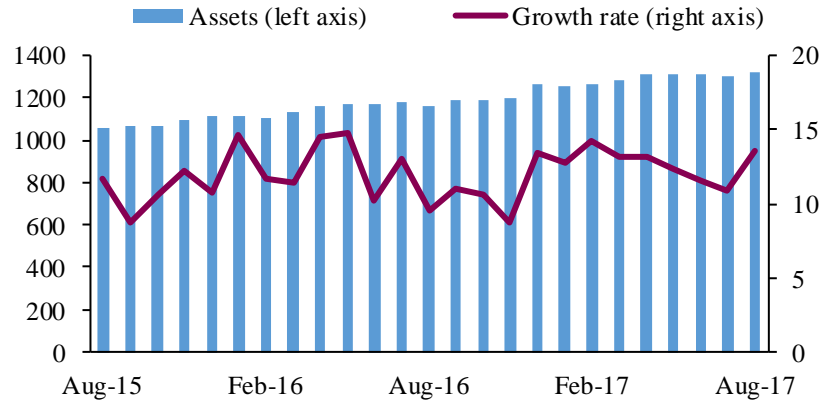
(bn USD; Reserves, left axis; Months of import cover, right axis)



Money and Banking

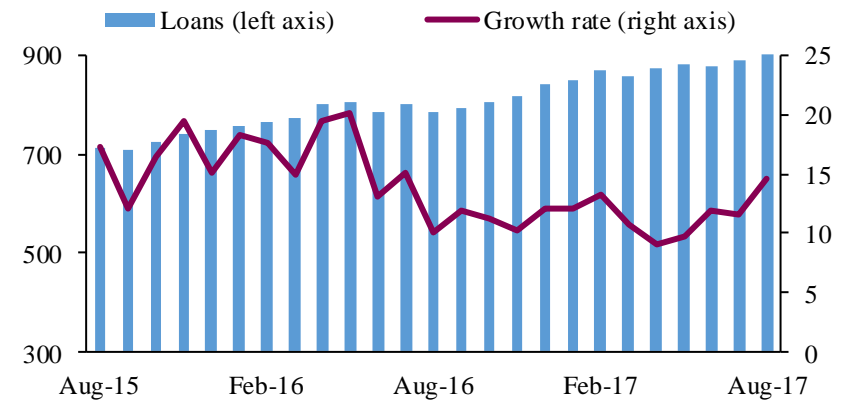
Assets grew by 13.5% in August from 10.9% in July, reversing three months of slowing growth

(bn QAR and % year on year)



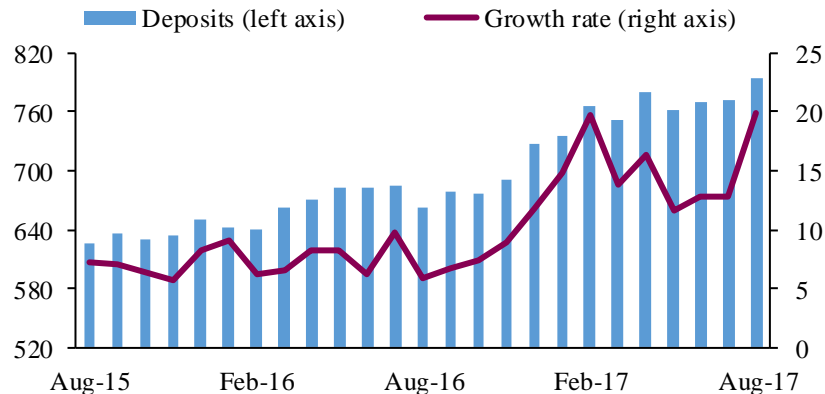
Credit growth accelerated to 14.5% in August from 11.5% in July

(bn QAR and % year on year)



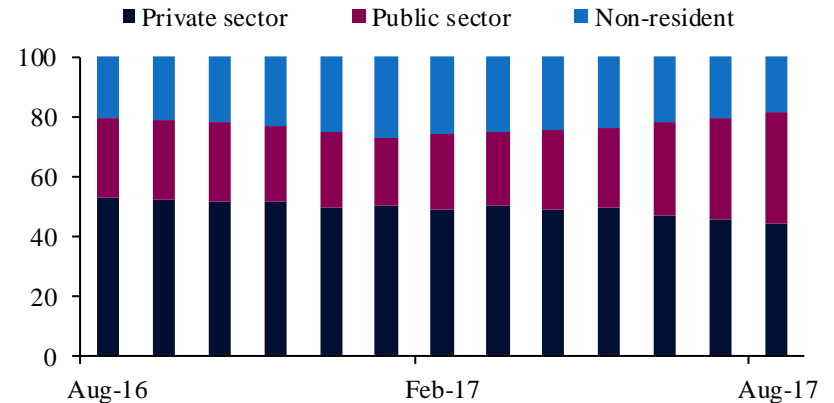
Bank deposit growth accelerated to 20.0% in August from 12.8% in July

(bn QAR and % year on year)



In recent months, a decline in private resident deposits has been offset by an increase in public sector deposits

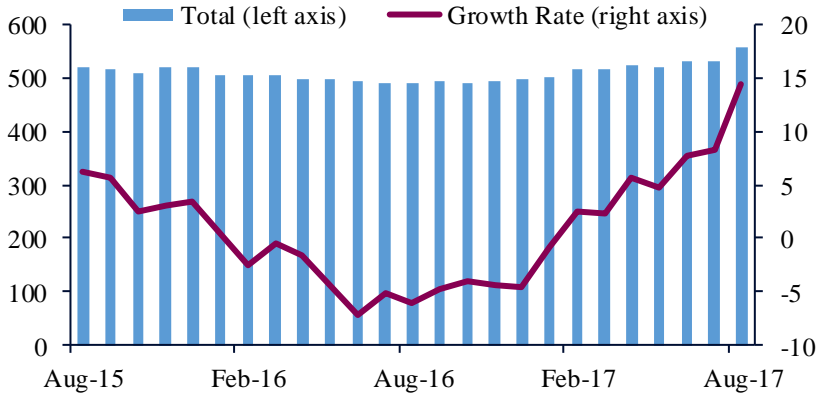
(% of total)



Money and Banking

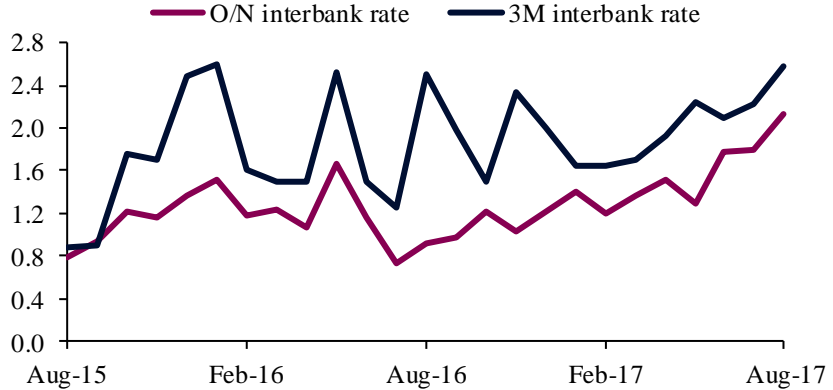
Broad money supply (M2) grew by 14.4% year on year in August from 8.3% in July

(bn QAR and % year on year)



Overnight interbank rates rose to 2.13% in August from 1.80% in July; the 3-month interbank rate rose to 2.57% from 2.23%

(%)



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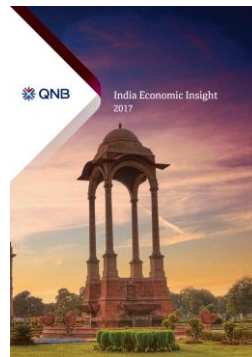
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