

QATAR TRENDS

First Qatar Real Estate Development Company

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CONTENTS

1. INTRODUCTION
2. QATAR GDP TREND
3. QATAR GDP BREAKDOWN BY SECTORS
4. QATAR POPULATION TREND
5. OCCUPANCY
6. UPCOMING & ONGOING PROJECTS
7. TOURISM GROWTH
8. QATAR AIRWAYS GROWTH
9. GROWTH OF PASSENGER MOVEMENTS
10. REFERENCE / SOURCE

INTRODUCTION

- ❑ Upon the winning of the FIFA WORLD CUP 2022 bid, Qatar became a focal point in the Middle East in the eyes of investors from around the globe. The bid not only placed Qatar in a global sporting category, but rather commenced the boost of the economy in different major sectors.
- ❑ Major developments and projects are ongoing to prepare the country for the upcoming sporting event and to further support the rising demand especially in the real estate sector.
- ❑ Qatar's economy is expected to undergo further growth in GDP in the coming years with a major focus on infrastructure development and real estate.
- ❑ Qatar's economy represents a positive outlook for GDP growth in the coming 4-5 years.



QATAR GDP TREND

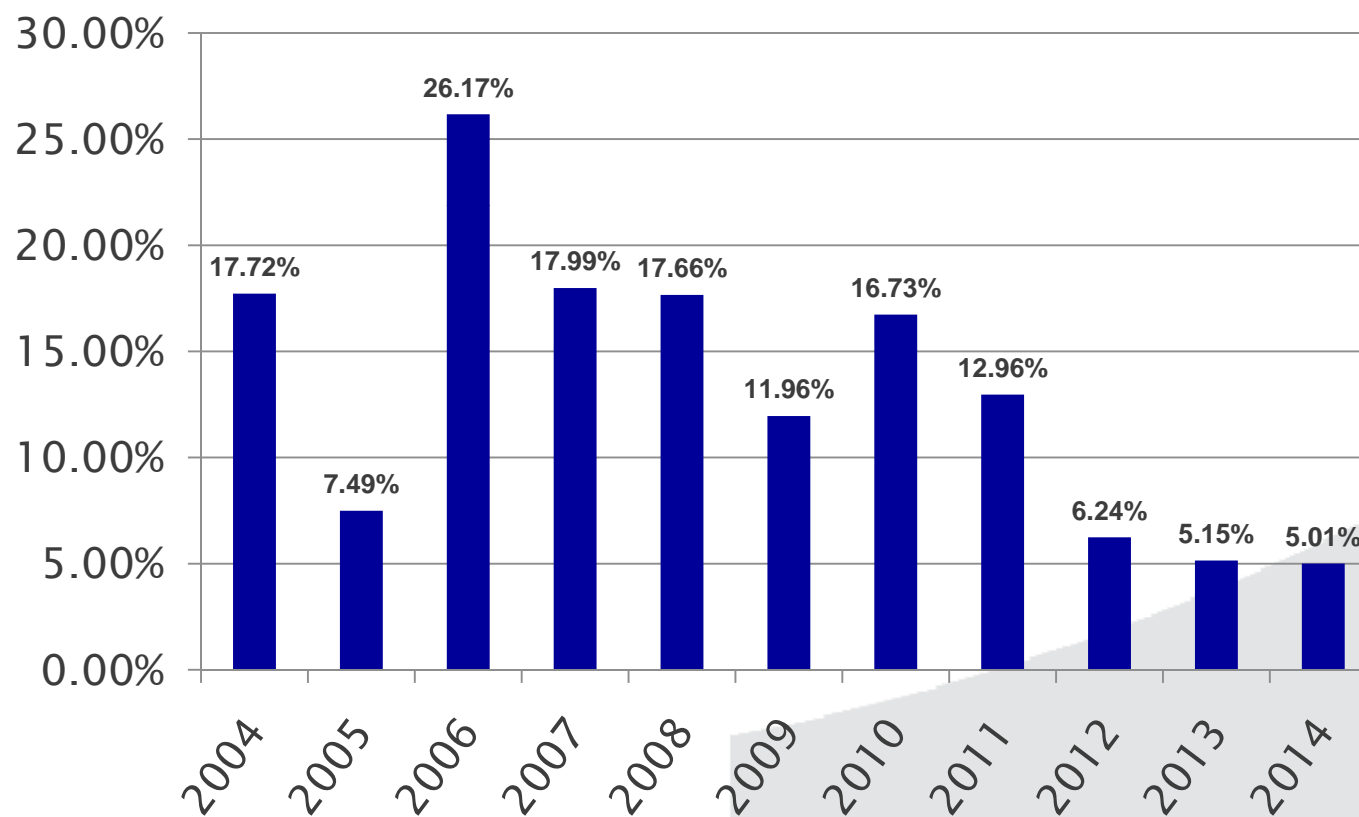
- ❑ The forecast for GDP percentage growth for 2013 is estimated around 5.15% and projected at 5.01% change in 2014.
- ❑ GDP growth had increased significantly in 2006 at a change of 26.17% growth rate from the previous year, however, the growth rate slowed down in 2007 continuously to 2009 to reach a growth change of 11.96% in 2009.
- ❑ The growth rate started to increase again in 2010 to reach 16.73% and GDP growth is still positive in the following years with a forecasted prediction in 2014 of 5.01%, however, the rate of GDP growth is not as high starting from 2012 as the rate of change slowed down.



QATAR GDP TREND



Qatar GDP Growth %



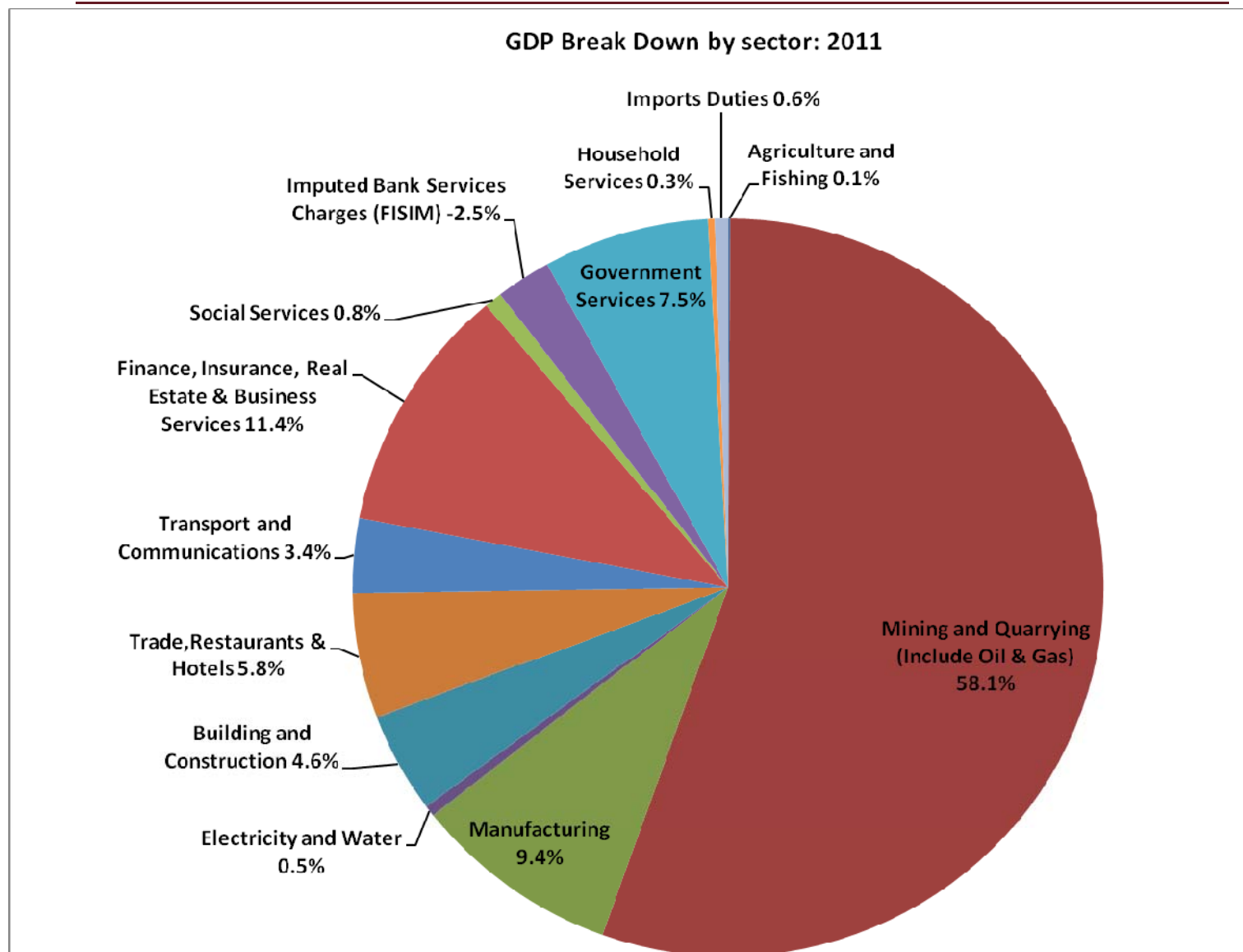
Source: IMF and HVS Report 2013

GDP BREAKDOWN BY SECTORS

- ❑ Qatar's Oil & Gas contribution to overall GDP has decreased since 2011 from 58.1% to 54.4% as the government attempts to direct focus towards other non-oil sectors.
- ❑ Finance/Insurance/Real Estate & Business Services sector recorded a decrease in contribution to overall GDP from 2011 to 2012 at a rate of 11.4% to 10.8%, however, the contribution from this sector increased to 12.0% in 2013.
- ❑ Major increases in Government Services were recorded as GDP from this particular sector increased from 7.5% to 9.5% during the period between 2011 to 2013 respectively.
- ❑ Regarding the Trade/Restaurants & Hotels sector, the increase was significant from 5.8% in 2011 to 6.2% in 2013.

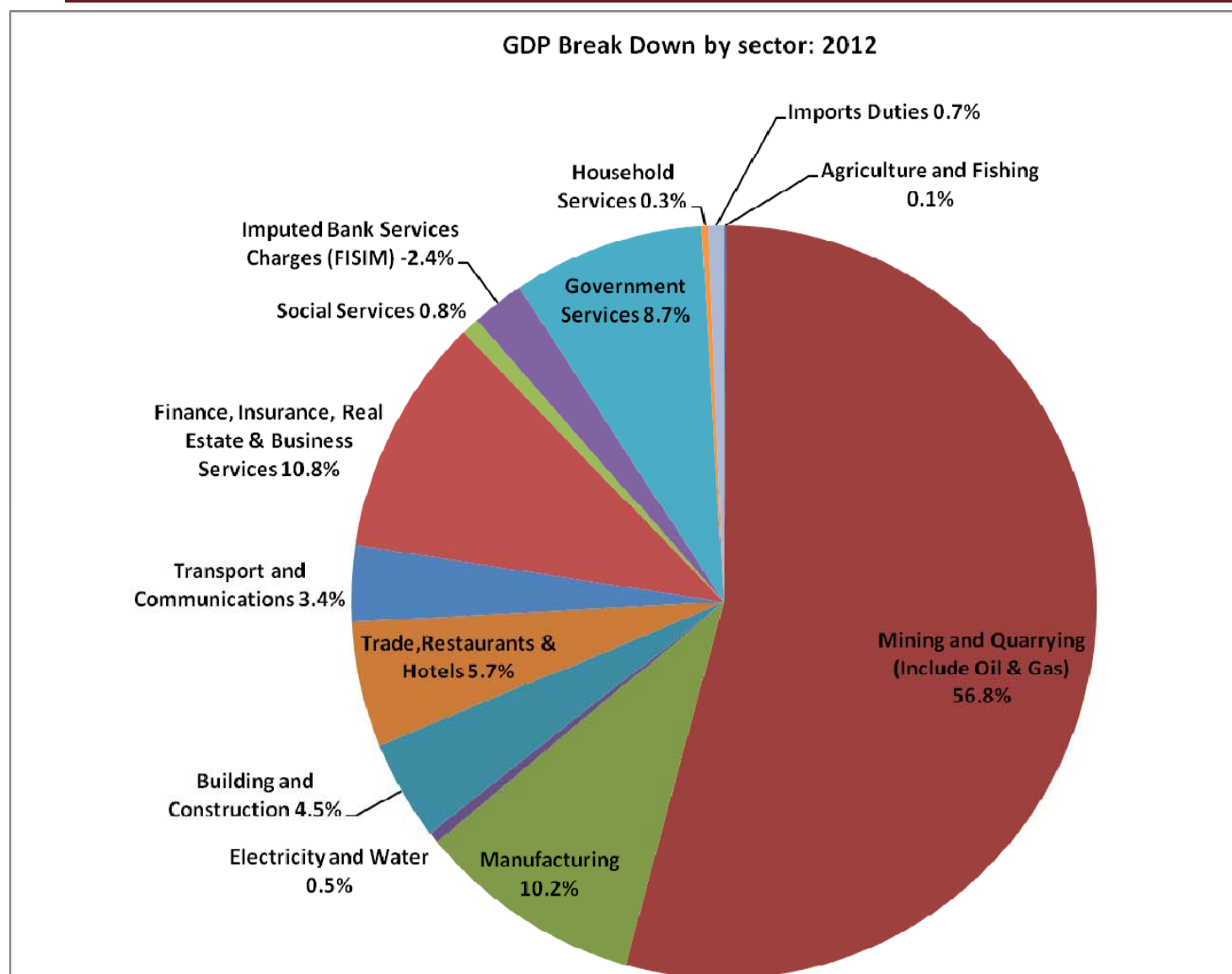


GDP BREAKDOWN BY SECTORS



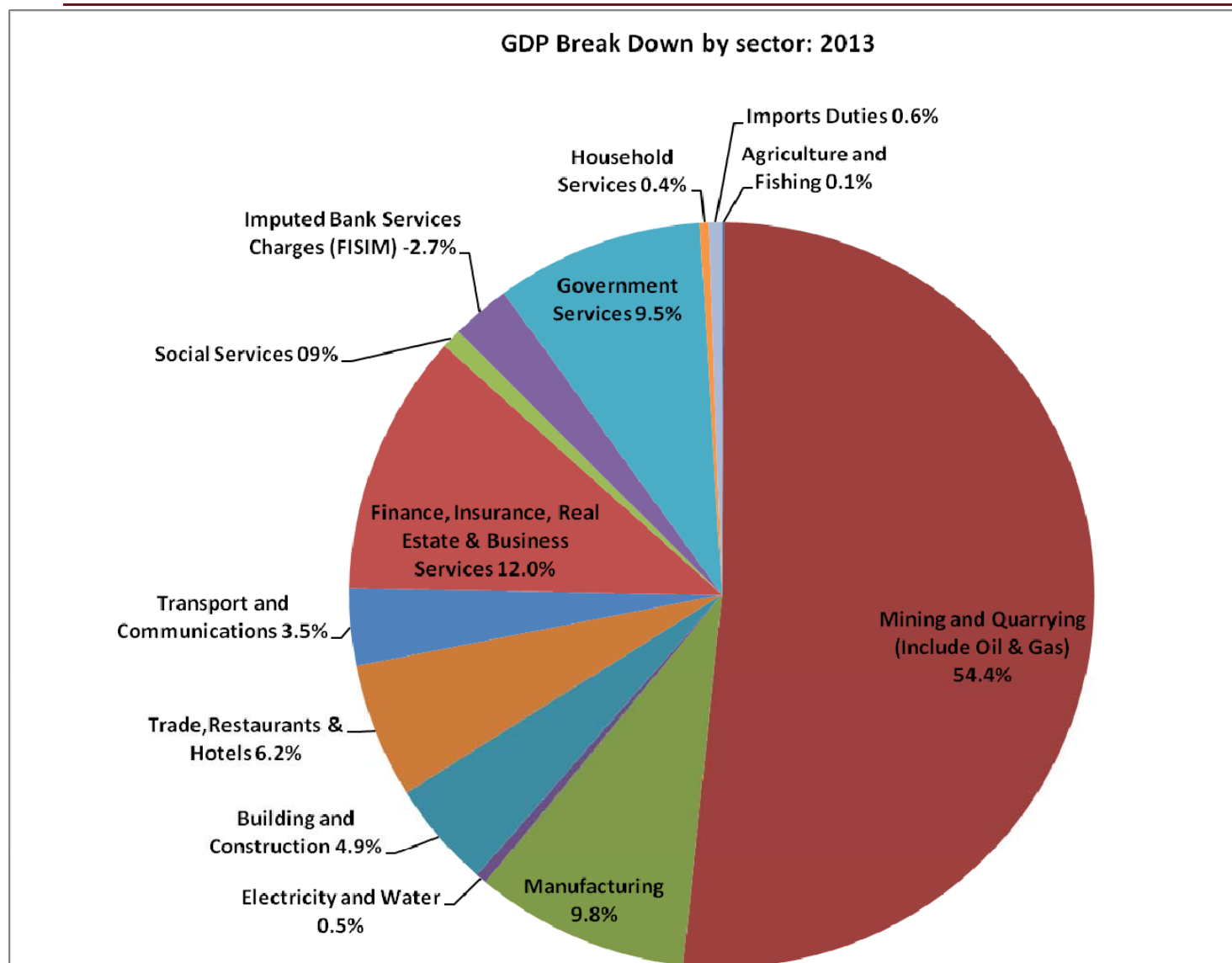
Source: Ministry of Development Planning and Statistics, Qatar

GDP BREAKDOWN BY SECTORS



Source: Ministry of Development Planning and Statistics, Qatar

GDP BREAKDOWN BY SECTORS



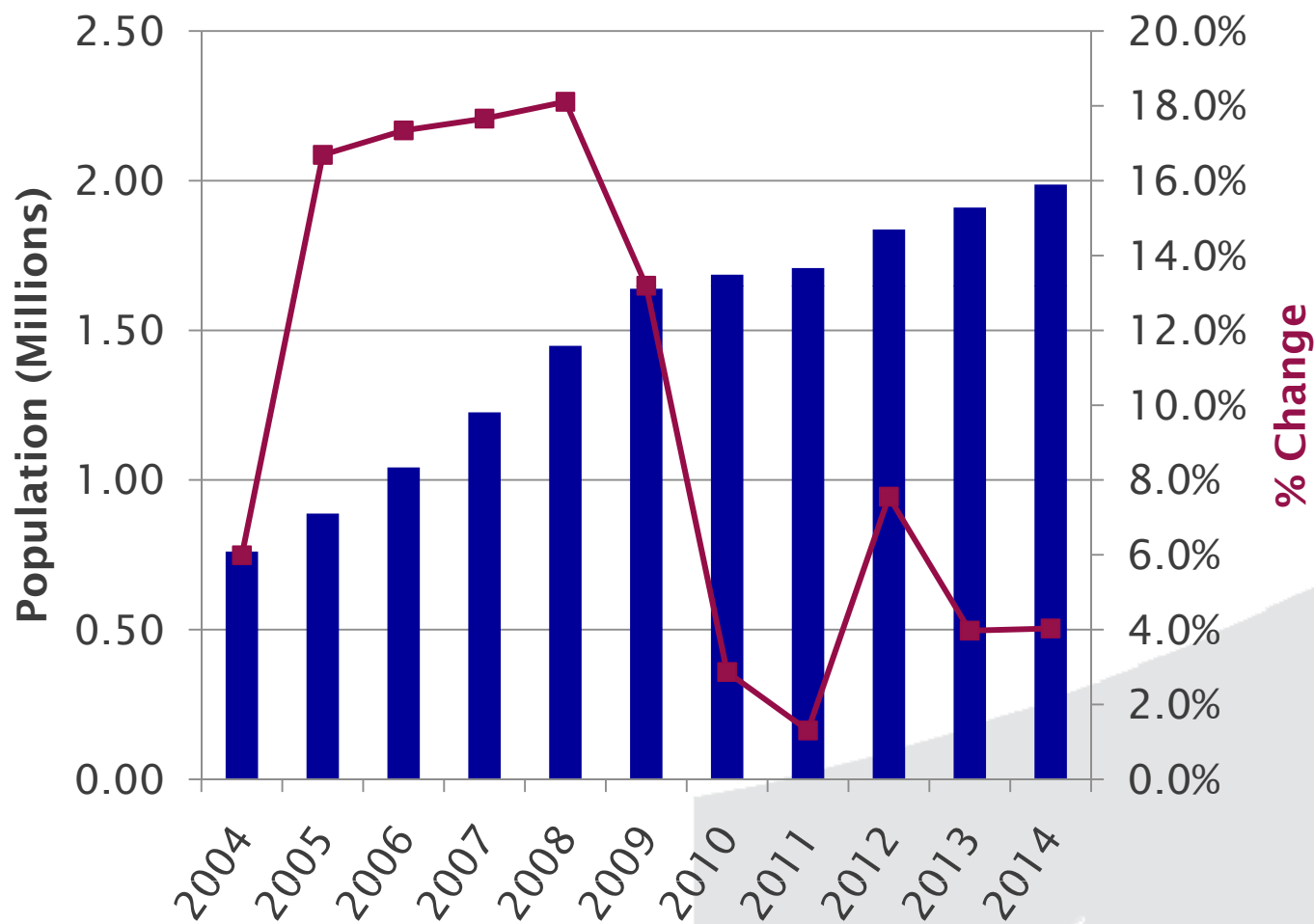
Source: Ministry of Development Planning and Statistics, Qatar

QATAR POPULATION TREND

- ❑ Qatar is currently experiencing an influx of expatriates through new employment, business visitors, as well as tourists.
- ❑ The population in 2013 was estimated at 1.9 Million and is projected to increase by 4% in 2014 to reach 1.99 Million.
- ❑ The growth of the population is largely due to the massive infrastructure investments in preparation for the FIFA World Cup 2022 and Qatar vision 2030.
- ❑ According to Qatar National Bank (QNB), the population is expected to reach 2.8 Million by 2020 in light of the significant investments in gas and related sectors.



QATAR POPULATION TREND



Source: IMF and HVS report 2013

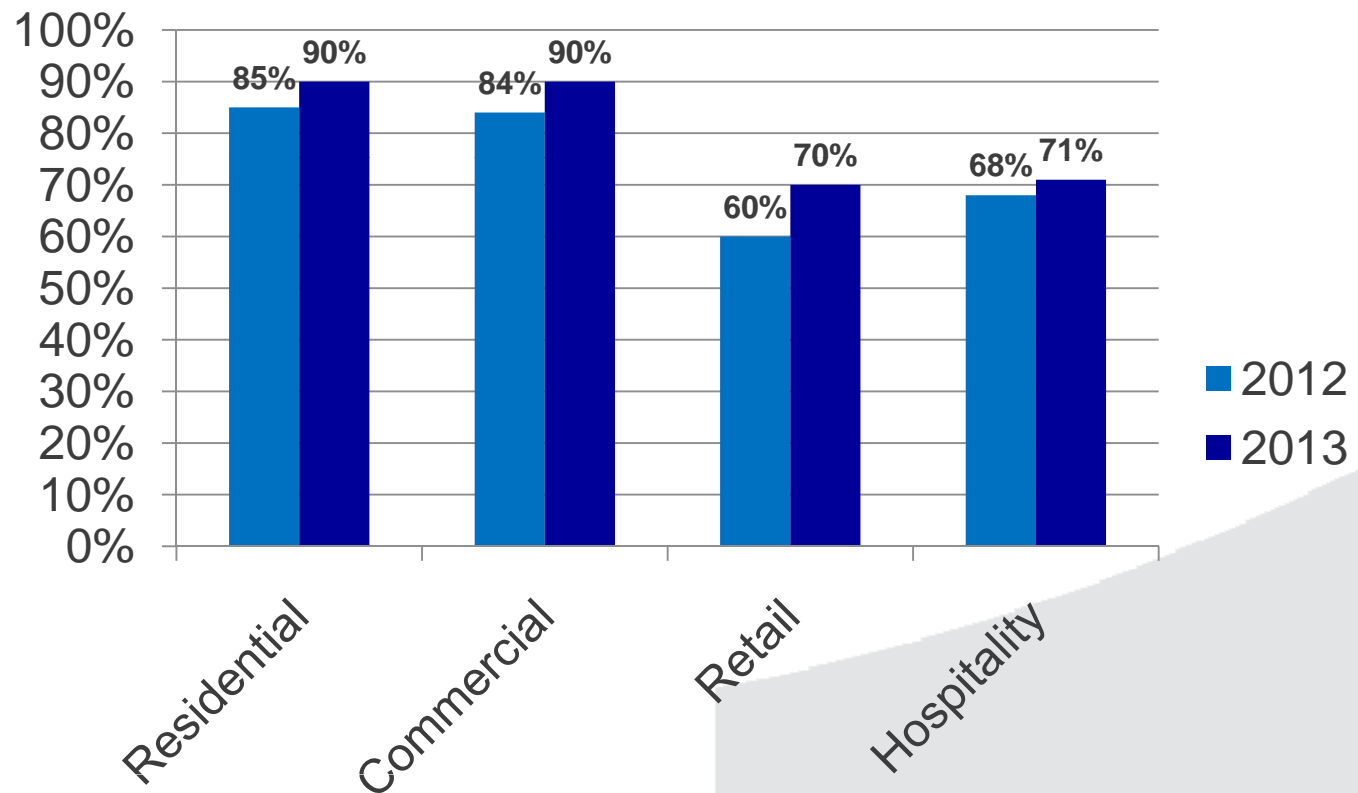
OCCUPANCY - TREND



- ❑ Currently due to the excessive demand as a comparison to the lower supply, occupancy is at its highest levels amongst sectors such as: Residential, Retail, Commercial, and Hospitality.
- ❑ Within the **residential sector**, the occupancy rates have increase to 90% in 2013, as a result of the influx of additional expatriates triggering the population growth and increasing demand for residential property, especially among higher quality of properties.
- ❑ The **commercial sector** has experienced a close to oversupply however, due to the increasing employment, the office space is also at high levels of occupancy increasing to 90% in 2013.
- ❑ Within the **retail sector**, we can see from studies conducted, that the occupancy levels also increased to 70%, a 10% increase from 2012.

OCCUPANCY - TREND

- The **Hospitality sector** has experienced a growth in the occupancy from 68% to 71% with the growth in business visitors and tourists.



Source: HVS, AlAsmakh Report, DTZ Research



UPCOMING & ONGOING PROJECTS

Sharq Crossing-Doha Bay Crossing



- ❑ Sharq Crossing project, previously known as the Doha Bay crossing and expressway project, at a total cost of \$5bn. The project will navigate Doha Bay and will comprise bridge sections interconnected by an immersed tube tunnel to create a new passageway beneath the waters of Doha Bay.



UPCOMING & ONGOING PROJECTS

Qatar-Bahrain Causeway



- ❑ A multi-billion dollar railway project to link Qatar, Bahrain and the UAE will be constructed and become operational as projected by 2017. The total cost of the project amounts between \$15bn to \$25bn.



UPCOMING & ONGOING PROJECTS

Doha Metro



- ❑ The Doha Metro project will cover 300kms of metro rail network in Doha. The railway will link all major points in Doha to the New Doha International airport and the Doha Port.
- ❑ The first phase is expected to be completed by 2019 which is estimated cost \$8.23bn, while the entire project is scheduled for completed by 2030.



MAJOR UPCOMING & ONGOING PROJECTS

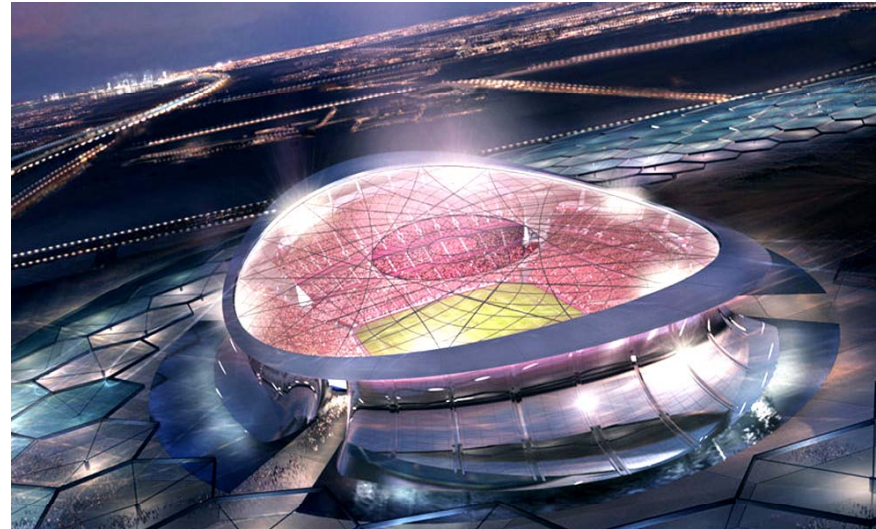
Qatar Rail Project



- ❑ The Qatar Railway company is currently developing a local transport system in Doha designed to integrate all planned national railways into one consolidated system. The Qatar railway project is part of the plan to connect Qatar to the other GCC countries with the local project consisting of several packages.
- ❑ The Lusail light rail transit network is expected to be completed by 2015, the West Bay is to be completed by 2018. The estimated cost of the project is \$32bn

MAJOR UPCOMING & ONGOING PROJECTS

Lusail Iconic Stadium



- ❑ One of the nine stadiums scheduled to be built for the Qatar FIFA World 2022 is the Lusail Iconic Stadium. The estimated cost is \$662m and the year of completion scheduled is by 2019.
- ❑ The project is meant to be unique with the 86,000-seat stadium being surrounded by water. The iconic structure will host the opening and closing ceremonies of the World Cup.

MAJOR UPCOMING & ONGOING PROJECTS

Qatar Airport City



- ❑ Qatar Airport City is an interface between the city and the New Doha International Airport and will feature developments for the business, logistics, retail, hotels and residences.
- ❑ The first phase of the project is expected to be completed by 2022, while the entire project is scheduled for the completion by 2030.

TOURISM GROWTH

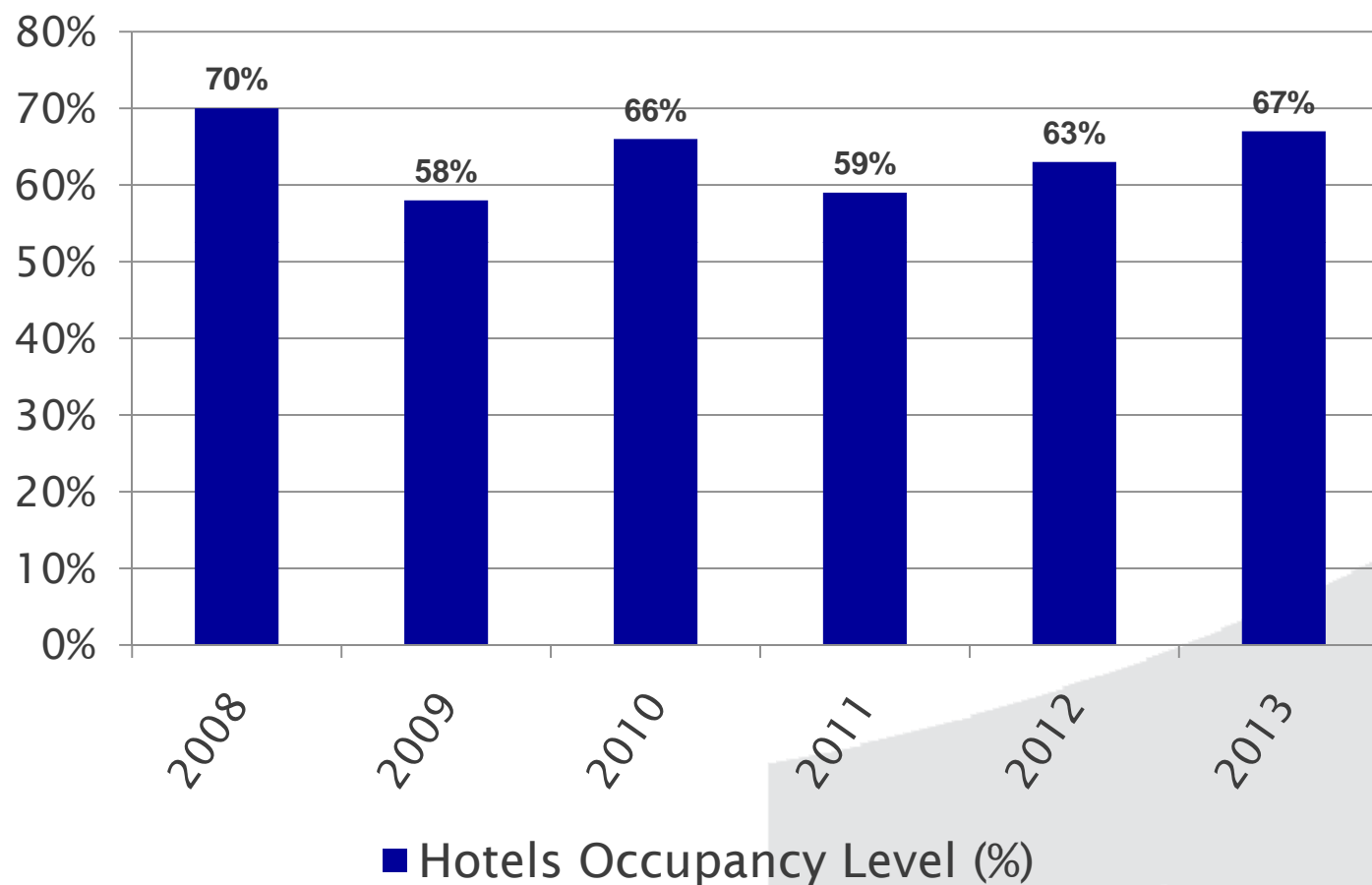


- ❑ Qatar is expected to receive 3.5 million international tourists for the FIFA World Cup in 2022. The government is developing the country's leisure offerings with projects such as Lusail and Katara which are expected to increase leisure visitation.
- ❑ Business Spending accounted for 65.5% out of the travel and tourism contribution to GDP in 2012, with the remaining attributed to leisure spending.
- ❑ In the coming years, it is projected to observe hotel occupancy and average rate to fluctuate. Demand is projected to further increase and will enhance the development of additional hotels in Qatar, which will then increase employment as the design, construction, and operation of these new hotels require additional employment.
- ❑ Due to the increasing family tourism, the serviced apartment concept is increasing in popularity as well.

HOTELS OCCUPANCY

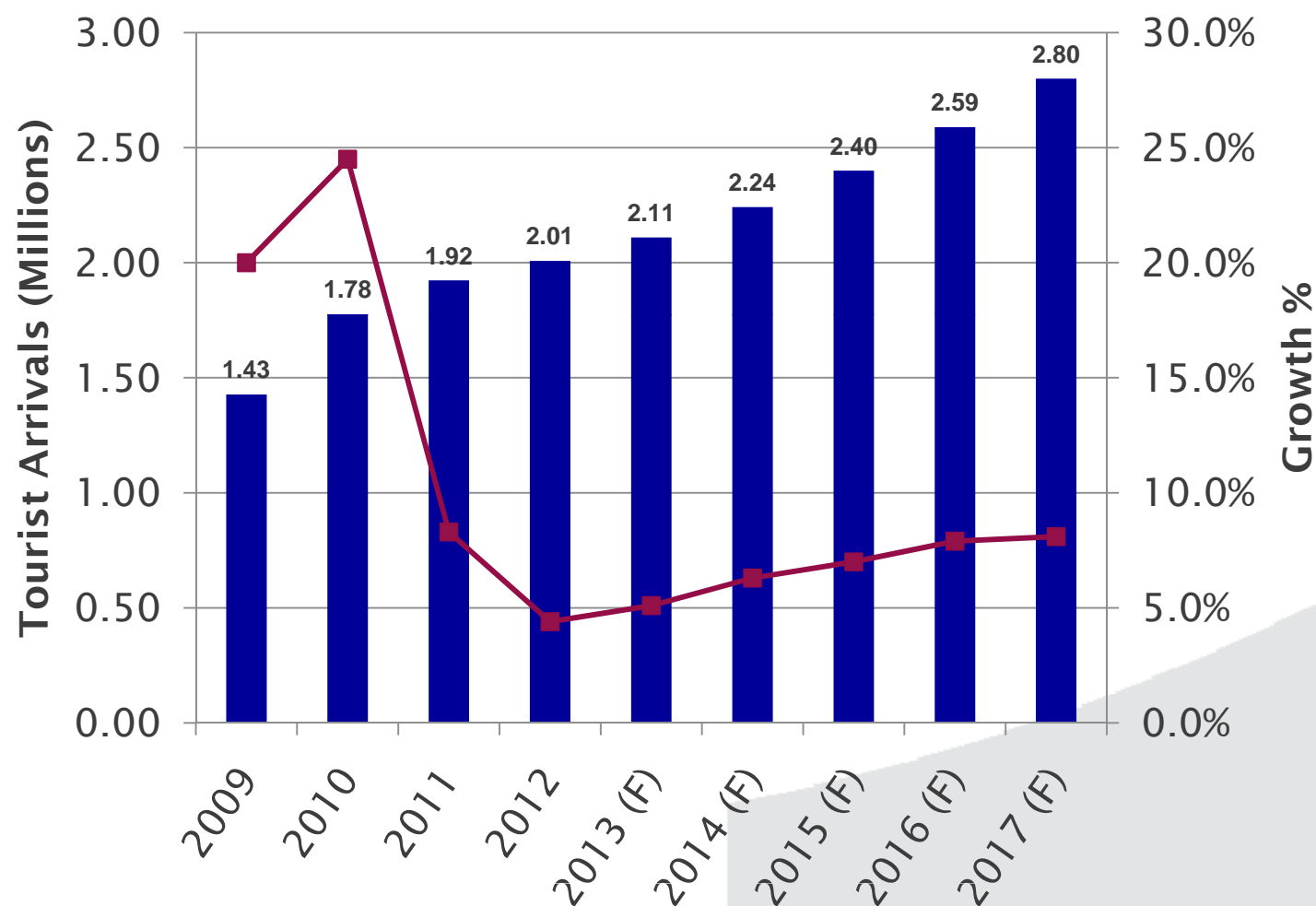


Hotels Occupancy Level (%)



Source: HVS 2013 Report

TOURIST ARRIVALS GROWTH



Source: Euromonitor International, 2013



QATAR AIRWAYS GROWTH

- ❑ Qatar Airways has since become one of the fastest growing carriers in the world with unprecedented expansion averaging double digit growth year on year.
- ❑ From only four aircraft in 1997, the airline grew to a fleet size of 28 aircraft by the end of 2003 and a milestone 50 by Oct 2006. Today the airline operates 122 aircraft to 136 destinations worldwide.
- ❑ By 2015, the fleet size will rise to more than 170 aircraft covering a global network of destinations that will also increase to over 170.
- ❑ Qatar Airways has one of the industry's youngest fleets with an average aircraft age under four years old.



QATAR AIRWAYS GROWTH

- ❑ The Qatar Airways family includes several different Airbus and Boeing aircraft types – the long-range Boeing 777 passenger and freighter aircraft, the new Boeing 787 with deliveries starting in November 2012, Airbus A340, A330, A300, A300F freighter, A321, A320 and A319. The latter A319 includes a corporate jet version.
- ❑ Qatar Airways currently has over 280 new aircraft worth more than US\$50 billion pending delivery over the next few years. This includes an order for Airbus' new generation A350s, A320 Neos, A380s and Boeing 787s.
- ❑ Qatar Airways is one of the launch customers of the twin-deck Airbus A380-800 'super jumbo' – the world's biggest aircraft capable of carrying 555 passengers in a luxurious configuration.



QATAR AIRWAYS (FLEET MATRIX)

Aircraft Type	Current (Active)	Future (on order)
Airbus A300	-	-
Airbus A310	-	-
A319	2	-
A320	31	1
A321	10	-
Airbus A330	29	-
Airbus A340	4	-
Airbus A380	-	4
Boeing 737	-	-
Boeing 747	-	-
Boeing 757	-	-
Boeing 767	-	-
Boeing 777	34	-
Boeing 787	12	1
Total	122	6

Source: qatarairways.com



GROWTH OF PASSENGER MOVEMENTS

- ❑ Passenger traffic at Doha International Airport (DIA) reached 23.2 million last year, a 10 percent increase over 2012 with its 21.1 million passengers.
- ❑ In 2013, the airport has registered a year-on-year growth every month, which shows the “ever-growing importance of Doha as an international hub”.
- ❑ The growth rate comes as Qatar gears up for the opening of Hamad International Airport “expected to redefine passengers’ experience”.
- ❑ The new Doha International Airport is expected to increase the annual passenger capacity to 55 million by 2022.



GROWTH OF PASSENGER MOVEMENTS



Source: Doha International Airport, 2013

8. REFERENCE / SOURCE

Source:

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THANK YOU FOR YOUR ATTENTION !

1st Qatar