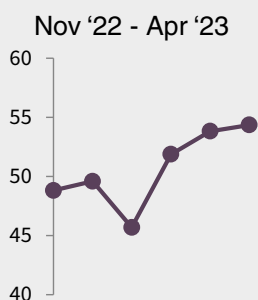




QATAR FINANCIAL CENTRE PMI



Fastest rise in new work since July 2022

Overall business conditions improve at stronger rate

Companies continue to step up hiring activity

The latest Purchasing Managers' Index™ (PMI™) survey data from Qatar Financial Centre (QFC) for April indicated a stronger improvement in business conditions as demand for goods and services accelerated. Indices for total activity and the 12-month outlook also remained firmly positive, while employment rose further.

The Qatar PMI indices are compiled from survey responses from a panel of around 450 private sector companies. The panel covers the manufacturing, construction, wholesale, retail, and services sectors, and reflects the structure of the non-energy economy according to official national accounts data.

The headline Qatar Financial Centre PMI is a composite single-figure indicator of non-energy private sector

performance. It is derived from indicators for new orders, output, employment, suppliers' delivery times and stocks of purchases.

The PMI rose for the fifth time in six months to 54.4 in April, from 53.8 in March, indicating the strongest improvement in business conditions since July 2022. The latest figure moved further above the long-run trend of 52.2.

The main boost to the headline PMI was from faster growth in new business, while the employment and stocks of purchases components also had positive directional influences. The output component eased slightly since March but remained above its long-run trend, with financial services again a key growth driver.

New business increased at the fastest rate in nine months in April. Companies

Qatar Financial Centre PMI
sa, >50 = improvement since previous month



CONTENTS

- [Overview and comment](#)
- [Output and demand](#)
- [Business expectations](#)
- [Employment and capacity](#)
- [Purchasing and inventories](#)
- [Prices](#)
- [Financial services](#)
- [International PMI](#)
- [Survey methodology](#)
- [Further information](#)

OVERVIEW CONTINUED...

reported receiving large orders, expanded customer bases and the implementation of new projects. New products were also mentioned as sources of growth.

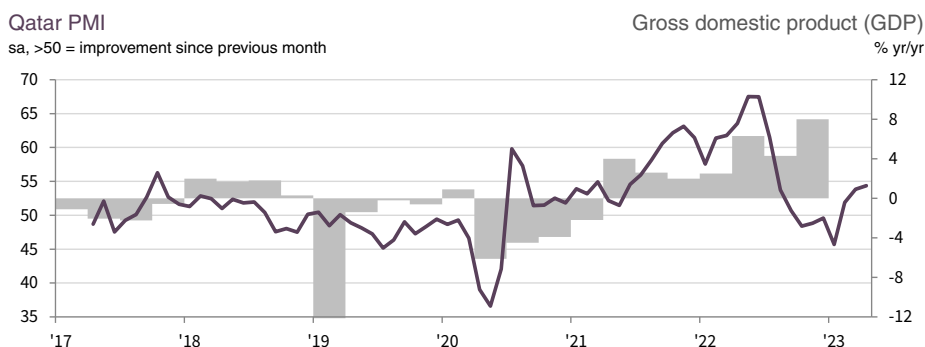
The 12-month outlook for the non-energy private sector remained strongly positive. The Future Output Index eased further from February's 41-month high but the average for 2023 so far, at 71.7, was well above the long-run trend of 64.6. By sector, confidence in April was strongest among manufacturers.

April data indicated a third successive monthly increase in average wages and salaries, with pay pressures greater than the long-run trend. The Employment Index, tracking the overall

level of staffing, rose to a nine-month high, signalling another increase in workforce numbers.

Continuing the trend shown during 2023 so far, average input prices rose in April. That said, inflationary pressures remained modest and broadly in line with the long-run survey trend. Meanwhile, firms increased their charges for goods and services, having cut them in March.

Although stronger new business inflows put pressure on capacity, companies were still able to reduce their levels of outstanding business for the ninth month running in April due to productivity improvements and increased workforces.



Sources: Qatar Financial Centre, S&P Global, Qatar's Planning & Statistics Authority.

COMMENT

Yousuf Mohamed Al-Jaida, Chief Executive Officer, QFC Authority:

"The financial services sector continued to grow at a faster rate than the overall private sector economy in April, both in terms of total activity and new work, with the financial services new business index reaching 61.3.

"Overall business conditions across the non-energy private sector gained momentum at the start of the second quarter, mainly thanks to an

acceleration in demand growth. The headline PMI was at a nine-month high of 54.4, well above the long-run survey average since 2017 of 52.2.

"Companies' expectations for the next 12 months eased slightly in the latest period but, averaging 71.7 over 2023 so far, the Future Output Index remains well above its long-run trend level of 64.6."

OUTPUT AND DEMAND

Output

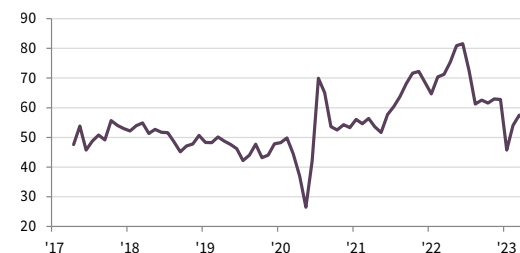
Business activity in the Qatari non-energy private sector rose further in April. The seasonally adjusted Output Index signalled a strong rate of expansion that remained well above the long-run survey average. Sector data signalled that growth was strongest in the services sector, and slowest in construction.

New orders

The seasonally adjusted New Orders Index maintained an upward trajectory in April, signalling a sustained acceleration in demand growth. The Index signalled the fastest rate of expansion since July 2022, and one that was well above the historical series trend. Demand strengthened across all four main sectors monitored, led by wholesale & retail and services.

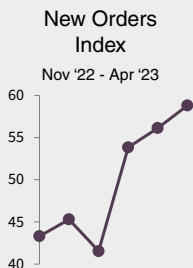
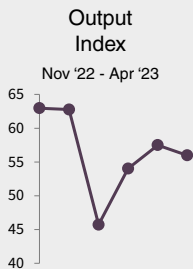
Output Index

sa, >50 = growth since previous month



New Orders Index

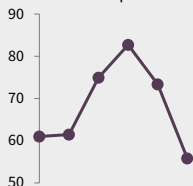
sa, >50 = growth since previous month



BUSINESS EXPECTATIONS

Future Output Index

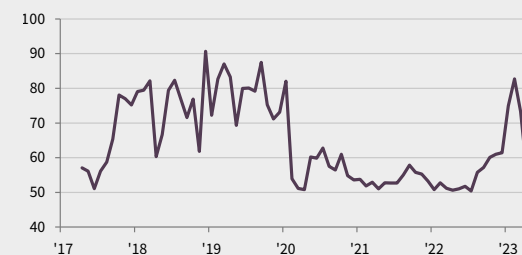
Nov '22 - Apr '23



The 12-month outlook for activity remained strongly positive in April in March, linked to expected new business wins, new projects, more competitive pricing and better suppliers. The Future Output Index eased further from February's 41-month high, but the average for 2023, at 71.7, remained above the long-run trend of 64.6. Sentiment was strongest in manufacturing.

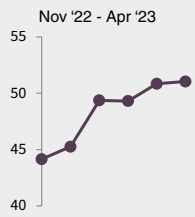
Future Output Index

>50 = growth expected over next 12 months



EMPLOYMENT AND CAPACITY

Employment Index



Employment

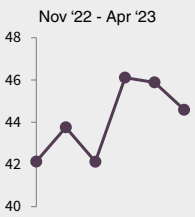
The Qatari non-energy private sector workforce expanded further in April as signalled by the seasonally adjusted Employment Index remaining above the neutral threshold of 50.0. Moreover, the rate of job creation was the fastest since July 2022 and sharper than the long-run series trend. Sector data signalled higher staffing in three sectors, the exception being manufacturing.

Employment Index

sa, >50 = growth since previous month



Backlogs of Work Index



Backlogs of work

Non-energy private sector firms in Qatar reduced their levels of outstanding business for the ninth month running in April. The latest decline was the fastest in three months and broadly in line with the trend over the aforementioned sequence. Outstanding work declined most notably in the construction sector.

Backlogs of Work Index

sa, >50 = growth since previous month



PURCHASING AND INVENTORIES

Quantity of purchases

The volume of inputs ordered by non-energy private sector firms rose for the second month running in April, following a five-month period of decline. The rate of growth remained solid and faster than the long-run series average. Wholesalers and retailers registered the strongest rise in buying activity during the latest period.

Quantity of Purchases Index

sa, >50 = growth since previous month

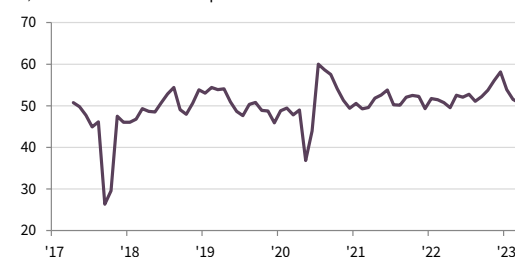


Suppliers' delivery times

Supplier performance continued to improve in April, as average lead times quickened for the twelfth consecutive month. The seasonally adjusted Suppliers' Delivery Times Index rose for the first time in 2023, signalling a slightly better overall performance by vendors than in March. Supplier performance improved to the greatest degree in the construction sector.

Suppliers' Delivery Times Index

sa, >50 = faster times since previous month

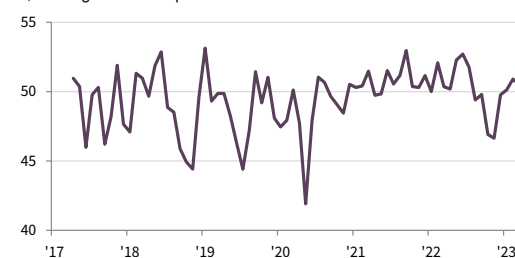


Stocks of purchases

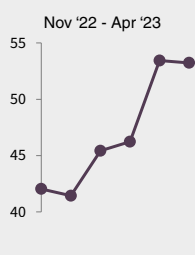
The level of inputs held in stock in the non-energy private sector rose further in April, in line with the trend over 2023 so far. This followed declining inventories during most of the second half of 2022. The overall increase in April was the strongest since June 2022 and broad-based across the four main sectors.

Stocks of Purchases Index

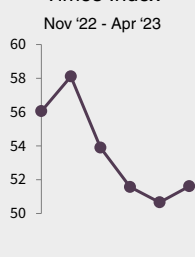
sa, >50 = growth since previous month



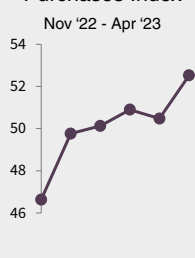
Quantity of Purchases Index



Suppliers' Delivery Times Index

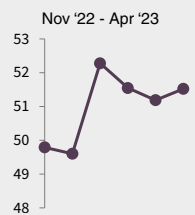


Stocks of Purchases Index



PRICES

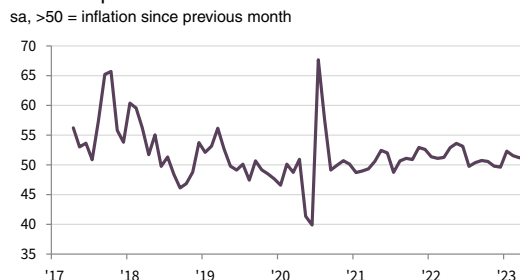
Overall Input Prices Index



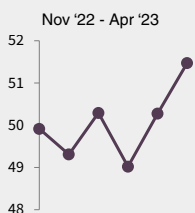
Overall input prices

Average input prices paid by Qatari non-energy private sector firms rose for the fourth month running in April, at a rate broadly in line with the trend shown over the first quarter of 2023. The seasonally adjusted Overall Input Prices Index was only slightly below its long-run trend level of 51.8.

Overall Input Prices Index



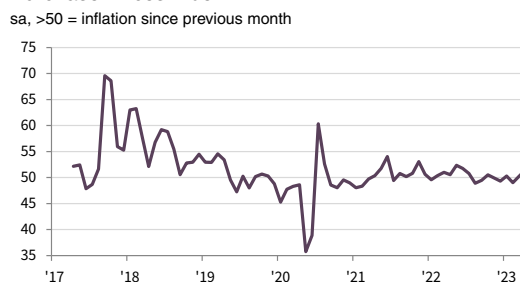
Purchase Prices Index



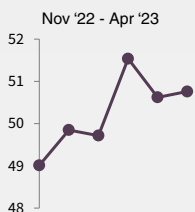
Purchase prices

There was a faster rise in average purchase prices in April, following a fractional increase in March and a mild fall in February. The seasonally adjusted Purchase Prices Index rose to a ten-month high in the latest period and almost returned to its long-run trend of 51.7.

Purchase Prices Index



Staff Costs Index

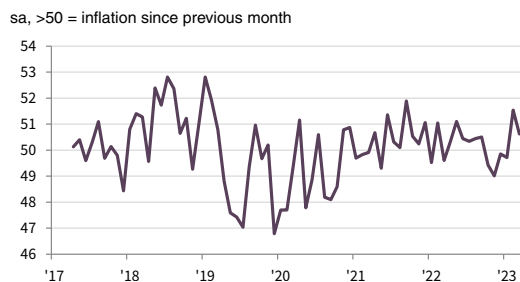


Staff costs

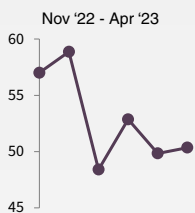
Average wages and salaries paid by private sector non-energy companies in Qatar rose for the third month running in April, following a four-month period of decline. That said, the rate of wage inflation in the latest period remained down on February's 17-month record.

By sector, wages rose at construction firms, wholesalers and retailers, but fell at manufacturers and service providers.

Staff Costs Index



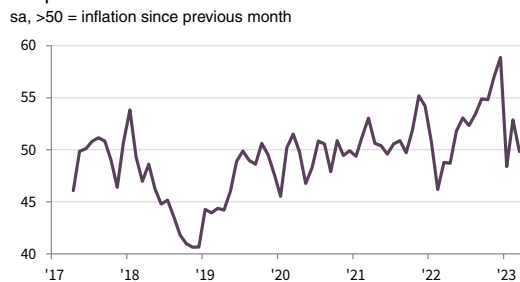
Output Prices Index



Output prices

Prices charged for goods and services by private sector firms in Qatar rose in April, following a slight decline in March. That said, the rate of inflation was weak and well below the highs seen in 2022. Charges rose most at wholesalers and retailers.

Output Prices Index



FINANCIAL SERVICES

Fastest rise in new business since August 2022

Financial Services New Business Index rises to 61.3

Growth of total financial services activity remains strong

Input prices fall for the first time in six months

The financial services sector in Qatar continued to expand at a marked rate in April as the volume of new business increased for the thirty-fifth consecutive month and at the fastest rate since last August. Overall financial services activity increased for the twenty-second successive month, and at a strong pace, while expectations remained firmly positive.

New business grew for the thirty-fifth consecutive month in April, and the rate of expansion accelerated to an eight-month high. Employment was broadly stable having fallen slightly in March. April data indicated another increase in charges levied by financial services firms, albeit the slowest in three months. Average input costs fell for the first time since last October.

Business Activity Index

sa, >50 = growth since previous month



New Business Index

sa, >50 = growth since previous month



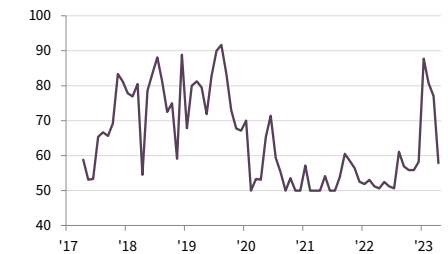
Employment Index

sa, >50 = growth since previous month



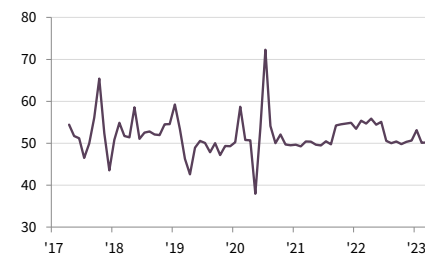
Future Activity Index

>50 = growth expected over next 12 months



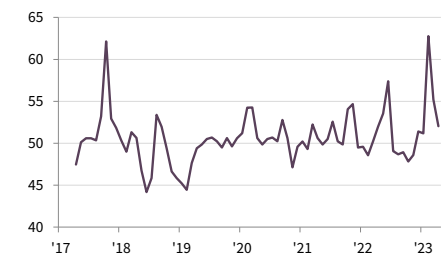
Input Prices Index

sa, >50 = inflation since previous month



Prices Charged Index

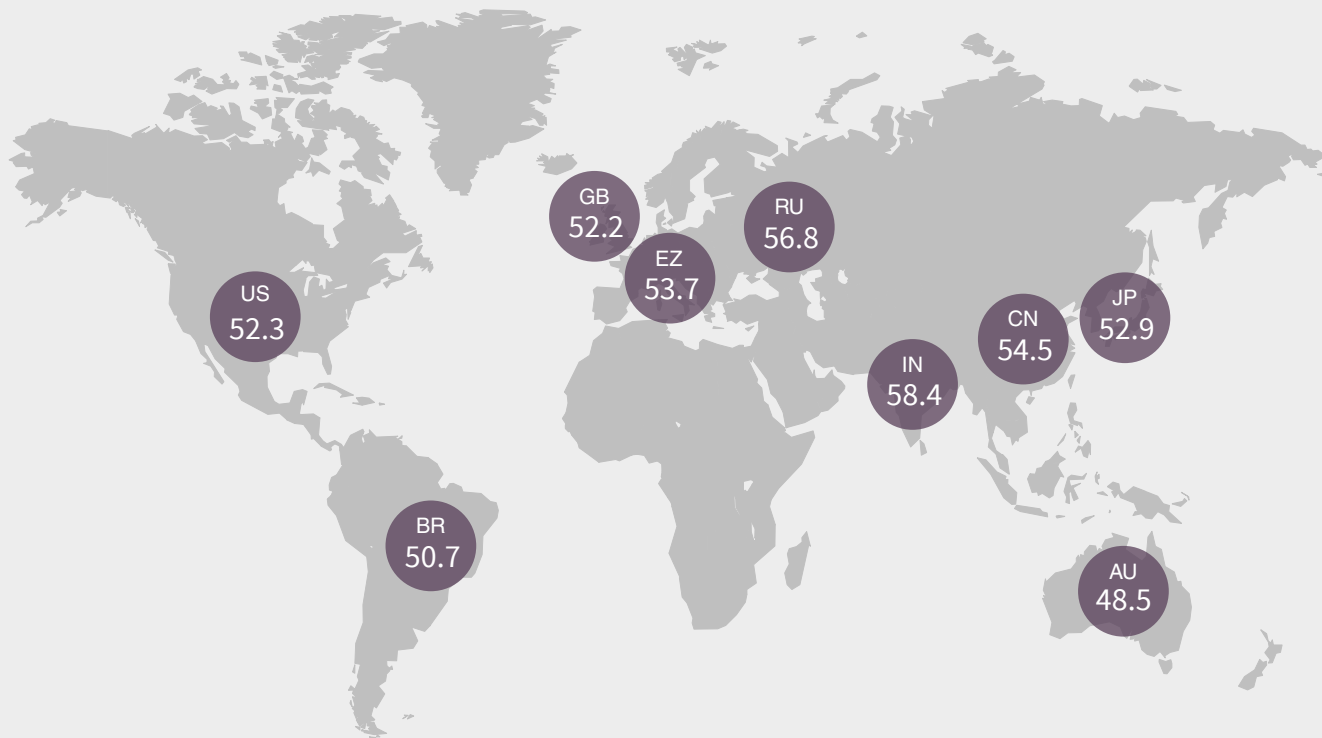
sa, >50 = inflation since previous month



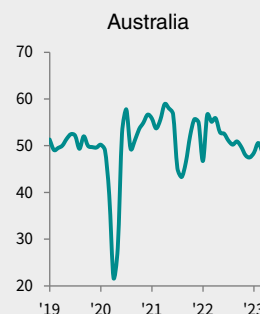
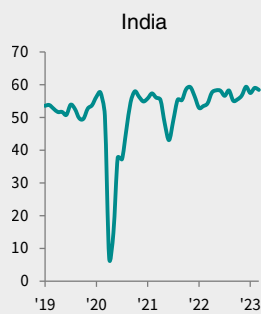
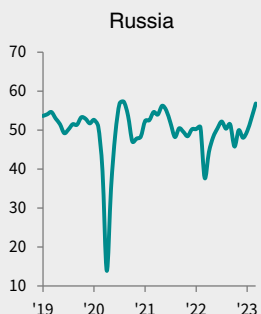
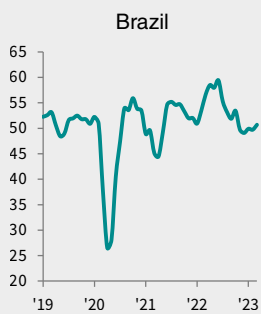
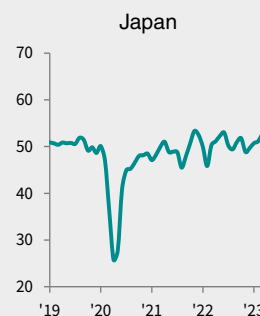
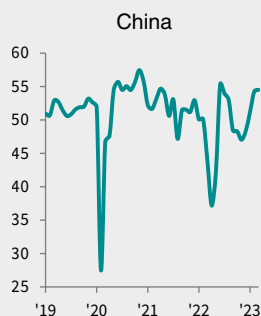
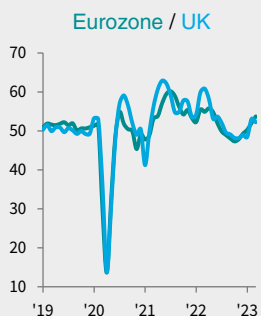
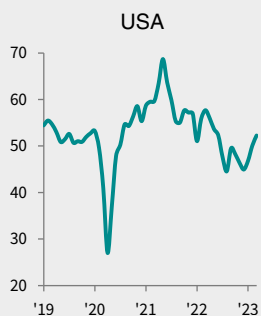
INTERNATIONAL PMI

Composite Output Index, Mar '23
sa, >50 = growth since previous month

The Composite Output Index is a GDP-weighted average of the Manufacturing Output Index and the Services Business Activity Index.



Composite Output Index
sa, >50 = growth since previous month



SURVEY METHODOLOGY

Survey panel size

450
companies

Index calculation

% 'Higher'
+
(% 'No

The Qatar Financial Centre PMI™ is compiled by S&P Global from responses to questionnaires sent to purchasing managers in a panel of around 450 non-energy private sector companies. The panel is stratified by detailed sector and company workforce size, based on contributions to GDP. The sectors covered by the survey include manufacturing, construction, wholesale, retail and services.

Survey responses are collected in the second half of each month and indicate the direction of change compared to the previous month. A diffusion index is calculated for each survey variable. The index is the sum of the percentage of 'higher' responses and half the percentage of 'unchanged' responses. The indices vary between 0 and 100, with a reading above 50 indicating an overall increase compared to the previous month, and below 50 an overall decrease. The indices are then seasonally adjusted.

The headline figure is the Purchasing Managers' Index™ (PMI). The PMI is a weighted average of the following five indices: New Orders (30%), Output (25%), Employment (20%), Suppliers' Delivery Times (15%) and Stocks of Purchases (10%). For the PMI calculation the Suppliers' Delivery Times Index is inverted so that it moves in a comparable direction to the other indices.

Underlying survey data are not revised after publication, but seasonal adjustment factors may be revised from time to time as appropriate which will affect the seasonally adjusted data series.

For further information on the PMI survey methodology, please contact economics@ihsmarkit.com.

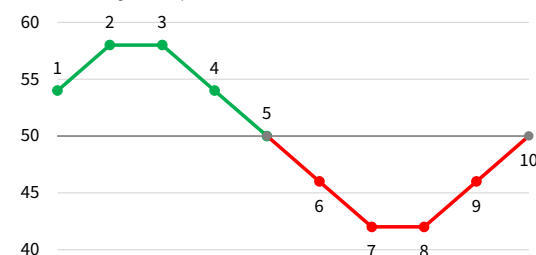
Survey dates and history

Data were collected 12-21 April 2023.

Survey data were first collected in April 2017.

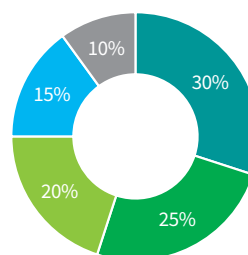
Index interpretation

50.0 = no change since previous month



1 Growth	6 Decline, from no change
2 Growth, faster rate	7 Decline, faster rate
3 Growth, same rate	8 Decline, same rate
4 Growth, slower rate	9 Decline, slower rate
5 No change, from growth	10 No change, from decline

PMI component weights



New Orders
Output
Employment
Suppliers' Delivery Times
Stocks of Purchases

Sector coverage

PMI data include responses from companies operating in sectors classified according to the following ISIC Rev.4 codes:

C Manufacturing	M Professional, Scientific and Technical Activities
F Construction	N Administrative and Support Service Activities
G Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	P Education*
H Transportation and Storage	Q Human Health and Social Work Activities*
I Accommodation and Food Service Activities	R Arts, Entertainment and Recreation
J Information and Communication	S Other Service Activities
K Financial and Insurance Activities	*Private sector

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About Qatar Financial Centre

The Qatar Financial Centre (QFC) is an onshore business and financial centre located in Doha, providing an excellent platform for firms to do business in Qatar and the region. The QFC offers its own legal, regulatory, tax and business environment, which allows up to 100% foreign ownership, 100% repatriation of profits, and charges a competitive rate of 10% corporate tax on locally sourced profits.

The QFC welcomes a broad range of financial and non-financial services firms.

For more information about the permitted activities and the benefits of setting up in the QFC, please visit qfc.qa

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About PMI

Purchasing Managers' Index™ (PMI™) surveys are now available for over 40 countries and also for key regions including the eurozone. They are the most closely watched business surveys in the world, favoured by central banks, financial markets and business decision makers for their ability to provide up-to-date, accurate and often unique monthly indicators of economic trends.

ihsmarkit.com/products/pmi.html