



مركز قطر للمال
Qatar Financial Centre

PMI[®]
by **S&P Global**

News Release

Purchasing Managers' Index™
MARKET SENSITIVE INFORMATION
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Qatar Financial Centre PMI™

Qatari non-energy firms boost employment in September

- Fastest rise in non-energy jobs since June 2022
- Strong growth in total activity and new business
- Output expectations improve in September

Data were collected 12-22 September 2023

Doha, Qatar: 3 October 2023 – The latest Purchasing Managers' Index™ (PMI™) survey data from Qatar Financial Centre (QFC) signalled strong and stable non-energy private sector expansion in September. Further solid increases were recorded in output and new orders, while employment rose at the fastest rate since June 2022 and the 12-month outlook strengthened. Cost pressures remained modest, while selling prices rose for the first time in five months.

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 posted 53.7 in September, little-changed from 53.9 in August and indicating another strong improvement in business conditions. The latest figure was above the average for 2023 so far (53.0) and the long-run trend since 2017 (52.4). The PMI has remained in a narrow range of 53.7-55.6 since March, indicating stable, solid economic growth.



Non-oil private sector employment expanded for the seventh month running in September, and at the fastest rate since June 2022. Companies reported efforts to gain experienced, highly qualified employees. Three of the four main monitored sectors registered solid increases in staffing, as did financial services.

New business increased for the eighth successive month in September, and the rate of growth stabilised at a strong pace. Construction provided a notable boost to demand during the month.

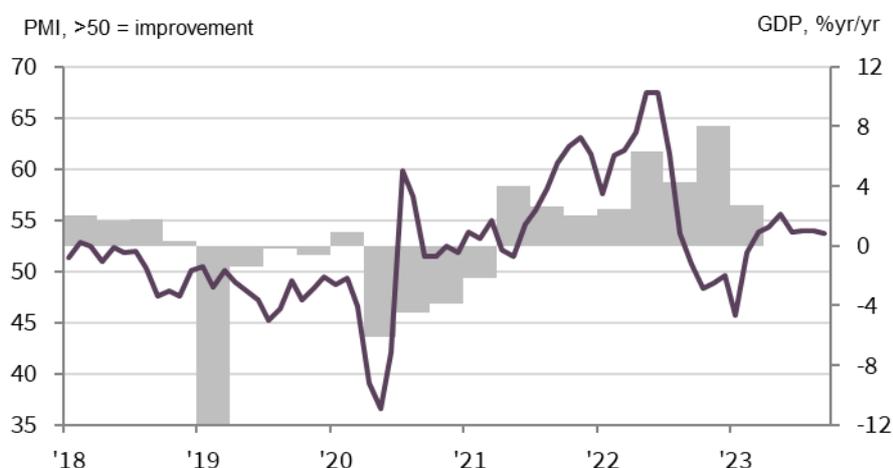
Total business activity among Qatari non-energy private sector firms rose further. Output has risen every month for more than three years, except for a brief correction in January following the conclusion of the FIFA World Cup Qatar 2022™. The latest rate of expansion was softer than in each of the prior four months, but still stronger than the long-run average.

The 12-month outlook for the non-energy private sector improved in September. Expectations were strongest among manufacturers and construction firms.

Purchasing of inputs expanded for the seventh consecutive month in September, but supply chains continued to improve as average lead times fell for the seventeenth successive month, a series-record sequence. Input inventories were broadly stable, as companies continued to manage stock levels efficiently.

Price pressures were modest in September with all four price indices printing only just above the no-change mark of 50.0. Prices charged for goods and services rose for the first time in five months, led by the manufacturing sector.

QFC Qatar PMI™ vs. GDP



Sources: QFC, S&P Global PMI, Qatar's Planning & Statistics Authority.



Financial Services

Financial services firms increase hiring

- Financial Services Employment Index at 23-month high of 54.2
- Further marked increases in activity and new business
- Charges cut slightly for third time in four months

Qatari financial services companies raised employment at a quicker pace in September, with the rate of job creation the strongest in nearly two years. The Employment Index posted a 23-month high of 54.2, well above the long-run average of 52.2.

Total financial services activity and new business both increased at marked rates, albeit ones that eased slightly since August, while the 12-month outlook improved.

September data signalled lower charges levied by finance companies in Qatar, the third instance of discounting in four months. Average input costs fell marginally.

Comment

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

“The Qatar PMI continued its steady run in September, coming in at 53.7 and indicating another strong improvement in business conditions. Growth over the third quarter as a whole softened slightly compared with the second quarter, but remained comfortably above the long-run trend of the survey’s six-and-a-half year history.

“While output and new business continued to expand at robust rates, it was employment that was the main highlight in September, with the rate of hiring growth the best since mid-2022. At the sector level, construction is showing signs of resurgence following a relatively quiet 12 months, with new orders rising more steeply than any other sector in September.

“The soft patch in the PMI immediately following the FIFA World Cup in early-2023 was recently corroborated by the latest GDP figures, where annual growth slowed to 2.7% in the first quarter. The PMI is signaling a subsequent uplift to GDP growth in the second and third quarters.”

– ENDS –



ABOUT THE 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 S&P GLOBAL

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We are widely sought after by many of the world's leading organizations to provide credit ratings, benchmarks, analytics and workflow solutions in the global capital, commodity, and automotive markets. With every one of our offerings, we help the world's leading organizations plan for tomorrow, today. www.spglobal.com.

ABOUT PMI

Purchasing Managers' Index™ (PMI™) surveys are now available for over 40 countries and 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.

<https://ihsmarkit.com/products/pmi.html>.



METHODOLOGY

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 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.

Data were collected 12-22 September 2023.

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

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