



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[®]

Non-energy growth strengthens in April

- Fastest increases in output and new orders since last September
- Year-ahead outlook improves
- Input and output prices fall slightly

Data were collected 4-23 April 2024

Doha, Qatar: 5 May 2024 – Qatar's non-energy private sector recorded a stronger improvement in business conditions in April, according to the latest Purchasing Managers' Index[™] (PMI[®]) survey data from Qatar Financial Centre (QFC) compiled by S&P Global. Output, new orders, employment and purchasing activity all increased at faster rates than in March, and the 12-month outlook brightened. Price pressures turned slightly negative, as both input and output prices fell marginally.

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 registered 52.0 in April, up from 50.6 in March. The latest figure rose further above the no-change mark of 50.0 and signalled the strongest improvement in business conditions in the non-energy private sector economy since last September.

The 1.4-point increase in the headline figure was among the largest registered over the past two years, and took it broadly in line with the long-run survey trend level of 52.2 since April 2017. Four of the five components



of the PMI - new orders, output, employment and stocks of purchases - made positive contributions in April. As has been the case for the past two years, shorter suppliers' delivery times weighed slightly on the headline figure.

The volume of incoming new business in Qatar's non-energy economy rose at the fastest rate in seven months in April, linked to new customers and high quality, competitive products. Demand strengthened across all four sectors, notably in services.

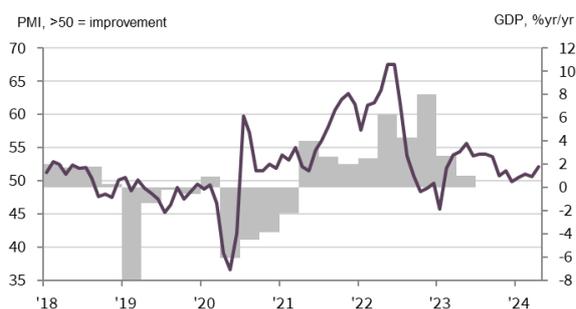
Matching the trend for new business, total activity increased at the fastest rate since last September in April. Alongside new projects, companies continued to complete existing workloads.

Non-energy private sector companies were increasingly optimistic on growth over the next 12 months in April. Firms linked positive forecasts to marketing campaigns, business development plans and efficiency drives.

Stronger inflows of new work and increased confidence led to a sharper rate of hiring growth in April. Employment has risen for 14 months, and the rate of job creation was running above the long-run survey average in April. Meanwhile, purchasing activity increased at the fastest rate in ten months.

Price pressures headed lower in April, as both input prices and charges fell during the month. That said, in both cases the rates of reduction were marginal.

QFC Qatar PMI vs. GDP



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



Financial Services

Fastest growth in financial services in six months

- Steepest increases in new business and total activity since last October
- Hiring and 12-month outlook both strengthen
- Cost pressures broadly stable

Qatari financial services companies recorded faster growth in volumes of total business activity and new contracts in April. The seasonally adjusted Financial Services Business Activity and New Business Indexes rose to six-month highs of 55.2 and 55.0 respectively.

Companies were also more optimistic regarding the 12-month outlook, with confidence the highest since last November. This was reflected in a sharper increase in employment, which extended the current sequence of hiring growth to 13 months.

In terms of prices, average charges set by financial services companies fell for the fourth month running. Meanwhile, average input prices were broadly unchanged from March.

Comment

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

"The PMI recorded one of the largest increases in two years in April, signalling the strongest overall growth of the non-energy private sector economy since last September. The indicators for output, new orders and employment all improved since March, and the 12-month outlook strengthened. Financial services remained a bright spot, registering stronger gains in new business and activity than the wider economy.

"The latest data also signalled weak inflationary pressures, with both input prices and charges falling slightly."

– 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.

www.spglobal.com/marketintelligence/en/mi/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 4-23 April 2024.

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

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