

## GCC Economic Update

April - 2020

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### IMF slashes GCC GDP forecast for 2020 from the impact of Covid-19

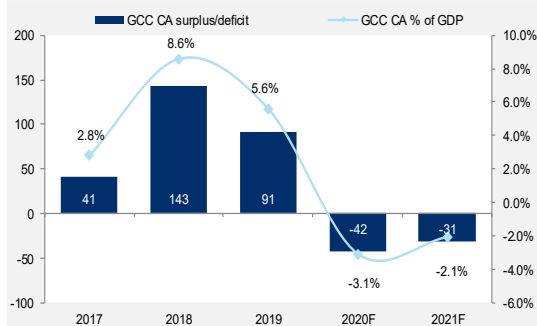
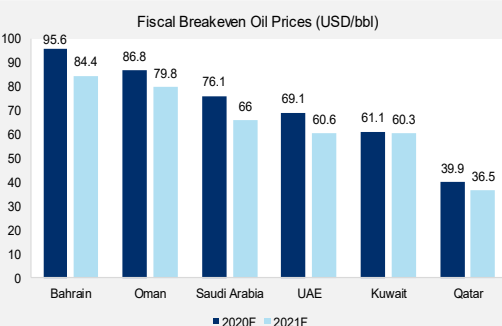
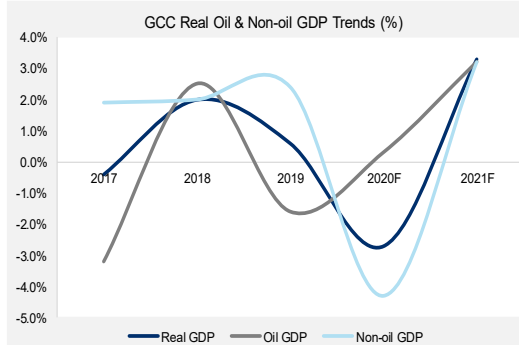
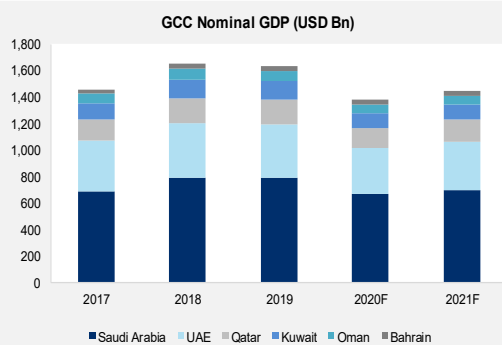
The IMF forecasts the GCC region's real GDP to contract by 2.7% in 2020 after estimating a marginal growth of 0.6% for 2019. In its REO-April 2020, the agency forecasts non-oil economic activity to contract by 4.3%, as they estimate the impact of Covid-19 to affect key sectors such as manufacturing, services, retail and hospitality. Real oil GDP is also expected to contract marginally in 2020 by 0.3%, following production cuts agreed by OPEC+ countries. Earlier, in its WEO-April 2020, the IMF brought down its global real GDP estimates for 2020 and now expect the global economy to contract by 3.0% y-o-y, and thereafter recover by growing by 5.8% in 2021. Key regional drivers for the lower economic forecast by the IMF was mainly the decline of Advanced Economies as they are expected to recede by 6.1% y-o-y in 2020 from the impact of Covid-19, while Emerging Markets and Developing Economies are expected to recede by 1.0% y-o-y in the current year. For the GCC, the IMF expects real GDP growth to rebound to 3.3% y-o-y in 2021, driven by a non-oil economic growth of 3.2% y-o-y.

### Credit and monetary indicators need to pickup to aid non-oil diversification efforts

Prior to 2020 and the impact of Covid-19, we maintained that credit and monetary indicators such as money supply, credit growth, and inflation trends across the GCC remained largely mixed. In the current backdrop, support for consumer spending and maintaining both maintenance and growth capex for non-oil related sectors in the region would be significant for these indicators to show sustainable growth and providing impetus for achieving further non-oil economic growth.

### H2-2020 acceleration and oil price floor would be key for 2021 economic recovery

We believe the immediate focus of GCC economies would be to ramp up containment measures and curb the spread and impact of Covid-19 virus. The roadmap for full resumption of the most affected sectors in H2-20, if achieved, would be significant for realizing full potential economic activity in 2021. This would also depend on the speed of discovery of a potential vaccine against the virus. Further, a return of global economic activity, trade, consumer spending and capex spending would be needed for providing a floor for oil prices which remains highly volatile, and putting oil demand back in context. For 2020, we believe GCC countries will be able to fund their fiscal spending and deficits, however the routes taken could be dissimilar, ranging from further debt issuances - both conventional and sukuks, to internally funding via reserves. Interest rates are expected to remain accommodative in the GCC, given that currencies are either pegged or loosely pegged to the USD, which should leave the bond market route open for future debt issues, and for credit offtake for economic sectors that would require support.



Source for the above charts: International Monetary Fund (IMF), KAMCO Invest Research

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## Kuwait

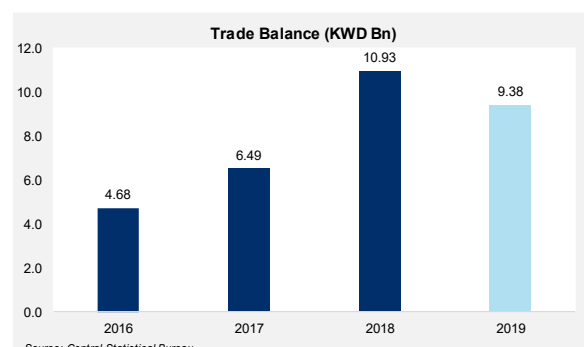
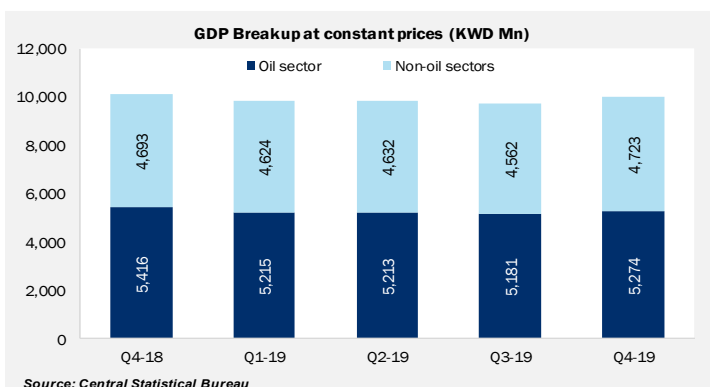
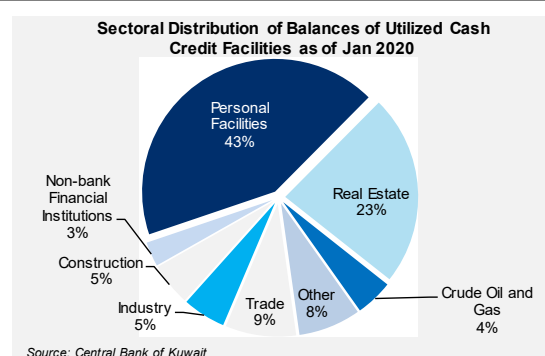
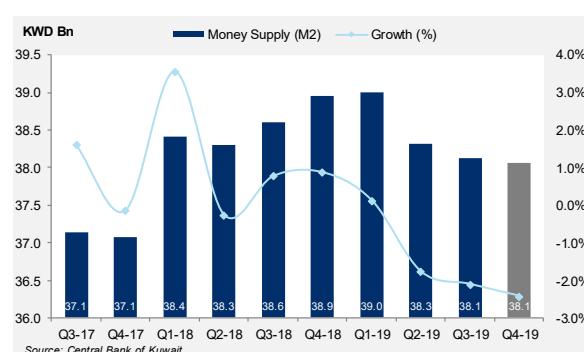
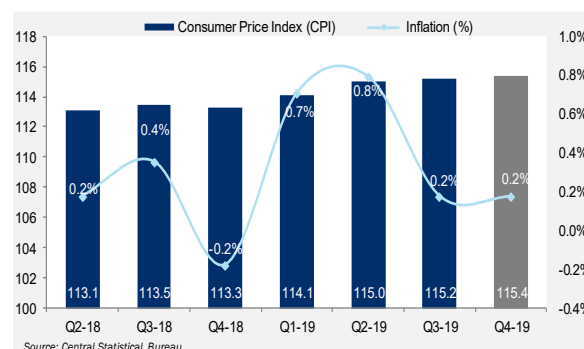
Key Economic Indicators	2013	2014	2015	2016	2017	2018	2019E	2020F	2021F
Real GDP growth (%)	1.2%	0.5%	0.6%	2.9%	-4.7%	1.2%	0.7%	-1.1%	3.4%
Nominal GDP - USD Bn (PPP)	276.5	283.0	287.6	299.1	290.4	301.2	308.7	307.2	323.9
Real GDP per capita growth % (PPP)	-1.1%	-3.2%	-2.9%	-0.5%	-7.1%	-2.8%	-2.0%	-3.8%	0.6%
Current account balance (% of GDP)	40.3%	33.4%	3.5%	-4.6%	8.0%	14.5%	8.9%	-10.2%	-7.8%
General Govt. net lending/borrowing % of GDP	34.1%	22.4%	5.6%	0.3%	6.3%	9.0%	4.8%	-11.3%	-14.1%
Inflation, avg. CPI (%)	2.7%	3.1%	3.7%	3.5%	1.5%	0.6%	1.1%	0.5%	2.3%

Source: International Monetary Fund (IMF)

Real GDP in Q4-19 declined marginally by 1.1% y-o-y to KWD 10.0 Bn, but witnessed a marginal y-o-y improvement in non-oil economic growth. Real non-oil GDP grew by 0.6% y-o-y over the same period from KWD 4.69 Bn to KWD 4.72 Bn, while oil GDP declined by 2.6% y-o-y from KWD 5.42 Bn in Q4-18 to KWD 5.27 Bn in Q4-19, due to lower oil production led by OPEC+ production cuts. Nominal GDP declined y-o-y in Q4-19 by 3% to reach KWD 10.43 Bn largely due to lower oil prices affecting oil GDP. Non-oil GDP, however, continued to grow and increased by 1.2% y-o-y in Q4-19, and sequentially in 2019. The IMF expects non-oil GDP to decline in 2020 due to the impact of the lock downs from the spread of Covid-19 by 2.5% y-o-y, however they expect non-oil GDP to recover and grow by 4% y-o-y in 2021.

Kuwait's trade surplus over 2019 declined 14.1% y-o-y to reach KWD 9.38 Bn, from KWD 10.92 Bn during the same full year 2018. Exports were down by 9.7% y-o-y, from KWD 21.67 Bn during 2018 to KWD 19.58 Bn during 2019 from lower oil prices, while imports decreased by 5.1% to KWD 10.19 Bn over the same period.

Credit facilities extended by Kuwaiti banks by the end of Jan-20 remained broadly stable, and increased by 1.3% and 0.4% respectively from the end of Sept-19 and Dec-19 to KWD 38.58 Bn. From Sept-19, the growth in credit extended was driven by the growth in Consumer loans, Non-Financial Institutions, which grew by 10.1%, and 6.6%, respectively, over the period. Credit to the Real Estate sector also increased from Sept-19 by 4.5%, while Construction sector credit declined by 3.3% over the same period. Credit to the Oil and Gas sector grew amongst the fastest, as credit disbursed increased by 7.1% y-o-y to reach KWD 1.76 Bn. Kuwait's broad measure of money supply (M2) declined marginally by 0.7% to KWD 38.06 Bn in Jan-20 from Sept-19 (KWD 38.31 Bn), mainly due to a 2.8% drop in Sight Deposits.



## Saudi Arabia

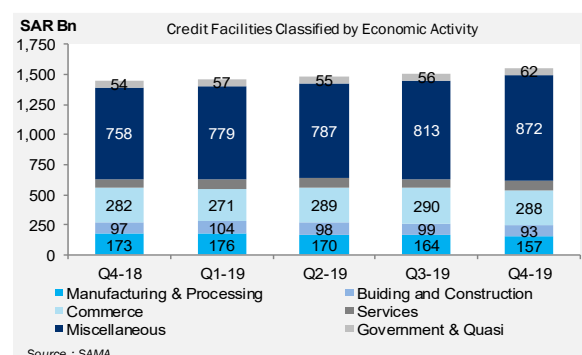
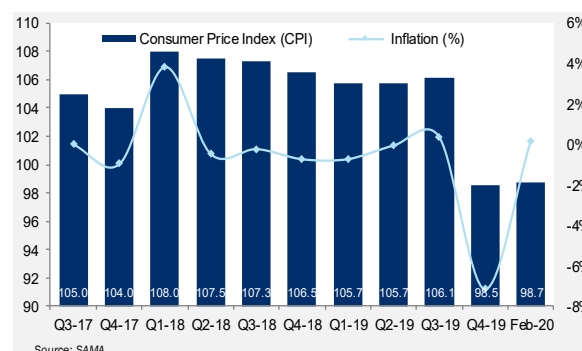
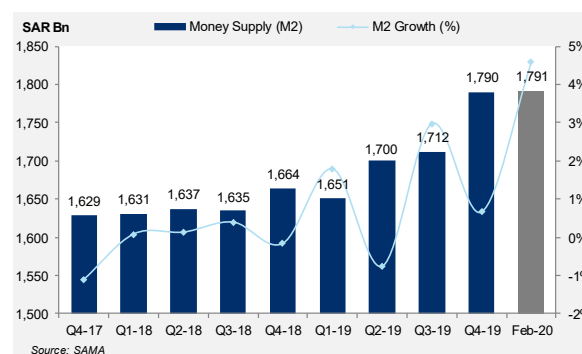
Key Economic Indicators	2013	2014	2015	2016	2017	2018	2019E	2020F	2021F
Real GDP growth (%)	2.7%	3.7%	4.1%	1.7%	-0.7%	2.4%	0.3%	-2.3%	2.9%
Nominal GDP - USD Bn (PPP)	1,538.4	1,624.1	1,708.3	1,754.9	1,774.7	1,862.1	1,900.9	1,869.3	1,961.5
Real GDP per capita growth % (PPP)	0.0%	2.5%	1.7%	-0.7%	-3.3%	0.0%	-1.6%	-4.2%	0.9%
Current account balance (% of GDP)	18.1%	9.8%	-8.7%	-3.7%	1.5%	9.0%	6.3%	-3.1%	-3.4%
General Govt. net lending/borrowing % of GDP	5.6%	-3.5%	-15.8%	-17.2%	-9.2%	-5.9%	-4.5%	-12.6%	-9.0%
Inflation, avg. CPI (%)	3.5%	2.2%	1.3%	2.0%	-0.9%	2.5%	-1.2%	0.9%	2.0%

Source: International Monetary Fund (IMF)

Data released by the General Authority of Statistics shows that Saudi Arabia's nominal GDP in Q4-19 grew by 0.4% y-o-y from Q4-18, driven mainly by a 4.2% y-o-y growth in non-oil GDP, while oil GDP declined by 7.0% y-o-y on lower production and lower average global crude oil prices. Growth in non-oil GDP during Q4-19 was mainly driven by the Private sector, as it grew by 5.3% y-o-y from Q4-18, while the Government sector grew by 2.0% over the same period. In real terms GDP declined by 0.3% y-o-y, with non-oil GDP posting a growth of 3.8% y-o-y, while oil-GDP declined by 5.8% y-o-y. The IMF expects real non-oil GDP to decline in 2020 due to the impact from Covid-19 by 4.0% y-o-y, however they expect non-oil GDP to recover and grow by 2.7% y-o-y in 2021.

The Ministry of Finance highlight that budget revenues in 2019 reached SAR 926.8 Bn, while budget deficits are reached SAR 132.6 Bn (-4.5% of GDP). For Q4-19, the Ministry of Finance highlighted that total budget revenues reached SAR 213.5 Bn, while budget deficits amounted to SAR 94.7 Bn (-12.7% of GDP). For 2020 & 2021, IMF expects Saudi Arabia's general government fiscal deficit to come in at 12.6% and 9.0% of GDP.

During Feb-20, inflation grew 0.2% as compared to Dec-19, as the general consumer price index components included gainers and decliners. Among the components, Food & non-alcoholic beverages (+1.0%), Tobacco (+0.7%) and Transport (+0.4%) were among the sectors that saw higher price levels during Feb-20, as compared to Dec-19 levels. Clothing & Footwear witnessed saw a decline of 0.5% over the aforementioned period while Recreation & Culture and Restaurants & Hotels services price levels receded by 0.5% each as well from Dec-19 to Feb-20. Credit disbursed stood 3.4% higher from Q3-18 end to reach SAR 1,552 Bn in Q4-19, as credit disbursed to Miscellaneous and Government sectors increased by 7.5% and 10.3% respectively. Money supply (M2) in the Kingdom improved from 2019 end to Feb-20 by 0.1% and reached SAR 1,791 Bn. M1 component hand such as Currency in Circulation (+1.5%) and Demand Deposits (+3.2%) gained during the period.



Nominal GDP by Institutional Sectors					
SAR Mn	Q4-18	Q1-19	Q2-19	Q3-19	Q4-19
Oil Sector	259,688	217,769	235,519	231,604	241,447
Non-Oil Sector	501,134	496,371	499,150	508,443	522,101
Private Sector	328,577	331,713	332,413	344,067	346,130
Government Sector	172,557	164,658	166,737	164,376	175,971
<b>Total</b>	<b>760,822</b>	<b>714,139</b>	<b>734,669</b>	<b>740,047</b>	<b>763,548</b>
Import Duties	5,532	4,404	5,363	5,323	6,133
<b>Gross Domestic Product (GDP)</b>	<b>766,354</b>	<b>718,543</b>	<b>740,032</b>	<b>745,369</b>	<b>769,681</b>

General Authority for Statistics

Fiscal Budget (SAR Mn)					
	Q1-19	Q2-19	Q3-19	Q4-19	2019
Oil Revenues	169,087	174,910	131,843	118,584	594,424
Non-oil Revenues	76,319	85,797	75,366	94,941	332,422
Taxes	54,436	61,893	49,891	53,880	220,099
Other Revenues	21,883	23,904	25,475	41,061	112,323
<b>Total</b>	<b>245,406</b>	<b>260,706</b>	<b>207,208</b>	<b>213,525</b>	<b>926,845</b>
Expenses	217,570	294,226	239,376	308,272	1,059,445
<b>Fiscal Balance</b>	<b>27,836</b>	<b>(33,520)</b>	<b>(32,168)</b>	<b>(94,747)</b>	<b>(132,599)</b>

Ministry of Finance

# United Arab Emirates

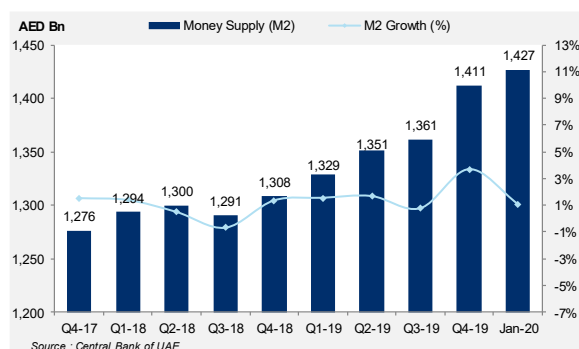
Key Economic Indicators	2013	2014	2015	2016	2017	2018	2019E	2020F	2021F
Real GDP growth (%)	5.1%	4.3%	5.1%	3.1%	0.5%	1.7%	1.3%	-3.5%	3.3%
Nominal GDP - USD Bn (PPP)	576.2	612.0	649.9	676.8	692.9	722.0	744.1	722.7	760.9
Real GDP per capita growth % (PPP)	2.0%	1.2%	2.0%	0.2%	-2.3%	-1.1%	-1.7%	-6.4%	0.2%
Current account balance (% of GDP)	19.0%	13.5%	4.9%	3.7%	7.3%	10.0%	7.4%	1.5%	4.1%
General Govt. net lending/borrowing % of GDP	8.4%	1.9%	-3.4%	-2.8%	-2.0%	2.0%	-0.8%	-11.1%	-7.1%
Inflation, avg. CPI (%)	1.1%	2.3%	4.1%	1.6%	2.0%	3.1%	-1.9%	-1.0%	1.5%

Source: International Monetary Fund (IMF)

The Central Bank of UAE estimates Q4-19 real GDP growth to have come in at 1.3% y-o-y, and a growth of 2.9% for full year 2019. For full year 2019, the real non-oil GDP growth came in at 1.1%, while real oil GDP clocked a growth of 7.6% y-o-y. For Q4-19, real non-oil GDP growth was 1.3% y-o-y, while real oil GDP growth declined by 1.4% y-o-y. The IMF expects real non-oil GDP to decline in 2020 due to the impact from Covid-19 by 5.0% y-o-y, however they expect non-oil GDP to recover and grow by 4.0% y-o-y in 2021.

Total credit facilities disbursed by UAE banks increased to AED 1.59 trillion at the end of the Q4-19, up 1.8% from Q3-19, and an improvement of 5.6% y-o-y. Main contributors for the increase from Q3-19 were Government and Personal Loans for Business Purposes sectors, as they improved by 17.3% and 11.1% respectively. Inflation declined by 0.4% in Feb-20, as compared to Q4-19. UAE's money supply (M2) increased by 1.1% from Q4-19 to AED 1,426 Bn in Feb-20.

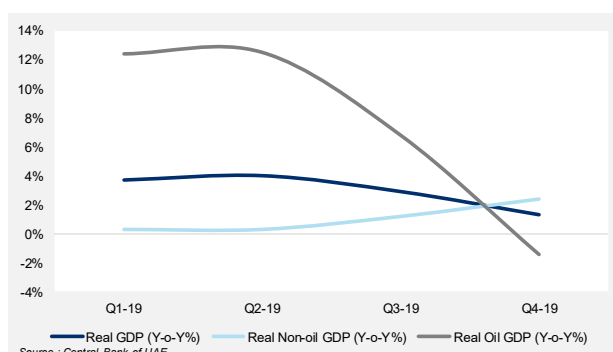
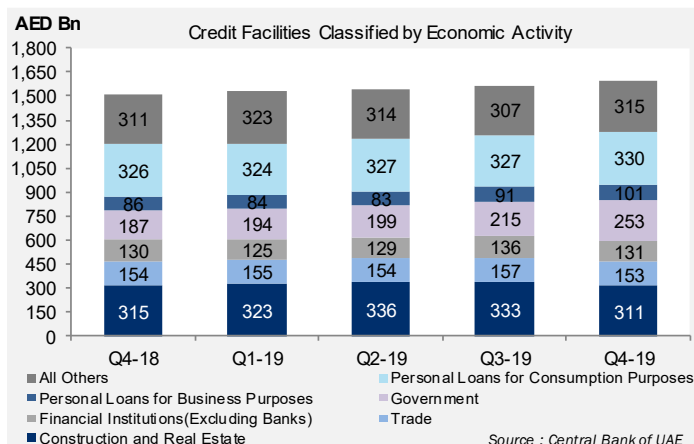
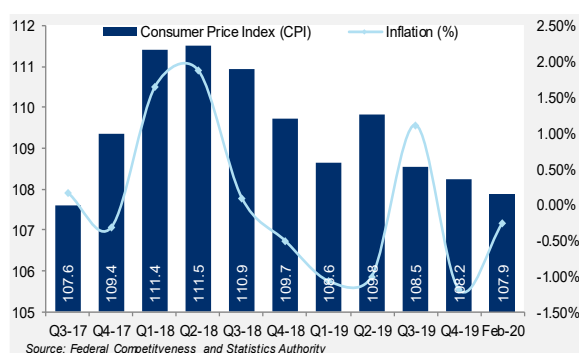
UAE's quarterly government finances strengthened from Q4-18 to Q4-19, as net operating balance moved from a surplus of AED 10.4 Bn in Q4-18 to a surplus of AED 19.9 Bn in Q4-19. The improvement in net operating balance surplus was largely due to an 18% cut in expenses in Q4-19, which came in at AED 88.3 Bn. Revenues for Q4-19 amounted to AED 108.1 and was down 9% y-o-y, driven by lower other revenues that decreased by 18% y-o-y from Q4-18. Budget expenses were also down y-o-y by 18% to reach AED 88.3 Bn. On a q-o-q basis, net operating balance improved by 17.6% from AED 16.9 Bn in Q3-19, as revenues declined by 1.1% from AED 109.3 Bn, with a 11.1% jump in tax revenues, while expenses were down 4.5% q-o-q. For 2020 & 2021, IMF expects UAE's general government fiscal deficit to come in at 11.1% and 7.1% of GDP.



Quarterly Government Finances

in AED (Bn)	Q4-18	Q1-19	Q2-19	Q3-19	Q4-19
<b>Revenues</b>	<b>118.5</b>	<b>104.8</b>	<b>145.1</b>	<b>109.3</b>	<b>108.1</b>
Taxes	57.5	42.4	72.3	52.1	57.8
Social contributions	1.2	1.3	1.3	1.1	1.2
Other revenues	59.9	61.2	71.5	56.1	49.1
<b>Expense</b>	<b>108.1</b>	<b>105.9</b>	<b>94.5</b>	<b>92.4</b>	<b>88.3</b>
<b>Net Operating Balance</b>	<b>10.4</b>	<b>-1.2</b>	<b>50.6</b>	<b>16.9</b>	<b>19.9</b>

Source: Central Bank of UAE, Ministry of Finance



# Qatar

Key Economic Indicators	2013	2014	2015	2016	2017	2018	2019E	2020F	2021F
Real GDP growth (%)	4.4%	4.0%	3.7%	2.1%	1.6%	1.5%	0.1%	-4.3%	5.0%
Nominal GDP - USD Bn (PPP)	286.2	303.1	317.5	327.6	339.0	352.5	358.9	345.5	369.9
Real GDP per capita growth % (PPP)	-4.5%	-6.0%	-5.8%	-4.9%	-2.4%	0.2%	-1.2%	-4.6%	4.8%
Current account balance (% of GDP)	30.4%	24.0%	8.5%	-5.5%	3.8%	8.7%	2.4%	-1.9%	-1.8%
General Govt. net lending/borrowing % of GDP	21.6%	14.3%	4.5%	-5.4%	-2.9%	5.2%	4.1%	5.3%	1.4%
Inflation, avg. CPI (%)	3.2%	4.2%	1.0%	2.7%	0.5%	0.2%	-0.6%	-1.2%	2.4%

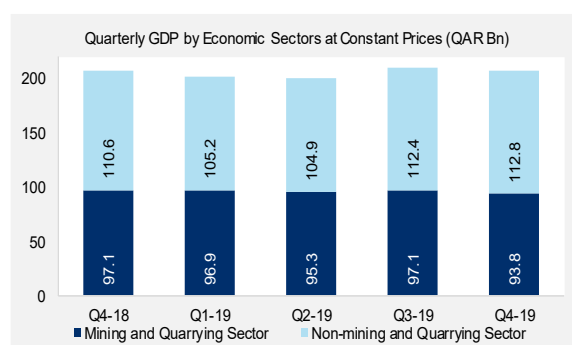
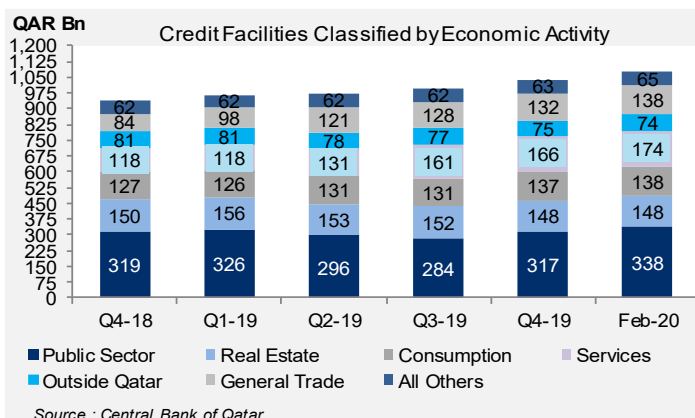
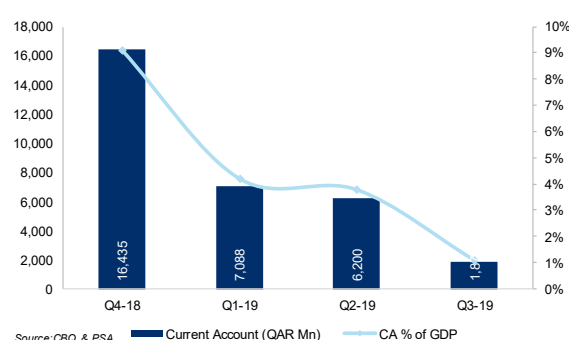
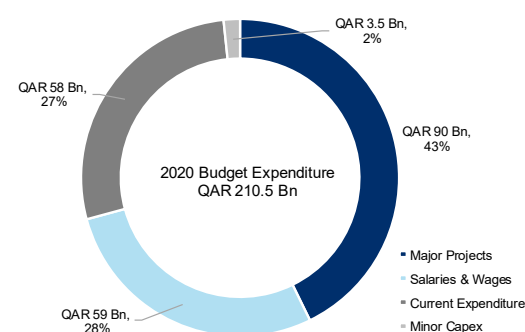
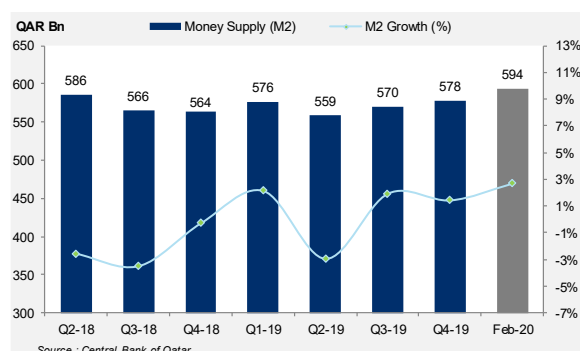
Source: International Monetary Fund (IMF)

Qatar's real GDP in Q4-19 receded by 0.6% y-o-y and reached QAR 206.6 Bn, as per the MDPS. The non-oil sector which accounts for over 54.5% of the real economy improved by 2.0% y-o-y from Q4-18. The Mining and Quarrying sector GDP declined by 3.4% y-o-y to reach QAR 93.8 Bn. The IMF expects real non-oil GDP to decline in 2020 due to the impact from Covid-19 by -5.9% y-o-y, however they expect non-oil GDP to recover and grow by 5.1% y-o-y in 2021.

Qatar Ministry of Finance mentioned that 2019 budget surplus came in at QAR 4.4 Bn from total revenues of QAR 211 and budget expenses of QAR 206.6 Bn. The 2020 budget assumes an average oil price of USD 55/b, similar to 2019 budget assumptions, and forecasts revenues of QAR 211 Bn, the same as in the 2019 budget. Expenditure is estimated at QAR 210.5 Bn, up by 1.9% compared from QAR 206.6 Bn in 2019. Budget surplus is expected to come in at QAR 0.5 Bn. For 2020 & 2021, IMF expects Qatar's general government fiscal surplus to come in at 5.2% and 1.4% of GDP.

Total credit facilities as of Feb-20 improved by 3.4% from the end of 2019 to reach QAR 1.07 trillion. Public sector credit growth moved up and improved by 6.5% from Q4-19, while the Private sector credit dropped by 2.4% over the period, as per data from the Central Bank of Qatar. In terms of current account balance IMF expects Qatar to report a deficit of 1.9% and 1.8% of GDP respectively for 2020 and 2021.

Money supply (M2) at the end of Feb-20 improved from Dec-19 and increased by 2.7% from QAR 594.6 Bn. Time and savings deposits however declined by 3% in Feb-20 from Dec-19, while M1 increased by 10.0% over the same period. Deposits in foreign currencies increased by 7.4% in Feb-20 from Dec-19. Separately, the QCB's monthly Real Estate Price index decreased to 225.76 in Dec-19 from 237.33 in Sept-19. When compared with Dec-18, the index was down 8.3% from 246.14 points.





## Bahrain

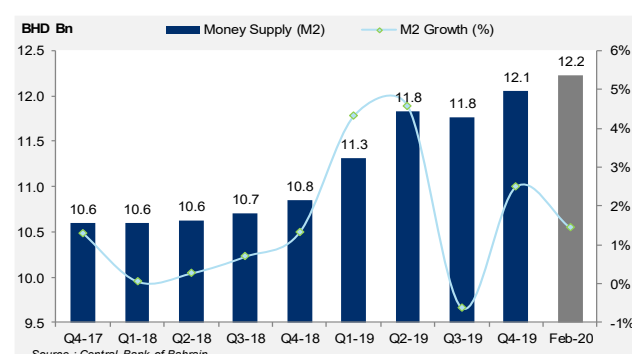
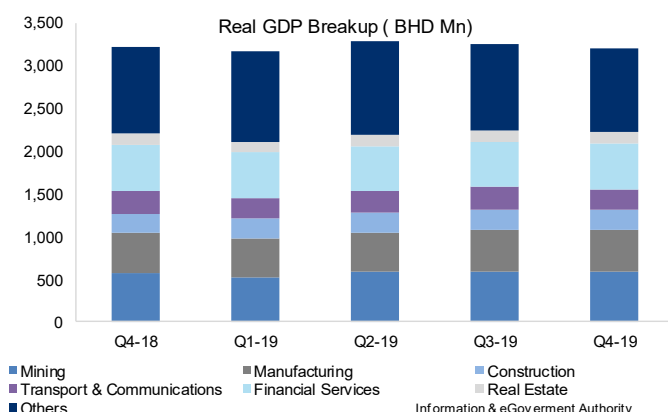
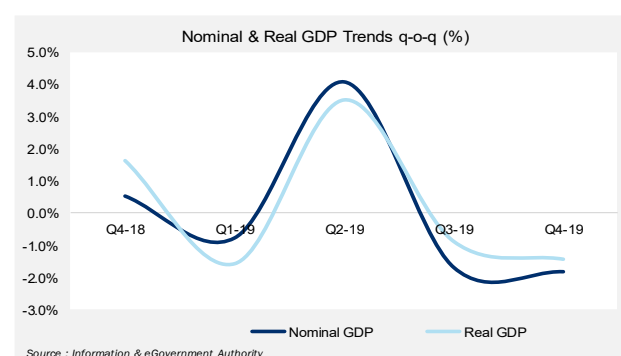
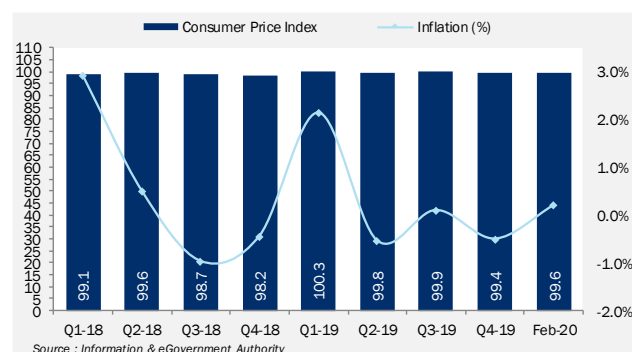
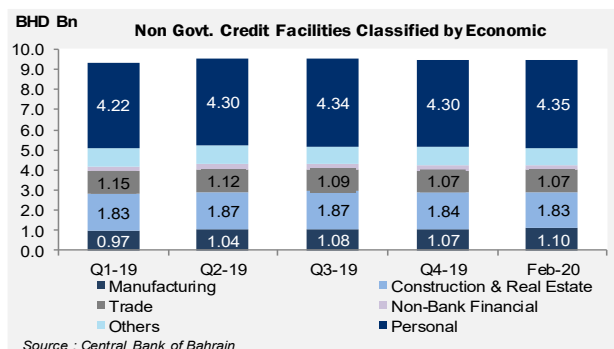
Key Economic Indicators	2013	2014	2015	2016	2017	2018	2019E	2020F	2021F
Real GDP growth (%)	5.4%	4.4%	2.9%	3.5%	3.8%	2.0%	1.8%	-3.6%	3.0%
Nominal GDP - USD Bn (PPP)	58.2	61.9	64.3	67.2	71.1	74.3	76.9	74.6	78.4
Real GDP per capita growth % (PPP)	1.7%	-0.5%	-1.3%	-0.4%	1.8%	0.0%	1.6%	-5.5%	1.0%
Current account balance (% of GDP)	7.4%	4.6%	-2.4%	-4.6%	-4.5%	-5.9%	-2.9%	-9.6%	-7.3%
General Govt. net lending/borrowing % of GDP	-9.7%	-1.6%	-18.4%	-17.6%	-14.2%	-11.9%	-10.6%	-15.7%	-11.9%
Inflation, avg. CPI (%)	3.3%	2.7%	1.8%	2.8%	1.4%	2.1%	1.0%	2.6%	2.5%

Source: International Monetary Fund (IMF)

Real GDP in Bahrain receded by 0.4% y-o-y in Q4-19 and reached BHD 3.58 Bn from BHD 3.59 Bn in Q4-18. The Transport & Communications sector was the key driver for the decline, as the sector dropped by 5.4% y-o-y in real terms. Other Services Industries which accounts for 17.8% of Bahrain's total GDP however declined by 11.7% y-o-y. Construction and Real Estate sectors, that combine for 11.3% of the total GDP witnessed dissimilar trends as Construction GDP grew by 2.3% while Real Estate GDP declined by 4.7% y-o-y in Q4-19. In the Services sector, Financial Services receded by 1.1% y-o-y in the Q4-2019. However, on a q-o-q basis, real GDP dropped by 1.4% in Q4-19 from Q3-19, while nominal GDP lost ground by 1.8% over the same period.

In nominal terms, Manufacturing was the largest sector with a contribution of 18% to GDP. Financial Services and the Mining sector followed with contributions of 16.0% and 14.0% to nominal GDP. Construction and Real Estate sectors contributed to a combined 12.0% of nominal GDP. Money supply (M2) at the end of Feb-20 increased by 1.4% from Q4-19 to BHD 12.22 Bn after improving by 2.5% in Q3-19. Time and savings deposits grew by 1.9% from Q4-19 to Feb-20, and M1 improved marginally by 0.3% over the same period. The IMF expects real non-oil GDP to decline in 2020 mainly from the impact from Covid-19 by -4.1% y-o-y, however they expect non-oil GDP to recover and grow by 3.4% y-o-y in 2021.

Credit disbursed to the non-government sector declined 0.2% from Dec-19 to reach BHD 9.45 Bn in Feb-20. Personal credit disbursed increased by 1.3% over the same period, while Construction credit receded by 0.7%. Manufacturing credit on the other hand increased by 2.9% from Dec-19 to Feb-20. Further, inflation numbers at the end of Feb-20 suggested a move up of 0.2% as against Dec-19. The IMF expects inflation to average 2.5% and 2.6% in 2020 and 2021 respectively.



# Oman

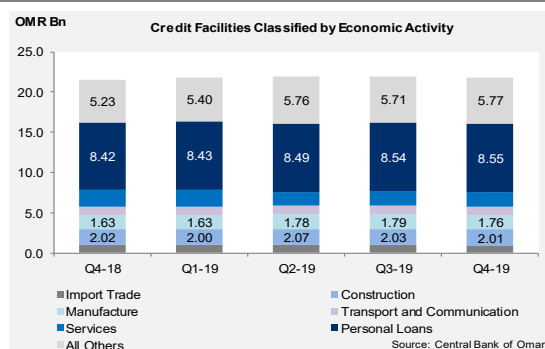
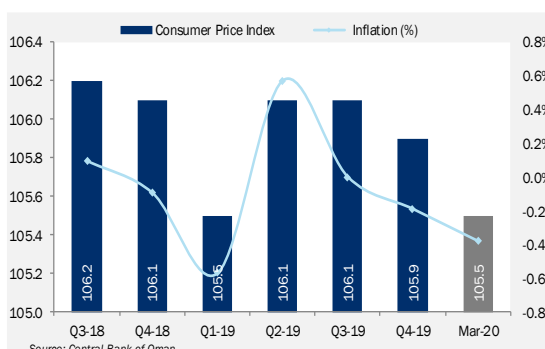
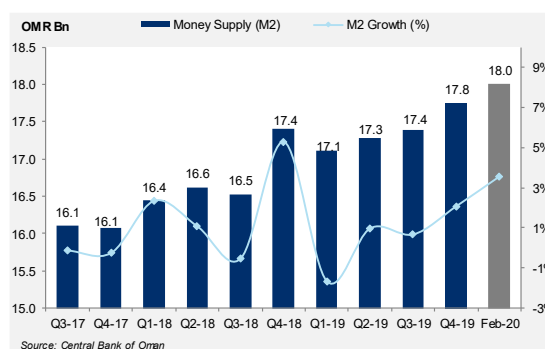
Key Economic Indicators	2013	2014	2015	2016	2017	2018	2019E	2020F	2021F
Real GDP growth (%)	5.1%	1.4%	4.7%	4.9%	0.3%	1.8%	0.5%	-2.8%	3.0%
Nominal GDP - USD Bn (PPP)	162.4	167.7	177.3	188.0	192.2	200.3	204.8	200.2	210.2
Real GDP per capita growth % (PPP)	-3.8%	-1.9%	3.0%	-1.2%	-2.9%	0.9%	-2.5%	-5.7%	-0.1%
Current account balance (% of GDP)	6.6%	5.2%	-15.9%	-19.1%	-15.6%	-5.5%	-5.2%	-14.2%	-11.1%
General Govt. net lending/borrowing % of GDP	4.7%	-1.1%	-15.9%	-21.3%	-14.0%	-7.9%	-7.0%	-16.9%	-14.8%
Inflation, avg. CPI (%)	1.2%	1.0%	0.1%	1.1%	1.6%	0.9%	0.1%	1.0%	3.4%

Source: International Monetary Fund (IMF)

Oman continued to report quarterly budget deficits in 2019, and in Q4-19, reported a budget deficit of OMR 1.11 Bn, up from OMR 0.156 Bn reported during the same period in 2018. Budget revenues in Q4-19 declined by 15% y-o-y to reach OMR 2.46 Bn, driven by a 24.5% y-o-y decrease in Gas revenues that reached OMR 0.46 Bn. Budget expenses increased by 17% y-o-y in Q4-19 and reached OMR 3.57 Bn as Participation & Subsidy to Private Sector more than doubled to OMR 0.28 Bn, while Actual Expenses under Settlement jumped by 77% y-o-y to OMR 0.91 Bn.

Oman registered a y-o-y nominal GDP decline of 4.0% for 2019, as nominal GDP reached OMR 29.3 Bn from OMR 30.5 Bn in 2018. Petroleum activities contributed to 34% of nominal GDP, and posted a y-o-y decline of 8.4% to reach OMR 10.11 Bn. Non-petroleum activities declined by 0.9% y-o-y to reach OMR 20.5 Bn in 2019 from OMR 20.6 Bn in 2018. The IMF expects nominal GDP to decline by 15.6% y-o-y in 2020 to reach USD 64.9 Bn, and thereafter recover by 3.7% y-o-y to USD 67.3 Bn. The IMF also expects real non-oil GDP to decline in 2020 by -5.0% y-o-y, mainly from the impact from Covid-19 in our view, however they expect non-oil GDP to recover and grow by 1.0% y-o-y in 2021.

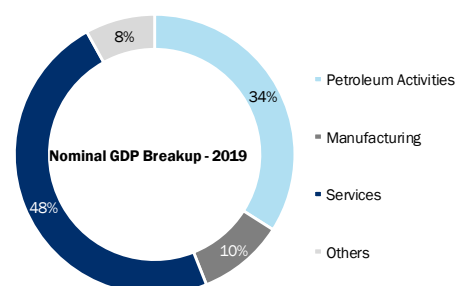
On the monetary front, money supply (M2) at the end of Feb-20 improved by 1.4% from Dec-19 to OMR 18.01 Bn. The increase from Dec-19 was contributed by an increase in Quasi Money (+3.0%), while M1 components currency outside banks (+2.3%) and demand deposits (-3.5%) witnessed mixed trends. Meanwhile, inflation trends remained broadly stable in Feb-20 as compared to Dec-19, marginally declining by 0.4%. In terms of credit lending, total amount of credit disbursed increased by 1.7% y-o-y during Q4-19 to reach OMR 21.85 Bn. Personal loans which contribute to close to 39% of the total credit went up by 1.5% y-o-y in Q4-19. Manufacturing (+7.6%), Transport & Communication (+2.8%) were the other sectors which grew over the period.



## Government Revenues and Expenditure

OMR Mn	2018	2019				
Sectors	Q4-18	Q1-19	Q2-19	Q3-19	Q4-19	
<b>Revenues</b>	<b>2,895.2</b>	<b>2,710.6</b>	<b>2,803.4</b>	<b>2,435.7</b>	<b>2,460.6</b>	
Oil Revenues	1,652.1	1,631.2	1,443.3	1,529.1	1,559.1	
Gas Revenues	613.4	458.0	481.8	370.9	462.9	
Other Revenues	629.7	621.4	878.3	535.7	438.6	
<b>Expenditure</b>	<b>3,051.7</b>	<b>3,019.6</b>	<b>3,155.0</b>	<b>3,319.6</b>	<b>3,569.3</b>	
Current Expenditure	1,808.4	2,070.0	2,236.3	2,346.2	1,789.3	
Investment Expenditure	595.9	456.6	641.4	651.3	588.3	
Participation & Subsidy To Private Sector	130.9	119.0	173.8	236.1	279.2	
Actual Expenses under Settlement	516.5	374.0	103.5	86.0	912.5	
<b>Fiscal Surplus (+) / Deficit (-)</b>	<b>-156.5</b>	<b>-309.0</b>	<b>-351.6</b>	<b>-883.9</b>	<b>-1,108.7</b>	

Source: Ministry of Finance, Central Bank of Oman



Source: NCSI

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