

**LAPSE OF
TIME**

SM/15/53
Supplement 2

March 18, 2015

To: Members of the Executive Board

From: The Acting Secretary

Subject: **Qatar—Staff Report for the 2015 Article IV Consultation—Supplementary Information**

Board Action: Executive Directors' **consideration** on a lapse of time basis

Deadline to Request Board meeting: **Thursday, March 19, 2015
12:00 noon**

Publication: Not yet decided*

Questions: Mr. Sommer, MCD (ext. 39998)
Mr. Shukurov, MCD (ext. 34458)
Mr. Behar, MCD (ext. 34698)

Document Transmittal in the Absence of an Objection and in accordance with Board policy: Forthwith—WTO

***The Secretary's Department has been notified by the authorities that their explicit consent is required prior to the publication of Board documents. At the time of circulation of this paper to the Board, the Secretary's Department has not received a communication from the authorities indicating that they consent to the Fund's publication of this paper; such communication may be received after the authorities have had an opportunity to read the paper.**



QATAR

STAFF REPORT FOR THE 2015 ARTICLE IV CONSULTATION—SUPPLEMENTARY INFORMATION

March 18, 2015

Approved By

Aasim Husain

This supplement provides information that has become available since the staff report (SM/15/53) was issued. It does not alter the staff appraisal.

The authorities started compiling CPI data according to a new methodology, as anticipated in the staff report. The new index shifts the basket weights from year 2007 to 2013 and implements other methodological changes. The main implication is a drop in the weight of housing, electricity, water, and gas from 32 percent to 22 percent. The main offsetting item is recreation and culture, whose weight increased from 4 to 13 percent. As a result of these methodological changes, recent inflation figures are expected to drop modestly. Full analysis of implications is not possible at present, since year-on-year inflation data are not yet available.

The Qatar Central Bank shared with staff updated financial sector indicators as of December 2014. Under the Basel III standard, the Tier I capital was 15.8 percent of risk-weighted assets, somewhat higher than the partial-year figure in the staff report. Non-performing loans stayed low at 1.7 percent, and earnings and liquidity buffers remained strong.