

Singapore moves from 3rd World

QNB Group, in its Singapore Economic Insight 2015, has examined recent developments and the outlook for the Singaporean economy as it tackles the First World challenges of ageing population, reduced immigration, inequality, and slow global growth.

Real GDP is expected to increase from 2.2% in 2015 to 2.3% in 2016 and further to 2.9% in 2017 as domestic demand picks up, but should remain below potential due to external headwinds, the QNB report said.

Domestic demand is projected to rise as the correction in the housing market should approach its end in 2017, releasing some personal consumption. But the external environment should continue to weigh on Singapore as global growth is forecast to remain below pre-crisis levels and the slowdown in China continues, it added.

QNB said inflation is forecast to be negative in 2015, averaging -0.3%, but should rise to 0.7% in 2016 and 1.8% in 2017 with the gradual recovery in oil prices.

Falling housing prices should contribute to the decline in inflation in 2015 and 2016 but its impact is forecast to fade away in 2017, the report said. It added that subdued inflation is expected to persist despite labour market tightness pushing up wages, as the pass-through to consumer prices should remain limited on weak demand.

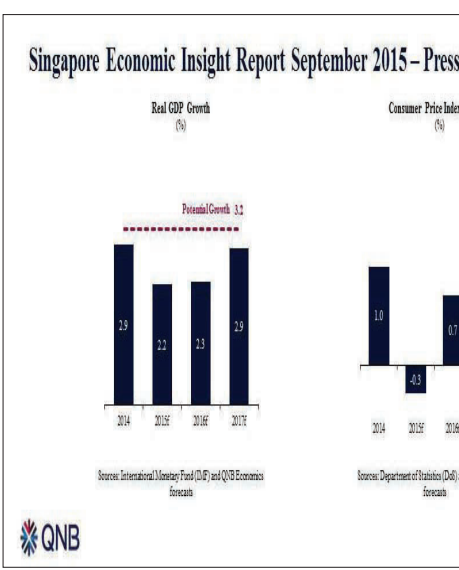
The fiscal surplus, according to QNB, is projected to rise gradually from 1.2% of GDP in 2015/16 to 2.2% in 2016 and 2.3% in 2017/18 but should remain below pre-2015 levels.

Higher levels of expenditure are expected in the future due to increased spending on training, education, and

infrastructure to boost productivity; and on healthcare as a result of the ageing population. The continued surpluses and lower savings should lead to lower government debt issuance with public debt forecast to fall from 100.1% of GDP in 2015 to 96.6% in 2017, the report said.

QNB said credit growth is expected to bottom out in 2015 at 4.1% before rising to 11.1% in 2016 and 12.9% in 2017 as the correction in the housing market approaches its end and the global economy recovers.

It added that growth in credit facilities is forecast to drive asset growth, while higher expected interest rates should boost deposit growth. Also, QNB said non-performing loans are expected to increase marginally from very low levels, which could impact profitability.



Qatargas shipping dept wins 2 top honours from British Safety Council

For the second consecutive year, Qatargas' Shipping Department has won two prestigious awards from the British Safety Council for its commitment to achieving excellent standards of health, safety and environmental management.

At a special ceremony held in London on Friday, Qatargas was presented with the Sword of Honour, for excellence in the management of health and safety risks at work, and the Globe of Honour, for excellence in environmental management. The company was one of only seven organisations worldwide, who were successful in winning both the Sword of Honour and Globe of Honour in 2015. This builds on its achievement in 2014, when the company became the first Qatari organisation involved in Liquefied Natural Gas (LNG) shipping operations to win these prestigious awards. In 2015, as many as 61 organisations worldwide won a Sword of Honour and eight achieved a Globe of Honour.

Khalid bin Khalifa al-Thani, Qatargas CEO, received the awards from Lynda Armstrong, Chair of Trustees for the British Safety Council.

On the occasion, Khalid bin Khalifa al-Thani, said: "We are deeply honoured to receive this prestigious recognition for the second consecutive year. It serves as an evidence of our continued efforts to promote and maintain world class standards and integrate best practices into our business performance. Through the hard work and dedication of the Qatargas Shipping Department, this is yet another milestone in our commitment to being the world's premier LNG Company. Today, we are proud to be one of only seven organisations worldwide and the only Qatari organisation to have achieved both of these highly significant global recognitions in 2015. We are committed to maintaining and enhancing our performance to ensure we continue to meet the highest global standards through the years to come and strongly encourage others to join us on this journey towards health, safety and environmental excellence."



Khalid bin Khalifa al-Thani, Qatargas chief executive officer, receiving the awards from Armstrong, Chair of Trustees for the British Safety Council.