# China Economic Insight
2018

## Executive Summary

China experienced a cyclical rebound in GDP growth in 2017 to 6.9% on the back of strong external demand  even though potential GDP growth is on a downward trend due to demographic headwinds and slowing productivity.

Looking ahead, GDP growth should slow to 6.4% in 2018 and 6.1% in 2019 on the back of policy tightening measures. The authorities aim to cool the property market, reign in leverage in the shadow banking sector, and further cut capacity in old industries.

The current account surplus should narrow in 2018 and 2019 as imports outpace export growth, partly as a result of reductions to import tariffs on consumer goods and a higher average oil price.

We expect the authorities to keep the CNY broadly stable against the China Foreign Exchange Trading System (CFETS) basket in 2018 and 2019. A stable CNY would strike an appropriate balance between the need to maintain a relatively competitive exchange rate, while avoiding trade friction with the US.

Inflation should pick up to 2.4%y/y (year-on-year) in 2018 due to rising food inflation. Tighter monetary conditions and slower growth should see core inflation (ex food/energy) decline modestly in 2018 and 2019.

On fiscal policy, the government is likely to limit local authorities' ability to participate in public private partnerships, leading to a decline in the augmented fiscal deficit.

In the banking sector, we expect deposit growth to stabilise at 8.2% after declining for several years. Banks are likely to respond to competition from money market funds and raise deposit rates. Bank loan growth is likely to stabilise at 10% as banks respond to greater regulatory scrutiny by bringing previous shadow banking lending activity back on to their balance sheets. The non-performing loans (NPL) ratio is expected to remain stable at its 2017 against the backdrop of still-solid GDP growth and slowdown in shadow banking activity. Profitability is likely to remain sound as lending rates rise in 2018 thus improving net interest margins.

Contents



**Economics Team**
economics@qnb.com

**Rory Fyfe**
+974 4453 4643
Acting Head of Economics
rory.fyfe@qnb.com

**Ashok Bhundia**
+974 4453 4642
Senior Economist
ashok.bhundia@qnb.com

**Nancy Fahim**
Economist
nancy.fahim@qnb.com

**Abdulrahman Al-Jehani**
Research Analyst
abdulrahman.aljehani@qnb.com

**Editorial close: April 30, 2018**

## Growth to slow on policy tightening

*GDP growth edged up to 6.9% in 2017 on the back of a strong turnaround in net exports as global growth and trade accelerated*

**Background**: Potential GDP growth is on a downward trend due to demographic headwinds (working age population peaked in 2014), and slowing productivity. Nevertheless, GDP growth edged higher to 6.9% in 2017 from 6.7% in 2016, marking the first acceleration in annual growth since 2010. The acceleration was driven by a turnaround in the contribution of net exports on the back of a strong recovery in the global economy and trade volumes. Net exports contributed 0.6 percentage points (pps) to headline growth, up from -0.5 pps in 2016. The pickup in net exports more than offset a continued slowdown in the domestic economy. Investment contributed 2.2 pps to growth in 2017, down from 2.8 pps the year before and consumption contributed 4.1 pps in 2017 from 4.3 pps the previous year, reflecting a slowdown in auto sales, which grew 13.7% in 2016 on the back of a temporary sales tax cut for small cars which was gradually phased out in 2017.

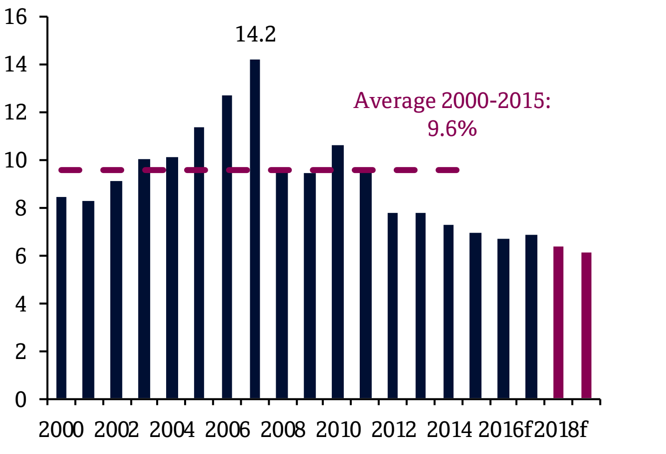
*Policy tightening measures will see GDP growth slow to 6.4% in 2018 and 6.1% in 2019*

**Outlook**: Growth is expected to slow over the medium term as the authorities focus policy on improving the "quality" and "sustainability" of the economy. This suggests that the authorities will address imbalances in the economy such as elevated property prices, rising financial risks in the shadow banking sector, and a still-high share of investment in the economy, all of which imply slower growth.

Our forecast sees GDP growth slowing to 6.4% in 2018 and 6.1% in

**Chart 1: Real GDP growth**

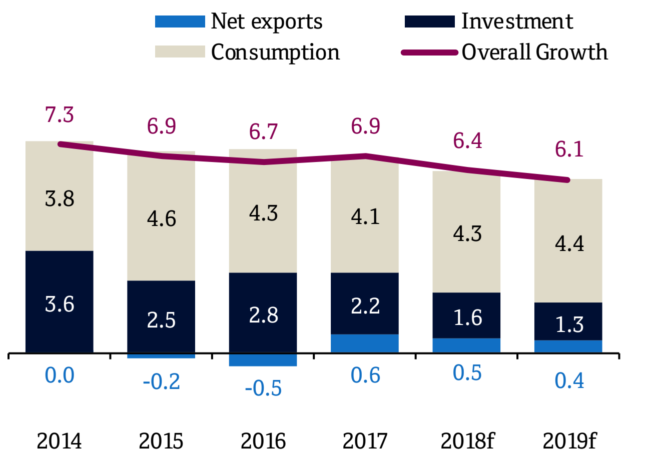
*(%y/y)*




Source: NBS, UN Population Statistics, QNB Economics

**Chart 2: Contributions to GDP growth**

*Percentage points (pps)*




Source: NBS, Haver Analytics, QNB Economics

2019 on the back of policy tightening measures designed to address imbalances in the economy. First, the property market should continue to cool due to tighter macro-prudential regulations that began to be implemented in the third quarter of 2016. Examples include tighter down-payment requirements, home purchase restrictions, higher mortgage rates and financing restrictions for property developers. These measures have already slowed property price growth (Chart 3) and investment in the property sector.

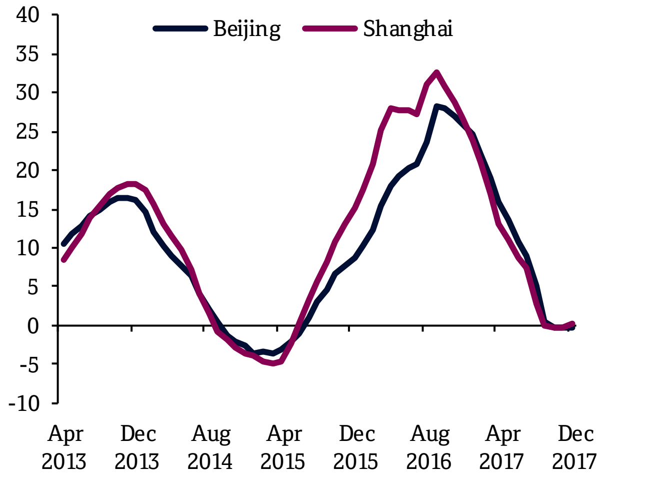
Second, the authorities are expected to tighten oversight of the shadow banking system in the face of rising leverage in the economy, and to raise the cost of funding for the financial system as a whole, leading to a continued slowdown in credit growth (Chart 4).

Third, fiscal policy should turn marginally restrictive as the size of the "augmented" fiscal deficit declines from an estimated 12.6% of GDP in 2017 to 12.1% in 2018 (see discussion below for more detail).

Finally, growth in investment should continue to slow, as has been the case over the last several years, on the back of continued reduction in excess capacity in old industries such as steel, coal, and plastic industries, although this impact should be partially offset in 2018 by private investment in "new economy" sectors such as machinery, electronics and IT on the back of robust export demand.

**Chart 3: Price of New Residential Buildings**

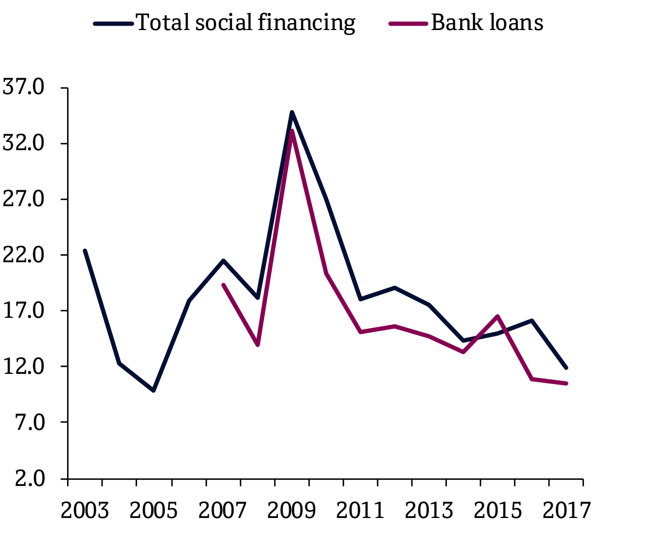
*(%y/y)*




Source: NBS, Haver Analytics, QNB Economics

**Chart 4: Total Social Financing and Bank Loan Growth**

*(%y/y)*




Source: NBS, Haver Analytics, QNB Economics

*The current account surplus is projected to narrow on strong import growth despite robust exports*

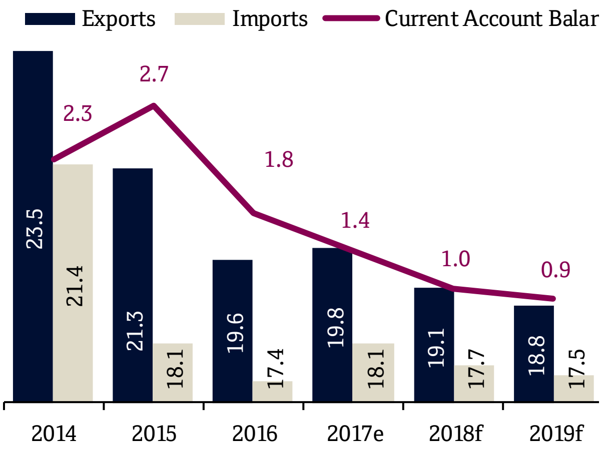
## Rising imports to narrow the current account surplus

**Background**: The current account surplus narrowed from 1.8% of GDP in 2016 to 1.4%% in 2017 driven by a decline in the trade surplus as robust import growth more than offset the surge in exports. Imports increased by 13.7% in US dollar value terms in 2017 on rising commodity prices and strong domestic demand, a firm rebound from the 2.7% decline in 2016. At the same time, exports also rebounded strongly, growing by 10.5% in 2017 following a decline of 6.9% in 2016, supported by an upswing in global growth and the lagged benefit of a sharply weaker trade-weighted exchange rate in 2016. After growing rapidly over the last few years, outbound tourism stabilised in 2017 at around USD260bn per annum similar to the level in 2016.

**Outlook**: The current account surplus is forecast to continue narrowing to 1% of GDP in 2018 and 0.9% of GDP in 2019. We expect import growth to slow only marginally this year and remain strong at 11% driven by still-solid domestic demand growth, a higher average oil price in 2018 compared to 2017, a broadly stable exchange rate and cuts to import tariffs on 187 consumer goods that were announced in December last year. Export growth should also slow somewhat, as global growth likely peaked in 2017, but remain firm nonetheless with the tax reform package announced in the US providing strong support for US demand.

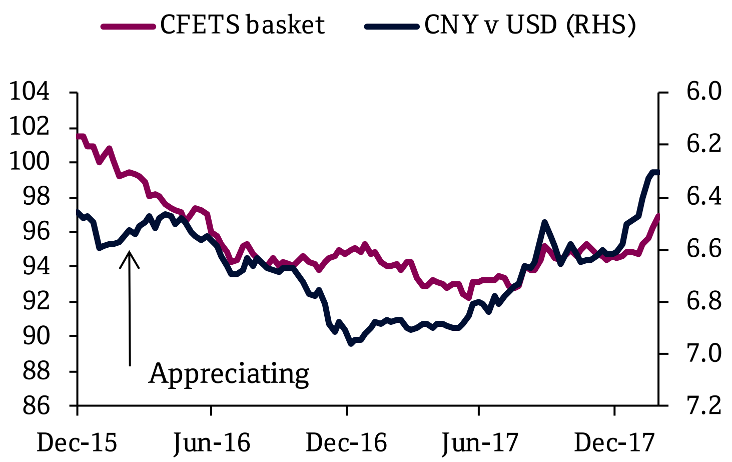
**Chart 5: Current Account, Exports and Imports**

*(% of GDP)*




Source: Haver Analytics, QNB Economics

**Chart 6: CNY against the CFETS baskets and USD**




Source: Bloomberg, QNB Economics

A key risk to this forecast would be an increase in trade tensions between the US and China. So far this year the US has increased tariffs only on a narrow range of products such as solar panels and washing machines. Even the recent announcement of tariffs on US imports of steel and aluminium should have a small impact on Chinese exports to the US and on China's growth. Nevertheless, the risk of a significant escalation in trade tensions has risen with the US recently announcing additional tariffs on Chinese imports worth up to USD50-60bn in retaliation for what the US believes is Chinese theft of US intellectual property. In response, the Chinese government announced it would impose tariffs on US exports to China which included Chinese purchases of soybeans from the US. Given that China runs a large trade surplus against the US, a significant increase in tariffs imposed by both sides would likely see China's trade surplus with the US decline.

## The CNY should remain broadly stable against its basket

*The CNY should remain stable against the CFETS basket as the authorities aim to strike a balance between maintaining a relatively competitive exchange rate, while avoiding trade frictions with the US authorities*

**Background**: The CNY is a managed exchange rate. In December 2015, the authorities introduced a currency basket known as the China Foreign Exchange Trading System (CFETS) to de-link the CNY from the US dollar and allow for greater flexibility in exchange rate management. The CFETS currency basket currently comprises 24 currencies with weights calculated based on China's trade weights – the US dollar continues to have the largest weight in the basket.

Over the course of 2017, the CNY appreciated by 6.3% against the USD, while remaining broadly stable against the CFETS basket. A stable CNY, solid domestic growth momentum, stringent implementation of capital outflow restrictions and improved currency expectations kept capital outflows contained in 2017. This gave the PBOC room to build up FX reserves after a two year period when they had declined on the back of sustained capital outflows driven by expectations of CNY depreciation.

**Outlook**: Against the backdrop of a strong global economy, we expect the authorities to keep CNY broadly stable against the CFETS basket in 2018 and 2019, which implies an appreciation of just under 4% against the US dollar in 2018 and 2% in 2019, given an expected weaker US dollar over this period. We believe the authorities will view this as striking an appropriate balance between the need to maintain a competitive exchange rate, while avoiding trade frictions with the US authorities against whom China maintains a large trade surplus.

This should allow the authorities to continue to build FX reserves at a moderate pace over the next two years with the level of FX reserves (in US dollars) rising over this period. However, in terms of months of import cover, we forecast FX reserves to decline to 14.4 months by 2019 from 15.4 months in 2017.

## Food is expected to drive headline inflation higher

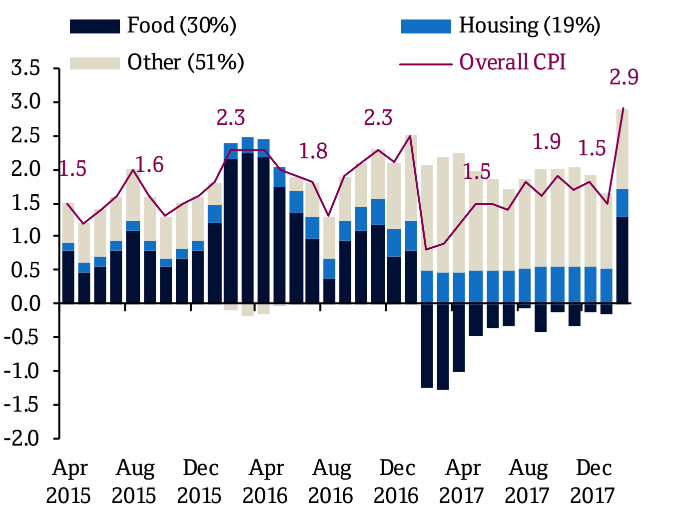
**Background**: Headline inflation declined from an average of 2% in 2016 to 1.6% in 2017 driven by a large decline in food inflation from an average of 4.6% in 2016 to -1.4% in 2017. Fruit, vegetable and pork prices were particularly helpful in keeping food inflation low. The impact of declining food prices on headline CPI inflation was partially offset by higher services, transportation, medical and housing inflation, which was reflected in a core inflation reading (CPI excluding food/energy) that picked up from an average of 1.6% in 2016 to 2.2% in 2017.

*Food inflation is set to rebound higher in 2018 after outright price declines in 2017, pushing up headline inflation*

**Outlook**: We expect headline inflation to pick up over the next two years to 2.4% in 2018 and stabilise at around 2.5% in 2019 but remain below the 3% inflation target. Global food inflation is expected to pick up during 2018 according to the World Bank, and the base effects from the low inflation print in 2017 will push food inflation higher in 2018, but stabilise going into 2019. Housing inflation should decline in 2018 as the housing market cools, driving rental inflation lower but thereafter we expect housing rental inflation to stabilise in 2019.

**Chart 7: Inflation**

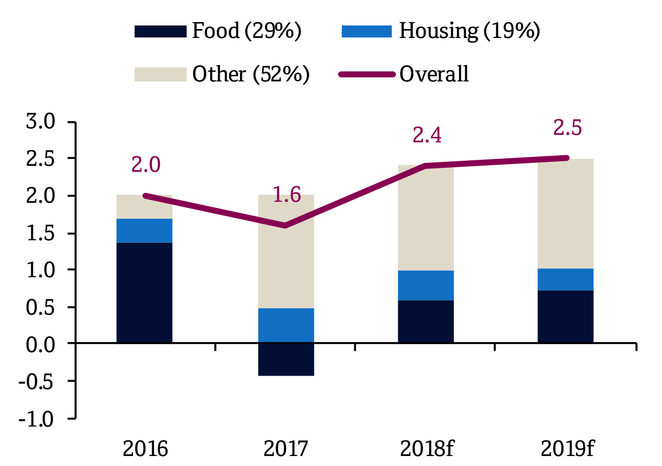
*pps contribution to overall CPI, estimated weights*




Source: NBS, Haver Analytics, QNB Economics

**Chart 8: Inflation forecast**

*pps contribution to overall CPI, estimated weights*




Source: NBS, Haver Analytics, QNB Economics

*We expect the PBOC to raise interest rates on its interbank lending facilities, and to keep interbank liquidity generally tight*

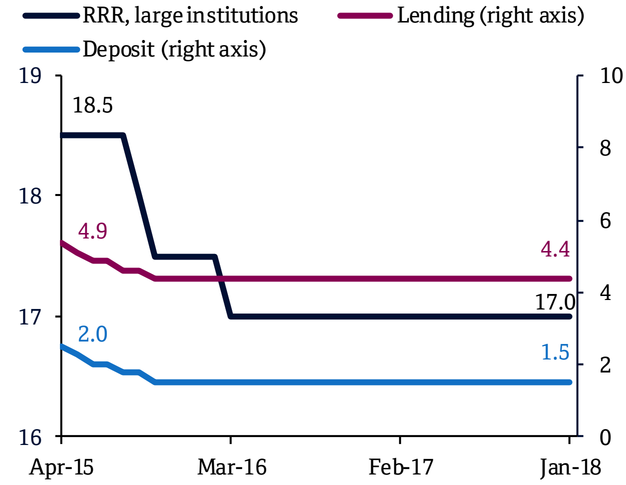
## Monetary policy to continue mild tightening

**Background**: The People's Bank of China (PBOC) has moved away from using its benchmark 1-year lending and deposit rates as monetary policy tools – it has not adjusted these rates since October 2015. Instead the PBOC has moved increasingly towards injecting or withdrawing liquidity from the interbank money market through open market operations (OMOs) via its short-term lending facility (SLF) and medium-term lending facility (MLF) to influence interbank rates, such as Shibor (Shanghai interbank offer rate). Additionally, the PBOC controls credit growth through measures such as targeted required reserves ratios (RRRs). In 2017 the PBOC began to increase interest rates on its SLF and MLF lending facilities to prevent capital outflows stemming from higher US rates. For example, the interest rate on the one-month SLF was raised by 20bps to 3.8% and one-year MLF by a cumulative 25bps to 3.25%. By raising the cost of borrowing and keeping liquidity conditions generally tight, money market rates, including the benchmark 3-month Shibor rate, and government bond yields increased in 2017 (Chart 10).

**Outlook**: Looking ahead, we expect the PBOC to maintain a mild tightening bias in pursuit of two objectives. First, the authorities will seek to contain leverage in the economy, especially the shadow banking sector. Second, to guard against capital outflows with benchmark US policy rates expected to rise by at least 75bps in 2018. Therefore, we expect around 30bps of hikes in the money market lending facility rates in 2018 leading to higher interbank rates.

**Chart 9: PBOC interest rates and RRR ratio**

*(%)*




Source: Haver Analytics, QNB Economics

**Chart 10: 3-month Shibor and government bond yields**

*(%)*


Source: Haver Analytics, QNB Economics

*Fiscal policy will be a mild drag on GDP growth in 2018 as the authorities tighten rules on local government involvement in PPP infrastructure projects*

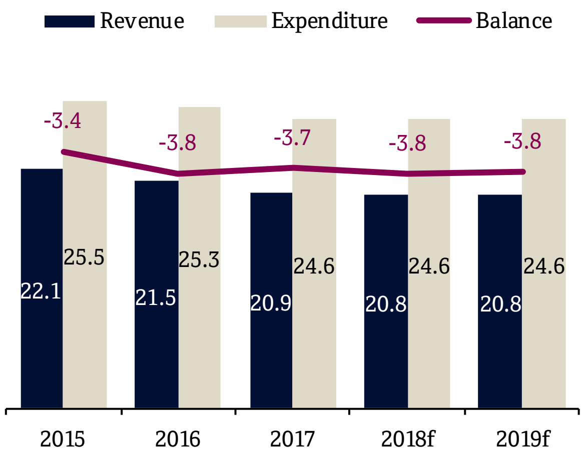
## Fiscal policy is likely to be a mild drag on growth in 2018-19

**Background**: In response to a slowing economy the government eased fiscal policy in 2015 and 2016, resulting in the headline general government budget deficit increasing from 1.4% of GDP in 2014 to 3.7% in 2015 and 3.8% in 2016 (Chart 11). The fiscal stimulus came mainly in the form of infrastructure investment in 2015 and public investment more broadly in 2016. With the economy picking up momentum in 2017, the government stabilised the deficit at 3.7% of GDP. Looking at the broader "augmented" fiscal deficit, which incorporates significant local government spending and revenue operations that are off-budget, shows the same fiscal easing, but with a considerably higher deficit estimated at 12.6% of GDP in 2017 (Chart 12).

**Outlook**: Over the next two years, we expect a modest fiscal consolidation at the broader "augmented" deficit level as the central government tightens rules on the ability of local governments to participate in Public-Private Partnerships (PPPs) to build local infrastructure. PPPs have been used by local governments as an alternative means of financing as local government borrowing through shadow banking has been restricted. However, central government has become concerned about rising local government contingent liabilities within the PPPs. Tighter PPP rules are expected to contain local government spending and the "augmented" deficit is thus expected to decline modestly to 12.1% of GDP in both 2018 and 2019.

**Chart 11: Fiscal Accounts**

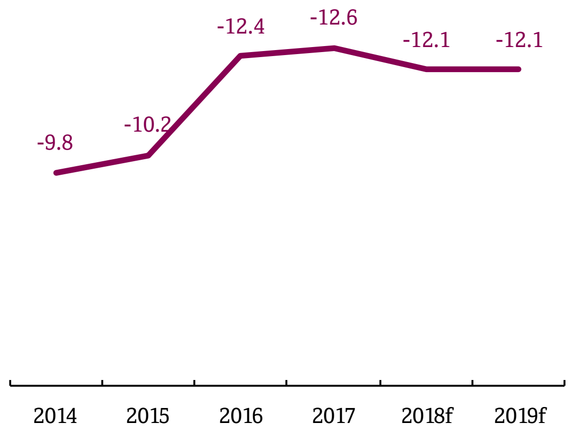
*(% of GDP)*




Source: NBS, Haver Analytics, QNB Economics

**Chart 12: Augmented Fiscal Deficit**

*(% of GDP)*




Source: IMF, QNB Economics

*Deposit growth should stabilize at 8.2% after several years of declining growth. Bank credit growth should also stabilize at 10% as banks bring some shadow lending back onto their books.*

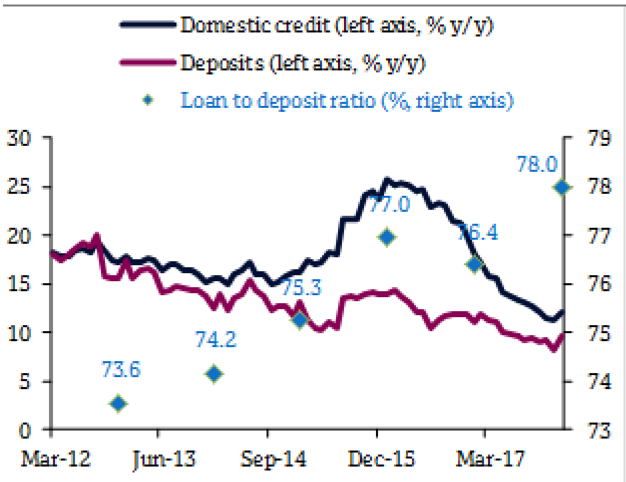
## Banking sector credit and deposit growth to stabilise

**Background**: Banks' deposit growth slowed to 8.2% in 2017 from 11.8% in 2016 on the back of tighter liquidity conditions as reflected in rising money market rates and strong competition for deposits from money market funds. Money market funds have grown rapidly, almost doubling in size from USD680bn at the end of 2016 to USD1.1 trillion at the end of 2017 against demand deposits in the banking system that totalled USD7.3tn at end-2017. Money market funds have been quicker at passing on higher deposit rates to their customers than banks.

Bank credit growth continued to slow in 2017 to 10.5% from 10.8% in 2016 on the back of higher lending rates. With deposit growth below credit growth, banks' loan-to-deposit ratio rose to 78% at end-2017 versus 76.4% at end-2016 with smaller banks increasing their reliance on wholesale funding. Non-performing loans (NPLs) remained stable at 1.7% at the end 2017, but this excludes "special mention loans" which are estimated to be about 3.5% (loans overdue but not yet considered non-performing). Return on equity improved from 13.4% at end-2016 to 13.9% at end-2017 after declining for several years as profits were hit by rising NPLs, higher funding costs (on tighter liquidity) and low lending rates. Banks are well capitalised with a capital adequacy ratio of 13.7% at end-2017.

**Chart 13: Banking sector growth**

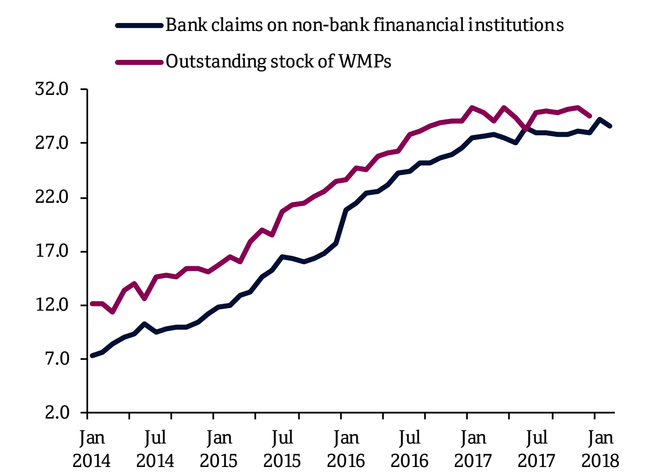
*(%,y/y)*




Source: NBS, Haver Analytics, QNB Economics

**Chart 14: Bank sector claims on shadow banking sector**

*(Trillons, CNY)*




Source: PBOC, Haver Analytics, QNB Economics

**Outlook**: We expect banks to compete more aggressively against money market funds for savings going forward by raising deposit rates. This should be enough to stabilise deposit growth at 8.2% in 2018 and 2019, similar to the level in 2017. Bank credit growth is expected to stabilise at around 10%, despite a slowing economy and higher lending rates. As the authorities crack down further on shadow lending, banks are increasingly bringing previously off balance sheet forms of lending (to nonbank financial institutions) back onto their balance sheets. This should underpin bank credit growth for the next couple of years.

The non-performing loans (NPLs) ratio is expected to remain stable over the next two years at level prevailing in 2017 given the still-solid growth outlook, and steps taken to reign in shadow banking activity. In terms of return on equity, bank profitability will be helped by some upside to lending rates as new loans get re-priced at higher rates following a period of rising interest rates in 2017. Bank profitability is expected to remain solid as lending rates rise in 2018 thus improving net interest margins. We expect banks to remain well capitalised with retained earnings helping to buttress bank capital.

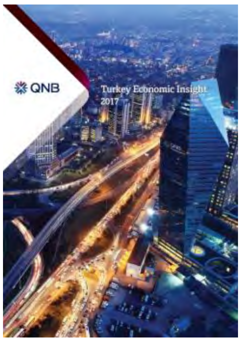
## Macroeconomic Indicators

| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018f | 2019f |
|---|---|---|---|---|---|---|---|
| **Real sector** | | | | | | | |
| Real GDP growth (%) | 7.8 | 7.3 | 6.9 | 6.7 | 6.9 | 6.4 | 6.1 |
| Nominal GDP (tn USD) | 9.6 | 10.5 | 11.1 | 11.2 | 12.2 | 13.8 | 15.3 |
| GDP per capita (k USD) | 12.3 | 13.3 | 14.3 | 15.4 | 16.6 | 17.9 | 19.4 |
| Consumer price inflation (%) | 2.6 | 2.0 | 1.4 | 2.0 | 1.6 | 2.4 | 2.5 |
| **External (% of GDP)** | | | | | | | |
| Current account balance | 1.5 | 2.3 | 2.7 | 1.8 | 1.4 | 1.0 | 0.9 |
| Trade balance (goods and services) | 2.5 | 2.1 | 3.2 | 2.2 | 1.8 | 1.4 | 1.3 |
| Exports | 24.5 | 23.5 | 21.3 | 19.6 | 19.8 | 19.1 | 18.8 |
| Imports | 22.1 | 21.4 | 18.1 | 17.4 | 18.1 | 17.7 | 17.5 |
| International reserves (import cover) | 20.5 | 23.0 | 20.5 | 16.3 | 15.4 | 14.8 | 14.4 |
| Exchange rate USD:CNY (av) | 6.2 | 6.1 | 6.2 | 6.6 | 6.8 | 6.5 | 6.4 |
| **Fiscal (% GDP, general government)** | | | | | | | |
| Budget balance | -1.8 | -1.8 | -3.4 | -3.8 | -3.7 | -3.8 | -3.8 |
| Revenue | 21.7 | 21.8 | 22.1 | 21.5 | 20.9 | 20.8 | 20.8 |
| Expenditure | 23.5 | 23.6 | 25.5 | 25.3 | 24.6 | 24.6 | 24.6 |
| Public debt | 37.1 | 40.1 | 41.7 | 44.4 | 46.7 | 49.7 | 52.7 |
| **Monetary** | | | | | | | |
| 3-month Shibor (%) end-of-period | 5.6 | 5.1 | 3.1 | 3.3 | 4.9 | 5.2 | 5.2 |
| Policy lending rate (%) | 6.0 | 5.6 | 4.4 | 4.4 | 4.4 | 4.4 | 4.4 |
| **Banking (%)** | | | | | | | |
| Return on equity | 19.2 | 17.6 | 15.0 | 13.4 | 13.9 | n.a | n.a. |
| NPL ratio | 1.0 | 1.3 | 1.7 | 1.7 | 1.7 | n.a. | n.a. |
| Capital adequacy ratio | 12.2 | 13.2 | 13.5 | 13.3 | 13.7 | n.a. | n.a. |
| Deposit growth | 13.8 | 11.7 | 13.9 | 11.8 | 8.2 | 8.2 | 8.2 |
| Domestic credit growth | 14.7 | 13.3 | 16.5 | 10.9 | 10.5 | 10.0 | 10.0 |
| Loan to deposit ratio | 74.2 | 75.3 | 77.0 | 76.4 | 78.0 | 79.3 | 80.6 |
| **Memorandum items** | | | | | | | |
| Population (bn) | 1.36 | 1.37 | 1.37 | 1.38 | 1.39 | 1.40 | 1.41 |
| Growth (%) | 0.49 | 0.52 | 0.50 | 0.59 | 0.59 | 0.59 | 0.59 |
| Unemployment (%) | 4.1 | 4.1 | 4.1 | 4.0 | 4.0 | 4.0 | 4.0 |

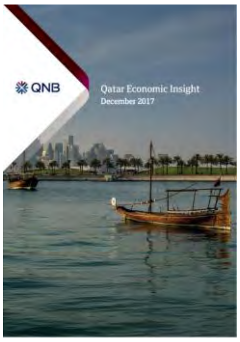
Sources: Haver Analytics, Bloomberg, China Banking Regulatory Commission, IMF, PBoC, NBS and QNB Economics forecasts

# QNB Group Publications

**Recent Economic Insight Reports**




Turkey 2017

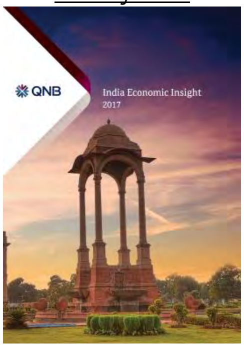



Qatar – Dec 2017

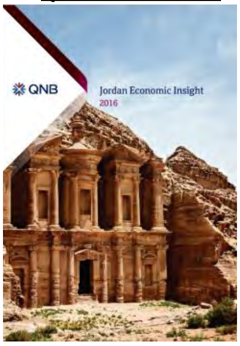

Singapore 2017


Kuwait 2017


Qatar - Apr 2017




India 2017




Jordan 2016


China 2016


Vietnam 2016


Indonesia 2016

**Qatar Reports**

Qatar Monthly Monitor

**Recent Economic Commentaries**

Global LNG market to tighten from around 2024
Qatar GDP forecasts revised up for 2018
US Fed hikes and revises up economic projections
China to prioritise financial stability over growth in 2018
US tariffs threaten global trade turmoil
Indonesia growth to pick up in 2018
Higher US rates are not a major threat to EM capital inflows
Oil prices to average USD60-65/b in 2018 on balanced market
Rising inflation expectations spook markets
IMF revises up global growth forecasts
Sub-Sahara Africa growth recovery set to continue in 2018
Strong demand is the main driver of the recent rise in oil prices
Our new SEA tracker suggests growth dipped in Q4 2017
Qatar GDP picks up in Q3
China to pursue slower but higher quality growth in 2018
US tax reform to offset growth drags in 2018
Global growth to soften in 2018
Oil prices to average around USD60/b in 2018
Emerging trends in the Asian LNG market

# QNB International Branches and Representative Offices

### China
Room 930, 9th Floor
Shanghai World Financial Center
100 Century Avenue
Pudong New Area
Shanghai
China
Tel: +86 21 6877 8980
Fax: +86 21 6877 8981
QNBchina@qnb.com

### Mauritania
Al-Khaima City Center
10, Rue Mamadou Konate
Mauritania
Tel: +222 45249651
Fax: +222 4524 9655
QNBMauritania@qnb.com

### United Kingdom
51 Grosvenor Street
London W1K 3HH
United Kingdom
Tel: +44 207 647 2600
Fax: +44 207 647 2647
QNBLondon@qnb.com

### France
65 Avenue d'lena
75116 Paris
France
Tel: +33 1 53 23 0077
Fax: +33 1 53 23 0070
QNBParis@qnb.com

### Oman
QNB Building
MBD Area - Matarah
Opposite to Central Bank of Oman
P.O. Box: 4050
Postal Code: 112, Ruwi
Oman
Tel: +968 2478 3555
Fax: +968 2477 9233
QNBOman@qnb.com

### Vietnam
31/F Saigon Trade Center
37 Ton Duc Thang street, District 1
Ho Chi Minh City
Tel: +84 8 3911 7525
Fax: +84 8 939 100 082
QNBvietnam@qnb.com

### Iran
Representative Office
6th floor Navak Building
Unit 14 Africa Tehran
Iran
Tel: +98 21 88 889 814
Fax: +98 21 88 889 824
QNBIran@qnb.com

### Singapore
Three Temasek Avenue
#27-01 Centennial Tower
Singapore 039190
Singapore
Tel: +65 6499 0866
Fax: +65 6884 9679
QNBSingapore@qnb.com

### Yemen
QNB Building
Al-Zubairi Street
P.O. Box: 4310 Sana'a
Yemen
Tel: +967 1 517517
Fax: +967 1 517666
QNBYemen@qnb.com

### Kuwait
Al-Arabia Tower
Ahmad Al-Jaber Street
Sharq Area
P.O. Box: 583
Dasman 15456
Kuwait
Tel: +965 2226 7023
Fax: +965 2226 7021
QNBKuwait@qnb.com

### South Sudan
Juba
P.O. Box: 587
South Sudan
QNBSouthSudan@qnb.com

### Lebanon
Ahmad Shawki Street
Capital Plaza Building
Mina El Hosn, Solidere – Beirut
Lebanon
Tel: +961 1 762 222
Fax: +961 1 377 177
QNBLebanon@qnb.com

### Sudan
Africa Road - Amarat
Street No. 9, P.O. Box: 8134
Sudan
Tel: +249 183 48 0000
Fax: +249 183 48 6666
QNBSudan@qnb.com

# QNB Subsidiaries and Associate Companies

## Algeria
The Housing Bank for Trade
and Finance (HBTF)
Tel: +213 2191881/2
Fax: +213 21918878

## Iraq
Mansour Bank
Associate Company
P.O. Box: 3162
Al Alawiya Post Office
Al Wihda District Baghdad
Iraq
Tel: +964 1 7175586
Fax: +964 1 7175514

## Switzerland
QNB Suisse SA
Quai du Mont Blanc 1
1201 Genève
Switzerland
Tel: +41 22907 7070
Fax: +41 22907 7071

## Bahrain
The Housing Bank for Trade
and Finance (HBTF)
Tel: +973 17225227
Fax: +973 17227225

## Jordan
The Housing Bank for Trade
and Finance (HBTF)
Associate Company
P.O. Box: 7693
Postal Code 11118 Amman
Jordan
Tel: +962 6 5200400
Fax: +962 6 5678121

## Syria
QNB Syria
Subsidiary
Baghdad Street
P.O. Box: 33000 Damascus
Syria
Tel: +963 11-2290 1000
Fax: +963 11-44 32221

## Egypt
QNB ALAHLI
Dar Champollion
5 Champollion St, Downtown 2664
Cairo
Egypt
Tel: +202 2770 7000
Fax: +202 2770 7099
Info.QNBAA@QNBALAHLI.COM

## Libya
Bank of Commerce and Development
BCD Tower, Gamal A Nasser Street
P.O. Box: 9045, Al Berka
Benghazi
Libya
Tel: +218 619 080 230
Fax: +218 619 097 115
www.bcd.ly

## Tunisia
QNB Tunisia
Associate Company
Rue de la cité des sciences
P.O. Box: 320 – 1080 Tunis Cedex
Tunisia
Tel: +216 7171 3555
Fax: +216 7171 3111
www.tqb.com.tn

## India
QNB India Private Limited
802 TCG Financial Centre
Bandra Kurla Complex
Bandra East
Mumbai 400 051
India
Tel: + 91 22 26525613
QNBindia@qnb.com

## Palestine
The Housing Bank for Trade
and Finance (HBTF)
Tel: +970 2 2986270
Fax: +970 2 2986275

## Turkey
Finansbank A.Ş.
Esentepe Mahallesi Büyükdere
Caddesi Kristal Kule Binası
No:215 Şişli - İstanbul
Tel: 0 (212) 318 50 00
dstk@finansbank.com.tr

## Indonesia
QNB Indonesia Tower, 18 Parc
Jl. Jendral Sudirman Kav.
52-53 Jakarta 12190
Tel : +62 21 515 5155
Fax : +62 21 515 5388
qnbkesawan.co.id

## Qatar
Al Jazeera Finance Company
Associate Company
P.O. Box: 22310 Doha
Qatar
Tel: +974 4468 2812
Fax: +974 4468 2616

## UAE
Commercial Bank International p.s.c
Associate Company
P.O. Box: 4449, Dubai,
Al Riqqa Street, Deira
UAE
Tel: +971 04 2275265
Fax: +971 04 2279038