



AUSTRALIAN LNG GROWTH FACES SUPPLY GLUT, COST PRESSURES



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SINOPEC MAY SELL \$6.3 BILLION BONDS



PAGE 31 | MARKET MATRIX

Bullion Market

GOLD		SILVER	
PRICE	PERCENTAGE	PRICE	PERCENTAGE
1,217	-0.88	19.02	-0.85

Crude oil

USD / BBL	BRENT	PRICE	PERCENTAGE
		75.38	-0.37
	WTI	71.16	+1.54

Qatar Tribune Business

Wednesday, May 19, 2010

HAPPINESS

"A business is successful to the extent that it provides a product or service that contributes to happiness in all of its forms."

-MIHALY CSIKSZENTMIHALY

Businessline

Qtel to pay \$52 million to bond holders by June

DOHA Qatar Telecommunications Company (Qtel) has announced on Tuesday that Qtel International Finance Company Ltd, a wholly-owned arm of Qtel, will pay \$52,875,000 to holders of bonds, due to mature on June 10, as part of the global financial debt medium-term programme. According to a company statement posted on Qatar Exchange website on Tuesday, the payment will be in two parts, the first is estimated at \$29,250,000 and the second \$23,625,000. On Monday, Qtel announced successful closing of the general syndication of its new \$2 billion dual tranche revolving credit facility. In the general syndication phase, 17 more banks joined in with commitments worth \$1.11 billion. The total subscription amounted to \$3.86 billion, more than double of the targeted \$1.5 billion. Qtel also provides voice and data services to over 60 million subscribers in Qatar and 16 other countries. (QNA)

Information KIOSK

Exchange Rate

Currency	buy QR	sell QR
US	3.6315	3.6485
Euro	4.4529	4.5362
Pound Sterling	5.2267	5.29
Indian Rupee	0.0787	0.0804
Pakistani Rupee	0.0000	0.0435
Philippine Peso	0.0000	0.0815
Sri Lankan Rupee	0.0000	0.03268
Bangladeshi Taka	0.0000	0.053
Nepalese Rupee	0.0000	0.0503
Japanese Yen	0.03889	0.03984
Kuwaiti Dinar	12.402	12.641
Saudi Riyal	0.957	0.9736
Omani Riyal	9.246	9.486
UAE Dirham	0.977	0.9938
Bahraini Dinar	9.541	9.691

Source: www.dohabank.com.qa

Gainers

	PRICE	CHANGE %
National Cement Co.	81.90	3.15
Qatar Meat and Livestock	19.50	3.13
Al Khalij Commercial Bank	18.30	2.78
Electricity and Water	111.50	2.70
Gulf Warehousing Co.	19.10	2.14

Losers

	PRICE	CHANGE %
Al-Ahli Bank	51.70	5.19
Qatar German Co. Med	11.10	2.61
Islamic Securities	34.40	2.51
Qatar Oman	9.15	2.13
Medicare	14.10	2.08

GCC Market

	index	change %
Qatar Exchange	7,254	+0.8
Muscat Securities Market	6,692	+0.33
Dubai	1,714	+0.07
Abu Dhabi	2,787	+0.39
Kuwait	7,217	-0.3
Bahrain	1,521	-0.24
Saudi Arabia	6,557	+0.97

Source: Agencies

ASIA-PACIFIC MARKETS May 18 closings

SHANGHAI Composite Index 2,594.78 (+34.85) 1.36%	SEOUL KOSPI 1,643.24 (-8.27) 0.50%	TOKYO Nikkei-225 10,336.53 (+6.88) 0.07%
HONG KONG Hang Seng 19,944.94 (+299.74) 1.17%	TAIPEI Weighted 7,585.3 (-13.42) 0.18%	SINGAPORE SET Index 2,844.35 (+10.66) 0.38%
BANGKOK SET Index 760.11 (+6.85) 0.91%	JAKARTA Composite Index 2,854.19 (+14.72) 0.52%	SYDNEY SP/ASX 200 4,470.7 (+3.5) 0.08%
KUALA LUMPUR Composite Index 1,330.17 (+4.10) 0.31%		

QA invests \$1bn to launch daily direct flight to Brazil

QNA
DOHA

QATAR Airways has invested over \$1 billion to launch direct daily flight from Doha to Sao Paulo, in Brazil.

According to Qatar Airways Chief Executive Officer Akbar al Baker, the airline has invested the amount to buy two Boeing 777-200 aircraft to serve this new route. The service on this

route will be inaugurated on June 24.

The 16-hour Doha-Sao Paulo flight will mark the airline's entry into the South American market. Speaking to a Brazilian-Arab news agency, Baker said the new route would catalyse passenger traffic rise from the Middle East to destinations in South America and vice versa.

Underlining the importance of the Qatar-Brazil sector, the Qatar

Airways CEO said Sao Paulo was the hub of business and finance in Brazil. It is the largest city in Brazil and the second largest city in the world with over 20 million inhabitants or Paulistas, as they are often called.

The key benefits to passengers on this new route, besides the enriching experience associated with the carrier's services to 89 different cities across the globe, would be the number of onward

flights to different Asian cities within one hour of arrival from Brazil, Baker said.

Prospective passengers from Brazil would be seeking onward destinations in the Middle East since many people of Arab origin lived in Brazil, he said.

Qatar Airways will also fly from Sao Paulo to Buenos Aires in Argentina. "There is strong passenger demand on that route and is not fully served by local compa-

nies. Our timing is perfect and we have the right to do that," Baker said.

With United Arab Emirates' national carrier Emirates' also having direct flights to Sao Paulo from Dubai, he said there would be healthy competition in the sector.

"Competition is good for Brazil and the public. There should be no monopolies," the Qatar Airways CEO quipped.

\$72.23
Crude oil per barrel

Qatar's stocks index jumped 0.8 percent to 7,254.32, the biggest rise since May 10



Dubai's DFM General Index rose less than 0.1 percent to 1,714.21 points on Tuesday. (BLOOMBERG)

Qatar, Saudi shares gain as European risk eases

BLOOMBERG
DUBAI

QATAR and Saudi Arabia shares led gains among Gulf Arab markets as crude oil rose and concerns eased that tighter fiscal policies in Europe to control the region's debt crisis will curb economic growth.

Industries Qatar, the second biggest petrochemicals maker in the Middle East, rose the most since May 10 after its unit signed an agreement with Helm of Germany. Saudi Basic Industries, the world's largest petrochemical maker known as Sabic, increased 1.6 percent. Saudi Arabia's Tadawul All Share Index advanced 1 percent to 6,557.09

and Qatar's QE Index jumped 0.8 percent to 7,254.32, the biggest increase for the gauges since May 10. The Bloomberg GCC 200 Index of stocks in the Gulf region rose for the first time in five days.

"The improved international back drop is pushing stocks higher," said Ali Khan, head of cash-equity trading at Dubai base Arqaam Capital.

In Europe, the Stoxx Europe 600 Index advanced 1.6 percent, the first gain in three days, as the European Union transferred 14.5 billion euros (\$18 billion) to Greece, the first installment from an almost \$1 trillion emergency loan package aimed at preventing sovereign defaults. Futures on the Standard & Poor's 500

Index added 0.8 percent.

European finance ministers meeting in Brussels today said Greece's debt crisis won't unleash a continent-wide austerity drive with the potential to tip the economy back into a recession and further undermine the euro. Only high-deficit countries including Spain and Portugal will be ordered to make additional budget cuts.

Crude oil rose after dipping below \$70 a barrel to a five-month low in New York yesterday. Oil for June delivery gained \$2.15, or 3.1 percent, to \$72.23 a barrel at 9.01 am on the New York Mercantile Exchange. The six nations of the Gulf Cooperation Council, made up of

the UAE, Qatar, Saudi Arabia, Kuwait, Oman and Bahrain, supply about a fifth of the world's oil.

Industries Qatar gained 0.8 percent to QR106.8. The company said on Monday its unit Qatar Fertilizer Company signed an accord with Helm to export 18,000 metric tons of melamine to Europe. Sabic advanced the most in more than a week to 97.5 riyals.

Oman's MSM30 Index added 0.3 percent, while Dubai's DFM General Index rose less than 0.1 percent to 1,714.21 and Abu Dhabi's measure climbed 0.4 percent. The Kuwait Stock Exchange Index fell 0.2 percent and Bahrain's gauge retreated 0.2 percent.

Qatar set to make more auto sector investments

REUTERS
FRANKFURT

QATAR, which controls 17 percent of the votes in Volkswagen, is considering teaming up with Europe's largest carmaker for joint investments in the auto industry, according to a German magazine.

"We can help VW to expand, we could even create companies together," said Hussain Ali al Abdulla, vice-chairman of Qatar Holding and a member of the VW supervisory board, in an interview with German business magazine Capital.

The Qatari executive signalled his country, too, would look to play a much more visible role than sovereign wealth funds from the Gulf have in the past in Germany.

Abu Dhabi-based Aabar, which belongs to the emirate's IPIC wealth fund, started the trend ever since it took a 9.1 percent stake in Daimler.

He suggested the Gulf state could also support it in any efforts to expand VW's control over Suzuki. "We could for example buy a stake equal to the 20 percent that Volkswagen owns and then control this firm together," he said.

When asked to elaborate, Abdulla said, "Oh, I am only thinking out loud." The chief executive of family-controlled Suzuki, Osamu Suzuki, has been quick to say quash speculation that he would support VW purchasing more shares and denied that the Japanese carmaker was now the 11th horse in Volkswagen's stable of brands.

Abdulla also told he would be a very active member of the board, and sharply criticised the German carmaker's lack of share in the United States.

"I don't understand why Toyota controls nearly 20 percent of the US market while VW doesn't even have 3 percent," he said.

Food, transport prices drive Qatar's CPI up 0.3%

TRIBUNE NEWS NETWORK
DOHA

DRIVEN by rising food and transport prices, the Consumer Price Index (CPI) in Qatar, the world's largest natural gas exporter, rose by 0.3 percent in April this year. It now stands at 121.7(2006=100).

The index, which measures the

general price level of goods and services consumed by households in Qatar, rose this year but inflation should stay at low single-digit levels as the country's economy may outperform other GCC countries.

The index has been showing downward trend since the beginning of 2009 following a period of

high inflation in 2008 and has been strongly affected by the decline in rentals.

The housing, utilities and related services, the biggest component of the index, fell 0.6 percent in April as compared with a 1.1 percent decline in the previous month.

The second-largest component, comprising transport and commu-

nication prices, rose 1.2 percent month-on-month, easing from a 1.3 percent rise in March, while food, beverages and tobacco prices rose 0.7 percent after remaining flat in the previous month.

"This is good news. It shows that the demand pull is at work, an indication that the economy will expand. If it continues this

way, it will fulfil our expectation that inflation will be about 4.5 percent this year," said one Doha-based economist who declined to be identified.

Prices of consumer goods in the cash-rich state rose as food prices increased due to increase in the prices of fruits, vegetables as well as the fish and seafood items.