+357 96 030922
info@marketpublishers.com

Bahrain Business Forecast Report Q1 2015

https://marketpublishers.com/r/BD46B1471F4EN.html
Date: November 2014
Pages: 43
Price: US$ 1,195.00 (Single User License)
ID: BD46B1471F4EN

Abstracts

Core Views

In light of record oil revenues and the weakness of private investment, we expect public spending to outperform over the coming quarters, which should support activity in the non-hydrocarbon economy. Efforts to address the shortage of affordable housing will see government CAPEX accelerate.

We do not believe that weaker oil prices will derail the Bahraini government's investment plans, ensuring a continued source of support for the country's economy. Real GDP growth will reach 3.8% in 2015 and 2016, compared to an annual average of 3.6% between 2009 and 2013.

Bahrain's reputation as a stable and welcoming location to do business in the Gulf has suffered as a result of the volatile political climate. At the moment, it remains to be seen if Manama will be able to compete with Doha and Dubai in attracting investment into the all-important hospitality and financial services industry.

The economy's medium-term outlook remains contingent upon a lasting solution being found to the current political crisis. Unfortunately, we maintain our relatively guarded outlook on the prospects that the government and opposition can come to some form of agreement in the near term.

Bahrain's weak medium-term fiscal prospects will force the government to make difficult choices. We believe that Manama will have little option but to introduce new taxes over the coming years, while the issue of spending consolidation will loom large on the agenda. Support from Saudi Arabia could delay these pressures, but would entail a significant loss of sovereignty.

Contents

Table: REAL GDP GROWTH, % CHG Y-O-Y
Investment Climate
Woes Not Over For Bahrain's Stock Market
Bahrain's stock market will remain stagnant over the coming years, as local companies shun the exchange in favour of more liquid regional counterparts. The introduction of Islamic finance products could allow Bahrain to gain a first-mover advantage in a niche market, but will prove insufficient to revers e the broader trend of decline.
Banking Sector
Banking Sector: Geographic Diversification Crucial
We expect profitability and asset quality at the largest Bahraini conventional banks to hold up well over the coming quarters, and project asset growth to accelerate over 2015. That said, we caution that the operating environment in Bahrain will remain subject to downside risks, both on the political and economic fronts. Geographically diversified banks will outperform lenders predominantly focused on the Bahraini market.
Table: Banks' Net Profit (USD)

CHAPTER 3: 10-YEAR FORECAST

The Bahrain Economy To 2023
Political Crisis Raises Risks
Assuming oil prices do not collapse and political stability is eventually restored, Bahrain's economy will be able to post relatively moderate levels of real GDP growth over the coming decade. That said, the ongoing political crisis has raised a host of questions surrounding Bahrain's long-term outlook, with concerns growing that the country's financial services and tourism sectors will suffer heavily.
table: Long-Term Macroeconomic Forecasts

CHAPTER 4: OPERATIONAL RISK

Operational Risk Index
Operational Risk
Table: Bahrain Operational Risk
Transport Network
table: MENA Transport Network Risks
Economic Openness
Table: MENA Economic Openness Risk
Table: Bahrain Imports By Product

CHAPTER 5: KEY SECTORS

+357 96 030922
info@marketpublishers.com

+357 96 030922
info@marketpublishers.com

I would like to order

Product name: Bahrain Business Forecast Report Q1 2015

Product link: https://marketpublishers.com/r/BD46B1471F4EN.html

Price: US$ 1,195.00 (Single User License / Electronic Delivery)

If you want to order Corporate License or Hard Copy, please, contact our Customer Service:

info@marketpublishers.com

Payment

To pay by Credit Card (Visa, MasterCard, American Express, PayPal), please, click button on product page https://marketpublishers.com/r/BD46B1471F4EN.html