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## Sports complex for workers opens

Minister inaugurates 245,000sqm facility in Al Khor

**DOHA:** The first phase of the workers sports complex in Al Khor Industrial Area opened yesterday. The project aims to provide sports and entertainment facilities to about 160,000 expatriate workers based in Al Khor and the surrounding areas. The sprawling complex is one of a number of entertainment cities and complexes for labourers being constructed in different parts of the country. The project has been executed by Barwa in collaboration with the Ministry of Municipality and Urban Planning, Qatar Foundation and the Supreme Committee for Delivery and Legacy. The Minister of Labour and Social Affairs H E Abdullah Saleh Mubarak Al Khulafi opened the facility in the presence of Engineer Abdallah Abdul Aziz Al Subai, Executive Chairman of Barwa Group, and other dignitaries. After the opening, the Minister toured the facilities at the complex. A number of workers also turned up for the opening

ceremony and took part in various sports activities. Speaking on the occasion, Al Subai said Al Khor, Dakhira and the surrounding areas have around 160,000 workers and this project will serve them. Built in 245,000sqm area, the project includes four cricket grounds, four basketball courts and three volleyball courts. The floodlit grounds are suitable for use during night as well. A nominal fee will be imposed on the workers for using the sports facilities. The complex also has some 35 outlets providing various other services including money exchanges, Internet cafes, telephone shops, barber shops, restaurants, cafeterias and offices of the Ministry of Labour and Social Affairs, toilets, a big supermarket and a mosque. Al Subai said the first phase of the project was accomplished in a very short period, in just 111 days. "This project came at the right time to provide the much-required services to workers of the area.

Workers will be charged a nominal fee for using the facilities. This is a not-for-profit project but this fee is intended to meet the operational and organisational costs, to make the project run by itself," said Al Subai. "As workers are our partners, this project is the minimum we can provide them," he added. The official said the second phase of the project will include installation of five big cinema screens, beside other facilities including waiting rooms. Employees of the Qatar Foundation will also use the facilities periodically. "There will be a schedule for this so that the facilities will not be overcrowded," he added. In a related initiative Barwa had earlier launched Barwa Al Baraha in the Doha Industrial Area, an integrated city for labourers comprising residential complexes and other amenities. It also has a huge truck parking facility, which was opened recently.

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## Premier receives Albanian FM



The Prime Minister and Interior Minister, H E Sheikh Abdullah bin Nasser bin Khalifa Al Thani, met yesterday the Minister of Foreign Affairs of the Republic of Albania, Ditmar Bocati. They reviewed bilateral relations and matters of common interest.

## Yemen to be six-region federation

**SANAA:** Yemen's president and main parties agreed yesterday to transform the unrecognised country into a six-region federation as part of a political transition. "The final approval" on creating a "federal state of six regions" came at a meeting of a committee, headed by President Abdrubrah Mansur Hadi and including representatives of

Yemen's main parties, state news agency Saba said. Hadi formed the committee in late January at the end of a "national dialogue" to decide on the number of regions, and to insert it into the text of a new constitution, to be drafted and voted on within a year. Yemen's parties had been divided on whether to split the future federation into two or six regions. Sanaa feared that a straight north-south

divide could set the stage for the disgruntled south to secede. Southern parts of Yemen formed an independent state from the end of British colonial rule in 1967 until union with the north in 1990. The six agreed regions include four in the north, comprising Adal, Saba, Janad and Tahama, and two in the south, Aden and Hadramawt.

AFF

## UAE to rope in drones for govt services

**DUBAI:** The United Arab Emirates says it plans to use unmanned aerial drones to deliver official documents and packages to its citizens as part of efforts to upgrade government services. "The UAE will try to deliver its government services through drones. This is the first project of its kind in the world," Mohammed Al Gergawi, a Minister of Cabinet Affairs, said yesterday as he displayed a prototype developed for the government. The battery-operated vehicle, about half a metre across, resembles a butterfly with a top compartment that can carry small parcels. Coloured white and emblazoned with the UAE flag, it is propelled by four rotors. Local engineer Abdulrahman Alserkal, who designed the project, said fingerprint and eye-recognition security systems would be used to protect the drones and their cargo. Gergawi said the drones would be tested for durability and efficiency in Dubai for six months, before being introduced across the UAE within a year. Services would initially include delivery of identity cards, driving licences and other permits.

REUTERS



More than 50 top public figures pedal power-generating stationary bikes to illuminate the Torch Doha Hotel yesterday, marking the start of Aspire Zone Foundation's National Sport Day celebrations. (SHAHAIB DALAL)

## Qatar all set to mark biggest Sport Day

**DOHA:** Qatar marks its third and biggest National Sport Day (NSD) celebration today with a plethora of events geared toward the promotion of sport culture, health and wellness among citizens and expatriates alike. After the long preparations, government and private entities are coming together today to host events to raise awareness among employees and their families on the importance of staying fit and healthy through sports. The event counter at the National Sport Day website says there are 251 National Sport Day, 280 community and 85 professional events during the week-long celebration. They comprise sport competitions, clinics and demos; health awareness campaigns and free health check-ups among others. The events are held at main venues including Qatar Olympic Committee (QOC) Sport Zone, the Corniche, Aspire, The Pearl Qatar, Souq Waqif and Katara as well as in parks, malls, sports clubs, stadiums, ministries, federations and schools. As in the previous editions of the annual public holiday, thousands are expected to join the Sport Walk morning on the

Corniche. The walk will start at 9am at the Oryy statue and continue to Sheraton Park. From 7am till 5pm, the Corniche will also see the Al Shawahf traditional rowing championship wherein 10 teams will compete for prizes which total to QR4m. Since it opened on Thursday, the QOC Sport Zone, the main hub of NSD, has witnessed thousands of visitors partaking in free sport clinics and health awareness campaigns. Registration for the Be Fit competition will also be held today at the sport zone which is open from 8am to 10pm. Yesterday, Aspire Zone's NSD celebration opened in a unique and creative way as 50 Qatari athletes and senior public officials pedalled using energy generating stationary bikes to light up the facade of the Torch Doha Hotel. Today, Aspire Zone would be busy with lots of sports and sports-related activities organised by Aspire Zone Foundation along with 23 companies. At Katara, 83 fun and engaging sport and health awareness events are taking place spread around the Cultural Village.

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## Iran develops new generation of centrifuges

**TEHRAN:** Iran has developed a new generation of centrifuges which are 15 times more powerful than those currently being used to enrich uranium, its atomic chief Ali Akbar Salehi said yesterday. "We unveiled a new generation of centrifuges that surprised the Westerners... This new machine is 15 times more powerful than the previous generation," he said, quoted by the state broadcaster on its website, iribnews.ir. He said the development was not in violation of a November 24 agreement between Iran and six world powers that has imposed curbs on Tehran's nuclear drive. "We successfully argued that this was allowed within the research and development article in the agreement," Salehi added. Iran currently has nearly 19,000 centrifuges, including 10,000 of the so-called first generation being used to enrich uranium.

AFF

TODAY'S EDITION OF THE PENINSULA INCLUDES A 24-PAGE SPECIAL SUPPLEMENT ON NATIONAL SPORT DAY

## US plans drone strike on American Al Qaeda suspect

**WASHINGTON:** An American citizen who is a member of Al Qaeda is actively planning attacks against Americans overseas, US officials say, and the Obama administration is wrestling with whether to kill him with a drone strike and how to do so legally under its new stricter targeting policy issued last year.

The CIA drones watching him cannot strike, because he's a US citizen and the Justice Department must build a case against him, a task it hasn't completed. Four US officials said the American suspected terrorist is in a country that refuses US military action on its soil and that has proved unable to go after him. And President Obama's new

policy says American suspected terrorists overseas can only be killed by the military, not the CIA, creating a policy conundrum for the White House. Two of the officials described the man as an Al Qaeda facilitator who has been directly responsible for deadly attacks against US citizens overseas and who continues to plan attacks against them.

But one US official said the Defense Department was divided over whether the man is dangerous enough to merit the potential domestic fallout of killing an American without charging him with a crime or trying him, and the potential international fallout of such an operation in a country that has been resistant to US action. Another of the US

officials said the Pentagon did ultimately decide to recommend lethal action. The officials said the suspected terrorist is well-guarded and in a fairly remote location, so any unilateral attempt by US troops to capture him would be risky and even more politically explosive than a US missile strike.

THE GUARDIAN



Company	15 Jan	16 Jan	17 Jan	18 Jan	19 Jan	20 Jan	21 Jan	22 Jan	23 Jan
Qatar	17.07	17.07	17.07	17.07	17.07	17.07	17.07	17.07	17.07
EUR	5.02	5.02	5.02	5.02	5.02	5.02	5.02	5.02	5.02
GBP	1.98	1.98	1.98	1.98	1.98	1.98	1.98	1.98	1.98

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## Low trading activity key challenge for QE

Equities the best avenue for long-term investment in Qatar, says Amwal official



Afa Boran, Head of Asset Management, Amwal, speaking to The Peninsula yesterday. (SHAIVAL DALAL)

BY SATISH KANADY

**DOHA:** Limited amount of actively managed portfolios, low trading activity and dividend-focused retail investors are key challenges that Qatari stock market face as it set to obtain global index compiler MSCI's 'Emerging Market' status in May 2014.

Foreign investment funds will be looking to invest in Qatar for both diversification and to benefit from its growth. Currently, the total value (market capitalisation) of 42 stocks listed on the exchange is around QR600bn. Low trading activity is still a challenge for the Qatar Exchange. To share a few numbers: There are around 25 stocks with a market capitalisation of above \$1bn, but only four stocks that trade at least \$10m a day, a top investment adviser noted.

Talking to *The Peninsula*, Afa Boran, Head of Asset

Management, Amwal, said another critical challenge with Qatar is that there are many investors who just passively hold their stocks.

"If you compare the trading volume with the total value of the stocks, the average holding period comes to around 10 years. This means many investors have never traded or properly analyzed their portfolios since they purchased them. This is not a good approach; as such investors could be missing good opportunities while also taking on unnecessary risk. To give an example, in the last three years, there are stocks that gained more than 300 percent, as well as stocks that have declined by 40 percent."

"An investor not reviewing their portfolio is like an individual never visiting a doctor even for a checkup. One may appear healthy overall but even so, regular check-ups may help us get better, or identify health problems beneath

the surface. Managing money is similar. Investors might think their portfolio is doing well, but a professional investment manager could help achieve better results," he said.

Another common mistake is with paying too much attention to dividends. This might not be a wise long-term investment strategy. Dividends are important but companies with good growth opportunities need to retain capital to grow faster. If they distributed too much dividends, then they will be capital constrained from taking advantage of growth opportunities. When investors focus on dividend paying companies, they may often miss out on companies with good growth prospects.

"At Amwal we closely analyse and monitor companies as if we are not just buying to stock but as owners of the companies. In addition, we have our own leading indicators for the economy and

companies earnings which helps us identify trends ahead of other investors. As a result, we have delivered strong results and outperformed the index every year since 2009."

Amwal's Boran still views equities as the best avenue for long term investment in Qatar. Despite the slight increase in bond yields recently, interest rates are still very low both globally as well as in Qatar. If one chooses to invest longer term, average yields for 10-year bonds are around 2.5-3 percent. If inflation remains at around current levels for 10 years, then bonds are offering only 1 percent real returns, whereas equities offer much better returns. Deposits currently do not even allow you to earn as much as inflation.

"We would only recommend deposits to investors who plan to use the money within a year or so. We believe investing in equities can be significantly more

rewarding in the long run. But I would recommend getting professional advice before investing in equities," he said.

Boran says Qatari stocks are still not expensive, despite the recent run-up. When investors ask if stocks are currently expensive, they are often comparing current prices and valuations with historical prices and valuations. "When you ask whether it is more expensive than it was in the past, yes...it is. But when you compare it to the rest of world, it is not...and when you compare to the bonds, it's definitely not", he said.

On the US Fed's tapering and its impact on the Qatari stock market, Boran believes that the price of oil is more important for GCC stock markets than tapering concerns. "Our focus is on closely analysing oil, including shale oil and other supply from markets like Iraq."

THE PENINSULA

## Commercial Bank's total assets rise

**DOHA:** Commercial Bank of Qatar delivered a full year net profit of QR1.6bn for 2013, down from QR2.02bn recorded a year ago. Profit for the fourth quarter of 2013 was up 7 percent to QR300m compared to the third quarter of 2013.

The Board of Directors recommended the distribution of a cash dividend of 20 percent of the share's nominal value to the shareholders, which equates to QR2 per share and bonus shares of 20 percent (one bonus share for every five shares held). The financial results and profit distribution are subject to the approval of the Qatar Central Bank.

The bank's operating income for the year 2013 is up by 15 percent to QR3.4bn and total assets grew by 41 percent to QR113bn. Customer loans and advances are up by 38 percent to QR66.9bn. Customers' deposit grew by 53 percent to QR63.4bn. The earnings per share is QR6.48. The bank raised QR2bn Additional Tier 1 capital in 2013.

Abdullah bin Khalifa Al Attiyah, Chairman of the Board of Directors of Commercial Bank, said: "The year 2013 was important for Commercial Bank as we continue to build a bank that is capable of delivering long-term value to its shareholders and customers. We invested in our international strategy with the acquisition of Abank in Turkey, which we intend to develop into a market leading Turkish bank. Following the acquisition, Commercial Bank and its associates in the UAE and Oman are now well positioned to capture the growing trade and investment flows between Turkey and the GCC. Qatar's infrastructure investment requirement and its rapidly diversifying economy require world-leading banking products and services. The investment we have made in the business and in our people this year will ensure that Commercial Bank continues to grow its market share and shareholder value."

On the financial performance, Hussain Al Fardan, Commercial Bank's Managing Director, said: "The improving trends witnessed in the third quarter have continued

into the fourth quarter of the year and we continue to see good momentum as we enter 2014."

Net interest income was QR2.1bn for the year ended December 31, 2013, 17 percent higher than 2012, reflecting strong growth in lending activities particularly in the real estate and services sectors. ABank contributed QR312m, 14 percent of the total net interest income. Net interest margin remained stable compared to the third quarter of 2013 at 2.57 percent.

Non-interest income was up 11 percent to QR1.24bn for 2013 compared with QR1.11bn in 2012 with ABank contributing QR133m. The overall increase in non-interest income was due to higher fee and commission income, higher foreign exchange income combined with lower income from investments securities. Total operating expenses were up 40 percent to QR 1.43bn for 2013 compared with QR1.02bn in 2012.

The bank's net provisions for impairment losses increased to QR744m in 2013 compared with QR202m in 2012, and comprised provisions of QR804m for loans and advances and QR110m for financial investments. Impairment provisions on the bank's investment portfolio increased to QR110m for the year ended December 31, 2013 compared with QR62m in 2012, reflecting a general decline in the valuations of certain emerging market equities and currency fluctuation.

Andrew Stevens, Commercial Bank's Group Chief Executive Officer, said: "The investments and strategic decisions we have taken during the course of the year mean that Commercial Bank is now in a stronger position to pursue growth over the long-term to the benefit of shareholders and customers."

Abdulla Saleh Al Raisi, Chief Executive Officer, said: "We have invested heavily in our Corporate and Retail banking offers, ensuring our customers benefit from a far more integrated range of products and services, whilst continuing to support the development of Qatar's SME sector with sector specific services, which will help to develop this crucial element of Qatar's increasingly diversified economy."

THE PENINSULA

## Auto show



A Porsche Boxter on display at the Chicago Auto Show at McCormick Place in Chicago, Illinois.

## Wogod nets QR1.2bn profit

**DOHA:** Qatar Fuel's (Wogod) net profit exceeded QR1.2bn for the year 2013, an increase by 5.75 percent compared to the year 2012. Despite the growth in capital base through issuing 25 percent bonus shares in 2012, earning per share (EPS) increased to QR18.72 per share as compared to QR17.70 for the same period of 2012.

The results were announced by Wogod's Vice-Chairman and Managing Director Mohamed Turki Al Sobai, after the Board of Directors chaired by Wogod Chairman H E Abdullah bin Hamad Al Attiyah, discussed the company's financial results for the year.

Al Sobai said Wogod's total assets reached QR9.7bn, up by 20.45 percent from the previous year's figures; and total equity recorded a growth rate of 15.47 percent to reach QR6.3bn for the same period.

The Board of Directors recommended distributing cash

dividends of QR649,687,500, according to a rate of 100 percent of the value of the paid-up nominal capital, i.e. QR10 per share, in addition to 30 percent bonus shares i.e. 3 shares per 10 outstanding shares.

Al Sobai added that Wogod is currently involved in implementation of 17 new projects including petrol stations, vehicle inspection centres, retail services and sales of petroleum products.

During 2013, five petrol stations - Rawda Al Hamam, The Pearl, Mesaieed West, Bu Samra and Mesaieed North were commissioned. Another four petrol stations in Al Jumailia, Lusail, Al Thakeera, and Al Wajba are either under construction or in tendering stages and expected to be opened during the second half of the year 2014.

Other five projects are currently in design stages in Al Kotafia, Um Ghabraiah, Hamad International Airport East, Hamad International Airport West, and the New Al

Rayyan areas. These projects are expected to be completed by the end of 2014. As far as expansion projects for existing petrol stations are concerned, one project at Al Thayeen has been completed. Four other projects at Al-Hilal, Industrial Area, Muaitheer and Bu Fasila are under construction. They are expected to be completed by the end of 2014.

The project of Saudi Arabia is in the stage of tendering. Wogod managed to obtain all the approvals and official documents from the Saudi authorities. A Saudi consulting firm has been appointed and work will start soon.

Fahes Technical Inspection Centre located at Al Mamoura is totally completed and tested. The official commissioning will take place once the IT and other technical issues with the Traffic Department are finalised. The Wadi Al Banat centre is nearing completion and expected to open in the first half of 2014.

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## EU seeks wider free trade pact with Egypt

**CAIRO:** The European Union wants to restart talks with Egypt over a wider free trade deal that could help double the value of commercial exchanges in the next few years, the EU ambassador to Cairo said yesterday.

His comments signal the EU's wish to safeguard economic ties with Egypt, despite Western misgivings about its political evolution since the army overthrew elected Islamist president Mohamed Mursi in July following mass protests against him.

"Our offer for a far-reaching Deep and Comprehensive Free Trade Agreement (DCFTA) remains on the table," EU envoy James Moran told an investment conference here.

"We doubled trade in the six-year period 2004 to 2010. We believe we can do it again and double it again over the next few years if we get these talks under way," Egypt's trade with the EU, traditionally its biggest trading partner, reached around €23bn (\$31.4bn) in 2012, but initial data showed it dropped a little last year, Moran told Reuters on the sidelines of the conference.

Egypt has had an Association Agreement with the EU since 2004, as well as an agricultural and fisheries products agreement that took effect in 2010.

The DCFTA would extend far beyond the Association Agreement to cover trade in services, government procurement, competition, intellectual property rights and investment protection, according to the European Commission website.

Negotiations on a DCFTA could lead to a gradual integration of Egypt's economy into the EU single market, it said. Similar talks are under way in Morocco.

Moran said preliminary discussions about a DCFTA stalled last year in the political instability that followed Mursi's removal.

"Unfortunately it's not been possible to get traction on this for now because the interim government I think is not in a position to start off something which is going to take quite some period of time," the ambassador said.

REUTERS