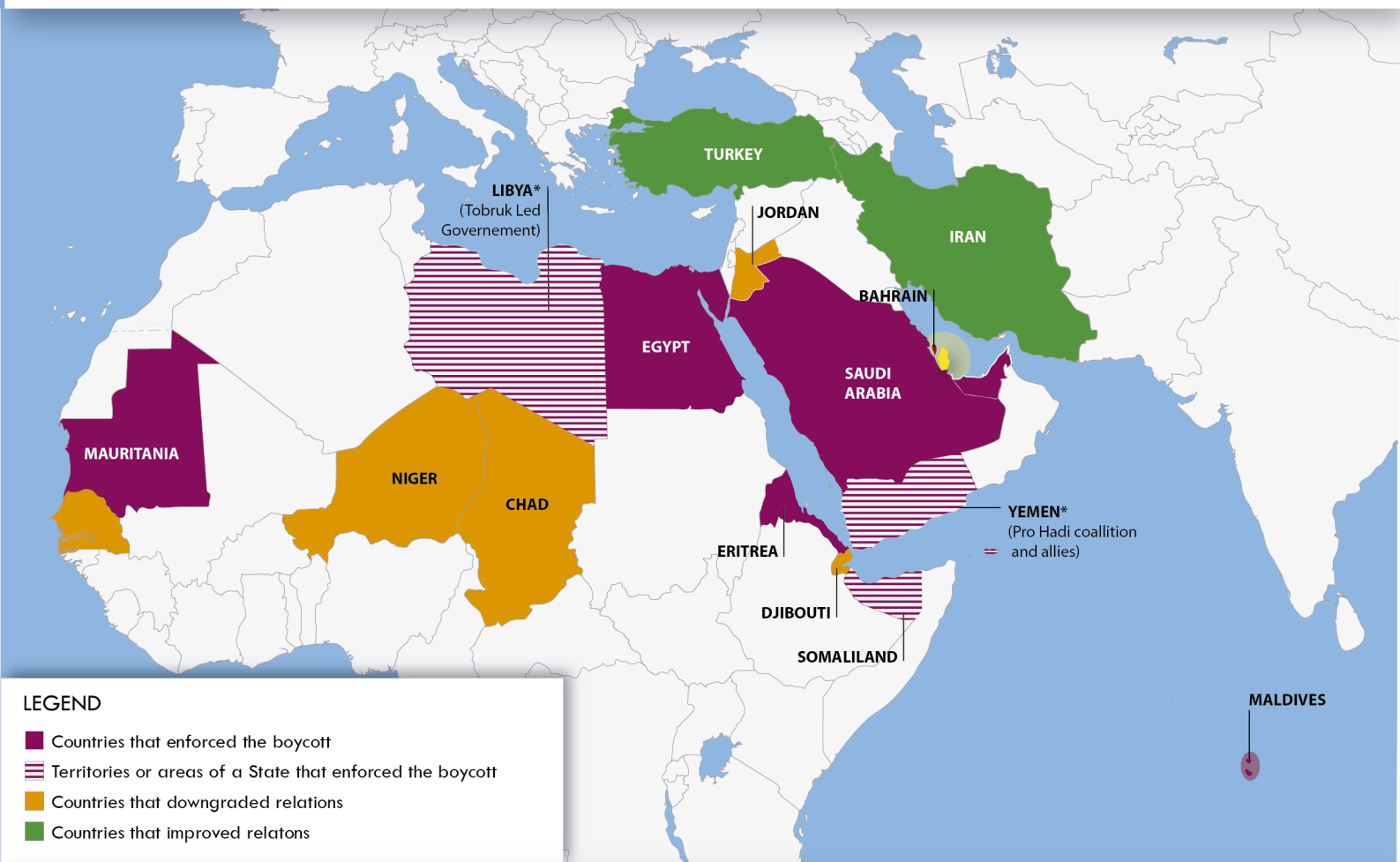


QATAR BOYCOTT - ONE YEAR AFTER



WHO ARE THE WINNERS AND LOSERS?



WINNERS:

OMAN - Becomes the main entrance for maritime transport. The Ports of Salalah and Sohar Port are now the connected through two direct shipping lines with Qatar's Hamad Port, most of the goods that arrive to Qatar a pass through these two omani ports.

PAKISTAN - Exports to Qatar increase + 64 %. New direct maritime service of Milaha between Karachi and Hamad Port was facilitating bilateral trade. Reform its controversial kafala or labour sponsorship regime that required workers to receive permission from employers to change jobs or, in some cases, leave the country. Qatar recently became the first Gulf state to introduce a minimum wage

IRAN - Trade with Qatar + 117%. Both countries sign a trade and transport deal (Turkey-Qatar-Iran) that could reduce the cost of transiting of goods by some 80% via Iranian land and sea routes.

TURKEY - Turkish exports to Qatar increased by 90% in the four months. 2016-2017 exports to Qatar + 50%. Qatar will increase its investment in Turkey. Government-owned Qatar Post inaugurated a new e-commerce website on January, launched in cooperation with Turkey's General Directorate of Post and Telegraph Organization (PTT). Through the website, customers in Qatar can shop online for products shipped from vendors in Turkey.



LOSERS:

Qatar: stress test to the economy. Tourism sector, 40% decrease. Trade needs to be diversified in very short time. Reduced exposure from boycott related countries to Qatar financial sector. Air transportation is affected, mainly Qatar Airways. Disinvestment mainly from UAE and Saudi Arabia.

UAE: Emirati ports lose the neighboring market. Jebel Ali Port accounted for 85% of Qatari shipborne cargo, now derived to Oman's and Iran's ports. Qatar Navigation moves its regional hub from the UAE to Oman. Food production companies have stopped exporting to Qatar and have been replaced by Turkish and Iranian business. Contractor and construction firms are also affected.

Saudi Arabia: the boycott does not achieve its goals in the short term. By pushing Qatar towards Turkey and Iran, increases their presence in the region. It also demonstrates that no Plan B is on the table. No data is still available about the more than presumable damages on bilateral trade.

GCC: the regional organization faces internal divisions, with no solution at sight. Loses reputation and cohesion and is exposed to potential political freeze.