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## Look to Libya and Qatar for big returns

Long-term strategies in these markets could give rich returns for corporations. -myp

Mon, Oct 04, 2010  
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MORE daring corporate leaders should capitalise on early-stage growth in the less-explored emerging markets of Vietnam, the Philippines, Sri Lanka, Libya and Qatar in the coming year.

Dr Thierry Apoteker, chief executive of economics research group T-A-C (Thierry Apoteker Consultant) Financial, said long-term strategies in these markets could give rich returns for corporations.

T-A-C estimated Vietnam's economic-and financial-risk level at 51.

The Philippines' risk level stood at 37, Sri Lanka's at 52, and Libya's was 33.

Emerging markets typically have risk levels between 41 and 60, while countries with risk levels between 20 and 40 are considered safe for corporate investment.

The risk ratings are based on factors including the relative strength of currencies and cross-border payments and activity.

Dr Apoteker highlighted Libya and Qatar in particular.

With a population of 6.3 million and the largest oil reserves in Africa, Libya last year chalked up imports worth more than US\$36 billion (S\$47 billion).

"Libya is essentially an uncharted market and the growth potential is huge," said Dr Apoteker.

"The people there have huge needs and, starting from a very low base, the opportunities are sizeable, although the market is not that big."

The key risk there is political, so operations in Libya need to be carefully crafted, he warned.

As for Qatar, the country with a population of 1.3 million has seen a 250 per cent jump in the value of its imports in the last five years. Singapore's trade with Qatar in the year through August amounted to about \$5.4 billion.

"The government there is in a bit of a euphoric mood, and they are spending and spending," said Dr Apoteker. "There are some potential Dubai-like debt-crisis issues, but they are not an immediate risk."

That said, he cautioned that the T-A-C analysis was based on macro-economic factors and said businesses' priorities should be based on each corporation's strategy, the financial operations and partnerships.

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