

# Family Enterprise Sentiment Pulse Check 2022



Here are the results

## Introduction

With the economic and geo-political landscape reflecting so much uncertainty, we wanted to test the sentiment of the region's Family Enterprises across a range of market dynamics. The results are striking. Family Enterprises expect the thriving conditions currently seen in the Gulf economies to sustain, underpinned by a high oil price, and in tandem with this a general transfer of global influence from the West to the East. Less surprising was the embrace of digital where areas such as the metaverse and digital assets are becoming increasingly familiar. The eyes of the world were firmly on the region with Qatar hosting the FIFA World Cup. We can conclude that these results reflect highly positive sentiment towards the landscape at home, paired with appropriate caution and perhaps inevitable opportunity seizing likely to be exercised in the developed markets. The Middle East stands out as perhaps the most exciting and thriving market of the moment.

— **Scott Whalan, Deloitte Middle East Family Enterprise Leader**

What do you think the **oil price** will be in:

1 year? **\$91.0**

3 years? **\$91.9**



## The US Fed rate

► **At what rate will it peak?**

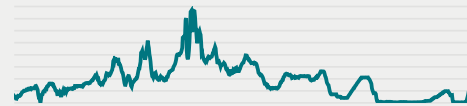
**33%** think the US Fed rate will peak between **4 to 5%**

► **What will be the rate in the next 3 years?**

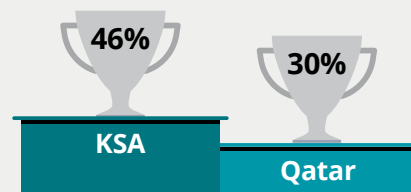
**37%** believe the US Fed rate will be in the range of **3 to 4%**

► **When will the rate peak?**

**46%** believe that the US Fed rate will peak in the first half of **2023**



Which **two regional stock markets** will see the strongest growth over the **next three years?**



What will the **end-year inflation rate** in your country be in **three years?**

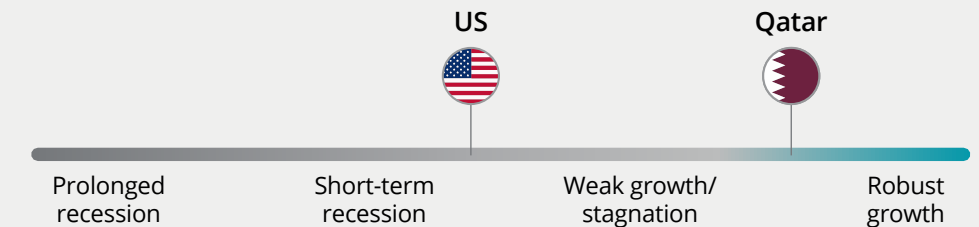


**Qatar**

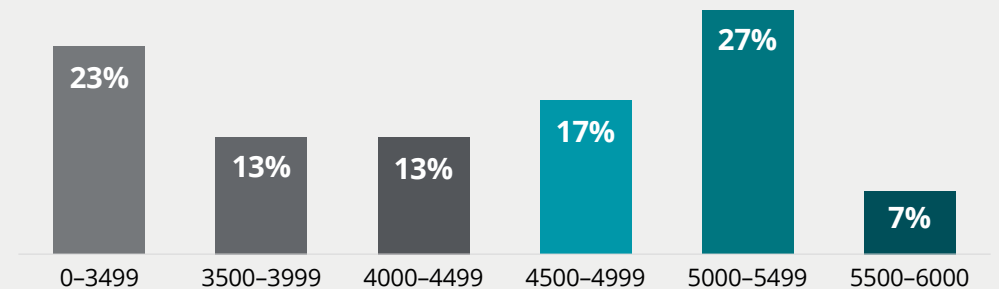
2023: **5.8%**

2025: **5.7%**

How do you expect the **US and Qatar economies to perform over the next three years?**



Where do you think the **S&P500** will be in **three years?**



Note: The S&P500 all time high is 4,818 as of 4 January 2022.

# Family Enterprise Sentiment Pulse Check 2022



Here are the results

## Economist comment

Respondents to the survey expect the featured Middle Eastern economies to grow strongly next year as other markets slow. High oil and gas prices and increased production have boosted economic activity this year and respondents foresee continuing support from higher prices, as they expect oil to trade above \$90/b for the next three years. Elevated energy prices will help the region's hydrocarbon exporters to offset the impact of strengthening global headwinds, and post robust growth next year. Inflation has been rising in the featured economies but is much lower than the multi-decade highs in the US where the Federal Reserve is hiking interest rates in response. Respondents anticipate interest rates in the US will continue to rise, peaking between 4.5% and 5% next year. Higher interest rates in the US will feed through to regional economies as central banks follow the Fed by raising rates to maintain their currency pegs to the dollar.

— **Tom Simmons, Senior Economist, Deloitte UK**

## What is your buy-sell-hold sentiment around the following asset classes?



- ▶ Equities—International
- ▶ Equities—Regional



- ▶ Real estate—Regional
- ▶ Real estate—International



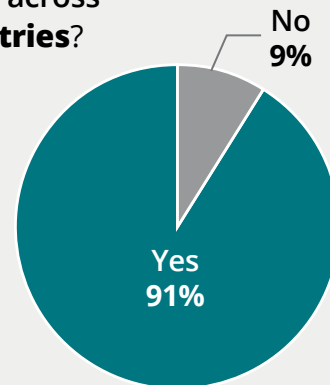
- ▶ Private business
- ▶ Emerging growth companies/venture capitals

## Monday-Friday work week impact



**41%** believe that the entire region will **move to a Monday-Friday week** in the **distant future**

## Will corporate income tax be implemented across all Gulf countries?



## Which government developments and initiatives do you feel will have the greatest positive impact on your family enterprise?



Public-private partnerships  
**35%**



Family business ownership law  
**26%**



Immigration/visa developments  
**26%**



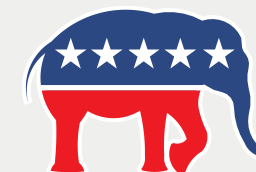
Companies law  
**13%**

## Where will global influence sit in three years?



## Which party will win the next United States presidential election in November 2024?

Republican  
**73%**



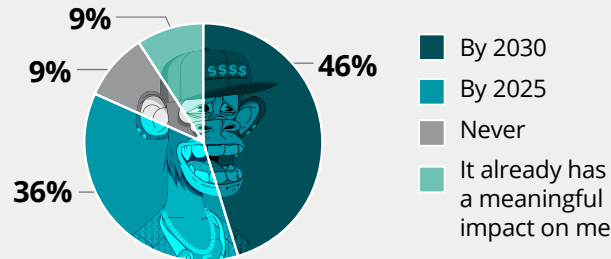
Democrat  
**27%**

# Family Enterprise Sentiment Pulse Check 2022



Here are the results

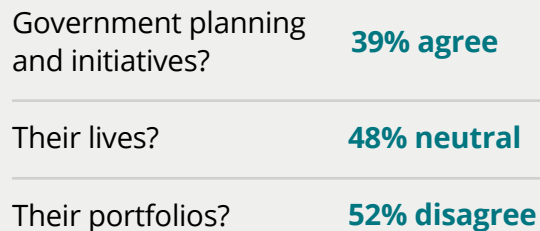
When will the **metaverse** and **NFTs** (non-fungible tokens) have a **meaningful impact** on you?



“The Middle East is at the forefront of the metaverse and NFTs trend. Family enterprises are seeing the application of these technologies within their businesses and meaningful impact of these technologies is taking the form of increasing number of use cases eg: deploying virtual interaction with products, virtual dressing rooms, AR technologies embedded on websites, smart contracts for real estate and a lot more use cases to look forward to.”

— Aditi Nitin, Data and Digital Transformation expert for family enterprises, Deloitte Middle East

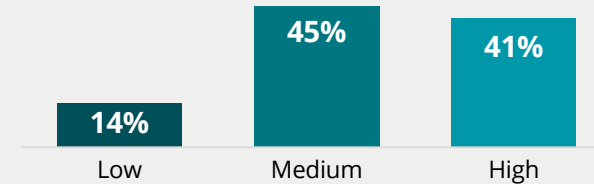
Is **cryptocurrency** a necessary part of:



**68%** are inclined to switch to an **electric vehicle** in the near future



How much of an **overall benefit** do you think the **2022 FIFA World Cup** will have for the **State of Qatar**?



“Qatar has fulfilled its promise to host an impeccable FIFA World Cup, which has provided an opportunity for the rest of the world to visit the State of Qatar. However, the benefit of the FIFA World Cup will not just be limited to the State of Qatar but will benefit the wider Middle East.”

— Joseph Khalife, Qatar Deloitte Private Leader

What **book** have you read recently that had the **most impact** on you?

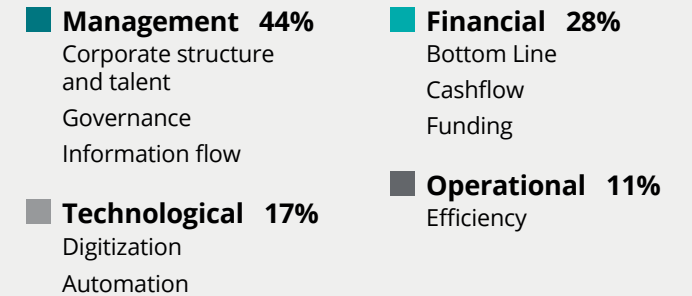
- ▶ CEO Excellence
- ▶ The Intelligent Investor
- ▶ The 7 Levels of Change: Different Thinking for Different Results



**43%** consider **sustainability** to be a priority in the near term



If you could **solve one problem in your business** in an instant, what would it be?



This publication has been written in general terms and therefore cannot be relied on to cover specific situations; application of the principles set out will depend upon the particular circumstances involved and we recommend that you obtain professional advice before acting or refraining from acting on any of the contents of this publication.

Deloitte & Touche (M.E.) LLP (“DME”) is the affiliate for the territories of the Middle East and Cyprus of Deloitte NSE LLP (“NSE”), a UK limited liability partnership and member firm of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee (“DTTL”).

Deloitte refers to one or more of DTTL, its global network of member firms, and their related entities. DTTL (also referred to as “Deloitte Global”) and each of its member firms are legally separate and independent entities. DTTL, NSE and DME do not provide services to clients. Please see [www.deloitte.com/about](http://www.deloitte.com/about) to learn more.

Deloitte is a leading global provider of audit and assurance, consulting, financial advisory, risk advisory, tax and related services. Our network of member firms in more than 150 countries and territories, serves four out of five Fortune Global 500® companies. Learn how Deloitte’s approximately 300,000 people make an impact that matters at [www.deloitte.com](http://www.deloitte.com).

DME would be pleased to advise readers on how to apply the principles set out in this publication to their specific circumstances. DME accepts no duty of care or liability for any loss occasioned to any person acting or refraining from action as a result of any material in this publication.

DME is a leading professional services firm established in the Middle East region with uninterrupted presence since 1926. DME’s presence in the Middle East region is established through its affiliated independent legal entities, which are licensed to operate and to provide services under the applicable laws and regulations of the relevant country. DME’s affiliates and related entities cannot obligate each other and/or DME, and when providing services, each affiliate and related entity engages directly and independently with its own clients and shall only be liable for its own acts or omissions and not those of any other affiliate.

DME provides audit and assurance, consulting, financial advisory, risk advisory and tax, services through 27 offices in 15 countries with more than 5,000 partners, directors and staff.

© 2022 Deloitte & Touche (M.E.). All rights reserved