

Market Review and Outlook

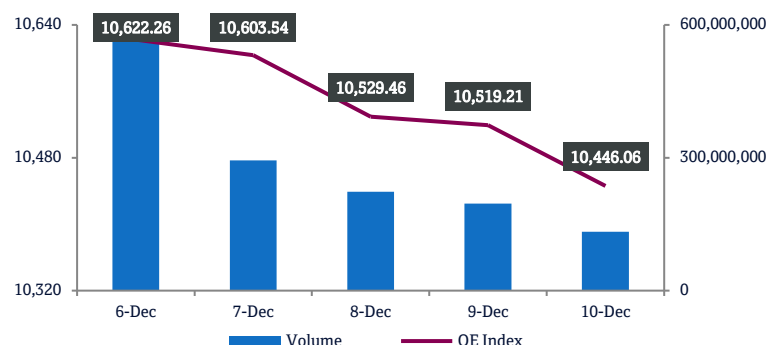
The Qatar Stock Exchange (QSE) Index lost 0.19% during the week, to close at 10,446.06. Market capitalization retreated by 0.1% to QR603.1 billion (bn) vs. QR603.9bn at the end of the previous week. Of the 47 listed companies, 27 companies ended the week higher, while 19 fell and 1 remained unchanged. Milaha (QNNS) was the best performing stock for the week, with a gain of 8.9%. On the other hand, Widam Food (WDAM) was the worst performing stock with a decline of 4.5%.

Industries Qatar (IQCD), QNB Group (QNBK) and Commercial Bank of Qatar (CBQK) were the primary contributors to the weekly index decline. IQCD was the biggest contributor to the index's weekly decrease, shaving off 48.89 points from the index. QNBK erased 17.58 points from the index. Further, CBQK shed another 13.95 points.

Trading value during the week decreased by 30.9% to reach QR2,815.1mn vs. QR4,074.8mn in the prior trading week. Ezdan Holding Group (ERES) was the top value traded stock during the week with total traded value of QR322,5mn.

Trading volume also decreased by 2.1% to reach 1,409.6mn shares vs. 1,439.8mn shares in the prior trading week. The number of transactions fell by 17.9% to reach 59,846 transactions versus 72,908 transactions in the prior week. Investment Holding Group (IGRD) was also the top volume traded stock during the week with total traded volume of 251.5mn shares.

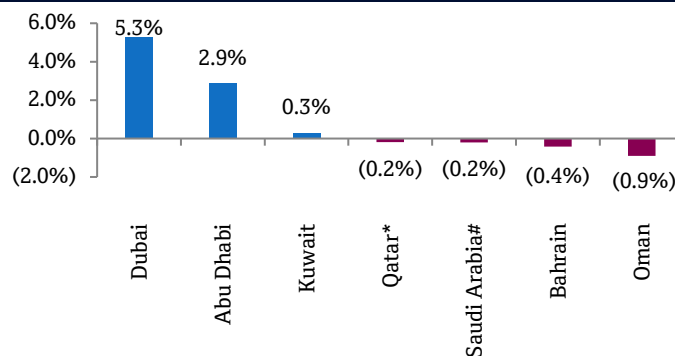
QSE Index and Volume



Market Indicators	Week ended Dec 10, 2020	Week ended Dec 03, 2020	Chg. %
Value Traded (QR mn)	2,815.1	4,074.8	(30.9)
Exch. Market Cap. (QR mn)	603,127.6	603,933.9	(0.1)
Volume (mn)	1,409.6	1,439.8	(2.1)
Number of Transactions	59,846	72,908	(17.9)
Companies Traded	47	47	0.0
Market Breadth	27:19	38:8	-

Market Indices	Close	WTD%	MTD%	YTD%
Total Return	20,082.21	(0.2)	1.8	4.7
ALL Share Index	3,205.15	(0.3)	1.8	3.4
Banks and Financial Services	4,252.26	(0.6)	2.0	0.8
Industrials	3,076.78	(2.0)	(1.0)	4.9
Transportation	3,342.72	4.3	4.4	30.8
Real Estate	1,966.26	2.0	8.4	25.6
Insurance	2,489.14	(0.9)	1.0	(9.0)
Telecoms	965.59	3.1	3.2	7.9
Consumer Goods & Services	8,218.26	(0.3)	0.9	(5.0)
Al Rayan Islamic Index	4,275.64	(0.3)	1.9	8.2

Weekly Index Performance



Regional Indices	Close	WTD%	MTD%	YTD%	Weekly Exchange Traded Value (\$ mn)	Exchange Mkt. Cap. (\$ mn)	TTM P/E**	P/B**	Dividend Yield
Qatar*	10,446.06	(0.2)	1.8	0.2	765.48	164,352.3	17.8	1.5	3.8
Dubai	2,546.84	5.3	5.3	(7.9)	639.64	94,267.5	11.9	0.9	3.8
Abu Dhabi	5,109.19	2.9	2.9	0.7	706.93	200,839.6	19.8	1.4	4.8
Saudi Arabia#	8,660.21	(0.2)	(1.0)	3.2	15,002.13	2,456,929.6	34.7	2.1	2.3
Kuwait	5,559.90	0.3	1.8	(11.5)	610.50	101,579.3	37.1	1.4	3.5
Oman	3,606.98	(0.9)	(1.0)	(9.4)	40.78	16,454.3	10.9	0.7	7.0
Bahrain	1,490.39	(0.4)	0.9	(7.4)	16.06	22,788.5	14.5	1.0	4.5

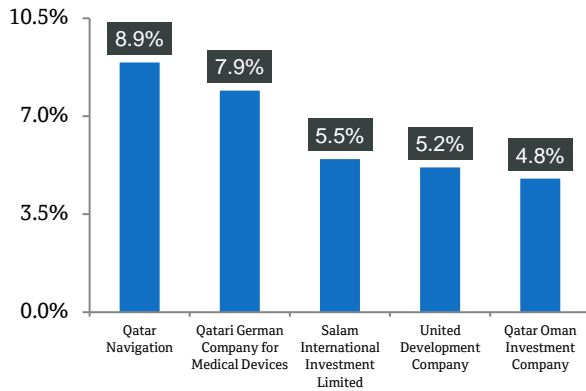
Source: Bloomberg, country exchanges and Zawya (** Trailing Twelve Months; * Value traded (\$ mn) do not include special trades, if any; #Data as of December 09, 2020)

Economic, Market & Corporate News

- UAE, Egypt welcome efforts to resolve Gulf dispute** – The UAE said it supports Saudi efforts to end a three-year Gulf dispute, Abu Dhabi's first reaction to recent statements suggesting the rift between four regional countries and Qatar could soon ease. Saudi Arabia's Foreign Minister, Faisal bin Farhan told AFP last week that the kingdom and its allies the UAE, Bahrain and Egypt were on board to resolve the diplomatic crisis. The UAE supports Saudi Arabia's benevolent efforts on behalf of the four countries, tweeted Anwar Gargash, the Emirates' Minister of state for foreign affairs. "It looks forward to a successful Gulf summit," he added, referring to a meeting of the GCC regional bloc expected later this month. (Gulf-Times.com, Reuters)
- Qatar cabinet approves draft law on mortgaging movable property** – The Prime Minister and Minister of Interior HE Sheikh Khalid bin Khalifa bin Abdulaziz Al-Thani chaired Wednesday the cabinet's regular meeting held at its seat at the Amiri Diwan. The cabinet approved a draft law on mortgaging movable property and agreed to refer it to the Shura Council. The project aims to allow companies and individuals to obtain bank loans guaranteed by their movable property. This would help lower the cost of loans by finding guarantees for banks that lowers the risk of default and support small and medium enterprises in making a bigger contribution to the national economy. Some of the draft law's provisions include establishing an electronic record at the Qatar Central Securities Depository, mentioning the required documents for establishing the electronic record, and the rights of the borrowers and lenders. (Peninsula Qatar)
- Qatar to get COVID vaccine in a few weeks** – The COVID-19 vaccine is expected to arrive in Qatar within a few weeks, a senior health official has said. Head of the Vaccination Unit, Health Protection and Communicable Disease Control Department at the Ministry of Public Health (MoPH), Dr Soha Al-Bayat told local Arabic daily Arrayah that Qatar is just weeks away from receiving the vaccine - which would arrive this month or at the beginning of 2021. As reported earlier, Qatar has signed agreements with Pfizer-BioNTech and Moderna to procure COVID-19 vaccine. She said the vaccine Qatar will get has shown promising results with an efficacy level of over 90%, according to preliminary outcomes. (Gulf-Times.com)
- QLM IPO to raise QR659.4mn opens for subscription from today** – QLM Life & Medical Insurance Company (QLM), which recently announced a 60% initial public offering (IPO) at QR3.15/share to raise as much as QR659.4mn, has enjoyed continuous profits since its establishment over nine years ago, the company said. As a result, QLM has accumulated sizeable undistributed profits, reserves and surpluses on its balance sheet over and above its share capital. IPO investors will have access to these, resulting in an offer price with a premium over the historical book value, QLM said. In terms of global norms on IPO pricing, QLM stated that pricing IPOs at premiums to historical book values for businesses with successful track records is a common practice in the international capital markets. Historically in Qatar, IQCD and Mannai Corporation were listed at a premium to their respective book values. On its track record of profitability, QLM stated that it has been among the leaders in profitability in the regional insurance industry. Given its strong market footprint, dominant market share, unrivalled IT and operational platforms, and healthy capital position, the company is expected to continue to generate strong profits and distribute dividends to its shareholders in accordance with its dividend policy. Comparing the conversion structure to the new company vehicle structure, the conversion structure applied in QLM's IPO provides cost savings to investors as the offering and listing fees are lower, the company said. According to QLM, the IPO will give eligible investors, namely, individual Qataris and companies registered with the Ministry of Commerce & Industry, the opportunity to invest in and share in the future success of Qatar's largest life and medical insurance company. (Gulf-Times.com)
- Moody's affirms QIIK rating at 'A2' with a 'Stable' outlook** – Global credit rating agency Moody's has affirmed Qatar International Islamic Bank's (QIIK) rating at 'A2' with a 'Stable' outlook. This indicates that QIIK has managed to maintain the strength of its financial position in the light of the various market factors and challenges during the past period. On QIIK's credit strengths, Moody's highlighted the bank's solid asset quality, solid capitalization and profitability, resilient funding profile, underpinned by a solid retail-focused franchise and very high probability of government support in case of need. Commenting on Moody's rating affirmation of QIIK's CEO, Abdulbasit Ahmed Al-Shaibei said, "One of the key factors for affirming QIIB at this remarkable level is the strength of Qatar's economy, which provides protection and support for the State's different economic sectors, particularly the banking sector. In this regard, we are pleased to raise our various indicators to be consistent with the strength of the Qatari economy. Moody's affirmation of QIIK rating during its periodic review has great significance and reflects on our success in overcoming challenges and factors that have been witnessed lately by the international markets due to the repercussions of the COVID-19 pandemic. In addition, maintaining our profitability in these circumstances is yet another affirmation of our successful focus on the local market, punctuated by our efforts during our strategic and interim plans for many years." (QSE)
- Qatar Central Securities Depository has modified the foreigners' ownership limit of QNCD** – Qatar Central Securities Depository has modified the foreigners' ownership limit of Qatar National Cement Company (QNCD) to be 49% of the capital. (QSE)

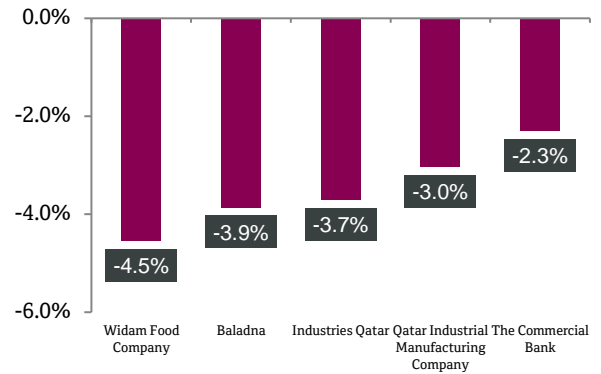
Qatar Stock Exchange

Top Gainers



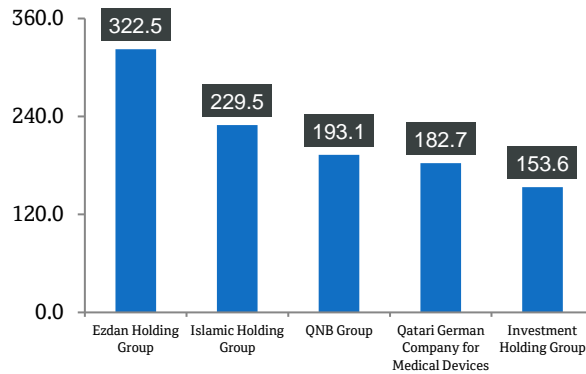
Source: Qatar Stock Exchange (QSE)

Top Decliners



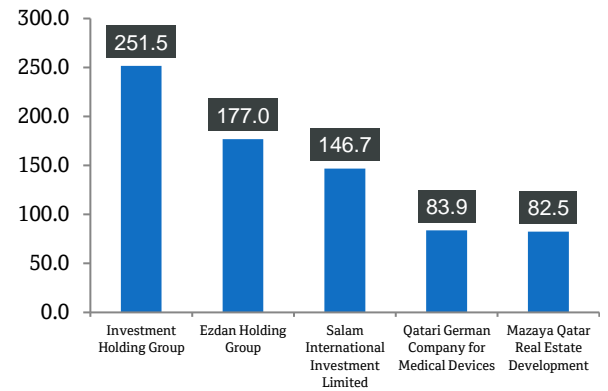
Source: Qatar Stock Exchange (QSE)

Most Active Shares by Value (QR Million)



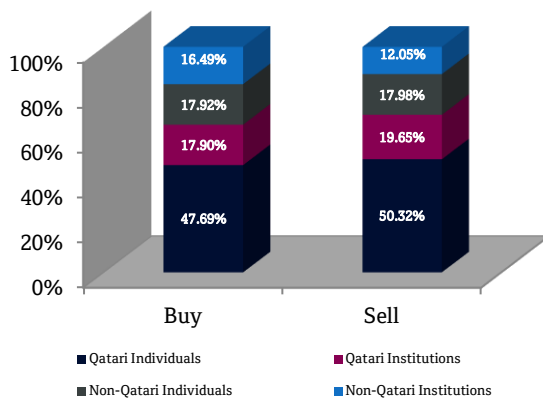
Source: Qatar Stock Exchange (QSE)

Most Active Shares by Volume (Million)



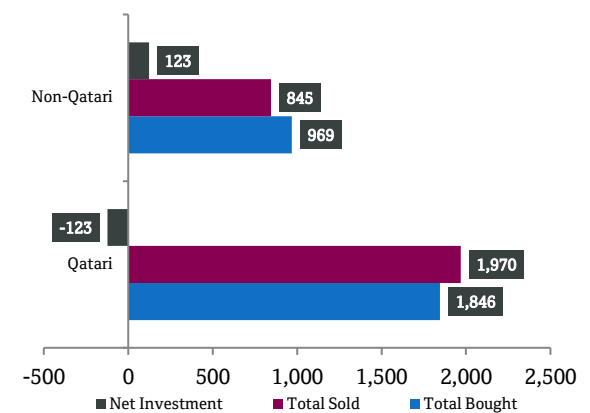
Source: Qatar Stock Exchange (QSE)

Investor Trading Percentage to Total Value Traded



Source: Qatar Stock Exchange (QSE)

Net Traded Value by Nationality (QR Million)



Source: Qatar Stock Exchange (QSE)

TECHNICAL ANALYSIS OF THE QSE INDEX



Source: Bloomberg

The Index closed slightly down by 0.19% from the previous week and printed last at 10,446.06 points. The Index is expected to correct on the uptrend after reaching the upper side of the uptrend channel. We remain positive on the Index as the trend remains bullish and strong. Our support level remains at the 9,800 level and the resistance at 10,500 level on the weekly chart.

DEFINITIONS OF KEY TERMS USED IN TECHNICAL ANALYSIS

RSI (Relative Strength Index) indicator – RSI is a momentum oscillator that measures the speed and change of price movements. The RSI oscillates between 0 to 100. The index is deemed to be overbought once the RSI approaches the 70 level, indicating that a correction is likely. On the other hand, if the RSI approaches 30, it is an indication that the index may be getting oversold and therefore likely to bounce back.

MACD (Moving Average Convergence Divergence) indicator – The indicator consists of the MACD line and a signal line. The divergence or the convergence of the MACD line with the signal line indicates the strength in the momentum during the uptrend or downtrend, as the case may be. When the MACD crosses the signal line from below and trades above it, it gives a positive indication. The reverse is the situation for a bearish trend.

Candlestick chart – A candlestick chart is a price chart that displays the high, low, open, and close for a security. The 'body' of the chart is portion between the open and close price, while the high and low intraday movements form the 'shadow'. The candlestick may represent any time frame. We use a one-day candlestick chart (every candlestick represents one trading day) in our analysis.

Doji candlestick pattern – A Doji candlestick is formed when a security's open and close are practically equal. The pattern indicates indecisiveness, and based on preceding price actions and future confirmation, may indicate a bullish or bearish trend reversal.

Shooting Star/Inverted Hammer candlestick patterns – These candlestick patterns have a small real body (open price and close price are near to each other), and a long upper shadow (large intraday movement on the upside). The Shooting Star is a bearish reversal pattern that forms after a rally. The Inverted Hammer looks exactly like a Shooting Star, but forms after a downtrend. Inverted Hammers represent a potential bullish trend reversal.

Company Name	Price December 10	% Change WTD	% Change YTD	Market Cap. QR Million	TTM P/E	P/B	Div. Yield
Qatar National Bank	18.09	(1.15)	(12.14)	167,087	15.3	2.3	3.3
Qatar Islamic Bank	17.00	0.06	10.89	40,170	14.2	2.3	3.1
Commercial Bank of Qatar	4.25	(2.30)	(9.57)	17,201	11.9	1.0	4.7
Doha Bank	2.41	0.58	(4.82)	7,466	15.2	0.8	N/A
Al Ahli Bank	3.38	3.94	1.34	8,207	13.0	1.3	4.2
Qatar International Islamic Bank	9.03	0.36	(6.71)	13,669	15.5	2.2	4.7
Masraf Al Rayan	4.45	0.57	12.25	33,338	15.2	2.4	5.1
Al Khaliji Bank	1.86	(1.59)	41.98	6,696	10.6	1.1	4.0
Qatar First Bank	1.80	2.80	119.93	1,259	N/A	2.7	N/A
National Leasing	1.26	2.94	78.58	623	33.0	0.9	4.0
Dlala Holding	1.97	(1.01)	222.26	560	N/A	2.8	N/A
Qatar & Oman Investment	0.90	4.77	34.68	284	22.5	1.0	2.2
Islamic Holding Group	4.91	4.54	158.32	278	50.5	2.0	N/A
Banking and Financial Services				296,837			
Zad Holding	15.00	(0.53)	8.54	3,555	17.6	2.5	5.7
Qatar German Co. for Medical Devices	2.18	7.92	274.57	252	N/A	8.4	N/A
Salam International Investment	0.66	5.47	26.89	750	N/A	0.5	N/A
Baladna	1.89	(3.86)	89.30	3,599	N/A	1.6	1.1
Medicare Group	9.15	2.67	8.26	2,575	31.4	2.6	19.7
Qatar Cinema & Film Distribution	3.85	1.00	75.05	242	55.2	0.2	2.6
Qatar Fuel	18.70	0.00	(18.34)	18,593	24.0	2.3	4.3
Qatar Meat and Livestock	6.20	(4.54)	(8.30)	1,116	13.0	2.7	4.8
Mannai Corp.	2.96	(1.37)	(3.93)	1,350	N/A	0.7	6.8
Al Meera Consumer Goods	21.00	0.05	37.25	4,200	20.7	2.8	4.0
Consumer Goods and Services				36,230			
Qatar Industrial Manufacturing	3.20	(3.03)	(10.36)	1,521	19.0	1.0	4.7
Qatar National Cement	4.06	(0.93)	(28.23)	2,650	21.8	0.9	7.4
Industries Qatar	10.64	(3.71)	3.50	64,372	43.9	2.0	3.8
Qatari Investors Group	1.85	(1.17)	3.41	2,301	29.5	0.8	3.0
Qatar Electricity and Water	18.36	0.77	14.11	20,196	13.5	2.2	4.2
Aamal	0.89	1.49	9.23	5,594	36.0	0.7	4.5
Gulf International Services	1.54	(0.90)	(10.23)	2,869	49.1	0.8	N/A
Mesaieed Petrochemical Holding	2.06	(0.96)	(17.93)	25,880	25.0	1.7	3.4
Invesment Holding Group	0.61	4.12	7.62	504	10.6	0.6	N/A
Qatar Aluminum Manufacturing	1.00	(1.09)	27.40	5,552	N/A	1.0	1.0
Industrials				131,440			
Qatar Insurance	2.58	(1.38)	(18.39)	8,423	N/A	1.1	5.8
Doha Insurance	1.37	0.81	14.25	686	12.7	0.6	5.8
Qatar General Insurance & Reinsurance	2.40	0.04	(2.52)	2,098	N/A	0.4	N/A
Al Khaleej Takaful Insurance	1.92	(2.14)	(4.00)	490	16.6	0.9	2.6
Qatar Islamic Insurance	6.70	0.75	0.30	1,005	14.0	2.7	5.6
Insurance				12,702			
United Development	1.73	5.17	13.68	6,119	30.5	0.6	2.9
Barwa Real Estate	3.43	(1.32)	(3.22)	13,331	9.4	0.7	5.8
Ezdan Real Estate	1.79	3.77	191.06	47,480	N/A	1.5	N/A
Mazaya Qatar Real Estate Development	1.25	2.53	74.41	1,452	48.6	0.1	N/A
Real Estate				68,381			
Ooredoo	7.10	4.44	0.28	22,743	12.0	1.0	3.5
Vodafone Qatar	1.33	(0.45)	14.22	5,601	34.9	1.3	3.8
Telecoms				28,343			
Qatar Navigation (Milaha)	7.07	8.92	15.89	8,096	15.7	0.6	4.2
Gulf Warehousing	5.18	0.84	(5.44)	304	12.8	1.6	3.9
Qatar Gas Transport (Nakilat)	3.26	1.87	36.40	18,061	15.4	3.0	3.1
Transportation				26,461			
Qatar Exchange				603,128			

Source: Bloomberg

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