

Market Review and Outlook

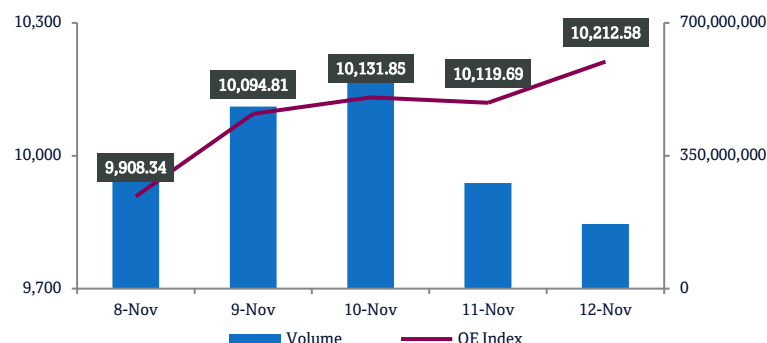
The Qatar Stock Exchange (QSE) Index gained 3.27% during the week, to close at 10,212.58. Market capitalization increased by 3.6% to QR594.5 billion (bn) vs. QR574.0bn at the end of the previous week. Of the 47 listed companies, 41 companies ended the week higher, while 5 fell and 1 remained unchanged. Mazaya Real Estate Development Co. (MRDS) was the best performing stock for the week, with a gain of 20.2%. On the other hand, Qatar Cinema (QCFS) was the worst performing stock with a decline of 2.6%.

QNB Group (QNBK), Industries Qatar (IQCD) and Nakilat (QGTS) were the primary contributors to the weekly index gain. QNBK was the largest contributor to the index's weekly gain, adding 62.8 points to the index. IQCD was the second biggest contributor to the mentioned gain, adding 59.7 points to the index. Moreover, QGTS added another 47.1 points to the overall index.

Trading value during the week surged by 110% to reach QR3.31bn vs. QR1.57bn in the prior trading week. Mazaya Real Estate Development Co. (MRDS) was the top value traded stock during the week with total traded value of QR339.7mn.

Trading volume also surged by 87.3% to reach 1,854.8mn shares vs. 990.1mn shares in the prior trading week. The number of transactions increased by 61.0% to reach 64,063 transactions versus 39,801 transactions in the prior week. Investment Holding Group (IGRD) was also the top volume traded stock during the week with total traded volume of 348.0mn shares.

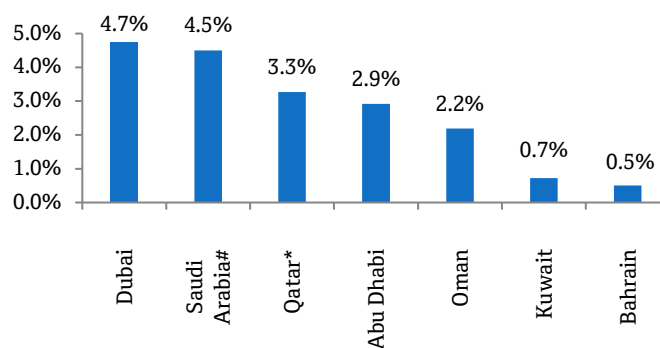
QSE Index and Volume



Market Indicators	Week ended Nov 12, 2020	Week ended Nov 05, 2020	Chg. %
Value Traded (QR mn)	3,305.4	1,574.4	109.9
Exch. Market Cap. (QR mn)	594,507.4	574,005.6	3.6
Volume (mn)	1,854.8	990.1	87.3
Number of Transactions	64,063	39,801	61.0
Companies Traded	47	47	0.0
Market Breadth	41:5	25:18	-

Market Indices	Close	WTD%	MTD%	YTD%
Total Return	19,633.34	3.3	5.4	2.3
ALL Share Index	3,163.30	3.4	5.3	2.1
Banks and Financial Services	4,289.91	2.4	4.1	1.6
Industrials	2,978.64	5.2	9.7	1.6
Transportation	3,001.98	7.0	6.4	17.5
Real Estate	1,883.91	3.5	4.5	20.4
Insurance	2,325.17	2.8	3.0	(15.0)
Telecoms	937.89	0.6	2.7	4.8
Consumer Goods & Services	8,220.45	5.2	5.9	(4.9)
Al Rayan Islamic Index	4,164.01	2.8	4.8	5.4

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*	10,212.58	3.3	5.4	(2.0)	1,545.46	161,468.2	17.3	1.5	3.9
Dubai	2,262.93	4.7	3.4	(18.2)	409.69	86,990.4	10.4	0.8	4.3
Abu Dhabi	4,855.90	2.9	4.2	(4.3)	1,094.94	195,542.4	17.3	1.4	5.0
Saudi Arabia#	8,449.66	4.5	6.9	0.7	14,781.74	2,434,407.3	31.7	2.0	2.4
Kuwait	5,514.29	0.7	1.3	(12.2)	1,035.07	100,669.4	34.8	1.3	3.5
Oman	3,628.14	2.2	2.0	(8.9)	22.10	16,441.4	10.9	0.7	6.8
Bahrain	1,449.13	0.5	1.5	(10.0)	12.36	22,100.7	14.1	0.9	4.6

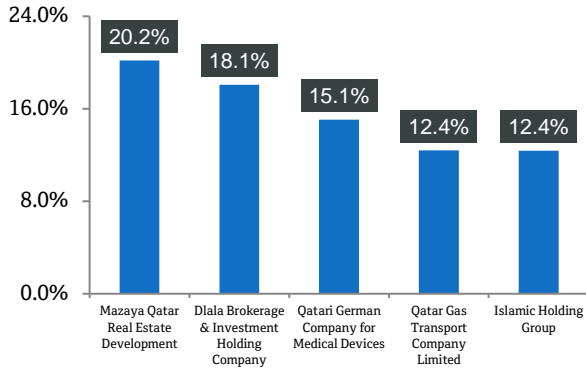
Source: Bloomberg, country exchanges and Zawya (** Trailing Twelve Months; * Value traded (\$ mn) do not include special trades, if any; #Data as of November 11, 2020)

Economic, Market & Corporate News

- MSCI adds QGTS to MSCI Qatar Index** – MSCI announced the result of the Semi-Annual Index review on November 10, 2020. MSCI has added Qatar Gas Transport Company (QGTS) to MSCI Qatar Index (Standard index), while no other companies have been removed. The changes to the MSCI indices will become effective on close of November 30, 2020. (QSE)
- Qatar International Islamic Bank issues international bonds for \$200.0mn maturing in 2022** – Qatar International Islamic Bank issued international bonds (XS2059659123) for \$200.0mn maturing in 2022. The Depository were Clearstream Banking S.A. and Euroclear Bank, while the Bookrunner was Nomura International. (Bloomberg)
- S&P affirms Qatar rating with ‘Stable’ outlook** – S&P Global Ratings (S&P) has affirmed Qatar’s sovereign credit rating at AA-/Stable/A-1+, with ‘Stable’ outlook. “The ‘Stable’ outlook indicates our view that, despite a sharp economic contraction and low hydrocarbon prices, we expect Qatar’s credit profile will remain resilient, supported by its wealthy economy and strong government and external net asset positions. We also expect that the government will provide timely extraordinary liquidity support to the banking system in the less likely event of sudden and sharp reversals in foreign flows,” S&P stated in a report. The report noted that despite the sharp COVID-19- induced decline in economic activity and low hydrocarbon prices, income levels in Qatar remain among the highest of rated sovereigns, supporting its strong credit profile. High GDP per capita, rebounding to an average of \$61,600 in 2021- 2023 from a low of \$56,500 in 2020, will mitigate the effect of weak trend growth expected over the forecast horizon. S&P stated, “We expect the rebound to be linked to increased hydrocarbon prices and gradually abating effects of the pandemic. Despite our expectation of current account deficits through 2021, Qatar’s external balance sheet remains strong, with liquid external assets continuing to offset the country’s stock of external debt by a sizable margin. We expect the government will provide extraordinary liquidity support to the banking system in case of sudden reversals in capital flows related to nonresident funding.” Despite low oil prices, S&P expects Qatar would continue to generate surpluses in its budgetary accounts on the general government level. “The country’s strong general government net asset position remains credit strength. The government’s large liquid financial assets, averaging about 185% of GDP in 2021-2023, provide it with a strong buffer during economic and financial shocks,” it said. (Peninsula Qatar)
- Fitch and Moody’s affirm KCBK’s ratings** – Al Khalij Commercial Bank (KCBK) announced that rating agencies Fitch and Moody’s have affirmed the banks ratings as ‘A’ with a ‘Stable’ outlook and ‘A3/Prime-2’, with a ‘Stable’ outlook respectively. Fitch defines those entities within ‘A’ rating as exhibiting adequate assets quality, improving profitability and low default risk. The bank’s short-term IDR rating has also been affirmed at ‘F1’. In addition, Moody’s has also affirmed the banks ratings as ‘A3/Prime-2’ for deposit with a ‘Stable’ outlook that reflects bank’s good asset quality, solid capitalization, and strong liquidity. The assigned ratings are an independent and objective opinion on the bank’s risk profile management culture and risk. (QSE)
- All government bodies must complete strategic projects by 2022-end** – Prime Minister and Minister of Interior HE Sheikh Khalid bin Khalifa bin Abdulaziz Al Thani has directed all governmental bodies to complete all the strategic projects before the end of 2022. The PM said the Ministry of Administrative Development, Labor and Social Affairs (MADLSA) will support the bodies technically in implementing the projects. Chairing the Cabinet meeting on Wednesday, the PM said the strategic plans of governmental bodies should include the following: A project for the description, classification and arrangement of job positions for each entity, a project for documenting work procedures in each entity and a project for preparing job curriculum for each entity. (Qatar Tribune)
- Cushman and Wakefield: Further downward pressure on residential rents likely** – Qatar is expected to see further downward pressure on residential rents as new demand fails due to Covid-19 measures to prevent the spread of the pandemic, according to Cushman and Wakefield Qatar (CWQ). Measures taken to stop the spread of COVID-19, including a restriction on entry into Qatar, has "stifled" new demand for residential property, CWQ said in its latest report. Activities in the residential lettings market has almost exclusively been limited to those re-locating within the country throughout the third quarter (3Q), it said. Qatar maintains a cautious approach in opening its borders, it said, highlighting that travel into Qatar remains tightly controlled and is subject to both entry permits and compulsory quarantining for a minimum of seven days. Finding that Qatar has adopted a cautious approach in the re-opening of its borders to non-residents; it said despite these measures, the mobility indices are trending up in September after stalling in August. The average now stands at over 98% of pre-crisis levels, having slipped to 57.3% in August, the report said. The third and fourth phases of the lifting of restrictions took place at the end of July and on September 1 respectively. These phases saw a re-opening of workplaces — with safety measures in place — and schools, which have welcomed students back on a rotation basis to restrict numbers in classrooms. The COVID-related lockdown measures and the associated fall in global oil prices has resulted in both private and public sector cutbacks, which started to filter through to residential occupancy rates in 3Q, according to CWQ. (Gulf-Times.com)

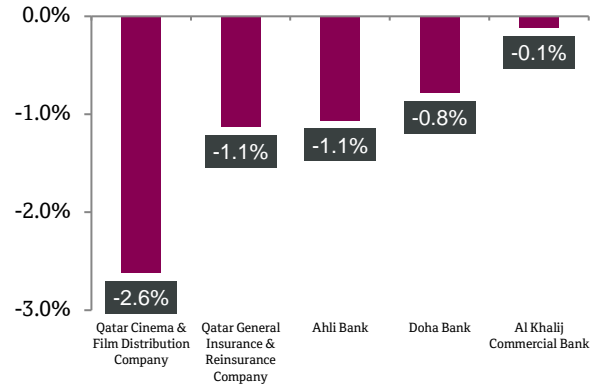
Qatar Stock Exchange

Top Gainers



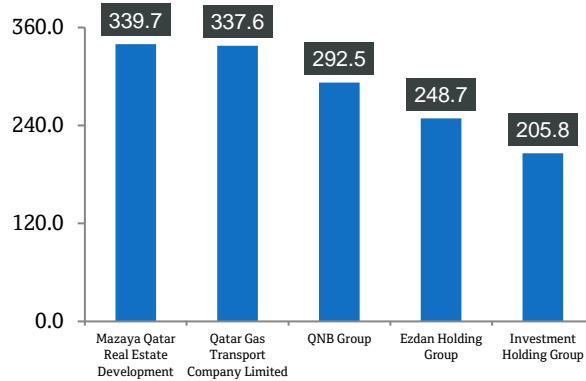
Source: Qatar Stock Exchange (QSE)

Top Decliners



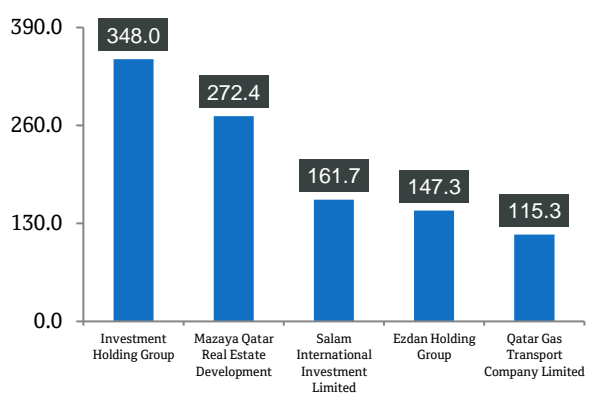
Source: Qatar Stock Exchange (QSE)

Most Active Shares by Value (QR Million)



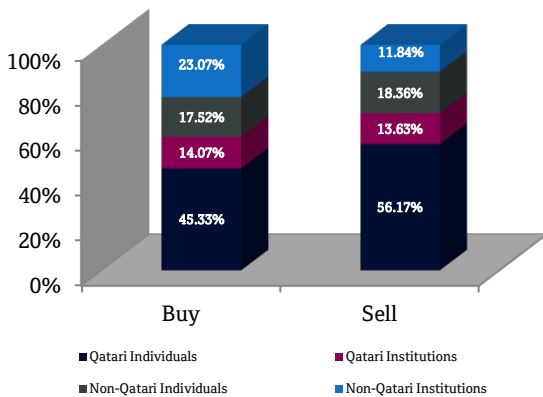
Source: Qatar Stock Exchange (QSE)

Most Active Shares by Volume (Million)



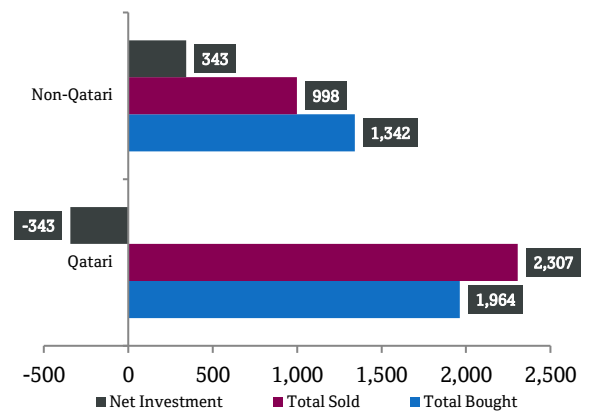
Source: Qatar Stock Exchange (QSE)

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 QSE Index closed in the green for the second week; it gained 3.27% from last week and closed at the 10,212.58 level. It is worth mentioning that the rising-wedge formation we mentioned previously has been nullified and a clear uptrend with a bullish channel has been created. Moreover, the Index is back above its major moving averages. As a result, we expect the trend to continue up and volatility will increase. We update our support level to 9,800, and the resistance to 10,400 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 November 12	% Change WTD	% Change YTD	Market Cap. QR Million	TTM P/E	P/B	Div. Yield
Qatar National Bank	18.99	4.11	(7.77)	175,400	16.1	2.4	3.2
Qatar Islamic Bank	16.52	0.18	7.76	39,036	13.8	2.2	3.2
Commercial Bank of Qatar	4.32	1.89	(8.09)	17,484	12.1	1.0	4.6
Doha Bank	2.41	(0.78)	(4.70)	7,475	15.2	0.8	N/A
Al Ahli Bank	3.25	(1.07)	(2.50)	7,896	12.5	1.3	4.4
Qatar International Islamic Bank	8.68	2.72	(10.33)	13,139	14.9	2.1	4.9
Masraf Al Rayan	4.30	0.44	8.51	32,228	14.7	2.3	5.2
Al Khaliji Bank	1.70	(0.12)	29.85	6,124	9.7	1.0	4.4
Qatar First Bank	1.72	0.94	109.90	1,202	N/A	2.5	N/A
National Leasing	1.21	9.58	71.91	600	31.8	0.9	4.1
Diala Holding	1.90	18.09	210.97	540	N/A	2.7	N/A
Qatar & Oman Investment	0.86	9.95	28.85	272	21.5	0.9	2.3
Islamic Holding Group	3.66	12.38	92.47	207	37.6	1.5	N/A
Banking and Financial Services				301,601			
Zad Holding	14.82	0.54	7.24	3,512	17.4	2.4	5.7
Qatar German Co. for Medical Devices	1.85	15.07	217.53	213	N/A	7.1	N/A
Salam International Investment	0.61	10.87	18.38	700	N/A	0.4	N/A
Baladna	1.97	3.03	97.20	3,749	N/A	1.7	1.1
Medicare Group	8.89	6.28	5.21	2,502	30.5	2.5	20.2
Qatar Cinema & Film Distribution	4.09	(2.62)	85.91	257	58.7	0.2	2.4
Qatar Fuel	18.70	7.35	(18.34)	18,593	24.0	2.3	4.3
Qatar Meat and Livestock	7.00	1.01	3.55	1,260	14.7	3.1	4.3
Mannai Corp.	2.94	1.70	(4.71)	1,339	N/A	0.6	6.8
Al Meera Consumer Goods	20.30	1.50	32.68	4,060	20.1	3.0	4.2
Consumer Goods and Services				36,185			
Qatar Industrial Manufacturing	3.06	2.62	(14.34)	1,453	18.1	0.9	4.9
Qatar National Cement	3.86	0.16	(31.68)	2,523	20.8	0.9	7.8
Industries Qatar	10.10	5.22	(1.75)	61,105	41.6	1.9	4.0
Qatari Investors Group	1.84	7.10	2.85	2,289	29.3	0.8	3.0
Qatar Electricity and Water	17.84	4.69	10.88	19,624	13.1	2.1	4.3
Aamal	0.87	8.57	7.50	5,506	35.4	0.7	4.6
Gulf International Services	1.56	11.55	(9.07)	2,907	49.8	0.8	N/A
Mesaieed Petrochemical Holding	2.10	6.06	(16.33)	26,383	25.5	1.7	3.3
Invesment Holding Group	0.58	6.79	3.19	483	10.2	0.6	N/A
Qatar Aluminum Manufacturing	0.95	1.60	21.64	5,301	N/A	0.9	1.1
Industrials				127,573			
Qatar Insurance	2.38	3.57	(24.62)	7,780	N/A	1.0	6.3
Doha Insurance	1.29	7.95	7.50	645	12.0	0.6	6.2
Qatar General Insurance & Reinsurance	2.27	(1.13)	(7.72)	1,986	N/A	0.4	N/A
Al Khaleej Takaful Insurance	1.96	1.56	(2.20)	499	16.9	0.9	2.6
Qatar Islamic Insurance	6.40	1.25	(4.19)	960	13.4	2.6	5.9
Insurance				11,871			
United Development	1.57	0.83	3.49	5,570	27.7	0.5	3.2
Barwa Real Estate	3.48	3.67	(1.72)	13,538	9.5	0.7	5.7
Ezdan Real Estate	1.62	3.26	162.76	42,864	N/A	1.3	N/A
Mazaya Qatar Real Estate Development	1.25	20.19	73.85	1,447	48.5	0.1	N/A
Real Estate				63,419			
Ooredoo	6.80	0.00	(3.95)	21,782	11.5	0.9	3.7
Vodafone Qatar	1.34	2.29	15.43	5,660	35.2	1.3	3.7
Telecoms				27,442			
Qatar Navigation (Milaha)	6.05	0.83	(0.82)	6,929	13.4	0.5	5.0
Gulf Warehousing	4.99	0.20	(8.98)	292	12.3	1.6	4.0
Qatar Gas Transport (Nakilat)	2.99	12.41	25.10	16,565	14.1	2.7	3.3
Transportation				23,786			
Qatar Exchange				594,507			

Source: Bloomberg

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