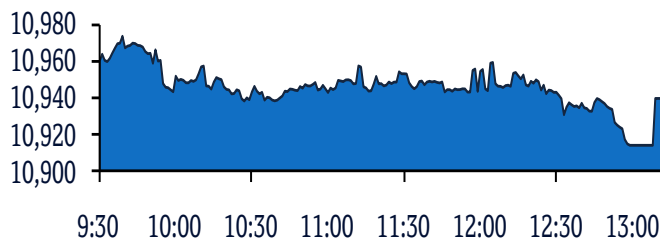


## QSE Intra-Day Movement



## Qatar Commentary

The QE Index declined 0.3% to close at 10,940.6. Losses were led by the Transportation and Real Estate indices, falling 0.9% and 0.4%, respectively. Top losers were Qatar Cinema & Film Distribution Company and QLM Life & Medical Insurance Company, falling 9.9% and 2.0%, respectively. Among the top gainers, Mannai Corporation gained 5.4%, while Ahli Bank was up 2.4%.

## GCC Commentary

**Saudi Arabia:** The TASI Index gained 2.6% to close at 10,531.2. Gains were led by the Banks and Utilities indices, rising 4.7% and 3.5%, respectively. Rabigh Refining & Petrochemical Company rose 8.4%, while Riyadh Bank was up 6.7%.

**Dubai:** The DFM Index fell 0.4% to close at 2,620.1. The Telecommunication index declined 2.3%, while the Real Estate & Construction index fell 1.1%. Ithmaar Holding declined 3.2%, while Emirates Integrated Telecomm Co. was down 2.3%.

**Abu Dhabi:** The ADX General Index fell 0.6% to close at 6,083.3. The Industrial index declined 1.2%, while the Banks index fell 0.9%. Abu Dhabi National Co. for Building Mat. declined 10.0%, while Gulf Pharmaceutical Ind. was down 1.9%.

**Kuwait:** The Kuwait All Share Index gained 0.9% to close at 6,131.1. The Industrials index rose 7.5%, while the Real Estate index gained 3.9%. National Real Estate Company rose 42.2%, while Sanam Real Estate Company was up 20.4%.

**Oman:** The MSM 30 Index gained 0.5% to close at 3,734.9. Gains were led by the Financial and Services indices, rising 0.7% and 0.1%, respectively. Muscat Finance rose 4.7%, while Al Omaniya Financial Services was up 4.4%.

**Bahrain:** The BHB Index gained 0.2% to close at 1,486.2. The Services and Industrial indices rose 0.7% each. Trafco Group rose 10.0%, while Nass Corporation was up 4.4%.

Market Indicators	28 Apr 21	27 Apr 21	%Chg.
Value Traded (QR mn)	581.0	693.8	(16.3)
Exch. Market Cap. (QR mn)	632,952.1	634,394.7	(0.2)
Volume (mn)	269.9	355.0	(24.0)
Number of Transactions	10,426	11,390	(8.5)
Companies Traded	47	48	(2.1)
Market Breadth	14:32	21:22	-

Market Indices	Close	1D%	WTD%	YTD%	TTMP/E
Total Return	21,657.54	(0.3)	0.9	7.9	18.6
All Share Index	3,454.08	(0.2)	0.7	8.0	19.3
Banks	4,502.33	(0.1)	0.1	6.0	15.8
Industrials	3,664.71	(0.4)	3.6	18.3	29.1
Transportation	3,470.53	(0.9)	(0.8)	5.3	23.2
Real Estate	1,915.97	(0.4)	(0.9)	(0.7)	18.2
Insurance	2,654.54	0.3	1.5	10.8	25.5
Telecoms	1,094.26	0.1	0.4	8.3	25.0
Consumer	8,374.05	(0.2)	(0.6)	2.9	30.1
Al Rayan Islamic Index	4,675.57	(0.2)	0.7	9.5	20.5

GCC Top Gainers**	Exchange	Close*	1D%	Vol. '000	YTD%
Agility Public Wareh. Co.	Kuwait	0.98	15.3	12,607.5	45.0
Rabigh Refining & Petro.	Saudi Arabia	20.84	8.4	12,030.4	50.8
Riyadh Bank	Saudi Arabia	27.00	6.7	5,144.0	33.7
Saudi Basic Ind. Corp.	Saudi Arabia	127.80	6.5	5,760.5	26.0
Saudi National Bank	Saudi Arabia	57.90	6.4	14,723.6	33.6

GCC Top Losers**	Exchange	Close*	1D%	Vol. '000	YTD%
Emaar Properties	Dubai	3.76	(1.6)	12,588.4	6.5
Emaar Economic City	Saudi Arabia	10.40	(1.5)	4,798.9	12.9
First Abu Dhabi Bank	Abu Dhabi	14.38	(1.2)	17,875.3	11.5
Dar Al Arkan Real Estate	Saudi Arabia	10.26	(1.2)	74,018.2	18.5
Ezdan Holding Group	Qatar	1.77	(1.1)	6,138.1	(0.5)

Source: Bloomberg (# in Local Currency) (\*\* GCC Top gainers/losers derived from the S&P GCC Composite Large Mid Cap Index)

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Qatar Cinema & Film Distribution	4.01	(9.9)	2.2	0.4
QLM Life & Medical Insurance Co.	5.02	(2.0)	520.9	28.7
Qatar Oman Investment Co.	0.92	(2.0)	3,131.8	4.1
Investment Holding Group	1.12	(1.8)	11,588.6	87.0
Dlala Brokerage & Inv. Holding Co	1.72	(1.4)	2,065.1	(4.2)

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
Qatar Aluminium Manufacturing	1.54	(1.0)	101,199.7	58.7
Mesaieed Petrochemical Holding	1.95	(0.9)	56,283.6	(4.7)
Masraf Al Rayan	4.47	(0.0)	39,419.8	(1.4)
Medicare Group	9.69	(0.2)	35,273.4	9.6
Salam International Inv. Ltd.	0.88	(0.6)	34,403.8	35.8

Source: Bloomberg (\* in QR)

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Mannai Corporation	4.29	5.4	941.6	43.0
Ahli Bank	3.70	2.4	5.0	7.3
Qatar Electricity & Water Co.	17.14	1.1	143.9	(4.0)
Gulf Warehousing Company	5.13	0.9	1,219.2	0.7
Qatar Islamic Insurance Company	7.90	0.8	254.6	14.5

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Qatar Aluminium Manufacturing	1.54	(1.0)	65,871.3	58.7
Salam International Inv. Ltd.	0.88	(0.6)	39,076.1	35.8
Mesaieed Petrochemical Holding	1.95	(0.9)	28,241.2	(4.7)
Mazaya Qatar Real Estate Dev.	1.20	(0.4)	18,368.1	(5.1)
Gulf International Services	1.58	0.3	17,845.9	(8.2)

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded (\$ mn)	Exchange Mkt. Cap. (\$ mn)	P/E**	P/B**	Dividend Yield
Qatar*	10,940.58	(0.3)	0.9	5.2	4.8	156.87	170,580.6	18.6	1.6	2.7
Dubai	2,620.08	(0.4)	(0.2)	2.7	5.1	43.41	99,507.1	20.4	0.9	3.2
Abu Dhabi	6,083.28	(0.6)	(0.3)	2.9	20.6	294.76	241,477.9	23.0	1.7	4.3
Saudi Arabia	10,531.22	2.6	3.9	6.3	21.2	3,518.37	2,605,599.8	33.8	2.4	2.3
Kuwait	6,131.14	0.9	1.7	6.2	10.5	278.65	116,330.1	51.2	1.5	2.3
Oman	3,734.88	0.5	0.4	0.7	2.1	11.22	16,946.0	11.2	0.7	4.8
Bahrain	1,486.19	0.2	(0.0)	1.9	(0.2)	2.18	22,802.7	40.9	1.0	2.4

Source: Bloomberg, Qatar Stock Exchange, Tadawul, Muscat Securities Market and Dubai Financial Market (\*\* TTM; \* Value traded (\$ mn) do not include special trades, if any)

## Qatar Market Commentary

- The QE Index declined 0.3% to close at 10,940.6. The Transportation and Real Estate indices led the losses. The index fell on the back of selling pressure from Qatari and GCC shareholders despite buying support from Arab and Foreign shareholders.
- Qatar Cinema & Film Distribution Company and QLM Life & Medical Insurance Company were the top losers, falling 9.9% and 2.0%, respectively. Among the top gainers, Mannai Corporation gained 5.4%, while Ahli Bank was up 2.4%.
- Volume of shares traded on Wednesday fell by 24.0% to 269.9mn from 355.0mn on Tuesday. Further, as compared to the 30-day moving average of 300.3mn, volume for the day was 10.1% lower. Qatar Aluminium Manufacturing Company and Salam International Investment Limited were the most active stocks, contributing 24.4% and 14.5% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	51.28%	50.30%	5,706,263.4
Qatari Institutions	14.63%	18.91%	(24,914,848.9)
<b>Qatari</b>	<b>65.91%</b>	<b>69.22%</b>	<b>(19,208,585.5)</b>
GCC Individuals	0.84%	3.51%	(15,498,044.3)
GCC Institutions	2.65%	0.66%	11,546,704.8
<b>GCC</b>	<b>3.48%</b>	<b>4.16%</b>	<b>(3,951,339.5)</b>
Arab Individuals	12.96%	12.63%	1,934,276.8
Arab Institutions	0.03%	0.02%	88,370.0
<b>Arab</b>	<b>12.99%</b>	<b>12.65%</b>	<b>2,022,646.8</b>
Foreigners Individuals	3.51%	3.03%	2,818,994.9
Foreigners Institutions	14.10%	10.95%	18,318,283.2
<b>Foreigners</b>	<b>17.61%</b>	<b>13.98%</b>	<b>21,137,278.1</b>

Source: Qatar Stock Exchange (\*as a % of traded value)

## Ratings, Earnings Releases, Global Economic Data and Earnings Calendar

### Ratings Updates

Company	Agency	Market	Type*	Old Rating	New Rating	Rating Change	Outlook	Outlook Change
Masraf Al Rayan	Moody's	Qatar	LT-IR/ST-IR/BCAs/ABCAs	A1/P-1/baa2/ba1	A1/P-1/baa2/ba1	-	Stable	-
Al Khaliji Commercial Bank	Moody's	Qatar	BCAs/ABCAs	baa2/ba1	baa2/ba1	-	-	-

Source: News reports, Bloomberg (\*LT - Long Term, ST - Short Term, IR - Issuer Rating, BCA - Baseline Credit Assessment, ABCA - Adjusted Baseline Credit Assessment)

### Earnings Releases

Company	Market	Currency	Revenue (mn) 1Q2021	% Change YoY	Operating Profit (mn) 1Q2021	% Change YoY	Net Profit (mn) 1Q2021	% Change YoY
Ooredoo	Abu Dhabi	QAR	7,197.0	-1.3%	-	-	193.0	-50.1%
Emirates Telecom Group Co.	Abu Dhabi	AED	13,219.7	0.8%	3,360.7	1.6%	2,350.0	7.9%
Abu Dhabi National Co. for Building Materials	Abu Dhabi	AED	10.9	-30.0%	(0.2)	N/A	(29.0)	N/A

Source: Company data, DFM, ADX, MSM, TASI, BHB.

### Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
04/28	US	Mortgage Bankers Association	MBA Mortgage Applications	23-Apr	-2.50%	--	8.60%
04/28	Germany	GfK AG	GfK Consumer Confidence	May	-8.8	-4.2	-6.1

Source: Bloomberg (s.a. = seasonally adjusted; n.s.a. = non-seasonally adjusted; w.d.a. = working day adjusted)

### Earnings Calendar

Tickers	Company Name	Date of reporting 1Q2021 results	No. of days remaining	Status
QGRI	Qatar General Insurance & Reinsurance Company	29-Apr-21	0	Due
ZHCD	Zad Holding Company	29-Apr-21	0	Due
GISS	Gulf International Services	29-Apr-21	0	Due
QOIS	Qatar Oman Investment Company	29-Apr-21	0	Due
NLCS	Aljarah Holding	29-Apr-21	0	Due

Source: QSE

## Qatar

- DHBK's bottom line rises 17.3% YoY in 1Q2021, above our estimate** – Doha Bank (DHBK) reported net profit of QR380.2mn in 1Q2021 as compared to net profit of QR324.1mn (+17.3% YoY) in 1Q2020 and net loss of QR68.5mn in 4Q2020, above our estimate of QR340.0mn (variation of +11.8%). Net interest income increased 20.7% YoY and 7.0% QoQ in 1Q2021 to QR661.4mn. The company's net operating income came in at QR823.4mn in 1Q2021, which represents an increase of 10.5% YoY (+14.4% QoQ). The EPS amounted to QR0.12 in 1Q2021 as compared to QR0.10 in 1Q2020. The bank's total assets stood at QR112.1bn at the end of March 31, 2021, up 5.4% YoY (+8.3% QoQ). Loans and advances to customers were QR70.5bn, registering a rise of 8.0% YoY (+7.8% QoQ) at the end of March 31, 2021. Customer deposits rose 16.2% YoY and 15.7% QoQ to reach QR63.7bn at the end of March 31, 2021. Managing Director of Doha Bank, Sheikh Abdul Rehman bin Mohammad bin Jabor Al Thani said, "The total shareholder's equity by end of quarter reached to QR14bn showing an increase of 15%. The bank continued to strengthen its key capitalization ratios, where the total capital adequacy ratio of the bank increased to 19.7% in March 2021 from 16.2% as compared to the same period last year." Chairman of the Board of Directors, Sheikh Fahad bin Muhammad bin Jabor Al Thani stated that, despite the circumstances the world is currently witnessing, it is that, under the wise leadership pursued by Amir H H Sheikh Tamim bin Hamad Al Thani, and his directives to provide support to all sectors and banks in Qatar in the face of the COVID-19 crisis, and based on the instructions issued by Qatar Central Bank (QCB) in this regard, Doha Bank will make all efforts to be the main pillar in supporting companies and individuals in benefiting from all possible facilities, and will work in line with the plan pursued by the State of Qatar to address the obstacles faced by its customers during this period to overcome this crisis. (QNB FS Research, QSE, Peninsula Business)
- QEWS' bottom line rises 16.2% YoY and 201.3% QoQ to QR372.0mn in 1Q2021, in-line with our estimate** – Qatar Electricity and Water Company's (QEWS) net profit rose 16.2% YoY (+201.3% QoQ) to QR372.0mn in 1Q2021, in-line with our estimate of QR351.2mn (variation of +5.9%). The company's 'revenue from water and electricity' came in at QR575.8mn in 1Q2021, which represents an increase of 1.0% YoY. However, on QoQ basis revenue from water and electricity fell 5.8%. EPS amounted to QR0.34 in 1Q2021 as compared to QR0.29 in 1Q2020. Cash flows from operations remain strong when compared to the same period in the previous year. QEWS recorded operational cash flows of QR297m compared to operational cash flows of QR238mn during the same period in the previous year. With an existing market share of capacity in Qatar, 59% and 73% in electricity and water, respectively, QEWS remains the second largest utilities company in the field of power generation and water desalination in the Middle East and North Africa (MENA) region. QEWS owns and operates seven power and/or water stations in Qatar and has partnered with international companies to own and operate another 5

power and/or water companies. Despite the effects of the COVID-19 pandemic globally, QEWS's operations remained stable in 1Q2021. QEWS has secured long-term Power and Water Purchase Agreements ("PWPAs") with Kahramaa in addition to long-term fuel supply agreements with Qatar Petroleum ("QP"), limiting its exposure to the pandemic. As a result, QEWS was able to maintain a strong credit rating of 'A1' with stable outlook from Moody's during 1Q2021. QEWS projects remain relatively unaffected and are making progress. During 1Q2021, Umm Al Houl Power Company Expansion Project, which is 60% owned by QEWS, 30% by K1 Energy, and 5% by each of QP and Qatar Foundation, completed the commissioning activities and achieved full commercial operation with a total 61.45 MIGD of additional water capacity. The Siraj-1 Solar Power Plant Project, QEWS's latest project, reached its financial closure in July 2020 and will become the first of its kind to produce electricity using photovoltaic technology in Qatar. Located in Al Kharsaah area, the plant will be able to produce 800 MW at full capacity and is expected to account for one tenth of the current peak electricity demand in Qatar. The project will be executed via a Special Purpose Vehicle ("SPV"), 60% owned by Siraj Energy (a joint venture ("JV") owned 49% by QEWS and 51% by QP) and 40% owned by a joint consortium of Marubeni Corp (Japan) and Total Solar International (France). The project will be completed under the Build, Own, Operate, Transfer model after which the plant will be transferred to Kahramaa following a concession period of 25 years. In January 2020, Kahramaa entered into a long-term agreement with the SPV to buy electricity from the plant during the 25-year concession period. Kahramaa intends to develop a new power and water plant (Facility E) by 2024-2025. The facility is expected to have 2,600 MW power capacity and 100 MIGD water capacity and will be located in Ras Abu Fontas. QEWS will own 55% share in the project. Further details of the project are expected to be finalized in the Second half of 2021. QEWS, along with its JVs, has a total capacity of 10,590 MW of electricity and 543 MIGD of water. In addition, its foreign investment arm, Nebras Power, which is 60%, owned by QEWS holds more than 2,000 MW of electricity capacity through a mixture of natural gas, coal, and solar power outside Qatar, on equity-adjusted basis. (QNB FS Research, QSE, Peninsula Business)

- QAMC's bottom line rises YoY and QoQ to QR123.8mn in 1Q2021, above our estimate** – Qatar Aluminium Manufacturing Company's (QAMC) net profit rose to QR123.8mn in 1Q2021 as compared to QR10.7mn (+1053.5% YoY) in 1Q2020 and QR82.4mn (+50.2% QoQ) in 4Q2020, above our estimate of QR101.7mn. The company's share of results from a joint venture came in at QR123.0mn in 1Q2021, which represents an increase of 829.7% YoY (+46.9% QoQ). EPS amounted to QR0.022 in 1Q2021 as compared to QR0.002 in 1Q2020. QAMC's improved financial results for 1Q2021 versus 1Q2020, was largely attributed to the overall growth in average realized selling prices which increased by 15% in 1Q2021 versus 1Q2020 and contributed QR83mn positively to the net profits for three-month period ended March 31, 2020, as compared to the same

period last year. On the other hand, with production levels remained flat, sales volumes slightly declined by 1% and contributed QR9mn negatively to net profits for 1Q2021 versus 1Q2020. Although sales volumes were marginally lower than last year, but QAMC's JV was successful in selling 100% of value-added products (VAP) with no sales of standard ingots during the period. The shift from sales of standard ingots to VAP supported the overall evolution of EBIDTA margins. The cost of goods sold for 1Q2021 remained lower versus 1Q2020, mainly on account of decline in raw material costs, and cost optimization initiatives which resulted in savings in manpower costs. On overall basis, the decline in cost of goods sold contributed QR20mn positively to the net profits for 1Q2021 versus 1Q2020. Moreover, due to an overall decline in interest rates, JV's finance costs for 1Q2021 also declined by 57% versus 1Q2020, and contributed QR24mn positively to QAMC's net earnings for 1Q2021 in comparison to 1Q2020. QAMC's financial position continued to remain robust with the liquidity position at the end of March 31, 2021 reaching QR669mn in form of cash and bank balances (including proportionate share of cash and bank balances of the joint venture). During 1Q2021, QAMC's JV generated positive share of operating cash flows of QR180mn, with a share of free cash flows of QR133mn. QAMC's JV continues to maintain efficiency and cost competitiveness in terms of its production and operations. QAMC's JV is conducting CAPEX projects as per the planned schedule for the year, in line with the operational requirements. The continued efforts to manage cost have reflected positively on JV's operating cost structures, while keeping QAMC's JV on the lower side of the cost curve among global peers. (QNB FS Research, QSE, QAMC Press Release)

- AHCS net profit rises QoQ to QR67.9mn in 1Q2021, bang in-line with our estimate** – Aamal Company's (AHCS) net profit declined 17.7% YoY (but rose 114.1% on QoQ basis) to QR67.9mn in 1Q2021, bang in line with our estimate of QR67.6mn (variation of +0.4%). The company's revenue came in at QR312.7mn in 1Q2021, which represents a decrease of 16.4% YoY (-6.6% QoQ). EPS remained flat YoY at QR0.01 in 1Q2021. Chairman of AHCS, Sheikh Faisal bin Qassim Al Thani said: "Local and international markets continue to face challenges due to the pandemic. While increased COVID-19 cases in Qatar towards the end of the first quarter of 2021 have resulted in stricter lockdown measures, most of our businesses are operating normally." He added: "We are pleased to report revenue growth of 15.1% in our Industrial Manufacturing segment, primarily driven by strong performances at Aamal Cement Industries and Aamal Cables. In our Property segment, rental income was less than in the first quarter of 2020 as AHCS adjusted rent levels to reflect market conditions. Moving forward, we expect rental income levels to improve significantly as new areas of City Center Doha have been let and as retailers open for business". Sheikh Faisal said that AHCS' Trading and Distribution segment saw a reduction in orders from the public sector for Ebn Sina Medical and Aamal Medical products, although the Company expects demand to increase in the coming months. Across its four business segments, Aamal continues to focus on improving operational efficiency, optimizing its production base and diversifying into new revenue streams. Sheikh Faisal added: "Particularly during these unprecedentedly challenging times, Aamal's commitment

to supporting the local community is as strong as ever. We are proud to have signed a three-year agreement with the Qatar Olympic Committee to sponsor the Al Adam team. Despite the ongoing challenges and uncertainty resulting from the pandemic, Aamal's long-term strategy and our diversified business model, supported by the strength of our balance sheet and the resilience of our operations, continue to provide a robust platform to maintain our market leading position." Chief Executive Officer and Managing Director of Aamal, Sheikh Mohamed bin Faisal Al Thani said: "Throughout the first quarter, Aamal's management team have remained focused on navigating through this challenging environment, and we have continued to take advantage of new business opportunities across all four segments. City Center Doha saw the introduction of several major tenants, such as H&M and Boots, and the opening of the East Food Court. Work on the City Center frontage is progressing well and once completed will offer new outdoor cafes and restaurants, as well as attractive landscaping to further enhance its appeal". Sheikh Mohamed said Aamal's Trading and Distribution segment benefited from improvements to the supply chain and product availability and saw a number of new initiatives launched across Ebn Sina Pharmacy, Foot Care Center and Aamal Medical. Ebn Sina Pharmacy has expanded its delivery network and the installation of a large robot at its Msheireb branch enables drugs to be dispensed accurately and at high speed. Foot Care Center has introduced new customized insole technology, while Aamal Medical continues to provide the latest healthcare technology. In the first quarter, it supplied Qatar's first 3D 4K Microvascular technology used in microvascular surgery. Inevitably, Aamal's Managed Services segment continued to be severely impacted by the restrictions imposed by the pandemic on travel, cleaning and hospitality services, and the closure of entertainment facilities. Sheikh Mohamed added: "Looking to the future, we are excited by the opportunities across all of Aamal's businesses, in particular the completion of the new frontage and the pipeline of new tenants at City Center Doha. God willing, the pandemic will recede and lockdown measures will be eased over the coming months." (QNB FS Research, QSE, Peninsula Business)

- ORDS' bottom line declines YoY to QR193.2mn in 1Q2021** – Ooredoo (ORDS) reported net profit of QR193.2mn in 1Q2021 as compared to net profit of QR386.8mn in 1Q2020 and net loss of QR341.7mn in 4Q2020. The company's revenue came in at QR7,197.4mn in 1Q2021, which represents a decrease of 1.3% YoY (-3.4% QoQ). EPS amounted to QR0.06 in 1Q2021 as compared to QR0.12 in 1Q2020. EBITDA increased by 6% YoY to QR3.2bn in 1Q2021, as the company maintains its focus on digitalization and cost optimization. EBITDA margin increased to 45% in 1Q2021 from 41% in 1Q2020, supported by EBITDA margin expansion in Indonesia, Kuwait, Iraq and Myanmar. Excluding FX impact EBITDA increased by 9%. Marginal YoY revenue declined by 1% to QR7.2bn in 1Q2021 due to a negative FX impact. Despite the COVID-19 pandemic excluding FX impact, revenue increased by 1%, mainly driven by growth in the Group's home market Qatar and in Indonesia. Data revenues account for more than 55% of total revenue driven by data leadership and digital transformation initiatives across the Group's operations. Commenting on the results, Chairman of Ooredoo, Sheikh Faisal bin Thani Al Thani, said: "Ooredoo Group

delivered a robust set of results during the first quarter of 2021 despite challenging market conditions across many of our territories. We remained focused on our digital transformation agenda which has enabled us to create value for our customers by offering a seamless and convenient user experience as well as optimize our cost base by streamlining and automating processes. Consequently, our EBITDA margin improved to 45% in 1Q2021 compared to 41% for the same period last year.” “We made good progress with our strategy to move to a more efficient and flexible asset light model with the successful sale and leaseback agreement valued at \$750m for more than 4,200 of our telecom towers in Indonesia to Edge Point Indonesia. Monetizing these assets forms an integral part of our group strategy to create value for both our shareholders and customers,” he said. “During the quarter Ooredoo Group successfully priced its \$1bn bond issuance, reflecting the market’s confidence in the strength and stability of our balance sheet as well as our strategy to deliver new and innovative solutions to our customers by leveraging our world class technology and infrastructure,” he added. Also commenting on the results, Managing Director of Ooredoo, Aziz Aluthman Fakhroo said: “I am pleased to report that Ooredoo Group had a solid start to the year, despite challenging market conditions due to the COVID-19 pandemic. Ooredoo Group delivered a 6% increase in EBITDA to QR3.2bn in 1Q2021 compared to the same period last year. The growth was driven by the ongoing implementation of our cost optimization strategy which includes leveraging technology to drive efficiency. As a result, our EBITDA margin for the period increased to 45% in 1Q2021 compared to 41% for the same period last year, supported by margin expansion in Indonesia, Kuwait, Myanmar and Iraq. “Revenues remained under pressure due to a soft macroeconomic environment in many of our markets. Ooredoo Group reported revenues of QR7.2bn during the first quarter of 2021, down 1% compared to the same period in the previous year. Net Profit decreased by 50% to QR193m in Q1 2021 compared to the same period last year, mainly due to Foreign Exchange impact primarily coming from Myanmar with an FX Loss in Q1 2021 versus an FX Gain in Q1 2020,” he added. Indosat Ooredoo continued to make strong progress with its strategy of offering simple, relevant, and transparent products supporting a 13% increase in revenue and a 36% increase in EBITDA. Ooredoo Kuwait increased its EBITDA margin to 28% in 1Q2021 compared to 25% 1Q2020 and Ooredoo Qatar’s revenue increased slightly compared to 1Q2020. Ooredoo Group invests further in its infrastructure to bring world class services to its customers. During the quarter Asiaticell launched 4G in Iraq and Ooredoo Oman is preparing for the launch of mobile 5G services in 2Q2021. Ooredoo Qatar saw positive growth during the period, with reported revenue growing 0.6% YoY to QR1.8bn (1Q2020: QR1.8bn). EBITDA stood at QR962m (1Q2020: QR966m), while EBITDA margin remained stable at 54% (1Q2020: 55%). Total customer numbers were 3mn (1Q2020: 3.2mn). Ooredoo Qatar continued to work with a range of content providers to expand the home entertainment options. The Ooredoo ONE ‘All-In-One’ Home Service was a key factor in the growth of the Ooredoo tv customer base, which grew by 1% compared to 1Q2020. New products launched during the period include a new customizable app-managed postpaid plan and a revamped version of the Ooredoo Money app. The company was recognized as ‘Global

Partner of the Year’ and ‘Digital Partner of the Year’ by leading money transfer company MoneyGram. Successful community program included the Ooredoo Virtual Marathon, which drew a strong response in February 2021. (QSE, Peninsula Business)

- **MRDS posts 1.5% YoY increase but 54.8% QoQ decline in net profit to QR7.0mn in 1Q2021** – Mazaya Real Estate Development's (MRDS) net profit rose 1.5% YoY (but declined 54.8% on QoQ basis) to QR7.0mn in 1Q2021. The company's rental income came in at QR6.9mn in 1Q2021, which represents an increase of 0.1% YoY (+0.4% QoQ). EPS remained flat YoY at QR0.006 in 1Q2021. (QSE)
- **DOHI's bottom line rises to QR23.9mn in 1Q2021** – Doha Insurance Group's (DOHI) net profit rose 62.0% YoY (+56.8% QoQ) to QR23.9mn in 1Q2021. The company's Net Premiums came in at QR125.5mn in 1Q2021, which represents an increase of 29.4% YoY (+40.0% QoQ). EPS amounted to QR0.05 in 1Q2021 as compared to QR0.03 in 1Q2020. (QSE)
- **QIMD's bottom line rises 18.6% YoY and 6.5% QoQ to QR29.1mn in 1Q2021** – Qatar Industrial Manufacturing Company's (QIMD) net profit rose 18.6% YoY (+6.5% QoQ) to QR29.1mn in 1Q2021. The company's sales came in at QR124.3mn in 1Q2021, which represents an increase of 27.0% YoY (+4.9% QoQ). EPS amounted to QR0.06 in 1Q2021 as compared to QR0.05 in 1Q2020. (QSE)
- **MERS' net profit declines 2.7% YoY and 28.7% QoQ to QR49.2mn in 1Q2021** – Al Meera Consumer Goods Company's (MERS) net profit declined 2.7% YoY (-28.7% QoQ) to QR49.2mn in 1Q2021. The company's sales came in at QR723.1mn in 1Q2021, which represents a decrease of 18.5% YoY (-2.5% QoQ). EPS remained flat YoY at QR0.25 in 1Q2021. (QSE)
- **MCCS' reports net profit of QR33.3mn in 1Q2021 as compared to net loss of QR21.1mn in 1Q2020** – Mannai Corporation (MCCS) reported net profit of QR33.3mn in 1Q2021 as compared to net loss of QR21.1mn in 1Q2020 and net profit of QR213.7mn in 4Q2020. The company's revenue came in at QR3,600.9mn in 1Q2021, which represents an increase of 35.3% YoY. However, on QoQ basis revenue fell 6.6%. The EPS amounted to QR0.07 in 1Q2021 as compared to loss per share of QR0.05 in 1Q2020. (QSE)
- **QCFS' net profit declines 28.8% YoY and 9.5% QoQ to QR1.0mn in 1Q2021** – Qatar Cinema and Film Distribution Company's (QCFS) net profit declined 28.8% YoY (-9.5% QoQ) to QR1.0mn in 1Q2021. The company's operating Income came in at QR0.3mn in 1Q2021, which represents a decrease of 72.8% YoY. However, on QoQ basis operating Income rose 48.6%. EPS amounted to QR0.017 in 1Q2021 as compared to QR0.023 in 1Q2020. (QSE)
- **AKHI's bottom line rises 34.8% YoY in 1Q2021** – Al Khaleej Takaful Insurance Company (AKHI) reported net profit of QR21.8mn in 1Q2021 as compared to net profit of QR16.2mn in 1Q2020 and net loss of QR70.8mn in 4Q2020. EPS amounted to QR0.086 in 1Q2021 as compared to QR0.063 in 1Q2020. (QSE)
- **QISI posts 5.2% YoY decrease but 37.2% QoQ increase in to QR23.7mn net profit in 1Q2021** – Qatar Islamic Insurance Company's (QISI) net profit declined 5.2% YoY (but rose 37.2% on QoQ basis) to QR23.7mn in 1Q2021. EPS amounted to QR0.16 in 1Q2021 as compared to QR0.17 in 1Q2020. (QSE)
- **Moody's affirms ratings of MARK and places KCBK on review for upgrade** – Global credit rating agency Moody's has affirmed the

long-term and short-term issuer ratings of Masraf Al Rayan (MARK) at 'A1/P-1'. At the same time, the rating agency placed on review for upgrade long-term and short-term bank deposit ratings of Al Khaliji (KCBK) at 'A3/P-2', reflecting Moody's views that they will converge with those of MARK once the merger is finalized and receives all relevant authorizations. In addition, Moody's has affirmed the baseline credit assessments (BCAs) and adjusted BCAs of MARK and KCBK at 'baa2' and 'ba1' respectively. The outlook on MARK long-term issuer ratings remains stable. The rating action follows the "significant" progress made by both the banks in seeking approvals, including an initial nod from the Qatar Central Bank, after the merger announcement in January 2021. The merger remains subject to regulatory and shareholder approvals and is expected to be completed in the first half of 2021. Once completed, the surviving entity will be MARK and all assets and liabilities (including funding vehicles) of KCBK will be transferred to the former in exchange for new MARK shares issued to the latter's shareholders. The affirmation of MARK's ratings captures Moody's view that the merger with KCBK, while offering longer-term potential benefits, will not immediately alter the bank's strong standalone credit profile. The rating agency also notes that the merger with KCBK will not result in a "significant" shift in MARK's business mix or solvency given that it is about twice the size of KCBK. MARK is currently Qatar's fourth-largest bank with a 7% market share of banking system assets as on December 2020 which will increase to 10% following the completion of the merger. The merger will position MARK as Qatar's second-largest bank and the largest Islamic bank in Qatar. In addition to benefits related to scale, its profitability will benefit from the cost and revenue synergies and stronger liquidity profile of KCBK. Moody's affirmation of MARK's 'A1' issuer rating captures its BCA of 'baa2' and a very high likelihood of support from the government, which continues to translate into four notches of uplift from the bank's BCA as post-merger, the entity will increase its market share and become more domestically important. "The combined entity's asset quality is expected to remain strong," it said, adding the combined non-performing financing to gross financing ratio (NPF ratio analogous to non-performing loans ratio for non-Islamic banks) will be around 1%, a similar level to MARK's standalone. Moody's expects the combined entity's NPL ratio to remain well below the 2% Qatari average. Although the bank's asset quality remained strong, it has been normalizing from a very low 0.2% as of December 2016. The bank's strong asset quality reflects the fact that its credit portfolio is dominated by prime borrowers related to the Qatari government and its related entities (49% of financing book on a standalone basis and 41% pro-form for the combined entity) and large private companies engaged in government-sponsored projects. (Gulf-Times.com)

- **ORDS extends exclusivity period of MoU with CK Hutchison to combine Indonesian businesses** – Ooredoo (ORDS) announced that it has extended the period of exclusivity for the non-legally binding Memorandum of Understanding (MoU) with CK Hutchison Holdings Limited ("CK Hutchison") in relation to a possible transaction to combine their respective telecommunications businesses in Indonesia, PT Indosat Tbk and PT Hutchison 3 Indonesia, until June 30, 2021. This extension will provide more time to complete the ongoing due

diligence and negotiate the final terms of a possible combination of the entities. As of the date of this announcement, no decision has been taken to proceed with a transaction and there is no certainty over what the scope or terms of such a transaction would be. Any material developments with respect to the transaction will be announced in due course. (QSE)

- **QE INDEX ETF discloses its financial statements** – QE Index ETF disclosed its financial statements as at and for the period ending March 31, 2021. The statements show that the net asset value as of March 31, 2021 amounted to QR421,498,054 representing QR10.482 per unit. In addition, QE Index ETF distributed dividends during the second quarter of 2021. (QSE)
- **Qatar's industrial sector sees strong rebound both YoY and MoM in March** – Qatar's industrial sector saw strong rebound both YoY and MoM this March, mainly on robust prices in the hydrocarbons and certain manufactured products as basic chemicals, refined petroleum products and basic chemicals, according to official estimates. Qatar's PPI — a measure of the average selling prices received by the domestic producers for their output — registered 23.6% and 3.6% on yearly and monthly basis respectively, said the figures released by the Planning and Statistics Authority (PSA). The PSA had released a new PPI series in late 2015. With a base of 2013, it draws on an updated sampling frame and new weights. The previous sampling frame dates from 2006, when the Qatari economy was much smaller than today and the range of products made domestically much narrower. The mining PPI, which carries the maximum weight of 72.7%, reported a robust 27.8% surge YoY in March 2021 as the selling price of crude petroleum and natural gas was seen gaining 27.8%, even as that of stone, sand and clay declined 5.3%. The mining PPI registered a 4.5% increase on a monthly basis in March this year on the back of a 4.5% jump in the selling price of crude petroleum and natural gas and 0.1% in stone, sand and clay. The manufacturing sector, which has a weight of 26.8% in the PPI basket, witnessed a 15.7% increase YoY in March 2021 on a 26.4% jump in the price of basic chemicals, 15.7% in basic metals, 15.3% in refined petroleum products, 7.9% in paper and paper products, 6.4% in juices and 1.1% in dairy products. Nevertheless, there was 10.1% shrinkage in the price of cement and other nonmetallic mineral products, 1.5% in grain mill and other products, 1% in rubber and plastics products and 0.2% in beverages. The manufacturing sector PPI had seen a monthly 1.8% expansion in March 2021 as the selling price of basic metals shot up 2.9%, refined petroleum products 1.8%, basic chemicals 1.7%, dairy products 0.6% and grain mill and other products 0.3%. However, the prices of rubber and plastic products declined 2.6%, cement and other non-metallic mineral products 0.8% and beverages 0.2%. The utilities group, which has a mere 0.5% weightage in the PPI basket, saw its index surge 7.7% YoY because the selling prices of electricity and water were seen rising 2.7% and 15.2% respectively in March 2021. The index had however seen a 6.4% contraction MoM this March with the selling price of electricity and water dropping 8.9% and 3% respectively. (Gulf-Times.com)
- **Kahramaa President chairs review meeting** – The Qatar General Electricity and Water Corporation (Kahramaa) held a virtual meeting to review the institutional performance, a statement said. Chaired by President Essa bin Hilal Al-Kuwari, the meeting

aimed to ensure that the goals and plans included in the general strategy are met. In attendance were directors and heads of departments. Al-Kuwari praised the efforts made by all employees to improve the level of services provided while hailing the progress towards achieving Kahramaa's vision and goals and ensuring an effective and influential presence at all levels. The meeting reviewed the achievements of Kahramaa during the first quarter of 2021, discussed the progress of installing smart meters, evaluating the results and incoming data, and the implementation of a strategic project to install 100 charging stations for electric cars. The project is expected to reduce harmful carbon emissions by at least 7% until 2022. During the first quarter of the year, Kahramaa also signed an agreement with Japanese company Marubeni to create a smart platform for the efficient use of electricity and water. This coincided with the launch of the national initiative to reduce consumption in the residential sector by 5%. This will help Kahramaa achieve a better understanding of consumption patterns and means of awareness-raising and rationalization. (Gulf-Times.com)

- **Qatar Cabinet decides to allow 50% capacity at private health centers** – Prime Minister and Minister of Interior HE Sheikh Khalid bin Khalifa bin Abdulaziz Al Thani chaired today via video conference the Cabinet's regular meeting. The Cabinet decided to permit private health care facilities to provide their services not exceeding 50% of their capacity. This decision will take effect from April 29, 2021, until further notice. (Peninsula Qatar)
- **Nasser Al Khater: FIFA Arab Cup 2021 may see full return of fans to stadiums in Qatar** – With the State of Qatar overcoming challenges posed by the global pandemic and successfully hosting sporting events, the Chief Executive Officer of FIFA World Cup Qatar 2022 Nasser Al Khater hopes for the successful return of fans to stadiums when the FIFA Arab Cup 2021 is staged from November 30 to December 18. Speaking soon after the draw ceremony for FIFA Arab Cup 2021 at Katara Opera House on Wednesday, Nasser Al Khater said, "The important thing is for us to be a dynamic culture. We have luckily been able to host several tournaments with the safe return of football fans to the stadiums earlier. We hope that the situation will be different now with the rollout of the vaccines and we would be able to host a tournament with the full return of fans to the stadiums. However, we'll be ready for any eventuality." (Qatar Tribune)

### **International**

- **Government money seen powering US economy in first quarter** – US economic growth likely accelerated in the first quarter, fueled by massive government aid to households and businesses, charting the course for what is expected to be the strongest performance this year in nearly four decades. The US's economy is rebounding more quickly compared to its global rivals, thanks to two additional rounds of COVID-19 relief money from Washington as well as easing anxiety over the pandemic, which has boosted domestic demand and allowed services businesses like restaurants and bars to reopen. Though the anticipated pick-up in gross domestic product last quarter would leave output just below its level at the end of 2019, the economy remains at least a couple of years away from fully recovering

from the pandemic recession, which started in February 2020. The Commerce Department will publish its snapshot of first-quarter GDP growth on Thursday at 8:30 am EDT (1230 GMT). The economy likely grew at a 6.1% annualized rate in the first three months of the year, according to a Reuters survey of economists. That would be the second-fastest GDP growth pace since the third quarter of 2003 and would follow a 4.3% rate in the fourth quarter. The survey was, however, conducted before this week's March durable goods orders, goods trade deficit as well as wholesale and retail inventories data. Economists at Goldman Sachs initially trimmed their GDP growth estimate by one-tenth of a percentage point to a 7.4% rate after the durable goods data. They subsequently raised the estimate to a 7.7% pace after the goods trade deficit and inventory data. (Reuters)

- **Fed stays the course, nods to 'strengthened' US recovery** – The Federal Reserve held interest rates and its monthly bond-buying program steady on Wednesday, nodding to the US economy's growing strength but giving no sign it was ready to reduce its support for the recovery. "Amid progress on vaccinations and strong policy support, indicators of economic activity and employment have strengthened," the US central bank said in a unanimous policy statement at the end of a two-day meeting. Nevertheless, "the path of the economy will depend significantly on the course of the virus, including progress on vaccinations," the Fed said. "The ongoing public health crisis continues to weigh on the economy and risks to the economic outlook remain." The language about the coronavirus reflected a slightly less negative view than the Fed's description in March, when it said the health crisis "poses considerable risks to the economic outlook," and analysts took note. Coupled with the strong language on the economy, analysts said that suggested at least a small step by the Fed towards the beginnings of a discussion about when to wean the US economy from crisis-era programs. "It is very much tiptoeing in the direction of a stronger economic backdrop that could potentially justify tapering and eventual rate increases," said Steven Violin, portfolio manager for F.L.Putnam Investment Management Company in Wellesley, Massachusetts. Yet despite the evidence of improvement, the Fed on Wednesday left unchanged the list of conditions, first set in December, that must be met before it considers pulling back from the emergency support put in place to stem the economic fallout of the pandemic in 2020. That includes "substantial further progress" towards its inflation and employment goals before stepping back from its monthly bond purchases. (Reuters)
- **US goods trade deficit vaults to record high in March** – The US trade deficit in goods jumped to a record high in March, suggesting trade was a drag on economic growth in the first quarter, but that was likely offset by robust domestic demand amid massive government aid. Economic activity in the US has rebounded more quickly compared to its global rivals. The pent-up demand is drawing in imports, eclipsing a recovery in exports and keeping the overall trade deficit elevated. The report from the Commerce Department on Wednesday also showed inventories at retailers were drawn down in March, underscoring the strong domestic demand. The goods trade deficit surged 4.0% to \$90.6bn last month, the highest in the history of the series. Exports of goods accelerated 8.7% to \$142.0bn. They were boosted by shipments of motor vehicles, industrial supplies, consumer and capital goods, and food. The jump in exports was

offset by a 6.8% advance in imports to \$232.6bn. Imports rose broadly. There were large gains in imports of motor vehicles, industrial supplies, consumer goods and food. Capital goods imports also rose solidly. Demand during the pandemic shifted to goods from services, with Americans cooped up at home. Consumption has been boosted by the very generous fiscal stimulus, including the White House's \$1.9tn COVID-19 pandemic rescue package, which dispatched one-time \$1,400 checks to qualified households and extended a \$300 unemployment subsidy through early September. Economists expect the goods trade deficit will remain large at least until year-end, with demand reverting back to services like air travel and dining out following the expansion of the COVID-19 vaccination program to all adult Americans. (Reuters)

- **J.D. Power, LMC Automotive: US auto sales to more than double in April** – US auto retail sales for April are expected to be the highest ever recorded for the month, helped by strong consumer demand and tighter inventories at dealerships, industry consultants J.D. Power and LMC Automotive said on Wednesday. Retail sales for new vehicles in April are forecast to reach 1.3mn units, up 110.6% compared with last year, said the statement. Total auto sales for April, including retail and non-retail, are projected to reach 1.5mn units, a 107.1% increase compared to the same period in 2020. "With the sales pace exceeding the rate at which vehicles are being produced, compounded by significant production disruption due to microchip shortages, there is a growing risk to the industry's ability to sustain the current sales pace in the coming months," said Thomas King, president of the data and analytics division at J.D. Power. Average transaction prices are expected to rise 6.8% to \$37,572, the highest ever for April, while the average incentive spending per unit is expected to fall to \$3,191 from \$4,953 last year. King said low inventories "have enabled manufacturers and retailers to reduce discounts", and consumers were willing to buy vehicles closer to the manufacturer's suggested retail price (MSRP) and more expensive vehicles. The total seasonally adjusted annualized rate for the month will be 18.1mn vehicles, while it was 16.4mn units in 2019, the report said. (Reuters)
- **GfK: German consumer morale drops unexpectedly heading into May** – German consumer morale deteriorated unexpectedly heading into May as rising COVID-19 infections led to a re-tightening of restrictions on shopping, travel and public life in many areas of Europe's largest economy, a survey showed on Wednesday. The GfK research institute said its consumer sentiment index, based on a survey of around 2,000 Germans, fell to -8.8 points from a revised -6.1 in April. Consumers' views on the economic outlook and personal income expectations decreased significantly whereas their propensity to buy increased moderately, the survey showed. "Hopes for further easing of restrictions and a revival of consumption have been noticeably dampened," GfK consumer expert Rolf Buerkl said, adding that the recovery of the economy would continue to lag due to the third COVID-19 wave. Germany is struggling to contain an aggressive third wave of coronavirus infections as efforts have been complicated by the more contagious B117 variant, first discovered in Britain, and a relatively slow introduction of vaccines against the pandemic. Finance Minister Olaf Scholz and Economy Minister Peter Altmaier have both

cautioned in the past days that they don't expect any substantial easing of curbs before the end of May. If coronavirus cases fall and restrictions can be lifted in the course of the summer, the government expects household spending to fuel a consumer-led recovery and support its upwardly revised growth forecast of 3.6% this year. (Reuters)

- **French consumer sentiment steady in April despite lockdown** – French consumer sentiment held steady unexpectedly in April despite a new round of lockdown measures this month to contain the coronavirus outbreak, official data showed. The INSEE statistics agency said its monthly consumer sentiment index was unchanged from March at 94, beating the average expectation in a Reuters poll of 15 economists for a fall back to 93. France, the euro zone's second biggest economy, started its third national lockdown at the end of March after suffering a spike in COVID-19 deaths and case numbers. INSEE's survey showed that household pessimism about the general economic outlook remained the lowest in April since the outbreak started in March 2020, while concerns about unemployment were the lowest since April last year. However, there was no indication households intended to stop stashing extra cash for a rainy day with those surveyed reporting savings intentions the highest since the monthly poll began in 1972. (Reuters)
- **Brazil Treasury swells emergency cash buffer to record 1.12tn Reais** – Brazil's government increased its emergency cash buffer in March to cover future debt obligations and other due payments to more than 1tn Reais, Treasury figures showed, as public debt also rose to a new all-time high. The Treasury swelled its liquidity cushion, essentially an emergency cash buffer, by 20% in nominal terms from the previous month to a new high of 1.12tn Reais (\$207bn), it said in a monthly report. The amount is enough to cover more than seven months of debt maturities, the Treasury said, adding that some 435bn Reais of debt was scheduled to mature in April and May alone. Brazil's central bank raised interest rates in March for the first time in six years and is widely expected to do so again next week and in the coming months, as it tries to get inflation back down to target. Brazil's federal public debt rose 0.85% in March from the month before to a new record high 5.24tn Reais (\$972bn), the Treasury said, adding the total domestic debt stock rose 0.7% to 4.99tn Reais. The average cost of servicing the public debt stock fell to a new low of 7.6% from 8.1%, largely due to a steep fall in the cost of servicing hard currency debt, Treasury said. The share of public debt in the hands of foreign investors rose again, edging up to 9.5% from 9.4% in February and 9.2% at the end of last year. That is still half of what it was in 2015, however. (Reuters)

#### Regional

- **Fitch Ratings: Funding needs and upcoming maturities to drive Sukuk issuance** – Sovereign Sukuk issuance momentum is likely to be driven by the need to diversify funding and meet upcoming maturities, along with intact investor appetite, Fitch Ratings says in a new report. Although less pandemic-related support, economic recovery and higher oil prices could result in lower financing needs for sovereigns, we expect one-off or infrequent issuance to support 2021 volumes. Fitch estimates total sovereign sukuk issuance rose by 29% to \$75 billion in 2020 for Bahrain, Indonesia, Malaysia, Oman, Saudi Arabia and Turkey, usually the main Sukuk-issuing sovereigns. A sharp increase in



financing requirements contributed to record Sukuk issuance by the six in 2020. After three years of growth, Fitch estimates that Sukuk fell to 26% of market financing in 2020 from 30% in 2019. Domestic Sukuk issuance held up well, dipping as a proportion of total issuance to 29% (from 32% in 2019) but in US dollar terms rising by 45% to \$70bn. The proportionate decline was much greater for external issuance likely reflecting the larger investor base for conventional debt and the development of local sukuk markets. Unlike previous years, Saudi Arabia and Turkey did not issue sukuk externally in 2020. Performance of sovereign sukuk is strongly correlated to comparable sovereign bonds, although divergences appeared at the height of market volatility in March/April 2020, likely reflecting liquidity pressures. In 1Q21, this relationship had normalized to pre-2020 levels. (Bloomberg)

- Saudi Arabia's official reserves rise after three months of decrease** – Saudi Arabia's official reserve assets of Saudi Arabia rose SR28.7bn, or 1.7%, from the previous month to SR1.68tn in March, according to Saudi Arabian Monetary Agency figures. Reserves are down 5.2% from the same period last year. Gold remained unchanged YoY at SR1.62bn. Foreign currency reserves are up 5.7% MoM, down 16% YoY to SR513.6bn. Special Drawing Rights (SDR) are down 2% MoM, unchanged YoY at SR31bn. IMF reserve position is down 3.6% MoM, up 40% YoY to SR13bn. The March M1 money supply rose 11.3% from year ago, M2 money supply rose 8.1% from year ago and M3 money supply rose 8.9% from year ago. (Bloomberg)
- Saudi Aramco revived talks for 20% stake in Reliance arm** – Saudi Arabia held talks with Reliance Industries about a cash and share deal for a stake in the Indian company's refining and petrochemicals arm, the Financial Times reports, citing sources. Talks revived in recent weeks to finalize Saudi Aramco's acquisition of a 20% stake in the conglomerate's assets. Kingdom is weighing paying for deal with Saudi Aramco shares initially followed by staggered cash payments over several years. Talk of the transfer of share ownership could be referring to Reliance, but more likely related to other discussions with Chinese and other investors about stake sales, the report says, citing sources. (Bloomberg)
- Saudi Tadawul Group hires JP Morgan, Citi, NCB Capital for IPO** – Saudi Tadawul Group, the owner and operator of the country's stock market, said on Wednesday it appointed JP Morgan, Citigroup and the securities arm of Saudi National Bank for its initial public offering. Tadawul said the public share sale will allow it to expand and strengthen its position globally. The deal is part of efforts by Saudi Arabia to diversify its economy. With a market capitalization of \$2.5tn, Tadawul is the Arab world's largest stock exchange. Saudi Arabia's stock exchange has converted itself into a holding company and will be renamed Saudi Tadawul Group ahead of the listing this year, Group Chief Executive Khalid al-Hussan said previously. The group will have four subsidiaries - its bourse Saudi Exchange, securities clearing and depository businesses and technology services. (Reuters)
- Gulf Navigation completes AED200mn debt restructuring** – Gulf Navigation completes AED200mn debt restructuring. It has restructured loan with Australis Maritime Limited so cost of debt will be reduced by 25%, or equivalent of AED4mn in savings annually. It is working with majority of lenders on new, flexible terms. It expects to turn to profitability in 2021. Company has

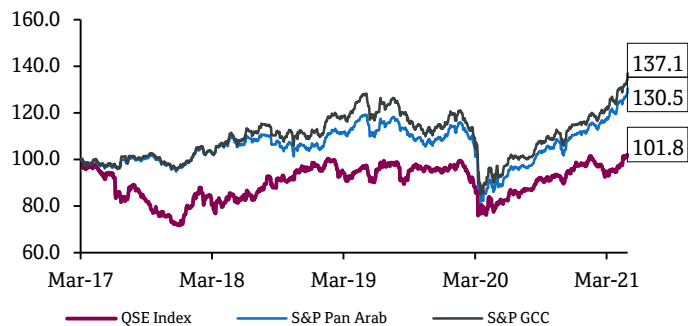
fully paid all obligations to Abu Dhabi Commercial Bank. It is studying options to expand, increase maritime fleet, whether through new acquisitions or mergers. (Bloomberg)

- Abu Dhabi Ports gets \$1bn via 10-year bonds** – State-owned Abu Dhabi Ports on Wednesday sold \$1bn in 10-year bonds after receiving more than \$4.6bn in orders for the debt sale, which it will use for general corporate purposes, a document showed. The bonds were sold at 110 basis points (bps) over mid-swaps, which was tightened from initial guidance of around 145 bps over mid-swaps, the document from one of the banks on the deal showed. Citi, First Abu Dhabi Bank, Standard Chartered, HSBC, Mizuho, Societe Generale, BNP Paribas, Credit Agricole and SMBC Nikko arranged the deal. Reuters reported on Sunday that Abu Dhabi Ports had secured a \$1bn loan from nine banks including Citi, FAB, HSBC and Standard Chartered. A source said it was also planning a bond sale. Abu Dhabi Ports, which is owned by the emirate's holding company ADQ, owns and operates 11 ports and terminals in the United Arab Emirates and Guinea. Fitch Ratings and S&P Global Ratings both assigned Abu Dhabi Ports an A+ rating last week. (Reuters)
- Dana Gas says IPR Wastani Petroleum seeks arbitration over cancelled Egypt deal** – Dana Gas said on Wednesday that IPR Wastani Petroleum Ltd, a member of the IPR Energy Group, has requested arbitration after Dana Gas cancelled a sale of oil and gas assets in Egypt. Dana Gas on Sunday said it had terminated the deal with IPR Wastani Petroleum, signed last year, for the onshore assets after the sides were unable to agree on conditions. IPR Wastani Petroleum has submitted a request for arbitration, disputing Dana Gas' right to terminate the sale and purchase and agreement, Dana Gas said. Dana Gas, listed in the UAE, said it was "very confident" of its legal position and right to cancel the sale and purchase agreement and would defend the proceedings. (Reuters)
- NBF recorded a net profit of AED42.0mn in 1Q2021** – NBF recorded a net profit of AED42.0mn for the three-month period ended March 31, 2021, up 107.8% compared to AED75.4mn in the corresponding period of 2020, despite the challenging credit conditions and the third wave of the COVID-19 pandemic. Operating income stood at AED360.2mn, down 13.7% compared to AED417.5mn in the corresponding period of 2020 reflecting the testing operating conditions presented by the COVID-19 pandemic from 2Q2020. Lower interest rates and margins coupled with subdued economic activity affected the drop in income. This was offset by management's focus on core business, lowering cost of funds, adjusting its investment strategy and achieving operating efficiencies from its automation and digital endeavors. The capital adequacy ratio (CAR) is being kept at a recent high for the bank to underpin the bank's ability to ride out any challenges arising out of the evolving operating landscape. CAR stood at 19.6% (Tier 1 ratio of 18.5% and CET 1 ratio of 14.3%) compared to 19.2% (Tier 1 ratio of 18.1% and CET 1 ratio of 14.0%) at 2020 year-end. Loans and advances and Islamic financing receivables rose marginally by 0.7% to reach AED25.0bn compared to AED24.8bn at 2020 year-end and AED27.2bn as at March 31, 2020. (ADX, Press Release)
- Fitch affirms Gulf Bank at 'A+'; Negative outlook** – Fitch Ratings has affirmed Gulf Bank (GB) Long-Term Issuer Default Rating

(IDR) at 'A+' with a Negative outlook. Fitch has also affirmed the bank's Viability Rating (VR) at 'bb+'. GB's IDRs are driven by support from the Kuwaiti sovereign. Its Support Rating (SR) of '1' and Support Rating Floor (SRF) of 'A+' reflect Fitch's view of an extremely high probability of support being provided by the Kuwaiti authorities to all domestic banks. GB's SRF is in line with Fitch's domestic-systemically important bank SRF for Kuwait. Fitch's expectation of support from the authorities is underpinned by Kuwait's strong ability to provide support to domestic banks, as reflected by the sovereign rating (AA/Negative) and a strong willingness to do so irrespective of the bank's size, franchise, funding structure and level of government ownership. This view is reinforced by the authorities' record of support for the domestic banking system. The Central Bank of Kuwait (CBK) operates a strict regime with active monitoring to ensure the viability of banks and has acted swiftly in the past to provide support where needed. Contagion risk among domestic banks is high (Kuwait is a small and interconnected market) and we believe this is an added incentive to provide state support to any Kuwaiti bank. (Bloomberg)

- **Fitch Ratings: Omani banks face rising bad loans amid slow economic recovery** – Omani banks' intrinsic credit profiles face pressure throughout 2021 due to economic disruption caused by the pandemic and the government's restrictive fiscal policy, Fitch Ratings says. We expect the sector's Stage 3 loans ratio to increase by 100bp-150bp from 4.4% at end-2020 as borrower support measures expire and loan classification normalizes. The proportion of restructured loans (4% at end-2020) is also likely to rise. Corporate loan deferrals are significant and, unless extended, will pose sizeable risks to asset quality when they expire in September. Total loan deferrals, either during or at the end of 2020, varied significantly among banks, ranging from 6% to 50% of gross loans, based on outstanding principal and related balances. The sector's expected credit losses increased to 4.1% of gross loans at end-2020 as banks front-loaded provisions. However, some banks' loan impairment charges appear low given widespread payment deferrals and the likely extent of GDP contraction. Underlying profitability should improve modestly in 2021 due to a gradual pick-up in lending, but the slow economic recovery and the still-high cost of risk (loan impairment charges/gross loans) will limit the upside. (Bloomberg)
- **Oman's OQ plans asset sales, bonds to fund \$7.9bn CAPEX** – Omani state energy company OQ expects capital expenditure of \$7.9bn between 2021 and 2025, and is looking to divest companies, refinance debt and issue bonds to reduce its reliance on state funds. The company has a long-term plan to secure funding self-sufficiency, according to bond prospectus seen by Bloomberg. Aims to cut net debt to EBITDA to less than 3 times by early 2023. Government is not expected to inject more equity into company. The state equity to date totals \$8.9bn. As of December 31, 2020, the company's cash deposits amounted to OMR664mn; net cash from operating activities in 2020 was OMR528mn. (Bloomberg)

## Rebased Performance

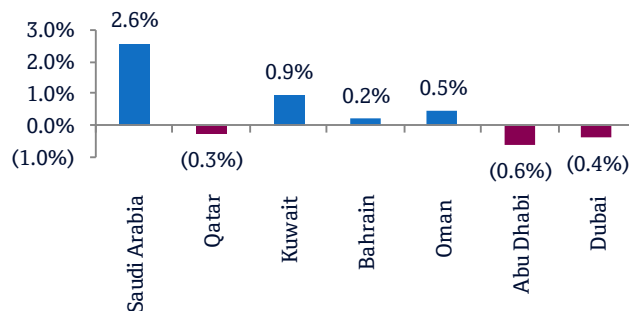


Source: Bloomberg

Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,781.68	0.3	0.3	(6.1)
Silver/Ounce	26.20	(0.2)	0.8	(0.8)
Crude Oil (Brent)/Barrel (FM Future)	67.27	1.3	1.8	29.9
Crude Oil (WTI)/Barrel (FM Future)	63.86	1.5	2.8	31.6
Natural Gas (Henry Hub)/MMBtu	2.92	2.1	7.4	22.2
LPG Propane (Arab Gulf)/Ton	82.50	2.6	5.4	9.6
LPG Butane (Arab Gulf)/Ton	83.50	3.9	4.9	20.1
Euro	1.21	0.3	0.2	(0.7)
Yen	108.60	(0.1)	0.7	5.2
GBP	1.39	0.2	0.4	1.9
CHF	1.10	0.5	0.5	(2.7)
AUD	0.78	0.3	0.7	1.3
USD Index	90.61	(0.3)	(0.3)	0.7
RUB	74.40	(0.7)	(0.8)	(0.0)
BRL	0.19	2.0	2.5	(2.8)

## Daily Index Performance



Source: Bloomberg

Source: Bloomberg (\*\$ adjusted returns)

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,951.88	(0.0)	0.2	9.7
DJ Industrial	33,820.38	(0.5)	(0.7)	10.5
S&P 500	4,183.18	(0.1)	0.1	11.4
NASDAQ 100	14,051.03	(0.3)	0.2	9.0
STOXX 600	439.92	0.2	0.3	9.0
DAX	15,292.18	0.4	0.2	9.7
FTSE 100	6,963.67	0.3	0.8	9.9
CAC 40	6,306.98	0.7	0.9	12.4
Nikkei	29,053.97	0.0	(0.7)	0.4
MSCI EM	1,364.96	0.2	0.9	5.7
SHANGHAI SE Composite	3,457.07	0.5	(0.2)	0.3
HANG SENG	29,071.34	0.4	(0.0)	6.6
BSE SENSEX	49,733.84	1.8	4.5	2.2
Bovespa	121,052.50	2.0	2.2	(2.7)
RTS	1,509.06	(0.5)	(0.2)	8.8

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