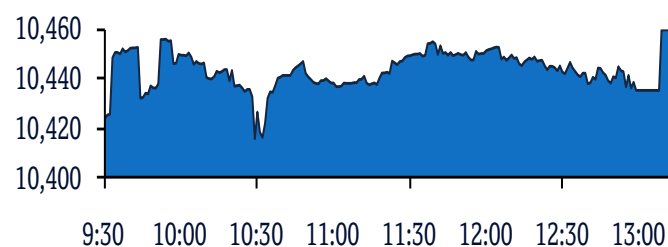


QSE Intra-Day Movement



Qatar Commentary

The QE Index rose marginally to close at 10,459.9. Gains were led by the Telecoms and Consumer Goods & Services indices, gaining 0.4% and 0.2%, respectively. Top gainers were Qatar Cinema & Film Distribution Company and Qatar Aluminium Manufacturing Company, rising 4.1% and 1.7%, respectively. Among the top losers, Gulf Warehousing Company fell 3.0%, while Qatari Investors Group was down 1.8%.

GCC Commentary

Saudi Arabia: The TASI Index gained 0.2% to close at 9,102.0. Gains were led by the Software & Services and Real Estate Mgmt indices, rising 3.6% each. Tabuk Agricultural Development and Saudi Public Transport were up 10.0% each.

Dubai: The DFM Index fell 1.2% to close at 2,610.5. The Banks index declined 1.6%, while the Real Estate & Construction index fell 1.5%. Al Sagr National Insurance Company declined 4.8%, while Dubai Islamic Insurance Company was down 3.7%.

Abu Dhabi: The ADX General Index gained 0.3% to close at 5,663.9. The Banks index rose 0.6%, while the Services index gained 0.1%. Easy Lease Motorcycle Rental rose 6.5%, while RAK Properties was up 5.4%.

Kuwait: The Kuwait All Share Index gained 0.5% to close at 5,727.2. The Basic Materials index rose 1.2%, while the Industrials index gained 1.0%. Fujairah Cement Industries rose 9.9%, while Umm Al Qaiwain General Invest. was up 9.3%.

Oman: The MSM 30 Index fell 0.3% to close at 3,554.1. Losses were led by the Services and Financial indices, falling 0.4% each. SMN Power Holding declined 8.1%, while Muscat City Desalination Company was down 7.2%.

Bahrain: The BHB Index gained 0.9% to close at 1,474.1. The Commercial Banks index rose 1.7%, while the Industrial index gained 0.4%. BBK rose 3.4%, while GFH Financial Group was up 1.7%.

Market Indicators	16 Feb 21	15 Feb 21	%Chg.
Value Traded (QR mn)	274.3	417.4	(34.3)
Exch. Market Cap. (QR mn)	602,991.3	603,577.7	(0.1)
Volume (mn)	97.1	162.3	(40.2)
Number of Transactions	6,329	7,944	(20.3)
Companies Traded	47	48	(2.1)
Market Breadth	19:23	13:31	-

Market Indices	Close	1D%	WTD%	YTD%	TTMP/E
Total Return	20,181.49	0.0	(0.6)	0.6	18.6
All Share Index	3,212.57	(0.1)	(0.6)	0.4	19.1
Banks	4,179.70	(0.1)	(0.4)	(1.6)	15.1
Industrials	3,285.51	(0.0)	0.2	6.1	28.6
Transportation	3,479.00	(0.0)	(0.6)	5.5	16.0
Real Estate	1,870.23	(0.5)	(0.8)	(3.0)	18.1
Insurance	2,387.10	(0.3)	(3.0)	(0.4)	N.A.
Telecoms	1,085.97	0.4	(5.3)	7.5	25.4
Consumer	7,858.69	0.2	(0.9)	(3.5)	28.3
Al Rayan Islamic Index	4,292.16	0.0	(0.1)	0.5	19.9

GCC Top Gainers**	Exchange	Close*	1D%	Vol. '000	YTD%
Emaar Economic City	Saudi Arabia	9.42	5.8	20,721.6	2.3
Jabal Omar Dev. Co.	Saudi Arabia	29.15	4.9	4,500.2	0.2
BBK	Bahrain	0.51	3.4	103.3	1.4
National Petrochemical	Saudi Arabia	38.00	2.2	183.9	14.3
Arabian Centres Co Ltd	Saudi Arabia	22.44	2.1	1,571.3	(10.4)

GCC Top Losers**	Exchange	Close*	1D%	Vol. '000	YTD%
Dubai Islamic Bank	Dubai	4.80	(2.6)	17,480.6	4.1
Bank Nizwa	Oman	0.10	(2.0)	114.0	0.0
Bank Al-Jazira	Saudi Arabia	13.24	(1.9)	13,888.0	(3.1)
Emaar Malls	Dubai	1.67	(1.8)	8,346.9	(8.7)
Al Rajhi Bank	Saudi Arabia	83.60	(1.6)	5,176.5	13.6

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%
Gulf Warehousing Company	5.07	(3.0)	1,320.8	(0.6)
Qatari Investors Group	1.94	(1.8)	1,656.9	6.8
Qatar Industrial Manufacturing	2.88	(1.3)	36.9	(10.3)
Aljarah Holding	1.20	(1.2)	3,288.4	(3.9)
Dlala Brokerage & Inv. Holding Co	1.83	(1.1)	2,992.9	1.9

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
QNB Group	16.93	(0.4)	52,026.6	(5.0)
Qatari German Co for Med. Dev.	3.30	0.9	30,663.4	47.5
Qatar Aluminium Manufacturing	0.98	1.7	17,621.8	1.6
Qatar Islamic Bank	17.00	0.0	15,250.1	(0.6)
Ooredoo	7.94	0.5	12,809.8	5.6

Source: Bloomberg (* in QR)

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Qatar Cinema & Film Distribution	3.85	4.1	0.0	(3.6)
Qatar Aluminium Manufacturing	0.98	1.7	18,002.9	1.6
The Commercial Bank	4.40	0.9	182.8	0.0
Qatari German Co for Med. Devices	3.30	0.9	9,330.0	47.5
Investment Holding Group	0.57	0.7	16,009.2	(5.5)

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Qatar Aluminium Manufacturing	0.98	1.7	18,002.9	1.6
Investment Holding Group	0.57	0.7	16,009.2	(5.5)
Qatari German Co for Med. Devices	3.30	0.9	9,330.0	47.5
Qatar First Bank	1.84	0.5	5,150.2	6.8
Salam International Inv. Ltd.	0.63	(0.3)	4,472.0	(3.4)

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded (\$ mn)	Exchange Mkt. Cap. (\$ mn)	P/E**	P/B**	Dividend Yield
Qatar*	10,459.94	0.0	(0.6)	(0.1)	0.2	74.73	163,953.3	18.6	1.5	3.6
Dubai	2,610.50	(1.2)	(0.9)	(1.6)	4.8	60.94	95,829.1	21.4	0.9	3.7
Abu Dhabi	5,663.86	0.3	(0.1)	1.3	12.3	285.18	217,346.4	22.7	1.6	4.3
Saudi Arabia	9,101.96	0.2	1.8	4.6	4.7	3,660.54	2,450,302.7	35.0	2.2	2.3
Kuwait	5,727.20	0.5	0.6	(0.9)	3.3	200.38	107,750.1	39.8	1.4	3.4
Oman	3,554.14	(0.3)	(0.2)	(2.7)	(2.9)	2.71	16,083.9	10.8	0.7	7.7
Bahrain	1,474.10	0.9	0.8	0.8	(1.1)	5.77	22,564.0	14.2	1.0	4.6

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 rose marginally to close at 10,459.9. The Telecoms and Consumer Goods & Services indices led the gains. The index rose on the back of buying support from GCC and Foreign shareholders despite selling pressure from Qatari and Arab shareholders.
- Qatar Cinema & Film Distribution Company and Qatar Aluminium Manufacturing Company were the top gainers, rising 4.1% and 1.7%, respectively. Among the top losers, Gulf Warehousing Company fell 3.0%, while Qatari Investors Group was down 1.8%.
- Volume of shares traded on Tuesday fell by 40.2% to 97.1mn from 162.3mn on Monday. Further, as compared to the 30-day moving average of 181.2mn, volume for the day was 46.4% lower. Qatar Aluminium Manufacturing Company and Investment Holding Group were the most active stocks, contributing 18.5% and 16.5% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	39.76%	47.65%	(21,634,503.9)
Qatari Institutions	24.66%	18.00%	18,286,228.1
Qatari	64.43%	65.65%	(3,348,275.8)
GCC Individuals	0.69%	0.98%	(806,381.2)
GCC Institutions	2.74%	1.41%	3,635,951.5
GCC	3.42%	2.39%	2,829,570.3
Arab Individuals	9.31%	10.91%	(4,397,229.7)
Arab Institutions	0.05%	-	131,940.4
Arab	9.36%	10.91%	(4,265,289.4)
Foreigners Individuals	4.72%	3.13%	4,366,787.0
Foreigners Institutions	18.08%	17.92%	417,207.9
Foreigners	22.80%	21.05%	4,783,994.9

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

Earnings Releases and Earnings Calendar

Earnings Releases

Company	Market	Currency	Revenue (mn) 4Q2020	% Change YoY	Operating Profit (mn) 4Q2020	% Change YoY	Net Profit (mn) 4Q2020	% Change YoY
Saudi Ceramic Co.*	Saudi Arabia	SR	1,516.1	22.7%	126.6	109.7%	77.7	986.7%
Reem Investments*	Abu Dhabi	AED	21.7	11.5%	-	-	(123.2)	N/A
GFH Financial Group*	Bahrain	USD	323.4	0.6%	-	-	45.1	-31.7%
Banader Hotels Company*	Bahrain	BHD	1.1	-63.8%	0.4	-77.8%	(3.1)	N/A

Source: Company data, DFM, ADX, MSM, TASI, BHB. (*Financial for FY2020)

Earnings Calendar

Tickers	Company Name	Date of reporting 4Q2020 results	No. of days remaining	Status
QLMI	QLM Life & Medical Insurance Company	17-Feb-21	0	Due
GISS	Gulf International Services	18-Feb-21	1	Due
DOHI	Doha Insurance Group	22-Feb-21	5	Due
QNNS	Qatar Navigation (Milaha)	23-Feb-21	6	Due
AHCS	Aamal Company	23-Feb-21	6	Due
MCGS	Medicare Group	23-Feb-21	6	Due
MPHC	Mesaieed Petrochemical Holding Company	23-Feb-21	6	Due
MERS	Al Meera Consumer Goods Company	23-Feb-21	6	Due
QGRI	Qatar General Insurance & Reinsurance Company	28-Feb-21	11	Due
QISI	Qatar Islamic Insurance Group	28-Feb-21	11	Due
WDAM	Widam Food Company	3-Mar-21	14	Due
DBIS	Dlala Brokerage & Investment Holding Company	8-Mar-21	19	Due

Source: QSE

Qatar

- CBQK to hold its AGM on March 10** – The Commercial Bank (CBQK) announced that the General Assembly Meeting AGM will be held on March 10, 2021, Commercial Bank Plaza, Al Markhiyah Street, Al Dafna at 06:30 pm. In case of not completing the legal quorum, the second meeting will be held on March 23, 2021, Commercial Bank Plaza, Al Markhiyah Street, Al Dafna at 06:30 pm. The agenda includes to discuss and approve the Company's financial statements for the year ended December 31, 2020 and to approve the Dividend Distribution Policy and the Board's recommendation to distribute a cash dividend of 10% of the share's nominal value to shareholders of QR0.1 for each share held. (QSE)
- NLCS AGM endorses items on its agenda** – National Leasing Holding (NLCS) announced the results of the AGM. The meeting was held on February 16, 2021 and the following resolution were approved (1) Hearing the Board of Directors' report on the activity of the company and its financial position for the year ended 31 December 2020: The AGM heard the management report on the company activities and its financial position for the year ended 31.12.2020. (2) Hearing of Sharia Board report on the activity of the company for the year ended 31 December 2020: The AGM heard the heard of Sharia Board report on the activity of the company for the year ended 31 December 2020 (3) Hearing the report of Independent Auditors on the Company's financial statements for the year ended 31 December 2020: The AGM heard the auditors' report, by Ernst & Young, on the company balance sheet and profit and loss account of the financial year ended December 31, 2020. (4) Discussing and approving the Financial Statements of the company for the year ended December 31, 2020: The AGM approved company balance sheet and profit and loss account of the financial year ended December 31, 2020. (5) Approving the Board's proposal to distribute a dividend of 2.5% out of the legal reserve of the nominal value per share at the rate of QR0.025: The AGM agreed on the distribution of cash dividends on the value of QR0.025 per share by 2.5%. (6) Absolve the Boards of Directors Members for the year ended December 31, 2020: The AGM absolved the BOD Members from responsibilities for transaction for the year ended December 31, 2020. (7) Corporate Governance Annual Report for 2020: The AGM heard the Corporate Governance Annual Report for 2020 and approved it. (8) Appointment of External Auditors for the year 2021: The AGM decided to appoint Ernst & Young as External Auditors for the year. (9) Election of New Board of Directors: The AGM elected a new Board of Directors consisting of 6 members for the period of year 2021 to 2023. (QSE)
- QEWS to hold its AGM on March 08** – Qatar Electricity and Water Company (QEWS) announced that the General Assembly Meeting (AGM) will be held on March 08, 2021, Zoom Platform at 04:00 pm. In case of not completing the legal quorum, the second meeting will be held on March 14, 2021, Zoom Platform at 04:00 pm. The agenda includes – (1) Present and approve the Board of Directors Report for the Company's activities and its financial position of the year ended December 31, 2020, (2) Discuss and approve the External Auditors Report on the Company's financial position for the year ended December 31, 2020, (3) Discuss and approve the balance sheet, profit and loss account for the year ended December 31, 2020. In addition, to approve the Board of Directors proposal to distribute cash dividends to the shareholders, (4) Discuss and approve the Governance Report for the year 2020, (5) Discharging the members of the Board of Directors for the financial year 2020, and approve their remuneration, (6) Appointing the External Auditor for the year 2021 and fixing their fees. (QSE)
- Aljarah Holding eyes investment prospects** – Aljarah Holding is scouting for new investment opportunities this year as part of efforts to achieve positive benefits for the company and shareholders. "Despite all the pressures the company has faced over the years from the group's sectors, the holding continues to enjoy a good financial solvency and is still able to complete the march and seize the investment opportunities that will have a positive impact on the performance of the group," Aljarah Holding's Chairman, Sheikh Falah bin Jassim bin Jabr Al-Thani told shareholders at the Annual General assembly meeting (AGM) held virtually. The pandemic had a positive impact, as the company snapped some investments in the local market, which had a positive impact on the financial statements, and achieved an income from investment that amounted to QR59.99mn, compared to QR9.83mn in 2019. The meeting also saw the election of the members of the board. (Gulf-Times.com)
- Asia stays top destination of Qatar's exports, imports** – Asia remained the principal destination of Qatar's exports and the first origin of imports as the country saw QR24.7bn trade balance on trade volumes of QR73.41bn during 4Q2020, according to the Planning and Statistics Authority (PSA) data. The Asian region constituted 80.7% of Qatar's exports and 41.7% of imports; followed by the European Union (7.6% and 29.9%); the GCC (5.8% and 3.3%), the US (2% and 14.1%), Africa except Arab countries ((1% and 0.8%) and Oceania (0.3% and 1.9%). The trade surplus deterioration YoY was felt mostly during the second quarter after which the declines progressively got reduced. The trade volume and balance with Asia were QR49.74bn and QR29.44bn respectively in 4Q2020, European Union (QR11.03bn and -QR3.56bn), the US (QR4.39bn and -QR2.46bn) and the GCC (QR3.66bn and QR2.04bn) in the review period. In 4Q2020, Asia constituted 67.75% of Qatar's trade volume, the European Union (15.03%), the US (5.98%) and the GCC (4.99%). Market sources are optimistic that Qatar's trade volume with the GCC countries could improve in view of the lifting of the embargo but would depend on COVID-19, even as trade of essentials were largely unhampered even at the peak of pandemic in 2020. Qatar's trade volume and balance with other European countries stood at QR1.21bn and -QR0.9bn, other American countries (QR1bn and -QR0.08bn), African -except Arab countries (QR0.69bn and QR0.3bn) and Oceania (QR0.59bn and -QR0.32bn) in 4Q2020. In 4Q2020, the value of Qatar's total exports (including exports of domestic goods and re-exports) amounted to QR49.1bn, which decreased 25.4% YoY but witnessed 19.4% growth QoQ. The 4Q2020 YoY decrease in total exports was mainly due to a 29.7% plunge in shipments of

mineral fuels, lubricants and related materials, 90.5% in crude materials inedible except fuels and 38.3% in manufactured goods classified chiefly by material. On other hand, increases was recorded mainly in miscellaneous manufactured articles (174.1%), chemicals and related products (10.2%) and food and live animals (16.7%). The value of Qatar's imports in 4Q2020 was QR 24.4bn; which fell 10.9% on a yearly basis even as it increased by 13.4% on a quarterly basis. The 4Q20 YoY decrease in imports values is mainly due to a 45.9% shrinkage in the imports of mineral fuels, lubricants and related materials, 53% in crude materials, inedible except fuels and 24% in miscellaneous manufactured articles and 7.6% in machinery and transport equipment. Nevertheless, there was a 4.3% increase in the imports of manufactured goods classified chiefly by material, and 19% in animal and vegetable oils, fats and waxes. (Gulf-Times.com)

- PwC: Businesses urged to be VAT-ready** – Businesses in Qatar have been urged to prepare for the expected implementation of value added tax (VAT) in the country. Experts from global consulting firm PwC Middle East who spoke at a webinar hosted by the Chartered Accountants of Sri Lanka in Qatar, recently, said business organizations across Qatar need to conduct VAT impact assessment even before the government issues the final legislation. The PwC experts also stressed that Qatar is now VAT ready in terms of the country's legislation and system readiness. "Qatar has started preparing for the VAT implementation back in 2016, around the same time the country has signed the GCC VAT framework. In terms of readiness, Qatar is ready when it comes to regulations, (IT) system readiness, and the General Tax Authority's (GTA) ability to have a team on the ground to deal with tax payers," said Rania Ibrahim, Manager for Tax and Legal Services at PwC Middle East. Jennifer O' Sullivan, Partner for Tax and Legal Services at PwC Middle East, advised companies to be VAT ready at least six to nine months before its actual implementation. She added, "VAT really impacts across the organisation. It's not just a finance function issue. Organizations really need to start looking at VAT implementation now at this point, if they still have not done so. It's not a case of if, it's when. It's better to be prepared. Start your impact assessment; at least in that sense you will be in a much stronger position to deal with the huge changes that will happen in the organization in a timely manner. Tax Authorities are becoming sophisticated in the region, and paying the right VAT is critical". (Peninsula Qatar)
- Petrochemical, fertilizer industry requires effective partnership between government, private sector** – According to Saad Al-Kuwari, the petrochemical and fertilizer industry is undergoing a strategic transformation and requires an effective partnership between the government and the private sector. Incorporating companies in the petrochemical sector boosts revenues and raises earnings per share. Highlighting the innovation index as one of the most important distinguishing features of the petrochemical and fertilizer industry will enable the sector to respond to current and future market requirements. Qatar, through Qatar Petroleum and Industries Qatar, the shareholder and operator, could achieve even greater income if methane and ethane were used in a better way in manufacturing, increasing the volume of petrochemical products, fertilizers and petroleum additives, as these are considered the main feedstock for this industry. Saad Al-Kuwari said, "The petrochemical and fertilizer

industry achieved successes in the past, with some non-essential negatives that foreign companies benefited from, such as manufacturing technology, marketing mechanisms and its commission. We need more future investments, especially in chemical fertilizers, as the wheel of investment in these projects, whether in the petrochemical industry, fertilizers or chemical additives, has stopped for more than 10 years and no expansion or new projects have been established in the sector. The industry is going through a strategic transformation and a very decisive phase in light of unprecedented social, political and economic changes, especially as it suffers from the rapid decline in global chemical prices since mid-2014, the increase in local feedstock prices, and the emergence of global competition." (Gulf-Times.com)

- Qatar Chamber's Chairman inaugurates three industrial factories** – Qatar Chamber's Chairman, Sheikh Khalifa bin Jassim Al-Thani has inaugurated three new factories that are subsidiaries of the National Paints Factories Company, situated in the country's Small & Medium Enterprises Zone. The three factories are National Paints Factories Company's new branches for manufacturing industrial paints – the Royal Cans Factories Company and the Overseas Intermediate Chemicals Factory. (Gulf-Times.com)
- Ashghal kicks off roads & infrastructure project in Umm Slal Mohammed** – As part of its efforts to provide integrated infrastructure, advanced roads and utilities across Qatar, the Public Works Authority (Ashghal) has started implementation of the first package of the Roads and Infrastructure Development Project in Umm Slal Mohammed, located in the west of Al Shamal Road. Head of North Areas Section at Roads Projects Department at Ashghal, Eng Ali Ashkhanani explained features of the project, saying the project will serve 623 plots of citizens' subdivisions in Umm Slal Mohammed. He added that integrated infrastructure will be constructed with advanced services along with internal streets, improving traffic flow and linking public utilities to be constructed in the area in future. Manager of Umm Slal Mohammed Area Project at Roads Projects Department of Ashghal, Eng Hamad Al Bader clarified that the project includes development and construction of a 36 km road network with provision of traffic safety elements such as street lighting systems, signboards and road signages, besides provision of 4,310 parking spaces. (Qatar Tribune)
- Massive jump in sales of Qatari Farm Produce in 2020** – The Premium Qatari Vegetables and Qatar Farms programs achieved significant sales during 2020 as compared to previous years. The sales of premium vegetables reached 4,565 tons in 2020 as compared to 2,740 tons in 2019, an increase of about 66%. Similarly, the sales of Qatar Farms produce reached 19,000 tons as compared to 11,506 tons in 2019, an increase of about 64%. The Ministry of Municipality and Environment (MME) launched these programs with the cooperation and coordination of Ministry of Commerce and Industry to improve local marketing operations and help the farmers market their produce. They provided the opportunity for the Qatari farmers to display their local production of high quality vegetables with affordable prices for the consumer without an intermediary, and without paying the farmer any financial commissions in return. (Qatar Tribune)

International

- **Fed's Bullard: US financial outlook mostly good, growth could outpace China** – Financial conditions in the US were “generally good” right now, with the potential for its economic growth to outpace China, St. Louis Fed president James Bullard said on Tuesday as the country heads into its second year of the COVID-19 pandemic. In an interview on CNBC, Bullard said US inflation was in “good shape ... right now” and would likely move up this year, something the Fed would take “on board.” As US health officials move to inoculate the population against the coronavirus, the country has moved on from the kind of panic situation it faced last spring and could see a “roaring” economy as it emerges from the pandemic, he said. On bitcoin, which vaulted above \$50,000 for the first time on Tuesday, Bullard said the cryptocurrency’s price did not affect Fed policy. Bullard also noted recent volatility in the markets with GameStop and other equities but said it appeared to be normal trading, not a bubble, telling CNBC: “You do see speculative frenzies from time to time in markets, and that’s part of the process.” (Reuters)
- **German investor morale surges on shopping spree expectations** – Investor morale in Germany rose beyond even the most optimistic forecast in February on expectations consumption will take off in the coming months, the ZEW economic research institute said on Tuesday, buoying the outlook for Europe’s largest economy. The ZEW said its survey of investors’ economic sentiment showed a rise to 71.2 points from 61.8 the previous month. A Reuters poll had pointed to a fall to 59.6, and the February reading surpassed even the highest forecast, of 68.0. The read-out, which came as a separate read-out showed Eurozone output fell less than initially estimated in the last quarter of 2020, boosted the Euro. “The financial market experts are optimistic about the future. They are confident that the German economy will be back on the growth track within the next six months,” ZEW President Achim Wambach said in a statement. “Consumption and retail trade in particular are expected to recover significantly, accompanied by higher inflation expectations,” he added. A separate gauge of current conditions eased to -67.2 from -66.4 the previous month. That compared with a consensus forecast of -67.0 points. The Economy Ministry said on Monday lockdown measures to slow the spread of the new coronavirus in Germany will continue to weigh on the economy in the first quarter of 2021, but prospects for exporters are cautiously positive. (Reuters)
- **Dutch economy shrank 0.1% in 4Q due to coronavirus lockdown** – The Dutch economy shrank 0.1% on a quarterly basis in the fourth quarter of last year, the Dutch national statistics agency (CBS) said on Tuesday, as a broad lockdown to fight the coronavirus crippled demand. All bars and restaurants in the Netherlands were closed from mid-October in a bid to limit the spread of COVID-19, which was followed by a shutdown of non-essential stores two months later. This lockdown had a stronger effect on the economy than expected, as economists on average had forecast growth of 0.2% for the October-December period. The Dutch economy, the Eurozone’s fifth largest, shrank 3.8% over the whole of 2020, which is the sharpest contraction on record, the CBS said. But the full-year hit was less severe than expected, as the government’s main economic adviser in November had penciled in a contraction of 4.2% for 2020. It predicted growth of 2.8% for 2021 at the time. (Reuters)
- **French unemployment falls to pre-crisis levels in fourth-quarter, skewed by lockdown** – Unemployment in France fell to pre-pandemic levels in the fourth quarter of 2020, though the data was partially skewed by a six-week COVID-19 lockdown during which jobseekers were unable to register as jobless, the INSEE statistics office said. Unemployment in the euro zone’s second biggest economy fell 1.1 percentage points to 8%, official data showed on Tuesday. That compared with a revised 9.1% in the third quarter and 8.1% in the last three months of 2019. Unemployment fell fastest amongst 15-24 year olds, and marginally quicker among women than men. The number of workers on a long-term contract edged higher to 49.8% from 49.2% in the previous quarter as some hiring activity resumed, INSEE said. Before the pandemic struck, President Emmanuel Macron had been chasing a goal of 7% unemployment by the end of his five-year term in 2022. He inherited a jobless rate of 9.5% in May 2017 and set about liberalizing the labor market. The French jobless rate stood above 10% throughout the 2012-2017 term of Macron’s socialist predecessor, Francois Hollande. (Reuters)
- **Japan's exports, machine orders pick up as global demand recovers** – Japan’s exports accelerated in January, led by a jump in Chinese demand, and manufacturers’ sentiment turned positive for the first time since 2019 signaling a gradual recovery from last year’s deep coronavirus slump. Core machinery orders, a volatile but leading indicator of capital spending, unexpectedly rose in December, an encouraging sign for a private sector-led recovery, even as renewed curbs to contain the pandemic weighed on business activity. Despite the upbeat indicators, however, analysts warn the recovery momentum in the world’s third-largest economy could stall as policymakers struggle to balance the need to contain the virus against the need to revive growth and fix Japan’s dire finances. The indicators followed fourth-quarter GDP data on Monday that showed Japan’s economy grew more than expected, as a fast-recovering Chinese economy helped boost exports and capital expenditure. Ministry of Finance data showed on Wednesday exports rose 6.4% in January from a year earlier, roughly in line with a 6.6% increase seen by economists in a Reuters poll and following a 2.0% gain in December. By region, exports to China, Japan’s largest trading partner, jumped 37.5% in the year to January, the biggest gain since April 2010, led by chip-making equipment, plastics and nonferrous metal. The big gain is partly due to the base effect of the large decline seen a year before when the Lunar New Year holidays, which weighs on trade activity, fell in January, a ministry official said. US-bound shipments fell 4.8%, dragged down by airplanes, motors and car parts. Reflecting soft domestic demand, imports fell 9.5% in the year to January, versus the median estimate for a 6.0% drop, swinging a trade balance to a deficit of 323.9bn Yen (\$3.05bn). Separate data by the Cabinet Office showed core machinery orders, considered an indicator of capital spending for the next six to nine months, rose 5.2% in December from the previous month, versus a 6.2% drop expected. The government described machinery orders as picking up, marking an upgrade for the third straight month from its previous assessment that they were showing signs of a pick-up. Raising worries about the outlook, however, manufacturers

surveyed by the Cabinet Office expected core orders to fall 8.5% in January-March, after advancing 16.8% in the previous quarter. Japanese manufacturers' morale turned positive for the first time since July 2019 in February, the Reuters Tankan survey showed. (Reuters)

Regional

- **DIB's net profit falls 34.3% YoY to AED3,293.8mn in FY2020** – Dubai Islamic Bank (DIB) recorded net profit of AED3,293.8mn in FY2020, registering decrease of 34.3% YoY. Net income rose 2.2% YoY to AED9,470.7mn in FY2020. Net operating income before net impairment charges and taxation fell 2.4% YoY to AED6,742.8mn in FY2020. Total assets stood at AED289.6bn at the end of December 31, 2020 as compared to AED231.8bn at the end of December 31, 2019. Islamic financing and investing assets (net) stood at AED196.7bn (+30.3% YoY), while customers' deposits stood at AED205.9bn (+25.2% YoY) at the end of December 31, 2020. Basic and diluted earnings per share came in at AED0.38 in FY2020 as compared to AED0.69 in FY2019. (DFM)
- **BBK's net profit falls 31.0% YoY to BHD52.0mn in FY2020** – BBK (BBK) recorded net profit of BHD52.0mn in FY2020, registering decrease of 31.0% YoY. Net interest and similar income fell 24.7% YoY to BHD80.8mn in FY2020. Total operating income fell 21.7% YoY to BHD118.7mn in FY2020. Total assets stood at BHD3.8bn at the end of December 31, 2020 as compared to BHD3.9bn at the end of December 31, 2019. Loans and advances to customers stood at BHD1.6bn (-6.9% YoY), while customers' current, savings and other deposits stood at BHD2.2bn (-0.1% YoY) at the end of December 31, 2020. Basic and diluted EPS came in at BHD0.039 in FY2020 as compared to BHD0.056 in FY2019. (Bahrain Bourse)
- **BISB's reports net loss of BHD12.6mn in FY2020** – Bahrain Islamic Bank (BISB) recorded net loss of BHD12.6mn in FY2020. Total income from jointly financed assets fell 7.4% YoY to BHD53.2mn in FY2020. Total income fell 7.8% YoY to BHD39.0mn in FY2020. Total assets stood at BHD1,211.6mn at the end of December 31, 2020 as compared to BHD1,223.6mn at the end of December 31, 2019. Financing assets stood at BHD571.5mn (-0.6% YoY), while placements from financial institutions stood at BHD147.9mn (+16.5% YoY) at the end of December 31, 2020. Loss per share came in at 11.94 fils in FY2020 as compared to EPS of 5.91 fils in FY2019. (Bahrain Bourse)
- **National Bank of Kuwait hires banks for dollar AT1 bonds, document shows** – The National Bank of Kuwait (NBK) has hired a group of banks to arrange investor calls before a planned issuance of US dollar-denominated Additional Tier 1 bonds, a document showed on Tuesday. NBK hired Citi, HSBC, JPMorgan, NBK Capital, Standard Chartered and UBS to arrange investor calls starting on Tuesday. They will be followed by the issuance - subject to market conditions - of the perpetual bonds, which will be non-callable for six years, the document from one of the banks showed. NBK is also inviting holders of its outstanding \$700mn AT1 bonds to tender the securities for cash, subject to the successful new AT1 transaction and other conditions. The existing notes' first call date is on April 9, 2021 and the expiration deadline for the tender offer has been set for Feb. 22, 2021, the document showed. HSBC, JPMorgan, NBK Capital, Standard Chartered and UBS are joint dealer managers for the tender offer. (Reuters)
- **Abu Dhabi's ADQ lines up banks for \$1bn Louis Dreyfus acquisition loan** – Abu Dhabi's state-owned ADQ has lined up a small group of banks for a loan of about \$1bn to back its acquisition of a 45% stake in commodities trader Louis Dreyfus Co (LDC), sources said. ADQ said in November it had signed an agreement to acquire an indirect 45% equity stake in LDC, in what would be the first outside investment in the family-owned commodity merchant's 169-year history. The planned acquisition financing will likely be provided by a small group of banks including Emirates NBD, First Abu Dhabi Bank, Intesa Sanpaolo, and Natixis, two of the sources said. Rothschild is advising ADQ on the fundraising, which will be finalized in the coming weeks, they said. (Reuters)
- **Saudi sovereign wealth fund boosts US equities exposure to nearly \$12.8bn** – Saudi Arabia's sovereign wealth fund has increased its holding of US stocks to nearly \$12.8bn in the fourth quarter from \$7bn in the third quarter, according to a US regulatory filing on Tuesday. The Public Investment Fund (PIF) took new bets in the last quarter, buying a \$1.07bn stake in Electronic Arts Inc and a \$1.4bn stake in Activision Blizzard, according to a Securities and Exchange Commission filing. In the third quarter, the PIF had cut its exposure to North American equities by \$3bn, offloading some exchange traded funds (ETF) and stocks including Berkshire Hathaway. At the start of 2020 the sovereign wealth fund bulked up minority stakes in companies worldwide, including oil companies, taking advantage of market weakness caused by the COVID-19 pandemic. Saudi Arabia transferred a total of \$40bn from central bank foreign reserves to fund investments by sovereign wealth fund PIF in March and April last year. The latest filing showed the value of its biggest US stock holding, Uber Technologies, rose to \$3.7bn in the fourth quarter, from \$2.66bn in the third quarter after the ride-hailing firm's shares soared nearly 40% QoQ. (Reuters)
- **PIF made \$3.3bn bet on video-game makers** – Saudi Arabia's sovereign wealth fund, Public Investment Fund (PIF) is pursuing investments in an industry long favored by Crown Prince, Mohammed bin Salman: video games. The Riyadh-based Public Investment Fund acquired more than \$3bn worth of stock in three US video-game makers during the fourth quarter, according to a regulatory filing. They include Activision Blizzard Inc., Electronic Arts Inc. and Take-Two Interactive Software Inc. The sovereign wealth fund, also known as PIF, is controlled by Prince Mohammed, who told Bloomberg Businessweek in 2016 that he was part of the first Saudi generation to grow up playing video games. The Crown Prince credited video games with sparking ingenuity in the Bloomberg Businessweek profile, while telling the New Yorker in 2018 that his favorite diversion is Call of Duty series, Activision's best-selling franchise. In November, a subsidiary of the crown prince's charitable organization, the Mohamed bin Salman Foundation, said it purchased a one-third stake in SNK Corp., the Japanese developer of King of Fighters and Samurai Shodown. The charity, also known as the MiSK Foundation, said it would increase its stake to 51% in the future. The sovereign wealth fund acquired 14.9mn Activision shares with a market value of almost \$1.4bn during the fourth quarter, according to a Form 13F filed with the US Securities and Exchange Commission. Its other purchases included 7.4mn Electronic Arts shares and 3.9mn

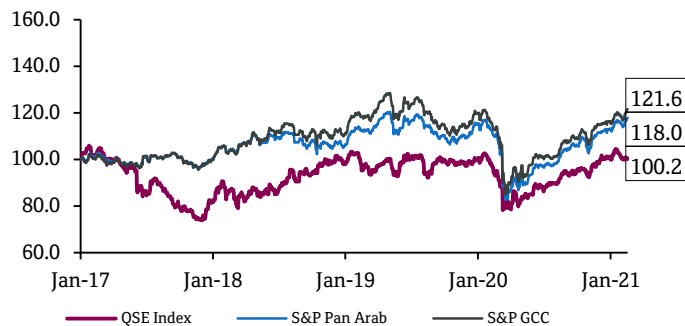
Take-Two shares worth about \$1.1bn and \$826mn, respectively, at the end of December. (Bloomberg)

- **Saudi January inflation rises to 5.7%, continuing to reflect VAT hike** – Saudi Arabia’s inflation rose to 5.7% in January from 5.3% the month before, continuing a rise fueled by a tripling of value-added tax last year, government data showed. The increase was mainly driven by higher food and transport prices, which increased by 12.6% and 9.6% respectively, the General Authority for Statistics said. Annual inflation was 3.4% in 2020 but picked up in the second half of the year after the July VAT hike to 15%. The rise followed mild inflation in the first half and a deflationary trend in 2019, when the annual rate was -2.1%. The economy of the world’s largest oil exporter contracted last year, but data suggest the rate of decline slowed in the third quarter as some COVID-19 restrictions were lifted, and GDP is expected to return to growth this year. “Higher global oil and food prices, combined with the lingering effects of July’s VAT hike, will keep inflation elevated until the middle of this year,” James Swanston of Capital Economics said in a note. Despite the rise in food prices being softer than in December, it was more than offset by stronger inflation pressures in other major categories, especially transport, he said. (Reuters)
- **Saudi Cabinet approves establishing SMEs Bank** – Saudi Arabia’s Cabinet on Tuesday approved establishing the bank of small and medium enterprises, state news agency (SPA) reported. “The SMEs Bank brings together all financing solutions under one umbrella to enable the small and medium enterprises sector to access appropriate financing and achieve stability and growth,” the Ministry of Commerce wrote. “The SMEs Bank to provide all its products and services in digital form without the need to establish branches,” state news agency (SPAeconomic) wrote. (Reuters)
- **Sudan, Saudi Arabia talk possible oil, gas, agriculture projects** – Discussions involved projects that could meet Saudi Arabia and Gulf region’s needs for agricultural crops, Sudan’s Finance Ministry said. Mega-projects in oil and gas also discussed during Tuesday meeting between Sudanese Finance Minister, Gibril Ibrahim and Saudi Minister of State for African Affairs, Ahmed Kattan. (Bloomberg)
- **ADX requires companies to produce annual financial report on time** – The Abu Dhabi Securities Exchange (ADX) has asked companies to produce their audited annual financial report on time. ADX said in a circular on Tuesday that the report should be approved by the board of directors of the company and submitted within three months after the end of a financial year. The exchange also reiterated that board members and insiders will be automatically prevented from trading until the relevant annual financial report is received. “The listed companies should either disclose the financial report before or after the trading session according to the circulation of Securities and Commodities Authority,” ADX said. The circular was issued to highlight the importance of disclosure and transparency for the benefit of all stakeholders. (Zawya)
- **NBK: Rising food costs drive Kuwait's inflation to 3-year high** – Higher food prices have driven the overall inflation in Kuwait to hit a three-year high, while housing costs have remained flat, the National Bank of Kuwait (NBK) said on Tuesday. The cost of consumer goods and services rose in the fourth quarter of 2020

to 3%, the highest in more than three years. For the full year, the inflation stood at 2.1%, almost double the previous year’s 1.1%. “The pick-up in inflation was largely due to the food component of the consumer price index,” NBK said in a note released on Tuesday. Food prices in Kuwait rose by 4.9% from 1.1% in 2019. The increases were across the board, with meat, fruit and vegetables witnessing significant price pressures. According to NBK, the rising cost of food may have been driven by the COVID-19-induced disruptions in the supply chain, among other factors. (Zawya)

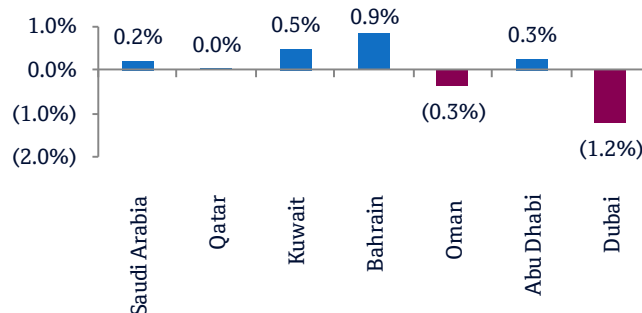
- **GFH Financial set to acquire more properties in UK, Europe this year** – Bahrain’s Islamic investment bank GFH Financial Group is looking to acquire more properties in the United Kingdom and other countries in Europe this year, its top executive said. The company, whose net profit for the full year 2020 declined by 31.7% to \$45.1mn, made more than \$208mn of new investments during the past 12 months. “Among these transactions was the acquisition of a leading UK real estate asset manager, giving us an edge as we go forward in identifying and acquiring further compelling and income-generating real estate assets in the UK and Europe,” CEO of GFH, Hisham Alrayes said. “The investments we have made in 2020 have proven highly attractive and sought after by our regional investors, who have exhibited strong appetite for GFH’s products and great confidence in the unique deals we were able to deliver even under considerable market strain,” Alrayes said in statement posted by the Dubai Financial Market (DFM) on Tuesday. (Zawya)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,794.47	(1.3)	(1.6)	(5.5)
Silver/Ounce	27.24	(1.4)	(0.4)	3.2
Crude Oil (Brent)/Barrel (FM Future)	63.35	0.1	1.5	22.3
Crude Oil (WTI)/Barrel (FM Future)	60.05	1.0	1.0	23.8
Natural Gas (Henry Hub)/MMBtu	16.13	168.4	168.4	574.9
LPG Propane (Arab Gulf)/Ton	90.00	0.0	0.0	19.6
LPG Butane (Arab Gulf)/Ton	92.75	0.0	0.0	33.5
Euro	1.21	(0.2)	(0.1)	(0.9)
Yen	106.04	0.6	1.0	2.7
GBP	1.39	0.0	0.4	1.7
CHF	1.12	(0.3)	(0.1)	(0.9)
AUD	0.78	(0.3)	(0.0)	0.8
USD Index	90.51	0.0	0.0	0.6
RUB	73.65	0.4	(0.1)	(1.0)
BRL	0.19	0.0	0.0	(3.3)

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,828.15	(0.1)	0.3	5.1
DJ Industrial	31,522.75	0.2	0.2	3.0
S&P 500	3,932.59	(0.1)	(0.1)	4.7
NASDAQ 100	14,047.50	(0.3)	(0.3)	9.0
STOXX 600	419.20	(0.2)	1.1	4.1
DAX	14,064.60	(0.5)	(0.0)	1.0
FTSE 100	6,748.86	(0.1)	2.8	6.5
CAC 40	5,786.53	(0.2)	1.3	3.2
Nikkei	30,467.75	0.7	2.3	8.2
MSCI EM	1,442.17	0.3	0.9	11.7
SHANGHAI SE Composite#	3,655.09	0.0	0.0	6.4
HANG SENG	30,746.66	1.9	1.9	12.9
BSE SENSEX	52,104.17	(0.4)	0.7	9.4
Bovespa#	119,428.70	0.0	0.0	(3.3)
RTS	1,494.58	(0.1)	2.2	7.7

Source: Bloomberg (*\$ adjusted returns; #Market was closed on February 16, 20201)

Contacts

Saugata Sarkar, CFA, CAIA

Head of Research

Tel: (+974) 4476 6534

saugata.sarkar@qnbfs.com.qa

Mehmet Aksoy, PhD

Senior Research Analyst

Tel: (+974) 4476 6589

mehmet.aksoy@qnbfs.com.qa

Shahan Keushgerian

Senior Research Analyst

Tel: (+974) 4476 6509

shahan.keushgerian@qnbfs.com.qa

QNB Financial Services Co. W.L.L.

Contact Center: (+974) 4476 6666

PO Box 24025

Doha, Qatar

Zaid al-Nafsoosi, CMT, CFTe

Senior Research Analyst

Tel: (+974) 4476 6535

zaid.alnafsoosi@qnbfs.com.qa

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