

Market Review and Outlook

The Qatar Stock Exchange (QSE) Index gained by 134.03 points or by 1.14% during the week, to close at 11,940.56. Market capitalization increased by 1.06% to QR689.2 billion (bn) as compared to QR682.0bn at the end of the previous week. Of the 47 traded companies, 26 ended the week higher and 21 ended lower. Gulf International Services (GISS) was the best performing stock for the week, with a gain of 9.1%. On the other hand, Islamic Holding Group (IHGS) was the worst performing stock with a decline of 2.8%.

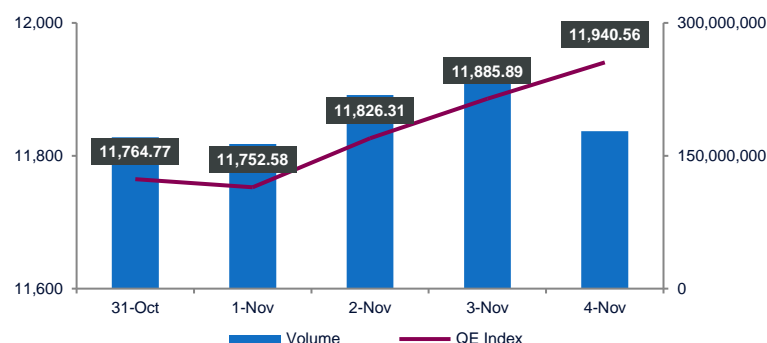
Masraf Al Rayan (MARK), Commercial Bank of Qatar (CBQK) and QNB Group (QNBK) were the primary contributors to the weekly index gains. MARK and CBQK added 53.9 and 40.3 points to the index, respectively. Moreover, QNBK contributed another 31.5 points to the index.

Trading value during the week increased by 8.4% to QR2,835.4mn vs. QR2,616.3mn in the prior trading week. QNB Group (QNBK) was the top value traded stock during the week with total traded value of QR329.0mn.

Trading volume gained by 12.7% to 988.2mn shares vs. 877.1mn shares in the prior trading week. The number of transactions went up by 6.7% to 59,951 versus 56,183 in the prior week. GISS was the top volume traded stock during the week with total traded volume of 154.5mn shares.

Foreign institutions remained bullish, ending the week with net buying of QR240mn vs. net buying of QR384mn in the prior week. Qatari institutions remained negative with net selling of QR280mn vs. net selling of QR371mn in the week before. Foreign retail investors ended the week with net selling of QR40mn vs. net selling of QR11mn in the prior week. Qatari retail investors turned positive with net buying of QR79mn vs. net selling of QR2mn the week before. So far YTD (as of Wednesday closing), foreigners were net buyers of \$1,478.9mn.

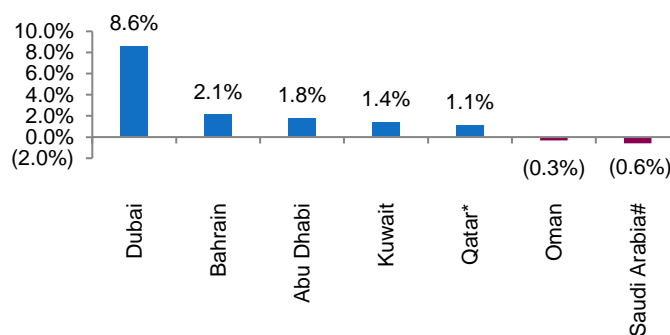
QSE Index and Volume



Market Indicators	Week ended Nov 04, 2021	Week ended Oct 28, 2021	Chg. %
Value Traded (QR mn)	2,835.4	2,616.3	8.4
Exch. Market Cap. (QR mn)	689,240.7	682,022.1	1.1
Volume (mn)	988.2	877.1	12.7
Number of Transactions	59,951	56,183	6.7
Companies Traded	47	47	0.0
Market Breadth	26:21	10:36	-

Market Indices	Close	WTD%	MTD%	YTD%
Total Return	23,637.05	1.1	1.5	17.8
ALL Share Index	3,775.83	1.1	1.3	18.0
Banks and Financial Services	5,050.57	1.5	1.9	18.9
Industrials	4,217.72	0.6	0.6	36.1
Transportation	3,569.21	0.9	0.6	8.3
Real Estate	1,852.39	1.9	3.7	(4.0)
Insurance	2,596.89	0.1	0.0	8.4
Telecoms	1,039.80	0.2	(0.9)	2.9
Consumer Goods & Services	8,282.04	(0.6)	(0.1)	1.7
Al Rayan Islamic Index	4,901.65	0.7	1.7	14.8

Weekly Index Performance



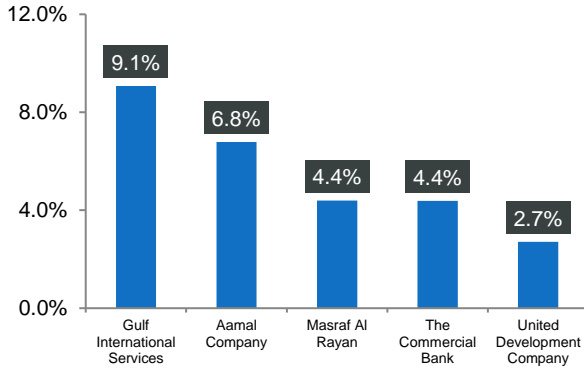
Regional Indices	Close	WTD%	MTD%	YTD%	Weekly Exchange Traded Value (\$ mn)	Exchange Mkt. Cap. (\$ mn)	TTM P/E**	P/B**	Dividend Yield
Qatar*	11,940.56	1.1	1.5	14.4	776.01	188,507.3	16.6	1.8	2.5
Dubai	3,107.67	8.6	8.5	24.7	1,449.99	113,183.0#	22.3	1.1	2.5
Abu Dhabi	8,014.90	1.8	1.9	58.9	2,313.41	383,891.5	23.6	2.4	2.8
Saudi Arabia#	11,685.66	(0.6)	(0.2)	34.5	7,894.64	2,788,080.8	25.9	2.5	2.2
Kuwait	7,201.93	1.4	1.3	29.9	1,585.82	137,889.5	27.1	1.7	1.9
Oman	4,049.76	(0.3)	(0.6)	10.7	31.26	18,922.1	11.4	0.8	3.8
Bahrain	1,778.93	2.1	2.1	19.4	57.77	28,473.3	10.2	0.9	3.1

Source: Bloomberg, country exchanges and Zawya (** Trailing Twelve Months; * Value traded (\$ mn) do not include special trades, if any; #Data as of November 03, 2021)

- **GISS' net profit rises to 42.0mn in 3Q2021, above our estimate** – Gulf International Services (GISS) reported net profit of QR42.0mn in 3Q2021 as compared to net loss of QR5.2mn in 3Q2020 and net profit of QR4.8mn in 2Q2021, above our estimate of QR17.4mn. The company's revenue came in at QR815.0mn in 3Q2021, which represents an increase of 15.2% YoY (+12.2% QoQ). Earnings per share amounted to QR0.023 in 3Q2021 as compared to earnings per share of QR0.003 in 2Q2021. Gulf International Services (GISS) - a holding entity of Gulf Drilling International, Gulf Helicopters, Al Koot and Amwaj - has reported a net profit of QR41mn during the first nine months (9M) of 2021, translating as earnings-per-share of QR0.022. The group's revenue was however, down 1% YoY to QR2.2bn. The revenue growth from insurance and aviation was offset by revenue decline in both drilling and catering segments. "The decline in group revenues led to a decline in net earnings. Moreover, direct costs increased by 3%, negatively affecting the group's profitability, and was mainly due to increase in activity within drilling and aviation segments coupled with increased claims within insurance segment, partially offset by direct cost reduction noted in catering segment," a GISS spokesman said. GISS' finance cost fell 27% to QR96mn, against a backdrop of lower interest rates. Similarly, general and administrative expenses were down 1% on continued optimization programs. Total assets were valued at QR10.2bn at the end of September 2021. Cash and short term investments stood at QR763mn. Total debt at group level was QR4.4bn. The current levels of debt continue to impact the group's net earnings. The drilling segment saw 1% fall in revenue to QR716mn, mainly impacted by rigs' suspension within onshore fleet carried forward since last year until the first half of 2021, where two of the suspended rigs had commenced operations during 3Q2021. In addition, rig day-rates remained depressed during first half of the year and impacted revenue growth on a year-on-year basis. However, the rig-day rates applicable to the offshore fleet improved during the third quarter of 2021, as the newly day-rates applicable to offshore fleet took effect from July this year. Moreover, deployment of three additional rigs as part of Gulfdrill joint venture's fleet during the second quarter of 2021, has also added value to segment's revenue recovery. The segment reported a net loss of QR159mn against a net loss of QR120mn during 9M2020, primarily attributed to lower revenue. However, this was partially offset by a decline of QR31mn in segment's finance cost compared to 9M2020, on account of lower interest rates. The aviation segment reported an 8% yearly increase in revenue to QR528mn during 9M2021, due to higher flying hours within both domestic and global operations, coupled with revenue growth across all the businesses within the segment. The segment's net profit reached QR175mn, representing a year-on-year increase of 13%, mainly on account of revenue growth. The revenue within the insurance segment was up 1% YoY to QR745mn as the growth in premiums from general insurance line of business was offset by decline in premiums from medical line of business. The segmental net earnings increased by 44% YoY to QR50mn during 9M-2021, mainly on strong recovery within investment portfolio on the back of recovery in capital markets. Besides, the unrealized gain on revaluation of investment portfolio contributed QR38mn positively towards segment's net earnings during 9M2021. The catering segment saw a 19% decline in revenue to QR258mn, mainly due to ongoing Covid-19 related restrictions, which resulted in lower number of meals being served across majority of catering locations. The segment reported a net loss of QR19mn during 9M-2021 against a net loss of QR4mn, mainly on lowered margins and declining revenues (QNB FS Research, QSE, Gulf-Times.com)
- **BLDN reports net profit of QR15.5mn in 3Q2021** – Baladna's (BLDN) net profit declined 46.4% YoY (-63.4% QoQ) to QR15.5mn in 3Q2021. The company's revenue came in at QR182.0mn in 3Q2021, which represents a decrease of 0.1% YoY (-8.2% QoQ). EPS amounted to QR0.008 in 3Q2021 as compared to QR0.015 in 3Q2020 and QR0.022 in 2Q2021. Baladna announced that the company registered revenue of QR563mn and a net profit of QR102mn in the first nine months of the year 2021 compared to QR568mn and QR102mn in the same period last year. Confirming the industry-leading net profit margin of 18% in the third quarter of 2021, the company said its market share increased across the majority of product categories. Baladna continued to deliver strong operational and financial results, reporting a net profit of QR16mn in the third quarter of 2021. Despite the continuation of a weak retail market in the third quarter of 2021, increased commodity and feed costs, Baladna presented its resilience and agility by gaining further market share in the retail sector across key products categories and additional market share gains in UHT milk by 1.5%, juice by 2.5%, yoghurt by 3.8%, cheese by 3.9% and cream by 14.4% compared to the same period last year. Product portfolio management remains a key strategic pillar of Baladna's success. Identifying products that are value accretive and in-line with the market requirements, having the research and development capabilities to create innovative products and the ability to bring products successfully to market in a very short period of time. Therefore, Baladna managed despite a temporarily overall lower market demand in the third quarter of 2021, to grow its market share across core categories while at the same time successfully launching 10 SKUs and growing the total product portfolio by 13% compared to the beginning of the year and by 18% compared to the same period in the previous year. Baladna successfully mitigated the challenges during the third quarter of 2021 brought upon the dairy industry due to an increase in commodity prices and feed costs, as well as the planned reduction in government compensation, through the continuation of costs reduction and further enhancing efficiencies across the whole value chain. As a result, Baladna remains a regional industry leader in terms of net profit margin presented to its shareholders. In addition to the operational business development of its existing facilities and product offering, the management announced in the second quarter of 2021 the company's plans to establish an evaporated milk processing factory (evaporated milk and sterilized creams). As of the third quarter of 2021, the project is progressing well. Baladna remains committed to fulfilling its vision and mission by delivering superior products and expanding its dairy and juice portfolio to become the most trusted brand of nutritional foods and healthy beverages in Qatar, as well as delivering shareholder value. The company's operating profits amounted to QR128mn compared to QR135mn during the same period in 2020. Cashflows from operations remain strong with Baladna recording operational cashflows of QR222mn compared to operational cashflows of QR155mn during the same period in the previous year. Baladna achieved these results on a solid asset base, which is primarily funded by equity. (QSE, QNB FS Research, Qatar Tribune)

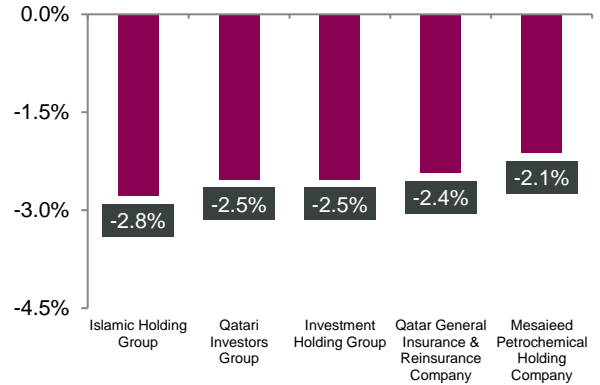
Qatar Stock Exchange

Top Gainers



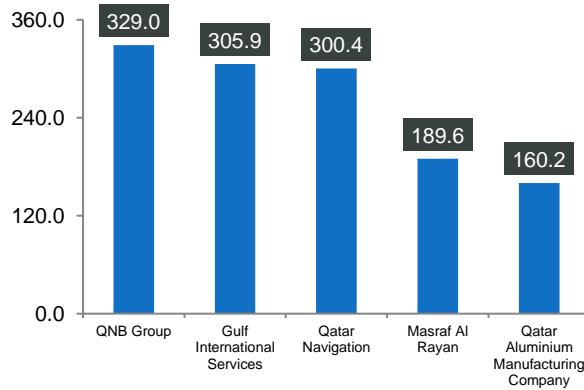
Source: Qatar Stock Exchange (QSE)

Top Decliners



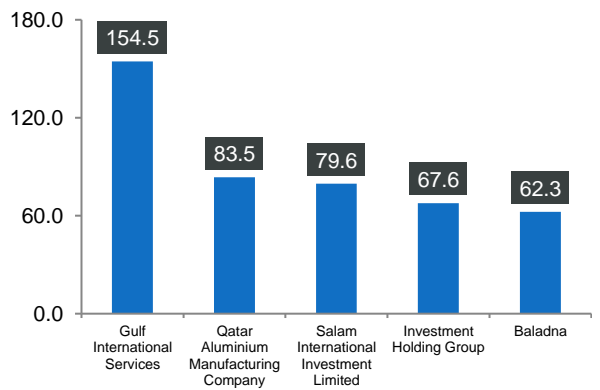
Source: Qatar Stock Exchange (QSE)

Most Active Shares by Value (QR Million)



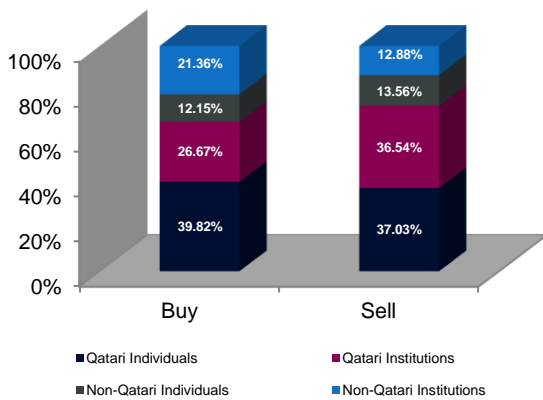
Source: Qatar Stock Exchange (QSE)

Most Active Shares by Volume (Million)



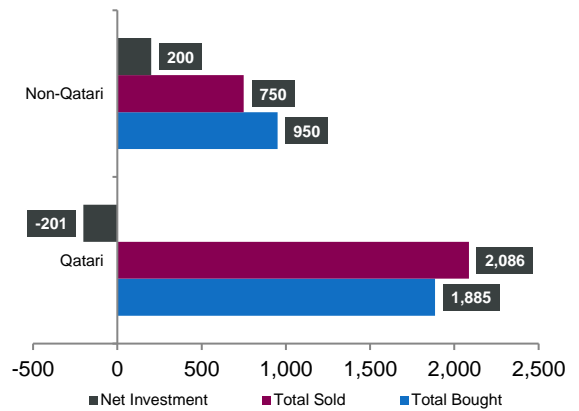
Source: Qatar Stock Exchange (QSE)

Investor Trading Percentage to Total Value Traded



Source: Qatar Stock Exchange (QSE)

Net Traded Value by Nationality (QR Million)



Source: Qatar Stock Exchange (QSE)

TECHNICAL ANALYSIS OF THE QSE INDEX



Source: Bloomberg

The QE Index closed gained 1.14%, versus the week before; it printed last at the 11,940.56 level. We remain bullish as the major trend remains up and current market trajectory seems to be positive. Our expected resistance levels remains around the 11,900 – 12,000 points and the support at 11,000 points.

DEFINITIONS OF KEY TERMS USED IN TECHNICAL ANALYSIS

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

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

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

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

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

Company Name	Price November 04	% Change WTD	% Change YTD	Market Cap. QR Million	TTM P/E	P/B	Div. Yield
Qatar National Bank	20.85	1.71	16.94	192,580	16.3	2.4	2.2
Qatar Islamic Bank	18.15	(1.47)	6.08	42,887	13.5	2.2	2.2
Commercial Bank of Qatar	6.38	4.39	44.95	25,813	12.5	1.4	1.6
Doha Bank	2.90	0.45	22.39	8,982	14.3	0.9	2.6
Al Ahli Bank	3.87	(0.85)	12.27	9,403	13.4	1.5	3.9
Qatar International Islamic Bank	9.73	(0.61)	7.49	14,728	16.5	2.3	3.3
Masraf Al Rayan	4.99	4.40	10.04	37,388	16.8	2.5	3.4
Al Khaliji Bank	2.24	0.00	21.87	8,064	12.9	1.2	2.5
Qatar First Bank	1.82	(0.60)	5.46	1,271	10.7	2.3	N/A
National Leasing	1.06	2.31	(14.64)	525	21.0	0.8	2.4
Diala Holding	1.52	0.07	(15.43)	431	27.9	1.9	N/A
Qatar & Oman Investment	0.95	(0.21)	7.55	301	53.2	1.0	N/A
Islamic Holding Group	4.72	(2.78)	(7.84)	267	47.2	1.9	1.1
Banking and Financial Services				342,639			
Zad Holding	15.81	(0.88)	16.64	4,122	21.3	2.8	4.0
Qatar German Co. for Medical Devices	3.32	(0.78)	48.41	383	125.8	11.6	N/A
Salam International Investment	0.96	0.31	47.00	1,094	N/A	0.7	N/A
Baladna	1.58	(1.81)	(11.96)	2,996	N/A	1.3	3.4
Medicare Group	8.49	0.24	(3.97)	2,389	26.5	2.4	21.2
Qatar Cinema & Film Distribution	3.63	0.69	(9.22)	228	74.1	1.6	2.8
Qatar Fuel	18.35	(0.22)	(1.77)	18,245	18.0	2.1	2.5
Qatar Meat and Livestock	4.04	(1.08)	(36.18)	726	N/A	2.3	2.5
Mannai Corp.	4.84	0.14	61.27	2,207	5.5	1.0	0.2
Al Meera Consumer Goods	19.20	(1.99)	(7.29)	3,840	21.3	2.6	4.7
Consumer Goods and Services				36,230			
Qatar Industrial Manufacturing	3.15	(1.29)	(1.87)	1,496	12.2	0.9	3.2
Qatar National Cement	5.10	0.53	22.80	3,330	14.1	1.1	3.9
Industries Qatar	15.96	0.63	46.83	96,558	14.5	2.6	2.1
Qatari Investors Group	2.43	(2.53)	34.01	3,017	22.0	1.1	2.5
Qatar Electricity and Water	16.96	0.95	(4.99)	18,656	14.2	1.6	3.7
Aamal	1.17	6.78	36.26	7,340	30.5	0.9	3.4
Gulf International Services	2.01	9.08	17.03	3,730	N/A	1.1	N/A
Mesaieed Petrochemical Holding	2.35	(2.13)	14.75	29,511	18.0	1.8	1.7
Investment Holding Group	1.35	(2.53)	125.21	1,120	56.4	1.3	N/A
Qatar Aluminum Manufacturing	1.91	0.74	97.52	10,658	17.7	1.8	1.8
Industrials				175,416			
Qatar Insurance	2.47	0.86	4.61	8,071	15.2	1.0	N/A
QLM Life & Medical Insurance	5.08	0.10	N/A	1,778	N/A	3.0	N/A
Doha Insurance	1.95	0.36	39.87	974	13.9	0.8	5.1
Qatar General Insurance & Reinsurance	2.01	(2.43)	(24.44)	1,759	13.6	0.3	N/A
Al Khaleej Takaful Insurance	4.40	(1.81)	131.56	1,122	23.1	2.2	1.1
Qatar Islamic Insurance	7.90	(0.06)	14.42	1,184	15.3	2.9	4.1
Insurance				14,887			
United Development	1.60	2.70	(3.63)	5,648	18.3	0.5	3.1
Barwa Real Estate	3.19	1.17	(6.29)	12,401	10.1	0.6	3.9
Ezdan Real Estate	1.58	1.94	(11.04)	41,909	109.0	1.3	N/A
Mazaya Qatar Real Estate Development	1.06	1.73	(16.07)	1,227	40.0	1.0	2.8
Real Estate				61,186			
Ooredoo	6.91	(0.14)	(8.11)	22,134	N/A	1.1	3.6
Vodafone Qatar	1.63	0.86	22.03	6,907	26.5	1.5	3.1
Telecoms				29,041			
Qatar Navigation (Milaha)	7.64	0.62	7.66	8,745	26.5	0.6	3.9
Gulf Warehousing	4.85	(1.00)	(4.88)	284	12.4	1.4	2.1
Qatar Gas Transport (Nakilat)	3.30	1.38	3.62	18,255	14.3	2.2	3.3
Transportation				27,284			
Qatar Exchange				689,241			

Source: Bloomberg

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