

Market Review and Outlook

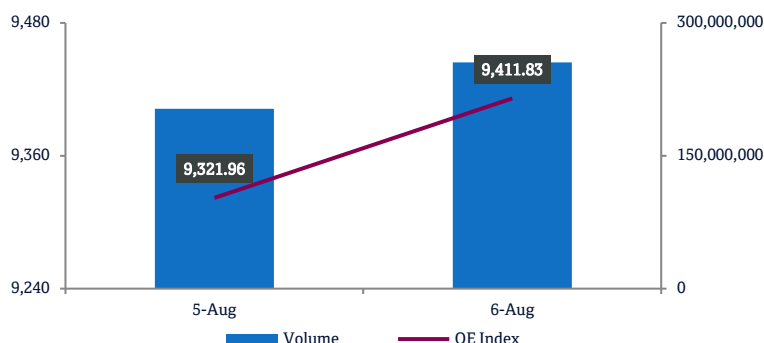
The Qatar Stock Exchange (QSE) Index increased by 0.47% during the week, to close at 9,411.83. Market capitalization increased by 0.6% to reach QR550.8 billion (bn) as compared to QR547.7bn at the end of the previous week. Of the 47 listed companies, 26 companies ended the week higher, while 19 fell and 2 remained unchanged. Qatar First Bank (QFBQ) was the best performing stock for the week, with a gain of 10.0%. On the other hand, Qatar German Company for Medical Devices (QGM) was the worst performing stock with a decline of 5.2%.

Industries Qatar (IQCD), QNB Group (QNBK) and Barwa Real Estate Co. (BRES) were the primary contributors to the weekly index gain. Industries Qatar (IQCD) was the largest contributor to the index's weekly performance, adding 28.0 points to the index. QNBK was the second biggest contributor to the mention gain, tacking on 12.9 points to the index. Moreover, BRES contributed 6.5 points to the overall index.

Trading value during the shortened trading week decreased by 42.6% to reach QR967.6mn vs. QR1,686.0mn in the prior week. QNB Group (QNBK) was the top value traded stock during the week with total traded value of QR118.3mn.

Trading volume decreased by 56.3% to reach 458.4mn shares vs. 1,048.0mn shares in the prior week. The number of transactions declined by 39.6% to reach 21,604 transactions versus 35,763 transactions in the prior week. Baladna (BLDN) was the top volume traded stock during the week with total traded volume of 48.1mn shares.

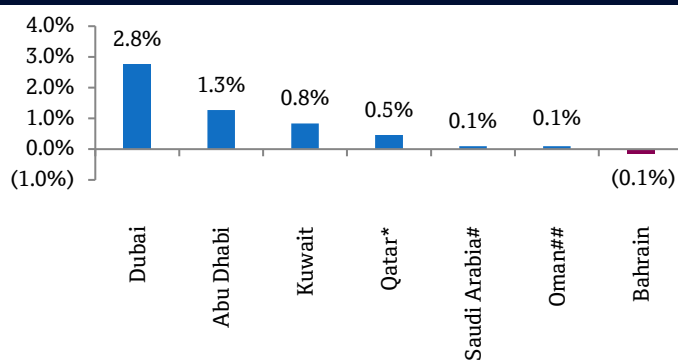
QSE Index and Volume



Market Indicators	Week ended August 06, 2020	Week ended July 29, 2020	Chg. %
Value Traded (QR mn)	967.6	1,686.0	(42.6)
Exch. Market Cap. (QR mn)	550,759.1	547,678.9	0.6
Volume (mn)	458.4	1,048.0	(56.3)
Number of Transactions	21,604	35,763	(39.6)
Companies Traded	46	47	(2.1)
Market Breadth	26:16	24:23	-

Market Indices	Close	WTD%	MTD%	YTD%
Total Return	18,093.93	0.5	0.5	(5.7)
ALL Share Index	2,942.12	0.6	0.6	(5.1)
Banks and Financial Services	4,100.53	0.8	0.8	(2.8)
Industrials	2,643.08	1.2	1.2	(9.9)
Transportation	2,851.59	(0.4)	(0.4)	11.6
Real Estate	1,581.19	0.5	0.5	1.0
Insurance	2,038.64	0.1	0.1	(25.5)
Telecoms	893.03	(2.1)	(2.1)	(0.2)
Consumer Goods & Services	7,473.88	0.5	0.5	(13.6)
Al Rayan Islamic Index	3,788.74	0.8	0.8	(4.1)

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*	9,411.83	0.5	0.5	(9.7)	264.18	150,302.2	15.3	1.4	4.3
Dubai	2,107.64	2.8	2.8	(23.8)	162.72	81,217.5	7.2	0.7	4.6
Abu Dhabi	4,359.58	1.3	1.3	(14.1)	68.02	173,536.9	15.1	1.3	5.6
Saudi Arabia#	7,470.26	0.1	0.1	(11.0)	1,424.61	2,236,762.5	23.5	1.8	3.4
Kuwait	5,009.79	0.8	0.8	(20.3)	167.78	93,411.2	16.2	1.2	4.0
Oman##	3,568.10	0.1	1.5	(10.4)	11.83	16,088.4	10.2	0.8	6.7
Bahrain	1,288.83	(0.1)	(0.1)	(20.0)	8.99	19,588.5	9.8	0.8	5.5

Source: Bloomberg, country exchanges and Zawya (** Trailing Twelve Months; * Value traded (\$ mn) do not include special trades, if any; #Data as of August 05, 2020, ##Data as of July 29, 2020)

Economic /Corporate News

- BLDN records net profit of QR44.2mn corresponding to 22% of revenue in 2Q2020** – Baladna (BLDN) disclosed its interim reviewed financial statements for the period from December 2, 2019, the establishment date, to June 30, 2020 (approximately 7 months). The statements showed a net profit of QR83.9mn, equivalent to 19% of revenue (7 month revenue: QR441.9mn). Earnings per Share (weighted average) amounted to QR0.046. Retained earnings balance on June 30, 2020 is QR74.2mn after distributing the first interim dividend of QR40.0mn in April 2020. These figures confirm the strong financial and commercial performance of the company. In terms of 2Q2020, BLDN recorded net profit of QR44.2mn corresponding to 22% of revenue (2Q2020 revenue: QR205.0mn). Second quarter's results strengthen by 55% versus first quarter. Despite the challenging external environment, BLDN's revenue growth is up 13% versus the first quarter. In 2Q2020, EPS stood at QR0.023. BLDN will hold a conference on Investor Relations by telephone to discuss the financial results of the first half 2020, on August 10, 2020 at 12:00pm. (QSE, Peninsula Qatar)
- AKHI posts 22.1% YoY increase but 67.7% QoQ decline in net profit in 2Q2020** – Al Khaleej Takaful Insurance Company's (AKHI) net profit rose 22.1% YoY (but declined 67.7% on QoQ basis) to QR5.2mn in 2Q2020. The company's 'Total investment and other income' came in at QR13.7mn in 2Q2020, which represents a decrease of 10.7% YoY (-45.4% QoQ). EPS amounted to QR0.020 in 2Q2020 as compared to QR0.017 in 2Q2019 (1Q2020: QR0.063). In 1H2020, AKHI posted net profit of QR21.41mn compared to QR18.67mn for the same period of the previous year. EPS amounted to QR0.084 for the period ended June 30, 2020 as compared to QR0.073 for the same period of the previous year. The company has decided to hold the Investor Relations Phone Conference to disclose the financial statements for the period ended on June 30, 2020 on August 12, 2020 at 11:00 pm. (QSE)
- Brisk activities at Qatari ports point to buoyant maritime sector** – Hamad, Doha and Al Ruwais ports have reported brisk activities in July compared to June, indicating normalcy being restored in Qatar's maritime sector despite COVID-19 challenges. More ships called on these ports and there was a robust month-on-month expansion in the handling of building materials, livestock and automobiles (RORO), while general cargo movement saw a healthy double-digit yearly expansion; indicating the smooth flow of trade, according to performance statistics by Mwani Qatar, which is responsible for managing the nation's sea-ports and shipping terminals. The number of ships calling on these ports stood at 276 in July this year, representing a 15.97% growth on a monthly basis, while it declined 26.79% on a yearly basis. As many as 1,785 ships called on the ports during the first seven months of this year against 2,308 the year-ago period. Hamad Port's strategic geographical location offers opportunities to create cargo movement towards the upper Gulf, supporting countries such as Kuwait and Iraq, and south towards Oman, QTerminals' Chief Executive, Neville

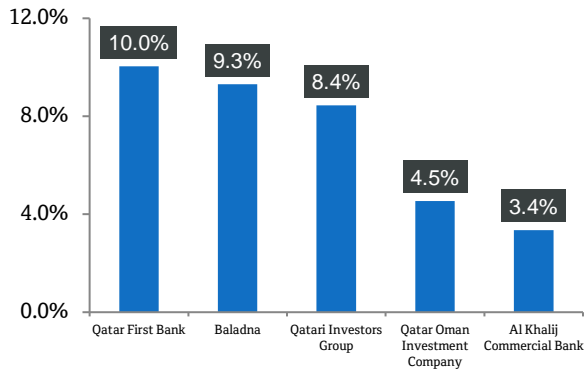
Bissett had earlier said. A dozen mobile cranes are expected to reach Hamad Port later this month, which comes as part of operationalizing the 403,500 square meters container terminal 2 (CT2) by 4Q2020. The three ports handled 28,980 livestock in July this year, which witnessed a stupendous 46.27% surge on a monthly basis. Nevertheless, it fell 50.27% year-on-year. The three ports had seen a cumulative figure of 334,484 heads during January-July 2020 compared to 483,251 in the corresponding period of 2019. (Gulf-Times.com)

- AHCS reports net loss of QR62.2mn in 2Q2020, misses our estimates** – Aamal Company (AHCS) reported net loss of QR62.2mn in 2Q2020 as compared to net profit of QR85.3mn in 2Q2019 and net profit of QR82.5mn in 1Q2020, missed our QR48.8mn net income estimate. The company's Revenue came in at QR260.0mn in 2Q2020, which represents a decrease of 17.3% YoY (-30.5% QoQ). In 1H2020, AHCS reported net profit of QR20.3mn as compared to QR181.9mn in 1H2019. EPS amounted to QR0.003 in 1H2020 as compared to QR0.03 in 1H2019. In 1H2020, AHCS' total revenue down 0.3% to QR634.0mn (1H2019: QR636.1mn). Gross profit down 31.6% to QR154.8mn (1H2019: QR226.2mn). Net Profit before fair value loss and share in results of associates and joint ventures accounted for using the equity method amounted to QR65.6mn (1H2019: QR141.2mn). Net loss before share in results of associates and joint ventures accounted for using the equity method (net underlying profit) amounted to QR8.8mn (1H2019: QR141.2mn profit). Net underlying profit margin decreased to -1.4% (1H2019: 22.2%). Share in results of associates and joint ventures accounted for using the equity method decreased 32.0% to QR28.5mn (1H2019: QR41.9mn). Net capital expenditure up 21.8% to QR25.5mn (1H2019: QR20.9mn). Gearing remains low at 3.4%. AHCS' Chairman, HE Sheikh Faisal bin Qassim Al Thani said, "To support our valued retail tenants during these hugely challenging times, Aamal approved the waiver of rents for our retail units during the second quarter of 2020. While this decision negatively impacted Aamal's financial results for the period, we believe that supporting our tenants in this way is the right thing to do. As we reported in the first quarter, companies in the Trading and Distribution segment have acted swiftly and effectively to support Qatar's communities during the pandemic, including launching services for the home delivery of medicines. As the pandemic peaked in Qatar during the second quarter, Ebn Sina Medical and Aamal Medical in particular continued to work tirelessly to ensure that customers continued to receive a reliable supply of critical medicines and medical equipment. In addition to enduring the enforced operational suspension of a number of our Managed Services and Trading and Distribution businesses, the impact of the pandemic has exacerbated the intense competition and major project postponements experienced across the Industrial Manufacturing segments in which we operate. In response to these, we have instigated a wide-ranging review of these operations that will better ensure that they perform as efficiently, as effectively and as competitively as possible going forward." (QNB FS Research, QSE, Company Press Release)

- **UDCD's net profit declines 30.1% YoY and 23.2% QoQ in 2Q2020**
 - United Development Company's (UDCD) net profit declined 30.1% YoY (-23.2% QoQ) to QR37.8mn in 2Q2020. The company's Revenue came in at QR267.4mn in 2Q2020, which represents a decrease of 30.0% YoY (-9.7% QoQ). In 1H2020, UDCD posted net profit of QR86.9mn compared to QR224.6mn for the same period of the previous year. EPS amounted to QR0.025 for the period ended June 30, 2020 to QR0.063 for the same period of the previous year. In spite of the current difficult circumstances, UDCD was able to maintain residential and commercial occupancy rates on The Pearl-Qatar, while carrying out construction works safely at The Pearl-Qatar and Gewan Island and achieving development milestones according to the company's business plan. UDCD's strategy was therefore proven effective in weathering the economic repercussions of the pandemic and will ensure its sustainable growth and the creation of new opportunities and revenue sources over the long term. In this context, UDCD continued executing the construction activities in Gewan Island, following the awarding of contracts worth QR1.5bn for the island's mixed-use buildings, landscape, and infrastructure works. UDCD is with a mission to identify and invest in long-term projects contributing to Qatar's growth and providing shareholder value. It has an authorized share capital of QR3.5bn and total assets of QR18.4bn as of June 30, 2020. (QSE, Gulf-Times.com)

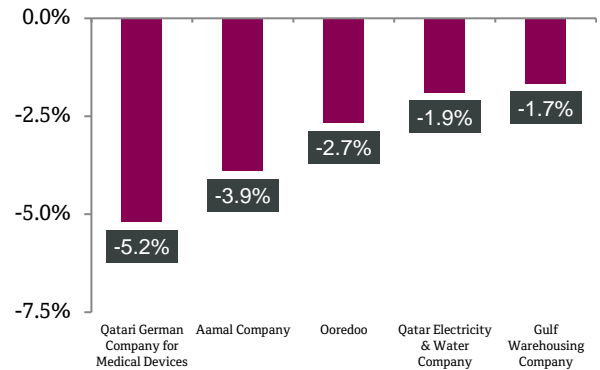
Qatar Stock Exchange

Top Gainers



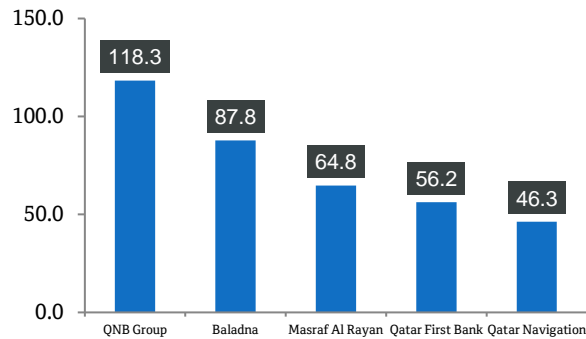
Source: Qatar Stock Exchange (QSE)

Top Decliners



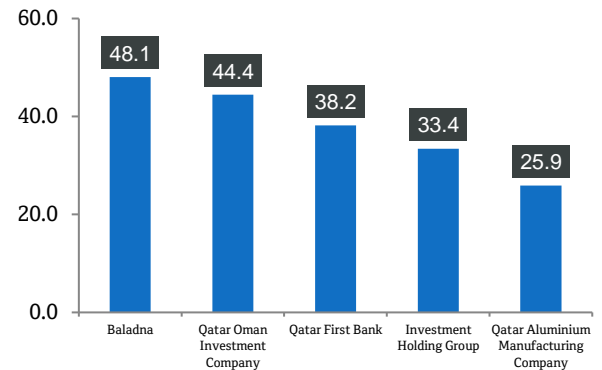
Source: Qatar Stock Exchange (QSE)

Most Active Shares by Value (QR Million)



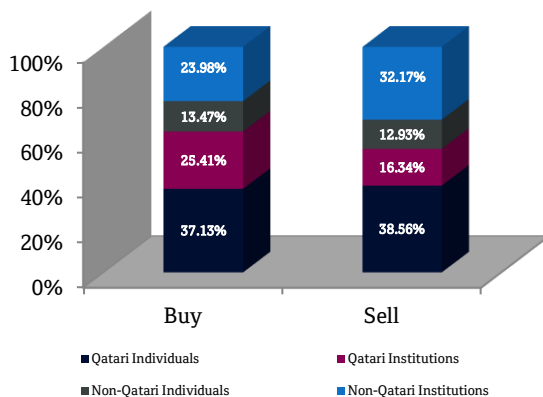
Source: Qatar Stock Exchange (QSE)

Most Active Shares by Volume (Million)



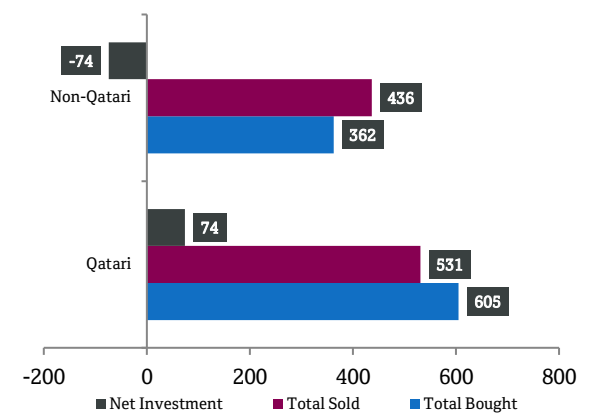
Source: Qatar Stock Exchange (QSE)

Investor Trading Percentage to Total Value Traded



Source: Qatar Stock Exchange (QSE)

Net Traded Value by Nationality (QR Million)



Source: Qatar Stock Exchange (QSE)

TECHNICAL ANALYSIS OF THE QSE INDEX



Source: Bloomberg

The QSE Index closed flattish, but in the green, gaining only 0.47% from the week before and finished at the 9,411.83 level. The Index bounced off the corrective uptrend channel, but it remains below its 200-day moving average; it should move above that level before the index becomes positive in the medium term. The general index needs to remain above the 9,000 to hold its ground.

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 August 06	% Change WTD	% Change YTD	Market Cap. QR Million	TTM P/E	P/B	Div. Yield
Qatar National Bank	18.18	1.00	(11.70)	167,918	14.4	2.4	3.3
Qatar Islamic Bank	16.17	0.43	5.48	38,209	13.5	2.3	3.2
Commercial Bank of Qatar	4.12	(0.19)	(12.30)	16,683	9.4	0.9	4.9
Doha Bank	2.43	2.53	(3.95)	7,534	14.4	0.8	N/A
Al Ahli Bank	3.30	0.00	(1.00)	8,018	13.1	1.4	4.3
Qatar International Islamic Bank	8.30	1.10	(14.26)	12,564	14.2	2.1	5.1
Masraf Al Rayan	3.94	0.00	(0.56)	29,535	13.5	2.2	5.7
Al Khaliji Bank	1.60	3.35	22.29	5,767	9.6	1.0	4.7
Qatar First Bank	1.48	10.04	80.93	1,036	NA	2.1	N/A
National Leasing	0.91	(0.11)	28.37	448	16.7	0.7	5.5
Diala Holding	1.97	2.93	221.93	559	NA	3.0	N/A
Qatar & Oman Investment	0.88	4.53	30.94	276	38.7	1.0	2.3
Islamic Holding Group	3.96	2.51	108.58	224	73.2	1.6	N/A
Banking and Financial Services				288,771			
Zad Holding	15.10	0.67	9.26	3,579	17.4	2.3	5.6
Qatar German Co. for Medical Devices	2.25	(5.19)	285.74	259	NA	9.2	N/A
Salam International Investment	0.46	0.66	(11.41)	524	NA	0.5	N/A
Baladna	1.88	9.30	88.00	3,574	NA	1.6	1.1
Medicare Group	7.56	3.01	(10.53)	2,128	29.3	2.2	23.8
Qatar Cinema & Film Distribution	3.31	0.00	50.45	208	46.2	0.2	3.0
Qatar Fuel	16.10	0.00	(29.69)	16,008	17.0	2.0	5.0
Qatar Meat and Livestock	6.75	(0.30)	(0.15)	1,215	14.2	3.5	4.4
Mannai Corp.	2.86	1.78	(7.14)	1,305	10.0	0.5	7.0
Al Meera Consumer Goods	19.48	1.72	27.32	3,896	20.3	3.1	4.4
Consumer Goods and Services				32,694			
Qatar Industrial Manufacturing	2.72	0.63	(23.78)	1,293	13.8	0.8	5.5
Qatar National Cement	3.73	1.52	(33.96)	2,438	17.7	0.8	8.0
Industries Qatar	8.05	2.94	(21.69)	48,703	30.9	1.5	5.0
Qatari Investors Group	2.38	8.45	32.68	2,953	29.2	1.1	2.3
Qatar Electricity and Water	16.58	(1.89)	3.05	18,238	12.5	2.1	4.7
Aamal	0.74	(3.90)	(9.10)	4,656	29.1	0.6	5.4
Gulf International Services	1.69	0.00	(2.03)	3,131	113.0	0.9	N/A
Mesaieed Petrochemical Holding	2.08	(0.24)	(17.13)	26,131	26.9	1.8	3.4
Investment Holding Group	0.52	1.77	(8.33)	429	8.7	0.5	N/A
Qatar Aluminum Manufacturing	0.86	2.25	10.63	4,821	NA	0.8	1.2
Industrials				112,793			
Qatar Insurance	2.01	(0.10)	(36.39)	6,565	NA	0.9	7.5
Doha Insurance	1.05	1.84	(12.17)	527	11.3	0.5	7.6
Qatar General Insurance & Reinsurance	2.20	(0.81)	(10.57)	1,925	NA	0.4	N/A
Al Khaleej Takaful Insurance	1.88	2.45	(6.05)	480	14.8	1.0	2.7
Qatar Islamic Insurance	6.30	1.55	(5.73)	945	13.9	2.6	6.0
Insurance				10,441			
United Development	1.16	(1.03)	(23.95)	4,093	18.2	0.4	4.3
Barwa Real Estate	3.24	2.27	(8.56)	12,596	7.9	0.6	6.2
Ezdan Real Estate	1.40	(1.41)	127.64	37,135	3899.7	1.2	N/A
Mazaya Qatar Real Estate Development	0.86	(1.60)	19.89	998	35.2	0.8	N/A
Real Estate				54,822			
Ooredoo	6.52	(2.67)	(7.90)	20,888	12.5	0.9	3.8
Vodafone Qatar	1.25	(0.40)	7.76	5,284	36.4	1.2	4.0
Telecoms				26,172			
Qatar Navigation (Milaha)	5.81	(0.87)	(4.77)	6,653	12.4	0.5	5.2
Gulf Warehousing	4.95	(1.67)	(9.69)	290	12.2	1.6	4.0
Qatar Gas Transport (Nakilat)	2.80	0.04	17.15	15,513	14.5	2.6	3.6
Transportation				22,456			
Qatar Exchange				550,759			

Source: Bloomberg

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