

Market Review and Outlook

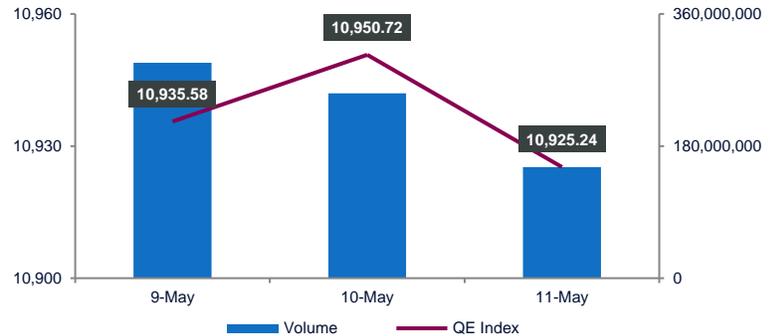
The Qatar Stock Exchange (QSE) Index moved up by 29.52 points, or 0.27% during the week, to close at 10,925.24. Market capitalization increased by 0.3% to reach QR633.87 billion (bn) as compared to QR632.02 bn at the end of the previous week. Doha Bank (DHBK) was the best performing stock for the week, with a gain of 9.9%. On the other hand, Qatar Oman Investment Company (QOIS) was the worst performing stock with a decline of 1.9%.

Qatar Aluminium Manufacturing Company (QAMC), Commercial Bank of Qatar (CBQK) and Masraf Al Rayan (MARK) were the primary contributors to the weekly index increase. QAMC was the main contributor to the index's weekly gain, adding 12.8 points to the index. CBQK added an additional 10.2 points to the index. Further, MARK pushed the index up by another 7.0 points.

Trading value during the week decreased by 35.7% to QR1,384.9mn vs. QR2,152.3mn in the prior trading week. QAMC was the top value traded stock during the week with total traded value of QR198.8mn.

Trading volume declined by 39.3% to 696.4mn shares vs. 1,146.6mn shares in the prior trading week. The number of transactions declined by 35.3% to 27,000 transactions versus 41,716 transactions in the prior week. SIIS was the top volume traded stock during the week with total traded volume of 189.2mn shares.

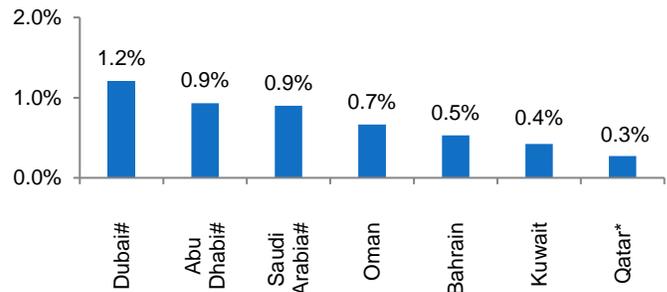
QSE Index and Volume



Market Indicators	Week ended May 11, 2021	Week ended May 06, 2021	Chg. %
Value Traded (QR mn)	1,384.9	2,152.3	(35.7)
Exch. Market Cap. (QR mn)	633,871.0	632,023.0	0.3
Volume (mn)	696.4	1,146.60	(39.3)
Number of Transactions	27,000	41,716	(35.3)
Companies Traded	48	48	0.0
Market Breadth	26:20	19:25	-

Market Indices	Close	WTD%	MTD%	YTD%
Total Return	21,627.17	0.3	0.1	7.8
ALL Share Index	3,460.24	0.4	0.3	8.2
Banks and Financial Services	4,523.35	0.7	0.4	6.5
Industrials	3,655.57	0.4	0.2	18.0
Transportation	3,474.44	(0.1)	(0.1)	5.4
Real Estate	1,910.62	(0.8)	0.4	(0.9)
Insurance	2,702.32	1.5	1.9	12.8
Telecoms	1,086.83	0.5	(0.1)	7.5
Consumer Goods & Services	8,312.87	(0.2)	(0.2)	2.1
Al Rayan Islamic Index	4,667.75	0.4	0.2	9.3

Weekly Index Performance



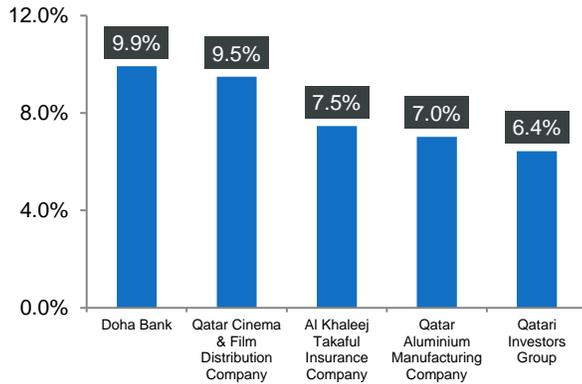
Regional Indices	Close	WTD%	MTD%	YTD%	Weekly Exchange Traded Value (\$ mn)	Exchange Mkt. Cap. (\$ mn)	TTM P/E**	P/B**	Dividend Yield
Qatar*	10,925.24	0.3	0.1	4.7	376.44	170,891.6	18.5	1.6	2.7
Dubai#	2,696.03	1.2	3.5	8.2	77.05	101,852.2	20.9	0.9	3.0
Abu Dhabi#	6,209.43	0.9	2.7	23.1	587.82	246,660.3	21.5	1.8	4.2
Saudi Arabia#	10,322.68	0.9	(0.9)	18.8	4,690.24	2,584,201.0	30.8	2.3	1.9
Kuwait	6,279.01	0.4	2.7	13.2	643.01	118,876.4	46.1	1.6	2.2
Oman	3,835.27	0.7	2.0	4.8	18.62	17,329.2	11.5	0.7	4.7
Bahrain	1,529.81	0.5	3.0	2.7	8.48	23,479.1	32.1	1.0	2.2

Source: Bloomberg, country exchanges and Zawya (** Trailing Twelve Months; * Value traded (\$ mn) do not include special trades, if any; #Data as of May 10, 2021)

- S&P provides ‘full alignment opinion’ on QNB Group’s Green, Social, Sustainability Bond Framework** – S&P Global Ratings (S&P) has said that QNB Group’s “Green, Social, and Sustainability Bond Framework” is fully aligned with the four components of the Green Bond Principles (GBP) and the four components of the Social Bond Principles (SBP), collectively referred to the Sustainability Bond Guidelines. The Framework Alignment Opinion report is available at QNB Group’s Green, Social, and Sustainability Bond Framework. “The full alignment assessment reflects the bank’s commitment to sustainable development, leveraging its capabilities to finance projects that can create a tangible impact where they operate,” said Michael Puli, primary contact at S&P. The Green, Social, and Sustainability Bond Framework outlines QNB Group’s process for project evaluation and selection, providing details about how the bank’s Green, Social and Sustainability Bond Committee approves and oversees the eligible project portfolio. Puli said, “In terms of management of proceeds, the issuer commits to track the net proceeds and to remove from the portfolio any loan that ceases to fulfill the eligibility criteria. QNB Group intends to report the allocation of proceeds and the impact of the eligible categories based on relevant key performance indicators.” QNB Group released its first sustainability report in 2018, established its Green, Social, and Sustainability Bond Framework in February 2020, and issued its first green bond on September 22, 2020. It has since updated its framework to expand the use of proceeds (both exclusions list and eligibility criteria) to address issues such as the COVID-19 pandemic. QNB Group’s total verified eligible green portfolio is valued at over \$1bn (less than 1% of its total loan portfolio), with projects located in the UK receiving the most funding. “We expect the green and social loan portfolio to increase as a proportion of QNB Group’s lending, given sustainability is a key pillar to its strategy,” S&P stated. (Gulf-Times.com)
- QETF generates 39% return in three years** – The QE Index ETF (QETF), Qatar’s first conventional exchange traded fund (ETF) and one of the GCC’s largest ETFs, has generated a total return of 39.25% since its inception three years ago. The QETF, which has assets under management of approximately QR 428.5mn (\$117.7mn) as of April 29, 2021, was founded by Doha Bank with Aventicum Capital Management Qatar working as Investment Manager. The QETF tracks the performance of the QE Price Index, which offers access to the 20 largest, most highly capitalized and liquid companies in Qatar through a single listed product. The fund is a listed, transparent, liquid and low-cost investment product which was launched in 2018 as part of the Qatar Exchange’s initiative to provide local and international investors with an efficient way to gain exposure to the strongest and most liquid Qatari companies. At the time of listing, the Qatar Exchange CEO, Rashid Mansoori stated that the ETF was in line with the government’s vision of promoting sound investment products listed on the exchange as part of Qatar’s Vision 2030. (Qatar Tribune)
- CBQK issues international bonds (XS2341197536) with a 2% coupon for \$700.0mn maturing in 2026** – The Commercial Bank (CBQK) issued international bonds (XS2341197536) with a 2% for \$700.0mn maturing in 2026. The Depository is Clearstream Banking S.A. and Euroclear Bank while the bookrunners are BofA Securities, Citigroup, Mizuho Financial Group, Standard Chartered Bank, SMBC Nikko Capital. (Bloomberg)
- Qatar’s foreign reserves rises MoM to QR205bn in March** – Qatar Central Bank has published Qatar’s foreign reserves for March on website. International reserves and foreign currency liquidity rose to QR205bn from 204.9bn in February. M2 money supply fell 0.8% YoY; and rose 2.4% MoM in March. M1 money supply rose 10.5% from year ago; fell 1.6% MoM. (Bloomberg)
- Qatar to gradually lift COVID-19 restrictions from May 28** – Qatar will begin gradually lifting coronavirus restrictions in four phases from May 28, health ministry official Abdel Latif Al-Khal said during a press conference in Doha. First phase includes allowing blended learning at 30% capacity and reopening daycare centers with 30% capacity. All staff must be vaccinated, Al-Khal said. Phase 1 also includes maintaining shopping malls capacity at 30% excluding children under age of 12 and allowing outdoor dining at 30% capacity to all customers and indoor dining at 30% capacity for vaccinated people, he said. Authorities also will maintain 50% capacity at the workplace with essential business meetings limited to 15 vaccinated people: Al-Khal. Al-Khal said each phase will last for 3 weeks. (Bloomberg)
- QFZA-licensed companies grew to over 130 in 2020 despite pandemic** – The Qatar Free Zones Authority (QFZA) has signed 39 new agreements and has brought the total number of companies in the Free Zones to more than 130 in 2020 despite the ongoing COVID-19 pandemic. “Despite all the challenges the business sector faced in 2020, QFZA kept its momentum rolling and was able to deliver on many successes,” the QFZA has said in a tweet. It added that the Free Zones also welcomed investors into the Business Innovation Park, while as many as 80 Light Industrial Units have also been constructed in the Free Zones last year. To date, the QFZA has attracted a plethora of world renowned companies including Google, DHL, and Volkswagen among others. Most recently, QFZA also announced that it will host Qatar’s first laptop manufacturing facility in Umm Alhoul free zone. The state-of-the-art 2,500sqm production facility will be facilitated by a partnership between the US based iLife Digital, a leading intelligent robotics and electronics company, and Prime Technologies, a subsidiary of Ali Bin Ali Holding. The new factory, which will create innovative iLife-branded electronic devices, including laptops, PCs, smart watches and mobile phones among others, is expected to meet the growing demand for affordable electronic projects in the MENA region. (Peninsula Qatar)
- Cushman & Wakefield: Qatar to add 20k hotel rooms before FIFA World Cup** – Almost 20,000 hotel keys are at various stages of planning and construction in Qatar and most of them are expected to be complete before the FIFA World Cup kicks-off in November 2022, Cushman & Wakefield (C&W) has said in its latest report. According to the report, the overall supply of hotel rooms currently in Qatar, including hotel apartments, is 33,208 rooms. (Qatar Tribune)
- Qatar’s Emir, Saudi Prince Held Meeting in Jeddah** – Qatari Ruler HE Sheikh Tamim bin Hamad Al Thani and the Saudi Crown Prince Mohammed bin Salman discussed the latest international and regional developments during a meeting held in Jeddah, state-run SPA reported. The meeting also discussed the bilateral cooperation between the two countries and ways to develop it, SPA said. (Bloomberg)
- QSE announces dates for Eid Al-Fitr holiday** – Qatar Stock Exchange (QSE) has announced that Eid Al-Fitr Holiday will be starting from May 12, 2021 until May 16, 2021. The market will resume work on May 17, 2021. This is based on the instructions received from the Qatar Financial Markets Authority (QFMA). (QSE)

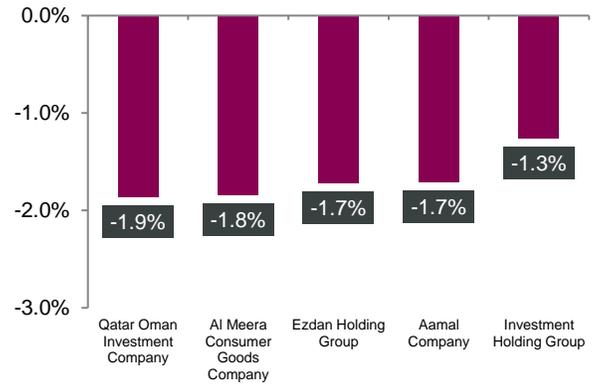
Qatar Stock Exchange

Top Gainers



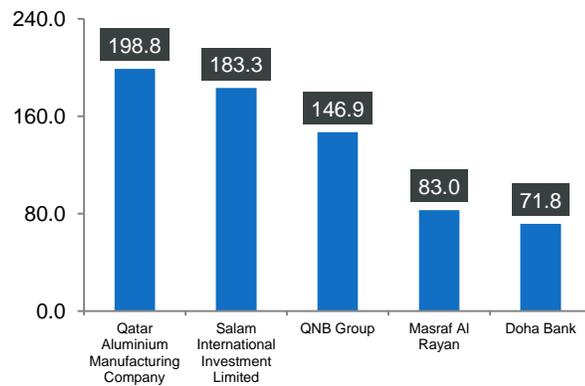
Source: Qatar Stock Exchange (QSE)

Top Decliners



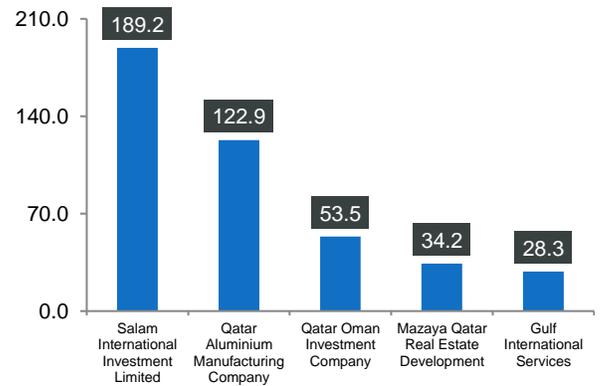
Source: Qatar Stock Exchange (QSE)

Most Active Shares by Value (QR Million)



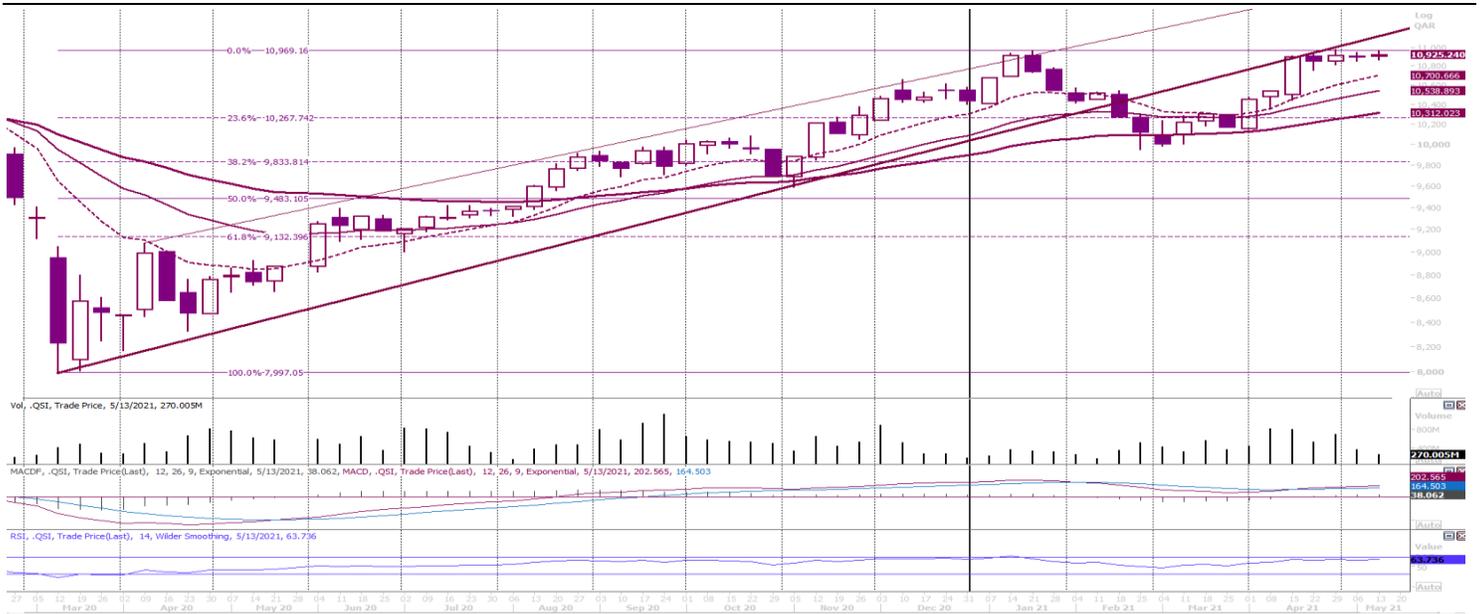
Source: Qatar Stock Exchange (QSE)

Most Active Shares by Volume (Million)



Source: Qatar Stock Exchange (QSE)

TECHNICAL ANALYSIS OF THE QSE INDEX



Source: Bloomberg

The QE Index closed flat, gaining only 0.27% from last week and closed at 10,925.24 in the last session of this short week. Our thesis has not changed as the general Index leveled off around the 11,000 level; it is our expected resistance mark. The Index needs to move above that level for the uptrend to continue. Otherwise, expect a correction. Our projected resistance level remains at the 11,000 points and the support level at the 10,000 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 May 11	% Change WTD	% Change YTD	Market Cap. QR Million	TTM P/E	P/B	Div. Yield
Qatar National Bank	18.00	0.06	0.95	166,256	15.4	2.3	2.5
Qatar Islamic Bank	17.30	0.06	1.11	40,879	14.0	2.3	2.3
Commercial Bank of Qatar	5.39	1.35	22.55	21,823	16.8	1.2	1.9
Doha Bank	2.75	9.92	16.10	8,520	15.1	0.9	2.7
Al Ahli Bank	3.89	5.03	12.74	9,442	13.8	1.5	3.9
Qatar International Islamic Bank	9.41	0.64	3.94	14,242	16.8	2.3	3.5
Masraf Al Rayan	4.47	0.65	(1.24)	33,555	15.2	2.5	3.8
Al Khaliji Bank	2.16	0.93	17.52	7,776	12.5	1.2	2.6
Qatar First Bank	1.92	0.68	11.80	1,347	43.8	2.7	N/A
National Leasing	1.18	(0.42)	(5.07)	584	12.8	0.8	2.1
Dlala Holding	1.69	(0.65)	(5.79)	481	56.9	2.3	N/A
Qatar & Oman Investment	1.00	(1.86)	12.85	315	46.5	1.0	N/A
Islamic Holding Group	5.11	0.00	(0.12)	289	41.2	2.0	1.0
Banking and Financial Services				305,508			
Zad Holding	15.75	(0.25)	16.20	4,106	20.4	2.6	4.0
Qatar German Co. for Medical Devices	2.80	(0.60)	25.30	324	385.7	10.3	N/A
Salam International Investment	0.95	1.17	45.62	1,084	N/A	0.7	N/A
Baladna	1.61	(0.93)	(10.34)	3,051	N/A	1.4	3.3
Medicare Group	9.34	0.43	5.64	2,628	30.4	2.6	19.3
Qatar Cinema & Film Distribution	4.49	9.49	12.42	282	61.9	2.0	2.2
Qatar Fuel	18.18	(0.11)	(2.68)	18,076	23.8	2.1	2.5
Qatar Meat and Livestock	4.87	1.76	(23.05)	876	34.4	2.4	2.1
Mannai Corp.	3.94	(1.21)	31.17	1,795	26.7	0.8	0.3
Al Meera Consumer Goods	18.60	(1.85)	(10.19)	3,720	19.4	2.4	4.8
Consumer Goods and Services				35,941			
Qatar Industrial Manufacturing	2.89	0.28	(10.00)	1,372	15.4	0.9	3.5
Qatar National Cement	5.11	(0.82)	23.06	3,338	20.1	1.1	3.9
Industries Qatar	13.45	(0.66)	23.74	81,373	25.2	2.4	2.5
Qatari Investors Group	2.43	6.44	34.18	3,021	31.8	1.1	2.5
Qatar Electricity and Water	17.06	0.35	(4.43)	18,766	15.5	1.8	3.7
Aamal	0.98	(1.71)	14.15	6,149	55.9	0.8	4.1
Gulf International Services	1.50	2.74	(12.54)	2,788	N/A	0.9	N/A
Mesaieed Petrochemical Holding	1.92	1.16	(6.06)	24,159	28.4	1.5	2.1
Invesment Holding Group	1.10	(1.26)	82.80	909	41.3	1.1	N/A
Qatar Aluminum Manufacturing	1.65	7.03	70.11	9,179	44.4	1.6	2.1
Industrials				151,053			
Qatar Insurance	2.54	1.48	7.41	8,286	35.8	1.0	N/A
QLM Life & Medical Insurance	5.20	(0.02)	#N/A N/A	1,820	N/A	N/A	N/A
Doha Insurance	1.99	(0.25)	42.96	995	14.2	0.9	5.0
Qatar General Insurance & Reinsurance	2.45	0.08	(7.89)	2,144	15.9	0.4	N/A
Al Khaleej Takaful Insurance	4.26	7.47	124.45	1,087	31.9	2.0	1.2
Qatar Islamic Insurance	7.90	0.00	14.49	1,185	15.9	3.0	4.1
Insurance				15,517			
United Development	1.60	(1.11)	(3.14)	5,676	25.5	0.5	3.1
Barw a Real Estate	3.23	(0.34)	(5.06)	12,565	10.4	0.6	3.9
Ezdan Real Estate	1.77	(1.72)	(0.39)	46,923	120.6	1.5	N/A
Mazaya Qatar Real Estate Development	1.16	0.17	(8.23)	1,342	43.1	1.1	2.6
Real Estate				66,505			
Ooredoo	7.13	0.66	(5.16)	22,845	25.2	1.1	3.5
Vodafone Qatar	1.76	0.23	31.22	7,427	36.3	1.7	2.8
Telecoms				30,272			
Qatar Navigation (Milaha)	7.50	0.09	5.74	8,589	119.5	0.6	4.0
Gulf Warehousing	5.13	(0.02)	0.59	301	12.8	1.6	2.0
Qatar Gas Transport (Nakilat)	3.16	(0.16)	(0.79)	17,480	15.1	2.5	3.5
Transportation				26,369			
Qatar Exchange				633.9			

Source: Bloomberg

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