

Market Review and Outlook

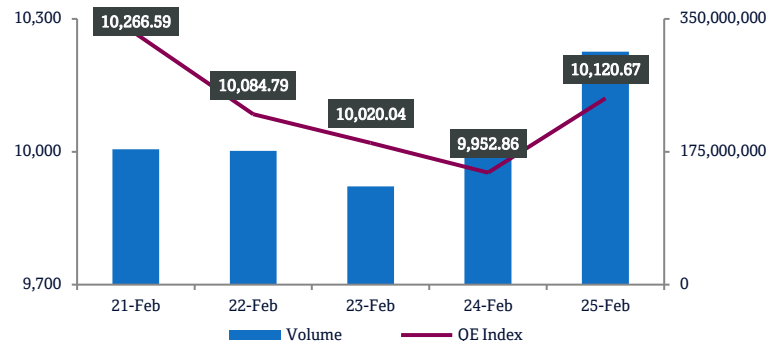
The Qatar Stock Exchange (QSE) Index closed lower for the week, declining 1.49% last week vs the week before; it closed at the 10,120.67 level. Market capitalization decreased by 0.6% to reach QR587.9 billion (bn) as compared to QR591.6bn at the end of the previous week. Of the 48 listed companies, 17 companies ended the week higher, while 30 fell. Doha Insurance Co. (DOHI) was the best performing stock for the week, with a gain of 24.9%. On the other hand Gulf International Services (GISS) was the worst performing stock with a decline of 10.3%.

Industries Qatar (IQCD), Qatar Islamic Bank (QIBK) and Woqod (QFLS) were the primary contributors to the weekly index losses. IQCD was the biggest contributor to the index's weekly drop, deleting 66.7 points from the index. QIBK pulled the Index lower by another 44.1 points. Further, QFLS removed 28.3 points from the Index.

Trading value during the week increased by 39.9% to reach QR2,512.6mn vs. QR1,796.0mn in the prior trading week. QNBK was the top value traded stock during the week with total traded value of QR516.0mn.

Trading volume also increased, by 35.4% to reach 990.6mn shares vs. 731.8mn shares in the prior trading week. The number of transactions increased by 42.4% to reach 59,717 transactions versus 41,933 transactions in the prior week. QAMC was the top volume traded stock during the week with total traded volume of 185.7mn shares.

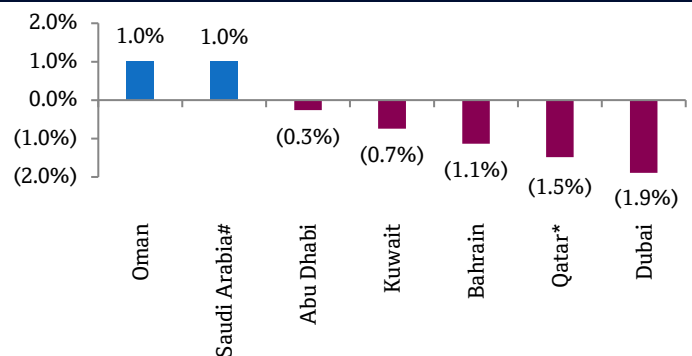
QSE Index and Volume



Market Indicators	Week ended Feb 25, 2021	Week ended Feb 18, 2021	Chg. %
Value Traded (QR mn)	2,512.6	1,796.1	39.9
Exch. Market Cap. (QR mn)	587,885.9	591,574.8	(0.6)
Volume (mn)	990.6	731.8	35.4
Number of Transactions	59,717	41,933	42.4
Companies Traded	48	48	0.0
Market Breadth	17:30	11:37	-

Market Indices	Close	WTD%	MTD%	YTD%
Total Return	19,590.13	(1.2)	(2.7)	(2.4)
ALL Share Index	3,144.72	(0.2)	(2.2)	(1.7)
Banks and Financial Services	4,137.15	1.5	(1.3)	(2.6)
Industrials	3,143.66	(3.3)	(2.7)	1.5
Transportation	3,402.31	(0.5)	(1.4)	3.2
Real Estate	1,773.81	(3.8)	(4.1)	(8.0)
Insurance	2,429.40	2.4	(2.1)	1.4
Telecoms	1,055.65	(0.4)	(5.8)	4.5
Consumer Goods & Services	7,609.61	(2.4)	(4.9)	(6.5)
Al Rayan Islamic Index	4,158.58	(1.9)	(1.8)	(2.6)

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*	10,120.67	(1.5)	(3.4)	(3.0)	683.84	159,081.9	18.6	1.4	3.7
Dubai	2,527.48	(1.9)	(4.8)	1.4	307.99	94,401.5	20.7	0.9	3.8
Abu Dhabi	5,627.99	(0.3)	0.6	11.5	1,558.54	215,540.7	22.5	1.5	4.3
Saudi Arabia#	9,115.76	1.0	4.7	4.9	18,875.75	2,434,177.2	35.6	2.2	2.3
Kuwait	5,649.16	(0.7)	(2.3)	1.9	647.41	106,286.9	50.3	1.4	3.4
Oman	3,601.80	1.0	(1.4)	(1.6)	27.41	16,253.3	11.0	0.7	7.6
Bahrain	1,464.63	(1.1)	0.1	(1.7)	21.49	22,379.8	28.6	0.9	4.6

Source: Bloomberg, country exchanges and Zawya (** Trailing Twelve Months; * Value traded (\$ mn) do not include special trades, if any; # Data as of February 24, 2021)

- **Qatar's industrial production jumps 10.4% in December** – A substantial expansion in extraction of crude petroleum and natural gas as well as increase in certain manufacturing items led Qatar's industrial production to jump 10.4% MoM in December 2020, as the country substantially lifted the COVID-19 related restrictions. The country's Industrial Production Index (IPI) however declined 5.7% YoY in December 2020, according to the Planning and Statistics Authority (PSA). The mining and quarrying index, which has a relative weight of 83.6%, saw a 12% surge MoM on account of 12% increase in the extraction of crude petroleum and natural gas and 3.8% surge in other mining and quarrying sectors. On a yearly basis, the index showed 6.3% shrinkage owing to 6.3% decline in the extraction of crude petroleum and natural gas, but showed a 9.2% jump in other mining and quarrying sectors. The manufacturing index, with a relative weight of 15.2%, saw a 4.4% growth MoM in December 2020 owing to a 71.3% increase in printing and reproduction of recorded media, 7% expansion in the production of cement and other non-metallic mineral products. On a yearly basis, the manufacturing index shrank 2.8% in December last year as there was a 66.4% drop in the printing and reproduction of recorded media, 13.8% in the production of beverages, 7% in food products, 6.9% in basic metals and 3.8% in chemicals and chemical products. Electricity, which has a 0.7% weight in the IPI basket, saw its index shrink 17.4% and 3.5% on monthly and yearly basis respectively in December 2020. In the case of water, which has a 0.5% weight, there was a 2.2% and 1.1% decrease MoM and YoY respectively in December 2020. (Gulf-Times.com)
- **QGMD, GWCS join FTSE index under microcap category** – FTSE Russell announced the results for its semi-annual market indices review. According to the review, two Qatari companies – Qatar German Medical Devices (QGMD) and Gulf Warehousing (GWCS) – have entered into the FTSE index for the smallest capital (Micro Cap) category. On the other hand, Baladna (BLDN) has been removed from the small capital (Micro Cap) category. The results of the review will apply after the closing of trade on March 18, a statement posted on the Qatar Stock Exchange website said. (QSE, Gulf-Times.com, Qatar Tribune)
- **QGMD set to get US FDA accreditation** – Qatari German Medical Devices (QGMD) is in the final stages of obtaining accreditation from the US Food and Drug Administration (FDA) as it now plans additional production line to meet the rising local and global demand. The company, which was able to obtain a number of contracts and direct sales requests from the domestic and international market worth more than QR30mn, has confirmed orders from Australia, Belgium, Britain, Germany, Iraq, South Africa, Mexico and Chile. It has also entered international tenders such as the PAHO Global Tender and government-level tenders in Australia, Asia, Europe and Africa in order to ensure that syringes supplied to these countries contribute to the completion of vaccination against the COVID-19 pandemic. (Gulf-Times.com)
- **QGMD obtains orders worth QR30mn in January** – Qatari German Medical Devices Company (QGMD) said that it obtained contracts and direct supply orders from the local and international market, worth more than QR30mn in January 2021 that will be reflected positively on the financial statements for the coming period. In a statement, the company noted its keenness to apply the principle of disclosure and transparency to share the achievements with the company's shareholders and investors. The disclosure is also aimed at informing shareholders and investors about the efforts made by the company to achieve its strategic goals that resulted in reducing its operating losses and its general and administrative expenses by 35.89% in the third quarter of 2020 compared to the same period of 2019. The disclosure and transparency policy comes in the frameworks of providing the information requested by the Qatar Financial Markets Authority and other regulatory authorities, or as requested by the stakeholders at the appropriate time and in the manner that enables the information seeker to make his right decision, the matter that regulates the dealings of insiders in the securities issued by the company or any company of its group, and works to avoid conflicts of interest and limit it and to achieve public benefit under the concept of a fair investment in the market. QGMD was established in 2000 and listed on the Qatar Stock Exchange in 2002 with an authorized capital of QR115.5mn, and with negotiable shares of 114,633,750. (Qatar Tribune)
- **CBQK branch numbers to stay steady** – The Commercial Bank (CBQK) has said there will not be any decrease in the number of branches across the country, despite its push to digital transformation and banking innovation. At a recent online media roundtable, CBQK Executive General Manager and Head (Retail Banking), Amit Sah explained how branches are still an integral part of the bank's focus on customers and confirmed that there would be no decrease in the number of branches. "In fact, there will be a slight increase as the bank reshape the layouts, designs, locations of branches, to suit the needs of the customers," Sah said. "For us, it is empowering the customer to choose how they want to transact with us. Our focus on branch banking is not going down. In fact, the number of locations where we will be... is steady around 30...and may even go up this year or next year. "What, however, is changing is going to be what we do in the branches and how we do it. Our branches, in many cases, will be in the path of the traffic... for example in Metro Stations. They will be in strategic locations. So the total number of locations has not reduced." (Gulf-Times.com)
- **QLMI targets an enhanced growth rate in near future** – QLM Life & Medical Insurance Company (QLMI) recently declared its financial results for the financial year 2020. The company recorded an increase in its net profits by 12.8% which stood at QR98.05mn as compared to QR86.87mn in the previous year 2019. The financial results were approved by board of directors in the meeting chaired by His Excellency Sheikh Saud bin Khalid bin Hamad Al Thani, Chairman of the board. In reference to the agenda item of dividend, the board of directors, took into consideration the general economic conditions, market conditions, expansion and growth plans and all other factors that affect the business. In addition, the board also considered the clear guidance as provided to the investors in section 10.3 of the IPO prospectus regarding 2020-2021 interim dividend to be

declared based on Q1'2021 profits and recommended that no dividends shall be declared for distribution for FY2020. Sheikh Saud bin Khalid bin Hamad Al Thani also mentioned that as per the dividend policy "any declared profits may be distributed in the form of cash dividends or through capitalization of profits, or a combination of both, according to the recommendation of the board of directors and approval in the general meeting, subject to obtaining the required regulatory and other necessary approvals". The company was initially incorporated on 30 June 2011 in the form of a limited liability company at Qatar Financial Centre. Thereafter, effective 1st January 2019, through portfolio transfer the business operations of the company were transferred to a new company formed under the jurisdiction of Ministry of Commerce and Industry and regulated by the Qatar Central Bank. Since then the company has been fully compliant with QCB's regulations and in line with regulatory requirements which requires all insurance companies to be listed at the Qatar Stock Exchange, the company was converted into a Qatari public shareholding company, and its shares were listed at the Qatar Stock Exchange on 13 January 2021. Commenting on the company's results, His Excellency Sheikh Saud bin Khalid bin Hamad Al Thani, Chairman of the Board of Directors, stated "The company has a developed a robust and clear long-term strategy to grow the business and has a strong financial position with good liquidity to meet its commitments and to ensure that it delivers to the expectations of all the stakeholders and creates shareholder value and provide for good return in form of dividends to the shareholders in accordance with its dividend declaration and distribution policy". The Earnings per share for the year 2020 was QR0.28 as compared to QR0.25 per share in the previous year 2019. As stated in the IPO prospectus, QLM Life and Health Insurance intends to distribute interim dividends for the period covering January 2021 to March 2021 from its net profit earned for the period and in accordance with the above mentioned dividend policy as set out in the company's offering prospectus. As regards the credit rating, the company has been recently affirmed a credit rating of "A" minus with stable outlook by Standard and Poor's on the basis of its own financial strength and on a stand-alone basis. The company has plans to foray into the retail segment and shall soon be launching individual life and medical insurance products in the market. This will further help to strengthen its market dominant position and enhance the public profile of the company. (QSE)

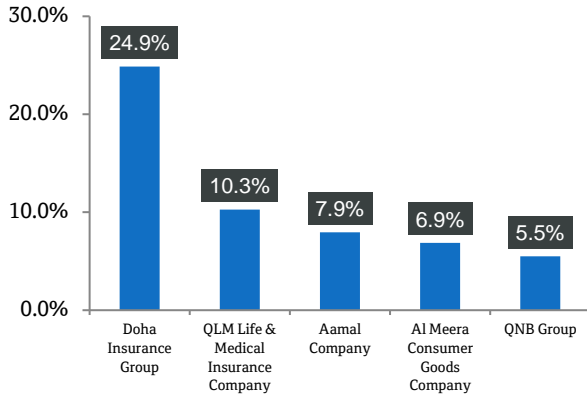
- **QNCD plans to rationalize production costs to boost balance sheet and enhance rewards to shareholders** – Qatar National Cement Company (QNCD) has decided to rationalize production costs, especially in the consumption of gas, electricity and consumables, this year as part of efforts to strengthen its balance sheet and enhance rewards to the shareholders. The board of directors' plan for 2021 includes measures to follow up the implementation of the waste burning project with the Ministry of Municipality and Environment, aiming to start operating the project as soon as possible. These, among other steps, were discussed at the company's annual ordinary and extraordinary general assembly meeting, presided over by its Chairman Salem bin Butti Al-Naimi. The meeting received shareholders' approval for distributing 20% cash dividends for

2020, at a rate of 20 dirhams for each valid share. The Chairman informed the shareholders that despite the adverse effect of the worldwide spread of the coronavirus since March 2020, the company was able to cover the market demand for all types of cement, washed sand and calcium carbonate at high-quality standards, and at a reasonable price for all products. The cement major was able to maintain the realization of energy consumption and reduce other costs, by stopping operations at cement plants (4) and (5) since the beginning of April 2020, according to Al-Naimi. The company's production in both categories of cement OPC (ordinary Portland) and SRC (sulphur resistant) reached 1.98mn tons during year 2020 compared to 2.2mn tons the previous year. (Gulf-Times.com)

- **Cabinet approves draft law on health services** – The Cabinet has approved a draft law on healthcare services that mandates all residents and visitors to the country to obtain health insurance to receive basic healthcare services. The Cabinet, chaired by Prime Minister and Minister of Interior HE Sheikh Khalid bin Khalifa bin Abdulaziz Al Thani on Wednesday, referred the draft law to the Shura Council. (Qatar Tribune)
- **CBQK sells \$500mn in AT1 bonds** – The Commercial Bank (CBQK) launched \$500mn in Additional Tier 1 (AT1) bonds at 4.5% on February 24, 2021 after receiving more than \$1.1bn in orders for the debt sale, a document showed. It had given initial price guidance of around 4.75% for the bonds, which are non-callable for five years. Barclays, Credit Suisse, Deutsche Bank, HSBC, JPMorgan and QNB Capital arranged the deal. AT1 bonds, the riskiest debt instruments banks can issue, are designed to be perpetual, but issuers can call them after a specified period. (Bloomberg)

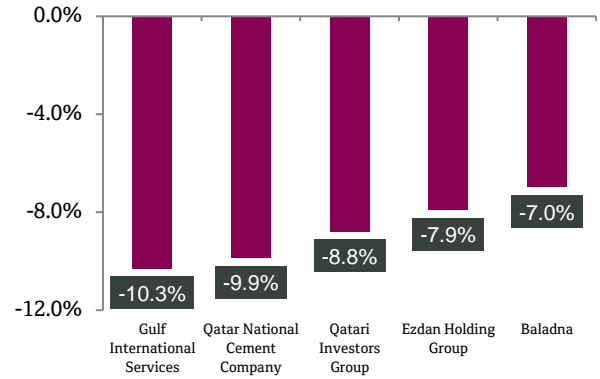
Qatar Stock Exchange

Top Gainers



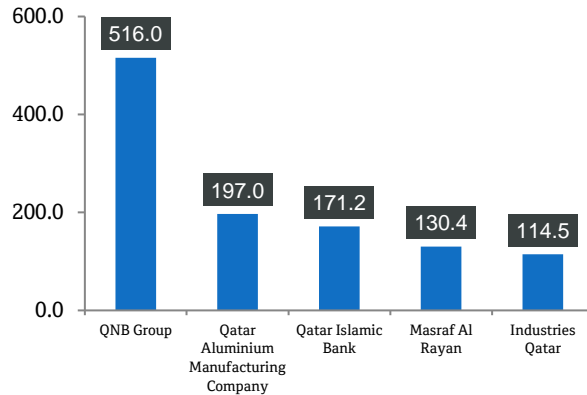
Source: Qatar Stock Exchange (QSE)

Top Decliners



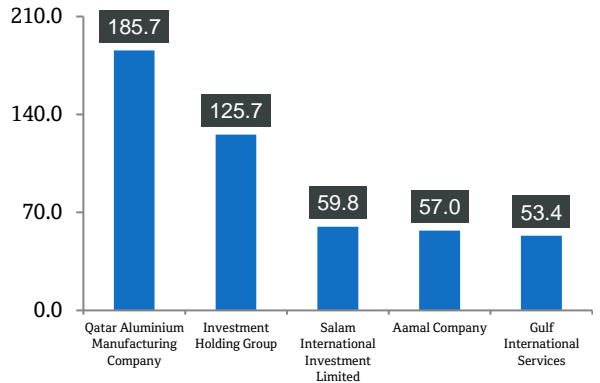
Source: Qatar Stock Exchange (QSE)

Most Active Shares by Value (QR Million)



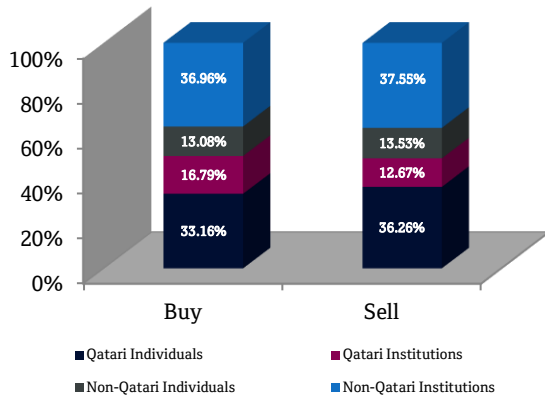
Source: Qatar Stock Exchange (QSE)

Most Active Shares by Volume (Million)



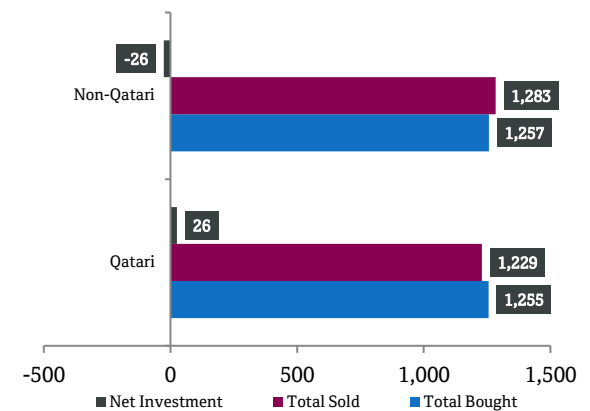
Source: Qatar Stock Exchange (QSE)

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 down another week, but managed to gain some of the grounds it lost. It printed last 10,120.18, losing 1.49% from the previous week. The Index has breached below the 10,200 expected support, not testing the 10,000 psychological barrier. Moreover, the Index bounced off one of its major moving averages, but it needs to move up on higher volumes to confirm the bounce. Our projected resistance is around 10,600 level.

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 February 25	% Change WTD	% Change YTD	Market Cap. QR Million	TTM P/E	P/B	Div. Yield
Qatar National Bank	17.25	5.50	(3.25)	159,328	14.4	2.1	2.6
Qatar Islamic Bank	15.70	(5.71)	(8.24)	37,098	13.1	2.0	2.5
Commercial Bank of Qatar	4.28	(1.72)	(2.73)	17,322	15.8	1.0	4.7
Doha Bank	2.23	(1.55)	(5.79)	6,914	13.7	0.7	N/A
Al Ahli Bank	3.85	1.32	11.69	9,354	13.8	1.5	3.9
Qatar International Islamic Bank	8.46	(2.74)	(6.51)	12,810	15.4	2.1	5.0
Masraf Al Rayan	4.34	0.70	(4.30)	32,513	14.9	2.3	5.2
Al Khaliji Bank	2.07	(0.14)	12.62	7,452	11.9	1.1	3.6
Qatar First Bank	1.77	(1.99)	3.08	1,242	N/A	2.6	N/A
National Leasing	1.19	0.68	(4.42)	588	12.9	0.8	2.1
Diala Holding	1.83	(0.82)	1.67	519	N/A	2.5	N/A
Qatar & Oman Investment	0.86	(1.04)	(3.04)	271	21.5	0.9	2.3
Islamic Holding Group	5.08	(4.12)	(0.72)	288	47.5	2.0	N/A
Banking and Financial Services				285,699			
Zad Holding	14.50	0.62	(2.75)	3,436	17.0	2.3	5.9
Qatar German Co. for Medical Devices	3.10	(5.52)	38.49	358	N/A	11.9	N/A
Salam International Investment	0.59	(6.39)	(9.98)	670	N/A	0.4	N/A
Baladna	1.61	(6.98)	(9.94)	3,064	N/A	1.4	1.3
Medicare Group	8.70	2.84	(1.58)	2,449	29.3	2.5	20.7
Qatar Cinema & Film Distribution	3.85	0.05	(3.58)	242	51.0	1.7	2.6
Qatar Fuel	16.88	(4.74)	(9.64)	16,783	22.1	2.0	4.7
Qatar Meat and Livestock	6.13	0.49	(3.04)	1,103	12.9	2.7	4.9
Mannai Corp.	2.93	(0.68)	(2.47)	1,335	N/A	0.6	6.8
Al Meera Consumer Goods	21.00	6.87	1.40	4,200	20.1	2.8	4.0
Consumer Goods and Services				33,640			
Qatar Industrial Manufacturing	2.78	(2.46)	(13.37)	1,321	14.8	0.8	5.4
Qatar National Cement	4.11	(9.87)	(0.96)	2,686	18.4	0.9	4.9
Industries Qatar	11.56	(4.62)	6.35	69,938	35.8	2.1	3.5
Qatari Investors Group	1.76	(8.79)	(2.60)	2,193	26.5	0.8	3.4
Qatar Electricity and Water	17.40	(0.29)	(2.52)	19,140	16.5	2.0	4.5
Aamal	0.91	7.95	6.43	5,733	46.7	0.7	4.4
Gulf International Services	1.48	(10.30)	(13.64)	2,752	N/A	0.8	N/A
Mesaieed Petrochemical Holding	1.88	(3.84)	(8.16)	23,619	22.8	1.5	3.7
Investment Holding Group	0.60	5.50	(0.67)	494	10.4	0.6	N/A
Qatar Aluminum Manufacturing	1.09	5.14	12.20	6,054	N/A	1.1	0.9
Industrials				133,931			
Qatar Insurance	2.29	1.69	(3.13)	7,473	N/A	0.9	6.6
Doha Insurance	1.99	24.87	43.18	997	16.5	0.9	4.0
Qatar General Insurance & Reinsurance	2.50	(1.19)	(6.02)	2,188	N/A	0.4	N/A
Al Khaleej Takaful Insurance	2.72	(2.75)	43.47	695	23.3	1.3	1.8
Qatar Islamic Insurance	7.17	1.00	3.91	1,076	15.0	2.8	5.3
Insurance				12,428			
United Development	1.48	(5.54)	(10.39)	5,251	23.2	0.5	3.4
Barwa Real Estate	3.24	(1.28)	(4.79)	12,600	10.4	0.6	6.2
Ezdan Real Estate	1.55	(7.90)	(12.67)	41,140	N/A	1.3	N/A
Mazaya Qatar Real Estate Development	1.21	(0.74)	(4.20)	1,401	46.8	1.1	N/A
Real Estate				60,392			
Ooredoo	7.70	(0.13)	2.39	24,665	22.4	1.1	3.2
Vodafone Qatar	1.43	(4.41)	6.87	6,049	32.9	1.3	3.5
Telecoms				30,713			
Qatar Navigation (Milaha)	7.30	(1.35)	2.92	8,360	138.3	0.6	4.1
Gulf Warehousing	5.02	0.04	(1.63)	294	12.5	1.5	2.0
Qatar Gas Transport (Nakilat)	3.30	0.00	3.77	18,283	15.8	2.6	3.0
Transportation				26,937			
Qatar Exchange				587,886			

Source: Bloomberg

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