

Market Review and Outlook

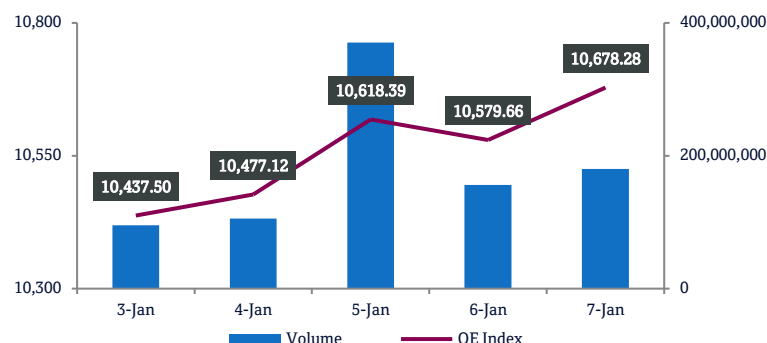
The Qatar Stock Exchange (QSE) Index gained 2.32% during the first week of January 2021, closing at 10,678.28. Market capitalization increased by 2.7% to reach QR618.7 billion (bn) as compared to QR602.2bn at the end of the previous week. Of the 47 listed companies, 31 companies ended the week higher, while 15 fell and 1 remained unchanged. Al Khalij Commercial Bank (KCBK) was the best performing stock for the week, with a gain of 11.5%. On the other hand, Qatar Cinema (QCFS) was the worst performing stock with a decline of 7.1%.

QNB Group (QNBK), Industries Qatar (IQCD), and Qatar Islamic Bank (QIBK) were the primary contributors to the weekly index gains. QNBK was the biggest contributor to the index's weekly increase, adding 76.2 points to the index. IQCD contributed 42.9 points to the index. Further, QIBK tacked on 30.9 points.

Trading value during the week increased by 29.8% to reach QR1,952.3mn vs. QR1,504.4mn in the prior trading week. QNBK was the top value traded stock during the week with total traded value of QR320.6mn.

Trading volume also increased by 38.0% to reach 907.1mn shares vs. 657.4mn shares in the prior trading week. The number of transactions increased by 29.0% to reach 38,865 transactions versus 30,133 transactions in the prior week. Investment Holding Group (IGRD) was the top volume traded stock during the week with total traded volume of 229.7mn shares.

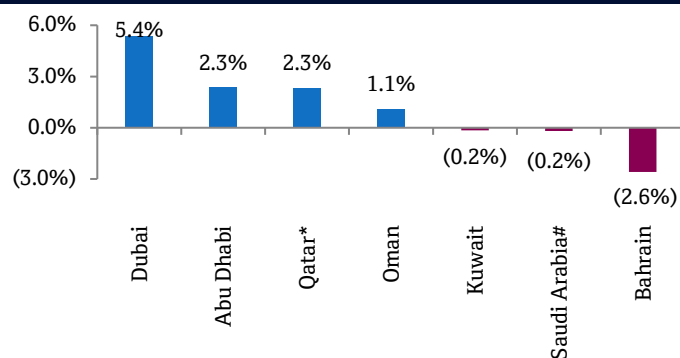
QSE Index and Volume



Market Indicators	Week ended Jan 07, 2021	Week ended Dec 31, 2020	Chg. %
Value Traded (QR mn)	1,952.3	1,504.4	29.8
Exch. Market Cap. (QR mn)	618,719.9	602,198.7	2.7
Volume (mn)	907.1	657.4	38.0
Number of Transactions	38,865	30,133	29.0
Companies Traded	47	46	2.2
Market Breadth	31:15	16:29	-

Market Indices	Close	WTD%	MTD%	YTD%
Total Return	20,528.64	2.3	2.3	2.3
ALL Share Index	3,284.20	2.7	2.7	2.7
Banks and Financial Services	4,388.89	3.3	3.3	3.3
Industrials	3,172.29	2.4	2.4	2.4
Transportation	3,376.50	2.4	2.4	2.4
Real Estate	1,908.08	(1.1)	(1.1)	(1.1)
Insurance	2,481.10	3.6	3.6	3.6
Telecoms	1,045.94	3.5	3.5	3.5
Consumer Goods & Services	8,193.81	0.6	0.6	0.6
Al Rayan Islamic Index	4,332.84	1.5	1.5	1.5

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*	10,678.28	2.3	2.3	2.3	532.28	168,848.7	18.2	1.6	3.7
Dubai	2,625.66	5.4	5.4	5.4	465.91	96,133.6	12.5	0.9	3.7
Abu Dhabi	5,163.75	2.3	2.3	2.3	547.19	200,222.8	20.6	1.5	4.7
Saudi Arabia#	8,670.80	(0.2)	(0.2)	(0.2)	9,668.40	2,417,877.5	34.7	2.1	2.4
Kuwait	5,537.19	(0.2)	(0.2)	(0.2)	446.38	103,112.0	35.4	1.4	3.6
Oman	3,699.36	1.1	1.1	1.1	12.58	16,666.2	11.1	0.7	6.8
Bahrain	1,451.23	(2.6)	(2.6)	(2.6)	11.52	22,222.3	14.1	1.0	4.6

Source: Bloomberg, country exchanges and Zawya (** Trailing Twelve Months; * Value traded (\$ mn) do not include special trades, if any; # Data as of January 06, 2021)

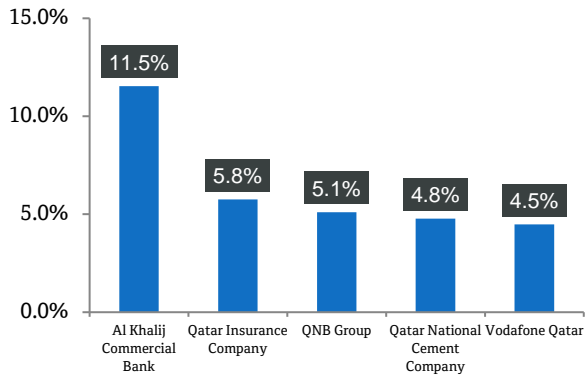
- **Saudi, allies restore full diplomatic ties with Qatar** – Saudi Arabia and its allies have restored full relations with Qatar, Riyadh said on Tuesday after a landmark GCC summit, ending a damaging rift that erupted in 2017. Saudi said that the UAE, Bahrain and Egypt were joining it in re-establishing ties with Qatar. His Highness the Amir Sheikh Tamim bin Hamad al-Thani was greeted with a warm embrace on arrival in the kingdom by Crown Prince Mohamed bin Salman. "What happened today is the turning of the page on all points of difference and a full return of diplomatic relations," Saudi Foreign Minister Prince Faisal bin Farhan said following the summit in the desert city of Al-Ula. Qatar's Deputy Prime Minister and Minister of Foreign Affairs, HE Sheikh Mohamed bin Abdulrahman al-Thani, tweeted that leaders closed the page on disagreement and seek to open a new page of solidarity. Leaders of the six-nation Gulf Cooperation Council (GCC) signed two documents on Tuesday, the Al-Ula Declaration and a final communique, described by Prince Mohamed as affirming "our Gulf, Arab and Islamic solidarity and stability". He called for unity to confront challenges facing the region. Prince Mohamed, Saudi Arabia's de facto leader, extended an enthusiastic welcome to His Highness the Amir Sheikh Tamim bin Hamad al-Thani, after he landed in the kingdom for the first time since the crisis began. Later, Saudi state media tweeted a photo of Crown Prince Mohamed behind the wheel of a sports utility vehicle, taking His Highness the Amir on a tour of the area. Jared Kushner, Trump's son-in-law and senior adviser who shuttled around the region to seek a deal, attended the signing in Al-Ula. (Gulf-Times.com)
- **World Bank: Qatar set to post GCC's best growth rate of 3% in 2021** – Qatar economy is set to rebound this year with the World Bank forecasting it to grow 3%, which will be the best in the entire GCC region. According to the World Bank, Qatar's economy is estimated to have contracted with a -2% growth in 2020. For 2022, the Bank has forecast a 3% growth for Qatar economy. The other GCC countries are forecast to grow between 0.5% and 2.2% this year. In an online briefing, the World Bank said economic activity in the Middle East and North Africa (MENA) is forecast to recover modestly to 2.1% in 2021, reflecting the lasting damage from the pandemic and low oil prices. The recovery is contingent on containment of the pandemic, stabilizing oil prices, no further escalation of geopolitical tensions, and the assumption of a vaccine rollout in the second half of the year. By 2022, after two years of expected recovery, output is still about 8% below the output projected prior to the pandemic, with a larger impact on oil importers than exporters. Among oil exporters, growth is expected to recover to 1.8% this year, supported by normalizing oil demand, the scheduled easing of the OPEC+ oil production cuts, policy support, and the gradual phasing out of domestic pandemic-related restrictions. Growth in oil importers is expected to rebound to 3.2% in 2021 as mobility restrictions are gradually eased and exports and domestic demand recover slowly. (Gulf-Times.com)
- **Standard Chartered: Qatar economy to grow 3% this year on Gulf rift easing** – Qatar's economy will grow 3% as the easing of

a three-year-old regional dispute will help trade, tourism, and logistics, Standard Chartered said, revising its previous 2.1% growth estimate. Saudi Arabia and its Arab allies agreed on Tuesday to end a boycott imposed in mid-2017. "We see the lifting of restrictions on trade and travel on Qatar as adding impetus to the ongoing recovery in trade, tourism and logistics," Standard Chartered said in a note. It said the United Arab Emirates lifting restrictions on trade and travel to Qatar could also help the UAE's trade recovery, "possibly leading to less trade and transit volume via Oman's port and airport," after Oman benefited from the re-routing of some trade during the embargo. Another benefit could be a convergence in Qatar's onshore and offshore spot currency rates, as foreign liquidity stands to benefit from the lifting of the embargo, it said. The bank's revised growth forecast is higher than the 2.2% forecast Qatar gave last month in its 2021 budget. "Regionally, the boost to consumer and investor sentiment and lower perceived geopolitical risk may contribute positively to economic outcomes, particularly ahead of significant events such as EXPO 2020, set to be hosted by Dubai in October 2021, and the 2022 FIFA World Cup in Doha," it said. (Reuters)

- **QLM awaits regulatory approval for QSE debut** – QLM Life and Medical Insurance (QLM) is awaiting regulatory approval for its debut on Qatar Stock Exchange (QSE). The listing was scheduled for January 6 as per its IPO prospectus, but a company spokesman said it will provide an update on the precise date as soon as regulatory approvals are obtained and the date is confirmed. After QLM starts trading, expected to be in this month itself, it will join the insurance sector. (Gulf-Times.com)
- **Inauguration of the newest regional hub for GWCS in Ras Bufontas Free Zone** – Gulf Warehousing Company (GWCS), authorized service contractor for UPS in Qatar, inaugurated its regional hub in the free zone located in Ras Bufontas. GWCS is the first logistics company to start operations in the newly established Ras Bufontas Free Zone, which is adjacent to the Hamad International Airport. This location will enhance GWCS' capabilities and strengthen its role in expanding Qatar as a hub for transit, trade and value-added services. Among the services offered from the facility are freight, customs clearance, frozen/chilled/climatized storage, transportation, and the company's advanced IT infrastructure. The hub was built to be GSAS1 certified, which means that through energy and water saving technology, as well as other features, the hub operates in a highly sustainable, environmentally friendly manner. The hub also features two warehouses, one at 1,500 square meters, with the temperature controlled at 18 degrees Celsius and above, and the other 4,500 square meters, with four frozen storage chambers that can range from 0 to -25 degrees Celsius depending on requirements, as well as a bulk storage area. These warehouses will offer unmatched logistical and last mile delivery options to the aviation, pharmaceutical and events industries including FIFA World Cup Qatar 2022. (QSE, Gulf-Times.com)

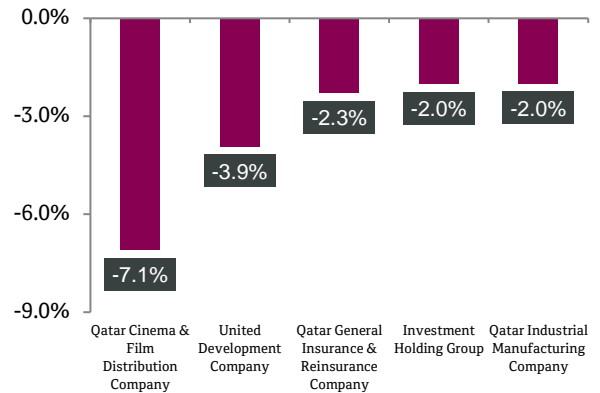
Qatar Stock Exchange

Top Gainers



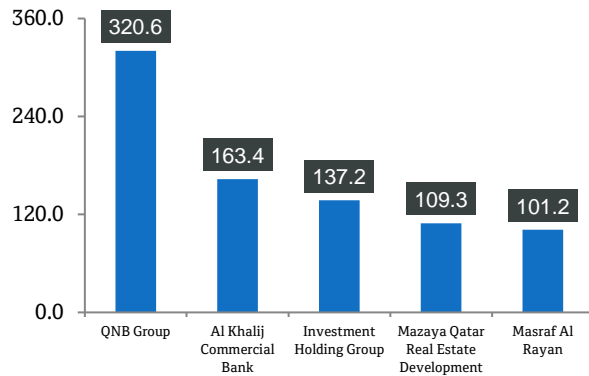
Source: Qatar Stock Exchange (QSE)

Top Decliners



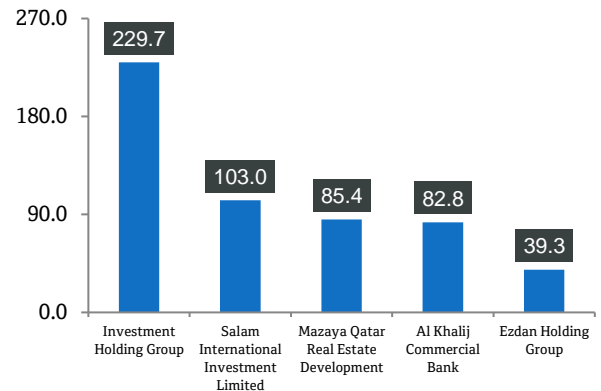
Source: Qatar Stock Exchange (QSE)

Most Active Shares by Value (QR Million)



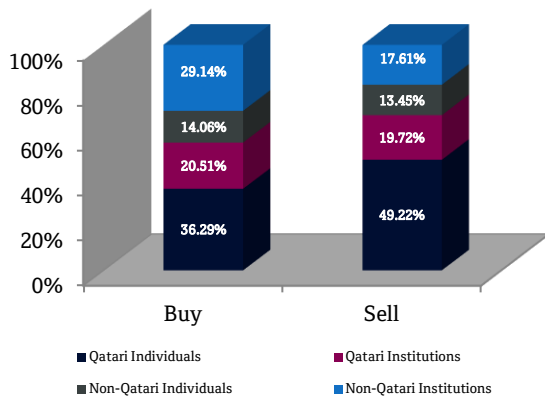
Source: Qatar Stock Exchange (QSE)

Most Active Shares by Volume (Million)



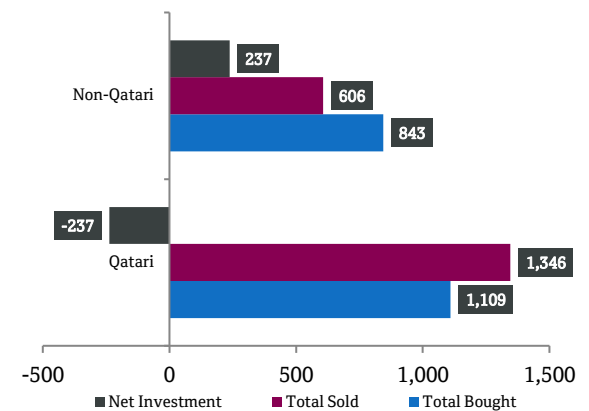
Source: Qatar Stock Exchange (QSE)

Investor Trading Percentage to Total Value Traded



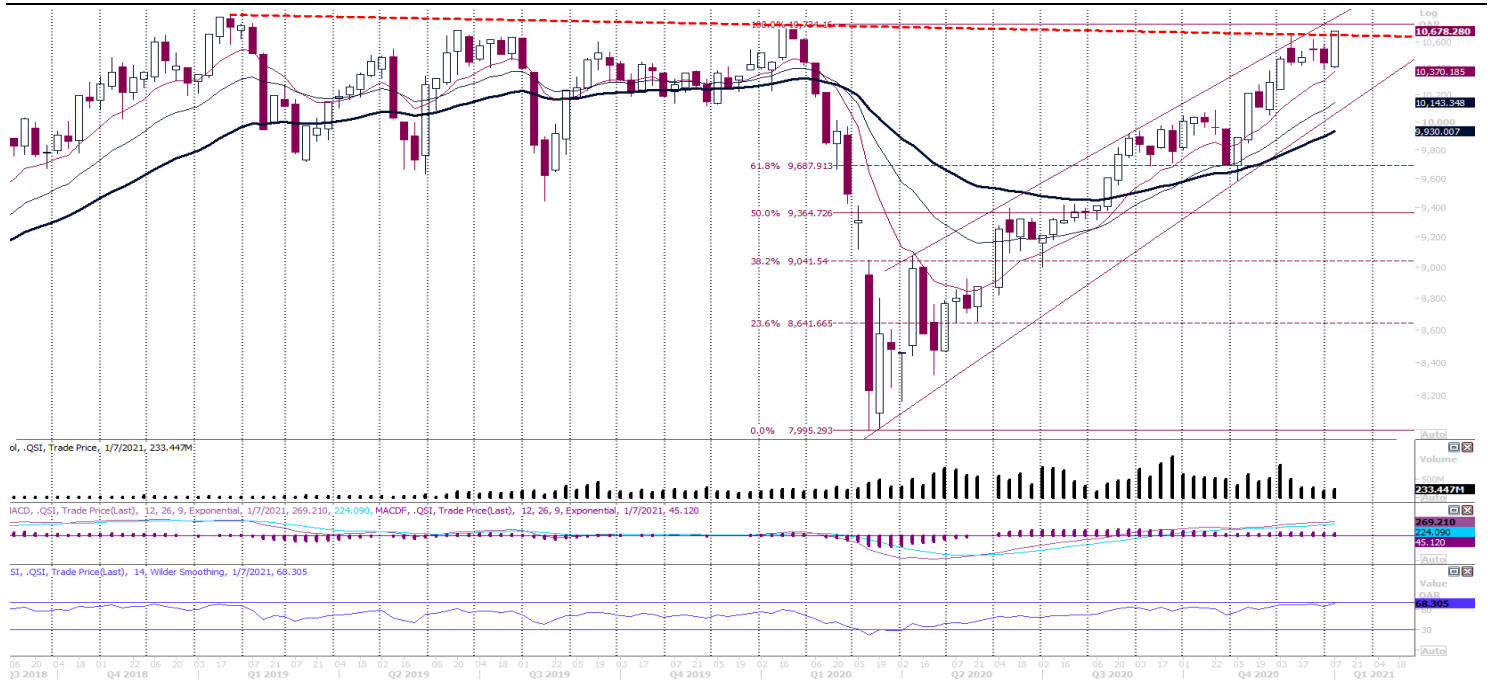
Source: Qatar Stock Exchange (QSE)

Net Traded Value by Nationality (QR Million)



Source: Qatar Stock Exchange (QSE)

TECHNICAL ANALYSIS OF THE QSE INDEX



Source: Bloomberg

In the first week of 2021, the QE Index closed up 2.32% from the previous week and printed last at 10,678.28 points. The bearish reversal candlestick which has created has been nullified by the strong bullish candlestick created in the past week; the Index is back to challenge previous peaks. The mentioned resistance is expected to stretch from the 10,700 to the 10,800 level, and we update our support to the 10,000 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 January 07	% Change WTD	% Change YTD	Market Cap. QR Million	TTM P/E	P/B	Div. Yield
Qatar National Bank	18.74	5.10	5.10	173,091	15.9	2.4	3.2
Qatar Islamic Bank	17.49	2.22	2.22	41,328	14.6	2.3	3.0
Commercial Bank of Qatar	4.40	0.00	0.00	17,808	12.3	1.0	4.5
Doha Bank	2.40	1.27	1.27	7,432	15.2	0.8	N/A
Al Ahli Bank	3.50	1.54	1.54	8,504	13.5	1.4	4.1
Qatar International Islamic Bank	9.30	2.73	2.73	14,076	16.0	2.3	4.6
Masraf Al Rayan	4.57	0.84	0.84	34,260	15.6	2.5	4.9
Al Khaliji Bank	2.05	11.53	11.53	7,380	11.6	1.2	3.7
Qatar First Bank	1.72	0.06	0.06	1,205	N/A	2.5	N/A
National Leasing	1.25	0.40	0.40	618	32.7	0.9	4.0
Diala Holding	1.79	(0.45)	(0.45)	508	N/A	2.4	N/A
Qatar & Oman Investment	0.88	(0.90)	(0.90)	277	22.0	0.9	2.3
Islamic Holding Group	5.13	0.18	0.18	290	52.8	2.0	N/A
Banking and Financial Services				306,776			
Zad Holding	14.95	0.27	0.27	3,543	17.5	2.4	5.7
Qatar German Co. for Medical Devices	2.28	1.92	1.92	263	N/A	8.8	N/A
Salam International Investment	0.65	(0.61)	(0.61)	740	N/A	0.5	N/A
Baladna	1.76	(1.84)	(1.84)	3,340	N/A	1.5	1.2
Medicare Group	8.85	0.11	0.11	2,491	30.3	2.5	20.3
Qatar Cinema & Film Distribution	3.71	(7.09)	(7.09)	233	53.2	0.2	2.7
Qatar Fuel	19.00	1.71	1.71	18,891	24.3	2.3	4.2
Qatar Meat and Livestock	6.28	(0.66)	(0.66)	1,130	13.2	2.8	4.8
Mannai Corp.	3.00	(0.07)	(0.07)	1,368	N/A	0.7	6.7
Al Meera Consumer Goods	20.60	(0.53)	(0.53)	4,120	20.3	2.8	4.1
Consumer Goods and Services				36,119			
Qatar Industrial Manufacturing	3.15	(1.99)	(1.99)	1,495	18.2	0.9	4.8
Qatar National Cement	4.35	4.77	4.77	2,842	23.4	1.0	6.9
Industries Qatar	11.23	3.31	3.31	67,942	46.3	2.1	3.6
Qatari Investors Group	1.82	0.28	0.28	2,258	28.9	0.8	3.0
Qatar Electricity and Water	18.29	2.46	2.46	20,119	13.4	2.2	4.2
Aamal	0.85	(0.35)	(0.35)	5,368	34.5	0.7	4.7
Gulf International Services	1.72	0.06	0.06	3,189	54.6	0.9	N/A
Mesaieed Petrochemical Holding	2.07	1.32	1.32	26,056	25.2	1.7	3.4
Investment Holding Group	0.59	(2.00)	(2.00)	487	10.2	0.6	N/A
Qatar Aluminum Manufacturing	0.98	1.24	1.24	5,463	N/A	1.0	1.0
Industrials				135,217			
Qatar Insurance	2.50	5.76	5.76	8,159	N/A	1.1	6.0
Doha Insurance	1.38	(0.57)	(0.57)	692	12.8	0.6	5.8
Qatar General Insurance & Reinsurance	2.60	(2.29)	(2.29)	2,274	N/A	0.5	N/A
Al Khaleej Takaful Insurance	1.92	1.11	1.11	490	16.4	0.9	2.6
Qatar Islamic Insurance	7.10	2.90	2.90	1,065	14.8	2.8	5.3
Insurance				12,680			
United Development	1.59	(3.93)	(3.93)	5,630	28.0	0.5	3.1
Barwa Real Estate	3.42	0.56	0.56	13,308	9.4	0.7	5.8
Ezdan Real Estate	1.79	0.51	0.51	47,347	N/A	1.5	N/A
Mazaya Qatar Real Estate Development	1.26	(0.24)	(0.24)	1,459	48.8	1.2	N/A
Real Estate				67,744			
Ooredoo	7.76	3.16	3.16	24,850	13.1	1.1	3.2
Vodafone Qatar	1.40	4.48	4.48	5,914	36.8	1.3	3.6
Telecoms				30,764			
Qatar Navigation (Milaha)	7.26	2.33	2.33	8,312	16.1	0.6	4.1
Gulf Warehousing	5.20	2.00	2.00	305	12.8	1.6	3.8
Qatar Gas Transport (Nakilat)	3.26	2.52	2.52	18,061	15.4	2.7	3.1
Transportation				26,678			
Qatar Exchange				618,720			

Source: Bloomberg

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