

Market Review and Outlook

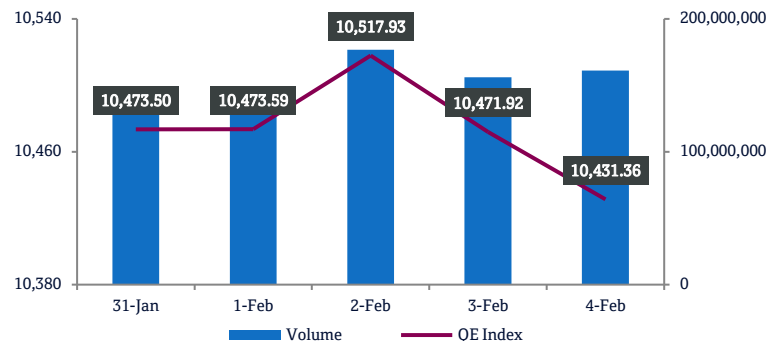
The Qatar Stock Exchange (QSE) Index lost 1.07% last week vs the week before, to close at 10,431.36. Market capitalization decreased by 1.5% to reach QR603.5 billion (bn) as compared to QR612.5bn at the end of the previous week. Of the 48 listed companies, 21 companies ended the week higher, while 27 fell and 10 remained unchanged. Qatar First Bank (QFBQ) was the best performing stock for the week, with a gain of 4.4%. On the other hand, Qatari Investors Group (QIGD) was the worst performing stock with a decline of 8.0%.

Industries Qatar (IQCD), Woqod (QFLS) and QNB Group (QNBK) were the primary contributors to the weekly index losses. IQCD was the biggest contributor to the index's weekly decline, shedding 33.3 points from the index. QFLS pulled the Index down by another 29.7 points. Further, QNBK deleted 25.7 points from the Index.

Trading value during the week decreased by 23.9% to reach QR1,958.1mn vs. QR2,574.4mn in the prior trading week. QNBK was the top value traded stock during the week with total traded value of QR300.6mn.

Trading volume also decreased, by 20.4% to reach 750.2mn shares vs. 942.0mn shares in the prior trading week. The number of transactions decreased by 12.1% to reach 44,703 transactions versus 50,865 transactions in the prior week. Qatar First Bank (QFBQ) was the top volume traded stock during the week with total traded volume of 100.0mn shares.

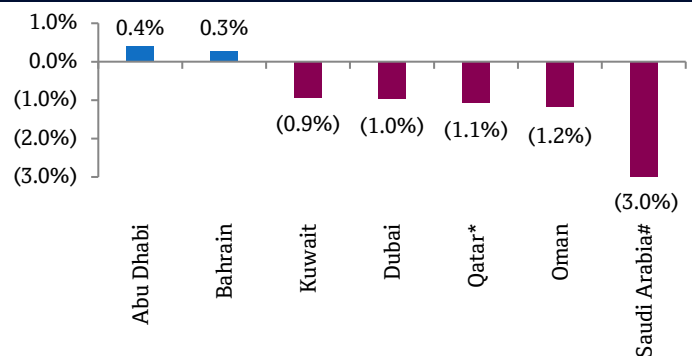
QSE Index and Volume



Market Indicators	Week ended Feb 04, 2021	Week ended Jan 28, 2021	Chg. %
Value Traded (QR mn)	1,958.1	2,574.4	(23.9)
Exch. Market Cap. (QR mn)	603,548.9	612,505.7	(1.5)
Volume (mn)	750.2	942.0	(20.4)
Number of Transactions	44,703	50,865	(12.1)
Companies Traded	48	47	2.1
Market Breadth	21:27	9:37	-

Market Indices	Close	WTD%	MTD%	YTD%
Total Return	20,126.34	(0.7)	(0.0)	0.3
ALL Share Index	3,211.30	(0.8)	(0.2)	0.4
Banks and Financial Services	4,197.20	(0.5)	0.1	(1.2)
Industrials	3,197.69	(1.7)	(1.0)	3.2
Transportation	3,476.76	0.1	0.7	5.4
Real Estate	1,869.92	0.7	1.1	(3.0)
Insurance	2,436.87	(2.4)	(1.8)	1.7
Telecoms	1,145.82	2.1	2.2	13.4
Consumer Goods & Services	7,870.48	(3.1)	(1.6)	(3.3)
Al Rayan Islamic Index	4,256.76	(0.4)	0.5	(0.3)

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*	10,431.36	(1.1)	(0.4)	(0.0)	537.54	165,131.0	18.2	1.5	3.7
Dubai	2,670.84	(1.0)	0.6	7.2	291.23	97,699.2	13.5	0.9	3.6
Abu Dhabi	5,664.10	0.4	1.3	12.3	731.14	217,149.0	22.5	1.6	4.3
Saudi Arabia#	8,542.55	(3.0)	(1.8)	(1.7)	11,635.11	2,369,042.1	32.1	2.0	2.5
Kuwait	5,694.19	(0.9)	(1.5)	2.7	788.84	107,104.4	37.4	1.4	3.5
Oman	3,606.12	(1.2)	(1.3)	(1.4)	17.09	16,212.8	13.0	0.7	7.0
Bahrain	1,461.22	0.3	(0.1)	(1.9)	22.99	22,405.6	14.2	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 February 03, 2021)

- **Qatar's non-energy sector growth re-accelerates in January –**

The latest Purchasing Managers' Index (PMI) survey data from Qatar Financial Centre and IHS Markit signaled a strengthening rate of expansion in the non-energy private sector economy in January. Growth rates for both business activity and new business accelerated notably during the month and were among the sharpest registered since the survey began in April 2017. Evidence of a sustained recovery was apparent as the non-oil sector geared up hiring for the longest period in the PMI's history. Employment growth was maintained for a survey-record equalling fourth straight month, and expectations for output remained positive. January data also signaled lower average input prices, enabling firms to reduce their selling prices slightly. The PMI rose from 51.8 in December to 53.9 in January, signaling the strongest overall improvement in non-energy business conditions in five months. Moreover, the PMI was at the fourth-highest level ever registered by the survey, below the peaks seen last July (59.8) and August (57.3) when the economy rebounded rapidly from the first wave of COVID-19, and lower than that recorded in October 2017 (56.3) when domestic production boomed after inducement generated by the blockade. In comparison, since the series began in April 2017 the PMI has trended at 49.7, registering current performance well above the norm. Sub-sector PMI readings indicated that construction was the strongest-performing area in January (55), followed by manufacturing (54.8), wholesale and retail (53) and services (52.9) respectively. All four indices were above their trends in the fourth quarter of 2020. The 2.1-point rise in the headline PMI in January was generated by the two largest components like new orders and output. These both registered the third-fastest rates of expansion in the survey history, slower only than the rapid rebounds seen last July and August in the survey's history. The employment and stocks of purchases components also had positive contributions to the PMI, but to slightly lesser degrees than in December. The final component, suppliers and delivery times, had a fractionally negative contribution to the PMI (although suppliers' delivery times improved during the month, this impact is inverted in the PMI calculation). Companies reported a notable pick-up in customer numbers and new projects at the start of 2021. Outstanding business rose for the fourth successive month, although the increase was only modest as capacity was expanded. Purchasing activity rose for a survey-record seventh consecutive month, but supply chains proved resilient with input delivery times even improving slightly since December. (Qatar Tribune)

- **Qatar ready to stage FIFA Club World Cup –**The health and safety protocols are in place to stage the third major football tournament - the 2020 FIFA Club World Cup - in Qatar in the last five months. Three of the six participating teams have already made touchdown in Doha – first being Korean giants Ulsan Hyundai FC followed by Egyptian powerhouse Al Ahly who arrived at the Hamad International Airport to a rapturous welcome from their fans residing in Doha. Tigres UANL of Mexico are also in town. It won't be long before Brazil's SE Palmeiras fly in along with European giants Bayern Munich this

week for the six-team continental blockbuster that also includes top Qatari side Al Duhail. Two brand new 2022 FIFA World Cup venues - Ahmad Bin Ali Stadium and the Education City Stadium - will host the matches where 30% fan attendance is allowed. The Ministry of Public Health (MoPH) - which also monitored and assisted state authorities in hosting the East and West Zone matches of the 2020 AFC Champions League - has already created a bubble-to-bubble environment for the February 4-11 event which will be covered by live TV broadcast right around the world. (Peninsula Qatar)

- **Qatar 2022 World Cup games will play to full stadiums, says FIFA President –**

World Cup matches will play to full stadiums in Qatar next year, global soccer body FIFA President Gianni Infantino said. "I am very, very confident (it) will be incredible, will have the same magic, uniting the world," he told a virtual meeting in Geneva. "We will be back to where we have to be." World Cup players were not a priority group for vaccines against COVID-19, he said. With 3,000 soccer players due to travel internationally for World Cup qualifying games next month, FIFA President Gianni Infantino said on Monday all will conform to health rules in the coronavirus pandemic. "We will certainly not take any risk for the health of anyone when we play football," Infantino said in a World Health Organization news conference. Delays in the 2022 World Cup qualifying program in most continents led FIFA last year to create new games dates next January. They will help make up the backlog in an increasingly tight schedule with broadcasting rights already sold. (Peninsula Qatar)

- **Qatar re-imposes some COVID curbs –**

The Cabinet has re-imposed several COVID-19 restrictions to ensure health and safety of all members of society. The decisions will go into effect from Thursday. The only exception will be the decision on banning indoor and outdoor weddings, which goes into effect starting February 7 until further notice. As per the decision, a maximum of 80% of the employees in both the government and private sectors will be allowed at their workplace, while the remaining 20% can work remotely from their homes or upon request, depending on the circumstances. A maximum of 15 people will be allowed in a meeting in both the government and private sectors, with precautionary measures in place. (Qatar Tribune, Gulf-Times.com)

- **ABQK announced investor calls for inaugural Additional Tier 1 Bond –**

Ahli Bank (ABQK) has mandated several international banks to organize a series of fixed income investor calls which may start as early as February 2, 2021. A \$300mn fixed rate resettable RegS Registered Additional Tier 1 Perpetual Non-Call 5 year unrated bond may follow, subject to market conditions. ICMA/ FCA Stabilization applies. Manufacturer target market (MIFID II and UK MiFIR product governance) is eligible counterparties and professional clients only (all distribution channels). No EEA or UK PRIIPs key information document (KID) has been prepared as not available to retail in the European Economic Area or the UK. (QSE)

- **WDAM imports a third shipment of livestock during the month of January 2021 –**

Widam Food Company (WDAM), the main

importer of meat to the State of Qatar, announces receiving a shipment of Sudanese 1600 heads of livestock. This shipment is the third one and the largest imported shipment received during the month of January 2021 by the company. The company received two earlier shipments from Australia and Sudan which makes the total amount of livestock imported by the company 70 thousand heads to meet the local markets requirement. WDAM has signed contracts to import more than 90 000 heads of sheep, and cattle for the local market during the month of March 2021 both as livestock and chilled meat for the month of Ramadan. It is worth mentioning that the company has lately imported regularly throughout the year to meet the needs and requirement of consumers a number of shipments of sheep, and Romanian cattle and other livestock of Arabic sheep and meat from Australia, South Africa, Argentina, India, and Pakistan. (QSE)

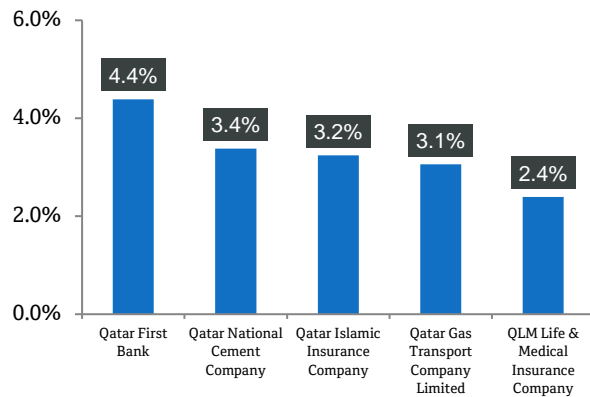
- **QATI announces deal for investment in Markerstudy Group** – Qatar Insurance Company (QATI) announced an agreement for an investment into Markerstudy Group led by Pollen Street Capital (Pollen Street). The transaction will see Pollen Street partner with and make a substantial investment alongside the existing founder team. QATI will also participate in the transaction, underlining its commitment as a strategic partner to Markerstudy Group. Markerstudy Group will use the investment to deliver an ambitious and sustainable growth program through a combination of organic and acquisition-led expansion and build on its rapid development over the last 19 years, which culminated in the acquisition of the Coop's insurance underwriting business in December 2020. The investment will also facilitate the repayment of Markerstudy Group's debt to QATI. Founded in 2001, Markerstudy Group is the fifth largest motor insurance provider in the UK, one of the largest privately owned insurance groups, and the largest Managing General Agent in the UK. With over 1.8mn policyholders, they are known for their investment in technology, underwriting expertise and sophisticated product development. (QSE)
- **QLMI to launch family healthcare insurance in 2Q2021** – QLM Life & Medical Insurance Company (QLMI) will launch its family healthcare insurance product, which will be a first of its kind in Qatar, in the second quarter of 2021. Being groomed to be the most popular healthcare family insurance program for Qatari citizens and expatriate residents, QLMI's new insurance product will feature four plans providing comprehensive coverage for medical services in Qatar and beyond. QLMI's CEO, Fahad Al Suwaidi said, "QLMI's vision is to continuously improve its customer's experience by offering a range of distinctive products & services. This new family healthcare product reflects our commitment to our vision, which is designed after a thorough study of the current market statistics and customer needs while considering the factors that differentiates private medical sector in the State of Qatar from advanced healthcare services. QLM's family healthcare insurance product will be inclusive of all segments of the society, from the families of Qatari nationals to families of expats with valid Qatar ID working in various sectors and classes of our community, to become the most comprehensive product in the insurance sector. It will further support the company's strategy to diversify its product lines and to meet the

needs of customers and the insurance sector of a unique product that includes full or partial coverage of medical expenses for an individual," he added. (Peninsula Qatar)

- **Qatar Airways' key role in national economy; contributes 4.9% to country GDP** – Qatar Airways plays a very important part of the country's GDP, contributing 4.9% to its GDP, according to airline's Chief, HE Akbar Al-Baker. "Indirectly, we contribute nearly 11% (to Qatar's GDP)", Al-Baker said citing an Oxford Economics report in an interview with Qatar TV. "You can see aviation plays an important part in the nation economy. And it was aviation investment of Qatar that circumvented the blockade when it was imposed on us in 2017," Al-Baker noted. On the role of airfreight, the Qatar Airways Groups' Chief Executive said, "Air cargo plays a very vital role in our fleet. As a matter of fact the four aircraft that we took last year were aircraft that were ordered several years ago." (Gulf-Times.com)
- **Al-Baker: Qatar Airways 'committed' to take all aircraft ordered** – Qatar Airways is committed to take all the aircraft the national carrier has ordered, said group Chief Executive Akbar al-Baker and noted the airline has pushed the deliveries over nearly eight years in view of the pandemic crisis. "Recently I told CNN that we are committed to take all the aero planes we have ordered. What I did not confirm was that we would take large numbers of aircraft, which we were supposed to take before COVID-19," Al-Baker told Qatar TV in an interview. "So what we have done with both Boeing and Airbus is that we have pushed the deliveries over nearly eight years instead of taking those large numbers of aircraft in a period of three to four years. The new deliveries are to substitute aero planes that are going out of the fleet aero planes at QR fleet is the youngest of any airline fleet in the world – and we want to keep it that way. So we are replacing old aero planes with newer ones. He added, "Because of COVID-19 and because of the reduction in flying, and because 20% of our fleet is grounded, we are pushing back the deliveries to up to 2028 or 2029." (Gulf-Times.com)

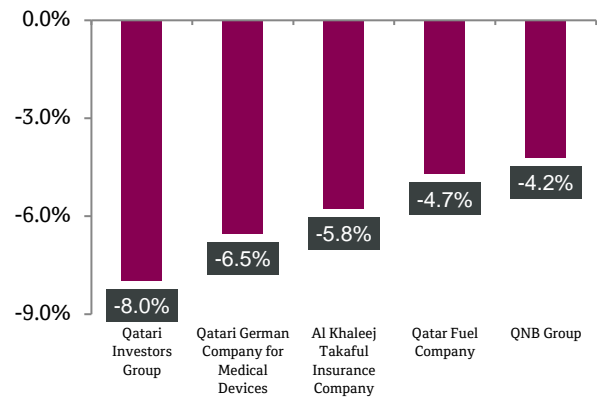
Qatar Stock Exchange

Top Gainers



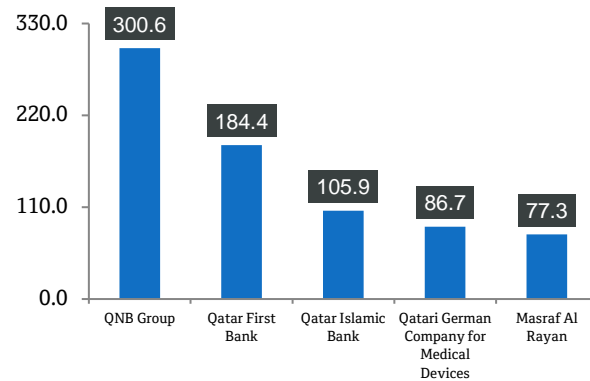
Source: Qatar Stock Exchange (QSE)

Top Decliners



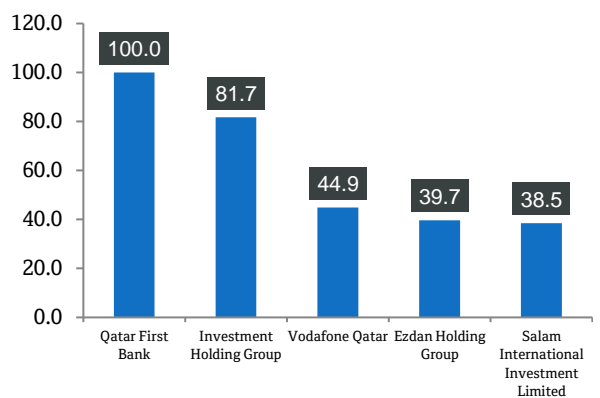
Source: Qatar Stock Exchange (QSE)

Most Active Shares by Value (QR Million)



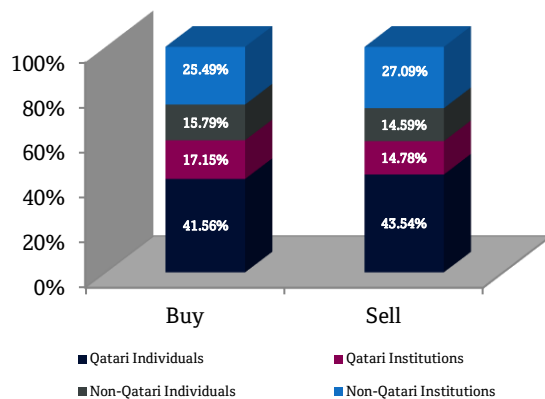
Source: Qatar Stock Exchange (QSE)

Most Active Shares by Volume (Million)



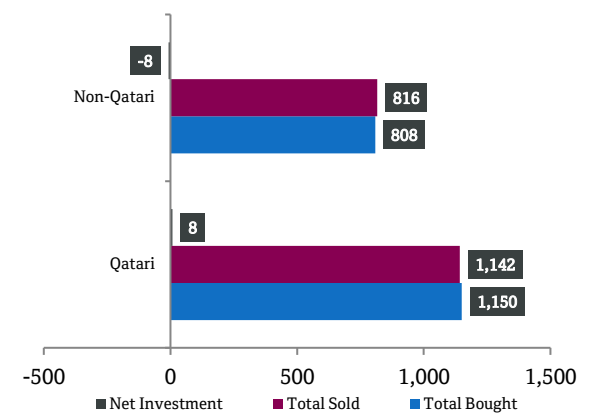
Source: Qatar Stock Exchange (QSE)

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 QE Index closed down for the second week this year; it closed lower by 1.07% from the previous week and printed last at 10,431.36 points. The Index continued with its correction against the major uptrend as we expected from previous week's commentary. As we mentioned last week, we expect weakness to continue till bargain-hunters come to play. We keep our support level at the 10,200 level, and the resistance at the 11,000 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 February 04	% Change WTD	% Change YTD	Market Cap. QR Million	TTM P/E	P/B	Div. Yield
Qatar National Bank	17.25	(4.22)	(3.25)	159,328	14.4	2.1	2.6
Qatar Islamic Bank	16.95	2.11	(0.94)	40,052	14.1	2.2	3.1
Commercial Bank of Qatar	4.25	(0.65)	(3.41)	17,201	15.7	0.9	4.7
Doha Bank	2.30	0.04	(2.70)	7,140	14.6	0.7	N/A
Al Ahli Bank	3.62	0.28	5.02	8,795	12.9	1.4	3.9
Qatar International Islamic Bank	8.92	0.20	(1.48)	13,499	16.2	2.2	4.8
Masraf Al Rayan	4.38	(0.32)	(3.40)	32,820	15.1	2.3	5.1
Al Khaliji Bank	2.02	(1.18)	9.63	7,254	11.6	1.1	3.7
Qatar First Bank	1.88	4.39	9.18	1,315	N/A	2.8	N/A
National Leasing	1.21	(0.33)	(2.49)	600	13.1	0.9	4.1
Diala Holding	1.84	0.82	2.23	521	N/A	2.5	N/A
Qatar & Oman Investment	0.84	(0.12)	(5.07)	265	21.0	0.9	2.4
Islamic Holding Group	5.45	2.08	6.53	309	51.0	2.2	N/A
Banking and Financial Services				289,100			
Zad Holding	14.73	(1.73)	(1.21)	3,491	17.3	2.4	5.8
Qatar German Co. for Medical Devices	3.00	(6.54)	34.11	347	N/A	11.5	N/A
Salam International Investment	0.63	(2.47)	(2.76)	724	N/A	0.5	N/A
Baladna	1.78	(0.39)	(0.67)	3,380	N/A	1.5	1.2
Medicare Group	8.70	(1.14)	(1.58)	2,449	29.8	2.5	20.7
Qatar Cinema & Film Distribution	3.87	(0.08)	(3.08)	243	55.5	1.8	2.6
Qatar Fuel	17.78	(4.72)	(4.82)	17,678	23.3	2.1	4.5
Qatar Meat and Livestock	6.18	2.37	(2.25)	1,112	13.0	2.7	4.9
Mannai Corp.	2.95	(2.38)	(1.67)	1,346	N/A	0.6	6.8
Al Meera Consumer Goods	19.87	(1.58)	(4.06)	3,974	19.6	2.7	4.3
Consumer Goods and Services				34,743			
Qatar Industrial Manufacturing	2.98	(1.32)	(7.14)	1,416	17.2	0.9	5.0
Qatar National Cement	4.41	3.38	6.17	2,879	19.7	0.9	6.8
Industries Qatar	11.77	(2.32)	8.28	71,209	48.5	2.2	3.4
Qatari Investors Group	1.87	(7.99)	3.04	2,320	28.1	0.8	2.9
Qatar Electricity and Water	17.88	0.45	0.17	19,668	13.1	2.1	4.3
Aamal	0.84	(1.87)	(1.64)	5,298	34.1	0.7	4.8
Gulf International Services	1.62	2.15	(5.71)	3,005	51.5	0.8	N/A
Mesaieed Petrochemical Holding	1.97	(2.91)	(3.76)	24,749	23.9	1.6	3.6
Investment Holding Group	0.55	(1.08)	(8.18)	457	9.6	0.5	N/A
Qatar Aluminum Manufacturing	0.94	(1.58)	(3.31)	5,217	N/A	0.9	1.1
Industrials				136,219			
Qatar Insurance	2.37	(3.22)	0.38	7,744	N/A	1.0	6.3
Doha Insurance	1.56	0.45	11.71	778	14.4	0.7	5.1
Qatar General Insurance & Reinsurance	2.55	(1.58)	(4.17)	2,231	N/A	0.4	N/A
Al Khaleej Takaful Insurance	2.59	(5.78)	36.56	662	22.2	1.2	1.9
Qatar Islamic Insurance	7.00	3.24	1.45	1,050	14.6	2.8	5.4
Insurance				12,464			
United Development	1.57	0.51	(4.89)	5,573	27.8	0.5	3.2
Barwa Real Estate	3.34	1.15	(1.71)	13,008	9.2	0.7	6.0
Ezdan Real Estate	1.72	0.76	(3.15)	45,623	N/A	1.4	N/A
Mazaya Qatar Real Estate Development	1.25	(1.11)	(1.43)	1,441	48.2	1.2	N/A
Real Estate				65,646			
Ooredoo	8.50	2.04	13.03	27,227	14.3	1.2	2.9
Vodafone Qatar	1.53	2.13	14.41	6,476	35.3	1.4	3.3
Telecoms				33,703			
Qatar Navigation (Milaha)	7.38	(4.16)	4.05	8,452	16.4	0.6	4.1
Gulf Warehousing	5.19	0.10	1.71	304	12.9	1.6	3.9
Qatar Gas Transport (Nakilat)	3.40	3.06	6.92	18,837	16.1	2.9	2.9
Transportation				27,593			
Qatar Exchange				603,549			

Source: Bloomberg

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