

## Market Review and Outlook

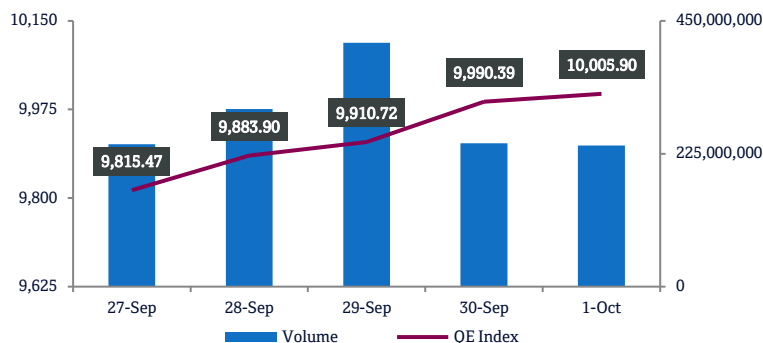
The Qatar Stock Exchange (QSE) Index increased by 2.22% during the week, to close at 10,005.90. Market capitalization increased by 2.3% to reach QR588.6 billion (bn) as compared to QR575.3bn at the end of the previous week. Of the 47 listed companies, 40 companies ended the week higher, while 6 fell and 1 remained unchanged. Dlala Brokerage and Investments Holding Co. (DBIS) was the best performing stock for the week, with a gain of 22.9%. On the other hand, Ooredoo (ORDS) was the worst performing stock with a decline of 6.0%.

**Qatar Islamic Bank (QIBK), QNB Group (QNBK) and Qatar Insurance Co. (QATI) were the primary contributors to the weekly index gain.** QIBK was the largest contributor to the index's weekly gain, adding 65.9 points to the index. QNBK was the second biggest contributor to the mentioned gains, adding 44.4 points to the index. Moreover, QATI added another 22.9 points to the overall index.

**Trading value during the week decreased by 31.7%, to reach QR2.8bn vs. QR4.1bn in the prior trading week.** UDCD was the top value traded stock during the week with total traded value of QR504.8mn.

**Trading volume decreased by 31.6% to reach 1,436.5mn shares vs. 2,099.2mn shares in the prior trading week.** The number of transactions fell by 22.2% to reach 50,093 transactions versus 64,400 transactions in the prior week. UDCD was also the top volume traded stock during the week with total traded volume of 265.8mn shares.

## QSE Index and Volume



Market Indicators	Week ended Oct 01, 2020	Week ended Sep 24, 2020	Chg. %
Value Traded (QR mn)	2,793.7	4,087.7	(31.7)
Exch. Market Cap. (QR mn)	588,569.0	575,286.6	2.3
Volume (mn)	1,436.5	2,099.20	(31.6)
Number of Transactions	50,093	64,400	(22.2)
Companies Traded	47	47	0.0
Market Breadth	40:6	7:39	-

Market Indices	Close	WTD%	MTD%	YTD%
Total Return	19,236.02	2.2	0.2	0.3
ALL Share Index	3,086.41	2.5	0.1	(0.4)
Banks and Financial Services	4,135.69	3.5	(0.2)	(2.0)
Industrials	2,949.58	0.5	0.5	0.6
Transportation	2,824.11	2.3	(0.0)	10.5
Real Estate	2,074.41	2.9	0.8	32.5
Insurance	2,190.35	4.8	(0.7)	(19.9)
Telecoms	917.70	(4.6)	0.6	2.5
Consumer Goods & Services	8,061.22	2.7	0.9	(6.8)
Al Rayan Islamic Index	4,183.80	1.6	0.7	5.9

## 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*	10,005.90	2.2	0.2	(4.0)	759.91	159,737.6	16.3	1.5	4.0
Dubai	2,265.70	0.6	(0.3)	(18.1)	307.65	86,008.9	8.6	0.8	4.3
Abu Dhabi	4,492.02	0.6	(0.6)	(11.5)	427.87	183,331.7	16.4	1.3	5.4
Saudi Arabia#	8,299.08	0.8	4.5	(1.1)	17,247.91	2,434,107.6	30.3	2.0	2.5
Kuwait##	5,445.20	(2.9)	0.0	(13.3)	617.49	103,128.5	29.2	1.4	3.6
Oman##	3,614.64	(0.3)	0.0	(9.2)	7.74	16,328.1	10.7	0.7	6.8
Bahrain	1,432.46	(1.2)	(0.1)	(11.0)	26.49	21,869.9	13.3	0.9	4.9

Source: Bloomberg, country exchanges and Zawya (\*\* Trailing Twelve Months; \* Value traded (\$ mn) do not include special trades, if any; # Data as of September 30, 2020, ## Data as of September 29, 2020)

### Economic & Market/Corporate News

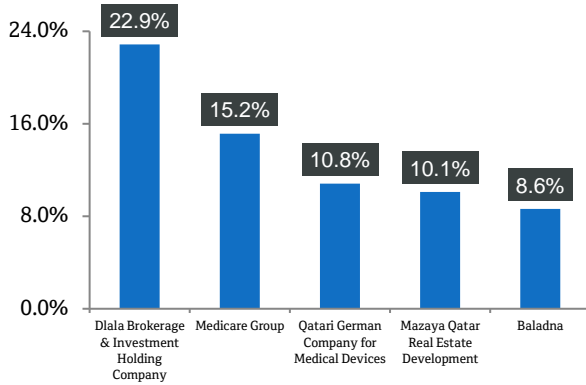
- Qatar's general PPI rises 4.9% MoM in August** – Qatar's General Producer Price Index (PPI) of August increased by 4.9% when compared with previous month, the Planning and Statistics Authority (PSA) said yesterday. Producer price index covers goods relating to mining (weight: 72.7%), manufacturing (weight: 26.8%), and electricity and water (weight: 0.5%). In terms of mining, the PPI for August showed an increase of 7.1% when compared to July, primarily due to the increase in price of crude petroleum and natural gas by 7.1%. In terms of manufacturing, an increase of 2.2% was recorded in August, when compared with the previous month. In terms of electricity and Water, the PPI showed an increase of 2.1% in August compared to July, resulting from a rise in water by 2.2%, and electricity by 1.8%. (Gulf-Times.com)
- QCB's August foreign reserves rise MoM & YoY to QR203.7bn** – Qatar Central Bank (QCB) has published Qatar's foreign reserves for August on its website. International reserves and foreign currency liquidity rose to QR203.7bn from QR203.5bn in July. Reserves were up 3.4% from the same period last year. Gold was up 3.6% MoM and 53% YoY to QR11.5bn. Other reserves of assets was unchanged MoM, while it was up 0.5% YoY to QR55.9bn. (Bloomberg)
- Qatar records 10.7% MoM increase in surplus of trade balance in August** – Qatar recorded 10.7% MoM increase in its foreign merchandise balance for August 2020 to reach nearly QR0.7bn, according to preliminary figures released by the Planning and Statistics Authority (PSA). In August 2020, the total exports of goods (including exports of goods of domestic origin and re-exports) amounted to around QR14.0bn, showing a decrease of 33.8% compared to August 2019, and a 3.3% increase compared to July 2020. On other hand, the imports of goods in August 2020 amounted to around QR7.1bn, showing a decrease of 21.6% over August 2019. On a MoM basis, the imports decrease by 3.0% compared to July 2020. In August 2020, the foreign merchandise trade balance, which represents the difference between total exports and imports, showed a surplus of QR6.9bn, or a decrease of about QR5.2bn or 42.9% compared to August 2019, and increased by nearly QR0.7bn or 10.7% compared to July 2020. The YoY (August 2020 to August 2019) decrease in total exports was mainly due to lower exports of petroleum gases and other gaseous hydrocarbons (LNG, condensates, propane, and butane, among others) reaching QR7.7bn approximately in August 2020, or a decrease of 41.6%. Petroleum oils and oils from bituminous minerals (crude) reaching QR2.4bn decreased by 29.5%, and decrease in the petroleum oils and oils from bituminous minerals (not crude) reaching QR1.3bn, decreased by 7.2%. (Gulf-Times.com)
- Moody's: Qatar expected to retire debt using accumulated contingency reserve funds** – Qatar is expected to retire debt using accumulated contingency reserve funds, global rating agency Moody's said and noted it understands that Qatar's government has now approved a plan to use \$20bn (or 13% of 2020 GDP) to reduce its gross borrowing requirement during 2020-21. According to Moody's, Qatar will reduce its debt burden below 50% of GDP from an estimated peak of around 68% of GDP in 2020 through the combination of announced fiscal consolidation measures and a planned debt reduction exercise, which will draw on the government's accumulated contingency reserves. Recently, Moody's affirmed Qatar's long-term issuer and foreign-currency senior unsecured debt ratings at 'Aa3' and maintained the 'Stable' outlook. The increase in government debt during 2018-19, prior to the coronavirus shock, Moody's noted was exclusively due to the government's decision to borrow in excess of its budget financing needs. Despite small fiscal surpluses in both 2018 and 2019 (averaging 1.6% of GDP) and a very modest external debt repayment schedule (\$3bn), the government raised \$33.5bn from external borrowing during those two years, including \$24bn from large multi-tranche issuances of international bonds. While this has facilitated a small reduction in domestic debt, Moody's assumes that most of this borrowing has been saved as part of contingency reserve funds of the Ministry of Finance with the intention to build precautionary buffers and use some of this saving for the repayment of large external maturities (\$10.9bn) in 2020 while also taking advantage of favorable external financing conditions. (Gulf-Times.com)
- Medicare Group discloses a court ruling** – Medicare Group discloses that the company has been informed by the external law firm that a court judgment issued this on September 30, 2020 in the civil lawsuit No. 4048/2017 filed by the company against the National Health Insurance Company - SEHA (under liquidation) and other defendants, requesting the court to oblige the defendants to: Pay Medicare Group the outstanding amounts for the health services provided by the company to the insured citizens pursuant to the agreement signed between the parties, in addition to the demurrages due to delay in payment. To nullify the decision of liquidating the first defendant. Declare the first defendant's bankruptcy. The court has issued the following Verdict: (1) Not to accept the case against the second and third litigants. (2) Oblige the first defendant (National Health Insurance Company) to pay the plaintiff an amount of QR125,683,595 and the amount of QR5,000,000 as compensation. (3) Reject the other demands. (4) Oblige the defendant to pay the expenses. (QSE)
- Milaha signs key deal with Schlumberger** – Qatar Navigation (Milaha) has entered into a formal agreement to cooperate with leading American oilfield services firm, Schlumberger. The Offshore & Marine pillar of Milaha signed a Memorandum of Understanding (MoU) that will support value building projects while jointly driving 'Tawteen' initiatives for Qatar. Led by Qatar Petroleum, the Tawteen program aims to localize the energy sector's supply chain and create new investment opportunities to retain 'economic value' in Qatar. Signed as a five-year joint development project, it will include a Qatar-owned, Qatar-flagged and Qatar-operated oil well stimulation vessel. The first of these vessels will be designed and outfitted in the country, creating the inaugural 'FLEXSTIM' platform, which will be modified, owned and operated locally. Pre-engineering for this significant scheme has already begun and

will evolve during the final quarter of 2020. The resulting Qatar-owned value chain will be a joint service that enhances the expertise of a global multinational service firm like Schlumberger as well as the leading Qatar-based multi-disciplined local service company like Milaha. With over 70 years of presence in Qatar, Schlumberger supplies the petroleum industry with several key services such as seismic acquisition and processing, well testing and directional drilling, artificial lifts, well completions and groundwater extraction. (Gulf-Times.com)

- **QIIK CEO: Umnia Bank to have 10 branches in Morocco by July-end** – Umnia Bank will have 10 branches in Morocco by July-end, said Qatar International Islamic Bank's (QIIK) CEO, Abdulbasit Ahmad Al-Shaibei, which is the key joint venture partner in the pioneering Islamic bank in the North African Kingdom. Umnia Bank is the result of a partnership among QIIK, Credit immobilier et hotelier (CIH) and Moroccan Deposit and Management Fund. "Umnia Bank has already opened three branches in Morocco; in Casablanca and Rabat. We see Morocco as our gateway to North Africa. There is a huge potential for Islamic banking in North Africa. There is a huge market waiting to be tapped in North Africa, which is in need of Shari'ah-based, value-driven banking," Al-Shaibei told Gulf Times in an interview. Asked whether the general economic slowdown and the regional tension would result in a sluggish growth for Islamic banking, Al-Shaibei said, "Islamic banking has already got a significant market share in the GCC region. Beyond our borders, there are good prospects for Islamic banking." Umnia Bank's Board of Directors recently held a meeting, chaired by Chairman of the board, Sheikh Dr Khalid bin Thani bin Abdullah Al-Thani, in the presence of Vice Chairman, Lotfi Al-Saqat, and other board members in order to discuss the bank's results for the first half of 2020 as well as the bank's business strategy for the coming period. Sheikh Dr Khalid expressed his satisfaction with the results of Umnia Bank during the past period, as the bank was able to abridge many stages and achieve an optimistic expansion with some 35 branches to date across various cities and regions of the Kingdom of Morocco. This expansion undoubtedly reflects the great demand for the bank's services and the opportunities inherent in the Moroccan market for Islamic banking services. (Gulf-Times.com)

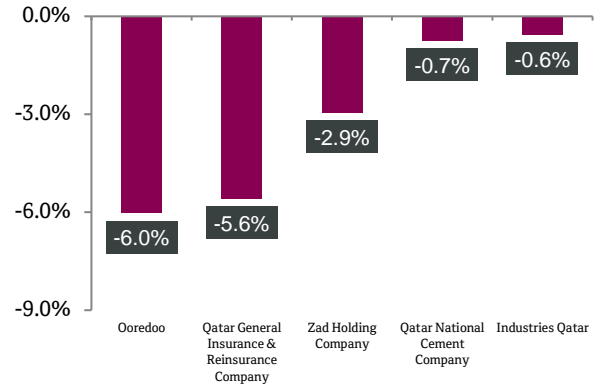
# Qatar Stock Exchange

## Top Gainers



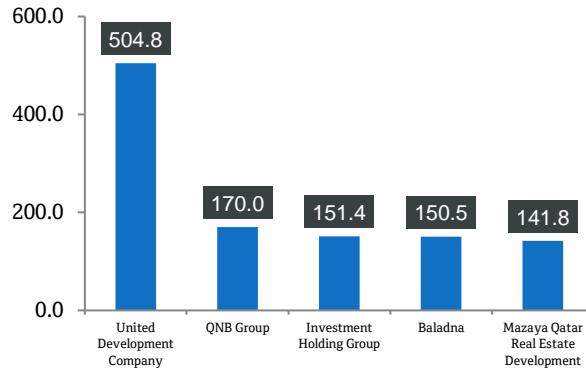
Source: Qatar Stock Exchange (QSE)

## Top Decliners



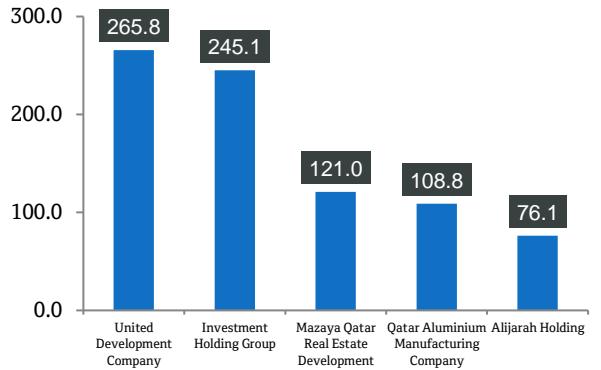
Source: Qatar Stock Exchange (QSE)

## Most Active Shares by Value (QR Million)



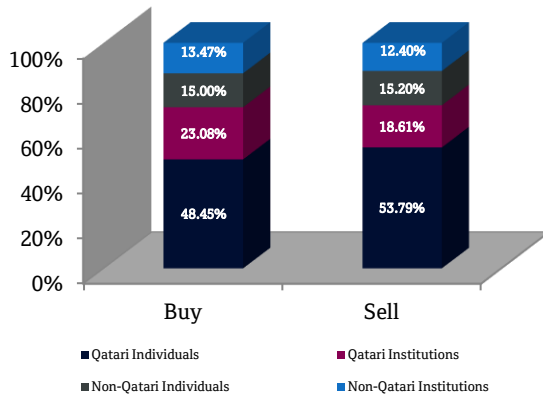
Source: Qatar Stock Exchange (QSE)

## Most Active Shares by Volume (Million)



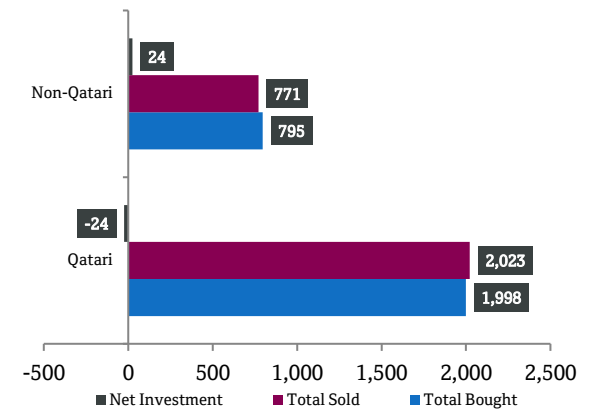
Source: Qatar Stock Exchange (QSE)

## 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 gained 2.22% over the week and closed at 10,005.9, just around our psychological level the 10,000 points. We proposed a possible pullback on the Index once it confirms the breach below the rising-wedge price formation. However, the Index has tested that barrier but managed to stay inside the formation. The main trend remains up and intact, and the only case for a correction is when the Index manages to breach below the mentioned price formation. We update our resistance (once the 10,000 is breached upwards) to the 10,300 points. And our support is updated towards the 9,500 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 October 01	% Change WTD	% Change YTD	Market Cap. QR Million	TTM P/E	P/B	Div. Yield
Qatar National Bank	18.00	3.75	(12.58)	166,256	14.3	2.4	3.3
Qatar Islamic Bank	16.75	5.02	9.26	39,579	14.0	2.4	3.1
Commercial Bank of Qatar	4.08	3.69	(13.30)	16,493	9.3	0.9	4.9
Doha Bank	2.34	1.78	(7.59)	7,249	13.9	0.8	N/A
Al Ahli Bank	3.29	2.49	(1.30)	7,994	13.1	1.4	4.3
Qatar International Islamic Bank	8.45	2.82	(12.69)	12,794	14.5	2.2	5.0
Masraf Al Rayan	4.15	1.37	4.70	31,095	14.2	2.3	5.4
Al Khaliji Bank	1.63	1.69	24.05	5,850	9.8	1.0	4.6
Qatar First Bank	1.32	2.57	60.76	921	N/A	1.9	N/A
National Leasing	1.18	7.45	67.66	585	21.8	0.9	4.2
Dlala Holding	2.14	22.88	250.74	609	N/A	3.0	N/A
Qatar & Oman Investment	0.87	2.60	29.60	273	32.9	0.9	2.3
Islamic Holding Group	4.40	3.73	131.47	249	81.2	1.8	N/A
<b>Banking and Financial Services</b>				<b>289,945</b>			
Zad Holding	14.83	(2.95)	7.31	3,515	17.3	2.4	5.7
Qatar German Co. for Medical Devices	2.38	10.82	308.42	275	N/A	9.3	N/A
Salam International Investment	0.62	2.65	19.73	708	N/A	0.5	N/A
Baladna	2.23	8.63	122.70	4,234	N/A	1.9	0.9
Medicare Group	8.36	15.15	(1.07)	2,353	32.5	2.4	21.5
Qatar Cinema & Film Distribution	3.81	2.72	73.23	239	52.2	1.8	2.6
Qatar Fuel	17.70	2.61	(22.71)	17,598	18.7	2.3	4.5
Qatar Meat and Livestock	7.17	3.75	6.05	1,290	15.1	3.7	4.2
Mannai Corp.	3.19	6.27	3.51	1,454	N/A	0.7	6.3
Al Meera Consumer Goods	19.83	0.15	29.61	3,966	20.0	2.9	4.3
<b>Consumer Goods and Services</b>				<b>35,632</b>			
Qatar Industrial Manufacturing	3.35	0.00	(6.30)	1,590	17.0	1.0	4.5
Qatar National Cement	3.86	(0.75)	(31.68)	2,523	18.3	0.9	7.8
Industries Qatar	9.91	(0.55)	(3.65)	59,925	38.0	1.9	4.0
Qatari Investors Group	1.99	4.74	11.17	2,474	24.5	0.9	2.8
Qatar Electricity and Water	16.86	1.57	4.79	18,546	12.8	2.2	4.6
Aamal	0.94	1.95	15.62	5,922	37.0	0.8	4.3
Gulf International Services	1.59	1.53	(7.62)	2,953	42.8	0.8	N/A
Mesaieed Petrochemical Holding	2.09	1.06	(16.73)	26,257	25.5	1.7	3.3
Investment Holding Group	0.62	1.31	10.11	515	12.0	0.6	N/A
Qatar Aluminum Manufacturing	1.02	1.79	30.73	5,697	N/A	1.0	1.0
<b>Industrials</b>				<b>126,402</b>			
Qatar Insurance	2.25	7.80	(28.70)	7,359	N/A	1.0	6.7
Doha Insurance	1.20	3.91	(0.42)	598	13.6	0.6	6.7
Qatar General Insurance & Reinsurance	2.03	(5.58)	(17.48)	1,776	N/A	0.4	N/A
Al Khaleej Takaful Insurance	1.92	4.79	(3.80)	491	15.2	0.9	2.6
Qatar Islamic Insurance	6.35	1.16	(4.97)	952	14.0	2.6	5.9
<b>Insurance</b>				<b>11,176</b>			
United Development	1.88	1.62	23.68	6,657	29.5	0.6	2.7
Barwa Real Estate	3.51	3.42	(0.82)	13,662	8.6	0.7	5.7
Ezdan Real Estate	1.96	2.56	219.35	52,095	1061.6	1.6	N/A
Mazaya Qatar Real Estate Development	1.19	10.09	65.37	1,376	53.7	0.1	N/A
<b>Real Estate</b>				<b>73,790</b>			
Ooredoo	6.69	(6.03)	(5.49)	21,433	12.8	1.0	3.7
Vodafone Qatar	1.29	(0.39)	11.21	5,453	37.5	1.2	3.9
<b>Telecoms</b>				<b>26,885</b>			
Qatar Navigation (Milaha)	5.98	1.30	(1.98)	6,847	12.8	0.5	5.0
Gulf Warehousing	5.10	1.76	(6.97)	299	12.6	1.7	3.9
Qatar Gas Transport (Nakilat)	2.69	3.07	12.55	14,903	13.9	2.5	3.7
<b>Transportation</b>				<b>22,050</b>			
<b>Qatar Exchange</b>				<b>588,569</b>			

Source: Bloomberg

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