

Market Review and Outlook

The Qatar Stock Exchange (QSE) Index moved slightly down by 31.35 points, or 0.29% during the week, to close at 10,723.13. Market capitalization went down by 0.4% to reach QR624.1 billion (bn) as compared to QR626.3bn at the end of the previous week. Of the 48 listed companies, 12 ended the week higher, 31 declined, while 4 remained unchanged. Mesaieed Petrochemical Holding Company (MPHC) was the best performing stock for the week, with a gain of 2.1%. On the other hand, Qatar Cinema & Film Distribution Co. (QCFS) was the worst performing stock with a decline of 6.9%.

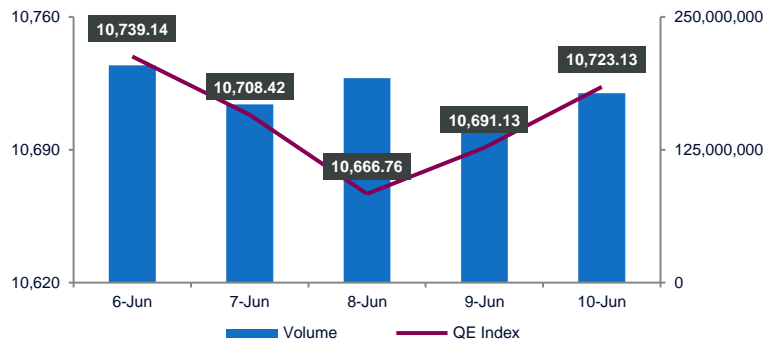
Industries Qatar (IQCD), Qatar International Islamic Bank (QIIK), Qatar Gas Transport Co. (QGTS) were the primary contributors to the weekly index drop. IQCD and QIIK removed 12.1 and 7.8 points from the index. QGTS removed an additional 6.4 points from the index.

Trading value during the week declined by 6.2% to QR1,980.5mn vs. QR2,111.7mn in the prior trading week. QNB Group (QNBK) was the top value traded stock during the week with total traded value of QR204.7mn.

Trading volume went up by 2.3% to 890.4mn shares vs. 870.4mn shares in the prior trading week. The number of transactions declined by 3.3% to 46,638 transactions versus 48,214 transactions in the prior week. Salam International Investment Limited (SIIS) was the top volume traded stock during the week with total traded volume of 126.9mn shares.

Foreign institutions ended the week with net selling of QR6mn vs. net buying of QR135mn in the prior week. Qatari institutions remained negative with net selling of QR45mn vs. net selling of QR147mn in the week before. Foreign retail investors ended the week with net buying of QR12mn vs. net buying of QR19mn in the prior week. Qatari retail investors turned bullish with net buying of QR38mn vs. net selling of QR8mn the week before. So far YTD (as of Wednesday closing), foreigners were net buyers of \$620.3mn.

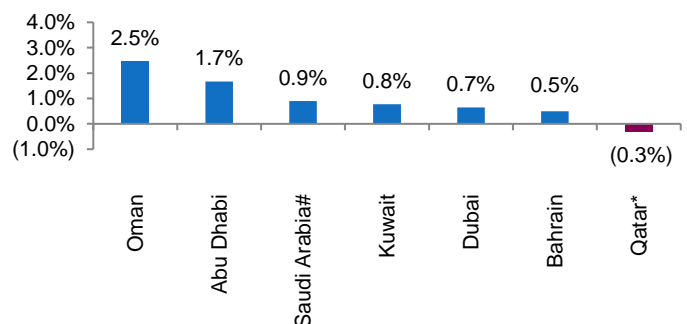
QSE Index and Volume



Market Indicators	Week ended June 10, 2021	Week ended June 03, 2021	Chg. %
Value Traded (QR mn)	1,980.5	2,111.7	(6.2)
Exch. Market Cap. (QR mn)	624,088.9	626,303.4	(0.4)
Volume (mn)	890.4	870.4	2.3
Number of Transactions	46,638	48,214	(3.3)
Companies Traded	48	47	2.1
Market Breadth	12:31	21:24	-

Market Indices	Close	WTD%	MTD%	YTD%
Total Return	21,227.09	(0.3)	(0.2)	5.8
ALL Share Index	3,407.20	(0.4)	(0.2)	6.5
Banks and Financial Services	4,499.39	(0.1)	0.1	5.9
Industrials	3,548.57	(0.4)	0.2	14.5
Transportation	3,359.16	(0.9)	(1.4)	1.9
Real Estate	1,860.54	(1.7)	(1.8)	(3.5)
Insurance	2,618.23	(0.8)	(2.2)	9.3
Telecoms	1,054.99	(1.8)	(0.5)	4.4
Consumer Goods & Services	8,205.75	(0.0)	(0.1)	0.8
Al Rayan Islamic Index	4,592.84	(0.6)	(0.6)	7.6

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*	10,723.13	(0.3)	(0.2)	2.8	536.90	168,816.0	18.2	1.6	2.7
Dubai	2,842.41	0.7	1.6	14.1	302.89	106,160.7	21.3	1.0	2.8
Abu Dhabi	6,716.14	1.7	2.4	33.1	1,932.76	258,188.7	22.7	1.9	3.6
Saudi Arabia#	10,790.24	0.9	2.3	24.2	20,945.26	2,598,101.7	35.4	2.4	1.9
Kuwait	6,305.24	0.8	1.5	13.7	1,037.35	119,839.5	40.1	1.6	2.0
Oman	4,029.88	2.5	4.6	10.1	53.24	18,054.2	12.3	0.7	4.5
Bahrain	1,546.07	0.5	1.2	3.8	38.82	23,787.5	26.5	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 June 09, 2021)

Economic, Market & Corporate News

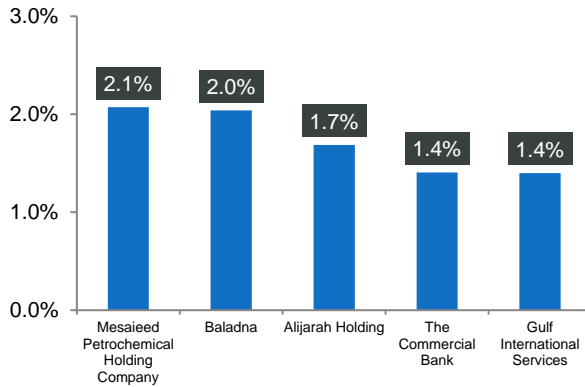
- **QSE to launch its sustainability benchmark index by October** – The Qatar Stock Exchange (QSE) will launch its sustainability benchmark index for the listed companies by October this year as Doha seeks to be a niche ESG (environment social governance) market in the region. Moreover, the bourse is awaiting the listing of a small and medium enterprise (SME), another exchange traded fund (ETF) and a real estate investment trust (REIT), QSE Chief Executive Rashid bin Ali Al-Mansoori told a webinar 'Economic Development in Qatar and Opportunities', organized by Doha Bank. The QSE is expecting at least \$1.5bn foreign funds from passive investors and much more from active funds in view of allowing up to 100% foreign ownership limit in the listed companies. The bourse, which has lined up several initiatives such as the launching of derivatives, is also making it mandatory for the listed companies to ensure ESG regime by 2023, a period when it will become eligible for the advanced market status from the present emerging ones. (Gulf-Times.com)
- **Qatar May Financial Center PMI 51.5 vs 52.1 in April** – IHS Markit released Qatar's May financial center purchasing managers' index. The PMI remained above 50.0 for the eleventh successive month in May but, falling to 51.5, from 52.1 in April, signaled the slowest momentum in the non-energy private sector economy since last October. The headline figure was still comfortably in growth territory, however, and above the long-run series average of 50.0. At the sub-sector level, trend data showed that wholesale & retail performed strongest in the three months to May (53.2), followed by manufacturing (53.1) and construction (51.1), while services posted a deterioration in business conditions (48.0). Sustained growth of new orders contributed to the overall improvement in business conditions in May. The rate of expansion was robust, albeit the slowest in five months. Overall business activity rose for a survey-record eleventh month running in May. The rate of expansion was, however, the weakest over this period and modest. Output also rose more slowly than new orders for the fifth month running, resulting in a further build-up in outstanding business. Backlogs have risen continuously since October 2020. (IHS Markit, Bloomberg)
- **16 new factories set up in first quarter this year** – The manufacturing industry has contributed over QR10bn to Qatar's GDP in the fourth quarter of 2020, according to a tweet by the Ministry of Commerce and Industry (MoCI). The infographics posted on the Ministry's official Twitter handle also indicate that Qatar added 16 new factories to its manufacturing sector. A recent KPMG report stated that Qatar's efforts to promote local manufacturing are expected to boost production value for the sector by approximately 30% in the next few years. The growth in the industry would create over 100,000 job opportunities by 2025, the report added. According to the 'Industry Indicators First Quarter 2021' infographics posted yesterday, QR10.254bn from manufacturing industries improved the 2020 Q4 GDP and added 1,038 workers. In other indicators of the growing sector, the rate of compliance of factories with industrial requirements was put at 80 percent. Also, Industrial Development Services are delivered at an average time of four days. Industrial-Manufacturing Production Index in January 2021 reached 108.6 while Industrial Production Index (IPI) was 107.1 Qatar's diversification drive from a carbon-based economy into a more sustainable model has seen the rise of other sectors like tourism, fintech, banking, agricultural production, and, more importantly, the manufacturing industry. Also, through the Qatar National Manufacturing Strategy 2018-2022, which aims to accelerate growth in the sector to develop and diversify the Gulf state's economy, Qatar launched the comprehensive plan to provide the conditions necessary for a vibrant manufacturing sector. (Peninsula Qatar)
- **Qatar to achieve herd immunity in a month** – Qatar is expected to achieve herd immunity against COVID-19 in a month, said a senior health official yesterday. "We will be among the first countries to get the herd immunity in one month from now assuring that we can open in the coming months very soon for tourism. We will prefer vaccinated people in the first stage and then we can evaluate every case. The system is more sustainable for that," said Sheikh Dr. Mohammed bin Hamad Al Thani, Director of Public Health at the Ministry of Public Health. He was speaking during a virtual conference titled 'Qatar Economic Development and Opportunities', hosted by Doha Bank. Qatar's rapid pace of mass vaccination drive has yielded positive results. More than half of the adult population has fully been vaccinated against COVID-19. According to the data from the Ministry of Public Health (MoPH), 51% of total population (16 years and above) has received both doses of the COVID-19 vaccine. (Peninsula Qatar)
- **S&P reaffirms Industries Qatar credit ratings at 'A+' with 'stable' outlook** – Industries Qatar (QE Ticker: IQCD), one of the region's industrial giants with holdings in petrochemicals, fertilizers and steel producers, announced today that international credit rating agency, Standard & Poor's Financial Services (S&P), has reaffirmed IQCD's credit ratings at 'A+' with a 'stable' outlook. The reaffirmation of credit rating was based on S&P's annual review of IQCD's current and future financial and operational performance, and financial position, where consideration was given to several factors including, IQCD's robust liquidity profile, strong competitive market position, prudent financial policy, product and end-market diversity, along with greater integration with the Parent entity (Qatar Petroleum). In a report published by S&P on June 07, 2021, the rating agency cited that "IQCD's prudent financial policy and strong cash flow support very strong credit metrics". S&P considered the business risk to be 'satisfactory' with 'minimal' financial risk. This underscores IQCD's superior profitability margins and robust operating cash flows benefiting from competitively priced feedstock, efficient assets, higher capacity utilization and synergies among Group companies. (QSE, Gulf-Times.com)
- **Ooredoo CEO lauds Qatar's participation at SPIEF** – Ooredoo Chief Executive Officer, Sheikh Mohammed bin Abdulla Al Thani, in a televised interview with Russian TV channel RT Arabic highlighted Qatar's participation at the ongoing St Petersburg International Economic Forum (SPIEF) and the bilateral relations between Qatar and Russia. The interview, conducted on the sidelines of SPIEF, focused on Qatar's participation in the forum, the challenges Ooredoo – and the entire telecommunications industry - has faced in the wake of the COVID-19 pandemic potential for future collaboration between Ooredoo and its counterparts in Russia. Sheikh Mohammed talked about strengthening bilateral ties between the two countries, highlighting the presence of many senior-level representatives that confirms the intention to boost relationships and economic links. He also emphasized the opportunity the forum presents for entities to share best practices, experience, and expertise. He also expressed his hope that Qatar-Russia ties will progress to the next level. (Peninsula Qatar)
- **UDCD inaugurates 'Seabin' project at The Pearl-Qatar** – United Development Company (UDCD), a leading Qatari public

shareholding company and the master developer of The Pearl-Qatar and Gewan Island, inaugurated a new environmental 'Seabin' project, the first of its kind, to prevent sea pollution and protect marine species at The Pearl-Qatar. The event, which took place on the occasion of the World Environment Day, was held in Porto Arabia Marina where the seabins have been installed in ten different locations, in the presence of senior officials from UDCD and the Ministry of Municipality and Environment. Driven by UDCD's commitment to sustainability practices, the seabin project is a multi-award-winning invention that acts as a floating trash bin and sucks waste including plastic, oils and contaminants from the water of docks and marinas, removing hazards to marine life and maintaining a healthy ecosystem. The seabin is made from recycled material and its catch bag can hold up to 20 kilograms. Each day, the seabin has the potential to collect almost four kilograms of floating water pollution and filters over two million liters of water. Per year, the seabin can collect approximately 1.4 tons of debris. (Qatar Tribune)

- **Barwa offers additional new apartments for ownership at Dara (A) in Lusail City** – Barwa Real Estate has announced to offer additional new apartments for ownership at its Dara (A) project in Lusail City According to the company, residential units in Building A1 is now available to investors wishing to own property. The building provides 142 apartments of various sizes for ownership. "This step comes after the success achieved by the sales of Building A2, where the sales reached about 80%, out of the total 129 apartments offered by the building despite the COVID-19 pandemic. This brings the total number of buildings offered for sale in this pioneering project to three buildings," the company said. Dara (A), the first phase of the Dara project, offers four five-storey buildings that provide 271 apartments, including 94 one-bedroom apartments, 139 two-bedroom apartments, and 38 three-bedroom apartments, in addition to providing 365 underground parking spaces. More units in Building A1 will also be offered for sale in the coming months. The sale of units will be managed by Waseef, a subsidiary of Barwa Real Estate Group. (Qatar Tribune)

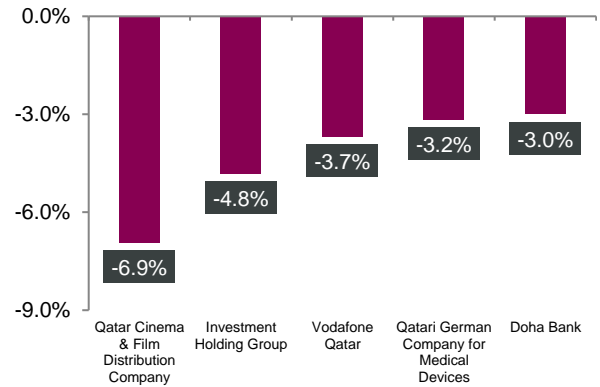
Qatar Stock Exchange

Top Gainers



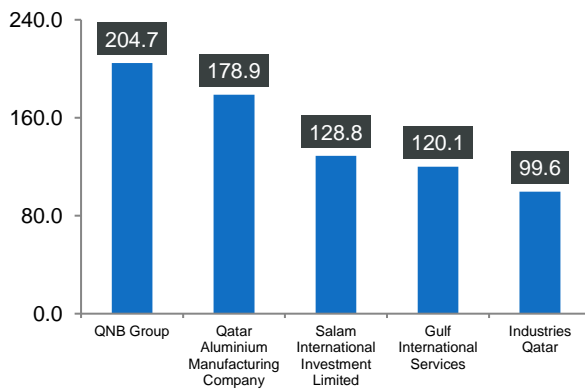
Source: Qatar Stock Exchange (QSE)

Top Decliners



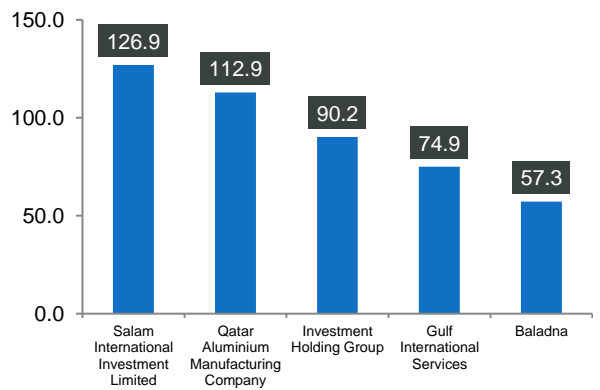
Source: Qatar Stock Exchange (QSE)

Most Active Shares by Value (QR Million)



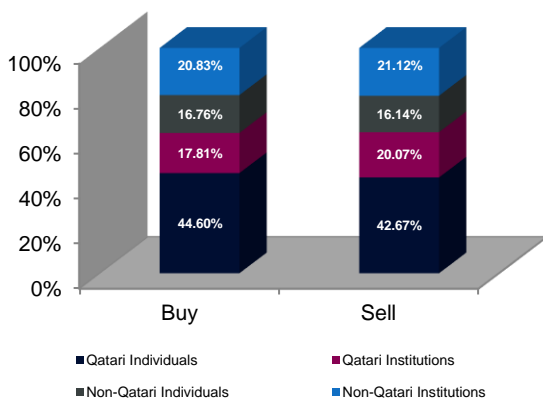
Source: Qatar Stock Exchange (QSE)

Most Active Shares by Volume (Million)



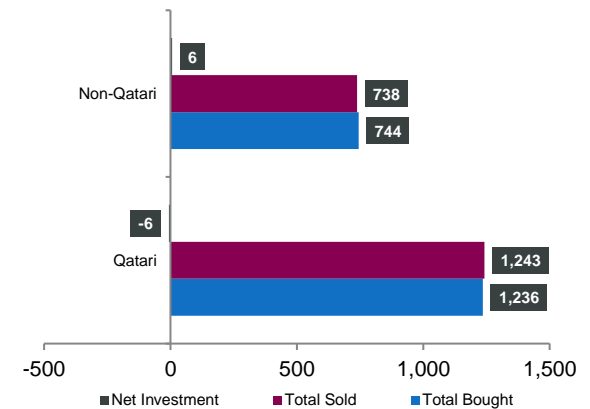
Source: Qatar Stock Exchange (QSE)

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 flat versus the week before and lost only 0.29%; it closed at the 10,723.1 level. We have positive outlook on the Index as we see a bullish reversal signal upwards. The general Index remains in an uptrend but testing its major moving averages. Based on the current level of the Index and its activity over the past few weeks, we remain to have a positive outlook on it. 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 June 10	% Change WTD	% Change YTD	Market Cap. QR Million	TTM P/E	P/B	Div. Yield
Qatar National Bank	17.85	(0.06)	0.11	164,870	15.3	2.3	2.5
Qatar Islamic Bank	17.30	0.00	1.11	40,879	14.0	2.3	2.3
Commercial Bank of Qatar	5.33	1.41	21.23	21,588	16.6	1.2	1.9
Doha Bank	2.72	(3.00)	14.74	8,421	14.9	0.8	2.8
Al Ahli Bank	3.65	(2.67)	5.89	8,868	12.9	1.4	4.1
Qatar International Islamic Bank	9.47	(1.51)	4.62	14,335	16.9	2.3	3.4
Masraf Al Rayan	4.44	(0.07)	(2.05)	33,278	15.1	2.4	3.8
Al Khaliji Bank	2.19	0.00	19.15	7,884	12.6	1.2	2.6
Qatar First Bank	1.90	0.32	10.34	1,329	43.2	2.7	N/A
National Leasing	1.27	1.69	1.77	626	13.7	0.9	2.0
Dlala Holding	1.68	(0.88)	(6.18)	479	56.6	2.3	N/A
Qatar & Oman Investment	1.05	0.19	18.38	331	48.8	1.1	N/A
Islamic Holding Group	5.25	(0.42)	2.58	297	42.4	2.1	1.0
Banking and Financial Services				303,184			
Zad Holding	15.75	(0.19)	16.20	4,106	20.4	2.6	4.0
Qatar German Co. for Medical Devices	2.63	(3.17)	17.61	304	362.0	9.6	N/A
Salam International Investment	1.03	0.98	57.60	1,173	N/A	0.8	N/A
Baladna	1.60	2.04	(10.61)	3,042	N/A	1.4	3.3
Medicare Group	9.16	0.09	3.65	2,579	29.8	2.5	19.6
Qatar Cinema & Film Distribution	4.00	(6.93)	0.18	251	55.2	1.8	2.5
Qatar Fuel	17.84	(0.28)	(4.50)	17,738	22.8	2.2	2.6
Qatar Meat and Livestock	4.57	0.29	(27.67)	823	32.4	2.2	2.2
Mannai Corp.	3.59	(0.86)	19.63	1,637	24.3	0.7	0.3
Al Meera Consumer Goods	18.75	0.00	(9.46)	3,750	19.6	2.4	4.8
Consumer Goods and Services				35,402			
Qatar Industrial Manufacturing	2.89	(1.90)	(10.07)	1,371	15.4	0.9	3.5
Qatar National Cement	5.03	(1.28)	21.20	3,287	19.8	1.1	4.0
Industries Qatar	12.80	(0.78)	17.76	77,440	24.0	2.3	2.6
Qatari Investors Group	2.54	0.51	40.20	3,157	33.2	1.1	2.4
Qatar Electricity and Water	16.47	(0.12)	(7.73)	18,117	14.9	1.8	3.8
Aamal	1.02	(0.97)	19.77	6,451	58.6	0.8	3.9
Gulf International Services	1.59	1.40	(7.11)	2,960	N/A	0.9	N/A
Mesaieed Petrochemical Holding	1.92	2.07	(6.11)	24,146	28.3	1.5	2.1
Invesment Holding Group	1.07	(4.82)	78.13	886	40.3	1.1	N/A
Qatar Aluminum Manufacturing	1.60	(2.02)	65.67	8,939	43.2	1.6	2.2
Industrials				146,755			
Qatar Insurance	2.47	(0.56)	4.57	8,067	34.8	1.0	N/A
QLM Life & Medical Insurance	5.10	0.00	N/A	1,785	N/A	N/A	N/A
Doha Insurance	2.00	0.76	43.61	1,000	14.2	0.9	5.0
Qatar General Insurance & Reinsurance	2.12	(1.90)	(20.30)	1,855	11.1	0.4	N/A
Al Khaleej Takaful Insurance	4.60	(0.11)	142.10	1,173	34.4	2.1	1.1
Qatar Islamic Insurance	7.75	(2.43)	12.33	1,163	15.6	2.9	4.2
Insurance				15,043			
United Development	1.55	(2.34)	(6.65)	5,471	24.5	0.5	3.2
Barwa Real Estate	3.12	(1.86)	(8.23)	12,145	10.1	0.6	4.0
Ezdan Real Estate	1.78	0.00	0.23	47,214	121.3	1.5	N/A
Mazaya Qatar Real Estate Development	1.15	(1.03)	(9.11)	1,329	42.7	1.1	2.6
Real Estate				66,159			
Ooredoo	6.98	(0.87)	(7.21)	22,352	24.6	1.0	3.6
Vodafone Qatar	1.68	(3.68)	25.17	7,084	34.6	1.6	3.0
Telecoms				29,436			
Qatar Navigation (Milaha)	7.29	(0.26)	2.72	8,344	116.1	0.6	4.1
Gulf Warehousing	5.12	(0.37)	0.43	300	12.8	1.6	2.0
Qatar Gas Transport (Nakilat)	3.03	(1.43)	(4.84)	16,765	14.5	2.4	3.6
Transportation				25,409			
Qatar Exchange				624,089			

Source: Bloomberg

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