

Market Review and Outlook

The Qatar Stock Exchange (QSE) Index gained 208.46 points, or 2.03% during the week, to close at 10,461.65. Market capitalization rose by 2.35% to QR578.6 billion (bn) versus QR565.3bn the previous trading week. Of the 46 listed companies, 27 companies ended the week higher, while 17 declined and 2 remained unchanged. Ezdan Holding Group (ERES) was the best performing stock for the week with a gain of 22.1% on a trading volume of 190.9 million (mn) shares. On the other hand, Al Khaleej Takaful Insurance Co. (AKHI) was the worst performing stock for the week with a decline of 4.7% on 4.2mn shares traded.

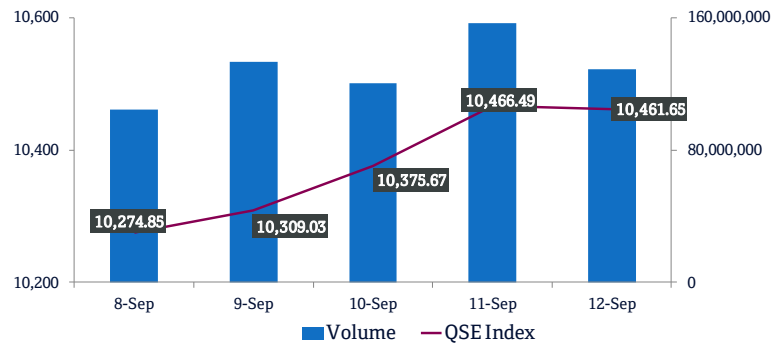
Ooredoo (ORDS), Woqod (QFLS) and Qatar Insurance Co. (QATI) were the primary contributors to the weekly index gain. ORDS was the biggest contributor to the index's weekly increase, adding 38.3 points to the index. QFLS was the second biggest contributor to the mentioned gain, contributing 35.1 points to the index. Moreover, QATI tacked on 30.2 points to the index. On the other hand, Qatar Islamic Bank (QIBK) deleted 13.3 points from the index.

Trading value increased by 16.9% during the week to QR1.3bn versus QR1.1bn in the prior week. The Banks & Financial Services sector led the trading value during the week, accounting for 45.1% of the total trading value. The Industrials sector was the second biggest contributor to the overall trading value, accounting for 15.3% of the total. QNB Group (QNBK) was the top value traded stock during the week with total traded value of QR227.0mn.

Trading volume surged by 79.8% to reach 644.2mn shares versus 358.2mn shares in the prior week. The number of transactions rose 19.7% to 35,839 transactions versus 29,951 transactions in the prior week. The Banks and Financial Services sector led the trading volume, accounting for 36.2%, followed by the Real Estate sector, which accounted for 33.3% of the overall trading volume. ERES was the top volume traded stock during the week with 190.9mn shares traded.

Foreign institutions remained positive with net buying of QR47.9mn vs. net buying of QR40.6mn in the prior week. Qatari institutions remained bullish with net buying of QR17.9mn vs. net buying of QR85.1mn in the week before. Foreign retail investors remained bearish with net selling of QR0.57mn vs. net selling of QR11.5mn in the prior week. Qatari retail investors remained negative with net selling of QR65.2mn vs net selling of QR114.3mn the week before. Foreign institutions have bought (net basis) ~\$1.24bn worth of Qatari equities in 2019.

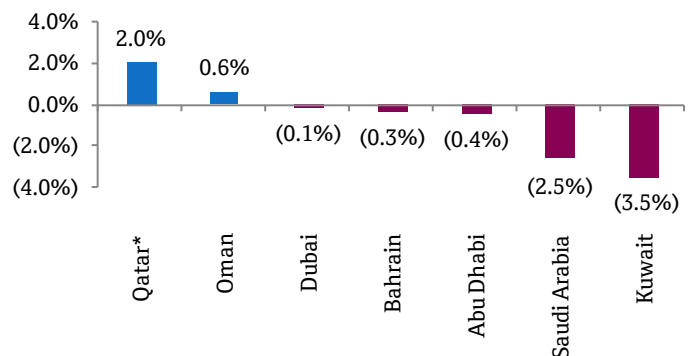
QSE Index and Volume



Market Indicators	Week ended Sep 12, 2019	Week ended Sep 05, 2019	Chg. %
Value Traded (QR mn)	1,321.7	1,130.4	16.9
Exch. Market Cap. (QR mn)	578,608.5	565,298.2	2.4
Volume (mn)	644.2	358.2	79.8
Number of Transactions	35,839	29,951	19.7
Companies Traded	46	46	0.0
Market Breadth	27:17	23:20	-

Market Indices	Close	WTD%	MTD%	YTD%
Total Return	19,250.33	2.0	2.2	6.1
ALL Share Index	3,081.76	2.6	2.6	0.1
Banks and Financial Services	4,061.11	1.1	1.7	6.0
Industrials	3,103.74	1.9	1.1	(3.5)
Transportation	2,537.22	(0.3)	0.4	23.2
Real Estate	1,498.82	10.2	6.8	(31.5)
Insurance	2,934.98	6.8	5.0	(2.4)
Telecoms	973.54	6.4	8.1	(1.4)
Consumer Goods & Services	8,588.93	2.9	4.5	27.2
Al Rayan Islamic Index	4,001.14	1.4	2.1	3.0

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*	10,461.65	2.0	2.2	1.6	626.37	158,885.9	15.1	1.6	4.2
Dubai	2,888.39	(0.1)	4.7	14.2	405.09	102,438.1	12.1	1.1	4.3
Abu Dhabi	5,096.09	(0.4)	(1.3)	3.7	266.18	142,378.4	15.3	1.5	4.9
Saudi Arabia*	7,855.30	(2.5)	(2.1)	0.4	3,939.89	497,012.2	19.5	1.7	3.8
Kuwait	5,745.60	(3.5)	(3.3)	13.1	492.88	107,408.0	14.3	1.4	3.7
Oman	4,020.16	0.6	0.4	(7.0)	31.15	17,528.2	8.2	0.8	6.8
Bahrain	1,546.63	(0.3)	0.9	15.7	11.11	24,109.9	11.6	1.0	5.0

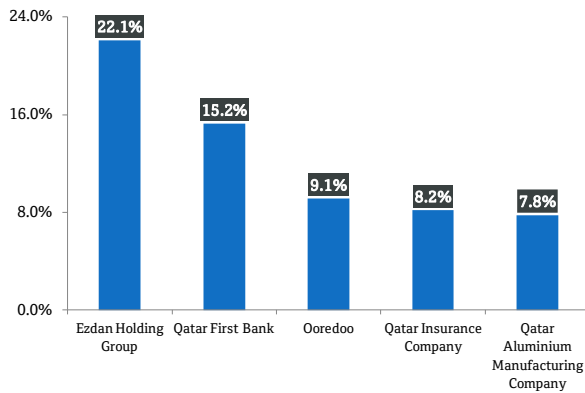
Source: Bloomberg, country exchanges and Zawya (** Trailing Twelve Months; * Value traded (\$ mn) do not include special trades, if any; *Data as of September 11, 2019)

Economic & Market News

- QSE CEO: Baladna may IPO this month or in October** – Qatari food producer Baladna may list shares this month or in October, according to Qatar Stock Exchange's (QSE) CEO, Rashid bin Ali Al-Mansoori. He added that the exchange will see more IPO activity next year. The bourse aims to attract education, healthcare, industrial sector companies for new listings. New financial instruments, such as market making, were introduced to draw foreign investors. (Bloomberg)
- Methodology change to all QSE indices, effective from October 1** – Qatar Stock Exchange (QSE) hereby informs of a methodology change to all QSE indices effective October 1, 2019, as approved by QSE Index Committee and QFMA. The rule amendment relates to the Index Free Float definition as applied for index components calculation. The Index Free Float definition reads as follows: Index Free Float for a stock is defined as the total outstanding shares less – (i) Shares directly owned by the Government and affiliated entities, (ii) Shares held by founders and board members of the company, and (iii) Shareholdings which are 10% or greater of the total outstanding shares except those held by pension funds in Qatar. (QSE)
- CEO: The Commercial Bank to issue bonds worth up to \$700mn** – The Commercial Bank is set to issue bonds worth up to \$700mn (about QR2.55bn) to fund some domestic as well as overseas projects and other activities, according to the Group CEO, Joseph Abraham. The bank, in December last year, had announced that it could raise up to \$1bn (QR3.64bn) in debt in 2019 to further diversify its funding sources. Abraham said, "We are looking forward to issue bonds worth between \$600mn and \$700mn. But we do not know the exact date, and waiting for the right time and the interest rates. Since the interest rates are going down, so we will see when we can issue it." Commenting on the bank's activities and future outlook of the nature of its services, he noted that services at the bank's branches are going to witness major transformation. The number of physical transactions at branches is fast changing. More and more people are doing online transactions. However, the CEO of the bank also noted that people still want branches and they are visiting them. "We expect the nature of services at bank's branches is transforming from being transactional to be more advisory. As the number of people with surplus wealth and savings is growing fast, they want to go beyond deposits. They want different types of products such as wealth management, insurance, stocks and other types of products that ensure better returns," he added. (Peninsula Qatar)
- Qatar's banks eased property loan repayments, Doha Bank CEO says** – Qatar's banks eased repayment terms on real-estate loans, according to Doha Bank's CEO, Raghavan Seetharaman, after the Saudi Arabia-led standoff hurt property prices. "Cash flows have been redefined, debt has been restructured to see that debt-servicing capacity is not in danger in the coming days for real estate owners. Banks are also cautious in terms of overall lending for real estate," Seetharaman said. Home prices are going through a minor correction, but retail real estate prices have held up well, he added. (Bloomberg)
- Al-Kaabi: Qatar shortlists partners for North Field expansion, but says it may go it alone** – Qatar has shortlisted international oil firms for a stake in its expanded North Field megaproject, Qatar Petroleum's CEO, said, but may still choose to go it alone unless majors offer it significant value. The expansion of tiny but gas-rich Qatar's liquefied natural gas (LNG) facilities, already the world's largest, is one of the energy sector's most lucrative projects, and the world's top oil and gas majors have been racing to secure a stake. Invitations to bid were sent out last month and the result is due to be announced in the first quarter of 2020, Saad Al-Kaabi, who is also Minister of state for energy, said - if Qatar decides to go with partners at all. "We like the partnership model for many benefits. But because we don't need the partners, what's going out is basically a set of criteria that we have, to demonstrate to us what added value we get for Qatar if you come in," Al-Kaabi said. "Maybe they can give us something outside," he said, referring to LNG assets outside its domestic market. Al-Kaabi said that with the remaining contracts for its completion set to be awarded by the end of 2019, it was now asking a shortlist of majors to bid for a stake in the completed project. (Gulf-Times.com)
- Qatar Electricity & Water Company (QEWS) gets QR1.6bn loan from eight foreign banks** – QEWS gets QR1.6bn loan from eight foreign banks. The loan will be used to finance the expansion of Umm Al Hol plant. (Bloomberg)
- BRES' Al Baraha warehouses and workshops to be leased mid-September** – Barwa Real Estate Company (BRES) will lease 561 warehouses and 118 workshops it has completed as part of the Barwa Al Baraha project from mid-September onwards. The total land area of the project is 684,134 square meters and is located within the Barwa Al Baraha behind the Labor City in Industrial Area (number 91). The total construction area of the project is around 193,000 square meters and includes 561 warehouses with an area of 300 square meters each and 118 workshops with an area of 144 square meter each. In addition, the project features necessary amenities such as CCTV rooms, two electrical substations, internal roads and networks for potable water, fire-fighting and sewage. The project is part of BRES' efforts to provide a regular industrial environment for light industries with work and storage spaces in line with the requirements of its employees. The project will have a vital and positive role in the urban development of the region by attracting commercial and industrial activities concentrated in one place to be an innovative solution with a new integrated vision in terms of providing all necessary services and support. (Qatar Tribune)

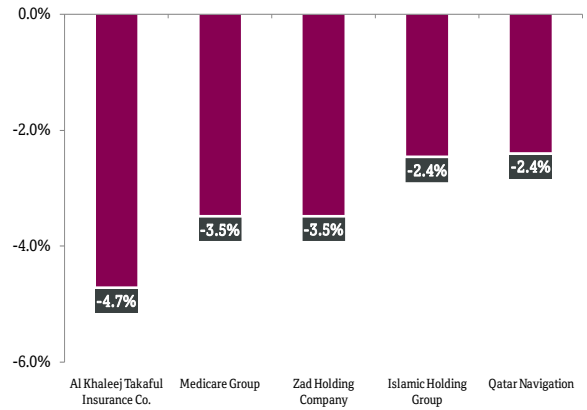
Qatar Stock Exchange

Top Gainers



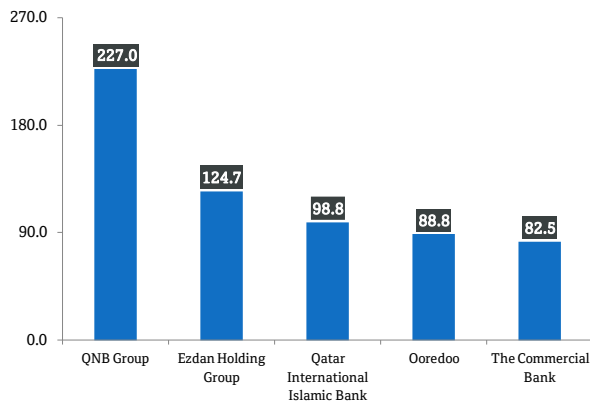
Source: Qatar Stock Exchange (QSE)

Top Decliners



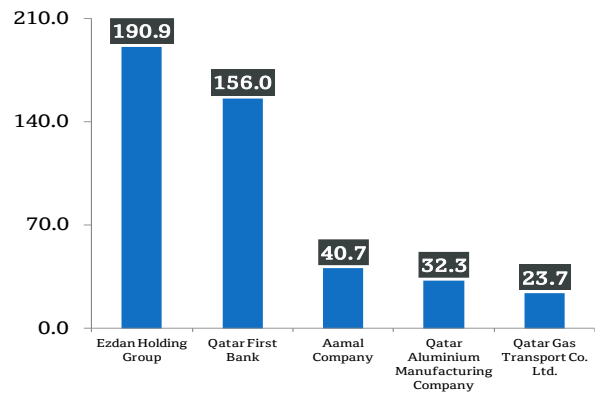
Source: Qatar Stock Exchange (QSE)

Most Active Shares by Value (QR Million)



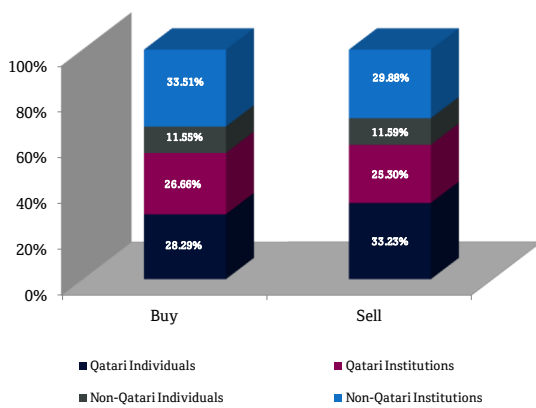
Source: Qatar Stock Exchange (QSE)

Most Active Shares by Volume (Million)



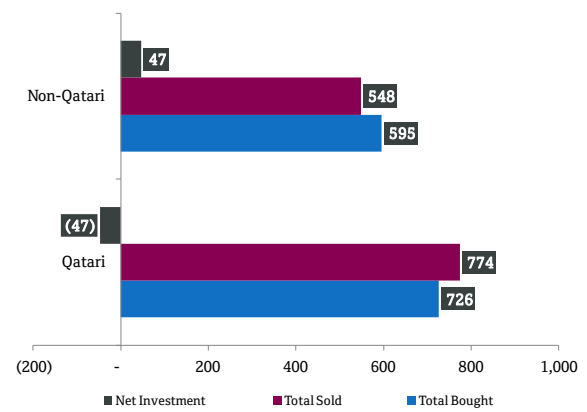
Source: Qatar Stock Exchange (QSE)

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 up by 2.03 from the week before, and closed at 10,461.65 points. The Index kept moving inside the corrective channel and bounced off the strong support just at the 9,700 level. We keep our expected weekly-resistance level at 10,800 points and the 9,700 level as our weekly support.

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 September 12	% Change WTD	% Change YTD	Market Cap. QR Million	TTM P/E	P/B	Div. Yield
Qatar National Bank	19.45	0.93	(0.26)	179,649	14.0	2.7	3.1
Qatar Islamic Bank	16.10	(1.11)	5.92	38,043	14.4	2.4	3.1
Commercial Bank of Qatar	4.56	3.87	15.77	18,455	12.4	1.1	3.3
Doha Bank	2.68	(2.19)	20.72	8,309	12.5	0.9	3.7
Al Ahli Bank	3.45	3.92	35.54	7,983	11.8	1.4	2.6
Qatar International Islamic Bank	8.96	4.80	35.51	13,563	15.9	2.4	4.5
Masraf Al Rayan	3.61	2.27	(13.39)	27,075	12.6	2.1	5.5
Al Khaliji Bank	1.18	0.85	2.25	4,248	7.4	0.7	6.4
Qatar First Bank	0.33	15.25	(20.34)	650	N/A	0.9	N/A
National Leasing	0.69	5.67	(21.50)	341	47.0	0.5	7.2
Diala Holding	0.69	(1.00)	(31.00)	196	N/A	0.9	N/A
Qatar & Oman Investment	0.51	1.19	(4.49)	161	50.8	0.5	5.9
Islamic Holding Group	2.00	(2.44)	(8.47)	113	312.1	0.8	N/A
Banking and Financial Services				298,787			
Zad Holding	13.41	(3.46)	28.94	1,930	14.9	2.2	6.3
Qatar German Co. for Medical Devices	0.63	2.44	11.31	73	N/A	2.1	N/A
Salam International Investment	0.42	(0.72)	(4.16)	474	N/A	0.4	N/A
Medicare Group	7.53	(3.46)	19.33	2,119	27.0	2.2	23.9
Qatar Cinema & Film Distribution	2.16	(1.82)	13.56	136	17.3	1.0	6.8
Qatar Fuel	23.11	5.28	39.23	22,977	19.1	2.9	3.5
Qatar Meat and Livestock	6.29	2.28	(10.14)	1,132	10.2	3.5	7.2
Mannai Corp.	3.43	(0.87)	(37.58)	1,565	4.8	0.6	5.8
Al Meera Consumer Goods	15.40	(0.19)	4.05	3,080	16.7	2.3	5.5
Consumer Goods and Services				33,486			
Qatar Industrial Manufacturing	3.21	(0.93)	(24.82)	1,525	10.6	1.0	7.8
Qatar National Cement	5.79	2.48	(2.69)	3,784	14.3	1.3	8.6
Industries Qatar	11.10	2.30	(16.92)	67,155	16.9	2.0	5.4
Qatari Investors Group	1.94	4.30	(30.24)	2,412	17.4	0.9	3.9
Qatar Electricity and Water	15.33	3.58	(17.14)	16,863	12.6	1.8	5.1
Aamal	0.73	(0.68)	(17.08)	4,618	11.7	0.6	8.2
Gulf International Services	1.64	2.50	(3.53)	3,048	N/A	0.9	N/A
Mesaieed Petrochemical Holding	2.80	0.00	86.29	35,177	34.2	2.4	2.9
Investment Holding Group	0.52	3.59	6.34	432	7.5	0.5	4.8
Qatar Aluminum Manufacturing	0.82	7.78	(38.80)	4,559	N/A	N/A	2.4
Industrials				139,572			
Qatar Insurance	3.31	8.17	(7.80)	10,811	18.6	1.3	4.5
Doha Insurance	1.05	0.00	(19.79)	525	8.7	0.5	7.6
Qatar General Insurance & Reinsurance	3.92	(1.75)	(12.66)	3,430	16.2	0.5	2.6
Al Khaleej Takaful Insurance	1.83	(4.69)	113.04	467	15.0	0.9	2.7
Qatar Islamic Insurance	6.08	1.33	13.20	912	13.0	2.6	5.8
Insurance				16,145			
United Development	1.37	(0.72)	(7.12)	4,851	10.4	0.5	7.3
Barwa Real Estate	3.40	0.89	(14.81)	13,230	8.7	0.7	7.4
Ezdan Real Estate	0.70	22.07	(46.30)	18,488	62.4	0.6	N/A
Mazaya Qatar Real Estate Development	0.74	2.90	(4.62)	861	N/A	0.7	6.7
Real Estate				37,430			
Ooredoo	7.78	9.12	3.73	24,921	14.5	1.1	3.2
Vodafone Qatar	1.25	0.81	(19.97)	5,284	36.2	1.2	4.0
Telecoms				30,205			
Qatar Navigation (Milaha)	5.76	(2.37)	(12.74)	6,597	12.2	0.5	5.2
Gulf Warehousing	4.80	(0.83)	24.77	281	15.0	1.7	4.0
Qatar Gas Transport (Nakilat)	2.45	0.82	36.64	13,574	14.7	2.2	4.1
Transportation				20,452			
Qatar Exchange				578,608			

Source: Bloomberg

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