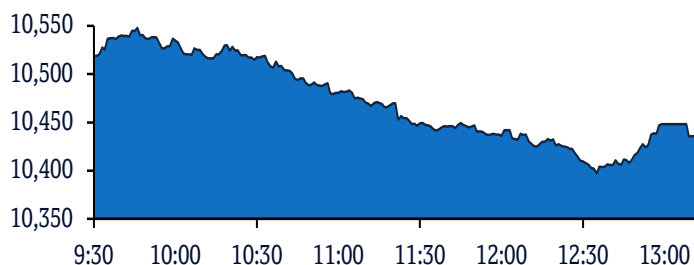


## QSE Intra-Day Movement



## Qatar Commentary

The QE Index declined 0.9% to close at 10,436.0. Losses were led by the Banks & Financial Services and Industrials indices, falling 1.0% and 0.9%, respectively. Top losers were Qatar Insurance Company and Qatar Gas Transport Co., falling 2.4% and 2.0%, respectively. Among the top gainers, Qatar General Ins. & Reins. Co. gained 8.6%, while Ahli Bank was up 2.4%.

## GCC Commentary

**Saudi Arabia:** The TASI Index fell 0.8% to close at 8,689.5. Losses were led by the Consumer Durables and Utilities indices, falling 1.9% and 1.8%, respectively. Saudi Arabian Amiantit Co declined 4.0%, while Saudi Co for Hardware was down 3.8%.

**Dubai:** The DFM Index fell 1.0% to close at 2,492.0. The Banks index declined 1.7%, while the Real Estate & Construction index fell 1.0%. Arabian Scandinavian Insurance - Takaful declined 5.0%, while Dar Al Takaful was down 4.7%.

**Abu Dhabi:** The ADX General Index fell 0.8% to close at 5,045.3. The Real Estate index declined 1.5%, while the Banks index fell 1.3%. First Abu Dhabi Bank and Abu Dhabi Ship Building Company were down 2.1% each.

**Kuwait:** The Kuwait All Share Index fell 0.1% to close at 5,546.0. The Insurance index declined 2.9%, while the Financial Services index fell 0.5%. Gulf Insurance Group declined 7.1%, while The Energy House Holding Co. was down 5.3%.

**Oman:** The MSM 30 Index gained 0.1% to close at 3,658.8. Gains were led by the Services and Financial indices, rising 0.6% and 0.4%, respectively. Al Maha Petroleum Products Marketing Co. rose 9.1%, while United Finance was up 7.3%.

**Bahrain:** The BHB Index gained 0.9% to close at 1,489.8. The Commercial Banks index rose 1.6%, while the Industrial index gained 0.4%. Bahrain Commercial Facilities rose 4.1%, while Ahli United Bank was up 2.7%.

Market Indicators	31 Dec 20	30 Dec 20	%Chg.
Value Traded (QR mn)	464.5	258.6	79.6
Exch. Market Cap. (QR mn)	602,198.7	607,609.5	(0.9)
Volume (mn)	189.2	83.0	128.0
Number of Transactions	8,832	5,795	52.4
Companies Traded	45	45	0.0
Market Breadth	11:33	28:11	-

Market Indices	Close	1D%	WTD%	YTD%	TTMP/E
Total Return	20,062.79	(0.9)	(1.0)	4.6	17.8
All Share Index	3,199.41	(0.9)	(0.9)	3.2	18.5
Banks	4,247.89	(1.0)	(1.0)	0.7	15.0
Industrials	3,097.89	(0.9)	(1.1)	5.7	27.6
Transportation	3,297.18	(0.9)	0.2	29.0	15.1
Real Estate	1,928.70	(0.7)	(1.5)	23.2	17.0
Insurance	2,395.93	(0.1)	0.2	(12.4)	N/A
Telecoms	1,010.65	(0.3)	(1.7)	12.9	15.1
Consumer	8,141.95	(0.7)	(0.3)	(5.8)	28.9
Al Rayan Islamic Index	4,269.40	(0.7)	(0.8)	8.1	19.6

GCC Top Gainers**	Exchange	Close*	1D%	Vol. '000	YTD%
Oman Arab Bank	Oman	0.19	6.1	439.4	(12.4)
Ahli United Bank	Bahrain	0.76	2.7	559.9	(20.4)
Abu Dhabi Comm. Bank	Abu Dhabi	6.20	2.3	6,004.2	(21.7)
Ominvest	Oman	0.34	1.8	37.2	(0.6)
Ahli Bank	Oman	0.13	1.6	248.2	2.4

GCC Top Losers**	Exchange	Close*	1D%	Vol. '000	YTD%
Emirates NBD	Dubai	10.30	(4.2)	3,437.9	(20.8)
Sahara Int. Petrochemical	Saudi Arabia	17.32	(2.7)	1,798.3	(3.6)
Emaar Malls	Dubai	1.83	(2.1)	3,560.2	0.0
First Abu Dhabi Bank	Abu Dhabi	12.90	(2.1)	7,388.0	(14.9)
Qatar Gas Transport Co.	Qatar	3.18	(2.0)	3,958.2	33.1

Source: Bloomberg (# in Local Currency) (\*\* GCC Top gainers/losers derived from the S&P GCC Composite Large Mid Cap Index)

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Qatar Insurance Company	2.36	(2.4)	2,162.6	(25.3)
Qatar Gas Transport Co.	3.18	(2.0)	3,958.2	33.1
QNB Group	17.83	(1.5)	4,656.8	(13.4)
Qatar International Islamic Bank	9.05	(1.3)	1,489.7	(6.5)
Qatari Investors Group	1.81	(1.3)	511.5	1.2

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
QNB Group	17.83	(1.5)	83,237.8	(13.4)
Mazaya Qatar Real Estate Dev.	1.26	2.4	81,053.8	75.7
Qatar Islamic Bank	17.11	(0.8)	32,305.3	11.6
Masraf Al Rayan	4.53	(0.4)	24,646.7	14.4
Industries Qatar	10.87	(1.1)	23,206.4	5.7

Source: Bloomberg (\* in QR)

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Qatar General Ins. & Reins. Co.	2.66	8.6	85.9	8.1
Ahli Bank	3.45	2.4	5.0	3.4
Mazaya Qatar Real Estate Dev.	1.26	2.4	63,421.8	75.7
Qatar Navigation	7.09	0.6	163.3	16.3
Gulf International Services	1.72	0.5	3,719.6	(0.3)

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Mazaya Qatar Real Estate Dev.	1.26	2.4	63,421.8	75.7
Investment Holding Group	0.60	(0.5)	17,187.7	6.2
Aljjarah Holding	1.24	0.2	15,357.3	76.3
Salam International Inv. Ltd.	0.65	(0.5)	13,603.5	25.9
Ezdan Holding Group	1.78	(0.9)	9,129.6	188.8

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded (\$ mn)	Exchange Mkt. Cap. (\$ mn)	P/E**	P/B**	Dividend Yield
Qatar*	10,435.96	(0.9)	(1.0)	1.7	0.1	125.90	163,617.4	17.8	1.5	3.8
Dubai	2,491.97	(1.0)	(1.4)	3.0	(9.9)	46.85	92,606.9	11.6	0.9	3.9
Abu Dhabi	5,045.32	(0.8)	(1.6)	1.6	(0.6)	123.53	198,277.8	20.6	1.4	4.8
Saudi Arabia	8,689.53	(0.8)	(0.2)	(0.7)	3.6	1,810.57	2,425,633.0	34.8	2.1	2.4
Kuwait	5,546.04	(0.1)	(0.4)	1.6	(11.7)	95.94	103,588.7	35.4	1.4	3.5
Oman	3,658.77	0.1	1.6	0.4	(8.1)	4.26	16,531.3	11.0	0.7	6.9
Bahrain	1,489.78	0.9	(0.2)	0.8	(7.5)	3.61	22,785.8	14.5	1.0	4.5

Source: Bloomberg, Qatar Stock Exchange, Tadawul, Muscat Securities Market and Dubai Financial Market (\*\* TTM; \* Value traded (\$ mn) do not include special trades, if any)

## Qatar Market Commentary

- The QE Index declined 0.9% to close at 10,436.0. The Banks & Financial Services and Industrials indices led the losses. The index fell on the back of selling pressure from GCC and Foreign shareholders despite buying support from Qatari and Arab shareholders.
- Qatar Insurance Company and Qatar Gas Transport Co. were the top losers, falling 2.4% and 2.0%, respectively. Among the top gainers, Qatar General Ins. & Reins. Co. gained 8.6%, while Ahli Bank was up 2.4%.
- Volume of shares traded on Thursday rose by 128.0% to 189.2mn from 83.0mn on Wednesday. However, as compared to the 30-day moving average of 213.2mn, volume for the day was 11.3% lower. Mazaya Qatar Real Estate Dev. and Investment Holding Group were the most active stocks, contributing 33.5% and 9.1% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	43.62%	31.55%	56,050,241.3
Qatari Institutions	29.45%	10.98%	85,814,688.4
<b>Qatari</b>	<b>73.07%</b>	<b>42.53%</b>	<b>141,864,929.6</b>
GCC Individuals	1.13%	0.15%	4,552,584.3
GCC Institutions	2.41%	5.45%	(14,112,373.9)
<b>GCC</b>	<b>3.54%</b>	<b>5.60%</b>	<b>(9,559,789.6)</b>
Arab Individuals	11.27%	7.82%	16,047,638.0
Arab Institutions	0.05%	0.00%	213,356.8
<b>Arab</b>	<b>11.32%</b>	<b>7.82%</b>	<b>16,260,994.7</b>
Foreigners Individuals	3.55%	2.05%	6,974,471.5
Foreigners Institutions	8.52%	42.00%	(155,540,606.3)
<b>Foreigners</b>	<b>12.07%</b>	<b>44.06%</b>	<b>(148,566,134.8)</b>

Source: Qatar Stock Exchange (\*as a % of traded value)

## Global Economic Data and Earnings Calendar

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
12/31	US	Department of Labor	Initial Jobless Claims	26-Dec	787k	835k	806k
12/31	US	Department of Labor	Continuing Claims	19-Dec	5,219k	5,370k	5,322k
12/31	China	China Federation of Logistics & Purchasing	Composite PMI	Dec	55.1	-	55.7
12/31	China	China Federation of Logistics & Purchasing	Manufacturing PMI	Dec	51.9	52	52.1
12/31	China	China Federation of Logistics & Purchasing	Non-manufacturing PMI	Dec	55.7	56.3	56.4

Source: Bloomberg (s.a. = seasonally adjusted; n.s.a. = non-seasonally adjusted; w.d.a. = working day adjusted)

## Earnings Calendar

Tickers	Company Name	Date of reporting 3Q2020 results	No. of days remaining	Status
QNBK	QNB Group	12-Jan-21	9	Due
MARK	Masraf Al Rayan	19-Jan-21	16	Due
DHBK	Doha Bank	08-Feb-21	36	Due

Source: QSE

## Qatar

- **Qatar November M2 money supply rises 3.5% YoY** – Qatar Central bank has published data on monetary aggregates for November on website. The M2 money supply rose 3.5% from year ago, while it remained unchanged MoM. The M1 money supply rose 15.7% from year ago and 0.6% MoM. International reserves and foreign currency liquidity rose to QR204.41bn from QR204.36bn in October. (Bloomberg)
- **MRDS signs agreement to acquire 4 residential buildings** – Mazaya Real Estate Development (MRDS) has signed an agreement to acquire 4 residential buildings leased for a period of 5 years in Al Sad Area – Doha for QR150mn and work will be done to complete the procedures required to conclude the deal. (QSE)
- **DHBK to disclose its annual financial results on February 08** – Doha Bank (DHBK) will disclose its financial statement for the period ending December 31, 2020 on February 08, 2021. (QSE)
- **ABQK' board of directors to meet on January 17** – The Ahli Bank (ABQK) has announced that its board of directors will be holding a meeting on January 17, 2021 to discuss the date for board meeting to approve the Budget. The board will also discuss the approval of profit distribution for the financial year end 2020. (QSE)
- **GWCS opens nominations for its board membership** – Gulf Warehousing Company's (GWCS) board of director announced the start of the nomination period for membership in the board, inviting nominations to occupy nine seats starting January 03, 2021 and until end of business on January 17, 2021 in accordance with the provisions of Article 25 of the Company Constitution. (Peninsula Qatar)
- **Woqod opens new petrol station in Lebsayyer** – As part of its ongoing expansion plans to be able to serve every area in the country, Qatar Fuel (Woqod) opened Lebsayyer petrol station on Thursday. With the opening of Lebsayyer petrol station, the total number of Woqod petrol stations in the country has gone up to 108. The new Lebsayyer petrol station is spread over an area of 10,800 square meters and has four lanes with eight dispensers for light vehicles, which will serve the Lebsayyer area and its neighborhood. Lebsayyer petrol station offers round-the-clock services to residents, and includes Sidra convenience store, manual car wash, oil change and tyre repair for light vehicles and sale of LPG cylinders 'SHAFAF' in addition to the sale of gasoline and diesel products for light vehicles. (Qatar Tribune)
- **QIBK' board of directors to meet on January 17** – The Qatar Islamic Bank (QIBK) has announced that its board of directors will be holding a meeting on January 17, 2021 to discuss the Financial Statements for the Year ended December 31, 2020. (QSE)
- **WOQOD opens Lebsayyer New WOQOD Petrol Station** – As part of Qatar Fuel's (WOQOD) ongoing expansion plans to be able to serve every area in Qatar, Qatar Fuel "WOQOD" opened Lebsayyer petrol station, on December 31, 2020, and by this it raised its network of petrol stations to 108. The New Lebsayyer WOQOD petrol station is spread over an area of 10,800 square meters and has 4 lanes with 8 dispensers for light vehicles, which will serve Lebsayyer area, and its neighborhood. Lebsayyer petrol station offers round-the-clock services to residents, and includes Sidra convenience store, Manual car wash, Oil change and Tire repair, for Light Vehicles and sale of LPG cylinders "SHAFAF", in addition to sale of gasoline and diesel products for light vehicles. (QSE)
- **MoCI, QNTC urge private sector to invest in mega beach resorts** – Qatar is inviting private sector interested in establishing large beach resorts, under public private partnership (PPP) model. In this regard, the Ministry of Commerce and Industry (MoCI), in association with National Tourism Council (QNTC), will unveil the investment opportunities on January 13, 2021 at the Doha Exhibition and Convention Center (DECC). According to the MoCI, the investment opportunities aim at enhancing PPPs. These opportunities include establishing large beach resorts of various sizes in Ras Abrouq, Fuwayrit and Bin Ghannam. This initiative comes within the framework of the State's efforts to achieve the Qatar National Vision 2030, aimed at consolidating economic diversification and supporting non-oil sectors, especially the tourism sector. The tourism sector largely contributes to strengthening Qatar's leading position as one of the most prominent tourist destinations regionally and globally. The sector gains prominence in the light of Qatar gearing up to host the 2022 FIFA World Cup and Doha winning the bid to host the Asian games in 2030. A new PPP Law No. 12 of 2020 was published on May 31, 2020 to regulate the operation of PPPs in Qatar, which has already been using a form of PPP structure to deliver projects in its water and power sectors, but has recently expanded the PPP model to other sectors. (Gulf-Times.com)
- **Weekly real estate trading volume reaches QR478mn during December 20-24** – The total value of real estate transactions in the sales contracts registered with the Real Estate Registration Department of the Ministry of Justice from December 20 to 24 reached QR478.48mn. The types of real estate traded included plots of land, houses, residential buildings, and multi-use buildings. Most of the trading took place in the municipalities of Al Da'ayen, Al Rayyan, Doha, Al Wakrah, Umm Salal, Al Shamal, Al Khor and Al Dhakira. The volume of real estate circulation during the period from December 13 to 17 reached QR460.39m. The real estate market sector of Qatar has shown recovery over the past few months as the transactions have grown consistently. (Peninsula Qatar)
- **Qatar Airways Cargo takes delivery of three new 777 freighters** – Qatar Airways Cargo, a leading global air cargo carrier, took delivery of three brand new Boeing 777 freighters Friday, bringing its total freighter fleet count to 30, consisting of two Boeing 747 freighters, 24 Boeing 777 freighters and four Airbus A330 freighters. Qatar Airways Cargo will introduce these freighters on its long haul scheduled routes and will also operate them as cargo charters, supporting global trade and the movement of time and temperature sensitive goods, according to a statement. (Gulf-Times.com)
- **Cargo handling at Hamad Port continues rising** – Despite challenging situations created by COVID-19 outbreak, Hamad

Port – Qatar’s gateway to world trade – has wrapped up a successful year. The Port has registered an increase in vessels’ arrival and cargo handling in 2020 which indicates port’s growing importance in regional trade. Hamad Port, in 2020, handled over 1.4mn Twenty-Foot Equivalent Units (TEUs) containers and received 1,600 vessels. According to figures released by QTerminals, terminal operating company providing services at Hamad Port, on its Twitter handle, the Port handled 1.4mn Twenty Foot Equivalent Units containers; 304, 481 tons of bulk cargo; 1,196,559 tons of general cargo; 59,443 vehicles; and 264,164 heads of livestock last year. In 2019, Hamad Port had received 1,545 vessels while it had handled over 1.3mn TEUs containers; 182,669tons of bulk cargo; 625,532 tons of general cargo; 76,501 vehicles; and 374,395 heads of livestock. Hamad Port handled around seven percent more TEU containers in 2020 when compared to the previous year (2019). In another tweet, QTerminals also released figures of cargo handling at Hamad Port in December 2020. According to data, the port received 147 vessels last month. Hamad Port, in December 2020, handled 146,429 TEUs containers; 52,500 tons of bulk cargo; 172,690 tons of general cargo; 3,493 vehicles; and 23,059 heads of livestock. (Peninsula Qatar)

- **Recovery in Asia to boost Qatar’s exports** – The exports from Qatar are expected to rise this year as Asian countries are projected to register strong growth this year. When it comes to exports, Asian countries such as Japan, China, South Korea, India and Singapore take up top slot in Qatari exports. During the third quarter (3Q) of 2020, Asia was the principal destination of Qatar’s exports. According to the figures of the Planning and Statistics Authority, around 80% of exports from Qatar went to Asia during the 3Q2020. Qatar’s total exports, during 3Q2020, were around QR41.08bn. Of these exports, the exports to Asia were QR32.45bn, which is 79% of Qatar’s total exports. Total exports from Qatar include exports of domestic goods and re-exports. The forecast from central banks and government agencies show that all the major economies in Asia are expected to return to growth trajectory in 2021. (Peninsula Qatar)
- **Amusement cities, parks to reopen from Sunday with 50% capacity** – Amusement cities and parks across the country can resume recreational activities and operations from Sunday (January 3) with no more than 50% capacity, the Ministry of Commerce and Industry (MoCI) announced on Thursday. A circular in this regard, tweeted by the MoCI on Thursday, is in line with the previous decisions adopted to protect the health and safety of Qatari citizens and residents, and limit the spread of COVID-19. Entertainment activities will resume in three stages: first (from January 3), opening of outdoor playgrounds, children’s outdoor games, and billiards and bowling; second (from January 11), electronic games and trampolines; and third (from January 24), bouncers, inflatable games, and ball pits. (Gulf-Times.com)
- **Ooredoo’s digital Shahry Me plan a hit with customers** – Ooredoo’s new customizable postpaid app plan, Shahry Me, is proving to be a great success with customers, the telecom company has announced. The new digital plan, which includes a fully customizable allocation of data and calls across family members and households, can be designed on the basis of the individual needs of the customer and those of their family and

household members, ensuring that allowances do not go to waste and that customers can make the most of all the elements of their plan. Shahry Me allows users to easily share data and minutes with the entire family and household members via the App at any time. The owner of the main account can manage up to five family SIM cards while controlling the services and allowances via the specially designed app. Unused allowances can be passed on to other family members and household members, and children can be rewarded with additional data for more screen time. (Qatar Tribune)

- **Doha Bank announces launch of innovative Easy Pay Wallet** – Doha Bank has announced the launch of Easy Pay Wallet. Customers can enjoy quick, safe, and seamless payments by adding their Doha Bank credit or debit cards to their Doha Easy Pay bringing a new dimension to their wallet. Customers can now download Doha Easy Pay App from the Apple Store or Google Play Store to perform quick, safe, and seamless payments for their retail purchases by simply scanning the QR Code. In addition, Doha Easy Pay also enables the users to make fund transfers to beneficiaries instantly by linking their Doha Bank debit card to Doha Easy Pay Wallet. (Gulf-Times.com)

#### International

- **US weekly jobless claims fall for second straight week** – The number of Americans filing first-time claims for unemployment benefits unexpectedly fell last week but remain elevated more than nine months into the health and economic crisis triggered by the coronavirus pandemic. Initial claims for state unemployment benefits slid to a seasonally adjusted 787,000 for the week ended December 26, compared with 806,000 in the prior week, the Labor Department said on Thursday. Economists polled by Reuters had forecast 833,000 applications in the latest week. Though jobless claims have dropped from a record 6.867mn in March, they have held persistently above their 665,000 peak hit during the 2007-09 Great Recession. The weekly unemployment claims report, the most-timely data on the economy’s health, aligns with other recent weak economic reports, including a decline in consumer confidence to a four-month low in December and drops in both consumer spending and income last month. The latest report’s end date – December 26 - was when as many as 14mn people were set to lose jobless benefits provided by a \$3tn pandemic relief bill enacted in the spring. That was a cliff that lawmakers had raced to avoid by passing a nearly \$900bn supplemental package in the days before Christmas, including \$600 payments to most individuals and extensions of unemployment benefits and eviction moratoriums. (Reuters)
- **UK and Ghana to miss Brexit trade deadline but deal close** – Britain and Ghana are close to announcing an agreement on post-Brexit trade but a deal will not take effect in time to prevent a period of operating on default terms, a source close to the negotiation said. Once active, the deal will replicate the terms of trade Britain previously benefitted from as a member of the European Union (EU). EU trade rules will cease to apply to Britain from January 1 when it completes its exit from the bloc. Ahead of that deadline Britain has signed “continuity” agreements with 63 countries to safeguard terms on 885bn Pounds (\$1.21tn) of trade, including partners like Canada and Switzerland. But with no prospect of a deal being reached in time

for Ghana, imports will temporarily be subject to Britain's Generalized Scheme of Preferences - a framework that applies import tariffs at reduced rates on developing countries. Britain's exports to Ghana would continue to be subject to World Trade Organization tariffs. "Today we've reached consensus on the main elements of a deal with Ghana, covering over 1.2bn Pounds of trade," Britain's Trade Secretary Liz Truss wrote later on Twitter, confirming the details from the source. "We are working to achieve full agreement very shortly." (Reuters)

- **YouGov/CEBR: UK consumer confidence strongest since February** – British consumer confidence rose to its highest since February in the first half of December, before a new variant of COVID-19 prompted the government to tighten lockdown restrictions across England, a survey showed on Thursday. The YouGov/CEBR consumer confidence indicator rose to 102.9 in December from 102.2 the month before, bolstered by a stronger outlook for household finances and broader economic activity as a vaccine against COVID-19 began to be rolled out. The survey took place between Dec. 1 and December 18, and YouGov's director of reputation research, Darren Yaxley, said he expected sentiment to decline following the subsequent sharp rise in COVID-19 cases and renewed lockdown across most of England. (Reuters)
- **EU bets on Biden to resolve aircraft subsidy row** – The European Union (EU) will seek a swift resolution of a 16-year battle over aircraft subsidies with US President-elect Joe Biden, saying that new US tariffs have damaged talks with the Trump administration. The Commission, which coordinates trade policy for the 27-nation European Union, said on Thursday that the US action had "unilaterally" disrupted ongoing negotiations about respective state subsidies for European plane maker Airbus and its US rival, Boeing. The office of the US Trade Representative (USTR) said on Wednesday it was adding aircraft components such as fuselages and wings, and wines and brandy from France and Germany on to a list of goods subject to tariffs, responding to what it said was unfair EU retaliation. Both Washington and Brussels have won cases at the World Trade Organization, the former allowed to impose tariffs on \$7.5bn of EU goods and the latter extra duties on \$4bn of imports from the US. The USTR said the EU tariffs, imposed in November, had been distorted by basing them on trade depressed by the COVID-19 pandemic, and because Britain had been cut from the calculation even though it had applied the measures throughout 2020. (Reuters)
- **France will be vigilant on post Brexit deal implementation, Minister says** – France will be vigilant over the implementation of a post Brexit trade deal reached last week between Britain and the European Union, French European Affairs minister Clement Beaune said on Friday. "This deal begins its life today. It will last years, possibly decades. Our demand is that each party respect its commitments," Beaune told a news conference held in the port of Calais, hours after Britain's final exit from the EU's orbit. "This deal must be very strictly respected, and it must also contribute to develop our cooperation with Britain in all sectors, including fisheries," he added. The transition period for Britain's exit from the EU ended on Thursday night. (Reuters)
- **Italy gives UK finance firms six-month operating extension post-Brexit** – British financial intermediaries can keep on operating in Italy until the end of June as they await

authorization to do business in the country as non-European Union companies, Italy's banking and bourse authorities said on Saturday. Britain left the EU's orbit on January 1 just days after clinching a last-gasp divorce treaty that set rules for industries such as fishing and agriculture but did not cover its much larger finance sector. As such, British financial firms no longer have direct access to most EU markets. However, Italy's Consob bourse watchdog said companies that had applied before the end of 2020 for permission to keep operating in the Italian market would be given a six-month extension. "During such period, operations are limited to activities for which an authorization is sought and to outstanding contractual relationships," Consob said, adding that new contracts could not be signed, or old agreements modified. "It is allowed to perform activities in connection with the management of the so-called 'life-cycle event' for derivatives contracts not subject to clearing by a central counterparty." (Reuters)

- **China's factory recovery moderates as higher costs slow business** – China's factory activity expanded in December as hot export demand fueled a recovery in the world's second-largest economy from the coronavirus slump, although higher labor and transport costs slowed the pace of growth. The official manufacturing Purchasing Manager's Index (PMI) fell to 51.9 in December from 52.1 in November, data from the National Bureau of Statistics (NBS) showed on Thursday. The index remained above the 50-point mark that separates growth from contraction but was a tad below the 52.0 in a Reuters' poll of analysts. China's vast industrial sector has staged an impressive recovery from the coronavirus shock thanks to surprisingly strong exports. The economy is expected to expand around 2% for the full year - the weakest pace in over three decades but much stronger than other major economies still struggling to contain infections. However, tougher coronavirus control measures in many of its key trading partners in the west and recent domestic infections could dent industrial demand, weighing on the recovery. The official PMI, which largely focuses on big and state-owned firms, showed the sub-index for new export orders stood at 51.3 in December, easing from 51.5 a month earlier. (Reuters)
- **China December new home prices slow, private survey shows** – Prices of new homes in China rose at a slower pace in December, with tightening policies continuing to cool the market, a private survey showed on Friday, but price growth in 2020 still topped the previous year's pace despite the coronavirus pandemic. New home prices in 100 cities rose 0.25% in December from a month earlier versus a 0.32% gain in November, moderating for the second straight month, according to data from China Index Academy (CIA), one of the country's largest independent real estate research firms. More cities reported monthly gains, however, with the number climbing to 79 from 71 in November, and 19 cities saw lower home prices compared with 28 in the preceding month, the CIA data showed. Dongguan and Guangzhou, two cities in the southern Greater Bay Area, led the price rises. While central and northern cities like Luoyang and Zhangjiakou saw the biggest monthly price drops. (Reuters)
- **India's merchandise exports fell 0.8% YoY in December** – India's merchandise exports fell 0.8% in December from a year earlier to \$26.89bn, while imports rose 7.6% to \$42.6bn, preliminary data

released by the government on Saturday showed. Exports fell 9.07% in November from a year earlier to \$23.43bn, the data showed. (Reuters)

- **India drug regulator approves AstraZeneca COVID vaccine, country's first** – India's drug regulator on Friday approved a coronavirus vaccine developed by AstraZeneca and Oxford University for emergency use, two sources with knowledge of the matter told Reuters. The decision clears the vaccine's rollout in the world's second-most populous country which, after the US, has the highest number of COVID-19 infections. India wants to start administering the vaccine soon, most likely by Wednesday, said one of the sources, both of whom declined to be named ahead of an official announcement expected later in the day. A representative of India's Central Drugs Standard Control Organization (CDSCO), whose experts are meeting for the second time this week, declined to comment. Britain and Argentina have already authorized the AstraZeneca vaccine for urgent public use. (Reuters)

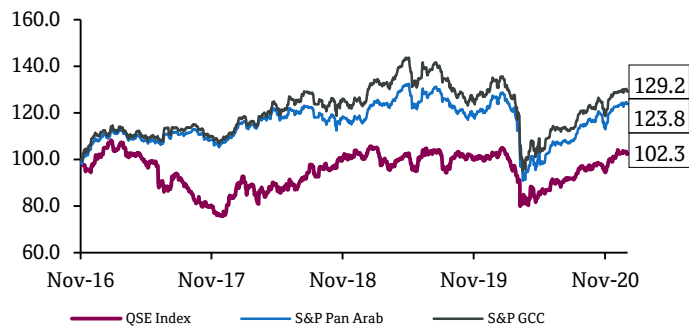
#### **Regional**

- **GPCA: GCC chemical producers give push to renewable energy in 2020** – GCC chemical companies have begun to invest in renewable technologies and projects, such as wind and solar as they look to transform towards cleaner energy sources, according to the Gulf Petrochemicals and Chemicals Association (GPCA). Qatar Petroleum got involved in a solar power plant development through its JV with Qatar Electricity & Water Company, Siraj Energy. Al Kharsaah PV solar power plant is the first large scale solar power plant being developed in Qatar, GPCA noted. The impact of the Covid-19 pandemic has led to income deterioration, decreasing demand, and growth setbacks for the GCC chemical industry. "The last 12 months were far from easy for Arabian Gulf producers who were forced to operate at decreased production levels with severe shortage of manpower and unprecedented supply chain disruptions," noted Research and Studies specialist, GPCA, Nuriya Ismagilova. Ongoing challenges led to unexpected project delays, readjustment of capital expenditure and redefining companies' strategic priorities. Nevertheless, regional players remained committed to long-term expansion plans, advancing their sustainability agenda, eliminating inefficiencies and reinventing themselves to grow their global competitiveness, GPCA said. Despite facing significant supply chain disruptions, the GCC chemical industry stepped up efforts to safeguard the supply of raw materials for the manufacture of products used to enable the hygiene, testing and treatment of patients affected by coronavirus, alongside personal protective equipment for medical staff, as well as ensuring the continued manufacturing of essential food packaging material. (Gulf-Times.com)
- **Saudi economy shows healthy figures in November** – Saudi Arabia's key economic indicators look healthy, a report said, adding that the money supply (M3) expanded 11.6% YoY in November, supported by a rise in M1 and M2, increasing 13.0% and 12.4%, respectively. Credit to the private sector also increased 15.8% YoY in November, while bank claims on the public sector advanced 15.9% YoY in November and the deposits grew by 11.9% YoY in November, said Al Rajhi Capital, a leading financial services provider in the Kingdom. Further, the banking sector profits increased 9.8% YoY to SR4.1bn in November (+15.8% YoY in October). Moreover, growth in mortgage continued with 79% YoY in November, driven by House and Apartment mortgages, which grew 86% YoY and 66% YoY, respectively. LDR came in at 74.9% in November compared to 75.6% in October. (Zawya)
- **Saudi Utility Alkhorayef Water & Power gets approval for IPO** – Alkhorayef Water & Power Technologies plans to offer shares in an IPO in Saudi Arabia as businesses from grocery stores to car rental firms look to list on the kingdom's stock market. The Capital Market Authority approved Alkhorayef Water & Power's request to sell 7.5mn shares, or a 30% stake, according to a statement. It did not provide further details. Alkhorayef Water & Power handles projects in water and wastewater fields in Saudi Arabia, and its clients include government firms and Saudi Aramco among others, according to its website. (Bloomberg)
- **UAE steel pipe producers challenge US antidumping duty rate** – The US duty rate on certain imports of steel pipe from the UAE should be lowered, because the Commerce Department erred in its comparison of home market and US prices, three foreign producers argued Thursday at the US Court of International Trade. The US maintains antidumping duties on Emirati carbon-quality steel pipe, used primarily in fencing, plumbing and heating systems, air conditioning units, and automatic sprinkler systems. The US imported an estimated \$59.4mn worth of such pipe from the UAE in 2014, before the duties were put in place, according to Commerce. Commerce recently completed a periodic duty review covering subject pipe that entered the US between December 2017 and November 2018. The department calculated a dumping margin and corresponding duty rate of 3.79% for affiliates Universal Tube and Plastic Industries Ltd., THL Tube and Pipe Industries, and KHK Scaffolding and Framework. All other producers and exporters received margins of 2.49% or 3.14%. (Bloomberg)
- **Dubai Aerospace buys back \$100mn of common shares** – Dubai Aerospace Enterprise, the Middle East's biggest plane-leasing firm, repurchased \$100mn of common shares. "We expect this transaction to have no material impact on our capital adequacy metrics at year-end 2020 and in 2021," Chief Executive Officer, Firoz Tarapore said. (Bloomberg)
- **Etihad stake in Air Serbia cut to 18% after government steps in** – Abu Dhabi-based Etihad Airways' stake in Air Serbia has been cut to 18% from 49% after the Serbian government recapitalized the airline, Air Serbia said on its website. The state has increased its stake in Air Serbia to 82% from 51%, a step the airline said was undertaken to help it through the COVID-19 pandemic. "The recapitalization of the Serbian national airline was undertaken at the request of Air Serbia," the statement said. Etihad Airways, which bought a 49% stake in Serbia's loss-making JAT Airways - later renamed Air Serbia - in 2013, confirmed in an email its stake had been diluted to 18% "We are pleased the Serbian government has reinvested in the future of the airline," an Etihad spokesperson said. "Etihad continues to work closely with Air Serbia, while we respond to the ongoing impact of the COVID-19 crisis on our own business." Etihad Airways' core operating loss deepened to \$758mn in the first half of the year as passenger traffic fell by nearly 60% due to the pandemic. (Reuters)

- **Abu Dhabi's IHC buys 10.9mn shares of NMDC** – IHC Capital Holding now holds 4.36% of total issued shares of National Marine Dredging Company (NMDC) after buying 10,903,750 NMDC shares. (ADX)
- **Aldar Properties agrees to sell Abu Dhabi golf club complex** – Aldar Properties agreed to sell the Abu Dhabi Golf Club Complex, including the Westin Hotel and the Abu Dhabi golf course, to a financial investor for AED180mn. The sale “is in line with Aldar’s asset management strategy to actively pursue profitable investment exits and redeploy capital into growth opportunities,” the Abu Dhabi-based developer said. Aldar acquired the complex in 2018 as part of a transaction with Abu Dhabi’s Tourism Development Investment Co. The developer earlier this month sold its district cooling assets on Abu Dhabi’s Saadiyat Island to Tabreed for AED963mn. (Bloomberg)
- **Oman plans OMR2.2bn budget deficit in 2021** – Oman expects to have a 2021 budget deficit of about OMR2.2bn and plans to borrow from domestic and international markets to help plug the gap, according to the state-run Oman News Agency. The country aims to raise about OMR1.6bn through borrowing and draw the remaining OMR600mn from its reserves, it said, adding that new Ruler Sultan, Haitham bin Tariq al-Saidhad ratified a decree approving the fiscal plan. The budget is based on an oil price of \$45 a barrel and the government expects the state revenues of OMR8.640bn this year, a decrease of 19% on estimated revenues for 2020. Oman, rated sub-investment grade by all major credit rating agencies, faces a widening deficit and large debt maturities in the next few years, and is trying to reduce its dependence on crude oil revenues. The expenditure is set to fall to OMR10.8bn in 2021, a 14% drop compared to the previous year, according to state-run Oman News Agency on Friday. (Reuters)
- **Oman unveils new stimulus measures including mortgage benefits** – Oman’s Finance Ministry announces series of measures to stimulate the private sector and support nationals in 2021, including raising the mortgage ceiling at the Oman Housing Bank to OMR100mn from OMR60mn, according to state-run Oman News Agency. People who have loans from Oman Development Bank and the General Authority for the development of small and medium-sized enterprises are exempt from interest payments in 2021. Small and medium-size enterprises in the transport, tourism, logistic and agriculture sectors are exempt from license fees in the first three years. In a separate statement, the ministry also cut bonuses in half and reduced health-care and school benefits for ministers and state employees. (Bloomberg)
- **Oman expected to add \$779mn in revenue from VAT this year** – The implementation of a 5% value-added tax in Oman this year is seen bringing in \$779mn, the Oman News Agency reported Saturday, citing the Gulf nation’s Finance Minister. The country last year announced it would impose a 5% VAT in an effort to bolster the economy and curb its widening budget deficit. (Bloomberg)
- **Oman Aviation Group to be dissolved under ‘corrective measures’** – Oman plans to dissolve air transportation services company Oman Aviation Group and divide its operations between the national carrier and the country’s airport management company. The Oman Investment Authority

decided to take “corrective measures” by dissolving OAG and aviation services provider Transom, the Gulf country’s Finance Minister, Sultan al-Habsi, said. He did not give further details. (Bloomberg)

## Rebased Performance

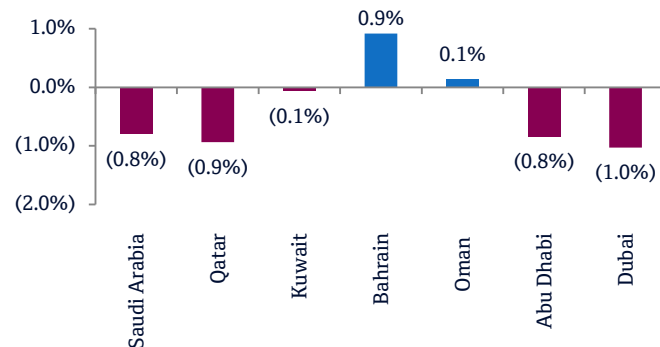


Source: Bloomberg

Source: Bloomberg, #Market was closed on January 01, 2021

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,898.67	0.0	0.8	0.0
Silver/Ounce	26.40	(0.0)	2.2	(0.0)
Crude Oil (Brent)/Barrel (FM Future)#	51.80	0.0	1.0	(21.5)
Crude Oil (WTI)/Barrel (FM Future)#	48.52	0.0	0.6	(20.5)
Natural Gas (Henry Hub)/MMBtu#	2.39	0.0	(7.7)	14.4
LPG Propane (Arab Gulf)/Ton#	75.25	0.0	7.5	82.4
LPG Butane (Arab Gulf)/Ton#	75.00	0.0	7.5	14.5
Euro	1.22	(0.0)	0.2	(0.0)
Yen	103.20	(0.0)	(0.2)	(0.0)
GBP	1.37	0.0	0.8	0.0
CHF	1.13	(0.1)	0.4	(0.1)
AUD#	0.77	0.0	1.2	9.6
USD Index#	89.94	0.0	(0.3)	(6.7)
RUB#	74.41	0.0	0.3	0.0
BRL#	0.19	0.0	0.4	(22.6)

## Daily Index Performance



Source: Bloomberg

Source: Bloomberg (\*\$ adjusted returns, #Market was closed on January 01, 2021)

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index#	2,690.04	0.0	1.2	14.1
DJ Industrial#	30,606.48	0.0	1.3	7.2
S&P 500#	3,756.07	0.0	1.4	16.3
NASDAQ 100#	12,888.28	0.0	0.7	43.6
STOXX 600#	399.03	0.0	1.6	(4.0)
DAX#	13,718.78	0.0	1.8	3.5
FTSE 100#	6,460.52	0.0	(0.2)	(14.3)
CAC 40#	5,551.41	0.0	1.4	(7.1)
Nikkei#	27,444.17	0.0	3.1	16.0
MSCI EM	1,291.75	0.0	2.9	0.0
SHANGHAI SE Composite#	3,473.07	0.0	2.5	13.9
HANG SENG#	27,231.13	0.0	3.2	(3.4)
BSE SENSEX	47,868.98	0.4	2.5	0.4
Bovespa#	119,017.20	0.0	1.9	2.9
RTS#	1,387.46	0.0	0.7	(10.4)

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