

Market Review and Outlook

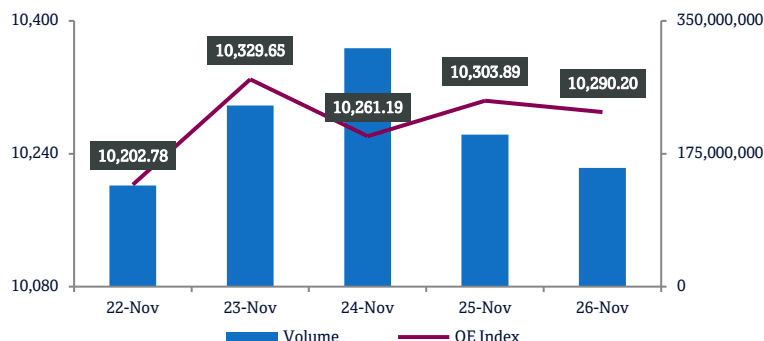
The Qatar Stock Exchange (QSE) Index increased 1.81% during the week, to close at 10,290.20. Market capitalization increased by 2.1% to QR591.5 billion (bn) vs. QR579.1bn at the end of the previous week. Of the 47 listed companies, 37 companies ended the week higher, while 9 fell and 1 remained unchanged. Industries Qatar (IQCD) was the best performing stock for the week, with a gain of 8.3%. On the other hand, Widam (WDAM) was the worst performing stock with a decline of 5.7%.

Industries Qatar (IQCD), Qatar Islamic Bank (QIBK) and Commercial Bank of Qatar (CBQK) were the primary contributors to the weekly index gains. IQCD was the largest contributor to the index's weekly increase, adding 98.9 points to the index. QIBK was the second biggest contributor to the mentioned gains, tacking on 22.0 points to the index. Moreover, CBQK contributed another 12.1 points to the overall index.

Trading value during the week increased by 0.5% to reach QR2,320.8mn vs. QR2,308.2mn in the prior trading week. Qatar Gas Transport Co. (QGTS) was the top value traded stock during the week with total traded value of QR475.0mn.

Trading volume also increased by 6.1% to reach 1,042.1mn shares vs. 982.1mn shares in the prior trading week. The number of transactions increased by 8.4% to reach 54,325 transactions versus 50,122 transactions in the prior week. Ezdan Holding (ERES) was also the top volume traded stock during the week with total traded volume of 165.2mn shares.

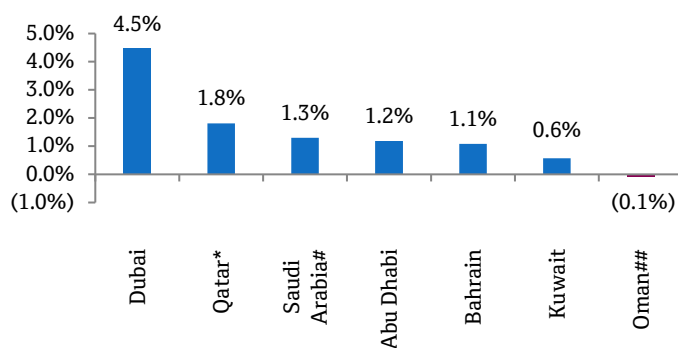
QSE Index and Volume



Market Indicators	Week ended Nov 26, 2020	Week ended Nov 19, 2020	Chg. %
Value Traded (QR mn)	2,320.8	2,308.2	0.5
Exch. Market Cap. (QR mn)	591,490.5	579,111.4	2.1
Volume (mn)	1,042.1	982.1	6.1
Number of Transactions	54,325	50,123	8.4
Companies Traded	47	47	0.0
Market Breadth	37:9	11:34	-

Market Indices	Close	WTD%	MTD%	YTD%
Total Return	19,782.58	1.8	6.2	3.1
ALL Share Index	3,162.88	1.6	5.3	2.1
Banks and Financial Services	4,226.54	1.0	2.6	0.1
Industrials	3,054.51	4.8	12.5	4.2
Transportation	3,224.54	2.4	14.3	26.2
Real Estate	1,836.28	2.2	1.8	17.3
Insurance	2,430.73	(1.1)	7.7	(11.1)
Telecoms	928.10	0.5	1.6	3.7
Consumer Goods & Services	8,141.91	(0.1)	4.8	(5.8)
Al Rayan Islamic Index	4,185.87	2.1	5.4	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*	10,290.20	1.8	6.2	(1.3)	626.99	160,885.4	17.5	1.5	3.8
Dubai	2,420.00	4.5	10.6	(12.5)	440.64	91,661.9	11.3	0.8	4.0
Abu Dhabi	4,971.93	1.2	6.7	(2.0)	617.46	196,432.1	19.2	1.4	4.9
Saudi Arabia#	8,688.76	1.3	9.9	3.6	17,658.63	2,460,870.7	32.8	2.1	2.4
Kuwait	5,558.68	0.6	2.1	(11.5)	1,202.85	101,411.8	36.7	1.4	3.5
Oman##	3,623.83	(0.1)	1.9	(9.0)	14.39	16,442.5	10.9	0.7	7.0
Bahrain	1,467.81	1.1	2.8	(8.8)	17.86	22,305.6	14.3	1.0	4.6

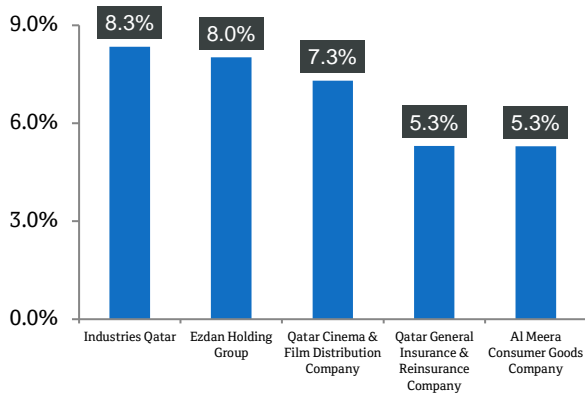
Source: Bloomberg, country exchanges and Zawya (** Trailing Twelve Months; * Value traded (\$ mn) do not include special trades, if any; #Data as of November 25, 2020, ##Data as of November 24, 2020)

Economic, Market & Corporate News

- WDAM: Agreement with Government of Qatar for subsidizing will not be renewed** – Widam Food Company (WDAM) announced that the agreement between the Government of Qatar and WDAM for subsidizing Australian fresh and chilled meat, which commenced on December 29, 2015 and ending on December 31, 2020 will not be renewed. (QSE)
- Cabinet approves draft budget for fiscal 2021** – The Cabinet has given its approval to the draft State budget for the 2021 fiscal year, Qatar News Agency (QNA) reported. The budget is based on a number of principles, which include maintaining Qatar's credit rating and continuing to allocate financial resources to complete strategic projects in line with Qatar National Vision 2030, especially those related to the 2022 FIFA World Cup as well as health and education, according to QNA. The Cabinet, according to the QNA report, approved the "draft State budget for the fiscal year 2021 and a draft law approving the budget". It also referred all the "main sections and sectors of the budget and the draft law to the Shura Council". The draft budget has been prepared based on the following principles (1) Adopting the principle of medium-term planning for the general budget and setting financial ceilings for the years 2021-2023 after reviewing the projects and programs of all sectors. (2) All ministries and government agencies are required to set financial ceilings for the medium term, 2021-2023, and direct them to arrange their priorities, including programs and projects included in the Second National Development Strategy of 2018-2022, according to the allocated budgets and specific financial ceilings. (3) Continuing to allocate financial resources to complete the implementation of strategic projects in accordance with Qatar National Vision 2030, especially those related to hosting the 2022 FIFA World Cup and the health and education sectors. (4) Allocating the necessary financial resources to develop new citizens' land and infrastructure for existing areas. (5) Supporting business environment development initiatives to enhance the role of the private sector and its participation in various economic activities. (6) Working to maintain the credit rating of the State. (Gulf-Times.com)
- NBK Research: Qatar's new debt issuance total \$15.7bn in first three quarters of 2020** – Qatar's new debt issuance totaled \$15.7bn in the first three quarters of this year; a study by NBK (National Bank of Kuwait) Research has shown. GCC issuance remains strong on higher financing needs and on track to exceed \$100bn in 2020, NBK Economic Research said in its latest update. In the first quarter of this year, Qatar's new issuance accounted for \$3.1bn, NBK Economic Research said. The second quarter had seen a significant jump – to \$11bn, while the third quarter registered Qatar issuance worth \$1.6bn. According to NBK Economic Research regional issuance has been strong so far this year, on track to exceed \$100bn for the full year (2020), driven by a high need for financing amid mounting fiscal pressures due to lower oil prices and the pandemic induced economic slowdown, encouraged also by a relatively low cost of financing. Around \$35bn in dollar and domestic currency bonds and Sukuk was issued in 3Q2020, bringing YTD issuance to \$98bn and pushing the total outstanding debt in the GCC to a record \$579bn. "Looking forward, we expect GCC issuance to remain strong as oil prices are likely to remain below the breakeven prices and economic activity will take time to fully recover, while public spending is unlikely to decrease materially. In Kuwait, the possible passing of a debt law to finance a large deficit would also pave the way for the restart of issuance in the coming period," NBK Research noted. (Gulf-Times.com)
- S&P affirms QNB Group and Qatar Islamic Bank's ratings** – Following a recent review, S&P Global Ratings (S&P) is keeping Qatar's banking sector in Banking Industry Country Risk Assessment (BICRA) group '5'. S&P said, "At the same time, we are revising our assessment of industry risk to '6' from '5' and maintaining our assessment of economic risk at '5'. The economic and industry risk trends are now both stable." S&P added, "In addition, we are affirming our ratings on QNB Group (QNBK; A/A-1) and Qatar Islamic Bank (QIBK; A-/A-2). The outlooks on the two banks remain 'Stable'." (Bloomberg)
- Moody's reconfirms long-term deposit rating of QIBK at 'A1' with a 'Stable' outlook** – Global credit rating agency Moody's has reconfirmed the long-term deposit rating of Qatar Islamic Bank (QIBK) at 'A1', with a 'Stable' outlook. QIBK remains Qatar's second largest bank and the largest Islamic bank in the country, with a market share of around 10.5% of Qatar's banking system assets, and a consolidated asset base of QR170bn, Moody's said in a report. The lender's assigned rating reflects the strong asset quality, good profitability, adequate capital buffers and limited market-funding reliance, it said, adding that QIBK's 'Stable' outlook also takes into account the stable outlook on the Qatari government's bond rating of 'Aa3'. QIBK has reported strong profitability which has been broadly stable in the 1.4-1.7% return on tangible assets, supported by the strong growth of the bank, which itself reflects the increasing penetration of Shari'ah compliant assets in Qatar. (Gulf-Times.com, QSE)
- QGRI discloses Lawsuit** – Qatar General Insurance & Reinsurance Company (QGRI) disclosed the registration of a shareholders Lawsuit Number 2367 / 2020 "Plenary Civil Court" against the Company and its Temporary Board of Directors before the Court of First Instance circuit number (8) in Al-Dafna. (QSE)
- Qatar 2022 infrastructure 90% complete** – The Infrastructure planned for the FIFA World Cup 2022 in Qatar has reached 90% completion, with the three stadiums that have already been finalized – Khalifa International, Al Janoub and Education City – safely hosting more than 100 matches in 2020 in spite of the COVID-19 pandemic. Three more tournament venues are in the final stages of construction: Al Rayyan, Al Bayt and Al Thumama. The main works at the remaining two stadiums – Ras Abu Aboud and Lusail – are set to be completed in 2021. (Qatar Tribune)

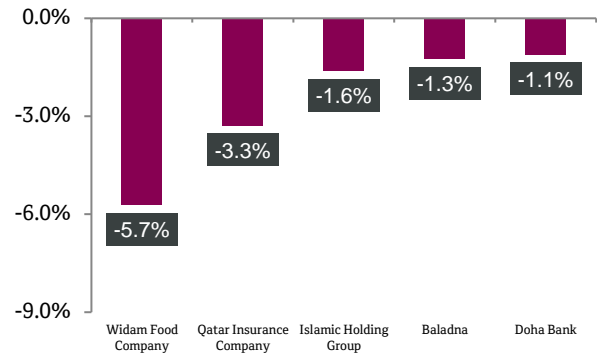
Qatar Stock Exchange

Top Gainers



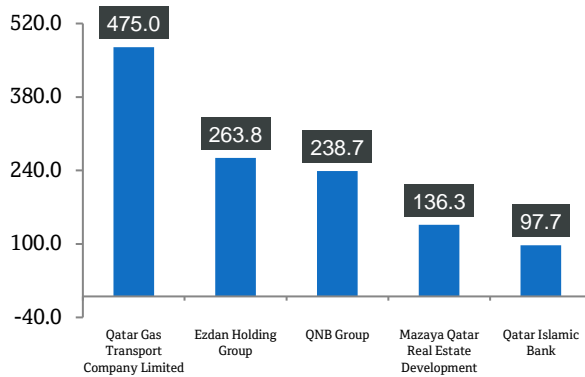
Source: Qatar Stock Exchange (QSE)

Top Decliners



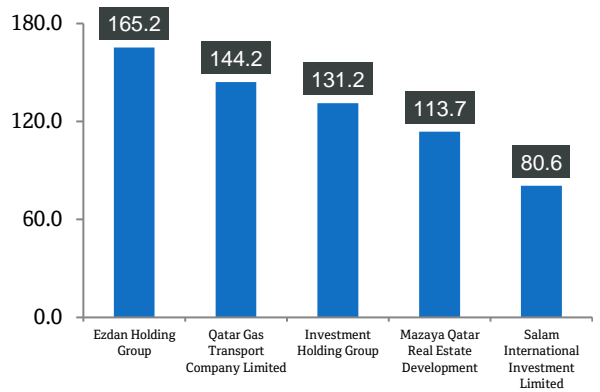
Source: Qatar Stock Exchange (QSE)

Most Active Shares by Value (QR Million)



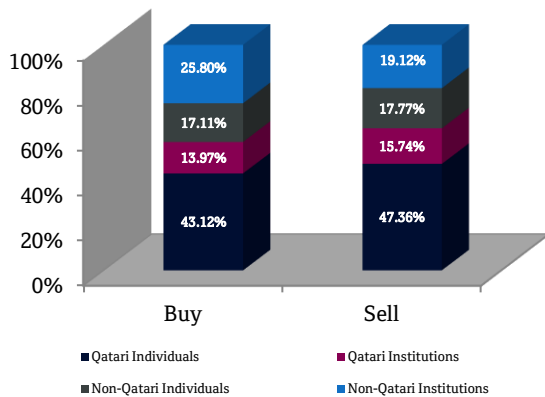
Source: Qatar Stock Exchange (QSE)

Most Active Shares by Volume (Million)



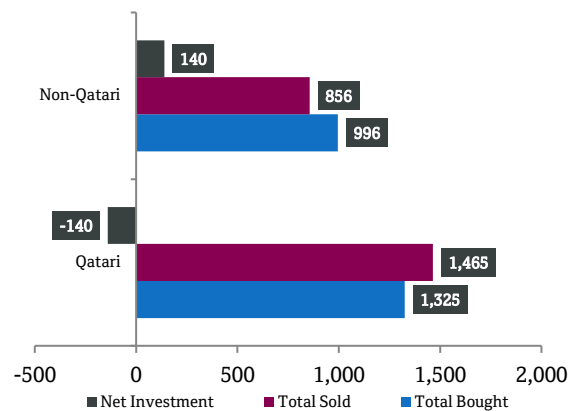
Source: Qatar Stock Exchange (QSE)

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 QSE Index managed to get back on its track and closed in the green along the uptrend, as per our expectation last week. The Index gained 1.81% and closed at 10,290.20. Our outlook on the Index remains positive as the trend remains up and strong. Our support level remains at the 9,800 level and the resistance at 10,500 level on the weekly chart.

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 November 26	% Change WTD	% Change YTD	Market Cap. QR Million	TTM P/E	P/B	Div. Yield
Qatar National Bank	18.07	0.39	(12.24)	166,902	15.3	2.3	3.3
Qatar Islamic Bank	16.96	1.62	10.63	40,075	14.1	2.3	3.1
Commercial Bank of Qatar	4.42	2.01	(5.98)	17,885	12.3	1.0	4.5
Doha Bank	2.42	(1.10)	(4.43)	7,497	15.3	0.8	N/A
Al Ahli Bank	3.20	0.00	(4.00)	7,775	12.3	1.3	4.5
Qatar International Islamic Bank	8.74	1.50	(9.72)	13,228	15.0	2.2	4.9
Masraf Al Rayan	4.30	1.06	8.59	32,250	14.7	2.3	5.2
Al Khaliji Bank	1.82	4.48	38.93	6,552	10.3	1.0	4.1
Qatar First Bank	1.66	0.24	103.42	1,165	N/A	2.5	N/A
National Leasing	1.18	3.51	67.09	583	30.9	0.8	4.2
Dlala Holding	1.93	1.85	215.06	547	N/A	2.7	N/A
Qatar & Oman Investment	0.85	2.17	26.76	267	21.2	0.9	2.4
Islamic Holding Group	3.48	(1.61)	83.26	197	35.8	1.4	N/A
Banking and Financial Services				294,923			
Zad Holding	15.00	1.56	8.54	3,555	17.6	2.5	5.7
Qatar German Co. for Medical Devices	1.75	0.63	201.37	203	N/A	6.7	N/A
Salam International Investment	0.61	2.33	18.76	702	N/A	0.4	N/A
Baladna	1.90	(1.25)	89.50	3,602	N/A	1.6	1.1
Medicare Group	8.78	0.45	3.89	2,471	30.1	2.5	20.5
Qatar Cinema & Film Distribution	4.10	7.30	86.36	258	58.8	0.2	2.4
Qatar Fuel	18.40	(1.08)	(19.65)	18,294	23.6	2.3	4.3
Qatar Meat and Livestock	6.60	(5.71)	(2.37)	1,188	13.9	2.9	4.5
Mannai Corp.	3.04	1.67	(1.30)	1,387	N/A	0.7	6.6
Al Meera Consumer Goods	21.28	5.29	39.08	4,256	21.0	3.1	4.0
Consumer Goods and Services				35,915			
Qatar Industrial Manufacturing	3.04	(0.72)	(14.96)	1,443	18.0	0.9	4.9
Qatar National Cement	4.00	1.01	(29.20)	2,614	21.5	0.9	7.5
Industries Qatar	10.78	8.34	4.86	65,219	44.5	2.0	3.7
Qatari Investors Group	1.78	1.37	(0.56)	2,213	28.3	0.8	3.1
Qatar Electricity and Water	17.73	1.72	10.19	19,503	13.0	2.1	4.4
Aamal	0.85	2.17	4.31	5,342	34.4	0.7	4.7
Gulf International Services	1.56	4.34	(9.13)	2,905	49.7	0.8	N/A
Mesaieed Petrochemical Holding	2.04	0.94	(18.73)	25,629	24.8	1.6	3.4
Invesment Holding Group	0.58	2.67	2.13	478	10.1	0.6	N/A
Qatar Aluminum Manufacturing	0.94	1.96	20.10	5,234	N/A	0.9	1.1
Industrials				130,580			
Qatar Insurance	2.50	(3.29)	(20.89)	8,165	N/A	1.1	6.0
Doha Insurance	1.35	4.82	12.25	674	12.5	0.6	5.9
Qatar General Insurance & Reinsurance	2.38	5.31	(3.25)	2,083	N/A	0.4	N/A
Al Khaleej Takaful Insurance	1.93	(1.08)	(3.55)	492	16.7	0.9	2.6
Qatar Islamic Insurance	6.63	2.77	(0.75)	995	13.8	2.7	5.7
Insurance				12,408			
United Development	1.54	1.45	1.45	5,460	27.2	0.5	3.2
Barwa Real Estate	3.37	1.35	(4.80)	13,114	9.2	0.7	5.9
Ezdan Real Estate	1.59	8.02	158.54	42,175	N/A	1.3	N/A
Mazaya Qatar Real Estate Development	1.21	(0.82)	67.59	1,395	46.7	0.1	N/A
Real Estate				62,143			
Ooredoo	6.72	0.27	(5.11)	21,519	11.3	0.9	3.7
Vodafone Qatar	1.33	1.22	14.74	5,626	35.0	1.3	3.8
Telecoms				27,145			
Qatar Navigation (Mlaha)	6.45	3.95	5.66	7,381	14.3	0.5	4.7
Gulf Warehousing	5.08	0.79	(7.30)	298	12.5	1.6	3.9
Qatar Gas Transport (Nakilat)	3.25	1.66	36.07	18,017	15.4	3.0	3.1
Transportation				25,696			
Qatar Exchange				591,491			

Source: Bloomberg

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