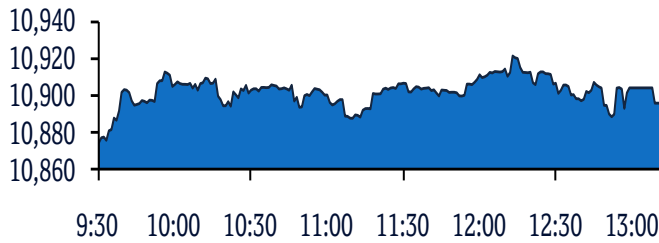


QSE Intra-Day Movement



Qatar Commentary

The QE Index rose marginally to close at 10,896.9. Gains were led by the Real Estate and Transportation indices, gaining 1.1% and 1.0%, respectively. Top gainers were Qatar Oman Investment Company and Aamal Company, rising 9.9% and 3.3%, respectively. Among the top losers, Aljarah Holding fell 1.5%, while Al Meera Consumer Goods Company was down 1.3%.

GCC Commentary

Saudi Arabia: The TASI Index fell 0.6% to close at 10,252.2. Losses were led by the Utilities and Software & Services indices, falling 3.2% and 2.1%, respectively. Saudi Electricity Co. declined 3.6%, while Arab Sea Information Systems was down 3.4%.

Dubai: The DFM Index gained 0.2% to close at 2,650.2. The Services index rose 1.2%, while the Transportation index gained 0.8%. Emirates Refreshments Company rose 5.2%, while Aan Digital Services Holding Co. was up 3.6%.

Abu Dhabi: The ADX General Index fell marginally to close at 6,115.9. The Cons. Staples index declined 0.7%, while the Telecom. index fell 0.5%. Abu Dhabi Nat. Co. for Building declined 9.7%, while Ras Al Khaimah Cement was down 1.0%.

Kuwait: The Kuwait All Share Index gained 0.8% to close at 6,233.0. The Industrials index rose 6.4%, while the Consumer Discretionary index gained 4.8%. Sultan Center Food Products rose 18.5%, while Agility Public Warehousing was up 11.6%.

Oman: The MSM 30 Index gained 0.3% to close at 3,810.5. Gains were led by the Services and Industrial indices, rising 0.4% and 0.3%, respectively. National Gas Company rose 6.3%, while Al Sharqiya Investment Holding Company was up 4.4%.

Bahrain: The BHB Index gained 0.9% to close at 1,514.0. The Industrial and Commercial Banks indices rose 1.4% each. Zain Bahrain rose 2.8%, while Khaleeji Commercial Bank was up 2.0%.

Market Indicators	05 May 21	04 May 21	%Chg.
Value Traded (QR mn)	498.2	380.3	31.0
Exch. Market Cap. (QR mn)	631,394.1	630,268.7	0.2
Volume (mn)	265.9	168.0	58.3
Number of Transactions	8,788	7,745	13.5
Companies Traded	45	46	(2.2)
Market Breadth	19:22	12:31	-

Market Indices	Close	1D%	WTD%	YTD%	TTMP/E
Total Return	21,570.98	0.0	(0.1)	7.5	18.5
All Share Index	3,442.67	0.0	(0.2)	7.6	19.2
Banks	4,492.05	(0.0)	(0.3)	5.7	15.7
Industrials	3,634.34	(0.3)	(0.4)	17.3	27.9
Transportation	3,489.56	1.0	0.3	5.8	23.3
Real Estate	1,925.76	1.1	1.2	(0.2)	18.3
Insurance	2,648.37	0.5	(0.1)	10.5	25.1
Telecoms	1,091.33	(0.2)	0.3	8.0	28.9
Consumer	8,297.02	(0.1)	(0.4)	1.9	29.5
Al Rayan Islamic Index	4,654.10	(0.0)	(0.1)	9.0	20.0

GCC Top Gainers**	Exchange	Close*	1D%	Vol. '000	YTD%
Agility Public Wareh. Co.	Kuwait	1.10	11.6	10,956.6	62.3
Mabane Co.	Kuwait	0.74	3.3	1,932.4	19.6
Ezdan Holding Group	Qatar	1.80	2.7	38,691.9	1.5
Ahli United Bank	Bahrain	0.71	1.9	619.2	(2.6)
Bank Dhofar	Oman	0.11	1.9	443.4	12.4

GCC Top Losers**	Exchange	Close*	1D%	Vol. '000	YTD%
Saudi Electricity Co.	Saudi Arabia	24.20	(3.6)	8,675.4	13.6
Banque Saudi Fransi	Saudi Arabia	35.75	(2.3)	364.8	13.1
Dar Al Arkan Real Estate	Saudi Arabia	10.38	(2.3)	21,027.6	19.9
Bank Al-Jazira	Saudi Arabia	18.14	(2.1)	1,855.0	32.8
HSBC Bank Oman	Oman	0.10	(2.0)	372.0	9.9

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

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Qatar Oman Investment Company	1.05	9.9	37,626.2	18.8
Aamal Company	0.97	3.3	8,747.6	13.6
Mannai Corporation	4.00	2.8	447.9	33.2
Ezdan Holding Group	1.80	2.7	38,691.9	1.5
Qatari Investors Group	2.35	1.9	15,377.2	30.0

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Salam International Inv. Ltd.	0.87	0.1	47,780.0	33.0
Ezdan Holding Group	1.80	2.7	38,691.9	1.5
Qatar Oman Investment Company	1.05	9.9	37,626.2	18.8
Investment Holding Group	1.08	1.2	25,224.2	79.8
Qatar Aluminium Manufacturing	1.55	(0.4)	16,322.9	59.8

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Aljarah Holding	1.17	(1.5)	3,692.4	(5.7)
Al Meera Consumer Goods Co.	18.80	(1.3)	557.1	(9.2)
Al Khaleej Takaful Insurance Co.	3.82	(1.0)	615.7	101.0
Industries Qatar	13.45	(0.8)	819.4	23.7
Gulf Warehousing Company	5.10	(0.8)	154.8	0.0

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
Ezdan Holding Group	1.80	2.7	69,377.4	1.5
Salam International Inv. Ltd.	0.87	0.1	41,002.6	33.0
Qatar Oman Investment Co.	1.05	9.9	38,053.6	18.8
Qatari Investors Group	2.35	1.9	36,354.4	30.0
QNB Group	17.92	0.0	29,298.4	0.5

Source: Bloomberg (* in QR)

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded (\$ mn)	Exchange Mkt. Cap. (\$ mn)	P/E**	P/B**	Dividend Yield
Qatar*	10,896.86	0.0	(0.1)	(0.1)	4.4	135.00	170,413.3	18.5	1.6	2.7
Dubai	2,650.18	0.2	1.7	1.7	6.3	20.22	100,213.1	20.4	0.9	3.1
Abu Dhabi	6,115.94	(0.0)	1.1	1.1	21.2	308.94	242,354.2	21.6	1.7	4.3
Saudi Arabia	10,252.15	(0.6)	(1.6)	(1.6)	18.0	1,648.61	2,572,828.5	30.0	2.3	1.9
Kuwait	6,232.97	0.8	2.0	2.0	12.4	308.46	118,152.4	46.5	1.5	2.2
Oman	3,810.46	0.3	1.3	1.3	4.1	6.79	17,199.2	11.5	0.7	4.7
Bahrain	1,513.99	0.9	2.0	2.0	1.6	2.93	23,262.2	31.6	1.0	2.2

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 rose marginally to close at 10,896.9. The Real Estate and Transportation indices led the gains. The index rose on the back of buying support from GCC and Foreign shareholders despite selling pressure from Qatari and Arab shareholders.
- Qatar Oman Investment Company and Aamal Company were the top gainers, rising 9.9% and 3.3%, respectively. Among the top losers, Alijarah Holding fell 1.5%, while Al Meera Consumer Goods Company was down 1.3%.
- Volume of shares traded on Wednesday rose by 58.3% to 265.9mn from 168.0mn on Tuesday. However, as compared to the 30-day moving average of 292.1mn, volume for the day was 9.0% lower. Salam International Investment Limited and Ezdan Holding Group were the most active stocks, contributing 18.0% and 14.6% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	50.04%	50.73%	(3,438,531.5)
Qatari Institutions	13.30%	23.61%	(51,373,834.7)
Qatari	63.34%	74.34%	(54,812,366.2)
GCC Individuals	0.39%	0.42%	(167,730.6)
GCC Institutions	3.04%	1.59%	7,209,995.5
GCC	3.43%	2.01%	7,042,264.9
Arab Individuals	14.78%	14.92%	(711,911.0)
Arab Institutions	-	-	-
Arab	14.78%	14.92%	(711,911.0)
Foreigners Individuals	4.60%	3.61%	4,944,286.1
Foreigners Institutions	13.86%	5.12%	43,537,726.1
Foreigners	18.46%	8.73%	48,482,012.2

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

Earnings Releases, Global Economic Data and Earnings Calendar

Earnings Releases

Company	Market	Currency	Revenue (mn) 1Q2021	% Change YoY	Operating Profit (mn) 1Q2021	% Change YoY	Net Profit (mn) 1Q2021	% Change YoY
Saudi Airlines Catering Co.	Saudi Arabia	SR	256.3	-43.4%	(18.6)	N/A	(30.0)	N/A
Saudi Electricity Co.	Saudi Arabia	SR	13,348.0	17.1%	2,260.0	N/A	1,689.0	N/A
Saudi Vitriified Clay Pipes Co.	Saudi Arabia	SR	24.8	-39.0%	0.9	-84.6%	0.2	-95.7%
Saudi Chemical Co.	Saudi Arabia	SR	969.5	21.2%	60.7	11.7%	40.8	7.5%
Saudi Re for Cooperative Reinsurance Co.	Saudi Arabia	SR	834.3	58.1%	-	-	8.2	14.9%
Al Jouf Agricultural Development Co.	Saudi Arabia	SR	61.4	33.0%	-	-	3.8	-41.4%
Aseer Trading, Tourism & Manufacturing Co.	Saudi Arabia	SR	426.2	4.9%	-	-	(1.4)	N/A
Arriyadh Development Co.	Saudi Arabia	SR	63.1	10.7%	-	-	111.0	216.2%
Alahlhi Takaful Co.	Saudi Arabia	SR	83.3	42.5%	-	-	3.3	N/A

Source: Company data, DFM, ADX, MSM, TASI, BHB.

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
05/05	US	Mortgage Bankers Association	MBA Mortgage Applications	30-Apr	-0.9%	-	-2.5%
05/05	US	Markit	Markit US Services PMI	Apr	64.7	63.1	63.1
05/05	US	Markit	Markit US Composite PMI	Apr	63.5	-	62.2
05/05	US	Institute for Supply Management	ISM Services Index	Apr	62.7	64.1	63.7
05/05	EU	Markit	Markit Eurozone Services PMI	Apr	50.5	50.3	50.3
05/05	EU	Markit	Markit Eurozone Composite PMI	Apr	53.8	53.7	53.7
05/05	EU	Eurostat	PPI MoM	Mar	1.1%	1.2%	0.5%
05/05	EU	Eurostat	PPI YoY	Mar	4.3%	4.3%	1.5%
05/05	Germany	Markit	Markit Germany Services PMI	Apr	49.9	50.1	50.1
05/05	Germany	Markit	Markit/BME Germany Composite PMI	Apr	55.8	56.0	56.0
05/05	France	Markit	Markit France Services PMI	Apr	50.3	50.4	50.4
05/05	France	Markit	Markit France Composite PMI	Apr	51.6	51.7	51.7
05/05	India	Markit	Markit India PMI Services	Apr	54.0	-	54.6
05/05	India	Markit	Markit India PMI Composite	Apr	55.4	-	56

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 1Q2021 results	No. of days remaining	Status
QGRI	Qatar General Insurance & Reinsurance Company	-	-	Due

Source: QSE

News

Qatar

- **QNB receives Mastercard Award for Most Promising Commercial Cards Program in MEA Region** – QNB Group, the largest financial institution in the Middle East and Africa, recently received the award for “The Most Promising Commercial Cards Program in MEA” from Mastercard, in recognition of the Bank’s highly competitive set of Commercial Payment propositions. QNB’s cutting-edge payment solutions come with a range of benefits and privileges, specially curated to meet the ever-changing demands of the commercial customers. The commercial cards program has been designed to allow corporates and SMEs to better manage their expenses, payables, and overall cashflow. The cards are adaptable and can be used in combination with corporate reporting and expense management solutions. They have also driven greater visibility and efficiency into corporate purchasing decisions and general expenditures. Furthermore, QNB’s commercial card solutions are enabled to have merchant level transaction control, giving companies greater peace of mind with their day-to-day activities. Other benefits include the Corporate Liability Waiver, which protects commercial customers against any potential misuse of cards. However, the most notable feature of the solution is the rich and detailed information, which corporate clients can access and gain through QNB’s Mastercard Smart Data platform. These world-class payment solutions come with great flexibility and easy usage. Mastercard awarded QNB the plaques in a private online ceremony attended by QNB’s Executive General Manager and Group Chief Business Officer, Mr. Yousef Mahmoud Al-Neama, Group Retail General Manager, Ms. Heba Al-Tamimi and Acting General Manager Group Corporate and Institutional Banking, Mr. Ali Abdullah Darwish. Commenting on this achievement, Mr. Yousef Mahmoud Al-Neama, QNB’s Executive General Manager and Group Chief Business Officer, said “QNB’s Commercial Cards and Payment solution is the best in class commercial payment instrument which we are confident will bring about great benefits to our customers. We are committed to bring about the safest, most convenient and rewarding solution to the business community, reiterating our focus and intention to growing the corporate payments market which supports Qatar’s cashless society vision.” Nadia Ghissassi, Country Manager Qatar, Oman, Kuwait & Iraq, Mastercard said: “QNB’s wide range of commercial cards comes complete with world-class capabilities, powered by Mastercard’s technology and QNB’s exclusive benefits. We are focused on helping both corporates and SMEs by giving them innovative products and payment solutions that enable them to scale and grow and make the most of the digital economy. Our long-standing partnership with QNB is a testament to our commitment of catering to discerning Qatari businesses and driving digital transformation in the country.” (QNB Press Release)
- **Cabinet: COVID-19 measures to continue** – The Cabinet yesterday stressed that the precautionary measures adopted to combat the COVID-19 pandemic shall continue. HE the Prime Minister and Minister of Interior Sheikh Khalid bin Khalifa bin Abdulaziz Al-Thani chaired the Cabinet’s regular meeting held via videoconference. Following the meeting, HE the Minister of Justice and Acting Minister of State for Cabinet Affairs Dr Issa Saad Al-Jafali Al-Nuaimi explained that at the outset the Cabinet listened to the explanation provided by HE the Minister of Public Health on the latest developments regarding the steps taken to curb the spread of COVID-19. The Cabinet approved a draft law on the protection of trademarks, copyright and neighboring rights of the International Football Association (FIFA), and decided to refer it to the Shura Council. Among the provisions contained in the draft law are provisions that stipulate the registration of FIFA trademarks, the deposit of works, audio recordings, performances of performers and FIFA radio programs with the office, at the request of FIFA or its representative for this purpose. The power of attorney must be notarized. (Gulf-Times.com)
- **Qatar to participate in SPIEF 2021 as guest country** – Qatar will participate as a guest country in the St. Petersburg International Economic Forum (SPIEF) slated for June 2-5. According to the Qatari Media Relations Office at the SPIEF, the Qatari delegation is expected to be amongst the largest business delegations yet to be formed for an external forum of this type, reiterating Qatar’s commitment to expanding the bilateral economic ties with the Russian Federation and expanding them to new horizons. The delegation includes more than 50 Qatari organizations with businessmen, high-ranking officials and political figures, heads of authorities and civil society organizations. Within the framework of the SPIEF business program, discussions will be held on the industrial, economic, investment, technological, educational, cultural and sports potential of the State of Qatar. The SPIEF exhibition program will be enhanced by the Qatar Pavilion, representing multiple Qatari entities and hosting bilateral meetings, debates, and round tables on Qatar’s bilateral engagement with Russia and other countries. An extensive program of Qatari cultural events has also been prepared. It will be held within the framework of the Forum at various venues around St. Petersburg. Residents and guests of St. Petersburg may also attend the events of this cultural program. (Qatar Tribune)
- **Real estate trade value exceeds QR1.9bn in April** – The volume of real estate transaction in sales contracts registered with the Real Estate Registration Department at the Ministry of Justice in

April reached QR1.999bn. The data of the analytical real estate bulletin issued by the Ministry of Justice showed that 403 real estate deals were registered during the same month. The municipalities of Al Rayyan, Doha and Al Daayen topped the most active transactions in terms of financial value during the month of April, followed by the municipalities of Umm Salal, Al Wakrah, Al Khor, Al Dakhira and Al Shamal. The financial value of Al Rayyan municipality's transactions amounted to QR768.165mn, while the money value of the transactions of the Doha municipality amounted to QR686.134mn and the financial value of Al Daayen municipality's transactions amounted to QR274.702mn. The financial value of transactions for Umm Salal reached QR141.123mn, while Al Wakra municipality recorded transactions worth QR54.377mn. The municipality of Al Khor and Al Dakhira recorded transactions worth QR48.296mn, while Al Shamal Municipality recorded transactions worth QR26.4mn. In terms of the traded areas index, the indicators show that the municipalities of Al Rayyan, Doha and Al Daayen were the most active municipalities for real estate areas traded during the month of April. Al Rayyan led with 32%, followed by Doha municipality by 27%, and Al Daayen with 17%. While Umm Salal municipality registered 9%, and the municipalities of Al Wakrah, Al Khor, Al Dakhira and Al Shamal recorded traded areas at 5% each. (Qatar Tribune)

- **ORDS broadens its digital experience for B2B customers** – Ooredoo (ORDS), Qatar's leading digital enabler has announced the addition of a WhatsApp ordering facility to its business customers' access to its services. Business customers of the telecommunication leader can now use WhatsApp to position orders, as part of its vision of 'Enriching people's digital lives,' and to provide additional support as the COVID-19 pandemic situation continues. B2B customers can position an order quickly and easily by outlining the order and adding the appropriate documents to the dedicated WhatsApp line on 4414 1111. The dedicated WhatsApp line for Business customers will be open seven days a week, from 7 a.m. to 10 p.m., with a team of experts on hand to provide guidance and assistance. (Qatar Tribune)
- **Pandemic accelerated digital transformation in financial sector** – Banks, Fintechs and consumers have been riding the digital transformation wave for a few years but with COVID-19 pandemic going digital is not just a choice, it has become a survival mechanism. The pandemic has accelerated the pace of digital transformation in financial sector, said experts during a webinar hosted by Doha Bank. In a webinar entitled 'Digital Transformation and Changing Business Model' an official said, 85% of all financial transactions in Doha Bank are now conducted through its digital channels by customers and 95% of money transfers are done through mobile and Internet banking services. Doha Bank, Chief Executive Officer, R Seetharaman, said "We live in a changing world, facing extraordinary challenges which can be seen by the pace in digital acceleration in past 15 months. The consequential impact in terms of the overall pandemic has wide implications in economic risk and governance." "The wise leadership and governance in Qatar have stepped up proactive and sovereign support in every situation. SMEs with the support of the government, Qatar Development Bank joined the partnership to support their rentals and wage protection." "Convergence of technology in every form of industry, every business model is being redefined.

According to IMF's World Economic Outlook April 2021 projection, the global growth is set to be around 6%, advanced economies are to perform around 5.1% and emerging markets and developing economies should be doing around 6.7%." "Digital disruption is not confined to a single opportunity, but it is a bigger opportunity in substance as industries are getting redefined, health is getting reimagined, future of work is changing, and everything is smart. We are interconnected, interdependent to a large extent, the way we are doing business is redefined, urban, rural economics is changing. Everything is not location centric rather information centric. He pointed, digital transformation is a broad term encompassing any initiative to use digital technology to improve business processes and activities to better meet the needs of consumers. A radical shift in thinking is required as on banking side we are witnessing open banking, Application Programming Interface (API) which is going to improve the productivity, cost efficiency and operation improvement. (Peninsula Qatar)

International

- **Fed's Mester: Will be 'deliberately patient' regarding inflation** – The US economy is recovering faster than many policymakers had expected, but a "broad-based recovery is taking more time to achieve" and more progress will be needed in the job market before the Federal Reserve's conditions for reducing its extensive support will be met, the head of the Federal Reserve Bank of Cleveland said. The unemployment rate could fall to 4.5% or less this year and gross domestic product growth is likely to be in the "6 to 7% range," Cleveland Fed President Loretta Mester said in prepared remarks to the Boston Economic Club. Mester said the inflation pressures she and others expect to surface this year, arising from comparisons with depressed levels a year ago and supply bottlenecks that are emerging as the economy reopens, should not be enough to meet the Fed's stringent forward guidance for reducing its current accommodative policy stance. While the labor market is improving, further progress is also needed before any change to the Fed's asset purchase program should be on the table, she added. At its most recent policy meeting last week, the Fed took a rosier view of the US economic recovery and the nation's battle to contain the coronavirus outbreak, but said it was too early to consider rolling back its emergency support, with so many workers still left jobless by the pandemic. (Reuters)
- **Bowman: Economy may be stronger than Fed officials recently projected** – The US economy may be growing more quickly and unemployment falling faster than the core of Federal Reserve policymakers projected in March, Fed Governor Michelle Bowman said, a development that could fuel debate about the outlook for monetary policy. Bowman said that as of March her views were in line with the median projections of her colleagues, which anticipated gross domestic product growth of 6.5% in 2021 and an unemployment rate of 4.5% by the end of the year. But "incoming data indicate that economic activity is on an upswing, and the risks of more negative outcomes - especially those from COVID-19 - appear to be easing," Bowman said in remarks to a Colorado economic group. "It now appears that real gross domestic product may increase close to or even above the higher end" of the 5.8%-6.6% range most Fed officials expected when their last projections were issued at the end of the policy

meeting in March. For unemployment, “it seems possible that it may fall even further ... I expect the pace of job creation to remain unusually strong over the spring and summer.” Bowman did not indicate that she felt a stronger recovery would or should shift Fed policy, which is currently committed to \$120 billion in monthly bond purchases until the job market improves further, and to keep its key overnight interest rate near zero until healing from the coronavirus recession is all but complete and inflation meets the Fed’s 2% target. Indeed, Bowman said that while inflation will rise this year, she agrees with the Fed consensus that the risk of an outsized and persistent jump in inflation “still appears small.” Even with the expected stronger job growth, “we still have a long way to go,” she said. (Reuters)

- **US private payrolls post biggest gain in seven months as labor market recovery gains steam** – US private payrolls surged by the most in seven months in April as companies rushed to boost production amid a surge in demand, suggesting the economy gained further momentum early in the second quarter, powered by massive government aid and rising COVID-19 vaccinations. Strengthening labor market conditions were reinforced by other data on Wednesday showing a measure of services industry employment increased last month by the most in more than 2-1/2 years. The reports bolstered expectations for another month of blockbuster employment growth in April. Private payrolls rose by 742,000 jobs last month, the largest gain since last September, the ADP National Employment Report showed. Companies hired 565,000 workers in March. Economists polled by Reuters had forecast private payrolls would increase by 800,000 jobs in April. The acceleration in hiring was across the board, with the leisure and hospitality sector adding 237,000 jobs. Manufacturers hired 55,000 workers and payrolls in the construction sector increased by 41,000 jobs. The ADP report is jointly developed with Moody’s Analytics. It, however, likely understates the pace of job growth. Since the recovery from the pandemic started, ADP has underestimated the private payrolls count in the government’s more comprehensive, and closely watched, employment report because of methodology differences. (Reuters)
- **ISM survey: US service sector slows modestly in April** – US services industry activity grew at a slightly slower pace in April, likely restrained by shortages of inputs amid a burst of demand that is being driven by massive fiscal stimulus and a rapidly improving public health environment. The Institute for Supply Management (ISM) said on Wednesday its non-manufacturing activity index fell to a reading of 62.7 last month from 63.7 in March, which was the highest on record. A reading above 50 indicates growth in the services sector, which accounts for more than two-thirds of US economic activity. Economists polled by Reuters had forecast the index rising to 64.3 in April. The findings mirrored the ISM’s manufacturing survey published on Monday showing bottlenecks in the supply chain constraining factory activity in April. The economy is experiencing a boom in demand, thanks to the White House’s massive \$1.9tn pandemic relief package and the expansion of the COVID-19 vaccination program to all adult Americans. Inventories at businesses were drawn down in the first quarter as consumer spending soared. The economy grew at a 6.4% annualized rate in the January-March quarter after expanding at a 4.3% pace in the fourth quarter. Most economists expect double-digit GDP growth this quarter, which would position the economy for growth of at least

7%, which would be the fastest since 1984. The economy contracted 3.5% in 2020, its worst performance in 74 years. (Reuters)

- **Spain expects 69.5bn Euros from EU rescue funds in next three years** – Spain expects to receive 69.5bn Euros (\$83.46bn) from European Union rescue funds in the next three years, Economy Minister Nadia Calvino said in a news conference to explain how the funds will be used. That is around half of the total 140bn Euros package allocated to Spain. Thanks in part to the stimulus, which will be directed to finance large projects and recapitalize companies, Spain expects economic output to return to pre-pandemic levels by the end of 2022, Calvino said. (Reuters)
- **UK construction reports biggest rise in workload since 2016** – Britain’s construction sector is seeing the biggest increase in its workload in five years, led by strong demand for housing and the resumption of other projects as the coronavirus pandemic eases, a quarterly survey showed. The Royal Institution of Chartered Surveyors said members expected profit margins in the sector to increase for the first time since 2019 and for recruitment and volumes of work to rise over the coming months. The balance for workloads rose to +26 in the first quarter of 2021 from +2 in the fourth quarter, its highest since early 2016. Private residential construction saw the biggest increase, followed by infrastructure. Social housing, public-sector works and industrial and commercial projects also rose. The RICS survey took place between March 12 and April 11. Britain’s property market has performed much more strongly than the wider economy during the past year’s pandemic, due to a tax cut on house purchases and a jump in demand for larger homes outside city centres which are more suited to home-working. RICS said the biggest constraint on construction was now a shortage of building materials, rather than the financing difficulties faced in previous quarters. Productivity in the sector was down by about 5% due to social distancing requirements for workers, but this was a smaller impact than surveyors had expected when the new rules were introduced last year. Official data for February still showed output was 4.3% lower than a year earlier. But other private-sector surveys have also pointed to fast growth more recently. IHS Markit’s Purchasing Managers’ Index for the construction sector showed the largest rise in output since 2014 in March. (Reuters)
- **PMI: Eurozone business growth picked up in April as services expanded** – Eurozone business activity accelerated last month as the bloc’s dominant services industry shrugged off renewed lockdowns and returned to growth, according to a survey that also showed firms were facing soaring costs for raw materials. Europe is enduring a third wave of coronavirus infections, forcing some governments to renew lockdown measures to contain its spread, but factories have largely remained open and the services industry has adapted. So IHS Markit’s final composite Purchasing Managers’ Index (PMI), seen as a good gauge of economic health, climbed to 53.8 last month from March’s 53.2. That was just ahead of the preliminary 53.7 reading and comfortably above the 50 mark separating growth from contraction. The bloc’s economy is set to grow 1.5% this quarter, a Reuters poll found last month. A PMI for the bloc’s service industry rose to 50.5 from 49.6, pipping the flash 50.3 estimate. That followed a manufacturing PMI on Monday that

showed factory activity growth surged to a record high in April. France's service sector returned to growth last month despite a new national coronavirus lockdown but it stagnated in Germany as restrictions in Europe's largest economy halted a recovery, earlier surveys showed. Italy's services industry contracted for the ninth month running but Spain saw a return to growth for the first time since July as businesses anticipated the easing of COVID-19 restrictions. But supply chain disruptions caused by the pandemic led to rocketing prices for manufacturers. The composite input prices index jumped to 64.0 from 61.9, its highest in 10 years. Although the euro zone vaccine program was initially hit with problems it has started to pick up and optimism amongst services firms improved. The business expectations index climbed to 68.4 from 67.4, its highest in over a decade. (Reuters)

- Eurozone producer prices accelerate in March to stoke inflation** – Eurozone producer prices accelerated in line with expectations in March, driven by increases for energy and intermediate goods, data showed, reinforcing forecasts of higher consumer inflation in the coming months. European Union statistics office Eurostat said prices at factory gates in the 19 countries sharing the euro rose 1.1% MoM for a YoY increase of 4.3%, a 29-month high. That compared with market expectations of respectively 1.1% and 4.2%. Changes in prices at factory gates are usually transmitted to final consumers and therefore herald trends in inflation that the European Central Bank targets with its monetary policy. Eurozone consumer inflation jumped in April to a two-year high of 1.6%, taking another step higher in a sharp climb that could push it above the European Central Bank's target of near 2% later this year. The ECB has predicted the surge, warning that inflation may even exceed its target by the close of the year, but has promised to look past what it expects to be a temporary spike in its policy decisions. US Treasury Secretary Janet Yellen said on Tuesday that rate hikes may be needed to stop the economy overheating as President Joe Biden's spending plans boost growth, though later said she saw no inflation problem brewing. The main change in producer prices in March came from a jump in energy costs, which were up 10.3% YoY. But even excluding energy, producer prices rose 2.3% in March after an 1.2% increase in February. Prices of intermediate goods rose 4.4% YoY in March after a 2.5% rise in February. Price rises for capital and durable consumer goods also accelerated, while for non-durable consumer goods they rose after three months of declines. (Reuters)
- Spain favors reforming EU budget deficit rules, minister says** – Spain is in favor of reforming European Union fiscal straight-jacket rules that set a maximum of 3% of gross domestic product for member states' budget deficit, the economy minister said. The rule has been suspended until 2022 to allow countries extra fiscal firepower to increase spending to weather the coronavirus pandemic. "The Spanish government considers that we must revise these rules before we emerge from the extraordinary situation generated by the pandemic," Nadia Calvino told a news conference. (Reuters)
- India's services growth slowed further in April, input costs soared** – Growth in India's dominant services sector eased to a three-month low in April but remained unexpectedly resilient even as the COVID-19 crisis intensified and cost pressures rose

at the fastest pace in over nine years, a private survey showed. The Nikkei/IHS Markit Services Purchasing Managers' Index fell to 54.0 last month from 54.6 in March, its lowest since January but still well above the 50-mark separating growth from contraction and outpacing expectations in a Reuters poll for a fall to 51.1. Despite the new business sub-index holding at the same level as in March and business expectations remaining positive, sentiment towards prospects for the year-ahead fell to a six-month low. That chimed with a Reuters poll last week that found although economic growth forecasts have not yet been much impacted by the record-setting COVID-19 second wave, further downgrades were likely. India's tally of coronavirus infections surged past 20mn, boosted by 357,229 new cases over the last 24 hours, while deaths rose 3,449 for a toll of 222,408. At least 11 states and regions have ordered curbs on movement to stem infections, but Prime Minister Narendra Modi's government, widely criticized for allowing the crisis to spin out of control, is reluctant to announce a national lockdown, concerned about the economic impact. Adding to pressure on services companies, input costs, which have risen for 10 consecutive months on higher food and fuel prices, rose at the fastest rate since December 2011. The strongest increase was seen in consumer services. Yet the Reserve Bank of India was not expected to raise interest rates this fiscal year, instead supporting growth as the country grapples with the coronavirus. (Reuters)

Regional

- BSFR posts 14.4% YoY rise in net profit to SR780mn in 1Q2021** – Banque Saudi Fransi (BSFR) recorded net profit of SR780mn in 1Q2021, an increase of 14.4% YoY. Total operating profit rose 2.2% YoY to SR1,796mn in 1Q2021. Total income from Special Commissions/Financing & Investments fell 17.2% YoY to SR1,407mn in 1Q2021. Total assets stood at SR202.2bn at the end of March 31, 2021 as compared to SR199.2bn at the end of March 31, 2020. Loans and advances stood at SR134.1bn (-0.6% YoY), while Clients' deposits stood at SR133.0bn (-9.4% YoY) at the end of March 31, 2021. EPS came in at SR0.62 in 1Q2021 as compared to SR0.57 in 1Q2020. (Tadawul)
- UAB's net profit rises to AED10.2mn in 1Q2021** – United Arab Bank (UAB) recorded net profit of AED10.2mn in 1Q2021 as compared to net loss of AED119.9mn in 1Q2020. Total operating income rose 5.3% YoY to AED132.3mn in 1Q2021. Net interest income and income from Islamic products net of distribution to depositors fell 26.8% YoY to AED64.1mn in 1Q2021. Total assets stood at AED14.4bn at the end of March 31, 2021 as compared to AED14.8bn at the end of December 31, 2020. Loans and advances and Islamic financing receivables stood at AED8.5bn (-5.7% YTD), while customers' deposits and Islamic customer's deposits stood at AED10.8bn (-3.6% YTD) at the end of March 31, 2021. EPS came in at AED0.01 in 1Q2021 as compared to loss per share of AED0.06 in 1Q2020. (ADX)
- National Bank of Bahrain reports 1Q2021 net income of BHD15.6mn** – National Bank of Bahrain (NBB) reported net income of BHD15.6mn in 1Q2021 compared to BHD15.4mn in 1Q2020. The operating income came in at BHD38.9mn, a decrease of 3.5% YoY. Impairments were reported at BHD3.9mn compared to BHD6.9mn. (Bloomberg)
- Saudi Arabia cuts oil prices for Asia** – The Kingdom's state energy firm, Saudi Aramco, reduced pricing for June shipments

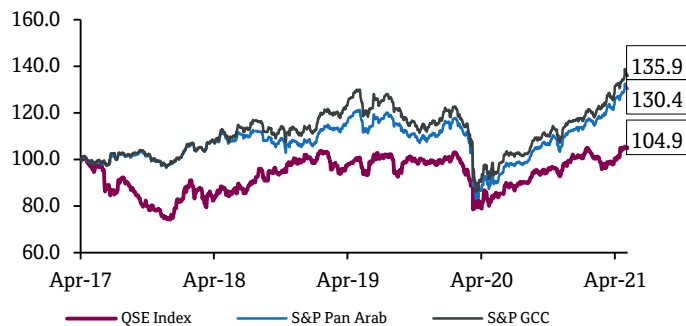
to the continent by between \$0.10 and \$0.30 per barrel. The key Arab Light grade for Asia was cut to \$1.70 a barrel above the benchmark from \$1.80 for May. That is the first reduction in official selling prices for the grade since December, signaling weakness in Asian oil markets. The reductions had been anticipated in the market. Aramco had been expected to lower Arab Light's premium by 20 cents, according to a Bloomberg survey of seven traders and refiners. Saudi Energy Minister, Prince Abdulaziz bin Salman has urged fellow members of OPEC+ to be cautious as the group eases supply cuts started last year when the pandemic was hammering energy markets. The 23-nation cartel plans to increase daily output by just over 2mn barrels through to July, beginning with 600,000 this month. That would still leave production roughly 5mn bpd below pre-pandemic levels. Aramco raised pricing to the US by \$0.20 a barrel for all grades. The nation is adding jobs amid economic growth and a push for widespread vaccinations. The company cut pricing for all shipments to Northwestern Europe and the Mediterranean, where efforts to bolster the economy and ease lockdowns have met with mixed results. (Reuters)

- **TAQA in talks to buy power plants in Abu Dhabi, plans green bonds, says CFO** – Abu Dhabi National Energy Company (TAQA) is in talks to buy power plants in the UAE and could issue debut green bonds in 2022 as it seeks to expand renewables generation, the Finance Chief said. Abu Dhabi-listed TAQA is looking at ways to expand after a state-driven transaction last year boosted its balance sheet and increased total assets to more than \$50bn. Chief Financial Officer, Steve Ridlington told Reuters the company was in early talks to buy power plants in Abu Dhabi, the largest and wealthiest of seven emirates making up the UAE. State oil firm ADNOC and Emirates Global Aluminium (EGA) both had power plants, he said, adding: “We’ll be looking at those and we’re talking about whether and how we can bring those into the system.” TAQA, which has assets overseas, was also looking at possible acquisitions abroad, Ridlington said, adding it was particularly interested in M&A targets in renewables. (Reuters)
- **OCI confirms potential Abu Dhabi listing for fertilizer JV with ADNOC** – Fertiglobe, a fertilizer joint venture between chemical producer OCI and Abu Dhabi National Oil Company (ADNOC), has started preparing for a potential initial public offering in Abu Dhabi, OCI said in a stock exchange disclosure on Wednesday. Fertiglobe, 58% owned by OCI and 42% by ADNOC, could be valued between \$5bn and \$5.5bn, sources with the deal said. Reuters sources said last month that ADNOC and OCI were likely to pick First Abu Dhabi Bank, HSBC and Citigroup to work on the public-share sale of their fertilizer joint venture. Headquartered in Abu Dhabi, Fertiglobe was formed in 2019 after OCI and ADNOC combined their ammonia and urea assets. (Zawya)
- **FAB completes share transfer process to buy Bank Audi Egypt** – First Abu Dhabi Bank (FAB) will now begin integrating the assets and operations of its Egypt unit and that of Bank Audi. The process will be completed in 2022. (Bloomberg)
- **Bahrain may follow Gulf states by selling oil, pipeline assets** – Bahrain may follow other Persian Gulf states and sell energy assets to bolster its economy after last year’s crash in oil prices. “We’ve got a lot of infrastructure assets that can easily be” structured to raise funding, Oil Minister, Mohammed bin Khalifa

Al Khalifa said in an interview on Wednesday. “We’ve been looking at this for some time. We haven’t made a decision yet.” The government is in talks with international firms about them investing in a petrochemical plant that will cost as much as \$2bn to build, he said. A pipeline connecting the island-nation to Saudi Arabia would be “ideal” for a private-equity transaction, while a ship for importing liquefied natural gas and upstream assets could also be used to raise money, he said. (Bloomberg)

- **Bahrain sells BHD35mn 182-day bills; bid-cover at 2.11x** – Bahrain sold BHD35mn of 182-day bills due on November 7, 2021. Investors offered to buy 2.11 times the amount of securities sold. The bills were sold at a price of 99.127, have a yield of 1.74% and will settle on May 9. (Bloomberg)

Rebased Performance

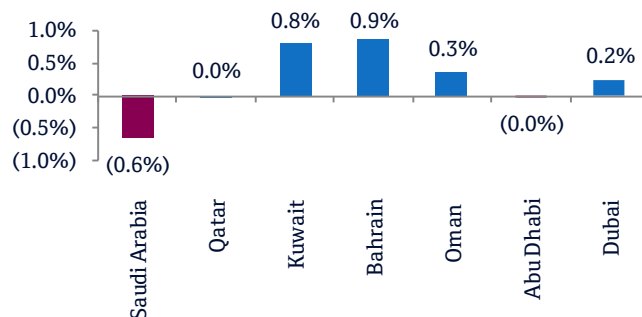


Source: Bloomberg

Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,786.87	0.4	1.0	(5.9)
Silver/Ounce	26.49	(0.1)	2.2	0.3
Crude Oil (Brent)/Barrel (FM Future)	68.96	0.1	2.5	33.1
Crude Oil (WTI)/Barrel (FM Future)	65.63	(0.1)	3.2	35.3
Natural Gas (Henry Hub)/MMBtu	2.98	(0.7)	3.8	24.7
LPG Propane (Arab Gulf)/Ton	82.25	0.1	0.9	9.3
LPG Butane (Arab Gulf)/Ton	83.00	0.0	(1.5)	19.4
Euro	1.20	(0.1)	(0.1)	(1.7)
Yen	109.21	(0.1)	(0.1)	5.8
GBP	1.39	0.1	0.6	1.7
CHF	1.10	0.0	0.0	(3.1)
AUD	0.77	0.5	0.4	0.7
USD Index	91.31	0.0	0.0	1.5
RUB	74.87	(0.0)	(0.5)	0.6
BRL	0.19	1.6	1.6	(3.0)

Daily Index Performance



Source: Bloomberg

Source: Bloomberg (*\$ adjusted returns; *Market was closed on May 5, 2021)

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,932.85	0.4	(0.2)	9.0
DJ Industrial	34,230.34	0.3	1.0	11.8
S&P 500	4,167.59	0.1	(0.3)	11.0
NASDAQ 100	13,582.42	(0.4)	(2.7)	5.4
STOXX 600	441.55	1.6	0.7	8.6
DAX	15,170.78	1.9	(0.0)	7.9
FTSE 100	7,039.30	1.8	1.5	11.0
CAC 40	6,339.47	1.2	0.8	12.0
Nikkei#	28,812.63	0.0	0.0	(0.8)
MSCI EM	1,333.05	(0.1)	(1.1)	3.2
SHANGHAI SE Composite#	3,446.86	0.0	0.0	0.0
HANG SENG	28,417.98	(0.5)	(1.1)	4.1
BSE SENSEX	48,677.55	0.9	0.1	1.0
Bovespa	119,564.40	2.4	1.3	(3.5)
RTS	1,535.67	2.2	3.4	10.7

Contacts

QNB Financial Services Co. W.L.L.

Contact Center: (+974) 4476 6666

info@qnbfs.com.qa

Doha, Qatar

Saugata Sarkar, CFA, CAIA

Head of Research

saugata.sarkar@qnbfs.com.qa

Shahan Keushgerian

Senior Research Analyst

shahan.keushgerian@qnbfs.com.qa

Mehmet Aksoy, PhD

Senior Research Analyst

mehmet.aksoy@qnbfs.com.qa

Disclaimer and Copyright Notice: This publication has been prepared by QNB Financial Services Co. W.L.L. ("QNBFS") a wholly-owned subsidiary of Qatar National Bank (Q.P.S.C.). QNBFS is regulated by the Qatar Financial Markets Authority and the Qatar Exchange. Qatar National Bank (Q.P.S.C.) is regulated by the Qatar Central Bank. This publication expresses the views and opinions of QNBFS at a given time only. It is not an offer, promotion or recommendation to buy or sell securities or other investments, nor is it intended to constitute legal, tax, accounting, or financial advice. QNBFS accepts no liability whatsoever for any direct or indirect losses arising from use of this report. Any investment decision should depend on the individual circumstances of the investor and be based on specifically engaged investment advice. We therefore strongly advise potential investors to seek independent professional advice before making any investment decision. Although the information in this report has been obtained from sources that QNBFS believes to be reliable, we have not independently verified such information and it may not be accurate or complete. QNBFS does not make any representations or warranties as to the accuracy and completeness of the information it may contain, and declines any liability in that respect. For reports dealing with Technical Analysis, expressed opinions and/or recommendations may be different or contrary to the opinions/recommendations of QNBFS Fundamental Research as a result of depending solely on the historical technical data (price and volume). QNBFS reserves the right to amend the views and opinions expressed in this publication at any time. It may also express viewpoints or make investment decisions that differ significantly from, or even contradict, the views and opinions included in this report. This report may not be reproduced in whole or in part without permission from QNBFS.

COPYRIGHT: No part of this document may be reproduced without the explicit written permission of QNBFS.