

Market Review and Outlook

The Qatar Stock Exchange (QSE) Index closed lower for the week, losing 1.33% vs. the week before; closing at the 10,168.27 level. Market capitalization declined by 1.1% to QR590.9 billion (bn) as compared to QR597.5bn at the end of the previous week. Of the 48 listed companies, 21 companies ended the week higher, while 27 fell. Alkhaleej Takaful Insurance (AKHI) was the best performing stock for the week, with a gain of 23.0%. On the other hand, Doha Insurance (DOHI) was the worst performing stock with a decline of 8.6%.

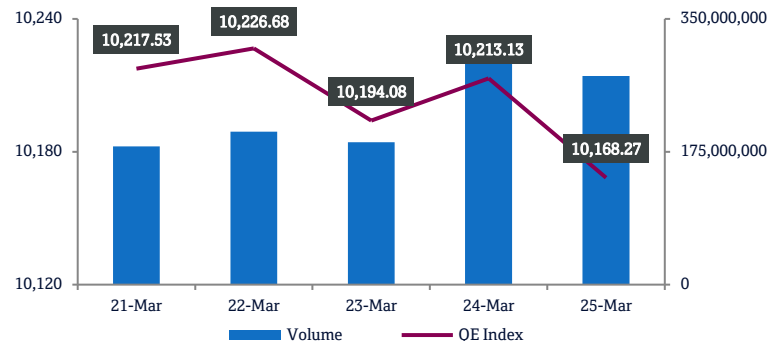
Industries Qatar (IQCD), Qatar International Islamic Bank (QIIB) and Commercial Bank of Qatar (CBQK) were the primary contributors to the weekly index losses. IQCD was the biggest contributor to the index's weekly decline, lowering 45.3 points from the index. QIIB pushed the index down by another 22.0 points. Further, CBQK removed 19.5 points from the Index.

Trading value during the week declined by 21.2% to QR1,982.4mn vs. QR2,514.6mn in the prior trading week. IGRD was the top value traded stock during the week with total traded value of QR233.2mn.

Trading volume declined by 0.5% to 1,139.3mn shares vs. 1,144.5mn shares in the prior trading week. The number of transactions decreased by 11.5% to 45,480 transactions versus 51,410 transactions in the prior week. IGRD was the top volume traded stock during the week with total traded volume of 300.5mn shares.

Foreign institutions ended the week with net buying of QR20mn vs. net buying of QR98mn in the prior week. Qatari institutions turned positive with net buying of QR36mn vs. net selling of QR63mn in the week before. Foreign retail investors ended the week with net selling of QR2mn vs. net buying of QR24mn in the prior week. Qatari retail investors remained bearish with net selling of QR54mn vs. net selling of QR59mn the week before. So far YTD (as of Wednesday closing), foreigners were net buyers of \$273mn.

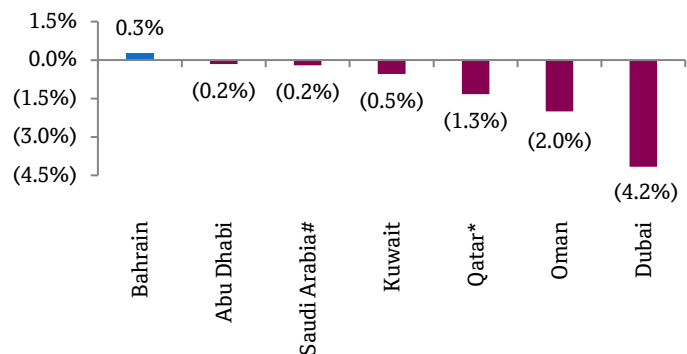
QSE Index and Volume



Market Indicators	Week ended Mar 25, 2021	Week ended Mar 18, 2021	Chg. %
Value Traded (QR mn)	1,982.4	2,514.6	(21.2)
Exch. Market Cap. (QR mn)	590,926.4	597,498.4	(1.1)
Volume (mn)	1,139.3	1,144.5	(0.5)
Number of Transactions	45,480	51,410	(11.5)
Companies Traded	48	48	0.0
Market Breadth	21:27	24:23	-

Market Indices	Close	WTD%	MTD%	YTD%
Total Return	20,115.24	(1.3)	2.4	0.3
ALL Share Index	3,238.12	(0.9)	2.9	1.2
Banks and Financial Services	4,218.10	(1.0)	2.4	(0.7)
Industrials	3,276.44	(1.7)	3.7	5.8
Transportation	3,477.15	(0.7)	0.2	5.5
Real Estate	1,820.02	(0.8)	3.2	(5.6)
Insurance	2,628.15	1.8	9.0	9.7
Telecoms	1,040.47	(1.6)	(1.6)	3.0
Consumer Goods & Services	8,121.24	0.6	5.4	(0.3)
Al Rayan Islamic Index	4,336.24	(1.1)	3.8	1.6

Weekly Index Performance



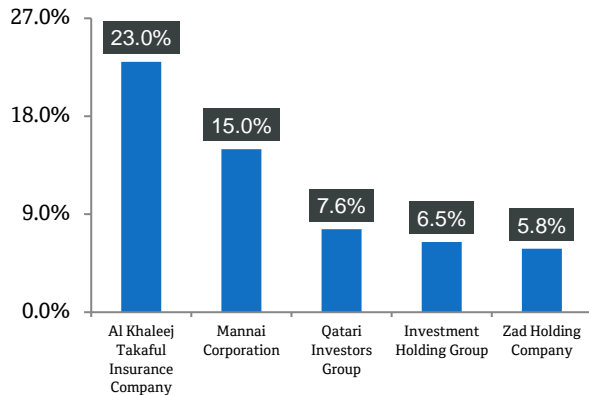
Regional Indices	Close	WTD%	MTD%	YTD%	Weekly Exchange Traded Value (\$ mn)	Exchange Mkt. Cap. (\$ mn)	TTM P/E**	P/B**	Dividend Yield
Qatar*	10,168.27	(1.3)	0.2	(2.6)	536.97	159,609.2	18.9	1.5	3.0
Dubai	2,495.51	(4.2)	(2.2)	0.1	174.06	94,293.2	20.5	0.9	3.9
Abu Dhabi	5,726.61	(0.2)	1.1	13.5	1,258.60	221,179.3	22.6	1.6	4.3
Saudi Arabia#	9,464.08	(0.2)	3.5	8.9	13,090.74	2,475,258.8	37.0	2.2	2.4
Kuwait	5,771.03	(0.5)	2.2	4.1	608.13	108,998.5	57.4	1.4	3.0
Oman	3,678.32	(2.0)	1.8	0.5	24.90	16,660.5	12.0	0.7	6.9
Bahrain	1,464.26	0.3	(0.1)	(1.7)	9.92	22,377.2	35.9	0.9	4.6

Source: Bloomberg, country exchanges and Zawya (** Trailing Twelve Months; * Value traded (\$ mn) do not include special trades, if any; # Data as of March 24, 2021)

- **QNB Group to disclose its 1Q2021 financial results on April 11** – QNB Group (QNBK) will disclose its financial statement for the period ending March 31, 2021 on April 11, 2021. (QSE)
- **QOIS reports net profit of QR6.70mn in FY2020 vs. QR8.62mn in FY2019** – Qatar Oman Investment Company (QOIS) recorded net profit of QR6.70mn in FY2020 as compared to QR8.62mn in FY2019. EPS amounted to QR0.021 in FY2020 as compared to QR0.027 in FY2019. In 4Q2020, QOIS reported net loss of ~QR0.7mn as compared to net profit of ~QR5mn in 4Q2019 and net profit of QR3.8mn in 3Q2020. The board has approved to transfer the profits to next year. (QSE)
- **DHBK expected to sell \$500mn in five-year bonds** – Doha Bank (DHBK) is expected to sell \$500mn in five-year bonds on Wednesday and has received over \$1bn in orders for the debt sale, a document showed. The spread was set at 150 basis points (bps) over mid-swaps, tightening 20 bps from initial guidance, the document from one of the banks on the deal showed. ING, Barclays, Credit Suisse, Deutsche Bank, JPMorgan, Mizuho, MUFG and QNB Capital are arranging the deal, which is expected to launch later on Wednesday. (Zawya)
- **QSE launches Venture Market for SMEs** – Qatar Stock Exchange (QSE) has launched its much-awaited Venture Market, providing a new platform for Small and Medium Enterprises (SMEs) to list their shares in the stock market. This market serves as a dedicated stock exchange for SME listings and gives an alternative platform to raise funds. Al Faleh Educational Holding will be the first company to list in the Qatar Exchange Venture Market. “We are all extremely proud to open QSE’s Venture Market and welcome the first SME to the extended QSE ‘family’ and look forward to them being an outstanding addition to our markets,” QSE’s CEO, Rashid bin Ali Al Mansoori, said in a tweet yesterday. “Qatar Stock Exchange launched its Venture Market to provide SME’s with a clear alternative route to market as well as allowing them to diversify sources of funding and increasing company’s equity base,” he added. Launch of Venture Market is a big boost for SMEs in Qatar as it allows small businesses to list share with lighter regulatory requirements. Opening of this market will encourage more SMEs to list share on the exchange. Al Faleh Educational Holding has already obtained the approval of the Qatar Financial Markets Authority, Qatar Stock Exchange and the Ministry of Commerce and Industry to convert the company from a limited liability company to a Qatari public shareholding company. Al Faleh Educational Holding runs three schools, including Doha Academy and Doha International Kindergarten, in addition to a top-ranked university that is also the first UK University to operate on a dedicated campus in Qatar, AFG College with the University of Aberdeen. Rashid bin Ali Al Mansoori said, “Qatar Stock Exchange put the amended criteria in place to provide an additional route to market for SME’s who sought to list without all the resource requirements and costs associated with the Main Market. Qatar Stock Exchange launched its Venture Market demonstrating its long-term commitment to providing multiple routes to access Qatar’s capital markets.” (Peninsula Qatar)
- **Bloomberg News survey: Qatar’s economy to expand 3% in 2021; prior +2.9%** – Qatar’s economy will expand 3% in 2021 according to the latest results of a Bloomberg News survey of 7 economists conducted from March 12 to March 18. GDP 2022 +3.6% YoY vs prior +3.7%. CPI 2021 +0.5% YoY vs prior +1%. CPI 2022 +2% YoY vs prior +1.7%. (Bloomberg)
- **Qatar Banking Sector Total Assets increased by 0.6% MoM in February 2021 (up 1.3% YTD) – The loan book went up by 0.8% MoM (up 2.4% YTD) while deposits increased by 1.3% MoM (+0.8% YTD) in the month of February 2021.** Public sector pulled total credit growth higher (up 2.0% MoM in February), as private sector posted a growth of 0.3% MoM. As deposits increased by 1.3% in February, the LDR declined to 126.7% vs. 127.3% in January. **Non-Resident Deposits increased by 4.5% MoM (+2.6% YTD) driving overall deposits growth. Private sector deposits increased by 0.3% MoM (+1.5% YTD 2021).** On the private sector front, the consumer segment posted a gain of 1.3% MoM (up 3.2% YTD) while the companies & institutions’ segment declined by 0.9% MoM (-0.5% YTD 2021). **Public sector deposits declined by 0.3% MoM (-2.1% YTD 2021) for the month of February 2021.** Looking at segment details, the government institutions’ segment (represents ~58% of public sector deposits) went up by 0.2% MoM (-3.5% YTD 2021). Moreover, the semi-government institutions’ segment posted a growth of 1.7% MoM (-12.0% YTD 2021). The government segment decreased by 1.8% MoM (up 5.2% YTD). **The overall loan book went up by 0.8% in February 2021.** Total domestic public sector loans increased by 2.0% MoM (up 6.9% YTD). The government segment’s loan book went up by 5.1% MoM (+15.9% YTD 2021). However, the government institutions’ segment (represents ~53% of public sector loans) declined by 0.1% MoM (+1.3% YTD), while the semi-government institutions’ segment moved down by 0.6% MoM (-0.6% YTD). **Private sector loans gained by 0.3% MoM and are up 0.6% YTD.** Real Estate followed by Consumption and others positively contributed toward the loan growth. On the other hand, the Services sector pulled credit growth down in the month of February 2021. **Real Estate** (contributes ~23% to private sector loans) increased by 1.2% MoM. **Consumption and Others** (also contributes ~23% to private sector loans) increased by 1.0% MoM (+0.9% YTD). **General Trade** (contributes ~21% to private sector loans) increased by 0.1% MoM. However, the **Services** segment (contributes ~26% to private sector loans) declined by 0.8% MoM (-2.3% YTD). Finally, the **Industry** segment went up by 0.3%. (QCB, QNBFS Research)
- **Saipem wins contract worth more than \$1bn from Qatargas** – Italy’s Saipem received from Qatargas a letter of award for a new contract worth over \$1bn related to the North Field Production Sustainability Pipelines Project located offshore and onshore the NE coast of the Qatar peninsula. Additional contract (“EPCL” package) entails the engineering, procurement, construction, and installation (EPCI) of offshore export trunk lines and related onshore tie-in works and is part of the development of the North Field production plateau, which also includes the EPCI of offshore facilities previously awarded to Saipem in February. (Bloomberg, Zawya)

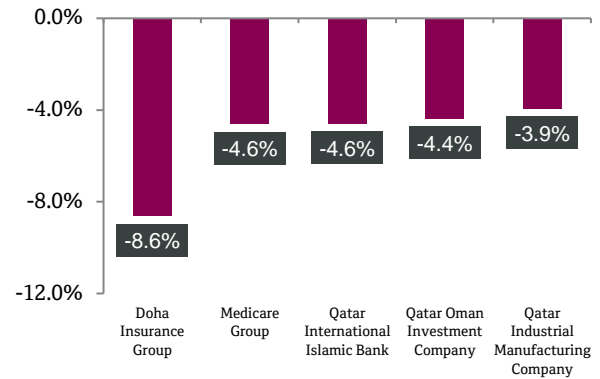
Qatar Stock Exchange

Top Gainers



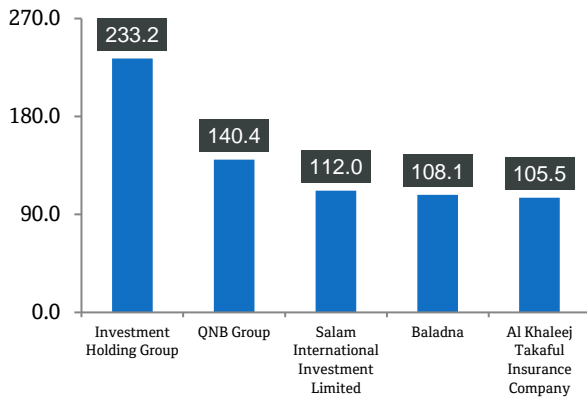
Source: Qatar Stock Exchange (QSE)

Top Decliners



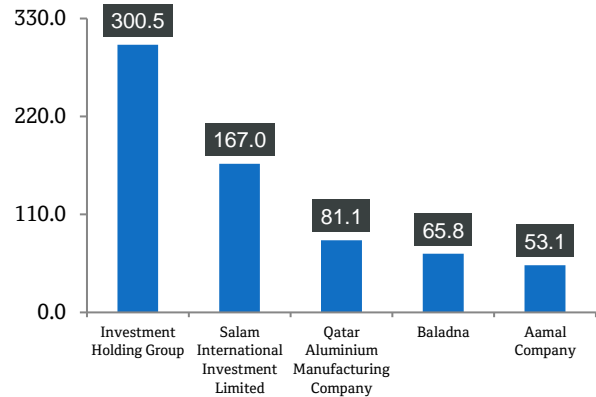
Source: Qatar Stock Exchange (QSE)

Most Active Shares by Value (QR Million)



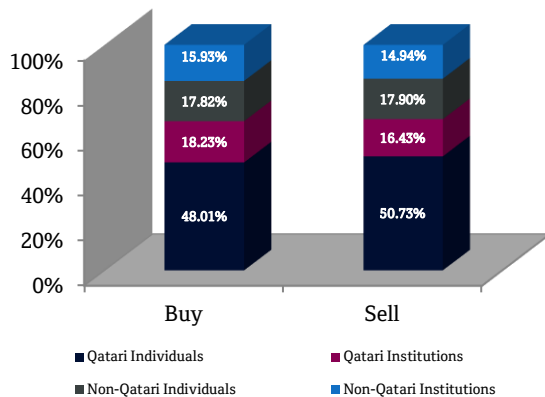
Source: Qatar Stock Exchange (QSE)

Most Active Shares by Volume (Million)



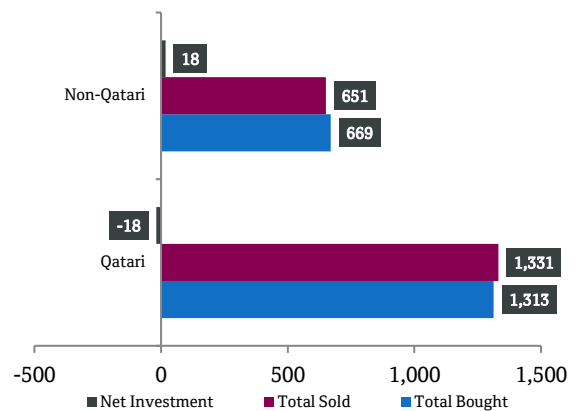
Source: Qatar Stock Exchange (QSE)

Investor Trading Percentage to Total Value Traded



Source: Qatar Stock Exchange (QSE)

Net Traded Value by Nationality (QR Million)



Source: Qatar Stock Exchange (QSE)

TECHNICAL ANALYSIS OF THE QSE INDEX



Source: Bloomberg

The QE Index lost 1.33% from last week and closed at 10,168.27 in the past session. The Index remains resilient after it bounced off the 10,000 psychological level and moved above two of its three major moving averages. However, the weekly candlestick signifies selling pressure was dominant at the end of the week, which could spark selling in the beginning of the coming week. That been said, our thesis has not changed from last week; we see continuation on the bounce, especially if the Index manage to move above last week's highest level reached (10,284.5 level). Our projected resistance level is around 10,600 points and the support level remains at the 10,000 points.

DEFINITIONS OF KEY TERMS USED IN TECHNICAL ANALYSIS

RSI (Relative Strength Index) indicator – RSI is a momentum oscillator that measures the speed and change of price movements. The RSI oscillates between 0 to 100. The index is deemed to be overbought once the RSI approaches the 70 level, indicating that a correction is likely. On the other hand, if the RSI approaches 30, it is an indication that the index may be getting oversold and therefore likely to bounce back.

MACD (Moving Average Convergence Divergence) indicator – The indicator consists of the MACD line and a signal line. The divergence or the convergence of the MACD line with the signal line indicates the strength in the momentum during the uptrend or downtrend, as the case may be. When the MACD crosses the signal line from below and trades above it, it gives a positive indication. The reverse is the situation for a bearish trend.

Candlestick chart – A candlestick chart is a price chart that displays the high, low, open, and close for a security. The 'body' of the chart is portion between the open and close price, while the high and low intraday movements form the 'shadow'. The candlestick may represent any time frame. We use a one-day candlestick chart (every candlestick represents one trading day) in our analysis.

Doji candlestick pattern – A Doji candlestick is formed when a security's open and close are practically equal. The pattern indicates indecisiveness, and based on preceding price actions and future confirmation, may indicate a bullish or bearish trend reversal.

Shooting Star/Inverted Hammer candlestick patterns – These candlestick patterns have a small real body (open price and close price are near to each other), and a long upper shadow (large intraday movement on the upside). The Shooting Star is a bearish reversal pattern that forms after a rally. The Inverted Hammer looks exactly like a Shooting Star, but forms after a downtrend. Inverted Hammers represent a potential bullish trend reversal.

Company Name	Price March 25	% Change WTD	% Change YTD	Market Cap. QR Million	TTM P/E	P/B	Div. Yield
Qatar National Bank	17.31	(0.52)	(2.92)	159,883	14.5	2.1	2.6
Qatar Islamic Bank	16.01	(1.17)	(6.43)	37,831	13.3	2.1	2.5
Commercial Bank of Qatar	4.60	(2.95)	4.55	18,617	17.0	1.0	2.2
Doha Bank	2.27	1.29	(4.10)	7,038	14.0	0.7	3.3
Al Ahli Bank	3.61	0.03	4.76	8,774	12.9	1.4	4.2
Qatar International Islamic Bank	8.60	(4.59)	(4.99)	13,018	15.6	2.1	3.8
Masraf Al Rayan	4.16	(0.12)	(8.17)	31,200	14.3	2.2	4.1
Al Khaliji Bank	2.09	(2.39)	13.44	7,506	12.0	1.2	2.7
Qatar First Bank	1.86	2.76	8.13	1,303	N/A	2.7	N/A
National Leasing	1.26	1.69	1.69	625	13.7	0.9	2.0
Dlala Holding	1.69	(1.52)	(6.07)	479	71.9	2.3	N/A
Qatar & Oman Investment	0.85	(4.37)	(3.72)	269	39.7	0.9	2.3
Islamic Holding Group	5.12	3.88	0.00	290	47.9	2.0	1.0
Banking and Financial Services				286,832			
Zad Holding	17.99	5.82	20.66	4,264	21.2	2.7	4.7
Qatar German Co. for Medical Devices	3.10	4.27	38.53	358	426.4	11.4	N/A
Salam International Investment	0.67	3.08	2.92	766	N/A	0.5	N/A
Baladna	1.63	(2.16)	(8.88)	3,101	N/A	1.4	1.3
Medicare Group	9.54	(4.60)	7.92	2,685	32.1	2.6	18.9
Qatar Cinema & Film Distribution	3.80	0.05	(4.83)	239	50.3	1.7	2.6
Qatar Fuel	17.30	(0.57)	(7.39)	17,201	22.7	2.0	2.7
Qatar Meat and Livestock	5.77	0.26	(8.81)	1,038	20.5	2.8	5.2
Mannai Corp.	3.83	14.98	27.63	1,747	138.8	0.7	5.2
Al Meera Consumer Goods	21.15	2.42	2.12	4,230	22.1	2.8	4.0
Consumer Goods and Services				35,627			
Qatar Industrial Manufacturing	2.88	(3.93)	(10.22)	1,369	15.4	0.9	3.5
Qatar National Cement	5.18	(2.21)	24.89	3,387	23.2	1.1	3.9
Industries Qatar	11.72	(3.14)	7.82	70,906	36.3	2.1	2.8
Qatari Investors Group	1.95	7.62	7.62	2,423	29.3	0.9	3.1
Qatar Electricity and Water	16.68	(1.59)	(6.55)	18,348	15.9	1.9	3.8
Aamal	1.02	2.50	19.77	6,451	52.6	0.8	3.9
Gulf International Services	1.47	(2.14)	(14.58)	2,723	N/A	0.8	N/A
Mesaieed Petrochemical Holding	1.82	(0.49)	(11.33)	22,802	42.4	1.4	2.2
Invesment Holding Group	0.79	6.46	32.05	657	27.8	0.8	N/A
Qatar Aluminum Manufacturing	1.18	(0.76)	22.13	6,590	N/A	1.2	3.0
Industrials				135,656			
Qatar Insurance	2.52	0.88	6.73	8,234	N/A	1.0	N/A
QLM Life & Medical Insurance	4.75	(1.02)	N/A	1,663	N/A	N/A	N/A
Doha Insurance	1.92	(8.61)	37.93	960	15.9	0.9	5.2
Qatar General Insurance & Reinsurance	2.40	0.46	(9.77)	2,100	15.6	0.4	N/A
Al Khaleej Takaful Insurance	3.34	23.02	75.71	851	25.0	1.5	1.5
Qatar Islamic Insurance	8.20	2.89	18.84	1,230	16.1	3.1	4.6
Insurance				15,038			
United Development	1.53	(0.71)	(7.61)	5,414	23.9	0.5	3.3
Barwa Real Estate	3.14	(0.85)	(7.73)	12,211	10.1	0.6	4.0
Ezdan Real Estate	1.53	(2.29)	(13.63)	40,689	121.1	1.3	N/A
Mazaya Qatar Real Estate Development	1.26	3.62	(0.40)	1,456	48.7	1.2	N/A
Real Estate				59,770			
Ooredoo	6.86	(1.86)	(8.78)	21,974	20.0	1.0	3.6
Vodafone Qatar	1.67	(0.89)	24.35	7,038	38.3	1.6	3.0
Telecoms				29,012			
Qatar Navigation (Milaha)	7.68	3.36	8.28	8,796	145.5	0.6	3.9
Gulf Warehousing	5.04	(0.24)	(1.10)	295	12.6	1.5	2.0
Qatar Gas Transport (Nakilat)	3.11	(3.62)	(2.14)	17,241	14.9	2.4	3.5
Transportation				26,332			
Qatar Exchange				590,926			

Source: Bloomberg

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