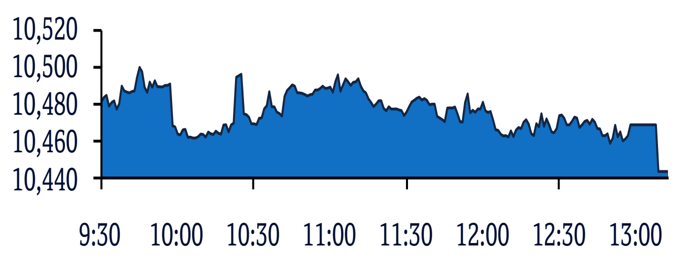
Daily Market Report

Wednesday, 10 February 2021

QSE Intra-Day Movement



Qatar Commentary

The QE Index declined 0.5% to close at 10,445.0. Losses were led by the Consumer Goods & Services and Banks & Financial Services indices, falling 0.7% each. Top losers were Qatar General Insurance & Reinsurance Company and Al Khaleej Takaful Insurance Co., falling 4.5% and 3.9%, respectively. Among the top gainers, Gulf International Services gained 4.4%, while Al Khalij Commercial Bank was up 2.8%.

GCC Commentary

Saudi Arabia: The TASI Index gained 0.9% to close at 8,892.9. Gains were led by the Software & Services and Capital Goods indices, rising 3.1% each. Al Jouf Agriculture Development and Anaam International Holding were up 9.9% each.

Dubai: The DFM Index gained 0.2% to close at 2,647.2. The Consumer Staples and Discretionary index rose 1.4%, while the Banks index gained 0.7%. Dubai Insurance Co. rose 14.9%, while Ekttitab Holding Company was up 6.2%.

Abu Dhabi: The ADX General Index gained 0.1% to close at 5,662.6. The Banks index rose 0.6%, while the Telecommunication index gained 0.4%. Abu Dhabi National Takaful Co. rose 6.7%, while Foodco National Foodstuff was up 2.0%.

Kuwait: The Kuwait All Share Index gained 0.2% to close at 5,716.0. The Technology index rose 4.3%, while the Basic Materials index gained 3.2%. Future Kid Entertainment rose 9.9%, while Munshaat Real Estate Projects was up 7.0%.

Oman: The MSM 30 Index fell 0.3% to close at 3,566.1. Losses were led by the Financial and Services indices, falling 0.9% and 0.2%, respectively. Phoenix Power Company declined 5.7%, while Ahli Bank was down 4.7%.

Bahrain: The BHB Index gained 0.3% to close at 1,464.0. The Commercial Banks index rose 0.5%, while the Industrial index gained 0.2%. Al Salam Bank - Bahrain rose 4.1%, while Ahli United Bank was up 0.7%.

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Gulf International Services	1.69	4.4	25,666.1	(1.7)
Al Khalij Commercial Bank	2.08	2.8	8,070.8	13.3
Ahli Bank	3.70	2.2	10.6	7.3
United Development Company	1.64	1.4	4,125.0	(1.2)
Qatari German Co for Med. Devices	2.97	1.4	3,801.0	32.8

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Gulf International Services	1.69	4.4	25,666.1	(1.7)
Qatar First Bank	1.85	(2.0)	19,016.6	7.4
Salam International Inv. Ltd.	0.63	0.2	11,881.1	(4.0)
Al Khalij Commercial Bank	2.08	2.8	8,070.8	13.3
Investment Holding Group	0.55	(0.4)	7,842.0	(9.0)

Market Indicators	08 Feb 21	07 Feb 21	%Chg.
Value Traded (QR mn)	367.4	235.0	56.3
Exch. Market Cap. (QR mn)	603,328.6	606,830.6	(0.6)
Volume (mn)	147.2	95.8	53.6
Number of Transactions	8,911	5,408	64.8
Companies Traded	47	46	2.2
Market Breadth	14:29	26:18	–

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	20,152.66	(0.5)	0.1	0.4	17.7
All Share Index	3,212.51	(0.5)	0.0	0.4	18.4
Banks	4,188.08	(0.7)	(0.2)	(1.4)	14.9
Industrials	3,223.21	(0.2)	0.8	4.0	25.9
Transportation	3,457.98	(0.5)	(0.5)	4.9	15.9
Real Estate	1,889.27	0.0	1.0	(2.0)	16.3
Insurance	2,426.13	(0.3)	(0.4)	1.3	N.A.
Telecoms	1,140.38	(0.4)	(0.5)	12.8	16.7
Consumer	7,882.10	(0.7)	0.1	(3.2)	28.4
Al Rayan Islamic Index	4,258.13	(0.4)	0.0	(0.3)	19.1

GCC Top Gainers##	Exchange	Close#	1D%	Vol. '000	YTD%
Oman Arab Bank	Oman	0.15	4.9	60.0	(21.1)
Mabanee Co.	Kuwait	0.68	2.9	1,132.3	3.5
Al Rajhi Bank	Saudi Arabia	79.00	2.9	6,852.5	7.3
Yanbu National Petro. Co.	Saudi Arabia	64.90	2.9	494.7	1.6
Mouwasat Medical Serv.	Saudi Arabia	146.00	2.7	96.2	5.8

GCC Top Losers##	Exchange	Close#	1D%	Vol. '000	YTD%
Ahli Bank	Oman	0.10	(4.7)	25.0	(19.7)
Al Dar Properties	Abu Dhabi	3.63	(2.7)	73,127.5	15.2
Sohar International Bank	Oman	0.08	(2.5)	1,701.0	(15.4)
HSBC Bank Oman	Oman	0.08	(2.5)	2,102.9	(14.3)
Banque Saudi Fransi	Saudi Arabia	31.75	(2.3)	352.5	0.5

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 General Ins. & Reins. Co.	2.42	(4.5)	3.4	(9.0)
Al Khaleej Takaful Insurance Co.	2.44	(3.9)	3,110.8	28.6
Qatar Cinema & Film Distribution	3.74	(3.3)	0.4	(6.3)
Qatar First Bank	1.85	(2.0)	19,016.6	7.4
QNB Group	17.12	(1.5)	2,949.8	(4.0)

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
QNB Group	17.12	(1.5)	51,027.1	(4.0)
Gulf International Services	1.69	4.4	42,915.6	(1.7)
Qatar First Bank	1.85	(2.0)	35,801.1	7.4
The Commercial Bank	4.32	0.4	22,779.4	(1.8)
Qatar Islamic Bank	16.85	(0.2)	18,715.9	(1.5)

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*#	10,445.00	(0.5)	0.1	(0.3)	0.1	100.24	164,467.4	17.7	1.5	3.7
Dubai	2,647.16	0.2	(0.9)	(0.3)	6.2	49.67	96,842.4	13.2	0.9	3.7
Abu Dhabi	5,662.57	0.1	(0.0)	1.2	12.2	276.82	216,326.1	22.8	1.6	4.3
Saudi Arabia	8,892.92	0.9	3.2	2.2	2.3	3,564.18	2,417,677.7	33.6	2.1	2.4
Kuwait	5,716.01	0.2	0.4	(1.1)	3.1	136.35	107,533.1	38.6	1.4	3.4
Oman	3,566.13	(0.3)	(1.1)	(2.4)	(2.5)	5.34	16,164.9	12.9	0.7	7.1
Bahrain	1,464.04	0.3	0.2	0.1	(1.7)	4.62	22,397.1	14.3	1.0	4.6

Source: Bloomberg, Qatar Stock Exchange, Tadawul, Muscat Securities Market and Dubai Financial Market (** TTM; * Value traded ($ mn) do not include special trades, if any, #Data as of February 08, 2020)

Qatar Market Commentary

- The QE Index declined 0.5% to close at 10,445.0. The Consumer Goods & Services and Banks & Financial Services indices led the losses. The index fell on the back of selling pressure from GCC and Arab shareholders despite buying support from Qatari and Foreign shareholders.
- Qatar General Insurance & Reinsurance Company and Al Khaleej Takaful Insurance Company were the top losers, falling 4.5% and 3.9%, respectively. Among the top gainers, Gulf International Services gained 4.4%, while Al Khalij Commercial Bank was up 2.8%.
- Volume of shares traded on Tuesday rose by 53.6% to 147.2mn from 95.8mn on Monday. However, as compared to the 30-day moving average of 173.9mn, volume for the day was 15.3% lower. Gulf International Services and Qatar First Bank were the most active stocks, contributing 17.4% and 12.9% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	38.48%	47.01%	(31,312,581.3)
Qatari Institutions	18.49%	8.42%	37,019,611.4
Qatari	**56.98%**	**55.42%**	**5,707,030.1**
GCC Individuals	0.75%	0.58%	637,006.6
GCC Institutions	2.31%	3.88%	(5,757,550.9)
GCC	**3.06%**	**4.46%**	**(5,120,544.4)**
Arab Individuals	10.94%	11.45%	(1,882,496.3)
Arab Institutions	0.12%	–	443,387.6
Arab	**11.06%**	**11.45%**	**(1,439,108.7)**
Foreigners Individuals	3.08%	3.30%	(822,593.8)
Foreigners Institutions	25.83%	25.37%	1,675,216.8
Foreigners	**28.91%**	**28.67%**	**852,623.0**

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

Ratings, Earnings Releases, Global Economic Data and Earnings Calendar

Ratings Updates

Company	Agency	Market	Type*	Old Rating	New Rating	Rating Change	Outlook	Outlook Change
Al Fujairah National Insurance Co	Moody's	Abu Dhabi	LTR	–	Baa1	–	–	–

Source: News reports, Bloomberg (* LTR – Long Term Rating)

Earnings Releases

Company	Market	Currency	Revenue (mn) 4Q2020	% Change YoY	Operating Profit (mn) 4Q2020	% Change YoY	Net Profit (mn) 4Q2020	% Change YoY
Al Yamamah Steel Industries Co.	Saudi Arabia	SR	434.9	7.3%	60.7	6098.0%	42.7	N/A
Saudi Public Transport Co.*	Saudi Arabia	SR	1,169.7	-31.7%	(301.4)	N/A	(377.7)	N/A
Abdullah Saad Mohammed Abo Moati for Bookstores Co.	Saudi Arabia	SR	68.4	-19.2%	4.9	-21.4%	3.0	-37.2%
United Foods Company*	Dubai	AED	429.3	8.1%	–	–	38.8	35.0%
Emirate Integrated Telecommunications Company*	Dubai	AED	11,083.8	-11.9%	–	–	1,442.9	-16.6%
BH Mubasher*	Dubai	AED	41.1	68.2%	–	–	5.8	1652.9%
Dxb Entertainments*	Dubai	AED	144.4	-70.6%	–	–	(2,657.9)	N/A
Esterad Investment Company*	Bahrain	BHD	2.0	-55.8%	–	–	0.8	-72.1%

Source: Company data, DFM, ADX, MSM, TASI, BHB. (*Financial for FY2020)

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
02/08	EU	Sentix Behavioral Indices	Sentix Investor Confidence	Feb	-0.2	2	1.3
02/08	Germany	Deutsche Bundesbank	Industrial Production SA MoM	Dec	0.00%	0.30%	1.50%
02/08	Germany	Bundesministerium fur Wirtscha	Industrial Production WDA YoY	Dec	-1.00%	-1.00%	-2.50%
02/09	Japan	Bank of Japan	Money Stock M2 YoY	Jan	9.40%	9.20%	9.10%
02/09	Japan	Bank of Japan	Money Stock M3 YoY	Jan	7.80%	7.60%	7.60%
02/09	China	The People's Bank of China	Money Supply M0 YoY	Jan	-3.90%	9.80%	9.20%
02/09	China	The People's Bank of China	Money Supply M1 YoY	Jan	14.70%	10.50%	8.60%
02/09	China	The People's Bank of China	Money Supply M2 YoY	Jan	9.40%	10.10%	10.10%

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 4Q2020 results	No. of days remaining	Status
QAMC	Qatar Aluminum Manufacturing Company	14-Feb-21	4	Due
QATI	Qatar Insurance Company	14-Feb-21	4	Due
QEWS	Qatar Electricity & Water Company	14-Feb-21	4	Due
ORDS	Ooredoo	14-Feb-21	4	Due
QIMD	Qatar Industrial Manufacturing Company	14-Feb-21	4	Due
BRES	Barwa Real Estate Company	15-Feb-21	5	Due
QLMI	QLM Life & Medical Insurance Company	17-Feb-21	7	Due
GISS	Gulf International Services	18-Feb-21	8	Due
DOHI	Doha Insurance Group	22-Feb-21	12	Due
QNNS	Qatar Navigation (Milaha)	23-Feb-21	13	Due
AHCS	Aamal Company	23-Feb-21	13	Due
MCGS	Medicare Group	23-Feb-21	13	Due
MPHC	Mesaieed Petrochemical Holding Company	23-Feb-21	13	Due
MERS	Al Meera Consumer Goods Company	23-Feb-21	13	Due
QISI	Qatar Islamic Insurance Group	28-Feb-21	18	Due
WDAM	Widam Food Company	3-Mar-21	21	Due
QAMC	Qatar Aluminum Manufacturing Company	14-Feb-21	4	Due

Source: QSE

News

Qatar

- **IQCD's bottom line rises 79.7% YoY and 27.2% QoQ in 4Q2020 on adjusted basis, in-line with our estimate –** Industries Qatar's (IQCD) net profit rose 90.2% YoY (+119.6% QoQ) to QR1,023.6mn in 4Q2020. However, adjusted net profit (excluding one-offs such as impairment losses on property, plant, equipment and intangible asset) increased 79.7% YoY (+27.2% QoQ) to QR787.4mn in 4Q2020, which was in-line with our net income expectations of QR783.3mn (variation of +0.5%). The company's revenue came in at QR2,087.0mn in 4Q2020, which represents an increase of 51.4% YoY (+31.2% QoQ). For the financial year ended December 31, 2020, the Group recorded a net profit of QR2.0bn as compared to QR2.6bn, down by 23%. The Group's revenue has declined by 17% to reach QR11.4bn (assuming proportionate consolidation) as compared to QR13.7bn for 2019. The EPS amounted to QR0.33 for the financial year 2020, as compared to QR0.43 for last year. In line with the requirements of IFRS, 25% of QAFCO's net profits for the first nine months period ended September 30, 2020 amounting to QR113mn have been reported directly as part Group's retained earnings, instead of reporting the same as part of Group's net profit (attributable to equity holders of the Parent) within the consolidated income statement. When considering the full year profitability of the Group including 25% of QAFCO's profits for the first nine months of 2020, the net profit, i.e. normalized profits, for the year would reach QR2.1bn, down by 19%, as compared to QR2.6bn for last year. EPS including the impact of 25% of QAFCO's profits for the first nine months of 2020, i.e. normalized EPS, would amount to QR0.35 for the financial year 2020. EBITDA (normalized) for the year amounted to QR4.0bn, compared to QR4.2bn in 2019. EBITDA margin reached 35% compared to 30% in 2019, which can be considered as a credible achievement given the momentous macroeconomic challenges and clearly underpins Group's continuous cost leadership along with its focus on operational excellence. Group's financial performance for the year has been largely impacted by several factors, including – (1) External macroeconomic factors outside the Group's direct control, affected blended commodity prices at the Group level and caused product prices to fall across the Group by 7% YoY basis, and contributed to a decrease of QR622mn in the Group's net profits for the financial year ended December 31, 2020 compared to last year, (2) Group sales volumes were mainly affected due to temporary gas processing arrangement in relation to QAFCO trains 1-4 for the first seven months ended July 31, 2020, wherein, volumes relating to QAFCO trains 1-4 were not recognized in IQCD's books. The decline was also attributed to mothballing decision of certain steel facilities and lower production levels at PE and MTBE facilities due to shutdowns. This was partially offset by increase in volumes related to QAFCO's acquisition. On an overall basis, sales volumes declined by 17% YoY basis and contributed to a decline of QR2.5bn in the Group's net profit for the year, (3) The Group's profitability was also impacted due to booking a one-off impairment loss amounting to QR1.2bn recognized at the Steel segment and QR153mn of impairment loss booked in relation to QMC facilities, (4) The one-off impairment losses were fully offset by fair value and bargain purchase gains recognized in the Group's consolidated income statement amounting to a total of QR1.4bn. Such gains have been booked, in line with the requirements of International Financial Reporting Standards (IFRS), when accounting for the effects of transition from equity accounting to consolidation of QAFCO's 100% stake, amid completion of the acquisition of 25% minority stake in QAFCO. The Group's financial position remained robust, with liquidity position at the end of the year 2020 reaching QR8.8bn in cash and bank balances, after accounting for a QR2.4bn dividend paid for 2019 during the year, and QR3.6bn paid for the acquisition of 25%

stake in QAFCO from Qatar Petroleum. Group's net cash and bank balance including proportionate share of joint ventures amounted to QR9.8bn as at December 31, 2020, which proves the Group's efficient and effective cash-flow generation capabilities providing sufficient confidence and sustainability in turbulent times. Currently, the Group has no debt obligations. Group's total assets and total equity (attributable to Parent) reached QR36.0bn and QR33.8bn, respectively, as at December 31, 2020. During the period, the Group generated positive operating cash flows of QR3.48bn, with a free cash flow of QR2.87bn. IQCD's ability to generate positive operating cash flows in such distressed market conditions is a testament to the Group's efficient cash flow generation capabilities, effective cost management, robust investment, and working capital management, which could safeguard the Group against any unexpected adversities. After reviewing 2020's financial performance, with present and potential liquidity position, and considering the current and future macroeconomic conditions, business outlook, investing and financing needs of the Group, the Board of Directors proposed a total annual dividend distribution of QR2.0bn for the year ended December 31, 2020, representing a payout ratio of 100% 2020 net earnings. The dividend of QR 0.33 per share represent a dividend yield of 3.0% on December 31, 2020 closing share price. (QNB FS Research, QSE, Press Release)

- **DHBK posts net loss of QR68.5mn in 4Q2020 versus our net profit estimation of QR14.9mn –** Doha Bank (DHBK) reported net loss of QR68.5mn in 4Q2020 as compared to net loss of QR64.6mn in 4Q2019 and net profit of QR270.8mn in 3Q2020, versus our net profit estimation of QR14.9mn. Net interest income increased 27.6% YoY in 4Q2020 to QR618.0mn. However, on QoQ basis net interest income declined 1.9%. The company's net operating income came in at QR720.0mn in 4Q2020, which represents an increase of 9.2% YoY. However, on QoQ basis net operating income fell 8.7%. The bank's total assets stood at QR103.5bn at the end of December 31, 2020, down 4.3% YoY (-2.7% QoQ). Loans and advances to customers were QR65.5bn, registering a fell by 0.5% YoY at the end of December 31, 2020. However, on QoQ basis loans and advances to customers increased 3.7%. Customer deposits declined 5.8% YoY and 1.4% QoQ to reach QR55.1bn at the end of December 31, 2020. In FY2020, DHBK posted net profit of QR703.0mn as compared to QR753.9mn in FY2019. EPS amounted to QR0.16 in FY2020 as compared to QR0.17 in FY2019. Doha Bank has achieved net profit of QR703mn in 2020 as net interest earnings witnessed a robust double-digit expansion. Although the bottom-line was impacted by significant loan loss provision; the bank has recommended QR0.075 cash dividend to be approved by shareholders at the annual general assembly meeting scheduled for March 15. The bank's net interest income grew significantly by 17.1% to QR2.3bn as net operating income reached QR3bn, Sheikh Fahad bin Mohamed bin Jabor Al-Thani, Doha Bank chairman said after the board meeting. Sheikh Fahad said total shareholder's equity by end of 2020 reached QR13.8bn. The bank's the return on average shareholders' equity was 5.3% and the return on average assets was 0.66% in the review period. The board also decided to submit a recommendation to the general assembly regarding the extension of the period for issuance of bonds under the bank's EMTN (euro medium term note) program that was previously approved in the AGM dated March 7, 2018. The proposal is to extend the issuance of bonds in varying amounts that would, in aggregate, not exceed the EMTN program valuing $2bn with maturities not exceeding 30 years. The proposed issuance, to be issued either by a special purpose vehicle guaranteed by Doha Bank or directly through the bank, could be in various major currencies including the US dollar, Australian dollar, Japanese yen, Swiss francs and sterling pound; provided that no single deal exceeds $1bn. Sheikh Fahad said total outstanding/due debt notes "bonds" of the bank should not exceed at any time the bank's capital and reserves. The audited financial statements, declared net profit, distribution of cash dividends to shareholders for QR0.075 per share and issuance of additional capital instruments and amendments to Articles (3) and (14) of company's Article of Association are subject to the approval of the regulatory authorities concerned and the general assembly of the shareholders, according to him. (QNB FS Research, QSE, Gulf-Times.com)
- **QCFS' bottom line rises 45.8% YoY and 8.3% QoQ in 4Q2020 –** Qatar Cinema and Film Distribution Company's (QCFS) net profit rose 45.8% YoY (+8.3% QoQ) to QR1.2mn in 4Q2020.The company's Operating Income came in at QR0.2mn in 4Q2020, which represents a decrease of 88.1% YoY. In FY2020, QCFS recorded net profit of QR4.95mn as compared to QR6.39mn in FY2019. EPS amounted to QR0.079 in FY2020 as compared to QR0.102 in FY2019. QCFS' board of directors has proposed cash dividend distribution to shareholders of QR0.10 per share. (QSE)
- **SIIS board of directors to meet on February 23 –** Salam International Investment Limited (SIIS) has announced that its board of directors will be holding a meeting on February 23, 2021 to discuss the annual financial statements for the year ending on December 31, 2020 and approving it, and to follow up on the implementation of previous decisions. (QSE)
- **AHCS to disclose its annual financial results on February 23 –** Aamal Company (AHCS) will disclose its financial statement for the period ending December 31, 2020 on February 23, 2021. (QSE)
- **WDAM to disclose its Annual financial results on March 03 –** Widam Food Company (WDAM) discloses its financial statement for the period ending December 31, 2020 on March 03, 2021. (QSE)
- **WDAM to hold its investors relation conference call on March 04 –** Widam Food Company (WDAM) announced that the conference call with the Investors to discuss the financial results for the Annual 2020 will be held on March 04, 2021 at 01:30 pm, Doha Time. (QSE)
- **QNNS board of directors meeting on February 23 –** Qatar Navigation (QNNS, Milaha) has announced that its board of directors will be holding a meeting on February 23, 2021 to discuss the Financial Statements for the fourth quarter of the financial year 2020 which will be published in local newspapers on February 25, 2021. (QSE)
- **QNNS to holds its investors relation conference call on February 25 –** Qatar Navigation (QNNS, Milaha) announced that the conference call with the Investors to discuss the financial results for the Annual 2020 will be held on February 25, 2021 at 02:00 pm, Doha Time. (QSE)
- **BRES postpones Investor Relation conference call to February 17 –** BARWA Real Estate (BRES) has announced that the

Investor Relation conference call will be held on February 17, 2021 at 12:30 pm to disclose the Year End Financial Statements for the year 2020 instead of February 11, 2021. (QSE)

- **QGTS to holds its AGM on March 02 –** Qatar Gas Transport Company Limited (QGTS, Nakilat) announced that the General Assembly Meeting (AGM) will be held on March 02, 2021, electronically using Zoom application platform at 04:30 pm. In case of not completing the legal quorum, the second meeting will be held on March 08, 2021, electronically using Zoom application platform at 04:30 pm. The agenda includes (1) Hearing and ratify the report of the Board of Directors on the Company's activities and financial position during the fiscal year ended December31, 2020 and future plans. (2) Hearing and ratify the External Auditor's report on the fiscal year ended December 31, 2020. (3) Discuss and ratify the Company's balance sheet and profit & loss account for the fiscal year ended December 31, 2020. (4) Discuss and adopt the Governance report for the year ended December 31, 2020. (5) Consider the Board of Directors' suggestions regarding distribution of cash dividends for the fiscal year ended December 31, 2020 totaling (11%) of the capital, which is equivalent to (QR0.11) per share. (6) Consider to release and discharge the Board of Directors members from their responsibilities and to approve their remuneration for the year 2020. (7) Appointment of External Auditor for the fiscal year 2021 and determine their fees. (QSE)
- **QP signs deal for $28.75bn mega LNG expansion at North Field –** Qatar Petroleum (QP) has taken the final investment decision for developing the $28.75bn North Field East Project (NFE), the world's largest LNG project, which will raise Qatar's LNG production capacity from 77mn tons per year (mmtpy) to 110 mmtpy by 2025. In addition to LNG, the project will produce condensate, LPG, ethane, sulfur and helium. It is expected to start production in the fourth quarter of 2025 and its total production will reach about 1.4mn barrels oil equivalent per day. The decision to proceed with the investment was announced during a signing ceremony held on Monday to celebrate the execution of the project's key onshore engineering, procurement and construction (EPC) contract. The contract was signed by HE the Minister of State for Energy Affairs Saad Sherida Al-Kaabi, also the President and CEO of QP, Kazushi Okawa, chairman of the Board and CEO of Chiyoda Corp, and Arnaud Pieton, president, Technip Energies, in the attendance of senior executives from Qatar Petroleum, Qatargas, Chiyoda, and Technip. The main scope of the EPC contract is the construction of four mega LNG trains with a capacity of eight mmtpy each, with associated facilities for gas treatment, natural gas liquids recovery, as well as helium extraction and refining within Ras Laffan Industrial City. The total cost of the NFE project will be $28.75bn, making it one of the energy industry's largest investments in the past few years, in addition to being the largest LNG capacity addition ever, and the most competitive LNG project in the world. In addition to the CCS scheme, the NFE project will have a number of elements that provide this project with a unique positive environmental proposition. The NFE project represents the first phase of LNG expansion in Qatar, while the second phase, referred to as the North Field South Project (NFS), will further increase Qatar's LNG production capacity from 110mn tons per year to 126 mmtpy. (Gulf-Times.com)
- **Al-Kaabi: Local firms to benefit from QR105bn North Field LNG Expansion Project –** Companies in Qatar will definitely benefit from the $28.7bn (QR105bn) North Field LNG Expansion Project, HE the Minister of State for Energy Affairs Saad bin Sherida Al-Kaabi said. "The project we signed today is a very large scale one. This project is of huge capacity and capability, which is not available locally, of course. This is a very specialized area that needs very capable engineering construction firms," Al-Kaabi said in reply to a question by Gulf Times at a virtual media briefing. Qatar Petroleum signed the project's key onshore engineering, procurement and construction (EPC) contract with the Chiyoda and Technip joint venture. In relation to the project's impact on the local companies, the minister said, "We are asking a lot of the companies to bring their engineering as much as possible into Qatar…bring training and development into Qatar and also use lot of sub contractors who are available in Qatar." Al-Kaabi, who is also the president and CEO of QP said, "The size that I have mentioned - QR105bn project – is over the next five to six years, and when you put North Field South Project (NFS), into that, it could be a seven year or eight year project. This entails, of course, having some 65,000 workers come to Qatar – a lot of engineers, a lot of sub contractors will be required for a lot of work in different areas – in logistics and civil and so on. So, it will be a very good development-engine, I guess, for lot of the private sector." (Gulf-Times.com)
- **Al Kaabi: Gas production from NFS project expected in 2027 –** Gas production from the North Field South (NFS) Project is expected to start from 2027. Addressing a virtual press conference yesterday, Minister of State for Energy Affairs, President and CEO of Qatar Petroleum, HE Saad Sherida Al Kaabi, said that Qatar Petroleum (QP) is currently evaluating further increase in LNG capacity beyond the 126mn metric tons per annum (MMTPA). With an expected production start date in 2027, the NFS project involves the construction of two additional mega LNG trains (with a capacity of 8 MMTPA each) and associated offshore and onshore facilities, said the Minister. Qatar's LNG expansion plan consist of two phases. The NFE project represents the first phase of LNG expansion in Qatar, while the second phase, is referred as the North Field South Project (NFS). In the second phase Qatar's LNG production capacity will increase from 110 MMTPA to 126 MMTPA by 2027. The NFS project was initiated as a result of Qatar Petroleum's successful onshore appraisal activities in the North Field and targets the monetization of gas from the southern sector of the North Field. Qatar LNG expansion plan shows country's commitment to achieve the highest environmental standards. Addressing the virtual press conference after contract signing ceremony for developing North Field East Project, the Minister said, "Today's decision carries even more significance considering that it encompasses a number of concrete environmental investments in support of our strong commitment to achieve the highest environmental standards and to provide a credible solution in the low-carbon energy transition. "One of the most important environmental elements of the NFE project is its CO_2 capture and sequestration (CCS) system that will be integrated with our wider CCS scheme in Ras Laffan, which -once fully operational- will be the largest of its kind in terms of capacity in the LNG industry, and will be one of the largest ever developed anywhere in the world," he said. In

addition to the CCS scheme, the NFE project will have a number of elements that provide this project with a unique positive environmental proposition. A significant portion of the project's electrical power needs will be provided from Qatar's national power grid, and Qatar Petroleum is in the process of procuring such power from the 800 megawatt solar power plant currently under construction in Al-Kharsaah, in addition to a further 800 megawatts of solar power which Qatar Petroleum will construct in the near future as part of its plans to have a solar power portfolio of more than 4,000 megawatts by 2030. Also, it will have a 'jetty boil-off gas' recovery system, which will help reduce greenhouse gas emissions (GHG) by approximately a further 1 MMTPA of CO2 equivalent. The project will conserve 10.7mn cubic meters of water per year by recovering 75% of the plant's tertiary water. (Peninsula Qatar)

- **Qatar's real estate trading volume in January reaches QR2.739bn –** The volume of real estate transaction in sales contracts registered with the real estate registration department at the Ministry of Justice during the month of January of this year amounted to QR2,738,578,666. The data of the analytical real estate bulletin issued by the Ministry of Justice showed that 568 real estate deals were registered during the month. The number of sold real estate increased 17% in January on a monthly basis. The increase was at 37% when measured by total area. Al Rayyan, Doha, Al Dhaayen were the most actively traded areas by total value. Al Rayyan had transactions worth QR1,295,522,234 during the month. It was followed by Doha, which had QR690,224,625. Al Dhaayen was the third most active with a total value of QR427,435,279. By total area, the same three municipalities were also the most active. A total of 55% of the total area sold were in Al Rayyan. Al Dhaayen had 19%, and Doha 10%. Umm Salal and Al Shamal had 5% each. Al Wakra was behind it with 4%, with Al Khor and Al Thukhaira having 2% combined. The average price per meter in January ranged from QR398 to 1088 in Doha, QR235-503 in Al Wakra, QR322-429 in Al Rayyan, QR249-410 in Umm Salal, and QR 269-428 in Al Dhaayen. The total value of mortgages during January was QR2,378,269,984. Doha had a total mortgage value of 1,111,740,523. Al Shamal had the lowest value, at QR2,000,849. As for transactions in the Pearl and Al Gassar areas in January, there were 83 deals worth a combined QR146,588,231. Data showed that real estate trading in November continues its steady growth, boosted by new laws related to real estate brokerage and laws attracting local and foreign capital. The data also confirm the strength and durability of the foundations of the Qatari economy and the continued growth of the real estate sector as one of its main components. (Peninsula Qatar)

International

- **Goldman Sachs boosts US GDP estimate, sees COVID relief at $1.5tn –** Economists at Goldman Sachs Group Inc on Monday bumped their US GDP forecast for the second quarter up to 11% from 10% and said additional fiscal measures are likely to be valued at $1.5tn, up from their previous $1.1tn estimate. On an annual basis, they raised their forecasts for 2021 and 2022 growth by 0.2 percentage points each, to 6.8% and 4.5%, respectively. The bank's economists also said that they had brought forward their forecast for the first rate hike by the Federal Reserve from the second half of 2024 to the first half in light of the upgrade to the growth forecast, the larger-than-expected decline in the unemployment rate in January, and signs of a "firmer" inflation outlook. "We expect the FOMC to start tapering its asset purchases in early 2022," the note said. (Reuters)
- **Barclaycard: UK consumer spending plunges as new lockdown bites –** Spending by British consumers plunged in January at the fastest rate in seven months as the country went back into a tight COVID-19 lockdown, payment card firm Barclaycard said on Tuesday. A 73% annual increase in online retail spending and record demand for takeaway food - which jumped by a third from a year ago - failed to compensate for the closure of many businesses. Overall consumer spending shrank by 16.3% in YoY terms last month, Barclaycard said, the biggest drop since May when the country was starting to emerge from its first lockdown. Spending in pubs and bars dropped nearly 94% and was down by more than 84% in restaurants, the survey showed. Travel agents also reported an 87% drop in spending during a month when many Britons would normally book summer holidays abroad. By contrast spending at supermarkets soared by 17% as people prepared more food at home. The difference in spending patterns was reflected in a separate survey on Tuesday published by the British Retail Consortium (BRC) trade body. It said overall retail spending at major retail chains fell by 1.3% in January compared with the same month last year. Over the three months to January, food sales were up nearly 8% while non-food sales were down 5.6%. Barclaycard said a survey it commissioned showed only 40% of respondents felt secure in their jobs, down from 50% in January last year and the lowest proportion in over a year. The survey of 2,001 people was conducted between January 22 and January 25 by Longitude Research, while the card data covered December 25 to January 22. The BRC figures covered January 3 to January 30. (Reuters)
- **Eurozone investor morale slips on lockdown, vaccine rollout woes –** Investor morale in the Eurozone unexpectedly fell in February as lockdowns to suppress the COVID-19 case load left their mark on the economy, which lost touch with other regions in the world as they recovered further, a survey showed. Sentix's index for the Eurozone fell back into negative territory, dropping to -0.2 from 1.3 in January. A Reuters poll had pointed to a reading of 1.9. An expectations index eased to 31.5 from an all-time high of 33.5 in January while the current situation index came in at -27.5, down from -26.5 in January. "The lockdowns in many European countries are leaving their mark," Sentix said in a statement, adding that the broader European Union was being held back by its slow COVID-19 vaccination rollout. "As a result, the EU economy is losing touch with the other regions of the world, which are continuing their recovery course in the month of February," it said, pointing to strength in the US in particular. Sentix surveyed 1,252 investors from February 4 to February 6. (Reuters)
- **German exports edge up in December on robust China trade –** German exports rose in December as solid trade with China and the US helped Europe's largest economy as it struggles to grow under the restrictions of a lockdown aimed at suppressing the COVID-19 case load. Seasonally adjusted exports edged up 0.1% on the month after an increase of 2.3% in November, the Federal Statistics Office said on Tuesday. Imports fell 0.1% after an

increase of 5.4% in the prior month. The trade surplus expanded to 16.1bn euros. On the year, exports to China increased by 11.6%. Those to the United States rose by 8.4%, the Office said. Exports to the UK decreased by 3.3% in December and imports from the UK fell by 11.4 %. Official data released on Monday showed Germany's industrial sector avoided a contraction in December despite coronavirus lockdowns at home and abroad as strong demand from China helped export-oriented manufacturers weather the COVID-19 pandemic. The German government last month slashed its GDP growth forecast to 3% this year, a sharp revision from last autumn's estimate of 4.4%. This means the economy probably will not reach its pre-pandemic level before mid-2022. Once a role model for fighting the pandemic, Germany has struggled with a second wave. Chancellor Angela Merkel and state leaders are due to review lockdown measures on Wednesday. Bavaria's premier said on Sunday it was too soon to lift restrictions. Germany suffered its second-biggest economic plunge in post-war history last year. (Reuters)

- **Spain to strengthen support for company solvency soon –** The Spanish government expects to prepare additional measures to support companies' solvency soon, Economy Minister Nadia Calvino said. "We can go one step further to support solvent companies, which are in trouble because of the pandemic," she said in an interview with Cadena SER radio station. Several sources told Reuters on Monday the government was aiming to outline in the coming weeks a set of measures to support companies, possibly including haircuts on state-backed loans as well as direct state aid to help smaller firms weather the COVID-19 pandemic. "We are working with the Bank of Spain and the financial sector to figure out new specific measures through the ICO loan guarantees," Calvino said. The government has already extended grace periods and maturities, so helping companies significantly, she stressed. One of the sources familiar with the matter told Reuters the aim was to have a new framework of direct aid and loan haircuts readied by March to alleviate a growing corporate debt burden. (Reuters)
- **China January bank loans surge to record, credit growth slows –** China's new bank loans leapt to new highs in January boosted by seasonal demand, while broad credit growth slowed, as the central bank walks a tightrope between supporting a recovering economy and rising debt risks. Banks extended 3.58tn Yuan ($555.31bn) in new loans in January, hitting the highest on record and topping the 3.34tn Yuan seen in January 2020, data from the People's Bank of China (PBOC) showed. Chinese lenders tend to front-load loans at the beginning of the year to get higher-quality customers and win market share. Analysts polled by Reuters had predicted new yuan loans would jump to 3.5tn Yuan in January, up from 1.26tn Yuan the previous month. Capital Economics said it would make more sense to focus on outstanding lending growth to gauge the underlying trend, as January's new lending figures are usually the highest of the year. "Credit growth in China dropped back further last month due to a broad-based slowdown in both bank and non-bank lending," it said in a research note. "Credit is likely to continue decelerating as the PBOC focuses on reining in financial risks. This will become a growing headwind to the economy in the second half of the year." Outstanding yuan loans grew 12.7% from a year earlier compared with 12.8% growth in December. Analysts had expected 12.7% growth. The PBOC has rolled out a raft of measures since early-2020 to support the pandemic-hit economy, but it has shifted to a steadier stance in recent months. (Reuters)
- **China's auto sales surged 30% in January, tenth straight monthly gain –** Auto sales in China, the world's biggest market, surged in January with a 30% jump from the same month a year earlier, the tenth month of gains, as China continued to lead the global automobile industry's recovery from the COVID-19 pandemic. Sales reached 2.5mn vehicles in January, data from the China Association of Automobile Manufacturers (CAAM) showed. Sales of new energy vehicles (NEVs), including battery-powered electric vehicles, plug-in petrol-electric hybrids and hydrogen fuel-cell vehicles, increased 239% in January to 179,000 units. NEV makers such as homegrown Nio Inc and Xpeng Inc as well as foreign groups, such as Tesla Inc, are expanding manufacturing capacity in China where the government has promoted greener vehicles to reduce air pollution. (Reuters)
- **Brazil's 2021 inflation outlook rises to highest in almost a year, survey shows –** The outlook for Brazilian inflation rose for a fifth consecutive week, a central bank survey of economists showed on Monday, closer to the bank's central target for the year. The average forecast for IPCA consumer price inflation at the end of the year rose to 3.60% from 3.50% the week before, according to the latest weekly 'FOCUS' survey of around 100 economists. That's the highest since last March, and close to the central bank's end-year goal of 3.75%, with a margin of error of 1.5 percentage point on either side. Inflation in Brazil, led by a spike in food prices, has proved to be less "transitory" than the central bank had thought. It ended last year at 4.5%, well above the central bank's central target of 4.00%. With inflation expectations converging towards target over the next two years, the bank in January ditched its forward guidance after only five months. Markets then brought forward forecasts for the first interest rate hike since 2015. For the second week in a row, however, the FOCUS survey on Monday showed that economists' average end-2021 and end-2022 rate forecasts were unchanged at 3.50% and 5.00%, respectively. The central bank's benchmark Selic rate has been at a record low of 2.00% since last August. (Reuters)
- **IMF urges Russia to cut interest rates in 2021 –** Russia should consider cutting its key interest rate by 50 basis points this year to prevent inflation sliding below the central bank's 4% target, the International Monetary Fund (IMF) said. The central bank slashed rates to a record low last year and is seen holding its key rate at 4.25% this Friday, with accelerating inflation and a weak Ruble limiting room for further monetary easing, a Reuters poll has showed. The central bank expects inflation, which sped up to 5.2% in January, to peak in February. The IMF put the currently above-target inflation down to short-term pressures caused by the weak Ruble, but said it expected inflation to fall to 3.5% by end-2021 without monetary easing. "The Bank of Russia should lower rates in the coming months to prevent inflation from sliding below target over 2021," the IMF said in a report after regular consultations with Russian authorities. In order to better respond to future shocks, the IMF said lowering the key

rate to 3.75% was needed this year, even though this carried inflationary risks. (Reuters)

Regional

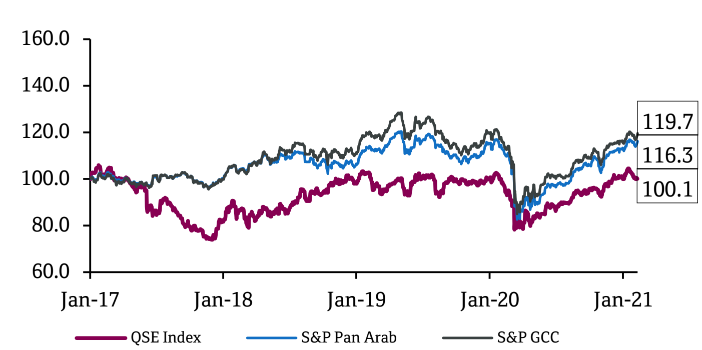
- **Fitch: GCC banking liquidity to remain adequate in 2021-22 despite pandemic shock –** The GCC banks' liquidity is expected to remain "adequate" in 2021-22 despite the economic shock from the pandemic and that capital buffers are sufficient to absorb the likely deterioration in asset quality, according to Fitch, an international credit rating agency. "We expect liquidity for GCC banks to remain adequate in 2021-22 despite the economic shock from the pandemic. The pandemic has not led to deposit withdrawals by governments or government-related entities, in contrast to the oil price shock of 2014-15," Fitch said in a report. In 2020, governments instead favored sovereign debt issuance, with the proceeds supporting banking sector liquidity, it said, adding household savings, which grew due to limited spending opportunities during lockdowns, also supported liquidity. Highlighting that the GCC banking sector liquidity has remained adequate during the pandemic, helped by various support measures; the rating agency said furthermore, money supply has expanded in most GCC countries during the pandemic, driven by sovereign debt issuance, growth in household savings and the absence of significant government deposit withdrawals. Hard-currency debt issuance by the GCC sovereigns increased to $48.7bn in 2020 from $42.3bn in 2019, according to First Abu Dhabi Bank. "We do not expect significant government deposit withdrawals in 2021-22 as the authorities' fiscal deficit funding strategies prioritize debt issuance over asset drawdowns," Fitch said. Estimating that the GCC banks' capital buffers are sufficient to absorb the likely deterioration in asset quality following the end of loan moratoriums in 2021; it said the average CET1 ratio was 15.2% at end 2019 and "we expect a slight deterioration in this ratio to about 14.5% by end-2021, driven mainly by weaker profitability." The rating agency expects slow loan growth and lower dividend pay-out ratios to limit pressure on banks' core capital ratios. (Gulf-Times.com)
- **Saudi PIF invests in NBK Capital Partners' Shari'ah credit fund –** Saudi Arabia's sovereign wealth fund, Public Investment Fund (PIF) has become an anchor investor in a new $300mn Shari'ah credit fund launched by NBK Capital Partners (NBKCP) that will provide capital to mid-market companies in the Middle East, NBKCP said on Tuesday. It did not disclose the stake taken by Public Investment Fund (PIF), which manages $400bn in assets, but NBKCP said it was a nine-digit figure, meaning at least a third of the targeted $300mn. Fundraising closes next year. PIF, which largely invests in equities and infrastructure, is making a rare foray into the debt market. "We can touch parts of the economy that they (PIF) can't touch as efficiently, so we end up being sort of this force multiplier for them in terms of getting capital into pockets efficiently," NBKCP Senior Managing Director, Yaser Moustafa told Reuters. (Reuters)
- **Shareholders to vote on Saudi's NCB and Samba merger next month –** Shareholders in both National Commercial Bank (NCB) and Samba Financial Group (Samba) are to vote on the merger of the two Saudi banks at extraordinary general assembly meetings on March 1. The two banks announced the merger in October last year and revealed last month that the merger would create a new brand, Saudi National Bank. In a statement to Saudi Stock Exchange Tadawul, NCB said shareholders at the meeting, to be held remotely due to COVID-19 safety measures, would vote on the merger as well as the increase of the bank's share capital to SR44.78bn from SR30bn. The combined assets of the two banks will be $223bn. (Zawya)
- **NCB posts 0.3% YoY rise in net profit to SR11,440mn in FY2020 –** The National Commercial Bank (NCB) recorded net profit of SR11,440mn in FY2020, an increase of 0.3% YoY. Total operating profit rose 4.3% YoY to SR21,458mn in FY2020. Total income from special commissions/investments fell 7.9% YoY to SR19,441mn in FY2020. Total assets stood at SR599.4bn at the end of December 31, 2020 as compared to SR506.8bn at the end of December 31, 2019. Loans and Advances Portfolio (Financing & Investment) stood at SR346.7bn (+23.0% YoY), while client's deposits stood at SR416.4bn (+17.8% YoY) at the end of December 31, 2020. EPS remained flat YoY at SR3.68 in FY2020. (Tadawul)
- **BSFR's net profit falls 50.4% YoY to SR1,546mn in FY2020 –** Banque Saudi Fransi (BSFR) recorded net profit of SR1,546mn in FY2020, registering decrease of 50.4% YoY. Total operating profit rose 2.5% YoY to SR7,045mn in FY2020. Total income from Special Commissions/Financing & Investments fell 14.7% YoY to SR6,285mn in FY2020. Total assets stood at SR194.1bn at the end of December 31, 2020 as compared to SR178.1bn at the end of December 31, 2019. Loans and advances stood at SR130.6bn (+3.8% YoY), while client's deposits stood at SR127.1bn (-4.3% YoY) at the end of December 31, 2020. EPS came in at SR1.24 in FY2020 as compared to SR2.6 in FY2019. (Tadawul)
- **Bank AlBilad CEO says mortgages to stay key component of growth –** Bank AlBilad CEO, Abdul Aziz Al Onaizan said "We particularly believe mortgages will continue to be a key component of growth as we see the risk there" is minimal. He also said: The lender may look at mergers "if a need arises." It has enough capital to manage growth without mergers. The bank will continue to expand lending at the same pace. AlBilad to focus on creating value for investors, return of equity. (Bloomberg)
- **Riyad Bank raises SR3bn from Tier 2 Sukuk private placement –** Riyad Bank completes the issuance of Tier 2 capital-eligible Sukuk under its domestic program. The return is 6-month SAIBOR + 150 bps. The Maturity is for 10 years; callable at year 5. Riyad Capital was sole arranger and dealer. (Bloomberg)
- **CBUAE sees a strong return to GDP growth this year –** The Central Bank of the UAE Governor expects to see a strong return to GDP growth in for the country in 2021 as the government continues to diversify the economy, provide strong infrastructure spending and encourage private investment both as a measure of growth and private employment. In a statement Tuesday, Abdulhamid M. Saeed Alahmadi invited the business and banking community to take part in this "new era to kick start the investment cycle, to expand credit appetites, help customers in need and forge a roadmap which is different from before." He said the good news was that most predictions for 2021 are optimistic and signal a return to growth throughout the year. Economic activity, although subdued, was recovering, based on the December Google COVID-19 Community Mobility Report, he noted. (Zawya)

- **Banks reduce usage of UAE central bank stimulus package, governor says –** Banks in the UAE have reduced their use of a Central Bank stimulus scheme aimed at supporting liquidity during the COVID-19 pandemic, the Central Bank Governor said. In March 2020, the UAE central bank launched a $70bn package of capital and liquidity measures as part of a Targeted Economic Support Scheme (TESS). Some of the measures have been extended to June 2021. “The utilization of the TESS program, which has now come down to about 50% from its peak, is a strong indicator that banks are now gradually coming back to manage their credit books and navigate the way forward,” Central Bank Governor, Abdulhamid Saeed said in a statement on Tuesday. Vital sectors of the UAE economy such as transport and tourism were hit hard by the coronavirus outbreak last year. The UAE economy is expected to show a 6% contraction in 2020. (Reuters)
- **Dubai non-oil private sector grows at marginal pace in January –** Dubai’s non-oil private sector expanded for the second consecutive month in January, although at a marginal pace that was a fraction slower than the previous month as business activity and new orders softened. The seasonally adjusted IHS Markit Dubai Purchasing Managers’ Index (PMI) fell to 50.6 in January from 51.0 in December. That growth pace - just above the 50 mark that separates expansion from contraction - was well below the series average of 54.6. The sector expanded in only six months of last year as the coronavirus pandemic pummeled the economy of the Middle East’s tourism and commerce hub. “Despite sales growth near-stalling, non-oil companies in Dubai increased output for the second month in a row in January. With confidence for 2021 also improving due to the rapid vaccine roll-out in the UAE, employment rose for the first time in nearly a year, after the pandemic drove record declines during the second quarter of 2020,” Economist at survey compiler IHS Markit, David Owen said. (Reuters)
- **DP World expects to report 'relatively stable' 2020 performance –** DP World will report a “relatively stable performance” for 2020 after handling the same number of shipping container volumes as the previous year, the port operator’s Chairman said on Monday. The comments were in line with the Dubai state-owned company’s expectations last October but cautioned the outlook for this year was uncertain due to the ongoing pandemic. DP World, a major international port operator, handled 71.2mn shipping containers last year, the same amount it handled in 2019, the company said in a statement. Volume at its flagship Jebel Ali port in Dubai contracted 4.4% to 13.5mn containers. “Overall, the full year solid volume performance leaves us well placed to deliver a relatively stable financial performance in 2020,” Chairman and CEO, Sultan Ahmed bin Sulayem said. DP World remains focused on containing costs to protect profitability, managing growth capex to preserve cashflow and is confident about meeting 2022 targets. While 2021 started encouragingly, outlook remains uncertain given continued issues surrounding pandemic, geopolitical uncertainty in parts of the world and ongoing trade war. (Reuters, Bloomberg)
- **Mubadala plans international bond sale –** Abu Dhabi’s state fund Mubadala is planning an international bond sale soon, sources said, after it raised $4bn in a multi-tranche deal in May. Mubadala, which manages around $230bn in assets and is the second-biggest state investor in Abu Dhabi after the Abu Dhabi Investment Authority, is a regular issuer in debt capital markets. The planned deal comes amid a deluge of bond deals from the Gulf, where issuers are tapping global debt markets at cheap rates this year as abundant global liquidity pushes investors to hunt for higher-yielding assets. Mubadala has 1.25 billion Euros in bonds maturing next month, as well as more than $350mn due in April and $700mn due in December, according to Refinitiv data. (Reuters)
- **Petrobras to sell RLAM refinery to Mubadala, postpones REPAR sale –** Brazil’s state-controlled oil company Petroleo Brasileiro said it had agreed to sell its RLAM refinery to Abu Dhabi’s Mubadala Capital for $1.65bn, subject to regulatory approval. Petrobras, as the company is known, also said it would not sell its REPAR refinery, in the southern state of Parana, at the current time as it considered the bids too low. It did not elaborate further but said, without giving a timeline, that it will begin a new sales process for REPAR. Reuters reported earlier that both Ultrapar Participacoes and Raizen, a joint venture between Royal Dutch Shell PLC and Brazilian ethanol producer Cosan, had bid for REPAR. According to antitrust rules, as Petrobras picked Ultrapar to lead negotiations for the sale of its REFAP refinery in Rio Grande do Sul state, in the same region as REPAR, its only option would be to sell REPAR to another competitor, in this case Raizen. Petrobras said the process to divest REFAP, as well as five other refineries, namely RMAN, RNEST, REGAP, LUBNOR and SIX, was ongoing. (Reuters)
- **FAB raises $907.73mn with first euro-denominated bond –** First Abu Dhabi Bank (FAB) raised $907.73mn through the sale of five-year bonds on Tuesday, its debut euro-denominated issue, a document showed. It set the spread at 55 basis points (bps) over mid-swaps, tightening initial price guidance by 20 bps after receiving more than 1.6 billion euros in orders, the document from one of the banks running the deal showed. FAB has already tapped debt markets several times this year, including with a sterling-denominated deal last week and the region's first green bonds denominated in Swiss francs last month. (Zawya)
- **Kuwait's CBK reports net loss of KD17.1mn in 4Q2020 –** Commercial Bank of Kuwait (CBK) reported net loss of KD17.1mn, an increase of 2.9% YoY. The operating revenue came in at KD38.8mn, an increase of 6.6% YoY. The operating profit came in at KD22.6mn, a decrease of 4% YoY. (Bloomberg)
- **Kuwait’s December consumer prices rise 2.95% YoY and 0.34% MoM –** Central Statistical Bureau in Kuwait City published Kuwait's consumer price indices which showed that consumer prices rose 2.95% YoY and 0.34% MoM. Food and beverages price index rose 9.81% YoY. Transport prices rose 3.34% YoY, communication prices rose 5.3% YoY. (Bloomberg)
- **Oman awards exploration contract for oil block to Majan Energy –** Oman’s Ministry of Energy and Minerals has selected local oil company Majan Energy to explore Block 71, Oman News Agency said. Majan Energy will conduct geological studies for the Habhab field, drill several evaluation wells and extract heavy oil, Concession area spans 282 square kilometers. (Bloomberg)
- **Oman sells OMR144mn 91-day bills at yield 0.802%; bid-cover at 1.1x –** Oman sold OMR144mn of 91-day bills due on May 12, 2021. Investors offered to buy 1.1 times the amount of securities

sold. The bills were sold at a price of 99.8, have a yield of 0.802% and will settle on February 10, 2021. (Bloomberg)

- **Oman's crude exports fell 1% in January, Ministry says –** Oman exported 1% less crude oil in January than in the previous month, the Ministry of Energy and Minerals said. Sultanate exported 815k bpd to the following buyers: China (78.7%), India (18.4%), Malaysia (2.9%). It produced 730k bpd in January, up 1.1% MoM. (Bloomberg)
- **Bahrain's preliminary estimates of 2020 fiscal deficit up $2.17bn from approved budget –** Bahrain's preliminary estimates of the 2020 total fiscal deficit have reached $4.31bn, an increase of $2.17bn from the 2020 approved budget, a Finance Ministry statement said on Monday. The preliminary estimates of the 2020 fiscal results see revenues at $5.67bn, down 27% from the approved budget, because of the decline in oil prices, the ministry said. The preliminary estimates also see expenditures at $9.98bn, up 0.3% from the 2020 approved budget, the ministry added. (Reuters)
- **Bahrain sells BHD70mn 91-day bills; bid-cover at 2.04x –** Bahrain sold BHD70mn of 91-day bills due on May 12, 2021. Investors offered to buy 2.04 times the amount of securities sold. The bills were sold at a price of 99.503, have a yield of 1.98% and will settle on February 10, 2021. (Bloomberg)

Rebased Performance



Source: Bloomberg

Daily Index Performance

Source: Bloomberg (*Data as of February 08, 2020)

Asset/Currency Performance	Close ($)	1D%	WTD%	YTD%
Gold/Ounce	1,838.32	0.4	1.3	(3.2)
Silver/Ounce	27.27	(0.0)	1.3	3.3
Crude Oil (Brent)/Barrel (FM Future)	61.09	0.9	2.9	17.9
Crude Oil (WTI)/Barrel (FM Future)	58.36	0.7	2.7	20.3
Natural Gas (Henry Hub)/MMBtu	3.29	0.0	(3.1)	38.4
LPG Propane (Arab Gulf)/Ton	86.50	(2.0)	0.3	15.0
LPG Butane (Arab Gulf)/Ton	93.50	(2.6)	(3.1)	24.7
Euro	1.21	0.6	0.6	(0.8)
Yen	104.59	(0.6)	(0.8)	1.3
GBP	1.38	0.6	0.6	1.1
CHF	1.12	0.7	0.7	(0.8)
AUD	0.77	0.5	0.8	0.6
USD Index	90.44	(0.5)	(0.7)	0.6
RUB	73.89	(0.6)	(1.0)	(0.7)
BRL	0.19	(0.3)	(0.2)	(3.4)

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,798.55	0.1	0.9	4.0
DJ Industrial	31,375.83	(0.0)	0.7	2.5
S&P 500	3,911.23	(0.1)	0.6	4.1
NASDAQ 100	14,007.70	0.1	1.1	8.7
STOXX 600	410.42	0.4	0.8	1.8
DAX	14,011.80	0.1	0.2	0.6
FTSE 100	6,531.56	0.5	1.1	2.2
CAC 40	5,691.54	0.6	1.1	1.5
Nikkei	29,505.93	1.0	3.3	6.2
MSCI EM	1,409.14	0.7	1.0	9.1
SHANGHAI SE Composite	3,603.49	2.2	3.6	5.2
HANG SENG	29,476.19	0.5	0.7	8.3
BSE SENSEX	51,329.08	0.0	1.1	7.8
Bovespa	119,471.60	(0.8)	(0.9)	(3.3)
RTS	1,457.87	(0.3)	1.8	5.1

Source: Bloomberg (*$ adjusted returns)

Contacts

Saugata Sarkar, CFA, CAIA
Head of Research
Tel: (+974) 4476 6534
saugata.sarkar@qnbfs.com.qa

Shahan Keushgerian
Senior Research Analyst
Tel: (+974) 4476 6509
shahan.keushgerian@qnbfs.com.qa

Zaid al-Nafoosi, CMT, CFTe
Senior Research Analyst
Tel: (+974) 4476 6535
zaid.alnafoosi@qnbfs.com.qa

Mehmet Aksoy, PhD
Senior Research Analyst
Tel: (+974) 4476 6589
mehmet.aksoy@qnbfs.com.qa

QNB Financial Services Co. W.L.L.
Contact Center: (+974) 4476 6666
PO Box 24025
Doha, Qatar