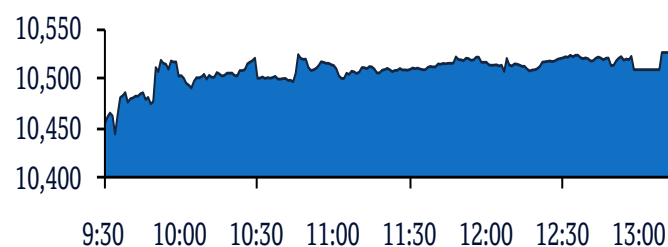


QSE Intra-Day Movement



Qatar Commentary

The QE Index rose 0.8% to close at 10,528.5. Gains were led by the Industrials and Insurance indices, gaining 2.1% and 1.2%, respectively. Top gainers were Al Khaleej Takaful Insurance Company and Qatari German Company for Medical Devices, rising 10.0% and 9.0%, respectively. Among the top losers, QLM Life & Medical Insurance Co. fell 1.4%, while Dlala Brokerage & Investment Holding Co. was down 1.1%.

GCC Commentary

Saudi Arabia: The TASI Index gained 0.1% to close at 8,901.6. Gains were led by the Consumer Durables and Diversified Fin. indices, rising 3.3% and 1.8%, respectively. Anaam International Holding and Al-Baha Dev. & Investment were up 10.0% each.

Dubai: The DFM Index fell 0.6% to close at 2,631.6. The Consumer Staples and Discretionary index declined 4.7%, while the Transportation index fell 2.7%. Emirates Refreshments Company and DXB Entertainments were down 4.9% each.

Abu Dhabi: The ADX General Index gained 0.1% to close at 5,666.8. The Real Estate index rose 1.3%, while the Insurance index gained 0.5%. Abu Dhabi Ship Building Company rose 3.1%, while Arkan Building Materials Company was up 1.7%.

Kuwait: The Kuwait All Share Index fell 0.3% to close at 5,701.3. The Technology index declined 3.3%, while the Insurance index fell 1.9%. Yiacco Medical Company declined 9.6%, while Gulf Insurance Group was down 7.0%.

Oman: The MSM 30 Index fell 0.2% to close at 3,559.7. Losses were led by the Financial and Services indices, falling 0.3% and 0.2%, respectively. Muscat Finance declined 7.9%, while Aman Real Estate was down 6.9%.

Bahrain: The BHB Index fell 0.1% to close at 1,462.6. The Services index declined 0.2%, while the Commercial Banks index fell 0.1%. Khaleeji Commercial Bank declined 3.9%, while Al Salam Bank-Bahrain was down 2.6%.

Market Indicators	10 Feb 21	08 Feb 21	%Chg.
Value Traded (QR mn)	570.5	367.4	55.3
Exch. Market Cap. (QR mn)	607,093.3	603,328.6	0.6
Volume (mn)	202.6	147.2	37.6
Number of Transactions	10,178	8,911	14.2
Companies Traded	47	47	0.0
Market Breadth	26:18	14:29	-

Market Indices	Close	1D%	WTD%	YTD%	TTMP/E
Total Return	20,313.80	0.8	0.9	1.3	18.0
All Share Index	3,233.73	0.7	0.7	1.1	18.6
Banks	4,195.45	0.2	(0.0)	(1.2)	15.1
Industrials	3,290.48	2.1	2.9	6.2	26.5
Transportation	3,498.72	1.2	0.6	6.1	16.1
Real Estate	1,885.34	(0.2)	0.8	(2.2)	16.2
Insurance	2,454.80	1.2	0.7	2.5	N.A.
Telecoms	1,142.38	0.2	(0.3)	13.0	16.8
Consumer	7,916.35	0.4	0.6	(2.8)	28.5
Al Rayan Islamic Index	4,297.50	0.9	1.0	0.7	19.3

GCC Top Gainers**	Exchange	Close*	1D%	Vol. '000	YTD%
Samba Financial Group	Saudi Arabia	32.60	4.5	4,084.9	6.7
National Comm. Bank	Saudi Arabia	45.00	3.7	4,679.8	3.8
Industries Qatar	Qatar	12.29	3.3	2,123.8	13.1
The Commercial Bank	Qatar	4.41	2.1	11,531.0	0.2
Ahli Bank	Oman	0.10	2.0	15.0	(18.1)

GCC Top Losers**	Exchange	Close*	1D%	Vol. '000	YTD%
Sohar International Bank	Oman	0.08	(2.6)	1,776.5	(17.6)
Saudi Arabian Mining Co.	Saudi Arabia	45.80	(2.4)	548.4	13.1
Bank Al Bilad	Saudi Arabia	28.15	(1.9)	742.3	(0.7)
SABIC Agri-Nutrients	Saudi Arabia	97.00	(1.6)	490.8	20.3
National Petrochemical	Saudi Arabia	34.95	(1.4)	109.2	5.1

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

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
QLM Life & Medical Insurance Co.	3.84	(1.4)	950.5	21.9
Dlala Brokerage & Inv. Holding Co	1.84	(1.1)	1,864.3	2.7
Zad Holding Company	14.94	(1.1)	19.0	0.2
United Development Company	1.62	(0.9)	2,798.8	(2.1)
Doha Bank	2.32	(0.8)	12,146.3	(2.0)

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
QNB Group	17.05	(0.4)	86,856.1	(4.4)
Qatar First Bank	1.85	0.3	82,190.7	7.7
The Commercial Bank	4.41	2.1	50,766.6	0.2
Gulf International Services	1.68	(0.4)	43,258.3	(2.0)
Qatari German Co for Med. Dev.	3.24	9.0	29,272.9	44.7

Source: Bloomberg (* in QR)

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Al Khaleej Takaful Insurance Co.	2.68	10.0	3,709.5	41.4
Qatari German Co for Med. Devices	3.24	9.0	9,455.2	44.7
Qatar National Cement Company	4.70	6.8	3,217.9	13.2
Industries Qatar	12.29	3.3	2,123.8	13.1
Qatar General Ins. & Reins. Co.	2.50	3.2	2.0	(6.1)

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Qatar First Bank	1.85	0.3	43,873.3	7.7
Gulf International Services	1.68	(0.4)	25,474.0	(2.0)
Doha Bank	2.32	(0.8)	12,146.3	(2.0)
Investment Holding Group	0.54	(0.4)	11,820.9	(9.3)
The Commercial Bank	4.41	2.1	11,531.0	0.2

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded (\$ mn)	Exchange Mkt. Cap. (\$ mn)	P/E**	P/B**	Dividend Yield
Qatar*	10,528.52	0.8	0.9	0.5	0.9	156.02	165,372.2	18.0	1.5	3.6
Dubai	2,631.60	(0.6)	(1.5)	(0.8)	5.6	40.02	96,371.9	15.5	0.9	3.7
Abu Dhabi	5,666.80	0.1	0.0	1.3	12.3	273.86	216,349.2	22.8	1.6	4.3
Saudi Arabia	8,901.63	0.1	3.3	2.3	2.4	3,301.34	2,415,905.6	33.7	2.1	2.4
Kuwait	5,701.29	(0.3)	0.1	(1.4)	2.8	166.28	107,231.7	39.2	1.4	3.4
Oman	3,559.74	(0.2)	(1.3)	(2.6)	(2.7)	3.99	16,140.2	10.8	0.7	7.7
Bahrain	1,462.56	(0.1)	0.1	(0.0)	(1.8)	2.70	22,374.6	14.0	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)

Qatar Market Commentary

- The QE Index rose 0.8% to close at 10,528.5. The Industrials and Insurance indices led the gains. The index rose on the back of buying support from GCC, Arab and Foreign shareholders despite selling pressure from Qatari shareholders.
- Al Khaleej Takaful Insurance Company and Qatari German Company for Medical Devices were the top gainers, rising 10.0% and 9.0%, respectively. Among the top losers, QLM Life & Medical Insurance Company fell 1.4%, while Dlala Brokerage & Investment Holding Company was down 1.1%.
- Volume of shares traded on Wednesday rose by 37.6% to 202.6mn from 147.2mn on Monday. Further, as compared to the 30-day moving average of 177.2mn, volume for the day was 14.3% higher. Qatar First Bank and Gulf International Services were the most active stocks, contributing 21.7% and 12.6% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	38.97%	51.35%	(70,621,973.9)
Qatari Institutions	18.91%	8.64%	58,611,013.5
Qatari	57.88%	59.99%	(12,010,960.3)
GCC Individuals	0.77%	2.49%	(9,794,085.8)
GCC Institutions	3.68%	1.95%	9,872,567.6
GCC	4.45%	4.43%	78,481.8
Arab Individuals	10.18%	9.79%	2,223,745.9
Arab Institutions	0.11%	0.00%	618,532.6
Arab	10.29%	9.79%	2,842,278.5
Foreigners Individuals	3.00%	2.75%	1,409,489.4
Foreigners Institutions	24.39%	23.04%	7,680,710.6
Foreigners	27.39%	25.79%	9,090,200.0

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

Earnings Releases, Global Economic Data and Earnings Calendar

Earnings Releases

Company	Market	Currency	Revenue (mn) 4Q2020	% Change YoY	Operating Profit (mn) 4Q2020	% Change YoY	Net Profit (mn) 4Q2020	% Change YoY
Yamama Cement Co.*	Saudi Arabia	SR	879.9	9.7%	328.9	22.2%	363.3	41.7%
Fawaz Abdulaziz Alhokair Co.	Saudi Arabia	SR	1,349.7	4.6%	(18.0)	N/A	(128.1)	N/A
Abu Dhabi Aviation Co.*	Abu Dhabi	AED	1,558.5	-25.1%	343.0	-34.0%	154.7	-48.6%
Sharjah Group*	Abu Dhabi	AED	10.5	-6.0%	8.9	-11.4%	(11.1)	N/A
Aramex*	Dubai	AED	5,510.3	8.7%	417.9	-32.6%	285.0	-42.7%
Orient Unb Takaful*	Dubai	AED	300.6	17.8%	-	-	6.2	454.6%
Dubai Refreshments Company*	Dubai	AED	564.4	-11.2%	56.7	-17.6%	56.9	-15.6%
Investcorp Holdings**	Bahrain	USD	217.0	16.7%	-	-	63.0	31.3%
Delmon Poultry Company*	Bahrain	BHD	-	-	-	-	0.9	N/A

Source: Company data, DFM, ADX, MSM, TASI, BHB. (*Financial for FY2020, ** Financial for 6M ended December 31, 2020)

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
02/10	US	Mortgage Bankers Association	MBA Mortgage Applications	05-Feb	-4.1%	-	8.1%
02/10	US	Bureau of Labor Statistics	CPI MoM	Jan	0.3%	0.3%	0.4%
02/10	US	Bureau of Labor Statistics	CPI YoY	Jan	1.4%	1.5%	1.4%
02/10	Germany	German Federal Statistical Office	CPI MoM	Jan	0.8%	0.8%	0.8%
02/10	Germany	German Federal Statistical Office	CPI YoY	Jan	1.0%	1.0%	1.0%
02/10	France	INSEE National Statistics Office	Industrial Production MoM	Dec	-0.8%	0.4%	-0.7%
02/10	France	INSEE National Statistics Office	Industrial Production YoY	Dec	-3.0%	-1.7%	-4.5%
02/10	France	INSEE National Statistics Office	Manufacturing Production MoM	Dec	-1.7%	-0.3%	0.7%
02/10	France	INSEE National Statistics Office	Manufacturing Production YoY	Dec	-3.6%	-3.2%	-4.1%
02/10	Japan	Bank of Japan	PPI YoY	Jan	-1.6%	-1.6%	-2.0%
02/10	Japan	Bank of Japan	PPI MoM	Jan	0.4%	0.4%	0.5%
02/10	China	National Bureau of Statistics	CPI YoY	Jan	-0.3%	0.0%	0.2%
02/10	China	National Bureau of Statistics	PPI YoY	Jan	0.3%	0.3%	-0.4%

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

Earnings Calendar

Tickers	Company Name	Date of reporting 4Q2020 results	No. of days remaining	Status
QAMC	Qatar Aluminum Manufacturing Company	14-Feb-21	3	Due
QATI	Qatar Insurance Company	14-Feb-21	3	Due
QEWS	Qatar Electricity & Water Company	14-Feb-21	3	Due
ORDS	Ooredoo	14-Feb-21	3	Due
QIMD	Qatar Industrial Manufacturing Company	14-Feb-21	3	Due
BRES	Barwa Real Estate Company	15-Feb-21	4	Due
QLMI	QLM Life & Medical Insurance Company	17-Feb-21	6	Due
GISS	Gulf International Services	18-Feb-21	7	Due
DOHI	Doha Insurance Group	22-Feb-21	11	Due
QNNS	Qatar Navigation (Milaha)	23-Feb-21	12	Due
AHCS	Aamal Company	23-Feb-21	12	Due
MCGS	Medicare Group	23-Feb-21	12	Due
MPHC	Mesaieed Petrochemical Holding Company	23-Feb-21	12	Due
MERS	Al Meera Consumer Goods Company	23-Feb-21	12	Due
QISI	Qatar Islamic Insurance Group	28-Feb-21	17	Due
WDAM	Widam Food Company	3-Mar-21	20	Due

Source: QSE

News

Qatar

- Qatar-Saudi land cargo movement to start on February 14** – Commercial land cargo movement between Qatar and Saudi Arabia will resume on February 14, the General Authority of Customs (GAC) has announced. A number of regulatory and precautionary controls pertaining to the movement of imported and transiting goods through the land border between Qatar and Saudi Arabia were announced on the GAC website. Truck drivers coming from Saudi Arabia's Salwa border must obtain a certificate authenticated by the Saudi Ministry of Health, proving that they have been tested for COVID-19, at least 72 hours prior to the date of entry into Qatar's Abu Samra border crossing. Drivers and trucks transporting goods to Qatar via Abu Samra are not permitted to enter the country, and the goods will be unloaded and re-loaded onto local trucks by the importer or his representative at the border, according to prior coordination with the administration. (Gulf-Times.com)
- QEWS to hold its investors relation conference call on 16/02/2021 to discuss the financial results.** Qatar Electricity & Water Co. announces that the conference call with the Investors to discuss the financial results for the Annual 2020 will be held on 16/02/2021 at 12:30 PM, Doha Time. (QSE)
- ABQK raises \$300mn with first AT1 bonds** – Ahli Bank (ABQK) launched a debut \$300mn Additional Tier 1 (AT1) bond offering on Wednesday, a document showed. It sold the bonds at 4%, tightening by 75 basis points from initial price guidance after receiving more than \$1.9bn in orders, the document from one of the banks on the deal showed. The issuance is Qatar's first conventional AT1 bond sale since Qatar Islamic Bank's issue of AT1 sukuk, or Islamic bonds, in 2016. AT1 bonds, the riskiest debt instruments banks can issue, are designed to be perpetual in nature, but lenders can call them after a specified period. Ahli Bank's offering is non-callable for five years. Barclays, Mizuho, QNB Capital and Standard Chartered are arranging the deal, which is expected to launch later on Wednesday. (Bloomberg)
- IQCD to hold its AGM on March 01** – Industries Qatar (IQCD) announced that the General Assembly Meeting (AGM) will be held on March 01, electronically using Zoom at 03:30 pm. In case of not completing the legal quorum, the second meeting will be held on March 02, 2021, electronically using Zoom at 03:30 pm. The agenda includes (1) Listen to the Chairman's message for the financial year ended 31 December 2020. (2) Listen and approve the Board of Directors' Report on IQCD's operations and financial performance for the financial year ended 31 December 2020 and the future plan of the company. (3) Listen and approve the Auditors' Report on IQCD's consolidated financial statements for the financial year ended 31 December 2020. (4) Discuss and approve IQCD's consolidated financial statements for the financial year ended 31 December 2020. (5) Present and approve 2020 Corporate Governance Report. (6) Approve Board's recommendation for a dividend payment of QR 0.33 per share for 2020, representing 33% of the nominal share value. (7) Absolve the Board of Directors from liability for the financial year ended 31 December 2020 and approve their remuneration. (8) Appoint the external auditor for the financial year ending 31 December 2021 and approve their fees. (QSE)
- CBQK enables payment through wearables in Qatar** – The Commercial Bank (CBQK), the leading digital bank in Qatar, on Wednesday, announced the launch of a new digital feature that enables payment through wearables, a new innovative payment method provided through smartwatches and trackers. Through this new offering, CBQK is adding one more contactless payment solution that allows users to make secure payments from the smartwatch or fitness trackers, without the need of a phone or cards. CBQK cardholders will very soon enjoy this innovative payment tech by simply registering their CBQK Credit or Debit card details into their wearable smartwatch or tracker using the devices' applications and then make contactless payments by simply tapping their smartwatch at any contactless supported payment terminals. CBQK's newly launched service fulfils the

bank's promise of bringing payment solutions to match the evolving lifestyle of its customers; thus, becoming one of the first local banks to offer athletes and sports enthusiasts in Qatar a new way to pay for their purchases with their watches and keep moving. (Qatar Tribune)

International

- **UN report: Recovery in global trade to stall again in first quarter** – A recovery in global trade is expected to slow again in the first quarter of 2021 as the coronavirus pandemic keeps disrupting the travel industry after world trade contracted 9% in 2020, a UN report said on Wednesday. After lockdowns caused trade to shrink 15% in the first half of 2020, it rebounded in the second half, with global trade in goods up about 8% in the fourth quarter compared with the third, the UN Conference on Trade and Development (UNCTAD) said. That was largely due to developing countries, particularly those in East Asia, with trade in goods originating from the region up 12% in the fourth quarter YoY. “East Asian economies have been leading the recovery process with strong export growth and gains in global market share,” UNCTAD said, adding that most manufacturing sectors rebounded in the fourth quarter, apart from energy and transport. However, trade in services stagnated at levels seen in the third quarter, the report said, adding that exports of services from China, and to a lesser degree India, had fared relatively better than other countries. For the first quarter of 2021, UNCTA projects a 1.5% fall in trade in goods versus the previous quarter, and a 7% drop in trade in services, although it said its forecasts were uncertain due to the pandemic and uncertainty about stimulus packages. (Reuters)
- **US January budget deficit hits record \$163bn as new aid checks sent out** – The US government posted a budget deficit of \$163bn in January, a record high for the month and a \$130bn jump from the deficit in the same month last year, as a new round of direct payments to individuals were distributed, the Treasury said on Wednesday. Receipts for January rose 3% from the year-earlier period to \$385bn, while outlays grew 35% to \$547bn. Both receipts and outlays were record highs for January. For the first four months of the 2021 fiscal year, the deficit rose 89% to \$736bn, with receipts rising 1% to \$1.19tn and outlays increasing 23% to \$1.92tn. The deficit, receipts and outlays were all year-to-date record highs. The January deficit would have been considerably larger if not for some \$44bn in benefits being paid in December because the New Year's Day holiday came at the start of a weekend. Receipts last month were helped by an 18% increase in individual non-withheld tax payments, and a 49% increase in corporate tax payments, the latter of which a Treasury official said were increased by the repatriation of overseas earnings. The official said January outlays were increased by about \$139bn in direct payments by the Treasury to individuals, mostly through \$600 checks sent out as part of a year-end COVID-19 stimulus bill. Replenished unemployment benefits and rental assistance also boosted US outlays, the official said. (Reuters)
- **US business formation surges in January** – Applications to start new US businesses jumped in January, suggesting economic activity was steadily picking again, although the coronavirus pandemic continues to pose a risk to growth. The Commerce Department said on Wednesday business applications surged

42.6% to a seasonally adjusted 492,133 last month. The data is derived from business applications for tax identifications. There were a seasonally adjusted 54,635 applications from corporations. Applications for businesses with planned wages totaled 58,023. Overall, applications increased in all four regions last month. The COVID-19 pandemic has decimated businesses in the services sector, especially restaurants and bars, leaving millions unemployed. The economy has recovered 12.3mn of the 22.2mn jobs lost in March and April, when the pandemic started in the US. At least 17.8mn Americans are on unemployment benefits. (Reuters)

- **US consumer prices increase steadily in January** – US consumer prices rose moderately in January and underlying inflation remained benign as the pandemic continues to be a drag on the labor market and services industry. The Labor Department said on Wednesday its consumer price index increased 0.3% last month after climbing a revised 0.2% in December. In the 12 months through January the CPI rose 1.4% after gaining a revised 1.3% December. Economists polled by Reuters had forecast the CPI rising 0.3% and increasing 1.5% YoY. Prior to the revision, the CPI was previously reported to have increased 0.4% in December and advanced 1.4% YoY. (Reuters)
- **Cheaper airline tickets keep US inflation tame in January** – US consumer prices rose moderately in January as higher gasoline prices were blunted by a slump in airline fares amid a relentless pandemic, tempering expectations for a sustained acceleration in inflation this year. The report from the Labor Department on Wednesday also showed underlying consumer prices were unchanged for a second straight month. Inflation is under the spotlight, with economic growth expected to be juiced by fiscal stimulus and coronavirus vaccines becoming accessible to large swaths of the population, unleashing pent-up demand for services. Higher inflation is anticipated by the spring as price declines early in the coronavirus crisis wash out of the calculations, but there is no consensus among economists on whether it would stick beyond the so-called base effects. The consumer price index rose 0.3% last month after gaining 0.2% in December. In the 12 months through January the CPI increased 1.4% after climbing 1.3% in December. Last month's rise in the CPI was in line with economists' expectations. Gasoline prices jumped 7.4% in January, accounting for most of the increase in the CPI, after rising 5.2% in December. Food prices gained 0.1%, but the cost of food consumed at home fell 0.1%. Prices for food consumed away from home climbed 0.3%. Excluding the volatile food and energy components, the CPI was unchanged for a second consecutive month. The so-called core CPI was restrained by a 3.2% plunge in the cost of airline tickets. That offset increases in the prices of health care, motor vehicle insurance and tobacco. The core CPI rose 1.4% on a YoY basis, slowing from December's 1.6% advance. (Reuters)
- **Eurofer: Steel demand in EU plus UK seen rebounding by 13.3% in 2021** – Demand for steel in the European Union and Britain fell by 11.6% year on year in the third quarter of 2020 as the COVID-19 pandemic hit industrial activity but it is expected to bounce back this year, industry group Eurofer said on Wednesday. “2020 is likely to be one of the worst years on record, even if we will see positive figures in the fourth quarter,” said Eurofer Director General Axel Eggert. The third quarter decline in apparent steel

consumption for the 27 EU members plus Britain to 32.8mn tons was an improvement on the tumble of 25% in the second quarter, the European Steel Association said in a statement. Apparent steel consumption measures output of steel producers plus net imports minus net exports. Apparent consumption is forecast to fall 13% in 2020 before bouncing back this year by 13.3% to 152mn tons, but that would still be 2mn tons below the 2019 level. To ensure consistency, the 2021 forecast includes Britain, which left the EU on January 1, 2020 but remained in the single market for the rest of last year during a transition period. After reporting first quarter 2021 data, Eurofer will remove Britain from its calculations and revise the data series, Alessandro Sciamarelli, director of market analysis, told Reuters. Eurofer's Eggert urged the EU to boost the steel sector with funds aimed at the bloc's target to become carbon neutral by 2050. (Reuters)

- **China's January PPI +0.3% YoY, CPI -0.3% YoY** – China's factory gate prices posted their first year-on-year rise in 12 months in January and at the fastest pace since May 2019, official data showed on Wednesday, suggesting gathering momentum in the industrial sector. The producer price index (PPI) rose 0.3% from a year earlier, the National Bureau of Statistics said in a statement, compared with a 0.4% gain tipped by a Reuters poll of analysts and a 0.4% decline in December. The consumer price index (CPI) fell 0.3% from a year earlier, the statistics bureau said in a separate statement, compared with no change tipped by the Reuters poll and a 0.2% rise in December. (Reuters)
- **Brazil's December retail sales sink historic 6.1% as pandemic, food inflation bite** – Brazilian retail sales slumped 6.1% in December, official figures showed on Wednesday, the biggest fall for that particular month and the second largest of all since comparable records began more than 20 years ago. Researchers at government statistics agency IBGE said the fall was due a loss of momentum from the record level of sales in the preceding two months, the second wave of the COVID-19 pandemic picking up, and high food price inflation. The 6.1% monthly fall was second only to April's 17.2% plunge at the height of the initial lockdown and quarantines last year, and far more than the 0.5% decline forecast in a Reuters poll of economists. "The survey results tend to have minor variations, but the pandemic has changed that," said IBGE survey manager Cristiano Santos. "December's fall is a natural repositioning (from) the very high levels of October and November." This meant that retail sales in Latin America's largest economy rose 1.2% last year from 2019, the fourth YoY rise in a row, although the slowest of all. Sales volumes in December also rose 1.2% from the same month a year earlier, IBGE said, less than the 6.0% rise forecast in a Reuters poll. All eight retail sectors surveyed showed a fall in sales in December. Personal and domestic items fell 13.8%, clothing and footwear fell 13.3%, and office and communication equipment sales fell 6.8%, IBGE said. (Reuters)

Regional

- **IMF: Access to Covid-19 vaccine critical in Middle East and Central Asia region's recovery** – Access to the Covid-19 vaccine will play a critical role in the recovery ahead in the Middle East and Central Asia region, Director, Middle East and Central Asia Department at the International Monetary Fund (IMF), Jihad Azour said. The road to recovery for the Middle East and Central Asia region will hinge on containment measures, access to and

distribution of vaccines, the scope of policies to support growth, and measures to mitigate economic scarring from the pandemic, Azour noted. The virus's second wave, which began in September, hurt many countries in the region, where infection and death rates far surpassed those seen during the first wave. Most countries resumed selective restrictions to help lessen their negative humanitarian and economic impact, while some have started vaccination campaigns, Azour wrote recently. Since IMF's October Regional Economic Outlook, growth estimates for 2020 have been revised up for the Middle East and North Africa region by 1.2 percentage points, to an overall contraction of 3.8%. This is largely driven by stronger-than-expected performance among oil exporters, as the absence of the second wave in some countries boosted non-oil activity, and the impact of the first wave was lower than expected. For 2021, IMF projections relative to October are broadly unchanged but reflect significant differences among countries: those with diversified vaccine providers and production have more favorable or broadly unchanged forecasts, while the outlook for those with more limited access to vaccines and those harder hit by the second wave looks weaker, he said. (Gulf-Times.com)

- **Iraq expects oil exports to average 3.6 million bpd in February** – Iraq expects total oil exports to average 3.6mn bpd in February if the autonomous Kurdistan region abides by OPEC+ oil production cuts, Oil Minister, Ihsan Abdul Jabbar said on Wednesday. An average of 2.9mn bpd in exports would come from southern Iraq, he told a news briefing in Baghdad. The minister said he anticipated an oil price of \$58 to \$63 in 2021. He also said OPEC and its allies were expected to keep their output policy, to which Iraq remains committed, unchanged during their next meeting. He said Iran might return to the oil market if everything remained "normal", without elaborating. (Reuters)
- **Saudi economy shrank 3.8% in fourth quarter** – Saudi Arabia's economy shrank by 3.8% in the fourth quarter compared with the same period a year earlier, preliminary government data showed on Wednesday, but it grew 2.8% on a quarterly basis. The "flash estimates" for quarterly GDP by Saudi Arabia's General Authority for Statistics did not have a breakdown on how the oil and non-oil sectors performed in the three-month period to the end of December. The economy of the world's top oil exporter contracted by 4.1% in 2020, according to the preliminary estimates, hit by the COVID-19 pandemic, lower crude prices and output cuts. The government had previously forecast a 3.7% annual contraction for 2020. London-based Capital Economics said in a note this month it expected Saudi economic output to shrink 4.8% in the fourth quarter as the non-oil sector struggled. (Reuters)
- **Saudi IPO market set for bumper year boosted by lockdown savings** – Saudi Arabia's stock market is set for another bumper year of stock market listings with several sizeable initial public offerings (IPO) in the pipeline as investors look to allocate a pile of cash built up through the coronavirus pandemic. After the then record \$29.4bn listing of oil giant Saudi Aramco shone a spotlight on the country's equity market in late 2019, the Kingdom generated IPO proceeds worth \$1.45bn last year despite the economic fallout from the pandemic. At the same time, total deposits at Saudi commercial banks increased, from nearly SR1.8tn at the end of 2019 to SR1.94tn as of December last

year, according to central bank data. “There is surely more liquidity in the market but that is natural after COVID as there is more disposable income to invest,” Head of research at Al-Rajhi Capital in Riyadh, Mazen al-Sudairi said. Four out of seven IPOs from Gulf countries last year launched on Saudi Arabia’s Tadawul bourse, the largest market in the region with average daily turnover in excess of SR8bn last year, according to data from EFG-Hermes. The offerings of non-cyclical or defensive shares could not have been better timed, with the sectors outperforming during the pandemic. (Reuters)

- **Saudi Aramco prepares \$10bn loan for pipeline business buyers** – Saudi Aramco is preparing a financing package of up to \$10bn that it could offer to buyers of its pipeline business unit, three sources said, as the oil giant seeks to extract value from its assets in an era of lower oil prices. Aramco is in talks with banks to provide “staple financing”, which is a financing package provided by the seller that buyers can use to back their purchase. International investors including BlackRock, KKR and Brookfield Asset Management, which could invest in the pipeline business, are also in talks with lenders on possible financing, said the sources, speaking anonymously because the talks are private. The loan could be up to \$10bn, sources said, covering much of the value of the assets. The planned pipeline sale would be similar to infrastructure deals signed over the last two years by Abu Dhabi’s national oil company ADNOC, which raised billions of dollars by leasing its oil and gas pipeline assets to investors, sources have previously said. (Reuters)
- **NMC says advisors appointed to explore sale of UAE, Oman business** – NMC Group said on Wednesday it had hired Perella Weinberg Partners and Resonance Capital to advise on the potential sale of its healthcare business in the UAE and Oman. The sale process will run in parallel with the ongoing restructuring discussions with NMC’s lenders, it said. NMC, founded in the 1970s, became the largest private healthcare provider in the UAE but ran into trouble after short-seller Muddy Waters questioned its financial reporting and doubts emerged over the size of stakes owned by its biggest shareholders. (Reuters)
- **Emirates doesn't see travel recovery until year-end** – International travel is likely to remain subdued until the end of the year as countries reintroduce tough restrictions to control COVID-19 infections, the head of Dubai-based airline Emirates said on Wednesday. The comments from Tim Clark represent a more pessimistic view after he told Reuters last month he did not believe the recovery would be further impeded by a new wave of infections and restrictions. “It is going to take longer than I would have hoped and I think probably we are going to see some difficulties. We are not going to see capacity return that I hoped in July and August, I think, maybe (it will return) in the last quarter this year,” Clark told a virtual summit by aviation consultancy CAPA. Britain this week announced passengers arriving from certain countries would have to enter mandatory hotel quarantine for 10 days, a similar system to Australia. (Reuters)
- **MASQ's reports net loss of AED1,277.8mn in FY2020** – Mashreqbank (MASQ) recorded net loss of AED1,277.8mn in FY2020 compared to a net profit of AED2,065.2mn. Net interest income and net income from Islamic products net of distribution

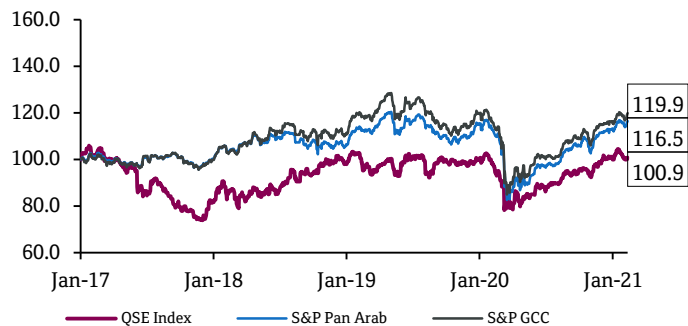
to depositors fell 27.8% YoY to AED2,676.3mn in FY2020. Operating income fell 14.1% YoY to AED5,148.3mn in FY2020. Total assets stood at AED158.5bn at the end of December 31, 2020 as compared to AED159.4bn at the end of December 31, 2019. Loans and advances measured at amortized cost stood at AED57.3bn (-7.2% YoY), while customers’ deposits stood at AED76.4bn (-0.1% YoY) at the end of December 31, 2020. Loss per share came in at AED7.2 in FY2020 as compared to EPS of AED11.63 in FY2019. (DFM)

- **CBD's net profit falls 20.0% YoY to AED1,120.1mn in FY2020** – Commercial Bank of Dubai (CBD) recorded net profit of AED1,120.1mn in FY2020, registering decrease of 20.0% YoY. Net interest income and net income from Islamic financing fell 4.0% YoY to AED1,886.6mn in FY2020. Total operating income fell 1.8% YoY to AED2,978.2mn in FY2020. Total assets stood at AED97.4bn at the end of December 31, 2020 as compared to AED88.1bn at the end of December 31, 2019. Loans and advances and Islamic financing (net) stood at AED65.3bn (+8.5% YoY), while customers’ deposits and Islamic customer deposits stood at AED69.8bn (+10.1% YoY) at the end of December 31, 2020. EPS came in at AED0.40 in FY2020 as compared to AED0.50 in FY2019. (DFM)
- **Dubai’s Aramex to increase focus on healthcare, FMCG segments** – Dubai-based freight and logistics provider Aramex will have increased focus on servicing the healthcare and FMCG segment in 2021, CEO, Bashar Obeid said. It is adjusting to lower margins because of more competitive pricing and higher cost environment. It will expand e-commerce operations, begin chartering own flights from Abu Dhabi to other GCC markets from 1Q2021. It has expanded operations in Abu Dhabi in late 2020. “Our strong cash position, low leverage and robust capital structure positions us favorably to capitalize on attractive opportunities in 2021.” (Bloomberg)
- **UK in talks with UAE to back life sciences fund** – Ministers in the UK are in talks with a wealth fund in the UAE to back a national investment program that will support businesses in the British life sciences industry, Financial Times reported, citing bankers and officials with knowledge of the situation. A proposal for launch of the Life Sciences Investment Program is being finalized by Chancellor Rishi Sunak and could be announced with the budget as early as March 3. UK government would commit £200mn to the fund and be matched with up to £400mn in external funding. (Bloomberg)
- **First Abu Dhabi Bank prices euro-denominated bonds at 0.142%** – First Abu Dhabi Bank (FAB), the UAE's largest bank, has priced a \$909mn five-year bond at mid-swaps +55bps with an all-in yield of 0.142%. This is FAB’s first Euro denominated benchmark issuance and the lowest-ever yield on any public bond issuance from MENA as well as the largest-ever Euro issuance by a bank from the region, the lender said. The deal has attracted a total orderbook of EUR1.7bn from over 110 investors, including large European central banks, asset managers and Sovereigns, Supranational and Agencies (SSAs) representing a 2.3x over-subscription. This enabled FAB to tighten pricing by 20bps from initial price thoughts and price at EUR 55bps over mid-swaps, it said. (Zawya)
- **Kuwait Pension Fund had record asset gain, braces for volatility** – Kuwait’s Public Institution for Social Security had its best

performance ever in the first nine months of the fiscal year and said it is prepared for any volatility in global markets going forward. The \$132bn pension fund, which owns a quarter of US private equity firm Stone Point Capital, recorded 19.4% growth in assets during the nine months, it said in a statement on Wednesday. Investment profits in the three months to December 31 soared to \$6.8bn, a gain of 44.3% on the previous quarter. (Bloomberg)

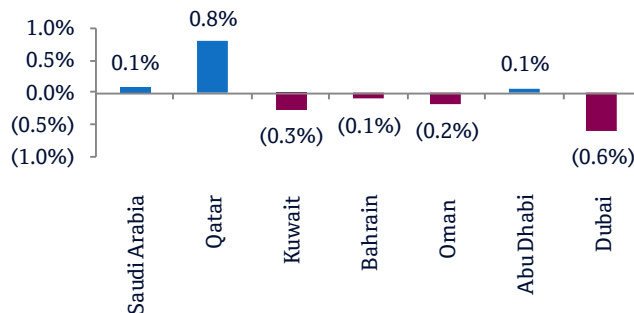
- **Gulf Bank reports net income of KD28.8mn in FY2020** – Gulf Bank reported net income of KD28.8mn for FY2020, a decrease of 55% YoY, operating revenue of KD158.3mn for FY2020, a decrease of 24%, and operating profit of KD94.3mn for FY2020, a decrease of 27% YoY. (Bloomberg)
- **Kuwaiti-Thai venture to develop ‘significant’ gas off Malaysia** – A joint venture of Kuwaiti and Thai firms will speed up development of a natural gas discovery off Malaysia after it confirmed finding a “significant” amount of fuel at the deposit, Kuwait Foreign Petroleum Exploration Co. said in a statement. The venture made the discovery off Sarawak on the island of Borneo. An appraisal well produced gas at a rate of 50mn cubic per day, indicating a larger reservoir than the initial estimate, Kufpec said on Wednesday. Kufpec, a unit of state-run Kuwait Petroleum Corp., is a 42.5% shareholder in the block containing the gas. Its partners are Thailand’s PTT Exploration and Production Public Co. Ltd., also with 42.5%, and Malaysia’s Petrolia Nasional Bhd., known as Petronas, with 15%. Gas, a cleaner-burning alternative to crude oil, is seen as an important fuel for bridging the global transition from petroleum to solar energy and other renewables. (Bloomberg)
- **Moody’s: Oman, Saudi Arabia exposed to declining uplift from wealth funds** – Oman and Saudi Arabia are expected to tap their sovereign wealth funds (SWFs) to cover rising funding needs, but this will likely weaken their fiscal position more than other countries in the oil-dependent Gulf region, Moody’s said on Wednesday. The ratings agency expects oil prices to remain below their trajectory prior to the COVID-19 pandemic as a result of lower demand in sectors like aviation, resulting in higher deficits among Gulf states. “Under most plausible scenarios, the level of SWF coverage of government debt stocks will fall significantly for Saudi Arabia and Oman, weakening their fiscal strength over the medium term,” Moody’s said. It forecast Saudi Arabia’s share of asset drawdown relative to net budgetary financing to fall to 29% this year from an estimated 36% in 2020. The rest will come from debt issuance - 80% from domestic capital markets and 20% from international markets. Oman’s current foreign reserves were “more than ample” to maintain its currency’s peg to the dollar, Moody’s said. It estimated that Oman’s debt burden could rise to 75% of GDP by 2022 from 60% of GDP in 2019, and that its liquid SWF assets could decline to 13% of GDP from 32% during the same period. (Reuters)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,842.89	0.2	1.6	(2.9)
Silver/Ounce	27.03	(0.9)	0.4	2.4
Crude Oil (Brent)/Barrel (FM Future)	61.47	0.6	3.6	18.7
Crude Oil (WTI)/Barrel (FM Future)	58.68	0.5	3.2	20.9
Natural Gas (Henry Hub)/MMBtu	3.73	15.0	9.8	56.1
LPG Propane (Arab Gulf)/Ton	85.25	(1.4)	(1.2)	13.3
LPG Butane (Arab Gulf)/Ton	93.50	0.0	(3.1)	24.7
Euro	1.21	(0.0)	0.6	(0.8)
Yen	104.59	0.0	(0.8)	1.3
GBP	1.38	0.1	0.7	1.2
CHF	1.12	0.2	1.0	(0.6)
AUD	0.77	(0.2)	0.6	0.4
USD Index	90.37	(0.1)	(0.7)	0.5
RUB	73.94	0.1	(1.0)	(0.6)
BRL	0.19	(0.1)	(0.3)	(3.5)

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,800.68	0.1	1.0	4.1
DJ Industrial	31,437.80	0.2	0.9	2.7
S&P 500	3,909.88	(0.0)	0.6	4.1
NASDAQ 100	13,972.53	(0.3)	0.8	8.4
STOXX 600	409.47	0.0	0.8	1.9
DAX	13,932.97	(0.3)	(0.1)	0.3
FTSE 100	6,524.36	0.3	1.4	2.5
CAC 40	5,670.80	(0.1)	1.0	1.4
Nikkei	29,562.93	0.1	3.4	6.3
MSCI EM	1,422.95	1.0	2.0	10.2
SHANGHAI SE Composite	3,655.09	1.1	4.7	6.4
HANG SENG	30,038.72	1.9	2.6	10.3
BSE SENSEX	51,309.39	0.0	1.1	7.8
Bovespa	118,435.30	(0.7)	(1.5)	(4.0)
RTS	1,448.31	(0.7)	1.2	4.4

Source: Bloomberg (*\$ adjusted returns)

Contacts

Saugata Sarkar, CFA, CAIA

Head of Research

Tel: (+974) 4476 6534

saugata.sarkar@qnbfs.com.qa

Mehmet Aksoy, PhD

Senior Research Analyst

Tel: (+974) 4476 6589

mehmet.aksoy@qnbfs.com.qa

Shahan Keushgerian

Senior Research Analyst

Tel: (+974) 4476 6509

shahan.keushgerian@qnbfs.com.qa

QNB Financial Services Co. W.L.L.

Contact Center: (+974) 4476 6666

PO Box 24025

Doha, Qatar

Zaid al-Nafoosi, CMT, CFTe

Senior Research Analyst

Tel: (+974) 4476 6535

zaid.alnafoosi@qnbfs.com.qa

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