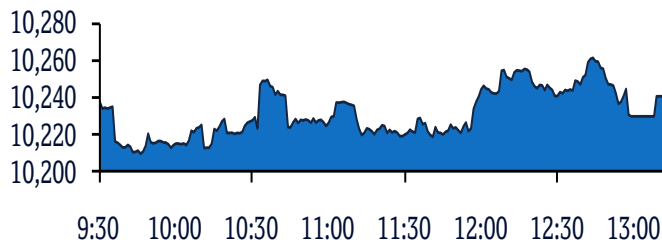


## QSE Intra-Day Movement



## Qatar Commentary

The QE Index rose marginally to close at 10,241.5. Gains were led by the Telecoms and Banks & Financial Services indices, gaining 0.9% and 0.7%, respectively. Top gainers were Qatar National Cement Company and Mannai Corporation, rising 8.3% and 3.5%, respectively. Among the top losers, Mesaieed Petrochemical Holding Company fell 4.3%, while Qatar Oman Investment Company was down 1.9%.

## GCC Commentary

**Saudi Arabia:** The TASI Index fell 0.2% to close at 9,645.7. Losses were led by the Banks and Diversified Financials indices, falling 1.0% and 0.9%, respectively. Saudi Steel Pipe Company declined 2.8%, while Alinma Tokio Marine was down 2.5%.

**Dubai:** The DFM Index gained 0.7% to close at 2,618.9. The Investment & Financial Services index rose 2.3%, while the Services index gained 2.2%. Dar Al Takaful and Agility The Public Warehousing Company were up 3.4% each.

**Abu Dhabi:** The ADX General Index gained 0.4% to close at 5,707.8. The Industrial index rose 1.9%, while the Banks index gained 0.7%. Gulf Pharmaceutical Industries rose 6.6%, while Eshraq Investments was up 3.3%.

**Kuwait:** The Kuwait All Share Index gained 0.1% to close at 5,755.8. The Oil & Gas index rose 4.3%, while the Industrials index gained 1.0%. Kuwait Finance & Investment Company rose 12.2%, while Sanam Real Estate Co. was up 10.0%.

**Oman:** The MSM 30 Index gained marginally to close at 3,727.5. However, all indices ended in red. SMN Power Holding rose 6.3%, while Muscat Finance was up 5.0%.

**Bahrain:** The BHB Index gained marginally to close at 1,461.7. The Commercial Banks index rose 0.3%, while the Services index gained 0.1%. Ithmaar Holding rose 10.2%, while Nass Corporation was up 3.0%.

| Market Indicators         | 15 Mar 21 | 14 Mar 21 | %Chg. |
|---------------------------|-----------|-----------|-------|
| Value Traded (QR mn)      | 424.6     | 317.0     | 33.9  |
| Exch. Market Cap. (QR mn) | 594,331.3 | 594,213.0 | 0.0   |
| Volume (mn)               | 178.2     | 181.5     | (1.8) |
| Number of Transactions    | 10,443    | 7,014     | 48.9  |
| Companies Traded          | 47        | 47        | 0.0   |
| Market Breadth            | 19:25     | 26:20     | -     |

| Market Indices         | Close     | 1D%   | WTD%  | YTD%  | TTMP/E |
|------------------------|-----------|-------|-------|-------|--------|
| Total Return           | 20,170.95 | 0.0   | 0.2   | 0.5   | 19.1   |
| All Share Index        | 3,237.75  | 0.2   | 0.2   | 1.2   | 19.6   |
| Banks                  | 4,220.14  | 0.7   | 0.4   | (0.7) | 15.1   |
| Industrials            | 3,294.38  | (0.7) | (0.5) | 6.3   | 36.2   |
| Transportation         | 3,556.85  | 0.1   | 0.6   | 7.9   | 24.0   |
| Real Estate            | 1,832.96  | (0.7) | (0.6) | (5.0) | 17.7   |
| Insurance              | 2,505.80  | (0.7) | 0.1   | 4.6   | 93.1   |
| Telecoms               | 1,028.41  | 0.9   | 1.2   | 1.8   | 24.0   |
| Consumer               | 8,030.29  | 0.1   | 0.6   | (1.4) | 27.9   |
| Al Rayan Islamic Index | 4,329.24  | (0.1) | 0.1   | 1.4   | 20.1   |

| GCC Top Gainers**         | Exchange     | Close* | 1D% | Vol. '000 | YTD% |
|---------------------------|--------------|--------|-----|-----------|------|
| Emaar Economic City       | Saudi Arabia | 11.16  | 3.1 | 19,241.3  | 21.2 |
| Ethad Etisalat Co.        | Saudi Arabia | 30.45  | 2.7 | 8,851.6   | 6.3  |
| Agility Public Wareh. Co. | Kuwait       | 0.69   | 2.5 | 8,937.4   | 2.7  |
| Emaar Properties          | Dubai        | 3.74   | 2.5 | 15,427.1  | 5.9  |
| Rabigh Refining & Petro.  | Saudi Arabia | 15.72  | 2.2 | 5,747.2   | 13.7 |

| GCC Top Losers**        | Exchange     | Close* | 1D%   | Vol. '000 | YTD%   |
|-------------------------|--------------|--------|-------|-----------|--------|
| Mesaieed Petro. Holding | Qatar        | 1.89   | (4.3) | 5,204.5   | (7.8)  |
| National Bank of Oman   | Oman         | 0.14   | (2.1) | 236.4     | (10.6) |
| Ezdan Holding Group     | Qatar        | 1.55   | (1.8) | 9,259.8   | (12.7) |
| Aluminium Bahrain       | Bahrain      | 0.54   | (1.8) | 432.4     | 4.9    |
| Banque Saudi Fransi     | Saudi Arabia | 30.60  | (1.6) | 594.3     | (3.2)  |

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

| QSE Top Gainers                 | Close* | 1D% | Vol. '000 | YTD%  |
|---------------------------------|--------|-----|-----------|-------|
| Qatar National Cement Company   | 5.20   | 8.3 | 3,086.6   | 25.3  |
| Mannai Corporation              | 3.45   | 3.5 | 5,535.4   | 15.0  |
| Qatar Islamic Insurance Company | 7.80   | 3.5 | 553.5     | 13.0  |
| Salam International Inv. Ltd.   | 0.66   | 3.1 | 36,939.5  | 1.4   |
| Ooredoo                         | 6.88   | 1.4 | 2,392.1   | (8.5) |

| QSE Top Volume Trades         | Close* | 1D%   | Vol. '000 | YTD%   |
|-------------------------------|--------|-------|-----------|--------|
| Investment Holding Group      | 0.77   | (1.2) | 41,603.9  | 27.7   |
| Salam International Inv. Ltd. | 0.66   | 3.1   | 36,939.5  | 1.4    |
| Ezdan Holding Group           | 1.55   | (1.8) | 9,259.8   | (12.7) |
| Baladna                       | 1.67   | (1.2) | 9,013.6   | (6.7)  |
| Aamal Company                 | 1.00   | (0.9) | 7,400.6   | 17.1   |

| QSE Top Losers                   | Close* | 1D%   | Vol. '000 | YTD%   |
|----------------------------------|--------|-------|-----------|--------|
| Mesaieed Petrochemical Holding   | 1.89   | (4.3) | 5,204.5   | (7.8)  |
| Qatar Oman Investment Co.        | 0.88   | (1.9) | 2,629.0   | (0.5)  |
| Ezdan Holding Group              | 1.55   | (1.8) | 9,259.8   | (12.7) |
| Al Khaleej Takaful Insurance Co. | 2.79   | (1.7) | 849.2     | 47.0   |
| INMA Holding                     | 5.09   | (1.5) | 816.9     | (0.4)  |

| QSE Top Value Trades          | Close* | 1D%   | Val. '000 | YTD%  |
|-------------------------------|--------|-------|-----------|-------|
| QNB Group                     | 17.41  | 1.0   | 66,997.8  | (2.4) |
| Qatar Navigation              | 8.12   | 0.0   | 41,752.8  | 14.5  |
| Investment Holding Group      | 0.77   | (1.2) | 32,141.5  | 27.7  |
| Salam International Inv. Ltd. | 0.66   | 3.1   | 24,390.0  | 1.4   |
| Mannai Corporation            | 3.45   | 3.5   | 19,797.6  | 15.0  |

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*           | 10,241.47 | 0.0   | 0.2   | 0.9   | (1.9) | 114.64                    | 160,410.0                  | 19.1  | 1.5   | 2.9            |
| Dubai            | 2,618.92  | 0.7   | 1.8   | 2.6   | 5.1   | 101.39                    | 97,524.6                   | 21.4  | 0.9   | 3.7            |
| Abu Dhabi        | 5,707.83  | 0.4   | 1.3   | 0.8   | 13.1  | 228.93                    | 218,188.3                  | 22.8  | 1.6   | 4.3            |
| Saudi Arabia     | 9,645.74  | (0.2) | 0.6   | 5.5   | 11.0  | 3,999.41                  | 2,528,432.7                | 37.5  | 2.3   | 2.2            |
| Kuwait           | 5,755.75  | 0.1   | 0.2   | 1.9   | 3.8   | 135.07                    | 108,215.4                  | 55.1  | 1.4   | 3.3            |
| Oman             | 3,727.49  | 0.0   | 0.7   | 3.2   | 1.9   | 4.65                      | 17,009.6                   | 11.6  | 0.7   | 7.3            |
| Bahrain          | 1,461.70  | 0.0   | (0.5) | (0.3) | (1.9) | 17.37                     | 22,322.9                   | 35.9  | 0.9   | 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 marginally to close at 10,241.5. The Telecoms and Banks & Financial Services indices led the gains. The index rose on the back of buying support from Arab and Foreign shareholders despite selling pressure from Qatari and GCC shareholders.
- Qatar National Cement Company and Mannai Corporation were the top gainers, rising 8.3% and 3.5%, respectively. Among the top losers, Mesaieed Petrochemical Holding Company fell 4.3%, while Qatar Oman Investment Company was down 1.9%.
- Volume of shares traded on Monday fell by 1.8% to 178.2mn from 181.5mn on Sunday. Further, as compared to the 30-day moving average of 205.2mn, volume for the day was 13.2% lower. Investment Holding Group and Salam International Investment Limited were the most active stocks, contributing 23.3% and 20.7% to the total volume, respectively.

| Overall Activity        | Buy %*        | Sell %*       | Net (QR)              |
|-------------------------|---------------|---------------|-----------------------|
| Qatari Individuals      | 35.12%        | 46.07%        | (46,496,838.4)        |
| Qatari Institutions     | 21.21%        | 17.06%        | 17,613,280.2          |
| <b>Qatari</b>           | <b>56.33%</b> | <b>63.13%</b> | <b>(28,883,558.2)</b> |
| GCC Individuals         | 0.73%         | 0.86%         | (520,303.0)           |
| GCC Institutions        | 2.64%         | 3.74%         | (4,647,670.1)         |
| <b>GCC</b>              | <b>3.38%</b>  | <b>4.60%</b>  | <b>(5,167,973.1)</b>  |
| Arab Individuals        | 11.75%        | 11.51%        | 1,007,956.4           |
| Arab Institutions       | 0.02%         | -             | 103,140.0             |
| <b>Arab</b>             | <b>11.77%</b> | <b>11.51%</b> | <b>1,111,096.4</b>    |
| Foreigners Individuals  | 2.88%         | 2.43%         | 1,912,091.5           |
| Foreigners Institutions | 25.64%        | 18.33%        | 31,028,343.3          |
| <b>Foreigners</b>       | <b>28.52%</b> | <b>20.76%</b> | <b>32,940,434.9</b>   |

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

## Earnings Releases and Earnings Calendar

### Earnings Releases

| Company                           | Market       | Currency | Revenue (mn)<br>4Q2020 | % Change<br>YoY | Operating Profit<br>(mn) 4Q2020 | % Change<br>YoY | Net Profit<br>(mn) 4Q2020 | % Change<br>YoY |
|-----------------------------------|--------------|----------|------------------------|-----------------|---------------------------------|-----------------|---------------------------|-----------------|
| Malath Cooperative Insurance Co.* | Saudi Arabia | SR       | 781.6                  | -6.4%           | -                               | -               | 23.3                      | 93.8%           |
| Alinma Tokio Marine Co.*          | Saudi Arabia | SR       | 316.3                  | -4.5%           | -                               | -               | 3.3                       | -59.7%          |
| Unikai Foods*                     | Dubai        | AED      | 237.2                  | -24.0%          | 7.6                             | 59.9%           | 3.6                       | 593.2%          |

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

### Earnings Calendar

| Tickers | Company Name                         | Date of reporting 4Q2020 results | No. of days remaining | Status |
|---------|--------------------------------------|----------------------------------|-----------------------|--------|
| MCCS    | Mannai Corporation                   | 16-Mar-21                        | 0                     | Due    |
| BLDN    | Baladna                              | 17-Mar-21                        | 1                     | Due    |
| QOIS    | Qatar Oman Investment Company        | 22-Mar-21                        | 6                     | Due    |
| MRDS    | Mazaya Qatar Real Estate Development | 24-Mar-21                        | 8                     | Due    |

Source: QSE

## News

### Qatar

- MoPH to manage new insurance system** – The Shura Council held its regular weekly meeting via videoconferencing under the chairmanship of HE the Speaker Ahmed bin Abdullah bin Zaid Al-Mahmoud, at the Council's headquarters. During its session, the Council discussed a draft law on health care services in the country, which included 47 articles and 6 chapters and stipulated the provision of health care services to citizens in government health facilities free of charge. Under the draft law, the Ministry of Public Health (MoPH) will set standards for the provision of health care services in government and private health facilities as well as compulsory health insurance and supervision. It will also provide an integrated, high-quality, efficient and sustainable health system and work on developing and maintaining compulsory health insurance. According to the

draft law, health insurance is mandatory to ensure the provision of basic healthcare services to expatriates and visitors to the country. It is also not permissible to issue an entry visa for an expatriate or visitor, renew it, grant or renew a residence permit, and it is not permissible to employ expatriates, except after submitting proof they hold compulsory health insurance for the duration of the stay. The draft law provides for the provision of healthcare services to beneficiaries in emergency situations without requiring them to pay any amount until the danger is overcome even if the service provider is not within the network of healthcare service providers to the beneficiary, and that this does not prejudice the right of the health care service provider to refer to a company insurance, or the employer or the recruiter, as the case may be, to pay the cost of this service. The draft law defines the rights and duties of patients that must be observed

when receiving health care services and the obligations of the parties to the insurance contract and providers of health care services, as well as the penalties for violators of its provisions. (Gulf-Times.com)

- **ERES posts net profit of QR139.4mn vs. net loss of QR199.9mn in 4Q2019** – Ezdan Holding Group (ERES) reported net profit of QR139.4mn in 4Q2020 as compared to net loss of QR199.9mn in 4Q2019 and net profit of QR36.2mn in 3Q2020 (+285.1% QoQ). The company's rental income came in at QR293.7mn in 4Q2020, which represents a decrease of 5.2% YoY. However, on QoQ basis Rental Income rose 1.7%. In FY2020, ERES recorded net profit of QR347.9mn as compared to QR309.3mn in FY2019. EPS amounted to QR0.013 in FY2020 as compared to QR0.012 in FY2019. The Group generated revenues of QR1.4bn, compared to QR1.67bn for a year earlier. The board of directors has recommended no dividends for the financial year ended December 31, 2020. That recommendation will be submitted for approval at the Annual General Assembly meeting. The Board of Directors of Ezdan Holding Group convened, and ratified the annual financial statements for the year ended December 31, 2020. ERES has also declared that Investor Relations' Conference will be held via a Conference Call to review the financial results of the company for the year ended December 31, 2020 and the overall corporate performance on March 31 at 2pm. (QSE, Peninsula Qatar)
- **DHBK gets nod to extend \$2bn bond issuance period** – Doha Bank (DHBK) on Sunday got approval from shareholders for the extension of the period for issuance of bonds under the bank's EMTN program that was previously approved in 2018 with the same components and parameters. Approval from the shareholders to this effect was taken during the bank's General Assembly Meeting chaired by Doha Bank Chairman Sheikh Fahad bin Mohammad bin Jabor Al Thani. As per the approval, bonds can be issued in varying amounts which would, in the aggregate, not exceed the EMTN program valuing \$2bn and no single deal would exceed \$1bn. The bond can be issued in various major currencies including US Dollar, Australian Dollar, Yen, Swiss Francs, and Sterling Pound in varying maturities not exceeding 30 years. It can be issued either by an SPV guaranteed by Doha Bank or through Doha Bank directly and the total outstanding or due Debt Notes 'Bonds' of the bank should not exceed at any time the bank's capital and reserves. The shareholders authorized the board of directors of Doha Bank and those authorized by the board to take all necessary actions to execute these issuances within the program after obtaining the approval of Qatar Central Bank, the Ministry of Economy and Commerce and any other competent authorities. (Qatar Tribune)
- **IGRD records FY2020 net profits of 23.4mn compared to 2019's QR55.1mn** – Investment Holding Group (IGRD) reported net loss of QR3.4mn in 4Q2020 as compared to net profit of QR20.5mn in 4Q2019 and net profit of QR11.3mn in 3Q2020, versus our net profit estimate of QR10.2mn. The company's revenue came in at QR83.3mn in 4Q2020, which represents a decrease of 30.9% YoY (-4.5% QoQ). In FY2020, the net profit came in at QR23.4mn as compared to QR55.1mn in FY2019. EPS amounted to QR0.028 in FY2020 as compared to QR0.066 in FY2019. The board has recommended non-distribution of dividends for this year. (QNB FS Research, QSE)

- **DHBK gets nod for QR0.075 per share dividend distribution** – Chairman of Doha Bank (DHBK), Sheikh Fahad bin Mohammad bin Jabor Al Thani, said that the Ordinary General Assembly of the Shareholders in its meeting held yesterday endorsed the Board of Directors' corporate Governance report for year 2020, balance sheet and profit & loss account for the financial year ended December, 31, 2020. It also endorsed the Board's recommendation to distribute cash dividends to the shareholders by QR0.075 per share. During the meeting, the Chairman and Board members were discharged from the responsibility for the year 2020 and agreed to pay remunerations for board members for this year. He also stated that the AGM has appointed KPMG to audit DHBK's accounts for the year 2021. (Peninsula Qatar)
- **S&P affirms QIBK at 'A-/A-2' with Stable outlook** – S&P Global Ratings (S&P) affirmed its 'A-/A-2' long- and short-term issuer credit ratings on Qatar Islamic Bank (QIBK). The outlook is Stable. S&P said, "QIBK displayed good resilience to the economic shock in Qatar in 2020. We expect the Qatari economy will recover mildly in 2021-2022 after shrinking by 4.4% in 2020 due to the pandemic. Despite last year's shock, we expect QIBK's asset-quality indicators will deteriorate only slightly with nonperforming financings (NPFs) reaching about 3% of total financings by year-end 2022, compared with 1.4% at year-end 2020, as the bank recognizes the full impact of the current environment and regulatory forbearance measures fade. This is underpinned by the bank's conservative lending approach that will protect it from significant pressure on various economic sectors in Qatar, in particular real estate, to which QIBK is significantly exposed. We also expect NPFs coverage by provisions will remain very high over the next three years. Based on the bank's resilience to the severe deterioration in its operating environment, we are revising our assessment of its risk position to adequate from moderate and the stand-alone credit profile (SACP) to 'bbb' from 'bbb-'. We expect QIBK's capitalization will continue to support its credit profile. We expect the bank's risk-adjusted capital (RAC) ratio will stabilize at 13.0%-13.5%, compared with 13.4% at year-end 2020, underpinned by the drop in its bottom line because of higher provisions. We project a decline in intermediation margin by about 25 basis points (bps) due to lower interest rates globally and in Qatar, and an increase in cost of risk to 100 bps-110 bps compared with 108 bps in 2020. The bank's high stock of Stage 2 loans- 15.4% at year-end." (Bloomberg)
- **QGRI to hold its AGM on March 31** – Qatar General Insurance and Reinsurance Company (QGRI) will hold its Ordinary General Assembly Meeting (AGM) on March 31, 2021 at City Centre Rotana Doha – Almas Ballroom located (Al Dafna – West Bay – Conference Centre Street – Zone 61 – Street No. 811 – Building No. 20) at 4:30 pm. (Gulf-Times.com)
- **GWCS CEO: FIFA World Cup to boost reverse logistics business** – While logistics will play a significant role during the upcoming 2022 FIFA World Cup Qatar, reverse logistics will also create big business opportunities once the mega sporting event is over, Gulf Warehousing Company (GWCS) Group CEO Ranjeev Menon has said. Reverse logistics are all of the logistics activities performed in supporting product sold to customers, refurbishing returned goods and disposing of end-of-life goods. The 2022

FIFA World Cup in Qatar is going to be the most sustainable FIFA World Cup ever, even including a stadium 'Ras Bu Aboud' that is designed to be fully dismantled and shipped overseas, along with 170,000 seats from the remaining seven host-country stadiums. Achieving this level of sustainability can only happen with vision, foresight, planning, and careful execution. For business, effective use of reverse logistics can lead to reduced costs, faster service, managed losses, even unplanned profits. Describing how GWCS is investing to grow its own capabilities in reverse logistics and what it can mean for businesses, whether established in Qatar or gearing up to meet the demand of the world's greatest sporting event, Menon said, "It starts with a reverse-logistics mindset. Reverse logistics can only be implemented if we change the way we think about the supply chain and product lifecycle. It's about capturing and creating new value from areas where you may have recognized, accepted, and even priced-in costs that you felt were a natural part of your business. A reverse logistics mindset-shift can help unlock value by measuring what can be returned, re-used, refurbished, or recycled. Beyond product value-capture, it will also allow you to manage customer satisfaction and experience, smooth out kinks in your supply chain fulfillment, and balance in-bound and out-bound loads." (Qatar Tribune)

- **S&P: Qatar streamlines listing, foreign ownership norms to bolster corporate governance** – Qatar has enhanced its corporate governance, including the listing standards and foreign ownership rules, in the recent past; even as the framework continues to evolve in the Gulf Cooperation Council (GCC) as rising number of companies tap the global capital markets, according to the global credit rating agency Standard & Poor's (S&P). As the GCC continues to import capital and attract institutional investment to support recovery from the pandemic and long-term economic diversification, the rating agency said it believes that stronger governance practices, financial transparency, and sustainability reporting would take firmer hold. "Over the past couple of years, the UAE, Saudi Arabia, and Qatar strengthened corporate governance requirements including in areas such as listing standards. Moreover, regulators in these countries have relaxed foreign ownership rules," S&P said in a report. The Qatar Financial Markets Authority (QFMA) early this February issued its new "Offering and Listing of Securities on the Financial Markets Rulebook", as part of efforts to ensure offerings and listings are available to a larger segment of companies. In its 2019 annual report, the QFMA had said the compliance ratio of all companies with the articles of the governance code was 84.1%. The Qatar Stock Exchange (QSE) has taken several initiatives to enhance foreign ownership limit to 49% from the earlier stipulation of 25%, which led to an influx of foreign capital into the corporate sector, helping in deepening and enhancing efficiency and liquidity in the markets. The QFMA annual report also said the transport, telecom and banking sectors of the QSE were seen complying with the most with the articles of corporate governance code as their performance was higher than the market average. The increased foreign ownership limits on the QSE listed companies has led to increased foreign funds inflow into Shari'ah-compliant equities, which in turn helped foster better growth prospects in the Islamic asset management in the country. (Gulf-Times.com)

- **Dun & Bradstreet: North Field Expansion to 'power' Qatar's economic recovery** – The \$29bn North Field Expansion (NFE) project aimed at boosting Qatar's LNG output by over 40% over the next few years, will "power" the country's economic recovery, researcher Dun & Bradstreet said in a report. State-owned Qatar Petroleum (QP) has announced a final investment decision (FID) and the selection of a joint venture with Chiyoda (Japan) and TechnipFMC (France) to build the four new 7.8mn tons per year (tpy) LNG trains required for the first phase of the North Field Expansion (NFE) project. According to Dun & Bradstreet, QP had initially envisaged awarding the main contract and selecting an international partner in early 2020, but this was delayed due to the pandemic, with several of QP's potential international partners scaling back capital expenditure to preserve cash. "The timing of the FID, coinciding with the near-completion of World Cup-related infrastructure, will support Qatar's recovery, from H2, 2021," Dun & Bradstreet noted. "Combined with the lifting of the blockade early this year, which is set to boost the aviation and tourism sectors, developments in Qatar's bedrock LNG industry will help drive growth of 2.5% this year," Dun & Bradstreet said. In its country outlook, Dun & Bradstreet noted, "The 2021 budget, approved in December, will also support growth, with 37% of expenditure allocated to major development projects. Government spending, at nearly \$20bn, will create opportunities in the healthcare, education, and transportation sectors." (Gulf-Times.com)
- **PM opens Milipol Qatar 2021** – Under the patronage of His Highness the Amir Sheikh Tamim bin Hamad Al-Thani, HE the Prime Minister and Minister of Interior Sheikh Khalid bin Khalifa bin Abdulaziz Al-Thani inaugurated the 13th edition of international exhibition for homeland security and civil defense (Milipol Qatar 2021) at the Doha Exhibition and Convention Center on Monday. HE the Prime Minister and Minister of Interior was briefed on the exhibition pavilions as well as state-of-the-art devices and technologies related to enhancing safety and security, especially the security of stadiums and sport events. The prime minister also listened to an explanation about the latest equipment in the field of security and civil defense. The opening, which is being held amid precautionary measures to limit the spread of the novel Coronavirus (COVID-19), was attended by a number of ministers, senior officials and guests from a number of countries and representatives of exhibiting companies. HE the Prime Minister and Minister of Interior witnessed the signing of an agreement between the government of Qatar and the government of the French Republic to establish a partnership in the areas of security for the FIFA World Cup Qatar 2022. He also witnessed the signing of a protocol between the Security Committee of the Supreme Committee for Delivery and Legacy in Qatar and the Public Security Department of the Ministry of Interior of the Italian Republic in the fields of public order and security management of major sport events. A total of 143 companies including 71 from 17 countries abroad are participating in the exhibition that showcases the latest products and innovations dedicated to homeland security and public safety in the Middle East. The participation rate of the new companies has gone up by 53% with the latest edition hosting five international pavilions from Brazil, France, Germany, the UK. The expo is an opportunity for the exhibitors

to be introduced to new international partners. (Gulf-Times.com)

- **Al Faisal Holding expands to new sectors** – Sheikh Faisal bin Qassim Al Thani, Chairman of Al Faisal Holding said that Al Faisal Holding's diversified business model across eight clusters will continue to contribute to Qatar's diversification efforts. Despite the challenging situation due to COVID-19 outbreak in 2020, the Group has achieved growth and has expanded into new sectors, said Sheikh Faisal bin Qassim Al Thani. "Over the past year, Al Faisal Holding has conducted a transformation process to redefine our corporate roadmap, introducing a new organizational and operational model which is aligned with our evolving business requirements and which should ensure continuity and growth," he said while talking to The Business Year (TBY). "In terms of operational development, Al Faisal Holding has achieved organic growth within its existing businesses and has successfully expanded into new sectors. For example, ARTIC, our fully owned subsidiary focused on investments in the hospitality sector with a portfolio of over 28 hotels worldwide, opened six hotels in 2019," he added. (Peninsula Qatar)

#### **International**

- **BoE's Bailey more positive on outlook, shows no worry about rise in yields** – Bank of England (BoE) Governor Andrew Bailey said he was more optimistic about the economy, "with a large dose of caution," and a recent rise in interest rates in financial markets was consistent with the prospects of recovery from the COVID slump. "We have seen some increase in interest rates over the last month or so, as have other countries. My assessment so far is that that is consistent, I think, with the change in the economic outlook," Bailey told BBC radio on Monday. Bailey's comments contrasted with the message from the European Central Bank. The ECB said last week it would accelerate money-printing to keep a lid on euro zone borrowing costs which it feared could derail a recovery. Britain has raced ahead with Europe's fastest vaccine program, although Bailey cautioned the COVID-19 effect was huge. The yield on 10-year British government debt was trading close to its highest level since last March, when the onset of the coronavirus pandemic caused a "dash for cash" among panicked investors. Government bond yields globally have risen on hopes for an economic recovery after the introduction of COVID-19 vaccinations and a \$1.9tn US fiscal stimulus. The British economy might perform more strongly than the BoE predicted last month as households spend the savings they have accumulated during the lockdown, but there was also a risk from possible new coronavirus variants, he said. Bailey said the British economy was get back to its late 2019 level around the end of this year. Last month, the BoE said the economy would reach that landmark by the first quarter of next year. The BoE is expected to keep its benchmark interest rate at its historic low of 0.1% and its bond-buying program unchanged at 895bn Pounds (\$1.25tn) on Thursday at the end of its March meeting. (Reuters)
- **China's factories, consumers drive recovery into 2021** – China's factory and retail sector activity surged in the first two months of the year, beating expectations, as the economy consolidated its brisk recovery from the coronavirus paralysis of early 2020. While the impressive set of numbers released on Monday were heavily skewed by the very low base from last year's massive slump, analysts said they nonetheless showed China's strong rebound remained intact. Industrial output rose 35.1% in the first two months from a year earlier, up from a 7.3% on-year uptick seen in December, data from the National Bureau of Statistics showed, stronger than a median forecast for a 30.0% surge in a Reuters poll of analysts. Retail sales increased 33.8%, also faster than a forecast 32% rise and marking a significant jump from 4.6% growth in December and a 20.5% contraction for January-February of 2020. China's ability to contain the coronavirus pandemic before other major economies were able to do so has allowed it to rebound faster. In 2020, it was the only major economy to report positive annual growth, with an expansion of 2.3%. The recovery has been driven by robust trade, pent-up demand and government stimulus. Export growth hit a record pace in February while factory gate prices posted their biggest expansion since November 2018. China's economic activity is normally distorted in the first two months because of the week-long Lunar New Year holiday, which fell in February in 2021. (Reuters)
- **China's new home prices accelerate in February, property investment soars** – New home prices in China rose at their fastest pace in five months in February, official data showed on Monday, as red-hot demand for property in the world's-second largest economy largely eclipsed government efforts to cool the market. Monthly house price gains were reported by the highest number of cities since August, while separate data showed property investment soared in the first two months of 2021. It comes as China has vowed to stick to its "houses are not for speculation" policy. Average new home prices in 70 major cities grew 0.4% in February from a 0.3% gain in January, according to Reuters calculations based on data released by the National Bureau of Statistics. New home prices rose 4.3% in February from a low base last year, after a 3.9% increase in January. Real estate, a key pillar of China's economy, has helped fuel the country's robust economic recovery from last year's coronavirus-hit to output. But an extended surge in home prices in recent months has raised concerns about speculative asset bubbles, prompting tighter regulations to close loopholes in home transactions and contain illegal fund-flows into the sector. China's real estate investment jumped 38.3% in the first two months of the year, from a low base a year earlier, separate NBS data showed on Monday. It was up 15.7% from same period in 2019, before the pandemic struck. The NBS combines January and February data to account for the seasonal distortions from the week-long Lunar New Year holiday, which can fall in either month. (Reuters)
- **China's January-February refinery output up 15% on solid demand for fuels** – China's daily refinery throughput rose 15% in the first two months of the year, from a low base a year earlier, as fuel demand remains solid and refineries rush to hike production ahead of maintenance season. Refinery processing reached 114.24mn tons in the January-February period, data from the National Bureau of Statistics showed on Monday, equivalent to about 14.13mn barrels per day (bpd). The agency did not disclose numbers for January and February separately. The daily rate is about the same level as in December 2020, up from 12.07mn bpd in January-February 2020 and also above the 12.68mn bpd recorded in the first two months of 2019. Chinese

refineries slashed output in the first quarter last year as the rapid spread of the coronavirus decimated fuel demand. Chinese refined fuel consumption has staged a strong rebound from coronavirus-induced weakness as the economy recovered and government stimulus kicked in. Refinery output growth is expected to slow in the second quarter of 2021 as independent plants go off-line for regular maintenance amid weakening profit margins as crude oil prices strengthen. But the scheduled startup of a 200,000 bpd crude oil unit at private refiner Zhejiang Petrochemical Corp in eastern China will compensate for some of the curbs by smaller independents. (Reuters)

- **Brazil's 2021 inflation outlook surges to 4.6%, well beyond central bank target** – Brazil's expected inflation for 2021 shot up to a new high of 4.6%, a central bank survey of economists published on Monday showed, significantly above the bank's year-end target of 3.75%. It was the tenth rise in a row, and was accompanied by a further increase in the average forecast for official interest rates at the end of this year, by 50 basis points to 4.50%. The average forecast for IPCA consumer price inflation at the end of this year rose from 4.0% a week ago, according to the latest weekly "FOCUS" survey of over 100 economists, and comes after figures last week showed inflation in February running at 5.2%. The central bank's official goal this year is 3.75%, with a margin of error of 1.5 percentage point on either side. The central bank is widely expected to raise interest rates from a record low 2.00% at its policy meeting later this week, which would be the first increase since 2015. Economists also lowered their end-2021 average forecast for the real to 5.30 per dollar from 5.15 the week before, and next year's forecast to 5.20 per dollar from 5.13. A persistently weak exchange rate, strong global commodity prices and growing concerns over the government's fiscal position are all pushing inflation expectations higher. (Reuters)

### Regional

- **Saudi inflation rate falls to 5.2% in Feb, lowest since VAT hike** – Saudi Arabia's inflation rate fell slightly to 5.2% in February from 5.7% in the prior month, the lowest since the kingdom tripled VAT in July to 15% to boost state coffers hurt by lower oil prices and the coronavirus crisis. The February rise was again mainly driven by increases in food and beverage prices, which recorded their highest annual increase at 11.2%, the General Authority for Statistics said. Food prices have a weight of 17% in the Saudi consumer basket. Transport prices increased by 9.8%, mainly due to a 9.9% rise in prices of purchase vehicles. Annual inflation was 3.4% in 2020 but picked up in the second half of the year after the VAT hike. The first half had seen mild inflation, following a deflationary trend in 2019, when the annual rate was -2.1%. (Reuters)
- **CBUAE: Liquidity of UAE banking system back to pre-COVID-19 levels** – Overall liquidity in the UAE banking system has returned to pre-COVID-19 levels, the Central Bank of the UAE (CBUAE) said in a statement on Monday, one-year after launching a stimulus package to support the economy during the pandemic. In March 2020, the CBUAE provided 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. Banks' drawdown of a zero-cost liquidity facility under the TESS scheme stood at \$5.99bn this month,

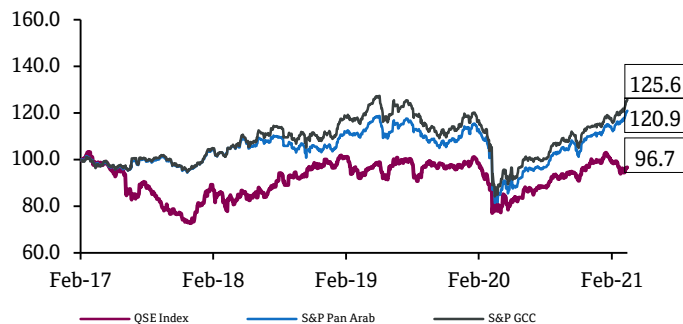
down from a peak of AED44bn in the second quarter of last year, the central bank said. "The introduction of the stimulus package came at a critical juncture and ensured that banks were able to mitigate funding and liquidity pressures and maintain their lending capacity," Central Bank Governor, Abdulhamid Saeed said in the statement. (Reuters)

- **UAE listed companies must have at least one female board member** – Listed companies in the UAE must have at least one woman on their board of directors, the Securities and Commodities Authority said. The move, an amendment of a previous decision by the authority's board, is "in the context of keenness to empower Emirati women and encourage them to play a greater role in the boards of directors of listed companies," the SCA said in a statement on Sunday. Women sit on the boards of 28 of the 110 listed companies in the UAE, but only make up 3.5% of all board positions, according to Aurora50, a UAE-based social enterprise working towards increasing female representation on boards. (Reuters)
- **UAE agritech start-up raises \$50mn in bonds to grow tomatoes in the desert** – UAE agriculture technology start-up Pure Harvest Smart Farms has raised \$50mn via Sukuk, or Islamic bonds, the first time an early-stage company in the region has secured venture capital through debt on the market, its chief executive said on Monday. It also raised \$10mn in equity capital in January, founder and CEO, Sky Kurtz told Reuters. The combined \$60mn capital will be used to build two "high-tech hybrid greenhouses" in the UAE to produce tomatoes, currently the firm's main product, and leafy greens in year-round warmth and sunshine. The financing will also allow the company to retrofit an existing facility for berry production in the UAE and build a tomato production facility in Saudi Arabia in partnership with the National Agricultural Development Company (NADEC), 20% owned by Saudi Arabia's Public Investment Fund. (Reuters)
- **Nakheel considers sale of district cooling assets** – Dubai state developer Nakheel is considering the sale of its district cooling assets, sources told Reuters, as real estate companies in the UAE offload non-core activities amid the coronavirus downturn. Nakheel, the developer of the Emirate's palm-shaped islands, has hired financial advisory Synergy Consulting to manage the process, two of the sources said. District cooling firms deliver chilled water through insulated pipes to offices, as well as industrial and residential buildings. (Reuters)
- **Unikai Foods to eliminate sugary drinks from portfolio** – Dubai-based Unikai Foods will eliminate sugary drinks from its portfolio to concentrate on fruit-based beverages. A report by Chairman, Mana Mohamed Saeed Al Mulla released with its 2020 financial results revealed the company was set to launch 100% fruit-based beverages in order to eliminate sugar-based products from its portfolio. This followed a year in which revenues fell by 24% to AED237mn, but after cost-saving measures and reducing operational costs, net profit rose from AED500,000 in 2019 to AED3.6mn, said the report. The UAE introduced a 50% tax on existing prices for all sweetened drinks, implemented in December 2019. (Zawya)
- **DXB Entertainments shareholders accept Meraas offer** – Meraas Leisure and Entertainment said DXB shareholders has accepted its offer to acquire 100% of the Dubai-based theme park operator.

Shareholders who accepted the offer to receive 8 fils a share.  
(Bloomberg)

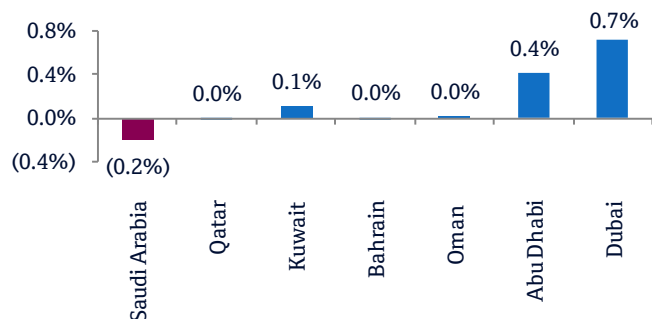
- **Oman sells OMR192mn 28-day bills; bid-cover at 1.08x** – Oman sold OMR192mn of 28-day bills due on April 14, 2021. Investors offered to buy 1.08 times the amount of securities sold. The bills were sold at a price of 99.95, have a yield of 0.652% and will settle on March 17, 2021. (Bloomberg)
- **Bahrain's SICO buys majority stake in Saudi-based Muscat Capital** – Bahrain-based SICO said on Monday it has completed a deal to acquire 72.7% in the Saudi-based Muscat Capital, a wholly-owned subsidiary of Bank Muscat. The acquisition took place by way of a share swap, which will also give Bank Muscat a 9% stake in SICO, a regional asset manager and investment bank that manages \$2.3bn in assets. The deal also provides SICO with a direct presence in the region's largest capital market, said SICO's Chairman, Shaikh Abdulla bin Khalifa al-Khalifa. (Reuters)
- **Bahrain sells BHD43mn 91-day Islamic Sukuk; bid-cover at 6.86x** – Bahrain sold BHD43mn of 91-day Islamic Sukuk due on June 16, 2021. Investors offered to buy 6.86 times the amount of securities sold. The Sukuk will settle on March 17, 2021. (Bloomberg)

## Rebased Performance



Source: Bloomberg

## Daily Index Performance



Source: Bloomberg

| Asset/Currency Performance           | Close (\$) | 1D%   | WTD%  | YTD%  |
|--------------------------------------|------------|-------|-------|-------|
| Gold/Ounce                           | 1,731.67   | 0.3   | 0.3   | (8.8) |
| Silver/Ounce                         | 26.24      | 1.2   | 1.2   | (0.6) |
| Crude Oil (Brent)/Barrel (FM Future) | 68.88      | (0.5) | (0.5) | 33.0  |
| Crude Oil (WTI)/Barrel (FM Future)   | 65.39      | (0.3) | (0.3) | 34.8  |
| Natural Gas (Henry Hub)/MMBtu        | 2.58       | 0.0   | 0.0   | 8.3   |
| LPG Propane (Arab Gulf)/Ton          | 94.25      | (0.5) | (0.5) | 25.2  |
| LPG Butane (Arab Gulf)/Ton           | 103.00     | (2.4) | (2.4) | 37.3  |
| Euro                                 | 1.19       | (0.2) | (0.2) | (2.3) |
| Yen                                  | 109.13     | 0.1   | 0.1   | 5.7   |
| GBP                                  | 1.39       | (0.2) | (0.2) | 1.7   |
| CHF                                  | 1.08       | 0.2   | 0.2   | (4.6) |
| AUD                                  | 0.78       | (0.1) | (0.1) | 0.8   |
| USD Index                            | 91.83      | 0.2   | 0.2   | 2.1   |
| RUB                                  | 72.81      | (0.7) | (0.7) | (2.1) |
| BRL                                  | 0.18       | (1.2) | (1.2) | (7.5) |

Source: Bloomberg

| Global Indices Performance | Close      | 1D%*  | WTD%* | YTD%*  |
|----------------------------|------------|-------|-------|--------|
| MSCI World Index           | 2,821.85   | 0.5   | 0.5   | 4.9    |
| DJ Industrial              | 32,953.46  | 0.5   | 0.5   | 7.7    |
| S&P 500                    | 3,968.94   | 0.6   | 0.6   | 5.7    |
| NASDAQ 100                 | 13,459.71  | 1.0   | 1.0   | 4.4    |
| STOXX 600                  | 423.08     | (0.2) | (0.2) | 3.5    |
| DAX                        | 14,461.42  | (0.4) | (0.4) | 2.3    |
| FTSE 100                   | 6,749.70   | (0.4) | (0.4) | 6.3    |
| CAC 40                     | 6,035.97   | (0.3) | (0.3) | 6.1    |
| Nikkei                     | 29,766.97  | 0.1   | 0.1   | 2.6    |
| MSCI EM                    | 1,340.25   | (0.6) | (0.6) | 3.8    |
| SHANGHAI SE Composite      | 3,419.95   | (0.8) | (0.8) | (1.1)  |
| HANG SENG                  | 28,833.76  | 0.3   | 0.3   | 5.7    |
| BSE SENSEX                 | 50,395.08  | (0.6) | (0.6) | 6.3    |
| Bovespa                    | 114,850.70 | (0.1) | (0.1) | (11.2) |
| RTS                        | 1,543.99   | 1.6   | 1.6   | 11.3   |

Source: Bloomberg (\*\$ adjusted returns)

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