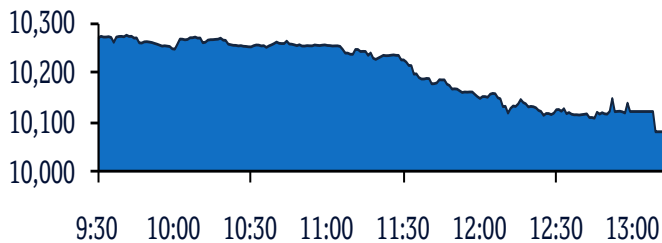


AQSE Intra-Day Movement



Qatar Commentary

The QE Index declined 1.8% to close at 10,084.8. Losses were led by the Telecoms and Industrials indices, falling 2.7% and 2.1%, respectively. Top losers were Qatari German Company for Medical Devices and Baladna, falling 5.9% and 4.7%, respectively. Among the top gainers, The Commercial Bank gained 3.2%, while Doha Bank was up 3.1%.

GCC Commentary

Saudi Arabia: The TASI Index fell 0.1% to close at 9,077.6. Losses were led by the Software & Services and Utilities indices, falling 4.0% and 1.5%, respectively. Al Moammar Info. Systems declined 5.9%, while United Wire Fact. was down 3.8%.

Dubai: The DFM Index fell 1.0% to close at 2,542.6. The Transportation index declined 2.0%, while the Real Estate & Construction index fell 1.8%. Emirates Refreshments Co. declined 4.9%, while Al Sagr Nat. Insurance Co. was down 4.6%.

Abu Dhabi: The ADX General Index gained 0.1% to close at 5,661.5. The Services and Consumer Staples indices rose 2.6% each. Palms Sports rose 4.6%, while Abu Dhabi National Energy Company was up 3.7%.

Kuwait: The Kuwait All Share Index gained 0.2% to close at 5,699.6. The Technology index rose 1.6%, while the Oil & Gas index gained 0.8%. National Shooting Company rose 5.8%, while Kamco Investment Company was up 5.6%.

Oman: The MSM 30 Index fell 0.1% to close at 3,561.2. Losses were led by the Services and Financial indices, falling 0.7% and 0.2%, respectively. Al Sharqiya Investment Holding Co. declined 8.1%, while Phoenix Power Co. was down 4.3%.

Bahrain: The BHB Index gained 0.1% to close at 1,487.8. The Commercial Banks index rose 0.5%, while the other indices ended in red. Al Salam Bank-Bahrain rose 1.4%, while Bahrain Commercial Facilities was up 1.1%.

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
The Commercial Bank	4.40	3.2	2,543.2	(0.1)
Doha Bank	2.29	3.1	589.5	(3.3)
Qatar Industrial Manufacturing Co	2.71	2.1	496.1	(15.7)
Al Meera Consumer Goods Co.	19.99	1.9	82.9	(3.5)
Medicare Group	8.45	1.6	121.4	(4.4)

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Qatar Aluminium Manufacturing	1.06	1.0	43,433.5	9.6
Investment Holding Group	0.55	(2.3)	19,548.7	(8.0)
Salam International Inv. Ltd.	0.60	(4.2)	14,192.3	(8.6)
Baladna	1.60	(4.7)	9,507.5	(10.8)
Qatar First Bank	1.72	(0.8)	7,898.9	0.0

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded (\$ mn)	Exchange Mkt. Cap. (\$ mn)	P/E**	P/B**	Dividend Yield
Qatar*	10,084.79	(1.8)	(1.8)	(3.7)	(3.4)	118.53	157,973.2	18.0	1.4	3.8
Dubai	2,542.62	(1.0)	(1.3)	(4.2)	2.0	54.52	94,285.1	20.8	0.9	3.8
Abu Dhabi	5,661.53	0.1	0.3	1.2	12.2	251.31	216,344.9	22.6	1.6	4.3
Saudi Arabia	9,077.62	(0.1)	0.6	4.3	4.5	3,942.17	2,434,782.6	34.7	2.2	2.3
Kuwait	5,699.58	0.2	0.1	(1.4)	2.8	106.89	107,260.6	45.0	1.4	3.4
Oman	3,561.20	(0.1)	(0.1)	(2.5)	(2.7)	6.72	16,063.9	10.8	0.7	7.7
Bahrain	1,487.79	0.1	0.4	1.7	(0.1)	4.95	22,788.1	20.9	1.0	4.5

Source: Bloomberg, Qatar Stock Exchange, Tadawul, Muscat Securities Market and Dubai Financial Market (** TTM; * Value traded (\$ mn) do not include special trades, if any)

Market Indicators	22 Feb 21	21 Feb 21	%Chg.
Value Traded (QR mn)	436.8	361.7	20.8
Exch. Market Cap. (QR mn)	581,211.2	591,717.1	(1.8)
Volume (mn)	176.0	178.3	(1.3)
Number of Transactions	10,971	8,223	33.4
Companies Traded	45	46	(2.2)
Market Breadth	11:32	10:34	-

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	19,457.67	(1.8)	(1.8)	(3.0)	18.0
All Share Index	3,100.92	(1.7)	(1.6)	(3.1)	18.2
Banks	4,054.04	(1.5)	(0.6)	(4.6)	14.6
Industrials	3,148.37	(2.1)	(3.1)	1.6	25.0
Transportation	3,346.78	(1.5)	(2.1)	1.5	15.4
Real Estate	1,791.64	(1.9)	(2.9)	(7.1)	17.3
Insurance	2,319.67	(0.2)	(2.2)	(3.2)	N.A.
Telecoms	1,028.40	(2.7)	(2.9)	1.8	24.0
Consumer	7,579.80	(1.8)	(2.8)	(6.9)	27.4
Al Rayan Islamic Index	4,143.36	(1.8)	(2.3)	(3.0)	19.3

GCC Top Gainers**	Exchange	Close*	1D%	Vol. '000	YTD%
The Commercial Bank	Qatar	4.40	3.2	2,543.2	(0.1)
Saudi Arabian Mining Co.	Saudi Arabia	52.90	2.9	1,429.7	30.6
Bank Al-Jazira	Saudi Arabia	13.64	2.2	13,728.4	(0.1)
Mabane Co.	Kuwait	0.70	1.9	1,229.1	6.1
Saudi Industrial Inv.	Saudi Arabia	27.85	1.6	909.4	1.6

GCC Top Losers**	Exchange	Close*	1D%	Vol. '000	YTD%
Ooredoo	Qatar	7.49	(3.4)	3,575.0	(0.4)
Industries Qatar	Qatar	11.66	(3.2)	2,067.4	7.3
Qatar Gas Transport Co.	Qatar	3.20	(3.0)	4,939.0	0.6
Qatar Islamic Bank	Qatar	16.32	(2.9)	1,747.5	(4.6)
Qatar Fuel Company	Qatar	17.13	(2.8)	574.1	(8.3)

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%
Qatari German Co for Med. Dev.	3.04	(5.9)	4,539.8	36.0
Baladna	1.60	(4.7)	9,507.5	(10.8)
Salam International Inv. Ltd.	0.60	(4.2)	14,192.3	(8.6)
INMA Holding	5.02	(3.5)	1,627.2	(1.9)
Ooredoo	7.49	(3.4)	3,575.0	(0.4)

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
QNB Group	16.42	(2.0)	83,730.1	(7.9)
Qatar Aluminium Manufacturing	1.06	1.0	46,167.3	9.6
Qatar Islamic Bank	16.32	(2.9)	28,778.6	(4.6)
Ooredoo	7.49	(3.4)	27,197.9	(0.4)
Industries Qatar	11.66	(3.2)	24,606.2	7.3

Source: Bloomberg (* in QR)

Qatar Market Commentary

- The QE Index declined 1.8% to close at 10,084.8. The Telecoms and Industrials indices led the losses. The index fell on the back of selling pressure from Arab and Foreign shareholders despite buying support from Qatari and GCC shareholders.
- Qatari German Company for Medical Devices and Baladna were the top losers, falling 5.9% and 4.7%, respectively. Among the top gainers, The Commercial Bank gained 3.2%, while Doha Bank was up 3.1%.
- Volume of shares traded on Monday fell by 1.3% to 176.0mn from 178.3mn on Sunday. However, as compared to the 30-day moving average of 173.2mn, volume for the day was 1.6% higher. Qatar Aluminium Manufacturing Company and Investment Holding Group were the most active stocks, contributing 24.7% and 11.1% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	42.24%	34.54%	33,616,903.3
Qatari Institutions	14.72%	7.09%	33,327,396.1
Qatari	56.96%	41.63%	66,944,299.4
GCC Individuals	0.95%	0.48%	2,080,518.3
GCC Institutions	4.05%	3.96%	389,367.7
GCC	5.00%	4.43%	2,469,885.9
Arab Individuals	10.06%	10.48%	(1,859,152.4)
Arab Institutions	0.02%	–	101,020.0
Arab	10.08%	10.48%	(1,758,132.4)
Foreigners Individuals	5.76%	2.80%	12,896,147.2
Foreigners Institutions	22.21%	40.65%	(80,552,200.1)
Foreigners	27.96%	43.45%	(67,656,052.9)

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
Bahrain Telecommunication Co.*	Bahrain	BHD	387.3	-3.5%	–	–	56.7	9.9%
United Gulf Investment Corp.*	Bahrain	BHD	33.5	8.3%	–	–	(0.8)	N/A
Bahrain Cinema Company*	Bahrain	BHD	2.2	-75.1%	(1.0)	N/A	(14.1)	N/A

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

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
02/22	Japan	Bank of Japan	PPI Services YoY	Jan	-0.5%	-0.4%	-0.3%

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
SIIS	Salam International Investment Limited	23-Feb-21	0	Due
QNNS	Qatar Navigation (Milaha)	23-Feb-21	0	Due
AHCS	Aamal Company	23-Feb-21	0	Due
MCGS	Medicare Group	23-Feb-21	0	Due
MPHC	Mesaieed Petrochemical Holding Company	23-Feb-21	0	Due
MERS	Al Meera Consumer Goods Company	23-Feb-21	0	Due
QFBQ	Qatar First Bank	25-Feb-21	2	Due
QGRI	Qatar General Insurance & Reinsurance Company	28-Feb-21	5	Due
QISI	Qatar Islamic Insurance Group	28-Feb-21	5	Due
AKHI	Al Khaleej Takaful Insurance Company	3-Mar-21	8	Due
WDAM	Widam Food Company	3-Mar-21	8	Due
QGMD	Qatari German Company for Medical Devices	4-Mar-21	9	Due
ZHCD	Zad Holding Company	6-Mar-21	11	Due
DBIS	Dlala Brokerage & Investment Holding Company	8-Mar-21	13	Due
IGRD	Investment Holding Group	15-Mar-21	20	Due

Source: QSE

News

Qatar

- **DOHI's bottom line rises 70.5% YoY and 18.4% QoQ in 4Q2020** – Doha Insurance Group's (DOHI) net profit rose 70.5% YoY (+18.4% QoQ) to QR15.2mn in 4Q2020. The company's net premiums written came in at QR89.6mn in 4Q2020, which represents an increase of 29.3% YoY (+5.3% QoQ). In FY2020, DOHI recorded net profit of QR60.0mn as compared to QR48.9mn in FY2019. EPS amounted to QR0.12 in FY2020 as compared to QR0.10 in FY2019. DOHI's board of directors has proposed cash dividend distribution to shareholders of QR0.10 per share. (QSE)
- **QIBK's AGM endorses items on its agenda** – Qatar Islamic Bank (QIBK) announced the results of the AGM. The meeting was held on February 22, 2021 and the following resolution were approved (1) The Assembly approved the Board of Director's Report on the results of the Bank and financial statements for year ended December 31, 2020 and the plan for the year 2021. (2) The Assembly approved the Bank's balance sheet and profit and loss for the year ended December 31, 2020. (3) The Assembly approved the board of directors' proposal to distribute 40% cash dividends of the nominal value per share, i.e. QR0.40 per share. (4) The AGM absolved the Board members from liability for the year ended December 31, 2020 and approval of the remuneration prescribed to them. (5) Discussed and approved the Bank Governance Report for the year 2020. (6) The Assembly approved the increase of the limit for QIBK's USD Sukuk program to become USD 5bn instead of USD 4bn, subject to QCB approval. (7) The Assembly nominated Ernst & Young as external auditors of QIBK financial statements for the year 2020. (QSE)
- **CBQK announces series of investor meetings for Additional Tier 1 Bond** – The Commercial Bank (CBQK) has mandated Credit Suisse as Sole Global Coordinator, and Barclays, Credit Suisse, Deutsche Bank, HSBC, JPMorgan and QNB Capital as Joint Lead Managers and Bookrunners to arrange a series of fixed income investor meetings, commencing on February 22, 2021. An unrated US\$ Benchmark fixed rate resettable Reg S only Registered Perpetual Additional Tier 1 Non-Call 5-year Capital Securities offering may follow, subject to market conditions. FCA/ICMA stabilization applies. CBQK is rated A3 (stable) by Moody's, BBB+ (stable) by S&P and A (stable) by Fitch (QSE, Bloomberg, Reuters)
- **Qatar, UAE hold first talks in Kuwait after Al-Ula declaration** – Two official delegations from the State of Qatar and the UAE held their first meeting in the State of Kuwait today to set mechanisms and procedures for the future phase, after the Al-Ula Summit Declaration in the Kingdom of Saudi Arabia, which was issued on January 5. The Qatar News Agency (QNA) reported that the meeting discussed the necessary means and measures to enhance the joint work process of the Gulf Cooperation Council (GCC) countries and achieve the aspirations of their peoples in terms of security, stability, and development. The two sides expressed appreciation to the Kingdom of Saudi Arabia for hosting the recent Gulf Summit, which resulted in the Al Ula Declaration. The two sides thanked the State of Kuwait for hosting the first meeting between them, and expressed appreciation to HH Amir of the State of Kuwait Sheikh Nawaf Al Ahmad Al Jaber Al Sabah, for the efforts of his country to heal the rift and its keenness to promote joint Gulf action. (Bloomberg)
- **QISI provides health insurance to individuals** – Qatar Islamic Insurance Group (QISI) announced that it has individual health insurance for residents who are over 60 years old and do not have health coverage. And this is in line with the procedures of the Ministry of the Interior to provide this type of insurance coverage. (QSE)
- **Revision to the date of MPHC's board of directors meeting to March 04** – The meeting of the board of directors of Mesaieed Petrochemical Holding Company (MPHC) to discuss the financial results of the Company for the financial year ended 31 December 2020 will now be convened on March 04, 2021 instead of February 23, 2021, as this will allow the board to review the Company's business performance and business plan in more details. (QSE)
- **MARK to holds its AGM on March 01** – Masraf Al-Rayan (MARK) announced that the General Assembly Meeting (AGM) will be held on March 01, 2021, electronically / virtually via (Zoom) at 05:30 pm. In case of not completing the legal quorum, the second meeting will be held on March 15, 2021, electronically / virtually via (Zoom) 05:30 pm. The agenda includes discussion and approval of the financial Statements for Masraf Al Rayan for the fiscal year ended on December 31, 2020, discussion and approval of the proposals of the Board of Directors regarding appropriation and cash dividend of QR0.170 per share, representing 17% of the paid-up capital for the fiscal year 2020 and acknowledgement of the General Assembly with the Profits Distribution Policy and discussion and approval of increasing the size of Masraf Al Rayan Sukuk Issuance Program to US\$4bn, provided that the approval of the Central Bank of Qatar is obtained, and that the Board of Directors - or whoever the Board delegates- is authorized to take whatever is necessary to implement the same, among others. (QSE)
- **Qatar Petroleum enters into 1.25mn tpy long-term LNG supply agreement with Bangladesh** – Qatar Petroleum (QP) has entered into a long term sale and purchase agreement (SPA) with Vitol for the supply of 1.25mn tons per year (mtpy) of liquefied natural gas (LNG) to Vitol's final customers in Bangladesh. Under the agreement, LNG deliveries will commence later this year, further demonstrating the State of Qatar's continued commitment to meeting the growing needs of its customers for reliable LNG supplies. HE the Minister of State for Energy Affairs Saad bin Sherida Al-Kaabi, also the President and CEO of Qatar Petroleum, welcomed the signing of the agreement and said, "We are pleased to sign this SPA with Vitol, and we look forward to commencing deliveries under the SPA to further contribute to meeting Bangladesh's energy requirements." Al-Kaabi concluded his remarks by saying, "This SPA also highlights our strong ability to meet the requirements of our partners and customers. We are proud to continue to be the supplier of choice for our customers and partners around the globe." (Gulf-Times.com)
- **BRES to hold its AGM on March 08** – Barwa Real Estate Company (BRES) announced that the General Assembly Meeting (AGM) will be held on March 08, 2021, at Barwa Real

Estate Headquarters, Tower No. 1 - Second Floor, Barwa Al Sadd Towers – Suhaim Bin Hamad Street at 4:30 pm. In case of not completing the legal quorum, the second meeting will be held on March 22, 2021, at BARWA Real Estate Headquarters, Tower No. 1 - second Floor, Barwa Al Sadd Towers – Suhaim Bin Hamad Street at 4:30 pm. The agenda includes to discuss and approve the company's balance sheet and profit/loss statement for the year ending December 31, 2020 and to approve the board of directors' proposal of cash dividend of QR0.125 per share, 12.5% of the share value, for the financial year ending December 31, 2020. (QSE)

- **MCGS holds its investors relation conference call on February 25** – Medicare Group Company (MCGS) 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 01:00 pm, Doha Time. (QSE)
- **QIGD changes the location of its AGM** – Qatari Investors Group (QIGD) has announced that due to the restrictions imposed by the COVID-19 pandemic, the location of the Ordinary General Assembly meeting (AGM) has changed to be held at the company's headquarters in Lusail. The time will be the same on February 22, 2021 at 6:30 pm (by default, via the Zoom app). In the event that a quorum is not complete, the second meeting will be held on March 01, 2021 at 6:30 pm. Noting that the registration will start 2 hours before the meeting time. (QSE)
- **Chairman: QLMi has 'robust and clear' long-term growth strategy** – QLM Life & Medical Insurance Company's (QLMI) Chairman, Sheikh Saud bin Khalid bin Hamad Al-Thani has said his company has developed a robust and clear long-term strategy to grow the business and has a strong financial position with good liquidity to meet its commitments to its stakeholders. Sheikh Saud made this statement after chairing the company's Board of Directors, which approved the QLMi's financial results, which showed an increase in net profit by 12.8% to QR98.05mn in 2020. In reference to the point of dividend, the board of directors took into consideration the general economic and market conditions, expansion and growth plans and all other factors that affect the business. In addition, the board also considered the clear guidance as provided to the investors in section 10.3 of the IPO prospectus regarding 2020-2021 interim dividend to be declared based on 1Q2021 profits and recommended that no dividends shall be declared for distribution for FY2020. Sheikh Saud also mentioned that as per the dividend policy "any declared profits may be distributed in the form of cash dividends or through capitalization of profits, or a combination of both, according to the recommendation of the board of directors and approval in the general meeting, subject to obtaining the required regulatory and other necessary approvals". Sheikh Saud stated, "The company has a developed a robust and clear long-term strategy to grow the business and has a strong financial position with good liquidity to meet its commitments and to ensure that it delivers to the expectations of all the stakeholders and creates shareholder value and provide for good return in form of dividends to the shareholders in accordance with its dividend declaration and distribution policy". (Gulf-Times.com)
- **QCB plans to launch regulatory sandbox for entities to test fintech solutions** – Qatar Central Bank (QCB) is planning to

launch its regulatory sandbox this year, which offers a safe and controlled space for entities to test out their fintech solutions under relaxed regulatory requirements. Fintechs can spend up to 12 months in this environment operating under a limited license, with restrictions on parameters including the number of customers or application users, number of daily transactions, maximum value per transaction, value at risk and value of funds held by the entity, said the recently released report of the Qatar Financial Centre Authority and Refinitiv. The QCB has taken on a role of the "orchestrator" of Qatar's fintech strategy, in addition to acting as the central regulatory authority of its fintech ecosystem, the QFC-Refinitiv report said. In alignment with the second strategic plan for the financial sector, the QCB has set itself four key objectives as part of the national fintech strategy, which included creating a connected and collaborative fintech ecosystem, maintaining global competitiveness of fintech services, having a strengthened financial system and providing meaningful solutions to local consumers. Through fulfilling these targeted objectives, the central bank launched three initiatives related to regulating the fintech sector in Qatar, aiming to maintain a balance between enabling fintech innovation while also protecting consumers and the integrity of Qatar's financial system. In exceptional cases, Qatar Fintech Hub (QFTH) may graduate promising fintechs directly into QCB's regulatory sandbox without going through the incubator and accelerator programs. The QFC perceives that around 80% of fintechs do not require regulation, given that they develop the underlying technologies such APIs (application programming interfaces), AI (artificial intelligence) and blockchain, and provide them directly to financial institutions which themselves act as depository institutions. (Gulf-Times.com)

- **Qatar showcases multi-billion riyal opportunities in its sports sector** – Qatar, which hosts on an average more than 150 sport events annually, on Monday showcased the multi-billion riyal opportunities in the short to medium term in various fields within the sports sector as the country hosts the FIFA World Cup in 2022 and Asian Games in 2030. A projection by Sport Accelerator shows that by 2025, the estimated local market size of Qatar's facilities management is expected to be QR25bn; industries catering to sports education (QR530mn), sports medicine (QR403mn), sports tourism (QR48mn), sports data and analytics (QR21mn) and sports merchandising (QR17mn). Highlighting that Qatar is open for business, Majed al-Amari of the Business Acquisition department of the Qatar Financial Centre (QFC) said the sport opportunities are in the areas as medical and sanitizing, fan engagement, e-sports, marketing and media, venue management and ICT. The QFC has been licensing fan engagement activities, sports consultancies and lot of them are coming in through the centre, he told a webinar 'Emerging Opportunities in Sport Tech', organized by the QFC. The opening of the FIFA 2022 management office is one of the biggest add on to the public register of the QFC, he added. (Gulf-Times.com)

International

- **The Sunday Times: Sunak to raise business tax to pay for COVID-19 support** – British finance minister Rishi Sunak is set to increase a tax on business to pay for an extension to COVID-

19 support schemes in the budget next month, The Sunday Times reported. Sunak, in his speech on March 3, will announce he is increasing corporation tax from 19 Pence in the pound and will outline a pathway where it rises to 23 Pence in the pound by the time of the next general election, the report said. The move will raise an expected 12bn Pounds (\$16.8bn) a year, the report added. According to the report, at least 1 Pence is set to be added to the bill for business from this autumn, at a cost to business of 3bn Pounds, with further rises in subsequent years. Allies of Sunak clarified he would not increase corporation tax higher than 23%. These measures will be helpful in paying for an extension to the furlough scheme, VAT cuts and business support loans until at least August. Unlike the 2010 Conservative-led government, which pursued spending cuts to rebalance the economy after the global financial crisis, Sunak is expected to defer most of the toughest decisions about how to pay for that support in his budget speech. "The corporation tax hike will be higher than expected and the extension of the support schemes will be longer than most people expect," the newspaper quoted a source as saying. Insiders indicated the stamp duty holiday on property purchases would also be extended in line with the other coronavirus support measures, the report said. Britain's economy had its biggest slump in 300 years in 2020, when it contracted by 10%, and will shrink by 4% in the first three months of 2021, the Bank of England predicts. (Reuters)

- **UK car sector laments showroom closures in key selling month of March** – Plans announced by Prime Minister Boris Johnson on Monday to keep car showrooms in England closed to the public during the key selling month of March as part of COVID-19 measures are "deeply disappointing", a trade industry body said. Johnson earlier set out how the government plans to lift lockdown measures, including the reopening of non-essential retail outlets, such as dealerships, from no earlier than April 12. Dealers have been using online, delivery and click and collect services to keep selling vehicles but sales fell nearly 40% in January. March accounts for around 20% of annual registrations as it is one of two occasions when the license plate series changes. "The fact that retail showrooms must remain closed until April at least is deeply disappointing," Mike Hawes, the Chief Executive of the Society of Motor Manufacturers and Traders, said. "The continuing decline in retail business will translate into reduced production volumes as well as giving rise to other operational issues." (Reuters)
- **Germany 'looking towards recovery' as industry drives up business morale** – German business morale rose far more than expected in February, bouncing back from a 6-month low in January thanks to a brighter industrial outlook and well-stocked order books, the Ifo economic institute said on Monday. Ifo said its business climate index increased to 92.4 from an upwardly revised 90.3 in January, hitting its highest level since October and surpassing even the strongest forecast in a Reuters poll of analysts. "The German economy is looking towards recovery again," Ifo economist Klaus Wohlrabe told Reuters. Germany, once a role model for fighting the COVID-19 pandemic, has struggled with the second wave. A month ago this still weighed heavily on sentiment. But Wohlrabe said companies have now revised up production plans significantly and export expectations for industry have also risen. "The order

books are well filled," he added. An Ifo expectations index surged to 94.2 from 91.5 in January, surpassing all forecasts in the Reuters poll. A current conditions index edged up to 90.6 from 89.2. "Companies are sniffing the spring air and starting to look beyond the pandemic," said Commerzbank economist Joerg Kraemer. Kraemer expected a strong recovery from spring onwards, "especially as consumers' corona(virus) savings amount to six percent of their annual disposable income at the end of 2020." The main risk to this scenario was a third wave of coronavirus infections and a blanket lockdown extension to end-April, to which he gave a 25% probability. Chancellor Angela Merkel and state premiers have agreed to extend restrictions to curb the spread of the coronavirus until March 7. She told a party meeting that she wants a staggered plan to lift restrictions, according to two participants. Other sentiment indicators have also been promising. Investor morale in Germany surged in February on expectations consumption will take off in the coming months, the ZEW economic research institute said last Tuesday. (Reuters)

- **China's January new home prices quicken as mega cities heat up** – New home prices in China grew at a faster pace in January, driven by red-hot demand in the country's mega cities despite several rounds of government cooling measures. Average new home prices in 70 major cities increased 0.3% in January from a month earlier, the fastest growth since September, according to Reuters calculations based on data released by the National Bureau of Statistics. That compared with an uptick of 0.1% in December. On a YoY basis, new home prices rose 3.9%, quickening from a 3.8% gain in December. The NBS data showed 53 cities reported monthly growth, with the number rising from 42 in December. The relentless upward price pressure was again mainly driven by bigger cities. New home prices in tier-1 cities, including Beijing, Shanghai, Guangzhou and Shenzhen, rose 0.6% from previous month, while second-hand home prices gained 1.3%, with growth in both sectors outpacing lower-tier cities. China's property market recovered quickly from the COVID-19 crisis last year, mostly in bigger cities. But the rebound has raised concerns about financial risks and policymakers have since then tightened screws on the funneling of funds into the sector. Last month saw major cities including Shanghai, Shenzhen and Beijing unveiling tighter regulations to close loopholes in home transactions and contain illegal flows of funds into the sector. These steps came on top of a slew of measures it took last year, in response to a surge in residential real estate prices. (Reuters)
- **India to clear 45 investments from China, likely to include Great Wall, SAIC** – India is set to clear 45 investment proposals from China, which are likely to include those from Great Wall Motor and SAIC Motor Corp, government and industry sources told Reuters, as military tensions between the two countries ease at the disputed border. The proposals have been held up since last year after India tightened controls on Chinese investment in the country in retaliation against alleged Chinese troop incursions in the western Himalayan region. China blamed Indian troops for the standoff. About 150 investment proposals from China worth more than \$2bn were stuck in the pipeline. Companies from Japan and the US routing investment through Hong Kong were also caught in the cross-fire as an inter-ministerial panel led by the interior ministry increased scrutiny

of such proposals. A federal Home (Interior) Ministry spokesman did not respond to a request for comment on the proposals to be cleared. Two government sources who have seen the list said most of the 45 proposals set for early approvals are in the manufacturing sector, which is considered non-sensitive in terms of national security. The sources did not elaborate but two other government officials and two industry sources who are privy to the process said proposals from Great Wall and SAIC are likely to be on the list. Great Wall and General Motors (GM) made a joint proposal last year seeking consent for the Chinese automaker to purchase the US company's car plant in India, in a deal expected to be valued at around \$250-\$300mn. Great Wall, which plans to invest \$1bn in India over the next few years, said earlier that establishing operations in the country is a key part of its global strategy. It had planned to start selling cars in India from this year, and was also mulling bringing in electric vehicles. Great Wall said it continues to seek relevant approvals and investment clearances. (Reuters)

Regional

- **OPEC, US oil firms expect subdued shale rebound** – OPEC and US oil companies see a limited rebound in shale oil supply this year as top US producers freeze output despite rising prices, a decision that would help OPEC and its allies. OPEC this month cut its 2021 forecast for US tight crude, another term for shale, and expects production to decline by 140,000 bpd to 7.16mn bpd. The US government expects shale output in March to fall about 78,000 bpd to 7.5mn bpd and also sees an annual drop. The OPEC forecast preceded the freezing weather in Texas, home to 40% of US output, that has shut wells and curbed demand by regional oil refineries. The lack of a shale rebound could make it easier for OPEC and its allies to manage the market, according to OPEC sources. “This should be the case,” said one of the OPEC sources, who declined to be identified. “But I don’t think this factor will be permanent.” While some US energy firms have increased drilling, production is expected to remain under pressure as companies cut spending to reduce debt and boost shareholder returns. Shale producers are also wary that increased drilling would quickly be met by OPEC returning more oil to the market. (Peninsula Business)
- **Population decline to weigh on growth prospects of Gulf insurers** – The decline in population in the GCC region, coupled with high competition, is expected to weigh on growth prospects and earnings of insurers, according to S&P. “Although we expect an economic recovery in 2021, due to higher oil prices and the rollout of the COVID-19 vaccine in the region, a decline in population and ongoing pressure in key sectors such as real estate, retail and hospitality will hamper [growth in gross written premiums],” the agency said in report released on Monday. Lower consumer spending could also have short-term impact on demand for non-mandatory policies, while insurance markets in the region remain overcrowded. However, insurers’ ratings are likely to remain broadly stable this year despite ongoing economic uncertainty, mainly due to the robust capital buffers. (Zawya)
- **Saudi inflation still fueled by VAT hike, Central Bank says** – Saudi inflation is expected to rise during the first quarter compared to the same period last year due to the residual effect of an increase in value-added tax but should be little changed on the previous quarter, the Kingdom’s central bank said on Monday. Consumer prices rose an annual 5.6% in the last three months of 2020. The world’s largest crude exporter tripled VAT to 15% in July as it endured twin economic shocks from the spread of the coronavirus pandemic and oil market turmoil. Officials later said the decision might be reviewed once the crisis is over. The VAT rise was among a series of measures taken by Saudi Arabia last year to limit the economic damage caused by the decline in crude oil prices. (Bloomberg)
- **Russia, Saudi Arabia at odds over output deal ahead of OPEC+ meeting** – Saudi Arabia and Russia have differences over a potential deal among OPEC+ oil producers that could ease curbs on supply starting in April, a source told RIA news agency on Monday ahead of a meeting of the group next week. The OPEC and its allies, a group known as OPEC+, are likely to ease curbs on supply after April given a recovery in prices, according to sources. “There was some concern from Riyadh based on the fact that its position on the fate of the deal did not match Moscow’s,” the source told RIA. “The Saudis will insist on maintaining production at the current level and will call for a cautious approach at the upcoming meeting.” (Reuters)
- **Saudi defense firm SAMI targets \$5bn annual revenue by 2030** – State-owned Saudi Arabian Military Industries (SAMI) aims to generate annual revenue of \$5bn by 2030, its Chief Executive said on Monday, part of a drive to build more defense equipment inside the Kingdom. Saudi Arabia, one of the world’s largest buyers of foreign arms which has been embroiled in conflict in Yemen for six years, set up SAMI in 2017 to cut its reliance on imported weapons and military systems. The government aims to spend 50% of its military budget by 2030 on equipment made at home. Chief Executive, Walid Abukhaled told Reuters at Abu Dhabi’s IDEX defense exhibition that SAMI aimed to be among the world’s top 25 defense firms by 2030. “Being in the top 25 companies by 2030, you’re looking at \$5 billion a year” in revenue, he said. (Reuters)
- **Seychelles seeks budget support from UAE** – The UAE will soon decide on Seychelles request for a grant or soft loan, according to a statement issued by the presidency after Seychelles President, Wavel Ramkalawan returned from the UAE. No payment will be made this year by Air Seychelles to Etihad; debt negotiations and talks by Seychelles government to acquire Etihad’s 40% stake in Air Seychelles is ongoing. (Bloomberg)
- **UAE-based Gulf Capital sells 70% stake in Turknet** – Abu Dhabi investment firm Gulf Capital on Monday said it has successfully completed the sale of a 70% stake in broadband service provider Turknet. The consortium of buyers includes Celebiler Family and Re-Pie Portfoy Yonetimi A.S, the company said in a statement. Gulf Capital did not disclose the value of the transaction, but it said the sale generated a significant return for its Credit Opportunities Fund. The firm currently manages over \$2.5bn in assets across seven funds and investment vehicles. (Zawya)
- **Emirates to resume services to one more US destination** – Long-haul operator Emirates is adding one more US destination to its network with the resumption of flights to Newark via Athens, Greece. The reinstated service seeks to cater to the large Greek-

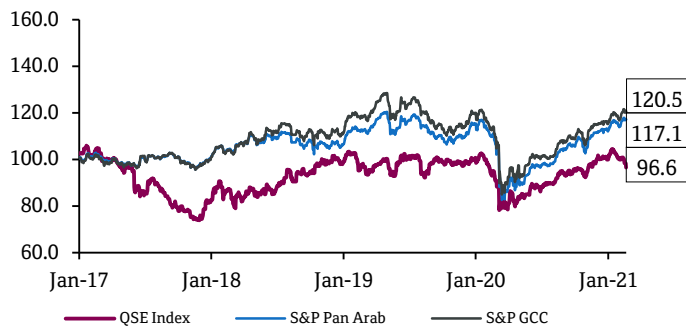
American community in the US and offer convenient connection to other travelers bound for the Middle East, West Asia and Africa, via the airline's hub in Dubai. The Dubai-Athens-Newark service, which will operate daily with a three-class Boeing 777-300ER starting from June 1, 2021, will take the UAE carrier's US network to 10 destinations. (Zawya)

- **Kuwait requests ability to withdraw from sovereign wealth fund** – Kuwait's cabinet has submitted draft legislation to parliament that would allow the government to withdraw up to KD5bn from the country's sovereign wealth fund annually, lawmakers said on Monday. The Future Generation Fund, a nest egg for when oil runs out that is managed by Kuwait Investment Authority, has only ever been tapped by the government once before - during the first Gulf War. The proposal may not be approved, a source familiar with the matter said, and could add to Kuwait's legislative gridlock over the approval of a debt law that would allow the country to borrow. Parliament has repeatedly blocked a debt bill which would allow Kuwait to tap international debt markets, but the issue has gained urgency as low oil prices and the COVID-19 pandemic have strained state finances and led to the rapid depletion of available cash reserves. (Reuters)
- **Kuwait to close down land/sea border crossings over virus** – Kuwaiti cabinet has decided to shut down its land and sea border crossings from February 24 over a surge of coronavirus cases, state-run KUNA reported. The decision excludes cargo operations, KUNA said. Restaurants across Kuwait will be allowed to serve outside orders and deliveries only. Government offices' capacity will be limited to 30% of state employees while the private sector offices' capacity will be dropped to 50%, the report said. (Bloomberg)
- **Burgan Bank sees impact on margin on higher Turkey rates** – Burgan Bank sees "a bit of compression" in overall margin following rate hike in Turkey, Head of group strategy, Naveen Rajanala said in transcript of investor call. It sees 4%-5% loan growth in Kuwait operations, 3% growth at group level. The bank expects credit in Turkey to be flat or slightly declining, expects provision levels to be lower in 2021, particularly in Turkey. (Bloomberg)
- **Oman sells OMR35mn 182-day bills; bid-cover at 1.23x** – Oman sold OMR35mn of 182-day bills due on August 25, 2021. Investors offered to buy 1.23 times the amount of securities sold. The bills were sold at a price of 99.604, have a yield of 0.798% and will settle on February 24, 2021. (Bloomberg)
- **Bahrain's Investcorp acquires leading US data analytics firm KSM Consulting** – Investcorp, a Bahrain-based asset manager that counts Mubadala Investment Company as its biggest shareholder, on Monday announced that one of its affiliates has acquired a majority ownership position in KSM Consulting, a leading consulting firm specializing in data analytics, technology and digital transformation, from Renovus Capital Partners, which will continue to maintain a minority stake in KSMC. Terms of the transaction were not disclosed. Founded in 2008 and headquartered in Indianapolis, KSMC delivers smart, custom solutions to the most complex challenges of more than 700 private and public sector organizations. This is done by leveraging deep expertise in data analytics, technology and digital transformation. Investcorp's partnership with KSMC will

focus on continuing the firm's organic growth, expanding geographically across the US and broadening KSMC's service offerings into strategic adjacencies. This will include seeking to complete strategic, value-creating add-on acquisitions, building upon KSMC's recent acquisitions of Colorado-based Tempus Nova, Ohio-based Advocate Solutions, and Indianapolis-based Connect Think. (Zawya)

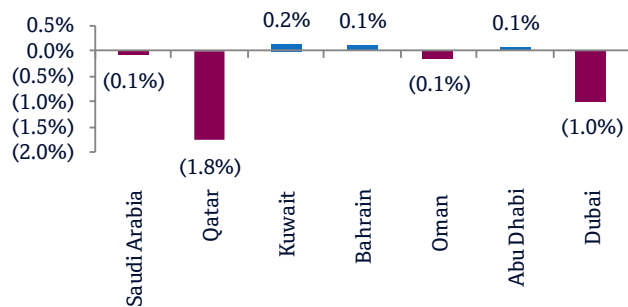
- **Bahrain sells BHD70mn 91-day bills; bid-cover at 2.87x** – Bahrain sold BHD70mn of 91-day bills due on May 26, 2021. Investors offered to buy 2.87 times the amount of securities sold. The bills were sold at a price of 99.547, have a yield of 1.8% and will settle on February 24, 2021. (Bloomberg)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,809.67	1.4	1.4	(4.7)
Silver/Ounce	28.14	3.1	3.1	6.6
Crude Oil (Brent)/Barrel (FM Future)	65.24	3.7	3.7	25.9
Crude Oil (WTI)/Barrel (FM Future)	61.49	3.8	3.8	26.7
Natural Gas (Henry Hub)/MMBtu	4.87	0.0	0.0	104.8
LPG Propane (Arab Gulf)/Ton	94.50	(1.6)	(1.6)	25.6
LPG Butane (Arab Gulf)/Ton	96.75	(1.3)	(1.3)	29.0
Euro	1.22	0.3	0.3	(0.5)
Yen	105.08	(0.4)	(0.4)	1.8
GBP	1.41	0.3	0.3	2.9
CHF	1.12	0.0	0.0	(1.2)
AUD	0.79	0.6	0.6	2.9
USD Index	90.01	(0.4)	(0.4)	0.1
RUB	74.31	0.2	0.2	(0.1)
BRL	0.18	(1.6)	(1.6)	(5.0)

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,788.11	(0.7)	(0.7)	3.6
DJ Industrial	31,521.69	0.1	0.1	3.0
S&P 500	3,876.50	(0.8)	(0.8)	3.2
NASDAQ 100	13,533.05	(2.5)	(2.5)	5.0
STOXX 600	413.06	(0.1)	(0.1)	3.0
DAX	13,950.04	0.0	0.0	0.7
FTSE 100	6,612.24	0.2	0.2	5.6
CAC 40	5,767.44	0.2	0.2	3.4
Nikkei	30,156.03	0.8	0.8	8.0
MSCI EM	1,397.67	(2.3)	(2.3)	8.2
SHANGHAI SE Composite	3,642.45	(1.6)	(1.6)	5.9
HANG SENG	30,319.83	(1.1)	(1.1)	11.3
BSE SENSEX	49,744.32	(2.0)	(2.0)	5.0
Bovespa	112,667.70	(5.9)	(5.9)	(10.3)
RTS	1,455.33	(0.7)	(1.2)	4.9

Source: Bloomberg (*\$ adjusted returns)

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