

Market Review and Outlook

The Qatar Stock Exchange (QSE) Index declined by 453.35 points or 4.3% during the trading week to close at 10,027.17. Market capitalization receded by 4.74% to QR558.7 billion (bn) versus QR586.5bn the previous trading week. Of the 46 listed companies, 8 companies ended the week higher, while 37 declined and 1 remained unchanged. Qatar General Insurance & Reinsurance Co. (QGRI) was the best performing stock for the week with a gain of 2.5% on a trading volume of 6.0 thousand (k) shares. On the other hand, Dlala Brokerage and Investments Holding Co. (DBIS) was the worst performing stock for the week with a decline of 10.1% on 247.4k shares traded.

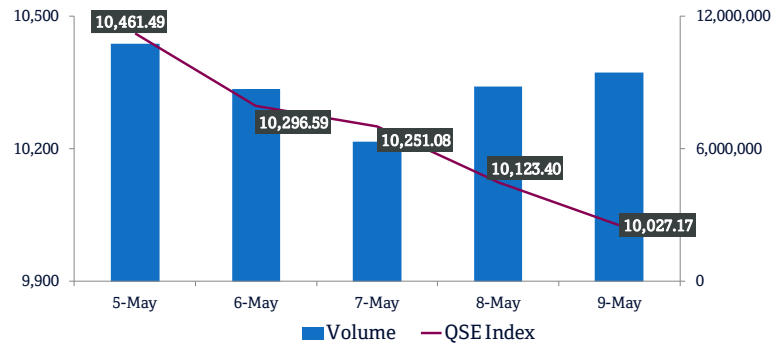
QNB Group (QNBK), Industries Qatar (IQCD) and Qatar Islamic Bank (QIBK) were the primary contributors to the weekly index decline. QNBK was the biggest contributor to the index's weekly decline, deleting 108.1 points from the index. IQCD was the second biggest contributor to the mentioned loss, removing 95.8 points from the index. Moreover, QIBK erased 81.3 points from the index.

Trading value during the week decreased by 0.1% to QR1.12bn versus QR1.13bn in the prior week. The Banks & Financial Services sector led the trading value during the week, accounting for 38.2% of the total trading value. The Industrials sector was the second biggest contributor to the overall trading value, accounting for 30.8% of the total. QNB Group (QNBK) was the top value traded stock during the week with total traded value of QR211.5mn.

Trading volume decreased by 31.7% to reach 44.1mn shares versus 64.6mn shares in the prior week. The number of transactions fell by 9.5% to 24,122 transactions versus 26,653 transactions in the prior week. The Industrials sector led the trading volume, accounting for 42.0%, followed by the Banks & Financial Services sector which accounted for 24.1% of the overall trading volume. QAMC was the top volume traded stock during the week with 5.7mn shares.

Foreign institutions turned bearish with net selling of QR154.7mn vs. net buying of QR188.6mn in the prior week. Qatari institutions turned bullish with net buying of QR89.0mn vs. net selling of QR89.0mn in the week before. Foreign retail investors turned positive with net buying of QR6.5mn vs. net selling of QR11.0mn in the prior week. Qatari retail investors turned bullish with net buying of QR59.2mn vs. net selling of QR88.5mn the week before. Foreign institutions have bought (net basis) ~\$746mn worth of Qatari equities in 2019.

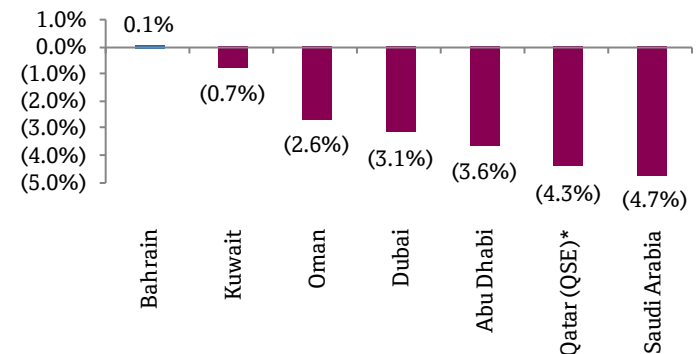
QSE Index and Volume



Market Indicators	Week ended May 09, 2019	Week ended May 02, 2019	Chg. %
Value Traded (QR mn)	1,124.6	1,125.7	(0.1)
Exch. Market Cap. (QR mn)	558,733.8	586,514.7	(4.7)
Volume (mn)	44.1	64.6	(31.7)
Number of Transactions	24,122	26,653	(9.5)
Companies Traded	46	45	2.2
Market Breadth	8:37	19:26	-

Market Indices	Close	WTD%	MTD%	YTD%
Total Return	18,450.84	(4.3)	(3.4)	1.7
ALL Share Index	3,036.29	(4.6)	(4.2)	(1.4)
Banks and Financial Services	3,857.15	(5.6)	(5.2)	0.7
Industrials	3,100.17	(4.5)	(3.7)	(3.6)
Transportation	2,435.80	(2.1)	(0.4)	18.3
Real Estate	1,774.92	(4.9)	(6.9)	(18.8)
Insurance	3,172.94	(5.2)	(4.0)	5.5
Telecoms	918.17	(1.6)	(1.5)	(7.0)
Consumer Goods & Services	7,900.27	(0.7)	1.5	17.0
Al Rayan Islamic Index	3,894.91	(3.4)	(2.5)	0.3

Weekly Index Performance



Regional Indices	Close	WTD%	MTD%	YTD%	Weekly Exchange Traded Value (\$ mn)	Exchange Mkt. Cap. (\$ mn)	TTM P/E**	P/B**	Dividend Yield
Qatar (QSE)*	10,027.17	(4.3)	(3.4)	(2.6)	307.50	153,428.3	14.1	1.5	4.3
Dubai	2,672.61	(3.1)	(3.4)	5.6	189.78	96,757.6*	11.2	1.0	5.0
Abu Dhabi	5,052.80	(3.6)	(3.9)	2.8	930.03	141,597.8	13.8	1.5	4.9
Saudi Arabia*	8,899.80	(4.7)	(4.3)	13.7	4,671.74	559,281.8	20.2	2.0	3.4
Kuwait	4,831.20	(0.7)	0.0	2.0	476.48	33,536.5	14.4	0.9	4.0
Oman	3,863.28	(2.6)	(2.1)	(10.6)	20.09	16,900.9	8.0	0.8	7.1
Bahrain	1,436.28	0.1	0.2	7.4	32.87	22,353.7	9.9	0.9	5.3

Source: Bloomberg, country exchanges and Zawya (** Trailing Twelve Months; * Value traded (\$ mn) do not include special trades, if any; * Data as of May 08, 2019)

Stock Split Dates for Listed Qatari Companies

Day / Date	Company Symbols			Sector
	1	2	3	
Sunday 09/06/2019	CBQK	QFBQ		Banking and Financial Services
Monday 10/06/2019	KCBK	DBIS	QOIS	
Tuesday 11/06/2019	QIIK	NLCS		
Wednesday 12/06/2019	QNBK	ABQK	IHGS	
Thursday 13/06/2019	QIBK	DHBK		
Sunday 16/06/2019	MARK			
Monday 17/06/2019	MERS	MCCS		Consumer Goods & Services
Tuesday 18/06/2019	WDAM	ZHCD	QGMD	
Wednesday 19/06/2019	QFLS	MCGS		
Thursday 20/06/2019	SIIS	QCFS		
Sunday 23/06/2019	MPHC	IGRD		Industrial
Monday 24/06/2019	QIGD	AHCS	QNCD	
Tuesday 25/06/2019	IQCD	QIMD		
Wednesday 26/06/2019	QEWS	GISS		
Thursday 27/06/2019	QISI	QATI		Insurance
Sunday 30/06/2019	DOHI	QGRI	AKHI	
Monday 01/07/2019	BRES	ERES		Real Estate
Tuesday 02/07/2019	UDCD	MRDS		
Wednesday 03/07/2019	VFQS	ORDS		Telecoms
Thursday 04/07/2019	QGTS	GWCS	QNNS	Transport/Logistics
Sunday 07/07/2019	QETF	QATR	QAMC	ETFs and QAMCO

Source: QSE

News

Economic & Market News

- Qatar witnesses 4% MoM growth in building permits issued in April** – Aided by double-digit expansion in the building permits issued by Al Daayen, Umm Slal and Al Shamal, Qatar witnessed 4% MoM growth in total permits issued in April this year, according to official statistics. Al Rayan, Doha and Al Wakrah together constituted 67% of the total 743 building permits issued in Qatar in April this year, according to the statistics revealed by the Planning and Statistics Authority (PSA). On geographical basis, the PSA found that Al Rayyan remained atop the municipalities where the number of building permits issued were 206, or 28% of the total issued permits, Doha 150 (20%), Al Wakrah 140 (19%), Al Daayen 111 (15%), Umm Slal 63 (8%), Al Shahaniya 32 (4%), Al Khor 26 (4%), and Al Shamal 14 (2%). (Gulf-Times.com)
- OBG: Qatar's four Islamic banks' total assets rose 1.77% in the first nine months of 2018** – The total assets of Qatar's four Islamic banks rose by 1.77%, while their financing assets climbed by 3.81% in the first nine months of 2018, Oxford Business Group (OBG) stated in a report. The sector also remained profitable during this period, with net profit showing 8.36% YoY gain. Importantly, the margins secured during this 'challenging' period were made without any significant deterioration in financial stability indicators, OBG noted in its 'The Report: Qatar 2019'. According to Malaysia-based Islamic Financial Services Board, Qatar's four Islamic banks - QIBK, Masraf Al Rayan, QIIK and Barwa - showed a capital adequacy

ratio of 17.3% in the second quarter of 2018, against 17.5% at the end of 2016. Meanwhile, non-performing financing showed only a modest gain over the same period, rising from 0.6% to 1.2%. Qatar's Islamic banks have grown more quickly than their conventional counterparts over recent years, and collectively posted a 9.1% growth in assets over 2017 to continue this trend. However, the diplomatic crisis that began in 2017 led to concerns regarding the performance of the nation's Islamic financial institutions. Following the June 2017 economic blockade of the country, the government 'moved quickly' to defend the banking sector with injections of public liquidity, a capability it enjoys thanks in large part to Qatar's sizeable reserves and the revenues it receives from its hydrocarbons exports. (Gulf-Times.com)

- Qatar's April Financial Center PMI falls to 48.9 from 50.1 in March** – Qatar's April Financial Center Purchasing Managers' Index (PMI) fell to 48.9 from 50.1 in March. Employment fell to 48.7 in April from 49.2 in March. (Bloomberg)
- CI affirms QIIK's long-term foreign currency rating at 'A'** – Capital Intelligence Ratings (CI) affirmed the long-term foreign currency rating (LT FCR) of Qatar International Islamic Bank (QIIK) at 'A'. The rating agency also adjusted the bank's short-term foreign currency rating (ST FCR) to 'A1' from 'A2'. The bank has also been assigned a bank standalone rating (BSR) of 'bbb+', a core financial strength (CFS) rating of 'bbb+' and an extraordinary support level (ESL) of 'high'. The outlook on the LT FCR has been revised to 'Stable' from 'Negative' and the

outlook on the BSR is also 'Stable'. The revision of the bank's LT FCR outlook to 'Stable' mirrors the recent change in the outlook for Qatar's 'AA-' sovereign rating to 'Stable' from 'Negative'. The bank's BSR is based on a CFS rating of 'bbb+' and an operating environment risk anchor of 'bbb'. The CFS is supported by QIIK's good asset quality with strong extended non-performing financing receivables (NPFR) coverage and by a strong customer deposit base which limits the need for wholesale funding. (Gulf-Times.com)

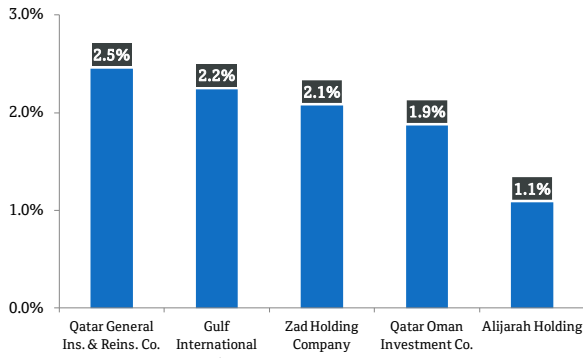
- **WOQOD opens Wadi Aba Seleel Petrol Station** – Qatar Fuel Company (WOQOD) opened Wadi Aba Seleel Petrol Station, increasing the strength of its network of various petrol stations to 87, according to a statement. WOQOD's CEO, Saad Rashid Al-Muhannadi explained that the company aspires to expand its petrol station network in the country to meet the rising demand for petroleum products and achieve the goal of providing customers with access to best-in-class products and services at their convenience and comfort. Al-Muhannadi said, "WOQOD is currently overseeing the implementation of 30 new petrol stations, which will be operational during 2019. As part of its strategic expansion plan, WOQOD is targeting the achievement of a total of 134 fuel stations by the end of 2020." (Gulf-Times.com)
- **Kahramaa commissions all five substations for 2022 FIFA World Cup** – Qatar General Electricity and Water Corporation (Kahramaa) opened and energized Ras Abu Abboud-2 substation successfully at a cost of QR93mn, which will supply electricity to Ras Abu Aboud Stadium, a venue of 2022 FIFA World Cup. With the commissioning of the new substation, Kahramaa achieved all its electricity projects pertaining to 2022 FIFA World Cup stadiums. Kahramaa has energized and commissioned five substations for World Cup stadiums with a total cost of QR800mn. The substations are designed specially to ensure uninterrupted power supply to FIFA 2022 World Cup stadiums following high international standards of safety and security. (Peninsula Qatar)
- **Kahramaa, Umm Al Houl Power sign pact to increase water desalination capacity** – Under the patronage, and in the presence of HE Saad bin Sherida Al Kaabi, the Minister of State for Energy Affairs and the President & CEO of Qatar Petroleum, the General Electricity and Water Corporation (Kahramaa) and Umm Al Houl Power Company signed an amendment to their agreement on the provision of electricity and water. The amendment will increase water desalination capacity by 61.5mn gallons per day (about 280,000 cubic meters), which enhances Kahramaa's capabilities for sustainable supply of high quality water and electricity in Qatar. Under the agreement, Umm Al Houl will build and operate an expansion to the existing plant that would raise its overall capacity to 198mn gallons of water per day by 2021. The expansion will use the new reverse osmosis technology, which will improve production efficiency and reduce the use of gas in production systems. Umm Al Houl Power will act as the project's developer, while Samsung will be the main contractor and Acciona will be the supplier and sub-contractor. (Peninsula Qatar)
- **Al Rayan Qatar ETF to pay QR1.10 cash dividend** – Al Rayan Investment, pursuant to its authority as Fund Manager, announces a cash dividend distribution of QR1.10 per unit for Al Rayan Qatar ETF, an exchange-traded fund founded by Masraf

Al Rayan. All QATAR unit holders at the close of May 14th, 2019 (record date) based on records of the Qatar Central Securities Depository (QCSD), will be entitled to receive cash dividends. Dividends will be paid from Sunday 19th May, 2019. Unit holders who have registered their bank accounts with the QCSD will have dividends deposited directly in their accounts. Other unit holders may collect their dividends from any of Masraf Al Rayan branches (except for Al Hazm Mall and Al Hilal branches) from Sunday 19th May, 2019 onwards. (QSE)

- **QCSD amended the foreign ownership percentage of Islamic Insurance to 49%** – Qatar Central Securities Depository (QCSD) announced that it had amended the foreign ownership percentage of Qatar Islamic Insurance Group to become 49% of the company's capital, which is equal to 7,350,000 shares. (QSE)
- **MERS establishes a new company named 'Maar Trading and Servicing Company'** – Al Meera Consumer Goods Company (MERS) has established a new company named 'Maar Trading and Servicing Company', a limited liability company fully owned by MERS. The objectives of the company include fruits & vegetables, General merchandise, restaurants, Cafeterias, ice cream, Markets grocery & supplying, Scholastic scientific, library tools, Café, juice & roasters. Maar Trading and Servicing Company will be one of MERS' subsidiary companies. (QSE)
- **The Commercial Bank's long-term foreign currency rating affirmed at 'A-' by Capital Intelligence** – Capital Intelligence (CI), an international credit rating agency, affirmed the long-term foreign currency rating (LT FCR) of The Commercial Bank at 'A-'. At the same time, CI has adjusted the bank's short term foreign currency rating (ST FCR) to 'A1' from 'A2'. The lender has also been assigned a bank standalone rating (BSR) of 'bbb-', a core financial strength (CFS) rating of 'bb+' and an extraordinary support level (ESL) of 'high'. The bank's LT FCR is set three notches above the BSR to reflect the high likelihood of extraordinary support from the government in the event of financial distress. This is based on the government's strong track record of support for Qatari banks. Its BSR is based on a CFS rating of 'bb+' and an operating environment risk anchor of 'bbb'. These include the good domestic franchise as the second largest conventional bank in Qatar and the diversification and future growth opportunities provided by the Turkish subsidiary. The one positive area of the financial metrics is the profitability where operating and net profitability both improved. (Gulf-Times.com)

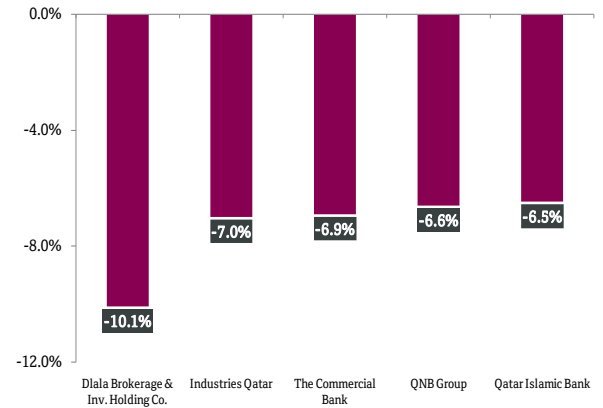
Qatar Stock Exchange

Top Gainers



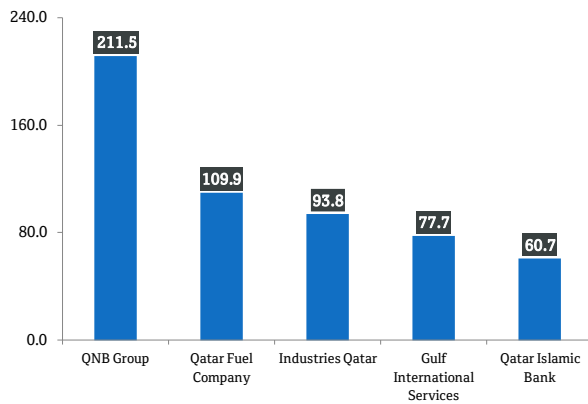
Source: Qatar Stock Exchange (QSE)

Top Decliners



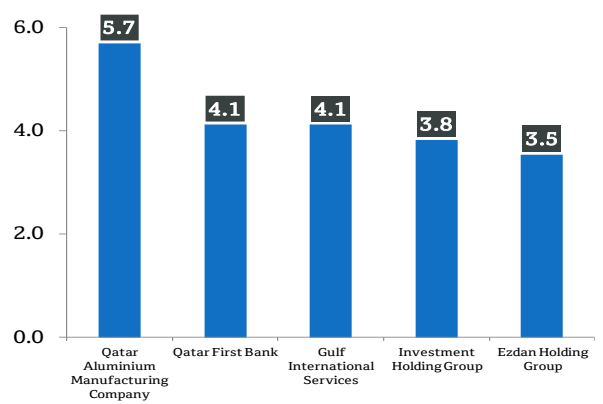
Source: Qatar Stock Exchange (QSE)

Most Active Shares by Value (QR Million)



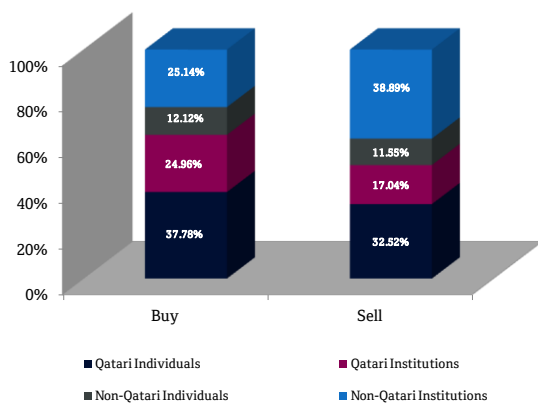
Source: Qatar Stock Exchange (QSE)

Most Active Shares by Volume (Million)



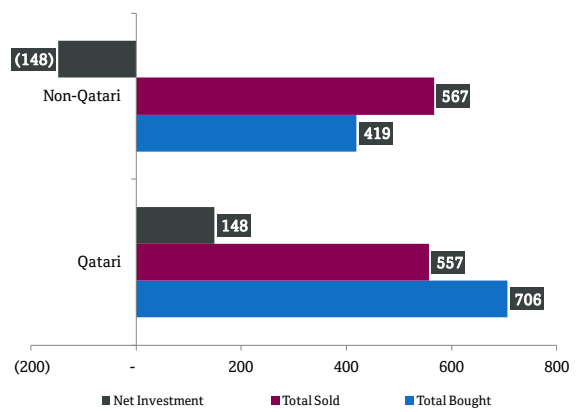
Source: Qatar Stock Exchange (QSE)

Investor Trading Percentage to Total Value Traded



Source: Qatar Stock Exchange (QSE)

Net Traded Value by Nationality (QR Million)



Source: Qatar Stock Exchange (QSE)

TECHNICAL ANALYSIS OF THE QSE INDEX



Source: Bloomberg

The QE Index closed 4.33% down from the week before, and closed at 10,027.17. The Index has been in a pullback phase since March; that phase maybe over. As a result, we keep our next expected resistance level at 10,800 points but update the weekly support to 9,700 points.

DEFINITIONS OF KEY TERMS USED IN TECHNICAL ANALYSIS

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

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

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

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

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

Company Name	Price May 09	% Change WTD	% Change YTD	Market Cap. QR Million	TTM P/E	P/B	Div. Yield
Qatar National Bank	182.50	(6.60)	(6.41)	168,565	12.9	2.6	3.3
Qatar Islamic Bank	159.00	(6.47)	4.61	37,571	14.4	2.5	3.1
Commercial Bank of Qatar	47.20	(6.90)	19.83	19,103	13.2	1.2	3.2
Doha Bank	22.49	(2.64)	1.31	6,973	13.0	0.8	4.4
Al Ahli Bank	30.00	0.00	17.86	6,942	10.4	1.3	3.0
Qatar International Islamic Bank	67.55	(2.10)	2.16	10,225	12.2	1.9	5.9
Masraf Al Rayan	35.50	(2.42)	(14.83)	26,625	12.4	2.2	5.6
Al Khaliji Bank	11.70	(0.51)	1.39	4,212	7.5	0.8	6.4
Qatar First Bank	4.75	(5.38)	16.42	950	N/A	0.9	N/A
National Leasing	8.39	1.08	(4.55)	415	37.9	0.6	6.0
Dlala Holding	9.65	(10.07)	(3.50)	274	N/A	1.3	N/A
Qatar & Oman Investment	6.00	1.87	12.36	189	74.2	0.7	5.0
Islamic Holding Group	21.00	(3.00)	(3.89)	119	871.8	0.9	N/A
Banking and Financial Services				282,163			
Zad Holding	122.60	2.07	17.88	1,764	13.6	1.8	6.9
Qatar German Co. for Medical Devices	6.20	0.49	9.54	72	N/A	1.9	N/A
Salam International Investment	4.77	(4.41)	10.16	545	N/A	0.5	N/A
Medicare Group	60.00	(4.43)	(4.91)	1,689	20.0	1.8	3.0
Qatar Cinema & Film Distribution	19.20	(1.69)	0.95	121	13.6	0.8	7.8
Qatar Fuel	207.99	0.05	25.30	20,680	17.4	2.7	3.8
Qatar Meat and Livestock	58.80	(1.82)	(16.00)	1,058	9.8	3.4	7.7
Mannai Corp.	42.25	(3.54)	(23.11)	1,927	5.3	0.8	4.7
Al Meera Consumer Goods	143.00	(1.17)	(3.38)	2,860	15.6	2.2	5.9
Consumer Goods and Services				30,716			
Qatar Industrial Manufacturing	38.30	(1.29)	(10.30)	1,820	9.9	1.2	6.5
Qatar National Cement	63.50	(4.51)	6.72	4,150	12.8	1.4	7.9
Industries Qatar	113.01	(6.99)	(15.42)	68,371	15.4	2.1	5.3
Qatari Investors Group	23.00	(3.16)	(17.30)	2,860	16.6	1.1	3.3
Qatar Electricity and Water	161.71	(2.29)	(12.59)	17,788	12.3	1.9	4.8
Aamal	8.68	(2.69)	(1.81)	5,468	12.9	0.7	6.9
Gulf International Services	18.22	2.24	7.18	3,386	N/A	1.0	N/A
Mesaieed Petrochemical Holding	20.10	(1.95)	33.73	25,252	19.2	1.8	4.0
Investment Holding Group	5.86	(4.72)	19.84	486	8.1	0.6	4.3
Qatar Aluminum Manufacturing	9.90	(3.41)	(25.84)	5,524	N/A	N/A	2.0
Industrials				135,106			
Qatar Insurance	36.61	(5.52)	1.98	11,957	19.7	1.5	4.1
Doha Insurance	11.85	(0.59)	(9.47)	593	11.9	0.6	6.8
Qatar General Insurance & Reinsurance	41.00	2.45	(8.65)	3,588	17.2	0.6	2.4
Al Khaleej Takaful Insurance	14.95	(5.56)	74.04	382	13.2	0.7	3.3
Qatar Islamic Insurance	53.00	(3.34)	(1.32)	795	12.3	2.4	6.6
Insurance				17,314			
United Development	13.50	0.67	(8.47)	4,780	10.5	0.4	7.4
Barwa Real Estate	33.85	(4.38)	(15.18)	13,172	6.9	0.7	7.4
Ezdan Real Estate	9.60	(6.25)	(26.04)	25,464	42.0	0.8	N/A
Mazaya Qatar Real Estate Development	8.00	(0.37)	2.56	926	80.8	0.6	6.3
Real Estate				44,342			
Ooredoo	63.90	(1.54)	(14.80)	20,468	13.7	0.9	3.9
Vodafone Qatar	7.62	(1.68)	(2.43)	6,442	45.2	1.5	3.3
Telecoms				26,910			
Qatar Navigation (Milaaha)	66.20	(1.19)	0.29	7,582	14.1	0.5	4.5
Gulf Warehousing	46.00	(3.14)	19.57	2,696	11.2	1.7	4.1
Qatar Gas Transport (Nakilat)	21.49	(2.32)	19.85	11,906	13.0	1.9	4.7
Transportation				22,183			
Qatar Exchange				558,734			

Source: Bloomberg

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