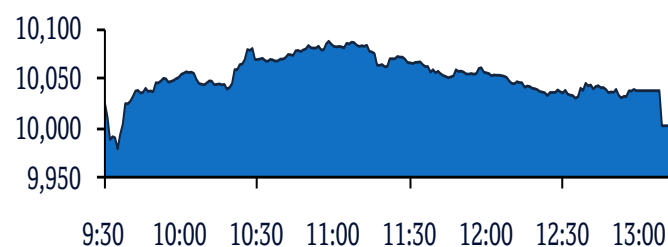


QSE Intra-Day Movement



Qatar Commentary

The QE Index declined 0.4% to close at 10,004.2. Losses were led by the Telecoms and Insurance indices, falling 1.5% and 1.4%, respectively. Top losers were Qatar General Insurance & Reinsurance Company and Widam Food Company, falling 9.6% and 6.5%, respectively. Among the top gainers, Qatar National Cement Company gained 4.8%, while Investment Holding Group was up 3.7%.

GCC Commentary

Saudi Arabia: The TASI Index gained 1.2% to close at 9,351.1. Gains were led by the Software & Services and Diversified Financials indices, rising 4.8% and 4.3%, respectively. Fitaihi Holding and Saudi Advanced Industries were up 10.0% each.

Dubai: The DFM Index fell 0.9% to close at 2,545.6. The Consumer Staples and Discretionary index declined 3.9%, while the Banks index fell 1.5%. Emirates Refreshments Company declined 10.0%, while Al Salam Sudan was down 5.1%.

Abu Dhabi: The ADX General Index fell marginally to close at 5,691.5. The Industrial index declined 2.3%, while the Energy index fell 0.2%. Gulf Pharma. Industries declined 9.6%, while Abu Dhabi Ship Building Company was down 3.8%.

Kuwait: The Kuwait All Share Index gained 0.8% to close at 5,697.7. The Utilities index rose 3.2%, while the Basic Materials index gained 3.1%. First Investment Company rose 12.7%, while Credit Rating & Collection was up 10.0%.

Oman: The MSM 30 Index gained 0.1% to close at 3,655.2. Gains were led by the Industrial and Financial indices, rising 0.9% and 0.8%, respectively. Oman Cables Industry rose 5.9%, while Oman National Engineering & Investment was up 5.4%.

Bahrain: The BHB Index gained 0.2% to close at 1,476.5. The Industrial index rose 1.1%, while the Services index gained 0.5%. Aluminium Bahrain rose 1.1%, while Bahrain Telecommunication Company was up 0.7%.

Market Indicators	04 Mar 21	03 Mar 21	%Chg.
Value Traded (QR mn)	465.8	531.6	(12.4)
Exch. Market Cap. (QR mn)	579,633.8	582,451.2	(0.5)
Volume (mn)	216.4	194.8	11.1
Number of Transactions	11,635	12,031	(3.3)
Companies Traded	46	47	(2.1)
Market Breadth	24:18	23:19	-

Market Indices	Close	1D%	WTD%	YTD%	TTMP/E
Total Return	19,592.79	(0.2)	0.0	(2.3)	18.4
All Share Index	3,132.61	(0.2)	(0.4)	(2.1)	18.8
Banks	4,083.93	(0.3)	(1.3)	(3.9)	14.7
Industrials	3,193.63	0.2	1.6	3.1	32.2
Transportation	3,405.76	0.1	0.1	3.3	23.0
Real Estate	1,820.02	(0.1)	2.6	(5.6)	17.6
Insurance	2,377.39	(1.4)	(2.1)	(0.8)	91.1
Telecoms	993.64	(1.5)	(5.9)	(1.7)	23.2
Consumer	7,743.04	(0.1)	1.8	(4.9)	25.9
Al Rayan Islamic Index	4,210.84	0.1	1.3	(1.4)	19.2

GCC Top Gainers**	Exchange	Close*	1D%	Vol. '000	YTD%
Saudi Industrial Inv.	Saudi Arabia	31.80	6.7	2,256.0	16.1
Emaar Economic City	Saudi Arabia	10.32	4.7	21,876.1	12.1
Dar Al Arkan Real Estate	Saudi Arabia	9.19	4.4	71,331.9	6.1
Saudi Kayan Petrochem.	Saudi Arabia	15.34	3.5	12,156.5	7.3
Arab National Bank	Saudi Arabia	20.00	3.1	625.6	(0.5)

GCC Top Losers**	Exchange	Close*	1D%	Vol. '000	YTD%
Oman Telecom. Co.	Oman	0.73	(4.2)	6.1	1.7
Emirates NBD	Dubai	10.80	(2.7)	646.4	4.9
Emaar Malls	Dubai	1.74	(1.7)	7,569.5	(4.9)
Ooredoo Oman	Oman	0.40	(1.5)	19.1	3.1
ADNOC Distribution	Abu Dhabi	4.23	(1.4)	11,104.3	12.8

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

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Qatar General Ins. & Reins. Co.	2.13	(9.6)	1.5	(19.8)
Widam Food Company	5.82	(6.5)	4,050.3	(7.9)
Ooredoo	6.86	(5.6)	3,981.2	(8.8)
Al Khaleej Takaful Insurance Co.	2.65	(3.9)	2,084.8	39.5
United Development Company	1.53	(3.6)	3,267.4	(7.5)

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
QNB Group	16.68	(0.5)	75,390.0	(6.4)
Investment Holding Group	0.68	3.7	58,628.5	13.0
Ooredoo	6.86	(5.6)	27,589.7	(8.8)
Qatar Islamic Bank	15.72	(0.9)	26,617.1	(8.1)
Barwa Real Estate Company	3.26	0.0	23,406.3	(4.1)

Source: Bloomberg (* in QR)

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Qatar National Cement Company	4.44	4.8	2,373.4	7.1
Investment Holding Group	0.68	3.7	87,359.8	13.0
Aamal Company	0.94	2.4	12,888.1	9.5
Qatar Oman Investment Company	0.90	2.4	5,348.6	1.2
Mannai Corporation	2.98	1.7	74.7	(0.7)

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Investment Holding Group	0.68	3.7	87,359.8	13.0
Aamal Company	0.94	2.4	12,888.1	9.5
Qatar Aluminium Manufacturing	1.10	(2.8)	12,449.7	13.4
Salam International Inv. Ltd.	0.61	0.7	10,913.9	(6.5)
Aljarah Holding	1.24	1.1	7,684.6	0.0

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded (\$ mn)	Exchange Mkt. Cap. (\$ mn)	P/E**	P/B**	Dividend Yield
Qatar**	10,004.19	(0.4)	(1.2)	(1.4)	(4.1)	125.63	156,791.0	18.4	1.4	3.3
Dubai	2,545.64	(0.9)	(0.9)	(0.2)	2.2	41.55	94,670.5	20.8	0.9	3.8
Abu Dhabi	5,691.46	(0.0)	(0.0)	0.5	12.8	224.49	218,261.4	22.7	1.5	4.3
Saudi Arabia	9,351.08	1.2	1.2	2.3	7.6	3,939.76	2,514,370.7	37.0	2.2	2.3
Kuwait	5,697.73	0.8	0.8	0.9	2.7	126.90	107,327.2	50.9	1.4	3.4
Oman	3,655.17	0.1	0.1	1.2	(0.1)	5.59	16,676.8	11.4	0.7	7.5
Bahrain	1,476.49	0.2	0.2	0.7	(0.9)	3.73	22,568.6	36.7	1.0	4.6

Source: Bloomberg, Qatar Stock Exchange, Tadawul, Muscat Securities Market and Dubai Financial Market (** TTM; * Value traded (\$ mn) do not include special trades, if any; *Data as of March 4, 2021)

Qatar Market Commentary

- The QE Index declined 0.4% to close at 10,004.2. The Telecoms and Insurance indices led the losses. The index fell on the back of selling pressure from GCC and Foreign shareholders despite buying support from Qatari and Arab shareholders.
- Qatar General Insurance & Reinsurance Company and Widam Food Company were the top losers, falling 9.6% and 6.5%, respectively. Among the top gainers, Qatar National Cement Company gained 4.8%, while Investment Holding Group was up 3.7%.
- Volume of shares traded on Thursday rose by 11.1% to 216.4mn from 194.8mn on Wednesday. Further, as compared to the 30-day moving average of 182.7mn, volume for the day was 18.4% higher. Investment Holding Group and Aamal Company were the most active stocks, contributing 40.4% and 6.0% to the total volume, respectively.

Overall Activity	Buy %*	Sell %*	Net (QR)
Qatari Individuals	37.98%	36.34%	7,645,735.3
Qatari Institutions	18.85%	11.42%	34,583,331.6
Qatari	56.83%	47.76%	42,229,066.9
GCC Individuals	0.82%	1.55%	(3,419,698.0)
GCC Institutions	2.36%	2.25%	528,815.1
GCC	3.18%	3.80%	(2,890,882.9)
Arab Individuals	11.37%	10.76%	2,847,880.9
Arab Institutions	0.10%	-	483,980.0
Arab	11.47%	10.76%	3,331,860.9
Foreigners Individuals	3.10%	3.27%	(780,113.5)
Foreigners Institutions	25.42%	34.42%	(41,889,931.5)
Foreigners	28.52%	37.68%	(42,670,044.9)

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
Ataa Educational Co.*	Saudi Arabia	SR	63.2	-25.2%	11.6	-50.3%	6.4	-63.0%
Eastern Province Cement Co.*	Saudi Arabia	SR	742.0	1.8%	207.0	28.6%	217.0	19.9%

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

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
03/04	US	Department of Labor	Initial Jobless Claims	27-Feb	745k	750k	736k
03/04	US	Department of Labor	Continuing Claims	20-Feb	4,295k	4,300k	4,419k
03/04	UK	Markit	Markit/CIPS UK Construction PMI	Feb	53.3	51	49.2
03/04	Germany	Markit	Markit Germany Construction PMI	Feb	41.0	-	46.6
03/04	Japan	Economic and Social Research I	Consumer Confidence Index	Feb	33.8	30.0	29.6

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
DBIS	Dlala Brokerage & Investment Holding Company	8-Mar-21	0	Due
ERES	Ezdan Holding Group	15-Mar-21	7	Due
IGRD	Investment Holding Group	15-Mar-21	7	Due
MCCS	Mannai Corporation	16-Mar-21	8	Due
BLDN	Baladna	17-Mar-21	9	Due

Source: QSE

Qatar

- QNB Group retains title of Qatar's most valuable, strongest brand** – QNB Group has retained the title of Qatar's most valuable and strongest brand, according to the latest report by Brand Finance – the world's leading brand valuation consultancy. QNB Group's brand value has increased to \$6.1bn, widening its lead over second placed Ooredoo even further. QNB Group has also broken into the top 50 most valuable banks in the world, according to the Brand Finance Banking 500 2021 ranking, and is the most valuable banking brand across the MENA region. Apart from calculating brand value, Brand Finance also determines the relative strength of brands through a balanced scorecard of metrics evaluating marketing investment, stakeholder equity, and business performance. According to these criteria, QNB Group is also Qatar's strongest brand with a Brand Strength Index (BSI) score of 81.7 out of 100 and a corresponding AAA- brand strength rating. In the face of global adversity, as the pandemic wreaks havoc on the global economy, QNB Group has continued on its impressive growth trajectory, surpassing the trillion-riyal watermark in total assets for the first time in the bank's history – the first brand across the region to do so. QNB Group is spearheading digital transformation across the sector in the region, embracing technology to implement its strategy, spanning open banking, platforms, Robotics Process Automation (RPA), Big Data and Analytics, Artificial Intelligence (AI), as well as digitization and automation. (Peninsula Qatar)
- MPHC's net profit, adjusted for impairment, rises 56.8% QoQ to QR306.4mn in 4Q2020** – Mesaieed Petrochemical Holding Company's (MPHC) net profit, adjusted for impairment on other assets, stood at QR306.4mn in 4Q2020 as compared to QR1,582.7mn in 4Q2019 and QR195.4mn in 3Q2020 (+56.8% QoQ). MPHC's net profit, including the impairments mentioned previously, came in at QR201.8mn in 4Q2020 versus QR1,582.7mn in 4Q2019 (3Q2020: QR195.4mn). The company's share of profit from joint ventures came in at QR279.7mn in 4Q2020, which represents a decrease of 81.2% YoY. However, on QoQ basis share of profit from joint ventures rose 45.6%. In FY2020, the company has reported adjusted net profit of QR636.8mn and net profit (including impairment) of QR532.2mn as compared to QR2,076.1mn in FY2019. EPS amounted to QR0.042 in FY2020 as compared to QR0.165 in FY2019. The board has recommended a cash dividend of QR503mn, equivalent to QR0.04 per share and representing a payout ratio of 94% of 2020 net profits. During the year, selling prices declined by 12%, while sales volumes fell by 5% compared to last year, both translating into a decrease in revenue by 17%. Production dropped by 9% amid periodic turnaround and maintenance shutdowns during the year. The group continued to benefit from the supply of competitively priced ethane feedstock and fuel gas under long-term supply agreements. These contracting arrangements are an important value driver for its profitability in a competitive market environment. During the year, the petrochemical segment reported revenue of QR1.8bn and net profit amounted to QR454mn in 2020. Revenue

and earnings were impacted by the overall 7% drop in sales volumes and 13% in selling prices. The reduction in sales volumes was primarily due to the planned periodic turnaround of Q-Chem II facilities in the first quarter of 2020, while drop in crude prices coupled with softening demand for petrochemical products arising from the current macroeconomic backdrop affected the selling prices. The production volumes dropped 11% due to the periodic planned turnaround, which are necessary to maintain the plant life and ensure HSE (health, safety and environment) standards. The chlor-alkali segment revenue was QR617mn. The decline in revenue was attributed to the decrease in sales volumes by 2% and selling prices by 8%. Sales volumes fell due to the planned shutdown of facilities. The drop in selling price was against a backdrop of well-documented macroeconomic slowdown during 2020, which affected the industry globally, a MPHC spokesman said, adding the segment reported QR125mn net profit despite 6% fall in the production volumes due to the periodic planned shutdowns. Total assets stood at QR16.1bn and there was robust liquidity position with closing cash and bank balances of QR1.7bn at end of December 31, 2020. MPHC's Chairman, Ahmad Saif Al-Sulaiti said, "Despite momentous macroeconomic challenges, we remained resilient and continued to implement our business strategy to contain cost and specifically implemented operating expenditure and capital expenditure optimization measures." Given the current volatile market and macroeconomic outlook, MPHC kicked off several cost optimization initiatives during the year as an additional layer to the existing optimization programs of each operating entity. (QSE, Gulf-Times.com)

- QGMD reports net profit of QR1.5mn in 4Q2020 vs. net loss of QR1.9mn in 4Q2019** – Qatari German Company for Medical Devices (QGMD) reported net profit of QR1.5mn in 4Q2020 as compared to net loss of QR1.9mn in 4Q2019 and net profit of QR0.5mn in 3Q2020. The company's revenue came in at QR3.2mn in 4Q2020, which represents an increase of 69.4% YoY. However, on QoQ basis revenue fell 68.1%. In FY2020, QGMD reported net profit of QR0.9mn as compared to a net loss of QR10.4mn in FY2019. The earnings per share amounted to QR0.008 in FY2020 as compared to loss per share of QR0.090 in FY2019. The board has recommended non-distribution of dividends for this year. (QSE)
- ZHCD posts 0.7% YoY decrease but 104.7% QoQ increase in net profit in 4Q2020** – Zad Holding Company's (ZHCD) net profit declined 0.7% YoY (but rose 104.7% on QoQ basis) to QR63.5mn in 4Q2020. The company's operating revenue came in at QR228.4mn in 4Q2020, which represents a decrease of 19.9% YoY (-11.7% QoQ). In FY2020, the company has registered a net profit of QR201.5mn as compared to QR211.2mn in FY2019. EPS amounted to QR0.85 in FY2020 as compared to QR0.89 in FY2019. The board has recommended a dividend of 70% cash and 10% bonus shares distribution for FY2020. (QSE, Qatar Tribune)
- MRDS board of directors to meet on March 24** – Mazaya Real Estate Development (MRDS) has announced that its Board of Directors will be holding a meeting on March 24, 2021 to discuss

the financial statement of the year ended December 31, 2020. (QSE)

- **QGMD announces the closure of nominations for its board membership** – Qatari German Company for Medical Devices (QGMD) announced the closure of the period for nomination for the membership of its board of directors for 2021 - 2024 on March 04, 2021 at 04:00 pm. (QSE)
- **AKHI to hold its investors relation conference call on March 10** – Alkhaleej Takaful Insurance Company (AKHI) announced that the conference call with the Investors to discuss the financial results for the annual 2020 will be held on March 10, 2021 at 11:00 am, Doha Time. (QSE)
- **AKHI to hold its AGM on March 28** – Alkhaleej Takaful Insurance Company (AKHI) announced that the General Assembly Meeting (AGM) will be held on March 28, 2021, in the company premises at 04:30 pm. In case of not completing the legal quorum, the second meeting will be held on April 04, 2021, in the company premises at 04:30 pm. The agenda includes (1) Hearing Board of Director's Report about the company's activities and financial position for the year ending December 31, 2020 and the future plan of the company. (2) Hearing Auditors Report about company's financial statements for the year ending December 31, 2020. (3) Hearing the Sharia's Authority Report on the activities for the financial year 2020. (4) Discussing and approving the balance sheet of the company and accounts of profits & losses for the fiscal year ending December 31, 2020 and approving the BOD recommendation to distribute 5% cash dividends to shareholders. (5) Discussing the proposal from EX-CEO regarding the settlement of investment files. (6) Discharging the BOD of the responsibility of fiscal year 2020 & determining their remuneration. (7) Discussing the governance report of the company for the year 2020. (8) Appointing the External Auditor for the year 2021 & determining their fees. (9) Election of Board Members for 3 Years 2021- 2023. (QSE)
- **MPHC to hold its AGM on March 24** – Mesaieed Petrochemical Holding Company (MPHC) announced that the General Assembly Meeting (AGM) will be held on March 24, 2021, electronically using Zoom application platform at 03:30 pm. In case of not completing the legal quorum, the second meeting will be held on March 30, 2021, electronically using Zoom application platform at 03:30 pm. The agenda includes (1) Listen to the Chairman's Message for the financial year ended December 31, 2020. (2) Listen and approve the Board of Directors' Report on MPHC's operations and financial performance for the financial year ended December 31, 2020, and the future plan of the Company. (3) Listen and approve the Auditors' Report on MPHC's financial statements for the financial year ended December 31, 2020. (4) Discuss and approve MPHC's financial statements for the financial year ended December 31, 2020. (5) Present and approve 2020 Corporate Governance Report. (6) Approve the Board's recommendation for a dividend payment of QR 0.04 per share for 2020, representing 4% of the nominal share value. (7) Absolve the Board of Directors from liability for the financial year ended December 31, 2020. (8) Appoint the external auditor for the financial year ending December 31, 2021 and approve their fees. (QSE)
- **Moody's: Qatari banks defy pandemic's impact on 2020 earnings** – The combined results of the eight Qatari banks remained

strong despite the impact of COVID-19 on operating conditions and rise in provisions, according to rating agency Moody's. Aggregate profitability weakened marginally in 2020. The aggregate return on assets was 1.2%, compared with 1.4% 2019. The banks' combined net profit declined 12% YoY to QR20.4bn. Five of the eight banks reported lower net profit. The decline in bottom-line profitability mainly reflected higher pandemic-related provisioning, which was partly offset by cost savings and higher net interest income. "We expect bottom-line profitability (of Qatari banks) to remain at the same level in 2021 in the context of slow economic activity, though it will remain relatively strong compared with regional and global peers," said Nitish Bhojnagarwala, Vice President – Senior Credit Officer at Moody's Investors Service (Moody's). Moody's expects Qatar's real GDP to grow by 1.7% in 2021 after contracting by 3.5% in 2020 because of the coronavirus pandemic and decline in oil prices. According to the rating agency, Qatari banks' income-generating ability remains strong despite higher provisioning charges related to the pandemic. This reflects the Qatari government's significant footprint in domestic banks as a shareholder, depositor and customer, which to some extent insulates the banking sector from external events. A QR75bn stimulus and support package to the private sector, equivalent to around 12% of nominal GDP, and a QR10bn injection to boost the country's capital market helped limit the impact of the coronavirus outbreak. Measures introduced in response to the outbreak included – (1) the central bank's 0% repo facility to support banking sector liquidity; (2) lending initiatives by Qatar Development Bank to help small and medium-sized enterprises (SMEs) with rents and salaries; (3) waivers of electricity and water bills; deferrals of taxes and (4) loan payments and an increase in concessional financing for SMEs. (Bloomberg)

- **Dukhan Bank's net operating profits exceed QR1bn in 2020** – Dukhan Banks' board of directors recommends 10% cash dividend distribution to shareholders for 2020. Dukhan Bank's net operating profits exceeded QR1bn with a growth rate of 33%, while its assets grew significantly by 12% to more than QR86bn in 2020. Dukhan Bank last night announced its financial results for 2020, which concluded with strong positive indicators across all fronts. The group's assets grew significantly by 12% exceeding QR86bn, underscored by a growth in its financing activities which exceeded 12.7% recording over QR58bn as compared to 2019. Total revenues grew by 15.7% to reach QR3.8bn, while profit before loss of impairment of intangible assets and taxes exceeded QR1bn, with a growth rate of 33%, compared to QR766mn for the previous year. Total expenses declined by 15.6% to QR939mn compared to the previous year stemming from the group's efforts to control operating and financing expenses. In view of the COVID-19 pandemic and its impact on financial markets, as well as accounting for the performance of select economic sectors, including some of the bank's subsidiaries, Dukhan Bank management adopted a conservative approach to hedge for the uncertain circumstances. Thus, following a conservative assessment on the part of the management, the group recorded a QR450mn decline in its intangible assets from subsidiaries acquired between 2009 and 2010. The charge was recorded in the income statement for this year, which accounted for a decrease in the net profit reaching QR566mn, however, noting that the decline does not affect the

level of liquidity or adequacy of the Group's capital nor its operating results. Commenting on the results, Dukhan Bank's Chairman and Managing Director Sheikh Mohamed bin Hamad bin Jassim Al-Thani stated. (Gulf-Times.com)

- **Ooredoo, SafeToNet partner to ensure online safety for kids and young adults** – Ooredoo Qatar has announced a new partnership to promote and ensure online safety for children and young people. The partnership with award-winning UK cyber-safety service SafeToNet brings customers in Qatar a new digital safeguarding technical solution to keep children and young people safer online. British company SafeToNet offers a multi-award-winning service designed to safeguard children and young people while online and keep them safe from online threats such as cyber-bullying, online abuse, and aggression via an educational approach to safeguarding supported by digital wellbeing content. Using artificial intelligence, SafeToNet provides real-time advice and guidance to ensure children are steered away from harm while protecting their right to privacy and independence. Children using SafeToNet use a pioneering keyboard that relies on artificial intelligence to detect and filter risks in real-time, before harm is caused, and are given advice and guidance via the technology. (Peninsula Qatar)
- **Indosat Ooredoo launches Augmented Reality-based Digital Advertising Service iAds** – Indosat Ooredoo Business this week launched an innovative service 'iAds', a digital ad platform that is designed by utilizing Augmented Reality (AR), interactive messaging, and mobile video. iAds offers the excitement of advertising and the convenience of using innovative telecommunication media. Through iAds, promotional activities can be more varied and attractive because Indosat Ooredoo Business offers several choices of digital promotion mediums, namely iAds, iAds Biz, and iAds MGram. (Bloomberg)
- **FocusEconomics: Qatar economy set to expand on stronger domestic, foreign demand** – Qatar's GDP may scale up to \$201bn in 2025 from \$161bn this year, researcher FocusEconomics has said in a report. Next year, Qatar's GDP is projected to reach \$172bn, followed by \$181bn in 2023 and \$191bn in 2024. According to FocusEconomics, the economy is set to expand this year on 'stronger' domestic and foreign demand. Easing tensions with Gulf neighbors - Egypt was the latest Arab nation to normalize relations with Qatar in late January - should also provide support. However, volatile commodity prices, the potential extension of restrictions and possible delays in the COVID-19 vaccine rollout pose downside risks, FocusEconomics noted. FocusEconomics panelists see a 2.8% rise in GDP in 2021, which is unchanged from January's forecast, before growth of 3.6% in 2022. Consumer prices fell 3.4% in annual terms in December, down from the 2.9% decline in November. Prices are seen rising this year as activity recovers and thanks to a supportive base effect. FocusEconomics panelists see consumer prices rising 0.9% in 2021, which is down 0.1 percentage points from last month's forecast. In 2022, it sees inflation averaging 2.0%. The researcher sees a 'Stable outlook' for Qatar and noted, "Turning to 2021, the PMI rose in January, suggesting a strong start to the year. However, in early February the government announced measures to tame the rise in COVID-19 cases, consisting mainly of capacity restrictions at public venues: This will temper momentum in the remainder of the quarter."
- **FocusEconomics estimates Qatar's international reserves to total \$37.6bn by 2024.** The country's international reserves are projected at \$34.3bn this year, \$36bn (2022) and \$36.8bn in 2023. (Gulf-Times.com)
- **Lloyds Bank: Qatar's economy expected to bounce back to 2.5% growth in 2021, 3.9% in 2022** – Qatar's economy is expected to bounce back to 2.5% in 2021 and 3.9% in 2022, subject to post-pandemic global economic recovery and expected boom in the services sector ahead of the FIFA 2022 World Cup, Lloyds Bank has said in an update. In a recent update on its international trade portal, Lloyds Bank said Qatar's general government debt has grown from 56.2% of GDP in 2019 to 68.9% in 2020 as the country continued to borrow on international markets. The International Monetary Fund anticipates a debt reduction this year and the next, with levels at 60.6% of GDP in 2021 and 54% in 2022. Current account surplus narrowed to 2.4% of GDP in 2019 from 9.1% a year earlier as global energy prices fell. However, the IMF expects this trend to be strengthened by the negative economic impact of the Covid-19 pandemic and the fall in oil prices. The current account balance was negative in 2020 (-0.6% of GDP) and is expected to bounce back to 2.6% in 2021 and 3.4% in 2022. Lloyds Bank noted the commissioning of Barzan natural gas facility (in 2019) could, however, support domestic gas production and contribute positively to growth. In the medium term, the expansion of North Field gas projects is expected to be completed by 2024, further boosting gas output. (Gulf-Times.com)
- **ValuStrat: Qatar expected to receive 7,000 hotel rooms in 2021** – Qatar is expected to receive 7,000 hotel rooms including 6,250 keys and 750 serviced apartments in 2021, ValuStrat has said in its 'Qatar 2021 Outlook' report released on Sunday. According to the report, hospitality establishments like The Plaza Doha, Katara Towers, Waldorf Astoria, Zulal Wellness Resort, Salwa Beach resort, Jouri Murwab Hotel, Steigenberger Hotel, Banyan Tree Doha, JW Marriott Hotel, Al Baker Novotel and Sofitel, Majlis Grand Mercure Hotel & Apartment and Dream Doha are expected to start operations by the end of this year. Approximately 1,300 keys were added during 2020, as per ValuStrat research. "Assuming no closures during the year, the total supply is estimated to exceed 28,500 keys. The supply of serviced apartments (branded and non-branded) was estimated to reach 9,300 rooms in 2020," the report said. Lifting of quarantine measures expected in the second half of 2021 might provide a boost to tourism, the report said adding that during the first half of 2021, mandatory hotel quarantine and domestic tourism may provide support to the hospitality industry. (Qatar Tribune)
- **JRE Chairman: Recovery in residential property sales anticipated as World Cup nears** – A recovery in residential property sales is being anticipated as the country moves towards the November 2022 hosting of the FIFA World Cup, and with the lifting of restrictions on foreign real estate investment, according to engineer Nasser Al-Ansari, Chairman of Just Real Estate (JRE). The forecast came following the Ministry of Justice registration of Al-Ansari as a sector appraiser. JRE is now approved to appraise and value wide ranging real estate assets from land to full estates, potential development areas, commercial, retail, industrial and residential properties. JRE is ideally placed to

evaluate both existing and prospective developments as it consistently researches market areas and project types and has extensive buildings compliance expertise. (Gulf-Times.com)

- **Real estate trading volume exceeds QR469mn during February 21-25** – The total value of real estate transactions in the sales contracts registered with the Real Estate Registration Department of the Ministry of Justice between February 21 to 25, was QR469,867,514. The types of real estate traded included plots of land, houses, apartment buildings, residential complex, multi-use plots and commercial buildings. Most of the trading took place in the municipalities of Al Rayyan, Doha, Al Da'ayen, Umm Salal, Al Wakrah, Al Khor, Al Dhakira and Al Shamal. (Peninsula Qatar)
- **QFC favors Singapore model of targeted policy intervention in financial services industry** – The Qatar Financial Centre (QFC) has favored Singapore model of targeted policy intervention to carve a niche place in the global financial services industry, especially in view of the growing significance of asset management industry, in helping the QFC become an international hub for the sector. The QFC's moves come amidst assets under its management (AuM) more than doubling on a yearly basis to QR61.2bn in the fourth quarter of 2020. The robust growth in AuM indicates the growing potential contribution of the QFC to the local economy and the potential diversification. Highlighting that more AuM can bolster Qatar's global reputation as a financial services hub, for which AuM can be a key contributor; the QFC said, "This may require targeted policy interventions." In this regard, the QFC cited the model of Singapore – ranked sixth in the Global Financial Centres Index (GFCI) in 2019. Highlighting that the broader Singaporean financial services sector journey can "provide useful insights for Qatar"; it said the Singaporean government targeted, from an early stage, specific financial markets or sectors that were considered to be potential growth sectors – and then developed focused policies to grow those sectors. The Singapore government created the infrastructure and incentives to give opportunity for the asset management sector to grow, it said, adding in nominal terms, AuM rose from \$203bn in 2000 to \$2.9tn in 2019. (Gulf-Times.com)
- **Qatari investments in Jordanian stocks reach \$710mn** – Qatari investment in the Jordanian stock exchange reached \$710mn at the end of February 2021, occupying the seventh place among Arab investment in the Jordanian stock market. Data showed that Qatari investors owned 203mn in stocks as of last month. (Peninsula Qatar)
- **Qatar's Bank Authority blacklists Kraken crypto-currency exchange** – On the list included cloud banks such as Fire in Ireland, Revolut in UK, Rietumu Banka (Latvia) a traditional bank, as well as national blacklists that included ,Qatar Bank Authority has blacklisted crypto-currency exchanges. According to the announcement, "The challenge is that most banks look at transfers on a client-by-client basis, rather than an out-right ban, so be sure to maintain a good relationship with your branch. We can provide a letter if your bank requests one." The announcement then talks about the crypto friendly banks that include Fidor bank, clear junction while Kraken team can check Bank Identifier codes to check banks and whether there have been recent issues with them. (Bloomberg)

International

- **US labor market roars back; full recovery still years away** – The US economy created more jobs than expected in February as falling new COVID-19 infections and additional pandemic relief money from the government boosted hiring at restaurants and other services businesses, firmly putting the labor market recovery back on track. Though job growth momentum is expected to build in the months ahead amid an acceleration in the pace of vaccinations and more fiscal stimulus, it will probably take several years for the labor market to heal from the deep scars inflicted by the coronavirus pandemic, which is now in its second year. The Labor Department's closely watched employment report on Friday showed at least 4.1mn Americans have been out of work for more than six months, accounting for 41.5% of the unemployed population in February. Another 3.5mn have permanently lost their jobs. Nonfarm payrolls surged by 379,000 jobs last month after rising 166,000 in January. Payrolls fell in December for the first time in eight months. The economy has recouped 12.7mn of the 22.2mn jobs lost in the pandemic recession. Economists polled by Reuters had forecast February payrolls increasing by 182,000 jobs. Restaurants and bars hired 286,000 workers, accounting for 75% of the payrolls gain. There were also increases in employment at hotels and motels and at amusements, gambling and recreation establishments. Altogether, leisure and hospitality employment jumped by 355,000 jobs, making up 94% of all jobs created last month. Temporary help, a harbinger for future hiring, increased further. Healthcare and social assistance also added jobs, and retailers hired 41,000 workers. Manufacturing payrolls increased by 21,000 jobs. About half of the factory job gains were in transportation equipment, despite a global semiconductor chip shortage, which has forced some automakers to cut production. But construction employment decreased by 61,000 jobs because of bitter cold across the country. Government payrolls dropped by 86,000 jobs, with losses concentrated at state and local governments. The diffusion index, or measure of private industries expanding, jumped to 57.0 from 48.4 in January. Unseasonably cold weather shortened the average workweek to 34.6 hours from 34.9 hours. (Reuters)
- **US trade deficit widens as goods imports hit record high** – The US' trade deficit increased in January as goods imports jumped to a record high amid a sharp rebound in consumer spending, offsetting a continued recovery in exports. The Commerce Department said on Friday that the trade gap rose 1.9% to \$68.2bn in January. Economists polled by Reuters had forecast a \$67.5bn deficit in January. Goods imports advanced 1.6% to \$221.1bn, the highest on record. Consumer spending increased by the most in seven months in January, boosted by government checks to low-income households as part of nearly \$900bn in additional COVID-19 pandemic relief. The surge in demand also reduced inventories at retailers in January, according to an advance estimate published by the government last week. Lean inventories and anticipated strong domestic demand as new coronavirus cases decline and the pace of vaccinations accelerates, suggest imports will continue to rise. Exports of goods gained 1.6% to \$135.7bn. Trade has subtracted from gross domestic product growth for two straight quarters. (Reuters)

- **US job growth likely regained steam in February** – US job growth likely accelerated in February as more services businesses reopened amid falling new COVID-19 cases, quickening vaccination rates and additional pandemic relief money from the government, putting the labor market recovery back on firmer footing and on course for further gains in the months ahead. The Labor Department’s closely watched employment report on Friday will, however, also offer a reminder that as the US enters the second year of the coronavirus pandemic the recovery remains excruciatingly slow, with millions of Americans experiencing long spells of joblessness and permanent unemployment. Federal Reserve Chair Jerome Powell on Thursday offered an optimistic view of the labor market, but cautioned a return to full employment this year was “highly unlikely.” “We will probably see more people having gone back on payrolls,” said Sung Won Sohn, a finance and economics professor at Loyola Marymount University in Los Angeles. “Many will be related to service jobs, but that will not mean a rapid increase in jobs. It’s a slow progress toward eventual full recovery.” Nonfarm payrolls likely increased by 182,000 jobs last month after rising only 49,000 in January, according to a Reuters poll of economists. Payrolls declined in December for the first time in eight months. Economists saw no impact from the mid-February deep freeze in the densely populated South as the winter storms hit after the week during which the government surveyed establishments and businesses for the employment report. But unseasonably cold weather last month, especially in the Northeast, and production cuts at auto assembly plants because of a global semiconductor chip shortage likely shortened the average workweek. (Reuters)
- **US, UK suspend tariffs in bid to settle aircraft row** – The US agreed to a four-month suspension of retaliatory tariffs imposed on British goods such as Scotch whisky over a long-running aircraft subsidy row, with both sides pledging to use the time to resolve the dispute. The US administration under former President Donald Trump imposed tariffs on Scotch whisky and other European Union food, wine and spirits, which the industry says have put its future at risk. The multi-billion dollar tit-for-tat tariff battle involving the US, the European Union and Britain relates to a long-running row over state subsidies for plane makers Airbus and Boeing. Britain is party to the dispute as a former member of the EU and maker of key Airbus components. White House Press Secretary Jen Psaki said the decision would give both sides time to work out a solution. The tariff truce is separate from broader US-UK talks on a post-Brexit trade agreement, but sends a positive signal about those discussions. Psaki declined to say if the US-UK tariff deal foreshadowed a similar truce with Brussels. Britain and the US were hoping to reach a trade deal before the expiration of fast-track trade promotion authority granted to the US federal government by Congress in July. To hit that deadline, US trade officials would have to notify Congress about a likely trade deal sometime in April. (Reuters)
- **REC: UK lockdown squeezes demand for workers in February** – Britain’s coronavirus lockdown squeezed demand for staff last month, with spending on temporary workers growing at its slowest rate in seven months, a survey of employment agencies showed on Friday. The Recruitment and Employment Confederation (REC) said overall demand for staff had stabilized at a lower level after falling sharply in February, with a further decline in permanent hiring. “The jobs market remains on hold with hiring decisions stalled, people reluctant to seek new roles and the growth in temporary billings has also slowed,” said James Stewart, vice chair of accountants KPMG, who sponsor the survey. On Wednesday finance minister Rishi Sunak extended the government’s furlough scheme - currently supporting around one in five private-sector workers at a cost of 53.8bn Pounds so far - until the end of September. Schools in England will start to readmit pupils from Monday but the government does not expect to fully lift social distancing restrictions until late June. Jobs in nursing and medical care continued to be the fastest-growing sector, while demand for hospitality and catering staff remained very weak, the REC survey showed. Separately, equalities minister Liz Truss urged employers to allow flexible working patterns that have become common during the pandemic to become standard practice where possible, to make it easier for those with family commitments to stay in work. Government research based on 780,000 job postings with recruiter Indeed had shown that jobs which clearly advertised flexible working was possible attracted 30% more applicants. (Reuters)
- **Halifax: UK house price growth slows for a third month** – British house price growth cooled for a third month in February, mortgage lender Halifax said on Friday, although analysts said measures announced this week by finance minister Rishi Sunak could pour new fuel on the market’s pandemic boom. House prices rose by 5.2% in annual terms last month, the smallest yearly increase since August and following growth of 5.4% in January, Halifax said. In February alone, house prices fell by 0.1% after a 0.4% drop in January. Other measures of Britain’s housing market suggested the pandemic-driven boom in the housing market had started to fade ahead of the planned expiry of a temporary cut to property purchase tax - known as stamp duty - at the end of March. But on Wednesday Sunak partly extended this tax break until the end of September and announced a new mortgage guarantee scheme for first-time buyers who cannot afford large deposits. Halifax said the outlook for the housing market in the longer term would depend on the economic recovery from the COVID-19 pandemic. Demand for houses fueled by pent-up savings was likely to be countered by higher unemployment, in its view. (Reuters)
- **EU to extend COVID-19 vaccine export controls as AstraZeneca shipment blocked** – The European Union is planning to extend its export authorization scheme for COVID-19 vaccines to the end of June, two EU sources told Reuters on Thursday, as a shipment of AstraZeneca shots from the EU to Australia was blocked. Extending controls could reignite tensions with countries who rely on shots made in the EU. Under the scheme, companies must get an authorization before exporting COVID-19 shots, and may have export requests denied if they do not respect their supply commitments with the EU. The mechanism was set up at the end of January as a reaction to vaccine makers’ announcements of delays in the deliveries of COVID-19 vaccines to the bloc. It is due to expire at the end of March, but the European Commission wants to extend it through June, the two officials said. The second official added that at a meeting with EU diplomats on Wednesday, many countries supported the measure, including heavyweights Germany and France. The EU Commission was

not immediately available for a comment. Italian Prime Minister Mario Draghi has also called for sanctions on companies that do not respect their contractual obligations with the EU. When the EU's export control mechanism was introduced in late January it triggered an outcry from importing countries who feared their vaccine supplies might be affected. On Thursday two separate sources told Reuters the EU blocked a shipment of AstraZeneca's vaccine destined for Australia after the drug manufacturer failed to meet its EU contract commitments. The sources said AstraZeneca had requested permission from the Italian government to export some 250,000 doses from its Anagni plant, near Rome. Australian lawmakers said they were unfazed. Health Minister Greg Hunt said the country had already received its first shipment of the vaccine, which would be enough until a batch being produced domestically by CSL Ltd was completed. (Reuters)

- **German industrial orders rise in January on robust foreign demand** – Orders for German-made goods rose by twice as much as expected in January as robust foreign demand helped manufacturers in Europe's largest economy, official data showed on Friday. The data published by the Federal Statistics Offices showed orders for industrial goods rose on the month by 1.4% in seasonally adjusted terms, compared with a Reuters forecast for a rise of 0.7%. The increase came after a downwardly revised decrease of 2.2% in December. Domestic orders fell by 2.6% on the month while orders from abroad rose by 4.2%. Contracts from the Eurozone increased by 3.9%. (Reuters)
- **China sets 'low bar' for GDP growth, pledges more jobs** – China on Friday set a modest annual economic growth target, at above 6%, and pledged to create more jobs in cities than last year, as the world's second-biggest economy planned a careful course out of a year disrupted by COVID-19. In 2020, China dropped a gross domestic product growth target from the premier's work report for the first time since 2002 after the pandemic devastated its economy. China's GDP expanded 2.3% last year, the weakest in 44 years but making it the only major economy to report growth. But the 2021 target was significantly below the consensus of analysts, who expect growth could beat 8% this year. Chinese shares fell. China's conservative growth target reflects a public effort to demonstrate a return to economic stability after last year's COVID-19 upheaval, policy advisers said, while also keeping a lid on appetite for debt and risk. While the low GDP target does not mean the government will rush to tighten policy, with many parts of the economy still struggling, it will give planners more room to push reforms. Premier Li pledged to spur domestic consumption and innovation, as part of a plan to reduce reliance on overseas markets and technology for long-term development. As such, China plans to boost annual research and development spending by more than 7% every year until 2025. (Reuters)
- **China forex reserves fell to \$3.205tn in February** – China's foreign exchange reserves fell less than expected in February, official data showed on Sunday, due to valuation effects. The country's foreign exchange reserves, the world's largest, fell \$5.677bn to \$3.205tn last month, compared with \$3.200tn tipped in a Reuters poll of analysts and \$3.211tn in January. Foreign inflows into Chinese stocks and bonds have been strong as China gallops ahead of other major economies in its recovery from the

COVID-19 pandemic. The yuan fell 0.59% against the dollar in February, while the dollar rose 0.43% last month against a basket of other major currencies. China held 62.64mn fine troy ounces of gold at the end of February, unchanged from levels at the end of January. The value of China's gold reserves fell to \$109.18bn at the end of February from \$116.76bn at the end of January. (Reuters)

Regional

- **OPEC+ extends most oil output cuts into April, Saudi keeps voluntary curb** – OPEC and its allies agreed to extend most oil output cuts into April, offering small exemptions to Russia and Kazakhstan, after deciding that the demand recovery from the coronavirus pandemic was still fragile despite a recent oil price rally. OPEC's leader Saudi Arabia said it would extend its voluntary oil output cut of 1mn bpd, and would decide in coming months when to gradually phase it out. The news pushed oil prices back towards their highest levels in more than a year with Brent trading up 5% above \$67 a barrel as the market had expected OPEC+ to release more barrels. OPEC+ had cut output by a record 9.7mn bpd last year as demand collapsed due to the pandemic. As of March, it is still withholding about 7mn bpd, or 7% of world demand. The voluntary Saudi cut brings the total to about 8mn bpd. (Reuters)
- **Saudi Central Bank extends deferred payment, guaranteed financing programs** – Saudi Arabia's Central Bank said on Sunday it had extended a deferred payment program to support private sector financing for an additional three months until June 30 as part of measures to stem the impact of the coronavirus pandemic on the economy. A statement published on the central bank website also said a guaranteed financing program had been extended for an additional year until March 14, 2022 to support small and medium enterprises. (Reuters)
- **Saudi Arabia doubts oil recovery and keeps taps tight** – This week's surprise decision by Saudi Arabia and other top oil producers to broadly stick with output cuts despite rising crude prices was influenced by events in an unexpected place - Italy. About a year after the country's financial heart became one of the first European cities to enter a lockdown to curb the spread of COVID-19, Milan is again facing restrictions. "Take a look at what is happening in Milan today," Saudi Energy Minister, Prince Abdulaziz bin Salman Al-Saud told a news conference on Thursday after a meeting of OPEC and its allies. "These things, they don't keep you at ease with the idea of venturing, leaping into an unknown future," he added. Restrictions on movement destroyed up to a fifth of oil demand last year and led OPEC and its allies - known as OPEC+ - to make record output cuts. And while global oil futures are back where they were before the pandemic - which for many pundits and investors heralded more production from OPEC+ - the recovery in fuel demand has been tepid as global travel remains subdued. (Reuters)
- **Key Saudi Arabian Oil site attacked, sending Brent above \$70** – Saudi Arabia said one of the most protected crude facilities in the world came under missile attack on Sunday, in a clear escalation of hostilities that sent oil prices surging. The drone and missile attacks were intercepted and crude production appeared to be unaffected. The attacks are the most serious against Saudi oil installations since a key processing facility and two oil fields came under fire in September 2019, cutting oil production for

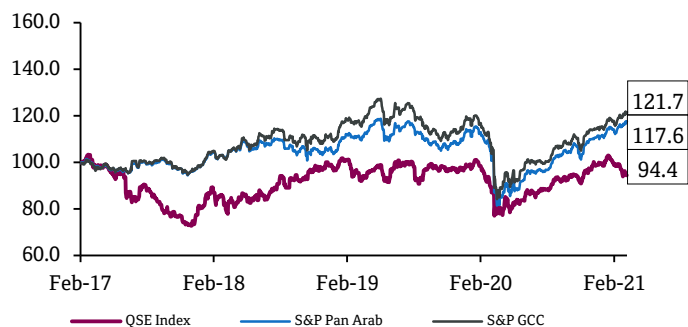
several days and exposing the vulnerability of the Saudi petroleum industry. (Bloomberg)

- **Saudi Arabia raise crude prices to Asia, US as OPEC+ extends cuts** – Saudi Arabia raised pricing for its crude for shipment to Asia and the US next month after OPEC+ extended oil supply constraints, pointing to a tightening physical market. The world's biggest crude exporter is boosting April pricing for crude exports eastwards to the highest levels since just before the Saudis unleashed a brief price and supply war a year ago. After maintaining prices to Asia at an eight-month high for the past two months, the premium for Light crude rose to the highest since March 2020. It suggests the Saudis see demand growth continuing even after Thursday's shock OPEC+ decision to keep oil supply largely unchanged sent Brent crude higher. (Bloomberg)
- **Saudi Aramco cuts April oil pricing to Mediterranean on OPEC+ caution** – Saudi Aramco cut pricing on crude for shipment to the Mediterranean region after OPEC+ extended oil supply constraints and Saudi Arabia's Oil Minister warned producers to remain cautious in the face of the ongoing coronavirus pandemic. The world's biggest crude exporter tracks pricing for comparable Urals crude from Russia for its sales to the Mediterranean. Russia received an exception to the OPEC+ decision and will be allowed to raise output next month. Saudi Energy Minister, Prince, Abdulaziz bin Salman cautioned the broader group that they should not be enticed by higher global prices to raise output since demand growth remains uncertain amid the pandemic. (Bloomberg)
- **Saudi Prince pushes on with \$500bn megacity** – It seems an unlikely vision, a megacity in the desert with no cars or roads, all run by machines that can recognize your face. Yet preparations for NEOM, the \$500bn signature project in Prince Mohammed bin Salman's drive to diversify Saudi Arabia's economy, are well underway. The organization behind the development, expected to be close to the size of Belgium when it is completed, will hire 700 people this year, according to Simon Ainslie, the venture's chief operating officer. While NEOM is being sold as a vision of a brighter future, international investors have yet to bite. The scale of the project is vast and the region already has well-established transport and business hubs in Dubai, Abu Dhabi and Qatar. (Reuters)
- **Advanced Petrochem to shut two plants for scheduled maintenance** – Advanced Petrochem will shut two plants for scheduled maintenance. Propylene, polypropylene plants will undergo scheduled maintenance on March 11. Polypropylene plant will restart from March 27. The Propylene plant will restart from March 23, it sees impact in 1Q2021 and 2Q2021. (Bloomberg)
- **DP World & CDPQ Sign L-T Port & Logistics Park Pact With Maspion** – DP World, Caisse de dépôt et placement du Québec (CDPQ), sign a long-term agreement with Indonesia's leading conglomerate Maspion Group to start the construction of an international container port and industrial logistics park in Gresik. Work on the projects is expected to begin in the third quarter of 2021, with a total investment of up to \$1.2bn. Joint venture company will be established between DP World and CDPQ's global investment platform and Maspion Group, the first of its kind in the Indonesian transportation sector involving a foreign direct investor (FDI) partner and a private sector Indonesian company. (Bloomberg)
- **Dubai's DAMAC board approves increasing stake in DAMAC International** – Dubai's DAMAC Properties has increased its stake in subsidiary DAMAC International from 20% to 45%. The developer announced last week that its board would consider the move at a meeting on Thursday. In a statement to Dubai Financial Market, the company said its board approved the increase of its ownership of outstanding share capital in the subsidiary from 20% to 45%. DAMAC International is the owner of Nine Elms Property, the company behind the London-based DAMAC Tower Nine Elms development. (Zawya)
- **Abu Dhabi's Mubadala sells two-tranche bonds worth \$1.32bn, document shows** – Abu Dhabi state fund Mubadala launched two-tranche bonds worth \$1.32bn comprising six- and 13-year paper on Thursday, a document showed. Mubadala issued EUR600mn in six-year notes at 65 basis points (bps) over mid-swaps and EUR500mn in 13-year bonds at 90 bps over mid-swaps, the document from one of the banks on the deal showed. Initial guidance was around 85 basis points (bps) over mid-swaps for the six-year tranche and between 105 and 110 bps over mid-swaps for the 13-year paper, a separate bank document showed. The bonds were issued through Mamoura Diversified Global Holding (MDGH), a wholly-owned subsidiary of Mubadala Investment Company. (Reuters)
- **Abu Dhabi's Etihad still targets 2023 turnaround as losses pile up** – Abu Dhabi's Etihad Airways is still targeting a return to profit in 2023, despite a more than doubling in core operating losses last year, after accelerating its restructuring during the pandemic. The state carrier, which started a five-year turnaround plan three years ago, said on Thursday it had shed 33% of its workforce, reducing it to 13,587. Etihad, which grounded most of its fleet between March and June, posted a core operating loss of \$1.7bn for 2020. That is the airline's fifth consecutive annual loss, though it said it had been ahead of turnaround targets in the first quarter before the pandemic struck global travel. Analysts expect it will take the industry several years to recover. Annual operating revenue fell 52% to \$2.7bn, Etihad said in a statement. Passenger traffic plunged 76% to 4.2mn, with over 80% travelling in the first quarter. The airline's operations are entirely dependent on international travel. It does not operate domestic routes that could provide a cushion against border closures. (Reuters)
- **Abu Dhabi satellite group Yahsat has met with banks about IPO** – Al Yah Satellite Communications Company (Yahsat) has held the kick-off meeting with banks for a potential initial public offering, two sources familiar with the matter told Reuters. Yahsat, backed by Abu Dhabi state fund Mubadala Investment Co, has five satellites that serve more than 150 countries, information on its website shows. It also owns UAE satellite phone operator Thuraya. Mubadala said in line with potential market opportunities, the fund may "choose to monetize certain assets at the right time". (Reuters)
- **Abu Dhabi investor IHC to start talks for Trojan Holding stake** – International Holding Co. (IHC), which has quickly become the UAE's fourth-most-valuable listed company, plans to start talks to buy a stake in Abu Dhabi-based construction firm Trojan Holding. The board approved initiating talks to acquire 45% of

Trojan Holding, the company said in a statement. It did not provide further details about a potential transaction. Through a flurry of M&A, the Abu Dhabi-based IHC has amassed a portfolio spanning real estate to utilities and health care to food services. The shares soared more than 500% last year and are up 14% YTD, giving IHC a market capitalization of about \$24bn. Dubai-listed construction firm Arabtec Holding in 2019 had started talks to merge with Trojan Holding as a property-market slowdown weighed on companies in the UAE. Arabtec entered liquidation last year and has mandated advisers to arrange the sale of some its key divisions. IHC also said in its statement that it plans talks to buy: 61% of Mirak Royal Nature Fruit & Vegetables, 40% of Response Plus Medical Services and Occu Med Clinic. (Bloomberg)

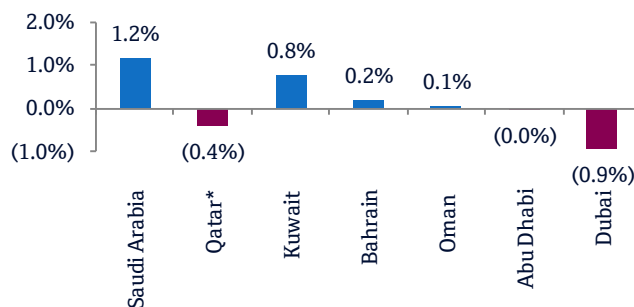
- **Oman to raise fixed-line telecom royalty to 10% from next year**
– Oman plans to increase royalty fees on annual revenue of fixed-line telephone services to 10% from 7% starting next year, according to information published in the official gazette. Royalty fees on mobile services will be at 12%, it said. (Bloomberg)
- **Fitch affirms National Bank of Oman at 'BB-'; outlook Negative**
– Fitch has affirmed National Bank of Oman's (NBO) Long-Term Issuer Default Rating (IDR) at 'BB-'. The Outlook is Negative. Fitch has also affirmed the bank's Viability Rating (VR) at 'bb-' and Support Rating Floor (SRF) at 'B'. NBO's IDRs are driven by its VR. The Negative Outlook on NBO's Long-Term IDR mirrors that on the Omani sovereign due to the high correlation between the sovereign and the bank's credit profile. The Negative outlook on the sovereign reflects continued erosion of its fiscal and external balance sheets, which have accelerated amid low oil prices and the coronavirus pandemic, despite some progress on underlying fiscal consolidation. The Negative Outlook on NBO's rating also captures downside risks on its VR from a weakening domestic operating environment, which we expect to result in a deterioration in asset quality (assessment: b+/negative trend) as well as pressure on earnings (bb-/negative trend), capitalization (bb-/negative trend) and funding and liquidity (bb-/negative trend). Fitch has maintained its operating environment score for Omani banks at 'bb-' (with a negative trend). The negative trend reflects increasing risks from economic disruption as a result of the Covid-19 outbreak. GDP growth contracted by -4.9% in 2020 and is expected to contract by 1.5% in 2021 reflecting the financial and economic impact of lockdown measures, lower oil prices and the government's expected continued restrictive fiscal policy. In the event of the sovereign rating being downgraded to the 'B' range, we would likely lower the operating environment score as we believe the links between the sovereign and the operating environment for domestic banks to be highly correlated. This includes the fact that retail financing is for a large part to civil servants with salary assignment, a large share of lending is to government-related entities or government projects and around a third of banking sector deposits are in the form of government or government-related deposits. (Bloomberg)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg (*Data as of March 4, 2021)

Asset/Currency Performance	Close (\$)	1D%	WTD%	YTD%
Gold/Ounce	1,700.64	0.2	(1.9)	(10.4)
Silver/Ounce	25.25	(0.4)	(5.3)	(4.4)
Crude Oil (Brent)/Barrel (FM Future)	69.36	3.9	4.9	33.9
Crude Oil (WTI)/Barrel (FM Future)	66.09	3.5	7.5	36.2
Natural Gas (Henry Hub)/MMBtu	2.67	(3.6)	1.5	11.7
LPG Propane (Arab Gulf)/Ton	97.13	(0.4)	2.2	29.1
LPG Butane (Arab Gulf)/Ton	108.50	(0.5)	6.4	56.1
Euro	1.19	(0.5)	(1.3)	(2.5)
Yen	108.31	0.3	1.6	4.9
GBP	1.38	(0.4)	(0.7)	1.3
CHF	1.07	(0.3)	(2.4)	(5.0)
AUD	0.77	(0.5)	(0.3)	(0.1)
USD Index	91.98	0.4	1.2	2.3
RUB	74.21	(0.7)	(0.6)	(0.3)
BRL	0.18	(0.4)	(1.6)	(8.7)

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	2,728.56	0.8	0.1	1.4
DJ Industrial	31,496.30	1.9	1.8	2.9
S&P 500	3,841.94	1.9	0.8	2.3
NASDAQ 100	12,920.15	1.5	(2.1)	0.2
STOXX 600	408.68	(1.5)	(0.5)	(0.2)
DAX	13,920.69	(1.6)	(0.4)	(1.6)
FTSE 100	6,630.52	(1.0)	1.4	3.9
CAC 40	5,782.65	(1.5)	(0.0)	1.5
Nikkei	28,864.32	(0.7)	(1.9)	0.3
MSCI EM	1,339.31	(0.5)	0.0	3.7
SHANGHAI SE Composite	3,501.99	(0.5)	(0.6)	1.3
HANG SENG	29,098.29	(0.6)	0.3	6.7
BSE SENSEX	50,405.32	(1.4)	3.6	5.3
Bovespa	115,202.20	0.9	2.6	(12.1)
RTS	1,447.46	(0.5)	2.5	4.3

Source: Bloomberg (*\$ adjusted returns)

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