



Earnings Flash Note  
Commercial Bank of Qatar  
2Q 2024 / 6M 2024



## The Commercial Bank (CBQK)

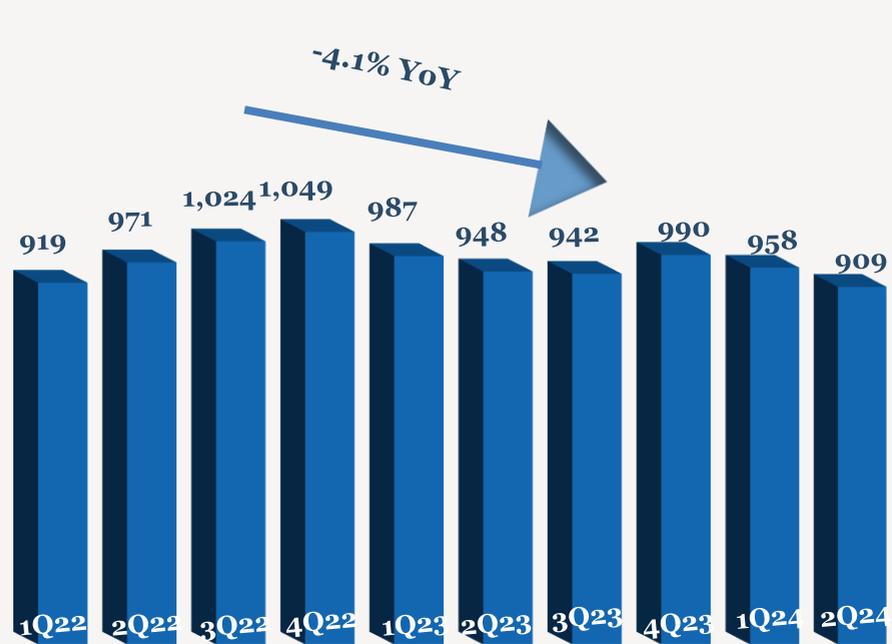
- > Net profit decreased by 0.8% YoY to QR769mn (-4.0% QoQ) in 2Q2024 due to lower net interest income. For 6M2024, net profit was up by 16.2% YoY to QR1,571mn.
- > Net interest income came lower by 4.1% YoY to QR909mn (-5.1% QoQ) while for 6M2024, it decreased by 3.5% YoY to QR1,867mn.
- > Cost to income ratio increased by 2.3ppts YoY (+7.9ppts QoQ) to 26.8% in 2Q2024. For 6M2024, cost of income ratio came at 22.9% compared to 29.1% in 6M2023.
- > For 2Q2024, EPS came flat at QR0.20 while for 6M2024, EPS was QR0.40 vs QR0.34 in 6M2023.
- > As of 2Q2024-end, the book value per share stood at QR6.54 (6M2023: QR4.83).
- > As of 2Q2024-end, loans & advances were QR92.1bn (+3.0% YoY, +2.7% QoQ) while customer deposits increased by 1.4% YoY to QR77.2bn (-2.7% QoQ).
- > As of 16th Jul 2024, the stock has decreased 33.3% YTD, underperforming the QSE index, which was down by 5.9% YTD.
- > The stock is currently trading at a TTM P/B multiple of 0.9x. For now, we maintain our PT of QR 5.24/share and outperform rating.

### 2Q/6M 2024 Earnings Performance

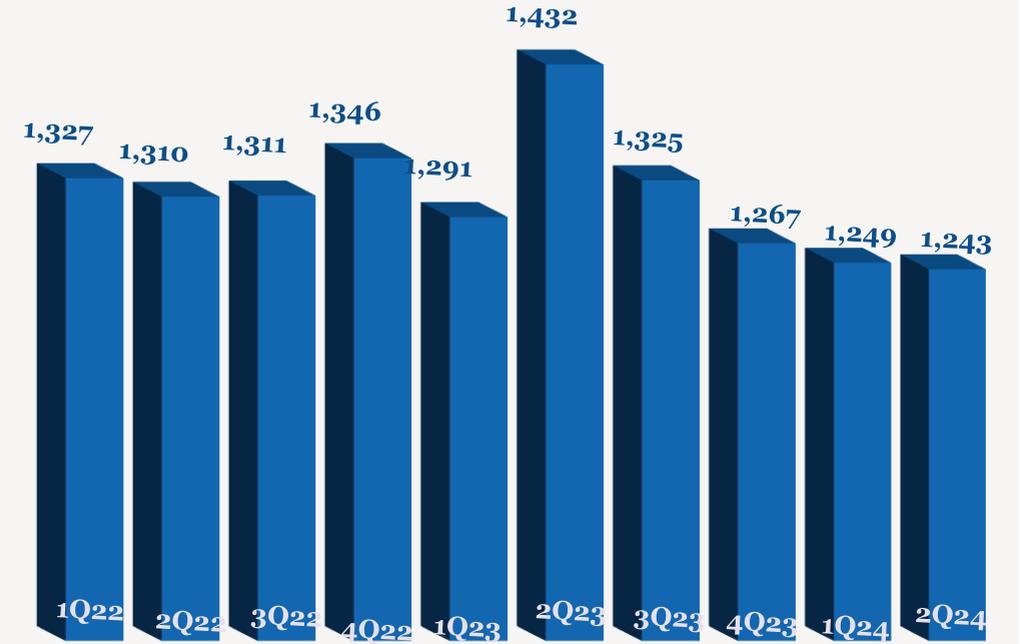
	2Q24	2Q23	YoY	1Q24	QoQ	6M24	6M23	YoY
Net Interest Income	909	948	-4.1%	958	-5.1%	1,867	1,935	-3.5%
Net Interest Margin %	2.55%	2.72%		2.66%		5.35%	5.56%	
Non-Interest Income	334	456	-26.7%	292	14.6%	626	760	-17.7%
Operating Income	1,243	1,404	-11.4%	1249	-0.5%	2,493	2,695	-7.5%
Cost/Income Ratio %	26.8%	24.5%		19.0%		22.9%	29.1%	
Net Profit	769	775	-0.8%	802	-4.0%	1,571	1,352	16.2%
Book Value Per Ordinary Share (QR)	6.54	4.83	35.3%	6.56	-0.3%	6.54	4.83	35.3%
Loans & Advances	92,105	89,392	3.0%	89,677	2.7%	92,105	89,392	3.0%
Customer Deposits	77,199	76,105	1.4%	79,364	-2.7%	77,199	76,105	1.4%

Note: Values are expressed in QR'mn unless explicitly stated

Quarterly Net Interest Income Trend (QRmn)



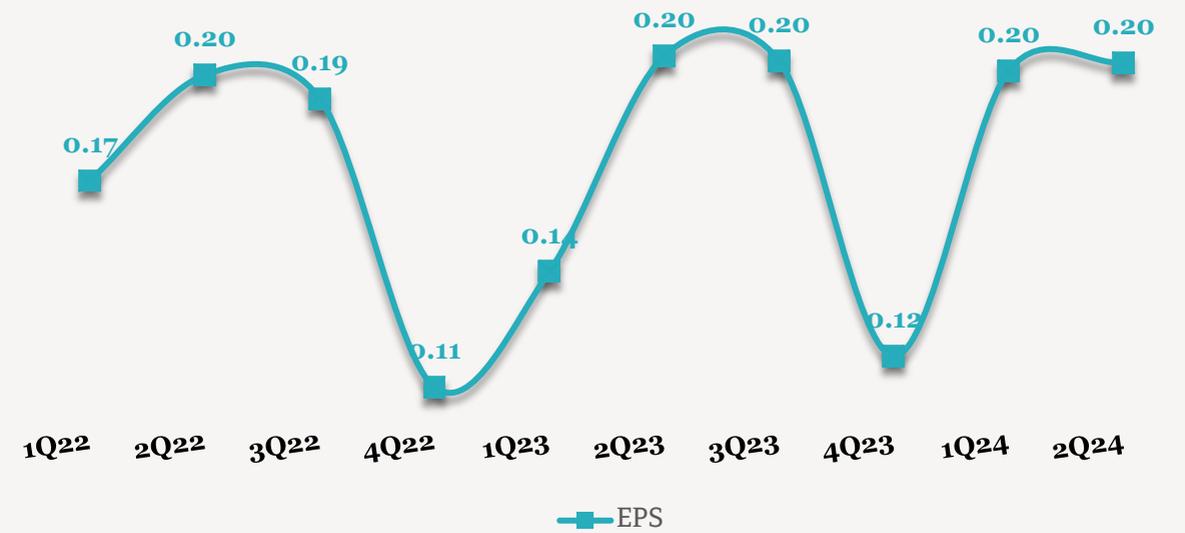
Quarterly Operating Income Trend (QRmn)



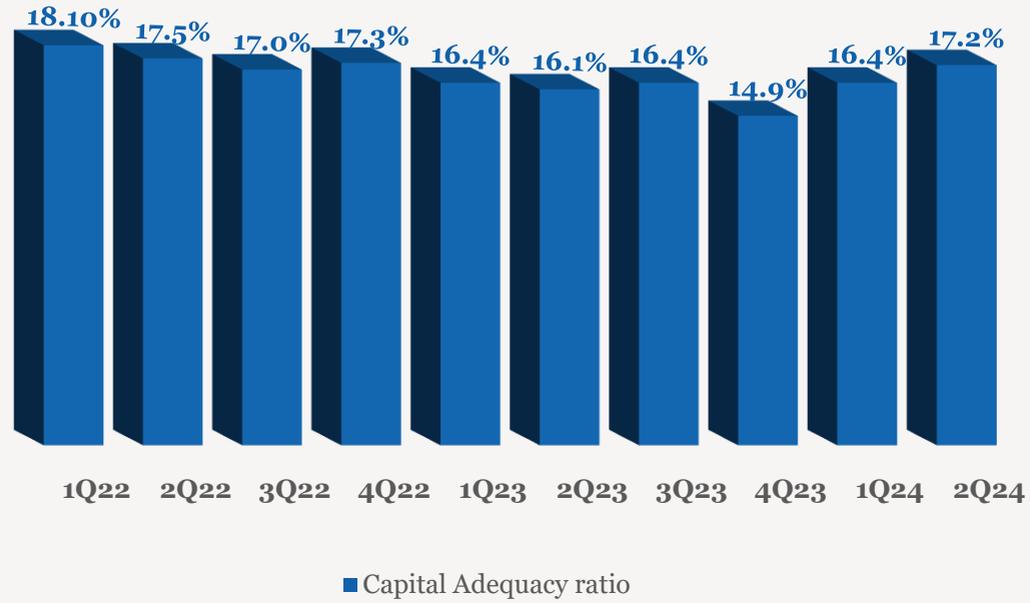
Quarterly Ratio Trend



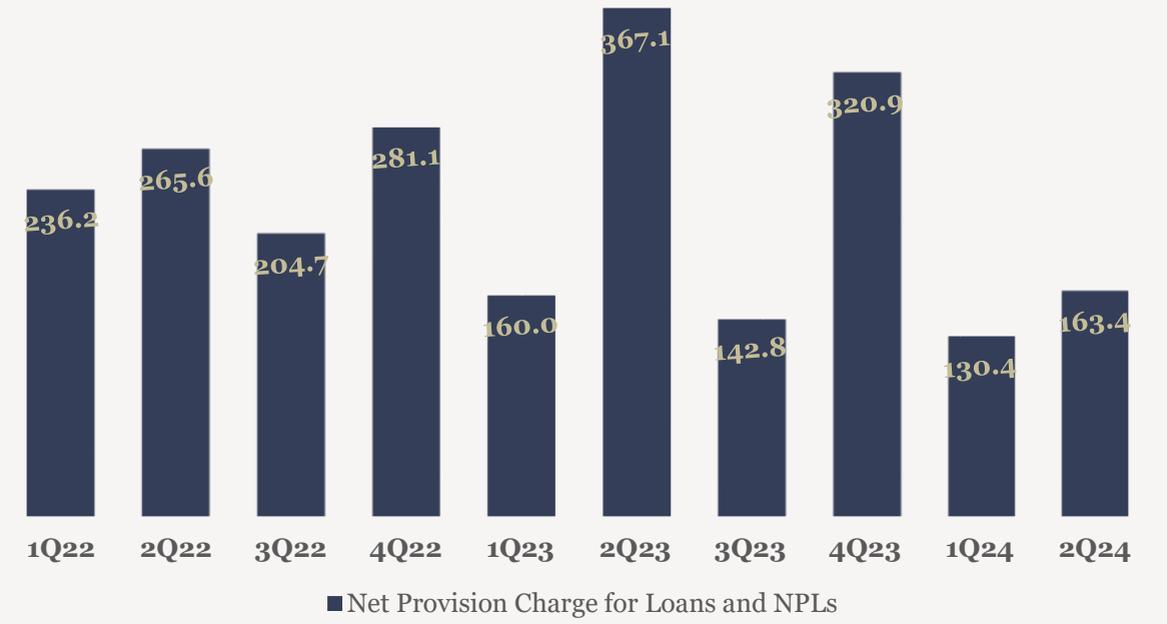
EPS (QR) Trend



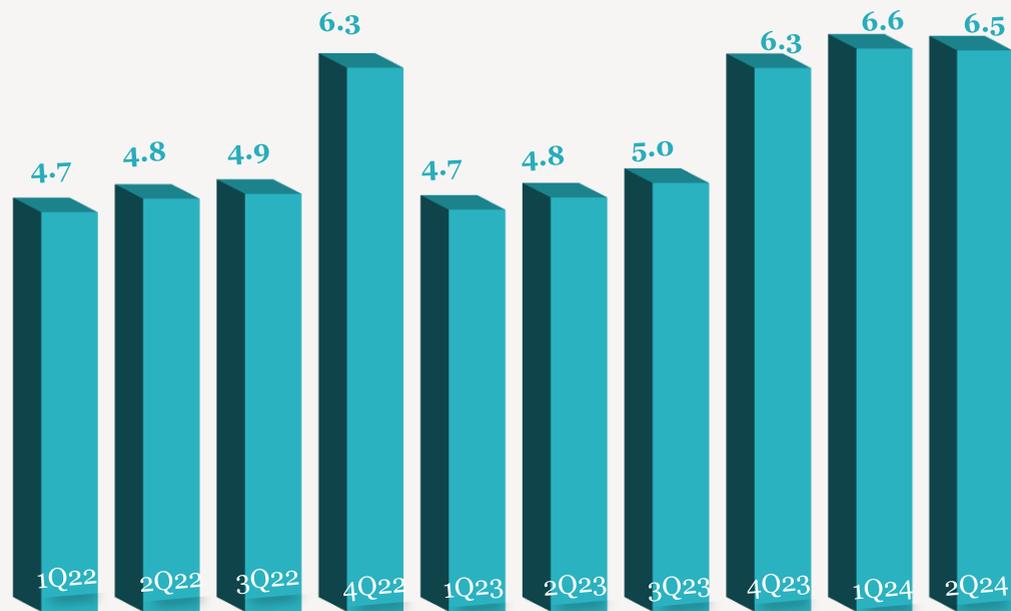
Capital Adequacy Ratios (%)



Net Provision for Loan Loss (QRmn)



Book Value Per Share (QR)



P/B Multiple Band (x)



## Contacts

QNB Financial Services Co. W.L.L.

Contact Center: (+974)4476 6666

[info@qnbfs.com.qa](mailto:info@qnbfs.com.qa)

Doha, Qatar

Saugata Sarkar, CFA, CAIA

Head of Research

[saugata.sarkar@qnbfs.com.qa](mailto:saugata.sarkar@qnbfs.com.qa)

Shahan Keushgerian

Senior Research Analyst

[shahan.keushgerian@qnbfs.com.qa](mailto:shahan.keushgerian@qnbfs.com.qa)

Phibion Makuwerere, CFA

Senior Research Analyst

[phibion.makuwerere@qnbfs.com.qa](mailto:phibion.makuwerere@qnbfs.com.qa)

Roy Thomas

Senior Research Analyst

[roy.thomas@qnbfs.com.qa](mailto:roy.thomas@qnbfs.com.qa)

Dana Saif Al Sowaidi

Research Analyst

[dana.alsowaidi@qnbfs.com.qa](mailto:dana.alsowaidi@qnbfs.com.qa)

Disclaimer and Copyright Notice: This publication has been prepared by QNB Financial Services Co. W.L.L. ("QNBFS") a wholly-owned subsidiary of Qatar National Bank (Q.P.S.C.). QNBFS is regulated by the Qatar Financial Markets Authority and the Qatar Exchange. Qatar National Bank (Q.P.S.C.) is regulated by the Qatar Central Bank. This publication expresses the views and opinions of QNBFS at a given time only. It is not an offer, promotion or recommendation to buy or sell securities or other investments, nor is it intended to constitute legal, tax, accounting, or financial advice. QNBFS accepts no liability whatsoever for any direct or indirect losses arising from use of this report. Any investment decision should depend on the individual circumstances of the investor and be based on specifically engaged investment advice. We therefore strongly advise potential investors to seek independent professional advice before making any investment decision. Although the information in this report has been obtained from sources that QNBFS believes to be reliable, we have not independently verified such information and it may not be accurate or complete. QNBFS does not make any representations or warranties as to the accuracy and completeness of the information it may contain, and declines any liability in that respect. For reports dealing with Technical Analysis, expressed opinions and/or recommendations may be different or contrary to the opinions/recommendations of QNBFS Fundamental Research as a result of depending solely on the historical technical data (price and volume). QNBFS reserves the right to amend the views and opinions expressed in this publication at any time. It may also express viewpoints or make investment decisions that differ significantly from, or even contradict, the views and opinions included in this report. This report may not be reproduced in whole or in part without permission from QNBFS.

*COPYRIGHT: No part of this document may be reproduced without the explicit written permission of QNBFS.*