

Market Review and Outlook

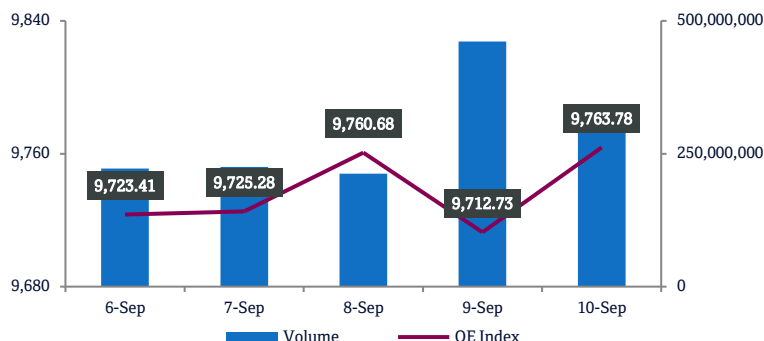
The Qatar Stock Exchange (QSE) Index decreased by 0.74% during the week, to close at 9,763.78. Market capitalization decreased by 0.4% to reach QR571.2 billion (bn) as compared to QR573.3bn at the end of the previous week. Of the 47 listed companies, 14 companies ended the week higher, while 28 fell and 5 remained unchanged. Inma Holding (IHGS) was the best performing stock for the week, with a gain of 10.0%. On the other hand, Mannai Corp. (MCCS) was the worst performing stock with a decline of 6.0%.

Commercial Bank of Qatar (CBQK), QNB Group (QNBK) and Woqod (QFLS) were the primary contributors to the weekly index loss. CBQK was the largest contributor to the index's weekly decline, removing 21.2 points from the index. QNBK was the second biggest contributor to the mention losses, deleting 20.1 points from the index. Moreover, QFLS erased 18.2 points from the overall index.

Trading value during the week decreased by 29.0% to reach QR2,276.4mn vs. QR3,205.7mn in the prior trading week. United Development Co (UDCD) was the top value traded stock during the week with total traded value of QR250.0mn.

Trading volume decreased by 28.8% to reach 1,456.9mn shares vs. 2,045.1mn shares in the prior trading week. The number of transactions decreased by 19.4% to reach 48,855 transactions versus 60,580 transactions in the prior week. Investment Holding Group (IGRD) was the top volume traded stock during the week with total traded volume of 381.6mn shares.

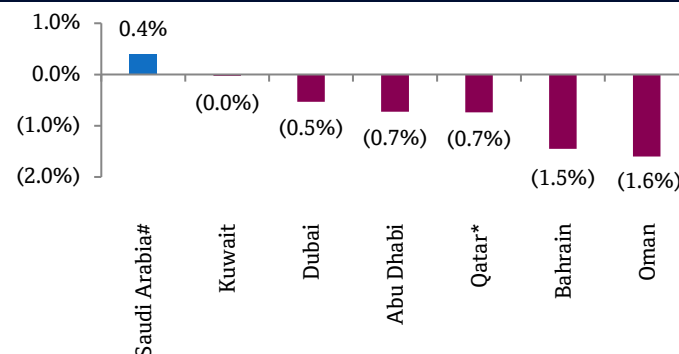
QSE Index and Volume



Market Indicators	Week ended Sep. 10, 2020	Week ended Sep. 03, 2020	Chg. %
Value Traded (QR mn)	2,276.4	3,205.7	(29.0)
Exch. Market Cap. (QR mn)	571,238.1	573,259.4	(0.4)
Volume (mn)	1,456.9	2,045.1	(28.8)
Number of Transactions	48,855	60,580	(19.4)
Companies Traded	47	47	0.0
Market Breadth	14:28	20:26	-

Market Indices	Close	WTD%	MTD%	YTD%
Total Return	18,770.54	(0.7)	(0.8)	(2.2)
ALL Share Index	3,019.52	(0.8)	(0.9)	(2.6)
Banks and Financial Services	4,050.29	(1.2)	(1.6)	(4.0)
Industrials	2,961.54	(1.2)	0.1	1.0
Transportation	2,816.16	0.2	(1.0)	10.2
Real Estate	1,801.95	4.2	6.7	15.1
Insurance	2,095.61	(1.1)	(2.0)	(23.4)
Telecoms	897.03	0.2	(1.5)	0.2
Consumer Goods & Services	7,957.65	(1.7)	(3.0)	(8.0)
Al Rayan Islamic Index	4,056.06	(0.5)	(0.1)	2.7

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*	9,763.78	(0.7)	(0.8)	(6.3)	617.16	154,577.0	15.9	1.5	4.1
Dubai	2,270.52	(0.5)	1.1	(17.9)	360.12	85,256.1	8.6	0.8	4.3
Abu Dhabi	4,519.13	(0.7)	(0.0)	(11.0)	475.97	181,325.4	16.5	1.3	5.4
Saudi Arabia#	8,079.74	0.4	1.8	(3.7)	15,985.01	2,415,611.0	29.5	2.0	2.6
Kuwait	5,324.42	(0.0)	0.6	(15.2)	570.07	100,015.2	28.7	1.3	3.7
Oman	3,686.29	(1.6)	(2.3)	(7.4)	9.98	16,627.3	10.9	0.7	6.6
Bahrain	1,389.71	(1.5)	0.6	(13.7)	24.98	21,231.4	12.9	0.9	5.0

Source: Bloomberg, country exchanges and Zawya (** Trailing Twelve Months; * Value traded (\$ mn) do not include special trades, if any; #Data as of September 09, 2020)

Economic /Corporate News

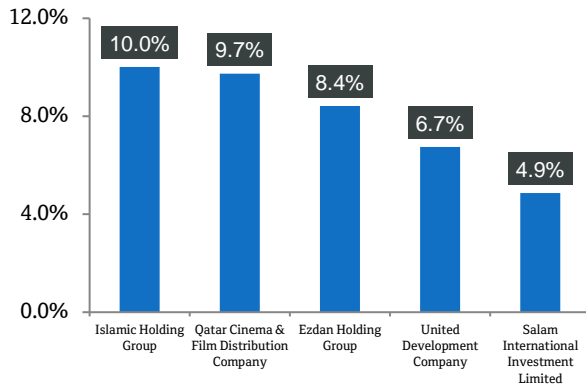
- US: Three-year Qatar blockade could be over 'in weeks'** – Progress may be made within weeks to end a three-year blockade of Qatar by Arab states, a senior US State Department official said on Wednesday, citing signs of "flexibility" in negotiations. David Schenker, the department's top diplomat for the Middle East, was quick to urge caution, however, because there has not been any fundamental shift in talks that would quickly lead to a resolution. The dispute dates from 2017 when the UAE, Saudi Arabia, Bahrain, and Egypt imposed a boycott on Qatar, severing diplomatic and transport ties. Qatar vehemently denies all allegations made by the blockading Arab states. "I don't want to get into the whole diplomacy in it but there is some movement. I would like to say that it's going to be a matter of weeks," Schenker told a virtual event hosted by the Washington, DC-based Brookings Institute. Kuwait and the US have tried to mediate a rift that has undermined Washington's efforts to form a united front against Iran, which is struggling for regional supremacy with Saudi Arabia. (Al Jazeera)
- Qatar August Financial Center PMI reaches 57.3** – IHS Markit released Qatar's August financial center purchasing managers' index (PMI). The Index declined to 57.3 in August 2020 from 59.8 in July 2020; 46.4 in August 2019. However, employment rose to 49.4 in August versus 49.3 in July, indicating highest reading since April 2020. (Bloomberg)
- PwC: Qatari banks prove resilient against virus impact** – The findings from PwC's '1H2020 Qatar Banking Sector Report' covering eight listed commercial banks, has revealed that Qatar succeeded in minimizing the impact of the COVID-19 pandemic on its banking industry. The aggregated total assets of the eight listed commercial banks namely Ahli Bank, The Commercial Bank, Doha Bank, Al Khalij Commercial Bank, Qatar International Bank, Qatar International Islamic Bank, QNB Group, and Masraf Al Rayan grew 1.9% in the first half of 2020, to hit QR1.66tn, while the aggregated loans and advances to customers grew 2.1% to reach QR1.44tn in the first six months of 2020, the report said. Globally, as the lockdown restrictions begin to ease, financial institutions are turning their attention to the new competitive landscape within the new normal, and how to come out ahead. Having secured short-term liquidity and taken measures to cope with loss in profitability, the financial industry is globally seeking opportunities to achieve competitive reinvention and differentiation. Similar trends and dynamics are taking place in Qatar's banking sector, where there has been an increased interest for Qatari financial institutions to forge new collaborations with fintech companies, targeting a new audience segment of young digital-savvy customers both locally and internationally. In parallel, new synergies and mergers have also recently been discussed in Qatar and banks also grew their lending activity, which resulted in supporting local businesses. (Qatar Tribune)
- Mobius: Qatar's market very resilient in the face of challenges** – Qatar's market has been very resilient in the face of challenges posed by the blockade and the ongoing COVID-19 pandemic, veteran emerging markets investor Mark Mobius said on Sunday. Speaking at the 'Fireside chat with Mark Mobius' hosted by Qatar Stock Exchange (QSE) as part of its webinar series, Mobius said that the government and the people of Qatar have withstood these challenges effectively. Mobius, who left Franklin Templeton after more than three decades in 2018 to set up Mobius Capital Partners, said that there are tremendous opportunities for investors in markets like Qatar in the Middle East region. "What I find in the Middle East region is a number of very good companies that are quite resilient and are doing a very good job. While currently, we have limited exposure in the Middle East market, we will continue to invest as we do feel that this region will do quite well going forward," he said. He said that the economic impact of COVID-19 will eventually be over because of the realization that lockdown is not the answer. "You have got to allow people to work and to live," he said. Praising Qatar's government for providing support to the local market in the current scenario, he said, "It's a welcome move." He, however, said that the real revival will happen when economies are open. (Qatar Tribune)
- Moody's announces completion of a periodic review of ratings of QEWS** – Moody's Investors Service (Moody's) has completed a periodic review of the ratings of Qatar Electricity and Water Company (QEWS) and other ratings that are associated with the same analytical unit. The review was conducted through a portfolio review in which Moody's reassessed the appropriateness of the ratings in the context of the relevant principal methodology(ies), recent developments, and a comparison of the financial and operating profile to similarly rated peers. The review did not involve a rating committee. Since January 1, 2019, Moody's practice has been to issue a press release following each periodic review to announce its completion. Moody's views (QEWS) as a government-related issuer that benefits from credit linkages with the Government of Qatar (Aa3). QEWS' A1 long-term issuer rating reflects a baseline credit assessment (BCA) of baa2, combined with a very high level of dependence and a high level of support from the government. QEWS' standalone assessment is mainly supported by the company's beneficial contractual framework and monopoly in Qatar, which significantly reduces the exposure of QEWS and its Qatari joint ventures (JVs) to common industry risks for utilities (regulatory, demand and price risks). QEWS benefits from long-term power and water purchase agreements (PWPAs) with Qatar General Electricity & Water Corporation (Kahramaa, A1, 100% owned by the Qatari government), the off-taker of most of QEWS' power and water; and matching fuel-supply agreements with Qatar Petroleum (QP, Aa3). Moody's assessment also takes into consideration QEWS' large planned capital spending, which will increase the company's debt and the expiry of older, more profitable contracts, which together will limit the company's deleveraging over the next two to three years. (Bloomberg)
- MRDS changes its name to Mazaya Real Estate Development Company** – With reference to the decision of the Extraordinary General Assembly of Mazaya Qatar Real Estate Development Company (MRDS), in which it was approved to change the name of Mazaya Qatar Real Estate Development Company to Mazaya

Real Estate Development Company. All the required legal procedures have been completed, and the new name in English becomes "Mazaya Real Estate Development Company" and the short name "Mazaya". (QSE)

- **BRES signs a financing agreement with Barwa Bank** – Barwa Real Estate Company (BRES) has signed a financing agreement with Barwa Bank in the amount of QR800mn. The purpose of the agreement is to refinance one of BRES' current facilities which will positively reflect on the company's cashflow. The new financing period will extend to seven years. Noting that there is no conflict of interest between the contracting parties to this agreement. (QSE)
- **Ezdan: Property sales reach QR310mn in last week of August** – The property sale activity from August 23-27 has witnessed 74 deals for selling vacant and mixed-use land lots, worth over QR302.4mn; while buildings of all types, including residences, complexes, towers and multi-use buildings registered 73 sale deals, worth up to QR310.2mn. The breakdown of real estate activity from August 23-27 reflects a total of 147 property sale deals concluded over 8 municipalities, including Umm Salal, Al Khor, Al Dhakhira, Doha, Al Rayyan, Al Shamal, Al Shahaniya, Al Daayen, and Al Wakra. The total sales volume reached QR612.6mn worth of vacant land lots, residences, mixed-use buildings, mixed-use land lots and residential buildings. Al Daayen municipality spearheaded other municipalities by highest deal in terms of value by selling a piece of multiuse land lot in Lusail spanning over 16,364 square meters. The land was sold at QR340 per square foot, totaling more than QR59.8mn. Umm Salal ranked second by highest deal value through the sale of a multi-use land lot in Al Kharaitiyat spread over 3,295 square meters, at QR1,342 per square foot, reaching more than QR47.6mn. Al-Rayyan Municipality sold a residential complex spanning over 5,846 square meters, and the deal was clinched at QR636 per square foot, reaching an aggregate value of QR40mn. (Peninsula Qatar)
- **Local tourism in Qatar upbeat as markets reopen** – The government's recent lifting of COVID-19 restrictions has been instrumental in boosting tourism-related activities across different destinations in Qatar, according to an industry expert. There has been a surge in bookings for beach properties, private yachts, and resorts across Qatar, according to Tawfeeq Travel Group's CEO, Rehan Ali Syed. Local tours and excursions like kayaking, dhow cruise, and safari have also been in demand, he noted. As early as the third phase of lifting restrictions, Syed stated that hotels in Qatar were seeing positive trends, especially with beach properties. During the Eid holidays, most of the premium properties were running on very high occupancy, he stressed. The effective management of COVID-19 pandemic by Qatar has bode well for the country's tourism industry with a number of hotels reporting higher levels of occupancy for the next several weeks to come. The proper planning by tourism authorities to create a framework for meeting expectations of domestic tourists, especially after most of the restrictions were removed from September 1, has seen some of the Doha hotels witness full booking for the next one month. (Gulf-Times.com, Qatar Tribune)

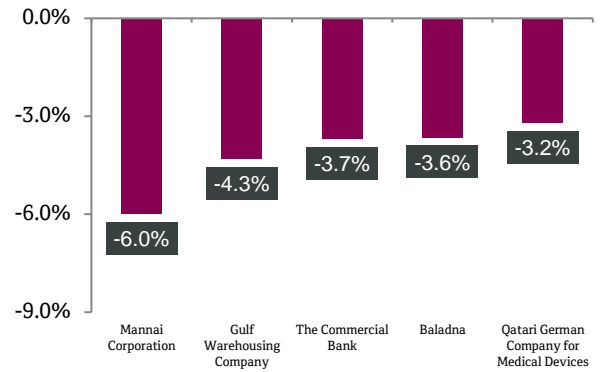
Qatar Stock Exchange

Top Gainers



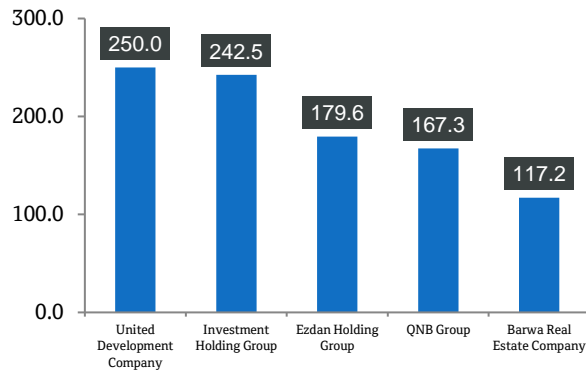
Source: Qatar Stock Exchange (QSE)

Top Decliners



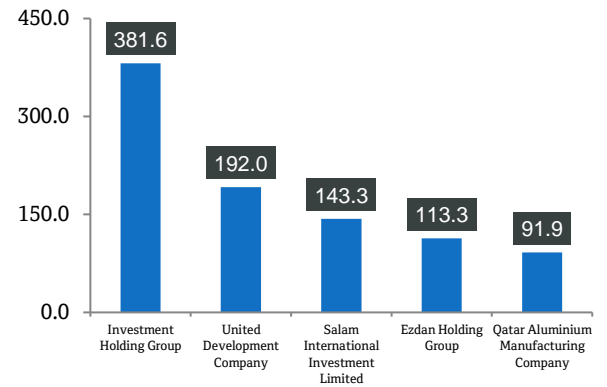
Source: Qatar Stock Exchange (QSE)

Most Active Shares by Value (QR Million)



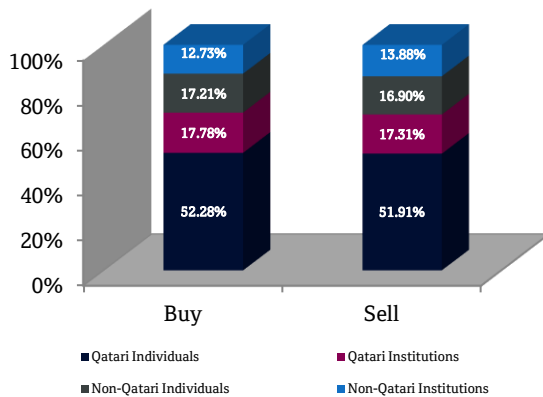
Source: Qatar Stock Exchange (QSE)

Most Active Shares by Volume (Million)



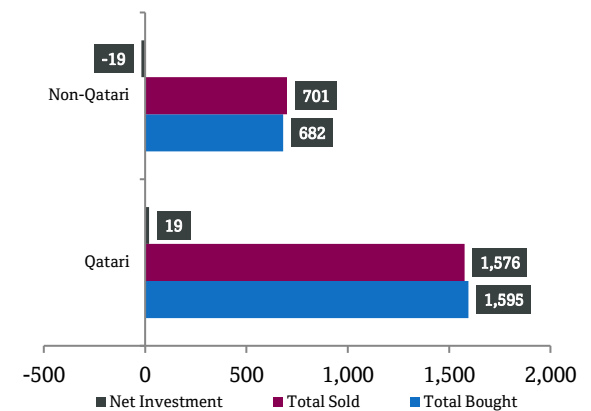
Source: Qatar Stock Exchange (QSE)

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 in red, losing 0.74% from the week before and finished at the 9,763.78 level. We expected last week the correction of the Index and it did, marginally. The rising wedge formation remains intact and has not been breached yet. As a result, we need to stay cautious in this market as the Index may test the lower side of the bearish price pattern we mentioned above. Our weekly resistance level remains at the 10,000 points, which is also a psychological level; our support remains at the 9,400 level.

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 September 10	% Change WTD	% Change YTD	Market Cap. QR Million	TTM P/E	P/B	Div. Yield
Qatar National Bank	17.72	(1.56)	(13.94)	163,670	14.0	2.3	3.4
Qatar Islamic Bank	16.00	0.00	4.37	37,807	13.3	2.2	3.3
Commercial Bank of Qatar	3.90	(3.70)	(17.02)	15,784	8.9	0.9	5.1
Doha Bank	2.29	(2.09)	(9.49)	7,100	13.6	0.8	N/A
Al Ahli Bank	3.25	(1.52)	(2.50)	7,896	12.9	1.3	4.4
Qatar International Islamic Bank	8.40	(0.40)	(13.27)	12,707	14.4	2.2	5.1
Masraf Al Rayan	4.15	(0.65)	4.80	31,125	14.2	2.3	5.4
Al Khaliji Bank	1.60	0.63	22.14	5,760	9.6	1.0	4.7
Qatar First Bank	1.40	(1.55)	71.27	981	N/A	2.0	N/A
National Leasing	1.05	(1.59)	48.79	519	19.4	0.8	4.8
Diala Holding	1.89	(1.87)	208.67	536	N/A	2.7	N/A
Qatar & Oman Investment	0.89	(1.12)	32.29	279	33.6	0.9	2.3
Islamic Holding Group	4.88	10.01	156.74	276	90.1	2.0	N/A
Banking and Financial Services				284,440			
Zad Holding	15.20	(0.33)	9.99	3,602	17.7	2.5	5.6
Qatar German Co. for Medical Devices	2.53	(3.21)	334.88	292	N/A	9.9	N/A
Salam International Investment	0.67	4.87	29.21	764	N/A	0.5	N/A
Baladna	1.85	(3.65)	85.00	3,517	N/A	1.6	1.1
Medicare Group	7.34	(1.00)	(13.20)	2,064	28.5	2.1	24.5
Qatar Cinema & Film Distribution	4.11	9.75	86.82	258	56.3	1.9	2.4
Qatar Fuel	17.47	(2.94)	(23.71)	17,370	18.5	2.2	4.6
Qatar Meat and Livestock	7.00	0.00	3.55	1,260	14.7	3.6	4.3
Mannai Corp.	2.82	(6.00)	(8.38)	1,287	N/A	0.6	7.1
Al Meera Consumer Goods	19.93	0.40	30.26	3,986	20.1	2.9	4.3
Consumer Goods and Services				34,401			
Qatar Industrial Manufacturing	3.20	3.23	(10.36)	1,521	16.3	1.0	4.7
Qatar National Cement	3.94	(1.50)	(30.27)	2,575	18.6	0.9	7.6
Industries Qatar	9.99	(1.09)	(2.82)	60,440	38.3	1.9	4.0
Qatari Investors Group	2.08	0.73	15.92	2,580	25.5	0.9	2.7
Qatar Electricity and Water	16.91	(1.28)	5.10	18,601	12.8	2.2	4.6
Aamal	0.92	0.00	13.65	5,821	36.4	0.8	4.3
Gulf International Services	1.59	(2.69)	(7.33)	2,962	42.9	0.8	N/A
Mesaieed Petrochemical Holding	2.09	(2.24)	(16.65)	26,282	25.6	1.7	3.3
Investment Holding Group	0.65	2.20	15.07	539	12.6	0.7	N/A
Qatar Aluminum Manufacturing	0.99	(1.00)	27.14	5,541	N/A	1.0	1.0
Industrials				126,861			
Qatar Insurance	2.08	(1.23)	(34.11)	6,800	N/A	0.9	7.2
Doha Insurance	1.14	0.00	(5.00)	570	13.0	0.6	7.0
Qatar General Insurance & Reinsurance	2.20	0.09	(10.53)	1,926	N/A	0.4	N/A
Al Khaleej Takaful Insurance	1.85	(0.86)	(7.30)	473	14.6	0.9	2.7
Qatar Islamic Insurance	6.37	(2.90)	(4.64)	956	14.1	2.6	5.9
Insurance				10,725			
United Development	1.35	6.75	(11.51)	4,762	21.1	0.4	3.7
Barwa Real Estate	3.53	2.02	(0.28)	13,736	8.6	0.7	5.7
Ezdan Real Estate	1.66	8.43	169.92	44,031	897.3	1.4	N/A
Mazaya Qatar Real Estate Development	1.15	(1.62)	60.08	1,332	52.0	0.1	N/A
Real Estate				63,862			
Ooredoo	6.56	1.16	(7.42)	20,997	12.5	0.9	3.8
Vodafone Qatar	1.25	(2.26)	8.02	5,296	36.5	1.2	4.0
Telecoms				26,293			
Qatar Navigation (Milaha)	5.94	0.00	(2.62)	6,803	12.7	0.5	5.1
Gulf Warehousing	4.90	(4.32)	(10.58)	287	12.1	1.6	4.1
Qatar Gas Transport (Nakilat)	2.70	1.01	13.14	14,981	14.0	2.5	3.7
Transportation				22,071			
Qatar Exchange				571,238			

Source: Bloomberg

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