

Market Review and Outlook

The Qatar Stock Exchange (QSE) Index moved up by 56.98 points, or 0.53% during the week, to close at 10,753.28. Market capitalization moved up by 0.5% to QR621.6 billion (bn) as compared to QR618.8bn at the end of the previous week. Of the 48 traded companies, 17 ended the week higher, 31 lower and 0 remained unchanged. Doha Bank (DHBK) was the best performing stock for the week, with a gain of 6.5%. On the other hand, Alijarah Holding (NLCS) was the worst performing stock with a decline of 7.7%.

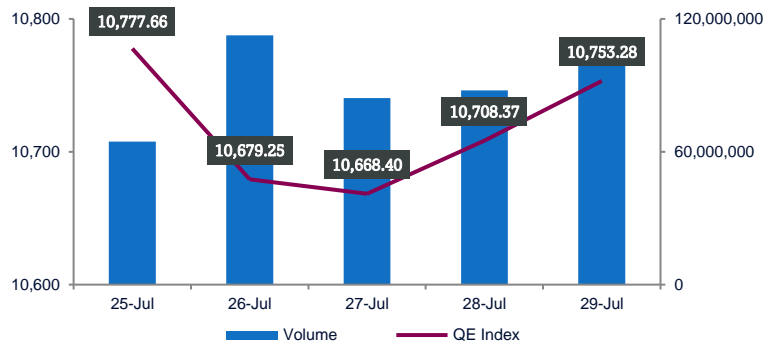
QNB Group (QNBK), Commercial Bank of Qatar (CBQK) and Industries Qatar (IQCD) were the primary contributors to the weekly index increase. QNBK and CBQK added 35.2 and 19.6 points to the index, respectively. Moreover, IQCD tacked on a further 18.2 points to the index.

Trading value during the week declined by 1.5% to QR1,270.4mn vs. QR1,289.5mn in the prior trading week. QNB Group (QNBK) was the top value traded stock during the week with total traded value of QR199.9mn.

Trading volume declined by 0.4% to 448.5mn shares vs. 450.1mn shares in the prior trading week. The number of transactions increased by 24.9% to 39,467 transactions versus 31,603 transactions in the prior week. Salam International Investment Limited (SIIS) was the top volume traded stock during the week with total traded volume of 85.2mn shares.

Foreign institutions turned bullish, ending the week with net buying of QR116mn vs. net selling of QR40mn in the prior week. Qatari institutions turned negative with net selling of QR13mn vs. net buying of QR25mn in the week before. Foreign retail investors ended the week with net selling of QR19mn vs. net selling of QR4mn in the prior week. Qatari retail investors turned bearish with net selling of QR85mn vs. net buying of QR19mn the week before. So far YTD (as of Wednesday closing), foreigners were net buyers of \$685.1mn.

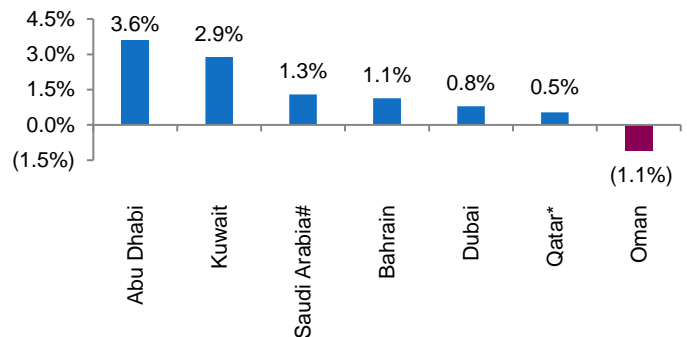
QSE Index and Volume



Market Indicators	Week ended July 29, 2021	Week ended July 15, 2021	Chg. %
Value Traded (QR mn)	1,270.4	1,289.5	(1.5)
Exch. Market Cap. (QR mn)	621,595.4	618,792.9	0.5
Volume (mn)	448.5	450.1	(0.4)
Number of Transactions	39,467	31,603	24.9
Companies Traded	48	48	0.0
Market Breadth	17:31	6:41	-

Market Indices	Close	WTD%	MTD%	YTD%
Total Return	21,286.77	0.5	0.2	6.1
ALL Share Index	3,416.93	0.7	0.3	6.8
Banks and Financial Services	4,530.82	1.3	0.5	6.7
Industrials	3,578.84	0.3	(0.2)	15.5
Transportation	3,407.08	0.5	1.4	3.3
Real Estate	1,751.72	(1.9)	(0.2)	(9.2)
Insurance	2,639.80	1.1	1.3	10.2
Telecoms	1,047.23	(1.9)	(2.7)	3.6
Consumer Goods & Services	8,118.11	0.4	0.2	(0.3)
Al Rayan Islamic Index	4,490.03	(0.6)	(0.9)	5.2

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*	10,753.28	0.5	0.2	3.0	343.52	167,520.0	17.2	1.6	2.7
Dubai	2,765.71	0.8	(1.6)	11.0	163.32	103,002.9	20.6	1.0	2.9
Abu Dhabi	7,318.18	3.6	7.1	45.0	1,782.33	350,593.1	0.0	0.0	3.0
Saudi Arabia#	10,933.73	1.3	(0.5)	25.8	9,981.05	2,579,195.1	34.6	2.4	2.2
Kuwait	6,581.01	2.9	3.0	18.7	1,065.38	124,339.8	37.7	1.7	1.8
Oman	4,030.40	(1.1)	(0.8)	10.2	38.72	18,483.1	12.3	0.8	3.8
Bahrain	1,596.99	1.1	0.6	7.2	37.67	120,120.3	13.3	0.8	3.5

Source: Bloomberg, country exchanges and Zawya (** Trailing Twelve Months; * Value traded (\$ mn) do not include special trades, if any; #Data as of July 28, 2021)

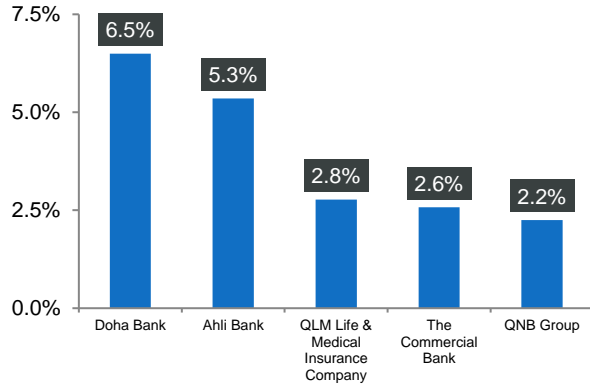
- **Capital Intelligence affirms Qatar ratings with stable outlook** – Global credit rating agency Capital Intelligence (CI) has affirmed Qatar's long-term foreign currency rating (LT FCR) and long-term local currency rating (LT LCR) at 'AA-'. The sovereign's short-term foreign currency rating (ST FCR) and short-term local currency rating (ST LCR) have been affirmed at 'A1+'. The outlook for the ratings remains "stable". The ratings are supported by the substantial government assets under the management of the sovereign wealth fund, the Qatar Investment Authority (QIA); very large hydrocarbon reserves; a high degree of expenditure flexibility; and low domestic political risk. The rating agency regards Qatar's external and public finances as strong due to the government's substantial external assets which have been accumulated over the past two decades. During 2000-20, Qatar's average budgetary surplus amounted to 9% of GDP, a large part of which has been invested in external assets. "As a result, the QIA's total assets are estimated to be in the region of \$300bn, or 205% of GDP in 2020," it said. Although an assessment of the QIA's quality of assets is complicated, CI considers the very large overall size of the fund to be an important rating strength. (Gulf-Times.com)
- **PwC: Qatar economic recovery gains pace on favorable energy price, rapid vaccination** – Qatar's economic recovery is gaining pace due to a range of factors, including energy price recovery, which has been ahead of analyst estimates, PwC said in its 'Qatar Economy Watch' report. According to PwC, Qatar's economy experienced some challenges throughout 2020 and the first half of 2021, due to the dual shock of the drop in oil prices and the impact of the pandemic, which led to an overall decline in economic output of -3.7%. Qatar has faced its share of hardships, but has shown resilience, and is emerging from the Covid-19 crisis in a strong position, PwC said. Rapid vaccinations have brought the pandemic under control locally, with leading indicators in 2021 showing signs of a robust recovery. However, the recovery is gaining pace due to a range of factors, including energy price recovery, which has been ahead of analyst estimates. Qatar's LNG sector is positioned for growth with LNG spot prices surpassing \$12 in Asia in late June, the highest since 2014, excluding a brief spike in January when they increased to record levels. Moreover, the main contracts for implementing the North Field East LNG expansion were awarded in February indicating that investment activity will pick up and provide a timely boost to the economy. Another positive driver for growth is the decision by Qatar's neighbors to restore relations at the Al Ula summit in Saudi Arabia in January 2021. This has significantly de-risked the economy and is reviving bilateral commercial opportunities, including aviation and the 2022 World Cup, according to the report. (Gulf-Times.com)
- **PSA: Qatar industrial production surges 6% in May** – A robust expansion in the extraction of hydrocarbons and desalination as well as in the production of refined petroleum products, basic metals, chemicals and beverages led Qatar's industrial production to surge 6% MoM this May, according to the Planning and Statistics Authority (PSA). The country's Industrial Production Index (IPI) saw a 1.7% yearly increase in May 2021, mainly contributed by cement, mining and quarrying (other than hydrocarbons), refined petroleum products and rubber and plastics, despite the continuation of certain Covid-19 related restrictions. The PSA introduced IPI, a short-term quantitative index that measures the changes in the volume of production of a selected basket of industrial products over a given period with respect to a base period 2013. The mining and quarrying index, which has a relative weight of 83.6%, saw a 5.9% increase MoM owing to a 5.9% expansion in the extraction of crude petroleum and natural gas, even as there was a 3.8% decline in other mining and quarrying sectors. On a yearly basis, the index showed a 0.3% rise owing to a 0.7% increase in the extraction of crude petroleum and natural gas and 35.4% in other mining and quarrying sectors. The manufacturing index, with a relative weight of 15.2%, expanded 5.5% on a monthly basis in May 2021 on account of a 7.2% increase in refined petroleum products, 7% in basic metals, 5.9% in chemicals and chemical products, 5.3% in beverages and 0.4% in food products. However, there was an 8.8% decline in printing and reproduction of recorded media, 5.5% in cement and other non-metallic mineral products and 2.2% in rubber and plastics products. On a yearly basis, the manufacturing index shot up 7.7% in May this year owing to a 55.3% surge in the production of cement and other non-metallic mineral products, 29.6% in basic metals, 25.3% in refined petroleum products and 16.9% in rubber and plastic products. Nevertheless, there was a 10.9% contraction in the production of beverages, 7% in food products and 1.2% in chemicals and chemical products. (Gulf-Times.com)
- **FocusEconomics: Qatar's public debt to GDP set to decline to 55.4% in 2025** – Qatar's public debt as a percentage of the GDP is set to decline to 55.4 in 2025 from 65.8 this year, researcher FocusEconomics said in a report. Next year it will be 61.7; 60 in 2023 and 57.7 in 2024, FocusEconomics said in its latest country update. The country's fiscal balance (as a percentage of the GDP) has been estimated at 1.8 in 2025 from 1.7 this year. Next year, it is estimated to rise to 2.2; 2.0 in 2023 and 1.9 in 2024. Qatar's current account balance (as a percentage of the GDP) has been estimated to scale up to 7.2 in 2025 from 4.5 this year. Next year, it will be 4.3; 4.4 in 2023 and 5.8 in 2024. The country's GDP per capita, according to FocusEconomics, will scale up to \$71,681 in 2025 from \$61,171 in 2021. Next year, the country's GDP may account for \$64,268; \$66,259 (2023) and \$68,977 in 2024. Qatar's economy is expected to maintain growth in the region of 2.5% to 2.7% until 2025, it said. Qatar's unemployment will remain a meagre 0.2% between 2021 and 2025, FocusEconomics said. (Gulf-Times.com)
- **Qatar June trade surplus widens to QR16.672bn** – Qatar's trade surplus widened to QAR16.672bn in June from +QR16.608bn in May, according to the Qatar Ministry of Development Planning and Statistics. (Bloomberg)
- **CBQK to hold EGM to increase the foreign ownership threshold to 100%** – The board of directors of the Commercial Bank (CBQK) decided, during the meeting held on July 27, 2021, in accordance with the laws and decisions applicable to foreign investment ownership in Qatar shareholding companies, to make a recommendation to the shareholders to hold an extraordinary general assembly, on a day and time to be announced at a later stage, in order to amend the Articles of Association of the Bank to increase the foreign ownership threshold to 100%, subject to the approval of the concerned authorities and the extraordinary general assembly. (QSE)
- **Mekdam keeps reference share price at QR5.5 with face value of QR1** – Mekdam Holding Group (Mekdam), which will start trading on the venture market of the Qatar Stock Exchange from next week, has kept the reference price at QR5.5 a share with a face value of QR1. This has been disclosed by the marked operations department of the bourse, ahead of the listing of the company, which provides comprehensive integrated services in the field of information and communication technology. The shares of Mekdam, which will be listed with the symbol "MKDM",

have no static threshold for the first day of trading but will be allowed to fluctuate by 10% up and down starting from the second day of trading. It becomes the second company to be listed on QSE Venture Market (QEVN) dedicated to small and medium enterprises or SMEs. The company is being listed on using the direct listing option and the maximum holding for the

non-Qatari investors has been now pegged at 49%. Mekdam was established in March 2018 as a private company with limited liabilities and authorized and issued capital of QR50mn. It was transferred into a public shareholding entity by the Ministry of Commerce and Industry resolution No. 45 for 2021 with a capital 100% fully paid by its founders. (QSE, Gulf-Times.com)

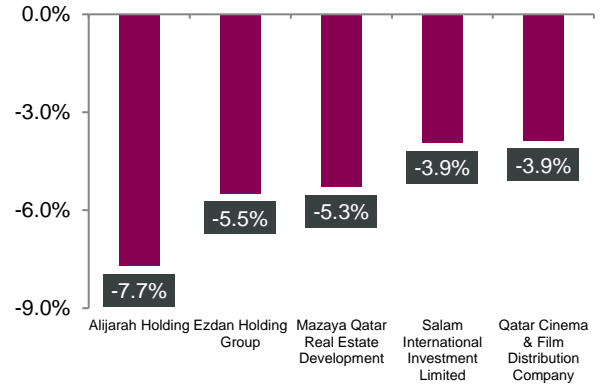
Qatar Stock Exchange

Top Gainers



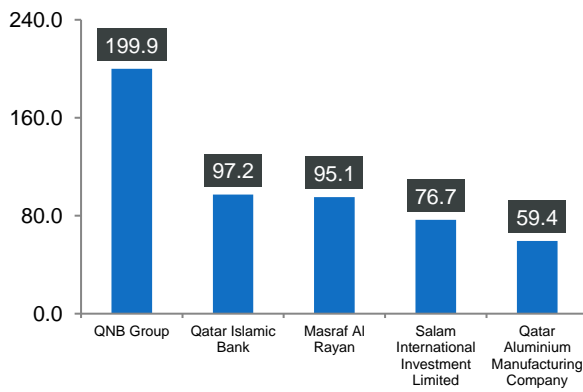
Source: Qatar Stock Exchange (QSE)

Top Decliners



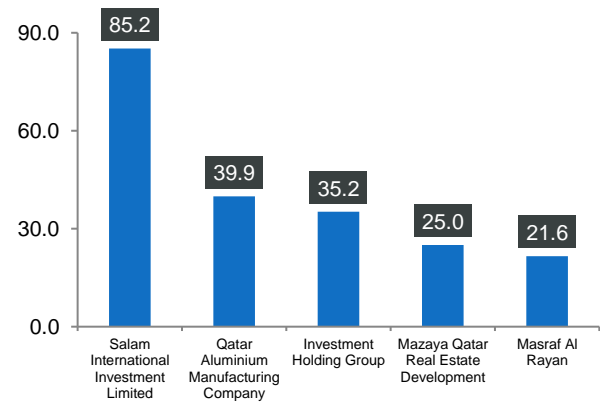
Source: Qatar Stock Exchange (QSE)

Most Active Shares by Value (QR Million)



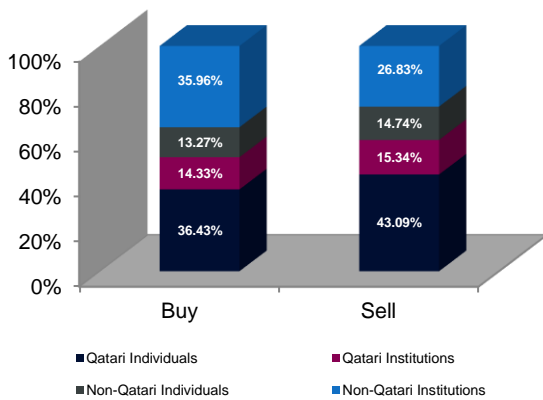
Source: Qatar Stock Exchange (QSE)

Most Active Shares by Volume (Million)



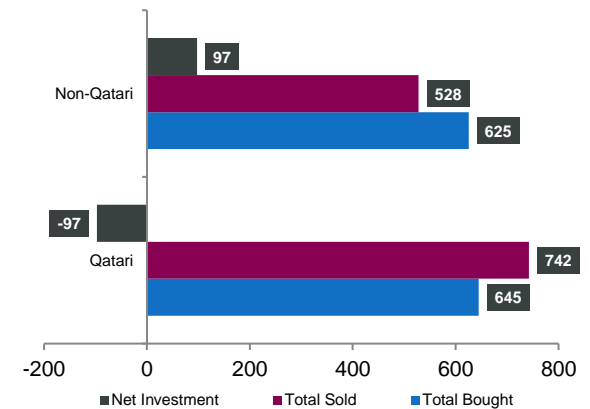
Source: Qatar Stock Exchange (QSE)

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 slightly higher by 0.53% versus the week before, it printed last at the 10,753.28 level. After Index breach below the uptrend line, which is a crucial signal of a weakening expected performance, it managed to stay above its moving averages; that is a positive sign. Our projected resistance level remains at the 11,000 points and the support level at the 10,000 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 the 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 July 29	% Change WTD	% Change YTD	Market Cap. QR Million	TTM P/E	P/B	Div. Yield
Qatar National Bank	18.20	2.25	2.08	168,103	14.7	2.2	2.5
Qatar Islamic Bank	17.22	1.18	0.64	40,690	13.4	2.1	2.3
Commercial Bank of Qatar	5.50	2.57	25.00	22,260	14.8	1.2	1.8
Doha Bank	2.95	6.50	24.63	9,146	14.6	0.9	2.5
Al Ahli Bank	3.86	5.35	11.98	9,378	13.5	1.5	3.9
Qatar International Islamic Bank	9.21	(0.98)	1.77	13,944	16.2	2.3	3.5
Masraf Al Rayan	4.32	(1.82)	(4.64)	32,400	14.5	2.3	3.9
Al Khaliji Bank	2.19	(0.68)	18.88	7,866	12.6	1.2	2.6
Qatar First Bank	1.77	(3.65)	2.67	1,237	40.2	2.5	N/A
National Leasing	1.06	(7.70)	(15.12)	522	11.6	0.8	2.4
Diala Holding	1.49	(3.68)	(16.99)	423	50.1	2.0	N/A
Qatar & Oman Investment	0.90	(3.75)	1.35	283	26.8	0.9	N/A
Islamic Holding Group	5.01	(1.22)	(2.07)	284	40.4	2.0	1.0
Banking and Financial Services				306,537			
Zad Holding	15.46	(0.45)	14.06	4,030	20.2	2.5	4.1
Qatar German Co. for Medical Devices	2.72	(1.27)	21.37	314	373.6	10.0	N/A
Salam International Investment	0.88	(3.95)	34.56	1,001	N/A	0.7	N/A
Baladna	1.46	(2.59)	(18.21)	2,783	N/A	1.2	3.6
Medicare Group	8.61	(1.86)	(2.60)	2,423	27.6	2.5	20.9
Qatar Cinema & Film Distribution	3.70	(3.87)	(7.34)	232	51.0	1.7	2.7
Qatar Fuel	17.99	1.75	(3.69)	17,887	19.0	2.2	2.6
Qatar Meat and Livestock	4.05	(1.67)	(35.92)	729	43.3	2.0	2.5
Mannai Corp.	3.69	(0.59)	22.93	1,682	25.0	0.7	0.3
Al Meera Consumer Goods	20.08	1.01	(3.04)	4,016	20.9	2.9	4.5
Consumer Goods and Services				35,098			
Qatar Industrial Manufacturing	2.84	1.43	(11.50)	1,350	12.4	0.9	3.5
Qatar National Cement	5.04	0.92	21.35	3,291	18.7	1.1	4.0
Industries Qatar	13.35	1.14	22.82	80,768	25.1	2.4	2.5
Qatari Investors Group	2.33	(2.76)	28.60	2,896	30.5	1.0	2.6
Qatar Electricity and Water	16.50	(1.26)	(7.56)	18,150	14.1	1.7	3.8
Aamal	0.95	(1.15)	10.64	5,960	54.1	0.8	4.2
Gulf International Services	1.42	(3.66)	(17.20)	2,639	N/A	0.8	N/A
Mesaieed Petrochemical Holding	1.91	1.97	(6.60)	24,021	28.2	1.5	2.1
Investment Holding Group	1.05	(2.51)	75.29	872	39.6	1.0	N/A
Qatar Aluminum Manufacturing	1.47	(3.23)	51.71	8,186	39.6	1.4	2.4
Industrials				148,131			
Qatar Insurance	2.50	2.00	5.84	8,165	35.2	1.0	N/A
QLM Life & Medical Insurance	5.05	2.77	N/A	1,767	N/A	3.2	N/A
Doha Insurance	1.91	(2.76)	36.93	953	13.6	0.9	5.2
Qatar General Insurance & Reinsurance	2.07	0.14	(22.07)	1,814	10.8	0.4	N/A
Al Khaleej Takaful Insurance	4.68	0.97	146.31	1,193	29.9	2.5	1.1
Qatar Islamic Insurance	8.25	(0.55)	19.57	1,238	16.6	2.9	3.9
Insurance				15,130			
United Development	1.46	(1.55)	(11.96)	5,159	18.8	0.5	3.4
Barwa Real Estate	3.06	(0.39)	(10.03)	11,907	10.3	0.6	4.1
Ezdan Real Estate	1.53	(5.49)	(13.80)	40,610	104.4	1.3	N/A
Mazaya Qatar Real Estate Development	1.04	(5.30)	(17.89)	1,200	38.6	0.9	2.9
Real Estate				58,876			
Ooredoo	7.09	(2.44)	(5.72)	22,711	N/A	1.1	3.5
Vodafone Qatar	1.58	(0.63)	17.70	6,662	27.8	1.5	3.2
Telecoms				29,372			
Qatar Navigation (Milaha)	7.49	(0.07)	5.65	8,583	43.6	0.6	4.0
Gulf Warehousing	5.16	0.25	1.28	303	13.2	1.5	1.9
Qatar Gas Transport (Nakilat)	3.04	0.93	(4.40)	16,842	13.4	2.3	3.6
Transportation				25,727			
Qatar Exchange				621,595			

Source: Bloomberg

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