

Market Review and Outlook

The Qatar Stock Exchange (QSE) Index increased by 68.00 points or 0.59% during the week, to close at 11,687.41. Market capitalization moved up by 0.24% to QR669.2 billion (bn) as compared to QR667.6bn at the end of the previous week. Of the 47 traded companies, 19 ended the week higher, 26 ended lower, while 2 remained unchanged. United Development Co. (UDCD) was the best performing stock for the week, with a gain of 5.7%. On the other hand, Gulf International Services (GISS) was the worst performing stock with a decline of 4.2%.

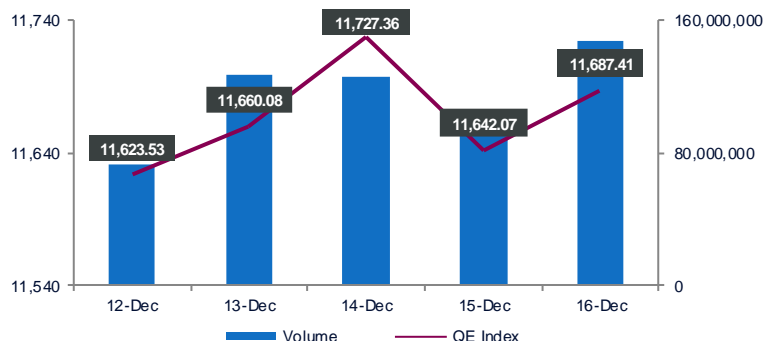
Masraf Al Rayan (MARK) Qatar Islamic Bank (QIBK) and United Development Co. (UDCD) were the primary contributors to the weekly index gain. MARK and QIBK added 26.9 and 18.9 points to the index, respectively. Moreover, UDCD added another 13.9 points to the index.

Trading value during the week increased by 6.9% to QR1,933.9mn vs. QR1,809.4mn in the prior trading week. QNB Group (QNBK) was the top value traded stock during the week with total traded value of QR284.8mn.

Trading volume also increased by 9.7% to 568.7mn shares vs. 518.2mn shares in the prior trading week. The number of transactions went down by 3.1% to 51,725 versus 53,356 in the prior week. GISS was the top volume traded stock during the week with total traded volume of 62.9mn shares.

Foreign institutions turned bullish, ending the week with net buying of QR65mn vs. net selling of QR11mn in the prior week. Qatari institutions turned negative with net selling of QR34mn vs. net buying of QR43mn in the week before. Foreign retail investors ended the week with net buying of QR1mn vs. net buying of QR10mn in the prior week. Qatari retail investors remained bearish with net selling of QR32mn vs. net selling of QR42mn the week before. So far YTD (as of Wednesday closing), foreigners were net buyers of \$1,660.4mn.

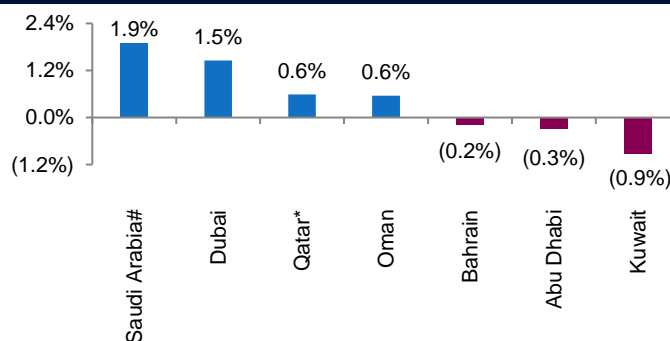
QSE Index and Volume



Market Indicators	Week ended Dec 16, 2021	Week ended Dec 09, 2021	Chg. %
Value Traded (QR mn)	1,933.9	1,809.4	6.9
Exch. Market Cap. (QR mn)	669,151.2	667,556.5	0.2
Volume (mn)	568.7	518.2	9.7
Number of Transactions	51,725	53,356	(3.1)
Companies Traded	47	47	0.0
Market Breadth	19:26	19:25	-

Market Indices	Close	WTD%	MTD%	YTD%
Total Return	23,135.94	0.6	2.6	15.3
ALL Share Index	3,692.87	0.4	2.3	15.4
Banks and Financial Services	4,964.07	0.3	2.7	16.9
Industrials	4,020.33	0.5	3.4	29.8
Transportation	3,544.20	(0.1)	0.1	7.5
Real Estate	1,839.61	2.4	3.7	(4.6)
Insurance	2,636.26	0.5	1.2	10.0
Telecoms	1,033.48	(0.3)	1.1	2.3
Consumer Goods & Services	8,053.91	(0.4)	(1.5)	(1.1)
Al Rayan Islamic Index	4,797.00	0.8	2.3	12.4

Weekly Index Performance



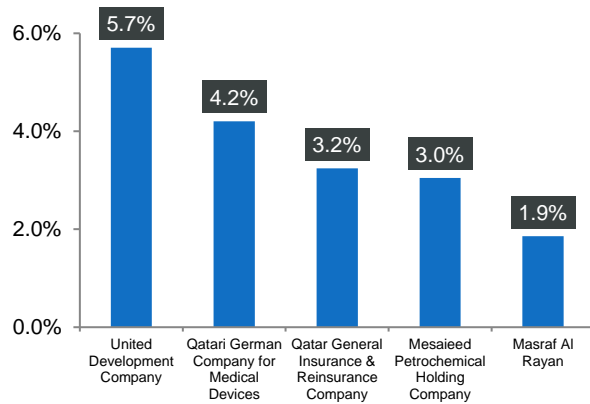
Regional Indices	Close	WTD%	MTD%	YTD%	Weekly Exchange Traded Value (\$ mn)	Exchange Mkt. Cap. (\$ mn)	TTM P/E**	P/B**	Dividend Yield
Qatar*	11,687.41	0.6	2.6	12.0	529.97	182,209.9	16.3	1.7	2.5
Dubai	3,273.19	1.5	6.5	31.3	608.85	113,569.5#	21.5	1.1	2.4
Abu Dhabi	8,856.10	(0.3)	3.6	75.5	4,045.28	422,499.5	24.3	2.7	2.6
Saudi Arabia#	11,143.38	1.9	3.5	28.2	13,365.24	2,620,448.2	24.6	2.3	2.3
Kuwait	6,976.04	(0.9)	2.7	25.8	868.01	134,162.7	20.8	1.6	2.0
Oman	4,030.57	0.6	0.8	10.2	60.73	18,748.0	11.5	0.8	3.9
Bahrain	1,782.20	(0.2)	3.0	19.6	23.87	28,598.1	9.9	0.9	3.5

Source: Bloomberg, country exchanges and Zawya (** Trailing Twelve Months; * Value traded (\$ mn) do not include special trades, if any; #Data as of December 15, 2021)

- **Qatar Central Bank: The Future Strategy Of Gradually Withdrawing Economic Support Packages** - Based on the local and global economic development, and in light with the continued gradual recovery of economic activity from the negative impact of the outbreak of Covid-19, as economic indicators and statistics show that the local financial and banking system is stable, and domestic liquidity and credit rates remain at high levels. As Qatar Central Bank (QCB) continues its proactive liquidity management operations to ensure comfortable liquidity for the banking system while directing interest rates to the required level to facilitate an adequate flow of credit to borrowers in order to maintain financial stability. Accordingly, QCB will begin with the implementation of the future strategy for a gradual safe exit of the exceptional support packages that it launched within the comprehensive economic support plan of the state, which has proven its effectiveness in mitigating the negative effects of Covid-19, through a gradual and deliberate exit that takes into account the various interaction between monetary policy measures and the continuity of economic and banking activity in the State of Qatar. (QCB)
- **Thrust on key sectors in Qatar's 2022 budget** – Qatar's budget for 2022 places adequate focus on three key sectors – infrastructure, education and health, which will see the development and expansion of civic amenities, educational institutions, hospitals and other healthcare facilities. QR74bn has been allocated for major projects out of the total expenditures of the general budget for 2022, as the state continues to complete public projects in accordance with pre-prepared plans and strategies. Infrastructure projects, the development of citizens' lands, and public services development projects, including health and education, are given spending priority. Nearly QR38bn (18.5% of the total budget) has been earmarked for these two sectors with health getting QR20bn and education QR17.8bn. The budget approved by His Highness the Amir Sheikh Tamim bin Hamad al-Thani takes effect on January 1, 2022. Qatar's budget for 2022 has estimated expenditure at QR204.3bn, while total revenue will be QR196bn, up 22.4% on 2021. The "expected deficit" has been estimated at QR8.3bn. The next year's budget has been based on an average oil price of \$55 per barrel, up from \$40 in 2021. The oil revenue for 2022 has been estimated at QR154bn up 26.6% on the previous year. (Gulf-Times.com)
- **Moody's: Qatar banks' standalone creditworthiness remains strong** – Standalone creditworthiness remains strong for Qatar's banks, Moody's Investor Service said and noted that government willingness and capacity to support banks in a crisis boost their long-term credit ratings. Economic recovery and higher oil prices are building investor confidence in the region, Moody's said in its latest 'Banks — Gulf Cooperation Council: 2022 Outlook'. GCC banks' strong capital and liquidity shield against rising non-performing loans as loan repayment holidays and other pandemic support schemes expire. "The outlook for GCC banks is stable as the region's economies recover," it said. Capital will remain strong, providing a solid loss-absorbing buffer, Moody's said and noted high levels of loss-absorbing capital are a key credit strength of GCC banks. The shock from the pandemic made little impact on GCC banks' strong capital buffers. Most banks remained profitable despite higher loan-loss provisioning. Responsible actions by banks and regulatory controls limited dividend payouts during the pandemic and so helped keep capital buffers steady. Capital requirements set by GCC bank regulators are higher than guidance provided under Basel III global capital standards. This is to counter risks posed by large concentrations of loans to single borrowers and to a limited number of sectors. Loan concentrations reflect a lack of diversification in GCC economies and the control of certain large family-owned conglomerates on business activity. Banks are increasingly issuing cheaper Basel III-compliant Additional Tier 1 capital instruments (particularly in the UAE and Qatar) and Tier 2 capital instruments (predominantly in Saudi Arabia). These provide an additional cushion of regulatory capital, Moody's said. Ample provisions provide an extra buffer against credit losses, Moody's said and noted provisioning coverage is highest in Kuwait, Qatar and Saudi Arabia, lowest in Bahrain. Overall loan-loss reserves (including Stage 1, 2 and 3 IFRS 9 expected credit losses) for GCC banking systems remain healthy and cover more than 100% of problem loans on average, the outlook said. (Gulf-Times.com)
- **UDCD, Ruzgar Healthcare sign shareholder agreement to establish, operate 'The Pearl International Hospital'** – United Development Company (UDCD), the master developer of The Pearl and Gewan Islands, has announced the signing of a shareholder agreement with Ruzgar Healthcare Holding to establish and operate The Pearl International Hospital at The Pearl Island. The agreement was signed by Ibrahim Jassim Al-Othman, UDCD president, CEO, and member of the board; and Oktay Ercan, chairman of Ruzgar Healthcare Holding, at the UDCD Tower. (QSE, Gulf-Times.com)
- **December 19 to be National Day official holiday** – On the occasion of Qatar National Day on December 18, the Amiri Diwan announced that Sunday, December 19, will be an official holiday. (Gulf-Times.com)
- **Qatar Holding restructures the board of directors of the Qatar Stock Exchange** – Qatar Holding issued decision No. 1 of 2021 re-forming the Board of Directors of Qatar Stock Exchange. The Board is now chaired by H E Sheikh Mohammed Bin Hamad Bi Qassim Al-Thani, and the structure of the new Board is as follows: (1) H E Sheikh Mohammed Bin Hamad Bin Qassim Al-Abdullah Al-Thani as Chairman (2) Mansoor Ibrahim Al Mahmoud as Vice Chairman (3) Hamad Khalaf Al Maadadi as Board Member (4) Andre Went as Board Member (5) Sheikh Salman bin Hasan Al Thani as Board Member (6) Tamim Hamad Al-Kuwari as Board Member (7) Waleed Jassim Al Musallam as Board Member (8) Yousuf Mohammed Al Jaida as Board Member (9) Rashid Ali Al Mansoori as Board Member (QSE)
- **Qatar central bank governor to head Financial Markets Authority** – Qatar's Emir Sheikh Tamim bin Hamad Al-Thani appointed on Sunday central bank governor Sheikh Bandar bin Mohamed bin Saud Al-Thani as Head of the board of the Qatar Financial Markets Authority (QFMA), the emiri court said in a statement. (Reuters)
- **Sheikh Joaan bin Hamad re-elected as the QOC President** – HE Sheikh Joaan bin Hamad Al-Thani was unanimously re-elected as president of the Qatar Olympic Committee (QOC) for a new Olympic term 2021-2024 and HE Jassim bin Rashid Al-Buenain was elected as Secretary-General of the QOC. The elections took place in the General Assembly meeting held on Sunday under the leadership of HE Sheikh Joaan where HE Mohamed Yousef Al-Mana was elected First QOC Vice President, HE Dr. Thani bin Abdulrahman Al-Kuwari Second QOC Vice President, HE Al-Buenain QOC Secretary General and Nasser Bin Saleh Al-Attiyah as Chair of QOC's Athletes Commission. In attendance also were presidents of sports federations and Committees. (Gulf-Times.com)

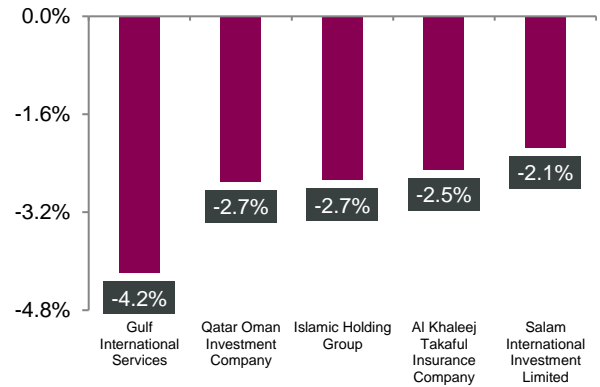
Qatar Stock Exchange

Top Gainers



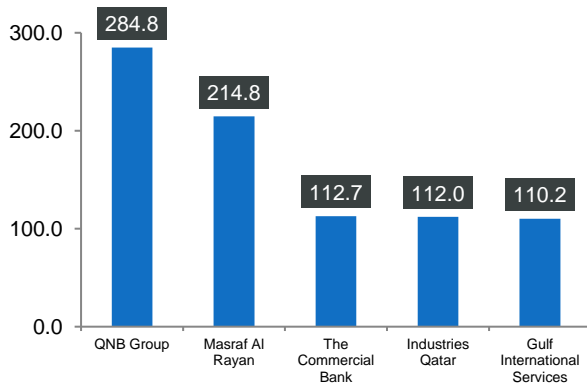
Source: Qatar Stock Exchange (QSE)

Top Decliners



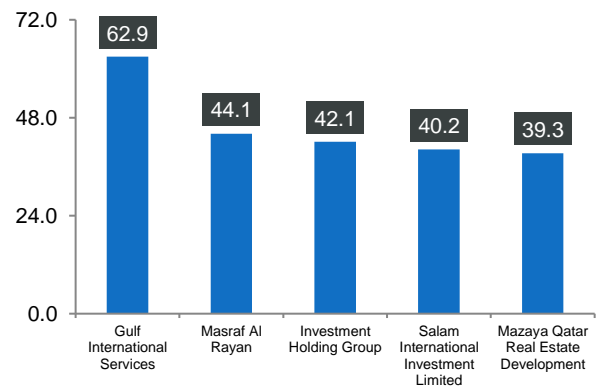
Source: Qatar Stock Exchange (QSE)

Most Active Shares by Value (QR Million)



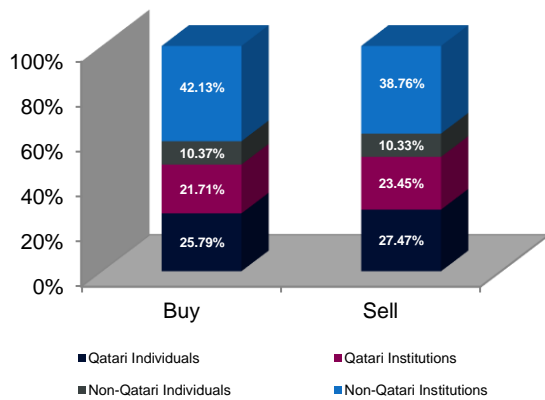
Source: Qatar Stock Exchange (QSE)

Most Active Shares by Volume (Million)



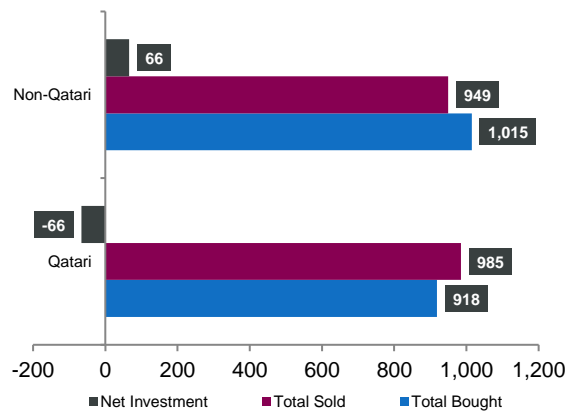
Source: Qatar Stock Exchange (QSE)

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 edged up over the past week; it closed at 11,687.41 (+0.6% from the week before). The current uptick took place on slightly higher volumes. Moreover, the uptrend remains intact and the moving averages remain to be stacked in a bullish manner. As a result, the current trend remains up and healthy. Our expected support level remains at 11,400 points, and the resistance at 12,000 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 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 December 16	% Change WTD	% Change YTD	Market Cap. QR Million	TTM P/E	P/B	Div. Yield
Qatar National Bank	19.90	(0.60)	11.61	183,805	15.6	2.3	2.3
Qatar Islamic Bank	18.20	1.22	6.37	43,005	13.6	2.2	2.2
Commercial Bank of Qatar	6.69	0.98	52.11	27,088	13.1	1.4	1.5
Doha Bank	2.98	(0.10)	25.77	9,230	14.7	0.9	2.5
Al Ahli Bank	3.99	0.00	15.75	9,694	13.8	1.5	3.8
Qatar International Islamic Bank	9.40	0.01	3.86	14,230	15.9	2.2	3.5
Masraf Al Rayan	4.94	1.86	9.05	45,942	16.6	2.5	3.4
Qatar First Bank	1.80	(0.44)	4.59	1,260	10.7	2.3	N/A
National Leasing	0.99	(1.10)	(20.76)	487	19.5	0.7	2.5
Diala Holding	1.39	(2.12)	(22.84)	394	25.5	1.8	N/A
Qatar & Oman Investment	0.86	(2.71)	(2.82)	272	48.1	0.9	N/A
Islamic Holding Group	4.29	(2.68)	(16.18)	243	42.9	1.7	1.2
Banking and Financial Services				335,651			
Zad Holding	15.90	1.27	17.30	4,145	21.5	2.8	4.0
Qatar German Co. for Medical Devices	3.44	4.21	53.96	398	130.5	12.0	N/A
Salam International Investment	0.87	(2.15)	33.03	990	N/A	0.6	N/A
Baladna	1.48	(0.13)	(17.26)	2,815	N/A	1.3	3.6
Medicare Group	8.33	(0.10)	(5.79)	2,344	26.0	2.3	21.6
Qatar Cinema & Film Distribution	3.48	0.52	(12.85)	219	71.1	1.6	2.9
Qatar Fuel	17.77	(0.73)	(4.87)	17,668	17.4	2.0	2.6
Qatar Meat and Livestock	3.65	(1.93)	(42.27)	657	N/A	2.1	2.7
Mannai Corp.	4.75	(0.57)	58.33	2,167	5.4	1.0	0.2
Al Meera Consumer Goods	19.30	(0.77)	(6.81)	3,860	21.4	2.6	4.7
Consumer Goods and Services				35,262			
Qatar Industrial Manufacturing	3.10	1.64	(3.40)	1,473	12.0	0.9	3.2
Qatar National Cement	5.15	0.98	24.10	3,366	14.2	1.1	3.9
Industries Qatar	15.13	0.53	39.19	91,537	13.8	2.4	2.2
Qatari Investors Group	2.31	(0.73)	27.72	2,876	20.9	1.0	2.6
Qatar Electricity and Water	16.77	(0.18)	(6.05)	18,447	14.1	1.6	3.8
Aamal	1.06	0.09	24.44	6,703	27.9	0.9	3.8
Gulf International Services	1.74	(4.20)	1.17	3,224	N/A	1.0	N/A
Mesaieed Petrochemical Holding	2.23	3.05	8.94	28,016	17.1	1.7	1.8
Investment Holding Group	1.31	(0.31)	118.03	1,084	54.6	1.3	N/A
Qatar Aluminum Manufacturing	1.84	(0.59)	90.18	10,262	17.0	1.7	1.9
Industrials				166,987			
Qatar Insurance	2.58	0.39	9.23	8,427	15.9	1.0	N/A
QLM Life & Medical Insurance	4.95	0.00	N/A	1,733	N/A	2.9	N/A
Doha Insurance	1.94	0.15	39.37	970	13.8	0.8	5.2
Qatar General Insurance & Reinsurance	2.04	3.24	(23.35)	1,784	13.8	0.3	N/A
Al Khaleej Takaful Insurance	3.84	(2.51)	102.32	980	20.2	1.9	1.3
Qatar Islamic Insurance	7.89	0.64	14.33	1,183	15.3	2.9	4.1
Insurance				15,077			
United Development	1.63	5.71	(1.51)	5,772	18.7	0.5	3.1
Barwa Real Estate	3.20	1.23	(5.91)	12,452	10.2	0.6	3.9
Ezdan Real Estate	1.45	(0.62)	(18.58)	38,355	99.7	1.2	N/A
Mazaya Qatar Real Estate Development	1.00	(1.58)	(20.90)	1,156	37.7	0.9	3.0
Real Estate				57,735			
Ooredoo	6.84	(0.26)	(9.04)	21,910	N/A	1.1	3.7
Vodafone Qatar	1.64	(0.43)	22.40	6,928	26.6	1.5	3.1
Telecoms				28,838			
Qatar Navigation (Milaha)	7.60	0.20	7.15	8,704	26.3	0.6	3.9
Gulf Warehousing	4.65	(1.44)	(8.79)	273	11.9	1.4	2.2
Qatar Gas Transport (Nakilat)	3.28	(0.09)	3.14	18,172	14.2	2.2	3.4
Transportation				27,148			
Qatar Exchange				669,151			

Source: Bloomberg

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