

22 May 2017

Jordanian stocks rise by 0.27% WoW, snapping a 6-week losing streak

- The ASE General Index advanced by 5.8 points last week ending a six-week losing streak despite a 25.5% WoW decrease in average daily trading values. Blue-chips Al-Eqbal Investment Company (EICO, +3.1%), The Housing Bank (THBK, +1.35%), & Cairo Amman Bank (CABK, +5.7%) pushed the index higher while banking heavyweight Arab Bank (ARBK) weighed on the index partly offsetting broader market gains after declining by 1.3% WoW as news that the settlement between the ARBK and Americans who accused the bank of facilitating militant attacks in Israel may hit a snag surfaced during the week.
- On the sectoral front, all sector indices closed the week in green except for the banking (-0.24%) & insurance (-0.37%) sectors with the diversified financial services sector recording the biggest gain of 1.44% WTD.
- Jordanians were net buyers while Arab & foreign investors were net sellers.
- Institutions were net buyers while Retail investors were net sellers.

Regional Markets	Index	WTD	MoM	YTD
Amman SE (ASE)	2,165.3	0.3%	-2.2%	-0.2%
Dubai FM (DFM)	3,378.0	-1.2%	-3.4%	-4.3%
Abu Dhabi SE (ADX)	4,581.3	-0.6%	1.9%	0.8%
Saudi SE (TASI)	6,938.1	0.8%	-0.1%	-3.8%
Kuwait SE (KSE)	403.6	0.7%	-2.4%	6.2%
Doha SM (DSM)	10,103.4	-0.1%	-2.3%	-3.2%
Bahrain SE (BAX)	1,308.8	0.1%	-2.2%	7.2%
Muscat SM (MSM)	5,415.1	-0.3%	-2.0%	-6.4%

Source : Reuters

Sector Indices	Value Traded (JD)	No. of Shares	Close	% Chg.
Financial	17,744,685	18,044,387	2,944	-0.09
Banks	5,030,971	1,569,672	4,362	-0.24
Insurance	91,736	126,921	1,996	-0.37
Diversified Fin. S	4,599,505	4,617,084	1,745	1.44
Real Estate	8,022,473	11,730,710	1,968	0.38
Services	5,448,535	4,579,083	1,553	0.41
Industrial	8,844,204	5,682,758	2,110	1.23

Source : ASE

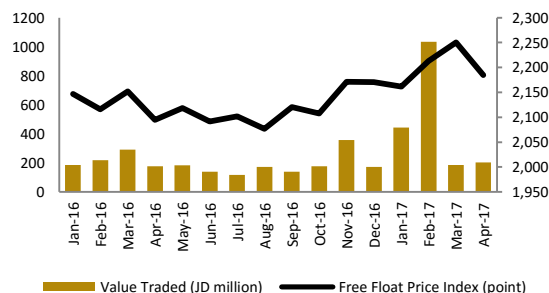
Economic News

IMF praises Jordan's progress in economic reform

The International Monetary Fund (IMF) has praised Jordan's economic correction measures and the Central Bank of Jordan's (CBJ) policies geared towards monetary stability. The remarks came as an IMF team concluded a visit to the Kingdom to complete discussions on the 2017 Article IV Consultation and First Review under Jordan's economic programme. In its statement, the IMF commended the authorities' efforts in continuing to gradually remove the general sales tax and customs duties exemptions (excluding health and basic food items) for the years ahead. In addition, the fund praised the recent steps by the Central Bank of Jordan to raise its policy rates which helped to better balance the need for preserving an adequate reserves buffer and confidence in the Jordanian dinar peg against the need to provide supportive credit conditions to the economy.

The IMF also expected domestic, regional, and global geopolitical and security developments to continue to hinder investor confidence, exports, investment, and public finances while ensuring that recent economic indicators are encouraging pointing to a rebound in exports, remittances, and tourism in the first few months of 2017. With the downward revisions to growth, public debt is now expected to decrease to 77% by 2022, one year later than originally envisaged. (IMF, Jordan Times)

ASE General Index



Trading Activity

Average Daily Value	JD 6.4 million
Average Daily Volume	5.7 million

Source : ASE

Market Breadth

Gainers	Losers	Unchanged
57	62	29

Top Gainers

	Price	% Chg
Intermediate Petrochemicals Ind	0.51	21.00%
Noor Cap Markets for Div Inv	0.38	15.15%
Arabian Aviation Inv Com	3.38	13.42%

Source : ASE

Top losers

	Price	%Chg
Islamic Insurance	1.26	-23.64%
Al-Tajamout for Cater & Housing	0.54	-14.29%
Nutri Dar	1.08	-14.29%

Source : ASE

Most Active

	Price	%Chg
Tameer Jordan Hold Pub Sharehold	0.68	-2.33%
Al-Antkaeya for Inv & Real Dev Co	0.47	-6.25%
Al-Tajamout for Cater & Housing	0.64	14.29%

Source : ASE

Top Value Traded

	Price	%Chg
Al-Eqbal Inv Company	24.8	3.13%
Arab Bank	6.05	-1.31%
Jordan Petroleum Refinery	3.22	0.63%

Source : ASE

Trading by Investor Type (14 May - 18 May 2017)

	Buy	Sell
Retail	70.8%	72.2%
Institutional	29.2%	27.8%

Source :SDC

Trading by Nationality (14 May - 18 May 2017)

	Buy	Sell
Jordanians	86.6%	80.9%
Arab	5.4%	8.4%
Foreigners	7.9%	10.7%

Source :SDC

▪ **Jordan's tax receipts fall by around 2% in Q1 2017**

Total tax receipts in the kingdom fell to JD 1.019 billion in Q1 2017 compared to JD 1.042 billion during the same period last year, a decline of 2.25%. This came mainly on the back of a 15.5% drop in income taxes during the period which reached JD 208.6 million, down from JD 246.9 million in Q1 2016. (*Ministry of Finance*)

ASE News

▪ **JSC to issue regulations in line with the Securities Act of 2017**

The Jordan Securities Commission (JSC) appointed specialized committees to draft regulations pertaining to the Securities Act of 2017 which came into effect in May of this year as part of the national efforts to strengthen the national economy. The draft regulations address various rules including Governance of Public Shareholding Companies, investor protection, public possession, mutual funds, licensing and solvency standards of financial service companies and other topics related to capital markets including instructions for licensing the securities trading market, requirements of self-listing of financial markets and amendments of disclosure instructions. (*JSC*)

Corporate News

▪ **Arab Bank settlement over attacks may hit snag in U.S. appeals court**

A settlement between the Arab Bank and Americans who accused it of facilitating militant attacks in Israel is in jeopardy after U.S. judges said they may not have jurisdiction over an appeal that would determine how much the bank should pay. Judges of the 2nd U.S. Circuit Court of Appeals in New York raised the jurisdiction issue during an oral argument last week. Jordan-based Arab Bank is appealing a September 2014 jury verdict in a Brooklyn federal court finding it liable for facilitating two dozen attacks linked to Hamas by handling financial transactions. Following the verdict, Arab Bank reached a settlement covering 527 plaintiffs. Under the deal, the bank would appeal the verdict, and the amount it would pay was left subject to whether or not the appeal was successful. Arab Bank said in January 2016 it had accumulated \$1 billion in provisions for the case that would cover "expected obligations" under the settlement. The three-judge panel ordered both sides' lawyers to provide the court with a copy of the settlement and to submit legal briefs explaining why the court had jurisdiction over the case. (*Reuters*)

▪ **AHLI gets JSC approval to register new shares**

The Jordan Securities Commission (JSC) has approved the registration of the 8.75 million new shares in the capital of Jordan Ahli Bank (AHLI). Earlier this year, the bank's general assembly approved the BOD recommendation to increase AHLI's paid-up capital to JD 183.75 million through the capitalization of JD 8.750 million for voluntary reserves. (*Company Disclosure*)

▪ **JOKB approves a JD 0.20 DPS**

Jordan Kuwait Bank's (JOKB) general assembly approved the BOD's recommendation to distribute JD 20.0 million in cash dividends for the year 2016, a dividend per share of JD 0.20. (*Company Disclosure*)

▪ **JOIB gets approval to increase capital to JD 180 million**

The Ministry of Industry, Trade & Supply has approved Jordan Islamic Bank's (JOIB) request to increase its paid-up capital to JD 180.0 million by distributing a 20% stock dividend through the capitalization of JD 30.0 million from retained earnings. (*Company Disclosure*)

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