

## Global Economic Development

- The Federal Reserve left rates unchanged but lowered the interest rate on excess reserves to 2.35% from 2.4%.
- Initial jobless claims remained unchanged at the 3-month high of 230k at the end of Apr; the 4-week moving average of claims rose 6,500 to 212,500.
- US non-farm payrolls increased by 263k last month. Unemployment rate dropped to 3.6% - the lowest in 50 years.
- US factory orders posted the largest uptick in 7 months, rebounding 1.9% in March 2019.
- US industrial production unexpectedly fell by 0.1% mom in March 2019.
- US trade deficit fell to an 8-month low of USD 49.4bn in February 2019.
- Eurozone growth strengthened in Q1, rising by 0.4%.
- Eurozone Inflation accelerated, touching 1.7% in April 2019 due to seasonal effects given the timing of Easter.
- Eurozone unemployment was at a 10-year low of 7.7% in March 2019.
- Germany's unemployment decreased by 12k to 2.22mn in Apr, as the rate held steady at 4.9%, the lowest in nearly 30 years.
- Germany's inflation increased to 2.1% in Apr, above the ECB's target for the first time since November 2018.
- The Bank of England kept interest rates on hold, while hinting at interest rates rise over the next three years as growth improves.
- UK unemployment fell by 27k to 1.34mn in the three months to Feb, with the unemployment rate, at 3.9%, lower than at any time since the end of 1975.
- UK inflation was stable at 1.9% in March 2019.
- China's registered a strong start to 2019, with Q1 GDP growing by 1.4% qoq and 6.4% yoy.
- China's industrial production surged by 8.5% yoy in March, the fastest in over 4.5 years.
- China's fixed asset investment increased by 6.3% yoy in January-March 2019, as infrastructure projects picked up.
- Japan's trade balance fell into red for the first time in 3 years: deficit was at JPY 1.59trn (USD 14.18bn) in the fiscal year 2018.

## Local & Regional Economic Development

- Palestine unemployment rate increased by 3% yoy in 2018 to 31%.
- Palestine Producer Price Index (PPI) decreased by 0.87% mom in March and reached 100.25.
- Palestine IPI increased by 2.89% during mom February 2019.
- Palestine CPI increased by 0.85% mom on March 2019.
- Palestine Exports increased by 1% mom in February 2019, (decreased 13% yoy) and reached USD 83.70 million. While imports decreased by 9% mom in February (increased by 6% yoy), 2018 and reached USD 459.8 Million.

| Palestine Key Economic Indicators |       |       |       |       |       |
|-----------------------------------|-------|-------|-------|-------|-------|
|                                   | 2014  | 2015  | 2016  | 2017  | 2018  |
| Population ('000)                 | 4,429 | 4,530 | 4,632 | 4,733 | 4,854 |
| Real GDP Change                   | -0.2  | 3.4   | 4.1   | 3.2   | 0.70  |
| Real Per Capita GDP Change        | -3.1  | 0.4   | 1.2   | 0.1   | NA    |
| Inflation Rate                    | 1.73  | 1.43  | -0.22 | 0.21  | -0.19 |
| Unemployment rate                 | 26.9  | 25.9  | 26.9  | 27.40 | 30.80 |

- According to IMF MENA Regional outlook; Growth for oil exporters is projected to dip slightly in 2019 to 0.4% from 0.6% the previous year.
- Egypt aims to raise economic growth to 8% in the 2021-22 fiscal year from the 5.3% reported in the 2017-18 fiscal year.
- Egypt plans to attract USD 200bn worth investments in the next 4 years.
- Jordan's electric car sales dropped by 70% in April, after a 25% tax hike was imposed on it.
- Kuwait's credit rating was affirmed at AA2 by Moody's, and retained a stable outlook, citing its fiscal strength.
- Kuwait will not table the bill to impose 5% tax on expat remittances for the current parliamentary term.
- Lebanon's President has called for the approval of the 2019 budget by end of May, in a bid to proceed with the stalled reform plan.
- Oman is planning to issue a new banking law this year— with an emphasis on value creation, support to SMEs and digital banking.
- Oman is preparing for a USD bond sale to finance its budget deficit. 86% will be covered through local and foreign borrowing.
- Qatar Petroleum awarded eight drilling contracts for its North Field gas expansion project: the rigs are expected to be ready for drilling from Jan 2020.
- Saudi Arabia will issue USD 3-5bn in new international sukuk in Q3 2019.
- Saudi PIF plans to raise more money via debt this year: it is expected to be around USD 3.73bn and foreign currency borrowings of around USD 8-10bn.
- Saudi's investment funds assets grew by 15.2% yoy to USD 77.37bn in 2018.
- UAE's gold reserves grew by 2.5% mom to AED 1.14bn at End-March.
- Bilateral non-oil trade between UAE and China exceeded USD 50bn in 2018.
- Dubai is planning a 3-year rent cap within a new rental law.



Part of PEX General Assembly Meeting

- Palestine Exchange concludes a workshop with An-Najah National University**, the workshop titled “**PEX mechanisms and investment principles**” was concluded on Sunday April 21<sup>st</sup>, 2019. It targeted a group of about 70 students from Different faculties. The workshop lasted for 6 training hours, 4 meetings, held at the university premises, during which a team of specialists presented a complete picture of Palestine Exchange. The workshop covered various topics including the role of Capital Market Authority, member firms, the role of the clearing, depository and Settlement center, Listing, disclosure and trading. It also covered a practical approach to investing, regulations and laws governing the exchange, and concepts of investor relations.
- Palestine Securities Exchange Company holds its Ordinary General Assembly Meeting on April 9<sup>th</sup>**, The General Assembly unanimously approved the Board of Directors' recommendation to distribute cash dividend of 4%. The 2018 administrative report, financial statements and the auditor's report were also approved. The board of directors was discharged for the exercise of their mandate for the financial year 2018.
- Palestine Exchange launches a campaign to educate investors of their rights in the General Meetings**, the campaign titled "Know Your Right" was launched in April 2019 targeting investors and shareholders and used PEX social media to deliver awareness messages. The aim of the campaign is to educate shareholders of their rights; especially when attending general assembly meetings as companies' board of directors have obligations toward their shareholders before, during and after the general meeting as per the companies' law and code of corporate governance.
- Profits of listed companies on the Palestine Exchange grew 3% and reached USD 297mn in 2018**. Final results of 2018 showed that the thirty-Nine companies achieved profits of USD 304,281,715, a decline of 4%, while the net loss of the other five companies was USD 7,497,480 a decrease of 73% in comparison to 2017. Four companies failed to disclose their annual results. 2018 results can be viewed through the link: <http://www.pex.ps/FileManagerWeb/Default.aspx?AID=1000&UID=345&Wfid=29&DocAction=610&HashCode=702&PathCode=1&TRID=38479&TID=927>

## Corporate News

- Al Quds Bank (PEX: QUDS)** disclosed its investment in Experts integrated solutions company.
- Bank of Palestine (PEX: BOP)** stock dividends of (2%) was added to company's shareholders on April 07<sup>th</sup>, 2019 raising the company subscribed capital to (204 million) shares.
- Arab Islamic Bank (PEX: AIB)** stock dividends of (13.22%) was added to company's shareholders on April 04<sup>th</sup>, 2019 raising the company subscribed capital to (84,919,252) shares.
- Sanad Construction Resources Company (PEX: SANAD)** has a new CEO, Mr. Ghassan Anabtawi, as of Monday, April 01, 2019.

**Trading Summary**

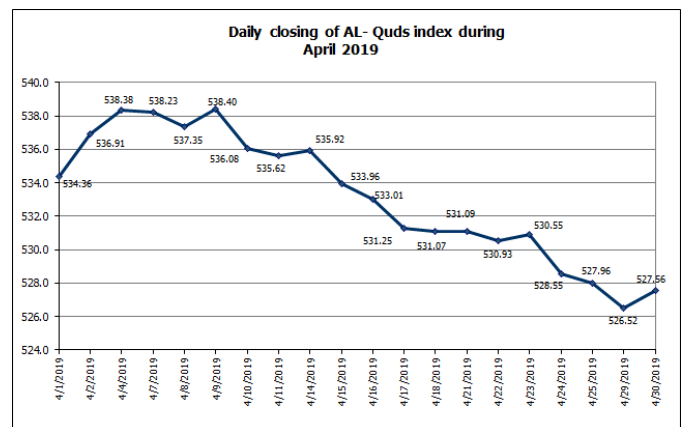
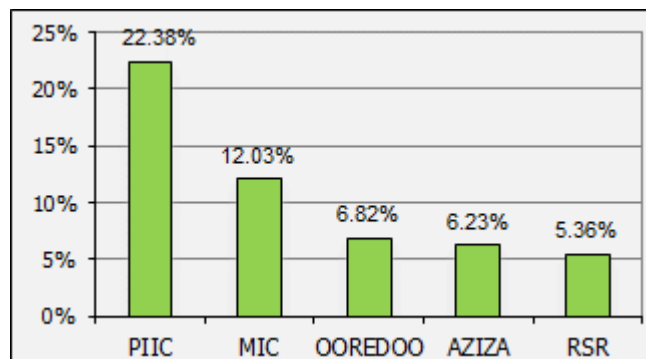
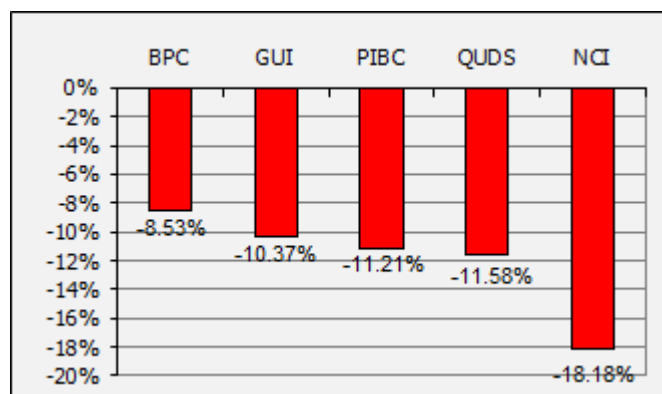
| Details              | Value         | Month Change | YTD           |
|----------------------|---------------|--------------|---------------|
| Index close (points) | 527.56        | -0.54%       | -0.34%        |
| Trading value (US\$) | 22,290,609    | -38.68%      | 125,552,745   |
| Trading volume       | 12,623,895    | -38.63%      | 71,580,721    |
| No. of transactions  | 3,614         | 8.53%        | 12,312        |
| Market Cap. (US\$)   | 3,746,839,814 | -0.29%       | 3,746,839,814 |

**Key Indicators**

|                                     |               |
|-------------------------------------|---------------|
| No. of listed Companies             | 48            |
| Subscribed Shares                   | 1,920,284,250 |
| Annual Turnover Ratio               | 8.22%         |
| Price earnings ratio (P/E)          | 12.49         |
| Daily average value turnover (US\$) | 1,114,530     |
| Daily average Volume turnover       | 631,194       |

**PEX Indices**

| Index (Base Value =100)   | Points | Change |
|---------------------------|--------|--------|
| Al-Quds                   | 527.56 | -0.54% |
| General                   | 294.08 | -0.27% |
| Banking & Financial Serv. | 149.44 | -2.99% |
| Industry                  | 97.20  | -1.98% |
| Insurance                 | 96.43  | 0.12%  |
| Investment                | 29.63  | 2.42%  |
| Services                  | 39.10  | 1.14%  |

**Al Quds Index**

**Top Gainers**

**Top Decliners**

**Arab Markets Indices**

| Country    | Value     | M. Change | Y-To-D |
|------------|-----------|-----------|--------|
| SAUDI      | 9,304.20  | 5.50%     | 18.88% |
| EGYPT      | 14,920.15 | 1.24%     | 14.46% |
| DUBAI      | 2,767.10  | 5.02%     | 9.38%  |
| SUDAN      | 14,501.89 | 6.70%     | 8.89%  |
| BAHRAIN    | 1,433.92  | 1.46%     | 7.23%  |
| ABU DHABI  | 5,258.04  | 3.61%     | 6.98%  |
| KUWAIT     | 5,633.75  | 0.28%     | 6.96%  |
| QATAR      | 10,376.80 | 2.67%     | 0.76%  |
| PALESTINE  | 527.56    | -0.54%    | -0.34% |
| CASABLANCA | 11,192.06 | 2.56%     | -1.52% |
| DAMASCUS   | 6,091.88  | -1.32%    | -1.59% |
| AMMAN      | 1,811.45  | -5.37%    | -5.10% |
| TUNIS      | 6,885.12  | 0.34%     | -5.32% |
| BEIRUT     | 909.85    | -6.46%    | -6.85% |
| MUSCAT     | 3,945.64  | -0.95%    | -8.74% |
| IRAQ       | 464.61    | 2.69%     | -8.92% |

## AI Quds Index Companies

| Company   | Ticker  | Currency | M. Cap.<br>USD'<br>Million | Price<br>EOM | Monthly<br>Change % | YTD<br>Change% | P/E     |
|---|---------|----------|----------------------------|--------------|---------------------|----------------|---------|
| Ahliea Insurance Group                          | AIG     | US\$     | 18.80                      | 0.47         | 0.00                | 20.51          | 8.86    |
| Arab Palestinian Investment                     | APIC    | US\$     | 200.08                     | 2.44         | 1.67                | 3.83           | 12.48   |
| Bank Of Palestine                               | BOP     | US\$     | 442.68                     | 2.17         | -2.69               | -6.47          | 8.18    |
| Birzeit Pharmaceuticals                         | BPC     | US\$     | 89.69                      | 4.72         | -8.53               | -8.17          | 11.26   |
| Palestine Islamic Bank                          | ISBK    | US\$     | 143.99                     | 1.87         | -6.03               | 1.08           | 9.52    |
| Jerusalem Pharmaceutical                        | JPH     | US\$     | 54.90                      | 3.05         | -1.61               | -5.86          | 9.15    |
| Wataniya Palestine Mobile<br>Telecommunications | OOREDOO | US\$     | 275.42                     | 0.94         | 6.82                | 14.63          | 2741.21 |
| Palestine Development &<br>Investment           | PADICO  | US\$     | 342.50                     | 1.37         | 0.00                | 7.03           | 22.04   |
| Palestine Telecommunications                    | PALTEL  | JOD      | 742.60                     | 4.00         | 0.00                | -7.41          | 7.85    |
| Palestine Electric                              | PEC     | US\$     | 78.00                      | 1.3          | -7.14               | -4.41          | 8.88    |
| Palestine Investment Bank                       | PIBC    | US\$     | 80.34                      | 1.03         | -11.21              | -14.88         | 18.5    |
| Palestine Real Estate Investment                | PRICO   | JOD      | 35.07                      | 0.39         | 0.00                | -9.30          | ---     |
| Quds Bank                                       | QUDS    | US\$     | 151.49                     | 1.68         | -11.58              | -10.64         | 13.06   |
| The National Bank                               | TNB     | US\$     | 135.72                     | 1.74         | -7.94               | 2.35           | 7.05    |
| Union Construction and<br>Investment            | UCI     | US\$     | 23.04                      | 0.72         | 0.00                | 20.00          | 11.96   |

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