

Global Economic Development

- US GDP growth rose 2.6% qoq ann, against expectations of a 3.0% in Q3 2017.
- US goods trade deficit in Dec rose to USD 71.58bn from USD 69.99bn in Nov 2017.
- US core PCE inflation shot up to 1.9% yoy in Q4 2017, close to the 2% inflation target set by the Fed.
- The US Senate confirmed Jay Powell as the next Chairman of the Federal Reserve Board, replacing Janet Yellen. It is unlikely that the central bank policy will drastically shift.
- US Initial claims for unemployment insurance rose 17,000 to 233,000 in the last week of January 2018.
- US new home sales plunged by -9.3% mom in Dec 2017.
- US existing home sales declined by -3.6% mom (1.1% yoy) in Dec 2017.
- The ECB's kept monetary policy on hold, stressing that the QE programme could be extended beyond Sep and/or expanded in size if the outlook turns sour.
- The Eurozone's M3 money supply growth slowed to 4.6% yoy in Dec.
- The Eurozone composite PMI rose again from 58.1 in Dec to 58.6 in Jan, its highest level since Jun 2006.
- UK consumer confidence fell further to -13 in Dec from -12 in Nov, the lowest reading in 4 years.
- UK inflation retrenched to 3% yoy in Dec, from 3.1% in Nov 2017.
- Japan's trade surplus narrowed to JPY 86.8bn in Dec due to sluggish export growth.
- Japan core inflation increased by 0.9% yoy in Dec, unchanged from Nov 2017.
- South Korea's GDP in Q4 expanded only 0.2% qoq (3.8% yoy), a low not seen since Q4 2008.
- Taiwan industrial production grew by 1.2% yoy (0.6% mom) in Dec vs 1.3% in Nov 2017.
- Singapore's industrial production growth slumped to 3.9% yoy in Dec, vs 5.6% in Nov 2017.
- China's GDP grew by 6.8% yoy in Q4 2017.

Local & Regional Economic Development

- Palestinian PPI & CPI increased by 0.88% & 0.21% respectively yoy in 2017.
- Palestine External Trade in Goods showed that exports increased by 7.5% & imports by 4.1% mom in Nov 2017.
- Palestine Industrial Production Index (IPI) decreased by 1% mom in Nov. 2017.
- Jordan is the 3rd country in the Arab world in renewable energy capacity, according to the Friedrich Ebert Foundation.
- Jordan ends subsidies on Arabic bread which was raised 60%. A cash transfer mechanism has been put in place to offset impact on the poor.
- The IMF's second review of Egypt's reform program raised GDP growth for the 2017/18 fiscal year to 4.8% from 4.5% in a previous review; inflation is estimated to dip to 12% by Jun and to single digits from 2019, while the fuel subsidy bill is expected to decline to 2.4% of GDP from 3.3% last year.
- Saudi Arabia's foreign exchange reserves in Dec had inched up by USD 1bn to USD 486.9bn.
- Saudi Arabia's Capital Market Authority will study if Aramco IPO is too big for the local market.
- Iraq has set May 12 as the date for parliamentary elections; the PM is seeking re-election.
- Kuwait's will stop recruiting under-30 expats holding university certificates from Jul this year.
- Qatar Unemployment Rate remained unchanged at 0.10 percent in the third quarter of 2017.
- Lebanon's PM has asked all government departments to reduce their 2018 budgets by 20%.
- Oman's economy is expected to grow by 3.5% in 2018 driven by a gas production rebound.
- The UAE interest rates on loans and credit cards, and the issuance and transfer of equities or debt securities will be exempt from the 5% VAT.
- The UAE was ranked the 13th most promising home economy for investment in 2017-19, according to UNCTAD/IPA Survey.
- Hackers stole AED 3.86bn (USD 1.05bn) from 3.72mn consumers in the UAE last year, according to the 2017 Norton Cyber Security Insights Report.
- Bahrain unemployment rate reached 4% in Q2 2017.

Palestine Key Economic Indicators

	2012	2013	2014	2015	2016
Population ('000)	4,293	4,421	4,550	4,682	4,867
Real GDP Change	6.3	2.2	-0.2	3.4	4.1
Real Per Capita GDP Change	3.1	-0.8	-3.1	0.4	1.2
Inflation Rate	2.78	1.72	1.73	1.43	-0.22
Unemployment rate	23	23.4	26.9	25.9	26.9



- Palestine exchange (PEX) and Palestine Capital Market Authority (PCMA) discussed the securities sector developments during 2017 and prospects for 2018, in light of the prevailing economic and political conditions in the region, in a meeting attended by local media representatives held on January 22 in Ramallah.

Corporate News

- The National Cartoon Industry (PEX:NCI) appointed Mr. Mohammad Badarneh an acting GM starting of January 29th 2018.
- Wataniya Palestine Mobile Telecommunications (PEX: WATANIYA) to increase its capital by USD 35m, in a secondary public offering, after getting the necessary approvals from the PCMA.
- The Palestinian Company for Distribution & Logistics Services (PEX: WASSEL) appointed Mr. Majdi Atari as a new GM.
- The Palestine Real Estate Investment (PEX: PRICO) disclosed the resignation of its GM, Mr. Nidal Abu Lawi starting of January 9th 2018.

Trading Summary

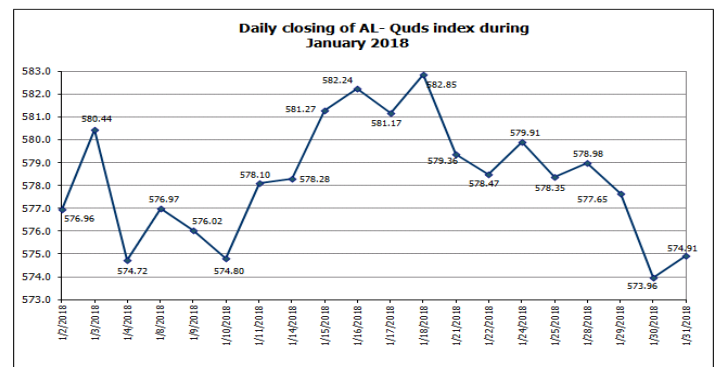
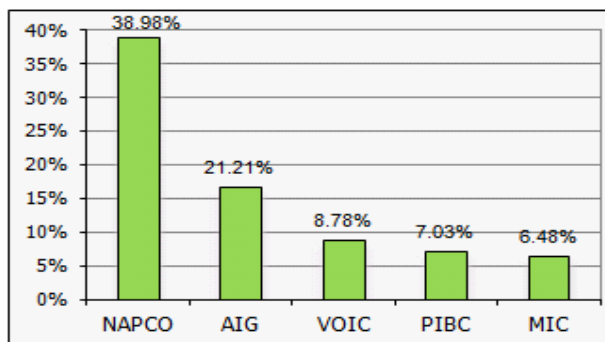
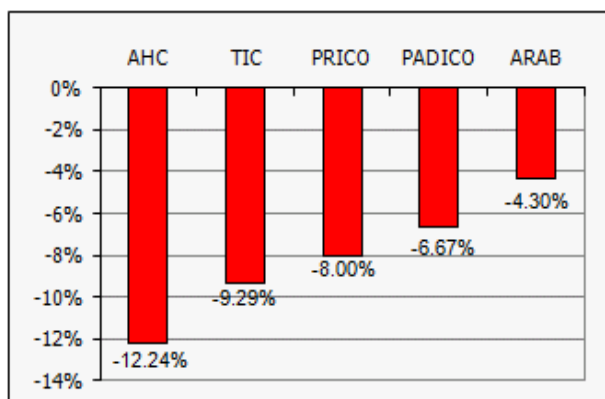
Details	Value	Month Change	YTD
Index close (points)	574.91	0.06%	0.06%
Trading value (US\$)	36,814,084	-55.73%	36,814,084
Trading volume	21,122,368	-54.01%	21,122,368
No. of transactions	3,924	1.29%	3,924
Market Cap. (US\$)	3,912,839,412	0.55%	3,912,839,412

Key Indicators

No. of listed Companies	48
Subscribed Shares	1,805,675,267
Annual Turnover Ratio	15.77 %
Price earnings ratio (P/E)	13.84
Daily average value turnover (US\$)	1,840,704
Daily average Volume turnover	1,056,611

PEX Indices

Index (Base Value =100)	Points	Change
Al-Quds	574.91	0.06%
General	312.41	0.50%
Banking & Financial Serv.	162.98	-0.64%
Industry	100.78	2.67%
Insurance	71.75	1.16%
Investment	29.90	-1.97%
Services	44.66	2.57%

Al Quds Index

Top Gainers

Top Decliners

Arab Markets

Country	Value	M. Change	Y-To-D
SUDAN	4,585.47	9.11%	9.11%
QATAR	9,204.62	7.99%	7.99%
SAUDI	7,650.12	5.86%	5.86%
CASABLANCA	13,075.49	5.54%	5.54%
ABU DHABI	4,602.23	4.63%	4.63%
KUWAIT	6,687.81	4.37%	4.37%
AMMAN	2,193.30	3.13%	3.13%
BEIRUT	1,177.43	2.51%	2.51%
TUNIS	6,431.63	2.38%	2.38%
IRAQ	590.43	1.70%	1.70%
BAHRAIN	1,350.67	1.42%	1.42%
DUBAI	3,394.36	0.72%	0.72%
EGYPT	15,042.37	0.15%	0.15%
PALESTINE	574.91	0.06%	0.06%
DAMASCUS	5,919.64	-1.05%	-1.05%
MUSCAT	4,999.96	-1.95%	-1.95%

Al Quds Index Companies

Company	Ticker	Currency	M. Cap. USD' Million	Price EOM	Monthly Change %	YTD Change%	P/E
Arab Islamic Bank	AIB	US\$	131.25	1.75	(-0.57)	(-0.57)	21.10
Ahliea Insurance Group	AIG	US\$	11.20	0.28	16.67	16.67	7.18
Arab Palestinian Investment	APIC	US\$	144.90	2.07	4.55	4.55	12.13
Bank Of Palestine	BOP	US\$	520.00	2.60	(-1.89)	(-1.89)	9.80
Golden Wheat Mills	GMC	JOD	17.77	0.84	5.00	5.00	452.36
Palestine Islamic Bank	ISBK	US\$	148.35	2.15	0.00	0.00	11.77
Jerusalem Cigarette	JCC	JOD	12.41	0.88	(-2.22)	(-2.22)	---
Palestine Development & Investment	PADICO	US\$	350.00	1.40	(-6.67)	(-6.67)	18.51
Palestine Telecommunications	PALTEL	JOD	868.83	4.68	2.18	2.18	7.59
Palestine Electric	PEC	US\$	79.80	1.33	2.31	2.31	---
Palestine Real Estate Investment	PRICO	JOD	41.36	0.46	0.50	0.50	---
Quds Bank	QUDS	JOD	146.32	2.14	0.94	0.94	13.97
The National Bank	TNB	US\$	133.50	1.78	(-3.26)	(-3.26)	18.04
Union Construction and Investment	UCI	US\$	21.76	0.68	(-1.45)	(-1.45)	22.43
Wataniya Palestine Mobile Telecommunications	WATANIYA	US\$	281.22	1.09	4.81	4.81	---

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