

## Global Economic Development

- US 10 Year Government Bond Yield decreased to a 16-week low of 1.51%.
- US PCE prices rise 0.3% mom in December 2019.
- US GDP grows 2.1% in Q4, matches forecasts.
- US personal spending rose 0.3%mom in December 2019 and matches forecasts.
- US employment costs rise 0.7% in Q4 2019.
- US personal income advanced by 0.2% from a month earlier in December 2019.
- Canada producer prices edge up 0.1% mom in December 2019.
- Canada's government budget deficit widened to CAD 2.70 billion in November 2019. Canada average weekly earnings rise 3.1% in November 2019.
- The Canadian economy expanded 0.1%mom in November 2019.
- The Eurozone economy expanded 1% yoy in the Q4 2019.
- Germany's retail sales fell by 3.3%omm in December 2019.
- Germany's consumer price inflation is expected to pick up to 1.7% yoy in January 2020.
- French household spending falls 0.3% mom in December.
- French January inflation rate steady at 1-year high of 1.5%.
- The French economy unexpectedly shrank 0.1%in Q4 2019.
- Italy's GDP shrank 0.3% in quarter in the three months to December 2019.
- Russia's gross domestic product grew by 2.4% yoy in December 2019.
- Turkish tourism revenues jump 20.6% in Q4 2019.
- Japan's retail sales shrank 2.6 percent year-on-year in December 2019.
- Japan unemployment rate remained unchanged at 2.2%in December 2019. The Indian economy expanded 4.5% yoy in the three months to September 2019.
- South Africa Producer Inflation Rises to 3.4% in December 2019.

## Local & Regional Economic Development

- Palestine PPI reached 99.42 in 2019, a decrease of 0.58% compared to 2018.
- Palestine CPI increase by 1.58% during 2019.
- Palestine IPI reached 103.86 in 2019, which indicates an increase of 3.86% compared to 2018.
- Palestine exports increased by 6% mom in November 2019.
- Palestine imports slightly increased by 0.1% mom in November 2019.
- Palestine trade deficit decreased by 1% mom in November 2019, and reached USD 378.1 Million.
- Egypt's external debt increased by 17.3% to USD 108.7bn in the fiscal year 2018-2019.
- Egypt posted an EGP 3bn budget surplus in Q1 of the fiscal year 2019/2020.
- Foreign investments in Egyptian public debt instruments amounted to USD 22bn at end-December 2019.
- Egypt's external debt grew by 0.6% qoq to USD 109.3bn in Q1 FY 19-20 (July-September 2019).
- Saudi Arabia inflation rose by 0.2% yoy in December 2019.
- Saudi Arabia's crude oil exports increased by 4.4% yoy to 7.37mn barrels per day (bpd) in November 2019.
- Saudi Arabia Net FDI into Egypt dropped by 43.4% yoy and 33.4% qoq to USD 69.3mn in July-September 2019.
- UAE inflation fell by 0.8% yoy in 2019.
- Dubai announced a new (USD 544bn) target for non-oil foreign trade by 2025.
- Dubai's PMI fell to a 4-month low of 52.3 in December 2019.
- Abu Dhabi GDP grew by 2.7% yoy at constant prices to USD 55.79bn in Q3 2019.
- Kuwait deposits in banking sector grew by 1.5% yoy to KWD 43.6bn in Nov 2019.
- Bahrain-origin exports declined by 6% yoy to (USD 1.4bn) in Q4 2019.
- Bahrain's money supply (M3) accelerated by 9% yoy at end-Nov 2019.
- Oman's trade surplus widened by 7.78% yoy end-Sep 2019, as exports declined by 4% and imports dropped further by 9.7%.
- Jordan and IMF have reached an agreement for a new USD 1.3bn programme.
- Jordan's Cabinet approved the reduction of the sales tax on 76 basic commodities as of Feb 1.
- Lebanon's parliament passed the 2020 budget, with deficit at an estimated 7% of GDP.

**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



- **Palestine securities sector reviews 2019 performance and prospects for 2020**, The Chief Executive Officer of Palestine Exchange (PEX), Mr. Ahmad Aweidah, and Director of the Securities Directorate at the Palestine Capital Market Authority (PCMA), Mr. Murad Jadbah, presented the key performance of Palestine securities sector in 2019 and aspirations for 2020 in a press conference attended by representatives of the local media.

In his presentation, Mr. Aweidah stated that PEX mirrored the performance of the national economy during the 2019, which grew by 1.20%. Palestine exchange witnessed the impact of the clearing crises with the Israeli side for six months and its effect on fiscal and monetary policy and corporate earnings

Key highlights of PEX performance includes the overall development of PEX core systems, launch its new website, re-open its representative office in Ramallah, setting up its strategic objectives and road map beyond 2020 and many activities in Investor awareness and corporate citizenship.

Mr. Murad Jadbah, Director of securities directorate at the PCMA said, "We intensified our efforts during the 2019 to provide a favorable and enabling investment environment in securities, and continued to develop the capital market within international practices and according to IOSCO principles"

### The 2020 prospect

Presenting PEX efforts in 2020, Mr. Aweidah said it will focus on concluding the implementation of the core systems including "X-stream" and the central securities depository system, enhance PEX product and service offering via introducing new asset classes, increase market depth by targeting new corporations to list at PEX and continue our efforts in investor awareness. And in the sustainability side PEX will join the Sustainable Stock Exchanges initiative (SSE) of the UN organization.

On his part, Mr. Jadbah said the PCMA will continue to strengthen the capital market legal framework including member companies' dealings in international markets, right issues dealing instructions, amend PEX and member companies governing rules and other new amendments pertaining to the new companies' law. He added that the PCMA will utilize the "FinTech" in the near future to enhance financial inclusion.

### Other Financial News

- The PMA released the results of its Business Cycle Index (PMABCI) for January 2020. The results showed that the overall index maintained its previous level as a result of varying performance; pick up in Gaza Strip's index and decline in the West Bank's. Accordingly, the overall index stabilized at -7.4 points for the second month in a row, approaching its corresponding level of 2019 (around -7.3 points).

**Trading Summary**

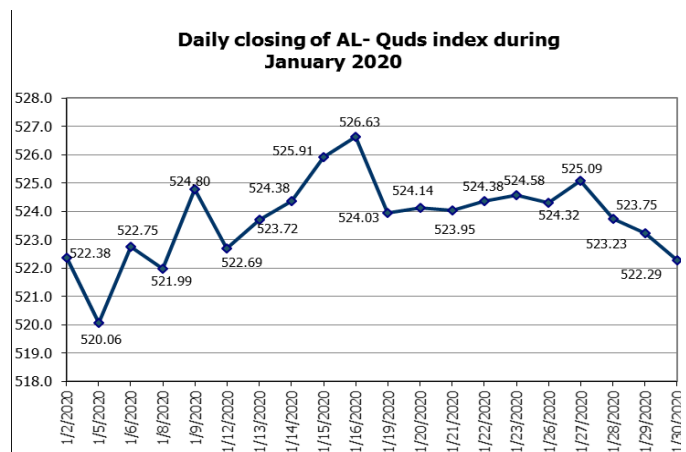
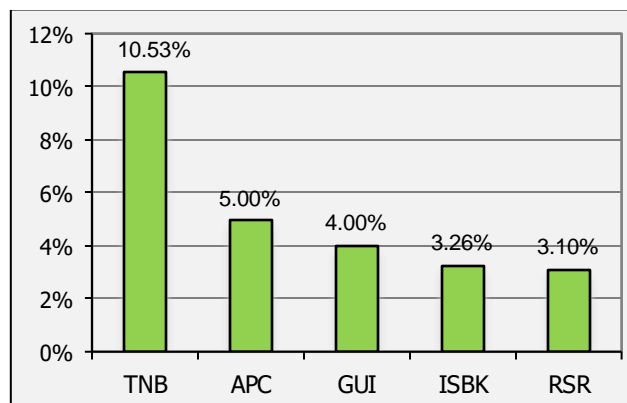
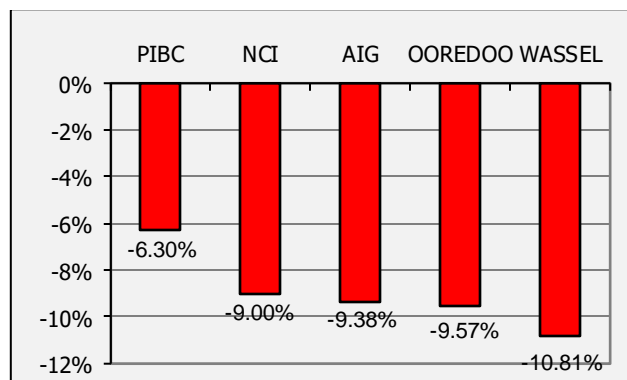
Details	Value	Month Change	YTD
Index close (points)	522.29	-0.70%	-0.70%
Trading value (US\$)	12,181,598	-16.22%	12,181,598
Trading volume	6,229,674	-10.82%	6,229,674
No. of transactions	1,751	-14.29%	1,751
Market Cap. (US\$)	3,734,415,752	-0.61%	3,734,415,752

**Key Indicators**

No. of listed Companies	48
Subscribed Shares	1,948,753,495
Annual Turnover Ratio	7.29%
Price earnings ratio (P/E)	12.57
Daily average value turnover (US\$)	609,080
Daily average Volume turnover	311,483

**PEX Indices**

Index (Base Value =100)	Points	Change
Al-Quds	522.29	-0.70%
General	292.95	-0.61%
Banking & Financial Serv.	149.92	0.73%
Industry	98.40	-0.39%
Insurance	97.48	-1.68%
Investment	27.67	-0.43%
Services	40.13	-1.91%

**Al Quds Index**

**Top Gainers**

**Top Decliners**

**Arab Markets Indices**

Country	Value	M. Change	Y-To-D
CASABLANCA	12,531.90	2.96%	2.96%
BAHRAIN	1,657.63	2.95%	2.95%
AMMAN	1,866.78	2.84%	2.84%
MUSCAT	4,079.29	2.01%	2.01%
ABU DHABI	5,159.18	1.64%	1.64%
DAMASCUS	5,905.62	1.18%	1.18%
DUBAI	2,790.42	0.92%	0.92%
QATAR	10,442.01	0.16%	0.16%
SUDAN	15,964.14	0.00%	0.00%
EGYPT	13,918.84	-0.31%	-0.31%
TUNIS	7,080.15	-0.59%	-0.59%
PALESTINE	522.29	-0.70%	-0.70%
SAUDI	8,246.59	-1.34%	-1.34%
IRAQ	480.64	-2.66%	-2.66%
KUWAIT	6,633.44	-4.91%	-4.91%
BEIRUT	704.29	-10.34%	-10.34%

## Al Quds Index Companies

Company	Ticker	Currency	M. Cap. USD' Million	Price EOM	Monthly Change %	YTD Change%	P/E
Ahleia Insurance Group	AIG	US\$	15.66	0.29	-9.38	-9.38	7.38
Arab Palestinian Investment	APIC	US\$	228.73	2.57	0.78	0.78	10.24
Bank Of Palestine	BOP	US\$	408.00	2.00	0.00	0.00	7.54
Birzeit Pharmaceuticals	BPC	US\$	101.47	5.34	0.19	0.19	12.74
Palestine Islamic Bank	ISBK	US\$	146.30	1.90	3.26	3.26	9.67
Jerusalem Pharmaceutical	JPH	US\$	48.60	2.70	-3.57	-3.57	8.10
Wataniya Palestine Mobile Telecommunications	OOREDOO	US\$	249.05	0.85	-9.57	-9.57	2,478.75
Palestine Development & Investment	PADICO	US\$	272.50	1.09	-0.91	-0.91	17.54
Palestine Telecommunications	PALTEL	JOD	781.58	4.21	0.24	0.24	8.26
Palestine Electric	PEC	US\$	94.20	1.57	2.61	2.61	10.72
Palestine Investment Bank	PIBC	US\$	92.82	1.19	-6.30	-6.30	21.38
Palestine Real Estate Investment	PRICO	JOD	33.28	0.37	-2.63	-2.63	--
Quds Bank	QUDS	US\$	136.16	1.51	-4.43	-4.43	11.74
The National Bank	TNB	US\$	163.80	2.10	10.53	10.53	8.51
Union Construction and Investment	UCI	US\$	20.16	0.63	-1.56	-1.56	10.46

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