

## Global Economic Development

- US Federal Reserve lowered benchmark rates by 25bps for the first time in a decade.
- US stocks dropped on Friday after a sharp sell-off in the previous session, following the President Trump's threat to impose a 10% tariff on \$300 billion of Chinese goods and after data showed US job growth slowed in July in line with market expectations.
- US imports fall 1.7% and Exports slump 2.1% in June.
- US wages growth steady at 0.3% in July 2019.
- US jobless rate holds steady at 3.7% in July 2019.
- The Canadian economy advanced 0.2% from a month earlier in May of 2019.
- Eurozone retail trade jumped 1.1% from a month earlier in June 2019.
- Eurozone Jobless Rate Falls to 11-Year Low at 7.5% in June 2019.
- Eurozone annual inflation rate is expected to fall to 1.1% in July 2019.
- Eurozone economy grew 0.2% on quarter in the three months to June 2019.
- Germany's unemployed increased by 1 thousand to 2.283 million in July 2019.
- Germany Manufacturing PMI was revised slightly higher to 43.2 in July 2019 from a preliminary estimate of 43.1.
- French manufacturing activity unexpectedly shrinks to 49.7 in July 2019 from 51.9 in June.
- Italy's economy stagnated in the second quarter of 2019, following a 0.1% growth in the previous three-month period.
- Bank of England's holds the Bank Rate at 0.75% during August policy meeting.
- Japan housing unexpectedly rose 0.3% yoy in June 2019.
- Japan Manufacturing PMI was revised lower to 49.4 in July 2019 from a preliminary estimate of 49.6.
- China Caixin General Manufacturing PMI rose to 49.9 in July 2019 from 49.4 in June.
- India Manufacturing PMI rose to 52.5 in July 2019 from 52.1 in the previous month
- Singapore Factory Activity Shrinks for 3rd Straight Month.
- Indonesia's annual inflation rate inched higher to 3.32% in July 2019 from 3.28% in June.
- Turkey's tourism revenues jumped 13.2% yoy to USD 7.97 billion in the second quarter of 2019, with tourist arrivals rise 18.1% in June 2019.

## Local & Regional Economic Development

- Palestinians are 13 million in the world, of whom about 5 million in Palestine in mid-2019.
- Palestine GDP decreased 2.5% during the 1<sup>st</sup> quarter 2019 compared to the 4<sup>th</sup> quarter 2018.
- Palestine PPI decreased 0.95% in June compared to May 2019
- Palestine Exports & imports decreased by 1% and 4% mom in May 2019.
- Palestine unemployment rate among labour force participants is 27%.
- IMF board completed the final review of Egypt's USD 12bn loan program.
- Egypt's bank deposit growth slowed to 11.46% in April.
- The EU will provide Egypt with USD 500mn funding until 2020. The funding priority to youth empowerment projects and will cover sectors like public finance, trade, vocational training, and civil society among others.
- Kuwait's crude oil exports declined by 5% mom and 1.68% yoy to 1.986mn barrels per day in May 2019.
- S&P affirmed Kuwait's credit rating at AA with a stable outlook.
- Lebanon's central bank approved and processed (USD 253mn) worth of subsidized housing loans in 2019.
- Fitch affirmed Oman's BB+ rating with a stable outlook.
- Credit to the private sector in Oman grew by 2.1% to OMR 18.9bn as of End-April.
- Qatar Central Bank lowered its benchmark interest rate by 25bps to 4.75 percent on August 1<sup>st</sup>.
- Saudi Arabian Monetary Agency cut its repo rate by 25bps to 2.75 percent during its July meeting.
- Inflation in Saudi Arabia fell 1.4% yoy in June 2019.
- UAE central bank slashed its benchmark interest rate by 25bps to 2.5 percent during its July meeting.
- UAE, ranked 36<sup>th</sup> globally, is the Arab world's most innovative nation as per the latest Global Innovation Index.
- Abu Dhabi's GDP grew by 5.7% yoy to AED 207bn (USD 56.4bn) in Q1 2019.
- Central Bank of Bahrain slashed its one-week deposit rate by 25bps to 2.5 percent during its July meeting.
- MENA's M&A deal value increased by 220.8% yoy to USD 115.5bn in H1 this year, according to EY.

### 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



- PEX re-opened its representative office in Ramallah to enhance its communications with the business community, the new office is located at 2<sup>nd</sup> Floor, Safad Building, Al-Masyoun.

#### **Other Financial News**

- The PMA has released the results of its extended Business Cycle Index (extended PMACI) for July 2019. The results showed that the overall index has declined against the backdrop of significant decline in the West Bank's index, despite the relative stability in the Gazan index. Moreover, the overall index is maintaining a negative value for the fourth month in a row in light of current public budget crisis. Accordingly, the overall index fell to around -13.8 points in July compared to -6.7 points in the previous month, and also to lower than its corresponding level of the last year (-4.9 points).
- Palestine Monetary Authority has published its Annual Report 2018, which reviews the latest global, regional and local economic developments, as well as developments in the government finance, the external sector and the Palestinian balance of payments; In this context, the report showed that the Palestinian economy continued to slowdown for the second year in a row, deepening in 2018 (as forecasted earlier by Palestine Monetary Authority), with growth of 0.9% compared to 3.1% in 2017 (bringing the real GDP to around USD 13.8 billion) against the backdrop of the continued downturn of the economy in the Gaza Strip and the decline in the momentum of growth in the West Bank. In the Gaza Strip, growth fell by 6.9% to a further 12.5% decline in 2017. Growth in the West Bank slowed to 3.1% from 8.5% in 2017.
- The PMA Financial Follow-Up Unit had been admitted as member in the Egmont Group of Financial Intelligence Units against Money Laundering and Financing of Terrorism during its 26th meeting in The Hague, Holland. The admittance of the Financial Follow-Up Unit to the membership in the Egmont Group is within the framework of national efforts to boost the role of the State of Palestine in combating the crimes of money laundering and financing of terrorism worldwide. It is also the outcome of the national risk assessment process.

## PEX Performance

### Trading Summary

Details	Value	Month Change	YTD
Index close (points)	529.43	1.85%	0.02%
Trading value (US\$)	22,180,717	114.91%	172,697,065
Trading volume	15,275,562	167.53%	102,007,173
No. of transactions	2,875	72.47%	19,226
Market Cap. (US\$)	3,770,229,677	1.64%	3,770,229,677

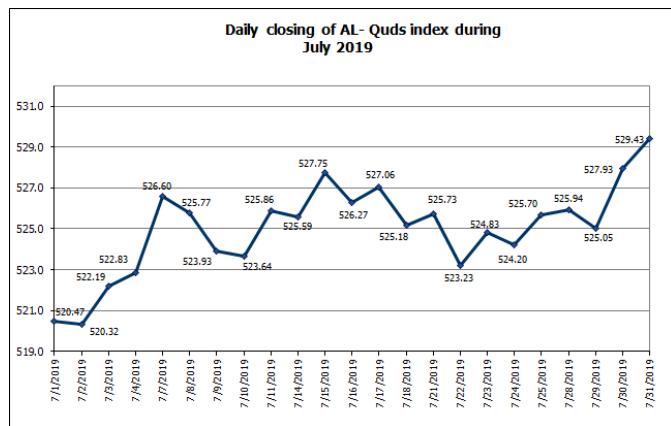
### Key Indicators

No. of listed Companies	48
Subscribed Shares	1,933,253,495
Annual Turnover Ratio	8.01%
Price earnings ratio (P/E)	12.57
Daily average value turnover (US\$)	964,379
Daily average Volume turnover	664,154

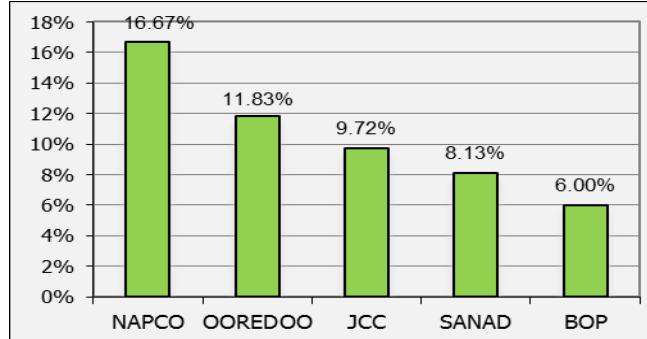
### PEX Indices

Index (Base Value = 100)	Points	Change
Al-Quds	529.43	1.85%
General	296.04	1.64%
Banking & Financial Serv.	145.60	3.18%
Industry	98.47	-0.12%
Insurance	95.17	-0.99%
Investment	29.15	0.21%
Services	41.32	2.35%

### Al Quds Index



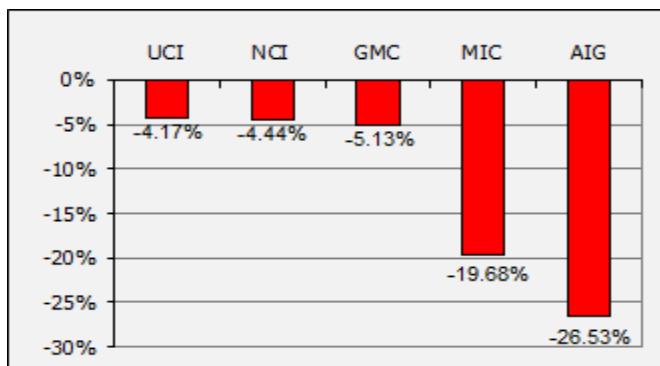
### Top Gainers



### Arab Markets Indices

Country	Value	M. Change	Y-To-D
KUWAIT	6,116.66	4.88%	16.12%
BAHRAIN	1,547.68	5.21%	15.74%
DUBAI	2,918.38	9.77%	15.36%
SAUDI	8,732.62	-1.01%	11.57%
SUDAN	14,470.84	-0.28%	8.66%
ABU DHABI	5,317.89	6.79%	8.20%
EGYPT	13,392.47	-5.02%	2.74%
CASABLANCA	11,616.49	2.92%	2.22%
QATAR	10,505.00	0.47%	2.00%
PALESTINE	529.43	1.85%	0.02%
TUNIS	7,163.97	0.21%	-1.48%
AMMAN	1,873.46	-0.35%	-1.85%
DAMASCUS	6,028.79	1.19%	-2.61%
IRAQ	480.09	-3.14%	-5.89%
MUSCAT	3,760.63	-3.20%	-13.02%
BEIRUT	828.47	-4.30%	-15.18%

### Top Decliners



### Al Quds Index Companies

Company	Ticker	Currency	M. Cap. USD' Million	Price EOM	Monthly Change %	YTD Change%	P/E
Ahliea Insurance Group	AIG	US\$	19.44	0.36	-26.53	-7.69	9.16
Arab Palestinian Investment	APIC	US\$	207.38	2.37	1.28	0.85	12.93
Bank Of Palestine	BOP	US\$	432.48	2.12	6.00	-8.62	7.99
Birzeit Pharmaceuticals	BPC	US\$	93.11	4.90	0.00	-4.67	11.69
Palestine Islamic Bank	ISBK	US\$	145.53	1.89	3.85	2.16	9.62
Jerusalem Pharmaceutical	JPH	US\$	52.56	2.92	-0.34	-9.88	8.76
Wataniya Palestine Mobile Telecommunications	OOOREDOO	US\$	304.72	1.04	11.83	26.83	3,032.82
Palestine Development & Investment	PADICO	US\$	312.50	1.25	-3.85	-2.34	20.11
Palestine Telecommunications	PALTEL	JOD	772.30	4.16	-0.95	-3.70	8.16
Palestine Electric	PEC	US\$	84.00	1.40	2.94	2.94	9.56
Palestine Investment Bank	PIBC	US\$	81.90	1.05	0.00	-13.22	18.86
Palestine Real Estate Investment	PRICO	JOD	35.97	0.40	2.56	-6.98	--
Quds Bank	QUDS	US\$	137.96	1.53	0.66	-18.62	11.90
The National Bank	TNB	US\$	125.58	1.61	0.00	5.29	6.52
Union Construction and Investment	UCI	US\$	22.08	0.69	-4.17	15.00	11.46

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