

Global Economic Development

- The Fed cut interest rates, as expected, by 25bps to a target range between 1.75%-2%.
- US Q2 GDP Growth Confirmed at 2%.
- US private sector employment below forecast. It hired 135 thousand workers in September 2019, compared to August's downwardly revised 157 thousand.
- US construction spending below forecasts. It increased 0.1% from August, below expectation of 0.4% gain.
- US personal income rises 0.4% mom in August 2019.
- US factory activity shrinks the most in a decade. It dropped to 47.8 in September 2019 from 49.1 in August.
- Canada manufacturing PMI rose to 51 in September 2019 from 49.1 in August.
- Canadian economy stalled in July 2019, after expanding 0.2% in August and below expectations of a 0.1% growth.
- Eurozone jobless rate falls to over 11-year low. it dropped to 7.4% in August 2019, the lowest since May 2008.
- Eurozone annual inflation rate is expected to ease to 0.9 % in September 2019 from 1% in August and slightly below market expectations of 1%.
- Eurozone manufacturing PMI fell to 45.7 in September of 2019 from 47.0 in August and above estimates of 45.6.
- Germany inflation is expected to ease to 1.2% yoy in September 2019 from 1.4% in August.
- German manufacturing recession deepens, as output shrank the most since July 2012 and new orders dropped to the greatest extent since April 2009.
- Dutch factory activity growth remains sluggish at 51.6 in September 2019, unchanged from August.
- UK gross domestic product expanded 1.3% yoy in Q2 2019.
- UK construction output shrinks for the 5th month it declined to 43.3 in September 2019 from 45 in August.
- Switzerland's annual inflation rate declined to 0.1% in September 2019 from 0.3% in August.
- Japan jobless rate still at 26-year low, at 2.2% in August 2019, the lowest since October 1992.
- Japan industrial output falls by 1.2% mom in August 2019, compared to July 1.3% rise.
- China general manufacturing PMI unexpectedly rose to 51.4 in September 2019 from 50.4 in August.
- China lowered borrowing costs, to 4.2%, for the second month in a row to support its flailing economy.
- India manufacturing growth unchanged at 15-Month Low.
- India fiscal deficit narrows in April-August to INR 5.54 trillion from INR 5.91 trillion yoy.

Local & Regional Economic Development

- Palestine illiteracy rate among persons 15 years and above was 2.8%. one of the lowest in the world.
- Palestine Producer Price Index (PPI) increased by 0.91% mom in August.
- Palestine International Investment Position (IIP) increased by 11% and reached USD 1,921 million at Q2 2019.
- Palestine PPI decreased 0.95% in June compared to May 2019.
- Palestine Exports & imports increased by 5% and 6% mom in July.

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 deficit in current account is USD 403 million.
- Palestine CPI increased by 0.31% mom on August 2019.
- Palestine economy advanced 2.5 % yoy in Q2 2019, easing from a 3.8 % expansion in the previous period.
- Jordan's tourism revenues increased by 9.2% yoy to USD 3.9bn in January-August 2019.
- Egypt cuts key interest rate further to 13.25%.
- Egypt non-oil private sector shrinks for 2nd month, it was at 49.5 in September 2019, up from 49.4 in the prior month.
- Saudi Arabia non-oil private sector PMI rises to 3-month high of 57.3 in September 2019 from 57.0 in August.
- Saudi Arabia's gross domestic product expanded 0.5% year-on-year in the second quarter of 2019, easing from a 1.7% advance in the previous period.
- UAE Non-Oil Private Growth at Over 9 Year-Low of 51.1 in September 2019 from 51.6 in August.
- UAE Consumer prices fell 2.0 % year-on-year in August of 2019, following a 2.2 % drop in July.
- Qatar gross domestic product shrank 1.4 % year-on-year in the second quarter of 2019. The first time since 2009.
- Kuwait's oil revenues declined by 16.09% yoy to KWD 6.78bn (USD 22.37bn) in April-August this year.
- Morocco GDP annual growth slows to 2.5% in Q2 2019.
- Iran inflation rate at a year low of 35% in September 2019.



- [Palestinian Capital Market Authority, Palestine Exchange and UN Women Launch the World Investor Week 2019 and Ring the Bell for Financial Literacy](#). The ceremony was held on Sep., 30th under the patronage of Dr. Layla Ghannam, Governor of Ramallah and Al Bireh Governorate. During the event, all partners called for enhancing women's investment in the securities sector, rang the bell for Financial Literacy, especially those of women, and reaffirmed the role of academia and youth organizations in enhancing the financial stability of individuals with special focus on women.

Through two panel discussions, the participants highlighted the importance of financial literacy and its implications for the financial stability of individuals, and the paramount role of academia and youth institutions in enhancing financial literacy and investment in the securities sector. It is important to note that this global campaign is promoted by the International Organization of Securities Commissions (IOSCO), where the PCMA is a full member of since 2014. Palestine is participating for the third year in this campaign along with almost 82 countries around the world. Also, for the first time this year, it is being implemented in partnership with the World Federation of Exchanges (WFE) to promote the importance of financial literacy, and to raise awareness of WIW 2019.

Other Financial News

- [Palestine Monetary Authority \(PMA\) Launches Bank Accounts System](#), the launch aims to enhance the environment of transparency and disclosure to reduce operational risks and facilitate and simplify account opening procedures, including achieving the principles of know your customer (KYC) when opening accounts and constantly updating customers' data to help banks take sound banking decision.
- [The PMA has released the results of its extended Business Cycle Index](#) (extended PMABCI) for September 2019. The results showed that the overall index has declined against the backdrop of fall in both the West Bank and Gaza Strip. Moreover, the overall index is maintaining a negative value for the sixth consecutive month in light of current public budget crisis. It registered around -16.5 points in this September compared to -13.9 points in the previous month, and remained lower than its corresponding level of the last year (about -3.2 points).

Corporate News

- [Arab Palestinian Investment Company \(PEX: APIC\)](#) private subscription of (1.5 million) shares, which was approved by the general assembly on May 2nd, 2019, was added to company's shareholders on Sept., 30th, 2019 raising the company subscribed capital to (89 million) shares.

Trading Summary

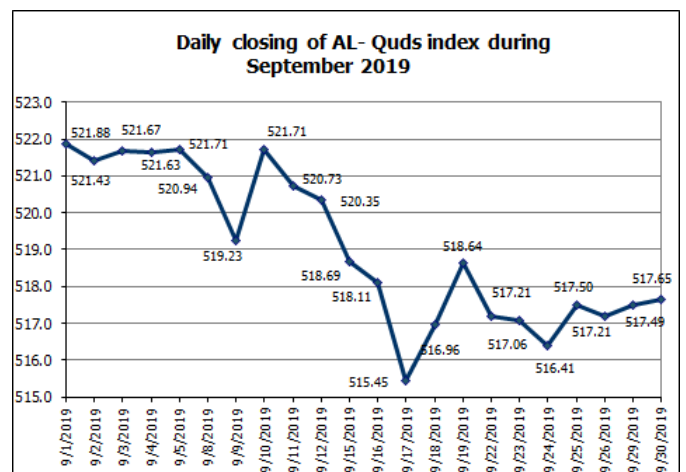
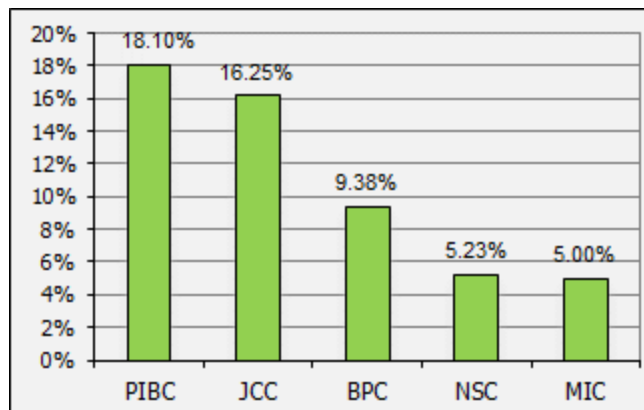
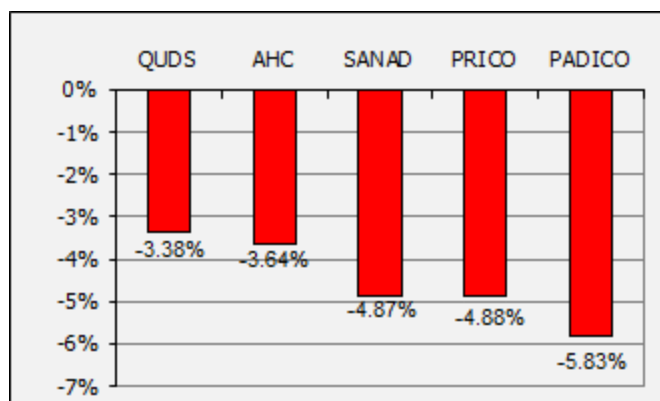
Details	Value	Month Change	YTD
Index close (points)	517.65	-1.13%	-2.21%
Trading value (US\$)	20,139,120	164.26%	200,457,000
Trading volume	11,403,720	165.73%	117,702,313
No. of transactions	2,259	29.09%	23,235
Market Cap. (US\$)	3,702,646,831	-0.81%	3,702,646,831

Key Indicators

No. of listed Companies	48
Subscribed Shares	1,948,753,495
Annual Turnover Ratio	7.31%
Price earnings ratio (P/E)	12.34
Daily average value turnover (US\$)	915,415
Daily average Volume turnover	518,350

PEX Indices

Index (Base Value = 100)	Points	Change
Al-Quds	517.65	-1.13%
General	290.45	-0.90%
Banking & Financial Serv.	143.20	-0.51%
Industry	100.26	3.15%
Insurance	93.41	1.30%
Investment	27.85	-3.57%
Services	40.64	-1.19%

Al Quds Index

Top Gainers

Top Decliners

Arab Markets Indices

Country	Value	M. Change	Y-To-D
BAHRAIN	1,516.53	-1.08%	13.41%
DUBAI	2,781.07	0.81%	9.93%
SUDAN	14,572.54	0.37%	9.42%
EGYPT	14,257.75	-3.89%	9.37%
KUWAIT	5,678.70	-4.42%	7.81%
SAUDI	8,091.76	0.90%	3.39%
ABU DHABI	5,057.31	-2.10%	2.89%
CASABLANCA	11,561.68	-1.27%	1.74%
QATAR	10,367.08	1.31%	0.66%
PALESTINE	517.65	-1.13%	-2.21%
TUNIS	7,051.03	-3.12%	-3.03%
AMMAN	1,827.74	0.36%	-4.25%
IRAQ	475.48	0.48%	-6.79%
MUSCAT	4,017.69	0.32%	-7.08%
DAMASCUS	5,668.25	-6.18%	-8.43%
BEIRUT	795.69	-0.13%	-18.54%

Al Quds Index Companies

Company	Ticker	Currency	M. Cap. USD' Million	Price EOM	Monthly Change %	YTD Change%	P/E
Ahliea Insurance Group	AIG	US\$	17.28	0.32	0.00	-17.95	8.14
Arab Palestinian Investment	APIC	US\$	216.27	2.43	-0.82	3.40	13.48
Bank Of Palestine	BOP	US\$	416.16	2.04	-1.92	-12.07	7.69
Birzeit Pharmaceuticals	BPC	US\$	99.76	5.25	9.38	2.14	12.52
Palestine Islamic Bank	ISBK	US\$	139.37	1.81	-2.16	-2.16	9.21
Jerusalem Pharmaceutical	JPH	US\$	49.14	2.73	-2.50	-15.74	8.19
Wataniya Palestine Mobile Telecommunications	OOREDOO	US\$	290.07	0.99	-2.94	20.73	2,887.02
Palestine Development & Investment	PADICO	US\$	282.50	1.13	-5.83	-11.72	18.18
Palestine Telecommunications	PALTEL	JOD	766.73	4.13	-0.48	-4.40	8.10
Palestine Electric	PEC	US\$	84.60	1.41	-1.40	3.68	9.63
Palestine Investment Bank	PIBC	US\$	96.72	1.24	18.10	-2.48	22.27
Palestine Real Estate Investment	PRICO	JOD	35.07	0.39	-4.88	-9.30	---
Quds Bank	QUDS	US\$	128.95	1.43	-3.38	-23.94	11.12
The National Bank	TNB	US\$	124.80	1.60	-2.44	-5.88	6.48
Union Construction and Investment	UCI	US\$	20.16	0.63	-1.56	5.00	10.46

Pa l e s t i n e E x c h a n g e (P E X) u n d e r t a k e s a l l t h e r e a s o n a b l e e f f o r t s t o e n s u r e t h a t d a t a i n d u d e d i n t h i s n e w s l e t t e r w a s c o r r e c t a t t h e t i m e o f p u b l i c a t i o n . H o w e v e r , P E X s h a l l n o t b e r e s p o n s i b l e o r l i a b l e f o r d e c i s i o n s t a k e n o r s y s t e m - r e l a t e d o r o t h e r a c t i v i t y p e r f o r m e d b y a n y p a r t b a s e d o n t h i s n e w s l e t t e r .