

Jordan Times Amman Stock Market Weekly Brief

Wednesday, January 3, 2007

Despite a shortened three-day trading week due to holidays, [the Amman Stock Exchange \(ASE\)](#) index closed last week at 5518.1 points, up by 3.01 per cent. The market capitalization stood at JD21.1 billion.

According to the [Department of Statistics](#), the unemployment rate declined to 13 per cent during the fourth quarter of 2006, compared to 15.4 per cent in the preceding quarter, and 14.8 per cent during 2005.

In other news, [the Greater Amman Municipality](#) intends to sell its 10 per cent stake in the real estate development project, Jordan Gate, to the Kuwaiti Bayan Holding Company for JD10.5 million.

Furthermore, the governor of the [Central Bank of Jordan \(CBJ\)](#) renewed the bank's refusal to grant licenses for new commercial banks. The CBJ received 23 applications from both local and regional institutions.

On the trading floor of the [Amman Bourse](#), the average daily trading volume increased by 44.4 per cent to JD41.2 million. Overall, advancers outnumbered decliners as 100 companies out of 172 advanced, while 61 companies declined.

The index of the banking sector increased by 4.53 per cent finishing the weekly session at 10704.7 points.

A block deal was executed on 124,000 Arab Bank shares, amounting to JD2.64 million. The share price of Arab Bank closed at JD21.36, up by 6 per cent, to trade at a forward P/E multiple of 16.35x, according to CapitalInvest forecasts for the bank's year-end earnings. Additionally, the market capitalization of [Arab Bank](#) reached JD7518.7 million, a year-on-year drop of 38.4 per cent; after taking into consideration the bank's 180 million-share capital increase.

The share price of the [Housing Bank for Trade and Finance](#) increased by 0.31 per cent, finishing the year at JD6.55. The Housing Bank's share price trades at a forward P/E multiple of 18.38x.

The index of the insurance sector declined by 43.7 per cent year-to-date, ending the year at 4156.3 points.

The index of the services sector, closed at 2286.6 points, a year-to-date decline of 31.39 per cent. The trading volume on [Taameer](#) Jordan's shares totaled JD4.533 million last week, down by 36.5 per cent. The share price of Taameer closed at JD2.02, a weekly decline of 0.98 per cent, and a decline of 26.5 per cent since listing on June 5, 2006.

The share price of [Jordan Telecom](#) closed the week at JD4.12, up by 1.48 per cent amid thin trading that captured 1.9 per cent of the sector's total trading volume. [Jordan Telecom](#) share price trades at a forward P/E multiple of 12.2x.

A number of block deals were executed on 320,000 shares of Investors & Eastern Arab for Industrial & Real Estate Investments, 300,000 shares of Arab East for Real Estate Investments, eight million shares of Taameer, and about 2.43 million shares of Amman for Development & Investment, amounting in total to JD33.2 million.

In the industrial sector, the index declined by 13.63 per cent year-to-date, to close at 2507.6 points. The market capitalization of Middle East Complex for Engineering., Electronics and Heavy Industries reached JD177.5 million, a year-to-date decline of 42.2 per cent. The company's share price closed at JD1.89, a weekly increase of 9.25 per cent.

A number of block deals were executed on 800,000 shares of Middle East Complex, around 343,000 shares of Ready Mix Concrete & Construction Supplies, 185,500 shares of Rum Aladdin Industries, and 300,000 shares of Arab Pharmaceutical Manufacturing, amounting to approximately JD5.21 million overall.