

Weekly Analysis

Amman Stock Exchange

[The Amman Stock Exchange \(ASE\)](#) index dropped last week driven by declining blue-chip stock prices, especially in the banking sector.

The index finished its weekly session at 6293.8 points, an increase of 2.26 per cent. Market capitalization stood at JD23.95 billion.

According to the monthly report published by the Department of Lands and Survey, the trading volume in the local real estate sector during the previous two months increased by 20 per cent to JD756 million compared to the same period of last year.

The report also revealed that the real estate trading volume last year reached JD4.9 billion.

The ASE announced that the total value of shares bought by non-Jordanian investors since the beginning of the year until the end of February was JD498 million, representing 21 per cent of the overall trading volume, while the value of shares sold by these investors amounted to JD493.4 million. As such, the net non-Jordanian investment since the beginning of 2007 until the end of February showed an increase by JD4.6 million, compared to a decrease by JD3.25 million for the same period of last year.

The value of Arab investors' buying transactions reached JD439.2 million, or 88.2 per cent of the over all buying transactions by non-Jordanians.

On the Amman bourse-trading floor, the average daily trading volume fell by 33.3 per cent to JD48.9 million. Overall, decliners outnumbered advancers as 42 companies out of 178 advanced, while 129 companies declined.

In the banking sector, [BankMed](#), a member of Hariri Group, executed an JD81 million block deal on three million Arab Bank treasury shares at a price of JD27 per share. Earlier in the week, the Arab Bank management announced its intention to sell 5.7 million treasury shares to a strategic investor. The share price of the bank finished the week at JD25.66, down by 2.80 per cent while its share trades at a trailing P/E multiple of 20.90x.

[The Industrial Development Bank](#) achieved a net income of JD7.87 million in 2006 compared to a net income of JD9.31 million in 2005, a 15.5 per cent drop. The share price rose by 2.24 per cent to close at JD3.20.

In the insurance sector, the index decreased by 1.81 per cent to finish the week at 4525.8 points amidst a low trading volume.

In the services sector, preliminary results of Taameer Jordan showed total revenues of JD33.4 million and a net income of JD33.08 million for the year 2006. The company's share price finished the week at JD2.20, down by 1.79 per cent.

Specialized Investment Compounds' board of directors announced its intention to transform the company into a holding company for all its local and international projects as well as the

company's subsidiaries and affiliates. The share price declined by 7.83 per cent to end the week at JD5.53.

In the industrial sector, [Jordan New Cable Company's](#) general assembly agreed to the recommendation of the board of directors to retain last year's earnings and not paying any dividends to the shareholders in order to meet the company's financial obligations with regards to future expansion plans. The board of directors appointed Abed Al Raouf Bitar as the new head of the board. The company's share price finished the week at JD7.16, down by 2.59 per cent while its share trades at a trailing P/E multiple of 13.2x.

Sunday, March 11, 2007