

weekly analysis

Amman Stock Exchange

The [Amman Stock Exchange \(ASE\)](#) index dropped during the week as trading activity slowed down due to lack of information on companies' performance. The index finished its weekly session at 6148.7 points, a fall of 2.69 per cent. Market capitalization stood at JD23.5 billion.

According to the Ministry of Finance, the government's total revenues and grants increased by 34.4 per cent in January 2007 compared to the same period in 2006. Furthermore, a finance report showed a JD128 million drop in total debt to JD7,222 million as external debt reached JD5,129 million in 2007 decreasing from JD5,187 million, besides a drop in internal debt to JD2,093 million in 2007 down from JD2,163 million in 2006.

On the Amman bourse-trading floor, investors were awaiting companies' 2007 first quarter results; as well as decisions of some general assembly meetings. The average daily trading volume fell by 26.8 per cent to JD40.06 million. Overall, decliners outnumbered advancers as 52 companies out of 175 advanced, while 112 companies declined.

In the banking sector, [Cairo Amman Bank](#) announced a net income of JD19.2 million at the end of last year compared to JD31.5 million in 2005. The board of directors recommended to the general assembly an increase in the paid-up capital from JD67.5 million to JD75 million.

The increase will be achieved through a stock dividend of 11 per cent, in addition to a cash distribution of 10 per cent. The share price of Cairo Amman Bank closed the week at JD3.7, down by 6.42 per cent.

The net income of the Industrial Development Bank amounted to JD7.87 million in 2006 prompting the management to recommend a 20 per cent cash dividend. According to the chairman of the board, the bank was not able to transform into a commercial bank, as the approval was not granted from the Central Bank of Jordan.

However, negotiations are still taking place between the bank and a strategic partner to enable it to commence its commercial banking services. The share price of the Industrial Development Bank closed the week at JD3.3, down by 1.79 per cent.

The general assembly of Jordan Commercial Bank agreed to distribute 10 per cent as cash dividends in addition to 10 per cent bonus shares to increase the paid-up capital from JD57.7 million to JD63.25 million. The share price of the bank closed the week at JD2.6, down by 5.8 per cent.

In the insurance sector, [Gerasa Insurance](#) will be holding its general assembly meeting to discuss the proposed increase in the capital from JD2.8 million to JD5 million through a secondary offering of company shares.

In the services sector, the general assembly of Jordan Press and Publishing Company/ [Ad Dustour](#) approved a JD0.6 million cash dividend equal to 15 per cent of its capital.

In addition, United Financial Investments will distribute 15 per cent as cash dividends.

In the industry sector, Jordan Wood Industries will be announcing its financial statements and revealing the best net income in the history of the company of JD1.4 million compared to JD0.9 million in 2005 the share price of the company closed the week at JD5, up by 0.2 per cent.

Al Ekbal Printing and Packaging announced the distribution of cash dividends at the rate of seven per cent of the capital that amounts to JD5 million.

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