

Jordan Times Amman Stock Market Weekly Brief

Sunday, April 30, 2006

The [Amman Stock Exchange](#) (ASE) index managed to sustain the 7000 points level last week closing at 7039.5 points, as several companies reported better than expected results for the first quarter of this year.

Moreover, trading volume increased dramatically as some investors were allocating extra funds in the market. The market capitalization stood at JD24.7 billion

On the trading floor, average daily trading volume increased by 31.3 per cent reaching JD102.5 million. Overall, advancers outnumbered decliners as 78 companies out of 159 advanced, while 70 companies declined.

May 1 was set by ASE's CEO as a deadline for public shareholding companies that are listed on the first market to submit their first quarter results for the year.

In the banking sector, the closing price of the [Housing Bank For Trade and Finance's](#) rights offering reached JD5.01. At this price, the share's cost will reach JD9.01 after adding the subscription price of JD4 per share.

This is 5.1 per cent below the bank's market price of JD9.49 at the end of the week, reflecting investors' preference to trade in the bank's share rather than its rights offering.

Global Investment House purchased 22 per cent of Societe Generale Bank's total outstanding shares. The bank's share price closed at JD3.00, up by 1.4 per cent.

In the insurance sector, the 2005 insurance business annual report revealed JD219.3 million in total insurance premiums for 26 companies operating in the sector, thus representing a year on year growth of 15 per cent. The sector's index finished the week at 6124.5 points, down by 3.34 per cent.

In the services sector, the [Jordan Securities Commission](#) approved the registration of Jordan Investment Trust's (JIT) 6.6 million additional shares through a strategic partnership with Jordan Dubai Capital to increase the paid-up capital to JD23.6 million, of which the strategic partner will own 28 per cent.

Jordan Dubai Capital along with JIT and Jordan Mortgage Refinance showed interest to participate with the investment arm of the [Social Security Corporation](#) in establishing a new mortgage company with a preliminary paid-up capital of JD50 million.

United Arab Investors' (UAI) management announced intentions to increase paid-up capital to JD150 million through the allocation of 30 million shares to an Arab strategic partner, while signaling intents to list its shares for trading on the Dubai Stock Exchange.

According to UAI's general manager, 2006 first quarter profits are expected to reach JD5 million, as compared to JD12.7 million for the same period of 2005. UAI's share price closed at JD4.49, up by 10.86 per cent.

Jordan Real Estate Company's (Taameer) 212 million shares will likely be listed on the ASE by the end of May.

Arab East Investment's (AEI) 2006 first quarter results revealed profits of JD2.5 million, compared to JD2.7 million in the corresponding period of 2005. AEI signed memorandum of

understanding with leading Arabian real estate and investment companies. AEI's share price ended the week at JD13.40, down by 0.59 per cent.

As for the industrial sector, Union Tobacco & Cigarettes Industries (UTC I) achieved JD3.07 million in net profit for the first quarter of this year, a growth of 68 per cent above the 2005 level. UTC I's share price closed at JD7.42, down by 0.13 per cent.

Jordan Steel's earnings before interest and tax dropped to around JD807,000 in the first quarter of this year from JD1.6 million in the first quarter of 2005.

Hayat Pharmaceutical Industries' 9.5 million shares will be listed on the second market starting May 1st, 2006.