

## Jordan Times Amman Stock Market Weekly Brief

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The [ASE](#) index sustained last week's levels despite a significant drop in most of the region's stock markets. The banking and services sectors captured most of the trading volumes, enabling the index to close at 7078.50 points, up by 0.40 per cent. The market capitalization stood at JD25,015,349,643. Meanwhile, the International Monetary Fund (IMF) expects the Jordanian economy to grow by 5 per cent in constant prices this year, compared to a real growth rate of 7.2 per cent in 2005, anticipating further inflows of investments to the country. In this regard, the Kuwaiti Al Bavan Investment Company announced, during the First Gulf Forum held in Amman between 9-11 May, its intentions to invest \$1.2 billion in several projects across the Kingdom. On the trading floor, three block deals were executed on 508,000 United Arab Investors (UAIC) shares and 217,800 Middle East Complex (MECE) shares with a total value of JD3,231 million, thus bringing up total trading volume to JD638.16 million for the week. Overall, decliners outnumbered advancers as 88 companies out of 159 declined, while 59 companies advanced.

In the banking sector, [Jordan Securities Commission](#) (JSC) approved the increase in Jordan Commercial Bank's (JOGB) paid up capital by 7.5 million shares to reach JD57.5 million through a 15 per cent stock dividend. JOGB achieved JD3.7 million in net profits during the first four months of 2006 having incurred JD1 million in losses from investments in securities. This compares to profits of JD4.7 million for the same period last year with investment income amounting to JD4.3 million. JOGB's share price closed at JD2.88, up by 0.35 per cent. The JSC also approved increases in paid-up capital for both Capital Bank of Jordan, formerly [Export & Finance Bank](#), (EXFB) and [Arab Jordan Investment Bank](#) (AJIB) to reach JD116 million and JD40 million respectively. AJIB's board of directors will propose to its extraordinary general assembly another increase in the bank's paid-up capital to reach JD44 million through a 4 million share strategic partnership with a Qatari investor at JD2 per share. AJIB's share price closed at JD4.65, up by 2.88 per cent. In the insurance sector, 7 out of the 8 companies listed in the first market revealed a downturn in their financial results for the period ending 31/3/2006 as compared to the same period of 2005, mainly as a result of the downward reevaluation of their securities investments. The insurance index closed the week at 6044.3 points, down by 3.42 per cent.

In the services sector, the JSC approved the registration of First Finance Company's 50 million shares, of which 30 million shares were covered by the company's founders. The remaining 20 million shares will be covered through a public offering that will take place between 14/5/2006 and 24/5/2006, at a price of JD1 per share. The new company will employ its funds in investment and lending activities that comply with Islamic Sharia (jurisdiction). On another note, Union Investment Corporation (UINV) signed an agreement with Merrill Lynch in which the leading international company will advise UINV as to its regional and international investments. UINV's share price closed at JD4.60, up by 1.77 per cent. Amid efforts to expand its operations within the Kingdom, Ihdathiat Coordinates (JHCO) announced plans to increase its paid-up capital from JD3 million to JD6 million through a strategic partnership with a Gulf investor. IHCO's share price closed at JD3.29, down by 2.66 per cent. As for the industrial sector, Jordan Steel (JOST) declared pretax profits of JD1.1 million for the first four months of 2006, of which 46.9 per cent, amounting to JD516 thousand, came during the month of April. JOST's share price closed at JD4.90, down by 3.16 per cent.