

## Jordan Times Amman Stock Market Weekly Brief

Sunday, July 16, 2006

Selling pressures pushed share prices down at the [Amman Stock Exchange](#) (ASE) last week as investors sought profits after the market's upturn in the previous week. The ASE index finished the week below the 6000-point barrier at 5950.9 points, down by 3.38 per cent. The market capitalization stood at JD22.2 billion

Official statistics showed a JD156.6 million budget surplus for the first five months of the year, compared to a JD6.7 million surplus during the same period last year.

Other data showed that the trade deficit widened by 20.1 per cent to JD1.9 billion during the January-May period. The consumer price index rose to a 10-year high of 6.2 per cent during the first half of 2006, due to soaring energy prices.

On the ASE trading floor, the average daily trading increased by 44.1 per cent to JD45.33 million last week. Overall, decliners outnumbered advancers as 125 companies out of 163 declined, while 29 advanced.

The governor of the [Central Bank of Jordan](#) indicated that the recent proposal allowing banks to finance projects with up to 50 per cent of their regulatory capital is intended to encourage further participation of local banks in the multimega projects currently underway in the Kingdom, and falls in line with the increased activity the local economy has witnessed over the past few years.

Arab Bank signed a JD20 million loan agreement with the [National Electricity Company](#) to finance developments in the local energy and electricity sector. The share price of the bank closed at JD23.90, down by 4.4 per cent.

In the insurance sector, [Jordan International Insurance](#) (JII) announced the completion of the merger procedures between its subsidiaries Jordan International Real Estate and Tourism Investments and Jordan International Industries, resulting in a combined paid up capital of JD10 million in which JII owns a 64.6 per cent stake. JII's share price gained 6.3 per cent during the week to close at JD1.85.

In the services sector, the general assembly of Aman for Securities approved the increase in capital from JD30 million to JD65 million by allocating 28 million shares to strategic partners including Al Mal Capital — Dubai, two million shares to company employees, and five million shares to existing shareholders at JD1/share.

The assembly also approved the purchase of Osool Investments and Financial Services, while Aman, Osool, and Al Mal Capital will operate in the local financial market under the name "Al Mal Securities."

Investors & Eastern Arab for Industrial & Real Estate Investments (IEAI) signed a memorandum of understanding with Koni Konsultants to build and develop the first hotel in Al Mushatta industrial zone.

Jordan Real Estate Company for Development posted JD720,300 income before taxes and allocations during the first six months of the year. The company's share price closed at JD2.26, down by 5.0 per cent.

The 10.125 million additional shares of Arab International for Education & Investments 10.125 million were listed on the ASE as of Sunday, bringing the company's paid up capital to JD30.375 million. The firm's share price finished the week at JD2.57, down 14.3 per cent from its adjusted opening price of JD3.00.

In the industrial sector, the semi-annual results of Union Advanced Industries revealed JD789,700 in net income after tax and allocations, a year-on-year increase of 25.4 per cent.