

Jordan Times Amman stock Market Weekly Brief August 14, 2006

Share prices fluctuated at the Amman Bourse throughout last week as some investors opted for profit-taking activities while others sought buying positions. [The Amman Stock Exchange \(ASE\)](#) index closed up by 1.02 per cent at 5931.9 points. The market capitalization stood at JD22.4 billion.

A JD72.4 million surplus was posted in the state budget for the first six months of this year compared to a JD75.6 million deficit during the same period in 2005. The surplus was achieved in spite of a 53 per cent drop in foreign grants which amounted to JD110 million during the first half of 2006, against JD234 million during the January -June period of last year. The net public debt increased by 1.3 per cent to JD7,590 million at the end of June 2006. The amount represented 76.3 per cent of estimated gross domestic product (GDP) for 2006, down from a debt/GDP ratio of 83.2 per cent in 2005.

The ASE completed the process of connecting brokerage firms with the bourse through an IP telephony network, allowing the firms to contact the bourse directly through internal lines, in addition to enabling direct contact between firms.

On the exchange floor, the average daily trading volume increased by 24.4 per cent during the week reaching JD72.8 million.

Overall, advancers outnumbered decliners as 84 companies out of 166 advanced, while 75 companies declined. The index of the banking sector finished the week at 11,564.2 points, up by a slight 0.4 per cent, while share prices of most banks fluctuated within narrow ranges.

[Arab Banking Corporation's](#) share price closed at JD2.18, up by 1.4 per cent, recording the largest share price gain within the sector.

The pretax profit of the Industrial Development Bank amounted to JD4.96 million for the first six months of the year representing a year-on-year decline of 9.9 per cent. It was mistakenly mentioned in last week's report that the bank's profits fell by 59.1 per cent to JD2.2 million.

In the insurance sector, trading of Arab American Takaful Insurance shares totaled JD1.48 million, accounting for 61 per cent of the sector's total trading volume. The company's share price closed at JD2.33, a decline of 2.1 per cent.

The index of the services sector rose by 3.8 per cent last week, finishing Thursday's trading session at 2,634.6 points. The sector's trading volume reached JD270.9 million, accounting for 74.4 per cent of the market's total volume traded.

The secondary public offering of Jordan Telecom ended with around 4.15 million shares remaining unsubscribed for, representing 1.66 per cent of the company's paid up capital.

The Executive Privatization Commission proposed to the Kuwaiti Al Noor Company to purchase the remaining shares, thus increasing its stake in Jordan Telecom to 21.66 per cent.

Taameer Jordan was both the most heavily traded share at JD44.2 million and the top gainer among real estate companies at a price of JD2.69, up by 24.5 per cent.

Statistics from the Department of Lands and Survey showed that the trading volume in the real estate sector during the January-July 2006 period reached around JD3 billion, a growth of 40 per cent compared to the same period a year earlier.

As for the industrial sector, Jordan Cement Factories signed an agreement to provide the Civil Service Consumer Corporation with 100 tones of cement daily for resale purposes. The share price of the cement company remained fairly stable, dropping by a mere 0.33 per cent to JD11.96.

[The Jordan Securities Commission](#) approved listing the shares of Middle East Complex on the Dubai Financial Market (DFM). The company's share price gained 12.6 per cent to end the week at JD2.33.