

# Palestine Stock Exchange

## Weekly Trading Brief (14-18)/12/2014

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#### *The PEX isolates itself from regional stock markets' dilemmas*

No substantial news in Palestine Stock Exchange PEX arose in this week that may support a certain price trend. The general situation is still associated to the local political and economic anticipations. With the approaching end of the year 2014, the cautiousness and optimism arise together to the next year amid the ability of the PEX to isolate itself from any regional variations on one hand, and the sharp fluctuations in the regional stock markets on another hand. Amid unstable week in the Gulf based markets, Al-Quds Index witnessed relative price balancing performance, coinciding with the liquidity scarceness that is attributable to lack of selling offers on the prevailing price levels. However, it is worth mentioning that the speculators category prefer wide or quick price movements, nevertheless, the investment environment -with its unique entity- of the PEX imposes an investment nature that its trends are associated with politics or substantial intrinsic issues of the listed companies.

Regarding the anticipation of the year 2015; estimations regarding the Palestinian economy reported. Whereby, Palestine Monetary Authority PMA expected, in a recent released report, a relative recovery in the Palestinian economic performance during 2015. Accordingly, Real GDP is expected to accomplish growth by 2.9%, compared to the year 2014, in addition to an increase in the value added for the private and public sector. The report also includes expectations of increases in the total final consumption, total investments, exports and imports, in addition to a decrease in the unemployment rate following the expected increases versus a general stability in prices. These 2015 expectations will be accomplished if a political and economic stability appears. However, these indicators could be reflected in either positive or negative shocks in the case of radical change in the political or economic situation, especially in terms of the flow of donations and Gaza reconstruction pledges and security status.

In another context, executing an institutional transaction on The National Bank TNB's stocks increased the trading value in Palestine Stock Exchange PEX; to contribute in 41.62% of the PEX's total trading value. In terms of blue-chips, Palestine Telecommunications PALTEL maintained relative horizontal performance, to record slight gains of 0.73%, when closed at the level of JD5.54 after recording transactions worth \$0.83 million. Moreover, the stock of Palestine Development and Investment Company PADICO increased by 2.31%, to close at the level of \$1.33 through transactions worth \$0.35 million. Trading on Wataniya Palestine Mobile Telecommunications WATANIYA's stock was active, reaching \$0.41 million. The stock recorded gains worth 4.48% when closed at the level of \$0.70.

#### *Weekly Comparison*

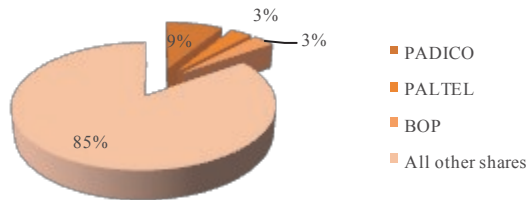
Item	Previous Week	This Week	Δ
Al Quds Index	488.36	490.64	0.47%
# of transactions	579	503	-13.13%
Trading Volume	2,583,596	3,195,587	23.69%
Trading Value	6,124,522	4,316,164	-29.53%
Market Capitalization	3,081,831,485	3,074,700,442	-0.23%
Daily Average Trading Volume	516,719	639,117	23.69%

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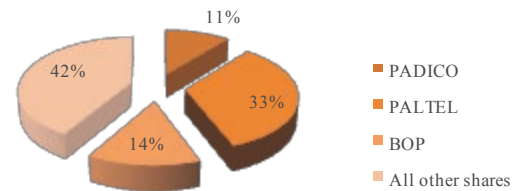
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### Blue-chips Activity

Distribution of Blue-Chips by Trading Volume



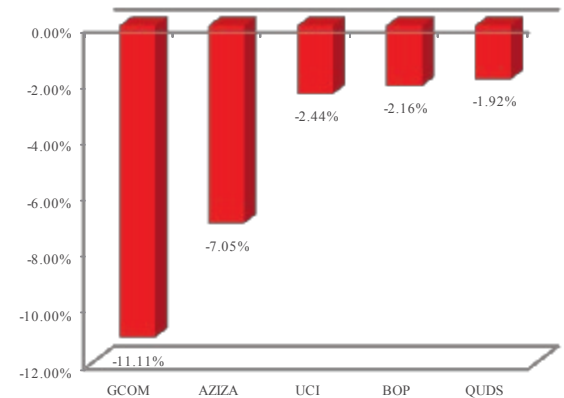
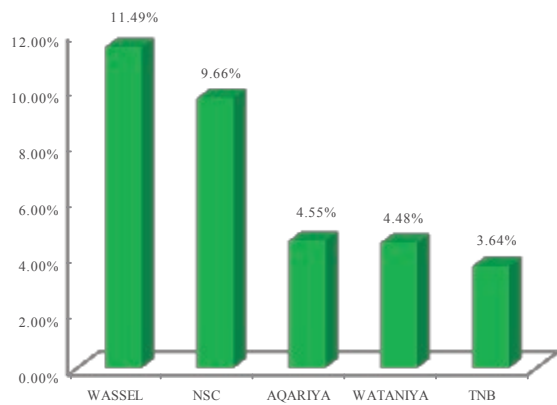
Distribution of Blue-Chips by Market Cap



### Weekly Blue-chips Dynamics

Company	Bloomberg Quote	Weekly Closing	P/E	P/BV	Weekly Volume Weighted Price VWP	Weekly Trading Turnover	Daily Average Trading Value \$
Palestine Development & Investment \$	PADICO:PS	1.33	12.55	0.79	1.28	0.11%	70,742
Palestine Telecommunications JOD	PALTEL:PS	5.54	7.94	1.45	5.51	0.08%	165,555
Bank of Palestine \$	BOP:PS	2.72	10.07	1.62	2.74	0.06%	55,932

### Top Gainers & Decliners



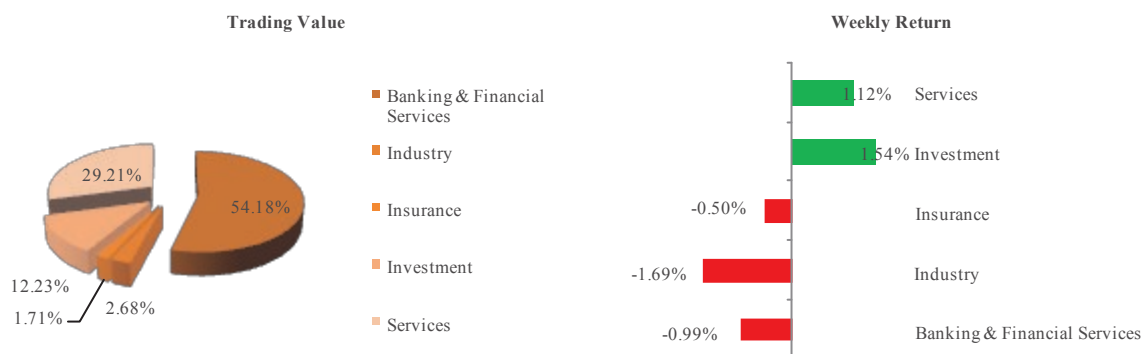
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### Sectors Activity

Index/Sector	Previous	Closing	WTD	Trading Volume	Trading Value	Market Cap \$
Banking & Financial Services	117.51	116.35	-0.99%	1,901,607	2,338,282	817,522,776
Industry	67	65.87	-1.69%	45,575	115,781	266,379,677
Insurance	45.65	45.42	-0.50%	69,245	73,697	102,146,000
Investment	24.68	25.06	1.54%	451,168	527,768	535,568,097
Services	46.34	46.86	1.12%	727,992	1,260,636	1,353,083,893

### Sectors Distribution by Trading Value & WTD



### Sector's Indices Dynamics

Index	High	Low	Discount to High	Premium to Low
Al Quds	490.64	485.39	0.00%	1.08%
Banking	117.92	116.35	-1.33%	0.00%
Industry	66.96	65.8	-1.63%	0.11%
Insurance	45.69	45.42	-0.59%	0.00%
Investment	25.06	24.47	0.00%	2.41%
Services	46.86	46.12	0.00%	1.60%

# Palestine Stock Exchange

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### Al Quds Index Constituents: WTD & Weight

Company	Current Weight in Al-Quds Index	Closing	Δ
Wataniya Palestine Mobile Telecommunications	7.18%	0.70	4.48%
The National Bank	3.22%	1.14	3.64%
Palestine Development & Investment Company	13.22%	1.33	2.31%
Jerusalem Cigarette Company	0.48%	0.86	1.18%
Palestine Telecommunications Company	40.88%	5.54	0.73%
Palestine Islamic Bank	2.38%	1.20	0.00%
Palestine Industrial Investment Company	2.02%	1.92	0.00%
Jerusalem Pharmaceuticals	1.10%	1.62	0.00%
Palestine Real Estate Investment Company	1.75%	0.49	0.00%
Birzeit Pharmaceutical Company	2.32%	3.15	-0.94%
National Insurance	1.43%	3.00	-1.64%
Arab Islamic Bank	2.15%	1.08	-1.82%
Palestine Electric Company	2.55%	1.07	-1.83%
Al-Quds Bank	2.03%	1.02	-1.92%
Bank of Palestine	17.30%	2.72	-2.16%

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