

## **Weekly Trading Report [06-10/04]2014**

“Al Quds Index closes at the level of 519.83 points”

### **Al-Quds Index wipes out 2014 gains during April**

Palestine Stock Exchange PEX continued to record sharp declines amid a lack of trading and control of the inactivity on purchasing power, to decline at the end of the week by 3.99% compared to the end of 2013 after recording gains that reached 11.37% at some point during the year 2014 following the optimism that initialized the year. Al-Quds Index started to decline at the beginning of the second half of March 2014 with entering the routine period of holding the general assembly meetings and raising dividends distribution recommendations and what has followed of changing investment positions by investors as a way to capture dividends entitlements to maximize the investment return. On the other hand, other reasons started to affect the trading nature in the PEX such as the general political situation and what has weakened the Palestinian-Israeli negotiation after it had been an essential incentive to revive the PEX for several months. Moreover, the modifications among the economic policies that resulted in imposing income tax of 10% on the dividends distribution- despite postponing its application to 2015- draw an obstacle in stimulating the activity in the PEX and thwarted the attempts of attracting foreign investment and halted the local investment due to the massive negative impacts.

Amid the inactivity status, Al-Quds Index significantly declined during the week by 3.98% to add up to April's losses, to reach 5.20% compared to the end of March 2014. These declines come due to selling pressures opposed to refraining purchasing bids on the most effectible leading companies' shares on Al-Quds Index. Despite the distinguished financial data and the feasible dividends distribution for the year 2013 and the growth incentives for operational and financial data for the year 2014, cautious and anticipation in trading dominate the investors' behavior on what might happen to the general situation in Palestine due to their direct linkage to the investment decisions. On the other hand, the recorded attractive figures following the sharp prices declines in the PEX are clear to the observer and analyst of the PEX and its listed companies' market indicators. In this context and with the decline of the share price of Palestine Development and Investment Company PADICO than the highest level recorded in 2014; by 20.86% as of the end of the week, P/BV records 0.88x. Moreover, the share of Palestine Telecommunications PALTEL trades on PE of 7.74x after declining by 20.24% than the highest recorded level in 2014.

Far from the market performance and with the PEX's entry to the granted legal period to disclose Q1 2014's financial results by the listed companies, the disclosures reported- with a slow pace-, whereby, each company is granted a month at maximum to disclose its Q1 2014's financial results. Whereby, it is expected to increase the disclosure momentum pace in the last week of April. In this context, the Vegetable Oil Industries Company VOIC disclosed recording net income of JD1.03 million in Q1 2014 compared to JD0.58 million in Q1 2013; up by 78% supported by a 54% increase in revenues in which resulted in a noticeable increase in operating income, to record an operating margin of 9.5%, in addition to an increase of 74% in the company's stake from its subsidiaries profits- The National Beverage Company Coca Cola- to record net margin of 89.8%. Moreover, the Arab Company for Paint Products APC recorded an increase in its net income to JD0.23 million in Q1 2014, from JD0.19 million in Q1 2013; up by 19.61% due a 21.22% increase in revenues.

## Weekly Report

### Market Indices & Top Gainers

Index/ PEX	Opening	Closing	Change	Symbol	Opening	Closing	Change
Al Quds	541.38	519.83	-3.98%	AHC	0.50	0.53	6.00%
Banking & Financial Services	121.99	120.6	-1.14%	GUI	1.75	1.84	5.14%
Industry	69.49	69.18	-0.45%	LADAEN	0.30	0.31	3.33%
Insurance	46.2	45.15	-2.27%	TNB	1.15	1.18	2.61%
Investment	29.44	27.44	-6.79%	BPC	3.15	3.18	0.95%
Services	50.31	48.38	-3.84%	-	-	-	-

### Summary of the Week Performance

Item	Current Week	Last Week	Change Ratio	Daily Average of this Week	Daily average of 2013	Change Ratio
# of Shares	2,394,273	2,923,418	-18.10%	478,855	842,182	-43.14%
Value in USD	4,054,225	4,813,479	-15.77%	810,845	1,414,001	-42.66%

### Most Active Companies This Week

Company Name	# of Traded Shares	Total value (USD)	Open Price	Close Price	% Change	52 Weeks Price	
						High	Low
PADICO	1,242,519	1,867,165	1.63	1.48	-9.20%	1.87	0.85
PALTEL	100,699	767,800	5.60	5.40	-3.57%	6.77	4.70
BOP	133,426	417,355	3.15	3.12	-0.95%	3.33	2.75
WATANIYA	351,343	323,089	0.97	0.90	-7.22%	1.13	0.90
APIC	151,070	198,235	1.35	1.30	-3.70%	1.40	1.20
PRICO	122,583	103,212	0.62	0.60	-3.23%	0.77	0.57
NIC	30,900	98,952	3.45	3.20	-7.25%	3.60	3.05
PEC	53,386	81,028	1.52	1.50	-1.32%	1.63	1.26
GMC	47,397	52,129	0.81	0.78	-3.70%	0.97	0.77
GUI	19,065	32,489	1.75	1.84	5.14%	2.10	1.26

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