

## **Weekly Trading Report [13-17/04]2014**

“Al Quds Index closes at the level of 541.68 points”

### **A receding in the declines wave and Al-Quds Index rebounds upwards**

Within a relatively conservative transactions, Al-Quds Index rebounded upwards during the week through recording gains of 4.20%; to end the declines wave that has started for several weeks as a result of the evolving economic and political data that negatively affected the market in general. This has widely opened potential movement probabilities for the index and market in the coming period in addition to the extent of continuous declines scenarios. Palestine Stock Exchange PEX recompensed, during the week, the losses recognized during March and April with the eroding of small investors' confusion and with the start of domination of internal factors with positive effects that run parallel with Q1 2014 financial statements disclosure. Whereas, there is no doubt that the major contributor in bouncing the market is the return of purchasers with the prices falling and increase of attractiveness. In this context, a category of traders may build the fact of attractive prices- especially to the leading companies- on the achieved profits in 2013, while other categories may rely on the companies' profits growth motivating factors for 2014. In both cases, most companies' shares have attractive and competitive market indicators similar to other regional markets. Regarding the liquidity indicators and despite their relative weakness and the likelihood of continuing at the same levels in parallel with the public events and the surrounding mystery, the institutional and foreign liquidity momentum are still absent to contribute in growth quantum leap that may change the PEX's indicators as a whole.

Regarding the internal incentives in the PEX, the Q1 2014 financial results disclosure pace accelerated. While the anticipation increases on the leading companies disclosures that have high market value, heavy weights in the index and high rotation. Within this context, Palestine Industrial Investment Company PIIC- the investment arm of Palestine Development and Investment Company PADICO in the industry sector and the parent company of Palestine Poultry Company AZIZA - disclosed posting net income attributable to the shareholders of the parent company of JD0.96 million in Q1 2014; up by 69.22% than the same period of 2013. This increase came as a result of an increase of 38.64% in the company's sales that led to significantly increase the gross and operating margins. Accordingly, PIIC recorded an increase in its book value to JD1.68, to trade at a P/BV ratio of 1.22x. It is worth mentioning that the general assembly of PIIC approved on its meeting on 17/04/2014, distributing 12% cash dividends for the year 2013, to record dividends yield of 5.85% according to the current market price. Regarding PIIC's subsidiary-Palestine Poultry Company AZIZA-, it disclosed recording net income of JD1.04 million in Q1 2014; up by 86.10% than Q1 2013 following a significant increase in operating income. Accordingly, AZIZA records BV of JD1.88 and P/BV of 1.60x. Furthermore, the general assembly of AZIZA approved, on its meeting on 17/04/2014, distributing 12% cash dividends, to record dividends yield of 4.03%.

In the banking and financial service sector and within disclosures that is not devoid of significant growth percentages for several years, the financial results of The National Bank TNB showed recording net income after tax of \$1.88 million in Q1 2014; up by 130.5% than Q1 2013. This came as a result of an increase in net interest and commissions, foreign exchange profits and financial assets profits. BOP continues to record an increase in BV parallel to the retaining earnings to reach \$1.13 as for the end of March 2014, to trade on a P/BV of 1.06x. Moreover, Palestine Securities Exchange Company PSE- the operator of the PEX- announced recording net income of \$0.32 million in Q1 2014 compared to Q1 2013. The increase in profits came due to an increase of 225% in trading and stock transfer commission due to an increase in trading value of 228% in Q1 2014, resulting in an increase in trading activity and significant increases in market prices value of the leading companies.

### Weekly Report

#### Market Indices & Top Gainers

Index/ PEX	Opening	Closing	Change
Al Quds	519.83	541.68	4.20%
Banking & Financial Services	120.6	120.13	-0.39%
Industry	69.18	69.13	-0.07%
Insurance	45.15	45.06	-0.20%
Investment	27.44	29.56	7.73%
Services	48.38	50.76	4.92%

Symbol	Opening	Closing	Change
PADICO	1.48	1.65	11.49%
JCC	0.88	0.93	5.68%
PALTEL	5.40	5.70	5.56%
WATANIYA	0.90	0.95	5.56%
NCI	0.94	0.97	3.19%
NIC	3.20	3.30	3.12%

#### 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	1,430,938	2,394,273	-40.23%	286,188	842,182	-66.02%
Value in USD	2,501,964	4,054,225	-38.29%	500,393	1,414,001	-64.61%

#### Most Active Companies This Week

Company Name	# of Traded Shares	Total value (USD)	Open Price	Close Price	% Change	52 Weeks Price	
						High	Low
PADICO	774,728	1,230,232	1.48	1.65	11.49%	1.87	0.85
PALTEL	40,859	321,054	5.40	5.70	5.56%	6.77	4.47
BOP	79,059	244,161	3.12	3.12	0.00%	3.33	2.75
PIIC	50,000	141,181	2.03	2.05	0.99%	2.22	1.15
APIC	79,355	105,692	1.30	1.34	3.08%	1.40	1.20
WATANIYA	77,100	70,365	0.90	0.95	5.56%	1.13	0.89
PRICO	65,383	55,714	0.60	0.61	1.67%	0.77	0.57
TNB	39,893	48,057	1.18	1.20	1.69%	1.37	0.82
NCI	49,704	47,803	0.94	0.97	3.19%	1.01	0.57
NIC	11,938	37,619	3.20	3.30	3.12%	3.60	3.15

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