

Weekly Trading Report [21-25/08] 2016

"Al Quds Index closes at the level of 513.17 points"

Al Quds Index rebounds amid variation in blue chips profits

In an accelerating week of the semi-annual financial data disclosures, Al-Quds Index increased significantly after a rebound in the price of Palestine Development and Investment Company PADICO than its previous closing, which in turn recorded the highest weekly gain in the market. However, the performance of the other leading stocks resulted in the trading of the Index above the 510 points. Regarding the liquidity, the leading stocks constituted around 88.63% from total transactions, to reflect the varying in the investors' expectations regarding the financial data and building or closing their investment positions.

At the end of the week, the leading company- Palestine Development and Investment Company PADICO- disclosed its semi-annual financial data for the year 2016, posting net income attributable to the shareholders of the parent company of \$12.42 million; down by 12.12% compared to the corresponding period of 2015. This decrease came despite the growth in the operating revenues of its subsidiaries, mainly resulted from the increase in the revenues of Palestine Industrial Investment Company PIIC. However, realizing losses from exiting from unproductive investments affected the consolidating profits. Moreover, not recording profits from the new projects in H1 2016 contributed in a decline in net profits especially that the corresponding period of 2015 included recording profits from Al-Ghadeer Housing Residency- one of the projects of Palestine Real Estate Investment Company PRICO. In this context, PADICO expects starting to record profits from AL-Sharafat project in H2 2016. Accordingly, PADICO records BV of \$1.76, P/BV of 0.66x and PE of 11.70X. During the week, PADICO increased by 6.36%, to close at the level of \$1.17 after transactions that contributed in 26.18% from total trading value.

Among the distinguished disclosures this week, Palestine Electric Company PEC noted net income of \$8.38 million in H1 2016; up by 56.88% than the corresponding period of 2015. This followed a significant increase in the power generating revenues after regaining the ability of the company's machines to operate with its full production capacity and issuing its monthly bill on the basis of total energy. PEC conducted maintenance and repairing operations during last year after the Israeli bombing during 2014. Moreover, the National Bank TNB noted posting net income of \$4.65 million in H1 2016; up by 73.51% than H1 2015. This followed an increase in net interests and commissions, in addition to enhancing the income from financial assets from stocks dividends and income from selling investments. Furthermore, Bank of Palestine BOP reported an increase in its net income by 5.26% in H1 2016, when reached \$23.90 million. This followed an increase in net interests and commissions after consolidating the financing and investment revenues of the Arab Islamic Bank AIB, in which BOP has increased its ownership in from 31% to 51.98% to become a controlling stake. However, evaluating the stocks of AIB which was owned by BOP before the acquisition on the fair value at the acquisition date resulted in income from operation consolidation and therefore enhancing the period income.

Weekly Report

Market Indices & Top Gainers

| Index/ PEX | Opening | Closing | Change | Symbol | Opening | Closing | Change |
|------------------------------|---------|---------|--------|--------|---------|---------|--------|
| Al Quds | 507.64 | 513.17 | 1.09% | PADICO | 1.10 | 1.17 | 6.36% |
| Banking & Financial Services | 133.23 | 133.5 | 0.20% | NIC | 3.05 | 3.20 | 4.92% |
| Industry | 74.78 | 74.77 | -0.01% | TRUST | 3.90 | 4.09 | 4.87% |
| Insurance | 59.42 | 61.06 | 2.76% | BJP | 2.35 | 2.44 | 3.83% |
| Investment | 25.17 | 26.05 | 3.50% | NAPCO | 0.59 | 0.61 | 3.39% |
| Services | 44.99 | 45.11 | 0.27% | BPC | 4.08 | 4.20 | 2.94% |

Summary of the Week Performance

| Item | Current Week | Last Week | Change Ratio | Daily Average of this Week | Daily average of 2015 | Change Ratio |
|--------------|--------------|------------|--------------|----------------------------|-----------------------|--------------|
| # of Shares | 5,484,201 | 10,674,041 | -48.62% | 1,096,840 | 712,315 | 53.98% |
| Value in USD | 10,045,463 | 15,507,142 | -35.22% | 2,009,093 | 1,302,391 | 54.26% |

Most Active Companies This Week

| Company Name | # of Traded Shares | Total value (USD) | Open Price | Close Price | % Change | 52 Weeks Price | |
|--------------|--------------------|-------------------|------------|-------------|----------|----------------|------|
| | | | | | | High | Low |
| APIC | 1,909,460 | 3,368,728 | 1.77 | 1.77 | 0.00% | 1.78 | 1.01 |
| PADICO | 2,244,042 | 2,629,898 | 1.1 | 1.17 | 6.36% | 1.24 | 1.05 |
| PALTEL | 333,742 | 2,401,064 | 5.07 | 5.1 | 0.59% | 5.70 | 5.01 |
| BOP | 198,854 | 504,048 | 2.52 | 2.53 | 0.40% | 3.04 | 2.48 |
| BPC | 55,109 | 225,260 | 4.08 | 4.2 | 2.94% | 4.20 | 3.15 |
| GUI | 108,111 | 166,503 | 1.55 | 1.55 | 0.00% | 1.68 | 1.52 |
| TNB | 104,343 | 162,406 | 1.55 | 1.56 | 0.65% | 1.60 | 1.30 |
| PEC | 81,003 | 98,569 | 1.2 | 1.22 | 1.67% | 1.27 | 1.01 |
| MIC | 143,324 | 68,790 | 0.48 | 0.48 | 0.00% | 0.00 | 0.00 |
| QUDS | 49,950 | 59,867 | 1.19 | 1.2 | 0.84% | 1.37 | 1.04 |

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