

Weekly Trading Report [26-30/03] 2017

“Al Quds Index closes at the level of 538.87 points”

Medium liquidity prior to holding the GA meetings of the heaviest two weighted companies in the index

Al-Quds Index ended the first quarter of 2017 up by 0.06% than its previous weekly closing level, to trade in this week at its highest levels since the beginning of the year and close at 538.87 points. On the other hand, Palestine Stock Exchange PEX witnessed medium liquidity levels prior to holding the general assembly meetings of the two leading companies with the highest weights in the Index- Palestine Telecommunications PALTEL and Bank of Palestine BOP- in the next week, to approve the dividends distribution. In this context, the variation scope concerning the traders' interests is enhanced during this period; the buyer of the stock in this drop trend – discounted by dividends value- may be motivated by the historical technical performance of the share in pre and post the dividends entitlement announcement or by the expected company's profits growth or else by the share's attractive market indicators related to the new recorded low price. While the seller of a stock with discounted price by the dividends value may be motivated by liquidating his holdings in order to capture another stock that holds dividends in a near period or the trader himself has just achieved a targeted total shareholder's return (dividends and capital gain).

In terms of dividends entitlements and their effects, the general assembly of Palestine Islamic Bank ISBK approved, in its ordinary and extraordinary meetings on 29/03/2017, raising the subscribed and paid-up capital by \$6.50 million to reach \$69 million through distributing \$3.50 million stocks dividends (5.60% from the paid up capital prior to the distribution), and \$3.00 million through secondary subscription at the price of \$1.65 (\$1 par value and 0.65 premium). The subscription will start on Sunday 16/04/2017 and end on Sunday 14/05/2017. Furthermore, the shareholders as of the PEX records on Monday 10/04/2017 are able to subscribe. On the other hand, the general assembly also approved distributing \$5.31 million cash dividends (8.50% from the paid up capital prior to the distribution), to record 3.78% dividends yield based on the stock's price on the entitlement date and 42.08% payout ratio. However, ISBK's price declined to trade at its equivalent price and close at the level \$2.05 through active transactions worth \$1.24 million; to top the PEX by trading value. Regarding the dividends distribution announcements, the board of directors of Ramallah Summer Resorts RSR raised a recommendation to the general assembly, which will be holding a meeting on 07/05/2017, to distribute 7% cash dividends for the year 2016, to record dividends yield 2.60% based on the current market price.

Regarding this week's trading and in the context of Blue-chips, the stock of Palestine Telecommunications PALTEL- the largest company by market capitalization- secondly topped the PEX when its transactions reached \$1.23 million, to close at the level of JD5.13 after trading in a relatively wide range and witness gains of 1.18%. This followed an increased in the purchasing orders in anticipation for holding the general assembly meeting next week to approve distributing 40% cash dividends for the year 2016. On the other hand, Bank of Palestine BOP- the largest bank by market capitalization- decreased by 1.46%, to close at the level of \$2.70, after transactions worth \$0.52 million. It is good to note that BOP will hold its general assembly meeting next week to approve distributing \$25.35 million dividends (stocks and cash); lower than the dividends' distribution in the previous years. Far from trading, the announcements to hold the board of directors' meetings for the listed companies increase to discuss their strategies regarding the dividends distribution for 2016. By the end of the business week, 4 companies has approved distributing dividends for 2016, while, 14 companies proposed dividends' distribution and determined their general assembly meetings dates

Weekly Report

Market Indices & Top Gainers

Index/ PEX	Opening	Closing	Change	Symbol	Opening	Closing	Change
Al Quds	538.53	538.87	0.06%	MIC	1.04	1.09	4.81%
Banking & Financial Services	154.63	152.99	-1.06%	GUI	1.69	1.77	4.73%
Industry	77.60	78.28	0.88%	PIBC	0.95	0.99	4.21%
Insurance	67.40	68.15	1.11%	NIC	3.1	3.2	3.23%
Investment	25.08	25.04	-0.16%	BPC	4.94	5.09	3.04%
Services	44.73	45.06	0.74%	JCC	0.76	0.78	2.63%

Summary of the Week Performance

Item	Current Week	Last Week	Change Ratio	Daily Average of this Week	Daily average of 2016	Change Ratio
# of Shares	3,540,392	3,377,847	4.81%	708,078	950,275	-25.49%
Value in USD	5,185,054	5,612,341	-7.61%	1,037,011	1,816,948	-42.93%

Most Active Companies This Week

Company Name	# of Traded Shares	Total value (USD)	Open Price	Close Price	% Change	52 Weeks Price	
						High	Low
ISBK	552,346	1,237,577.65	2.24	2.05	-8.48%	2.26	1.25
PALTEL	169,842	1,230,870.15	5.07	5.13	1.18%	5.28	4.75
PADICO	671,370	731,446.79	1.08	1.10	1.85%	1.22	1.01
BOP	194,438	524,996.62	2.74	2.7	-1.46%	2.85	2.48
APIC	277,534	514,869.34	1.86	1.84	-1.08%	1.95	1.12
AIB	99,207	184,982.12	1.88	1.85	-1.60%	1.98	1.32
BPC	34,106	171,605.07	4.94	5.09	3.04%	5.09	3.27
AIG	1,175,757	152,848.41	0.14	0.13	-7.14%	0.16	0.12
QUDS	68,634	97,518.25	1.44	1.40	-2.78%	1.45	1.11
WATANIYA	76,488	63,636.78	0.84	0.83	-1.19%	0.90	0.79

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