

**MARKET  
BRIEF****Small Recovery****January 19, 2011 – February 13, 2011**

The Amman Stock Exchange General Index rose 1.74% between January 19<sup>th</sup> and February 13<sup>th</sup> on gains by the financials and industrial sectors and despite a drop in the services sector. However, the average daily trading dropped 8% compared to the December 15<sup>th</sup> to January 18<sup>th</sup> period to JD7.1 million as the average daily number of traded shares dropped 4% to 9.3 million shares. The average daily trading of the financials sector dropped 16% to JD4.2 million, but the sector accounted for 61% of the market's activity. Meanwhile, the industrial sector's average daily activity dropped 3% to JD1.2 million and accounted for 17% of the market's activity. At the other end, the average daily activity of the services sector rose 2% to JD1.5 million and accounted for 22% of the market's activity.

The financials sector led the market with a 2.41% gain on the back of good gains in the real estate, diversified financials, and banking sectors, and despite a 1.5% drop in the insurance sector. The banking index rose 3.02%, as Arab Bank Group (ARBK), the market's most active stock for the period, gained 3.55% to close at JD7.30. ARBK benefited from a series of good news starting with a 13% increase in the group's net income to USD306 million. At the same time, the management of the Group recommended the distribution of JD0.25 in cash dividend per share, which represents a 20% increase compared to the dividend distributed in 2009 and 2010. Moreover, the Group announced that it intends to buy back some of its shares as treasury stocks signaling to the market that the management feels that the stock is undervalued at its current prices. Meanwhile, the preliminary results of several banks show that the sector is healthy. Bank of Jordan (BOJX) reported a 14% increase in net income to JD36.6 million, and Jordan Ahli Bank (AHLI) reported a 1% increase in net income to JD23.2 million. Meanwhile, the net income of Arab Banking Corporation/Jordan (ABCO) rose 9% to JD11.3 million.

The printing & packaging index rose 15.47% and the glass & ceramic industries index rose 9.1%, which helped the industrial index gain 1.15%. Union Advanced Industries (UADI) gained 20.61% in the printing & packaging sector to close at JD2.75, and International Ceramic Industries (ICER) gained 30.43% in the glass & ceramic industries sector to close at JD0.30. Meanwhile, the tobacco & cigarettes index rose 5.09% on a 25.18% gain by Union Tobacco & Cigarette Industries (UTOB), which closed at JD1.74. However, the real news in the tobacco & cigarettes sector came from Al-Eqbal Company for Investment (EICO), which reported a 33% increase in net income to JD21.3 million. The very important mining & extraction index gained 0.19% as Jordan Steel (JOST) gained 0.91% to close at JD2.22, and as Jordan Phosphate Mines (JOPH) gained 1.09% to close at JD12.1; JOST reported a 55% rise in net income to JD5.7 million. The market was led by Jordan Industries & Match (INMJ), which gained 244.59% to close at JD2.55. However, this gain resulted from floating the stock price after the company reduced its paid-up capital by JD1.3 million to JD0.5 million.

The decline in the services sector followed losses in the hotels & tourism, transportation, media, utilities & energy, and commercial services sectors. Comprehensive Leasing Company (LEAS) dropped 14% in the commercial services sector to JD1.72, as Zara Investments (ZARA) dropped 12.38% in the hotels & tourism sector to JD0.92. Meanwhile, Royal Jordanian Airlines (RJAL) dropped 10.29% in the transportation sector to JD0.61 as the company announced that it intends to stop flights to five different destinations over the coming weeks due to low demand and rising fuel costs. The company, which has been facing difficult times, announced that it had to cancel around 1300 flights last year in the aftermath of the Arab Spring and the drop in the inbound tourism activity. In the media sector, Jordan Press Foundation/Al-Rai (PRES) dropped 3.57% to JD6.75 and Jordan Press & Publishing/AD-Dustor (JOPP) retreated 2.86% to JD1.02.

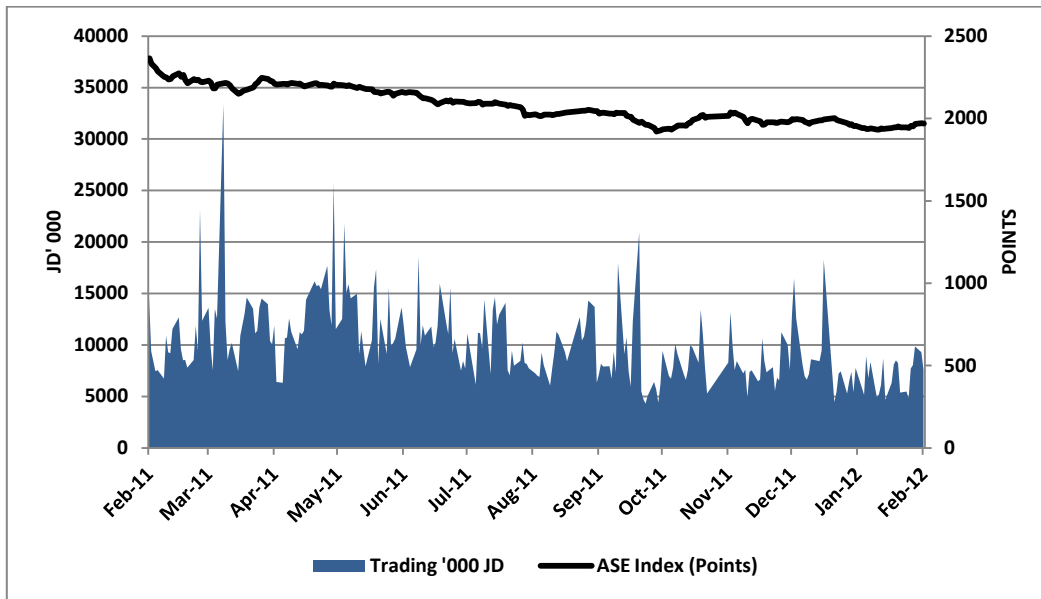
The market recovered slightly from its shaky start on the good preliminary corporate results of some leading stocks and the announcement of the distribution of cash dividend by many companies. However, the market is still under the heavy shadow of the global economic volatility and regional instability and a long-term recovery remains dependent on improvements in these conditions.



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Company	Close (JOD)	Change (%)	Turnover (JOD)
<b>Best Performers</b>			
JORDAN INDUSTRIES & MATCH	2.55	244.59	3,687
INTERNATIONAL CERAMIC INDUSTRIES	0.30	30.43	10,112
UNION TOBACCO & CIGARETTE INDUSTRI	1.74	25.18	1,439,235
<b>Worst Performers</b>			
JORDAN INTERNATIONAL INVESTMENT	0.54	-23.94	1,359
AL-MANARA INSURANCE	0.27	-22.86	212
AKARY FOR INDUSTRIES & REAL ESTATE	0.96	-22.58	508,299
<b>Most Active</b>			
ARAB BANK GROUP	7.30	3.55	11,664,709
UNION INVESTMENT CORPORATION	0.79	6.76	7,959,376
Union Land Development	2.09	6.09	7,125,723

Index	ASE
Close	1968.91
Change (%)	1.74
YTD (%)	-1.31
Y-o-Y (%)	-16.77
Trailing P/E	18.83

AMI: AB Invest Market Index  
 ASMI: AB Invest Smaller Market Index  
 ASE: Amman Stock Exchange Index  
 Trailing P/E: Market capital weighted P/E of index elements

Trading Activity	
Volume (shares)	167,672,314
Volume (JD)	127,067,334
Volume (US\$)	179,177,631

Market Breadth	
Advancers	92
Decliners	83
Unchanged	67

### Trading Value

