



Weekly Market Report

Week ended 02th May, 2018

Saturday thru Wednesday inclusive

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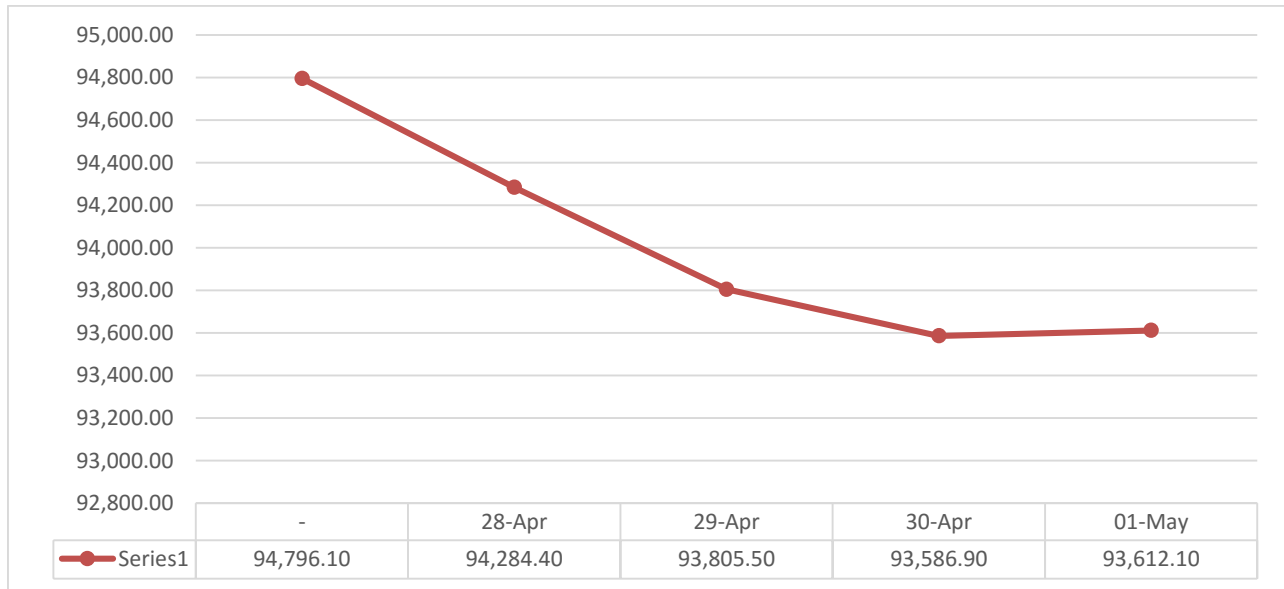
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1. Market Report-The Indices

- All Share Index**



- Market indices**

Title	April 25, 2018	May 1, 2018	Unit change	Change %
All-Share Index	94,796.14	93,612.14	-1,184.00	-1.25%
Fara Bourse Index	1,060.7	1,057.0	-3.70	-0.35%
Index Of 30 Largest Co.	4,220.9	4,152.4	-68.53	-1.62%
Index Of 50 Most Active Co.	3,991.7	3,938.3	-53.41	-1.34%
P/E	6.96	6.87	-0.09	-1.29%

Daily Average Trading Value	Last Week (\$)	Current Week (\$)	Amount Of Change (\$)	Change Percentage
	37,395,618	25,350,598	-12,045,020	-32.21%



- **Market Analysis**

- **The Market**

The all-share index under the shadow of the US possible withdrawal from the Iran Nuclear deal continued its negative mood for a further week and lost 1,184 points (1.25%) closing at 93,612. As a result the return on the index for the year to date declined by 2.8%.

- **Trading Value**

The total value of the trade this week reached US\$232.082 million showing a decline of 16% against last week. The highest value of trade related to Pars Oil Co valued at US\$3.397 million.

- **Market Activities**

The possible US withdrawal from the Iran Nuclear Deal overshadowed the market and brought about negative sentiment throughout the week. With the exception of some individual low valued companies almost all stocks were in negative territory.

This became more evident when the world Base Metals prices also went lower in particular the steel companies share prices went lower and formed two thirds of the negative impact on the index during this week. The Wednesday public holiday also did not help either.

The share prices of Zinc based companies together with those of refineries were also adversely affected. However due to some unknown reason the share prices of UP went higher after losing 15% previously.

Some individual share prices at the end of the week such as UP, Tehran Refinery, Tabriz Refinery and Isfahan Refinery turned positive pushing the index slightly higher.

The ticker of Tourism Bank after stopping for over 20 months was activated this week resulting in a loss of 12% of its original value reaching IRR1,100 per share. It was announced that 12 IPOs will be introduced to the market on Monday in order to raise confidence and give a boost to the stock market.

- **Debt Market**

The total value of the debt market rose by 31% and reached US\$124.590 million. As a result the interest rates for the T Bills(discounted rate), Fixed Income Funds and ETF Funds achieved were 23%, 19% and 21% respectively.



- **Base Metals & Mining**

The prices were:

	World.	Iran
	US\$.	US\$
Copper.	6,850.	8,841
Lead.	2,298.	2,642
Zinc.	3,057	4,023
Aluminum	2,299.	2,446

The Iran metal prices have been calculated at the fixed rate of IRR42,000 = 1 US\$. During this week the rising of the US Dollar index caused the prices of commodities going lower.

It was announced that the raising of the US tariffs on Steel and Aluminum for Europe, Canada and Mexico was delayed until 1st July this year. It is believed the raising of tariffs on Brazil, Argentina and Australia were also delayed . However no details are currently available. Although this move result in a positive mood in the Base Metals market but due to the rising of the US Dollar index no increase in Base Metals prices was achieved.

Copper and Zinc prices fell by 1% on Tuesday this week. However Goldman Sachs strategists have become even more bullish on commodities and say the strategic case for owning commodities has rarely been stronger.

Commodities have been the best performing asset class of 2018 setting new multiyear highs. They have returned 7% year to date and are outperforming equities by 8% , the strategists said in a note.

The TC/RCs reached US\$81 in January this year declined to US\$68 which is good news for the world exporters of copper concentrates and is an indicative of a high demand in China.

On the other hand the lowering of the stockpile of Steel and Iron Ore in China has pushed the price of Iron Ore to US\$67 per ton.

- **Energy & Oil**

Brent oil and US Texas oil reached US\$73.36 and US\$67.85 per barrel respectively this week.

Following the announcement by Israeli prime minister that Iran had secretly was developing nuclear capabilities prior to signing the nuclear deal caused the price of oil reaching US75 per barrel this week. However oil fell nearly 1% on Thursday weighed down by swelling US crude inventories and record weekly US production.



The US oil production also rose to a record of 10.62 million barrels per day, a jump of more than a quarter since mid-2016.

Looming over markets is the May 12 deadline by when President Trump is due to decide whether or not to continue waiving US sanctions against Iran.

Oil prices fell on Thursday as swelling negative US crude inventories and record weekly US production clashed with OPEC supply cuts and the potential for new US sanctions against Iran.

On Wednesday a report from the US Energy Information Administration (EIA) showed a 6.2 million barrel jump in US crude inventories.

BP has predicted that the price of oil within the second half of this year will face a reduction as the US shale oil will rise by 1.5 million barrels a day.

The managing director of Iran Petrochemical Industry announced that top European companies have expressed their desire to have a closer cooperation with Iran in this regard.

- **FX & Gold**

During this week the US Dollar index rose by 1% reaching 92.53 and subsequently rose to 92.8 being its highest level during the last 4 months.

In Iran despite the fixed rate of IRR42,000=1 US\$ the black market rate reached IRR61,000. However the price of gold dropped to US\$1,301 per ounce following the rise in the US Dollar index. Currently the price of gold stands at US\$1,313 per ounce.

According to WGC the demand for gold has been at its lowest level during the last three months of 2018.

During the three months ended March 2018 the demand for gold reached 973.5 tons which is 7% lower than the corresponding period last year and is at its lowest level during the last ten years.

- **Housing**

The possible imposition of taxes over empty unit of accommodation has been suspended due to the current recession in the economy. According to the CBI the average price of an apartment per square meter during the first month of this year has risen by 5.29%.



- **Macro Economy**

The setting off of the Government debts to banks against banks' balances due has been approved by the Budget & Planning Office. This is valued at US\$16 billion.

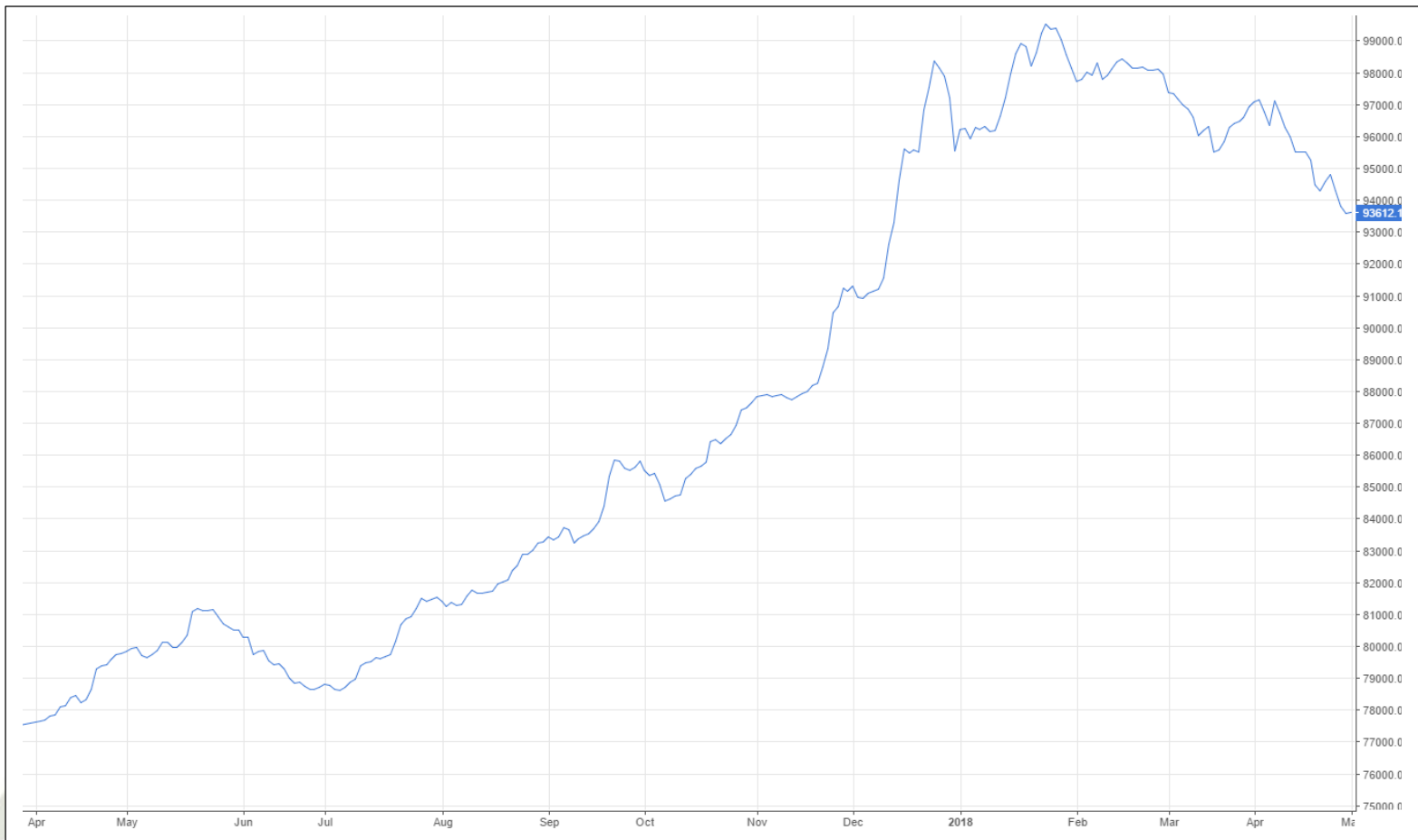
On Tuesday the CPI growth for the mining industry for the four seasons ended in winter last year was 17.3 against the corresponding period the year before.

The highest rate of inflation during the previous year was 8.5% whilst the lowest rate was 7.7% according to Iran Statistic Office.



- **Market movements since the lifting of the sanctions**

- The following chart shows the movements in the prices of the shares on the Tehran Stock Market since the lifting of the sanctions:





- Worldwide prices of oil & gas, major currencies, precious metals and basic metals

Oil				
	Unit	27/04/2018	04/05/2018	Change%
Opec	Barrel/Dollar	71.000	70.660	-0.5%
Petrol	Gallon/Dollar	2.1195	2.1135	-0.3%
Natural Gas	One Million-BTU	2.7720	2.7160	-2.0%

Currency (IRR)				
Currency		27/04/2018	04/05/2018	Change%
Dollar	Official Rate	42,000	42,000	0.00%
	Free Market Rate	42,000	42,000	0.0%
Euro		68,210	73,140	7.2%
Pound		78,150	82,890	6.1%

Precious Metal				
Metal	Unit	27/04/2018	04/05/2018	Change%
Gold	Dollar/ Ounce	1,324.31	1,313.78	-0.80%
Silver	Dollar/ Ounce	16.4750	16.5250	0.30%

Basic Metal				
Product	Unit	27/04/2018	04/05/2018	Change%
Aluminum	Dollar/ Tonne	2,228.25	2,345.75	5.3%
Lead	Dollar/ Tonne	2,347.00	2,314.50	-1.4%
Zinc	Dollar/ Tonne	3,132.50	3,061.25	-2.3%
Copper	Dollar/ Tonne	6,813.25	6,845.00	0.5%



2.Detailed Market information

TSE TOP 5 Gainers

Symbol	Sector	Company Name	close (USD Cent)	%change
SRMA	Manufacture of machinery and equipment	Sarma Afarin	8.01	21.85%
GFRZ	Manufacture of food products and beverages except sugar	Pegah Fars Co.	11.28	21.43%
ATIR	Manufacture of motor vehicles•trailers and semi-trailers	Iran Tractor F.	10.09	16.79%
JOSH	Manufacture of electrical machinery and apparatus	Yazd Jooshkab Investment Banking	20.97	16.31%
OMID			3.96	14.90%

TSE TOP 5 LOSERS

Symbol	Sector	Company Name	close (USD Cent)	%change
MAVA	manufacture of chemicals and chemical products	Fiber Prod.	2.17	-20.23%
TPSZ	manufacture of chemicals and chemical products	Tuka Paint Co.	9.80	-14.21%
TBSZ	Minig of coal and lignit•extraction of peat	Tabas Company	11.09	-13.03%
ABAD	Real estate activities	Abadgaran Zangan	4.48	-12.01%
ZAGZ	Manufacture of basic metals	Industry	22.59	-11.68%



TSE TOP 5 VALUE LEADERS

Symbol	Sector	Company Name	close (USD Cent)	Trade Value USD Million
OMID		Investment Banking	3.96	4.1
BTEJ	Monetary intermediation & banks	Tejarat Bank	1.50	2.5
GRDZ	Monetary intermediation & banks	Tourism Bank	2.59	2.5
FOLD	Manufacture of basic metals	Mobarakeh Steel	6.52	2.5
ALIR	Manufacture of basic metals	Iran Aluminium	0.00	2.3



3.Economic News

Iranian Airlines Buy 40 Sukhoi Passenger Jets

Two Iranian airlines signed contracts with Russian aircraft manufacturer Sukhoi to purchase a total of 40 passenger planes.

Iran World's 16th Biggest Car Manufacturer: OICA

Iran's car output reached 1.515 million units in 2017, the International Organization of Motor Vehicle Manufacturers (OICA) reported.