



Weekly Market Report

Week ended 03th July, 2019

Saturday thru Wednesday inclusive

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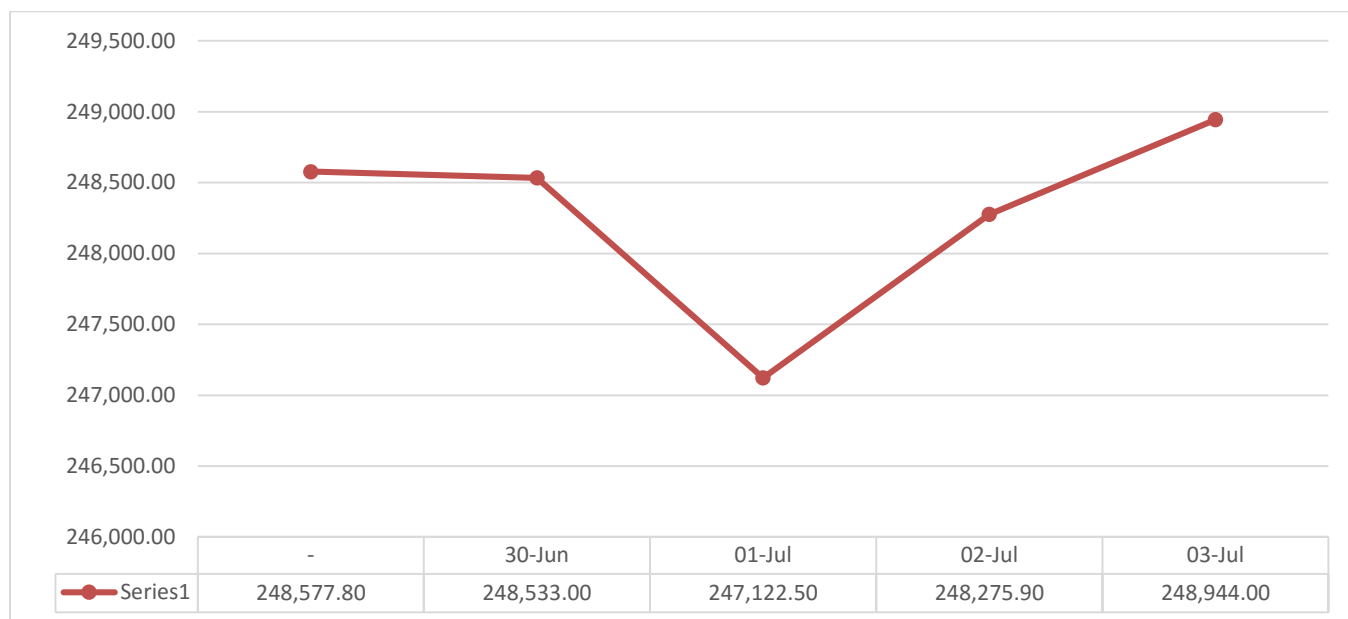
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1. The Indices



Title	June 26, 2019	July 3, 2019	Unit change	Change %
All-Share Index (Bourse)	248,577.8	248,943.9	366.18	0.15%
Fara Bourse Index	3,178.4	3,213.5	35.14	1.11%
Index Of 30 Largest Co.	11,448.6	11,249.7	-44.62	-0.44%
Index Of 50 Most Active Co.	10,150.2	10,105.6	-198.97	-1.74%
P/E	7.97	7.35	-0.62	-7.78%

Daily Average Trading Value (Bourse)	Last Week (\$)	Current Week (\$)	Amount Of Change (\$)	Change Percentage
	95,462,915	69,151,205	-26,311,710	-27.56%



- Market Performance

Market Information Week ended 03th July 2019

	This Year				Last Year		
	This week	Last week	Changes	%	At 21.03.18	Changes	%
All-Share Index	248,943	248,577	366	0.1%	178,659	70,284	39.3
Shares Trading Value	\$ 610 m	\$ 772 m	(162)	(21.0%)	-	-	-
Debt Securities Trading Value	\$ 55 m	\$ 103 m	(48)	(46.9%)	-	-	-
Market Return in IRR to date	72%	70%	2%	-	-	-	-
Exchange Rate US\$/IRR	127,500	130,000	(2,500)	(1.9%)	-	-	-
Exchange Rate EURO/IRR	147,000	148,900	(1,900)	(1.3%)	-	-	-
US Dollar index	96.75	96.23	0.5	0.5%	96.32	0.43	0.45
Gold Value per ounce	1,418	1,420	(2)	(0.1%)	1,308	110	8.41

- Market Analysis

- The Debt Market

The effective interest rates achieved by TBills (discounted), Fixed Income Funds and ETF this week were 19%p.a. , 20%p.a. and 20%p.a. respectively.

Largest Valued Trade

The largest Valued Trade this week worth US\$10 million belonged to Saipa Auto.

- Market Activities

The market this week was generally subdued and negative following a very exciting week last week in which the market rose by 13,698 (+5.8%). As a result , the all-share index only rose by 366 points representing 0.1% growth and could not break through the 249,000 level!

On Sunday being the first day of trading (Saturday was a public holiday) the market was expected to rise breaking through the resistant level of 249,000 level following the introduction of INSTEX system by the Europeans to facilitate Iran imports and exports and possible trade agreement between the US and China. However this did not come to fruition and the all-share index after building up a momentum to rise gradually declined and ended up with a small loss.

The most favorable stocks were in the Cement sector with the total value of transactions of US\$10 million. This came about after an increase of 37% of their prices and their tax exemption for the increase of their share capital by way of revaluation of their assets (according to Iran Tax Law revaluation of assets is subject to tax @ 25% for companies).



On Monday the market continued its negative sentiment with limited interest by the investors. The commodity based companies were also down including larger caps such as Iran National Copper Inds, Iran Steel Co and Mobarakeh Steel Co.

At the AGM of Arak Petrochemical Co the entire net profit of IRR150 per share was agreed to be paid to the shareholders by way of dividend.

On Tuesday the market turned positive and managed to gain some points. This was partly due to the agreed reduction of the oil production by OPEC in Vienna for the next 9 months but Iran was given exemption due to the US sanctions. The reintroduction of the IPO of Nori Petrochemical Co in Fara-Bourse worth US\$23.5 million did also help with the positive turnaround of the market.

On Wednesday the positive sentiment of the previous day continued and resulted in a growth of the shares prices of Pharmaceutical, Petrochemical and Cement sectors. This eventually led to a small rise of the all-share index by 0.14%.

This week there was also a decline in the values of USD and Euro against IRR by 0.15% and 1.3% respectively. The values of Gold ounce and Coins in line with the currencies also dropped by 0.6% and 1.6% respectively.

- **Base Metals & Mining**

Basic Metals				
Price	Lead US\$	Copper US\$	Zinc US\$	Aluminum US\$
World	1,874	5,918	2,428	1,802
Iran	1,803	5,285	2,517	1,749

Iran billets export prices rose by 0.07% and reached US\$385 per tonne and Iran stab export prices remained unchanged at the ceiling of US\$380 per tonne.

The Iron Ore prices at Dalian market of China rose by 4% and the prices of this metal at Chinese ports passed over the price of US\$123 per tonne.

The reduction of the productions of the world major producers in 2019 was the main driver behind the rise in the prices in particular for those mines with higher rate of purity during the last few weeks.

The above is expected to push the steel prices to the border of US\$600 per tonne.



Changes in the level of the stockpiles at LME have caused higher movements in the prices: The price of Lead has fallen by 40% (currently 64,500 tonnes), Zinc has fallen by 27.7% (currently 93,500 tonnes) and Aluminum has fallen by 22.6% (currently 984,450 tonnes).

- **Oil & Energy**

Oil & Energy		
	Brent Oil U\$\$	Texas Oil U\$\$
Price	63	57

Oil prices fell on Thursday, weighed down by data showing a smaller-than-expected draw on U.S. crude stockpiles and worries about the global economy.

Markets appeared unmoved by the detention in Gibraltar by British Royal Marines of a supertanker possibly carrying Iranian crude oil bound for Syria, as tensions between Iran and the United States have flared over mysterious attacks on tankers in the Gulf of Oman in recent months.

“Gains were capped by the Energy Information Administration (EIA) reporting a weekly decline of 1.1 million barrels in crude stocks, versus the 3 million barrels forecast by analysts and 5 million barrels reported by the API a day earlier,” Cantor Fitzgerald Europe said.

“Also providing headwinds were signs of a recovery in oil exports from Venezuela in June and growth in Argentinian output in May,” it added.

U.S. inventories fell less than expected as U.S. refineries last week consumed less crude than the week before and processed 2% less oil than a year ago, the EIA data showed, despite being in the midst of the summer gasoline demand season.

That suggests oil demand in the United States, the world’s biggest crude consumer, could be slowing amid signs of a weakening economy. New orders for U.S. factory goods fell for a second straight month in May, government data showed on Wednesday, adding to the economic concerns.

The weak U.S. data followed a report of slow business growth in Europe last month as well.

“Tossing aside the short-term nature of fluctuations around the inventory data, it’s impossible to escape the economic reality that we are in the midst of a global manufacturing downturn,” said Stephen Innes, managing partner, Vanguard Markets.



The weakness in oil was offset slightly by the broader outlook for global supplies.

U.S. energy firms this week reduced the number of oil rigs operating for the first time in three weeks as drillers follow through on plans to cut spending this year.

Drillers cut five oil rigs in the week to July 3, bringing the total count down to 788, General Electric Co's GE.N Baker Hughes energy services firm said in its closely followed report on Wednesday.

Global supply is also expected to contract as the Organization of the Petroleum Exporting Countries and other producers such as Russia, a group known as OPEC+, agreed on Tuesday to extend oil production cuts until March 2020.

- **Housing**

It has been reported that in the last month of Spring of this year there has been a sign of falling house prices in the East of Tehran and the number of transactions in the most populous areas in the East have fallen by nearly 50% against last month and also in two areas of Tehran prices have turned negative.



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

Oil				
	Unit	05/07/2019	28/06/2019	Change%
Opec	Barrel/Dollar	63.43	65.61	-3.3%
Petrol	Gallon/Dollar	1.9290	1.8920	2.0%
Natural Gas	One Million-BTU	2.405	2.312	4.0%

Currency (IRR)				
Currency		05/07/2019	28/06/2019	Change%
Dollar	Official Rate	42,000	42,000	0%
	Free Market Rate	127,500	129,410	-1.5%
Euro		146,960	148,370	-1.0%

Precious Metal				
Metal	Unit	05/07/2019	28/06/2019	Change%
Gold	Dollar/ Ounce	1,401.94	1,409.50	-0.54%
Silver	Dollar/ Ounce	15.0570	15.3520	-1.92%

Basic Metal				
Product	Unit	05/07/2019	28/06/2019	Change%
Aluminum	Dollar/ Tonne	1,803.50	1,793.50	0.6%
Lead	Dollar/ Tonne	1,878.25	1,933.25	-2.8%
Zinc	Dollar/ Tonne	2,410.00	2,492.25	-3.3%
Copper	Dollar/ Tonne	5,896.75	6,000.50	-1.7%



TSE TOP 5 Gainers

Symbol	Sector	Company Name	close (USD Cent)	%change
GRDZ	Monetary intermediation & banks	Tourism Bank	1.54	37.98%
MELT	Investment	Melat Inv.	1.00	34.32%
KAVR	Manufacture of motor vehicles•trailers and semi-trailers	Iran Khodro D. Shahroud	1.42	30.54%
SHKR	Manufacture of sugar	Sugar	11.50	25.59%
PLAK	manufacture of chemicals and chemical products	Iran Polyacryl	5.41	22.05%

TSE TOP 5 LOSERS

Symbol	Sector	Company Name	close (USD Cent)	%change
LENT	Manufacture of motor vehicles•trailers and semi-trailers	Iran Brake L.	32.17	-14.36%
DAML	manufacture of chemicals and chemical products	Damloran Pharm.	5.28	-12.23%
FAJR	Manufacture of basic metals	Amirkabir Steel	12.15	-12.03%
MINO	Manufacture of food products and beverages except sugar	Pars Minoo	3.98	-10.61%
LAMI	Manufacture of fabricated metal products•except machinery and equipment	Lamiran	20.22	-10.56%



TSE TOP 5 VALUE LEADERS

Symbol	Sector	Company Name	close (USD Cent)	Trade Value (USD Million)
SIPA	Manufacture of motor vehicles·trailers and semi-trailers	Saipa	1.41	10.9
ZOBZ	Manufacture of basic metals	Isfahan Steel F. & Kh.	1.36	9.2
SFKZ	Manufacture of cement·lime and plaster	Cement Cultur.Herit.	3.69	7.8
IMFZ	hotels & restaurant	Inv.	5.94	7.2
PLAK	manufacture of chemicals and chemical products	Iran Polyacryl	5.41	7.0



3.Economic News

Europe Has Failed to Keep INSTEX Running: Iran's Envoy

Iran's Ambassador to the United Nations Majid Takht Ravanchi criticized Europe for failing to provide enough credit to make INSTEX -a payment channel that the three EU signatories to the JCPOA have set up to maintain trade with Iran- fully operational.

Iran Can Be Main Energy Supplier in Region: Minister

Iranian Energy Minister Reza Ardakanian highlighted the country's capacity to export energy resources to Middle Eastern countries and said the Islamic Republic has the potential to turn into the biggest supplier of energy in the region.

INSTEX Cannot Work Miracles for Iran: Official

Chairman of the Iran-Iraq Chamber of Commerce Yahya Ale-Ishaq highlighted the ineffectiveness of the Europeans' long-awaited financial mechanism, known as INSTEX, in the face of US sanctions and said it cannot perform miracles for Tehran.

Zanganeh on Mission to Protect Iran's Share of Global Oil Market

Iranian Oil Minister Bijan Namdar Zanganeh, who is in the Austrian capital of Vienna to attend a meeting of the Organization of the Petroleum Exporting Countries (OPEC), is on a mission to preserve the Islamic Republic's share of the global oil market.

Zarif Urges Plan to Ditch US Dollar in Iran's Foreign Trade

Iranian Foreign Minister Mohammad Javad Zarif described the removal of US dollar from foreign trade transactions as an effective way to thwart the American economic plots against Iran.

Iran Exempted from OPEC Output Cut: Oil Minister

Iranian Oil Minister Bijan Namdar Zanganeh hailed a Tuesday meeting of the Organization of the Petroleum Exporting Countries (OPEC) as "good" and said the Islamic Republic was again exempted from the oil output restrictions.

Djibouti Parliament Constructed with Iranian Funds, Debts Unpaid: Official

Chairwoman of the Export Guarantee Fund of Iran said many foreign governments and purchasers are in debt to the Iranian fund, including Djibouti, whose parliament has been financed and constructed by Iranians.

Iran, Iraq, Syria Reach Historic Deal to Create Transport Corridor

High-ranking officials from Iran, Syria, and Iraq have agreed to create "a multimodal transport corridor" a part of efforts to boost trade relations between the three Muslim nations.