



Weekly Market Report

Week ended 03th October, 2018

Saturday thru Wednesday inclusive

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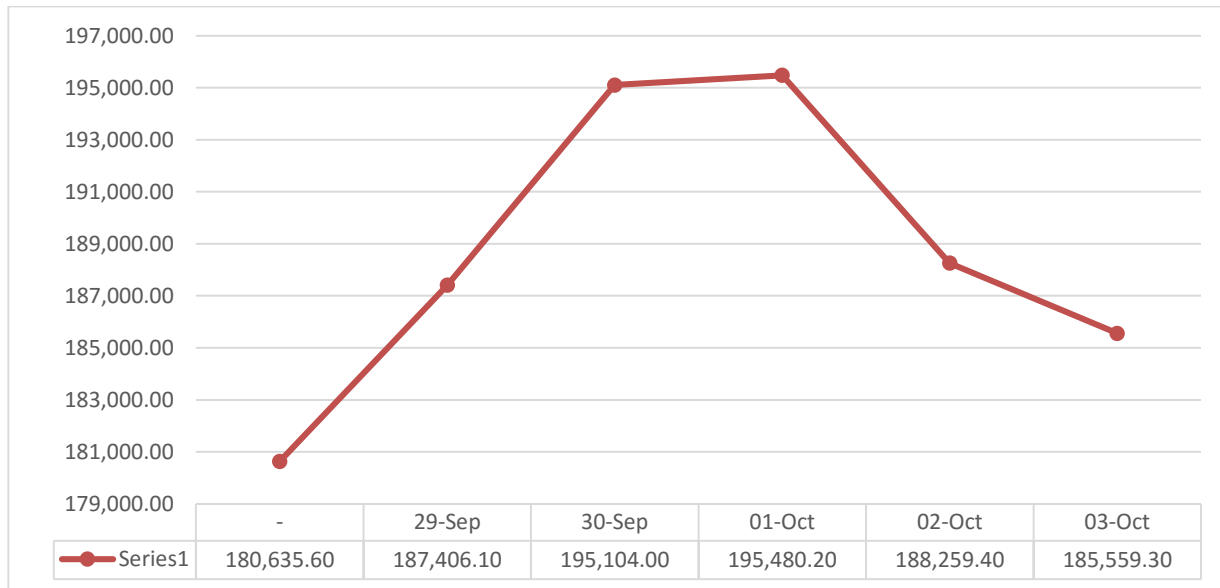
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1. Market Report-The Indices



Title	September 26, 2018	October 3, 2018	Unit change	Change %
All-Share Index	180,635.63	185,559.25	4,923.63	2.73%
Fara Bourse Index	2,071.0	2,114.8	43.82	2.12%
Index Of 30 Largest Co.	8,632.7	9,005.8	242.86	3.13%
Index Of 50 Most Active Co.	7,747.4	7,990.2	373.06	4.32%
P/E	9.32	9.48	0.16	1.72%

Daily Average Trading Value	Last Week (\$)	Current Week (\$)	Amount Of Change (\$)	Change Percentage
	121,153,135	146,661,070	25,507,935	21.05%



- Market Analysis
- Market Performance and the related information

Market Information Week ended 03th October 2018

	This week	Changes	%	Last week	At 21.03.18	Changes	%
All-Share Index	185,559	4,924	2.7	180,635	96,290	89,269	92.7
Stocks Trading Value	\$ 900 m	11,246,764	1.3	\$ 888 m	–	–	–
Debt Securities Trading Value	\$ 133 m	1,665,500	1.3	\$ 132 m	–	–	–
Market Return in IRR to date	80%	23%	–	57%	–	–	–
Exchange Rate US\$/IRR	140,000	(46,680)	(-25%)	186,680	–	–	–
Exchange Rate EURO/IRR	163,800	(55,470)	(-25%)	219,270	–	–	–
US Dollar index	95.81	0.8	0.9	94.98	89.5	6.31	7.05
Gold Value per ounce	1,201	14	1.2	1,187	1,268	(67)	(5.28)

Note 1: The effective interest rates achieved on TBs, Fixed Income Funds and ETF were 28%, 22% and 28% respectively.

Note 2: Under "Nima" (foreign exchange market for currencies received from exports by Petrochemicals ,Mining and Steel Cos) 6 major metal and mining companies such as Iran National Copper Co, Smelting Co, Khuzestan Steel Co, Kaveh Steel Co, Midco Co, Gol-Gohar Mining Co and Mobarakeh Steel Co have exchanged their foreign currencies for IRR worth US\$713.2 million since the beginning of this year.

Market Activities

During this week we witnessed yet another rise in the all-share index by 3% in which the rise in the share value of the banking sector was most noticeable. However the changes of the rule in relation to the calculation of the cost of the feeds for Petrochemical companies on the average of the exchange rates achieved on "Nima" adversely affected the enthusiasm by the investors to buy the shares in this sector.

During the first three days of this week alone the all-share index rose by 15,000 points but the above news about the Petrochemicals' feed reduced this by 10,000 points at the end of the week. Moreover on Wednesday being the last trading day of the week we witnessed a rise in the base cost of Aluminum over the Mercantile Market which caused to push the future prices of Base Metals to rise.

During this week private investors enjoyed an overall rise of 15% in the share prices of the banking sector which they bought with great enthusiasm through long and heavy queues. This came about mainly as a result of applying the exchange rates achieved over Nima market to the banking sector resulting in a rise in the share prices of Eghtesad Novin Bank, Tejarat Bank and Day Bank by 31%, 30% and 23% respectively.



The good result of Mobarekeh Steel Co and a reduction in the cost of sales of Kaveh Steel Co, Hormuz Steel Co and Khuzestan Steel Co push the share prices of this sector higher. In the meantime the rise in the world prices of Zinc and Copper helped underpin this rise. In the meantime due to a rise in oil prices worldwide the share prices of oil and oil related products companies rose by 20%.

The Telecommunications, Tiers, Plastics, Auto Manufacturing and Chemicals were the most negative sectors. Telecommunications Co and Mobile CO's shares were down by 10% and 3% respectively.

- **Base Metals & Mining**

Basic Metals				
Price	Lead US\$	Copper US\$	Zinc US\$	Aluminum US\$
World	1,997	6,210	2,603	2,164
Iran	2,125	5,371	3,083	1,875

The current complications surrounding the world 's metal prices have been dominating the market for the last 7 years.

The reduction of 25% tariff by president Trump to 10% on some Chinese products brought about a new energy in the world Mercantile Market which resulted in a rise per ton of between US\$300 and US\$400 in Copper prices during this week.

The stockpiles at LME have still remained low and have been reduced by a further 1,550 tons to reach 200,000 tons.

In the meantime the stockpiles of copper have been reduced by 2,550 tons whilst there was a cancellation of a sale of 11,275 tons during this week. The stockpiles of Aluminum have also reduced by 4,550 tons which are the lowest levels during the past 11 years.

- **Oil & Energy**

Oil & Energy		
	Brent Oil U\$S	Texas Oil U\$S
Price	85	75

Oil prices rose on Friday as traders anticipated a tighter market due to U.S. sanctions against Iran's crude exports, which are set to start next month.



The gains helped claw back some of the losses from the previous session due to rising U.S. inventories and after Saudi Arabia and Russia said they would raise output to at least partly make up for expected disruptions from Iran.

"Brent front-month prices are up 6 percent over the last week as it becomes increasingly apparent that Iranian exports could fall below 1 million barrels per day in November," said U.S. bank Jefferies on Friday.

U.S. sanctions will start targeting Iran's crude exports from November 4, and Washington is putting pressure on governments and companies globally to fall in line.

"It now appears that only China and Turkey may be willing to risk U.S. retaliation by transacting with Iran," Jefferies said.

The investment bank said there was currently enough oil to meet demand, but warned that "global spare capacity is dwindling to the lowest level that we can document ... meaning any further supply disruptions would be difficult for the market to manage - and could lead to spiking crude oil prices." An expectation of tighter markets is fueling bullish financial oil market sentiment.

Financial traders have accumulated bullish long positions betting on a further rise in prices amounting to almost 1.2 billion barrels of oil.

Meanwhile, the number of short positions in the six most important petroleum futures and options contracts has fallen to the lowest level since before 2013, creating a near-record imbalance between bullish and bearish positions in financial crude markets.

"Bullish bets have increased substantially as markets are moving ahead of an impending shortfall from U.S.-Iran sanctions," said Benjamin Lu of Singapore-based futures brokerage Phillip Futures on Friday. There are, however, voices of caution.

"While upside price risks will prevail for now, fundamental data outside of Iran has not turned bullish in our view," Goldman Sachs said in a note to clients dated Oct. 4.

"We expect fundamentals to gradually become binding by early 2019 as new spare capacity comes online ... pointing to the global market eventually returning into a modest surplus in early 2019," the bank said.

And while Goldman said there was still a "robust demand outlook", there are increasing signs that high oil prices and declining emerging market currencies like India's rupee or Indonesia's rupiah are hitting fuel consumption.



- **Housing**

According to CBI the prices of accommodation units of between 40 and 85 square meters in various parts of the country have dropped by an average of 25% and 30% but the major drop in prices has been witnessed in larger units to the extent that some investors are happy to reduce their prices by 40%.

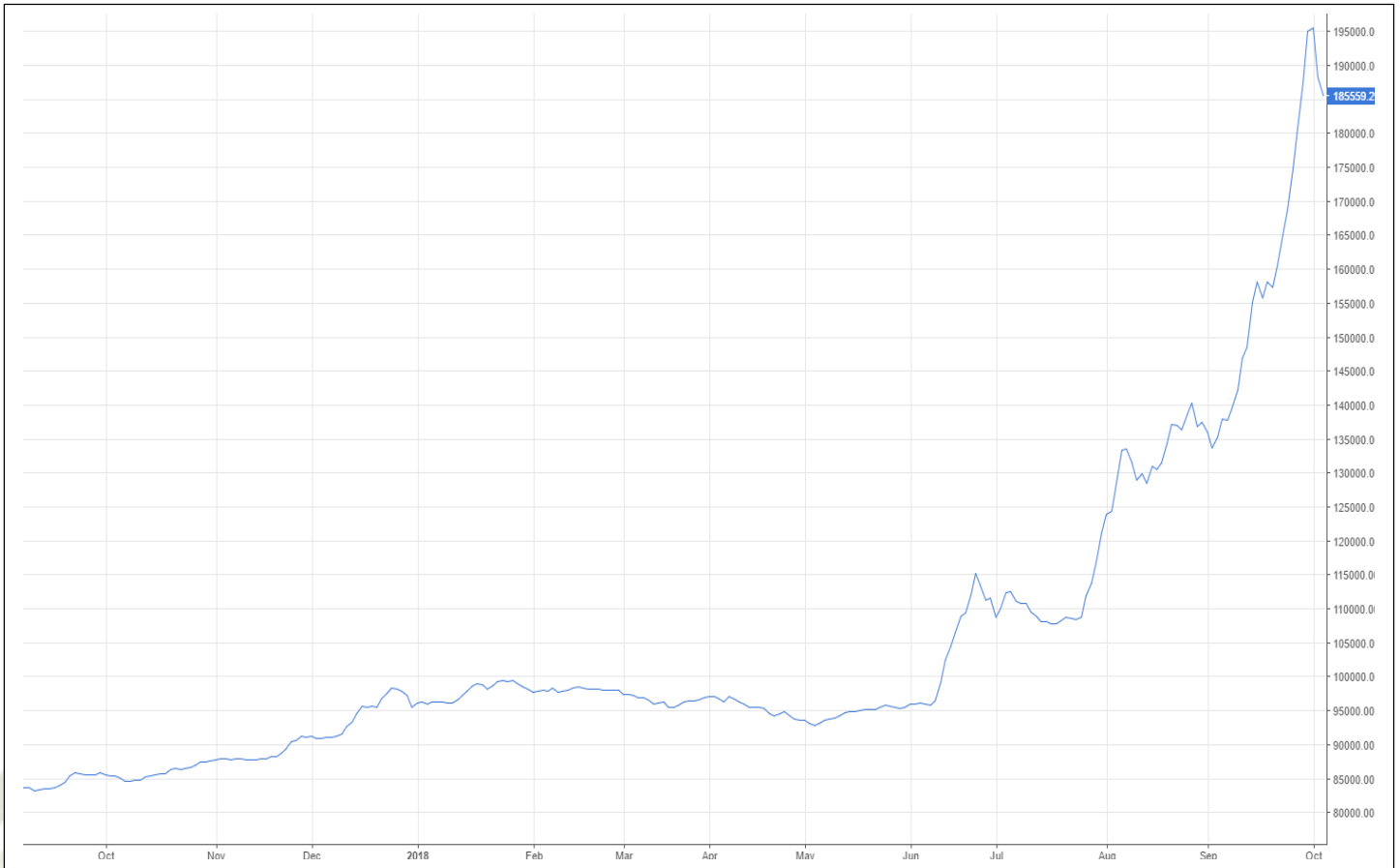
- **Macro Economy**

According to CBI the point by point rate of inflation across the country in this month has reached 25.7% whilst this rate was 19.3% in the previous month showing a rise of 6.4%.



- **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	28/09/2018	05/10/2018	Change%
Opec	Barrel/Dollar	80.880	84.090	4.0%
Petrol	Gallon/Dollar	2.0911	2.0845	-0.3%
Natural Gas	One Million-BTU	3.0540	3.1510	3.2%

Currency (IRR)				
Currency		28/09/2018	05/10/2018	Change%
Dollar	Official Rate	42,000	42,000	0%
	Free Market Rate	175,390	140,000	-20%
Euro		203,810	155,000	-24%

Precious Metal				
Metal	Unit	28/09/2018	05/10/2018	Change%
Gold	Dollar/ Ounce	1,191.51	1,203.22	0.98%
Silver	Dollar/ Ounce	14.6650	14.6700	0.03%

Basic Metal				
Product	Unit	28/09/2018	05/10/2018	Change%
Aluminum	Dollar/ Tonne	2,053.00	4.0%	3.1%
Lead	Dollar/ Tonne	2,032.00	-0.3%	-2.1%
Zinc	Dollar/ Tonne	2,596.25	3.2%	1.1%
Copper	Dollar/ Tonne	6,259	4.0%	-1.2%



TSE TOP 5 Gainers

Symbol	Sector	Company Name	close (USD Cent)	%change
PKSH	manufacture of chemicals and chemical products	Pakhsh Alborz Bargh Mapna Co.	2.16	68.90%
BMAZ	Electricity, gas, steam and hot water supply	Jaam Darou Amirkabir Steel	14.98	62.65%
JAMD	Manufacture of fabricated metal products, except machinery and equipment	Hafez Tile	10.86	61.45%
FAJR	Manufacture of basic metals		11.10	56.04%
KHFZ	Manufacture of structural non-refractory clay and ceramic products		5.49	51.18%

TSE TOP 5 LOSERS

Symbol	Sector	Company Name	close (USD Cent)	%change
PASH	manufacture of chemicals and chemical products	Paksho	13.73	-17.85%
SHAD	Manufacture of food products and beverages except sugar	Shahdiran Inc.	4.19	-17.35%
RFNZ	Manufacture of motor vehicles, trailers and semi-trailers	Ravan Fan Avar	3.55	-17.34%
SISH	Manufacture of other non-metallic mineral product	Saipa Glass	2.36	-15.42%
TAMI	Other mining and quarrying	Sand Foundry	4.63	-14.21%



TSE TOP 5 VALUE LEADERS

Symbol	Sector	Company Name	close (USD Cent)	Trade Value (USD Million)
BTEJ	Monetary intermediation & banks	Tejarat Bank	1.04	39.9
FOLD	Manufacture of basic metals	Mobarakeh Steel	5.12	36.0
MSMI	Manufacture of basic metals	I. N. C. Ind.	3.62	33.1
PNES	Manufacture of coke-refined petroleum products and nuclear fuel	Isf. Oil Ref. Co.	8.21	32.4
PNBA	Manufacture of coke-refined petroleum products and nuclear fuel	B.A Oil Refine	11.14	28.3



3.Economic News

Iran Sets Deadline for EU to Implement Anti-Sanction Plan

An Iranian deputy foreign minister made it clear for Europeans that their proposed mechanism for neutralizing the US oil and banking sanctions against Iran must be fully or partly carried out until at most November 4, when a new round of US sanctions officially takes effect.

7 EU Central Banks to Cooperate with Iran in Sanctions Era: Zarif

Iranian Foreign Minister Mohammad Javad Zarif announced that so far, the central banks of seven European Union member states have agreed to create a special mechanism to facilitate financial transactions with the Islamic Republic during the era of US sanctions.

1000km of Gas Pipelines to Be Added to Iran's National Grid: Official

The managing director of the Iranian Gas Engineering and Development Company (IGEDC) said the company plans to construct new gas pipelines with a total length of 1,000 kilometers and link them to the national grid by the end of the current Iranian year (March 20, 2019).

Iran's Oil Sales to India to Continue despite Sanctions: Zarif

Iranian Foreign Minister Mohammad Javad Zarif said Iran's oil sales to India will continue despite the US threats of sanction pressures against Iran and its economic partner.

Japan's Aug Crude Imports from Iran Rise 65% YOY: Report

Japan's crude oil imports from Iran jumped 65% year on year (YOY) in August, marking the fourth consecutive month of increase, a report said.

Official: No Cut in Iran's Oil Output

A senior Iranian oil official dismissed plans for a reduction in the country's crude production.

Brent Oil Rises to Four-Year High ahead of Iran Sanctions

Brent crude oil prices rose to their highest since November 2014 on Monday ahead of US sanctions against Iran, the third-largest producer in the Organization of the Petroleum Exporting Countries (OPEC), that take effect next month.

Iranian Official Announces New Packages for Regulating Currency Market

Head of Iran's Plan and Budget Organization said the administration is going to implement five new packages of measures to regulate the foreign currency market.



Russia Says Unable to Boost Oil Flows to Asia as Iran Sanctions Loom

Russia is unable to materially increase crude supplies to Asian markets who are faced with the loss of Iranian imports due to existing transportation constraints, Russia's deputy energy minister Pavel Sorokin said.

Hedge Fund Managers Say Saudi Arabia, Its Allies Cannot Replace Iranian Oil

Hedge fund managers are increasingly betting Saudi Arabia and its allies cannot or will not replace all the crude lost from the market when US sanctions on Iran go into effect fully from November.

Iran's Exclusion from Global Oil Market to Seriously Affect Oil Prices: Deputy Minister

Iranian Deputy Foreign Minister for Political Affairs Seyed Abbas Araqchi said excluding Iran from the global oil market could have “serious effects” on oil prices.

Iran's MAPNA Inks Deal with Syria to Build Power Plant in Latakia

Iranian holding company MAPNA Group signed an agreement with the Syrian government to construct a combined-cycle power plant with a capacity to produce 540 megawatts (MW) of electricity in the Arab country's western province of Latakia.

Iran's Rial Rises against Dollar

The Iranian currency, rial, is bouncing back against US dollar which has started to nosedive since Monday evening as people have flocked to money exchange markets to exchange their dollars for rial.