



## Weekly Market Report

Week ended 04<sup>th</sup> September, 2019

Saturday thru Wednesday inclusive

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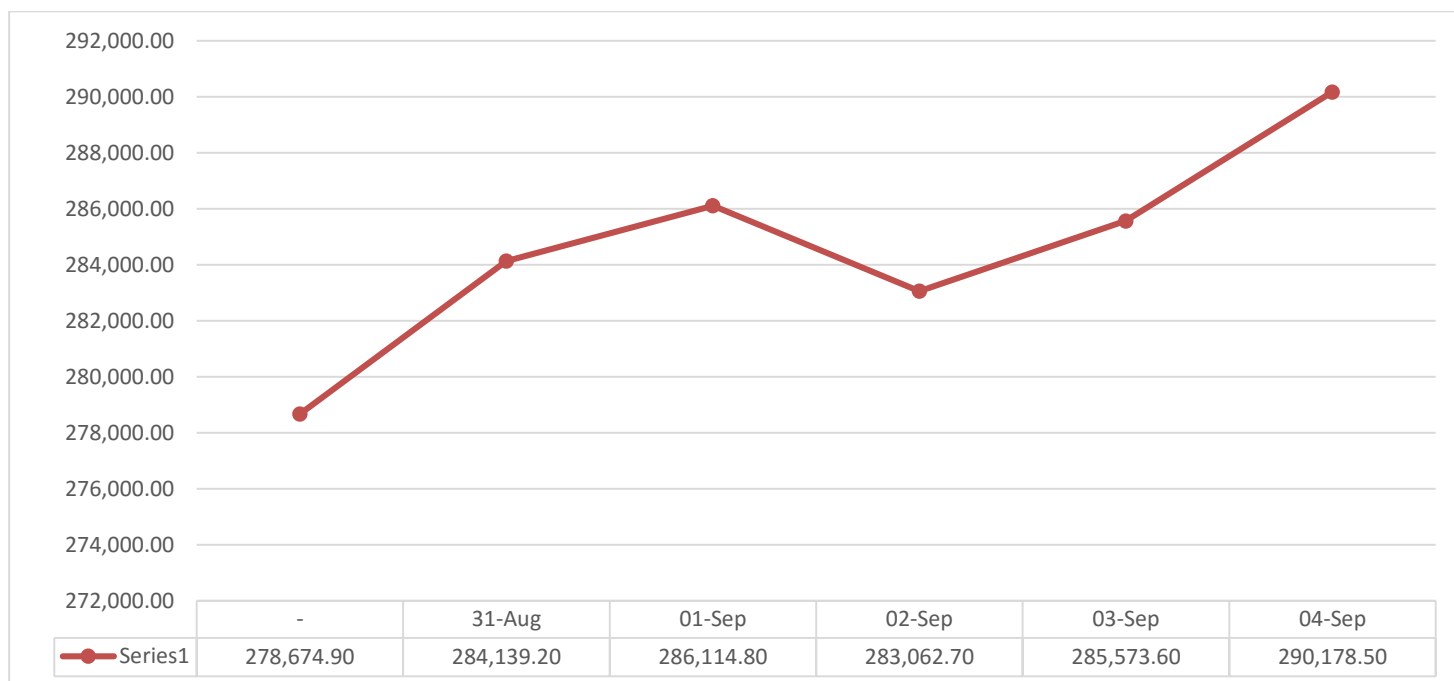
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## 1. The Indices



Title	August 28, 2019	September 4, 2019	Unit change	Change %
All-Share Index (Bourse)	278,674.9	290,178.4	11,503.51	4.13%
Fara Bourse Index	3,710.2	3,770.7	60.43	1.63%
Index Of 30 Largest Co.	11,963.7	12,559.4	529.74	4.83%
Index Of 50 Most Active Co.	10,957.6	11,487.4	595.66	4.98%
P/E (Bourse)	6.14	6.40	0.26	4.23%

Daily Average Trading Value (Bourse)	Last Week (\$)	Current Week (\$)	Amount Of Change (\$)	Change Percentage
	146,036,562	141,962,526	-4,074,036	-2.79%



- Market Performance

Market Information Week ended 04th September 2019

	This Year				Last Year		
	This week	Last week	Changes	%	At 21.03.18	Changes	%
All-Share Index	290,178	278,674	11,504	4.1%	178,659	111,519	62.4
Shares Trading Value	\$ 1,172 m	\$ 1,339 m	\$ (167) m	(12.5%)	-	-	-
Debt Securities Trading Value	\$ 100 m	\$ 105 m	\$ (5) m	(4.8%)	-	-	-
Market Return in IRR to date	72%	70%	2%	-	-	-	-
Exchange Rate US\$/IRR	113,500	110,300	3,200	2.9%	-	-	-
Exchange Rate EURO/IRR	125,500	124,000	1,500	1.2%	-	-	-
US Dollar index	98.37	98.50	(0.1)	(0.1%)	96.32	2.05	2.13
Gold Value per ounce	1,527	1,535	(8)	(0.5%)	1,308	219	16.74

- Market Analysis

- The Debt Market

The effective interest rates achieved by TBills ( discounted), Fixed Income Funds and ETF this week were all the same across the board at 20%p.a.

**Largest Valued Trade**

The largest Valued Trade this week worth US\$24 million belonged to Mobarakeh Steel Co.

- Market Activities

The market commenced the week with great enthusiasm in the light of the introduction of new regulations for the Base market in Farabourse. Whilst the ceiling of the daily trade was reduced from 10% to only 3% in the Base market the investors welcomed the move as the Base market turned positive virtually across the board.

In the meantime the all share index continued its upward trend from last week although half way through the week it turned negative for larger caps such as the Base Metals, Petrochemical and Refinery sectors.

This was reversed again by the end of the week and the all share index in particular larger caps benefited immensely from this enthusiasm and all turned positive once again.

All in all the all-share index along with 30 share index and 50 share index by market capitalisation rose and the all- share index after rising by 11,504 (+4.1%) broke through the psychological barrier of 290,000 and reached 290,178 level.



During this week we also witnessed the introduction of the IPO for General Mechanic which caused the all-share index to rise by 1.48%.

As reported last week it appears we are at the beginning of a relatively bull market after some positive movements by the Europeans to save the Iran nuclear deal. This appears to come about despite the current severe US sanctions on all commercial, industrial and trading aspects of business in Iran.

- **Base Metals & Mining**

<b>Basic Metals</b>				
<b>Price</b>	<b>Lead US\$</b>	<b>Copper US\$</b>	<b>Zinc US\$</b>	<b>Aluminium US\$</b>
<b>World</b>	2,035	5,824	2,318	1,781
<b>Iran</b>	1,806	5,550	2,070	1,850

Iran steel export price index for slabs and billets fell by -3.3% and -5.4% respectively and reached US\$365 and US\$355 per tonne which is the lowest price level during the last 7 months. This came about as a result of a fall in the price of scrap metals and in the steel price index in the CIS countries.

As far as iron ore export prices at Bandar Abbas and Chinese ports are concerned they show a weekly jump of 0.36% for the lower grade products of 54% and for higher grade of 66% concentrates rose by 8.2% for the week reaching the weekly price of US\$65.9%. As for the prices of iron ore with a grade of 62% the prices rose by 7% for the week and reached US\$90 per tonne.

With the September restrictions seemingly less strict, demand for iron ore is expected to increase, which has lent some support to the rise in prices, but [we] will need to keep an eye out for short-term restrictions as the October National Day holiday approaches.

- **Oil & Energy**

<b>Oil &amp; Energy</b>		
	<b>Brent Oil US\$</b>	<b>Texas Oil US\$</b>
<b>Price</b>	61	56

Oil prices edged higher on Friday, with crude benchmarks poised for multi-week gains amid a sharp draw down in U.S. crude inventories, while trade tensions eased after Washington and Beijing agreed to hold high-level talks next month.



Brent is set to mark its fourth weekly gain, while U.S. crude is headed for a second weekly rise.

Beijing and Washington on Thursday agreed to hold high-level talks in early October in Washington, cheering investors hoping for an end to the trade war between the world's two biggest economies that has brought tit-for-tat tariff hikes, chipping away at economic growth.

The prolonged dispute had a dampening effect on oil prices, although they have risen over the year, helped by production cuts led by the Organization of the Petroleum Exporting Countries and its allies, including Russia, to drain inventories.

“Upside potential for crude oil futures will remain limited, however, as strong U.S. production and demand-side concerns cap bullish gains for the current term,” said Benjamin Lu, commodities analyst at Phillip Futures in Singapore.

He also cited “subdued economic momentum, global trade uncertainties and rising market risks” for reasons to expect that U.S. crude would be range-bound between \$55-\$60 over the third quarter.

U.S. crude and product inventories fell last week, with crude drawing down for a third consecutive week despite a jump in imports, the Energy Information Administration (EIA) said.

Crude stocks dropped 4.8 million barrels, nearly double analysts' expectations, to 423 million barrels, their lowest since October 2018.

Oil prices on Thursday soared more than 2% after the EIA report, although they gradually trimmed gains as investors are not entirely convinced that the Sino-U.S. trade talks will yield results.

- **Housing**

According to the Estate Agents Association the house prices and rents in Tehran across all the 22 regions have fallen by between 10% and 15%.

- **Macro Economy**

According to the Central Bank during the years 2013 to 2018 the Government debts to the commercial banks and the Central Bank have quadrupled and during the first 3 months of the current year the Government debt has risen by US\$1.2billion mainly to commercial banks. In the meantime the Government debt during this Spring rose by 4.7% and reached US\$28 billion of which 75% belonged to the commercial banks and 25% belonged to the Central Bank.



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

Oil				
	Unit	06/09/2019	30/08/2019	Change%
Opec	Barrel/Dollar	60.58	60.24	0.6%
Petrol	Gallon/Dollar	1.5725	1.5202	3.4%
Natural Gas	One Million-BTU/ \$	2.490	2.282	9.1%

Currency (IRR)				
Currency		06/09/2019	30/08/2019	Change%
Dollar	Official Rate	42,000	42,000	0%
	Free Market Rate	114,000	112,000	1.8%
Euro		126,000	124,500	1.2%

Precious Metal				
Metal	Unit	06/09/2019	30/08/2019	Change%
Gold	Dollar/ Ounce	1,504.74	1,524.15	-1.27%
Silver	Dollar/ Ounce	18.1280	18.4270	-1.62%

Basic Metal				
Product	Unit	06/09/2019	30/08/2019	Change%
Aluminum	Dollar/ Tonne	1,783.50	1,756.00	1.6%
Lead	Dollar/ Tonne	2,080.00	2,028.25	2.6%
Zinc	Dollar/ Tonne	2,322.00	2,219.00	4.6%
Copper	Dollar/ Tonne	5,830.25	5,652.25	3.1%



## TSE TOP 5 Gainers

Symbol	Sector	Company Name	close (USD Cent)	%change
SAJN	Real estate activities	Sakht Ajand	3.26	63.89%
NOSH	Manufacture of food products and beverages except sugar	Noush Maz.	13.08	27.61%
SWIC	Manufacture of electrical machinery and apparatus	Pars Switch	14.66	27.58%
LEAB	manufacture of chemicals and chemical products	Loabiran	7.84	25.64%
TLIZ	Agriculture and related service activities	Talise Company	12.67	25.02%

## TSE TOP 5 LOSERS

Symbol	Sector	Company Name	close (USD Cent)	%change
VIRP	Investment	Iran Inds. Co.	4.91	-19.97%
AZMP	Manufacture of machinery and equipment	Azmayesh	7.55	-18.98%
PLAK	manufacture of chemicals and chemical products	Iran Polyacryl	4.76	-18.94%
NSTH	Real estate activities	Tehran Const.	6.76	-17.78%
MAVA	manufacture of chemicals and chemical products	Fiber Prod.	40.46	-15.15%





## TSE TOP 5 VALUE LEADERS

Symbol	Sector	Company Name	close (USD Cent)	Trade Value (USD Million)
FOLD	Manufacture of basic metals	Mobarakeh Steel	3.96	24.7
BDYZ	Monetary intermediation & banks	Day Bank	3.68	23.5
ZOBZ	Manufacture of basic metals	Isfahan Steel	1.59	21.8
SIPA	Manufacture of motor vehicles trailers and semi-trailers	Saipa	1.49	17.1
IMFZ	hotels & restaurant	Cultur.Herit. Inv.	7.23	14.4





### **3.Economic News**

#### **FAO Highlights Potential of Genetic Improvements in Aquaculture**

Appropriate application of genetic improvement in aquaculture, with a focus on selective breeding, will help boost food production, according to a new FAO report.

#### **China Bans Shrimp Imports from Saudi, Replaces Iran**

China has temporarily banned imports of shrimp from Saudi Arabia over a viral infection, a report said.

#### **Iran to Officially Join EAEU in Late October: Energy Minister**

Iranian Energy Minister Reza Ardakanian said the country will officially join the Eurasian Economic Union (EAEU) late in October.

#### **Turkish Exports to Iran in July Rise by 14.5%**

The total value of Turkish exports to neighboring Iran in July has increased by 14.5 percent compared to the same month last year, the data released by the Turkish statistical authorities showed.

#### **Iran's Oil Product Exports Booming despite US Sanctions: Shipping Data**

Despite US sanctions on Iran's oil industry, oil product sales from the Islamic Republic remain strong at nearly \$500 million a month, shipping data show.

#### **Iran's Forex Policy Unaffected by French Offer of Credit Line: Top Banker**

Governor of the Central Bank of Iran said efforts to supply foreign currency resources are in progress irrespective of a French proposal for the launch of a \$15 billion credit line for oil purchases from Iran.