



Weekly Market Report

Week ended 10th October, 2018

Saturday thru Wednesday inclusive

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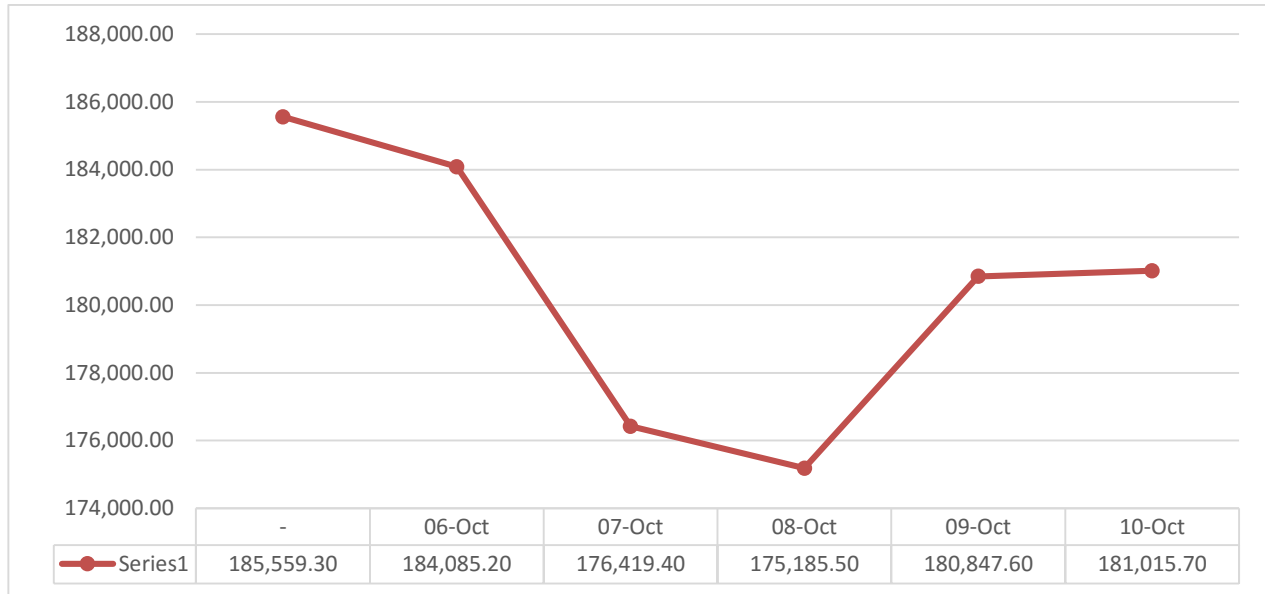
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1. Market Report-The Indices



Title	October 3, 2018	October 10, 2018	Unit change	Change %
All-Share Index	185,559.29	181,015.74	-4,543.55	-2.45%
Fara Bourse Index	2,114.8	2,012.7	-102.10	-4.83%
Index Of 30 Largest Co.	9,005.8	9,024.5	-88.04	-1.10%
Index Of 50 Most Active Co.	7,990.2	7,902.2	18.73	0.21%
P/E	9.48	9.07	-0.41	-4.32%

Daily Average Trading Value	Last Week (\$)	Current Week (\$)	Amount Of Change (\$)	Change Percentage
	121,373,848	117,480,484	-3,893,364	-3.21%



- **Market Analysis**
- **Market Performance and the related information**

Market Information Week ended 10th October 2018

	This week	Changes	%	Last week	At 21.03.18	Changes	%
All-Share Index	181,015	(4,544)	(2.4)	185,559	96,290	84,725	88.0
Stocks Trading Value	\$ 810 m	\$ (224,67) m	(21.7)	\$ 1,034.7 m	–	–	–
Debt Securities Trading Value	\$ 67 m	\$ (59) m	(47.1)	\$ 127 m	–	–	–
Market Return in IRR to date	80%	23%	–	57%	–	–	–
Exchange Rate US\$/IRR	145,000	5,000	4%	140,000	–	–	–
Exchange Rate EURO/IRR	167,000	10,000	6%	157,000	–	–	–
US Dollar index	95.08	(0.7)	0.8	95.81	89.5	5.58	6.23
Gold Value per ounce	1,221	20	1.7	1,201	1,268	(47)	(3.71)

Note 1. The interest rates achieved on TBs , Fixed Income Funds and ETF were 24%, 22% and 21% respectively.

Note 2. Of the total trading value as shown above the largest value belonged to Isfahan Refinery Co worth over US\$46 million.

- **Market Activities**

On Saturday being the first of the week the share prices continued to go up as before but by 10a.m. there was pressure on the share prices and virtually all the prices turned negative. However the news that FATF was adopted by the Parliament pushed the prices higher once again. On the following day this trend turned negative again until the announcement that the parliament approved CFT which was most controversial document under the FATF and had created great tension in the parliament.

By the end of the week all the share prices in particular the ones with export led potentials such as Iran National Copper Industry, and all the steel related companies started to climb. The rest of the market remained subdued for the time being whilst a sense of optimism was dominating the market. Market experts believe that next week the upward trend will be restored once again.



- **Base Metals & Mining**

Basic Metals				
Price	Lead US\$	Copper US\$	Zinc US\$	Aluminum US\$
World	2,009	6,265	2,654	2,035
Iran	2,250	4,692	3,458	1,833

The steel prices in China have continued their upward trend as 50% of their production due to the environmental issues has to be curtailed in particular in Tashkent area of China which will continue until 18th October this year.

The stockpiles of copper at LME have reached the lowest level since 2005 and the highest stock of saleable copper currently stands at 90,900 tons which represents 47% of the total stockpiles of 173,500 tons.

According to Codelco of Chilly which is the largest copper producer in the world has announced that most of its production in 2019 has already been pre sold and has hardly any more stock for sale. This has cut the relationship between US Dollar and copper in recent weeks which could create new opportunities for investors.

Aurubis of Germany being the largest copper producer of Europe raised its copper premium for 2019 by 121% to reach US\$96 per ton which is the highest price during the last 4 years.

The average price of US\$/IRR at Nima (being the secondary foreign exchange market) has remained at IRR82,330 in the mining industry.

- **Oil & Energy**

Oil & Energy		
	Brent Oil U\$S	Texas Oil U\$S
Price	81	72



NIOC is planning to sell one million barrels of oil over Iran International Energy Market by the end of this month.

According to IEA the world oil demand for next year will rise by 1.4 million barrels to reach 100.5 million barrels a day. This shows a reduction of 0.2 million barrels of oil against their last report.

Oil prices rose on Friday slightly reversing two days of declines in the previous sessions driven by sharp falls in equity markets and indications that supply concerns have been overblown, but were still on track for a weekly fall.

Wall Street extended its slide into a sixth session and a global equity index fell to a 1-year low on Thursday as investors feared an escalating U.S. trade war with China and risks from a recent climb in interest rates.

Japan's Nikkei was down 0.5 percent on Friday.

On the oil front, U.S. crude inventories rose by 6 million barrels last week, the Energy Information Administration said, more than double analysts' expectations of a 2.6 million-barrel increase.

The Organization of the Petroleum Exporting Countries (OPEC) cut its forecast of global demand growth for oil next year for a third straight month, citing headwinds facing the broader economy from trade disputes and volatile emerging markets.

OPEC sees the oil market as well supplied and is wary of creating a glut next year, the group's secretary-general said on Thursday.

"We still estimate oil demand growing at 1.2 million to 1.5 million barrels per day for this year, and see the risk of a slowdown in 2019 if trade tension escalates," ANZ Research analysts said in a report. In the U.S. Gulf of Mexico, producers had cut output by 40 percent on Thursday due to Hurricane Michael, according to the Bureau of Safety and Environmental Enforcement, even as some operators began returning crews to offshore platforms.

The cuts represent 680,107 barrels per day of oil production, the bureau said, citing reports from 30 companies.

Michael crashed ashore Florida on Wednesday as the third most powerful hurricane to strike the U.S. mainland, leaving seven people least. It has since weakened to a tropical storm.

According to OPEC Iran oil production during September this year showed a drop of 150,000 barrels of oil a day against the previous month and has reached 3,447 million barrels a day which is 4% lower than last month. However Iran's oil revenue during this month shows an increase of 6.8%.



Macro Economy

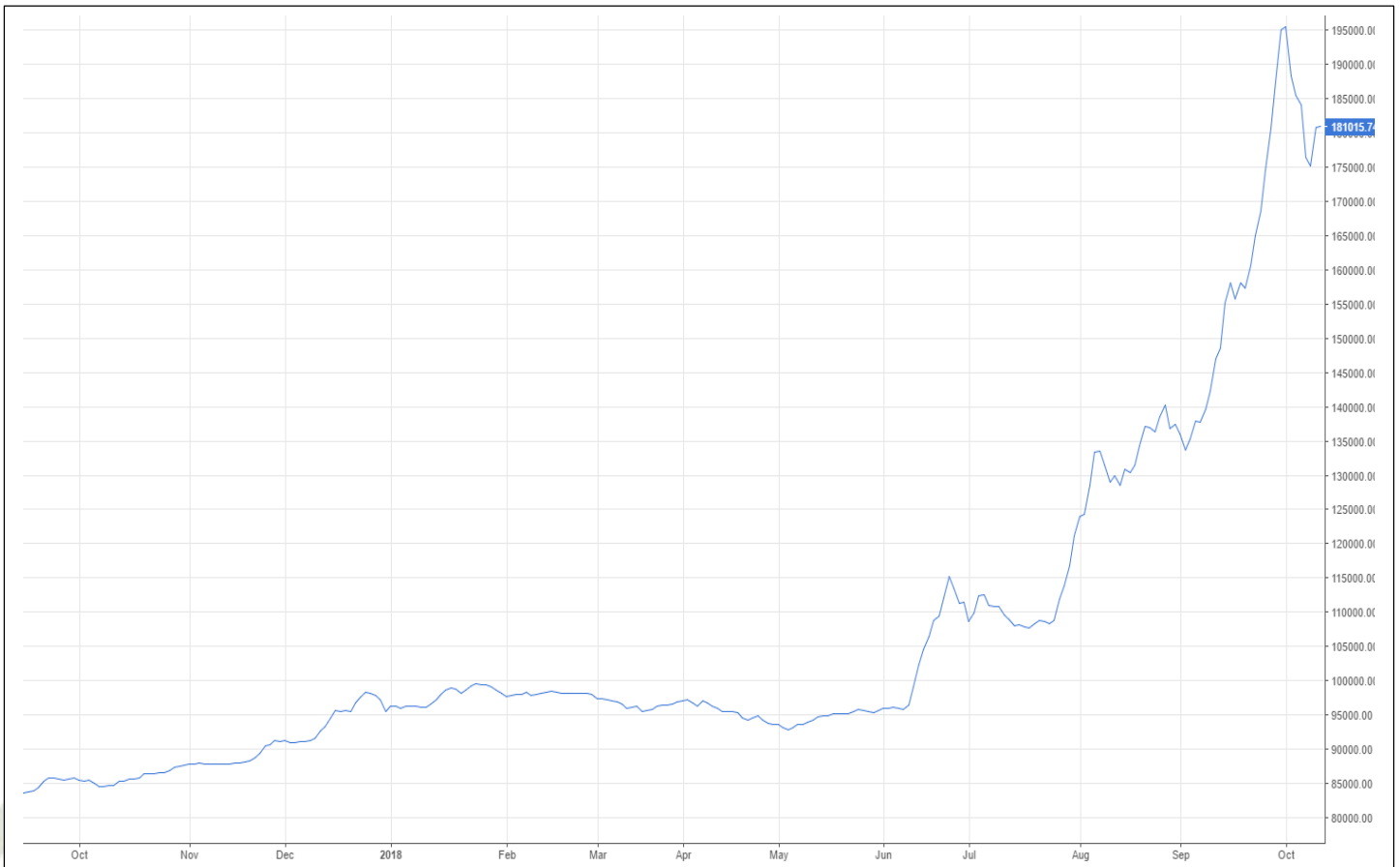
According to IMF Iran's GDP growth for 2018 will be 1.5% negative against its previous report of a positive 4%.

The rate of inflation for 2018 is expected to be 29.6% and according to IMF latest report the rate of unemployment will reach 12.8% during 2018 showing 1.1% higher than their last report.



- **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	05/10/2018	10/10/2018	Change%
Opec	Barrel/Dollar	84.090	80.14	-4.7%
Petrol	Gallon/Dollar	2.0845	1.9465	-6.6%
Natural Gas	One Million-BTU	3.1510	3.1470	-0.1%

Currency (IRR)				
Currency		05/10/2018	10/10/2018	Change%
Dollar	Official Rate	42,000	42,000	0%
	Free Market Rate	140,000	145,000	4%
Euro		155,000	167,000	8%

Precious Metal				
Metal	Unit	05/10/2018	10/10/2018	Change%
Gold	Dollar/ Ounce	1,203.22	1,217.92	1.22%
Silver	Dollar/ Ounce	14.6700	14.6300	-0.27%

Basic Metal				
Product	Unit	05/10/2018	10/10/2018	Change%
Aluminum	Dollar/ Tonne	2,117.50	2,029.25	-4.2%
Lead	Dollar/ Tonne	1,989.00	2,048.00	3.0%
Zinc	Dollar/ Tonne	2,625.25	2,633.25	0.3%
Copper	Dollar/ Tonne	6,187	6,287	1.6%



TSE TOP 5 Gainers

Symbol	Sector	Company Name	close (USD Cent)	%change
NSTH	Real estate activities	Tehran Const.	5.16	48.76%
MELT	Investment	Melat Inv.	0.59	28.04%
MRAM	Manufacture of food products and beverages except sugar	Mahram Mfg.	32.92	25.10%
RSKZ	Transportation and storage	Rail Sair Kosar	2.02	19.90%
SLMN	Manufacture of food products and beverages except sugar	Salemin Factory	3.97	18.88%

TSE TOP 5 LOSERS

Symbol	Sector	Company Name	close (USD Cent)	%change
ASAL	Manufacture of machinery and equipment	Absal	2.32	-25.98%
RIIR	Manufacture of motor vehicles, trailers and semi-trailers	Iran Casting	0.78	-24.16%
BDMZ	Electricity, gas, steam and hot water supply	Damavand Co.	6.81	-24.06%
BLKZ	manufacture of chemicals and chemical products	Alborz Bulk Co.	2.00	-23.82%
GLOR	Manufacture of sugar	Lorestan Sugar	4.17	-23.82%



TSE TOP 5 VALUE LEADERS

Symbol	Sector	Company Name	close (USD Cent)	Trade Value (USD Million)
PNES	Manufacture of coke·refind petroleum products and nuclear fuel	Isf. Oil Ref. Co.	7.66	38.6
BMLT	Monetary intermediation & banks	Mellat Bank	1.60	29.8
FOLD	Manufacture of basic metals	Mobarakeh Steel	4.24	28.2
BTEJ	Monetary intermediation & banks	Tejarat Bank	0.78	25.9
PNBA	Manufacture of coke·refind petroleum products and nuclear fuel	B.A Oil Refinie	9.79	24.6



3.Economic News

India Cuts Oil Purchases from US, Turns to Iran Ahead of Sanctions

Indian buyers reduced US crude purchases and loaded up on Iranian oil ahead of the restart of US sanctions next month and as the WTI-Brent differential narrowed, according to traders and shipping intelligence firm Kpler.

CBI Chief: Iran, Russia Eye Using Own Currencies in Trade

Governor of the Central Bank of Iran said one of the main themes in cooperation with Russia is handling the bilateral trade in the two countries' own currencies.

Iran's Petrochemicals Exports See 24% Rise

A report on the export of non-oil products in the first half of the current Iranian year shows the value of petrochemicals exports has grown by 24 percent compared to the corresponding period last year.

India to Continue Iranian Oil Imports after US Sanctions

In the first clear indication of India's willingness to continue trade with Iran despite US sanctions, state refiners have contracted import of 1.25 million tons of crude oil from the Persian Gulf nation and are preparing to replace dollar payments with rupee trade.

US Says Actively Considering Waivers on Iran Oil Sanctions

The Trump administration is actively considering waivers on sanctions it will reimpose next month for countries that are reducing their imports of Iranian oil, a US government official said.

Iran May Lose 70% of Cultivated Land if Fails to Take Urgent Action: Official

Iran faces losing 70 percent of its farmlands if urgent action is not taken to overcome a litany of climate woes, Isa Kalantari, the country's environment chief, said.

Iran's H1 Imports from Russia Double in Value

A report on Iran's imports in the first half of the current Iranian year shows the value of imports from Russia has doubled when compared with the corresponding period last year.

Oil Drops as US Considers Granting Countries Waivers on Iran Sanctions

Oil prices fell on Monday after Washington said it may grant waivers to sanctions against Iran's oil exports next month.



S Arabia Not Able to Replace Iran oil: Zangeneh

Iranian Oil Minister Bijan Zangeneh rejected claims by Saudi officials that Riyadh can replace Iranian oil in the global market.

Indian Minister Says New Delhi to Buy Iran Oil in Sanctions Era

Indian Oil Minister Dharmendra Pradhan said two state refiners have placed orders for importing crude oil from Iran in November, the month when US sanctions on Iranian oil purchases take effect.

Qatar Airways Commits to Iran Flights despite US Sanctions

US sanctions on Iran will not impact Qatar Airways' flights to the Islamic Republic, the airline's boss Akbar al-Baker said.

US Grants BP, Serica License to Run Iran-Owned North Sea Field

The United States has granted BP and Serica Energy a new license to run a North Sea gas field partly owned by Iran in a rare exemption by US President Donald Trump's administration as it prepares to renew sanctions on Tehran next month.