



Weekly Market Report

Week ended 14th August, 2019

Saturday thru Wednesday inclusive

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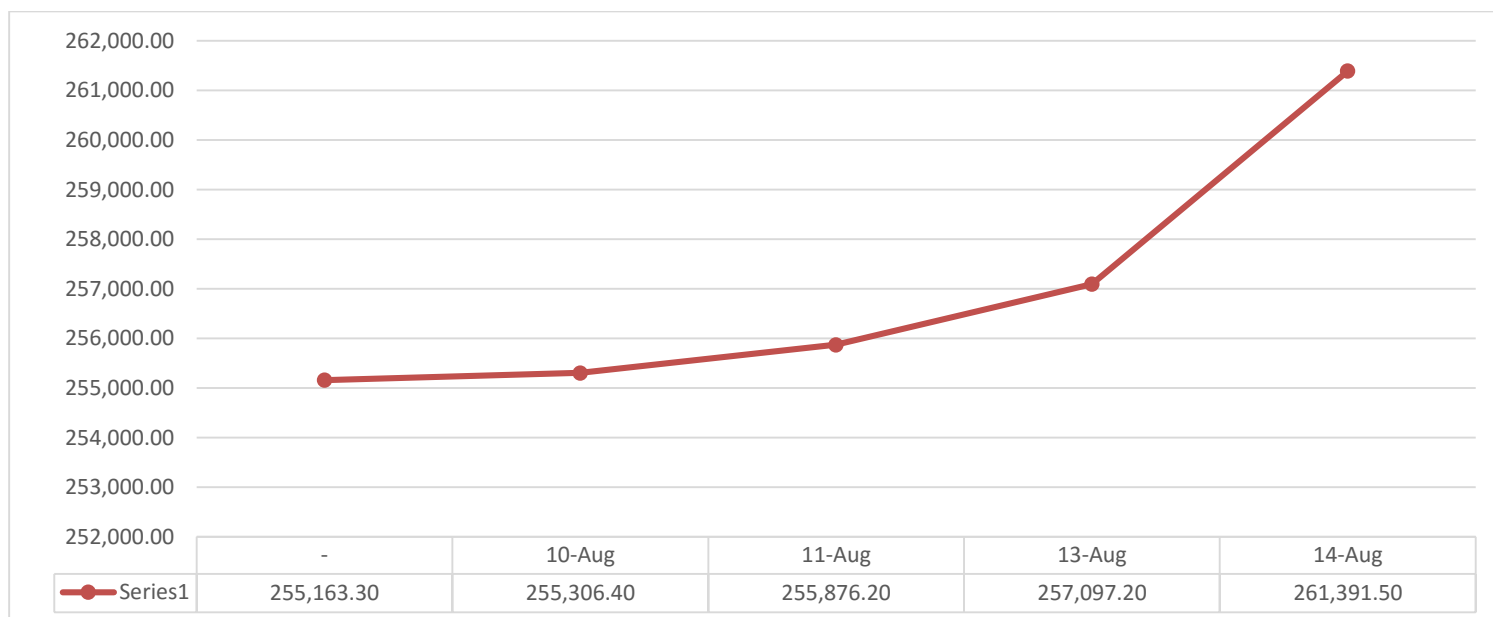
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1. The Indices



Title	August 7, 2019	August 14, 2019	Unit change	Change %
All-Share Index (Bourse)	255,163.3	261,391.5	6,228.25	2.44%
Fara Bourse Index	3,418.9	3,517.3	98.44	2.88%
Index Of 30 Largest Co.	11,169.4	11,382.5	211.65	2.07%
Index Of 50 Most Active Co.	10,225.3	10,437.0	213.11	1.91%
P/E (Bourse)	5.85	5.98	0.13	2.22%

Daily Average Trading Value (Bourse)	Last Week (\$)	Current Week (\$)	Amount Of Change (\$)	Change Percentage
	89,856,571	70,092,603	-19,763,969	-22.00%



- Market Performance

Market Information Week ended 14th August 2019

	This Year				Last Year		
	This week	Last week	Changes	%	At 21.03.18	Changes	%
All-Share Index	261,392	255,163	6,229	2.4%	178,659	82,733	46.3
Shares Trading Value	\$ 613 m	\$ 848 m	\$ (234) m	(27.7%)	—	—	—
Debt Securities Trading Value	\$ 82 m	\$ 114 m	\$ (33) m	(28.6%)	—	—	—
Market Return in IRR to date	72%	70%	2%	-	—	—	—
Exchange Rate US\$/IRR	117,091	118,500	(1,409)	(0.01%)	—	—	—
Exchange Rate EURO/IRR	131,820	133,600	(1,780)	(1.3%)	—	—	—
US Dollar index	98.14	97.62	0.5	0.01%	96.32	1.82	1.88
Gold Value per ounce	1,510	1,513	(3)	(0.01%)	1,308	202	15.44

- 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 Transaction

The largest valued transaction this week worth US\$10 million belong to Hepco Group.

- Market Activities

Due to the continuing trade war between the US and China commodity based companies were either subdued or negative for half of the week this week and as a result we were witnessing a rise in the share prices of companies with no exports such as the Printing & Publishing , the Engineering and Textile sectors. In the meantime some Petrochemical and Power companies such as Khavarmianeh Mine, Damavand Co and Zagros Petrochemical did fairly well. Gohar Zamin Iron, Maroon Petro and Khazar Shipping were in negative territory. The high risk sectors due to the trade war between the US and China were Petrochemicals, Refineries, Base Metals and Mining sectors.

However in second half of the week the market ignored the trade war and turned positive across the board including the Construction sector, the Cement sector and the Food & Beverages sector. High performers included the Chemical sector , the Auto sector and Base Metals sector. By the end of the week the all-share index rose by 6,228 points after passing the 250,000 mark and reaching beyond 260,000 level as shown in the above schedule.



- **Base Metals & Mining**

Basic Metals				
Price	Lead US\$	Copper US\$	Zinc US\$	Aluminum US\$
World	2,068	4,697	2,262	1,743
Iran	1,902	5,700	2,370	1,927

The rise in inflation in China has resulted in higher prices in Chinese products. In July 2019 the production prices rose by 48% against expectation of 6%. This was 6.3% higher than the prices in July 2018. As a result the rate of unemployment in China in July 2019 rose from 5.1% to 5.3%.

The growth in capital investments during July 2019 rose by 5.7% against last July and against expectation of 5.9%. In the meantime the growth in foreign investments in July 2019 rose by 7.3% against the corresponding period last year.

In Japan the growth in the production of machinery was 13.9% against the budget of 0.01%. This does not appear to follow a specific pattern and is expected to fall by up to 10% next month and 15% the following month. This clearly shows a fall of 0.06% in July against July 2018 which is considered to be the worst result since December 2016.

In the US the value of production and services in July shows a rise of 0.03% against the monthly budget of 0.02%.

In the UK the 30 year treasury bonds bearing a coupon of 1.15% p.a were taken up by the market against the sale of the previous auction of 1.42%p.a.

Iran Concentrates exports fetched a price of US64 per tonne which was 22% higher than the domestic price. On the other hand the steel companies exports showed a fall of 13% during July 2019 (620,000 tonnes) whilst this fall was 12% for the last 4 months. This fall principally is due to the Government policy of setting a fixed base price for steel companies.

In the latest swing in U.S.-China trade action, the U.S. Trade Representative removed certain items from its list of Chinese goods that were scheduled to face additional 10% tariffs on Sept 1, Furthermore, tariffs on other items -- including cell phones, laptops, videogame consoles, certain toys, and some footwear and clothing, are being delayed until Dec. 15

Last year the total Iran iron ore exports was 17.1 million tonnes of which 8.3 million was made up of Concentrates. This has led to the lowering of steel production domestically in this year as the stockpiles of Concentrates were kept to a minimum. The price of Concentrates locally was lower than that of exports by 49%.



- **Oil & Energy**

Oil & Energy		
	Brent Oil U\$S	Texas Oil U\$S
Price	59	56

Crude oil prices rose more than 1% on Friday following two days of declines, buoyed after data showing an increase in retail sales in the United States helped dampen concerns about a recession in the world's biggest economy U.S. retail sales rose 0.7% in July as consumers bought a range of goods even as they cut back on motor vehicle purchases, according to data that came a day after a key part of the U.S. Treasury yield curve inverted for the first time since June 2007, prompting a sell-off in stocks and crude oil. But the efforts of OPEC+ have been outweighed by worries about the global economy amid the U.S.-China trade dispute and uncertainty over Brexit, as well as rising U.S. stockpiles of crude and higher output of U.S. shale oil

- **Housing**

According to the Estate Agents Association apart from two areas in Tehran all housing zones show lowering prices of between 10% and 30%.

The price of housing units within zone 2 have risen from 3 million tomans to 5 million tomans. Conversely the prices in Zone 3 have fallen by 10%. It is expected the role of speculators due to the lowering prices will be significantly diminished in the near future.

- **Macro Economy**

According to the latest reports by the Audit General the Central Bank is the largest creditor of the Government and the Government owned Banks. The the total debt of the Government together with its own companies to the CBI amount to US\$21bn.



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

Oil				
	Unit	16/08/2019	09/08/2019	Change%
Opec	Barrel/Dollar	58.87	57.82	1.8%
Petrol	Gallon/Dollar	1.6545	1.6695	-0.9%
Natural Gas	One Million-BTU/ \$	2.204	2.114	4.3%

Currency (IRR)				
Currency		16/08/2019	09/08/2019	Change%
Dollar	Official Rate	42,000	42,000	0%
	Free Market Rate	117,000	118,400	-1.2%
Euro		132,000	133,500	-1.1%

Precious Metal				
Metal	Unit	16/08/2019	09/08/2019	Change%
Gold	Dollar/ Ounce	1,512.31	1,497.24	1.01%
Silver	Dollar/ Ounce	17.0820	16.9530	0.76%

Basic Metal				
Product	Unit	16/08/2019	09/08/2019	Change%
Aluminum	Dollar/ Tonne	1,796.00	1,774.50	1.2%
Lead	Dollar/ Tonne	2,035.00	2,062.50	-1.3%
Zinc	Dollar/ Tonne	2,266.50	2,238.00	1.3%
Copper	Dollar/ Tonne	5,754.00	5,768.25	-0.2%



TSE TOP 5 Gainers

Symbol	Sector	Company Name	close (USD Cent)	%change
SAKH	Real estate activities	Iran Const. Inv	9.98	32.15%
MELT	Investment	Melat Inv. Sabet Khorasan	1.81	31.26%
GSBE	Manufacture of sugar		19.04	25.18%
HJPT	Transportation and storage	Petr. Tran.	16.52	24.71%
HTOK	Transportation and storage	Tuka Trans.	10.58	23.06%

TSE TOP 5 LOSERS

Symbol	Sector	Company Name	close (USD Cent)	%change
GNJN	Manufacture of sugar	Naghsh Jahan S.	12.62	-16.34%
SGOS	Real estate activities	Saman Gostar	7.63	-8.89%
GMEL	Tanning and dressing of leather:manufacture of footwear	Melli Ind. Grp.	57.02	-8.13%
DKSR	manufacture of chemicals and chemical products	Kowsar Pharm.	4.46	-8.11%
DMOR	Manufacture of food products and beverages except sugar	Dasht Morghab	39.36	-8.03%



TSE TOP 5 VALUE LEADERS

Symbol	Sector	Company Name	close (USD Cent)	Trade Value (USD Million)
ZOBZ	Manufacture of basic metals	Isfahan Steel	1.37	8.6
PLAK	manufacture of chemicals and chemical products	Iran Polyacryl	6.74	8.4
JPRZ	Manufacture of paper and paper products	Pars Paper Ind.Grp	5.08	8.4
IMFZ	hotels & restaurant	Cultur.Herit. Inv.	6.73	8.2
NURZ	manufacture of chemicals and chemical products	Barzouyeh Co.	28.47	6.7



3.Economic News

President to Inaugurate Major Projects in Visit to NW Iran

Iranian President Hassan Rouhani plans to pay a visit to the northwestern province of East Azarbaijan on Thursday and inaugurate several major development projects there, the governor of the province said.

Official Highlights Opportunity for Iranian Firms to Participate in Iraq's Reconstruction

The secretary-general of the Iran-Iraq Joint Chamber of Commerce highlighted the war-hit country's move to allocate \$300 billion to its reconstruction and said there are proper opportunities for Iranian companies to take part in the process.

Iran to Remove 4 Zeros from Currency

The Iranian cabinet passed a motion on Wednesday to lop off four zeros from the national currency, rial.

Iran Defense Ministry to Manufacture 470 Auto Parts: MP

The chairman of the Iranian Parliament's Industries and Mines Commission said the Defense Ministry has signed a contract with domestic automakers to produce 470 auto parts that were previously imported.

Iranian Gasoline Sold at IRENEX

Iran has offered 10,000 tons of gasoline for sale in the international ring of the Iran Energy Exchange (IRENEX).

Iran, Nicaragua Discuss Closer Economic Ties

Iranian Foreign Minister Mohammad Javad Zarif and a high-ranking economic delegation from Nicaragua led by Minister of Finance and Public Credit Ivan Acosta held talks about ways to boost relations between the two countries in diverse economic areas.