



Weekly Market Report

Week ended 14th March, 2018

Saturday thru Wednesday inclusive

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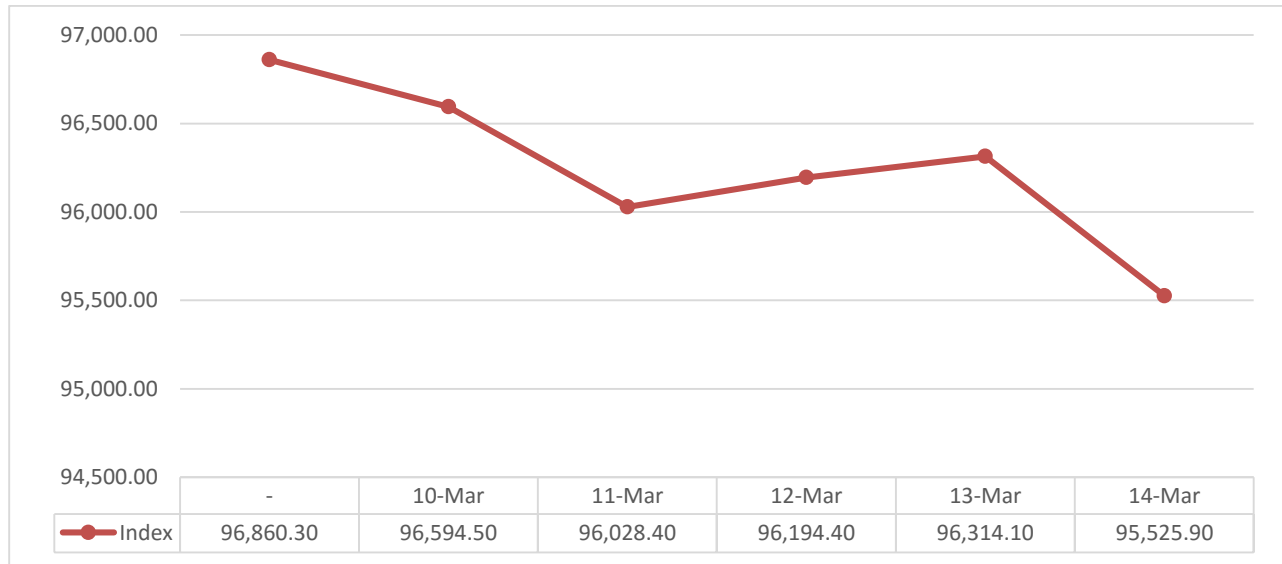
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1. Market Report-The Indices

- All Share Index



- Market indices

Title	March 7, 2018	March 14, 2018	Unit change	Change %
All-Share Index	96,314.17	95,525.91	-788.26	-0.82%
Fara Bourse Index	1,080.2	1,080.6	0.40	0.04%
Index Of 30 Largest Co.	4,265.3	4,260.8	-4.47	-0.10%
Index Of 50 Most Active Co.	4,012.2	4,011.9	-0.33	-0.01%
P/E	7.08	7.03	-0.05	-0.71%

Daily Average Trading Value	Last Week (\$)	Current Week (\$)	Amount Of Change (\$)	Change Percentage
	51,617,836	77,284,981	25,667,145	49.73%



- **Market Analysis**

- **The Market**

The negative mood hanging over the stock market caused by the lowering of the prices of Base Metals and oil following the announcement by President Trump to impose tariffs on Aluminum and Steel resulted in the all-share index losing 788 points(0.82%) closing at 95,525. The obligations by brokers' clients to settle their investment loans before the year end did also have an additional negative impact on the market.

As a result the growth of the market since the beginning of the year dropped by 1% to 24%. In the meantime the value of IRR against US Dollar and Euro dropped by 28% and 43% respectively since the beginning of the year.

- **Trading Value**

The total trading value however, rose by 72% and reached US\$1,396.875 million the largest value of which related to Iran Communications Co worth US\$208.333.

- **Trading Activities**

On Monday we witnessed the imposition of tariffs on Base Metals and Aluminum by US Government causing havoc in the world trades. The increase in US oil production also resulted in the lowering of the world oil prices. As a result the share prices relating to commodity and oil based companies were down including those of Petrochemicals and refineries.

In the Auto sector the share prices were also negative in particular those of Mashad Wheel, I.T. Foundry and Saipa Diesel.

The share price of the new IPO "Shafa Darou" after the first day of offer went negative and was considered as a failed offer.

On Saturday the share price of Arfa Steel Co after a positive net profit of 198% rise against its forecast rose by 22% following the opening of its ticker. However soon thereafter the share price turned negative and continued to the end of the week.

On Wednesday the market was negative throughout the day particularly when some of the tickers in the banking sector were opened. Saderat Bank following the publication of its results which showed 222% drop in its profitability lost more than 50% of its share value.

Parsian Bank ticker after 16 months of absence was opened this week and lost 10% of its share value. At the end the share price of Saderat Bank recovered and reached its daily ceiling of +5% whilst the share price of Parsian Bank went negative and reached its daily floor of -5%.

On Monday a block share of 15,654,000 shares belonging to Piranshahr Sugar Co was bought at the price of IRR9,500 per share.



- **New Issue**

On Tuesday Securities Exchange Organization cancelled the offer of 10% share capital of Saman Kish Electronic Payment Co due to a lack of clarity in their valuation.

- **Debt Market**

The total value of the debt market following the offer of "Manfaat Sukuk worth US\$625 million reached US\$871.604 million showing 102% increase against last week.

The interest rates achieved for Treasury bonds, Fixed Income Funds and ETF Funds were 25%, 21% and 21% respectively.

On Saturday it was announced that a new Sukuk based on corporate shares worth US\$210 million with a coupon of 20% p.a. would be offered to the public by Social Security Services before the year end.

- **Foreign Investments**

At long last a Chinese company has agreed to finance the purchase of the aircrafts by Iran Air. This relates to the purchase of Boeing and Airbus aircrafts which became subject to various US restrictions causing fear of US retaliation amongst large international banks.

At the end of this week an oil development contract for the development of the areas of Aban and West Paydar was signed between Iran National Oil Co , Zarubezhneft of Russia and Dana Energy worth US\$742 million.

- **Base Metals & Mining**

Prices per ton

	World US\$.	Iran US\$
Copper.	6,951.	6,802
Lead.	2,400.	2,240
Zinc.	3,238.	3,395
Aluminum	2,092.	2,176

According to the latest report China's industrial annual growth in February was 7.2% against 6.2% last year.

China's fixed capital investments have also risen from 7.2% in January to 7.9% in February. Retail sales also rose by 9.7% in February against retail sales of 7.9% in January as a result there has been an immediate improvement in the prices of Base Metals pushing the copper prices to reach US\$7,000 per ton. However the price of Zinc following an increase in the stock reserves of 5.2% at LME did not benefit from this improvement.

There has been a jump in the price of Lead this week. This was caused by the cancellation of the sale of 8,000 tons of Lead at Antwerp.



The 4 month restrictions of China's Aluminum production were lifted on 15th March. Investors are awaiting how demand and supply of Aluminum will be planned out in the future.

The price of Iron Ore at China's ports for the eight consecutive day declined to US\$69.78 per ton being the lowest price during the last three months.

The price of Iron Ore following the imposition of US tariffs on Steel lost US\$10 per ton.

Iran export prices of Slabs and Billets after rising by 1.9% reached US\$550 and US\$530 per ton.

- **Oil & Energy**

During this week the price of oil following the rising of US Shale oil production went negative. However by Wednesday following the positive news from China went into a positive territory.

Brent oil reached US\$65.17 and West Texas Oil reached US\$61.25 per barrel.

According to the latest report by IEA the oil demand for next year will increase by 100,000 barrels and will reach 1.5 million barrels per day.

International Oil Agency has predicted that the current OPEC oil production of 32.3 million barrels of oil per day will increase to 32.4 million barrels of oil per day next year.

The oil production by non-OPEC members will remain unchanged at 1.8 million barrels per day.

The total value of Iran Petrochemical products for the last 11 months has reached US\$10.744 million representing 20.207 million tons of products. Iran is the second largest petrochemical producer in the Middle East representing 23.6% share of the market.

- **FX & Gold**

The US Dollar index rose by 0.03% closing at 90.5.

Next week the Federal Reserves may raise US interest rates which could cause instability in the foreign exchange and commodity markets.

The value of IRR against US\$ declined by 0.02% this week. The value of US\$ and Euro was IRR48,000 and IRR59,100. The price of Gold reached US\$1,318 per ounce.

- **Macro Economy**

According to the latest CBI report the level of liquidity during the month ended 21st January 2018 reached US\$304 billion showing an increase of 16.7% against the month ended 21st March 2017.



- **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	09/03/2018	16/03/2018	Change%
Opec	Barrel/Dollar	61.850	62.240	0.6%
Petrol	Gallon/Dollar	1.8995	1.9445	2.4%
Natural Gas	One Million-BTU	2.7310	2.6960	-1.3%

Currency (IRR)				
Currency		09/03/2018	16/03/2018	Change%
Dollar	Official Rate	37,440	37,693	0.68%
	Free Market Rate	47,890	48,650	1.6%
Euro		56,240	59,050	5.0%
Pound		69,100	69,030	-0.1%

Precious Metal				
Metal	Unit	09/03/2018	16/03/2018	Change%
Gold	Dollar/ Ounce	1,322.16	1,313.72	-0.64%
Silver	Dollar/ Ounce	16.6000	16.3250	-1.66%

Basic Metal				
Product	Unit	09/03/2018	16/03/2018	Change%
Aluminum	Dollar/ Tonne	2,120.50	2,087.00	-1.6%
Lead	Dollar/ Tonne	2,386.50	2,380.50	-0.3%
Zinc	Dollar/ Tonne	3,294.25	3,255.25	-1.2%
Copper	Dollar/ Tonne	6,958.25	6,888.25	-1.0%



2.Detailed Market information

TSE TOP 5 Gainers

Symbol	Sector	Company Name	close (USD Cent)	%change
NKOL	manufacture of chemicals and chemical products	NiroCholor	9.40	22.07%
HTOK	Transportation and storage	Tuka Trans.	3.75	15.45%
SHPZ	Manufacture of food products and beverages except sugar	W. Azar. Pegah	3.81	14.31%
SHZG	Manufacture of cement,lime and plaster	Hormozgan Cem.	10.20	14.15%
GBEH	Investment	Behshahr Group	2.23	11.24%

TSE TOP 5 LOSERS

Symbol	Sector	Company Name	close (USD Cent)	%change
BSDR	Monetary intermediation & banks	Saderat Bank	1.06	-49.25%
HORZ	Electricity,gas,steam and hot water supply	Omid Taban Hoor	2.35	-14.17%
LIAZ	Manufacture of other non-metallic mineral product	Lia company	12.57	-14.08%
MAVA	manufacture of chemicals and chemical products	Fiber Prod.	3.75	-13.75%
KARZ	Computer and related activities	Kharazmi Info.	6.89	-13.16%



TSE TOP 5 VALUE LEADERS

Symbol	Sector	Company Name	close (USD Cent)	Trade Value USD Million
JPRZ	Manufacture of paper and paper products	Pars Paper Ind.Grp	7.80	6.4
SPDZ	Manufacture of motor vehicles, trailers and semi-trailers	Saipa Diesel Mobarakeh Steel	2.10	6.2
FOLD	Manufacture of basic metals		5.94	5.4
ZMYD	Manufacture of motor vehicles, trailers and semi-trailers	Zamyad	1.63	5.3
BSDR	Monetary intermediation & banks	Saderat Bank	1.06	5.0



3.Economic News

Iran to Outpace Qatar in Extraction from Joint Fields: Official

The commander of the Khatam al-Anbia Construction Base, a conglomerate belonging to the Islamic Revolution Guards Corps (IRGC), pledged that Iran would outstrip neighboring Qatar in terms of production of oil and gas from joint fields.

Iran, India Growing Banking Ties without Dollar: Diplomat

A top Indian diplomat at Tehran embassy unveiled plans for the expansion of trade and banking ties with Iran using the national currencies of the two sides instead of US dollar, saying six Iranian banks have been authorized to make investment in India.

Iran's Oil Exports in March Fall to Two-Year Low: Report

Iran's crude and condensate exports are set to fall to a two-year low this month as loadings for its main Asian buyers will tumble by one-third from the previous month, a report said.

Iran, Serbia Resume Direct Flights after 27-Year Hiatus

After a gap of 27 years, direct flights between Iran and Serbia resumed Saturday, when an IranAir jet touched down at Belgrade's Nikola Tesla airport, Serbian media reported.

No Snag in India's Oil Payments to Iran: Diplomat

A top diplomat at the Indian embassy in Tehran said his country has paid all oil debts to Iran overdue from the era of sanctions, adding that India is currently paying for the oil it buys from Iran in euros.

Iran Free Trade Zones to Attract \$4.5bln in Foreign Investment: Official

The secretary of the Supreme Council of Iran's Free Trade, Industrial and Special Economic Zones said the country has signed new contracts with foreign companies, attracting \$4.5 billion worth of investment in free trade zones.

Iran Likely to Join EEU in May: Russian Energy Minister

The Eurasian Economic Union (EEU) could welcome Iran as a new member in May, Russia's Energy Minister Alexander Novak said.

Finland, Denmark, Sweden Sign Cooperation Document with Iran's IDRO

The ambassador of Finland to Tehran said Helsinki, Copenhagen and Stockholm have signed an agreement with Iran's IDRO Group to improve cooperation in various fields, including oil and renewable energies.

Iran, Azerbaijan Finalize 12 Agreements

Delegations from Iran and the Republic of Azerbaijan held a new session of a joint commission on mutual cooperation in Tehran, finalizing 12 agreements that the two sides had drafted in the past.

Tehran-Ashgabat Business Forum Slated for Late March: Report

Iran and Turkmenistan are planned to hold a joint business forum in Ashgabat in late March, a report said.



Iran to Open Car Plant in Azerbaijan

Iranian President Hassan Rouhani will inaugurate a car factory in the Republic of Azerbaijan in an upcoming visit, Iran's economy minister said.

Iran Air to Recruit Female Pilots: CEO

CEO of Iran Air Farzaneh Sharafbafi said the country's national flag-carrier airline plans to recruit female pilots for the first time.