



## Weekly Market Report

Week ended 17<sup>th</sup> October, 2018

Saturday thru Wednesday inclusive

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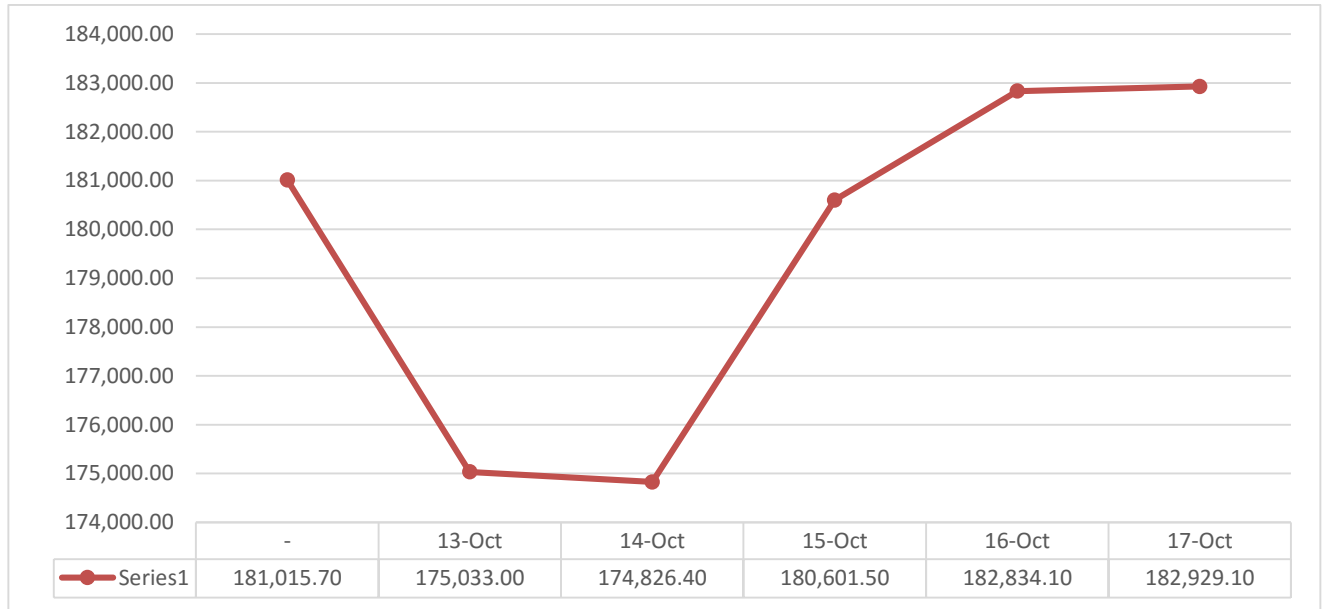
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## 1. Market Report-The Indices



Title	October 10, 2018	October 17, 2018	Unit change	Change %
All-Share Index	181,015.74	182,929.08	1,913.33	1.06%
Fara Bourse Index	2,012.7	2,020.4	7.70	0.38%
Index Of 30 Largest Co.	9,024.5	9,168.5	158.21	2.00%
Index Of 50 Most Active Co.	7,902.2	8,060.4	144.00	1.60%
P/E	9.07	9.82	0.75	8.27%

Daily Average Trading Value	Last Week (\$)	Current Week (\$)	Amount Of Change (\$)	Change Percentage
	122,364,956	64,125,844	-58,239,111	-47.59%



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

**Market Information Week ended 17th October 2018**

	This week	Changes	%	Last week	At 21.03.18	Changes	%
<b>All-Share Index</b>	182,929	1,914	1.1	181,015	96,290	86,639	90.0
<b>Stocks Trading Value</b>	\$ 536 m	(275)	(33.9)	\$ 810 m	–	–	–
<b>Debt Securities Trading Value</b>	\$ 84 m	\$ 17 m	24.8	\$ 67 m	–	–	–
<b>Market Return in IRR to date</b>	90%	2%	–	88%	–	–	–
<b>Exchange Rate US\$/IRR</b>	139,212	(5,788)	(4.0)	145,000	–	–	–
<b>Exchange Rate EURO/IRR</b>	161,865	(5,135)	(3.1)	167,000	–	–	–
<b>US Dollar index</b>	96.03	1.0	1.0	95.08	89.5	6.53	7.30
<b>Gold Value per ounce</b>	1,229	8	0.7	1,221	1,268	(39)	(3.08)

**Note 1:** The interest rates achieved through TB's (discounted rate), Fixed Income Funds and ETF were 25%, 22% and 21% respectively.

**Note2:** Of the trading value shown in the above schedule Isfahan Refinery represented the largest value worth US\$23 million.

- **Market Activities**

Although during the week we witnessed pressure on selling mining stocks, Chador Malo and Gol-Gohar did well whilst Zinc group stocks were in negative territory.

In the Oil Products sector initially the stocks faced with negative demand but by the end of the week this was reversed with high demand across the board and in some cases the prices reached the daily ceiling of 5% such as Bandar Abbas Refinery with a high volume of trading. The average rise in the sector reached 2% for the week.

In the Chemical sector the same scenario as above did occur and some share prices reached the daily ceiling of 5% such as Topico, Shiraz, Shtoka and Shacina.

In the Auto sector there was pressure on the prices with a high volume of trade but again by the end of the week the share prices stabilized and in some cases turned positive.



On Wednesday being the last day of the week there was pressure on share prices across the board following the disclosure of a list of companies which were subject to the US sanctions. This negative sentiment was felt virtually across the board. However Bank Melat and Mobarakeh Steel Co that were on the list did slightly better and by the end of the day as the market turned positive across the board.

- **Base Metals & Mining**

Basic Metals				
Price	Lead US\$	Copper US\$	Zinc US\$	Aluminum US\$
World	2,000	6,176	2,664	2,013
Iran	1,724	4,281	2,658	1,580

China's economic growth for the first three months of this year was slightly down from 6.7% last year to 6.5% this year( forecast 6.6%). This has been the lowest growth since 2009.

The stockpiles of Zinc at LME showed a drop of 28% to 184,000 tons during the last 4 weeks pushing the price of Zinc to reach US\$2,600 per ton.

According to the Government statistics Iran has produced 9.328 million tons of raw steel during the last 5 months of this year showing a 10.8% rise against the corresponding period last year.

Moreover, during the same period the following items have been produced:

23.245 million tons of cement showing 2.3% reduction and 150.425 million square meters of ceramics showing a rise of 5% against the corresponding period last year.

- **Oil & Energy**

Oil & Energy		
	Brent Oil US\$	Texas Oil US\$
Price	79	69

The first batch of light crude oil at a base price of US\$79.15 per barrel will be offered for sale on Iran International Energy Market on Monday 5th November. This consignment will be delivered at FOB Khark Island on Wednesday 28th November and will be sold on a retail basis.



Oil prices nudged higher on Friday on signs of surging demand in China, the world's second-biggest oil user, though prices are set to fall for a second week amid concerns of the ongoing Sino-U.S. trade war is limiting overall economic activity.

For the week, Brent crude was 1.1 percent lower while WTI futures were down 3.5 percent, putting both on track for a second consecutive weekly decline.

Refinery throughput in China, the world's second-largest oil importer, rose to a record high of 12.49 million barrels per day (bpd) in September as some independent plants restarted operations after prolonged shutdowns over summer to shore up inventories, government data showed on Friday. The refinery consumption may rise through the fourth quarter as several state-owned Chinese refiners return to service after maintenance.

Undermining the strong refinery data, China did on Friday report its weakest economic growth since 2009 in the third quarter, with gross domestic product expanding by only 6.5 percent, missing estimates.

The weak economic data raised concerns that the country's trade war with United States is beginning to have an impact on growth, which may limit China's oil demand.

The trade war concerns combined with surging U.S. oil stockpiles reported on Thursday are capping the day's price gains.

U.S. crude stocks last week climbed 6.5 million barrels, the fourth straight weekly build, almost triple the amount analysts had forecast, the U.S. Energy Information Administration said on Wednesday. "EIA Weekly Petroleum Status Report was a complete shocker sending Oil markets spiralling lower amidst some concerning development for oil bulls," said Stephen Innes, head of trading APAC at OANDA in Singapore.

Inventories rose sharply even as U.S. crude production slipped 300,000 barrels per day (bpd) to 10.9 million bpd last week due to the effects of offshore facilities closing temporarily for Hurricane Michael. Meanwhile, Iranian oil exports may have increased in October when compared to the previous month as buyers rush to lift more cargoes ahead of looming U.S. sanctions that kick in on Nov. 4. An unprecedented volume of Iranian crude oil is set to arrive at China's northeast Dalian port this month and in early November before U.S. sanctions on Iran take effect, according to an Iranian shipping source and data on Refinitiv Eikon.

So far, a total of 22 million barrels of Iranian crude oil loaded on supertankers owned by the National Iranian Tanker Co (NITC) are expected to arrive at Dalian in October and November, the data showed. Dalian typically receives between 1 million and 3 million barrels of Iranian oil each month, according to data that dates back to January 2015.



According to EIA the stockpiles of oil in the US reached 6.46 million barrels against an expectation of 1.6 million barrels putting further pressure on the prices.

- **Housing**

According to the statistics the growth in the prices of housing units at 21st September, 2018 reached 74% which has been unprecedented during the last 10 years. As a result the number of transactions has dropped by 45% against the corresponding period last year.

- **Macro Economy**

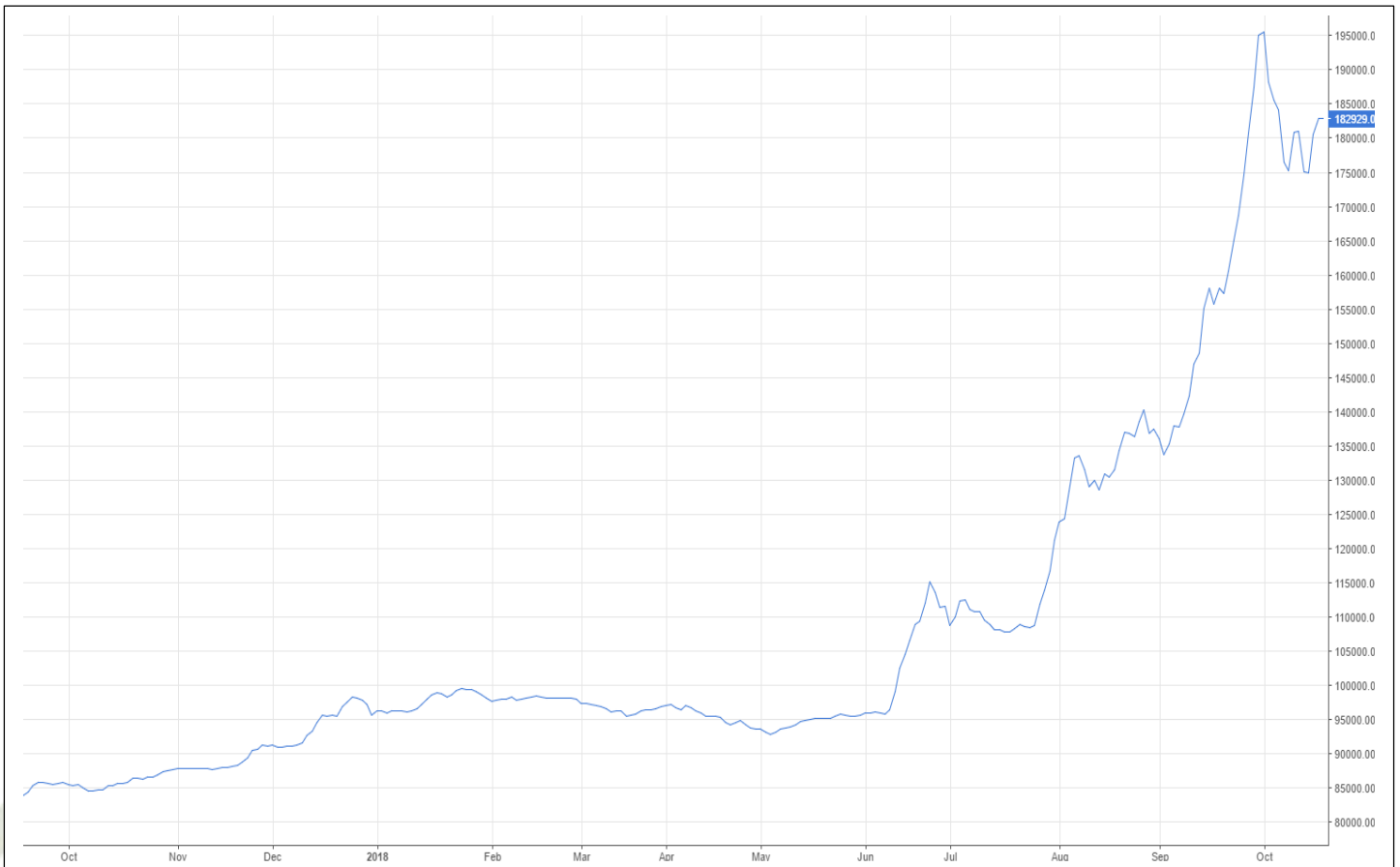
Iran total imports during the first six months of this year reached US\$22.182 billion of which US\$4.676 billion related to essential food products.

In the meantime the total value of exports for the year 2017/2018 is expected to reach US\$90 billion. The balance of trade for the last six months has been positive showing a surplus of US\$940 million. The rate of inflation for 2018 is expected to reach 29.6%.



- **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	10/10/2018	19/10/2018	Change%
Opec	Barrel/Dollar	80.14	78.25	-2.4%
Petrol	Gallon/Dollar	1.9465	1.9160	-1.6%
Natural Gas	One Million-BTU	3.1470	3.2290	2.6%

Currency (IRR)				
Currency		10/10/2018	19/10/2018	Change%
Dollar	Official Rate	42,000	42,000	0%
	Free Market Rate	145,000	139,212	-4%
Euro		167,000	161,865	-3%

Precious Metal				
Metal	Unit	10/10/2018	19/10/2018	Change%
Gold	Dollar/ Ounce	1,217.92	1,226.32	0.69%
Silver	Dollar/ Ounce	14.6300	14.6500	0.14%

Basic Metal				
Product	Unit	10/10/2018	19/10/2018	Change%
Aluminum	Dollar/ Tonne	2,029.25	2,008.50	-1.0%
Lead	Dollar/ Tonne	2,048.00	1,996.25	-2.5%
Zinc	Dollar/ Tonne	2,633.25	2,626.75	-0.2%
Copper	Dollar/ Tonne	6,287	6,221.75	-1.0%





## TSE TOP 5 Gainers

Symbol	Sector	Company Name	close (USD Cent)	%change
RFNZ	Manufacture of motor vehicles·trailers and semi-trailers	Ravan Fan Avar	2.86	19.26%
PASH	manufacture of chemicals and chemical products	Paksho	13.08	15.41%
MOBZ	Information and communication	Mobin One Kish	18.27	14.39%
HWEB	Information and communication	HiWeb	4.43	14.26%
KSPZ	manufacture of chemicals and chemical products	Kaspian Daroo	11.24	14.10%

## TSE TOP 5 LOSERS

Symbol	Sector	Company Name	close (USD Cent)	%change
SSEP	Manufacture of cement·lime and plaster	Sepahan Cement	0.75	-28.89%
BSTE	Real estate activities	Int. Const. Zayandeh	0.77	-24.65%
ZNDZ	Real estate activities	Maskan	1.00	-24.21%
MRGN	Manufacture of food products and beverages except sugar	Margarin Doroud	1.75	-19.74%
SDOR	Manufacture of cement·lime and plaster	Cement	0.94	-17.34%



## 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.	7.33	23.0
FOLD	Manufacture of basic metals	Mobarakeh Steel	4.42	20.9
ZOBZ	Manufacture of basic metals	Isfahan Steel	1.97	20.6
BMLT	Monetary intermediation & banks	Mellat Bank	1.78	15.1
PNBA	Manufacture of coke+refind petroleum products and nuclear fuel	B.A Oil Refinie	10.74	13.4



### **3.Economic News**

#### **BP Chief Predicts Extreme Volatility in Oil Market due to Iran Sanctions**

With oil market players closely watching what happens when US sanctions on Iran's oil industry come into force on November 4, BP's chief executive predicted "extreme volatility" for oil prices as a result of the sanctions.

#### **Leader: Iran's Economic Woes Need Serious Decisions**

Leader of the Islamic Revolution Ayatollah Seyed Ali Khamenei called for resolute and practical decisions to rise to major economic challenges in Iran, including banking problems and inflation.

#### **India's Iranian Oil Imports up in September: Report**

India imported 528,000 bpd of Iranian oil in September, up by 1 percent from August, due to delays of some August cargoes until Indian refiners received the government nod to import Iran's oil on Iranian tankers with Iranian insurance, a report said.

#### **Iran's Oil Exports to South Korea Not to Be Cut to Zero: Official**

A member of Iran and South Korea Chamber of Commerce described the East Asian country as one of the biggest importers of the Iranian crude and said oil sales to South Korea will not go down to zero.

#### **Cleric Urges Heads of Iran's Branches of Power to Resolve Economic Problems**

Tehran's Provisional Friday Prayers Leader Ayatollah Mohammad Emami Kashani called on the heads of three branches of power to take serious measures to resolve economic problems facing the people following recent price hikes.

#### **US Exports to Iran Quadruple after Sanctions Re-Imposed**

The total value of US exports to Iran during August, when Washington re-imposed anti-Tehran sanctions, increased four times compared to a month earlier and the same period in 2017, according to the latest data released by the US Census Bureau.

#### **Legal Status of EU Payment Mechanism for Trade with Iran Still Unclear: Report**

EU and Iran have agreed to continue trade after the US withdrawal from the nuclear deal, but the EU payment system is still unclear, a report said.



### **Saudi Arabia Cannot Replace Lost Iranian Oil: VP**

Iranian First Vice-President Es'haq Jahangiri highlighted the reasons behind the recent surge in oil prices and said US President Donald Trump wrongly thought that the Saudis were able to replace the reduced share of the Islamic Republic in global oil markets.

### **Iran's Intelligence Forces Smash Several Fuel-Smuggling Gangs**

The Iranian intelligence forces have managed to disband several bands involved in smuggling various kinds of fuels.

### **Iran, Russia Pledge Joint Efforts to Stabilize Global Oil Market**

Iranian Oil Minister Bijan Zangeneh and Russian Energy Minister Alexander Novak discussed potential further regulations in oil production under the deal reached between the Organization of the Petroleum Exporting Countries (OPEC) and non-OPEC producers, a report said.

### **Oil Prices Rise on Signs Iranian Oil Exports Falling Further in Oct.: Report**

Oil prices rose on Tuesday on signs Iranian oil exports this month have fallen from September ahead of US sanctions against Tehran that are set to start in November.

### **India's MRPL Says to Get Waiver from US Sanctions on Iran Soon**

India's Mangalore Refinery and Petrochemicals Ltd (MRPL) expects India to get a waiver from US sanctions on Iranian oil exports this month, a company official said Tuesday.