



Weekly Market Report

Week ended 28th August, 2019

Saturday thru Wednesday inclusive

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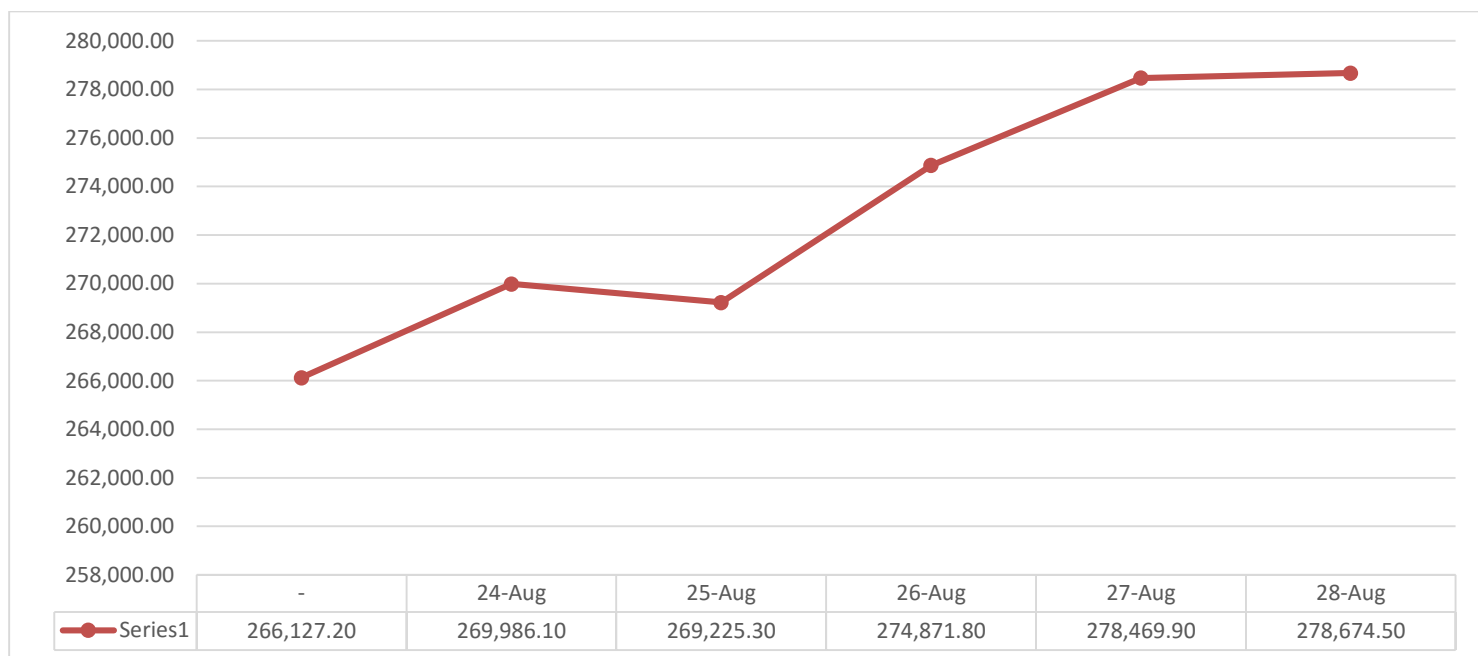
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1. The Indices



Title	August 21, 2019	August 28, 2019	Unit change	Change %
All-Share Index (Bourse)	266,127.2	278,674.5	12,547.28	4.71%
Fara Bourse Index	3,579.3	3,710.2	130.90	3.66%
Index Of 30 Largest Co.	11,437.4	11,963.7	437.51	4.16%
Index Of 50 Most Active Co.	10,520.1	10,957.6	526.33	4.60%
P/E (Bourse)	6.03	6.14	0.11	1.82%

Daily Average Trading Value (Bourse)	Last Week (\$)	Current Week (\$)	Amount Of Change (\$)	Change Percentage
	98,058,916	146,095,815	48,036,899	48.99%



• **Market Performance**

Market Information Week ended 28th August 2019

	This Year				Last Year		
	This week	Last week	Changes	%	At 21.03.18	Changes	%
All-Share Index	278,674	266,127	12,547	4.7%	178,659	100,015	56.0
Shares Trading Value	\$ 1,339 m	\$ 859 m	\$ 480 m	55.8%	-	-	-
Debt Securities Trading Value	\$ 105 m	\$ 77 m	\$ 28 m	36.4%	-	-	-
Market Return in IRR to date	72%	70%	2%	-	-	-	-
Exchange Rate US\$/IRR	110,300	116,210	(5,910)	(5.1%)	-	-	-
Exchange Rate EURO/IRR	124,000	130,000	(6,000)	(4.6%)	-	-	-
US Dollar index	98.50	98.34	0.2	0.2%	96.32	2.18	2.26
Gold Value per ounce	1,535	1,505	30	2.0%	1,308	227	17.35

• **Market Analysis**

• **The Debt Market**

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

Largest Traded Value

The largest traded value this week worth US\$16 million belonged to Tejarat Bank.

• **Market Activities**

This week was a mixed bag of high volatilities, a large participation of corporate investors to buy shares of good values, the introduction of a new set of rules to apply to the "Base" market in Farabourse and the enthusiasm of new and unaware investors in the market brought about a great enthusiasm in the market and despite severe downturn on one or two days throughout the week the all-share index by the end of the week rose by a total of 12,547(+4.7%) reaching 278,674. This growth has been unprecedented for a long time.

The sectors which did well were the Auto and the Spare Parts, the Petrochemicals and Base Metals along with some smaller caps companies. This trend appears to be the beginning of a relatively long bull market particularly in the light of the recent positive political movements by President Macron of France.



- **Base Metals & Mining**

Basic Metals				
Price	Lead US\$	Copper US\$	Zinc US\$	Aluminum US\$
World	2,045	5,700	2,247	1,748
Iran	2,000	5,827	2,272	1,972

The copper stockpiles at LME and Shanghai continued their decline this week to the extent that the stockpiles at Chinese Bonded Warehouse reached 365,000 tonnes only which has been the lowest level in the last 3.5 years showing a decline of 8% per month.

In the meantime the arbitrage of copper at LME-SHFE markets was being traded at -US\$30 which in the opinion of some Chinese traders is indicative of the lowering of the total copper imports to China giving rise to an opportunity to Iranian exporters to increase their quotas to China.

In order to encourage Iranian exporters to reduce their exports of Iron Ore to China in favour of local steel producers Iranian Government is planning to levy a tariff of 25% on iron ore exports within the next 3 weeks. During the last 5 months Iran exports of iron ore concentrates with purity of 65% and pellets with purity of 25% are indicative of a rise of 0.55%.

The value of mining and Base Metals companies on Tehran stock market this week after rising by 3.9% reached US\$25 billion which represents 20.7% of the total value of Tehran Stock Market.

- **Oil & Energy**

Oil & Energy		
	Brent Oil U\$S	Texas Oil U\$S
Price	60	56

Oil took a breather on Friday after three days of solid gains, but was set for its strongest week since early July, boosted by a decline in U.S inventories and a looming hurricane in Florida, while new signs of trade talks emerged.



Brent crude was down 7 cents, or 0.1%, at \$61.01, by 0236 GMT after adding 1% on Thursday. Brent is heading for a gain of nearly 3% this week.

U.S. oil fell 11 cents, or 0.2%, to \$56.60 a barrel. The contract is set for a gain of more than 4% this week. "The frothy price action emphasizes the store that energy markets place on trade progress to support further gains in prices going forward," said Jeffrey Halley, senior market analyst at OANDA.

"What is given, can be taken away though, and the rally looks more like it's running on vapors than petrol," he said.

Worries about a slowdown in economic growth due to the U.S.-China trade war and the flow-on to oil demand kept a lid on price gains, even as falling inventories indicate a balancing market.

However, the United States and China gave signs on Thursday that they will resume trade talks as the two economic superpowers discussed the next round of in-person negotiations in September ahead of a looming deadline for additional U.S. tariffs.

The approach of Hurricane Dorian toward Florida raised fears that offshore U.S. crude producers may slow output if the storm passes into the Gulf of Mexico over the weekend.

Dorian is heading toward landfall on the Atlantic coast of Florida over the weekend and may enter into the eastern Gulf of Mexico next week. It is forecast to strengthen and become a highly dangerous Category 4 hurricane on Sunday, the National Hurricane Center said.

Chevron's 356,440 barrel-per-day Pascagoula, Mississippi, refinery is closely monitoring the progress of Hurricane Dorian, a company spokesman said on Thursday.

Last month, Hurricane Barry prompted offshore oil companies to shut as much as 74% of production, lifting U.S. crude prices, before it weakened to a tropical storm.

Government data on Wednesday showed U.S. crude stocks dropped last week by 10 million barrels to their lowest since October as imports slowed, while gasoline and distillate stocks each fell by over 2 million barrels. [EIA/S]

Inventories at the nation's main delivery hub in Cushing, Oklahoma, where WTI futures are priced, slumped last week by nearly 2 million barrels to their lowest since December, the data showed.

Cushing stocks have dropped by over 300,000 barrels since the government report, traders said, citing market intelligence firm Genscape's midweek report.



- **Housing**

During this month the volume of housing transactions in Tehran was 3, 292 units which was the lowest level in the past 7 years. The average square meter in Tehran this month reached US\$1,200 showing a rise of 77.4% against the corresponding month last year. This value shows a decrease of 3.4% against last month whilst the volume of transactions this month shows a decline of 31.2% against last month.

- **Macro Economy**

According to the recent Parliamentary research the economic growth of the country this year (ended 21st March, 2019) is expected to go negative by 9.8% without oil income and a negative of 2% with oil income.

The volume of liquidity by the end of this month will reach US\$180 billion whilst the growth in money supply for the year ended 21st June 2019 shows a growth of 25.5% and during the first three months of this year was 3.2%.

- **According to the Statistical Dept**

The rate of point by point inflation last month reached 41.6% which against last month shows a decline of 6.4% whilst the rate of inflation for the year ended 21st August , 2019 reached 42.2% which against last month shows a decline of 1.8%.



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

Oil				
	Unit	30/08/2019	23/08/2019	Change%
Opec	Barrel/Dollar	60.24	60.50	-0.4%
Petrol	Gallon/Dollar	1.5202	1.6450	-7.6%
Natural Gas	One Million-BTU/ \$	2.282	2.158	5.7%

Currency (IRR)				
Currency		30/08/2019	23/08/2019	Change%
Dollar	Official Rate	42,000	42,000	0%
	Free Market Rate	112,000	116,000	-3.4%
Euro		124,500	131,000	-5.0%

Precious Metal				
Metal	Unit	30/08/2019	23/08/2019	Change%
Gold	Dollar/ Ounce	1,524.15	1,528.47	-0.28%
Silver	Dollar/ Ounce	18.4270	17.4380	5.67%

Basic Metal				
Product	Unit	30/08/2019	23/08/2019	Change%
Aluminum	Dollar/ Tonne	1,756.00	1,768.75	-0.7%
Lead	Dollar/ Tonne	2,028.25	2,064.00	-1.7%
Zinc	Dollar/ Tonne	2,219.00	2,245.00	-1.2%
Copper	Dollar/ Tonne	5,652.25	5,632.50	0.4%



TSE TOP 5 Gainers

Symbol	Sector	Company Name	close (USD Cent)	%change
HFRS	Transportation and storage	Khalij Fars Trans	3.25	50.19%
RSKZ	Transportation and storage	Rail Sair Kosar	6.22	38.31%
PABD	manufacture of chemicals and chemical products	Abadan Petr.	1.71	30.71%
SEFH	Manufacture of cement·lime and plaster	Isfahan Cement	23.86	27.61%
SFNO	Manufacture of cement·lime and plaster	Siman Fars Noe	11.05	26.94%

TSE TOP 5 LOSERS

Symbol	Sector	Company Name	close (USD Cent)	%change
SPDZ	Manufacture of motor vehicles·trailers and semi-trailers	Saipa Diesel	2.35	-13.95%
IBKZ	Monetary intermediation & banks	Investment Bank	1.37	-13.30%
KAVR	Manufacture of motor vehicles·trailers and semi-trailers	Iran Khodro D.	2.09	-12.96%
GMEL	Tanning and dressing of leather:manufacture of footwear	Melli Ind. Grp.	59.20	-10.83%
AZMP	Manufacture of machinery and equipment	Azmayesh	9.59	-10.54%



TSE TOP 5 VALUE LEADERS

Symbol	Sector	Company Name	close (USD Cent)	Trade Value (USD Million)
BDYZ	Monetary intermediation & banks	Day Bank	3.29	22.9
ZOBZ	Manufacture of basic metals	Isfahan Steel	1.61	22.5
IMFZ	hotels & restaurant	Cultur.Herit. Inv.	7.79	20.7
BTEJ	Monetary intermediation & banks	Tejarat Bank	0.38	16.3
HFRS	Transportation and storage	Khalij Fars Trans	3.25	12.7



3.Economic News

Iranian Electricity Exports Hit Record High: Minister

Iranian Energy Minister Reza Ardakanian highlighted the major rise in the country's capacity to produce electricity and said the Islamic Republic's exports over the past three months hit a record high.

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.

Iran to Launch 227 Major Energy, Water Projects in Months: Minister

Iranian Energy Minister Reza Ardakanian said by the end of the current Persian calendar year (March 2020), his ministry will inaugurate 227 major energy and water projects in the country.

CBI Chief Underlines Failure of US' Maximum Pressure Campaign on Iran

Governor of the Central Bank of Iran (CBI) Abdonnaser Hemmati highlighted the ineffectiveness of US sanctions against the Islamic Republic and said Washington has failed in its campaign of maximum pressure on Tehran.

99.7% of Iran's Villages Have Electricity: Minister

Iranian Energy Minister Reza Ardakanian highlighted the progress in the process of supplying electricity to villages and towns across the country and said the population of 99.7 percent of the villages have access to electricity.

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.