

Global Economic Development

- The US consumer sentiment declined to 91.2 in January of 2019 from 98.3 in December, the weakest since President Trump was elected.
- US unemployment rate rose to 4% in January 2019 from 3.9% in December.
- The Federal Reserve held the target range for the federal funds rate at 2.25-2.5 percent during its first policy meeting of 2019 and reaffirmed its position to be patient about further policy firming in light of recent global economic and financial developments and muted inflation pressures.
- Canada inflation rate rose to 2.0 percent in December 2018 from 1.7% in November.
- The EU economy grew 0.2% on quarter in the final three months of 2018, matching the third quarter rate, which had been the lowest since the second quarter of 2014.
- The EU unemployment rate was at 7.9% in December 2018.
- The ECB held its refinancing rate at 0% on January 24th and reiterated it expects key interest rates to remain at record low levels at least through the summer of 2019.
- Germany's unemployment was unchanged at an over 38-year low of 3.3% in December 2018.
- UK unemployment rate fell to 4% in the three months to November 2018, at near 44 years low.
- Japan unemployment rate inched lower to 2.4% in December 2018 from 2.5%.
- The Bank of Japan left its key short-term interest rate unchanged at -0.1% at its January meeting and kept the target for the 10-year government bond yield at around 0%.
- China GDP advanced 6.4% year-on-year in the December quarter of 2018. The weakest in 28 years.
- India Annual inflation declined to 2.19% in December of 2018 from 2.33% in November.
- Turkish inflation increased slightly to 20.35% year-on-year in January 2019.

Local & Regional Economic Development

- Palestine 2018 CPI decreased slightly by 0.19% compared with 2017.
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- Palestine exports & imports decreased by 3% in November 2018.
- Palestine PPI & WPI increased by 2.22% & 1.05% in 2018 compared to 2017.

Palestine Key Economic Indicators					
	2013	2014	2015	2016	2017
Population ('000)	4,421	4,550	4,682	4,867	4,950
Real GDP Change	2.2	-0.2	3.4	4.1	3.2
Real Per Capita GDP Change	-0.8	-3.1	0.4	1.2	0.1
Inflation Rate	1.72	1.73	1.43	-0.22	0.21
Unemployment rate	23.4	26.9	25.9	26.9	27.40

- Egypt real GDP in grew by 5.4% year-on-year in H1 of the current fiscal year, from 5.2% reported a year ago.
- Egypt's GDP growth is expected to rise by 6.5% in the 2019-2020.
- Egypt's Suez Canal revenues fell by 8.8% mom to USD 461.5mn in November 2018.
- Jordan and Saudi Arabia have approved the feasibility of connecting the electric power grids of the two countries. The project is expected to be operational in 2022.
- Lebanon issued a statement saying it had "absolutely" no plans to restructure the debt.
- According to S&P estimates, the GCC nations are expected to issue USD 47-48bn in sukuk this year.
- Kuwait's investments in Egypt have amounted to USD 2.8bn.
- Iraq finalized a trade deal with Jordan- to cut the price of oil it sells Jordan in return for receiving preferential tariffs on goods Jordan ships to Iraq via the Aqaba port.
- Oman's central bank has signed an agreement with Iceland's Creditinfo Group towards developing a credit bureau.
- Oman to establish the country's first real estate investment fund named "Aman REITs".
- Qatar Investment Authority plans to raise investments in the US to USD 45bn in the next two years from around USD 30bn currently.
- Saudi Arabia plans to start developing the first phase of NEOM in Q1 2019.
- Saudi Aramco's bonds, which will be issued in Q2 this year, will probably be in the USD 10bn range, according to Saudi Arabia's energy minister.
- Saudi Arabia will provide Tunisia with USD 500mn loan to finance the country's budget deficit.
- Dubai's Department of Economic Development issued 20,467 new licenses in 2018.
- UAE ranked 4th globally in the HSBC's Expat Explorer survey.



- **Palestine Exchange 2018 review**, The year 2018 marks a new chapter in the rapid evolutionary approach of Palestine Exchange (PEX). The agreement signed earlier in 2018 with Nasdaq to supply the new generation of “X-Stream” trading platforms, among other events, was a milestone and its impact will expand in the near future through increasing PEX offering of products and services. X-Stream is expected to be launched during the second half of 2019.

During 2018, Al Quds index recorded its highest closing value at 590.10 points, an increase of 10.29% over 2017 but closed the year at 529.35 points a decline of 7.87%. Trading exceeded USD 353 million, a decrease of 24.64% over 2017, the market capitalization end the year at about 3.73 billion dollars, a decline of 4% over 2017, a clear proof that the geopolitical conditions of Palestine are affecting the exchange performance.

Non-Palestinian investment in PEX reached about USD 1.37 billion, nearly 37% of PEX capitalization, the highest percentage being the Jordanian investment, which came in the second place after local investment which owned USD 2.36 billion, 63% of PEX capitalization. Other investments include African, Arabian Gulf Countries, European and American.

Corporate News

- Massar International has resigned from the National Bank (PEX: TNB) board of directors.
- Palestine Insurance Company (PEX: PICO) has a new board of directors.
- The National Carton Industry has a new GM, Mr. Abdul Naser Dweikat.

Trading Summary

Details	Value	Month Change	YTD
Index close (points)	531.12	0.33%	0.33%
Trading value (US\$)	33,789,329	90.04%	33,789,329
Trading volume	19,436,381	143.54%	19,436,381
No. of transactions	2,681	50.62%	2,681
Market Cap. (US\$)	3,728,857,192	-0.16%	3,728,857,192

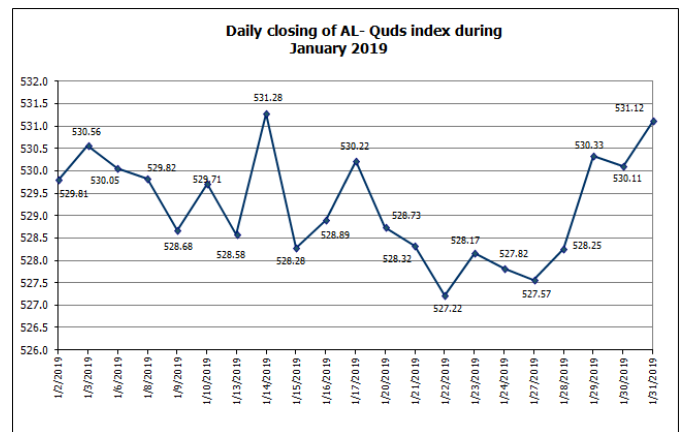
Key Indicators

No. of listed Companies	48
Subscribed Shares	1,896,726,915
Annual Turnover Ratio	9.67 %
Price earnings ratio (P/E)	12.81
Daily average value turnover (US\$)	1,609,016
Daily average Volume turnover	925,542

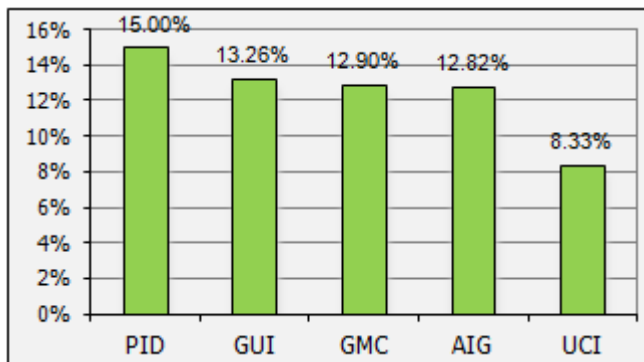
PEX Indices

Index (Base Value =100)	Points	Change
Al-Quds	531.12	0.33%
General	292.56	-0.16%
Banking & Financial Serv.	145.98	-2.70%
Industry	98.96	0.32%
Insurance	91.81	1.16%
Investment	28.5	1.14%
Services	40.52	1.05%

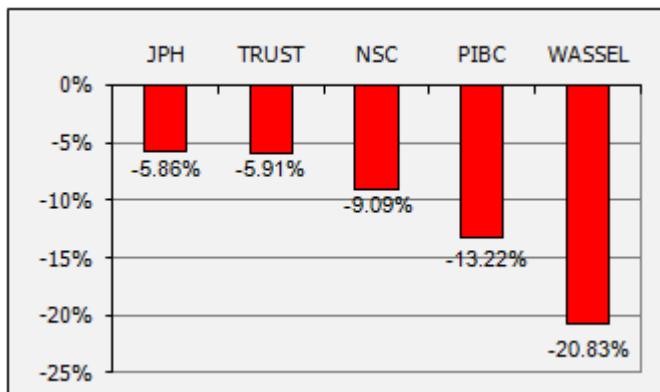
Al Quds Index



Top Gainers



Top Decliners



Arab Markets Indices

Country	Value	M. Change	Y-To-D
SAUDI	8,559.95	9.37%	9.37%
EGYPT	14,126.68	8.37%	8.37%
QATAR	10,720.31	4.09%	4.09%
BAHRAIN	1,391.42	4.05%	4.05%
KUWAIT	5,430.10	3.09%	3.09%
ABU DHABI	5,044.85	2.64%	2.64%
AMMAN	1,951.62	2.24%	2.24%
DUBAI	2,567.59	1.50%	1.50%
SUDAN	13,436.62	0.90%	0.90%
PALESTINE	531.12	0.33%	0.33%
CASABLANCA	11,350.73	-0.12%	-0.12%
TUNIS	7,262.05	-0.13%	-0.13%
DAMASCUS	6,045.49	-2.34%	-2.34%
BEIRUT	946.56	-3.09%	-3.09%
IRAQ	492.25	-3.50%	-3.50%
MUSCAT	4,166.47	-3.64%	-3.64%

Al Quds Index Companies

Company	Ticker	Currency	M. Cap. USD' Million	Price EOM	Monthly Change %	YTD Change%	P/E
Ahliea Insurance Group	AIG	US\$	17,600	0.44	12.82	12.82	6.67
Arab Palestinian Investment	APIC	US\$	196,800	2.40	2.13	2.13	11.27
Bank Of Palestine	BOP	US\$	440,000	2.20	-5.17	-5.17	8.15
Birzeit Pharmaceuticals	BPC	US\$	98,812	5.20	1.17	1.17	8.97
Palestine Islamic Bank	ISBK	US\$	145,040	1.96	5.95	5.95	9.98
Jerusalem Pharmaceutical	JPH	US\$	54,900	3.05	-5.86	-5.86	8.91
Wataniya Palestine Mobile Telecommunications	OOREDOO	US\$	231,470	0.79	-3.66	-3.66	---
Palestine Development & Investment	PADICO	US\$	332,500	1.33	3.91	3.91	66.98
Palestine Telecommunications	PALTEL	JOD	820,567	4.42	2.31	2.31	8.25
Palestine Electric	PEC	US\$	85,800	1.43	5.15	5.15	9.93
Palestine Investment Bank	PIBC	US\$	78,750.	1.05	-13.22	-13.22	20.09
Palestine Real Estate Investment	PRICO	JOD	37,771	0.42	-2.33	-2.33	---
Quds Bank	QUDS	US\$	150,427	1.8	-4.26	-4.26	13.45
The National Bank	TNB	US\$	129,000	1.72	1.18	1.18	14.01
Union Construction and Investment	UCI	US\$	20,800	0.65	8.33	8.33	30.57

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