Performance of the Amman Stock Exchange during 2011

Mr. Jalil Tarif, the Chief Executive Officer (CEO) of Amman Stock Exchange (ASE) said that the ASE ended trading for the year 2011. During this year, the trading value reached JD2.9 billion compared to JD6.7 billion for 2010. The ASE price index weighted by free float shares closed at 1995 points, a decrease of 15.9% compared with the closing of 2010 which stood at 2374 points. The number of traded shares also witnessed a decrease during 2011 of 41.7% and reached 4.1 billion shares, traded through 1.3 million transactions, compared with 7 billion shares traded during 2010 through 1.9 million transactions. The share turnover ratio has decreased to reach 58.2% during 2011, compared with 102.2% during 2010.

The non-Jordanian ownership as a percentage of market capitalization of the ASE has increased to 51.3% at the end of year 2011, compared with 49.6% at the end of the year 2010. The net non-Jordanian investments in the ASE has increased by JD78.6 million during the year 2011, compared with a decline of JD14.6 million during the year 2010.

Mr. Tarif added that the ASE has continued its efforts aiming at developing the securities market, where it achieved a number of projects that are meant to strengthen the development and increase the efficiency and transparency of the market; modernize the technical infrastructure, and enhance the information dissemination. The ASE has amended the schedule of trading hours for all traded securities during 2011. Amending the schedule of trading hours comes to provide an additional time to; contact listed companies to disclose all required information and results of general assembly meetings, contact Jordan Capital Market Institutions and other relevant departments regarding procedures of the public shareholding companies and the ASE's members.

Moreover, the ASE amended some articles in the Listing Securities Directives including suspending the trading in the shares of the companies that decide to decrease their capital only after the ASE receives the approval of the Minister of Trade and Industry for the company to decrease its capital. This amendment was made in order to protect the interests of the shareholders by leaving the shares of the companies available for trading until the minister approves the capital reduction, so the investors can have the time to obtain all the necessary information regarding the companies' decision of reducing its capital so they can take their investment decision based on better knowledge before the capital reduction takes place.

Another amendment is regarding the delisting of companies that are ordered by court to start compulsory liquidation in addition to companies whose general assembly decides to start voluntary liquidation, besides delisting the suspended from trading for more than two years.

Two new companies have been listed at the ASE during 2011, bringing the number of listed companies to 247. In addition, the market capitalization of listed shares at the ASE has amounted to JD19.3 Billion, constituting 102.7% of the GDP.