The ASE index Quarterly review

Mr. Bassam Abu Abbas the Deputy Chief Executive Officer of the Amman Stock Exchange (ASE) said that the ASE has conducted the periodic quarterly review of the ASE index constituents in purpose of ensuring that the ASE General Price Index reflects the market performance and the trading activity of the listed companies. By this rebalancing, the activity of listed companies in regard to trading during the last quarter has been reviewed. After that, the ASE has conducted its screening process for all listed companies using the full market capitalization of the companies and the number of trading days during last quarter. It is worth mentioning that the criteria adopted by the ASE are similar to the criteria applied by many leading international index providers.

Mr. Abu Abbas added that as a result of this review, (8) companies have been excluded from the index sample and other (8) companies have been added. The companies that have been excluded from the index sample were: Jordan French Insurance, Ittihad Schools, Petra Educations Company, Shira Real Estate Development & Investments, Alisraa for Islamic Finance and Investment, Rumm Financial Brokerage, United Cable Industries, and Arabian Aviation Investment Company.

The companies that have been added to the index sample were: Northern Cement Company, Alia - The Royal Jordanian Airlines, Arab Phoenix Holdings, International for Medical Investment, National Chlorine Industries, Jordan Vegetable Oil Industries, The Jordanian Pharmaceutical Manufacturing, and Arab Jordanian Insurance Group.

As part of the process, the ASE calculated the free float for all listed companies at the ASE based on the data Received from the Securities Depository Center. This review also includes the reduction of the weights for some companies to maintain the 10% cap that applied to index constitutes.

Mr. Abu Abbas clarified that the index sample includes (100) companies which are the most active in the ASE and the highest in terms of market capitalization. The full market capitalization of the index constituents represent (93.3%) of the total market capitalization of the companies listed at the ASE. The free float market capitalization of the index constitutes represents (95.4%) of the total free float market capitalization of the listed companies at the ASE.

In light of the above, the index constituents will be modified on the 1st of July 2018. Interested parties can access to the constituents of the index with the new weights through the following link:

https://www.exchange.jo/en/constituents