The ASE index Quarterly review

Mr. Mazen Wathaifi the 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. In light of the suspension of trading at the ASE based on the decision issued by the Prime Minister and the inability in light of this to implement the ASE periodic quarterly review of the content of the sample of the ASE General Index of Stock Prices selected from the listed companies traded at the ASE, the review of the Index sample was performed in the first week after resuming trading on the exchange instead of March.

Mr. Wathaifi added that as a result of this review, (9) companies have been excluded from the index sample and other (10) companies have been added. The companies that have been excluded from the index sample were: Al-Nisr Al-Arabi Insurance, Arab Orient Insurance Company, National Insurance, National Portfolio Securities, Mediterranean Tourism Investment, Al-Amin for Investment, The Real Estate & Investment Portfolio Co, Rumm Financial Brokerage, Jordan Vegetable Oil Industries.

The companies that have been added to the index sample were: Arabia Insurance Company – Jordan, Arab Jordanian Insurance Group, United Financial Investments, Al-Isra for Education and Investment "Plc", Al-Amal Financial Investments Co, Contempro For Housing Projects, Shira Real Estate Development & Investments, Ibn Alhaytham Hospital Company, Amoun International for Investments, National Aluminium Industrial.

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.Wathaifi clarified that the index sample includes the most active (100) companies in the ASE and the highest in terms of market capitalization. The full market capitalization of the index constituents represent (91.9%) of the total market capitalization of the companies listed at the ASE. The free float market capitalization of the index constitutes represents (95.3%) of the total free float market capitalization of the listed companies at the ASE.

As for the ASE20 index the full market capitalization of the index constituents represents 77.0% of the total market capitalization of the companies listed at the ASE, while the free float market capitalization of these companies is 83.5% 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 13th of May 2020. Interested parties can access to the constituents of the index with the new weights through the following link:

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