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.

Mr. Wathaifi added that as a result of this review, 11 companies have been excluded from the index sample and other 11 companies have been added. The companies that have been excluded from the index sample were: Arab Orient Insurance Company, Arab International Hotels, Al-Zarqa Educational & Investment, Jordan Loan Guarantee Corporation, Jordan Express Tourist Transport, Al-Dawliyah for Hotels & Malls, Bindar Trading & Investment, Contempro for Housing Projects, Ibn Alhaytham Hospital Company, Jordan Dairy, and Siniora Food Industries.

The companies that have been added to the index sample were: Middle East Insurance, Arabia Insurance Company – Jordan, National Insurance, Al-Tajamouat for Catering and Housing, Transport& Investment Barter Company, International Brokerage & Financial Markets, High Performance Real Estate Investments, Sabaek Invest Company, National Cable & Wire Manufacturing, Jordan Industrial Resources, and Northern Cement.

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 84.1% of the total market capitalization of the companies listed at the ASE. The free float market capitalization of the index constitutes represents 94.3% 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 70.7% of the total market capitalization of the companies listed at the ASE, while the free float market capitalization of these companies is 82.7% 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 3rd of January 2021. Interested parties can access to the constituents of the index with the new weights through the following link:

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