Amman Stock Exchange records a 2.4% increase for the end of 2024

The Chief Executive Officer of the Amman Stock Exchange (ASE), Mazen Wathaifi, stated that despite the challenges faced the ASE and the national economy in 2024, which impacted the economic activity and the financial markets in the region, the ASE continued to play its role in providing a safe environment for trading securities and enhancing investors' confidence to attract more investments and contribute to the development and strengthening of the national economy. The ASE General Index weighted by free float shares (ASEGI), increased by 2.4%, reaching 2488.8 points by the end of 2024, compared to 2431.2 points at the end of 2023. Noting that this closing is the highest since 2009, excluding the closing in 2022. Additionally, the price index weighted by free float market capitalization ASE20 Index, also increased by 2.7%, reaching 1344.0 points by the end of 2024, compared to 1308.8 points at the end of 2023.The Total Return Index (ASETR), which measures changes in shares prices for companies included in the index along with cash distributions assuming reinvestment in the shares of index companies, increased by 10.3%, reaching 1641.5 points by the end of 2024, compared to 1488.5 points at the end of 2023. The market capitalization of companies on the ASE increased to approximately JD17.7 billion, a 4.2% increase compared to the market capitalization at the end of 2023. It is worth noting that the market capitalization at the end of 2024, excluding the closing of 2022, was at its highest level since 2015.

As for trading value, it decreased in 2024 to approximately JD1.2 billion, compared to about JD1.5 billion in 2023, a decrease of 17.7%. The number of traded shares during 2024 reached approximately 913.2 million shares, executed through about 543,000 contracts, compared to 1.1 billion shares traded in 2023 through about 686,000 contracts.

Many sectors achieved an increase in the prices of their listed companies' shares by the end of 2024. These sectors include: Insurance 9.33%, Technology and Communication10.66%, Utilities and Energy 7.31%, Chemical Industries 12.82%, Engineering and Construction Industries 21.86%, Mining and Extraction Industries 36.28%, and Electrical Industries 44.47%.

Wathaifi added that in line with the ASE's pursuit of achieving the objectives of the Economic Modernization Vision and its strategic goals, the ASE has continued implementing several projects outlined in the vision and its strategic plan. As part of its effort to enhance openness to regional and global financial markets, exchange expertise, and enhance the competitiveness, liquidity, and depth of the financial market by facilitating the inflow of Arab and foreign investments, the ASE and the Securities Depository Center (SDC) signed an agreement with the Abu Dhabi Securities Exchange (ADX), which aims to join the "Tabadul" Hub operated by the ADX and includes some Arab and Asian stock exchanges. this agreement comes within the framework of the strategic partnership between the two brotherly countries and the joint cooperation in economic fields that serve the interests of both countries.

In a significant step to enhance transparency and sustainability in financial markets, the ASE launched the Climate-Related Disclosure Guidance, along with the regulatory framework, and the policy for disclosing such information. The guidance, regulatory framework, and policy were developed in collaboration with the International Finance Corporation (IFC) and Ernst & Young (EY). The guidance includes a set of standards and principles that help listed companies develop financial and non-financial climate-related disclosures, which enhances the competitiveness of these companies, strengthens investors' confidence and improves companies' ability to address environmental challenges in line with global best practices.

Furthermore, the ASE continued its efforts to enhance sustainability, disclosure, and transparency in the market, 100% of the listed companies in the ASE20 index sample provided sustainability reports for the year 2023 within the specified deadline set by the ASE's sustainability reporting

rules. This was done through the XBRL electronic disclosure system, following the latest international standards and practices, aiming to strengthen sustainability. This initiative was in line with the ASE's requirement for these companies to issue sustainability reports related to their three main pillars: Corporate Governance, Social Responsibility, and Environmental Responsibility (ESG).

As recognition of the ASE's efforts in the field of sustainability, it was selected to chair the advisory committee of the United Nations Sustainable Stock Exchanges (UN SSE) Initiative on SMEs and Sustainability. This committee comprises 60 experts from 42-member exchanges of the UN SSE Initiative.

The Committee’s mission is to provide guidance to financial markets and SMEs on implementing sustainability practices, addressing social, environmental, and governance (ESG) issues, and disclosing related information, in addition to drafting a new guidance for stock exchanges and SMEs to enhance their sustainability, which will enhance the role of the stock exchanges in supporting SMEs in their sustainability journey, taking into account the challenges and circumstances that may affect their adoption of sustainable practices.

In terms of enhancing investment awareness and culture, the ASE continued its efforts to enhance investment culture in the capital market and expand financial market knowledge through various procedures and activities by developing awareness publications, educational videos, which have been published on the exchange's website and social media accounts. Additionally, the ASE issued the "Investment Guide in the Amman Stock Exchange." Furthermore, the ASE signed memoranda of understanding with several national universities to collaborate and enhance the investment culture, preparing students for the job market by providing training, establishing trading simulation rooms, and familiarizing them with the practical aspects of the national capital market and its institutions.

Wathaifi added that the ASE continuously works on updating and developing its infrastructure and systems. It has developed a new version of the internal trading monitoring program (CTA) along with all related programs, which improves the speed and efficiency of the system, enhances the accuracy of operations, and contributes to increasing operational efficiency. Furthermore, the ASE updated its firewall systems and provided secure internet and VPN connections at both its main and backup locations to enhance cybersecurity infrastructure and provide integrated protection for the ASE's electronic services from breaches. These updates were implemented in accordance with the latest international, ISO27001 standards, to ensure secure information flow and communication safety between the internal network and external entities, confirming the ASE's commitment to providing secure and effective technical services.

In line with the ASE's efforts to support digital transformation across all work areas and enhance immediate interaction with brokers and investors, the ASE launched the e-FAWATEERcom service. This allows brokerage firms to make instant, accurate, and secure electronic payments for all financial claims, contributing to improving time management related to revenue collection and achieving the highest levels of operational efficiency.