

MONTHLY
MARKET
BRIEF**Banks Make Noise**
September 2009

Al-Quds Index barely moved this month after gaining 0.09% only as gains by some stocks were wiped by losses by other stocks. Meanwhile, the trading activity increased to USD32.7 million in comparison to USD27.9 million, which resulted from strong trading activity in the banking sector. In macroeconomic news, the Palestinian Central Bureau of Statistics (PCBS) announced a decrease of 1.23% in the Construction Cost Index (CCI) in August in comparison to July. Moreover, the CCI decreased by 7.46% compared to August 2008.

The investment index continued its upward trend after gaining 4.89% to be the best performing index for the month. The trading activity reached USD4.4 million and accounted for 14% of the market's activity. Palestine Development & Investment Co. (PADICO) was the sector's most active and accounted for 9% of the market's activity. PADICO gained 2.40% to close at USD1.28.

Palestine Industrial Investment Co. (PIIC) was the sector's best performer after gaining 29.17% to close at JOD0.62. Palestine Real Estate Investment Co. (PRICO) followed and gained 18.84% to close at JOD0.64. On the other hand, Jerusalem Real Estate Investment Co. (JREI) was the sector's only decliner and the market's worst performer after losing 8.74% to close at USD0.94.

The services index was the worst performing index after losing 1.39% this month. The trading activity reached USD6.9 million and accounted for 21% of the market's activity. Palestine Telecommunications Group (PALTEL) was the sector's most active and accounted for 20% of the market's activity. PALTEL was the sector's only decliner after losing 2.45% to close at JOD5.17. Meanwhile, Arab Hotels Co. (AHC) was the sector's best performer after gaining 20.00% to close at JOD0.72.

The industrial index continued moving in the positive direction after gaining 1.10%. The trading activity reached USD0.7 million and accounted for 2% of the market's activity. Palestine Plastic Industrial Co. (LADAEN) was the sector's best performer after gaining 24.14% to close at JOD0.36. Palestine Poultry Co. (AZIZA) followed and gained 13.00% to close at JOD1.13. Meanwhile, Arab Co. for Paints Products (APC) was the sector's worst performer after losing 5.00% to close at JOD1.13.

After gaining 2.31% the previous month, the insurance index dropped by 0.09% this month. The trading activity reached USD2.3 million and accounted for 7% of the market's activity. Ahliea Insurance Group (AIG) was the sector's best performer after gaining 2.30% to close at USD0.89. Meanwhile, Trust International Insurance Co. (TRUST) was the sector's worst performer after losing 4.85% to close at USD3.14.

The banking index was the second best performing index after gaining 3.88%. The trading activity reached USD18.3 million and accounted for 56% of the market's activity. Al-Quds Bank for Development & Investment (QUDS) was the market's most active and best performer; QUDS trading accounted for 24% of the market's activity, and the stock gained 38.67% to close at USD1.04.

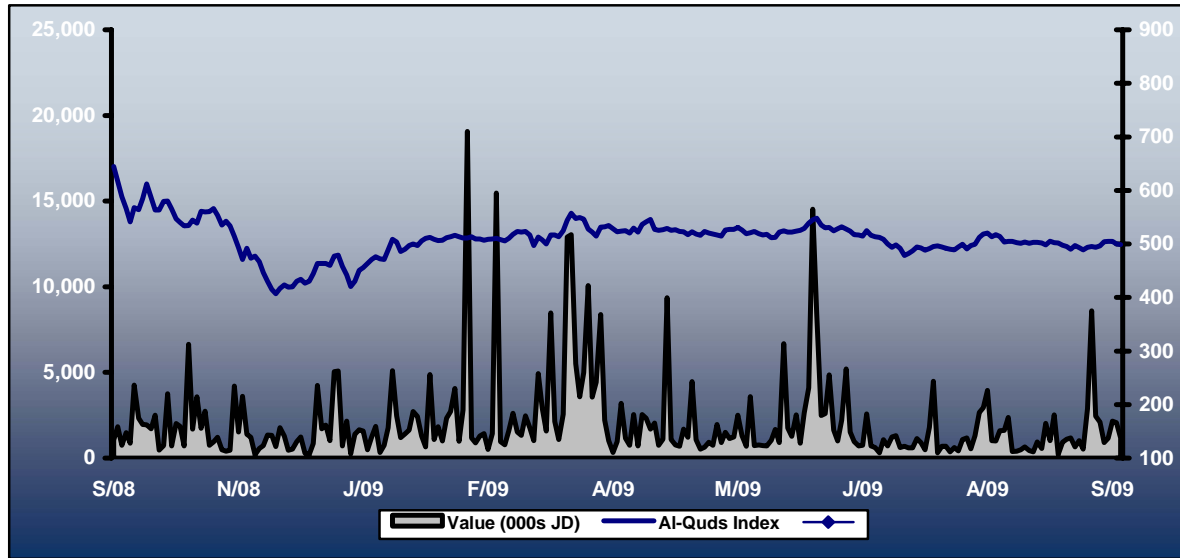
Alrafah Microfinance Bank (AMB) trading accounted for 13% of the market's activity, and gained 29.23% to close at USD0.84. QUDS & AMB led the banking sector this time. Meanwhile, the traditional leader of the sector, Bank of Palestine (BOP), was the sector's only decliner after losing 0.82% to close at USD3.65.



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Company Name	Close	Change (%)	Turnover (JOD)	Turnover (USD)
Most Active				
Al-Quds Bank for Development & Investment	USD1.04	38.67	5,622,385	7,927,176
Palestine Telecommunications Group	JOD5.17	-2.45	4,584,001	6,463,442
Alrafah Microfinance Bank	USD0.84	29.23	3,095,068	4,364,046
Biggest Movers				
Al-Quds Bank for Development & Investment	USD1.04	38.67	5,622,385	7,927,176
Alrafah Microfinance Bank	USD0.84	29.23	3,095,068	4,364,046
Palestine Industrial Investment Co.	JOD0.62	29.17	684,120	964,609

Sector Index	Open	Close	Change (%)	Change (Points)
Investment Index	22.50	23.60	4.89	1.10
Industrial Index	52.88	53.46	1.10	0.58
Insurance Index	54.37	54.32	-0.09	-0.05
Services Index	50.50	49.80	-1.39	-0.70
Banking Index	98.17	101.98	3.88	3.81

PSE Index Performance	
Al Quds Index Value 30-09-2009	498.92
Monthly Change (%)	0.09
YTD (%)	12.96
Y-o-Y (%)	-22.63
Base Year - Jul. 1997	100
Historical P/E	9.66

P/E: Market capital weighted P/E.
Above 87% of the total market cap.

Trading Activity	
Volume (shares)	26,897,939
Volume (JD)	23,178,966
Volume (US\$)	32,682,342

Market Breadth	
Advancers	23
Decliners	8
Unchanged	7

Trading Activity

