

Dear Reader,

It has been one week since the public announcement of Arab Bank's financial results for the first half of the year. Although the price increased by 0.15% on the next trading day following the announcement, ARBK then dropped for the following two days, went up by 3.20% on Thursday, before finally decreasing by 1.18% yesterday. The closing price of ARBK is now only slightly lower than the closing price of the stock one trading day before the release on the results; JOD6.70 on August 5<sup>th</sup> (Sunday) and JOD6.71 on the 26<sup>th</sup> of July (Thursday). The results were released on the morning of Sunday, July 29<sup>th</sup>. The table below shows the changes in the price of the stock.

On the first day of August, ARBK witnessed an enormous spike in the volume of shares traded. Over 7.6 million ARBK shares were traded resulting in a total value traded of JOD49.5 million. The average and median value traded figures for the month of July were JOD1.8 million and JOD0.25 million, respectively. Similar spikes were observed on the 23<sup>rd</sup> and 24<sup>th</sup> of July with 3.2 million shares (JOD20.8 million in value) and 1.1 million shares (JOD7.2 million in value) traded, respectively. Yesterday, as seen in the below graph, a similar spike occurred with 6.2 million shares traded through 45 transactions yielding a total value traded of JOD40.3 million, with an average of 138,000 shares traded per transaction.

Thus far, it seems as though the semi-annual results, despite being impressive, are already embedded within the market's expectations, which resulted in no change to the share price. Unexpected positive news seems not to be present. The upcoming weeks will give us further confirmation on the market's reaction to these results.

As a reminder, Arab Bank Group announced that it recorded USD436 million in profits for the first half of 2018, a 5% growth over last year's profits for the same period, USD415.2 million. Earnings before taxes went up by 6.4% to reach USD582 million, operating profits by 13% to USD668.5 million, and net interest income by 12% to USD634.3 million. Customer deposits reached USD33 billion as of the end of June 2018.

Date	Price (JOD)	Change in Price (%) From Previous Trading Day
August 5 <sup>th</sup> , 2018	6.70	-1.18
August 2 <sup>nd</sup> , 2018	6.78	3.20
August 1 <sup>st</sup> , 2018	6.57	-1.05
July 31 <sup>st</sup> , 2018	6.64	-0.75
July 30 <sup>th</sup> , 2018	6.69	0.15
July 29 <sup>th</sup> , 2018	6.68	-0.45
July 26 <sup>th</sup> , 2018	6.71	-0.15

