



سازمان بورس و اوراق بهادار
Securities & Exchange Organization

Iran Capital Market Insight

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Department of Research, Development and Islamic Studies
Statistics and Risk Analysis Group

Contents

| | |
|--|----|
| Stock Market Indices | 3 |
| TSE and IFB Market Capitalization..... | 4 |
| Industries Market Capitalization | 5 |
| Exchanges' Trading Statistics | 6 |
| Instruments' Trading Statistics | 7 |
| Share of Institutional and Individual Investors in Trading Value | 8 |
| Institutional and Individual Transactions | 8 |
| Sukuk..... | 9 |
| Number of Listed and Unlisted Companies..... | 9 |
| Initial Public Offerings..... | 10 |

Abbreviation

| | |
|---------------|---------------------------------|
| IFB | Iran Fara Bourse |
| IFX | Iran Fara Bourse Index |
| IME | Iran Mercantile Exchange |
| IRENEX | Iran Energy Exchange |
| SPS | Standard Parallel Salam |
| TEDPIX | Tehran Dividend and Price Index |
| TRI | Total Return Index |
| TSE | Tehran Stock Exchange |

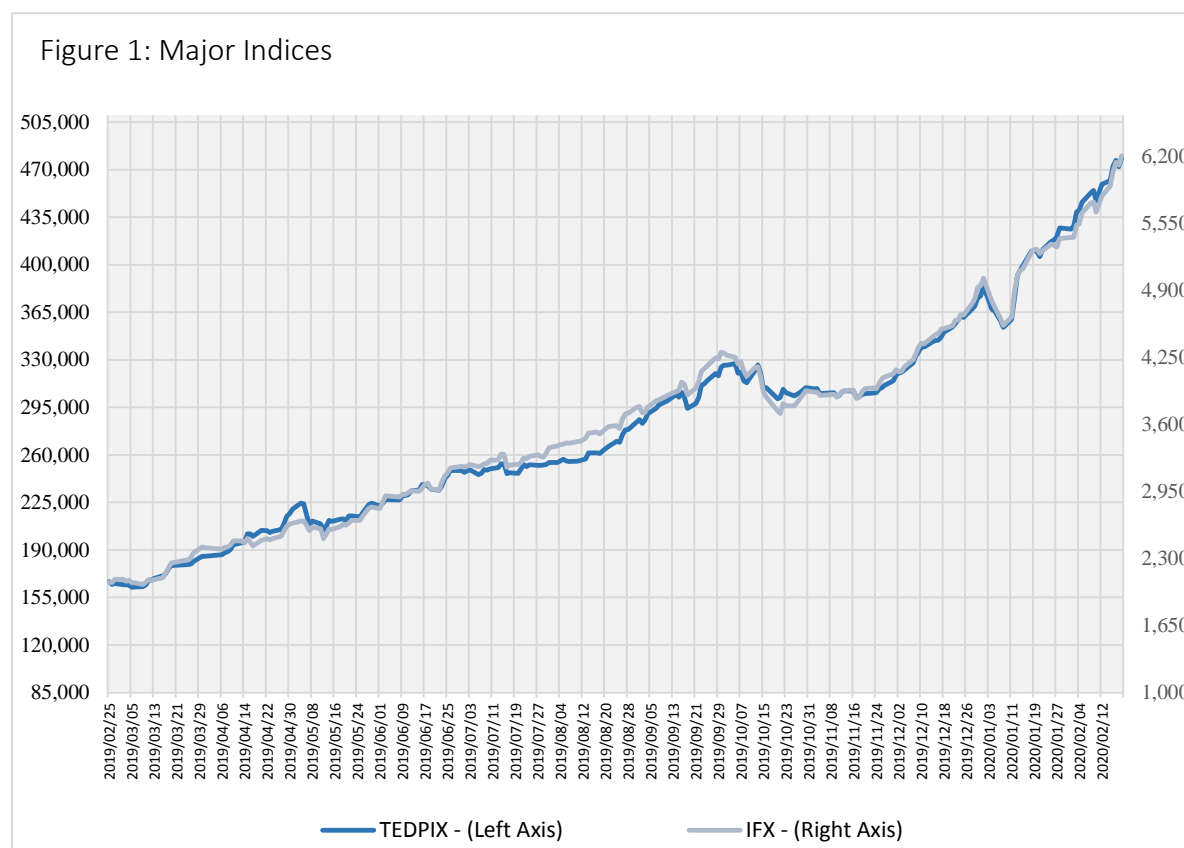
Stock Market Indices

The end of month figure of Iran stock market major indices including the TSE's (TEDPIX) and the IFB's total return index (IFX) is compared with that of the previous month in Table 1.

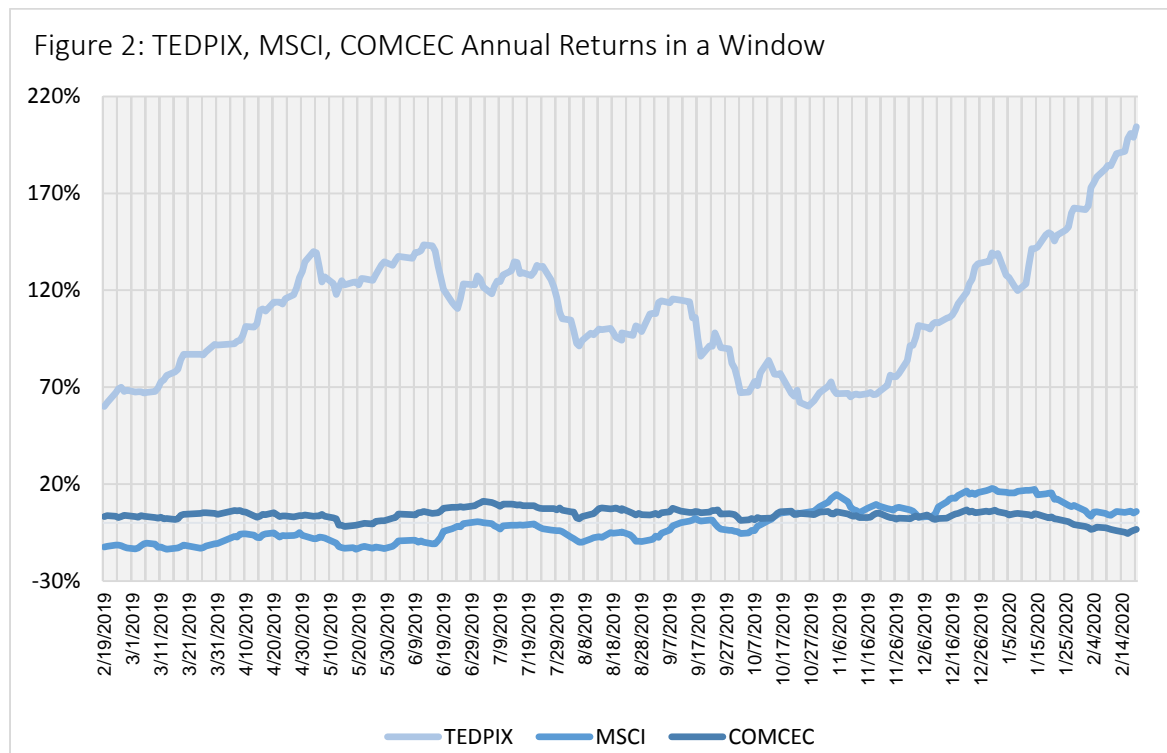
Table 1: Stock Market Indices

| Index | February 2020 | January 2020 | Change (%) |
|--------|---------------|--------------|------------|
| TEDPIX | 478,756 | 409,808 | 16.82% |
| IFX | 6,207 | 5,301 | 17.08% |

The past year's trend of the indices is illustrated in the following figure.



In addition, the performance (annual return in percent) of TEDPIX is compared with MSCI Emerging Market TRI and S&P/OIC COMCEC 50 SHARIAH TRI in figure (2).

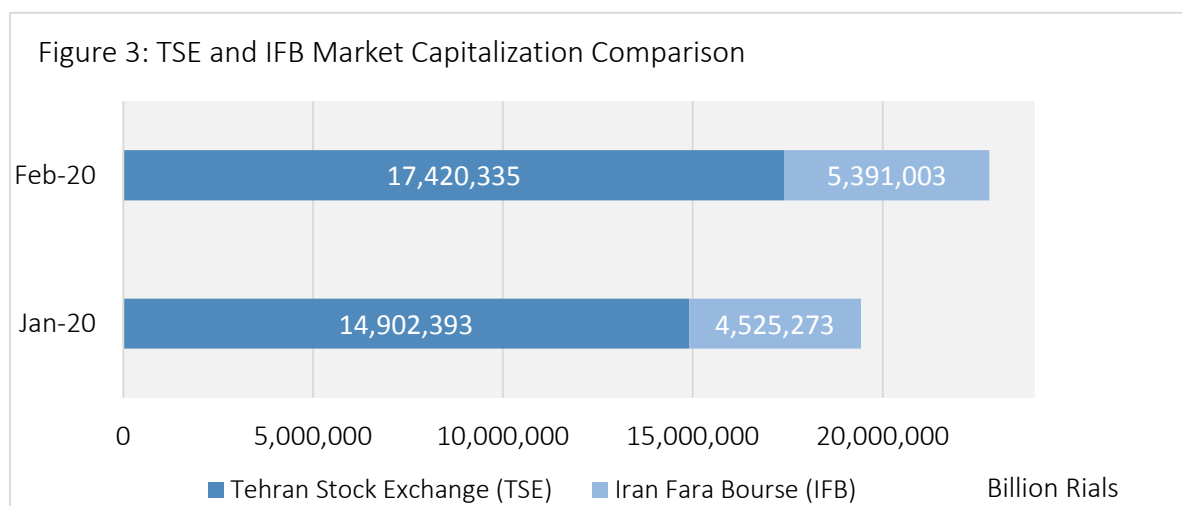


MSCI Emerging Market TRI: The index includes securities from 23 countries; however, it excludes stocks from emerging and frontier economies.

COMCEC: The S&P/OIC COMCEC 50 Shariah is designed to provide investors with a Shariah-compliant benchmark that measures the performance of leading companies from the Organization of Islamic Cooperation (OIC) member states.

TSE and IFB Market Capitalization

Share of the IFB and the TSE market capitalization in comparison with the end of January is demonstrated below. The IFB is younger and smaller; yet, has differentiated itself in hosting state-of-the-art financial instruments.

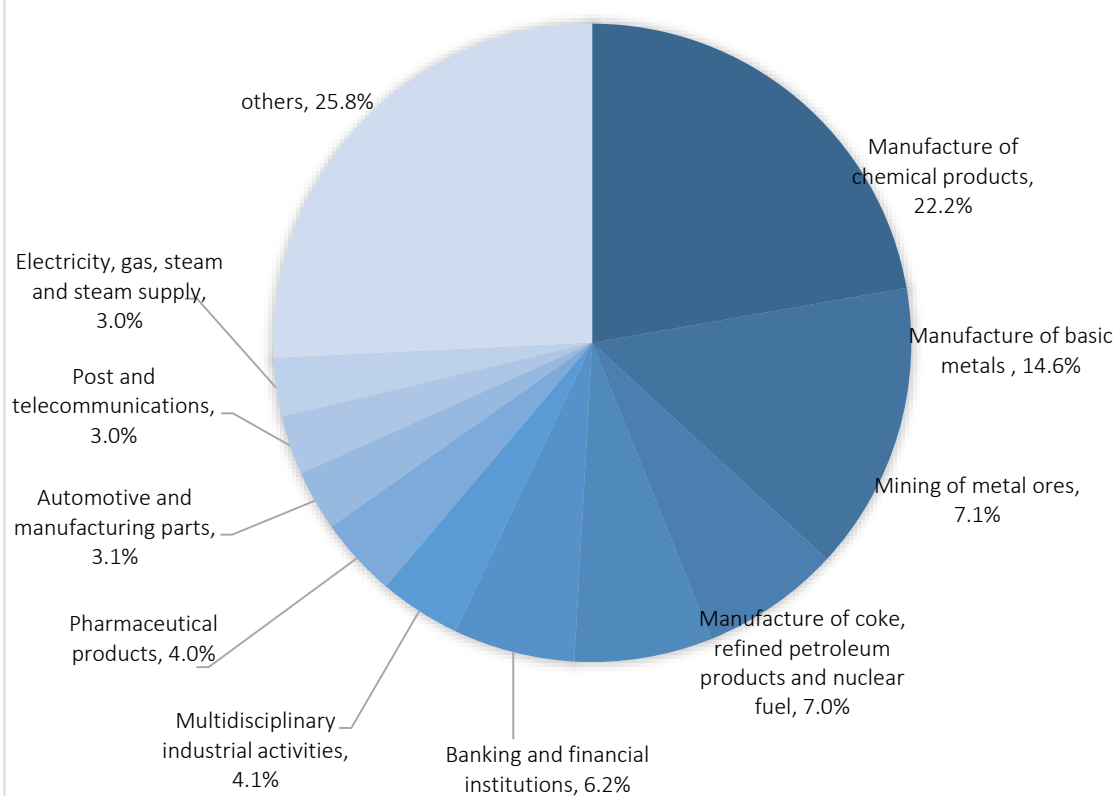


Industries Market Capitalization

Tehran Stock Exchange and Iran Fara Bourse

The break-down of top industries' market capitalization in the aggregate of the IFB and the TSE is depicted in the following figure.

FIGURE 4: TOP 10 INDUSTRIES



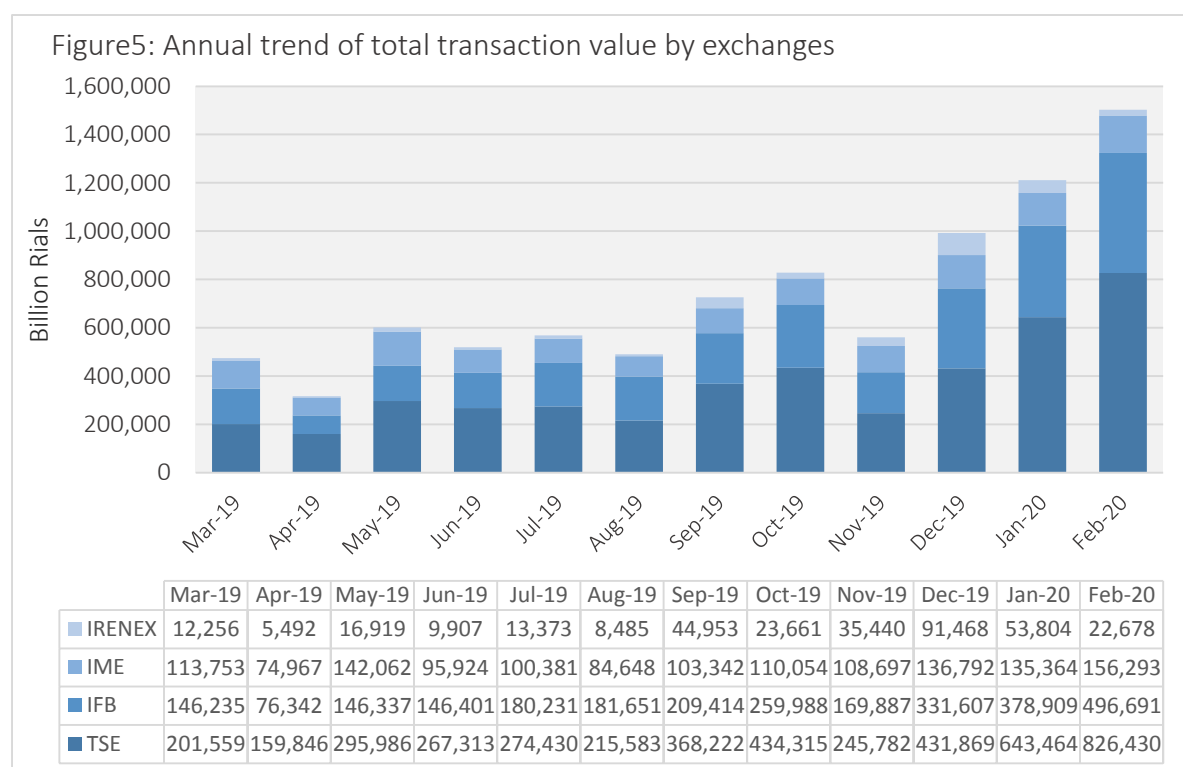
Exchanges' Trading Statistics

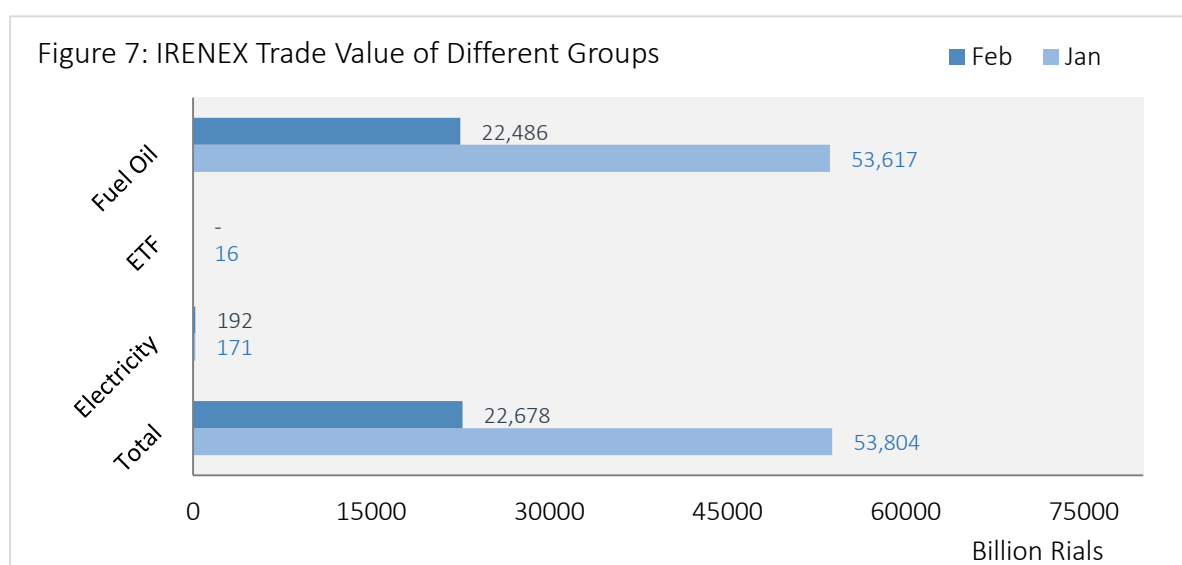
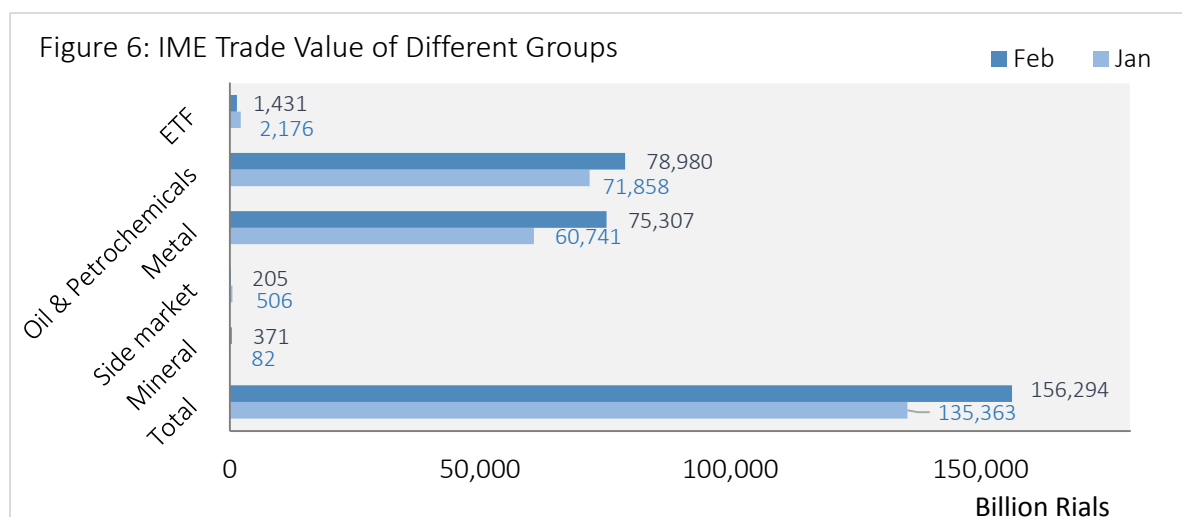
The value of trades for each exchange is depicted in the following table.

Table 2: Value of trades for each exchange

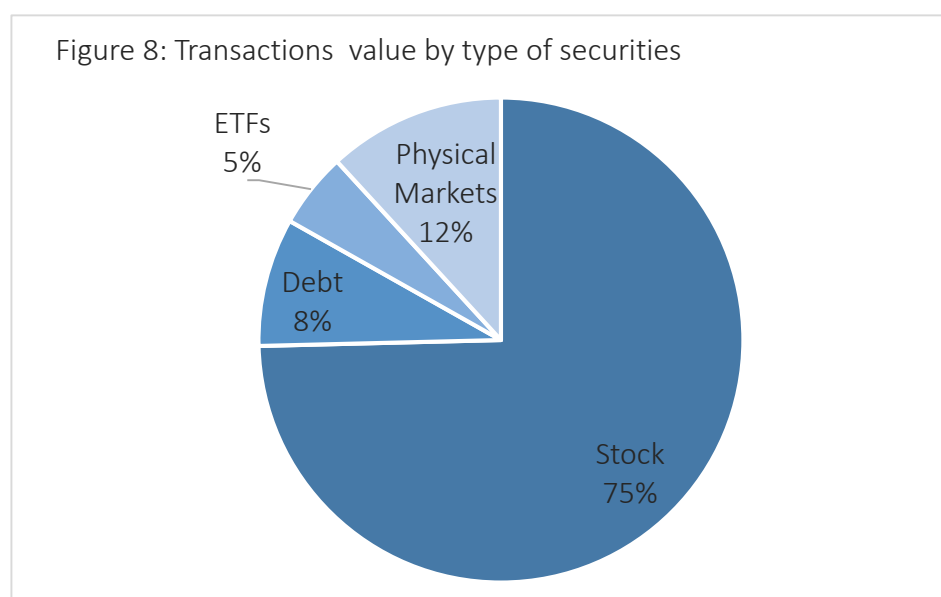
| Exchange | Securities | Trade Value (Billion Rials) | | | change Percent | |
|-----------------------|-----------------|-----------------------------|-----------|---------|----------------------------|---------------------------|
| | | Feb-20 | Jan-20 | Feb-19 | compared to previous month | compared to previous year |
| Tehran Stock Exchange | Stock | 762,403 | 582,869 | 90,773 | 30.80% | 739.90% |
| | Sukuk | 12,349 | 7,989 | 3,369 | 54.57% | 266.55% |
| | ETFs | 51,678 | 52,605 | 3,675 | -1.76% | 1306.35% |
| Iran Fara Bourse | Stock | 358,298 | 240,242 | 42,051 | 49.14% | 752.07% |
| | Sukuk | 116,193 | 120,787 | 45,760 | -3.80% | 153.92% |
| | ETFs | 22,200 | 17,880 | 6,286 | 24.17% | 253.20% |
| IME | Physical Market | 154,862 | 133,188 | 103,651 | 16.27% | 49.41% |
| | ETFs | 1431 | 2176 | 2,685 | -34.24% | -46.70% |
| IRENEX | Physical Market | 22,678 | 53,788 | 11,367 | -57.84% | 99.51% |
| | ETFs | 0 | 16 | 0.73854 | -100.00% | -100.00% |
| Grand Total | | 1,502,092 | 1,211,540 | 309,617 | 23.98% | 385.15% |
| Daily Average | | 75,105 | 57,692 | 15,481 | 30.18% | 385.15% |

The trading value of each exchange is depicted in the following figures.



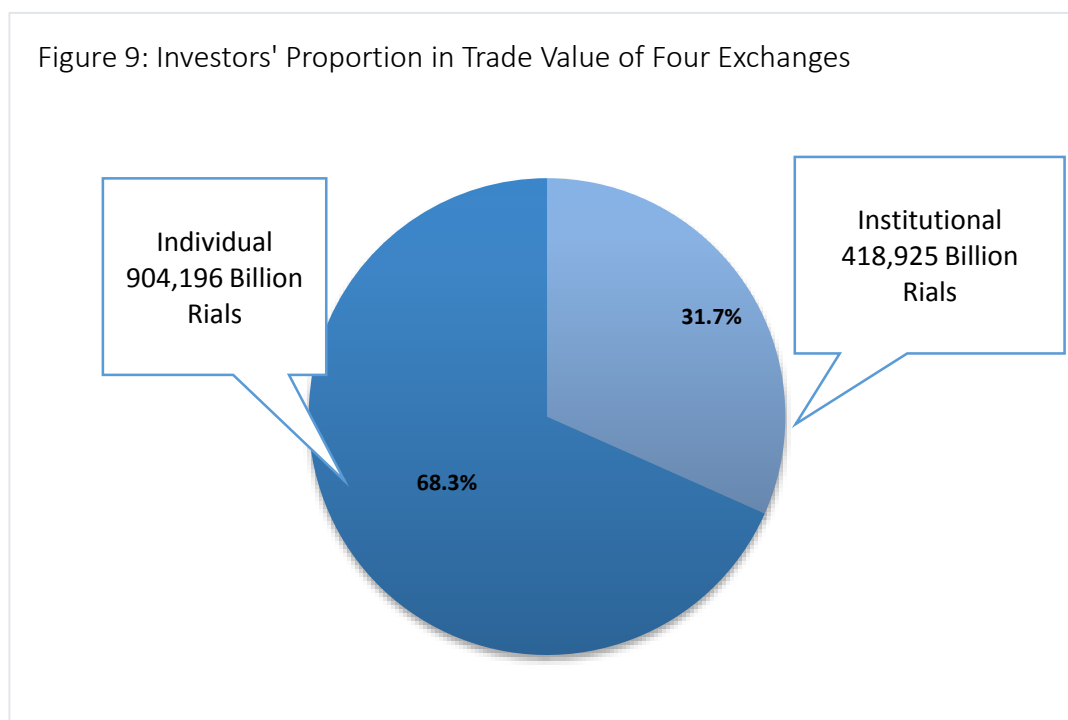


Instruments' Trading Statistics



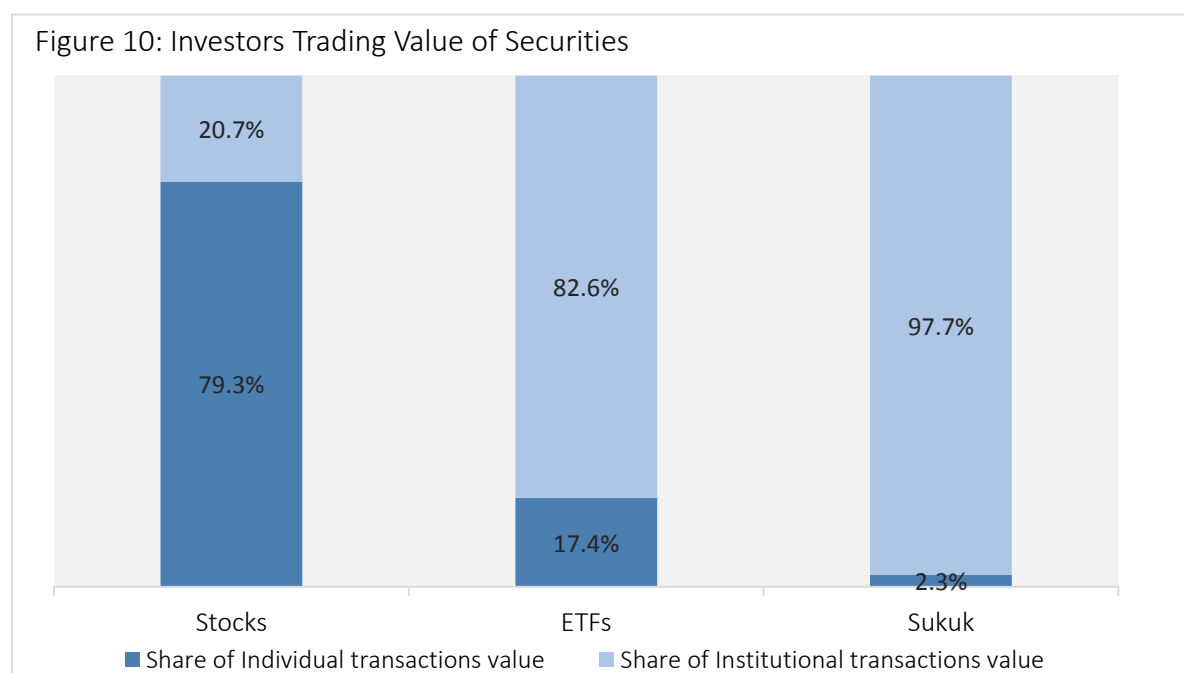
Share of Institutional and Individual Investors in Trading Value

Figure 9 reveals the proportion of individual and institutional investors in the total market trading value of TSE and IFB.



Institutional and Individual Transactions

Institutional and Individual contribution for each category of instruments in TSE and IFB is demonstrated in the following figure.



Sukuk

Outstanding Sukuk

The outstanding value of each Islamic securities (Sukuk) is presented in the following figures. It is noteworthy that all instruments in the Iran capital market are Shariah-compliant.

Figure 11: Outstanding Value of Each Type of Sukuk Issuers

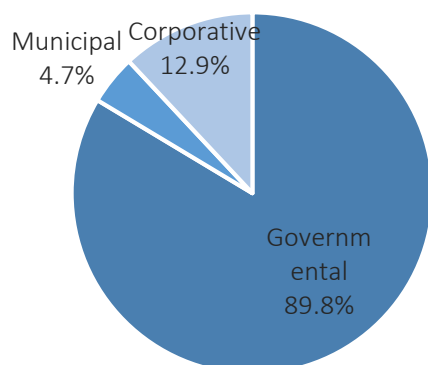


Figure 12: Outstanding Value of Each Type of Sukuk

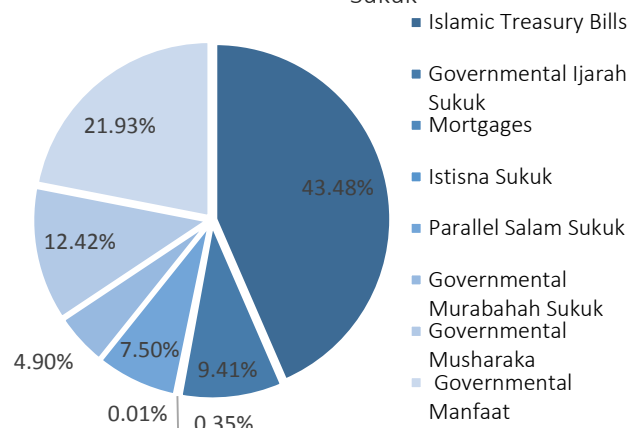
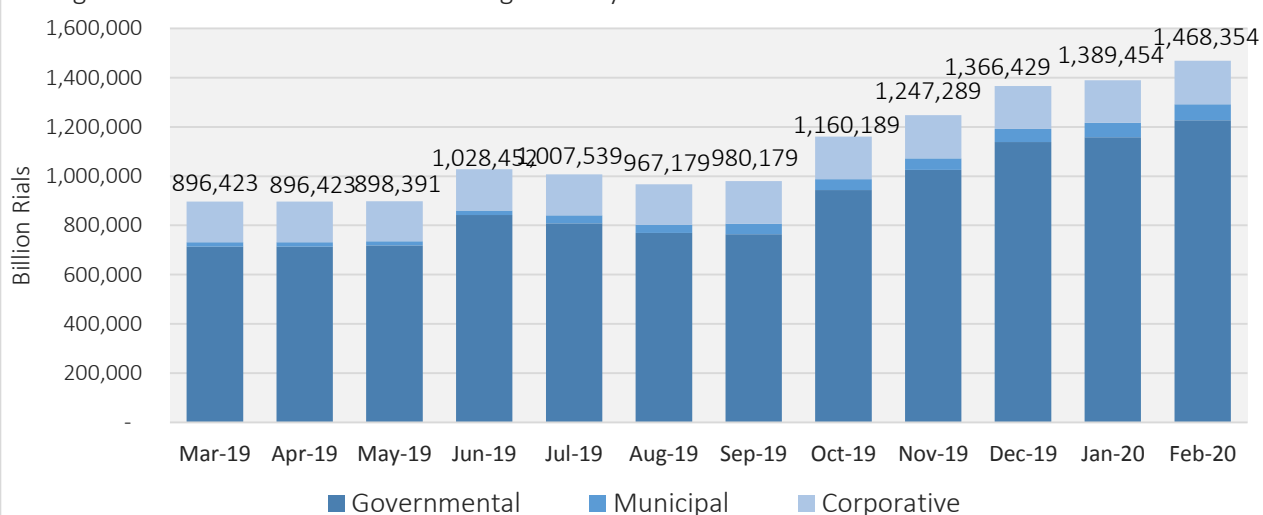


Figure 13: Annual trend of Outstanding Value by the nature of the issuer's securities



Number of Listed and Unlisted Companies

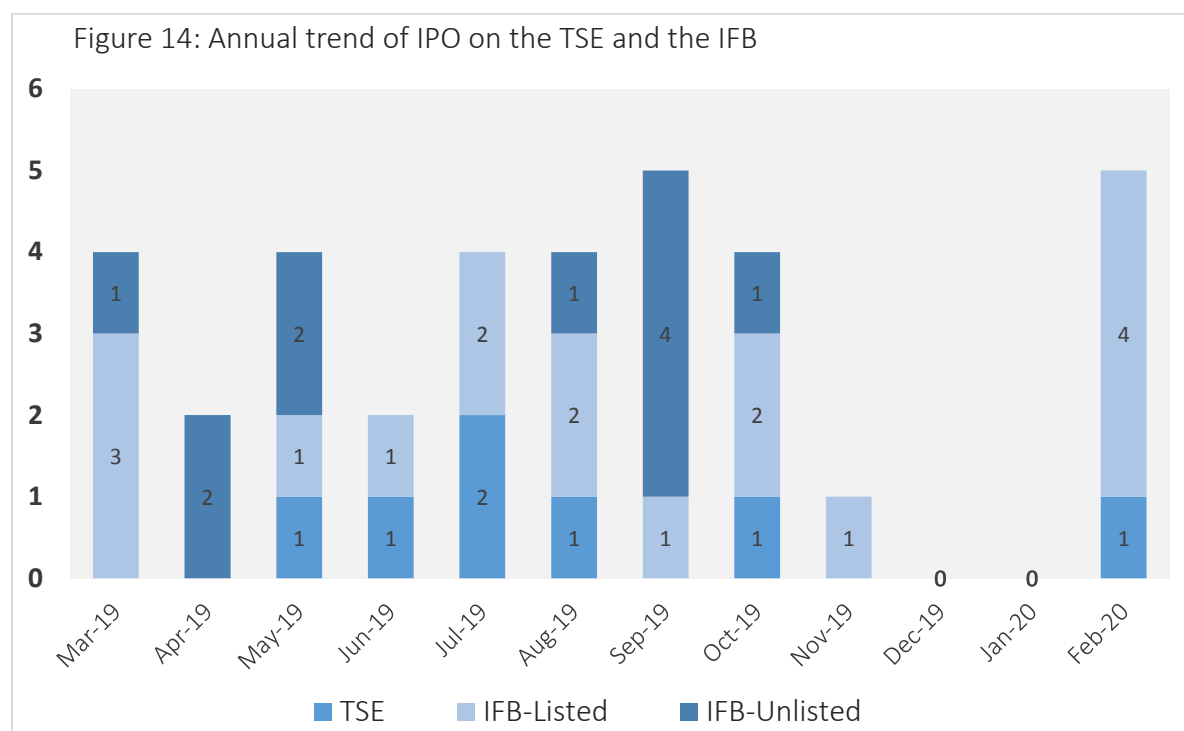
The number of listed and registered companies on the TSE and the IFB are presented in the following table.

Table 3: Number of Listed and Registered Companies on TSE and IFB

| February 2020 | |
|-------------------------------|-----|
| Listed Companies in the TSE | 332 |
| Listed Companies in the IFB | 121 |
| Unlisted Companies in the IFB | 172 |

Initial Public Offerings

The trend of the number of initial public offerings in the TSE and the IFB is presented in the following figure.



The detail of IPOs in the TSE and the IFB is shown in the following table.

Table 4: detail of IPOs

| Exchange | Industry | Company Name | Ticker | No.Shares | Offering Date |
|--------------|--|--------------------|--------|----------------|---------------|
| TSE - Listed | Chemicals & Buy-products | Padide Shimi Gharn | GARN | 1,000,000,000 | 2020/02/19 |
| IFB - Listed | Investment Companies | Mehr Ayandegan | MEAZ | 10,000,000,000 | 2020/02/10 |
| IFB - Listed | Activities auxiliary to financial service activities | Damavand Inv. Bank | Z065 | 2,000,000,000 | 2020/01/21 |
| IFB - Listed | Basic Metals | Isfahan Zinc SML | IZSZ | 600,000,000 | 2020/01/28 |
| IFB - Listed | Chemicals & Buy-products | Chlor Pars | CHPZ | 327,500,000 | 2020/02/05 |

Banks' Surplus Assets to Offer in the Market

Following the meeting with Ministry of Finance and Economic Affairs, Chairman of the SEO revealed that the surplus assets of the banks are to be offered in the commodity market of the capital market. Mr. Mohammadi added that parts of the "Product Barriers Removal Act" homes in on the sales of surplus assets of the banks, hence, legal frameworks and legal enforcement guarantees for the project have been prepared. Under this instruction, all the banks and credit institutions and their affiliate companies shall offer 33% of the assets, including movable, immovable and goodwill, fathomed to be surplus by the Money and Credit High Council of the CBI in the capital market.

ACCRUAL SALE'S TRANSACTIONS TO BE IMPLEMENTED

The SEO announced that as from February 23rd, two-way transactions will be set up. Based on the announcement, the Tehran Stock Exchange (TSE) checked and tested systems related to accrual sale's transactions; held multiple training sessions about this transactional mechanism for stockbrokers and active financial institutions, holding coordinating sessions with the capital market corroborative bodies, responsiveness to questions and ambiguities of participants and investors, provided the platform to run this mechanism.

Furthermore, regarding the studies related to the process of choosing marketable ticker symbols for short selling in selected markets worldwide and considering circumstances and features of the Tehran Stock Exchange, the measures for selecting accrual sale's transaction are as follows:

- Turnover in the last 3 months,
- Average daily transaction in the last 3 months,
- Percentage of permissible active days of the ticker symbol in the last year,
- Percentage of free floating shares,
- Current value of the company.

According to the mentioned criteria and the value of each one, the qualified companies will be rated and then observing the variety of industries and the kind of active traders (natural and legal entities) and spending a one-year period from the date of the first transacting of the ticker symbol on the Exchange, the ticker symbol will be chosen.

At the onset of this transactional mechanism, the number of the defined ticker symbols, which are able to execute accrual sale's transactions, is circumscribed and after the requisite checks, this mechanism will be defined in other transactional ticker symbols.

At the end of February 2020, the market capitalization reached 22,811,338 billion IR, which represents 17% growth compare with the previous month.

The TSE's total return index (TEDPIX) at the end of one-month trading session in February 2020 increased by 17% and touched 478,756, while the IFB's total return index (IFX) reached 6,207, which demonstrates a 17% growth.

The total trading value of four exchanges (TSE, IFB, IME, and IRENEX) amounted to 1,502,092 billion IR in February 2020, which shows 24% increase comparing to the last month.