



## Weekly Trading Summary: March 3 - 7, 2024

- ❖ Price decreases in the share indices, and price increases in the bond indices.
- ❖ A vote of confidence in Israel's economy - The Ministry of Finance raised a record US\$ 8 billion in the international markets. Huge demands were recorded in the offering, totaling US\$ 38 billion – the highest in the country's history.
- ❖ In the tracking funds, the public purchased mainly funds tracking the domestic TA-90 and Israel Banks share indices, and the Tel Bond-60 and Tel Bond CPI-linked Yields indices, and funds tracking the S&P 500 index, continuing the trend in the previous week.
- ❖ In the active funds, the public returned to investing in the money market funds, after it withdrew funds from them in the previous week. In addition, the public continued to invest in funds investing in bonds on the TASE, continuing the trend in the previous week.

**Trading in the Tel Aviv Stock Exchange (TASE)** in the first week of March, took place in the shadow of the continuation of the "Swords of Iron" War and tension on the Northern Border of Israel and in Judea and Samaria, as tensions rise ahead of the start of the month of "Ramadan" this Sunday (March 10)

Following the wave of price increases in the economy, mainly in the food sector, a "Consumer Protection" bill was submitted this week, which will prevent significant price increases in times of emergency (war). The bill was submitted to a preliminary vote in the Economy Committee this week.

**Trading in the overseas markets** took place against the backdrop of the Super Tuesday elections in the United States, in which the two major parties will choose the leading candidates who will face each other in the November 2024 Presidential Election.

On Thursday, the **European Central Bank (ECB)** announced that interest rates in the eurozone would remain unchanged at about **4.5%**.

The **TA-35** and **TA-90** indices decreased by **0.4%** and **1.0%**, respectively, this week, in parallel with a decrease of 1% in the Dow Jones Index and a negligible change (up 0.2%) in the S&P 500 Index in the US, respectively, and an increase of 0.6% in the STOXX 50 Index in Europe (overseas data as of Wednesday).

Price decreases were led by the **TA-Biomed**, **TA-Communications & Information Technology** and **TA-Investment Properties Abroad** indices which decreased by **2%**, each, this week.



An exception this week were the **TA-Oil and Gas** and **TA-Technology** Indices, which increased by **1.6%** and **0.4%**, respectively.

The **TA Banks-5** Index decreased by **1.8%** this week. It should be noted that due to the costs of the war, the Knesset Finance Committee approved a new law this week according to which the large banks will pay the state 6% of their profits for the years 2024-2025, up to an aggregate sum of NIS 2.5 billion.

The **Fear Index** rose to **15** points over the weekend compared with 13 points at the end of the previous week, and is still lower than the level it was at the beginning of the year (16 points).

Price increases characterized **the bond indices**.

The price increases were **led by long-term government bonds** - non-linked and CPI-linked, which increased by **1%** this week.

**The yield to maturity of 10-year non-linked government bonds** remained unchanged this week at **4.3%**. This is in contrast to the yield to maturity of the 10-year US government bonds, which decreased by about 0.2% reaching about 4.1% towards the end of the week.

The **Tel Bond-Dollar** Index increased by **0.4%** this week, influenced by the dollar which slightly increased by 0.2% against the shekel.

**In the Tracking Funds market** (ETFs and open-end funds), there were continued purchases this week, totaling US\$ **230** million, following purchases of US\$ 160 million in the previous week.

The main purchases were: US\$ 100 million purchases of funds tracking domestic share indices, mainly the TA-90 indices and the Israel Banks share indices in Israel, US\$ 60 million purchases of funds tracking domestic bond indices, mainly the Tel Bond-60 and Tel Bond CPI-linked Yields indices, and US\$ 60 million purchases of funds tracking international share indices, mainly the S&P 500 index, this in continuation of the trend in the previous week (funds data as of Wednesday).

In the **active funds**, the public again invested US\$ **80** million in **the money market funds**, after withdrawing US\$ **70** million them the previous week.

In addition, this week the public invested US\$ **75** million into **active funds investing in bonds on the TASE**, after investing US\$ 35 million in these funds in the previous week.

## Share Offerings

- ❖ The airline **Israil Group** is expected to raise up to US\$ **24** million today (March 7) in a public offering of convertible bonds. A new series of NIS convertible bonds, at an interest rate of 4.75%, for final maturity in February 2030, at a price of NIS 1.055 per bond, unrated. Every 2.1 of the bonds can



be converted into one share whose price on the morning of the issue was NIS 1.529.

## Corporate Bond Offerings

- ❖ This week, there were two public offerings of bonds on the TASE and a private bond allocation traded on the TASE UP to institutional investors, by real estate companies, totaling US\$ **142** million, as detailed below:

Company Name	Sector / Activity	Amount (in \$ millions)	Public offering / Private allocation	Listed / New Series	Linkage Type	Average Duration	Interest / Yield to maturity	Rating "Maalot"/ "Midroog" Rating
1. Minrav	Construction	53	Public	New	Non-linked	2.6	5.75%	A3
2. MT"M	Investment Properties in Israel	47	Private allocation	Traded on TASE-UP	Non-linked	2.0	6.8%	Aa2
3. Sarfati	Construction	42	Public	New	Non-linked	5.6	5.79%	A-

## Government Bond Offerings / M.K.M.

### ❖ Offering by the Treasury on the TASE

This week, the **Ministry of Finance** raised funds in the issue of bonds on the TASE, in an amount of US\$ **900** million, following the issuance of US\$ 1,220 million in the previous week. The amount raised was about 69% in non-linked bonds, and about 31% in CPI-linked bonds.

### ❖ Offering by the Ministry of Finance in international markets

On Wednesday, March 6, the **Ministry of Finance** completed raising a record US\$ **8** billion in a public offering of bonds on international markets. The offering registered record demand, the highest in Israel's history, totaling about US\$ 38 billion, which is a continuation of a vote of confidence in the Israeli economy even at this time.

The offering included three new series of 5, 10, and 30-year dollar bonds, with spread on the offering of 135, 145, and 175 basis points, respectively, above the yield on U.S. Treasury bonds for a similar term of 4.14%, 4.15%, and 4.41%, respectively.

About 400 different investors from 36 countries around the world participated in the offering.



- ❖ This week, the **Bank of Israel** sold M.K.M. T-bills to the public totaling NIS **36** billion par value, following a similar amount raised last month. Of this, NIS 24 billion par value in M.K.M. maturity in 3 months, and NIS 12 billion par value in M.K.M. maturity in a year.

## ETFs

- ❖ On Wednesday, March 6, a new **Kesem ETF** was listed on the S&P 500 Equal Weight International Share Index.

## Miscellaneous

- ❖ **Launch of a new series of weekly options on the TA-35 index**

On Sunday, March 3, 2024, TASE launched a **new weekly option on the TA-35 Index**, joining two series of weekly options traded on TASE. As of this date, there are three weekly expirations of options on the TA-35 index - on Sundays, Tuesdays and Thursdays.

The new option will expire on Sunday at the beginning of the trading day, and for the first time will allow investors to hedge weekend risk in a cheap and efficient way.

- ❖ **The Bank of Israel is extending and expanding for the third time the comprehensive assistance outline adopted by the banks in dealing with the consequences of the "Swords of Iron" war**

The Bank of Israel announced that it is extending and expanding the outline of comprehensive assistance to ease the burden of credit and fees for customers of banks in dealing with the consequences of the "Swords of Iron" war.

The term of the outline was extended by three months until the end of June 2024, and now also applies to residents of specific communities in the north, and to additional groups that have been defined.

## Share Indices

Market Value Indices	Week change	YTD change
TA-35	-0.4%	4.0%
TA-90	-1.0%	6.3%
TA-125	-0.5%	4.4%
TA-SME60	-1.0%	5.0%
Sectoral Indices	Week change	YTD change
TA-Tech-Elite	-0.3%	2.1%
TA Banks-5	-1.8%	0.1%
TA Oil & Gas	1.6%	7.2%
TA Real Estate	-1.3%	0.3%





## Bond Indices

Index	Week change	YTD change
Tel Gov CPI-Linked	0.5%	0.4%
Tel Gov-SHEKEL	0.3%	0.1%
Tel Bond – 60	0.5%	1.3%
Tel Bond-SHEKEL	0.3%	1.0%

## Currencies:

Currency	Week change	YTD change
Dollar/NIS	0.2%	-1.0%
Euro/NIS	0.7%	-2.5%

<p>The Tel-Aviv Stock Exchange features in February 2024:</p> <ul style="list-style-type: none"> <li>537 companies listing equities.</li> <li>524 ETFs (including 36 ETFs – cross listing).</li> <li>36 series of government bonds.</li> <li>691 series of corporate bonds.</li> <li>47 Series of TASE UP bonds.</li> <li>1,794 mutual funds.</li> <li>Market Cap. (US\$ billions):</li> <li>Equities - 281</li> <li>Government bonds - 176</li> <li>Corporate bonds – 129</li> </ul>	<p>The Tel Aviv Stock Exchange Ltd. was founded in September 1953. The TASE group, which consists of the stock exchange, the TASE Clearing House, TASE Nominee company and the Derivatives Clearing House, provides local and international investors with trading and clearing in securities, including stocks, corporate bonds, government bonds, index-tracking products and derivatives.</p>	<p>Companies traded in the USA and on the London Stock Exchange (Main Market) can dual list their shares on the TASE. Dual listing which does not entail significant costs, imposes no additional regulatory burden and offers continuous trading from 10:00 to 23:00 (Israeli time) for companies listed in the USA.</p> <p>There are currently 50 companies dually listed on TASE.</p>
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