



Weekly Trading Summary: March 10 - 14, 2024

- ❖ Price decreases in the share indices and in the bond indices.
- ❖ Against the background of the escalation on the northern border and riots due to the opening of the month of Ramadan - the Fear Index increased, and the dollar strengthened against the shekel.
- ❖ In the tracking funds, purchases by the public moderated compared with the previous week, but this week as well, they were concentrated in funds tracking the S&P 500 indices and the Tel Bond yields CPI-linked.
- ❖ In the active funds, the investment by the public in money market funds increased, and the flow of funds from the public continued to funds investing in bonds on the TASE, continuing the trend in the previous week.

Trading in the Tel Aviv Stock Exchange (TASE) in the second week of March, took place in the shadow of the continuation of the "Swords of Iron" War, escalation on the Northern Border of Israel and in Judea and Samaria, and disturbances due to the month of "Ramadan" that began this week.

This week, the Knesset plenum approved the revised State Budget for 2024, under which the government deficit is expected to reach 6.6% of GDP.

In addition, the season of the release of 2023 financial statements by listed companies, which is at its peak, also affected trading.

Trading in the overseas markets and in Israel took place against the background of the peak season of publication of financial statements for 2023 by public companies, and the publication of annual inflation data in the US, which increased slightly from 3.1% in January 2024 to 3.2% in February. It should be noted that on Friday (March 15), updated inflation data in Israel will be published.

The **TA-35 and the TA-90** Indices decreased by **2.9% and 1.5%** this week, respectively, in parallel with a small increase of 0.6% in the Dow Jones and the S&P 500 Index in the US, both, and a small increase of 0.5% in the STOXX 50 Index in Europe (overseas data as of Wednesday).

The price decreases were led by the **TA-Oil and Gas** Index, which decreased by **4.8%** this week. It should be noted that the **TA Banks-5** Index decreased by **3.3%** this week despite the publication of positive financial statements for 2023 by the large banks, who reported an increase in profits.



The **Fear Index** increased to **18** points over the weekend compared with 15 points at the end of the previous week, following the trend in the previous week, and is now higher than the level it was at the beginning of the year (16 points).

Price decreases characterized **the bond indices**.

The price decreases were led by government bonds **included in the Tel Gov-Shekel 10+** index, which increased by **2.0%** this week.

The yield to maturity of 10-year non-linked government bonds increased this week by 0.1%, reaching **4.4%** at the end of the week. This is similar to the yield to maturity of the 10-year US government bonds, which also increased by 0.1% reaching 4.2% towards the end of the week.

Exceptionally this week, the **Tel Bond-Dollar** Index increased by **1.4%** this week, influenced by the strengthening of the dollar against the shekel by the rate of 1.0%.

In the Tracking Funds market (ETFs and open-end funds), purchases moderated this week, totaling US\$ **90** million, net, compared with purchases of US\$ 230 million in the previous week. The main purchases were: US\$ **80** million purchases of funds tracking international share indices, mainly the S&P 500 index, and US\$ **30** million purchases of funds tracking domestic bond indices, mainly the Tel Bond Yields CPI Linked Index in continuation of the trend in the previous week, and US\$ **10** million purchases of funds tracking overseas share indices.

These purchases were partially offset by the sale of funds tracking domestic share indices in the amount of US\$ **30** million, mainly the Israel Banks share index in Israel (funds data as of Wednesday).

In the **active funds**, the public increased investments in **the money market funds**, amounting this week to US\$ **165** million, compared with US\$ **80** million invested in these funds in the previous week.

In addition, this week the public invested US\$ **45** million into **active funds investing in bonds on the TASE**, after investing US\$ 75 million in these funds in the previous week.

Share Offerings

- ❖ The oil and gas partnership **Navitas Petroleum** raised US\$ **69** million this week in an offering of participation units and option warrants to the public.
- ❖ The technology company **Nayax**, whose shares are traded simultaneously on the NASDAQ stock exchange (Symbol:NYAX), conducted a public



offering this week for a total of US\$ **94** million – US\$ 26 million of which was raised in a tender offer by the company's stakeholders.

Corporate Bond Offerings

- ❖ This week, there were three public offerings of bonds and four private bond allocations to classified investors, totaling US\$ **366** 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. Navitas Petroleum	Oil & Gas partnership	254	Non-uniform offer to institutional investors	New	Non-linked	4.0	6.7%	A-
2. Amot	Investment Properties in Israel	42	Private allocation	Listed	CPI-linked	6.1	2.9%	AA/Aa2
3. Minrav	Construction	21	Private allocation	Listed	CPI-linked	3.7	4.4%	Baa1
4. Y Box	Construction	17	Private allocation	New	Non-linked	2.4	7.35%	Unrated
5. Gabbay Menivim	Construction	8 7	Private allocation	Listed Listed	Non-linked Non-linked	2.2 1.7	8.4% 8.6%	Unrated Unrated
6. Solgreen	Renewable energy	15	Private allocation	Listed	CPI-linked	2.6	4.3%	Unrated
7. Copperline (foreign)	Investment Properties Overseas	2*	Public offering	New	Non-linked	4.1	** 7.5%	A-

* The financing round detailed in the table relates to an offer made to the public only, within the framework of a shelf offering report that also included an exchange tender offer for the exchange of shekel bonds, with a duration of 0.9 years, a yield to maturity of 5.5% and a rating of A- "Maalot", in exchange for bonds from the series issued (as detailed in the table) totaling US\$ **51** million.

** The bond was issued at a price of NIS 0.955 per NIS 1 par value bond.

Government Bond Offerings / M.K.M.

- ❖ This week, the **Ministry of Finance** raised funds in the **issue of bonds on the TASE**, in an amount of US\$ **975** million, following the raising of US\$ 900 million in the previous week. 74% of the amount raised was in non-linked bonds, and 26% in CPI-linked bonds.



- ❖ In addition, this week the **Ministry of Finance carried out a tender for the swap** of NIS 4.2 billion par value in shekel government bonds in exchange for issuing a slightly lower amount, totaling NIS 4.0 billion par value. As part of the tender, bonds for maturity in October 2024 totaling NIS **4.2** billion par value were exchanged: shekel bonds for maturity in September 2028 totaling NIS **1.7** par value were exchanged for CPI-linked bonds for maturity in May 2029 totaling NIS **2.1** billion par value, and CPI-linked bonds for maturity in August 2041 totaling NIS **0.2** billion par value.

Miscellaneous

- ❖ **The Bank of Israel's Assistance Program to the Economy in Light of the War—February 2024**

As part of the Bank of Israel's assistance program to support economic activity and financial stability of the economy in view of the War, NIS 2.1 billion in relief was granted in February 2024 as part of a monetary program to ease credit conditions for small and micro businesses that were adversely affected by the War.

- ❖ **The increase in the budget deficit continues**

The Ministry of Finance data indicate that in February 2024, the government had a deficit in its budgetary activity of NIS 13.4 billion, and the cumulative deficit over the past 12 months amounted to NIS 105.3 billion, constituting 5.6% of GDP - an increase of 0.8% compared with the figure in the previous month.

Contributing to the cumulative budget deficit was the decline in government revenues by 0.4% in January–February 2024 compared with January–February 2023, alongside the increase in government expenditure by 43.6% in parallel (the rate of increase in expenditures, excluding war-related costs, is 16.3%).

According to the Ministry of Finance's assessment, the trend of growth in the deficit is expected to continue in the coming months and decrease towards the last quarter of the year, due to a change in the distribution of expenditures and revenues deriving from the Swords of Iron War.



Share Indices

Market Value Indices	Week change	YTD change
TA-35	-2.9%	1.0%
TA-90	-1.5%	4.7%
TA-125	-2.5%	1.8%
TA-SME60	-2.1%	2.8%
Sectoral Indices	Week change	YTD change
TA-Tech-Elite	-0.8%	1.2%
TA Banks-5	-3.3%	-3.2%
TA Oil & Gas	-4.8%	2.1%
TA Real Estate	-2.8%	-2.6%

Bond Indices

Index	Week change	YTD change
Tel Gov CPI-Linked	-0.7%	-0.4%
Tel Gov-SHEKEL	-0.7%	-0.6%
Tel Bond - 60	-0.2%	1.1%
Tel Bond-SHEKEL	-0.1%	0.9%

Currencies:

Currency	Week change	YTD change
Dollar/NIS	1.0%	-0.1%
Euro/NIS	1.3%	-1.2%

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<p>The Tel-Aviv Stock Exchange features in February 2024:</p> <ul style="list-style-type: none"> 537 companies listing equities. 524 ETFs (including 36 ETFs – cross listing). 36 series of government bonds. 691 series of corporate bonds. 47 Series of TASE UP bonds. 1,794 mutual funds. Market Cap. (US\$ billions): Equities - 281 Government bonds - 176 Corporate bonds – 129 	<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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Weekly Review

