



Weekly Trading Summary: June 30 – July 4, 2024

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- ❖ Price increases in the share indices and a mixed trend in the bond indices.
- ❖ Trading took place against the background of a high readiness on the Northern Border, and continued fighting in Gaza alongside negotiations for mediation between the parties in an attempt to reach an agreement.
- ❖ The Fear Index increased slightly this week and the dollar has weakened in relation to the shekel.
- ❖ The yield on 10-year government bonds in Israel remained almost unchanged, reaching 5.0%.
- ❖ In the tracking funds market, there were continued purchases of funds tracking the S&P 500 index, and sales of funds tracking domestic share indices.
- ❖ In the active funds market, the flow of funds increased to the money market funds.

Trading on the TASE this week took place against the background of a high readiness on the Northern Border, and continued fighting in Gaza alongside negotiations for mediation between the parties in an attempt to reach an agreement in which the hostages will be returned.

The Fear Index increased slightly this week, reaching **19** points at the end of the week compared with 18 points at the end of the previous week. **The dollar** has weakened by **0.4%** in relation to the shekel, reaching the rate of NIS 3.741 towards the end of the week.

Trading in overseas markets took place against the background of the race for the presidency of the US and elections in France and the UK, and amounted to price increases in the share markets on leading stock exchanges around the world.

Data published this week indicate that the annual inflation rate **in the eurozone** decreased to **2.5%** in June, compared with 2.6% in the previous month, and compared with a target of 2%.

The price of Brent crude oil recorded a negligible change this week and reached US\$ **86** per barrel, while **the price of gold** also remained almost unchanged and reached US\$ **2,359** an ounce (commodity data correct as of Wednesday).



The **TA-35** and **TA-90** increased this week by **2.1%** and **3.1%**, respectively, in parallel with an increase of 0.4% and 1.0% in the Dow Jones and the S&P 500 indices in the US, respectively, and an increase of 1.3% in the STOXX 50 index in Europe (overseas data correct as of Wednesday).

Price increases characterized most of the sectoral indices, led by the **TA-Insurance** index, which increased by **6.3%** this week.

In contrast, the decreases this week were led by the **TA-Energy Infrastructure** and **TA-Cleantech** indices, which decreased by **1.5%** each, while the sector suffered from negative sentiment this week in view of the results of the debate between Biden and Trump, which led to concern that, if elected, the benefits granted to this sector will be adversely affected.

A mixed trend characterized **the bond indices**.

The price increases were led by **Tel Bond CPI-linked 1–3** and **Tel Bond CPI-linked Yields** increased by **0.5%** on average this week.

In contrast, the price decreases were led by the indices of **long-term CPI-linked government bonds**, which decreased this week by **1.5%**.

The yield to maturity of 10-year non-linked government bonds remained almost unchanged this week reaching **5.0%** at the end of the week, similar to the yield to maturity of 10-year US government bonds, which reached 4.35% towards the end of the week.

In the Tracking Funds market, tracking **international share indices**, there were continued net purchases, mainly of funds tracking the S&P 500 index, totaling US\$ **170** million, after purchases of US\$ 130 million in the previous week; in the funds tracking **domestic share indices**, sales moderated, mainly of funds tracking the TA-25 and TA-125 indices, in the amount of US\$ **60** million, after sales of US\$ 170 million in the previous week; And in the funds tracking **domestic bond indices**, there were continued net sales this week, in a negligible amount, similar to the previous week.

In the active funds, inflows increased to **the money market funds**, amounting to US\$ **320** million this week, after inflows of US\$ 95 million in the previous week; **in the active funds investing in shares overseas**, net inflows amounted to US\$ **15** million, after inflows in a negligible amount in the previous week; and as for **active funds investing in bonds on the TASE** there were moderated withdrawals amounting to US\$ **20** million, after withdrawals of US\$ 60 million in the previous week.

Shares Market Offerings

- ❖ This week, US\$ **97** million were raised in two public issues and a rights issue, as detailed below:



Company Name	Sector / Activity	Amount (in \$ millions)	Type of offering
1. Alony Hetz	Investment Properties in Israel	86	Public offering
2. Hagag Europe	Construction	11	Rights
3. Barak Investment House	Financial services	0.4	Public offering

Corporate Bond Offerings

- ❖ This week, US\$ **554** million were raised in seven public issues, as detailed below

Company Name	Sector / Activity	Amount (in \$ millions)	Public offering / Private allocation	Listed/ New Series	Linkage Type	Average Duration (years)	Interest / Yield to maturity	Rating "Maalot"/ "Midroog" Rating
1. Gav Yam	Investment Properties in Israel	198	Public offering	New	CPI-linked	4.0	3.34%	AA
2. Blue Square Real Estate	Investment Properties in Israel	133 (estimate)	Public offering	New	Non-linked	(*)	Margin 0.25% (maximum) above Bank of Israel interest rate	A-1+
3. Westdale (foreign)	Investment Properties Overseas	111 (estimate)	Public offering	New	Non-linked	Not yet determined	7.11% (maximum)	AA-
4. Summit	Investment Properties Overseas	46 (estimate)	Public offering	New	Dollar	Not yet determined	Margin 2.4% (maximum) above SOFR interest rate	Aa2
5. Elco	Investments	27	Public offering	New	Non-linked	(*)	Margin 0.27% above Bank of Israel interest rate	A-1+
6. M.W. Investments	Investment Properties in Israel	20	Public offering	New	CPI-linked	3.7	5.38%	Unrated
7. S.R Accord	Non-banking credit	20 (estimate)	Public	Listed	CPI-linked	1.7	6.1%	A3

* Commercial paper



Government Bond Offerings

- ❖ The **Ministry of Finance** raised funds this week **in an issue of bonds on the TASE**, in an amount of US\$ **870** million, out of a planned fund-raising in July of US\$ **4.7** billion. 70% of the amount raised was in non-linked bonds, and 30% in CPI-linked bonds.
- ❖ This week, **the Bank of Israel** sold M.K.M.Treasury bills to the public totaling NIS **38** billion par value, following a similar amount raised last month: of this, NIS 26 billion par value for maturity in 3 months, and NIS 12 billion par value M.K.M.Treasury bills for maturity in one year.

Foreign Funds

- ❖ On Monday, July 1, **two foreign funds** of the international investment management corporation **Invesco** were listed for trading on the TASE – a fund that tracks the EURO STOXX 50 index and a fund that tracks the S&P 500 Equal Weight Index.

There are currently **39** foreign funds traded on the TASE – **23** foreign funds managed by "BlackRock", and **16** foreign funds managed by "Invesco", which are traded concurrently overseas.

Miscellaneous

- ❖ **Composite State of the Economy Index**

The Bank of Israel announced that the Composite State of the Economy Index for the month of May 2024 increased by a negligible 0.04%, after a decrease of 0.1% in April which reflects, inter alia, a decrease in credit card purchases in those months.

Share Indices

Market Value Indices	Weekly change	YTD change
TA-35	2.1%	8.2%
TA-90	3.1%	-0.5%
TA-125	2.3%	5.6%
TA-SME60	1.2%	2.6%
Sectoral Indices	Weekly change	YTD change
TA-Tech-Elite	2.0%	5.4%
TA Banks-5	2.4%	5.2%
TA Oil & Gas	3.0%	6.5%
TA Real Estate	2.8%	-8.0%



Bond Indices

Index	Weekly change	YTD change
Tel Gov CPI-Linked	-0.7%	-3.3%
Tel Gov-SHEKEL	-0.4%	-2.9%
Tel Bond - 60	0.0%	1.1%
Tel Bond-SHEKEL	0.2%	0.8%

Currencies:

Currency	Weekly change	YTD change
Dollar/NIS	-0.4%	3.1%
Euro/NIS	0.5%	0.7%

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<p>The Tel-Aviv Stock Exchange features in June 2024:</p> <ul style="list-style-type: none"> 536 companies listing equities. 510 ETFs (including 37 ETFs – cross listing). 38 series of government bonds. 689 series of corporate bonds. 49 Series of TASE UP bonds. 1,733 mutual funds. <p>Market Cap. (US\$ billions):</p> <ul style="list-style-type: none"> Equities - 256 Government bonds - 176 Corporate bonds – 119 	<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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