



## Weekly Trading Summary: July 28 – August 1, 2024

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- ❖ Price decreases in the share indices and in the bond indices.
- ❖ Trading took place against the background of a high readiness in Israel following escalation in the security situation in the North, and the fear of the expansion of fighting.
- ❖ The Fear Index increased, and the dollar and the euro strengthened in relation to the shekel.
- ❖ The yield on 10-year government bonds in Israel increased by 0.2%, and stands at 4.9%.
- ❖ In the tracking funds market - there were sales of funds tracking domestic share indices, mainly in the TA-90, TA-125 and TA-Banks indices, and purchases of funds tracking the S&P 500 and RUSSELL 2000 indices.
- ❖ In the active funds market – there were withdrawals of funds from the money market funds and from funds investing in shares and bonds on the TASE, and an inflow of funds to funds investing in bonds overseas.

**Trading on the TASE** this week opened after a direct hit by Hezbollah on the town of Migdal Shams in Northern Israel, in which 12 children were killed, last Saturday.

In addition, as a result of assassinations in Lebanon and in Tehran, there is growing concern about the expansion of fighting.

**The Fear Index** increased this week, reaching **23** points at the end of the week compared with 16 points at the end of the previous week, and 13 points on the eve of the outbreak of the war. **The dollar** and **the euro** strengthened against the shekel by **3.8%**, and **3.2%**, respectively.

**The TA-35** and **TA-90** indices decreased this week by **3.2%** and **7.1%**, respectively, in parallel with an increase of 2.3% in both the Dow Jones and the S&P 500 indices in the US, and an increase of 1.3% in the STOXX 50 index in Europe (overseas data correct as of Wednesday).

Price decreases were led by the real estate companies indices, headed by the **TA-Construction** index which decreased this week by **11%** and **TA-Oil & Gas** which decreased by **7.3%** influenced by the concern of an impact on the gas reservoirs off the coast of Israel in the event of a flare-up of fighting in the north, and influenced by the decrease in the price per barrel of **Brent crude oil** by 2% (as of Wednesday).



**The turnover in shares** on August 1, prior to **the quarterly update of the parameters for calculating weights in the share indices**, totaled ILS 1,300 million on TASE, ILS 813 million of which was at the closing stage.

Price decreases characterized **the bond indices**.

The price decreases were led by the **Tel Gov-Shekel 10+** and the **Tel Gov-Shekel 5+**, both of which decreased by **1.9%**.

**Following the escalation in security, the yield to maturity of 10-year non-linked government bonds** increased this week by 0.2%, reaching **4.9%** at the end of the week. This differs from the yield to maturity of 10-year US government bonds, which decreased correspondingly by 0.2%, standing at 4.1% towards the end of the week (as of Wednesday).

However, the **Tel Gov CPI-linked 0-2 years** index, increased by **0.3%**, and the **Tel Bond-Dollar** index, increased by **2.5%**, influenced by the strengthening of the dollar against the shekel.

**The turnover in bonds** on the TASE on July 30, prior to **the monthly update of the Tel-Bond indices**, amounted to US\$ 1.9 billion; US\$ 0.9 billion of which was in corporate bonds.

**In the tracking funds market, tracking international share indices**, there were net purchases this week, mainly of funds tracking the S&P 500 index and RUSSELL 2000, totaling US\$ 70 million, after purchases of US\$ 40 million in the previous week;

in contrast, in the funds tracking **domestic share indices**, net sales were recorded, mainly of funds tracking the TA-125, TA-90, and TA-Banks indices, totaling US\$ 80 million, following purchases of US\$ 90 million in the previous week;

and in the funds tracking **domestic bond indices**, net purchases were recorded, mainly of funds tracking government and corporate non-linked bonds, in the amount of US\$ 10 million, after no net material activity was carried out in them in the previous week.

**In the active funds market**, there were net withdrawals of US\$ 40 million this week, following inflows of US\$ 205 million the previous week.

**In the active funds investing in shares on the TASE**, net withdrawals were recorded of US\$ 10 million, following immaterial net activity in these funds in the previous week.

**In the active funds investing in bonds on the TASE**, net withdrawals of US\$ 50 million were recorded, following immaterial net activity in these funds in the previous week. In contrast, **the active funds investing in bonds abroad** recorded net inflows of US\$ 15 million, following immaterial net activity in these funds in the previous week.



## Share Offerings / New Company

**TSG IT Advanced Systems** – the seventh new shares company this year – raised US\$ 16.5 million this week in an initial public offering (IPO).

The company is engaged in the development and sale of software-based technological systems alongside the sale of ancillary services to defense and civilian customers.

## Corporate Bond Offerings / New Company

- ❖ **Abou Family** Real Estate Investment Fund – the third new bond company this year – plans to raise US\$ 53 million today in an initial bond offering on the TASE.
- ❖ Two companies raised US\$ 30 million in the bond market this week in a public offering and in a private placement.
- ❖ In addition, there was an offering this week of **structured bonds** backed by floating-rate shekel bank deposits in the amount of \$ 184 million.

## Government Bond Offerings

- ❖ **The Ministry of Finance** raised funds this week in an issue of bonds on the TASE, in the amount of US\$ 1.2 billion, for a total fundraising in July of US\$ 5.3 billion – compared with the average monthly fundraising of US\$ 4.3 billion in the first half of the year.

## Share Indices

Market Value Indices	Weekly change	YTD change
TA-35	-3.2%	6.3%
TA-90	-7.1%	-0.3%
TA-125	-4.2%	4.2%
TA-SME60	-3.9%	4.6%
Sectoral Indices	Weekly change	YTD change
TA-Tech-Elite	-2.5%	1.7%
TA Banks-5	-5.4%	5.0%
TA Oil & Gas	-7.3%	4.5%
TA Real Estate	-9.3%	-7.0%



## Bond Indices

Index	Weekly change	YTD change
Tel Gov CPI-Linked	-0.6%	-1.5%
Tel Gov-SHEKEL	-1.0%	-1.7%
Tel Bond - 60	-0.7%	1.4%
Tel Bond-SHEKEL	-0.7%	1.3%

## Currencies:

Currency	Weekly change	YTD change
Dollar/ILS	3.8%	4.5%
Euro/ILS	3.2%	2.0%

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