

# New Management, New Aspirations

## Palestine Exchange Thriving and Seeking to Expand Its Shareholder Base

Courtesy of Palestine Exchange



It seems that the COVID-19 pandemic has had a significant impact on global markets and many economic sectors, and Palestine is no exception; the combined profit of listed companies witnessed a 24 percent decline compared to 2019. However, the market experienced a significant recovery in 2021 with a net profit of US\$373.9 million, a 73 percent increase over 2020. Two years after the pandemic, the Palestine Exchange continues to recover and thrive, as the combined net profit for the first half of 2022 reached US\$200 million, with a 10.5 percent increase compared to the same period in 2021.

In August 2022, Mr. Samir Hulileh was elected chairman of the Palestine Exchange (PEX). Mr. Hulileh, one of Palestine's prominent businesspeople, has held different management positions in the public and private sectors and also served as chairman and board member at various public and private companies and economic organizations. The vision of the PEX board of directors is to enhance its services and expand its activities through two main components: a new package of PEX-developed systems and a new approach to increase the number of listed companies and expand its investor base. Commenting on these endeavors, Mr. Hulileh explained, "As a part of its efforts to bring about a paradigm shift in the market of securities investment, PEX is in the process of launching a new trading system and an in-house developed electronic deposit and settlement system conjunctively." In addition, PEX is seeking to expand its shareholder base through investment

awareness-building activities, workshops, and the National Plan for Financial Inclusion. Thereby, it aims to reach a broader segment of local investors – especially in the southern West Bank and Gaza Strip, along with the Palestinians in the 1948 areas – familiarize individuals with the securities trading market in Palestine, and expand the number of listed companies in PEX.

As PEX is working on expanding its shareholder base and developing its services, it is especially targeting youthful investors who usually trade in the risky, unregulated cryptocurrency market. "Our approach is to make PEX the investors' first choice, with our secure, regulated, and convenient trading systems," Mr. Hulileh points out, adding, "We're focusing more on the 1948 areas and the southern West Bank, especially the Hebron governorate, as we continue our awareness-building activities in the high-value region, seeking more investment opportunities."

Also in August, Nihad Kamal was appointed general manager of PEX. Mr. Kamal has accumulated more than 20 years of experience in investment, financing, development, and management, and held various c-level positions at different companies. "These increasing profitability ratios reflect the market's stability," Mr. Kamal asserts, elaborating that "the listed companies continue to meet the expected high business performance, which was proven when listed companies distributed US\$221 million in dividends to investors through the profits of 2021." In the same context, the Al-Quds Index (AL-QUDS) indicates a 4 percent increase for the first eight months of 2022, compared to the

Such visual connection is important on many levels, but especially on a human level: for first-generation refugees to see and recall, for the grandchildren to feel more connected and believe in their right of return, and finally for us in Palestine to document these stories on the ground.

end of 2021; and the trading value was US\$367 million until August 31, 2022, which is 49 percent higher than the same period in 2021. Moreover, the market capitalization of the PEX has reached US\$5 billion, 18 percent more than the same period in 2021.

Palestine Exchange is a member of multiple international organizations in the field of securities trading, including the World Federation of Exchanges (WFE), the Arab Federation of Capital Markets, and the Federation of Euro-Asian Stock Exchanges (FEAS). It is also listed on the Financial Times Index and as a stand-alone at Morgan Stanley.

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