
STOCKS WATCH LIST
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ABC 
Investments

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OVERVIEW OF OUR STOCKS WATCH LIST AND SCREENING PROCESS

At the closing of year 2009, the free-float General Index registered a slump for the year of 8.2%, declining from 2,758.4 points at the end of 2008 to 2,533.5 points, which, on initial reflection, represents a relatively mild drop in view of the adverse conditions resulting from the global financial crisis and economic downturn. However, this does not portray a complete picture; the surge in the General Index during the first half of 2008 meant that the Index reached a peak of 5,043.7 points in mid-June 2008. Comparing the current index level to the high reached last year reveals a whopping 49.8% decline in the Index. Consequent to this sustained period of downward market correction, many companies' share prices have overshot on the downside, rendering them undervalued and attractive for a buy-and-hold strategy.

To date, there are 86 companies listed that have a share price below par value. Moreover, there are 110 companies which are currently trading below book value as of the last financial statements. While the fall in share price below book value may be an indicator that investors are pessimistic about a company's future earnings potential or that its returns are insufficient to cover the required return by investors, we have used this factor as our primary screening factor, before applying a variety of other screening factors.

The screening factors used in the accompanying tables were as follows:

Table	Screening Factor 1	Screening Factor 2	Screening Factor 3
Table 1	Share Price < Book Value	Positive Earnings in Last Produced Financials	Sorted in Descending Order According to EPS
Table 2	Share Price < Book Value	Positive Earnings in Last Produced Financials	Sorted in Descending Order According to ROAA
Table 3	Share Price < Book Value	Positive Earnings in Last Produced Financials	Sorted in Descending Order According to ROAE
Table 4	Share Price < Book Value	Positive Earnings in Last Produced Financials	Sorted in Ascending Order According to P/E Ratio
Table 5	Share Price < Book Value	Positive Earnings in Last Produced Financials	Sorted in Ascending Order According to P/BV Ratio

One word of caution, however; these lists **do not** represent recommendations of stocks to buy. These lists merely highlight attractive looking stocks based on their current price and their last produced financial statements. Economic conditions and developments since the last financial statement date may have a dramatic impact on the current and future financial and economic position of these companies, which will ultimately present an entirely different perspective on them. Some of these stocks are inherently risky and may, in the post-financial reporting period, have become loss-generating, or may be operating in an industry with a negative outlook. Therefore, we recommend you exercise due diligence before taking any investment action.

LIST OF STOCKS TRADING AT BELOW BOOK VALUE RANKED ACCORDING TO KEY RATIOS

Table 1 - Top 10 Companies Based on Annualised EPS

Company	Ticker	Date of Financial Statements	Paid up Capital	Total Assets	Shareholders' Equity	EPS	ROAA	ROAE	Share Price	P/E	BV	P/BV
AMLAK FINANCE/ JORDAN	AMLK	H1 2009	1,000,000	2,913,209	2,723,214	0.846	2.62%	2.64%	0.85	1.00	2.72	0.31
JOR WORSTED MILL	JOWM	Q3 2009	15,000,000	80,002,987	75,361,214	0.403	7.49%	7.89%	4.62	11.45	5.02	0.92
UNION ADV INDST	UADI	Q3 2009	3,000,000	12,796,418	7,550,816	0.305	6.63%	12.29%	2.50	8.21	2.52	0.99
AMWAL INVEST	AMWL	Q3 2009	42,500,000	83,932,246	67,928,738	0.300	15.06%	19.40%	1.00	3.34	1.60	0.63
SURA DEV.& INVESTMENT	SURA	H1 2009	11,500,000	13,056,984	12,829,767	0.239	22.21%	22.65%	0.60	2.51	1.12	0.54
JORDAN INTL TRAD	JITC	Q3 2009	3,400,000	7,311,334	4,523,983	0.216*	10.03%*	16.85%*	1.26	5.84	1.33	0.95
AL SHAMEKHA REAL	VFED	Q3 2009	1,200,000	2,519,081	2,238,204	0.175*	7.80%*	8.68%*	1.81	10.32	1.87	0.97
JORDAN CONSULTING	JOMC	Q3 2009	1,400,000	5,186,448	2,061,765	0.164	4.73%	11.63%	1.16	7.09	1.47	0.79
JORDAN AHLI BANK	JONB	Q3 2009	110,000,000	2,245,035,274	209,801,661	0.162	0.82%	8.68%	1.52	9.36	1.91	0.80
NAT'L ALUM IND	NATA	Q3 2009	9,000,000	17,613,564	12,232,893	0.159	7.95%	12.23%	0.95	5.98	1.36	0.70

*Figures for profit are pre-tax

H1 & Q3 profits have been annualised in the computation of EPS, ROAA, ROAE and P/E

Table 2 - Top 10 Companies Based on ROAA

Company	Ticker	Date of Financial Statements	Paid up Capital	Total Assets	Shareholders' Equity	EPS	ROAA	ROAE	Share Price	P/E	BV	P/BV
SURA DEV.& INVESTMENT	SURA	H1 2009	11,500,000	13,056,984	12,829,767	0.239	22.21%	22.65%	0.60	2.51	1.12	0.54
AMWAL INVEST	AMWL	Q3 2009	42,500,000	83,932,246	67,928,738	0.300	15.06%	19.40%	1.00	3.34	1.60	0.63
JORDAN INTL TRAD	JITC	Q3 2009	3,400,000	7,311,334	4,523,983	0.216*	10.03%*	16.85%*	1.26	5.84	1.33	0.95
UNIV MOD INDCO	UMIC	Q3 2009	6,000,000	10,318,602	9,001,761	0.145	8.39%	9.72%	1.08	7.43	1.50	0.72
NAT'L ALUM IND	NATA	Q3 2009	9,000,000	17,613,564	12,232,893	0.159	7.95%	12.23%	0.95	5.98	1.36	0.70
AL SHAMEKHA REAL	VFED	Q3 2009	1,200,000	2,519,081	2,238,204	0.175*	7.80%*	8.68%*	1.81	10.32	1.87	0.97
JOR WORSTED MILL	JOWM	Q3 2009	15,000,000	80,002,987	75,361,214	0.403	7.49%	7.89%	4.62	11.45	5.02	0.92
UNION ADV INDST	UADI	Q3 2009	3,000,000	12,796,418	7,550,816	0.305	6.63%	12.29%	2.50	8.21	2.52	0.99
NAT'L POULTRY	NATP	H1 2009	30,000,000	78,628,542	59,790,349	0.142*	5.48%*	7.27%*	1.52	10.69	1.99	0.76
METHAQ	MEET	H1 2009	15,000,000	18,603,115	14,834,053	0.061	5.22%	6.75%	0.97	15.87	0.99	0.98

*Figures for profit are pre-tax

H1 & Q3 profits have been annualised in the computation of EPS, ROAA, ROAE and P/E

Table 3 - Top 10 Companies Based on ROAE

Company	Ticker	Date of Financial Statements	Paid up Capital	Total Assets	Shareholders' Equity	EPS	ROAA	ROAE	Share Price	P/E	BV	P/BV
SURA DEV.& INVESTMENT	SURA	H1 2009	11,500,000	13,056,984	12,829,767	0.239	22.21%	22.65%	0.60	2.51	1.12	0.54
AMWAL INVEST	AMWL	Q3 2009	42,500,000	83,932,246	67,928,738	0.300	15.06%	19.40%	1.00	3.34	1.60	0.63
JORDAN INTL TRAD	JITC	Q3 2009	3,400,000	7,311,334	4,523,983	0.216*	10.03%*	16.85%*	1.26	5.84	1.33	0.95
UNION ADV INDST	UADI	Q3 2009	3,000,000	12,796,418	7,550,816	0.305	6.63%	12.29%	2.50	8.21	2.52	0.99
NAT'L ALUM IND	NATA	Q3 2009	9,000,000	17,613,564	12,232,893	0.159	7.95%	12.23%	0.95	5.98	1.36	0.70
JORDAN CONSULTING	JOMC	Q3 2009	1,400,000	5,186,448	2,061,765	0.164	4.73%	11.63%	1.16	7.09	1.47	0.79
EURA ARAB INS.	AMMI	H1 2009	8,000,000	23,249,115	9,179,649	0.121	4.45%	10.35%	0.99	8.20	1.15	0.86
ARAB BANKING CO.	ABCO	Q3 2009	70,919,063	560,593,492	93,795,897	0.128	1.58%	10.15%	1.09	8.51	1.32	0.82
UNIV MOD INDCO	UMIC	Q3 2009	6,000,000	10,318,602	9,001,761	0.145	8.39%	9.72%	1.08	7.43	1.50	0.72
AL SHAMEKHA REAL	VFED	Q3 2009	1,200,000	2,519,081	2,238,204	0.175*	7.80%*	8.68%*	1.81	10.32	1.87	0.97

*Figures for profit are pre-tax

H1 & Q3 profits have been annualised in the computation of EPS, ROAA, ROAE and P/E

Table 4 - Top 10 Companies Based on P/E

Company	Ticker	Date of Financial Statements	Paid up Capital	Total Assets	Shareholders' Equity	EPS	ROAA	ROAE	Share Price	P/E	BV	P/BV
AMLAK FINANCE/ JORDAN	AMLK	H1 2009	1,000,000	2,913,209	2,723,214	0.846	2.62%	2.64%	0.85	1.00	2.72	0.31
SURA DEV.& INVESTMENT	SURA	H1 2009	11,500,000	13,056,984	12,829,767	0.239	22.21%	22.65%	0.60	2.51	1.12	0.54
AMWAL INVEST	AMWL	Q3 2009	42,500,000	83,932,246	67,928,738	0.300	15.06%	19.40%	1.00	3.34	1.60	0.63
JORDAN INTL TRAD	JITC	Q3 2009	3,400,000	7,311,334	4,523,983	0.216*	10.03%*	16.85%*	1.26	5.84	1.33	0.95
JOR LOAN GRNT.CO	JLGC	Q3 2009	10,000,000	23,349,897	14,801,496	0.110	4.71%	7.36%	0.65	5.90	1.48	0.44
NAT'L ALUM IND	NATA	Q3 2009	9,000,000	17,613,564	12,232,893	0.159	7.95%	12.23%	0.95	5.98	1.36	0.70
JORDAN CONSULTING	JOMC	Q3 2009	1,400,000	5,186,448	2,061,765	0.164	4.73%	11.63%	1.16	7.09	1.47	0.79
UNIV MOD INDCO	UMIC	Q3 2009	6,000,000	10,318,602	9,001,761	0.145	8.39%	9.72%	1.08	7.43	1.50	0.72
JOR PIPES MANFACT	JOPI	Q3 2009	3,575,000	10,066,940	5,890,513	0.133	4.75%	8.31%	1.05	7.90	1.65	0.64
EURA ARAB INS.	AMMI	H1 2009	8,000,000	23,249,115	9,179,649	0.121	4.45%	10.35%	0.99	8.20	1.15	0.86

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H1 & Q3 profits have been annualised in the computation of EPS, ROAA, ROAE and P/E

Table 5 - Top 10 Companies Based on P/BV

Company	Ticker	Date of Financial Statements	Paid up Capital	Total Assets	Shareholders' Equity	EPS	ROAA	ROAE	Share Price	P/E	BV	P/BV
AMLAK FINANCE/ JORDAN	AMLK	H1 2009	1,000,000	2,913,209	2,723,214	0.846	2.62%	2.64%	0.85	1.00	2.72	0.31
JOR LOAN GRNT.CO	JLGC	Q3 2009	10,000,000	23,349,897	14,801,496	0.110	4.71%	7.36%	0.65	5.90	1.48	0.44
OFFTEC INVESTMENTS	BDIN	H1 2009	42,000,000	50,066,082	44,291,705	0.053	4.46%	5.05%	0.51	9.70	1.05	0.48
AL-SANABEL INT'L	SANA	Q3 2009	20,000,000	21,933,096	21,827,589	0.001	0.09%	0.09%	0.54	>100	1.09	0.49
ARAB ELECT IND	AEIN	Q3 2009	6,000,000	10,050,522	6,865,818	0.055	3.20%	4.80%	0.61	11.14	1.14	0.53
SURA DEV.& INVESTMENT	SURA	H1 2009	11,500,000	13,056,984	12,829,767	0.239	22.21%	22.65%	0.60	2.51	1.12	0.54
JORDAN INDRES.	JOIR	H1 2009	16,625,000	23,874,458	17,600,703	0.050	4.50%	6.74%	0.57	11.35	1.06	0.54
MASAFAT TRANSPORT	MSFT	Q3 2009	17,000,000	23,399,673	18,609,470	0.050	3.57%	4.61%	0.59	11.90	1.09	0.54
RUM ALADDIN IND.	IENG	Q3 2009	7,175,097	22,312,176	8,738,863	0.022*	0.65%*	1.85%*	0.68	30.35	1.22	0.56
SHARECO BROKERAGE	SHBC	H1 2009	12,000,000	18,384,827	12,791,293	0.004	0.22%	0.32%	0.62	>100	1.07	0.58

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