



Jordan Investor Confidence Index

Update for October 2017

The **Jordan Investor Confidence Index**[®] is a monthly-issued index published by the **Jordan Strategy Forum** that aims to measure the confidence of investors operating in the Jordanian market through three aspects: confidence in the Jordanian Dinar and the monetary system, confidence in the real economy, and confidence in the Amman Stock Exchange (ASE).

The index measures the impact of policy decisions and exogenous developments on investor confidence. Furthermore, it aims to facilitate a better understanding for investors and promote a strong decision-making process, be it in policy-making by the public sector or investing decisions by the private sector.

The production of this index complements Jordan Strategy Forum's consistent effort to promote higher levels of investment in Jordan, and a more competitive business environment that can facilitate higher quality of living for all Jordanians.

Jordan Strategy Forum's **Jordan Investor Confidence Index**[®] has declined in October 2017 to reach 88.74 points in comparison to 90.92 points in September, as it decreased by 2.18 points.

Confidence in the ASE sub-index observed a 2.7 points decrease to reach 90.61 points in October, as the ASE index decreased noticeably by 28.33 points to reach 2093.19 points in October. Whereas the ratio of inflow to outflow of foreign investment in ASE decreased to reach 76% in comparison to 91% in September.

The confidence in the monetary sub-index observed a decrease of 0.38 point to reach 76.69 points in October despite the fact that the CBJ Gross Foreign Reserves increased by 638.1 Million JDs to reach 11610.60 Million JDs for this month.

The confidence in the real economy sub-index witnessed an increase, to reach 121.43 points, a 1.55 points increase since September, as the manufacturing quantity production index increased from 98.70 points in September to reach 102.10 points in October. Furthermore, the number of construction permits increased to reach 3188 permits in comparison with 2076 permits in September. In addition, tax on the monthly real estate volume increased by 2.1 Million JDs to reach 10.5 Million JDs for this month. The number of companies registered in October increased also to reach 651 companies in comparison with 455 companies registered in September, while the capital of companies' registered witnessed a slight decrease as it reached 10 Million JDs in October, in comparison with 10.4 Million JDs last month.

It is useful to note that the main reason behind the decline in the JICI for October 2017 is the low activity in Amman Stock Exchange, despite the fact that the "Real Economy" sub-index increased noticeably due to the increase in most of its sub-indicators.

It is worth mentioning that the Investor Confidence Index aims to measure the level of confidence investors have in its three sub-indices based on the sub-indices expected values according to its trends since 2007 up until now. A decrease in the value of one of the sub-indices despite increases in its indicators means that the indicators values fell below its expected values according to the trend. Similarly, an increase in any sub-index despite decreases in its indicators means that the indicators' values stay above its expected values according to the trend.

Changes in JICI and its Sub-Indices: August 2017 to October 2017

Index Value	August 2017	September 2017	October 2017
JICI	93.67	90.92	88.74
Monetary	77.76	77.07	76.69
Real Economy	120.46	119.88	121.43
Stock Exchange	95.45	93.33	90.61

Jordan Investor Confidence Index and its Sub-Indices since January 2016

