



منتدى الاستراتيجيات الأردني
JORDAN STRATEGY FORUM



Jordan Investor Confidence Index

Update for July 2016

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 aims to measure 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 a higher quality of living for all Jordanians.

In July 2016: Jordan Strategy Forum's **Jordan Investor Confidence Index** dropped by 1.38 points to 91.20 points, compared to 92.58 points in June 2016.

Two of the three sub-indices witnessed declines in July 2016. Firstly, confidence in the monetary system sub-index dropped by 0.74 points from 91.94 points in June 2016 to 91.20 points in July 2016. This change is attributed to the slight decrease in CBJ's foreign reserves, which reached JD11,955 million in July 2016. Secondly, the sub-index of confidence in the ASE dropped by 0.81 points during the stated month settling at 97.16 points in comparison to 97.97 points in June 2016.

However, the confidence in the real economy sub-index rose by 0.18 points in July 2016, reaching 102.85 points compared to 102.67 points in June 2016. Although the capital of registered companies decreased to reach JD_5 million in compared to JD8.4 million in June 2016, all other indicators within this pillar increased.

The number of companies registered witnessed an increase from 404 companies in June 2016 to reach 442 companies in July 2016. The private sector credit to total deposits ratio has also witnessed a slight increase. Furthermore, the construction activity showed a slight improvement, as the number of construction permits as well as the total tax collected on real estate increased. Moreover, the manufacturing quantity production index slightly increased by 1.7

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points to reach 164.9 points in July 2016. This rise is attributed to an increase in the production index of the mining and quarrying sector, as well as the electricity, gas, steam, and air conditions supply sector.

Changes in JICI and its Sub-Indices: May 2016 to July 2016

Index Value	May 2016	June 2016	July 2016
JICI	95.69	92.58	91.20
Monetary	92.58	91.94	91.20
Real Economy	103.57	102.67	102.85
Stock Exchange	99.54	97.97	97.16

Jordan Investor Confidence Index and its Sub-Indices since January 2015

