



## Jordan Investor Confidence Index

### Update for December 2019

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 Financial System.

The index measures the impact of policy decisions and exogenous developments on investor confidence. Furthermore, it aims to facilitate a better understanding of investors' challenges and promote a strong decision-making process, be it in policymaking 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 life for all Jordanians.

Jordan Strategy Forum's **Jordan Investor Confidence Index** has increased in December 2019 to reach 121.2 points in comparison to 114.4 points in November 2019 (6.79 points).

Confidence in the **Real Economy Sub-Index** saw an increase of 18.27 points, to reach 123.9 points, as the number of construction permits increased to reach 2,085 permits in December 2019 in comparison with 1,598 permits in November 2019. The revenues from tax on the monthly real estate volume increased by 5.70 Million JDs to reach 11.30 Million JDs in December 2019. In addition, the capital of registered companies witnessed a decrease from 20.50 to reach 9.20 Million JDs in December 2019, and the manufacturing quantity production index decreased by 0.84 points to reach 79.25 points. The number of companies registered in December 2019 decreased to reach 382 companies in comparison with 431 registered companies in November 2019.

Confidence in the **Monetary Sub-Index** decreased by 16.21 points to reach 130.1 points in December 2019, as the CBJ Gross Foreign Reserves increased by 400.6 Million JDs to reach 12.1 Billion JDs for this month. In addition, the interest rate differential between the Jordanian Dinar and the US Dollar remained at from 2.45% since November 2019. As for returned cheques, the value experienced a 62.2 Million JD increase from the previous month to reach 157.7 Million JDs in December 2019.

Confidence in the **Financial Sub-Index** observed an increase by 6.81 to reach 106.8 points in December 2019, as the ASE Weighted Index increased by 34.26 points to reach 3,513.76 points in December 2019. In addition, the growth in credit to the private sector has increased by 0.4%, in comparison to the previous month. In addition, the ratio of inflows to outflows of foreign investment in ASE decreased to reach 91% in December 2019.

The Investor Confidence Index measures the level of confidence investors have in the national economy. The index is composed of three sub-indices: (1) Real Economy (50%). (2) Monetary System (25%). (3) Financial System (25%). For these sub-indices, a value of 100 entails the minimum level of confidence in comparison to the previous months of the last four years, while a value of 200 entails the maximum level of confidence in comparison to the previous months of the last four years.



### Changes in JICI and its Sub-Indices: October 2019 to December 2019

Index Value	October 2019	November 2019	December 2019
JICI	139.9	114.4	121.2
Real Economy	119.0	105.6	123.9
Monetary	157.0	146.3	130.1
Financial	164.7	100.0	106.8

### Jordan Investor Confidence Index and its Sub-Indices since January 2017

