



Jordan Investor Confidence Index

Update for May 2016

The **Jordan Investor Confidence Index**® is a monthly-issued index published by **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.

The index aims to measure the impact of policy decisions and exogenous developments on investor confidence. Furthermore, it aims to facilitate a better understanding of 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 compliments 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 May 2016: Jordan Strategy Forum's **Jordan Investor Confidence Index** dropped by 0.43 points to reach 95.69 points compared to 96.12 points in April 2016.

Both the Monetary and the Stock Exchange Sub-Indices witnessed slight declines in May 2016, in spite of the increase in the Real Economy Sub-Index. Firstly, confidence in the Monetary System sub-index dropped from 93.18 points in April 2016 to 92.58 points in May 2016. This change is attributed to the decrease in CBJ's foreign reserves by around JD 200 million to reach JD12,074 million in May 2016.

The sub-index of confidence in the ASE dropped by 0.31 points to settle at 99.54 points in May, as opposed to 99.85 points in April 2016. This drop could be attributed to the decline in the ratio of shares bought by foreign investors to the shares sold by foreign investors from 1.25 in April 2016 to 1.18 in May 2016.

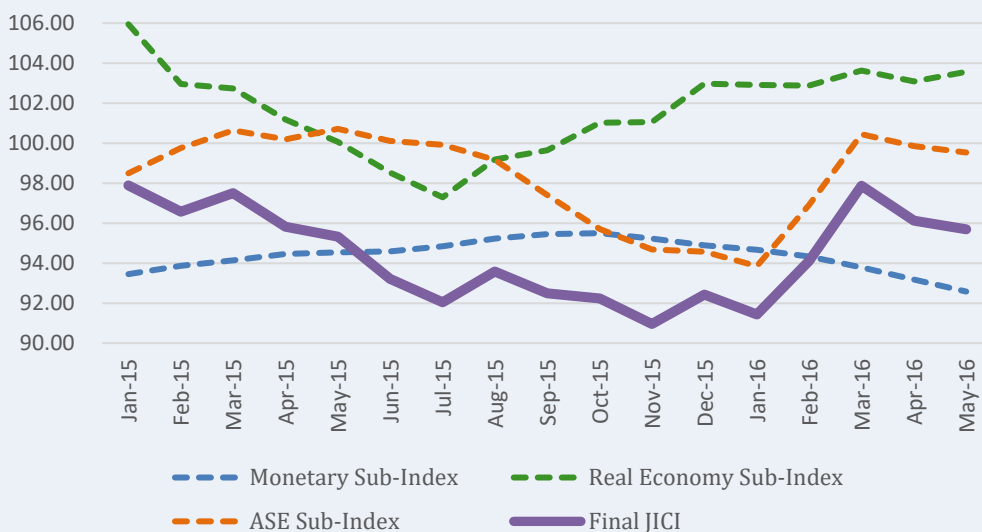
The sub-index of confidence in the Real Economy increased by 0.33 points in May 2016, reaching 103.57 points compared to 103.09 points in April 2016. The number of companies registered witnessed an increase as it rose to 550 companies in May 2016, compared with 523 companies in April 2016, although the total capital of registered companies decreased slightly. In addition, the Manufacturing Quantity Production Index rose by 11 points approximately to reach 167.09 points, compared to 156.11 points in April 2016. This remarkable jump is primarily attributed to the 40.6 points increase on the Production Index for the Mining and Quarrying sector. This is in addition to the increase

in construction activity, as the number of construction permits and total tax collected on real estate dropped by 10.9% and 19.8%, respectively.

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

Index Value	March 2016	April 2016	May 2016
JICI	97.87	96.12	95.69
Monetary	93.79	93.18	92.58
Real Economy	103.63	103.09	103.57
Stock Exchange	100.45	99.85	99.54

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



For more information about Jordan Strategy Forum, please visit our website www.jsf.org or contact us through email: info@jsf.org or Telephone: +962 6 566 6476.

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