

## Jordan Investor Confidence Index

### Update for January 2020

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 decreased in January 2020 to reach 118.0 points in comparison to 121.2 points in December 2019 (3.17 points).

Confidence in the **Real Economy Sub-Index** saw a decrease of 20.19 points, to reach 103.7 points, as the number of construction permits decreased to reach 1,486 permits in January 2020 in comparison with 2,085 permits in December 2019, and the revenues from tax on the monthly real estate volume decreased by 7.90 Million JDs to reach 3.40 Million JDs in January 2020. In addition, the capital of registered companies witnessed an increase from 9.20 to reach 29.00 Million JDs in January 2020, and the manufacturing quantity production index increased by 0.15 points to reach 79.40 points. The number of companies registered in January 2020 also increased to reach 508 companies in comparison with 382 registered companies in December 2019.

The **Monetary Sub-Index** increased by 20.87 points to reach 151.0 points in January 2020, as the CBJ Gross Foreign Reserves increased by 61.6 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 December 2019. As for returned cheques, the value experienced a 56.5 Million JD decrease from the previous month to reach 101.2 Million JDs in January 2020.

Confidence in the **Financial Sub-Index** observed an increase by 6.83 to reach 113.6 points in January 2020, as the ASE Weighted Index increased by 67.21 points to reach 3,580.97 points in January 2020. In addition, the growth in credit to the private sector has increased by 0.1%, in comparison to the previous month. In addition, the ratio of inflows to outflows of foreign investment in ASE decreased to reach 84% in January 2020.

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: November 2019 to January 2020

Index Value	November 2019	December 2019	January 2020
JICI	114.4	121.2	118.0
Real Economy	105.6	123.9	103.7
Monetary	146.3	130.1	151.0
Financial	100.0	106.8	113.6

### Jordan Investor Confidence Index and its Sub-Indices since January 2018

