

## Jordan Investor Confidence Index

### Update for May 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 decreased in May 2019 to reach 109.6 points in comparison to 116.0 points in April 2019 (6.34 points).

Confidence in the **Real Economy Sub-Index** observed a decrease of 16.87 points, to reach 101.1 points, as the manufacturing quantity production index decreased by 2.00 points to reach 84.10 points. The number of companies registered in May 2019 decreased to reach 366 companies in comparison with 440 registered companies in April 2019. In addition, the number of construction permits decreased to reach 1,321 permits in May 2019 in comparison with 1,606 permits in April 2019, and the revenues from tax on the monthly real estate volume decreased by 2.50 to reach 5.20 Million JDs in May 2019. On the other hand, the capital of companies registered witnessed an increase from 17.10 to reach 17.60 Million JDs in May 2019.

The **Monetary Sub-Index** increased by 9.73 points to reach 135.9 points in May 2019, making it the best performing Sub-Index. The CBJ Gross Foreign Reserves increased by 17.1 Million JDs to reach 11.275 Billion JDs for this month. In addition, the interest rate differential between the Jordanian Dinar and the US Dollar increased from 2.33% to 2.36% since April 2019. As for returned cheques, the value experienced a 17.1 Million JD decrease from the previous month to reach 122.6 Million JDs in May 2019.

Confidence in the **Financial Sub-Index** observed a decrease by 1.35 to reach 100.5 points in May 2019, as the ASE Weighted Index decreased by 2.83 points to reach 3,500.84 points in May 2019 (reaching its lowest monthly value since 2007). The ratio of inflows to outflows of foreign investment in ASE decreased to reach 88% in May 2019.

The Investor Confidence Index measures the level of confidence investors have in the national economy. The index is a composite index that is calculated by the weighted average of the following sub-indices: (1) Real Economy. (2) Monetary System. (3) Financial System. For these sub-indices, a value of 100 entails the minimum level of confidence in comparison to the previous months since the base year 2015, while a value of 200 entails the maximum level of confidence in comparison to the previous months since 2015.



### Changes in JICI and its Sub-Indices: March 2019 to May 2019

Index Value	March 2019	April 2019	May 2019
JICI	119.2	116.0	109.6
Real Economy	117.9	117.9	101.1
Monetary	126.7	126.2	135.9
Financial	114.1	101.9	100.5

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

