



## Jordan Investor Confidence Index

### Update for October 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 October 2019 to reach 139.9 points in comparison to 116.4 points in September 2019 (23.49 points).

Confidence in the **Real Economy Sub-Index** saw an increase of 10.39 points, to reach 119 points, as the capital of registered companies witnessed an increase from 6.00 to reach 14.40 Million JDs in October 2019, and the manufacturing quantity production index increased by 4.02 points to reach 80.67 points. The number of companies registered in October 2019 increased to reach 464 companies in comparison with 422 registered companies in September 2019. In addition, the number of construction permits increased to reach 2,025 permits in October 2019 in comparison with 1,917 permits in September 2019, and the revenues from tax on the monthly real estate volume decreased by 0.20 Million JDs to reach 6.80 Million JDs in October 2019.

The **Monetary Sub-Index** increased by 8.48 points to reach 157 points in October 2019, as the CBJ Gross Foreign Reserves dropped by 89.4 Million JDs to reach 11.81 Billion JDs for this month. In addition, the interest rate differential between the Jordanian Dinar and the US Dollar decreased from 2.21% to 2.17% since September 2019. As for returned cheques, the value experienced a 17.7 Million JD decrease from the previous month to reach 120.9 Million JDs in October 2019.

Confidence in the **Financial Sub-Index** saw an increase by 64.69 to reach 164.7 points in October 2019, as the ASE Weighted Index decreased by 67.66 points to reach 3,458.04 points in October 2019. The growth in credit to the private sector has increased by 0.5%, in comparison to the previous month in which the growth marked by 0.2%, the ratio of inflows to outflows of foreign investment in ASE increased to reach 844% in October 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 since 2007, 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: August 2019 to October 2019

Index Value	August 2019	September 2019	October 2019
JICI	118.0	116.4	139.9
Real Economy	104.0	108.6	119.0
Monetary	152.7	148.5	157.0
Financial	111.4	100.0	164.7

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

