



Jordan Investor Confidence Index

Update for September 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 September 2019 to reach 116.4 points in comparison to 118.0 points in August 2019 (1.62 points).

Confidence in the **Real Economy Sub-Index** saw an increase of 4.55 points, to reach 108.6 points, as the number of companies registered in September 2019 increased to reach 422 companies in comparison with 344 registered companies in August 2019. In addition, the number of construction permits increased to reach 1,917 permits in September 2019 in comparison with 1,497 permits in August 2019. Revenues from tax on the monthly real estate volume increased by 1 Million JDs to reach 7 Million JDs in September 2019. The capital of registered companies witnessed a decrease from 6.2 to reach 6 Million JDs in September 2019, and the manufacturing quantity production index decreased by 4.90 points to reach 82.2 points.

The **Monetary Sub-Index** decreased by 4.16 points to reach 148.5 points in September 2019, as the value of returned cheques experienced a 37.5 Million JD increase from the previous month to reach 138.6 Million JDs in September 2019. In addition, the interest rate differential between the Jordanian Dinar and the US Dollar decreased from 2.37% to 2.21% since August 2019. As for the CBJ Gross Foreign Reserves increased by 70.4 Million JDs to reach 11,906 Million JDs for this month.

Confidence in the **Financial Sub-Index** observed a decrease by 11.40 to reach 100.0 points in September 2019, as the ASE Weighted Index decreased by 9.97 points to reach 3,525.71 points in September 2019. In addition, the growth in credit to the private sector has decreased by 0.3%, in comparison to the previous month in which the growth marked by 0.5%, The ratio of inflows to outflows of foreign investment in ASE decreased to reach 90% in September 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: July 2019 to September 2019

Index Value	July 2019	August 2019	September 2019
JICI	130.6	118.0	116.4
Real Economy	142.5	104.0	108.6
Monetary	137.6	152.7	148.5
Financial	100.0	111.4	100.0

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

