



Jordan Investor Confidence Index

Update for May 2017

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 Amman Stock Exchange (ASE).

The index measures the impact of policy decisions and exogenous developments on investor confidence. Furthermore, it aims to facilitate a better understanding for 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 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 living for all Jordanians.

Jordan Strategy Forum's **Jordan Investor Confidence Index®** has further declined in May 2017 to reach 92.76 points in comparison to 93.69 points in April and 96.16 points in January of this year.

Confidence in the ASE sub-index observed a 1.13 points decrease to reach 93.58 points in May. The ratio of inflow to outflow of foreign investment in ASE decreased from 120% in April to 75% in May. On the other hand, ASE index witnessed a decrease from 2,185.26 points to reach 2,175.18 points in May.

The confidence in the monetary sub-index observed a 1 point fall as well to reach 80.64 points in May, despite the increase in CBJ's foreign reserves by JD161.3 million to reach JD11.315 billion this month.

The confidence in the real economy sub-index, on the other hand, continued to increase as it reached 118.54 points, a 1.29 points increase since April. The manufacturing quantity production index increased from 93.31 points in April to reach 98.43 points in May. Furthermore, the number of construction permits increased to reach 3,265 permits in comparison to 2,548 permits in April, while tax on the monthly real estate volume decreased by JD 0.1 million to reach JD 9.5 million for this month. The number of companies registered in May has also increased to reach 586 companies, despite the decrease in the capital of these companies to reach JD7.4 million in comparison to JD9.7 million last month.

It is worth mentioning that the Investor Confidence Index aims to measure the level of confidence investors have in its three sub-indices based on the sub-indices expected values according to its trends since 2007 up until now. A decrease in the value of one of the sub-indices despite increases in its indicators means that the indicators values fell below its expected values according to the trend. Similarly, an increase in any sub-index despite decreases in its indicators means that the indicators' values stay above its expected values according to the trend.



Changes in JICI and its Sub-Indices: March 2017 to May 2017

Index Value	March 2017	April 2017	May 2017
JICI	93.96	93.69	92.76
Monetary	83.01	81.71	80.64
Real Economy	116.75	117.26	118.54
Stock Exchange	94.20	94.71	93.58

Jordan Investor Confidence Index and its Sub-Indices since January 2016

