



Jordan Investor Confidence Index

Update for January 2018

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 life for all Jordanians.

Jordan Strategy Forum's **Jordan Investor Confidence Index**® has decreased in January 2018 to reach 89.27 points in comparison to 90.93 points in December 2017, as it decreased by 1.66 points.

As for the sub-indicators; confidence in the **Monetary Sub-Index** observed a slight decrease of 0.31 point to reach 75.71 points in January 2018, as CBJ Gross Foreign Reserves decreased by 193.4 Million JDs to reach 11.98 Billion JDs for this month. While the interest rate differential remained 4% since December 2017.

Confidence in the **Real Economy Sub-Index** witnessed a slight increase by 0.31 points, to reach 125.34 points, as the number of companies registered in January 2018 increased to reach 683 companies in comparison with 415 companies registered in December 2017. On the other hand, the number of construction permits decreased noticeably to reach 3308 permits in comparison with 7868 permits in December 2017. In addition, the capital of companies' registered witnessed a decrease as it reached 16.5 Million JDs in January 2018, in comparison with 78.7 Million JDs in December 2017. The manufacturing quantity production index slightly decreased by 1.9 points to reach 94.9 points in January 2018. In addition, tax on the monthly real estate volume decreased slightly by 0.3 Million JDs to reach 7.90 Million JDs for this month.

Confidence in the **ASE Sub-Index** observed a 1.66 points decrease to reach 88.23 points in January 2018, as the ratio of inflow to outflow of foreign investment in ASE decreased to reach 69% in comparison to 99% in December 2017. However, the ASE index increased by 66.52 points to reach 2193.3 points in January 2018.

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: November 2017 to January 2018

Index Value	November 2017	December 2017	January 2018
JICI	90.22	90.94	89.27
Monetary	76.33	76.02	75.71
Real Economy	122.56	125.03	125.34
Stock Exchange	91.32	89.89	88.23

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

