



Central Bank of Jordan

Recent Monetary & Economic Developments in Jordan

**Research Dept / Monthly Report
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Central Bank of Jordan

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☐ OUR VISION

To continue maintaining monetary and financial stability and thereby contributing to the achievement of economic and social growth in the kingdom.

☐ OUR MISSION

Maintaining monetary stability represented in maintaining the stability of the Jordanian Dinar exchange rate and the general prices level. And contributing to providing an investment environment that is both attractive and motivating for the economic and social development through providing a convenient interest rate structure and implementing macro and micro prudential supervision policies that maintain financial and banking stability. In addition to providing safe and efficient national payments systems, promoting financial inclusion, and protecting the financial customer. To this end, the Central Bank of Jordan employs optimally its human, material, financial, technical and knowledge resources.

☐ OUR VALUES

Loyalty	:	Commitment, responsibility, and dedication to the institution, its staff and clients.
Integrity	:	Dealing with the highest standards of professionalism and credibility to ensure equality and equal opportunities to all partners, clients, and workers.
Excellence	:	To make a difference in the quality of services provided in accordance with international standards and practices.
Continuous Learning	:	Aspiring to continuously improve professional and academic levels in accordance with international best practices.
Involvement	:	Working together, on all levels, in a team spirit to achieve our national and organizational goals with high efficiency.
Transparency	:	Disclosing information and knowledge, and simplifying and clarifying procedures and regulations in accordance with professional standards and pertinent rules

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Executive Summary

□ Output, Prices and Employment

Real GDP at market prices grew by 2.7 percent during the first three quarters of 2023, compared to a growth of 2.6 percent during the same period of 2022. The general price level, measured by the percentage change in the Consumer Price Index (CPI), increased during January of 2024 by 2.0 percent, compared to an increase of 3.8 percent during the same month of 2023. The unemployment rate during the fourth quarter of 2023 reached 21.4 percent, compared to 22.9 percent during the same quarter of 2022.

□ Monetary and Financial Sector

- The CBJ's gross foreign reserves amounted to US\$ 18,178.0 million at the end of January 2024. This level of reserves covers around 7.9 months of the Kingdom's imports of goods and services.
- Domestic liquidity amounted to JD 42,816.2 million at the end of January 2024, compared to JD 42,663.5 million at the end of 2023.
- The outstanding balance of credit facilities extended by other depository corporations amounted to JD 33,494.4 million at the end of January 2024, compared to JD 33,387.1 million at the end of 2023.
- Total deposits at other depository corporations amounted to JD 43,994.6 million at the end of January 2024, compared to JD 43,744.3 million at the end of 2023.
- The Share Price Index (SPI) weighted by market capitalization of free float shares at Amman Stock Exchange (ASE) reached 2,480.8 points at the end of January 2024, compared to 2,431.2 points at the end of 2023.

- **Public Finance:** The general budget, including foreign grants, recorded a fiscal deficit in the amount of JD 1,982.2 million (6.0 percent of GDP) during the first eleven months of 2023, comparing to a fiscal deficit of JD 1,328.3 million (4.2 percent of GDP) during the same period of 2022. Government domestic debt (budgetary and guaranteed) increased by JD 1,434.5 million at the end of November 2023, compared to its level at the end of 2022, to reach JD 23,013.7 million (63.5 percent of GDP). Moreover, outstanding external debt (budget and guaranteed) went up by JD 1,658.0 million, to reach JD 18,569.0 million (51.3 percent of GDP). Accordingly, outstanding government debt (domestic and external) rose up to reach JD 41,582.7 million at the end of November 2023 (114.8 percent of GDP), compared to JD 38,490.2 million (111.4 percent of GDP) at the end of 2022. When excluding the debt holding by the Social Security Investment Fund, the government domestic debt (budgetary and guaranteed) stand at JD 14,516.0 million (40.1 percent of GDP). While the outstanding external debt (budget and guaranteed) stand at JD 18,085.1 million (49.9 percent of GDP). As a result, the outstanding government debt (domestic and external) stand at JD 32,601.1 million (90.0 percent of GDP compared to 88.8 percent of GDP at the end of 2022).
- **External Sector:** Total merchandize exports (domestic exports *plus* re-exports) decreased by 1.8 percent during the first eleven months of 2023 to reach JD 8,221.7 million. Meanwhile, merchandize imports decreased by 5.9 percent to reach JD 16,952.3 million. As a result, the trade balance deficit decreased by 9.5 percent, compared to the same period of 2022, to reach JD 8,730.6 million. The preliminary data during 2023 showed an increase in travel receipts by 27.4 percent, to reach JD 5,253.5 million, and an increase in travel payments by 29.5 percent, to reach JD 1,348.2 million, compared to the same period of 2022. Moreover, total workers' remittances receipts increased by 1.4 percent during 2023, to reach JD 2,482.7 million, compared to 2022. The preliminary data for the balance of payments during the first three quarters of 2023 displayed a deficit in the current account amounted to JD 1,534.1 million (5.8 percent of GDP) compared to a deficit of JD 2,913.4 million (11.5 percent of GDP) during the same period of 2022. Meanwhile, the current account deficit excluding grants decreased to reach 7.2 percent of GDP, compared with 13.7 percent of GDP during the same period of 2022. Moreover, the gross foreign direct investment recorded an inflow of JD 672.9 million during the first three quarters of 2023, compared to an inflow of JD 742.2 million during the same period of 2022. Furthermore, the international investment position (IIP) registered a net obligation to abroad amounted to JD 38,266.7 million at the end of the first three quarters of 2023, compared to a net obligation to abroad by JD 36,642.8 million at the end of 2022.

First: Monetary and Financial Sector

□ Summary

- The CBJ's gross foreign reserves amounted to US\$ 18,178.0 million at the end of January 2024. This level of reserves covers around 7.9 months of the Kingdom's imports of goods and services.
- Domestic liquidity amounted to JD 42,816.2 million at the end of January 2024, compared to JD 42,663.5 million at the end of 2023.
- The outstanding balance of credit facilities extended by other depository corporations amounted to JD 33,494.4 million at the end of January 2024, compared to JD 33,387.1 million at the end of 2023.
- Total deposits at other depository corporations amounted to JD 43,994.6 million at the end of January 2024, compared to JD 43,744.3 million at the end of 2023.
- The interest rates on all types of deposits held by other depository corporations had increased at the end of January 2024, except the interest rate on Time deposits which had decreased, compared to their levels at the end of 2023. Also the interest rate on all types of credit facilities extended by other depository corporations had decreased at the end of January 2024, compared to their levels at the end of 2023.

- The Share Price Index (SPI) weighted by market capitalization of free float shares at Amman Stock Exchange (ASE) reached 2,480.8 points at the end of January 2024, compared to 2,431.2 points at the end of 2023. Moreover, the market capitalization reached JD 17,199.3 million at the end of January 2024, compared to JD 16,939.2 million at the end of 2023.

Main Monetary Indicators

JD Million, and Percentage Change Relative to the Previous Year

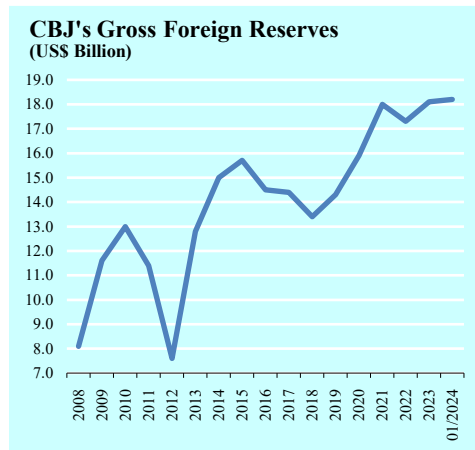
		End of January	
2023		2023	2024
US\$ 18,122.9	CBJ's Foreign Reserves*	US\$ 17,246.9	US\$ 18,178.0
5.0%		-0.1%	0.3%
7.9	Coverage in months	7.1	7.9
42,663.5	Money Supply (M2)	41,548.1	42,816.2
2.4%		-0.3%	0.4%
33,387.1	Credit Facilities, of which:	32,898.1	33,494.4
2.4%		0.9%	0.3%
29,324.0	Private Sector (Resident)	29,150.2	29,442.5
1.6%		1.0%	0.4%
43,744.3	Total Deposits, of which:	42,044.8	43,994.6
3.9%		-0.1%	0.6%
34,468.9	In JD	32,843.3	34,719.2
5.0%		0.0%	0.7%
9,275.4	In Foreign Currencies	9,201.5	9,275.4
0.1%		-0.7%	0.0%
34,163.0	Deposits of Private Sector (Resident), of which:	33,259.0	34,262.9
2.9%		0.2%	0.3%
27,615.9	In JD	26,683.5	27,670.0
3.8%		0.3%	0.2%
6,547.1	In Foreign Currencies	6,575.5	6,592.9
-0.8%		-0.4%	0.7%

* Including gold reserves and special drawing rights.

Source: Central Bank of Jordan / Monthly Statistical Bulletin.

□ CBJ's Foreign Reserves

The CBJ's gross foreign reserves amounted to US\$ 18,178.0 million at the end of January 2024. This level of reserves covers around 7.9 months of the Kingdom's imports of goods and services.



□ Domestic Liquidity (M2)

■ Domestic liquidity amounted to JD 42.8 billion at the end of January 2024, compared to JD 42.7 billion at the end of 2023.

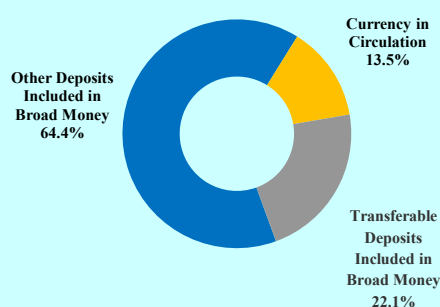
◆ **Developments in the components and the factors affecting domestic liquidity at the end of January 2024, compared to their levels at the end of 2023, reveal the following:**

- **Components of Domestic Liquidity**

- Total deposits, according to liquidity definition, amounted to JD 37.1 billion at the end of January 2024, compared to JD 36.9 billion at the end of 2023.

- Currency in circulation amounted to JD 5.8 billion at the end of January 2024, maintaining its level registered at the end of 2023.

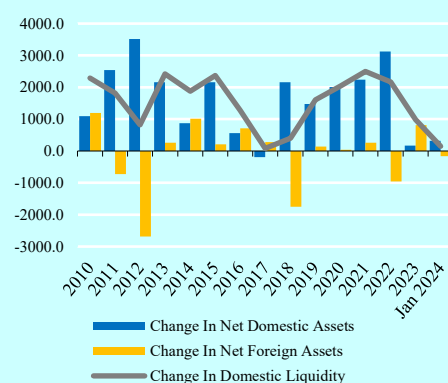
Relative Importance of Domestic Liquidity Components, January 2024



• Factors Affecting Domestic Liquidity

- Net domestic assets of the banking system amounted to JD 35.0 billion at the end of January 2024, compared to JD 34.7 billion at the end of 2023.

**Factors Affecting Domestic Liquidity
JD Million**



- Net foreign assets of the banking system amounted to JD 7.8 billion at the end of January 2024, compared to JD 7.9 billion at the end of 2023. The net foreign assets of the CBJ amounted to JD 12.3 billion at the end of January 2024.

Factors Affecting Domestic Liquidity (M2)
JD Million

		End of January	
2023		2023	2024
7,946.9	Foreign Assets (Net)	6,859.5	7,780.2
12,387.6	CBJ	11,677.9	12,321.8
-4,440.6	Other Depository Corporations	-4,818.5	-4,541.6
34,716.5	Domestic Assets (Net)	34,688.7	35,036.0
16,103.5	Claims on Public Sector (Net)	15,345.5	16,126.0
1,614.9	Claims on Other Financial Corporations	1,755.0	1,597.9
29,676.7	Claims on Private Sector (Resident)	29,441.8	29,836.7
-12,678.5	Other Items (Net)	-11,853.7	-12,524.5
42,663.5	Domestic Liquidity (M2)	41,548.1	42,816.2
5,807.9	Currency in Circulation	5,937.9	5,766.0
36,855.5	Deposits Included in Broad Money	35,610.5	37,050.2

Source: Central Bank of Jordan / Monthly Statistical Bulletin.

□ Interest Rates Structure

■ Interest Rates on Monetary Policy Instruments and CBJ's procedures

- ◆ The CBJ decided during 2022 to raise interest rates seven times by 400 basis points on all monetary policy instruments and 425 basis points on O/N window rate. CBJ raised the interest rates on all

monetary policy instruments by 100 basis points, and this is for the four times during 2023, to become as follow:

- The CBJ main interest rate: 7.50 percent.
- Re-discount Rate: 8.50 percent.
- Interest Rate on Overnight Repurchase Agreements: 8.25 percent.
- Overnight Deposit Window Rate: 7.25 percent.
- Weekly/ Monthly Repurchase Agreements: 7.50 percent.
- The interest rate on weekly certificates of deposit: 7.50 percent.

Within the CBJ's keenness for the importance of achieving a balance between its objective to maintain monetary stability, and continuing to stimulate economic growth and mitigating the impact of

Interest Rates on Monetary Policy Instruments, percentage points

		January	
2023		2023	2024
7.50	CBJ main rate	6.50	7.50
8.50	Re-discount Rate	7.50	8.50
8.25	Repurchase Agreements Rate (overnight)	7.25	8.25
7.25	Overnight Deposit Window Rate	6.25	7.25
7.50	Repurchase Agreements rate (one week and one month)	6.50	7.50
7.50	Certificates of Deposits (one week)	6.50	7.50

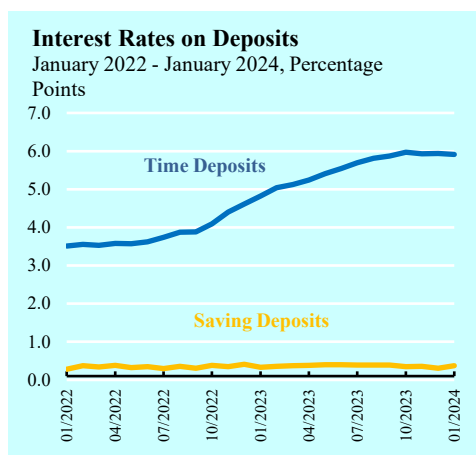
Source: Central Bank of Jordan / Monthly Statistical Bulletin.

raising interest rates on economic sectors, the CBJ decided to extend the CBJ's program to refinance the vital economic sectors, with a value of JD 1.4 billion, covering ten sectors, and to keep the interest rate for this program unchanged at 1.0% for projects in Amman, and 0.5% for projects in the other governorates, in order to provide financing for productive activities with preferential terms.

■ Interest Rates in the Banking Sector

◆ Interest Rates on Deposits

- Time Deposits: The weighted average interest rate on time deposits decreased by 3 basis points at the end of January 2024, compared to its level registered at the end of 2023 to stand at 5.91%.



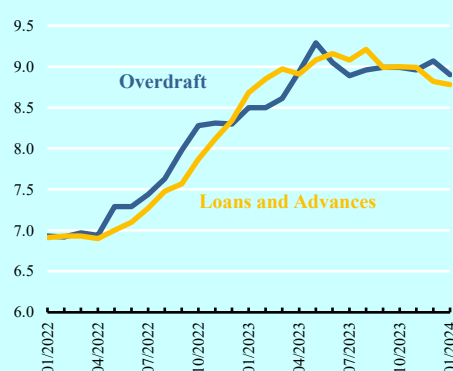
- Saving Deposits: The weighted average interest rate on saving deposits increased by 6 basis points at the end of January 2024, compared to its level registered at the end of 2023 to stand at 0.37%.
- Demand Deposits: The weighted average interest rate on demand deposits increased by 5 basis points at the end of January 2024, compared to its level registered at the end of 2023 to stand at 0.58%.

◆ Interest Rates on Credit Facilities

- **Overdraft Accounts:** The weighted average interest rate on overdraft accounts decreased by 17 basis points at the end of January 2024, compared to its level registered at the end of 2023 to stand at 8.90%.

Interest Rates on Credit facilities

January 2022 - January 2024, Percentage Points



- **Discounted Bills and Bonds:** The weighted average interest rate on “discounted bills and bonds” decreased by 58 basis points at the end of January 2024, compared to its level registered at the end of 2023 to stand at 8.11%.

Weighted Average Interest Rates on Deposits and Credit Facilities at Licensed Banks, percentage points

		January		Change Relative to the Preceding Year
2023		2023	2024	Basis Points
Deposits				
0.53	Demand	0.56	0.58	5
0.31	Saving	0.33	0.37	6
5.94	Time	4.84	5.91	-3
Credit Facilities				
8.69	Discounted Bills and Bonds	7.81	8.11	-58
8.82	Loans and Advances	8.68	8.78	-4
9.07	Overdraft	8.50	8.90	-17

Source: Central Bank of Jordan / Monthly Statistical Bulletin.

- **Loans and Advances:** The weighted average interest

rate on “loans and advances” decreased by 4 basis points at the end of January 2024, compared to its level registered at the end of 2023 to stand at 8.78%.

□ Credit Facilities Extended by Other Depository Corporations

- Total credit facilities extended by other depository corporations increased by JD 107.3 million, or 0.3 percent, at the end of January 2024, compared to its level registered at the end of 2023, against an increase by JD 306.6 million, or 0.9 percent during January 2023.
- In terms of borrower sectors, the credit facilities at the end of January 2024 had shown an increase in credit extended to the private sector (resident) by JD 118.5 million, or 0.4 percent, the credit facilities extended to the private sector (non-resident) by JD 9.1 million, or 1.1 percent. In contrast, the other financial corporations decreased by JD 10.1 million, or 16.7 percent, central government by JD 6.5 million, or 0.3 percent, public non-financial corporations by JD 3.7 million, or 0.4 percent, compared to their levels at the end of 2023.

□ Deposits at Other Depository Corporations

- Total deposits at other depository corporations stood at JD 44.0 billion at the end of January 2024, compared to JD 43.7 billion at the end of 2023.
- The currency composition of deposits at the end of January 2024 revealed that the JD deposits amounted to JD 34.7 billion, and the deposits in foreign currencies amounted to JD 9.3 billion, compared to JD 34.5 billion of JD deposits, and JD 9.3 billion of deposits in foreign currency at the end of 2023.

□ Amman Stock Exchange (ASE)

The ASE main indicators showed a mixed performance during January 2024, compared to their levels in 2023. This can be demonstrated as follows:

■ Trading Volume

Trading volume at ASE totaled JD 106.2 million in January 2024, increasing by JD 6.8 million, or 6.9 percent, compared to its level registered at the end of the previous month, against an increase by JD 97.5 million, or 105.6 percent during the same month in 2023. As for the 2023, the trading volume totaled JD 1,457.0 million.

■ Traded Shares

The number of traded shares in January 2024 totaled 93.1 million shares, increasing by 0.2 million shares, or 0.2 percent, compared to its level registered at the end of the previous month, against an increase by 32.1 million shares, or 40.1 percent during the same month in 2023. As for the 2023, the number of traded shares amounted to 1,120.2 million shares.

■ Share Price Index (SPI)

The SPI weighted by market capitalization of free float shares at ASE increased by 49.6 points, or 2.0 percent, at the end of January

Share Price Index Weighted by Market Capitalization of Free Float Shares, by Sectors

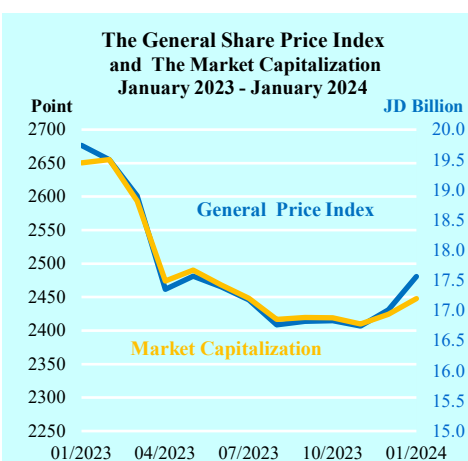
		January	
2023		2023	2024
2,431.2	General Index	2,676.5	2,480.8
2,729.0	Financial Sector	2,789.7	2,747.4
4,718.7	Industrial Sector	6,001.8	4,818.3
1,644.0	Services Sector	1,889.9	1,712.2

Source: Amman Stock Exchange.

2024 compared to its level in the previous month, to stand at 2,480.8 points, compared to a decrease by 174.9 basis points, or 7.0 percent during the same period in 2023. The aforementioned increase was an outcome of the increase in the SPI of the industrial sector by 99.6 points, or 2.1 percent, and the services sector by 68.2 basis points, or 4.1 percent, and the financial sector by 18.5 basis points, or 0.7 percent, compared to their levels at the end of 2023.

■ Market Capitalization

The ASE's market capitalization totaled JD 17.2 billion at the end of January 2024, increasing by JD 260.1 million, or 1.5 percent, compared to its level registered at the previous month, against a decrease by JD 1,444.2 million, or 8.0 percent, during the same month in 2023.



■ Net Investment of Non - Jordanian

Non-Jordanian net investment at ASE recorded an outflow amounted of JD 4.0 million in January 2024, compared to an outflow amounted by JD 4.1 million during the same month of 2023. The value of shares buying by non-Jordanian in January 2024 amounted

Main Amman Stock Exchange Trading Indicators, JD Million			
		January	
2023		2023	2024
1,457.0	Value Traded	189.7	106.2
5.9	Average Daily Trading	8.6	4.8
16,939.2	Market Capitalization	19,447.9	17,199.3
1,120.2	No. of Traded Shares (million)	111.9	93.1
-30.1	Net Investment of Non-Jordanian	-4.1	-4.0
151.1	Non-Jordanian Buying	22.0	6.6
181.2	Non-Jordanian Selling	26.0	10.6
Source: Amman Stock Exchange.			

to JD 6.6 million, while their selling amounted to JD 10.6 million. The net investment of Non-Jordanian during 2023, recorded an outflow amounted to JD 30.1 million.

Second: Output, Prices and Employment

■ Summary

- Gross Domestic Product (GDP), at constant market prices, grew by 2.7 percent during the third quarter of 2023, compared to a growth of 2.4 percent during the same quarter of 2022. At current market prices, GDP grew by 4.4 percent during the third quarter of 2023, compared to a growth of 6.1 percent in the same quarter of 2022.
- Accordingly, real GDP grew by 2.7 percent during the first three quarters of 2023, compared to a growth of 2.6 percent during the same period in 2022. At current market prices, GDP grew by 4.6 percent during the first three quarters of 2023 compared to a growth of 5.3 percent during the same period of 2022.
- The general price level, measured by the percentage change in the Consumer Price Index (CPI), increased during January of 2024 by 2.0 percent, compared to an increase of 3.8 percent during the same month of 2023.
- The unemployment rate during the fourth quarter of 2023 reached 21.4 percent (18.9 percent for males and 29.8 percent for females), compared to 22.9 percent (20.6 percent for males and 31.7 percent for females) during the same quarter of 2022. The highest unemployment rate was among youth, which reached 53.5 percent for the (15-19) years old category and 40.5 percent for the category (20-24) years old.

▣ Developments of GDP

Gross Domestic Product (GDP), at constant market prices, grew by 2.7 percent during the first three quarters of 2023, compared to a growth of 2.6 percent during the same period in 2022. When excluding “net taxes on products” (which grew by 1.7 percent during the first three quarters of 2023 compared to a growth of 2.4 percent during the same period of 2022), GDP at constant basic prices, grew by 2.9 percent during the first three quarters of 2023, compared to a growth of 2.6 percent during the same period of 2022.

Quarterly Growth Rates of GDP at Market Prices (2021 – 2023)

Percentages

	Q1	Q2	Q3	Q4	Year
2021					
GDP at Constant Prices	1.7	4.7	4.3	3.8	3.7
GDP at Current Prices	2.6	7.2	6.8	7.0	5.9
2022					
GDP at Constant Prices	2.4	2.9	2.4	2.0	2.4
GDP at Current Prices	4.5	5.1	6.1	4.6	5.1
2023					
GDP at Constant Prices	2.8	2.6	2.7	-	-
GDP at Current Prices	5.1	4.3	4.4	-	-

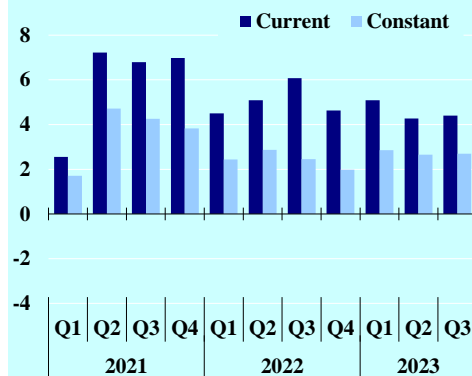
Source: Department of Statistics.

At current market prices, GDP grew by 4.6 percent during the first three quarters of 2023, compared to a growth of 5.3 percent during the same period of 2022. This was in light of the increase of the general price level, measured by the GDP deflator, by 1.8 percent during the first three quarters of 2023 compared to a growth of 2.6 percent during the same period of 2022.

The economic growth recorded during the first three quarters of 2023 was driven by the improvement in some indicators of external sector, such as; tourism income, and total workers remittances receipts.

As for the economic sectors contribution to growth rate during the first three quarters of 2023, most sectors contributed positively to the growth rate. Most notably; manufacturing contributed by (0.7 percentage point), “transport, storage and communications” (0.4 percentage point), agriculture (0.3 percentage point), “finance and insurance services” (0.3 percentage point), “social and personal services” (0.2 percentage point), and “producers of government services” (0.2 percentage point). These sectors accounted for 77.8 percent of the real growth recorded during the first three quarters of 2023.

Quarterly Growth Rates of GDP at Market Prices (2021- 2023), %



Main Constituent Sectors of GDP at Constant Market Prices

Sectors	Relative change		Contribution	
	Percentage		Percentage Point	
	3Qs 2022	3Qs 2023	3Qs 2022	3Qs 2023
GDP at Constant Market Prices	2.6	2.7	2.6	2.7
Agriculture	1.8	6.9	0.1	0.3
Mining And Quarrying	6.2	2.0	0.2	0.0
Manufacturing	3.5	3.7	0.6	0.7
Electricity And Water	2.8	3.3	0.0	0.1
Construction	5.0	0.6	0.1	0.0
Wholesale And Retail Trade	2.9	2.0	0.3	0.2
Restaurant And Hotels	6.7	6.0	0.1	0.1
Transport, Storage And Communications	4.3	5.1	0.4	0.4
Finance And Insurance Services	4.4	3.6	0.3	0.3
Real Estate	1.4	1.1	0.2	0.1
Social And Personal Services	2.2	2.7	0.2	0.2
Producers of Government Services	0.9	1.4	0.1	0.2
Producers of Private Non-Profit	2.7	2.5	0.0	0.0
Domestic Services of Households	-5.2	0.1	-0.1	0.0

Source : Department of Statistics.

Microeconomic Indicators

Many of the microeconomic indicators witnessed an improvement in their performance during the available period of 2023. Most notably; “number of passengers through Royal Jordanian” (18.1 percent), “number of departures” (24.4 percent), in addition to “production of potash” (4.6 percent), “licensed areas for buildings” (6.5 percent). and a declined in performance of a number of indicators most notably; “manufacturing production quantity index” (3.4 percent) and “cargo through Royal Jordanian” (14.3 percent). The following table displays the performance of the main available microeconomic indicators:

Main Sectoral Indicators*				
Percentage				
2022	Item	2022	Available period	2023
3.6	Licensed areas for buildings	6.3	Jan. - Oct.	6.5
2.3	Manufacturing production quantity index	2.3	whole year	-3.4
3.6	Food products and beverages	3.6		5.9
7.9	Tobacco products	7.9		3.6
15.2	Refined petroleum products	15.2		-19.1
-14.4	Wearing apparel	-14.4		-1.4
5.0	Pharmaceuticals, medical products	5.0		5.5
-2.9	Chemical products	-2.9		1.1
3.9	Mining and quarrying production quantity index	3.9		4.5
-19.0	Extraction of crude petroleum and natural gas	-19.0		13.9
5.4	Other mining and quarrying	5.4		3.2
4.7	Production of potash	4.7		4.6
11.3	Production of phosphate	11.3		1.5
99.8	Number of departures	99.8		24.4
11.1	Cargo through Royal Jordanian	11.1		-14.3
91.8	Number of passengers through Royal Jordanian	91.8		18.1

*: Computed based on the data from Department of Statistics, Department of Land and Survey, and Royal Jordanian.

□ Prices

The general price level, measured by the percentage change in the Consumer Price Index (CPI), increased during January of 2024 by 2.0 percent, compared to an increase of 3.8 percent during the same month of 2023. This was an outcome of the following:

- An increase in the prices of some items and groups, most notably:
 - “Meat and poultry” prices increased by 5.4 percent, compared to a decline by 1.6 percent, during January of 2023.
 - “Vegetables and legumes dry and canned” which increased by 5.9 percent, compared to a decline by 17.1 percent.

Inflation rate during January for the years (2016-2024), %



Inflation Rate during January for the years 2023-2024

Expenditure Groups	Relative Imp.	Relative change		Contribution	
		January		January	
		2022	2023	2022	2023
All Items	100.0	3.77	1.95	3.77	1.95
1) Food and non-Alcoholic Beverages	26.52	-0.17	2.66	-0.05	0.68
Food	23.80	-0.36	3.02	-0.09	0.70
Cereals and Products	4.17	5.08	2.61	0.22	0.11
Meat and Poultry	4.69	-1.61	5.41	-0.08	0.25
Fish and Sea Product	0.41	2.36	-0.08	0.01	0.00
Dairy Products and Eggs	3.72	7.88	1.93	0.29	0.07
Oil and Fats	1.70	9.40	-0.31	0.16	-0.01
Fruits and Nuts	2.57	-5.06	1.59	-0.13	0.04
Vegetables and Legumes Dry and Canned	2.96	-17.08	5.87	-0.48	0.13
2) Alcohol and Tobacco and Cigarettes	4.37	0.03	5.20	0.00	0.22
Alcohol	0.01	0.01	0.00	0.00	0.00
Tobacco and Cigarettes	4.37	0.03	5.21	0.00	0.22
3) Clothing and footwear	4.12	0.10	-0.45	0.00	-0.02
Clothing	3.41	-0.46	-0.66	-0.01	-0.02
Footwear	0.71	2.83	0.55	0.02	0.00
4) Housing	23.78	9.71	2.95	2.26	0.73
Rents	17.54	5.17	4.12	0.91	0.73
Fuels and Lighting	4.69	31.82	-1.74	1.34	-0.09
5) Household Furnishings and Equipment	4.94	3.84	0.23	0.19	0.01
6) Health	4.00	6.47	0.66	0.26	0.03
7) Transportation	15.98	2.39	1.37	0.39	0.22
8) Communication	2.83	1.29	0.41	0.04	0.01
9) Culture and Recreation	2.55	10.40	-1.05	0.26	-0.03
10) Education	4.35	1.42	1.52	0.06	0.07
11) Restaurants and Hotels	1.79	9.46	0.35	0.17	0.01
12) Other Goods and Services	4.77	3.82	1.31	0.18	0.06

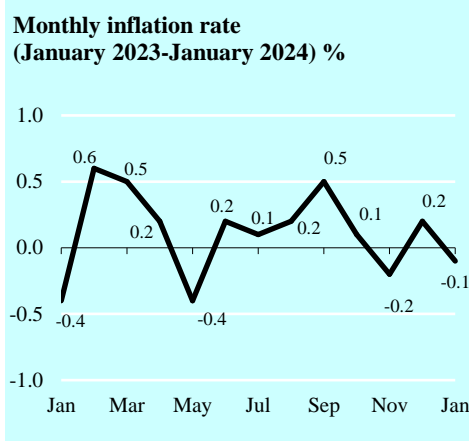
Source: Department of Statistics.

- The price of the items “dairy products and eggs” and “cereals and products” increased by 1.9 percent and 2.6 percent compared to an increase by 7.9 percent and 5.1 percent, respectively, during January of 2023, affected by the demand and supply factors in domestic market.
- In addition to rising rents item by 4.1 percent compared to an increase by 5.2 percent during the same month of 2023.
- The tobacco and cigarettes also increased by 5.2 percent during January of 2024.

The above groups and items collectively contributed to raising the inflation rate during January of 2024 by 1.5 percentage points, compared to 0.9 percentage point during the same month of 2023.

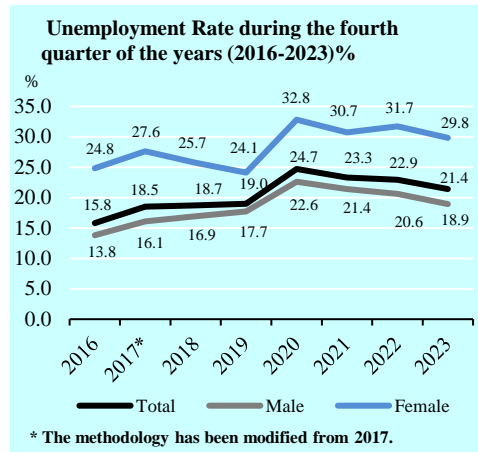
On the other hand, the price of some items declined, notably; “oils and fats” (0.3 percent) and “fuels and lighting” (1.7 percent), compared to an increase by 9.4 percent and 31.8 percent, respectively, during January of 2023.

In January 2024, the CPI witnessed a decrease compared to the previous month (December 2023) by 0.1 percent. This was an outcome of the decline in the prices of some items and groups, mainly, “vegetables and legumes dry and canned” (2.6 percent), and “dairy products and eggs” (0.1 percent), and “fuels and lighting” (0.5 percent).



□ Labor Market

- The unemployment rate reached 21.4 percent (18.9 percent for males, and 29.8 percent for females) during the fourth quarter of 2023, compared to 22.9 percent (20.6 percent for males and 31.7 percent for females), during the same quarter of 2022.



- The unemployment rate among youth, during the fourth quarter of 2023, remains high reaching 53.5 percent for the category (15-19) years old, and 40.5 percent for the category (20-24) years old.
- The unemployment rate among academic degree holders (Bachelor and higher) reached 25.1 percent during the fourth quarter of 2023, and the unemployment rate among (less than secondary) reached 19.6 percent.
- The refined economic participation rate (the ratio of the labor force to the population of 15 years and over), was 34.1 percent (53.8 percent for males, and 15.1 percent for females), compared to 33.7 percent (53.6 percent for males and 14.0 percent for females) during the fourth quarter of 2022.
- The employment rate among population (15 years and older) reached 26.8 percent during the fourth quarter of 2023, compared to 26.0 percent during the same quarter of 2022.

Third: Public Finance

□ Summary:

- The general budget, including foreign grants, recorded a fiscal deficit in the amount of JD 1,982.2 million (6.0 percent of GDP) during the first eleven months of 2023, comparing to a fiscal deficit of JD 1,328.3 million (4.2 percent of GDP) during the same period of 2022. When excluding foreign grants (JD 83.6 million), the general budget deficit increases to JD 2,065.9 million (6.3 percent of GDP), compared to a deficit of JD 2,067.5 million (6.6 percent of GDP) in the same period of 2022.
- Government domestic debt (budgetary and guaranteed) increased by JD 1,434.5 million at the end of November 2023, compared to its level at the end of 2022, to reach JD 23,013.7 million (63.5 percent of GDP). When excluding the domestic debt holding by the Social Security Investment Fund, the government domestic debt (budgetary and guaranteed) stand at JD 14,516.0 million (40.1 percent of GDP).
- Outstanding external debt (budget and guaranteed) went up by JD 1,658.0 million at the end of November 2023, compared to its level at the end of 2022, to reach JD 18,569.0 million (51.3 percent of GDP). When excluding the external debt holding by the Social Security Investment Fund, the outstanding external debt (budget and guaranteed) stand at JD 18,085.1 million (49.9 percent of GDP).
- As a result, outstanding government debt (domestic and external) rose by JD 3,092.5 million at the end of November 2023, to reach JD 41,582.7 million (114.8 percent of GDP), compared to JD 38,490.2 million (111.4 percent of GDP) at the end of 2022. When excluding the government debt holding by the Social Security Investment Fund, the outstanding government debt (domestic and external) stand at JD 32,601.1 million (90.0 percent of GDP), compared to JD 30,667.6 million (88.8 percent of GDP) at the end of 2022.

□ The performance of the general budget during the first eleven months of 2023 compared with the same period of 2022:

■ Public Revenues

Public revenues (domestic revenues *plus* foreign grants) decreased by JD 699.6 million, or 54.7 percent, in November 2023 compared to the same month in 2022, to stand at JD 578.4 million. As for the first eleven months of 2023, public revenues went down by JD 281.5 million, or 3.5 percent, compared to same period of 2022, to stand at JD 7,778.5 million. This came as an outcome of the decrease in foreign grants by JD 655.6 million, and increase in domestic revenues by JD 374.0 million.

Main Government Budget Indicators During the First Eleven Months of 2023

(JD Million and Percentages)

	November		Growth Rate	Jan.-Nov.		Growth Rate
	2022	2023		2022	2023	
Public Revenues	1,278.0	578.4	-54.7	8,060.0	7,778.5	-3.5
Domestic Revenues, of which:	667.4	571.0	-14.4	7,320.9	7,694.9	5.1
Tax Revenues, of which:	479.2	435.3	-9.2	5,562.8	5,769.3	3.7
General Sales Tax	366.8	353.1	-3.7	3,785.5	3,773.2	-0.3
Other Revenues	187.8	135.2	-28.0	1,753.7	1,920.9	9.5
Foreign Grants	610.6	7.4	-98.8	739.2	83.6	-88.7
Total Expenditures	826.4	925.2	12.0	9,388.4	9,760.7	4.0
Current Expenditures	724.7	789.1	8.9	8,112.1	8,702.8	7.3
Capital Expenditures	101.8	136.1	33.7	1,276.3	1,058.0	-17.1
Overall Deficit/ Surplus (Including Grants)	451.5	-346.8	-	-1,328.3	-1,982.2	-
Overall Deficit/ Surplus (Including Grants) as a Percent of GDP	-	-	-	-4.2	-6.0	-

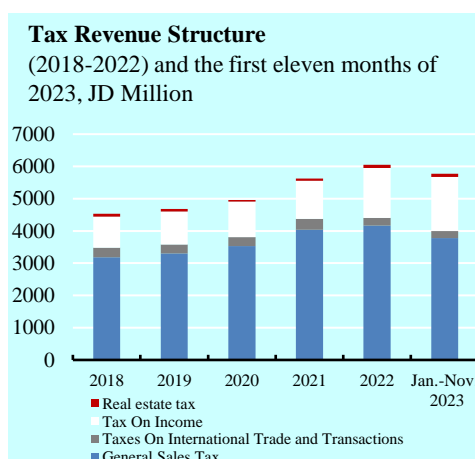
Source: Ministry of Finance/ General Government Finance Bulletin.

◆ Domestic Revenues

Domestic revenues witnessed an increase of JD 374.0 million, or 5.1 percent, in the first eleven months of 2023, compared to the same period of 2022, to reach JD 7,694.9 million. This increase was a result of the rise in the proceeds of “tax revenues”, “other revenues”, and “Pension contributions” by JD 206.5 million, JD 167.2 million, and JD 0.4 million, respectively.

● Tax Revenues

Tax revenues increased by JD 206.5 million, or 3.7 percent, during the first eleven months of 2023, compared to the same period of 2022, to reach JD 5,769.3 million (75.0 percent of domestic revenues). Following are the main developments in tax revenue items:

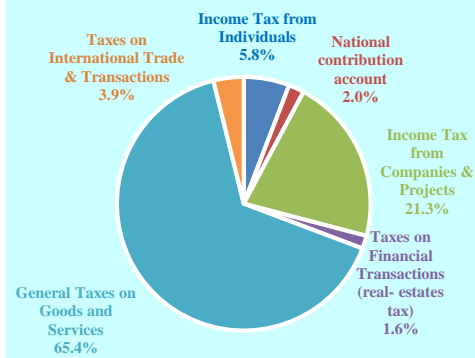


- An increase in the proceeds of **income and profit taxes** by JD 205.4 million, or 13.9 percent, to reach JD 1,678.0 million, accounting for 29.1 percent of total tax revenues. This increase came mainly as a result of the increase in the proceeds of “income taxes from companies and projects” by JD 167.6 million, or 15.8 percent, to account for 73.2 percent of total proceeds of income and profits taxes, amounting to JD 1,227.5 million, and increase the proceeds of “income taxes from

individuals” by JD 32.8 million, or 10.8 percent, to reach JD 335.5 million, and increase the proceeds of national contribution account item by JD 5.0 million, or 4.5 percent, to reach JD 115.0 million,

- An increase in the proceeds of **taxes on international trade and transactions** (including customs duties and fees) by JD 8.0 million, or 3.7 percent, to reach JD 222.5 million.
- An increase in the proceeds of **taxes on financial transactions (real-estates tax)** by JD 5.3 million, or 5.9 percent, to reach JD 95.6 million.
- A decrease of **general sales tax on goods and services** by JD 12.3 million, or 0.3 percent, to reach JD 3,773.2 million, accounting for 65.4 percent of total tax revenues. This result was driven by the decrease in the proceeds sales tax on commercial sector by JD 43.8 million, and on imported goods by JD 30.6 million, and increase in the proceeds of sales tax on services by JD 52.8 million, and on domestic goods by JD 9.4 million.

Relative importance of tax revenue items, for the first eleven months of 2023



● Non-Tax Revenues

- “Other revenues” increased by JD 167.2 million, or 9.5 percent, during the first eleven months of 2023, to reach JD 1,920.9 million. This increase was chiefly due to the increase in the **property income** by JD 139.9 million to stand at JD 488.5 million (of which financial surplus of independent government units amounted to JD 444.0 million against JD 316.7 million during the same period of 2022), and in **miscellaneous revenues** by JD 19.8 million to stand at JD 603.1 million, and in revenues from **selling goods and services** by JD 7.5 million to reach JD 829.3 million.
- Pension contributions increased by JD 0.4 million, or 9.3 percent, during the first eleven months of 2023, to reach JD 4.7 million.

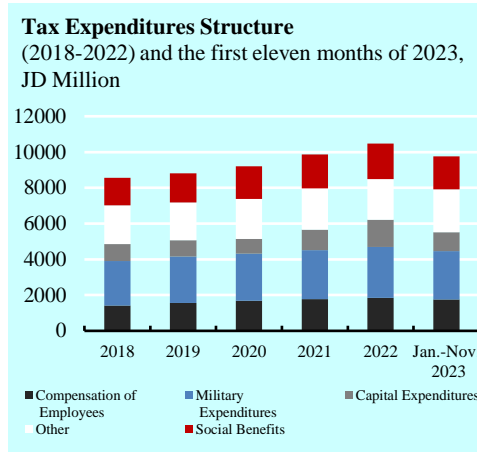
◆ Foreign Grants

During the first eleven months of 2023, foreign grants amounted 83.6 million, compared to 739.2 million during the same period in 2022. This decrease is mainly attributed to the timing of the regular U.S. grant for 2023 (USD 845.1 million, equivalent to JD 599.2 million), which was received in December, whereas it was received in November in 2022.

Public Expenditures

Public expenditures increased by JD 98.8 million, or 12.0 percent, in November 2023 compared to the same month in 2022, to stand at JD 925.2 million. As for the first eleven months of 2023, public

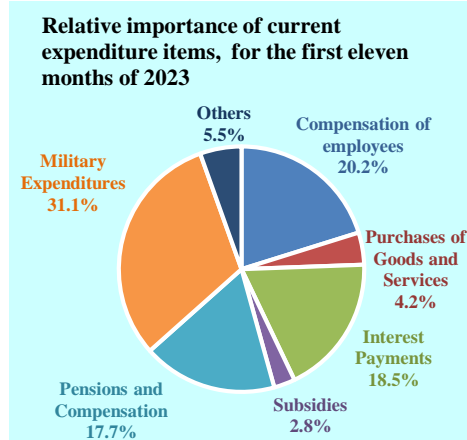
expenditures increased by JD 372.3 million, or 4.0 percent, compared to the same period of 2022, to stand at JD 9,760.7 million. This increase was a result of the rise in current expenditures by 7.3 percent, and decreased in capital expenditures by 17.1 percent.



Current Expenditures

Current expenditures went up by JD 590.7 million, or 7.3 percent, during the first eleven months of 2023, to reach JD 8,702.8 million (89.2 percent of public expenditures). Because of the growth rate of current expenditure is higher than that of domestic revenues, the coverage ratio (measured by the ratio of domestic revenues to current expenditures) decreased by 1.8 percentage point, to reach 88.4 percent compared to 90.2 percent during the same period of 2022. The increase in current expenditures is due to the evolution of its components, as follow:

- An increase in **interest payments** (commitment basis) by JD 277.8 million, to stand at JD 1,608.6 million.
- An increase in **military expenditures** by JD 125.9 million, to total JD 2,707.9 million.
- An increase in the **compensation of civil sector's employees (wages, salaries and social security contributions)** by JD 80.3 million, to reach JD 1,756.3 million.
- An increase in **pensions and compensation** by JD 41.5 million, to stand at JD 1,542.4 million.
- An increase in the **purchases of goods and services** by JD 37.7 million, to reach JD 368.8 million.
- An increase in **subsidies** by JD 23.0 million, to stand at JD 243.1 million.

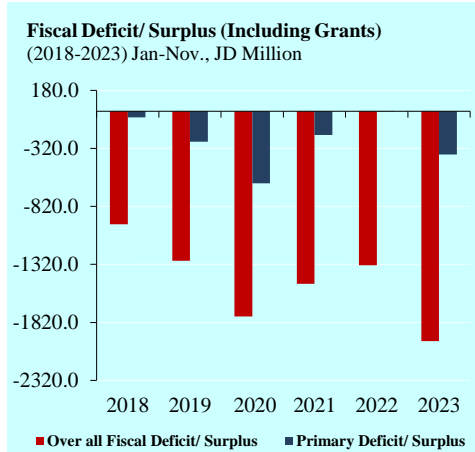


◆ Capital Expenditures

Capital expenditures decreased by JD 218.3 million, or 17.1 percent, during the first eleven months of 2023 compared to the same period of 2022, to reach JD 1,058.0 million.

■ General Budget Deficit/ Surplus

- ◆ The overall fiscal deficit, including foreign grants, increased by JD 653.9 million, during the first eleven months of 2023, to reach JD 1,982.2 million (6.0 percent of GDP), compared to a fiscal



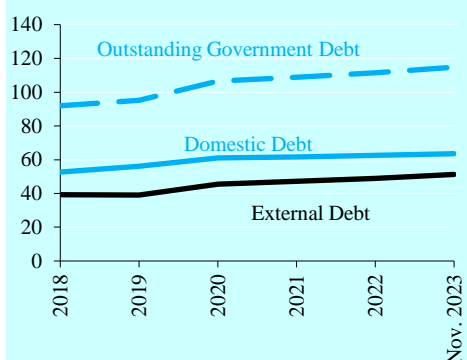
deficit of JD 1,328.3 million (4.2 percent of GDP) in the same period of 2022. When foreign grants are excluded, the general budget deficit increases to reach JD 2,065.9 million (6.3 percent of GDP), compared to a fiscal deficit of JD 2,067.5 million (6.6 percent of GDP) in the same period of 2022.

- ◆ The primary deficit, excluding foreign grants, (domestic revenues *minus* total public expenditures excluding interest payments on public debt) reached JD 457.2 million (1.5 percent of GDP) in the first eleven months of 2023, against a primary deficit of JD 736.7 million (2.4 percent of GDP) in the same period of 2022. When foreign grants are including, the primary deficit of the general budget reached JD 373.6 million (1.1 percent of GDP), compared to a primary surplus of JD 2.5 million (0.01 percent of GDP) in the same period of 2022.

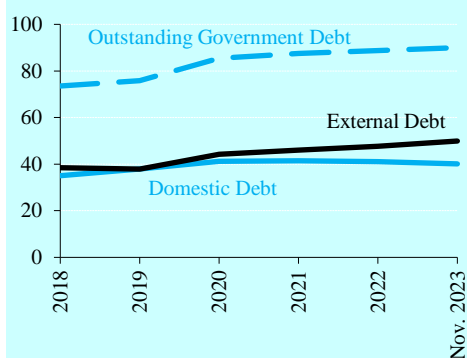
□ Outstanding Government Debt

- Government domestic debt (budgetary and guaranteed) increased by JD 1,434.5 million, at the end of November 2023 compared to its level at the end of 2022, to stand at JD 23,013.7 million (63.5 percent of GDP). This increase was an outcome of the rise in the domestic debt of the budget by JD 850.2 million, and the increase in the domestic debt of guaranteed by JD 584.4 million, compared to their levels at the end of 2022, standing at JD 19,797.9 million and JD 3,215.8 million, respectively.

**Outstanding Government Debt
(Budgetary and Guaranteed)**
2018-Nov.2023, As a Percent of GDP



**Outstanding Government Debt
Excluding the Debt Holding by SSIF**
2018-Nov.2023, As a Percent of GDP



- When excluding the domestic debt holding by the Social Security Investment Fund (SSIF), the government domestic debt (budgetary and guaranteed) increased by JD 337.3 million, at the end of November 2023 compared to its level at the end of 2022, to stand at JD 14,516.0 million (40.1 percent of GDP).

- Outstanding external debt (budget and guaranteed) went up by JD 1,658.0 million at the end of November 2023, compared to its level at the end of 2022, to reach JD 18,569.0 million (51.3 percent of GDP). It is worth mentioning that the external debt denominated in the U.S. Dollar accounted for 70.9 percent of the total external debt, and the debt in Euro accounted for 11.6 percent. However, the SDR accounted for 9.5 percent, Kuwaiti Dinar (3.1 percent), and Japanese Yen (3.0 percent).
- When excluding the external debt holding by the Social Security Investment Fund, the outstanding external debt (budget and guaranteed) increased by JD 1,596.2 million, at the end of November 2023 compared to its level at the end of 2022, to stand at JD 18,085.1 million (49.9 percent of GDP).
- In light of the above-mentioned developments, outstanding government debt (domestic and external) increased by JD 3,092.5 million at the end of November 2023 to reach JD 41,582.7 million (114.8 percent of GDP), compared to JD 38,490.2 million (111.4 percent of GDP) at the end of 2022. When excluding the debt holding by the Social Security Investment Fund, the outstanding government debt (budget and guaranteed) stand at JD 32,601.4 million (90.0 percent of GDP), compared to JD 30,667.6 million (88.8 percent of GDP) at the end of 2022.
- External debt service (budget and guaranteed) increased by JD 705.6 million during the first eleven months of 2023 compared to the same period of 2022, to reach JD 2,969.8 million (including principal payments of JD 2,320.8 million and interest of JD 649.1 million).

□ Fiscal and Price Measures of 2024

◆ March

- The Oil Derivatives Pricing Committee decided to increase the prices of oil derivatives, and reduce the price of asphalt and fuel oil (1%), while keeping the prices of kerosene and liquid gas cylinder for households unchanged, as follows:

Development of Oil Derivatives Prices

	Unit	2024		Percentage Change
		February	March	
Unleaded Gasoline 90	Fils/ Liter	910	930	2.2
Unleaded Gasoline 95	Fils/ Liter	1,150	1,170	1.7
Unleaded Gasoline 98	Fils/ Liter	1,300	1,320	1.5
Gas Oil (Diesel)	Fils/ Liter	720	740	2.8
Kerosene	Fils/ Liter	620	620	0.0
Liquid Gas (12.5kg)	JD/ Cylinder	7.0	7.0	0.0
Fuel oil (1%)	JD/ Ton	434.2	430.6	-0.8
Fuel for airplanes (local companies)	Fils/ Liter	576	584	1.4
Fuel for airplanes (foreign companies)	Fils/ Liter	581	589	1.4
Fuel for unplanned flights	Fils/ Liter	596	604	1.3
Asphalt	JD/ Ton	429.1	425.5	-0.8

Source: Jordan Petroleum Refinery Company (1/3/2024).

- The Energy and Minerals Regulatory Commission decided to continuation of maintaining fuel price bands item at 0 fils during 2024.

□ Fiscal and Price Measures of 2023

◆ December

- The Energy and Minerals Regulatory Commission decided continuing to maintain fuel price bands item at 0 fils during 2023.
- An amended law for the real estate sales tax for the year 2023 has been issued, incorporating reduction in the tax rate property sales to 3.0 percent from 4.0 percent.

◆ September

- Approval of the Water Authority's board plan regarding the restructure the tariff for water and sewage for the household sector for the years 2023-2029, and transitioning from issuing water and sewage bills on a quarterly basis to a monthly basis for all sectors, starting from the bill for September of this year.

◆ January

- In implementation of Royal directives, the Cabinet decided to freeze the kerosene tax during the winter season to alleviate the burden on citizens, especially those in low-income households.

□ Grants, Loans and Other Agreements for 2023

◆ December

- Signing a two financing agreement, provided by the European Union (EU) and the European Investment Bank (EIB), to support the National Water Carrier Project (Aqaba-Amman Water Desalination and Transport Project), as follows:
 - EUR 100 million loan provided by the European Investment Bank.
 - EUR 50 million grant provided by the European Union's.

◆ November

- Signing a set of agreements in the amount EUR 209 million (EUR 129 million a grant and EUR 80 million a soft loan), provided by the German government through the German Development Bank (KfW), to finance a group of programs and projects within the education sector, including the Development Policy Loan for the education, employment, training and water sectors, including support for the National Water Carrier Project.

◆ September

- Signing a grant agreement in the amount EUR 22.4 thousand, provided by the German government, to finance the salaries of the additional teachers working in afternoon shifts at schools of the Ministry of Education.
- Signing a two financing agreement, provided by the Japanese government through the Japan International Cooperation Agency (JICA), as follows:
 - USD 102.8 million loan to support the general budget in terms of the Kingdom's reform efforts and to enhance the resilience of the electricity sector.
 - USD 6.4 million grant to finance a project to enhance the capacity of power system.

◆ August

- Signing a grant agreement in the amount USD 500 thousand, provided by the International Finance Corporation (IFC), to implement the Green Buildings project in Jordan.

◆ July

- Signing a soft finance agreement in the amount USD 250 million, provided by the World Bank, to finance the Water Sector Efficiency Project in Jordan.

◆ June

- Signing a two grants agreement in the amount EUR 25 million, provided by the European Union (EU), as follows:
 - EUR 10 million for the "Support for democratic reforms in Jordan" programme.
 - EUR 15 million targets the partnership programme in accordance with the Economic Modernisation Vision and its 2023-2025 executive programme, as well as the public sector modernisation roadmap.
- Signing a soft loan agreement in the amount EUR 50 million, provided by the German Development Bank (KfW), to finance the second phase of "Supporting the education sector in the Kingdom" programme.

◆ April

- Signing a two financing agreement in the amount USD 650 million, provided by the World Bank, as follows:
 - USD 400 million to transparent and Climate Responsive Investments Program for Results.
 - USD 250 million to electricity Sector Efficiency.

◆ March

- Signing a grant agreement in the amount EUR 30 million, provided by the European Bank for Reconstruction and Development (EBRD), to finance the construction of a greenfield wastewater treatment facility in Al Ghabawi on the outskirts of Amman.

◆ January

- Signing a two grants agreement in the amount EUR 64 million, provided by the European Union (EU), as follows:
 - EUR 39 million to implement a program the Rule of Law in Jordan.
 - EUR 25 million to support Food Security in Jordan.

Fourth: External Sector

□ Summary

- **Total merchandize exports** (domestic exports *plus* re-exports) increased by 4.4 percent in November 2023, compared to the same month of 2022, to reach JD 758.4 million. As for the first eleven months of 2023, total export decreased by 1.8 percent, compared to the same period of 2022, to reach JD 8,221.7 million.
- **Merchandize imports** decreased by 5.2 percent in November 2023, compared to the same month of 2022, to reach JD 1,346.8 million. As for the first eleven months of 2023, import decreased by 5.9 percent, compared to the same period of 2022, to reach JD 16,952.3 million.
- **Consequently**, the trade balance deficit (total exports minus imports) decreased by 15.2 percent in November 2023, compared to the same month of 2022; standing at JD 588.4 million. As for the first eleven months of 2023, trade balance deficit decreased by 9.5 percent, compared to the same period of 2022, to reach JD 8,730.6 million.
- **Travel receipts** increased by 27.4 percent during 2023, to register JD 5,253.5 million, compared to 2022. While, **travel payments** increased by 29.5 percent, to register JD 1,348.2 million, compared to the same period of 2022.
- **Total workers' remittances receipts** increased by 1.4 percent during 2023, compared to 2022, to reach JD 2,482.7 million.
- **The current account of the balance of payments** (including grants) registered a deficit amounted to JD 1,534.1 million (5.8 percent of GDP) during the first three quarters of 2023, compared to a deficit of JD 2,913.4 million (11.5 percent of GDP) during the same period of 2022. Meanwhile, the current account deficit excluding grants decreased to reach 7.2 percent of GDP, compared with 13.7 percent of GDP during the same period of 2022.
- **The foreign direct investment** recorded a total inflow of JD 672.9 million during the first three quarters of 2023, compared to total inflow of JD 742.2 million during the same period of 2022.

- **International investment position (IIP)** displayed a net obligation to abroad of JD 38,266.7 million, at the end of the first three quarters of 2023, compared to net obligation amounted to JD 36,642.8 million at the end of 2022.

□ External Trade

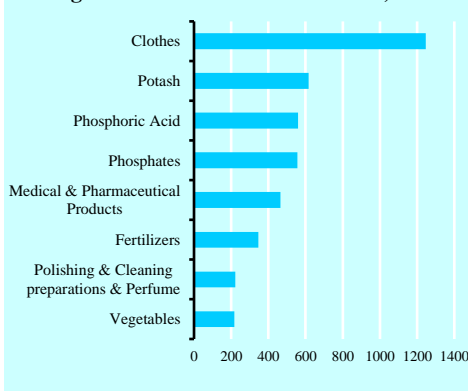
- As a result of the decrease in domestic exports by JD 121.0 million and the decrease in imports by JD 1,062.4 million during the first eleven months of 2023, the volume of external trade (domestic exports plus imports) decreased by JD 1,183.4 million to stand at JD 24,558.5 million, compared to the same period of 2022.

Jordan’s Major Trading Partners				Main External Trade Indicators				
JD Million				JD Million				
January – November				January - November				
	2022	2023	Percentage Change		2022	Percentage Change (%)	2023	Percentage Change (%)
Exports				External Trade				
USA	1,809.0	1,802.5	-0.4					
India	1,198.8	1,157.2	-3.5					
Saudi Arabia	768.1	911.0	18.6					
Iraq	565.2	572.8	1.3					
UAE	164.8	295.0	79.0	Total Exports	8,372.0	39.6	8,221.7	-1.8
China	174.0	229.2	31.7	Domestic Exports				
Palestine	181.9	215.0	18.2					
Imports				Re-exports				
China	2,724.8	2,971.4	9.1					
Saudi Arabia	2,734.0	2,366.1	-13.5	Imports				
USA	972.0	1,089.5	12.1					
India	884.1	1,024.3	15.9					
UAE	1,473.0	931.3	-36.8	Trade Balance				
Germany	517.6	585.4	13.1					
Türkiye	601.4	515.5	-14.3					
Source: Department of Statistics.				Source: Department of Statistics.				

■ Merchandize Exports:

Total merchandize exports decreased by 1.8 percent during the first eleven months of 2023, to reach JD 8,221.7 million. This decrease was a result of the decrease in domestic exports by JD 121.0 million, or 1.6 percent to reach JD 7,606.2 million, and the decrease in re-exports by JD 29.3 million, or 4.7 percent to reach JD 615.5 million.

Major Exports by Commodity
During the first eleven months of 2023, JD



◆ The developments of domestic exports during the first eleven months of 2023, compared with the same period of 2022 reveals the following:

- Exports of **potash** decreased by JD 355.6 million, or 36.6 percent, to reach JD 616.0 million. It is worth noting that China, India, and Egypt markets accounted for 46.7 percent of these exports.
- Exports of **fertilizers** decreased by JD 228.0 million, or 39.7 percent, to reach JD 345.9 million. The markets of India and the USA accounted for 46.4 percent of these exports.
- Exports of **clothes** decreased by JD 179.2 million, or 12.6 percent, to reach JD 1,246.8 million. The markets of the USA accounted for 81.0 percent of these exports.
- Exports of **phosphates** decreased by JD 172.1 million, or 23.6 percent to reach JD 556.3 million. The markets of India, Indonesia, Spain and Brazil accounted for 87.1 percent of these exports.

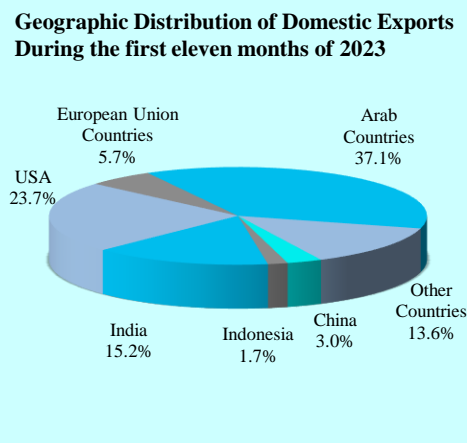
- Exports of **phosphoric acid** increased by JD 100.7 million, or 21.9 percent to reach JD 560.3 million. It is worth noting that markets of India, Bangladesh and Saudi Arabia accounted for 99.1 percent of these exports.
- Exports of **“Medical & pharmaceutical products”** increased by JD 87.9 million, or 23.3 percent, to stand at JD 465.2 million. Saudi Arabia, Iraq, and the USA were the main destination markets for these exports, accounting for 48.3 percent.
- Exports of **“Polishing & cleaning preparations & perfume materials”** increased by JD 50.5 million, or 29.4 percent, to reach JD 222.5 million. Iraq and Saudi Arabia were the main destination markets; accounting for 70.8 percent of these exports.

Major Domestic Exports by Commodity, JD Million
During the first eleven months of 2022-2023

	2022	2023	Percentage Change
Domestic Export	7,727.2	7,606.2	-1.6
Clothes	1,426.0	1,246.8	-12.6
USA	1,203.6	1,010.0	-16.1
Potash	971.6	616.0	-36.6
China	155.6	129.5	-16.8
India	162.6	100.8	-38.0
Egypt	92.3	57.1	-38.1
Phosphoric Acid	459.6	560.3	21.9
India	384.1	535.2	39.3
Bangladesh	19.5	14.1	-27.7
Saudi Arabia	7.9	6.0	-24.1
Phosphates	728.4	556.3	-23.6
India	488.4	367.4	-24.8
Indonesia	125.6	76.4	-39.2
Spain	17.8	22.8	28.1
Brazil	26.7	18.1	-32.2
Medical & Pharmaceutical Products	377.3	465.2	23.3
Saudi Arabia	83.5	104.3	24.9
Iraq	65.3	67.2	2.9
USA	30.8	53.4	73.4
Fertilizers	573.9	345.9	-39.7
India	122.9	100.3	-18.4
USA	5.5	60.1	992.7
Polishing & Cleaning preparations & Perfume	172.0	222.5	29.4
Iraq	82.8	105.7	27.7
Saudi Arabia	37.5	51.9	38.4
Vegetables	170.9	217.8	27.4
Saudi Arabia	44.9	56.7	26.3
Kuwait	31.0	42.7	37.7
Qatar	6.4	17.6	175.0

Source: Department of Statistics.

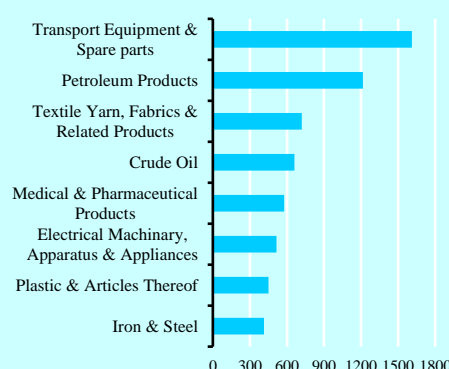
- Consequently, the commodity breakdown of domestic exports indicates that exports of clothes, potash, phosphoric acid, phosphates, “Medical & pharmaceutical products”, fertilizer, “Polishing & cleaning preparations & perfume material” and vegetables, topped the list of domestic exports during the first eleven months of 2023; accounting for 55.6 percent, compared with 63.1 percent during the same period of 2022. Meanwhile, the geographical distribution of domestic exports indicates that the USA, India, Saudi Arabia, Iraq, the UAE, China, and Palestine were the main destination markets during the first eleven months of 2023; accounting for 68.1 percent, compared with 62.9 percent during the same period of 2022.



■ Merchandize Imports:

Merchandize imports decreased by 5.9 percent to reach JD 16,952.3 million during the first eleven months of 2023, compared to an increase by 30.8 percent during the same period of 2022.

**Major Imports by Commodity
During the first eleven months of 2023, JD**



◆ The developments of imports during the first eleven months of 2023, compared with the same period of 2022, reveals the following:

- **Petroleum products** imports decreased by JD 298.4 million, or 19.7 percent, to reach JD 1,216.1 million. Saudi Arabia, India and the UAE were the main origin markets accounting for 97.1 percent of these imports.
- **Crude oil** imports decreased by JD 225.1 million, or 25.4 percent, to reach JD 661.4 million. Saudi Arabia and Iraq were the main origin markets, accounting for 100.0 percent of these imports.
- **“Textile Yarn, Fabrics & Related Products”** imports decreased by JD 124.0 million, or 14.7 percent, to stand at JD 720.2 million. China, Taiwan and Türkiye were the main markets, accounting for 69.9 percent of these imports.

- **“Iron & Steel”** imports decreased by JD 94.0 million, or 18.5 percent, to reach JD 414.9 million. China, Saudi Arabia and India were the main markets, accounting for 69.1 percent of these imports.
- **“Plastic and articles thereof”** imports decreased by JD 59.4 million or 11.6 percent, to reach JD 450.1 million. Saudi Arabia, China and the UAE were the main markets, accounting for 68.4 percent of these imports.
- **“Transport equipment & spare parts”** imports increased by JD 422.9 million, or 35.6 percent, to reach JD 1,612.4 million. China, South Korea and the USA were the main origin markets, accounting for 65.1 percent of these imports.

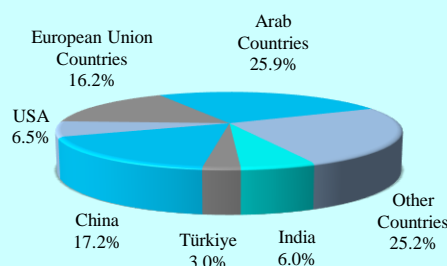
Major Imports by Commodity, JD Million
During the first eleven months of 2022-2023

	2022	2023	Percentage Change
Total Imports	18,014.7	16,952.3	-5.9
Transport Equipment & Spare parts	1,189.5	1,612.4	35.6
China	251.0	520.3	107.3
South Korea	225.0	265.1	17.8
USA	201.8	264.8	31.2
Petroleum Products	1,514.5	1,216.1	-19.7
Saudi Arabia	753.9	593.1	-21.3
India	329.2	534.2	62.3
UAE	342.1	53.7	-84.3
Textile Yarn, Fabrics & Related Products	844.2	720.2	-14.7
China	404.3	337.2	-16.6
Taiwan	135.1	93.4	-30.9
Türkiye	96.8	72.7	-24.9
Crude Oil	886.5	661.4	-25.4
Saudi Arabia	756.8	499.8	-34.0
Iraq	129.7	161.5	24.5
Medical & Pharmaceutical Products	497.5	577.0	16.0
Germany	68.0	77.2	13.5
USA	55.9	62.8	12.3
Switzerland	33.0	50.7	53.6
Electrical Machinery, Apparatus & Appliances	479.7	515.3	7.4
China	227.5	207.4	-8.8
Türkiye	29.7	27.1	-8.8
USA	15.2	25.4	63.4
Plastic & articles thereof	509.4	450.1	-11.6
Saudi Arabia	232.4	202.6	-12.8
China	78.9	72.1	-8.6
UAE	35.1	33.1	-5.7
Iron & Steel	508.9	414.9	-18.5
China	138.6	137.3	-0.9
Saudi Arabia	96.9	122.0	25.9
India	43.9	27.3	-37.8

Source: Department of Statistics.

- Consequently, the commodity composition of imports indicates that “Transport equipment & spare parts”, petroleum products, “Textile yarn, fabrics and related products”, crude oil, “Medical & pharmaceutical products”, “Electrical machinery apparatus and appliances”, “Plastic & articles thereof” and “Iron & steel”, topped the list of imports during the first eleven months of 2023, accounting for 36.4 percent, compared with 35.7 percent during the same period of 2022. Meanwhile, the geographical distribution of imports indicates that China, Saudi Arabia, the USA, India, the UAE, Germany and Türkiye were the main source markets during the first eleven months of 2023; accounting for 55.9 percent of imports, compared to 55.0 percent during the same period of 2022.

**Geographic Distribution of Imports
During the first eleven months of 2023**



■ Re-Exports

The value of re-exported goods in November 2023 increased by JD 6.9 million, or 12.5 percent, compared to the same month of 2022, to stand at JD 61.9 million. As for the first eleven months of 2023, re-export decreased by 4.7 percent, compared to the same period of 2022, to reach JD 615.5 million.

■ Trade Balance

The trade balance deficit decreased by JD 105.8 million, or 15.2 percent in November 2023, compared to the same month of 2022, to reach JD 588.4 million. As for the first eleven months of 2023, trade balance deficit decreased by 9.5 percent, compared to the same period of 2022, to reach JD 8,730.6 million.

❑ Total Workers' Remittances Receipts

Total workers' remittances receipts increased during 2023 by JD 34.9 million, or 1.4 percent, to stand at JD 2,482.7 million, compared to the same period of 2022.

❑ Travel

■ Receipts

Travel receipts increased by 27.4 percent during 2023, to register JD 5,253.5 million, compared to 2022.

■ Payments

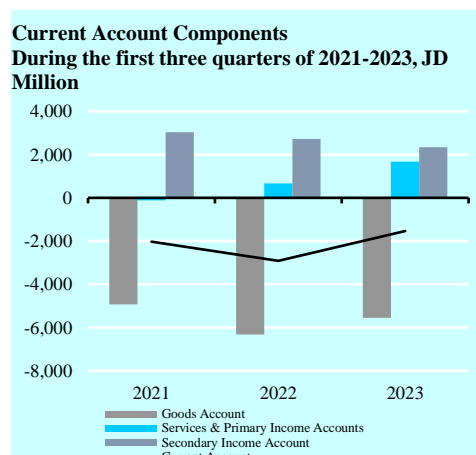
Travel payments increased by 29.5 percent during 2023, to register JD 1,348.2 million, compared to 2022.

❑ Balance of Payments

The preliminary data for the balance of payments during the first three quarters of 2023 reveals the following:

- **The current account** recorded a deficit of JD 1,534.1 million (5.8 percent of GDP), compared to a deficit of JD 2,913.4 million (11.5 percent of GDP) during the same period of 2022. Meanwhile, the current account deficit (excluding grants) decreased to reach JD 1,905.0 million (7.2 percent of GDP), compared to a deficit of JD 3,456.8 million (13.7 percent of GDP) during the same period of 2022. This was an outcome of the following developments:

- A decrease in the goods account deficit by JD 760.6 million, or 12.0 percent, to reach JD 5,551.6 million, compared to a deficit of JD 6,312.2 million.



- ◆ An increase in the services account surplus by JD 1,119.3 million, to reach JD 2,171.6 million, compared to a surplus of JD 1,052.3 million.
- ◆ The primary income account recorded a deficit of JD 499.4 million, compared to a deficit of JD 378.5 million. This was mainly due to the increase in the deficit of investment income (net) to reach JD 647.7 million, compared to deficit of JD 525.5 million, and the increase of “compensation of employees (net)” surplus by JD 1.3 million to reach JD 148.3 million.
- The secondary income recorded a net surplus of JD 2,345.3 million, compared to a net surplus of JD 2,725.0 million. This was a result of a decrease in net surplus of other sectors transfers by JD 207.2 million to reach JD 1,974.4 million, and the decrease in net surplus of the public sector (foreign grants) by JD 172.5 million to reach JD 370.9 million.

- As for the capital and financial transactions during the first three quarters of 2023, the capital account registered a net inflow of JD 25.5 million, compared to a net inflow of JD 28.5 million during the same period of 2022. Meanwhile, the financial account registered a net inflow of JD 1,817.1 million during the first three quarters of 2023, compared to a net inflow of JD 2,438.4 million during the same period of 2022, this could be attributed to the following:
 - ◆ Foreign direct investment recorded an inflow of JD 672.9 million compared to an inflow of JD 742.2 million.
 - ◆ Portfolio investment recorded a net inflow of JD 829.8 million compared to a net outflow of JD 460.5 million.
 - ◆ Other investment registered a net inflow of JD 355.0 million, compared to a net inflow of JD 1,484.6 million.
 - ◆ CBJ's reserve assets registered a decrease by JD 61.6 million, compared to a decrease by JD 702.1 million.

□ International Investment Position (IIP)

The IIP, which represents the Kingdom's net position (stock) of external financial assets and liabilities, displayed an obligation to abroad of JD 38,266.7 million at the end of the first three quarters of 2023, compared to a net obligation by JD 36,642.8 million at the end of 2022. This was due to the following developments:

- An increase in the position of external assets (the stock of claims, obligations and financial assets) for all residing economic sectors in the Kingdom by JD 172.8 million at the end of the first three quarters of 2023 to reach JD 21,124.4 million, compared to its level at the end of 2022. This was mainly due to the increase of both currency and deposits of licensed banks abroad by JD 194.6 million, and the licensed banks loans to abroad by JD 77.2 million, and decrease in trade credit of other sectors abroad by JD 96.7 million.

- An increase in the position of external liabilities (the stock of claims, obligations and financial liabilities) on all residing economic sectors in the Kingdom by JD 1,796.7 million at the end of the first three quarters of 2023, to reach JD 59,391.1 million, compared to its level at the end of 2022. This was due to the following developments:
 - ◆ An increase in the stock of portfolio investment in the kingdom by JD 760.6 million, to stand at JD 7,673.2 million.
 - ◆ An increase in the stock of direct investment in the kingdom by JD 699.5 million, to stand at JD 28,030.4 million.
 - ◆ An increase in outstanding balance of government loans (long-term) by JD 299.3 million, to stand at JD 7,164.0 million.
 - ◆ An increase in the deposits of non-residents at the banking sector by JD 258.3 million, to stand at JD 10,650.7 million (increase by JD 293.2 million for the licensed banks, and a decrease by JD 34.9 million for the CBJ).
 - ◆ A decrease in outstanding balance of licensed banks loans (short-term) by JD 168.2 million, to stand at JD 618.1 million.
 - ◆ A decrease in outstanding balance of other sectors' loans (long-term) by JD 72.5 million, to stand at JD 1,932.7 million.
 - ◆ A decrease of trade credits to non-residents in the kingdom by JD 38.8 million, to stand at JD 922.3 million.