



Central Bank of Jordan

Recent Monetary & Economic Developments in Jordan

**Research Dept / Monthly Report
April, 2024**

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 2.6 percent during 2023, compared to a growth of 2.4 percent during 2022. The general price level, measured by the percentage change in the Consumer Price Index (CPI), increased during the first quarter of 2024 by 1.7 percent, compared to an increase of 4.0 percent during the same quarter 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\$ 18,599.4 million at the end of March 2024. This level of reserves covers around 8.1 months of the Kingdom's imports of goods and services.
- Domestic liquidity amounted to JD 43,205.1 million at the end of March 2024, compared to JD 42,663.1 million at the end of 2023.
- The outstanding balance of credit facilities extended by other depository corporations amounted to JD 33,871.4 million at the end of March 2024, compared to JD 33,387.1 million at the end of 2023.
- Total deposits at other depository corporations amounted to JD 44,339.4 million at the end of March 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 2,437.7 points at the end of March 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 1,860.1 million (5.2 percent of GDP) during 2023, comparing to a fiscal deficit of JD 1,552.5 million (4.5 percent of GDP) during 2022. Government domestic debt (budgetary and guaranteed) increased by JD 910.7 million at the end of 2023, compared to its level at the end of 2022, to reach JD 22,489.9 million (62.3 percent of GDP). Moreover, outstanding external debt (budget and guaranteed) went up by JD 1,780.8 million, to reach JD 18,691.8 million (51.8 percent of GDP). Accordingly, outstanding government debt (domestic and external) rose up to reach JD 41,181.7 million (114.1 percent of GDP) at the end of 2023, 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 14,081.4 million (39.0 percent of GDP). While the outstanding external debt (budget and guaranteed) stand at JD 18,207.9 million (50.5 percent of GDP). As a result, the outstanding government debt (domestic and external) stand at JD 32,289.3 million (89.5 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) increased by 2.7 percent during January 2024 to reach JD 649.9 million. Meanwhile, merchandize imports decreased by 19.7 percent to reach JD 1,318.2 million. As a result, the trade balance deficit decreased by 33.7 percent, compared to the same months of 2023, to reach JD 668.3 million. The preliminary data during first two months of 2024 showed an increase in travel receipts by 4.5 percent, to reach JD 782.6 million, and an increase in travel payments by 25.2 percent, to reach JD 250.7 million, compared to the same period of 2023. Moreover, total workers' remittances receipts increased by 4.6 percent during the first two months of 2024, to reach JD 421.0 million. The preliminary data for the balance of payments during 2023 displayed a deficit in the current account amounted to JD 1,248.7 million (3.5 percent of GDP) compared to a deficit of JD 2,708.7 million (7.8 percent of GDP) during 2022. Meanwhile, the current account deficit excluding grants decreased to reach 6.7 percent of GDP, compared with 11.7 percent of GDP during 2022. Moreover, the gross foreign direct investment recorded an inflow of JD 687.4 million during 2023, compared to an inflow of JD 927.9 million during 2022. Furthermore, the international investment position (IIP) registered a net obligation to abroad amounted to JD 38,082.7 million at the end of 2023, compared to a net obligation to abroad by JD 36,643.9 million at the end of 2022.

First: Monetary and Financial Sector

□ Summary

- The CBJ's gross foreign reserves amounted to US\$ 18,599.4 million at the end of March 2024. This level of reserves covers around 8.1 months of the Kingdom's imports of goods and services.
- Domestic liquidity amounted to JD 43,205.1 million at the end of March 2024, compared to JD 42,663.1 million at the end of 2023.
- The outstanding balance of credit facilities extended by other depository corporations amounted to JD 33,871.4 million at the end of March 2024, compared to JD 33,387.1 million at the end of 2023.
- Total deposits at other depository corporations amounted to JD 44,339.4 million at the end of March 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 March 2024, compared to their levels at the end of 2023, except the interest rate on saving deposits, which maintained the same level registered at the end of 2023. In addition, the interest rate on all types of credit facilities extended by other depository corporations had increased at the end of March 2024, compared to their levels at the end of 2023, except the interest rate on “loans and advances”, which had decreased.

- The Share Price Index (SPI) weighted by market capitalization of free float shares at Amman Stock Exchange (ASE) reached 2,437.7 points at the end of March 2024, compared to 2,431.2 points at the end of 2023. Moreover, the market capitalization reached JD 16,867.0 million at the end of March 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

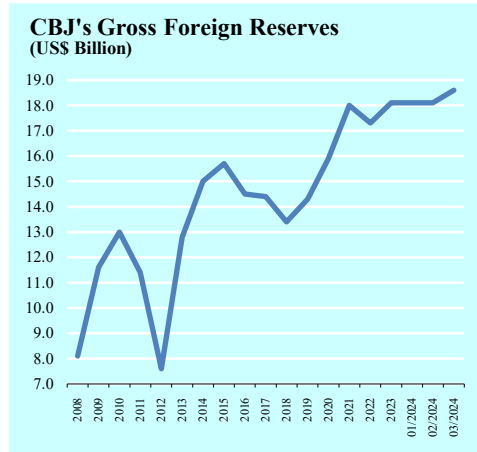
		End of March	
2023		2023	2024
US\$ 18,122.9	CBJ's Foreign Reserves*	US\$ 16,834.7	US\$ 18,599.4
5.0%		-2.5%	2.6%
7.9	Coverage in months	7.0	8.1
42,663.1	Money Supply (M2)	41,710.7	43,205.1
2.4%		0.1%	1.3%
33,387.1	Credit Facilities, of which:	33,216.1	33,871.4
2.4%		1.9%	1.5%
29,324.0	Private Sector (Resident)	29,402.6	29,659.8
1.6%		1.8%	1.1%
43,744.3	Total Deposits, of which:	42,450.7	44,339.4
3.9%		0.8%	1.4%
34,468.9	In JD	32,991.6	35,005.4
5.0%		0.5%	1.6%
9,275.4	In Foreign Currencies	9,459.1	9,334.0
0.1%		2.1%	0.6%
34,163.0	Deposits of Private Sector (Resident), of which:	33,203.1	34,588.4
2.9%		0.0%	1.2%
27,615.9	In JD	26,503.9	27,920.2
3.8%		-0.4%	1.1%
6,547.1	In Foreign Currencies	6,699.1	6,668.2
-0.8%		1.5%	1.8%

* 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\$ 18,599.4 million at the end of March 2024. This level of reserves covers around 8.1 months of the Kingdom's imports of goods and services.



□ Domestic Liquidity (M2)

- Domestic liquidity amounted to JD 43.2 billion at the end of March 2024, compared to JD 42.7 billion at the end of 2023.

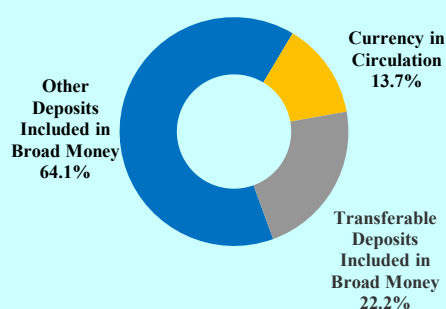
◆ **Developments in the components and the factors affecting domestic liquidity at the end of March 2024, compared to their levels at the end of 2023, reveal the following:**

- **Components of Domestic Liquidity**

- Total deposits, according to liquidity definition, amounted to JD 37.3 billion at the end of March 2024, compared to JD 35.8 during the same period in 2023, and JD 36.9 billion at the end of 2023.

- Currency in circulation amounted to JD 5.9 billion at the end of March 2024, maintaining the same level registered

Relative Importance of Domestic Liquidity Components, March 2024

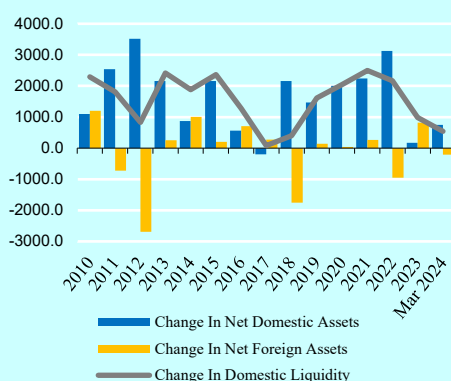


during the same period in 2023, and compared to JD 5.8 billion at the end of 2023.

• Factors Affecting Domestic Liquidity

- Net domestic assets of the banking system amounted to JD 35.5 billion at the end of March 2024, compared to JD 35.2

**Factors Affecting Domestic Liquidity
JD Million**



billion during the same period in 2023, and JD 34.7 billion at the end of 2023.

- Net foreign assets of the banking system amounted to JD 7.7 billion at the end of March 2024, compared to JD 7.9 billion at the end of 2023. The net foreign assets of the CBJ amounted to JD 12.6 billion at the end of March 2024.

Factors Affecting Domestic Liquidity (M2)
JD Million

		End of March	
2023		2023	2024
7,946.9	Foreign Assets (Net)	6,531.4	7,742.1
12,387.6	CBJ	11,357.0	12,610.2
-4,440.5	Other Depository Corporations	-4,825.6	-4,868.1
34,716.2	Domestic Assets (Net)	35,179.3	35,462.9
16,103.5	Claims on Public Sector (Net)	15,793.7	16,519.1
1,614.8	Claims on Other Financial Corporations	1,766.8	1,642.4
29,676.7	Claims on Private Sector (Resident)	29,694.0	30,081.1
-12,677.8	Other Items (Net)	-12,075.2	-12,779.7
42,663.1	Domestic Liquidity (M2)	41,710.7	43,205.1
5,807.6	Currency in Circulation	5,935.0	5,897.2
36,855.5	Deposits Included in Broad Money	35,775.7	37,307.9

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 raising interest rates on economic sectors, the CBJ decided to extend the CBJ's program to refinance the vital economic sectors, with a value

Interest Rates on Monetary Policy Instruments, percentage points

		March	
2023		2023	2024
7.50	CBJ main rate	7.00	7.50
8.50	Re-discount Rate	8.00	8.50
8.25	Repurchase Agreements Rate (overnight)	7.75	8.25
7.25	Overnight Deposit Window Rate	6.75	7.25
7.50	Repurchase Agreements rate (one week and one month)	7.00	7.50
7.50	Certificates of Deposits (one week)	7.00	7.50

Source: Central Bank of Jordan / Monthly Statistical Bulletin.

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.

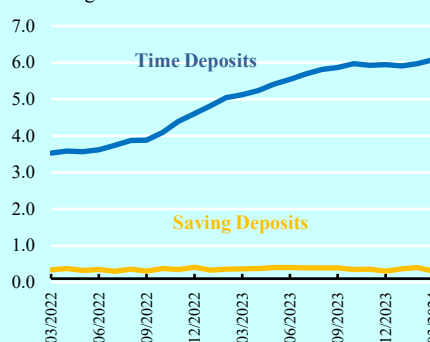
■ Interest Rates in the Banking Sector

◆ Interest Rates on Deposits

- Time Deposits: The weighted average interest rate on time deposits increased by 11 basis points at the end of March 2024, compared to its level registered in the previous month to stand at 6.08 percent. This

Interest Rates on Deposits

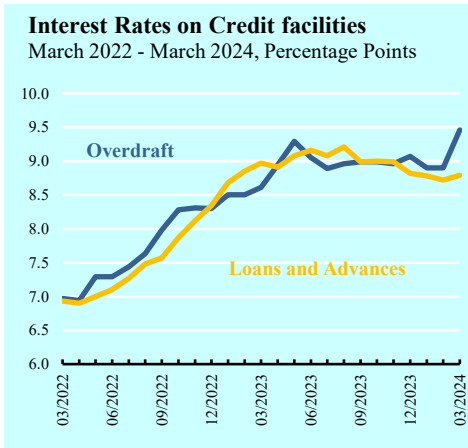
March 2022 - March 2024,
Percentage Points



- rate is higher by 14 basis points than its level registered at the end of 2023.
- Saving Deposits: The weighted average interest rate on saving deposits decreased by 9 basis points at the end of March 2024, compared to its level registered in the previous month to stand at 0.31 percent. Maintaining the same level registered at the end of 2023.
- Demand Deposits: The weighted average interest rate on demand deposits increased by 5 basis points at the end of March 2024, compared to its level registered in the previous month to stand at 0.74 percent. This level is higher by 21 basis points than its level registered at the end of 2023.

◆ Interest Rates on Credit Facilities

- **Overdraft Accounts:** The weighted average interest rate on overdraft accounts increased by 56 basis point at the end of March 2024, compared to its level registered in the previous month to stand at 9.46 percent. This level is higher by 39 basis points than its level registered at the end of 2023.



- **Discounted Bills and Bonds:** The weighted average interest rate on “discounted bills and bonds” increased by 16 basis points at the end of March 2024, compared to its level registered in the previous month to stand at 9.10 percent. This level is higher by 41 basis points than its level registered at the end of 2023.

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

		March		Change Relative to the Preceding Year
2023		2023	2024	Basis Points
Deposits				
0.53	Demand	0.52	0.74	21
0.31	Saving	0.37	0.31	0
5.94	Time	5.12	6.08	14
Credit Facilities				
8.69	Discounted Bills and Bonds	8.93	9.10	41
8.82	Loans and Advances	8.97	8.79	-3
9.07	Overdraft	8.61	9.46	39

Source: Central Bank of Jordan / Monthly Statistical Bulletin.

- **Loans and Advances:** The weighted average interest rate on “loans and advances” increased by 7 basis points at the end of March 2024, compared to its level registered in the previous month to stand at 8.79 percent. This level is lower by 3 basis points than its level registered at the end of 2023.

□ Credit Facilities Extended by Other Depository Corporations

- Total credit facilities extended by other depository corporations increased by JD 484.3 million, or 1.5 percent, at the end of March 2024, compared to its level registered at the end of 2023, against an increase by JD 624.6 million, or 1.9 percent during the same period in 2023.
- In terms of borrower sectors, the credit facilities at the end of March 2024 had shown an increase in credit extended to the private sector (resident) by JD 335.8 million, or 1.1 percent, the credit facilities extended to the central government by JD 83.9 million, or 4.0 percent, the private sector (non-resident) by JD 50.2 million, or 5.9 percent, and the credit facilities extended to public non-financial corporations by JD 28.0 million, or 2.6 percent. In contrast, the credit facilities extended to the other financial corporations decreased by JD 13.5 million, or 22.3 percent, compared to their levels at the end of 2023.

□ Deposits at Other Depository Corporations

- Total deposits at other depository corporations stood at JD 44.3 billion at the end of March 2024, compared to JD 42.5 billion at the end of March 2023, and JD 43.7 billion at the end of 2023.
- The currency composition of deposits at the end of March 2024 revealed that the JD deposits amounted to JD 35.0 billion, and the deposits in foreign currencies amounted to JD 9.3 billion, compared to JD 33.0 billion of JD deposits, and JD 9.5 billion of deposits in foreign currency at the end of March 2023, and 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 March 2024, compared to their levels in 2023. This can be demonstrated as follows:

■ Trading Volume

Trading volume at ASE totaled JD 79.8 million in March 2024, decreasing by JD 19.5 million, or 19.7 percent, compared to its level registered at the end of the previous month, against a decrease by JD 24.3 million, or 13.2 percent during the same month in 2023. As for the first quarter of 2024, the trading volume totaled JD 285.4 million.

■ Traded Shares

The number of traded shares in March 2024 totaled 60.2 million shares, decreasing by 17.1 million shares, or 22.1 percent, compared to its level registered at the end of the previous month, against an increase by 2.6 million shares, or 2.3 percent during the same month in 2023. As for the first quarter of 2024, the number of traded shares amounted to 230.7 million shares.

■ Share Price Index (SPI)

The SPI weighted by market capitalization of free float shares at ASE decreased by 29.5 points, or 1.2 percent, at the end of March 2024 compared to its

level in the previous month, to stand at 2,437.7 points, compared to a decrease by 53.9 points, or 2.0 percent during the same month in 2023. Furthermore, the SPI increased by 6.5 points, or 0.3 percent during the first quarter of 2024. The aforementioned increase was an outcome of the increase in the SPI of the services sector by 105.2 points, or 6.4 percent, and the industrial sector by 49.4 points, or 1.0 percent. In contrast, the SPI of financial sector decreased by 81.8 points, or 3.0 percent, compared to their levels at the end of 2023.

■ Market Capitalization

The ASE's market capitalization totaled JD 16.9 billion at the end of March 2024, decreasing by JD 221.6 million, or 1.3 percent, compared to its level registered in the previous month, against a decrease by JD 686.3 million, or 3.5

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

		March	
2023		2023	2024
2,431.2	General Index	2,601.2	2,437.7
2,729.0	Financial Sector	2,733.1	2,647.2
4,718.7	Industrial Sector	5,670.3	4,768.3
1,644.0	Services Sector	1,850.6	1,749.2

Source: Amman Stock Exchange.



percent, during the same month in 2023. Furthermore, the ASE's market capitalization decreased by JD 72.1 million, or 0.4 percent at the end of March 2024 compared to its level registered at the end of 2023.

■ Net Investment of Non - Jordanian

Non-Jordanian net investment at ASE recorded an inflow amounted of JD 2.6 million in March 2024, compared to an outflow amounted by JD 5.9 million during the same month of 2023. The value of shares buying by non-Jordanian in March 2024 amounted

to JD 12.7 million, while their selling amounted to JD 10.1 million. The net investment of Non-Jordanian at the end of first quarter of 2024, recorded an outflow amounted to JD 24.2 million.

Main Amman Stock Exchange Trading Indicators, JD Million			
		March	
2023		2023	2024
1,457.0	Value Traded	160.1	79.8
5.9	Average Daily Trading	7.3	3.8
16,939.2	Market Capitalization	18,816.6	16,867.0
1,120.2	No. of Traded Shares (million)	115.6	60.2
-30.1	Net Investment of Non-Jordanian	-5.9	2.6
151.1	Non-Jordanian Buying	15.0	12.7
181.2	Non-Jordanian Selling	20.9	10.1
Source: Amman Stock Exchange.			

Second: Output, Prices and Employment

■ Summary

- Gross Domestic Product (GDP), at constant market prices, grew by 2.3 percent during the fourth quarter of 2023, compared to a growth of 2.0 percent during the same quarter of 2022. At current market prices, GDP grew by 4.1 percent during the fourth quarter of 2023, compared to a growth of 4.6 percent in the same quarter of 2022.
- Accordingly, real GDP grew by 2.6 percent during 2023, compared to a growth of 2.4 percent during 2022. At current market prices, GDP grew by 4.4 percent during 2023 compared to a growth of 5.1 percent during 2022.
- The general price level, measured by the percentage change in the Consumer Price Index (CPI), increased during the first quarter of 2024 by 1.7 percent, compared to an increase of 4.0 percent during the same quarter 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 2.6 percent during 2023, compared to a growth of 2.4 percent during 2022. When excluding “net taxes on products” (which grew by 1.4 percent during 2023 compared to a growth of 2.2 percent during 2022), GDP at constant basic prices, grew by 2.8 percent during 2023, compared to a growth of 2.5 percent during 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	2.3	2.6
GDP at Current Prices	5.1	4.3	4.4	4.1	4.4

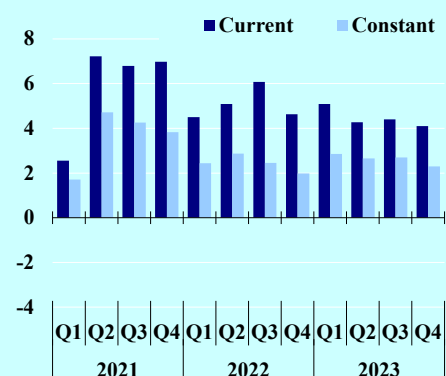
Source: Department of Statistics.

At current market prices, GDP grew by 4.4 percent during 2023, compared to a growth of 5.1 percent during 2022. This was in light of the increase of the general price level, measured by the GDP deflator, by 1.8 percent during 2023 compared to a growth of 2.6 percent during 2022.

The economic growth recorded during 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 2023, most sectors contributed positively to the growth rate. Most notably; manufacturing contributed by (0.6 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 76.9 percent of the real growth recorded during 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	
	2022	2023	2022	2023
GDP at Constant Market Prices	2.4	2.6	2.4	2.6
Agriculture	3.3	5.8	0.2	0.3
Mining And Quarrying	2.9	3.9	0.1	0.1
Manufacturing	3.3	3.5	0.6	0.6
Electricity And Water	2.5	3.1	0.0	0.1
Construction	4.1	1.4	0.1	0.0
Wholesale And Retail Trade	2.9	1.9	0.2	0.2
Restaurant And Hotels	4.9	5.0	0.1	0.1
Transport, Storage And Communications	3.4	4.1	0.3	0.4
Finance And Insurance Services	4.4	3.5	0.3	0.3
Real Estate	1.0	1.1	0.1	0.1
Social And Personal Services	1.9	2.9	0.2	0.2
Producers of Government Services	1.2	1.4	0.2	0.2
Producers of Private Non-Profit	2.6	2.8	0.0	0.0
Domestic Services of Households	-5.7	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 2024. Most notably; “number of passengers through Royal Jordanian” (3.5 percent), “number of departures” (6.5 percent), in addition to “production of phosphate” (6.9 percent), “manufacturing production quantity index” (1.3 percent), and a declined in performance of a number of indicators most notably; “cargo through Royal Jordanian” (11.2 percent). The following table displays the performance of the main available microeconomic indicators:

Main Sectoral Indicators*				
Percentage				
2023	Item	2023	Available period	2024
3.9	Licensed areas for buildings	72.2	Jan.	-8.6
-3.4	Manufacturing production quantity index	0.5	Jan. – Feb.	1.3
5.9	Food products and beverages	-0.8		8.6
3.6	Tobacco products	6.3		2.6
-19.1	Refined petroleum products	33.5		-3.3
-1.4	Wearing apparel	-13.2		-9.2
5.5	Pharmaceuticals, medical products	4.5		5.4
1.1	Chemical products	-7.1		-1.7
4.5	Mining and quarrying production quantity index	2.4		2.3
13.9	Extraction of crude petroleum and natural gas	14.6		-1.0
3.2	Other mining and quarrying	2.2		2.4
3.6	Production of potash	6.4		1.7
1.5	Production of phosphate	3.0		6.9
-14.3	Cargo through Royal Jordanian	4.3		-11.2
18.1	Number of passengers through Royal Jordanian	62.3		3.5
24.4	Number of departures	118.9		6.5

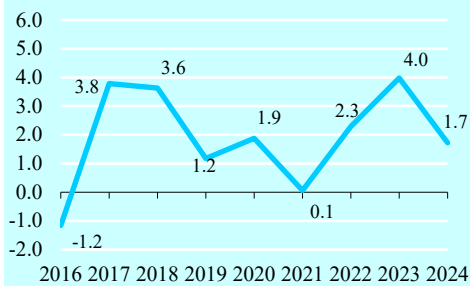
*: Computed based on the data from Department of Statistics, Department of Land and Survey, and Royal Jordanian.

Prices

The general price level, measured by the percentage change in the Consumer Price Index (CPI), increased during the first quarter of 2024 by 1.7 percent, compared to an increase of 4.0 percent during the same quarter 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 3.5 percent, compared to an increase by 1.4 percent, during the first quarter of 2023.
 - “Vegetables and legumes dry and canned” which increased by 4.2 percent, compared to a decline by 16.7 percent.

Inflation rate during the first quartre of the years (2016-2024), %



Inflation Rate during the first quarter for the years 2023-2024

Expenditure Groups	Relative Imp.	Relative change		Contribution	
		Jan. – Mar. 2023	Jan. – Mar. 2024	Jan. – Mar. 2023	Jan. – Mar. 2024
All Items	100.0	3.98	1.72	3.98	1.72
1) Food and non-Alcoholic Beverages	26.52	0.46	1.86	0.12	0.48
Food	23.80	0.43	2.10	0.10	0.49
Cereals and Products	4.17	4.90	2.45	0.21	0.11
Meat and Poultry	4.69	1.39	3.52	0.07	0.17
Fish and Sea Product	0.41	1.60	0.47	0.01	0.00
Dairy Products and Eggs	3.72	8.73	0.87	0.32	0.03
Oil and Fats	1.70	6.72	-0.82	0.12	-0.01
Fruits and Nuts	2.57	-2.76	0.18	-0.07	0.00
Vegetables and Legumes Dry and Canned	2.96	16.69	4.21	-0.49	0.10
2) Alcohol and Tobacco and Cigarettes	4.37	0.03	5.25	0.00	0.22
Alcohol	0.01	0.01	0.00	0.00	0.00
Tobacco and Cigarettes	4.37	0.03	5.26	0.00	0.22
3) Clothing and footwear	4.12	-1.37	1.21	-0.05	0.04
Clothing	3.41	-2.08	1.30	-0.07	0.04
Footwear	0.71	2.11	0.78	0.01	0.01
4) Housing	23.78	9.72	2.97	2.26	0.73
Rents	17.54	5.17	4.12	0.91	0.73
Fuels and Lighting	4.69	31.75	-1.57	1.33	-0.08
5) Household Furnishings and Equipment	4.94	3.79	0.18	0.19	0.01
6) Health	4.00	6.71	0.05	0.27	0.00
7) Transportation	15.98	3.24	1.02	0.53	0.17
8) Communication	2.83	1.15	0.40	0.03	0.01
9) Culture and Recreation	2.55	10.39	-0.96	0.26	-0.03
10) Education	4.35	1.72	1.19	0.08	0.05
11) Restaurants and Hotels	1.79	5.97	0.39	0.11	0.01
12) Other Goods and Services	4.77	3.79	1.24	0.18	0.06

Source: Department of Statistics.

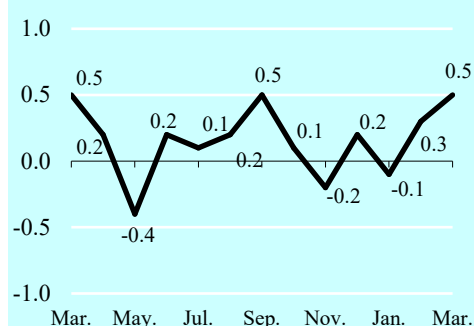
- The price of the items “dairy products and eggs” and “cereals and products” increased by 0.9 percent and 2.4 percent compared to an increase by 8.7 percent and 4.9 percent, respectively, during the first quarter of 2023, affected by the demand and supply factors in domestic market.
- In addition to rising rents item by 4.1 percent compared to an increase by 5.2 percent during the quarter of 2023.
- The tobacco and cigarettes also increased by 5.3 percent during the first quarter of 2024.

The above groups and items collectively contributed to raising the inflation rate during the first quarter of 2024 by 1.4 percentage points, compared to 1.0 percentage point during the same quarter of 2023.

On the other hand, the price of some items declined, notably; “oils and fats” (0.8 percent) and “fuels and lighting” (1.6 percent), compared to an increase by 6.7 percent and 31.8 percent, respectively, during the first quarter of 2023.

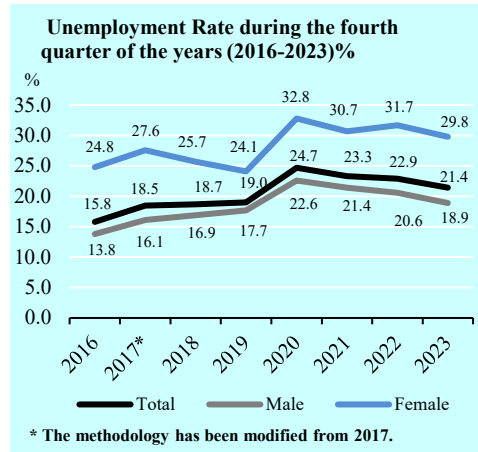
In March 2024, the CPI witnessed a increase compared to the previous month (February 2024) by 0.5 percent. This was an outcome of the increase in the prices of some items, mainly, “vegetables and legumes dry and canned” (4.0 percent), and “Fruits and Nuts” (2.2 percent), and “meat and poultry” (5.0 percent).

Monthly inflation rate
(March 2023-March 2024), %



□ 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 1,860.1 million (5.2 percent of GDP) during 2023, comparing to a fiscal deficit of JD 1,552.5 million (4.5 percent of GDP) during 2022. When excluding foreign grants (JD 711.7 million), the general budget deficit increases to JD 2,571.8 million (7.1 percent of GDP), compared to a deficit of JD 2,344.7 million (6.8 percent of GDP) in 2022.
- Government domestic debt (budgetary and guaranteed) increased by JD 910.7 million at the end of 2023, compared to its level at the end of 2022, to reach JD 22,489.9 million (62.3 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 14,081.4 million (39.0 percent of GDP).
- Outstanding external debt (budget and guaranteed) went up by JD 1,780.8 million at the end of 2023, compared to its level at the end of 2022, to reach JD 18,691.8 million (51.8 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 18,207.9 million (50.5 percent of GDP).
- As a result, outstanding government debt (domestic and external) rose by JD 2,691.5 million at the end of 2023, to reach JD 41,181.7 million (114.1 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 32,289.3 million (89.5 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 of 2023 compared to 2022:

■ Public Revenues

Public revenues (domestic revenues *plus* foreign grants) increased by JD 511.2 million, or 59.9 percent, in December 2023 compared to the same month in 2022, to stand at JD 1,365.3 million. As for the year of 2023, public revenues went up by JD 229.7 million, or 2.6 percent, compared to 2022, to stand at JD 9,143.8 million. This came as an outcome of the increase in domestic revenues by JD 310.1 million, and decrease in foreign grants by JD 80.5 million.

Main Government Budget Indicators During of 2023

(JD Million and Percentages)

	December		Growth Rate	Jan.-Dec.		Growth Rate
	2022	2023		2022	2023	
Public Revenues	854.1	1,365.3	59.9	8,914.1	9,143.8	2.6
Domestic Revenues, of which:	801.1	737.2	-8.0	8,121.9	8,432.0	3.8
Tax Revenues, of which:	485.1	415.0	-14.5	6,047.9	6,184.3	2.3
General Sales Tax	382.1	304.7	-20.3	4,167.5	4,077.9	-2.1
Other Revenues	315.4	321.5	1.9	2,069.1	2,242.4	8.4
Foreign Grants	53.0	628.1	-	792.2	711.7	-10.2
Total Expenditures	1,078.2	1,257.2	16.6	10,466.6	11,003.9	5.1
Current Expenditures	842.2	937.6	11.3	8,954.3	9,626.3	7.5
Capital Expenditures	236.0	319.6	35.4	1,512.3	1,377.6	-8.9
Overall Deficit/ Surplus (Including Grants)	-224.2	108.1	-	-1,552.5	-1,860.1	-
Overall Deficit/ Surplus (Including Grants) as a Percent of GDP	-	-	-	-4.5	-5.2	-

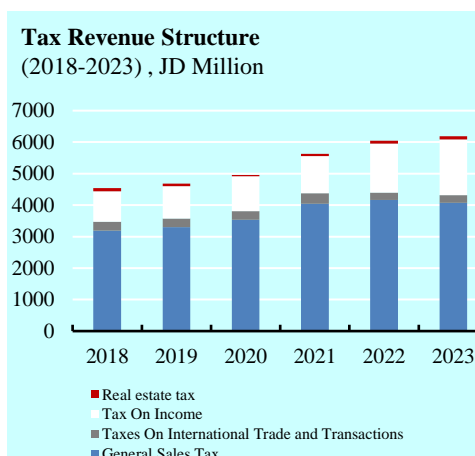
Source: Ministry of Finance/ General Government Finance Bulletin.

◆ Domestic Revenues

Domestic revenues witnessed an increase of JD 310.1 million, or 3.8 percent, in 2023, compared to 2022, to reach JD 8,432.0 million. This increase was a result of the rise in the proceeds of “other revenues”, “tax revenues”, and “Pension contributions” by JD 173.3 million, JD 136.4 million, and JD 0.4 million, respectively.

● Tax Revenues

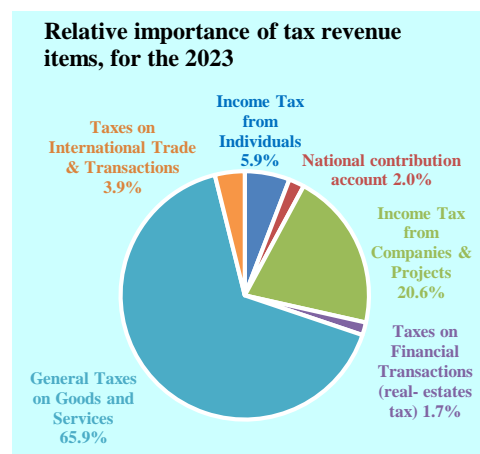
Tax revenues increased by JD 136.4 million, or 2.3 percent, during 2023, compared to 2022, to reach JD 6,184.3 million (73.3 percent of domestic revenues). Following are the main developments in tax revenue items:



- An increase in the proceeds of **income and profit taxes** by JD 215.0 million, or 13.9 percent, to reach JD 1,763.2 million, accounting for 28.5 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 182.0 million, or 16.6 percent, to account for 72.4 percent of total proceeds of income and profits taxes, amounting to JD 1,276.6 million, and increase the proceeds of “income taxes from individuals” by JD 33.4 million, or 10.2 percent, to reach JD

361.6 million, and decrease the proceeds of national contribution account item by JD 0.3 million, or 0.2 percent, to reach JD 125.0 million.

- An increase in the proceeds of **taxes on international trade and transactions** (including customs duties and fees) by JD 7.4 million, or 3.2 percent, to reach JD 240.1 million.
- An increase in the proceeds of **taxes on financial transactions (real-estates tax)** by JD 3.5 million, or 3.5 percent, to reach JD 103.0 million.
- A decrease of **general sales tax on goods and services** by JD 89.6 million, or 2.1 percent, to reach JD 4,077.9 million, accounting for 65.9 percent of total tax revenues. This result was driven by the decrease in the proceeds of sales tax on commercial sector by JD 90.7 million, and on imported goods by JD 44.4 million, and on domestic goods by JD 5.7 million, and increase in the proceeds of sales tax on services by JD 51.3 million.



● Non-Tax Revenues

- “Other revenues” increased by JD 173.3 million, or 8.4 percent, during 2023, to reach JD 2,242.4 million. This increase was chiefly due to the increase in the **property income** by JD 148.5 million to stand at JD 607.1 million (of which financial surplus of independent government units amounted to JD 559.5 million against JD 423.7 million during 2022), and in **miscellaneous revenues** by JD 12.7 million to stand at JD 737.0 million, and in revenues from **selling goods and services** by JD 12.0 million to reach JD 898.3 million.
- Pension contributions increased by JD 0.4 million, or 8.2 percent, during 2023, to reach JD 5.3 million.

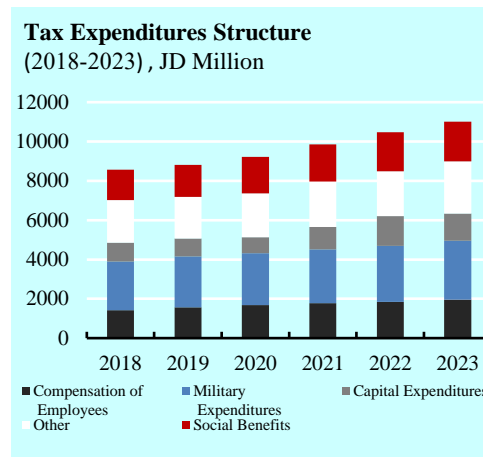
◆ Foreign Grants

Foreign grants decreased by JD 80.5 million, or 10.2 percent, during 2023, standing at JD 711.7 million, compared to JD 792.2 million during of 2022.

■ Public Expenditures

Public expenditures increased by JD 179.0 million, or 16.6 percent, in December 2023 compared to the same month in 2022, to stand at JD 1,257.2 million. As for year of

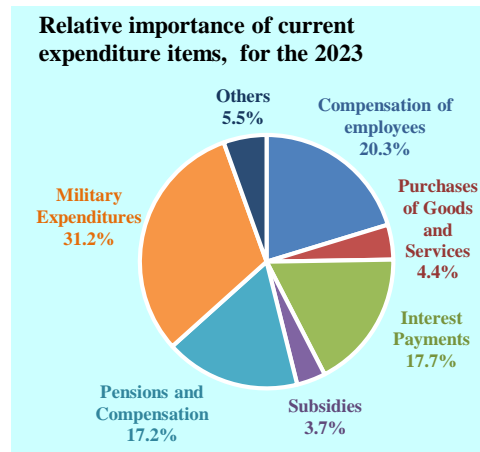
2023, public expenditures increased by JD 537.3 million, or 5.1 percent, compared to 2022, to stand at JD 11,003.9 million. This increase was a result of the rise in current expenditures by 7.5 percent, and decreased in capital expenditures by 8.9 percent.



◆ Current Expenditures

Current expenditures went up by JD 672.0 million, or 7.5 percent, during 2023, to reach JD 9,626.3 million (87.5 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 3.1 percentage point, to reach 87.6 percent compared to 90.7 percent during 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 275.2 million, to stand at JD 1,702.8 million.
- An increase in **military expenditures** by JD 152.8 million, to total JD 2,998.7 million.
- An increase in **subsidies** by JD 114.2 million, to stand at JD 354.6 million.
- An increase in the **compensation of civil sector's employees (wages, salaries and social security contributions)** by JD 104.7 million, to reach JD 1,953.4 million.
- An increase in **pensions and compensation** by JD 21.6 million, to stand at JD 1,660.0 million.
- An increase in the **purchases of goods and services** by JD 10.7 million, to reach JD 428.0 million.

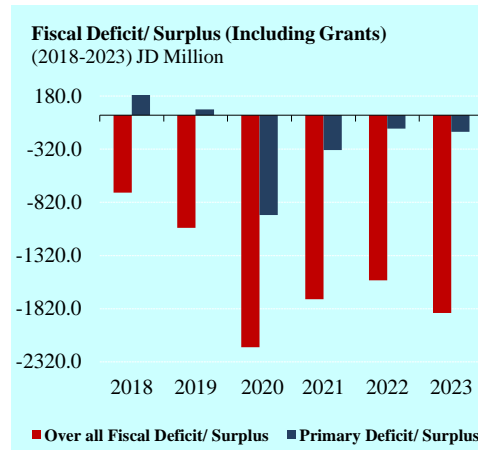


◆ Capital Expenditures

Capital expenditures decreased by JD 134.7 million, or 8.9 percent, during 2023 compared to 2022, to reach JD 1,377.6 million.

■ General Budget Deficit/ Surplus

- ◆ The overall fiscal deficit, including foreign grants, increased by JD 307.6 million, during 2023, to reach JD 1,860.1 million (5.2 percent of GDP), compared to a fiscal deficit of JD 1,552.5

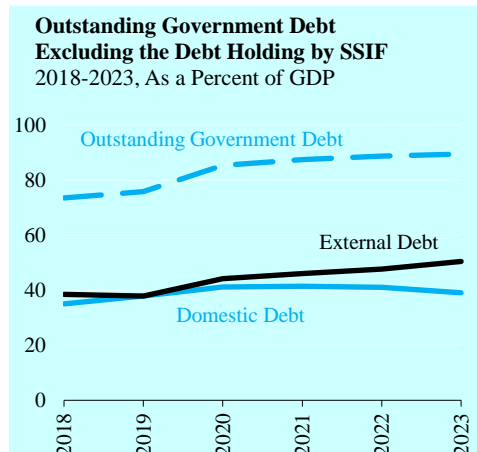
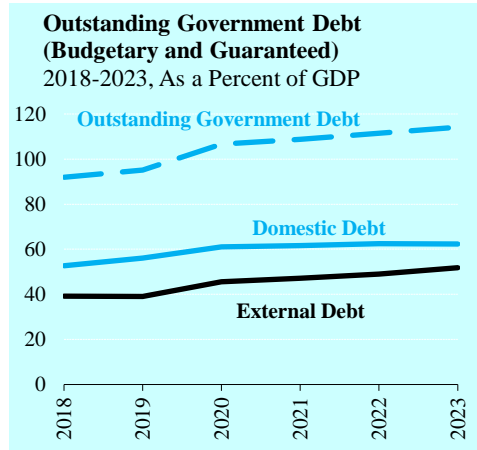


million (4.5 percent of GDP) in 2022. When foreign grants are excluded, the general budget deficit increases to reach JD 2,571.8 million (7.1 percent of GDP), compared to a fiscal deficit of JD 2,344.7 million (6.8 percent of GDP) in 2022.

- ◆ The primary deficit, excluding foreign grants, (domestic revenues *minus* total public expenditures excluding interest payments on public debt) reached JD 869.0 million (2.4 percent of GDP) in 2023, against a primary deficit of JD 917.1 million (2.7 percent of GDP) in 2022. When foreign grants are including, the primary deficit of the general budget reached JD 157.3 million (0.4 percent of GDP), compared to a primary deficit of JD 124.9 million (0.4 percent of GDP) in 2022.

□ Outstanding Government Debt

- Government domestic debt (budgetary and guaranteed) increased by JD 910.7 million, at the end of 2023 compared to its level at the end of 2022, to stand at JD 22,489.9 million (62.3 percent of GDP). This increase was an outcome of the rise in the domestic debt of the budget by JD 527.6 million, and the increase in the domestic debt of guaranteed by JD 383.2 million, compared to their levels at the end of 2022, standing at JD 19,475.3 million and JD 3,014.6 million, respectively.



- When excluding the domestic debt holding by the Social Security Investment Fund (SSIF), the government domestic debt (budgetary and guaranteed) decreased by JD 97.3 million, at the end of 2023 compared to its level at the end of 2022, to stand at JD 14,081.4 million (39.0 percent of GDP).

- Outstanding external debt (budget and guaranteed) went up by JD 1,780.8 million at the end of 2023, compared to its level at the end of 2022, to reach JD 18,691.8 million (51.8 percent of GDP). It is worth mentioning that the external debt denominated in the U.S. Dollar accounted for 70.5 percent of the total external debt, and the debt in Euro accounted for 12.0 percent. However, the SDR accounted for 9.4 percent, Kuwaiti Dinar (3.2 percent), and Japanese Yen (3.1 percent).
- When excluding the external debt holding by the Social Security Investment Fund, the outstanding external debt (budget and guaranteed) increased by JD 1,719.0 million, at the end of 2023 compared to its level at the end of 2022, to stand at JD 18,207.9 million (50.5 percent of GDP).
- In light of the above-mentioned developments, outstanding government debt (domestic and external) increased by JD 2,691.5 million at the end of 2023 to reach JD 41,181.7 million (114.1 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 32,289.3 million (89.5 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 358.2 million during 2023 compared to 2022, to reach JD 3,161.4 million (including principal payments of JD 2,456.3 million and interest of JD 705.1 million).

□ Fiscal and Price Measures of 2024

◆ May

- The Oil Derivatives Pricing Committee decided to increase the prices of main oil derivatives, and reduce the price of Unleaded Gasoline 95, while the prices of kerosene and liquid gas cylinder for households will remain unchanged, as follows:

Development of Oil Derivatives Prices

	Unit	2024		Percentage Change
		April	May	
Unleaded Gasoline 90	Fils/ Liter	940	960	2.1
Unleaded Gasoline 95	Fils/ Liter	1,175	1,120	-4.7
Unleaded Gasoline 98	Fils/ Liter	1,325	1,350	1.9
Gas Oil (Diesel)	Fils/ Liter	730	735	0.7
Kerosene	Fils/ Liter	620	620	0.0
Liquid Gas (12.5kg)	JD/ Cylinder	7.0	7.0	0.0
Fuel oil (1%)	JD/ Ton	454.4	478.4	5.3
Fuel for airplanes (local companies)	Fils/ Liter	582	585	0.5
Fuel for airplanes (foreign companies)	Fils/ Liter	587	590	0.5
Fuel for unplanned flights	Fils/ Liter	602	605	0.5
Asphalt	JD/ Ton	449.3	473.3	5.3

Source: Jordan Petroleum Refinery Company (1/5/2024).

- 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 2024

◆ March

- Signing a two financing agreement, provided by the German government facilitated through the German Development Bank and the European Union (EU), to support the water and sanitation sector, as follows:
 - EUR 10 million grant to finance a project aimed at enhancing energy efficiency through electricity generation from biogas in sewage treatment plants
 - EUR 50 million loan to finance a project focused on environmentally friendly sewage sludge disposal and climate protection.

□ 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.

◆ December

- 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 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 2.7 percent in January 2024, compared to the same month of 2023, to reach JD 649.9 million.
- **Merchandize imports** decreased by 19.7 percent in January 2024, compared to the same month of 2023, to reach JD 1,318.2 million.
- **Consequently**, the trade balance deficit (total exports minus imports) decreased by 33.7 percent in January 2024, compared to the same month of 2023; standing at JD 668.3 million.
- **Travel receipts** increased by 4.5 percent in first two months of 2024, to register JD 782.6 million, compared to the same period of 2023. While, **travel payments** increased by 25.2 percent, to register JD 250.7 million, compared to the same period of 2023.
- **Total workers' remittances receipts** increased by 4.6 percent during first two months of 2024, compared to the same period of 2023, to reach JD 421.0 million.
- **The current account of the balance of payments** (including grants) registered a deficit amounted to JD 1,248.7 million (3.5 percent of GDP) during 2023, compared to a deficit of JD 2,708.7 million (7.8 percent of GDP) during 2022. Meanwhile, the current account deficit excluding grants decreased to reach 6.7 percent of GDP, compared with 11.7 percent of GDP during 2022.
- **The foreign direct investment** recorded a total inflow of JD 687.4 million during 2023, compared to total inflow of JD 927.9 million during 2022.

- **International investment position (IIP)** displayed a net obligation to abroad of JD 38,082.7 million, at the end of 2023, compared to net obligation amounted to JD 36,643.9 million at the end of 2022.

□ External Trade

- As a result of the increase in domestic exports by JD 7.1 million and the decrease in imports by JD 323.0 million during January 2024, the volume of external trade (domestic exports plus imports) decreased by JD 315.9 million to stand at JD 1,911.2 million, compared to 2023.

Jordan's Major Trading Partners

JD Million

	January		Percentage Change
	2023	2024	
Exports			
USA	152.6	186.2	22.0
Saudi Arabia	70.6	63.4	-10.2
Iraq	35.5	50.6	42.5
India	52.6	45.3	-13.9
UAE	13.4	20.5	53.0
Palestine	18.5	17.4	-5.9
China	17.0	15.7	-7.6
Imports			
Saudi Arabia	269.3	235.3	-12.6
China	253.0	204.9	-19.0
USA	150.4	115.9	-22.9
India	122.9	72.5	-41.0
UAE	73.6	58.9	-20.0
Egypt	40.3	50.1	24.3
Indonesia	52.8	42.3	-19.9

Source: Department of Statistics.

Main External Trade Indicators

JD Million

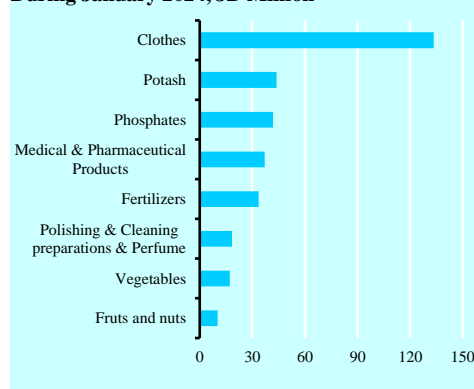
	January			
	2023	Percentage Change (%)	2024	Percentage Change (%)
External Trade	2,227.1	17.7	1,911.2	-14.2
Total Exports	632.6	5.7	649.9	2.7
Domestic Exports	585.9	7.5	593.0	1.2
Re-exports	46.7	-12.7	56.9	21.8
Imports	1,641.2	21.8	1,318.2	-19.7
Trade Balance	-1,008.6	34.7	-668.3	-33.7

Source: Department of Statistics.

■ Merchandize Exports:

Total merchandize exports increased by 2.7 percent during January 2024, to reach JD 649.9 million. This increase was a result of the increase in domestic exports by JD 7.1 million, or 1.2 percent to reach JD 593.0 million, and the increase in re-exports by JD 10.2 million, or 21.8 percent to reach JD 56.9 million.

Major Exports by Commodity
During January 2024, JD Million



◆ The developments of domestic exports during January 2024, compared to the same month of 2023 reveals the following:

- Exports of **fertilizers** increased by JD 22.5 million, or 202.7 percent, to reach JD 33.6 million. The markets of the USA and Algeria accounted for 89.9 percent of these exports.
- Exports of **clothes** increased by JD 22.1 million, or 19.9 percent, to reach JD 133.4 million. The market of the USA accounted for 77.3 percent of these exports.
- Exports of **Vegetables** increased by JD 6.4 million, or 59.3 percent to reach JD 17.2 million. It is worth noting that market of Saudi Arabia, Bahrain accounted for 23.3 percent of these exports.
- Exports of **“Polishing & cleaning preparations & perfume materials”** increased by JD 3.0 million, or 19.5 percent, to reach JD 18.4 million. Iraq, Saudi Arabia and Libya were the main destination markets; accounting for 80.4 percent of these exports.

- Exports of “**Medical & pharmaceutical products**” increased by JD 2.6 million, or 7.6 percent, to stand at JD 37.0 million. Saudi Arabia, Iraq, UAE, and Algeria were the main destination markets for these exports, accounting for 61.1 percent.
- Exports of **phosphates** decreased by JD 12.6 million, or 23.2 percent to reach JD 41.7 million. The markets of India, Indonesia, China and Malaysia accounted for 100.0 percent of these exports.
- Exports of **potash** decreased by JD 3.8 million, or 8.0 percent, to reach JD 43.8 million. It is worth noting that Australia, Netherlands and Egypt markets accounted for 42.7 percent of these exports.

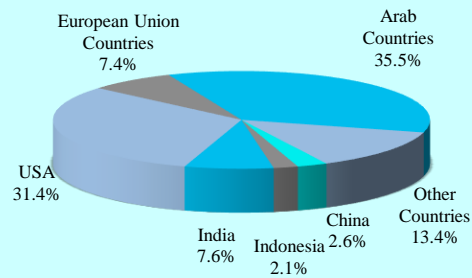
Major Domestic Exports by Commodity, JD Million
During January 2023-2024

	2023	2024	Percentage Change
Domestic Export	585.9	593.0	1.2
Clothes	111.3	133.4	19.9
USA	90.0	103.1	14.6
Potash	47.6	43.8	-8.0
Australia	5.2	7.7	48.1
Netherlands	-	6.0	100.0
Egypt	4.1	5.0	22.0
Phosphates	54.3	41.7	-23.2
India	35.0	32.0	-8.6
Indonesia	3.6	7.9	119.4
China	-	1.7	100.0
Malaysia	0.2	0.1	-50.0
Medical & Pharmaceutical Products	34.4	37.0	7.6
Saudi Arabia	5.2	9.7	86.5
Iraq	5.4	6.0	11.1
UAE	1.6	3.8	137.5
Algeria	2.7	3.1	14.8
Fertilizers	11.1	33.6	202.7
USA	-	29.2	100.0
Algeria	0.4	1.0	150.0
Polishing & Cleaning preparations & Perfume	15.4	18.4	19.5
Iraq	6.6	8.9	34.8
Saudi Arabia	3.9	4.6	17.9
Libya	1.9	1.3	-31.6
Vegetables	10.8	17.2	59.3
Saudi Arabia	1.7	2.7	58.8
Bahrain	1.0	1.3	30.0
Fruits & nuts	7.3	10.2	39.7
UK	0.7	2.2	214.3
UAE	1.7	1.8	5.9

Source: Department of Statistics.

- Consequently, the commodity breakdown of domestic exports indicates that exports of clothes, potash, phosphates,

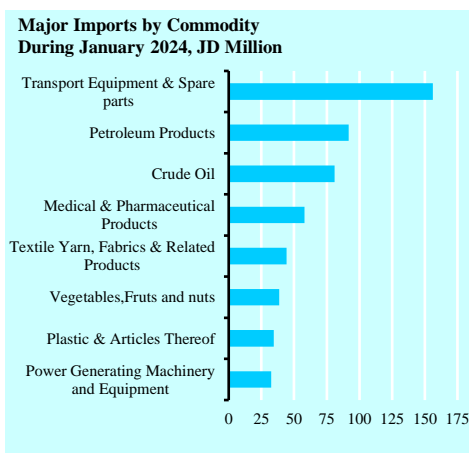
Geographic Distribution of Domestic Exports During January 2024



“Medical & pharmaceutical products”, Fertilizers, “Polishing & cleaning preparations & perfume material” vegetables, and “fruit & nuts” topped the list of domestic exports during January 2024; accounting for 56.5 percent, compared with 49.9 percent during to the same month 2023. Meanwhile, the geographical distribution of domestic exports indicates that the USA, Saudi Arabia, Iraq, India, the UAE, Palestine, and China were the main destination markets during January 2024; accounting for 67.3 percent, compared with 61.5 percent during the same month of 2023.

■ Merchandize Imports:

Merchandize imports decreased by 19.7 percent to reach JD 1,318.2 million during January 2024, compared to an increase by 21.8 percent during the same month of 2023.



◆ The developments of imports during January 2024, compared to the same month of 2023, reveals the following:

- **Petroleum products** imports decreased by JD 26.6 million, or 22.5 percent, to reach JD 91.8 million. India, Saudi Arabia and the UAE were the main origin markets accounting for 99.0 percent of these imports.
- **Textile Yarn, Fabrics & Related Products** imports decreased by JD 19.3 million, or 30.4 percent, to stand at JD 44.2 million. China, Türkiye and Taiwan were the main markets, accounting for 64.5 percent of these imports.
- **“Plastic & articles thereof”** imports decreased by JD 10.2 million, or 22.9 percent, to stand at JD 34.4 million. Saudi Arabia, China and the UAE were the main markets, accounting for 80.8 percent of these imports.

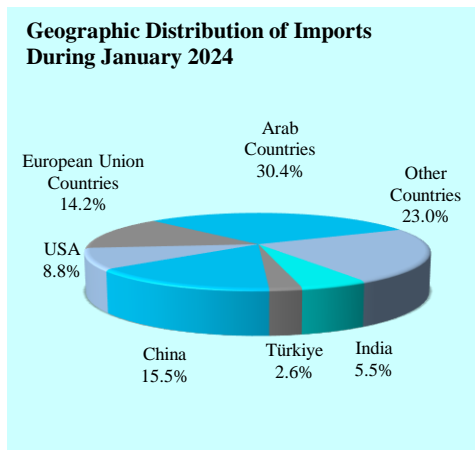
- **“Fruits & Nuts”** imports decreased by JD 3.8 million or 9.0 percent, to reach JD 38.6 million. Egypt, Syria and Russia were the main markets, accounting for 30.8 percent of these imports.
- **“Transport equipment & spare parts”** imports increased by JD 12.7 million, or 8.9 percent, to reach JD 156.2 million. China, the USA and South Korea were the main origin markets, accounting for 72.4 percent of these imports.
- **Crude oil** imports increased by JD 5.4 million, or 7.1 percent, to reach JD 81.1 million. Saudi Arabia and Iraq were the main origin markets, accounting for 100.0 percent of these imports.

Major Imports by Commodity, JD Million
During January 2023-2024

	2023	2024	Percentage Change
Total Imports	1,641.2	1,318.2	-19.7
Transport Equipment & Spare parts	143.5	156.2	8.9
China	27.9	65.2	133.7
USA	22.4	28.1	25.4
South Korea	26.0	19.8	-23.8
Petroleum Products	118.4	91.8	-22.5
India	54.3	48.6	-10.5
Saudi Arabia	61.0	41.6	-31.8
UAE	1.1	0.7	36.4
Crude Oil	75.7	81.1	7.1
Saudi Arabia	61.0	59.9	-1.8
Iraq	14.7	21.2	44.2
Medical & Pharmaceutical Products	52.9	57.9	9.5
USA	6.7	10.5	56.7
Ireland	3.9	6.9	76.9
Germany	6.4	6.6	3.1
Textile Yarn, Fabrics & Related Products	63.5	44.2	-30.4
China	25.2	15.7	-37.7
Türkiye	7.8	6.9	-11.5
Taiwan	10.7	5.9	-44.9
Fruits, Vegetables and Nuts	42.4	38.6	-9.0
Egypt	3.9	4.8	23.1
Syria	2.9	3.7	27.6
Russia	1.5	3.4	126.7
Plastic & articles thereof	44.6	34.4	-22.9
Saudi Arabia	16.9	20.7	22.5
China	8.9	4.2	-52.8
UAE	3.1	2.9	-6.5
Electrical Machinery, Apparatus & Appliances	28.0	32.4	15.7
USA	18.8	29.0	54.3
Germany	2.1	0.8	-61.9
China	0.9	0.7	-22.2

Source: Department of Statistics.

- Consequently, the commodity composition of imports indicates that “Transport equipment & spare parts”, petroleum products, crude oil, “Medical & pharmaceutical products”, “Textile yarn, fabrics and related products”, “Fruits & Vegetables and Nuts”, “Electrical machinery apparatus and appliances” and “Plastic & articles thereof”, topped the list of imports during January 2024, accounting for 40.7 percent, compared with 34.7 percent during the same month of 2023. Meanwhile, the geographical distribution of imports indicates that Saudi Arabia, China, the USA, India, the UAE, Egypt and Indonesia were the main source markets during January 2024 accounting for 59.2 percent of imports, compared to 58.6 percent during the same month of 2023.



■ Re-Exports

The value of re-exported goods in January 2024 increased by JD 10.2 million, or 21.8 percent, compared to the same month of 2023, to stand at JD 56.9 million.

■ Trade Balance

The trade balance deficit decreased by JD 340.3 million, or 33.7 percent in January 2024, compared to the same month of 2023, to reach JD 668.3 million.

□ **Total Workers' Remittances Receipts**

Total workers' remittances receipts increased during the first two months of 2024 by JD 18.4 million, or 4.6 percent, to stand at JD 421.0 million, compared to the same period of 2023.

□ **Travel**

■ **Receipts**

Travel receipts increased by 4.5 percent during the first two months 2024, to register JD 782.6 million, compared to the same period of 2024.

■ **Payments**

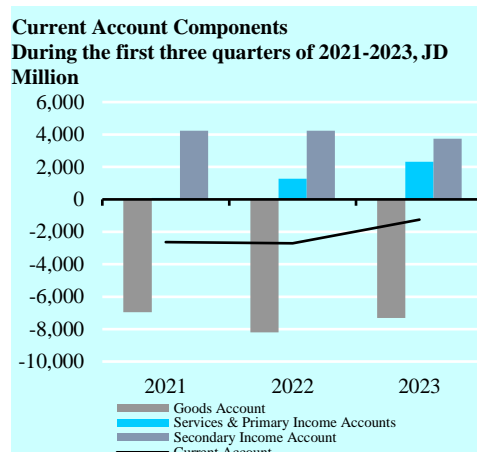
Travel payments increased by 25.2 percent during first two months 2024, to register JD 250.7 million, compared to the same period of 2024.

□ **Balance of Payments**

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

- **The current account** recorded a deficit of JD 1,248.5 million (3.5 percent of GDP), compared to a deficit of JD 2,708.7 million (7.8 percent of GDP) during 2022. Meanwhile, the current account deficit (excluding grants) decreased to reach JD 2,399.9 million (6.7 percent of GDP), compared to a deficit of JD 4,028.3 million (11.7 percent of GDP) during 2022. This was an outcome of the following developments:

- A decrease in the goods account deficit by JD 901.2 million, or 11.0 percent, to reach JD 7,307.6 million, compared to a deficit of JD 8,208.8 million.



- ◆ An increase in the services account surplus by JD 1,020.2 million, to reach JD 2,643.5 million, compared to a surplus of JD 1,623.3 million.
- ◆ The primary income account recorded a deficit of JD 327.9 million, compared to a deficit of JD 359.1 million. This was mainly due to the decrease in the deficit of investment income (net) to reach JD 530.7 million, compared to deficit of JD 560.1 million, and the increase of “compensation of employees (net)” surplus by JD 1.8 million to reach JD 202.8 million.
- The secondary income recorded a net surplus of JD 3,743.3 million, compared to a net surplus of JD 4,235.9 million. This was a result of a decrease in net surplus of other sectors transfers by JD 324.2 million to reach JD 2,592.1 million, and the decrease in net surplus of the public sector (foreign grants) by JD 168.4 million to reach JD 1,151.2 million.

■ As for the capital and financial transactions during 2023, the capital account registered a net inflow of JD 34.0 million, compared to a net inflow of JD 38.0 million during 2022. Meanwhile, the financial account registered a net inflow of JD 1,618.1 million during 2023, compared to a net inflow of JD 2,047.9 million during the same period of 2022, this could be attributed to the following:

- ◆ Foreign direct investment recorded an inflow of JD 687.4 million compared to an inflow of JD 927.9 million.
- ◆ Portfolio investment recorded a net inflow of JD 865.5 million compared to a net outflow of JD 487.3 million.
- ◆ Other investment registered a net inflow of JD 516.2 million, compared to a net inflow of JD 1,108.3 million.
- ◆ CBJ's reserve assets registered a decrease by JD 307.4 million, compared to a decrease by JD 527.2 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 38,082.7 million at the end of the 2023, compared to a net obligation by JD 36,643.9 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 855.1 million at the end of 2023 to reach JD 21,806.7 million, compared to its level at the end of 2022. This was mainly due to the increase of reserve assets by JD 631.3 million and licensed banks loans to abroad by JD 180.1 million, both currency deposits of licensed banks abroad by JD 175.1 million, and the and decrease in trade credit of other sectors abroad by JD 124.5 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 2,293.9 million at the end of 2023, to reach JD 59,889.4 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 866.9 million, to stand at JD 7,772.5 million.
 - ◆ An increase in the stock of direct investment in the kingdom by JD 737.2 million, to stand at JD 28,069.2 million.
 - ◆ An increase in outstanding balance of government loans (long-term) by JD 671.0 million, to stand at JD 7,535.7 million.
 - ◆ An increase in the deposits of non-residents at the banking sector by JD 294.9 million, to stand at JD 10,687.3 million (increase by JD 352.1 million for the licensed banks, and a decrease by JD 57.2 million for the CBJ).
 - ◆ A decrease in outstanding balance of licensed banks loans (short-term) by JD 155.0 million, to stand at JD 631.3 million.
 - ◆ A decrease in outstanding balance of other sectors' loans (long-term) by JD 116.5 million, to stand at JD 1,888.7 million.
 - ◆ A decrease in outstanding balance facilities by JD 58.6 million to reach JD 1,640.4 million.