



Central Bank of Jordan

**Recent Monetary &
Economic
Developments in Jordan**

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

Central Bank of Jordan

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Classification level: public



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 |

Classification level: Public

Contents

	Executive Summary	1
First	Monetary & Financial Sector	3
Second	Output, Prices and Employment	15
Third	Public Finance	23
Fourth	External Sector	37

Executive Summary

□ Output, Prices and Employment

Real GDP at market prices grew by 2.0 percent during the first quarter of 2024, compared to a growth of 3.0 percent during the same quarter of 2023. The general price level, measured by the percentage change in the Consumer Price Index (CPI), increased during the first seven months of 2024 by 1.7 percent, compared to an increase of 2.7 percent during the same period of 2023. The unemployment rate during the first quarter of 2024 reached 21.4 percent, compared to 21.9 percent during the same quarter of 2023.

□ Monetary and Financial Sector

- The CBJ's gross foreign reserves amounted to US\$ 19,141.8 million at the end of July 2024. This level of reserves covers around 8.3 months of the Kingdom's imports of goods and services.
- Domestic liquidity amounted to JD 44,496.4 million at the end of July 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 34,582.1 million at the end of July 2024, compared to JD 33,387.1 million at the end of 2023.
- Total deposits at other depository corporations amounted to JD 44,744.5 million at the end of July 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 2,407.1 points at the end of July 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 771.5 million (4.3 percent of GDP) during the first half of 2024, comparing to a fiscal deficit of JD 699.2 million (3.9 percent of GDP) during the same period in 2023. Government domestic debt (budgetary and guaranteed) increased by JD 1,092.5 million at the end of June 2024, compared to its level at the end of 2023, to reach JD 23,582.4 million (63.6 percent of GDP). Moreover, outstanding external debt (budget and guaranteed) went up by JD 251.2 million, to reach JD 18,943.0 million (51.1 percent of GDP). Accordingly, outstanding government debt (domestic and external) rose up to reach JD 42,525.4 million (114.7 percent of GDP) at the end of June 2024, compared to JD 41,181.7 million (113.8 percent of GDP) at the end of 2023. When excluding the debt holding by the Social Security Investment Fund, the government domestic debt (budgetary and guaranteed) stand at JD 14,533.6 million (39.2 percent of GDP). While the outstanding external debt (budget and guaranteed) stand at JD 18,455.6 million (49.8 percent of GDP). As a result, the outstanding government debt (domestic and external) stand at JD 32,989.2 million (89.0 percent of GDP compared to 89.2 percent of GDP at the end of 2023).
- **External Sector:** Total merchandise exports (domestic exports *plus* re-exports) decreased by 0.9 percent during the first five months of 2024 to reach JD 3,628.0 million. Meanwhile, merchandise imports decreased by 2.9 percent to reach JD 7,492.5 million. As a result, the trade balance deficit decreased by 4.8 percent, compared to the same period of 2023, to reach JD 3,864.5 million. The preliminary data during the first half of 2024 showed a decrease in travel receipts by 4.9 percent, to reach JD 2,329.0 million, and an increase in travel payments by 34.4 percent, to reach JD 862.3 million, compared to the same period of 2023. Moreover, total workers' remittances receipts increased by 3.6 percent during the first half of 2024, to reach JD 1,236.7 million. The preliminary data for the balance of payments during the first quarter of 2024 displayed a deficit in the current account amounted to JD 655.7 million (7.6 percent of GDP) compared to a deficit of JD 539.9 million (6.5 percent of GDP) during the same quarter of 2023. Meanwhile, the current account deficit (excluding grants) increased to reach 9.4 percent of GDP, compared with 7.9 percent of GDP during the same quarter of 2023. Moreover, total foreign direct investment inflow to Jordan amounted to JD 144.6 million during the first quarter of 2024, compared to an inflow of JD 175.8 million during the same quarter of 2023. Furthermore, the international investment position (IIP) registered a net obligation to abroad amounted to JD 38,049.2 million at the end of the first quarter of 2024, compared to a net obligation to abroad by JD 38,077.8 million at the end of 2023.

First: Monetary and Financial Sector

□ Summary

- The CBJ's gross foreign reserves amounted to US\$ 19,141.8 million at the end of July 2024. This level of reserves covers around 8.3 months of the Kingdom's imports of goods and services.
- Domestic liquidity amounted to JD 44,496.4 million at the end of July 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 34,582.1 million at the end of July 2024, compared to JD 33,387.1 million at the end of 2023.
- Total deposits at other depository corporations amounted to JD 45,744.5 million at the end of July 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 July 2024, compared to their levels at the end of 2023. In contrast, the interest rate on all types of credit facilities extended by other depository corporations had decreased at the end of July 2024, compared to their levels at the end of 2023, except the interest rate on “discounted bills and bonds”, which had increased.

- The Share Price Index (SPI) weighted by market capitalization of free float shares at Amman Stock Exchange (ASE) reached 2,407.1 points at the end of July 2024, compared to 2,431.2 points at the end of 2023. Moreover, the market capitalization reached JD 16,552.0 million at the end of July 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

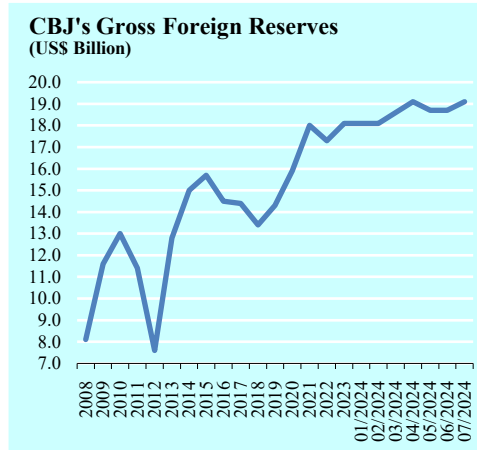
2023		End of July	
		2023	2024
US\$ 18,122.9	CBJ's Foreign Reserves*	US\$ 17,397.5	US\$ 19,141.8
5.0%		0.8%	5.6%
7.9	Coverage in months	7.4	8.3
42,663.1	Money Supply (M2)	42,159.2	44,496.4
2.4%		1.1%	4.3%
33,387.1	Credit Facilities, of which:	33,401.5	34,582.1
2.4%		2.5%	3.6%
29,324.0	Private Sector (Resident)	29,292.0	29,884.6
1.6%		1.5%	1.9%
43,744.3	Total Deposits, of which:	42,840.1	45,744.5
3.9%		1.7%	4.6%
34,468.9	In JD	33,489.1	35,818.8
5.0%		2.0%	3.9%
9,275.4	In Foreign Currencies	9,351.0	9,925.7
0.1%		0.9%	7.0%
34,163.0	Deposits of Private Sector (Resident), of which:	33,429.8	35,528.6
2.9%		0.7%	4.0%
27,615.9	In JD	26,856.9	28,480.1
3.8%		1.0%	3.1%
6,547.1	In Foreign Currencies	6,572.8	7,048.5
-0.8%		-0.5%	7.7%

* Including gold reserves and special drawing rights.

Source: Central Bank of Jordan / Monthly Statistical Bulletin.

□ CBJ's Foreign Reserves

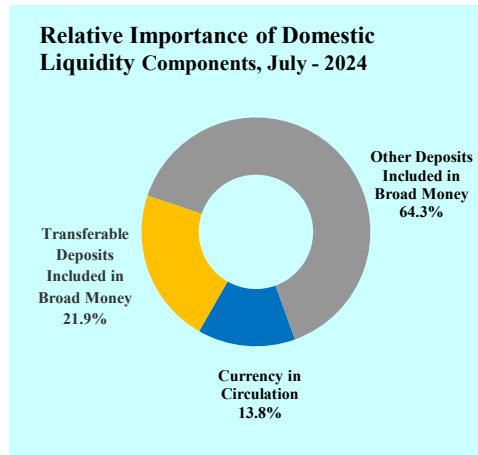
The CBJ's gross foreign reserves amounted to US\$ 19,141.8 million at the end of July 2024. This level of reserves covers around 8.3 months of the Kingdom's imports of goods and services.



□ Domestic Liquidity (M2)

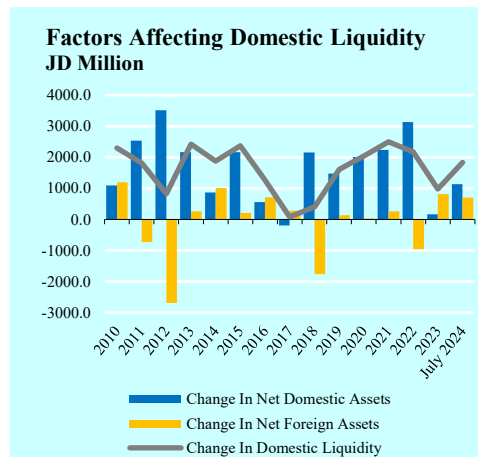
- Domestic liquidity amounted to JD 44.5 billion at the end of July 2024, compared to JD 42.7 billion at the end of 2023.
- ◆ **Developments in the components and the factors affecting domestic liquidity at the end of July 2024, reveal the following:**
 - **Components of Domestic Liquidity**
 - Total deposits, according to liquidity definition, amounted to JD 38.3 billion at the end of July 2024, compared to JD 36.1 billion during the same period in 2023, and JD 36.9 billion at the end of 2023.

- Currency in circulation amounted to JD 6.1 billion at the end of July 2024, 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 35.8 billion at the end of July 2024, compared to



JD 34.9 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 8.6 billion at the end of July 2024, compared to JD 7.3 billion during the same period in 2023 and JD 7.9 billion at the end of 2023. The net foreign assets of the CBJ amounted to JD 12.9 billion at the end of July 2024.

Factors Affecting Domestic Liquidity (M2)

JD Million

2023		End of July	
		2023	2024
7,946.9	Foreign Assets (Net)	7,296.1	8,649.9
12,387.6	CBJ	11,763.5	12,939.9
-4,440.6	Other Depository Corporations	-4,467.4	-4,290.0
34,716.1	Domestic Assets (Net)	34,863.2	35,846.4
16,103.5	Claims on Public Sector (Net)	15,578.2	17,037.8
1,613.8	Claims on Other Financial Corporations	1,691.6	1,656.1
29,676.7	Claims on Private Sector (Resident)	29,623.0	30,311.4
-12,677.8	Other Items (Net)	-12,029.7	-13,158.9
42,663.1	Domestic Liquidity (M2)	42,159.2	44,496.4
5,807.6	Currency in Circulation	6,040.3	6,148.9
36,855.5	Deposits Included in Broad Money	36,118.9	38,347.5

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

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

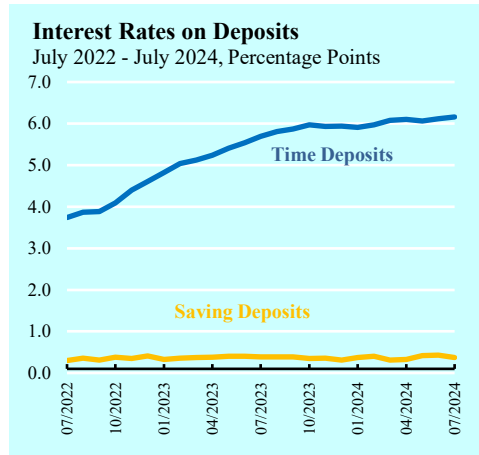
Source: Central Bank of Jordan / Monthly Statistical Bulletin.

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

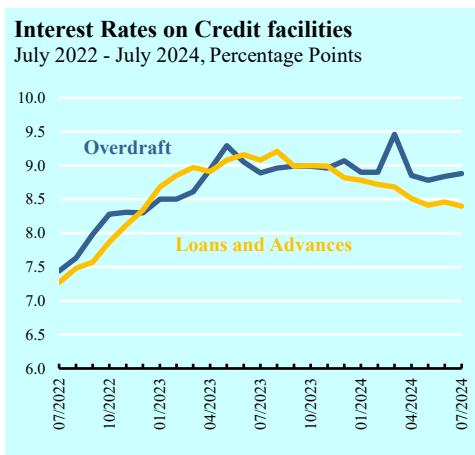
- Time Deposits: The weighted average interest rate on time deposits increased by 4 basis points at the end of July 2024, compared to its level registered in the previous month to stand at 6.16 percent. This rate is higher by 22 basis points than its level registered at the end of 2023.



- Saving Deposits: The weighted average interest rate on saving deposits decreased by 6 basis points at the end of July 2024, compared to its level registered in the previous month to stand at 0.37 percent. This rate is higher by 6 basis points than its level registered at the end of 2023.
- Demand Deposits: The weighted average interest rate on demand deposits decreased by one basis point at the end of July 2024, compared to its level registered in the previous month to stand at 0.73 percent. This level is higher by 20 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 4 basis points at the end of July 2024, compared to its level registered in the previous month to stand at 8.88 percent. This level is lower by 19 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” decreased by 12 basis point at the end of July 2024, compared to its level registered in the previous month to stand at 9.16 percent. This level is higher by 47 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

		July		Change Relative to the Preceding Year Basis Points
		2023	2024	
Deposits				
0.53	Demand	0.63	0.73	20
0.31	Saving	0.39	0.37	6
5.94	Time	5.70	6.16	22
Credit Facilities				
8.69	Discounted Bills and Bonds	8.17	9.16	47
8.82	Loans and Advances	9.08	8.40	-42
9.07	Overdraft	8.90	8.88	-19

Source: Central Bank of Jordan / Monthly Statistical Bulletin.

- **Loans and Advances:** The weighted average interest rate on “loans and advances” decreased by 6 basis points at the end of July 2024, compared to its level registered in the previous month to stand at 8.40 percent. This level is lower by 42 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 1,194.9 million, or 3.6 percent, at the end of July 2024, compared to its level registered at the end of 2023, against an increase by JD 810.0 million, or 2.5 percent during the same period in 2023.
- In terms of borrower sectors, the credit facilities at the end of July 2024 had shown an increase in credit extended to the private sector (resident) by JD 560.6 million, or 1.9 percent, the private sector (non-resident) by JD 485.3 million, or 57.4 percent, the credit facilities extended to the central government by JD 116.7 million, or 5.6 percent, and the credit facilities extended to public non-financial corporations by JD 56.3 million, or 5.3 percent. In contrast, the credit facilities extended to the other financial corporations decreased by JD 23.9 million, or 39.4 percent, compared to their levels at the end of 2023.

□ Deposits at Other Depository Corporations

- Total deposits at other depository corporations stood at JD 45.7 billion at the end of July 2024, compared to JD 42.8 billion at the end of July 2023, and JD 43.7 billion at the end of 2023.
- The currency composition of deposits at the end of July 2024 revealed that the JD deposits amounted to JD 35.8 billion, and the deposits in foreign currencies amounted to JD 9.9 billion, compared to JD 33.5 billion of JD deposits, and JD 9.4 billion of deposits in foreign currency at the end of July 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 July 2024, compared to their levels in 2023. This can be demonstrated as follows:

■ Trading Volume

Trading volume at ASE totaled JD 92.6 million in July 2024, increasing by JD 27.1 million, or 41.4 percent, compared to its level registered at the end of the previous month, against an increase by JD 20.5 million, or 20.1 percent during the same month in 2023. As for the first seven months of 2024, the trading volume totaled JD 714.8 million.

■ Traded Shares

The number of traded shares in July 2024 totaled 82.8 million shares, increasing by 30.4 million shares, or 58.7 percent, compared to its level registered at the end of the previous month, against a decrease by 8.5 million shares, or 9.9 percent during the same month in 2023. As for the first seven months of 2024, the number of traded shares amounted to 510.5 million shares.

■ **Share Price Index (SPI)**

The SPI weighted by market capitalization of free float shares at ASE increased by 13.6 points, or 0.6 percent, at the end of July

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

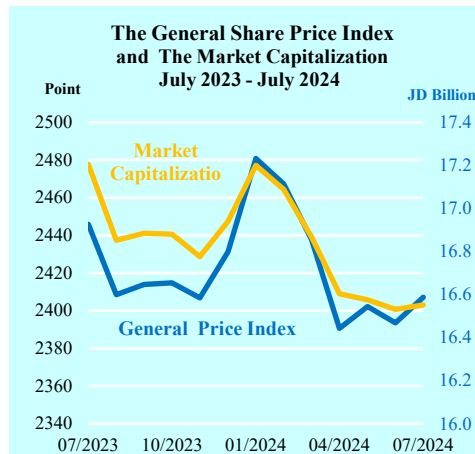
		July	
2023		2023	2024
2,431.2	General Index	2,445.9	2,407.1
2,729.0	Financial Sector	2,632.8	2,623.5
4,718.7	Industrial Sector	5,015.8	4,807.8
1,644.0	Services Sector	1,732.9	1,685.7

Source: Amman Stock Exchange.

2024 compared to its level in the previous month, to stand at 2,407.1 points, compared to a decrease by 19.6 points, or 0.8 percent during the same month in 2023. Furthermore, the SPI decreased by 24.1 points, or 1.0 percent during the first seven months of 2024. The aforementioned decrease was an outcome of the decrease in the SPI of the financial sector by 105.5 points, or 3.9 percent. In contrast, the SPI of the industrial sector increased by 89.1 points, or 1.9 percent, and the services sector by 41.6 points, or 2.5 percent, compared to their levels at the end of 2023.

■ **Market Capitalization**

The ASE's market capitalization totaled JD 16.6 billion at the end of July 2024, increasing by JD 20.9 million, or 0.1 percent, compared to its level registered in the previous



month, against a decrease by JD 219.6 million, or 1.3 percent, during the same month in 2023. Furthermore, the ASE’s market capitalization decreased by JD 387.2 million, or 2.3 percent at the end of July 2024 compared to its level registered at the end of 2023.

■ Net Investment of Non - Jordanian

The net investment of Non-Jordanian at ASE recorded an outflow amounted of JD 2.8 million in July 2024, compared to an outflow amounted by JD 3.5 million during the same month of 2023. The value of shares buying by non-Jordanian in July 2024

Main Amman Stock Exchange Trading Indicators, JD Million				
		July		
2023		2023	2024	
1,457.0	Value Traded	122.6	92.6	
5.9	Average Daily Trading	5.8	4.2	
16,939.2	Market Capitalization	17,204.6	16,552.0	
1,120.2	No. of Traded Shares (million)	76.7	82.2	
-30.1	Net Investment of Non-Jordanian	-3.5	-2.8	
151.1	Non-Jordanian Buying	14.5	9.1	
181.2	Non-Jordanian Selling	17.9	12.0	

Source: Amman Stock Exchange.

amounted to JD 9.1 million, while their selling amounted to JD 12.0 million. The net investment of Non-Jordanian during the first seven months of 2024, recorded an outflow amounted to JD 20.5 million.

Second: Output, Prices and Employment

□ Summary

- Gross Domestic Product (GDP), at constant market prices, grew by 2.0 percent during the first quarter of 2024, compared to a growth of 3.0 percent during the same quarter of 2023. At current market prices, GDP grew by 4.2 percent during the first quarter of 2024, compared to a growth of 5.3 percent in the same quarter of 2023.
- The general price level, measured by the percentage change in the Consumer Price Index (CPI), increased during the first seven months of 2024 by 1.7 percent, compared to an increase of 2.7 percent during the same period of 2023.
- The unemployment rate during the first quarter of 2024 reached 21.4 percent (17.4 percent for males and 34.7 percent for females), compared to 21.9 percent (19.6 percent for males and 30.7 percent for females) during the same quarter of 2023. The highest unemployment rate was among youth, which reached 57.1 percent for the (15-19) years old category and 41.7 percent for the category (20-24) years old.

▣ Developments of GDP

Gross Domestic Product (GDP), at constant market prices, grew by 2.0 percent during the first quarter of 2024, compared to a growth of 3.0 percent during the same quarter of 2023. When excluding “net taxes on products” (which grew by 0.2 percent during the first quarter of 2024 compared to a growth of 0.3 percent during the same quarter of 2023), GDP at constant basic prices, grew by 2.2 percent during the first quarter of 2024, compared to a growth of 3.4 percent during the same quarter of 2023.

Quarterly Growth Rates of GDP at Market Prices (2022 – 2024)

Percentages

	Q1	Q2	Q3	Q4	Year
2022					
GDP at Constant Prices	2.6	3.1	2.6	2.3	2.6
GDP at Current Prices	4.6	5.2	6.3	5.1	5.3
2023					
GDP at Constant Prices	3.0	2.7	2.7	2.3	2.7
GDP at Current Prices	5.3	4.4	4.4	4.1	4.5
2024					
GDP at Constant Prices	2.0	-	-	-	-
GDP at Current Prices	4.2	-	-	-	-

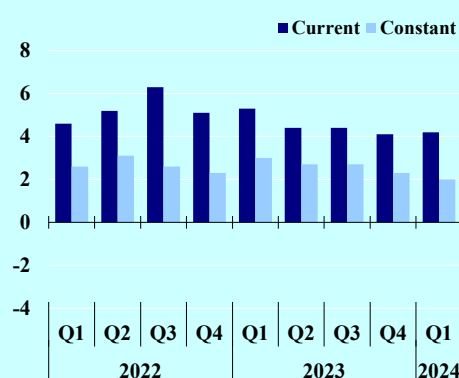
Source: Department of Statistics.

At current market prices, GDP grew by 4.2 percent, compared to a growth of 5.3 percent during the first quarter of 2023. This was in light of the increase of the general price level, measured by the GDP deflator, by 2.1 percent during the first quarter of 2024 compared to a growth of 2.2 percent during the same quarter of 2023.

The economic growth recorded during the first quarter of 2024 came despite the uncertainty resulting from the repercussions of the geopolitical situation in the region, with several sectors witnessing accelerated performance, most notably; the manufacturing sector, which grew by 3.9 percent compared to the growth by 3.5 percent during the same quarter of 2023, “electricity and water” which grew by 4.8 percent, and “community, social and personal services” which grew by 2.9 percent.

As for the economic sectors contribution to growth rate during the first quarter of 2024, most sectors contributed positively to the growth rate except of the construction sector which contributed negatively by 0.1 percentage point. Most notably; manufacturing contributed by (0.7 percentage point), agriculture (0.3 percentage point), “finance and insurance services” (0.2 percentage point), “social and personal services” (0.2 percentage point), “producers of government services” (0.2 percentage point) and “mining and quarrying” (0.2 percentage point). These sectors accounted for 90.0 percent of the real growth recorded during the first quarter of 2024.

Quarterly Growth Rates of GDP at Market Prices (2022- 2024), %



Main Constituent Sectors of GDP at Constant Market Prices

Sectors	Relative change		Contribution Percentage Point	
	Q1 2023	Q1 2024	Q1 2023	Q1 2024
GDP at Constant Market Prices	3.0	2.0	3.0	2.0
Agriculture	7.8	5.7	0.4	0.3
Mining And Quarrying	7.4	6.3	0.2	0.2
Manufacturing	3.5	3.9	0.6	0.7
Electricity And Water	4.4	4.8	0.1	0.1
Construction	6.2	-3.1	0.1	-0.1
Wholesale And Retail Trade	3.1	1.1	0.3	0.1
Restaurant And Hotels	6.2	0.5	0.1	0.0
Transport, Storage And Communications	4.9	0.9	0.4	0.1
Finance And Insurance Services	3.9	2.4	0.3	0.2
Real Estate	1.2	0.8	0.1	0.1
Social And Personal Services	2.3	2.9	0.2	0.2
Producers of Government Services	1.9	1.2	0.3	0.2
Producers of Private Non-Profit	3.6	2.7	0.0	0.0
Domestic Services of Households	2.7	0.1	0.0	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; “cargo through Royal Jordanian” (15.7 percent), “production of phosphate” (28.0 percent), “mining and quarrying production quantity index” (7.3 percent), and a declined in performance of “production of potash” (0.3 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	25.7	Jan. - May	-11.0
0.03	Manufacturing production quantity index	0.7	Jan. - Jun.	-1.0
5.9	Food products and beverages	4.4		5.2
3.6	Tobacco products	4.9		2.4
-19.1	Refined petroleum products	-17.4		10.0
-1.4	Wearing apparel	-3.6		-22.2
5.5	Pharmaceuticals, medical products	3.8		4.6
1.1	Chemical products	-5.0		2.4
5.2	Mining and quarrying production quantity index	2.3		7.3
13.9	Extraction of crude petroleum and natural gas	-6.6		7.7
3.2	Other mining and quarrying	2.5		7.2
3.6	Production of potash	7.6		-0.3
1.5	Production of phosphate	0.1		28.0
24.4	Number of departures	45.4	Jan. - Jul.	1.2
-14.3	Cargo through Royal Jordanian	-12.2		15.7
18.1	Number of passengers through Royal Jordanian	22.8		0.8

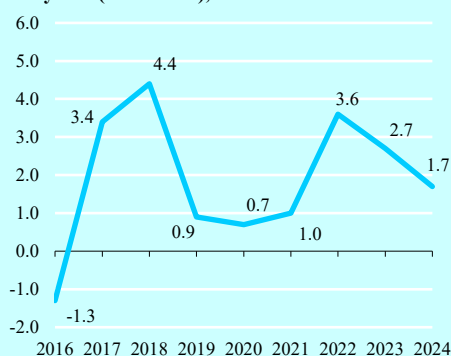
*: Computed based on the data from Department of Statistics, Department of Land and Survey, and Royal Jordanian.

Prices

The general price level, measured by the percentage change in the Consumer Price Index (CPI), increased during the first seven months of 2024 by 1.7 percent, compared to an increase of 2.7 percent during the same period of 2023. This was an outcome of the following:

- An increase in the prices of some items, most notably:
 - “meat and poultry” prices increased by 3.5 percent, compared to a decline by 0.6 percent, during the first seven months of 2023.
 - “vegetables and legumes dry and canned” which increased by 4.0 percent, compared to a decline by 13.4 percent.

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



Inflation rate during the first seven months for the years 2023-2024

Expenditure Groups	Relative Imp.	Relative change		Contribution	
		Jan. – Jul. 2023	2024	Jan. – Jul. 2023	2024
All Items	100.0	2.7	1.7	2.7	1.7
1) Food and non-Alcoholic Beverages	26.5	0.1	1.7	0.0	0.4
Food	23.8	0.1	1.8	0.0	0.4
Cereals and Products	4.2	4.2	2.1	0.2	0.1
Meat and Poultry	4.7	-0.6	3.5	0.0	0.2
Fish and Sea Product	0.4	0.2	0.9	0.0	0.0
Dairy Products and Eggs	3.7	7.7	-0.1	0.3	0.0
Oil and Fats	1.7	3.3	-1.6	0.1	0.0
Fruits and Nuts	2.6	-2.1	0.8	-0.1	0.0
Vegetables and Legumes Dry and Canned	3.0	-13.4	4.0	-0.4	0.1
2) Alcohol and Tobacco and Cigarettes	4.4	2.2	3.1	0.1	0.1
Alcohol	0.0	0.0	0.0	0.0	0.0
Tobacco and Cigarettes	4.4	2.2	3.1	0.1	0.1
3) Clothing and footwear	4.1	-0.7	-0.1	0.0	0.0
Clothing	3.4	-1.3	-0.1	0.0	0.0
Footwear	0.7	2.1	0.2	0.0	0.0
4) Housing	23.8	6.0	3.0	1.4	0.7
Rents	17.5	4.6	4.0	0.8	0.7
Fuels and Lighting	4.7	12.5	-0.8	0.6	0.0
5) Household Furnishings and Equipment	4.9	2.8	0.3	0.1	0.0
6) Health	4.0	4.8	-0.1	0.2	0.0
7) Transportation	16.0	2.0	1.5	0.3	0.3
8) Communication	2.8	0.7	0.4	0.0	0.0
9) Culture and Recreation	2.6	8.0	1.4	0.2	0.0
10) Education	4.3	1.8	1.1	0.1	0.0
11) Restaurants and Hotels	1.8	3.9	0.5	0.1	0.0
12) Other Goods and Services	4.8	3.5	1.4	0.2	0.1

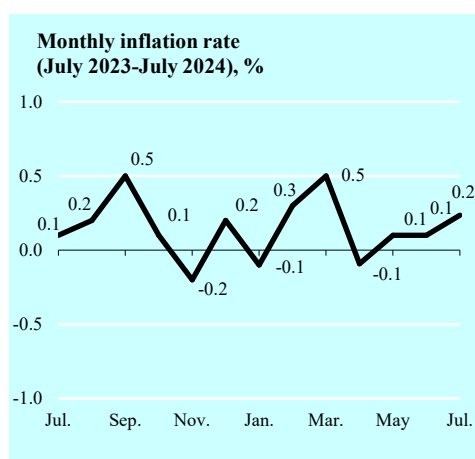
Source: Department of Statistics.

- The price of the items “sugar and its products” and “cereals and products” increased by 2.6 percent and 2.1 percent compared to an increase by 2.0 percent and 4.2 percent, respectively, during the first seven months of 2023.
- An increase in rents item by 4.0 percent compared to an increase by 4.6 percent during the first seven months of 2023.
- The “tobacco and cigarettes” also increased by 3.1 percent compared to an increase by 2.2 percent during the first seven months of 2023.

The above items collectively contributed to raising the inflation rate during the first seven months of 2024 by 1.3 percentage points, compared to 0.7 percentage point during the same period of 2023.

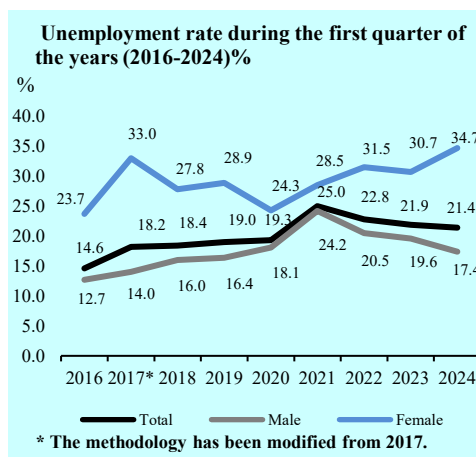
On the other hand, the price of some items declined, notably; “oils and fats” (1.6 percent) and “fuels and lighting” (0.8 percent), compared to an increase by 3.3 percent and 12.5 percent, respectively, during the first seven months of 2023.

In July 2024, the CPI witnessed a increase compared to the previous month (June 2024) by 0.2 percent. This was an outcome of the increase in the prices of some items, mainly, “vegetables and legumes dry and canned” (9.4 percent), and “fruits and nuts” (1.3 percent), and “fuels and lighting” (0.2 percent), and the decline in the prices of a number of other items, mainly, “meat and poultry” (0.7 percent), and “dairy products and eggs” (0.1 percent).



□ Labor Market

- The unemployment rate reached 21.4 percent (17.4 percent for males, and 34.7 percent for females) during the first quarter of 2024, compared to 21.9 percent (19.6 percent for males and 30.7 percent for females), during the same quarter of 2023.



- The unemployment rate among youth, during the first quarter of 2024, remains high reaching 57.1 percent for the category (15-19) years old, and 41.7 percent for the category (20-24) years old.
- The unemployment rate among academic degree holders (bachelor and higher) reached 25.8 percent during the first quarter of 2024, and the unemployment rate among (less than secondary) reached 18.0 percent.
- The refined economic participation rate (the ratio of the labor force to the population of 15 years and over), was 34.1 percent (53.7 percent for males, and 15.5 percent for females), compared to 33.3 percent (53.3 percent for males and 13.7 percent for females) during the first quarter of 2023.
- The employment rate among population (15 years and older) reached 26.8 percent during the first quarter of 2024, compared to 26.0 percent during the same quarter of 2023.

Third: Public Finance

□ Summary:

- The general budget, including foreign grants, recorded a fiscal deficit in the amount of JD 771.5 million (4.3 percent of GDP) during the first half of 2024, comparing to a fiscal deficit of JD 699.2 million (3.9 percent of GDP) during the same period of 2023. When excluding foreign grants (JD 77.9 million), the general budget deficit amounted to JD 849.4 million (4.7 percent of GDP), compared to a deficit of JD 723.1 million (4.0 percent of GDP) during the same period of 2023.
- Government domestic debt (budgetary and guaranteed) increased by JD 1,092.5 million at the end of June 2024 compared to its level at the end of 2023, to reach JD 23,582.4 million (63.6 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 14,533.6 million (39.2 percent of GDP).
- Outstanding external debt (budget and guaranteed) went up by JD 251.2 million at the end of June 2024, compared to its level at the end of 2023, to reach JD 18,943.0 million (51.1 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 18,455.6 million (49.8 percent of GDP).
- As a result, outstanding government debt (domestic and external) rose by JD 1,343.7 million at the end of June 2024, to reach JD 42,525.4 million (114.7 percent of GDP), compared to JD 41,181.7 million (113.8 percent of GDP) at the end of 2023. When excluding the government debt holding by the Social Security Investment Fund, the outstanding government debt (domestic and external) stand at JD 32,989.2 million (89.0 percent of GDP), compared to JD 32,289.3 million (89.2 percent of GDP) at the end of 2023.

□ The performance of the general budget during the first half of 2024 compared to the same period in 2023:

■ Public Revenues

Public revenues (domestic revenues *plus* foreign grants) increased by JD 5.9 million, or 0.9 percent, in June 2023 compared to the same month in 2023, to stand at JD 661.3 million. As for the first half of 2024, public revenues went up by JD 108.2 million, or 2.4 percent, compared to same period of 2023, to stand at JD 4,617.9 million. This came as an outcome of the increase in both in domestic revenues by JD 54.2 million and in foreign grants by JD 54.0 million.

Main Government Budget Indicators During the First Half of 2024

(JD Million and Percentages)

	June		Growth Rate %	First Half*		Growth Rate %
	2023	2024		2023	2024	
Public Revenues	655.4	661.3	0.9	4,509.7	4,617.9	2.4
Domestic Revenues, of which:	648.5	661.1	1.9	4,485.8	4,540.0	1.2
Tax Revenues, of which:	466.6	451.5	-3.2	3,377.9	3,364.0	-0.4
General Sales Tax	327.4	330.5	0.9	1,994.2	2,022.9	1.4
Other Revenues	181.1	209.2	15.5	1,105.5	1,174.1	6.2
Foreign Grants	6.8	0.2	-97.1	23.9	77.9	-
Total Expenditures	847.5	777.7	-8.2	5,143.9	5,353.4	4.1
Current Expenditures	734.4	717.5	-2.3	4,636.7	4,918.0	6.1
Capital Expenditures	113.1	60.2	-46.8	507.2	435.4	-14.2
Overall Deficit/ Surplus (Including Grants)	-212.2	-116.4	-	-699.2	-771.5	-
Overall Deficit/ Surplus (Including Grants) as a Percent of GDP	-	-	-	-3.9	-4.3	-

Source: Ministry of Finance/ General Government Finance Bulletin.

* : Includes refunds and clearing data of JD (65) million for the first half of 2023, and JD (36) million for the first half of 2024

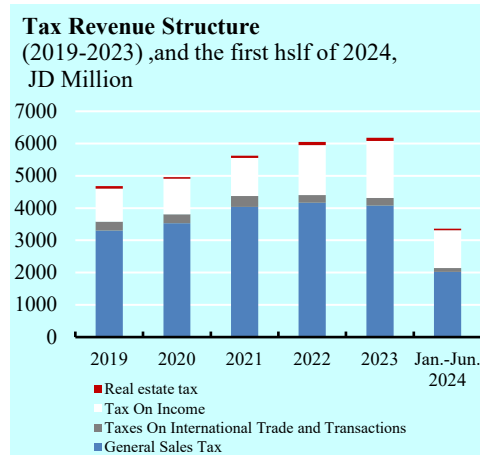
* : Note: deficit on net basis.

◆ Domestic Revenues

Domestic revenues increased by JD 54.2 million, or 1.2 percent, in the first half of 2024, compared to the same period of 2023, to reach JD 4,540.0 million. This increase was the result of an increase in “other revenues” by JD 68.6 million, and decrease in both “tax revenues” by JD 13.9 million, and pension contributions by JD 0.4 million.

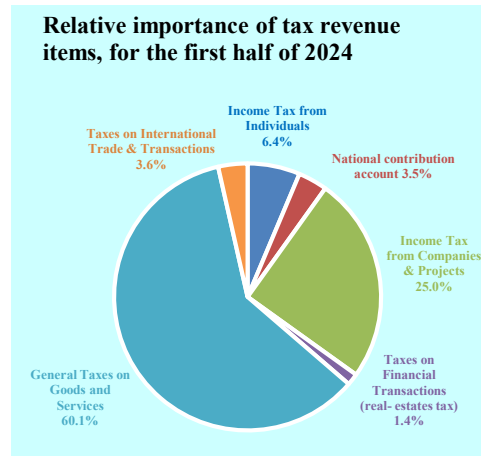
● Tax Revenues

Tax revenues decreased by JD 13.9 million, or 0.4 percent, in the first half of 2024, compared to the same period of 2023, to reach JD 3,364.0 million (74.1 percent of domestic revenues). Following are the main developments in tax revenue items:



- A decrease in the proceeds of **income and profit taxes** by JD 43.2 million, or 3.5 percent, to reach JD 1,174.0 million, accounting for 34.9 percent of total tax revenues. This decrease came mainly as a result of the decrease in the proceeds of “income taxes from companies and projects” by JD 77.2 million, or 8.4 percent, to account for 71.7 percent of total proceeds of income and profits taxes, amounting to JD 841.3 million, and an increase in both the proceeds of “income taxes from individuals by JD 15.2 million, or 7.7 percent, to reach JD 213.8 million, and the proceeds of “national contribution account” by JD 19.0 million, or 19.0 percent, to reach JD 119.0 million.

- A decreased in the proceeds of **taxes on financial transactions (real-estates tax)** by JD 1.0 million, or 2.0 percent, to reach JD 47.8 million.
- An increase in the proceeds of **taxes on international trade and transactions** (including customs duties and fees) by JD 1.6 million, or 1.4 percent, to reach JD 119.3 million.
- An increase of **general sales tax on goods and services** by JD 28.7 million, or 1.4 percent, to reach JD 2,022.9 million, accounting for 60.1 percent of total tax revenues. This was mainly due to an increase in the proceeds of sales tax on the commercial sector by JD 96.1 million, and on services by 12.4 million, and on domestic goods by JD 4.3 million, against the decrease in the proceeds of sales tax on imported goods by JD 84.1 million.



- **Non-Tax Revenues**

- “Other revenues” increased by JD 68.6 million, or 6.2 percent, during the first half of 2024, to reach JD 1,174.1 million. This increase was chiefly due to the following:
 - An increase in the **property income** by JD 129.2 million to stand at JD 450.9 million (of which financial surplus of independent government units amounted to JD 431.1 million compared to JD 294.8 million in the same period of 2023).
 - An increase in revenues from **selling goods and services** by JD 14.4 million to reach JD 428.1 million.
 - A decrease in **miscellaneous revenues** by JD 75.1 million to stand at JD 295.0 million.
- Pension contribution decreased by JD 0.4 million, or 16.7 percent, to reach JD 2.0 million during the first half of 2024, compared to the same period in 2023.

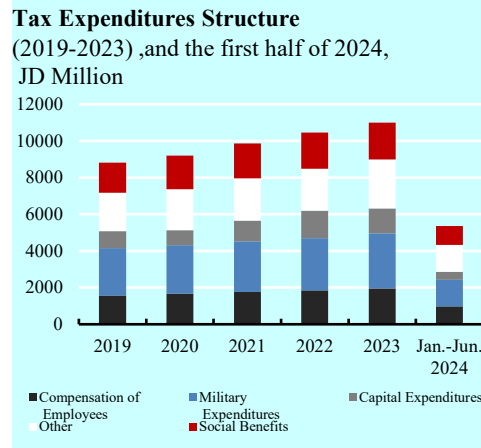
- ◆ **Foreign Grants**

Foreign grants increased by JD 54.0 million, during the first half of 2024, standing at JD 77.9 million, compared to JD 23.9 million during the same period in 2023.

Public Expenditures

Public expenditures decreased by JD 69.8 million, or 8.2 percent, in June 2024 compared to the same month in 2023, to stand at JD 777.7 million. As for the first half of 2024, public expenditures

increased by JD 209.5 million, or 4.1 percent, compared to the same period in 2023, to stand at JD 5,353.4 million. This increase was a result of the increase in current expenditures by 6.1 percent, and decrease in capital expenditures by 14.2 percent.



Current Expenditures

Current expenditures went up by JD 281.3 million, or 6.1 percent, during the first half of 2024, to reach JD 4,918.0 million. The current expenditures accounted for 91.9 percent of public expenditures. Because of the growth in the current expenditures higher than domestic revenues, the coverage ratio (measured by the ratio of domestic revenues to current expenditures) decreased by 4.4 percentage points, to reach 92.3 percent, compared to 96.7 percent during the same period in 2023. The rise in current expenditures was due to the following:

- An increase in interest payments (commitment basis) by JD 230.8 million, to stand at JD 1,075.8 million.

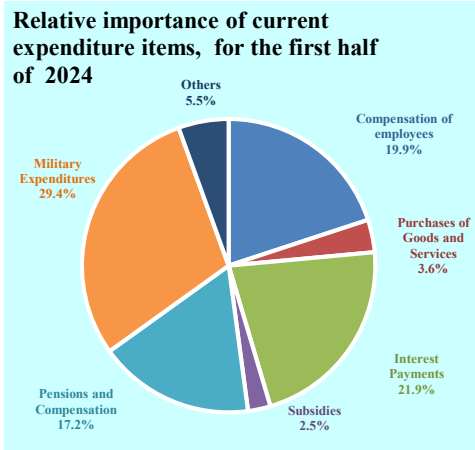
- An increase in the **compensation of civil sector's employees**

(wages, salaries and social security contributions) by JD 29.4 million, to reach JD 981.0 million.

- An increase in **subsidies** by JD 20.6 million, to stand at JD 122.0 million.
- An increase in **pensions and compensation** by JD 12.6 million, to stand at JD 845.9 million.
- An increase in **military expenditures** by JD 1.1 million, to total JD 1,444.7 million.
- A decrease in the **purchases of goods and services** by JD 20.9 million, to reach JD 176.2 million.

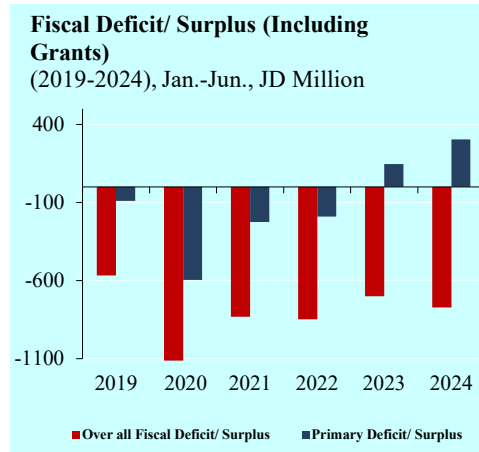
◆ Capital Expenditures

Capital expenditures decreased by JD 71.8 million, or 14.2 percent, during the first half of 2024, compared to the same period in 2023, to reach JD 435.4 million.



■ General Budget Deficit/ Surplus

- ◆ The overall fiscal deficit, including foreign grants, during the first half of 2024 amounted to JD 771.5 million (4.3 percent of GDP), compared to a deficit of JD 699.2 million (3.9 percent of GDP)

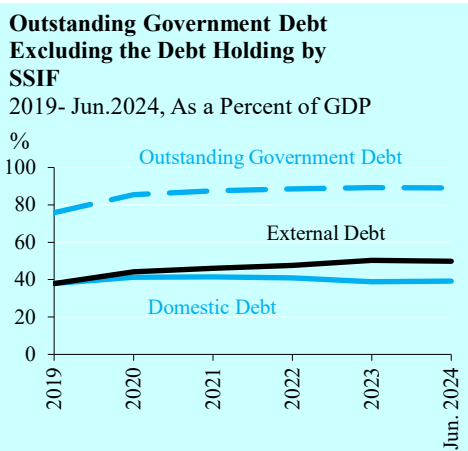
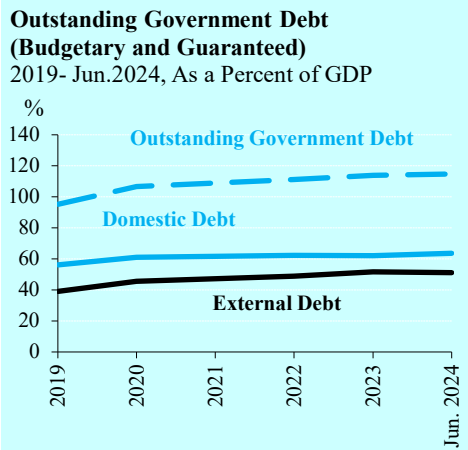


during the same period in 2023. When foreign grants are excluded, the general budget deficit amounted to JD 849.4 million (4.7 percent of GDP), compared to a deficit of JD 723.1 million (4.0 percent of GDP) during the same period in 2023.

- ◆ The primary surplus, excluding foreign grants, (domestic revenues *minus* total public expenditures excluding interest payments on public debt) reached JD 226.3 million (1.1 percent of GDP) during the first half of 2024, against a primary surplus of JD 121.9 million (0.7 percent of GDP) during the same period in 2023. When foreign grants are including, the primary surplus of the general budget reached JD 304.2 million (1.5 percent of GDP), compared to a primary surplus of JD 145.8 million (0.8 percent of GDP) during the same period in 2023.

□ Outstanding Government Debt

■ Government domestic debt (budgetary and guaranteed) increased by JD 1,092.5 million at the end of June 2024 compared to its level at the end of 2023, to stand at JD 23,582.4 million (63.6 percent of GDP). This increase was an outcome of the rise in both of the domestic debt of the budget by JD 852.7 and the domestic debt of guaranteed by JD 239.8 million, compared to the amount of the debt at the end of 2023, to reach JD 20,328.0 million and JD 3,254.4 million, respectively.



■ When excluding the domestic debt holding by the Social Security Investment Fund (SSIF), the government domestic debt (budgetary and guaranteed) increased by JD 452.2 million, at the end of June 2024 compared to its level at the end of 2023, to stand at JD 14,533.6 million (39.2 percent of GDP).

- Outstanding external debt (budget and guaranteed) went up by JD 251.2 million at the end of June 2024, compared to its level at the end of 2023, to reach JD 18,943.0 million (51.1 percent of GDP). It is worth mentioning that the external debt denominated in the U.S. Dollar accounted for 72.0 percent of the total external debt, and the debt in Euro accounted for 11.3 percent. However, the SDR accounted for 9.3 percent, Kuwaiti Dinar (3.1 percent), and Japanese Yen (2.6 percent).
- When excluding the external debt holding by the Social Security Investment Fund, the outstanding external debt (budget and guaranteed) increased by JD 247.7 million, at the end of June 2024 compared to its level at the end of 2023, to stand at JD 18,455.6 million (49.8 percent of GDP).
- In light of the above-mentioned developments, outstanding government debt (domestic and external) increased by JD 1,343.7 million at the end of June 2024, to reach JD 42,525.4 million (114.7 percent of GDP), compared to JD 41,181.7 million (113.8 percent of GDP) at the end of 2023. When excluding the debt holding by the Social Security Investment Fund, the outstanding government debt (budget and guaranteed) stand at JD 32,989.2 million (89.0 percent of GDP), compared to JD 32,289.3 million (89.2 percent of GDP) at the end of 2023.
- External debt service (budget and guaranteed) decreased by JD 21.5 million during the first half of 2024 compared to the same period in 2023, to reach JD 1,177.5 million (including principal payments of JD 693.2 million and interest of JD 484.3 million).

□ Fiscal and Price Measures of 2024

◆ September

- The Oil Derivatives Pricing Committee decided to decrease the prices of the main oil derivatives, while maintaining the prices of kerosene and liquid gas cylinder for households unchanged, as follows:

	Unit	2024		Percentage Change
		August	September	
Unleaded Gasoline 90	Fils/ Liter	920	885	-3.8
Unleaded Gasoline 95	Fils/ Liter	1,160	1,125	-3.0
Unleaded Gasoline 98	Fils/ Liter	1,310	1,275	-2.7
Gas Oil (Diesel)	Fils/ Liter	715	695	-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	484.5	447.8	-7.6
Fuel for airplanes (local companies)	Fils/ Liter	568	541	-4.8
Fuel for airplanes (foreign companies)	Fils/ Liter	573	546	-4.7
Fuel for unplanned flights	Fils/ Liter	588	561	-4.6
Asphalt	JD/ Ton	479.5	442.7	-7.7

Source: Jordan Petroleum Refinery Company (1/9/2024).

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

□ Grants, Loans and Other Agreements for 2024**◆ September**

- Signing a two financing agreement in the amount EUR 100.5 million, provided by the German government facilitated through the German Development Bank (KfW), distributed as follows:
 - EUR 10 million a grant to finance the salaries of additional teachers and administrators working in two shifts in public schools most accommodating Syrian students.
 - EUR 75 million a loan to support the general budget to contribute to implementing education sector reforms, improving and maintaining school infrastructure.

◆ August

- Signing a grant agreements in the amount USD 5.0 million, provided by the Japanese government, to purchase road maintenance equipment and vehicles for the Ministry of Public Works and Housing.

◆ July

- Signing a loan agreement in the amount EUR 400 million, provided by the European Investment Bank (EIB), to strengthen Jordan's water security and climate adaptation.
- Signing a two grant agreements in the amount EUR 25 million, provided by the European Union, distributed as follows:
 - EUR 15 million to support the Technical and Vocational Training for All project in Jordan.
 - EUR 10 million to the Sustainable Cultural Heritage Support Project.

◆ June

- Signing a two grant agreements in the amount USD 1.8 million, provided by the United States Trade Development Agency (USTDA), distributed as follows:
 - USD 1.0 million to conduct an assessment of the status of the electronic healthcare management system and provide recommendations that will improve the quality of the system quality, services, automation, expand coverage, as well as increase the efficiency of patient access to healthcare services.
 - USD 0.8 million to support the King Hussein Cancer Centre (KHCC) to develop a detailed strategic plan and implementation plan to establish an artificial intelligence approach.
- Signing a two loan agreements in the amount USD 19.0 million, provided by the European Bank for Reconstruction and Development (EBRD), for the implementation of the wastewater treatment plant project in West Irbid.
- Signing a financing agreement in the amount USD 1.5 million, provided by the International Finance Corporation (IFC) for the Middle East, Central Asia, Turkey, Afghanistan and Pakistan, to finance a part of efforts to reduce water losses.

◆ May

- Signing of assistance package (grants and loans) in the amount EUR 619 million (EUR 269 million in grants and EUR 350 million in soft loans), provided by the German government for the years (2024-2025), this support aims to enable Jordan to continue to economic reforms.

◆ 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.

Fourth: External Sector

□ Summary

- **Total merchandise exports** (domestic exports *plus* re-exports) increased by 8.7 percent in May 2024, compared to the same month of 2023, to reach JD 880.5 million. As for the first five months of 2024, total export decreased by 0.9 percent, compared to the same period of 2023, to reach JD 3,628.0 million.
- **Merchandise imports** decreased by 8.1 percent in May 2024, compared to the same month of 2023, to reach JD 1,675.0 million. As for the first five months of 2024, imports decreased by 2.9 percent, compared to the same period of 2023, to reach JD 7,492.5 million.
- **Consequently**, the trade balance deficit (total exports minus imports) decreased by 21.6 percent in May 2024, compared to the same month of 2023, to reach JD 794.6 million. As for the first five months of 2024, trade balance deficit decreased by 4.8 percent, compared to the same period of 2023, standing at JD 3,864.5 million.
- **Travel receipts** decreased by 4.9 percent during the first half of 2024, to register JD 2,329.0 million, compared to the same period of 2023. While, **travel payments** increased by 34.4 percent, to register JD 862.3 million, compared to the same period of 2023.
- **Total workers' remittances receipts** increased by 3.6 percent during the first half of 2024, compared to the same period of 2023, to reach JD 1,236.7 million.
- **The current account of the balance of payments** (including grants) registered a deficit amounted to JD 655.7 million (7.6 percent of GDP) during the first quarter of 2024, compared to a deficit of JD 539.9 million (6.5 percent of GDP) during the same quarter of 2023. Meanwhile, the current account deficit (excluding grants) increased to reach 9.4 percent of GDP, compared with 7.9 percent of GDP during the same quarter of 2023.
- **Total foreign direct investment** inflow to Jordan amounted to JD 144.6 million during the first quarter of 2024, compared to an inflow of JD 175.8 million during the same quarter of 2023.

- **International investment position (IIP)** displayed a net obligation to abroad of JD 38,049.2 million, at the end of the first quarter of 2024, compared to a net obligation amounted to JD 38,077.8 million at the end of 2023.

□ External Trade

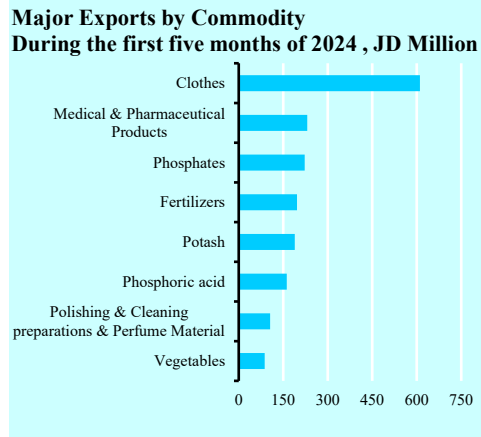
- As a result of the decrease in domestic exports by JD 115.1 million and the decrease in imports by JD 224.5 million during the first five months of 2024, the external trade (domestic exports plus imports) decreased by JD 339.5 million to stand at JD 10,768.8 million, compared to the same period of 2023.

Jordan's Major Trading Partners			
JD Million			
	January-May		Percentage Change (%)
	2023	2024	
Exports			
USA	756.8	865.0	14.3
Saudi Arabia	343.6	386.6	12.5
India	647.3	350.6	-45.8
Iraq	203.1	308.3	51.8
UAE	149.7	113.6	-24.1
Palestine	97.8	94.1	-3.8
China	81.5	84.0	3.1
Imports			
China	1,220.7	1,373.4	12.5
Saudi Arabia	1,085.0	1,138.5	4.9
USA	598.9	519.1	-13.3
India	540.6	342.4	-36.7
UAE	358.4	319.3	-10.9
Egypt	206.7	269.4	30.3
Germany	244.3	262.5	7.4
Source: Department of Statistics.			

Main External Trade Indicators				
JD Million				
	January-May			
	2023	Percentage Change (%)	2024	Percentage Change (%)
External Trade	11,108.4	3.3	10,768.8	-3.1
Total Exports	3,659.2	4.9	3,628.0	-0.9
Domestic Exports	3,391.4	6.1	3,276.3	-3.4
Re-exports	267.8	-7.4	351.7	31.4
Imports	7,717.0	2.1	7,492.5	-2.9
Trade Balance	-4,057.8	-0.4	-3,864.5	-4.8
Source: Department of Statistics.				

■ Merchandise Exports:

Total merchandise exports decreased by 0.9 percent during the first five months of 2024, to reach JD 3,628.0 million. This decrease was a result of the decrease in domestic exports by JD 115.1 million, or 3.4 percent to reach JD 3,276.3 million, and the increase in re-exports by JD 84.0 million, or 31.4 percent to reach JD 351.7 million.



◆ The developments of domestic exports during the first five months of 2024, compared to the same period of 2023, reveal the following:

- Exports of **phosphoric acid** decreased by JD 199.8 million, or 55.2 percent, to reach JD 161.9 million. It is worth noting that India market accounted for 72.1 percent of these exports.
- Exports of **potash** decreased by JD 104.4 million, or 35.6 percent, to reach JD 188.9 million. The markets of Egypt, Brazil, and India accounted for 40.0 percent of these exports.
- Exports of **phosphates** decreased by JD 25.4 million, or 10.3 percent to reach JD 221.9 million. The markets of India, Indonesia, and China accounted for 92.2 percent of these exports.
- Exports of **clothes** increased by JD 106.5 million, or 21.1 percent, to reach JD 611.0 million. The USA was the main destination market accounting for 79.6 percent of these exports.

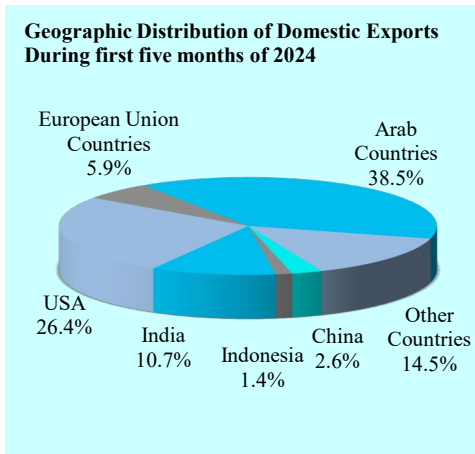
- Exports of **fertilizers** increased by JD 58.8 million, or 42.6 percent to reach JD 196.8 million. It is worth noting that markets of the USA and India accounted for 50.6 percent of these exports.
- Exports of “**Medical & pharmaceutical products**” increased by JD 52.2 million, or 29.2 percent, to stand at JD 230.9 million. Saudi Arabia, Iraq, and Algeria were the main destination markets for these exports, accounting for 55.4 percent.
- Exports of **vegetables** increased by JD 13.4 million, or 18.2 percent, to reach JD 87.0 million. The markets of Saudi Arabia and Kuwait accounted for 29.5 percent of these exports.

**Major Domestic Exports by Commodity, JD Million
During the first five months 2023-2024**

	2023	2024	Percentage
			Change (%)
Domestic Export	3,391.4	3,276.3	-3.4
Clothes	504.5	611.0	21.1
USA	413.3	486.6	17.7
Medical & Pharmaceutical Products	178.7	230.9	29.2
Saudi Arabia	38.6	52.2	35.2
Iraq	20.6	49.3	139.3
Algeria	19.1	26.5	38.7
Phosphates	247.3	221.9	-10.3
India	167.7	154.0	-8.2
Indonesia	33.2	40.8	22.9
China	0.0	9.7	-
Fertilizers	138.0	196.8	42.6
USA	25.6	62.3	143.4
India	70.7	37.2	-47.4
Potash	293.3	188.9	-35.6
Egypt	27.4	28.0	2.2
Brazil	19.8	23.9	20.7
India	41.3	23.7	-42.6
phosphoric acid	361.7	161.9	-55.2
India	348.0	116.7	-66.5
Polishing & Cleaning preparations & Perfume Material	93.2	106.3	14.1
Iraq	43.1	51.0	18.3
Saudi Arabia	20.9	26.0	24.4
Libya	12.4	11.1	-10.5
Vegetables	73.6	87.0	18.2
Saudi Arabia	13.6	16.7	22.8
Kuwait	10.2	9.0	-11.8

Source: Department of Statistics.

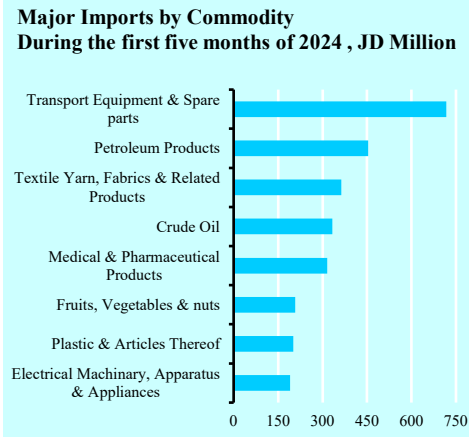
- Consequently, the commodity breakdown of domestic exports indicates that exports of clothes, “Medical & pharmaceutical products”, phosphates,



fertilizers, potash, phosphoric acid, “Polishing & cleaning preparations & perfume material” and vegetables topped the list of domestic exports during the first five months of 2024; accounting for 55.1 percent, compared with 55.7 percent during the same period of 2023. Meanwhile, the geographical distribution of domestic exports indicates that the USA, Saudi Arabia, India, Iraq, the UAE, Palestine, and China were the main destination markets during the first five months of 2024; accounting for 67.2 percent, compared with similar percent during the same period of 2023.

■ **Merchandise Imports:**

Merchandise imports decreased by 2.9 percent to reach JD 7,492.5 million during the first five months of 2024, compared to an increase by 2.1 percent during the same period of 2023.



◆ **The developments of imports during the first five months of 2024, compared to the same period of 2023, reveal the following:**

- **Petroleum products** imports decreased by JD 154.0 million, or 25.3 percent, to reach JD 453.9 million. Saudi Arabia, India and the UAE were the main origin markets accounting for 98.1 percent of these imports.
- **“Electrical machinery, apparatus & appliances”** imports decreased by JD 46.5 million, or 19.6 percent to reach JD 190.5 million. China and Türkiye were the main markets, accounting for 45.7 percent of these imports.
- **“Fruits, Vegetables & Nuts”** imports decreased by JD 10.7 million or 4.9 percent, to reach JD 207.7 million. Egypt, the USA and Belgium were the main markets, accounting for 33.8 percent of these imports.

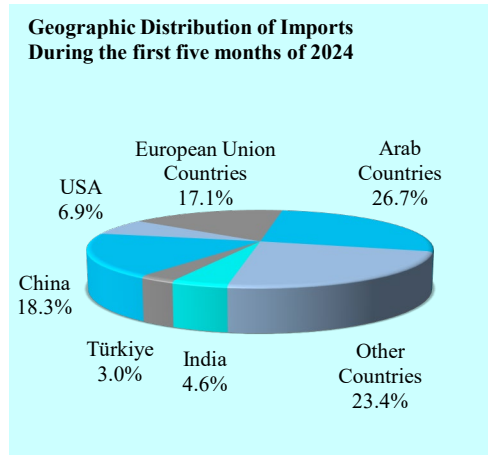
- **“Transport equipment & spare parts”** imports increased by JD 124.4 million, or 21.0 percent, to reach JD 716.9 million. China, the USA and South Korea were the main origin markets, accounting for 68.7 percent of these imports.
- **“Medical & Pharmaceutical Products”** imports increased by JD 51.9 million, or 19.7 percent, to stand at JD 315.7 million. Germany, The USA and Switzerland were the main markets, accounting for 37.7 percent of these imports.
- **Crude oil** imports increased by JD 40.0 million, or 13.6 percent, to reach JD 333.2 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 the first five months of 2023-2024**

	2023	2024	Percentage Change
Total Imports	7,717.0	7,492.5	-2.9
Transport Equipment & Spare parts	592.5	716.9	21.0
China	151.5	277.8	83.4
USA	108.5	127.6	17.6
South Korea	109.3	87.4	-20.0
Petroleum Products	607.9	453.9	-25.3
Saudi Arabia	257.9	289.9	12.4
India	281.1	151.4	-46.1
UAE	45.3	4.0	-91.2
Textile Yarn, Fabrics & Related Products	327.5	363.3	10.9
China	148.7	189.9	27.7
Taiwan	44.0	47.0	6.8
Türkiye	35.0	35.2	0.6
Crude Oil	293.2	333.2	13.6
Saudi Arabia	240.7	244.7	1.7
Iraq	52.5	88.5	68.6
Medical & Pharmaceutical Products	263.8	315.7	19.7
Germany	36.3	49.4	36.1
USA	32.0	40.9	27.8
Switzerland	23.0	28.7	24.8
Fruits & Vegetables & Nuts	218.4	207.7	-4.9
Egypt	33.5	37.1	10.7
USA	31.8	17.9	-43.7
Belgium	15.9	15.1	-5.0
Plastic & Articles Thereof	202.6	201.2	-0.7
Saudi Arabia	86.9	98.3	13.1
China	34.8	27.9	-19.8
UAE	14.4	16.3	13.2
Electrical Machinery, Apparatus & Appliances	237.0	190.5	-19.6
China	90.5	76.6	-15.4
Türkiye	14.7	10.5	-28.6

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”, “Fruits, Vegetables & Nuts”, “Plastic & articles thereof”, and “Electrical machinery apparatus and appliances” topped the list of imports during the first five months of 2024, accounting for 37.1 percent, compared with 35.5 percent during the same period of 2023. Meanwhile, the geographical distribution of imports indicates that China, Saudi Arabia, the USA, India, the UAE, Egypt and Germany were the main source markets during the first five months of 2024 accounting for 56.4 percent of imports, compared to 55.1 percent during the same period of 2023.



■ **Re-Exports**

The value of re-exported goods in May 2024 increased by JD 14.9 million, or 19.3 percent, compared to the same month of 2023, to stand at JD 92.2 million. As for the first five months of 2024, re-export increased by JD 84.0 million, or 31.4 percent, compared to the same period of 2023, to reach JD 351.7 million.

■ Trade Balance

The trade balance deficit decreased by JD 218.4 million, or 21.6 percent in May 2024, compared to the same month of 2023, to reach JD 794.6 million. As for the first five months of 2024, trade balance deficit decreased by JD 193.3 million or 4.8 percent, compared to the same period of 2023, to reach JD 3,864.5 million.

□ Total Workers' Remittances Receipts

Total workers' remittances receipts increased during the first half of 2024 by JD 42.9 million, or 3.6 percent, to stand at JD 1,236.7 million, compared to the same period of 2023.

□ Travel

■ Receipts

Travel receipts decreased by 4.9 percent during the first half of 2024, to register JD 2,329.0 million, compared to the same period of 2023.

■ Payments

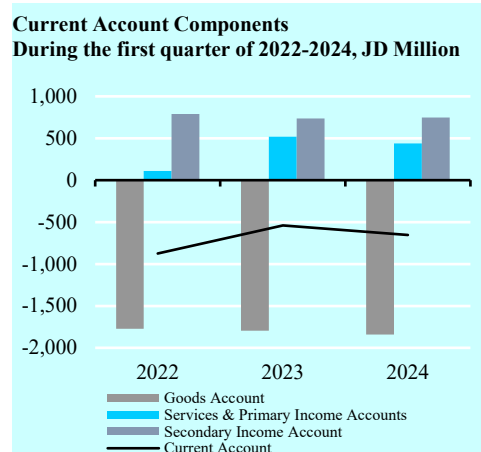
Travel payments increased by 34.4 percent during the first half of 2024, to register JD 862.3 million, compared to the same period of 2023.

□ Balance of Payments

The preliminary data for the balance of payments during first quarter of 2024 reveals the following:

- **The current account** recorded a deficit of JD 655.7 million (7.6 percent of GDP), compared to a deficit of JD 539.9 million (6.5 percent of GDP) during the same quarter of 2023. Meanwhile, the current account deficit (excluding grants) increased to reach JD 816.7 million (9.4 percent of GDP), compared to a deficit of JD 659.0 million (7.9 percent of GDP) during the same quarter of 2023. This was an outcome of the following developments:

- An increase in the goods account deficit by JD 44.5 million, or 2.5 percent, to reach JD 1,840.2 million, compared to a deficit of JD 1,795.7 million.



- ◆ A decrease in the services account surplus by JD 181.0 million, to reach JD 404.6 million, compared to a surplus of JD 585.6 million.
- ◆ The primary income account recorded a surplus of JD 32.9 million, compared to a deficit of JD 67.8 million. This was mainly due to a decrease in the deficit of investment income (net) to reach JD 16.0 million, compared to deficit of JD 115.8 million, and the increase of “compensation of employees (net)” surplus by JD 0.9 million to reach JD 48.9 million.
- The secondary income account recorded a net surplus of JD 747.0 million, compared to a net surplus of JD 738.0 million. This was a result of a decrease in net surplus of other sectors transfers by JD 32.9 million to reach JD 586.0 million, and the increase in net surplus of the public sector (foreign grants) by JD 41.9 million to reach JD 161.0 million.

- As for the capital and financial transactions during the first quarter of 2024, the capital account registered a net inflow of JD 7.5 million, compared with the same amount during the first quarter of 2023. Meanwhile, the financial account registered a net inflow of JD 648.6 million during the first quarter of 2024, compared to a net inflow of JD 964.1 million during the first quarter of 2023, this could be attributed to the following:
 - ◆ Foreign direct investment inflow to Jordan recorded an inflow of JD 144.6 million compared to an inflow of JD 175.8 million.
 - ◆ Portfolio investment recorded a net outflow of JD 78.3 million compared to a net outflow of JD 58.7 million.
 - ◆ Other investment registered a net inflow of JD 729.0 million, compared to a net inflow of JD 347.3 million.
 - ◆ CBJ's reserve assets registered an increase by JD 97.6 million, compared to a decrease by JD 535.1 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 38,049.2 million at the end of the first quarter of 2024, compared to a net obligation by JD 38,077.8 million at end of 2023. 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 127.2 million at the end of first quarter of 2024 to reach JD 21,949.8 million, compared to its level at the end of 2023. This was mainly due to the increase in reserve assets by JD 304.8 million and the increase in licensed banks loans abroad by JD 50.1 million, and the decrease in currency deposits of licensed banks abroad by JD 217.8 million, and the decrease in trade credit of other sectors abroad by JD 27.9 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 98.6 million at the first quarter of 2024, to reach JD 59,999.0 million, compared to its level at the end of 2023. This was due to the following developments:
 - ◆ An increase in the deposits of non-residents at the banking sector by JD 272.2 million, to stand at JD 10,959.5 million (increasing by JD 284.6 million for the licensed banks, and a decreasing by JD 12.4 million for the CBJ).
 - ◆ An increase in the stock of direct investment in the Kingdom by JD 95.4 million, to stand at JD 28,164.6 million.
 - ◆ An increase in outstanding balance of the IMF credit facilities by JD 75.6 million to reach JD 1,716.0 million.
 - ◆ A decrease in the stock of portfolio investment in the Kingdom by JD 292.4 million, to stand at JD 7,502.2 million.
 - ◆ A decrease in outstanding balance of other sectors' loans (long-term) by JD 52.9 million, to stand at JD 1,835.8 million.
 - ◆ A decrease in outstanding balance of government loans (long-term) by JD 52.4 million, to stand at JD 7,483.3 million.