



Press Release

August 1, 2019

The open market operations committee at the Central Bank of Jordan decided to cut the interest rates on all monetary policy instruments by 25 bps, effective Sunday 4/8/2019. The decision comes in response to the recent developments of the interest rates in the regional and international markets, and aims to boost the growth of credit granted to various economic sectors and stimulate domestic spending, both consumption and investment, which will positively affect the rates of economic growth.

Moreover, this decision was prompted by the decrease in the inflation level, and the expectation that it will remain low in 2019. In addition to the significant improvement in the balance of payment and the decrease of the current account deficit, and the a remarkable improvement witnessed by many monetary indicators such as private sector deposits and credit growth rate, and the comfortable level of foreign exchange reserves.

In consistent with its underlying objective to sustain economic activities, the committee has also decided to maintain the interest rates on CBJ's refinancing program, that targets small and medium size projects, unchanged at 1.75% for projects located in Amman governorate and 1.00% for projects located in otherwise governorates. It is worth mentioning that the CBJ's refinancing program has provided funds for 1088 projects in a total amount of JD 720 million, the total size of the program is currently nears JD 1.2 billion.

The CBJ will continue to monitor local, regional and global economic developments and stand ready to act proactively to support monetary and financial stability.