



## Press Release

The Open Market Operations Committee of the CBJ decided to raise the interest rates by 50 basis points on all monetary policy instruments, as of Sunday, 8/5/2022.

This decision comes in line with the CBJ's objective to maintain monetary and financial stability in the Kingdom, and to contain the expected domestic inflationary pressures in light of the continued rise in global inflation rates, as well as in line with the rise in interest rates in the regional and international financial markets.

In order to continue providing soft financing to economic sectors with high added value, the Committee decided to keep the preferential interest rates for the CBJ's refinancing program, amounting to JD 1.3 billion, unchanged at 1.0% for projects within Amman Governorate, and 0.5% for projects in other Governorates, bearing in mind that the program covers ten sectors including: industry, tourism, renewable energy, agriculture, information technology, engineering consultancy, health, transportation (transport companies), education (vocational, technical and technical training), and export sector. Through this program, 1,750 projects were financed with a value of about JD 1,296 million, which contributed to the creation of about 14,292 new job opportunities. In addition to that this program has preserved about 51,000 jobs since the start of the pandemic. Note that the balance available for refinancing within this program is currently about JD 567 million.

The committee also decided to keep the interest rate of the CBJ's program to support small and medium-sized enterprises, professionals and craftsmen, amounting to JD 700 million, at its current level without change, so that the interest rate for borrowers does not exceed 2% for a period of 54 months, including a grace period of up to 12 months. The number of projects funded by the program has reached 5,910 projects worth JD 532 million, and the program has also maintained about 95.2 thousand job opportunities since the start of the pandemic.

The latest available data on the main monetary and economic indicators indicate that the volume of foreign reserves of the CBJ amounted to U.S. \$17.9 billion, which is enough to cover Jordan's imports of goods and services for a period of 9.3 months. Tourism receipts during the first quarter of 2022 amounted to JD 633.4 million, compared to JD 180.2 million for the same period of 2021. Domestic exports grew during the first two months of this year by 37.2%, while the inflation rate reached 2.3% during the first quarter of the year. Moreover, the economic growth at constant prices reached 2.2% during 2021, compared to 2% according to previous projections.

The CBJ will continue to monitor all economic and monetary developments, locally, regionally and globally, and take the necessary measures to maintain monetary and financial stability in the Kingdom.