



Central Bank of Jordan

**Recent Monetary &
Economic
Developments in Jordan**

**Research Dept / Monthly Report
December, 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

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Executive Summary

□ Output, Prices and Employment

Real GDP at market prices grew by 2.4 percent during the first three quarters of 2024, compared to a growth of 2.8 percent during the same period of 2023. The general price level, measured by the percentage change in the Consumer Price Index (CPI), increased during the first eleven months of 2024 by 1.54 percent, compared to an increase of 2.13 percent during the same period of 2023. The unemployment rate during the third quarter of 2024 reached 21.5 percent, compared to 22.3 percent during the same quarter of 2023.

□ Monetary and Financial Sector

- The CBJ's gross foreign reserves amounted to US\$ 20,144.4 million at the end of November 2024. This level of reserves covers around 8.0 months of the Kingdom's imports of goods and services.
- Domestic liquidity amounted to JD 45,035.0 million at the end of November 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 35,026.9 million at the end of November 2024, compared to JD 33,387.1 million at the end of 2023.
- Total deposits at other depository corporations amounted to JD 46,459.3 million at the end of November 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 2,420.1 points at the end of November 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 1,841.1 million (6.0 percent of GDP) during the first ten months of 2024, comparing to a fiscal deficit of JD 1,624.7 million (5.4 percent of GDP) during the same period of 2023. Government domestic debt (budgetary and guaranteed) increased by JD 2,132.5 million at the end of October 2024, compared to its level at the end of 2023, to reach JD 24,622.4 million (65.4 percent of GDP). Moreover, outstanding external debt (budget and guaranteed) went up by JD 853.3 million, to reach JD 19,545.1 million (51.9 percent of GDP). Accordingly, outstanding government debt (domestic and external) rose up to reach JD 44,167.5 million (117.4 percent of GDP) at the end of October 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 14,913.0 million (39.6 percent of GDP). While the outstanding external debt (budget and guaranteed) stand at JD 19,057.7 million (50.7 percent of GDP). As a result, the outstanding government debt (domestic and external) stand at JD 33,970.7 million (90.3 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) increased by 4.9 percent during the first three quarters of 2024 to reach JD 7,064.5 million. Meanwhile, merchandise imports increased by 0.8 percent to reach JD 14,011.7 million. As a result, the trade balance deficit decreased by 2.9 percent, compared to the same period of 2023, to reach JD 6,947.2 million. The preliminary data during the first ten months of 2024 showed a decrease in travel receipts by 4.4 percent, to reach JD 4,362.5 million, and an increase in travel payments by 2.0 percent, to reach JD 1,175.4 million, compared to the same period of 2023. Moreover, total workers' remittances receipts increased by 3.1 percent during the first ten months of 2024, to reach JD 2,093.0 million. The preliminary data for the balance of payments during the first three quarters of 2024 displayed a deficit in the current account amounted to JD 2,119.2 million (7.7 percent of GDP) compared to a deficit of JD 1,970.1 million (7.4 percent of GDP) during the same period of 2023. Meanwhile, the current account deficit (excluding grants) increased to reach 9.4 percent of GDP during the first three quarters, compared with 8.7 percent of GDP during the same period of 2023. Moreover, foreign direct investment inflow to Jordan amounted to JD 905.5 million during the first three quarters of 2024, compared to an inflow of JD 1,128.9 million during the same period of 2023. Furthermore, the international investment position (IIP) registered a net obligation to abroad amounted to JD 35,570.7 million at the end of the first three quarters of 2024, compared to a net obligation to abroad by JD 35,380.8 million at the end of 2023.

First: Monetary and Financial Sector

□ Summary

- The CBJ's gross foreign reserves amounted to US\$ 20,144.4 million at the end of November 2024. This level of reserves covers around 8.0 months of the Kingdom's imports of goods and services.
- Domestic liquidity amounted to JD 45,035.0 million at the end of November 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 35,026.9 million at the end of November 2024, compared to JD 33,387.1 million at the end of 2023.
- Total deposits at other depository corporations amounted to JD 46,459.3 million at the end of November 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 November 2024, compared to their levels at the end of 2023, except the interest rate on “time deposits”, which had decreased. In contrast, the interest rate on all types of credit facilities extended by other depository corporations had decreased at the end of November 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 2,420.1 points at the end of November 2024, compared to 2,431.2 points at the end of 2023. Moreover, the market capitalization reached JD 17,098.0 million at the end of November 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

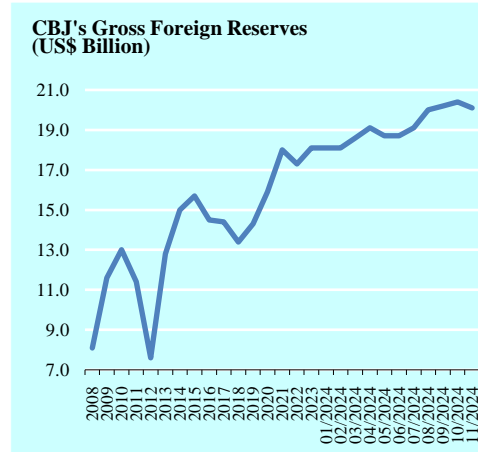
		End of November	
2023		2023	2024
US\$ 18,122.9	CBJ's Foreign Reserves*	US\$ 17,098.5	US\$ 20,144.4
5.0%		-1.0%	11.2%
7.4	Coverage in months	7.0	8.0
42,663.1	Money Supply (M2)	42,311.6	45,035.0
2.4%		1.5%	5.6%
33,387.1	Credit Facilities, of which:	33,438.6	35,026.9
2.4%		2.6%	4.9%
29,324.0	Private Sector (Resident)	29,463.7	30,282.7
1.6%		2.1%	3.3%
43,744.3	Total Deposits, of which:	43,292.1	46,459.3
3.9%		2.8%	6.2%
34,468.9	In JD	34,072.9	36,458.7
5.0%		3.7%	5.8%
9,275.4	In Foreign Currencies	9,219.2	10,000.5
0.1%		-0.5%	7.8%
34,163.0	Deposits of Private Sector (Resident), of which:	33,969.6	36,513.1
2.9%		2.3%	6.9%
27,615.8	In JD	27,448.7	29,359.2
3.8%		3.2%	6.3%
6,547.1	In Foreign Currencies	6,520.9	7,154.0
-0.8%		-1.2%	9.3%

* Including gold reserves and special drawing rights.

Source: Central Bank of Jordan / Monthly Statistical Bulletin.

□ CBJ's Foreign Reserves

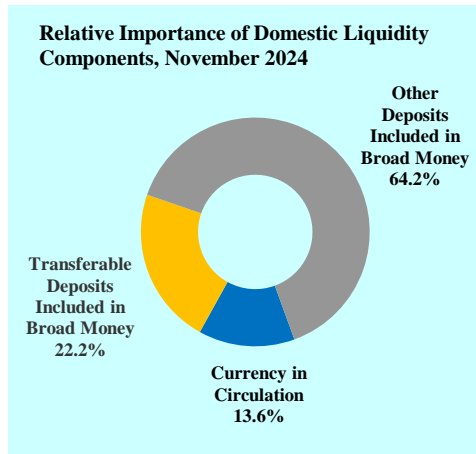
The CBJ's gross foreign reserves amounted to US\$ 20,144.4 million at the end of November 2024. This level of reserves covers around 8.0 months of the Kingdom's imports of goods and services.



□ Domestic Liquidity (M2)

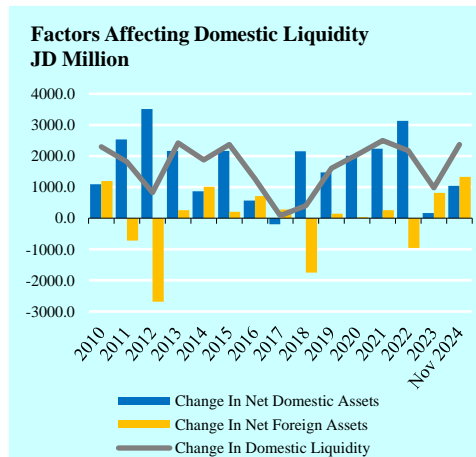
- Domestic liquidity amounted to JD 45.0 billion at the end of November 2024, compared to JD 42.7 billion at the end of 2023.
- ◆ **Developments in the components and the factors affecting domestic liquidity at the end of November 2024, reveal the following:**
 - **Components of Domestic Liquidity**
 - Total deposits, according to liquidity definition, amounted to JD 38.9 billion at the end of November 2024, compared to JD 36.5 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 November 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 November 2024, compared to JD 35.3 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 9.3 billion at the end of November 2024, compared to JD 7.0 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 14.0 billion at the end of November 2024.

Factors Affecting Domestic Liquidity (M2)
JD Million

		End of November	
2023		2023	2024
7,946.9	Foreign Assets (Net)	7,034.5	9,274.3
12,387.6	CBJ	11,613.7	14,041.9
-4,440.6	Other Depository Corporations	-4,579.2	-4,767.6
34,716.1	Domestic Assets (Net)	35,277.1	35,760.7
16,103.5	Claims on Public Sector (Net)	16,483.3	17,362.0
1,613.8	Claims on Other Financial Corporations	1,632.5	1,648.4
29,676.7	Claims on Private Sector (Resident)	29,791.2	30,706.7
-12,677.8	Other Items (Net)	-12,629.9	-13,956.5
42,663.1	Domestic Liquidity (M2)	42,311.6	45,035.0
5,807.6	Currency in Circulation	5,832.7	6,129.2
36,855.5	Deposits Included in Broad Money	36,478.9	38,905.8

Source: Central Bank of Jordan / Monthly Statistical Bulletin.

□ Interest Rates Structure

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

◆ The CBJ decided on 22/12/2024 to cut interest rates by 25 basis points on all monetary policy instruments, the total cut of interest rates during this year amounted to 100 basis points, after ending the monetary tightening

Interest Rates on Monetary Policy Instruments, percentage points			
2023		November	
		2023	2024
7.50	CBJ main rate	7.50	6.75
8.50	Re-discount Rate	8.50	7.75
8.25	Repurchase Agreements Rate (overnight)	8.25	7.50
7.25	Overnight Deposit Window Rate	7.25	6.50
7.50	Repurchase Agreements rate (one week and one month)	7.50	6.75
7.50	Certificates of Deposits (one week)	7.50	6.75

Source: Central Bank of Jordan / Monthly Statistical Bulletin.

cycle implemented by the CBJ since March 2022. While during 2022 and 2023, the CBJ raised interest rates on monetary policy instruments 11 times, by 500 basis points on all monetary policy instruments and 525 basis points on the overnight deposit window. Therefore, the interest rates on monetary policy instruments become as follow:

- The CBJ main interest rate: 6.50 percent.
- Re-discount Rate: 7.50 percent.
- Interest Rate on Overnight Repurchase Agreements: 7.25 percent.
- Overnight Deposit Window Rate: 6.25 percent.
- Weekly/ Monthly Repurchase Agreements: 6.50 percent.
- The interest rate on weekly certificates of deposit: 6.50 percent.

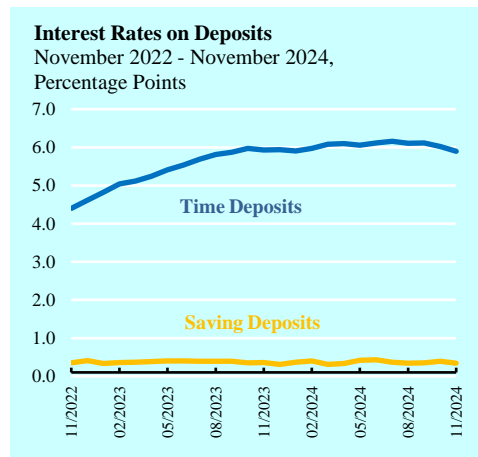
The CBJ also decided to extend the CBJ's program to refinance the vital economic sectors, with a value of JD 1.4 billion, covering ten

sectors, and to keep the interest rate for this program unchanged at 1.0% for projects in Amman, and 0.5% for projects in the other governorates, in order to provide financing for productive activities with preferential terms.

■ Interest Rates in the Banking Sector

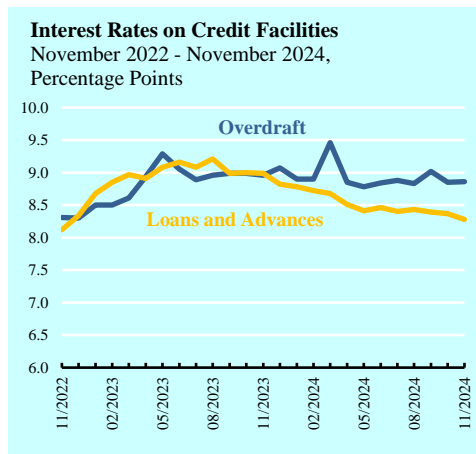
◆ Interest Rates on Deposits

- Time Deposits: The weighted average interest rate on time deposits decreased by 12 basis point at the end of November 2024, compared to its level registered in the previous month to stand at 5.09 percent. This rate is lower by 4 basis points than its level registered at the end of 2023.
- Saving Deposits: The weighted average interest rate on saving deposits decreased by 5 basis point at the end of November 2024, compared to its level registered in the previous month to stand at 0.34 percent. This rate is higher by 3 basis points than its level registered at the end of 2023.
- Demand Deposits: The weighted average interest rate on demand deposits decreased by 3 basis point at the end of November 2024, compared to its level registered in the previous month to stand at 0.66 percent. This level is higher by 13 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 one basis point at the end of November 2024, compared to its level registered in the previous month to stand at 8.86 percent. This level is lower by 21 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 67 basis points at the end of November 2024, compared to its level registered in the previous month to stand at 9.69 percent. This level is higher by 100 basis points than its level registered at the end of 2023.
- **Loans and Advances:** The weighted average interest rate on “loans and advances” decreased by 9 basis points at the end of November 2024, compared to its level registered in the previous month to stand at 8.28 percent. This level is lower by 54 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

		November		Change Relative to the Preceding Year Basis Points
		2023	2024	
Deposits				
0.53	Demand	0.72	0.66	13
0.31	Saving	0.36	0.34	3
5.94	Time	5.93	5.90	-4
Credit Facilities				
8.69	Discounted Bills and Bonds	8.01	9.69	100
8.82	Loans and Advances	8.99	8.28	-54
9.07	Overdraft	8.96	8.86	-21

Source: Central Bank of Jordan / Monthly Statistical Bulletin.

□ Credit Facilities Extended by Other Depository Corporations

- Total credit facilities extended by other depository corporations increased by JD 1,639.8 million, or 4.9 percent, at the end of November 2024, compared to its level registered at the end of 2023, against an increase by JD 847.1 million, or 2.6 percent during the same period in 2023.
- In terms of borrower sectors, the credit facilities at the end of November 2024 had shown an increase in credit extended to the private sector (resident) by JD 958.7 million, or 3.3 percent, the private sector (non-resident) by JD 496.5 million, or 58.8 percent, the central government by JD 112.4 million, or 5.3 percent, and the credit facilities extended to the public non-financial by JD 100.0 million, or 9.5 percent. In contrast, the credit facilities extended to the other financial corporations decreased by JD 27.9 million, or 45.9 percent, compared to their levels at the end of 2023.

□ Deposits at Other Depository Corporations

- Total deposits at other depository corporations stood at JD 46.5 billion at the end of November 2024, compared to JD 43.3 billion at the end of November 2023, and JD 43.7 billion at the end of 2023.
- The currency composition of deposits at the end of November 2024 revealed that the JD deposits amounted to JD 36.5 billion, and the deposits in foreign currencies amounted to JD 10.0 billion, compared to JD 34.1 billion of JD deposits, and JD 9.2 billion of deposits in foreign currency at the end of November 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 November 2024, compared to their levels in 2023. This can be demonstrated as follows:

■ Trading Volume

Trading volume at ASE totaled JD 96.0 million in November 2024, increasing by JD 3.4 million, or 3.7 percent, compared to its level registered at the end of the previous month, against a decrease by JD 23.4 million, or 22.7 percent during the same month in 2023. As for the first eleven months of 2024, the trading volume totaled JD 1,066.3 million.

■ Traded Shares

The number of traded shares in November 2024 totaled 80.9 million shares, increasing by 10.5 million shares, or 14.9 percent, compared to its level registered at the end of the previous month, against a decrease by 20.7 million shares, or 19.9 percent during the same month in 2023. As for the first eleven months of 2024, the number of traded shares amounted to 799.1 million shares.

■ **Share Price Index (SPI)**

The SPI weighted by market capitalization of free float shares at ASE increased by 14.1 points, or 0.6 percent, at the end of November 2024 compared to

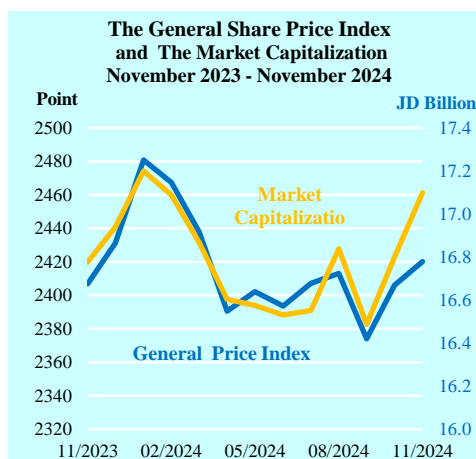
Share Price Index Weighted by Market Capitalization of Free Float Shares, by Sectors			
		November	
2023		2023	2024
2,431.2	General Index	2,406.8	2,420.1
2,729.0	Financial Sector	2,680.3	2,596.8
4,718.7	Industrial Sector	4,713.0	5,264.3
1,644.0	Services Sector	1,646.5	1,656.0

Source: Amman Stock Exchange.

its level in the previous month, to stand at 2,420.1 points, compared to a decrease by 7.9 points, or 0.3 percent during the same month in 2023. Furthermore, the SPI decreased by 11.1 points, or 0.5 percent during the first eleven months of 2024. The aforementioned decrease was an outcome of the decrease in the SPI of the financial sector by 132.2 points, or 4.8 percent. In contrast the industrial sector increased by 545.6 points, or 11.6 percent, and the services sector by 11.9 points, or 0.7 percent, compared to their levels at the end of 2023.

■ **Market Capitalization**

The ASE's market capitalization totaled JD 17.1 billion at the end of November 2024, increasing by JD 298.4 million, or 1.8 percent, compared to its level registered in the previous month, against a decrease by



JD 104.6 million, or 0.6 percent, during the same month in 2023.

Furthermore, the ASE’s market capitalization increased by JD 158.8 million, or 0.9 percent at the end of November 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 3.4 million in November 2024, compared to an outflow amounted by JD 0.4 million during the same month of 2023. The value of shares buying by non-Jordanian in

Main Amman Stock Exchange Trading Indicators, JD Million			
		November	
2023		2023	2024
1,457.0	Value Traded	79.8	96.0
5.9	Average Daily Trading	3.6	4.8
16,939.2	Market Capitalization	16,776.1	17,098.0
1,120.2	No. of Traded Shares (million)	83.7	80.9
-30.1	Net Investment of Non-Jordanian	-0.4	-3.4
151.1	Non-Jordanian Buying	4.5	8.9
181.2	Non-Jordanian Selling	4.9	12.3

Source: Amman Stock Exchange.

November 2024 amounted to JD 8.9 million, while their selling amounted to JD 12.3 million. The net investment of Non-Jordanian during the first eleven months of 2024, recorded an outflow amounted to JD 28.3 million.

Second: Output, Prices and Employment

□ Summary

- Gross Domestic Product (GDP), at constant market prices, grew by 2.6 percent during the third quarter of 2024, compared to a growth of 2.7 percent during the same quarter of 2023. At current market prices, GDP grew by 4.6 percent during the third quarter of 2024, compared to a growth of 4.4 percent in the same quarter of 2023.
- Accordingly, real GDP grew by 2.4 percent during the first three quarters of 2024, compared to a growth of 2.8 percent during the same period of 2023. At current market prices, GDP grew by 4.3 percent during the first three quarters of 2024, compared to 4.7 percent during the same period of 2023.
- The general price level, measured by the percentage change in the Consumer Price Index (CPI), increased during the first eleven months of 2024 by 1.54 percent, compared to an increase of 2.13 percent during the same period of 2023.
- The unemployment rate during the third quarter of 2024 reached 21.5 percent (18.3 percent for males and 33.3 percent for females), compared to 22.3 percent (19.8 percent for males and 31.7 percent for females) during the same quarter of 2023. The highest unemployment rate was among youth, which reached 54.7 percent for the (15-19) years old category and 46.4 percent for the category (20-24) years old.

▣ Developments of GDP

The national economy continued to show high resilience in maintaining macroeconomic stability, despite the uncertainty resulting from the repercussions of the geopolitical situation in the region, recording a real growth of 2.6 percent during the third quarter of 2024, after recording a growth rate of 2.4 percent during the second quarter and 2.0 percent during the first quarter of the same year. Thus, the growth rate reaches 2.4 percent during the first three quarters of 2024, compared to a growth rate of 2.8 percent during the same period of 2023.

When excluding “net taxes on products” (which grew by 1.1 percent during the first three quarters of 2024 compared to a growth of 1.2 percent during the same period of 2023), GDP at constant basic prices, grew by 2.5 percent during the first three quarters of 2024, compared to a growth of 3.0 percent during the same period of 2023.

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

Percentages

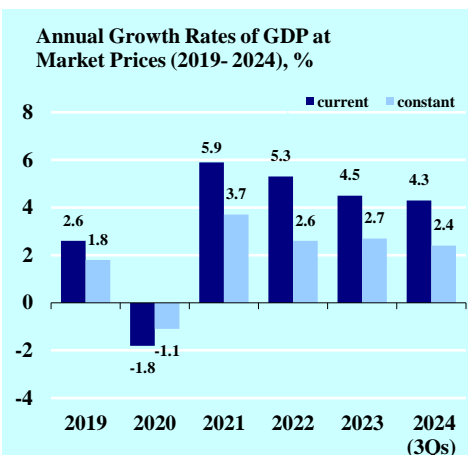
	Q1	Q2	Q3	Q4	Year
2022					
GDP at Constant Prices	2.6	3.1	2.6	2.3	2.6
GDP at Current Prices	4.6	5.2	6.3	5.1	5.3
2023					
GDP at Constant Prices	3.0	2.7	2.7	2.3	2.7
GDP at Current Prices	5.3	4.4	4.4	4.1	4.5
2024					
GDP at Constant Prices	2.0	2.4	2.6	-	-
GDP at Current Prices	4.2	4.0	4.6	-	-

Source: Department of Statistics.

At current market prices, GDP grew by 4.3 percent, compared to a growth of 4.7 percent during the first three quarters of 2023. This was in light of the increase of the general price level, measured by the GDP deflator, by 1.9 percent during the first three quarters of 2024 compared to a growth of 1.8 percent during the same period of 2023.

The economic growth recorded during the first three quarters of 2024, was driven by the positive growth achieved by most sectors, which ranged between 5.9 percent for the agriculture sector and 0.1 percent for the “domestic services of households” sector. While the construction sector recorded a decline of 1.5 percent during the first three quarters of 2024.

As for the economic sectors contribution to the growth rate during the first three quarters of 2024, all sectors contributed positively to the growth rate. Most notably; manufacturing contributed by (0.7 percentage point), agriculture (0.3 percentage point), “transport, storage and communications” (0.3 percent), “finance and insurance services” (0.2 percentage point), “social and personal services” (0.2 percentage point), and “producers of government services” (0.2 percentage point). These sectors accounted for 79.2 percent of the real growth recorded during the first three quarters of 2024.



Sectors	Relative change		Contribution Percentage Point	
	3Qs 2023	3Qs 2024	3Qs 2023	3Qs 2024
GDP at Constant Market Prices	2.8	2.4	2.8	2.4
Agriculture	7.1	5.9	0.3	0.3
Mining And Quarrying	4.2	4.9	0.1	0.1
Manufacturing	3.8	3.8	0.7	0.7
Electricity And Water	4.1	4.5	0.1	0.1
Construction	0.8	-1.5	0.0	0.0
Wholesale And Retail Trade	2.3	1.8	0.2	0.2
Restaurant And Hotels	6.3	1.3	0.1	0.0
Transport, Storage And Communications	5.2	3.1	0.4	0.3
Finance And Insurance Services	3.3	2.7	0.3	0.2
Real Estate	1.1	0.9	0.1	0.1
Social And Personal Services	2.8	2.3	0.2	0.2
Producers of Government Services	1.7	1.7	0.2	0.2
Producers of Private Non-Profit	3.3	2.3	0.0	0.0
Domestic Services of Households	1.4	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” (28.9 percent), “mining and quarrying production quantity index” (8.6 percent). On the other hand, the performance of some sectors declined, mainly; “licensed areas for building” (8.5 percent), and “manufacturing production quantity index” (0.2 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	6.5	Jan. – Oct.	-8.5
0.03	Manufacturing production quantity index	0.4		-0.2
7.7	Food products and beverages	5.7		5.8
3.6	Tobacco products	3.9		1.6
-16.8	Refined petroleum products	-14.4		4.2
-1.4	Wearing apparel	-2.6		-21.5
5.1	Pharmaceuticals, medical products	4.1		4.2
3.5	Chemical products	1.9		-1.0
5.2	Mining and quarrying production quantity index	1.9		8.6
13.9	Extraction of crude petroleum and natural gas	-2.5		1.3
3.1	Other mining and quarrying	2.0	8.7	
3.6	Production of potash	4.6	Jan. – Nov.	2.2
1.5	Production of phosphate	-1.8		17.4
-14.3	Cargo through Royal Jordanian	-13.3		28.9
18.1	Number of passengers through Royal Jordanian	19.9		2.8
24.4	Number of departures	26.9		2.8

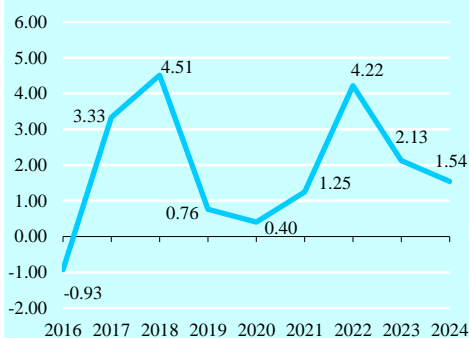
*: Computed based on the data from Department of Statistics, Department of Land and Survey, and Royal Jordanian.

Prices

The general price level, measured by the percentage change in the Consumer Price Index (CPI), increased during the first eleven months of 2024 by 1.54 percent, compared to an increase of 2.13 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 3.2 percent, compared to a decline by 0.2 percent, during the first eleven months of 2023.
 - “vegetables and legumes dry and canned” which increased by 2.7 percent, compared to a decline by 8.7 percent.
 - “cereals and products” prices increased by 2.0 percent compared to an increase by 3.6 percent, during the first eleven months of 2023.

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



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

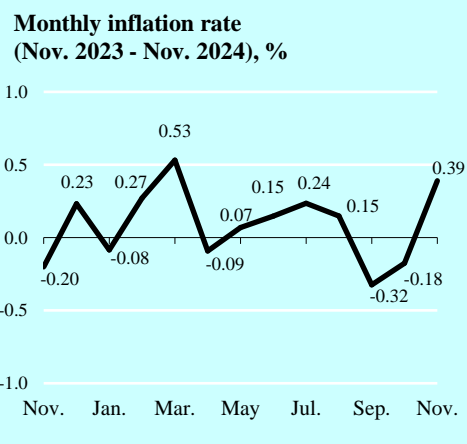
Expenditure Groups	Relative Imp.	Relative change		Contribution	
		Jan. – Nov. 2023	Jan. – Nov. 2024	Jan. – Nov. 2023	Jan. – Nov. 2024
All Items	100.00	2.13	1.54	2.13	1.54
1) Food and non-Alcoholic Beverages	26.52	0.46	1.36	0.12	0.35
Food	23.80	0.53	1.47	0.13	0.35
Cereals and Products	4.17	3.56	2.00	0.16	0.09
Meat and Poultry	4.69	-0.21	3.18	-0.01	0.15
Fish and Sea Product	0.41	-0.11	0.55	0.00	0.00
Dairy Products and Eggs	3.72	5.95	-0.09	0.22	0.00
Oil and Fats	1.70	1.94	-1.34	0.04	-0.02
Fruits and Nuts	2.57	-0.84	-0.52	-0.02	-0.01
Vegetables and Legumes Dry and Canned	2.96	-8.69	2.65	-0.23	0.06
2) Alcohol and Tobacco and Cigarettes	4.37	3.30	3.82	0.14	0.16
Alcohol	0.01	0.00	-0.02	0.00	0.00
Tobacco and Cigarettes	4.37	3.31	3.83	0.14	0.16
3) Clothing and footwear	4.12	-0.60	-0.77	-0.02	-0.03
Clothing	3.41	-1.05	-0.88	-0.03	-0.03
Footwear	0.71	1.56	-0.23	0.01	0.00
4) Housing	23.78	4.51	2.84	1.08	0.70
Rents	17.54	4.10	3.84	0.72	0.68
Fuels and Lighting	4.69	6.76	-1.13	0.34	-0.06
5) Household Furnishings and Equipment	4.94	1.94	0.15	0.09	0.01
6) Health	4.00	3.16	-0.13	0.13	-0.01
7) Transportation	15.98	1.31	0.97	0.21	0.16
8) Communication	2.83	0.47	0.37	0.01	0.01
9) Culture and Recreation	2.55	4.89	2.63	0.13	0.07
10) Education	4.35	1.78	1.22	0.08	0.05
11) Restaurants and Hotels	1.79	2.55	0.92	0.05	0.02
12) Other Goods and Services	4.77	2.82	1.79	0.13	0.09

Source: Department of Statistics.

- An increase in rents item by 3.8 percent compared to an increase by 4.1 percent during the first eleven months of 2023.
- The “tobacco and cigarettes” also increased by 3.8 percent compared to an increase by 3.3 percent during the first eleven months of 2023. This increase comes, in part, in light of the adoption of a modified system for the special tax system for 2024, which included raising the special tax on cigarettes and tobacco products of all kinds as of (12/9/2024).

The above items collectively contributed to raising the inflation rate during the first eleven months of 2024 by 1.2 percentage points, compared to 0.8 percentage point during the same period of 2023.

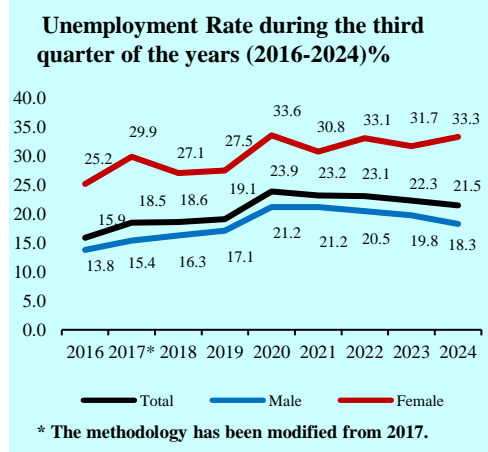
On the other hand, the price of some groups and items declined, most notably; health group (0.1 percent), “oils and fats” (1.3 percent) and “fuels and lighting” (1.1 percent), compared to an increase by 3.2 percent, 1.9 percent and 6.8 percent, respectively, during the first eleven months of 2023.



In November 2024, the CPI witnessed an increase compared to the previous month (October 2024) by 0.39 percent. This was an outcome of the increase in the prices of some items, mainly, “vegetables and legumes dry and canned” (2.7 percent), “oil and fats” (2.6 percent), “meat and poultry” (0.5 percent), and the decline in the prices of a number of other items, mainly; “fruits and nuts” (0.7 percent) and “sugar and its products” (0.2 percent).

□ Labor Market

■ The unemployment rate reached 21.5 percent (18.3 percent for males, and 33.3 percent for females) during the third quarter of 2024, compared to 22.3 percent (19.8 percent for males and 31.7 percent for females), during the same quarter of 2023.



- The unemployment rate among youth, during the third quarter of 2024, remains high reaching 54.7 percent for the category (15-19) years old, and 46.4 percent for the category (20-24) years old.
- The unemployment rate among academic degree holders (bachelor and higher) reached 26.0 percent during the third quarter of 2024, and the unemployment rate among (intermediate diploma) reached 20.4 percent.
- The refined economic participation rate (the ratio of the labor force to the population of 15 years and over), was 34.3 percent (53.6 percent for males, and 14.8 percent for females), compared to 32.6 percent (52.7 percent for males and 13.5 percent for females) during the third quarter of 2023.
- The employment rate among population (15 years and older) reached 26.9 percent during the third quarter of 2024, compared to 25.3 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 1,841.2 million (6.0 percent of GDP) during the first ten months of 2024, comparing to a fiscal deficit of JD 1,624.6 million (5.4 percent of GDP) during the same period of 2023. When excluding foreign grants (JD 82.3 million), the general budget deficit amounted to JD 1,923.5 million (6.2 percent of GDP), compared to a deficit of JD 1,700.8 million (5.6 percent of GDP) during the same period of 2023.
- Government domestic debt (budgetary and guaranteed) increased by JD 2,132.5 million at the end of October 2024 compared to its level at the end of 2023, to reach JD 24,622.4 million (65.4 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 14,913.0 million (39.6 percent of GDP).
- Outstanding external debt (budget and guaranteed) went up by JD 853.3 million at the end of October 2024, compared to its level at the end of 2023, to reach JD 19,545.1 million (51.9 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 19,057.7 million (50.7 percent of GDP).
- As a result, outstanding government debt (domestic and external) rose by JD 2,985.8 million at the end of October 2024, to reach JD 44,167.5 million (117.4 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 33,970.7 million (90.3 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 ten months of 2024 compared to the same period in 2023:

■ Public Revenues

Public revenues (domestic revenues plus foreign grants) decreased by JD 52.1 million, or 8.1 percent in October 2024 compared to the same month in 2023, to stand at JD 594.4 million. As for the first ten months of 2024, public revenues went up by JD 96.9 million, or 1.3 percent, compared to the same period in 2023, to reach JD 7,365.3 million. This came as an outcome of an increase in both domestic revenues by JD 90.9 million and foreign grants by JD 6.1 million.

Main Government Budget Indicators During the First ten months of 2024

(JD Million and Percentages)

	October		Growth Rate %	(Jan.-Oct.)*		Growth Rate %
	2023	2024		2023	2024	
Public Revenues	646.5	594.4	-8.1	7,268.4	7,365.3	1.3
Domestic Revenues, of which:	609.0	593.9	-2.5	7,192.1	7,283.0	1.3
Tax Revenues, of which:	443.3	430.6	-2.9	5,402.3	5,401.8	-0.01
General Sales Tax	348.7	340.3	-2.4	3,485.1	3,507.4	0.6
Other Revenues	165.2	162.8	-1.5	1,785.6	1,877.7	5.2
Foreign Grants	37.5	0.5	-98.7	76.2	82.3	8.0
Total Expenditures	877.6	1,016.4	15.8	8,824.7	9,170.5	3.9
Current Expenditures	762.5	868.9	14.0	7,902.8	8,301.1	5.0
Capital Expenditures	115.2	147.5	28.0	921.9	869.4	-5.7
Overall Deficit/ Surplus (Including Grants)	-234.5	-422.1	-	-1,624.6	-1,841.2	-
Overall Deficit/ Surplus (Including Grants) as a Percent of GDP	-	-	-	-5.4	-6.0	-

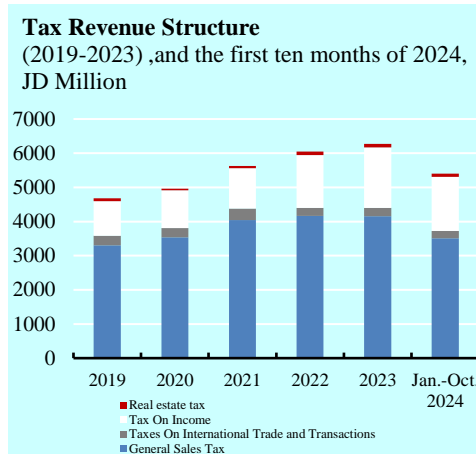
Source: Ministry of Finance/ General Government Finance Bulletin.

* : Includes refunds and clearing data of JD (68.3) million for the first ten months of 2023, and JD (36) million for the first ten months of 2024

* : Note: deficit on net basis.

◆ Domestic Revenues

Domestic revenues increased by JD 90.9 million, or 1.3 percent, in the first ten months of 2024 compared to the same period in 2023, to reach JD 7,283.0 million. This increase was the result of an increase in “other revenues” by JD 92.1 million, and decrease in both “pension contribution” by JD 0.7 million, and “tax revenues” by JD 0.5 million.

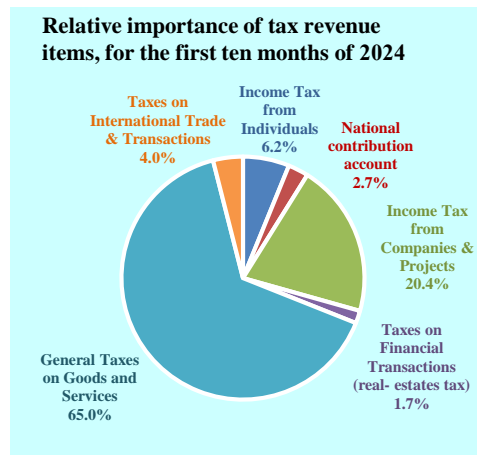


● Tax Revenues

Tax revenues decreased by JD 0.5 million, or 0.01 percent, in the first ten months of 2024, compared to the same period of 2023, to reach JD 5,401.8 million (74.2 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 36.7 million, or 2.3 percent, to reach JD 1,589.7 million, accounting for 29.4 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 89.7 million, or 7.5 percent, to account for 69.8 percent of total proceeds of income and profits taxes, amounting to JD 1,110.4 million, and an increase in both the proceeds of

“national contribution account” by JD 31.0 million, or 27.0 percent, to reach JD 146.0 million, and the proceeds of “income taxes from individuals” by JD 22.0 million, or 7.1 percent, to reach JD 333.3 million.



- An increase of **general sales tax on goods and services** by JD 22.3 million, or 0.6 percent, to reach JD 3,507.4 million, accounting for 64.9 percent of total tax revenues. This was mainly due to an increase in the proceeds of sales tax on the commercial sector by JD 72.9 million, and on domestic goods by JD 25.6 million, and on services by 22.7 million, against the decrease in the proceeds of sales tax on imported goods by JD 98.9 million.
- An increase in the proceeds of **taxes on international trade and transactions** (including customs duties and fees) by JD 11.4 million, or 5.6 percent, to reach JD 214.3 million.
- An increase in the proceeds of **taxes on financial transactions (real-estates tax)** by JD 2.5 million, or 2.8 percent, to reach JD 90.4 million.

- **Non-Tax Revenues**

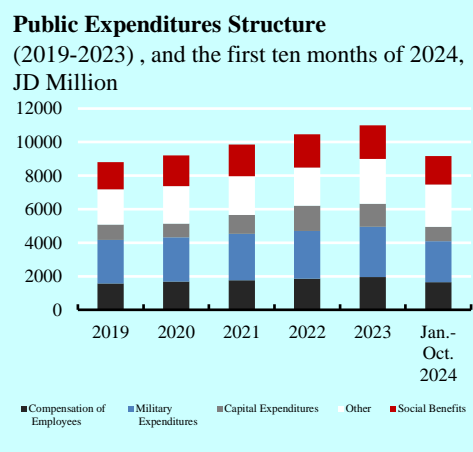
- “Other revenues” increased by JD 92.1 million, or 5.2 percent, during the first ten months of 2024, to reach JD 1,877.7 million. This increase was chiefly due to the following:
 - An increase in the **property income** by JD 130.1 million to stand at JD 602.2 million (of which financial surplus of independent government units amounted to JD 561.2 million compared to JD 429.8 million in the same period of 2023).
 - A decrease in **miscellaneous revenues** by JD 35.2 million to stand at JD 523.5 million.
 - A decrease in revenues from **selling goods and services** by JD 2.8 million to reach JD 752.0 million.
- Pension contribution decreased by JD 0.7 million, or 16.7 percent, during the first ten months of 2024, compared to the same period in 2023, to reach JD 3.5 million.

- ◆ **Foreign Grants**

Foreign grants increased by JD 6.1 million, during the first ten months of 2024, standing at JD 82.3 million, compared to JD 76.2 million during the same period in 2023.

■ **Public Expenditures**

Public expenditures increased by JD 138.8 million, or 15.8 percent, in October 2024 compared to the same month in 2023, to stand at JD 1,016.4 million. As for the first ten months of 2024, public expenditures increased by JD 345.8

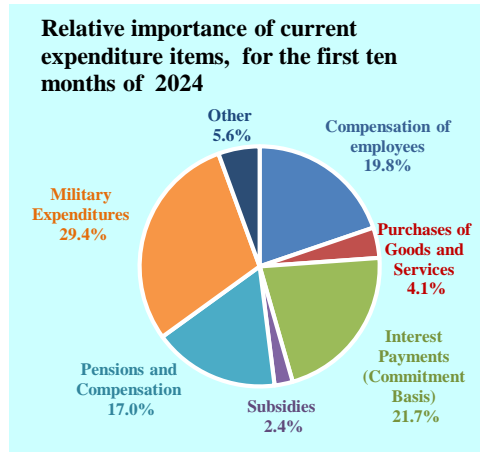


million, or 3.9 percent, compared to the same period in 2023, to stand at JD 9,170.5 million. This increase was a result of the increase in current expenditures by 5.0 percent, and decrease in capital expenditures by 5.7 percent.

◆ **Current Expenditures**

Current expenditures went up by JD 398.3 million, or 5.0 percent, during the first ten months of 2024, to reach JD 8,301.1 million. The current expenditures accounted for 90.5 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 3.3 percentage points, to reach 87.7 percent, compared to 91.0 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 349.7 million, to stand at JD 1,799.1 million.



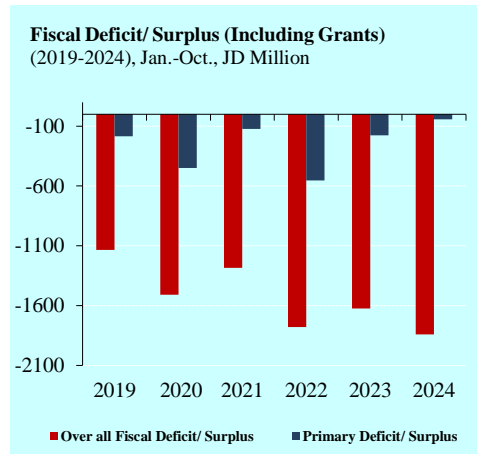
- An increase in the **compensation of civil sector's employees** (wages, salaries and social security contributions) by JD 51.9 million, to reach JD 1,648.4 million.
- An increase in **pensions and compensation** by JD 21.9 million, to stand at JD 1,411.2 million.
- An increase in the **purchases of goods and services** by JD 0.7 million, to reach JD 339.1 million.
- A decrease in **military expenditures** by JD 26.8 million, to total JD 2,437.8 million.
- A decrease in **subsidies** by JD 24.4 million, to stand at JD 203.2 million.

◆ Capital Expenditures

Capital expenditures decreased by JD 52.5 million, or 5.7 percent, during the first ten months of 2024, compared to the same period in 2023, to reach JD 869.4 million.

General Budget Deficit/Surplus

- The overall fiscal deficit, including foreign grants, during the first ten months of 2024 amounted to JD 1,841.2 million (6.0 percent of GDP),

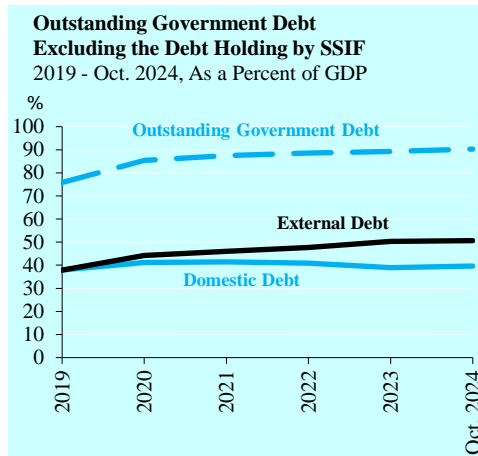
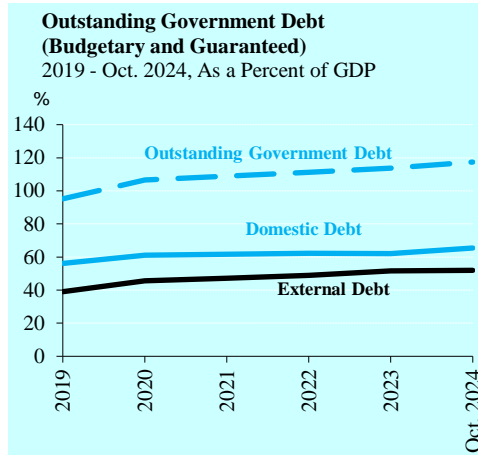


compared to a deficit of JD 1,624.6 million (5.4 percent of GDP) during the same period in 2023. When foreign grants are excluded, the general budget deficit amounted to JD 1,923.5 million (6.2 percent of GDP), compared to a deficit of JD 1,700.8 million (5.6 percent of GDP) during the same period in 2023.

- The primary deficit, excluding foreign grants, (domestic revenues *minus* total public expenditures excluding interest payments on public debt) reached JD 124.4 million (0.5 percent of GDP) during the first ten months of 2024, against a primary deficit of JD 251.4 million (0.8 percent of GDP) during the same period in 2023. When foreign grants are including, the primary deficit of the general budget reached JD 42.1 million (0.2 percent of GDP), compared to a primary deficit of JD 175.2 million (0.6 percent of GDP) during the same period in 2023.

□ Outstanding Government Debt

■ Government domestic debt (budgetary and guaranteed) increased by JD 2,132.5 million at the end of October 2024 compared to its level at the end of 2023, to stand at JD 24,622.4 million (65.4 percent of GDP). This increase was an outcome of the rise in both of the domestic debt of the budget by JD 1,780.3 million, and the domestic debt of guaranteed by JD 352.2 million, compared to the amount of the debt at the end of 2023, to reach JD 21,255.6 million and JD 3,366.8 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 831.6 million, at the end of October 2024 compared to its level at the end of 2023, to stand at JD 14,913.0 million (39.6 percent of GDP).

- Outstanding external debt (budget and guaranteed) went up by JD 853.3 million at the end of October 2024, compared to its level at the end of 2023, to reach JD 19,545.1 million (51.9 percent of GDP). It is worth mentioning that the external debt denominated in the U.S. Dollar accounted for 72.2 percent of the total external debt, and the debt in Euro accounted for 11.2 percent. However, the SDR accounted for 9.3 percent, Kuwaiti Dinar (3.0 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 849.8 million, at the end of October 2024 compared to its level at the end of 2023, to stand at JD 19,057.7 million (50.7 percent of GDP).
- In light of the above-mentioned developments, outstanding government debt (domestic and external) increased by JD 2,985.8 million at the end of October 2024, to reach JD 44,167.5 million (117.4 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 33,970.7 million (90.3 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 21.0 million during the first ten months of 2024 compared to the same period in 2023, to reach JD 2,032.3 million (including principal payments of JD 1,270.0 million and interest of JD 762.3 million).

□ Fiscal and Price Measures of 2025

◆ January

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

Development of Oil Derivatives Prices				
	Unit	2024	2025	Percentage Change
		December	January	
Unleaded Gasoline 90	Fils/ Liter	860	870	1.2
Unleaded Gasoline 95	Fils/ Liter	1,105	1,100	-0.5
Unleaded Gasoline 98	Fils/ Liter	1,255	1,250	-0.4
Gas Oil (Diesel)	Fils/ Liter	680	690	1.5
Kerosene	Fils/ Liter	620	620	0.0
Liquid Gas (12.5kg)	JD/ Cylinder	7.0	7.0	0.0
Fuel oil (1%)	JD/ Ton	442	437.6	-1.0
Fuel for airplanes (local companies)	Fils/ Liter	533	534	0.2
Fuel for airplanes (foreign companies)	Fils/ Liter	538	539	0.2
Fuel for unplanned flights	Fils/ Liter	553	554	0.2
Asphalt	JD/ Ton	436.9	432.5	-1.0

Source: Jordan Petroleum Refinery Company (1/1/2025).

- The Energy and Minerals Regulatory Commission decided to continuation of maintaining fuel price bands item at 0 fils during 2025.

□ Fiscal and Price Measures of 2024**◆ December**

- The Energy and Minerals Regulatory Commission decided to continuation of maintaining fuel price bands item at 0 fils during 2024.
- Issuing a modified system for the system of registration, licensing and vehicle market fees for the year 2024, and adopting licensing vehicles according to their pre-customs prices rather than engine capacity. It will be applied to private vehicles licensed for the first time after 1/1/2025.
- The Cabinet decided to extend the decision to exempt vehicles whose licenses have expired for several years from the additional fees (fines) due on them, and exempting vehicles whose license have expired for more than one year from the acquisition fee for previous years, and the re-registration fees due on them, if any, until the 30/1/2025.
- Issuing of the amending by-law for the year 2024 for the special tax, which adopts a new mechanism for calculating the special tax on electric vehicles. the new mechanism adopting a gradual approach over a period of 3 years (2025-2027), and aims to achieve the interests of importers and citizens and ensures legislative stability.

◆ November

- The Cabinet decided to reduce residential apartments from roofing fees by 50 percent for 3 years for those who buy an apartment for the first time, and reduce apartment registration fees by 50 percent for residential apartments with an area of more than 150 square meters.

- The Cabinet decided to exempt taxpayers with claims to the Public Funds Directorate at the Ministry of Finance from accumulated financial penalties, according to specific provisions and criteria, until the end of year 2024.
- The Cabinet decided to exempt vehicles whose license have expired for several years from the additional fees (fines) due on them, and exempting vehicles whose license have expired for more than one year from the acquisition fee for previous years, and the re-registration fees due on them, if any, until the end of year 2024.
- The Cabinet decided to exempt e-vehicles, whose customs value exceeds JD 10,000, from 50 percent of the special tax imposed on them, until end of year 2024.

◆ October

- The Cabinet decided to freeze its January 9, 2022 decision, included reduce customs duties on certain foodstuffs, engineering, construction, and furniture materials, from 25 percent to 20 percent starting from January 1, 2025, and to 15 percent starting from January 1, 2027.
- The Cabinet decided to exempt individuals involved in customs-related cases filed or discovered before December 31, 2019, from up to 90 percent of the fines imposed on them.

◆ September

- Issuing of the amending by-law for the year 2024 for the special tax, which came into effect from the date of its publication in the Official Gazette (12/9/2024), which include a reduction in special taxes on gasoline vehicles and a progressive increase for higher-priced Electric Vehicles, in addition to raising the special tax on cigarettes, tobacco products and electronic cigarettes of all types and liquids used in them.

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

- Signing a three financing agreement in the amount EUR 95.0 million, provided by the German government facilitated through the German Development Bank (KfW), distributed as follows:
 - EUR 20 million a grant to financing the digital transformation program for vocational education.
 - EUR 15 million a grant to financing the second phase of the program for improve quality in basic education (digitalization).
 - EUR 60 million a loan to support the needs of the sanitation sector.
- Signing a two grant agreement in the amount USD 11.0 million, provided by the European Bank for Reconstruction and Development (EBRD), to support the implementation of a new water treatment plant in West Irbid.
- Signing a loan agreement in the amount EUR 150.0 million, provided by the French Development Agency, to support the implementation of the Public Sector Modernization Roadmap.

◆ November

- Signing a two financing agreement in the amount EUR 36.5 million, provided by the German government facilitated through the German Development Bank (KfW), distributed as follows:
 - EUR 21.5 million a grant to finance the third phase of the program (Results-Based Financing in the Water Sector).

- EUR 15 million a loan to support the general budget to contribute to financing the national water carrier project "AQABA-AMMAN WATER DESALINATION & CONVEYANCE".
- Signing a loan agreement in the amount USD 100 million, provided by Japan Government through the Japan International Cooperation Agency (JICA), to support human development policies and improve the management and efficiency of the social sector, particularly in health, education, and social protection.

◆ 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 25.5 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 23.4 percent in September 2024, compared to the same month of 2023, to reach JD 836.6 million. As for the first three quarters of 2024, total export increased by 4.9 percent, compared to the same period of 2023, to reach JD 7,064.5 million.
- **Merchandise imports** increased by 0.9 percent in September 2024, compared to the same month of 2023, to reach JD 1,554.4 million. As for the first three quarters of 2024, imports increased by 0.8 percent, compared to the same period of 2023, to reach JD 14,011.7 million.
- **Consequently**, the trade balance deficit (total exports minus imports) decreased by 16.9 percent in September 2024, compared to the same month of 2023, to reach JD 717.8 million. As for the first three quarters of 2024, trade balance deficit decreased by 2.9 percent, compared to the same period of 2023, standing at JD 6,947.2 million.
- **Travel receipts** decreased by 4.4 percent during the first ten months of 2024, to register JD 4,362.5 million, compared to the same period of 2023. While, **travel payments** increased by 2.0 percent, to register JD 1,175.4 million, compared to the same period of 2023.
- **Total workers' remittances receipts** increased by 3.1 percent during the first ten months of 2024, compared to the same period of 2023, to reach JD 2,093.0 million.
- **The current account of the balance of payments** (including grants) registered a deficit amounted to JD 2,119.2 million (7.7 percent of GDP) during the first three quarters of 2024, compared to a deficit of JD 1,970.1 million (7.4 percent of GDP) during the same period of 2023. Meanwhile, the current account deficit (excluding grants) increased to reach 9.4 percent of GDP during the first three quarters, compared with 8.7 percent of GDP during the same period of 2023.
- **foreign direct investment** inflow to Jordan amounted to JD 905.5 million during the first three quarters of 2024, compared to an inflow of JD 1,128.9 million during the same period of 2023.

- **International investment position (IIP)** displayed a net obligation to abroad of JD 35,570.7 million, at the end of the first three quarters of 2024, compared to a net obligation amounted to JD 35,380.8 million at the end of 2023.

□ External Trade

- As a result of the increase in domestic exports by JD 167.5 million and the increase in imports by JD 118.0 million during the first three quarters of 2024, the external trade (domestic exports plus imports) increased by JD 285.5 million to stand at JD 20,424.7 million, compared to the same period of 2023.

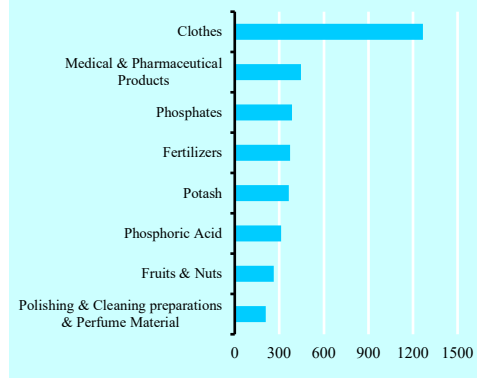
Jordan's Major Trading Partners			
JD Million			
January-September			
	2023	2024	Percentage Change (%)
Exports			
USA	1,456.2	1,711.6	17.5
Saudi Arabia	765.8	851.2	11.2
India	965.6	674.8	-30.1
Iraq	432.9	660.3	52.5
UAE	247.8	221.1	-10.8
Palestine	188.9	176.5	-6.6
China	183.9	170.1	-7.5
Imports			
China	2,382.6	2,663.0	11.8
Saudi Arabia	1,984.4	2,170.2	9.4
USA	916.8	945.4	3.1
UAE	733.2	625.8	-14.6
India	838.2	522.4	-37.7
Germany	446.9	491.9	10.1
Egypt	367.2	484.4	31.9
Source: Department of Statistics.			

Main External Trade Indicators				
JD Million				
January-September				
	2023	Percentage Change (%)	2024	Percentage Change (%)
External Trade	20,139.2	-5.4	20,424.7	1.4
Total Exports	6,737.4	-2.8	7,064.5	4.9
Domestic Exports	6,245.6	-2.4	6,413.1	2.7
Re-Exports	491.8	-7.3	651.4	32.5
Imports	13,893.6	-6.7	14,011.7	0.8
Trade Balance	-7,156.2	-10.1	-6,947.2	-2.9
Source: Department of Statistics.				

■ Merchandise Exports:

Total merchandise exports increased by 4.9 percent during the first three quarters of 2024, to reach JD 7,064.5 million. This increase was a result of the increase in domestic exports by JD 167.5 million, or 2.7 percent to reach JD 6,413.1 million, and the increase in re-exports by JD 159.6 million, or 32.5 percent to reach JD 651.4 million.

Major Exports by Commodity
During the first three quarters of 2024, JD Million



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

- Exports of **Clothes** increased by JD 247.3 million, or 24.2 percent, to reach JD 1,267.2 million. The USA was the main destination market accounting for 82.1 percent of these exports.
- Exports of **“Fruits & Nuts”** increased by JD 105.8 million, or 67.8 percent, to reach JD 261.8 million. The markets of Saudi Arabia and Iraq accounted for 55.9 percent of these exports.
- Exports of **Fertilizers** increased by JD 83.1 million, or 28.7 percent to reach JD 372.4 million. It is worth noting that markets of Iraq and the USA accounted for 46.4 percent of these exports.
- Exports of **“Medical & Pharmaceutical Products”** increased by JD 69.3 million, or 18.4 percent, to reach JD 446.5 million. The markets of Saudi Arabia, Iraq and Algeria accounted for 56.0 percent of these exports.

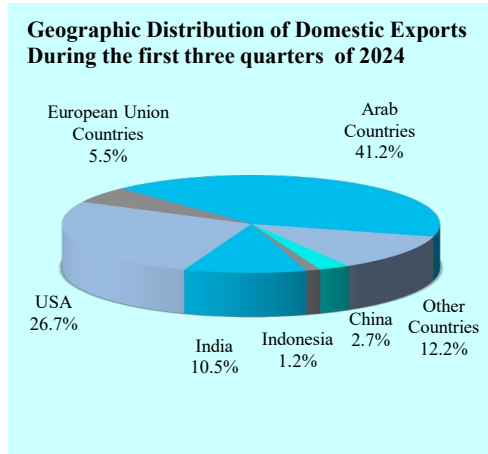
- Exports of **Phosphoric Acid** decreased by JD 176.0 million, or 36.0 percent to reach JD 312.7 million. India was the main destination market accounting for 82.1 percent of these exports.
- Exports of **Potash** decreased by JD 151.7 million, or 29.4 percent, to stand at JD 363.6 million. Brazil, Egypt and India were the main destination markets for these exports, accounting for 39.0 percent.
- Exports of **Phosphates** decreased by JD 67.4 million, or 14.9 percent, to reach JD 386.2 million. The markets of India, Indonesia and China accounted for 93.4 percent of these exports.

Major Domestic Exports by Commodity, JD Million During the first three quarters 2023-2024

	2023	2024	Percentage
			Change (%)
Domestic Exports	6,245.6	6,413.1	2.7
Clothes	1,019.9	1,267.2	24.2
USA	835.5	1,040.6	24.6
Medical & Pharmaceutical Products	377.2	446.5	18.4
Saudi Arabia	91.9	112.5	22.5
Iraq	43.4	92.0	112.2
Algeria	40.1	45.6	13.6
Phosphates	453.6	386.2	-14.9
India	304.3	274.6	-9.8
Indonesia	56.7	64.2	13.3
China	-	22.0	100.0
Fertilizers	289.3	372.4	28.7
Iraq	22.7	90.4	297.6
USA	60.1	83.0	38.2
Potash	515.3	363.6	-29.4
Brazil	43.5	51.5	18.4
Egypt	47.5	48.8	2.8
India	82.0	41.4	-49.5
Phosphoric Acid	488.7	312.7	-36.0
India	465.2	256.9	-44.8
Fruits & Nuts	156.0	261.8	67.8
Saudi Arabia	56.0	110.9	98.1
Iraq	16.8	35.4	111.0
Polishing & Cleaning preparations & Perfume Material	177.0	207.7	17.3
Iraq	83.4	99.6	19.4
Saudi Arabia	40.8	49.0	20.0
Libya	23.6	22.8	-3.3

Source: Department of Statistics.

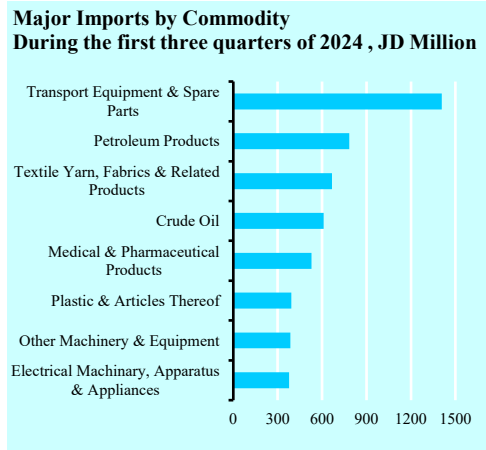
- Consequently, the commodity breakdown of domestic exports indicates that exports of clothes, “Medical & pharmaceutical products”, phosphates,



fertilizers, potash, phosphoric acid, “Fruits & nuts” and “Polishing & cleaning preparations & perfume material” topped the list of domestic exports during the first three quarters of 2024; accounting for 56.4 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 three quarters of 2024; accounting for 69.6 percent, compared with 67.9 percent during the same period of 2023.

■ **Merchandise Imports:**

Merchandise imports increased by 0.8 percent to reach JD 14,011.7 million during the first three quarters of 2024, compared to a decrease by 6.7 percent during the same period of 2023.



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

- **“Transport Equipment & Spare Parts”** imports increased by JD 157.1 million, or 12.6 percent, to reach JD 1,408.2 million. China, the USA and South Korea were the main origin markets accounting for 68.7 percent of these imports.
- **“Textile Yarn, Fabrics & Related Products”** imports increased by JD 86.9 million or 15.0 percent, to reach JD 665.6 million. China, Taiwan and Türkiye were the main markets, accounting for 74.9 percent of these imports.
- **Other Machines & Equipment** imports increased by JD 60.3 million, or 18.5 percent to reach JD 386.2 million. China, Italy and the USA were the main markets, accounting for 63.9 percent of these imports.

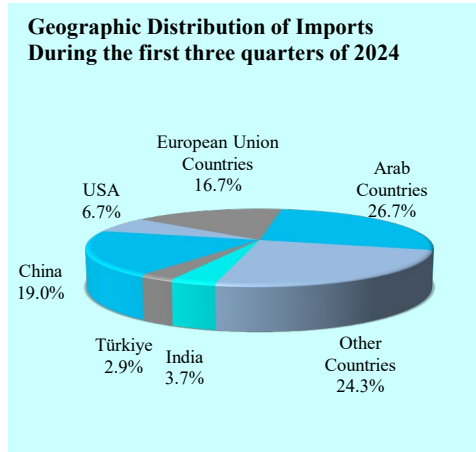
- **“Medical & Pharmaceutical Products”** imports increased by JD 57.0 million, or 12.1 percent, to reach JD 528.3 million. Germany, the USA and Switzerland were the main origin markets, accounting for 35.2 percent of these imports.
- **Petroleum Products** imports decreased by JD 236.8 million, or 23.2 percent, to stand at JD 782.2 million. Saudi Arabia, India and the UAE were the main markets, accounting for 97.9 percent of these imports.
- **“Electrical Machinery, Apparatus & Appliances”** imports decreased by JD 28.7 million, or 7.1 percent, to reach JD 376.5 million. China and Türkiye were the main origin markets, accounting for 45.9 percent of these imports.

**Major Imports by Commodity, JD Million
During the first three quarters of 2023-2024**

	2023	2024	Percentage Change (%)
Total Imports	13,893.6	14,011.7	0.8
Transport Equipment & Spare Parts	1,251.1	1,408.2	12.6
China	417.8	544.9	30.4
USA	203.0	242.6	19.5
South Korea	216.3	180.5	-16.6
Petroleum Products	1,019.0	782.2	-23.2
Saudi Arabia	514.6	605.1	17.6
India	420.5	151.5	-64.0
UAE	51.6	9.1	-82.3
Textile Yarn, Fabrics & Related Products	578.7	665.6	15.0
China	270.1	351.8	30.2
Taiwan	72.3	79.8	10.4
Türkiye	61.0	66.9	9.6
Crude Oil	559.9	610.7	9.1
Saudi Arabia	431.3	482.1	11.8
Iraq	128.6	128.6	0.0
Medical & Pharmaceutical Products	471.3	528.3	12.1
Germany	63.6	78.2	23.0
USA	51.1	64.5	26.4
Switzerland	41.4	43.1	4.0
Plastic & Articles Thereof	372.9	391.3	4.9
Saudi Arabia	166.3	187.9	13.0
China	61.0	58.8	-3.5
UAE	26.8	28.2	5.1
Other Machines & Equipment	325.9	386.2	18.5
China	131.3	158.4	20.6
Italy	43.8	46.9	7.1
USA	15.1	41.3	172.9
Electrical Machinery, Apparatus & Appliances	405.2	376.5	-7.1
China	163.2	152.4	-6.6
Türkiye	22.8	20.5	-10.2

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”, “Plastic & articles thereof”, “Other machines & equipment” and “Electrical machinery apparatus and appliances” topped the list of imports during the first three quarters of 2024, accounting for 36.7 percent, compared with 35.9 percent during the same period of 2023. Meanwhile, the geographical distribution of imports indicates that China, Saudi Arabia, the USA, the UAE, India, Germany and Egypt were the main source markets during the first three quarters of 2024 accounting for 56.4 percent of imports, compared to 55.2 percent during the same period of 2023.



■ Re-Exports

The value of re-exported goods in September 2024 increased by JD 15.6 million, or 30.3 percent, compared to the same month of 2023, to stand at JD 67.2 million. As for the first three quarters of 2024, re-export increased by JD 159.6 million, or 32.5 percent, compared to the same period of 2023, to reach JD 651.4 million.

■ Trade Balance

The trade balance deficit decreased by JD 145.5 million, or 16.9 percent in September 2024, compared to the same month of 2023, to reach JD 717.8 million. As for the first three quarters of 2024, trade balance deficit decreased by JD 209.0 million or 2.9 percent, compared to the same period of 2023, to reach JD 6,947.2 million.

□ Total Workers' Remittances Receipts

Total workers' remittances receipts increased during the first ten months of 2024 by JD 63.8 million, or 3.1 percent, to stand at JD 2,093.0 million, compared to the same period of 2023.

□ Travel

■ Receipts

Travel receipts decreased by 4.4 percent during the first ten months of 2024, to register JD 4,362.5 million, compared to the same period of 2023.

■ Payments

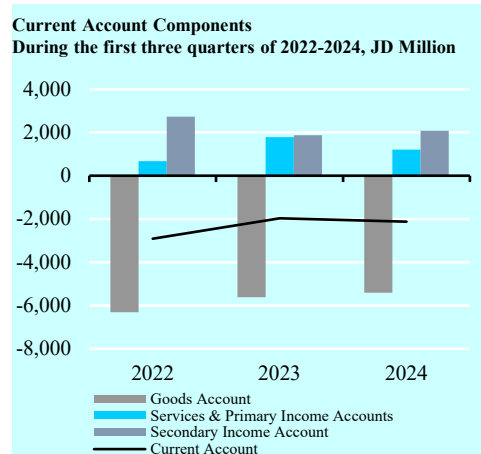
Travel payments increased by 2.0 percent during the first ten months of 2024, to register JD 1,175.4 million, compared to the same period of 2023.

□ Balance of Payments

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

- **The current account** recorded a deficit of JD 2,119.2 million (7.7 percent of GDP), compared to a deficit of JD 1,970.1 million (7.4 percent of GDP) during the same period of 2023. Meanwhile, the current account deficit (excluding grants) increased to reach JD 2,597.8 million (9.4 percent of GDP), compared to a deficit of JD 2,296.2 million (8.7 percent of GDP) during the same period of 2023. This was an outcome of the following developments:

- A decrease in the goods account deficit by JD 218.4 million, or 3.9 percent, to reach JD 5,405.8 million, compared to a deficit of JD 5,624.2 million.



- ◆ A decrease in the services account surplus by JD 217.3 million, to reach JD 1,903.1 million, compared to a surplus of JD 2,120.4 million.
- ◆ The primary income account recorded a deficit of JD 694.9 million, compared to a deficit of JD 332.5 million. This was mainly due to an increase in the deficit of investment income (net) to reach JD 846.6 million, compared to deficit of JD 480.8 million, and the increase of “compensation of employees (net)” surplus by JD 3.4 million to reach JD 151.7 million.
- The secondary income account recorded a net surplus of JD 2,078.4 million, compared to a net surplus of JD 1,866.2 million. This was a result of an increase in net surplus of the public sector (foreign grants) by JD 152.5 million to reach JD 478.6 million, and the increase in net surplus of other sectors transfers by JD 59.7 million to reach JD 1,599.8 million.

- As for the capital and financial transactions during the first three quarters of 2024, the capital account registered a net inflow of JD 22.5 million, compared with the same amount during the same period of 2023. Meanwhile, the financial account registered a net inflow of JD 1,193.2 million during the first three quarters of 2024, compared to a net inflow of JD 2,429.0 million during the same period of 2023, this could be attributed to the following:
 - ◆ Foreign direct investment inflow to Jordan reach JD 905.5 million compared to an inflow of JD 1,128.9 million.
 - ◆ Portfolio investment recorded a net outflow of JD 66.8 million compared to a net inflow of JD 921.6 million.
 - ◆ Other investment registered a net inflow of JD 1,014.3 million, compared to a net inflow of JD 400.6 million.
 - ◆ CBJ's reserve assets registered an increase by JD 639.2 million, compared to a decrease by JD 61.6 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 35,570.7 million at the end of the first three quarters of 2024, compared to a net obligation by JD 35,380.8 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 2,091.9 million at the end of first three quarters of 2024 to reach JD 30,286.6 million, compared to its level at the end of 2023. This was mainly due to the increase in reserve assets by JD 1,441.3 million, and the increase in currency deposits of licensed banks abroad by JD 134.4 million, and the increase in licensed banks loans abroad by JD 488.1 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 2,281.8 million at the end of the first three quarters of 2024, to reach JD 65,857.3 million, compared to its level at the end of 2023. This was due to the following developments:
 - ◆ An increase in outstanding balance of government loans (long-term) by JD 859.3 million, to stand at JD 8,395.0 million.
 - ◆ An increase in the stock of direct investment in the Kingdom by JD 765.6 million, to stand at JD 30,992.8 million.
 - ◆ An increase in the deposits of non-residents at the banking sector by JD 472.5 million, to stand at JD 11,159.8 million (increasing by JD 704.1 million for the licensed banks, and a decreasing by JD 231.6 million for the CBJ).
 - ◆ An increase in outstanding trade credit to non-resident by JD 109.2 million to reach JD 1,061.0 million.
 - ◆ A decrease in outstanding balance of other sectors' loans (long-term) by JD 97.3 million, to stand at JD 1,791.4 million.
 - ◆ A decrease in the stock of portfolio investment in the Kingdom by JD 28.8 million, to stand at JD 9,282.9 million.