



Central Bank of Jordan

Recent Monetary & Economic Developments in Jordan

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

Central Bank of Jordan

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☐ OUR VISION

To continue maintaining monetary and financial stability and thereby contributing to the achievement of economic and social growth in the kingdom.

☐ OUR MISSION

Maintaining monetary stability represented in maintaining the stability of the Jordanian Dinar exchange rate and the general prices level. And contributing to providing an investment environment that is both attractive and motivating for the economic and social development through providing a convenient interest rate structure and implementing macro and micro prudential supervision policies that maintain financial and banking stability. In addition to providing safe and efficient national payments systems, promoting financial inclusion, and protecting the financial customer. To this end, the Central Bank of Jordan employs optimally its human, material, financial, technical and knowledge resources.

☐ OUR VALUES

Loyalty	:	Commitment, responsibility, and dedication to the institution, its staff and clients.
Integrity	:	Dealing with the highest standards of professionalism and credibility to ensure equality and equal opportunities to all partners, clients, and workers.
Excellence	:	To make a difference in the quality of services provided in accordance with international standards and practices.
Continuous Learning	:	Aspiring to continuously improve professional and academic levels in accordance with international best practices.
Involvement	:	Working together, on all levels, in a team spirit to achieve our national and organizational goals with high efficiency.
Transparency	:	Disclosing information and knowledge, and simplifying and clarifying procedures and regulations in accordance with professional standards and pertinent rules

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Executive Summary

□ Output, Prices and Employment

Real GDP at market prices grew by 2.0 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 five months of 2024 by 1.7 percent, compared to an increase of 3.4 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\$ 18,740.6 million at the end of May 2024. This level of reserves covers around 8.2 months of the Kingdom's imports of goods and services.
- Domestic liquidity amounted to JD 43,523.0 million at the end of May 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 34,076.2 million at the end of May 2024, compared to JD 33,387.1 million at the end of 2023.
- Total deposits at other depository corporations amounted to JD 44,791.5 million at the end of May 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 2,402.3 points at the end of May 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 655.2 million (4.4 percent of GDP) during the first five months of 2024, comparing to a fiscal deficit of JD 487.1 million (3.2 percent of GDP) during the same period in 2023. Government domestic debt (budgetary and guaranteed) increased by JD 1,064.8 million at the end of May 2024, compared to its level at the end of 2023, to reach JD 23,554.7 million (63.8 percent of GDP). Moreover, outstanding external debt (budget and guaranteed) went up by JD 267.6 million, to reach JD 18,959.4 million (51.4 percent of GDP). Accordingly, outstanding government debt (domestic and external) rose up to reach JD 42,514.1 million (115.2 percent of GDP) at the end of May 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 14,555.9 million (39.4 percent of GDP). While the outstanding external debt (budget and guaranteed) stand at JD 18,472.0 million (50.1 percent of GDP). As a result, the outstanding government debt (domestic and external) stand at JD 33,027.9 million (89.5 percent of GDP compared to 89.2 percent of GDP at the end of 2023).
- **External Sector:** Total merchandize exports (domestic exports *plus* re-exports) decreased by 6.9 percent during the first quarter of 2024 to reach JD 2,0661 million. Meanwhile, merchandize imports decreased by 2.8 percent to reach JD 4,389.0 million. As a result, the trade balance deficit increased by 1.3 percent, compared to the same quarter of 2023, to reach JD 2,322.9 million. The preliminary data during the first four months of 2024 showed a decrease in travel receipts by 4.9 percent, to reach JD 1,493.2 million, and an increase in travel payments by 27.8 percent, to reach JD 511.3 million, compared to the same period of 2023. Moreover, total workers' remittances receipts increased by 4.0 percent during the first four months of 2024, to reach JD 812.9 million. The preliminary data for the balance of payments during 2023 displayed a deficit in the current account amounted to JD 1,248.7 million (3.5 percent of GDP) compared to a deficit of JD 2,708.7 million (7.8 percent of GDP) during 2022. Meanwhile, the current account deficit excluding grants decreased to reach 6.7 percent of GDP, compared with 11.7 percent of GDP during 2022. Moreover, the gross foreign direct investment recorded an inflow of JD 687.4 million during 2023, compared to an inflow of JD 927.9 million during 2022. Furthermore, the international investment position (IIP) registered a net obligation to abroad amounted to JD 38,082.7 million at the end of 2023, compared to a net obligation to abroad by JD 36,643.9 million at the end of 2022.

First: Monetary and Financial Sector

□ Summary

- The CBJ's gross foreign reserves amounted to US\$ 18,740.6 million at the end of May 2024. This level of reserves covers around 8.2 months of the Kingdom's imports of goods and services.
- Domestic liquidity amounted to JD 43,523.0 million at the end of May 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 34,076.2 million at the end of May 2024, compared to JD 33,387.1 million at the end of 2023.
- Total deposits at other depository corporations amounted to JD 44,791.5 million at the end of May 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 May 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 May 2024, compared to their levels at the end of 2023, except the interest rate on “discounted bills and bonds”, which had increased.

Monetary and Financial Sector

June 2024

- The Share Price Index (SPI) weighted by market capitalization of free float shares at Amman Stock Exchange (ASE) reached 2,402.3 points at the end of May 2024, compared to 2,431.2 points at the end of 2023. Moreover, the market capitalization reached JD 16,575.0 million at the end of May 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

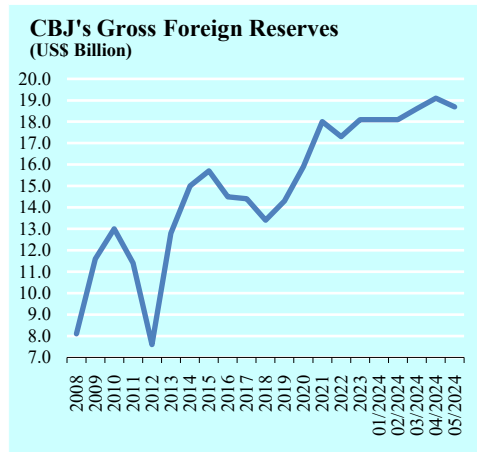
		End of May	
2023		2023	2024
US\$ 18,122.9	CBJ's Foreign Reserves*	US\$ 17,399.3	US\$ 18,740.6
5.0%		0.8%	3.4%
7.9	Coverage in months	7.3	8.2
42,663.1	Money Supply (M2)	41,661.0	43,523.0
2.4%		-0.1%	2.0%
33,387.1	Credit Facilities, of which:	33,495.9	34,076.2
2.4%		2.8%	2.1%
29,324.0	Private Sector (Resident)	29,459.1	29,773.9
1.6%		2.0%	1.5%
43,744.3	Total Deposits, of which:	42,252.8	44,791.5
3.9%		0.3%	2.4%
34,468.9	In JD	33,023.9	35,366.0
5.0%		0.6%	2.6%
9,275.4	In Foreign Currencies	9,229.0	9,425.5
0.1%		-0.4%	1.6%
34,163.0	Deposits of Private Sector (Resident), of which:	32,819.8	34,799.3
2.9%		-1.2%	1.9%
27,615.9	In JD	26,343.8	28,170.1
3.8%		-1.0%	2.0%
6,547.1	In Foreign Currencies	6,476.0	6,629.3
-0.8%		-1.9%	1.3%

* 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\$ 18,740.6 million at the end of May 2024. This level of reserves covers around 8.2 months of the Kingdom's imports of goods and services.



□ Domestic Liquidity (M2)

- Domestic liquidity amounted to JD 43.5 billion at the end of May 2024, compared to JD 42.7 billion at the end of 2023.

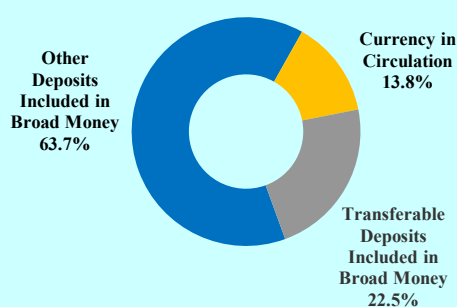
◆ Developments in the components and the factors affecting domestic liquidity at the end of May 2024, reveal the following:

● Components of Domestic Liquidity

- Total deposits, according to liquidity definition, amounted to JD 37.5 billion at the end of May 2024, compared to JD 35.6 billion during the same period in 2023, and JD 36.9 billion at the end of 2023.

- Currency in circulation amounted to JD 6.0 billion at the end of May 2024, compared to JD 5.8 billion during the same period in

Relative Importance of Domestic Liquidity Components, May 2024

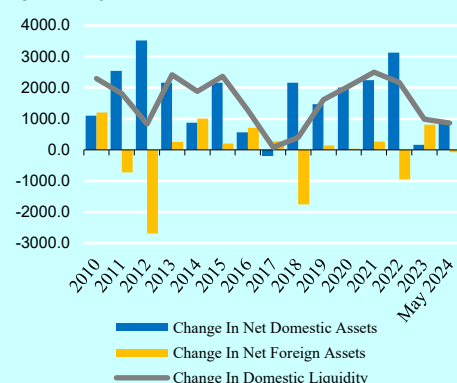


2023, and to JD 5.8 billion at the end of 2023.

• Factors Affecting Domestic Liquidity

- Net domestic assets of the banking system amounted to JD 35.7 billion at the end of May 2024, compared to JD 34.8

Factors Affecting Domestic Liquidity
JD Million



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

- Net foreign assets of the banking system amounted to JD 7.9 billion at the end of May 2024, compared to JD 6.8 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 12.8 billion at the end of May 2024.

Factors Affecting Domestic Liquidity (M2)
JD Million

		End of May	
2023		2023	2024
7,946.9	Foreign Assets (Net)	6,849.3	7,870.5
12,387.6	CBJ	11,776.6	12,767.1
-4,440.6	Other Depository Corporations	-4,927.3	-4,896.6
34,716.1	Domestic Assets (Net)	34,811.7	35,652.4
16,103.5	Claims on Public Sector (Net)	15,537.3	16,699.5
1,613.8	Claims on Other Financial Corporations	1,705.6	1,678.2
29,676.7	Claims on Private Sector (Resident)	29,751.0	30,197.2
-12,677.8	Other Items (Net)	-12,182.2	-12,922.5
42,663.1	Domestic Liquidity (M2)	41,661.0	43,523.0
5,807.6	Currency in Circulation	6,021.4	5,991.0
36,855.5	Deposits Included in Broad Money	35,639.6	37,532.0

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

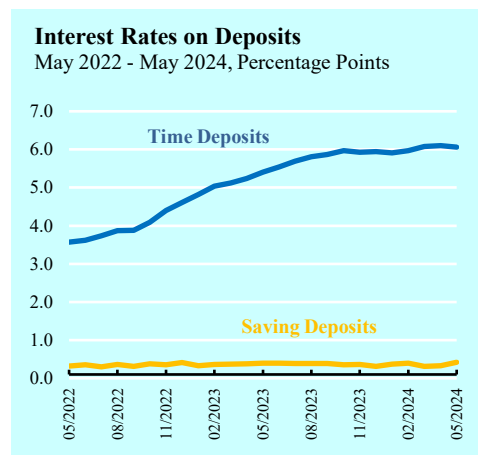
Source: Central Bank of Jordan / Monthly Statistical Bulletin.

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 decreased by 4 basis points at the end of May 2024, compared to its level registered in the previous month to stand at 6.06 percent. This rate is higher by 12 basis points than its level registered at the end of 2023.



- **Saving Deposits:** The weighted average interest rate on saving deposits increased by 9 basis points at the end of May 2024, compared to its level registered in the previous month to stand at 0.42 percent. This rate is higher by 11 basis points than its level registered at the end of 2023.
- **Demand Deposits:** The weighted average interest rate on demand deposits increased by a basis point at the end of May 2024, compared to its level registered in the previous month to stand at 0.75 percent. This level is higher by 22 basis points than its level registered at the end of 2023.

◆ Interest Rates on Credit Facilities

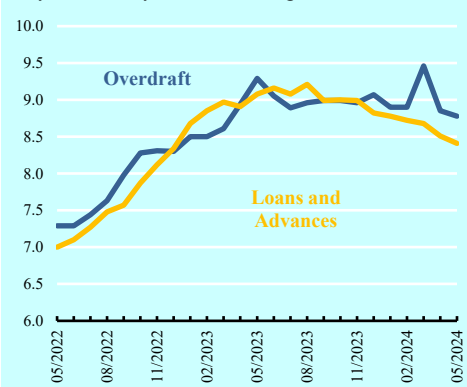
- **Overdraft Accounts:** The weighted average interest rate on overdraft accounts decreased by 7 basis points at the end of May 2024, compared to its level registered in the previous month to stand at 8.78 percent. This level is lower by 29 basis points than its level registered at the end of 2023.

- **Discounted Bills and Bonds:** The weighted average interest rate on “discounted bills and bonds” increased by 25 basis point at the end of May 2024, compared to its level registered in the previous month to stand at 9.34 percent. This level is higher by 65 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 13 basis points at the end of May 2024, compared to its level registered in the previous month to stand at 8.41 percent. This level is lower by 41 basis points than its level registered at the end of 2023.

Interest Rates on Credit facilities

May 2022 - May 2024, Percentage Points



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

		May		Change Relative to the Preceding Year
2023		2023	2024	Basis Points
Deposits				
0.53	Demand	0.55	0.75	22
0.31	Saving	0.40	0.42	11
5.94	Time	5.48	6.06	12
Credit Facilities				
8.69	Discounted Bills and Bonds	8.26	9.34	65
8.82	Loans and Advances	9.12	8.41	-41
9.07	Overdraft	9.29	8.78	-29

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 689.1 million, or 2.1 percent, at the end of May 2024, compared to its level registered at the end of 2023, against an increase by JD 904.4 million, or 2.8 percent during the same period in 2023.
- In terms of borrower sectors, the credit facilities at the end of May 2024 had shown an increase in credit extended to the private sector (resident) by JD 449.9 million, or 1.5 percent, the credit facilities extended to the central government by JD 208.6 million, or 9.9 percent, the credit facilities extended to public non-financial corporations by JD 30.0 million, or 2.8 percent, and the private sector (non-resident) by JD 14.7 million, or 1.7 percent. In contrast, the credit facilities extended to the other financial corporations decreased by JD 14.2 million, or 23.4 percent, compared to their levels at the end of 2023.

□ Deposits at Other Depository Corporations

- Total deposits at other depository corporations stood at JD 44.8 billion at the end of May 2024, compared to JD 42.3 billion at the end of May 2023, and JD 43.7 billion at the end of 2023.
- The currency composition of deposits at the end of May 2024 revealed that the JD deposits amounted to JD 35.4 billion, and the deposits in foreign currencies amounted to JD 9.4 billion, compared to JD 33.0 billion of JD deposits, and JD 9.2 billion of deposits in foreign currency at the end of May 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 May 2024, compared to their levels in 2023. This can be demonstrated as follows:

■ Trading Volume

Trading volume at ASE totaled JD 174.9 million in May 2024, increasing by JD 78.3 million, or 81.1 percent, compared to its level registered at the end of the previous month, against an increase by JD 4.4 million, or 3.9 percent during the same month in 2023. As for the first five months of 2024, the trading volume totaled JD 556.8 million.

■ Traded Shares

The number of traded shares in May 2024 totaled 83.3 million shares, increasing by 20.8 million shares, or 33.3 percent, compared to its level registered at the end of the previous month, against an increase by 39.5 million shares, or 61.6 percent during the same month in 2023. As for the first five months of 2024, the number of traded shares amounted to 376.5 million shares.

■ Share Price Index (SPI)

The SPI weighted by market capitalization of free float shares at ASE increased by 11.7 points, or 0.5 percent, at the end of May

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

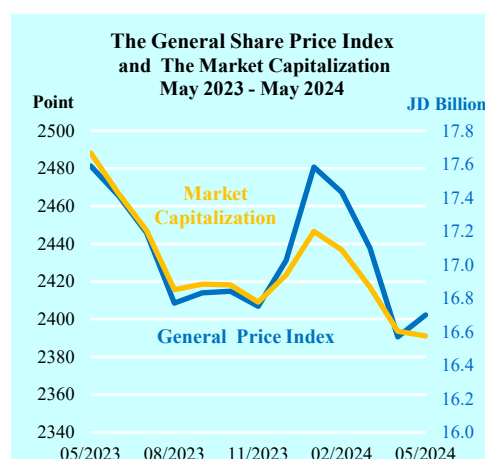
		May	
2023		2023	2024
2,431.2	General Index	2,481.4	2,402.3
2,729.0	Financial Sector	2,649.2	2,633.0
4,718.7	Industrial Sector	5,292.9	4,770.0
1,644.0	Services Sector	1,742.6	1,679.4

Source: Amman Stock Exchange.

2024 compared to its level in the previous month, to stand at 2,402.3 points, compared to an increase by 19.9 points, or 0.8 percent during the same month in 2023. Furthermore, the SPI decreased by 29 points, or 1.2 percent during the first five months of 2024. The aforementioned decrease was an outcome of the decrease in the SPI of the financial sector by 96.0 points, or 3.5 percent. In contrast, the SPI of the industrial sector increased by 51.3 points, or 1.1 percent, and the services sector by 35.4 points, or 2.2 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 May 2024, decreasing by JD 29 million, or 0.2 percent, compared to its level registered in the previous



month, against an increase by JD 177.8 million, or 1.0 percent, during the same month in 2023. Furthermore, the ASE's market capitalization decreased by JD 364.2 million, or 2.1 percent at the end of May 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 inflow amounted of JD 10.8 million in May 2024, compared to an outflow amounted by JD 5.6 million during the same month of 2023. The value of shares buying by non-Jordanian in May 2024

Main Amman Stock Exchange Trading Indicators, JD Million			
		May	
2023		2023	2024
1,457.0	Value Traded	115.8	174.9
5.9	Average Daily Trading	5.3	8.3
16,939.2	Market Capitalization	17,667.5	16,575.0
1,120.2	No. of Traded Shares (million)	103.6	83.3
-30.1	Net Investment of Non-Jordanian	-5.6	10.8
151.1	Non-Jordanian Buying	9.7	119.5
181.2	Non-Jordanian Selling	15.3	108.7
Source: Amman Stock Exchange.			

amounted to JD 119.5 million, while their selling amounted to JD 108.7 million. The net investment of Non-Jordanian at the end of first five months of 2024, recorded an outflow amounted to JD 14.2 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 five months of 2024 by 1.7 percent, compared to an increase of 3.4 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	-	-	-	-

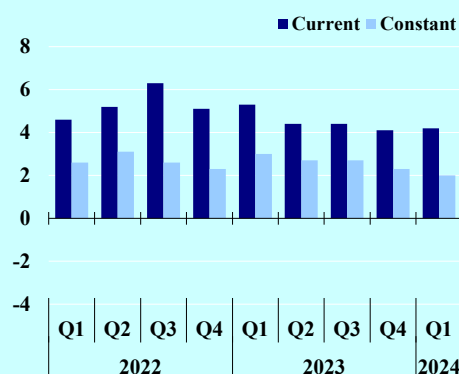
Source: Department of Statistics.

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		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” (8.7 percent), “production of phosphate” (37.4 percent), “mining and quarrying production quantity index” (11.9 percent), and a declined in performance of “number of passengers through royal jordanian” (0.9 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	24.1	Jan. – Apr.	-11.9
0.03	Manufacturing production quantity index	-1.0		0.6
5.9	Food products and beverages	0.1		7.2
3.6	Tobacco products	5.6		2.5
-19.1	Refined petroleum products	-5.5		3.3
-1.4	Wearing apparel	-6.7		-18.1
5.5	Pharmaceuticals, medical products	3.2		4.9
1.1	Chemical products	-12.2		3.2
5.2	Mining and quarrying production quantity index	1.5		11.9
13.9	Extraction of crude petroleum and natural gas	-8.7		14.7
3.2	Other mining and quarrying	1.8		11.8
24.4	Number of departures	60.5	Jan. – May	-0.7
-14.3	Cargo through Royal Jordanian	-14.7		8.7
18.1	Number of passengers through Royal Jordanian	28.7		-0.9
3.6	Production of potash	7.7		-0.8
1.5	Production of phosphate	1.0		37.4

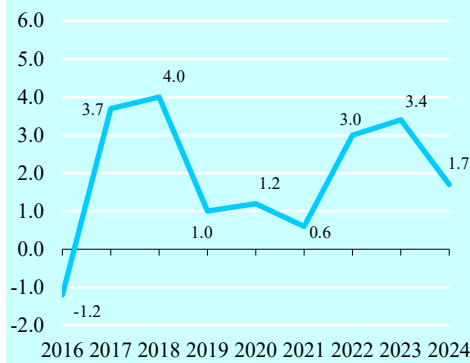
*: Computed based on the data from Department of Statistics, Department of Land and Survey, and Royal Jordanian.

Prices

The general price level, measured by the percentage change in the Consumer Price Index (CPI), increased during the first five months of 2024 by 1.7 percent, compared to an increase of 3.4 percent during the same period 2023. This was an outcome of the following:

- An increase in the prices of some items, most notably:
 - “meat and poultry” prices increased by 4.0 percent, compared to a decline by 0.5 percent, during the first five months of 2023.
 - “vegetables and legumes dry and canned” which increased by 2.5 percent, compared to a decline by 15.7 percent.

Inflation Rate during the first five months of the years (2016-2024), %



Inflation Rate during the first five months for the years 2023-2024

Expenditure Groups	Relative Imp.	Relative change		Contribution	
		Jan. – May 2023	Jan. – May 2024	Jan. – May 2023	Jan. – May 2024
All Items	100.0	3.4	1.7	3.4	1.7
1) Food and non-Alcoholic Beverages	26.5	0.1	1.5	0.0	0.4
Food	23.8	0.0	1.7	0.0	0.4
Cereals and Products	4.2	4.9	2.4	0.2	0.1
Meat and Poultry	4.7	-0.5	4.0	0.0	0.2
Fish and Sea Product	0.4	0.6	0.8	0.0	0.0
Dairy Products and Eggs	3.7	8.6	0.2	0.3	0.0
Oil and Fats	1.7	4.6	-1.3	0.1	0.0
Fruits and Nuts	2.6	-2.6	-1.3	-0.1	0.0
Vegetables and Legumes Dry and Canned	3.0	-15.7	2.5	-0.5	0.1
2) Alcohol and Tobacco and Cigarettes	4.4	1.1	4.2	0.0	0.2
Alcohol	0.0	0.0	0.0	0.0	0.0
Tobacco and Cigarettes	4.4	1.1	4.2	0.0	0.2
3) Clothing and footwear	4.1	-1.1	0.5	0.0	0.0
Clothing	3.4	-1.8	0.5	-0.1	0.0
Footwear	0.7	2.1	0.4	0.0	0.0
4) Housing	23.8	7.5	3.0	1.8	0.7
Rents	17.5	5.2	4.1	0.9	0.7
Fuels and Lighting	4.7	18.4	-1.2	0.8	-0.1
5) Household Furnishings and Equipment	4.9	3.6	0.2	0.2	0.0
6) Health	4.0	6.5	0.0	0.3	0.0
7) Transportation	16.0	3.1	1.3	0.5	0.2
8) Communication	2.8	0.8	0.4	0.0	0.0
9) Culture and Recreation	2.6	10.0	0.0	0.3	0.0
10) Education	4.3	1.8	1.1	0.1	0.0
11) Restaurants and Hotels	1.8	5.4	0.5	0.1	0.0
12) Other Goods and Services	4.8	3.7	1.3	0.2	0.1

Source: Department of Statistics.

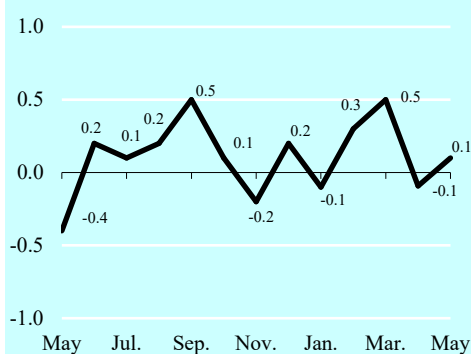
- The price of the items “sugar and its products” and “cereals and products” increased by 2.8 percent and 2.4 percent compared to an increase by 2.0 percent and 4.9 percent, respectively, during the first five months of 2023.
- In addition to rising rents item by 4.1 percent compared to an increase by 5.2 percent during the first five months of 2023.
- The “tobacco and cigarettes” also increased by 4.2 percent compared to an increase by 1.1 percent during the five months of 2023.

The above items collectively contributed to raising the inflation rate during the first five 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” (1.3 percent) and “fuels and lighting” (1.2 percent), compared to an increase by 4.6 percent and 18.4 percent, respectively, during the first five months of 2023.

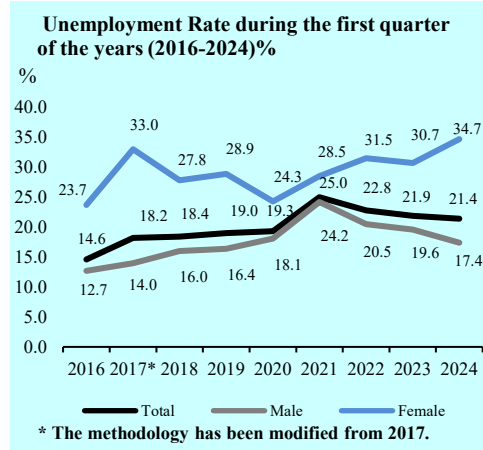
In May 2024, the CPI witnessed a increase compared to the previous month (April 2024) by 0.1 percent. This was an outcome of the increase in the prices of some items, mainly, “meat and poultry” (2.0 percent), and “fruits and nuts” (1.6 percent), and “fuels and lighting” (0.2 percent).

**Monthly inflation rate
(May 2023-May 2024), %**



□ 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 655.2 million (4.4 percent of GDP) during the first five months of 2024, comparing to a fiscal deficit of JD 487.1 million (3.2 percent of GDP) during the same period of 2023. When excluding foreign grants (JD 77.7 million), the general budget deficit amounted to JD 732.8 million (4.9 percent of GDP), compared to a deficit of JD 504.1 million (3.3 percent of GDP) during the same period of 2023.
- Government domestic debt (budgetary and guaranteed) increased by JD 1,064.8 million at the end of May 2024 compared to its level at the end of 2023, to reach JD 23,554.7 million (63.8 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 14,555.9 million (39.4 percent of GDP).
- Outstanding external debt (budget and guaranteed) went up by JD 267.6 million at the end of May 2024, compared to its level at the end of 2023, to reach JD 18,959.4 million (51.4 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 18,472.0 million (50.1 percent of GDP).
- As a result, outstanding government debt (domestic and external) rose by JD 1,332.4 million at the end of May 2024, to reach JD 42,514.1 million (115.2 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 33,027.9 million (89.5 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 five months of 2024 compared to the same period in 2023:

■ Public Revenues

Public revenues (domestic revenues *plus* foreign grants) decreased by JD 12.2 million, or 1.6 percent, in May 2023 compared to the same month in 2023, to stand at JD 745.0 million. As for the first five months of 2024, public revenues went up by JD 102.3 million, or 2.7 percent, compared to same period of 2023, to stand at JD 3,956.6 million. This came as an outcome of the increase in both in domestic revenues by JD 41.6 million, and in foreign grants by JD 60.7 million.

Main Government Budget Indicators During the First Five Months of 2024

(JD Million and Percentages)

	May		Growth Rate	Jan.-May		Growth Rate
	2023	2024		2023	2024*	
Public Revenues	757.2	745.0	-1.6	3,854.3	3,956.6	2.7
Domestic Revenues, of which:	756.1	728.1	-3.7	3,837.3	3,878.9	1.1
Tax Revenues, of which:	511.7	470.4	-8.1	2,911.3	2,912.5	0.04
General Sales Tax	380.7	367.7	-3.4	1,666.8	1,692.4	1.5
Other Revenues	244.0	257.4	5.5	924.4	964.9	4.4
Foreign Grants	1.1	16.9	-	17.0	77.7	-
Total Expenditures	983.9	1,055.1	7.2	4,296.4	4,575.7	6.5
Current Expenditures	847.0	925.7	9.3	3,902.3	4,200.5	7.6
Capital Expenditures	136.9	129.4	-5.5	394.1	375.2	-4.8
Overall Deficit/ Surplus (Including Grants)	-226.7	-310.0	-	-487.1	-655.2	-
Overall Deficit/ Surplus (Including Grants) as a Percent of GDP	-	-	-	-3.2	-4.4	-

Source: Ministry of Finance/ General Government Finance Bulletin.

* : Includes refunds and clearing data of JD 36 million for the first five months of 2024.

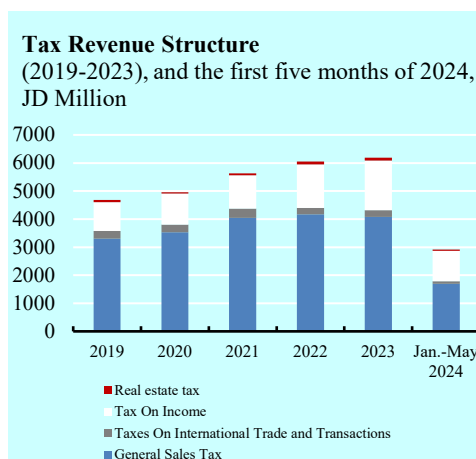
* : Note: deficit on net basis.

◆ Domestic Revenues

Domestic revenues increased by JD 41.6 million, or 1.1 percent, in the first five months of 2024, compared to the same period of 2023, to reach JD 3,878.9 million. This increase was the result of an increase in both “other revenues” by JD 40.5 million, and “tax revenues” by JD 1.2 million.

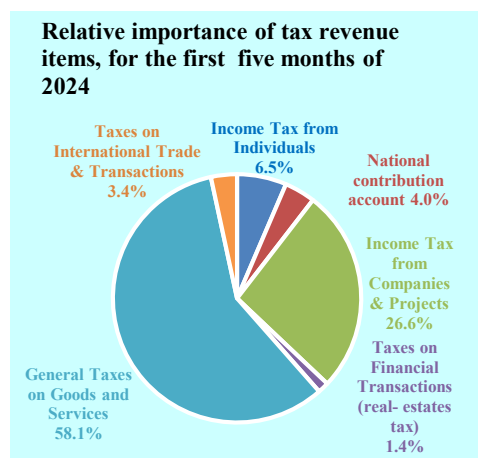
● Tax Revenues

Tax revenues increased by JD 1.2 million, or 0.04 percent, in the first five months of 2024, compared to the same period of 2023, to reach JD 2,912.5 million (75.1 percent of domestic revenues). Following are the main developments in tax revenue items:



- An increase of **general sales tax on goods and services** by JD 25.6 million, or 1.5 percent, to reach JD 1,692.4 million, accounting for 58.1 percent of total tax revenues. This was mainly due to an increase in the proceeds of sales tax on the commercial sector by JD 102.1 million, and on services by 12.1 million, and a decrease in the proceeds of sales tax on imported goods by JD 70.3 million, and on domestic goods by JD 18.2 million.

- An increase in the proceeds of **taxes on financial transactions (real-estates tax)** by JD 1.2 million, or 2.9 percent, to reach JD 42.0 million.
- An increase in the proceeds of **taxes on international trade and transactions** (including customs duties and fees) by JD 0.9 million, or 0.9 percent, to reach JD 98.7 million.
- A decrease in the proceeds of **income and profit taxes** by JD 26.5 million, or 2.4 percent, to reach JD 1,079.4 million, accounting for 37.1 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 116.8 million, or 13.1 percent, to account for 71.8 percent of total proceeds of income and profits taxes, amounting to JD 774.6 million, and increase in both the proceeds of national contribution account item by JD 77.0 million, or 192.5 percent, to reach JD 117.0 million, and the proceeds of “income taxes from individuals” by JD 13.2 million, or 7.6 percent, to reach JD 187.8 million.



- **Non-Tax Revenues**

- “Other revenues” increased by JD 40.5 million, or 4.4 percent, during the first five months of 2024, to reach JD 964.9 million. This increase was chiefly due to an increase in the **property income** by JD 99.1 million to stand at JD 343.7 million (of which financial surplus of independent government units amounted to JD 327.4 million compared to JD 223.2 million in the same period of 2023), and revenues from **selling goods and services** by JD 13.2 million to reach JD 365.0 million, and a decrease in **miscellaneous revenues** by JD 71.7 million to stand at JD 256.3 million.
- Pension contribution in the first five months of 2024 remained at the same level as in the same period of 2023, reaching JD 1.6 million.

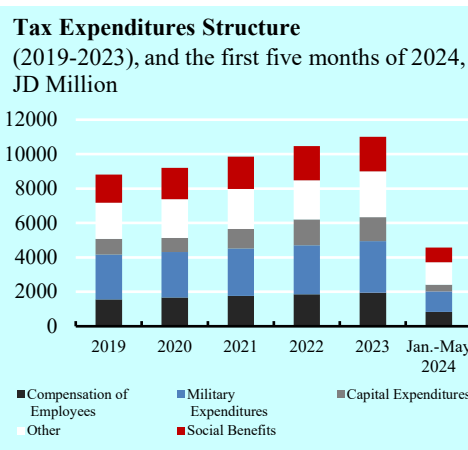
- ◆ **Foreign Grants**

Foreign grants increased by JD 60.7 million, during the first five months of 2024, standing at JD 77.7 million, compared to JD 17.0 million during the same period in 2023.

■ Public Expenditures

Public expenditures increased by JD 71.2 million, or 7.2 percent, in May 2023 compared to the same month in 2023, to stand at JD 1,055.1 million. As for the first five months of 2024, public expenditures increased by JD

279.3 million, or 6.5 percent, compared to the same period in 2023, to stand at JD 4,575.7 million. This increase was a result of the increase in current expenditures by 7.6 percent, and decrease in capital expenditures by 4.8 percent.



◆ Current Expenditures

Current expenditures went up by JD 298.2 million, or 7.6 percent, during the first five months of 2024, to reach JD 4,200.5 million. The current expenditures accounted for 91.8 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 6.0 percentage points, to reach 92.3 percent, compared to 98.3 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 215.1 million, to stand at JD 964.1 million.

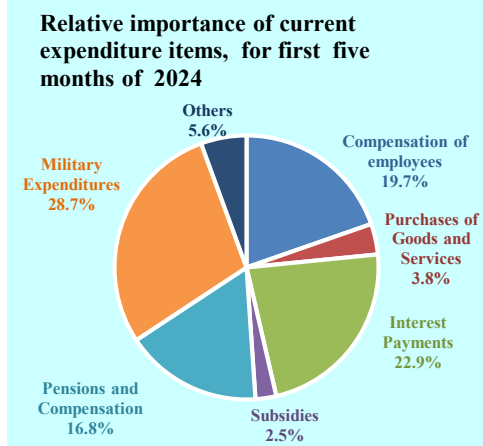
- An increase in the **compensation of civil sector's employees**

(wages, salaries and social security contributions) by JD 36.3 million, to reach JD 826.1 million.

- An increase in **subsidies** by JD 22.5 million, to stand at JD 106.9 million.
- An increase in **pensions and compensation** by JD 1.5 million, to stand at JD 705.7 million.
- An increase in **military expenditures** by JD 1.8 million, to total JD 1,205.2 million.
- A decrease in the **purchases of goods and services** by JD 0.8 million, to reach JD 157.8 million.

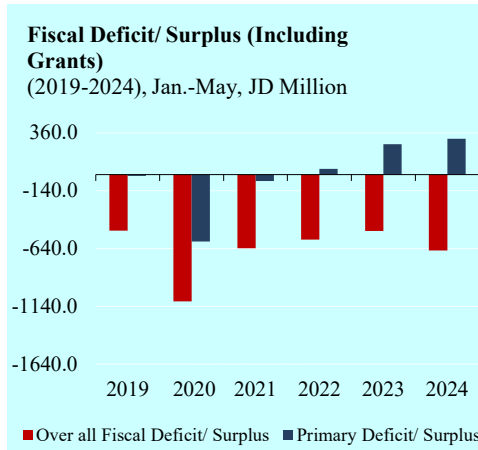
◆ Capital Expenditures

Capital expenditures decreased by JD 18.9 million, or 4.8 percent, during the first five months of 2024, compared to the same period in 2023, to reach JD 375.2 million.



■ General Budget Deficit/ Surplus

- ◆ The overall fiscal deficit, including foreign grants, during the first five months of 2024 amounted to JD 655.2 million (4.4 percent of GDP), compared to a deficit of JD 487.1 million (3.2

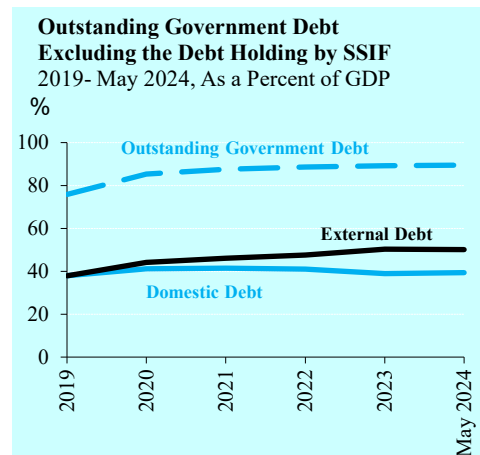
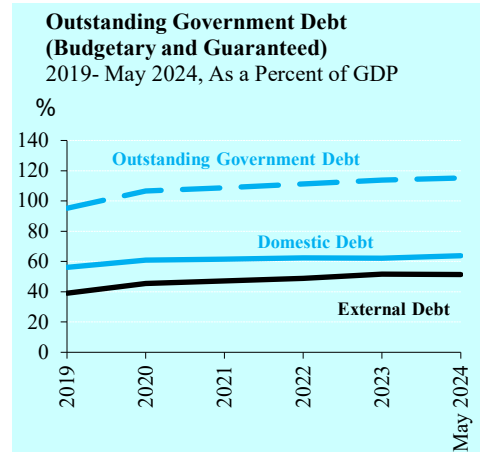


percent of GDP) during the same period in 2023. When foreign grants are excluded, the general budget deficit amounted to JD 732.8 million (4.9 percent of GDP), compared to a deficit of JD 504.1 million (3.3 percent of GDP) during the same period in 2023.

- ◆ The primary surplus, excluding foreign grants, (domestic revenues *minus* total public expenditures excluding interest payments on public debt) reached JD 231.2 million (1.4 percent of GDP) during the first five months of 2024, against a primary surplus of JD 244.9 million (1.6 percent of GDP) during the same period in 2023. When foreign grants are including, the primary surplus of the general budget reached JD 308.9 million (1.9 percent of GDP), compared to a primary surplus of JD 261.9 million (1.7 percent of GDP) during the same period in 2023.

□ Outstanding Government Debt

- Government domestic debt (budgetary and guaranteed) increased by JD 1,064.8 million at the end of May 2024 compared to its level at the end of 2023, to stand at JD 23,554.7 million (63.8 percent of GDP). This increase was an outcome of the rise in both of the domestic debt of the budget by JD 752.7 and the domestic debt of guaranteed by JD 312.1 million, compared to the amount of the debt at the end of 2023, to reach JD 20,228.1 million and JD 3,326.8 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 474.5 million, at the end of May 2024 compared to its level at the end of 2023, to stand at JD 14,555.9 million (39.4 percent of GDP).

- Outstanding external debt (budget and guaranteed) went up by JD 267.6 million at the end of May 2024, compared to its level at the end of 2023, to reach JD 18,959.4 million (51.4 percent of GDP). It is worth mentioning that the external debt denominated in the U.S. Dollar accounted for 71.6 percent of the total external debt, and the debt in Euro accounted for 11.6 percent. However, the SDR accounted for 9.4 percent, Kuwaiti Dinar (3.1 percent), and Japanese Yen (2.7 percent).
- When excluding the external debt holding by the Social Security Investment Fund, the outstanding external debt (budget and guaranteed) increased by JD 264.1 million, at the end of May 2024 compared to its level at the end of 2023, to stand at JD 18,472.0 million (50.1 percent of GDP).
- In light of the above-mentioned developments, outstanding government debt (domestic and external) increased by JD 1,332.4 million at the end of May 2024, to reach JD 42,514.1 million (115.2 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 33,027.9 million (89.5 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) increased by JD 286.1 million during the first five months of 2024 compared to the same period in 2023, to reach JD 932.2 million (including principal payments of JD 471.4 million and interest of JD 460.8 million).

□ Fiscal and Price Measures of 2024

◆ July

- The Oil Derivatives Pricing Committee decided to reduce the prices of main oil derivatives, and raise the price of diesel, and fuel for airplanes all kinds, while maintaining the prices of kerosene and liquid gas cylinder for households unchanged, as follows:

Development of Oil Derivatives Prices

	Unit	2024		Percentage Change
		June	July	
Unleaded Gasoline 90	Fils/ Liter	915	900	-1.6
Unleaded Gasoline 95	Fils/ Liter	1,155	1,140	-1.3
Unleaded Gasoline 98	Fils/ Liter	1,305	1,290	-1.1
Gas Oil (Diesel)	Fils/ Liter	700	705	0.7
Kerosene	Fils/ Liter	620	620	0.0
Liquid Gas (12.5kg)	JD/ Cylinder	7.0	7.0	0.0
Fuel oil (1%)	JD/ Ton	485.1	483.3	-0.4
Fuel for airplanes (local companies)	Fils/ Liter	549	558	1.6
Fuel for airplanes (foreign companies)	Fils/ Liter	554	563	1.6
Fuel for unplanned flights	Fils/ Liter	569	578	1.6
Asphalt	JD/ Ton	480	478.2	-0.4

Source: Jordan Petroleum Refinery Company (1/7/2024).

- 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

◆ June

- 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.
- 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 merchandize exports** (domestic exports *plus* re-exports) increased by 6.1 percent in March 2024, compared to the same month of 2023, to reach JD 738.2 million. As for the first quarter of 2024, total export decreased by 6.9 percent, compared to the same period of 2023, to reach JD 2,066.1 million.
- **Merchandize imports** increased by 3.0 percent in March 2024, compared to the same month of 2023, to reach JD 1,548.6 million. As for the first quarter of 2024, imports decreased by 2.8 percent, compared to the same period of 2023, to reach JD 4,389.1 million.
- **Consequently**, the trade balance deficit (total exports minus imports) increased by 0.3 percent in March 2024, compared to the same month of 2023, to reach JD 810.4 million. As for the first quarter of 2024, trade balance deficit increased by 1.3 percent, compared to the same period of 2023, standing at JD 2,322.9 million.
- **Travel receipts** decreased by 4.9 percent during the first four months of 2024, to register JD 1,493.2 million, compared to the same period of 2023. While, **travel payments** increased by 27.8 percent, to register JD 511.3 million, compared to the same period of 2023.
- **Total workers' remittances receipts** increased by 4.0 percent during the first four months of 2024, compared to the same period of 2023, to reach JD 812.9 million.
- **The current account of the balance of payments** (including grants) registered a deficit amounted to JD 1,248.7 million (3.5 percent of GDP) during 2023, compared to a deficit of JD 2,708.7 million (7.8 percent of GDP) during 2022. Meanwhile, the current account deficit excluding grants decreased to reach 6.7 percent of GDP, compared with 11.7 percent of GDP during 2022.
- **The foreign direct investment** recorded a total inflow of JD 687.4 million during 2023, compared to total inflow of JD 927.9 million during 2022.

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

□ External Trade

- As a result of the decrease in domestic exports by JD 203.7 million and the decrease in imports by JD 124.8 million during the first quarter of 2024, the volume of external trade (domestic exports plus imports) decreased by JD 328.4 million to stand at JD 6,261.9 million, compared to 2023.

Jordan's Major Trading Partners

JD Million

	January-March		Percentage Change
	2023	2024	
Exports			
USA	482.7	506.1	4.8
Saudi Arabia	203.5	199.8	-1.9
Iraq	109.5	181.1	65.4
India	419.3	174.7	-58.3
UAE	54.5	64.8	18.9
Palestine	59.3	55.5	-6.5
China	62.6	44.3	-29.3
Imports			
China	698.0	758.2	8.6
Saudi Arabia	653.1	728.7	11.6
USA	340.0	300.6	-11.6
India	322.9	222.2	-31.2
UAE	215.6	194.8	-9.6
Egybt	125.3	171.8	37.2
Indonisia	159.8	146.9	-8.1

Source: Department of Statistics.

Main External Trade Indicators

JD Million

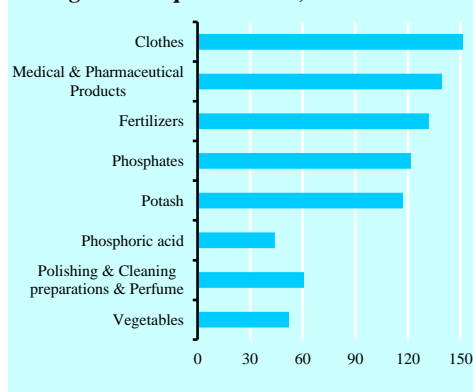
	January-March			
	2023	Percentage Change (%)	2024	Percentage Change (%)
External Trade	6,590.3	6.1	6,261.9	-5.0
Total Exports	2,220.2	7.3	2,066.1	-6.9
Domestic Exports	2,076.5	9.8	1,872.8	-9.8
Re-exports	143.7	-19.1	193.3	34.5
Imports	4,513.8	4.5	4,389.0	-2.8
Trade Balance	-2,293.6	2.0	-2,322.9	1.3

Source: Department of Statistics.

■ Merchandize Exports:

Total merchandize exports decreased by 6.9 percent during the first quarter of 2024, to reach JD 2,066.1 million. This decrease was a result of the decrease in domestic exports by JD 203.7 million, or 14.8 percent to reach JD 1,872.8 million, and the increase in re-exports by JD 49.6 million, or 34.5 percent to reach JD 193.3 million.

Major Exports by Commodity
During the first quarter 2024 , JD Million



◆ The developments of domestic exports during the first quarter of 2024, compared to the same period of 2023 reveals the following:

- Exports of **phosphoric acid** decreased by JD 206.5 million, or 75.5 percent, to reach JD 66.9 million. It is worth noting that India and Saudi Arabia markets accounted for 57.0 percent of these exports.
- Exports of **potash** decreased by JD 79.6 million, or 40.4 percent, to reach JD 117.2 million. The markets of India, Egypt, Australia and Brazil accounted for 41.1 percent of these exports.
- Exports of **phosphates** decreased by JD 19.9 million, or 14.0 percent to reach JD 121.8 million. The markets of India, Indonesia, and China accounted for 99.9 percent of these exports.
- Exports of **Clothes** increased by JD 63.9 million, or 21.4 percent, to reach JD 362.1 million. USA was the main destination market accounting for 79.7 percent of these exports.

- Exports of **Fertilizers** increased by JD 48.9 million, or 58.9 percent to reach JD 131.9 million. It is worth noting that markets of USA and India accounted for 49.0 percent of these exports.
- Exports of “**Medical & pharmaceutical products**” increased by JD 35.8 million, or 34.6 percent, to stand at JD 139.4 million. Iraq, Saudi Arabia, Algeria, and UAE were the main destination markets for these exports, accounting for 68.1 percent.
- Exports of **vegetables** increased by JD 13.9 million, or 36.4 percent, to reach JD 52.1 million. The markets of the Saudi Arabia and UAE accounted for 23.6 percent of these exports.

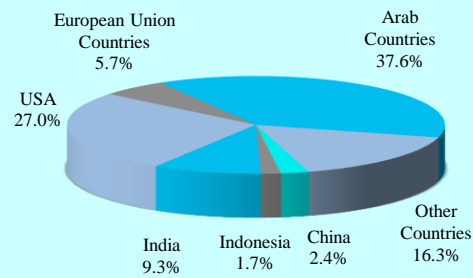
**Major Domestic Exports by Commodity, JD Million
During the first quarter 2023-2024**

	2023	2024	Percentage Change
Domestic Export	2,076.5	1,872.8	-9.8
Clothes	298.2	362.1	21.4
USA	245.1	288.7	17.8
Medical & Pharmaceutical Products	103.6	139.4	34.6
Iraq	9.9	34.1	244.4
Saudi Arabia	21.4	28.4	32.7
Algeria	11.1	18.8	69.4
UAE	10.4	13.6	30.8
Fertilizers	83.0	131.9	58.9
USA	25.6	42.8	67.2
India	32.6	21.8	-33.1
Phosphates	141.7	121.8	-14.0
India	97.7	87.7	-10.2
Indonesia	19.0	27.1	42.6
China	-	6.9	100.0
Potash	196.8	117.2	-40.4
India	16.5	19.0	15.2
Egypt	17.5	16.1	-8.0
Australia	16.6	12.9	-22.3
phosphoric acid	273.4	66.9	-75.5
India	261.6	35.5	-86.4
Saudi Arabia	2.2	2.6	18.2
Polishing & Cleaning preparations & Perfume	54.1	60.7	12.2
Iraq	22.4	28.7	28.1
Saudi Arabia	12.6	15.6	23.8
Libya	7.3	6.0	-17.8
Vegetables	38.2	52.1	36.4
Saudi Arabia	6.6	8.0	21.2
UAE	3.5	4.3	22.9

Source: Department of Statistics.

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

Geographic Distribution of Domestic Exports During first quarter 2024

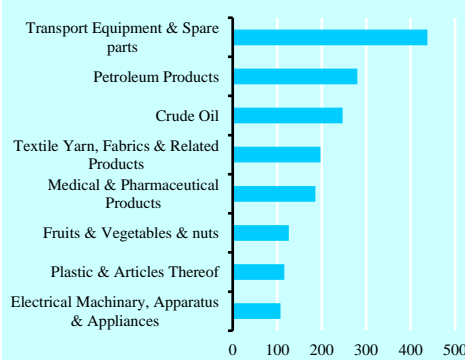


phosphates, potash, phosphoric acid, “Polishing & cleaning preparations & perfume material” and vegetables topped the list of domestic exports during the first quarter of 2024; accounting for 56.3 percent, compared with 57.3 percent during to the same period of 2023. Meanwhile, the geographical distribution of domestic exports indicates that the USA, Saudi Arabia, Iraq, India, the UAE, Palestine, and China were the main destination markets during the first quarter of 2024; accounting for 65.5 percent, compared with 67.0 percent during the period of 2023.

■ Merchandize Imports:

Merchandize imports decreased by 2.8 percent to reach JD 4,389.0 million during the first quarter of 2024, compared to an increase by 4.5 percent during the same period of 2023.

**Major Imports by Commodity
During the first quarter 2024 , JD Million**



◆ The developments of imports during the first quarter of 2024, compared to the same period of 2023, reveals the following:

- **Petroleum products** imports decreased by JD 65.2 million, or 18.9 percent, to reach JD 280.2 million. Saudi Arabia, India and the UAE were the main origin markets accounting for 98.5 percent of these imports.
- **“Electrical machinery apparatus and appliances”** imports decreased by JD 29.8 million, or 21.7 to reach JD 107.6 million. China and Türkiye burley were the main markets, accounting for 44.2 percent of these imports.
- **“Fruits & Vegetables & Nuts”** imports decreased by JD 10.3 million or 7.5 percent, to reach JD 126.0 million. Egypt, Belgium and Syria were the main markets, accounting for 31.6 percent of these imports.

- **Crude oil** imports increased by JD 84.6 million, or 52.1 percent, to reach JD 247.1 million. Saudi Arabia and Iraq were the main origin markets, accounting for 100.0 percent of these imports.
- **“Transport equipment & spare parts”** imports increased by JD 80.1 million, or 22.4 percent, to reach JD 438.2 million. China, the USA and South Korea were the main origin markets, accounting for 70.5 percent of these imports.
- **“Medical & Pharmaceutical Products”** imports increased by JD 34.5 million, or 22.8 percent, to stand at JD 186.1 million. Germany, The USA and Switzerland were the main markets, accounting for 38.7 percent of these imports.

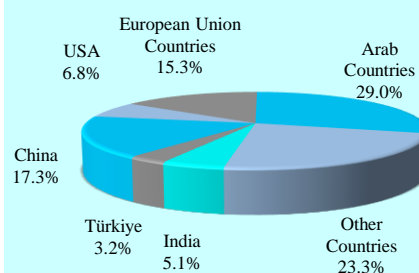
**Major Imports by Commodity, JD Million
During the first quarter of 2023-2024**

	2023	2024	Percentage Change
Total Imports	4,513.8	4,389.0	-2.8
Transport Equipment & Spare parts	358.1	438.2	22.4
China	80.3	178.2	122.0
USA	66.0	77.2	16.9
South Korea	64.6	53.7	-16.9
Petroleum Products	345.4	280.2	-18.9
Saudi Arabia	147.3	147.6	0.2
India	162.0	125.6	-22.5
UAE	28.9	2.6	-91.0
Crude Oil	162.5	247.1	52.1
Saudi Arabia	120.9	182.2	50.7
Iraq	41.6	64.9	56.0
Textile Yarn, Fabrics & Related Products	192.0	197.3	2.7
China	82.0	100.1	22.1
Taiwan	29.2	26.3	-9.9
Türkiye	21.4	21.8	1.9
Medical & Pharmaceutical Products	151.6	186.1	22.8
Germany	18.5	30.3	63.8
USA	18.9	25.5	34.9
Switzerland	13.0	16.2	24.6
Fruits & Vegetables & Nuts	136.3	126.0	-7.5
Egypt	16.5	19.9	20.3
Belgium	11.1	10.6	-4.4
Syria	9.0	9.3	3.6
Plastic & articles thereof	118.5	116.1	-2.1
Saudi Arabia	52.3	63.2	20.8
China	20.9	13.1	-37.3
UAE	7.7	10.2	33.3
Electrical Machinery, Apparatus & Appliances	137.4	107.6	-21.7
China	48.8	41.5	-15.0
Türkiye	10.1	6.1	-39.2

Source: Department of Statistics.

- Consequently, the commodity composition of imports indicates that “Transport equipment & spare parts”, petroleum products, crude oil, “Textile yarn, fabrics and related products”, “Medical & pharmaceutical products”, “Fruits & Vegetables & Nuts”, “Plastic & articles thereof”, and “Electrical machinery apparatus and appliances” topped the list of imports during the first quarter of 2024, accounting for 38.7 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 quarter of 2024 accounting for 57.5 percent of imports, compared to 55.7 percent during the same period of 2023.

**Geographic Distribution of Imports
During the first quarter of 2024**



■ Re-Exports

The value of re-exported goods in March 2024 increased by JD 24.1 million, or 46.4 percent, compared to the same month of 2023, to stand at JD 75.9 million. As for the first quarter of 2024, re-export increased by 49.6 million, or 34.5 percent, compared to the same period of 2023, to reach JD 193.3 million.

■ Trade Balance

The trade balance deficit increased by JD 2.2 million, or 0.3 percent in March 2024, compared to the same month of 2023, to reach JD 810.4 million. As for the first quarter of 2024, trade balance deficit increased by JD 29.3 million or 1.3 percent, compared to the same period of 2023, to reach JD 2,322.9 million.

□ Total Workers' Remittances Receipts

Total workers' remittances receipts increased during the first four months of 2024 by JD 30.9 million, or 4.0 percent, to stand at JD 812.9 million, compared to the same period of 2023.

□ Travel

■ Receipts

Travel receipts decreased by 4.9 percent during the first four months of 2024, to register JD 1,493.2 million, compared to the same period of 2024.

■ Payments

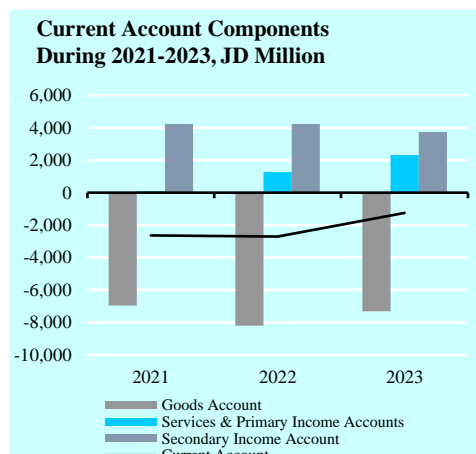
Travel payments increased by 27.8 percent during first four months of 2024, to register JD 511.3 million, compared to the same period of 2023.

□ Balance of Payments

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

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

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



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

- As for the capital and financial transactions during 2023, the capital account registered a net inflow of JD 34.0 million, compared to a net inflow of JD 38.0 million during 2022. Meanwhile, the financial account registered a net inflow of JD 1,618.1 million during 2023, compared to a net inflow of JD 2,047.9 million during the same period of 2022, this could be attributed to the following:
 - ◆ Foreign direct investment recorded an inflow of JD 687.4 million compared to an inflow of JD 927.9 million.
 - ◆ Portfolio investment recorded a net inflow of JD 865.5 million compared to a net outflow of JD 487.3 million.
 - ◆ Other investment registered a net inflow of JD 516.2 million, compared to a net inflow of JD 1,108.3 million.
 - ◆ CBJ's reserve assets registered a decrease by JD 307.4 million, compared to a decrease by JD 527.2 million.

□ International Investment Position (IIP)

The IIP, which represents the Kingdom's net position (stock) of external financial assets and liabilities, displayed an obligation to abroad of JD 38,082.7 million at the end of the 2023, compared to a net obligation by JD 36,643.9 million at the end of 2022. This was due to the following developments:

- An increase in the position of external assets (the stock of claims, obligations and financial assets) for all residing economic sectors in the Kingdom by JD 855.1 million at the end of 2023 to reach JD 21,806.7 million, compared to its level at the end of 2022. This was mainly due to the increase of reserve assets by JD 631.3 million and licensed banks loans to abroad by JD 180.1 million, both currency deposits of licensed banks abroad by JD 175.1 million, and the and decrease in trade credit of other sectors abroad by JD 124.5 million.

- An increase in the position of external liabilities (the stock of claims, obligations and financial liabilities) on all residing economic sectors in the Kingdom by JD 2,293.9 million at the end of 2023, to reach JD 59,889.4 million, compared to its level at the end of 2022. This was due to the following developments:
 - ◆ An increase in the stock of portfolio investment in the kingdom by JD 866.9 million, to stand at JD 7,772.5 million.
 - ◆ An increase in the stock of direct investment in the kingdom by JD 737.2 million, to stand at JD 28,069.2 million.
 - ◆ An increase in outstanding balance of government loans (long-term) by JD 671.0 million, to stand at JD 7,535.7 million.
 - ◆ An increase in the deposits of non-residents at the banking sector by JD 294.9 million, to stand at JD 10,687.3 million (increase by JD 352.1 million for the licensed banks, and a decrease by JD 57.2 million for the CBJ).
 - ◆ A decrease in outstanding balance of licensed banks loans (short-term) by JD 155.0 million, to stand at JD 631.3 million.
 - ◆ A decrease in outstanding balance of other sectors' loans (long-term) by JD 116.5 million, to stand at JD 1,888.7 million.
 - ◆ A decrease in outstanding balance facilities by JD 58.6 million to reach JD 1,640.4 million.