



Press Release
September 21, 2023

The Central Bank of Jordan (CBJ) maintains interest rates on its monetary policy instruments unchanged

The Open Market Operations Committee at the CBJ, during its sixth meeting within this year, decided to maintain interest rates on the monetary policy instruments unchanged at their current level, emphasizing the CBJ's commitment to thoroughly monitor the developments related to the performance of the national economy, in conjunction with global economic developments and the monetary policy directions of central banks, internationally and regionally, to tackle inflationary pressures.

The committee affirmed its confidence in the performance of the national economy as revealed by the latest available economic data, foremost among which are the foreign reserves of the CBJ, which reached USD 17.5 billion, sufficient to cover the Kingdom's imports of goods and services for 7.7 months, and the increase in deposits with banks (on an annual basis) by JD 1.6 billion in July 2023, with a growth of 4.0 percent to reach JD 42.8 billion. Credit facilities extended by banks also increased (on an annual basis) by JD 1.5 billion, with a growth of 4.7 percent, bringing their balance to JD 33.4 billion. While the latest financial soundness indicators confirm the strength and resilience of the Jordanian banking system.

Similarly, external sector indicators witnessed a significant improvement in their performance, as tourism income recorded an increase of 41.3 percent during the first eight months of 2023 to reach JD 3.65 billion, and domestic merchandise exports increased by 2.3 percent during the first half of 2023 to reach JD 4.2 billion. Meanwhile, the total volume of foreign direct investment entering the Kingdom increased by 20.9 percent during the first half of 2023 to reach JD 550 million. Whereas, the latest reading indicates that the national economy recorded a growth of 2.8 percent during the first quarter of 2023. This is in addition to the decline in the inflation rate to 2.5 percent during the first eight months of 2023, and it is projected to decline further by the end of the current year, compared to an inflation rate of 4.2 percent during 2022.

The Open Market Operations Committee
The Central Bank of Jordan