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لتميز الأداء الحكومي والشفافية
الدورة التاسعة
(2024/2023)

CENTRAL BANK OF JORDAN

ANNUAL REPORT 2024

61

CENTRAL BANK OF JORDAN

ANNUAL REPORT 2024

THE SIXTY-FIRST ANNUAL REPORT

RESEARCH DEPARTMENT

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Research Department



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Vision

Continue maintaining monetary stability and contribute to achieving banking and financial stability in a way that contributes to achieving sustainable development in the Kingdom.

Mission

Maintaining monetary stability represented in the stability of the Jordanian dinar exchange rate, the stability of the general level of prices and contributing to providing an attractive and stimulating investment environment for sustainable development through providing a convenient interest rate structure and applying micro and macro prudential supervision policies that contribute to achieving banking and financial stability. In addition to providing a safe and efficient payment environment, promoting financial inclusion protecting the financial consumer, as well as motivating innovation and business development in the field of secure financial technology. For this purpose, the CBJ optimally utilizes its human, financial, physical, technical and knowledge resources.

Core Values



BOARD OF DIRECTORS

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**Chairman of the Board of Directors /
Governor**

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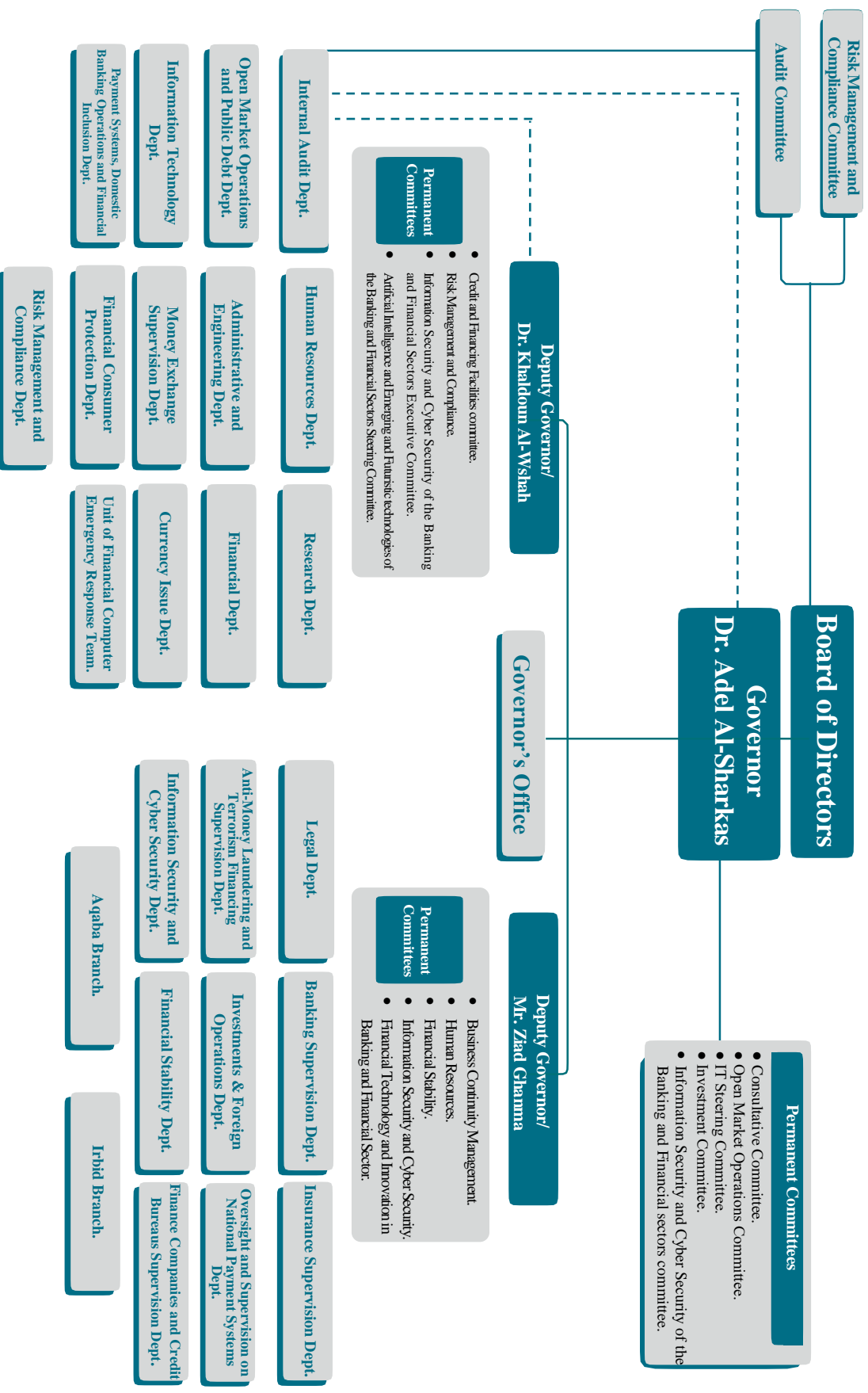
MR. RASLAN DEIRANIEH

Member

MR. RIYAD TAWHEEL

Member

Organizational Chart Central Bank of Jordan (End of 2024)



Governor's Message



Dr. Adel A. Al-Sharkas

The Governor of the
Central Bank of Jordan

It is my honor to present the Sixty-first edition of the Annual Report of the Central Bank of Jordan (CBJ). During 2023/2024, the CBJ achieved a distinguished milestone by placing first in the King Abdullah II Award for Excellence in Government Performance and Transparency, for the ninth cycle, in the top performers' category among all government entities. This recognition reaffirms the CBJ's unwavering commitment to supporting the stability of the national economy and serving it efficiently.

This report highlights the most significant developments in the national economy across various sectors during 2024. The year was marked by profound challenges stemming from regional geopolitical tensions, most notably the prolonged war in Gaza and associated disruptions in navigation along the Red Sea.

Despite these challenges, the report underscores a national economic journey characterized by resilience, adaptability, and achievement, while safeguarding monetary and financial stability. Real GDP grew by 2.5 percent in 2024, supported by sectoral indicators that demonstrated strength and stability. Total exports exceeded expectations, rising by 5.8 percent, while workers' remittances continued to recover, providing further support to the national economy. Despite the challenges facing the tourism sector, regional tourism inflows helped offset the potential declines, with tourism income contracting by only 2.3 percent, remaining above pre-pandemic levels and underscoring the sector's resilience. The current account deficit stood at 5.9 percent of GDP. Meanwhile, net foreign direct investment inflows reached USD 1.6 billion, equivalent to 3.1 percent of GDP, reflecting confidence in Jordan's economic and investment prospects.

The Jordanian economy has demonstrated the effectiveness of prudent government policies and proactive measures undertaken by relevant institutions to foster stability and growth. This was most evident in the pivotal role of the CBJ. Through the implementation of sound and effective monetary policy, the CBJ succeeded in mitigating risks and reinforcing confidence in the Kingdom's financial and banking system. These policies not only safeguarded monetary and financial stability but also supported economic growth, underscoring Jordan's strong capacity to address economic challenges with high efficiency.

In 2024, the global economy shifted towards more accommodative monetary policies following a period of monetary tightening during 2022 and 2023. The CBJ aligned its approach accordingly, building on the success of earlier measures. As a result, the CBJ lowered interest rates three times during 2024, with a cumulative reduction of 100 basis points.

The key outcome of this monetary policy was the maintenance of adequate foreign reserves, which stood at USD 21 billion by the end of 2024, covering 8.2 months of the Kingdom's imports of goods and services. These reserves strengthened Jordan's credit position and facilitated access to financing sources at moderate interest rates, alongside sustaining inflation within a suitable range at 1.56 percent in 2024.

Jordan remains committed to a comprehensive reform agenda. Within this context, the government and the CBJ successfully completed the first and second reviews of the economic and financial reform program under the Extended Fund Facility (EFF) with the International Monetary Fund in January 2024. This milestone underscores the Kingdom's ability to advance toward achieving the program's objectives and reflects a clear commitment to implementing a comprehensive reform vision across political, economic, and administrative tracks, most notably the Economic Modernization Vision, which provides a framework for sustainable development and transforming national ambitions into tangible achievements. These accomplishments go beyond technical successes. They embody confidence in Jordan's institutional capacity and reaffirm the nation's ability to define its economic objectives and design them through informed, nationally driven strategies. This further demonstrates the resilience of the Jordanian economy in adapting to evolving international conditions.

On the occasion of publishing this report, I extend my sincere gratitude and appreciation to all government agencies and institutions, both financial and non-financial, whose contributions in providing reliable and essential data were instrumental in preparing this distinguished report. Special thanks go to the staff of the CBJ for their dedication and efforts. In particular, I commend the Research Department and its team for their professionalism and commitment in compiling this report to the highest standards of quality and best international practices.

At the CBJ, we look to the future with a clear vision, anchored in our mission to safeguard monetary and financial stability as a cornerstone for sustainable development in Jordan. We place strong emphasis on financial technology and innovation, as key drivers for building a resilient and robust economy that inspires future generations and stands as a model of economic sovereignty and sustainable growth. Under the prudent leadership of His Majesty King Abdullah II Ibn Al Hussein, we move forward with confidence and determination toward a brighter future, guided by the firm belief that every challenge carries within it an opportunity to shape a better tomorrow. With unwavering dedication and commitment, we strive to build a nation that thrives on hope and progress, meets the aspirations of its people, and fulfills their vision for a bright and sustainable future.

CONTENTS

SUMMARY OF ECONOMIC CONDITIONS IN 2024	1
CHAPTER ONE: GLOBAL ECONOMY	11
Global Economic Growth.....	12
Global Inflation.....	13
Global Unemployment.....	13
Global Foreign Trade.....	14
Global Public Debt.....	14
Global Monetary Developments	15
CHAPTER TWO: THE REAL SECTOR	19
Output	20
Sectoral Developments.....	25
Prices	35
Consumer Price Index (CPI)	35
Core Inflation Rate	38
GDP Deflator	38
Labor Market	39
Employment	39
Unemployment	40
Labor Force (Employed and Unemployed)	41
Production and Employment Policies.....	42
CHAPTER THREE: MONETARY, BANKING, AND FINANCIAL SECTOR	47
The Central Bank of Jordan and Monetary Policy.....	54
Interest Rates on Key Monetary Policy Instruments	54
Exchange Rate and Foreign Reserves	58
Domestic Liquidity	58
The CBJ's Balance Sheet	60
Other Depository Corporations Operations (Licensed Banks).....	61
Consolidated Balance Sheet of Other Depository Corporations.....	63
Deposits Structure at Other Depository Corporations.....	64
Credit Facilities Extended by Other Depository Corporations.....	66

CONTENTS

CHAPTER THREE, Continued

Market Interest Rates.....	67
Financial Soundness Indicators.....	68
Jordanian Banks' Activities in the Palestinian Territories.....	69
Other Financial Corporations.....	70
Insurance Companies.....	70
Electronic Payment and Money Transfer Companies.....	71
Finance Companies and Credit Bureaus.....	73
Money Exchange Companies	74
Applied Economic Studies Published the Research Department in 2024.....	75

CHAPTER FOUR: PUBLIC FINANCE SECTOR **81**

General Budget.....	82
Public Revenues	82
Public Expenditures	84
General Budget Deficit/ Surplus	86
Budget of Government Units	87
Outstanding Government Debt	91
Domestic Debt (Budgetary and Guaranteed)	92
Outstanding External Debt (Budgetary and Guaranteed)	94

CHAPTER FIVE: EXTERNAL SECTOR **99**

External Trade.....	100
Trade Balance.....	100
Total Exports.....	101
Merchandise Imports.....	104
Balance of Payments.....	107
Current Account.....	107
Capital and Financial Account	111
International Investment Position	111
Foreign Investment Tables.....	117

CONTENTS

STATISTICAL TABLES ANNEX

The Real Sector	139
Monetary, Banking, and Financial Sector	146
Public Finance Sector	160
The External Sector	169

FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT

Independent Auditor's Report on the Financial Statements	181
Statement of Financial Position	184
Income Statement	186
Statement of Comprehensive Income	187
Statement of Changes in Capital and Reserves	188
Statement of Cash Flow	189
Notes to the Financial Statements	190

ANALYTICAL BOXES

Box (1): Progress of the Executive program During 2024 for the Economic Modernization Vision (2023-2025)	4
Box (2): Annual GDP data for 2023.....	22
Box (3): GDP by Expenditure Approach for the 2022 and 2023.....	32
Box (4): Banking and Financial Legislations During 2024.....	48
Box (5): The CBJ's Monetary Policy: A Shift Towards Monetary Easing in 2024.....	55
Box (6): Applied Economic Studies Published by the Research Department in 2024.....	76
Box (7): The Key Government Measures in 2024.....	88
Box (8): Tourism Sector in 2024: Resilience Despite Geopolitical Challenges.....	109
Box (9): Foreign Investment Survey for 2021 and 2022, and Central Bank of Jordan Estimates for 2023.....	113



SUMMARY OF ECONOMIC CONDITIONS IN 2024

In 2024, the global economy was significantly influenced by a series of impactful events, primarily driven by escalating geopolitical tensions across multiple regions. These developments, coupled with heightened risk concerns in global financial markets and increased uncertainty surrounding international trade flows, contributed to weaker global economic growth, which slowed to 3.3 percent in 2024, compared to 3.5 percent in 2023.

Domestically, the economy in 2024 demonstrated resilience in maintaining macroeconomic stability. Gross Domestic Product (GDP), measured at constant market prices, recorded a growth rate of 2.5 percent, compared to 2.9 percent in 2023. This performance was largely supported by the outstanding performance of the external sector, which demonstrated adaptability and resilience in the face of regional and global headwinds, achieving better-than-expected results, especially in exports and workers' remittances.

Given that the economic growth rate recorded in 2024 exceeded the population growth rate of 1.9 percent, real GDP per capita increased by 0.6 percent, to reach JD 2,846.2, up from JD 2,829.6 in 2023. Additionally, the unemployment rate decreased to 21.4 percent, compared to 22.0 percent in 2023, driven by higher employment in several sectors.

At the price level, the Consumer Price Index (CPI) inflation rate, continued to slow for the second consecutive year, reaching 1.56 percent in 2024, compared to 2.08 percent in 2023. This followed the

inflationary wave that had affected the global economy in 2021 and 2022 in the aftermath of the COVID-19 pandemic. The slowdown was mainly driven by the continued easing of global inflationary pressures, along with the sustained implementation of balanced domestic economic policies by both the government and the CBJ.

In 2024, the CBJ's monetary policy was marked by a high degree of flexibility and responsiveness to domestic, regional, and global economic developments. After achieving the main objectives of its tight monetary policy during 2022–2023, most notably, maintaining monetary stability in the Kingdom, including the stability of the Jordanian Dinar exchange rate and keeping inflation rates within appropriate levels, the CBJ lowered its key interest rates three times in 2024, with a cumulative reduction of 100 basis points, reflecting a move to ease monetary policy in support of stimulating economic growth, while preserving the strength and resilience of the banking sector.

At the same time, the CBJ continued its targeted financing program to support vital, high value-added economic sectors by offering preferential interest rates, thereby ensuring affordable access to financing, and stimulating productive economic activity.

The performance of Other Depository Corporations (which include all licensed banks operating in Jordan), remained positive in 2024. Total assets increased by JD 3.7 billion (5.6 percent), reaching JD 69.9 billion. Deposits rose by JD 3.0

billion (6.8 percent), while the outstanding balance of credit facilities grew by 4.2 percent. Credit facilities extended to the private sector accounted for approximately 90.1 percent of total credit. Furthermore, the interest rate margin in the banking market narrowed to 2.39 percent, among the lowest levels recorded in the past 26 years.

In 2024, the overall fiscal deficit, including foreign grants, widened by JD 238.2 million compared to 2023, reaching JD 2,098.5 million, equivalent to 5.5 percent of GDP. This compares with a deficit of JD 1,860.3 million (5.1 percent of GDP) in 2023.

Regarding the performance of the external sector in 2024, several factors contributed to reducing its exposure to external shocks. The most notable of these were the geographic and commodity-based expansion of the export base, diversification of energy import sources, strong reliance on tourism from Arab countries and Jordanian expatriates, and the government's precautionary and proactive measures to safeguard the sustainability of supply chains. As a result, domestic exports rose by 4.1 percent, driven by strong external demand for non-conventional exports. Conversely, imports grew by 4.5 percent, primarily due to higher imports of capital goods and durable consumer goods, while energy imports declined in line with lower global oil prices.

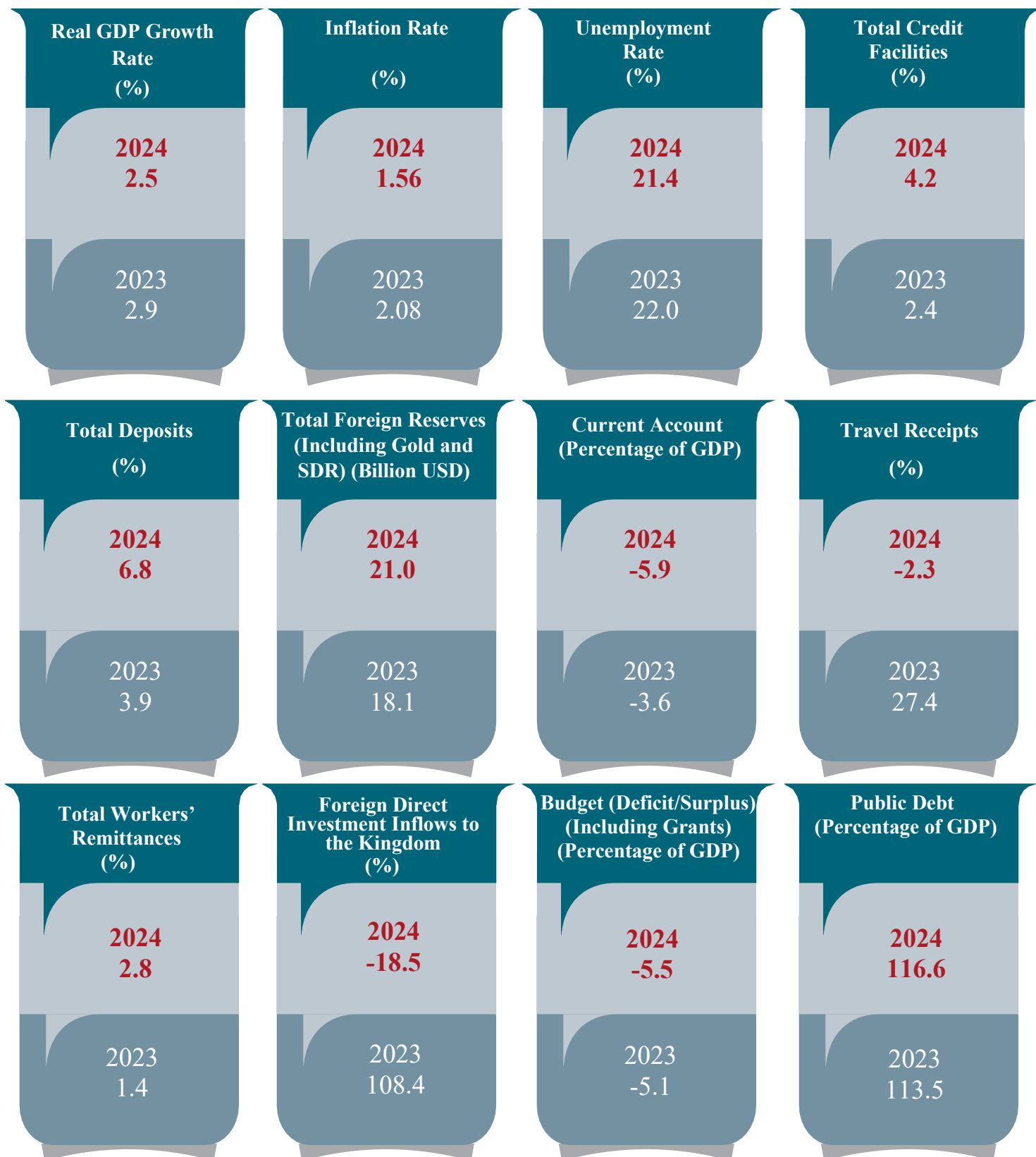
Despite the challenges facing the tourism sector, regional tourism flows helped mitigate the expected slowdown in its performance. Consequently, travel receipts declined by only 2.3 percent in 2024, while remaining above pre-pandemic levels. In parallel, workers' remittances continued to support domestic consumption and economic growth, increasing by 2.8 percent in 2024.

Given the performance of these indicators, the current account deficit reached 5.9 percent of GDP in 2024, compared to a deficit of 3.6 percent of GDP in 2023. Net Foreign Direct Investment (net FDI) inflows to the Kingdom amounted to approximately JD 1,160.6 million, covering about 52.3 percent of the deficit.

In 2024, and for the first time in 21 years, the Kingdom's sovereign credit rating was upgraded by Moody's, from B1 to Ba3, and by Standard & Poor's (S&P), from B+ to BB-, while Fitch affirmed its rating at BB-. These developments reflect the tangible outcomes of the deep structural, economic, and fiscal reforms implemented by the government to strengthen the resilience and growth prospects of the national economy, in line with the Royal Vision. The upgrades also stand as a testament to the Kingdom's strategic vision and the significant efforts undertaken by both the government and the CBJ. Moreover, these upgrades reaffirm the firm commitment to fostering a stable and sustainable economic environment, an essential foundation for attracting investment and ensuring long-term growth.

Jordan has also successfully completed the first and second reviews of its financial and economic reform program under the Extended Fund Facility (EFF) with the International Monetary Fund (IMF). The program was approved in January 2024 for a four-year period, with a total value of USD 1.2 billion. This reflects Jordan's strong commitment to advancing its comprehensive reform agenda and its capacity to pursue the program's objectives despite complex regional and global challenges.

Performance of the Economic Indicators for 2024



Box (1)

Progress of the Executive Program During 2024 for the Economic Modernization Vision (2023-2025)

□ First: Progress on the Implementation of the Executive Program Priorities for the Economic Modernization Vision During 2024

- In 2024, a total of 66 out of 83 projects scheduled under the Executive Program for the Economic Modernization Vision were successfully completed, while 17 projects remained unfinished. **Regarding the CBJ's 13 prioritized objectives, 8 were fully achieved by the end of 2024, while 5 remain under implementation (with activities extending into the 2025-2028 period). The CBJ achieved a 100 percent completion rate for its priorities and activities scheduled for 2024 under the Executive Program.**

□ Second: Key Achievements within the CBJ's Scope of Work in 2024

- **Launching the National Financial Inclusion Strategy (2023-2028)**, aimed at enhancing financial inclusion across the kingdom. Action plans were prepared and adopted to achieve the strategic objectives, and implementation is being monitored to ensure alignment with the defined objectives.
- **Updating the legislative and regulatory frameworks for the banking sector**, through the approval of several regulations and instructions in 2024, including:
 - Regulation No. 52/ 2024 on Compulsory Motor Insurance.
 - Regulation No. 53/ 2024 establishing the Guarantee Fund for Insured Persons and Beneficiaries of Insurance Contracts.
 - Instructions issued under the Compulsory Motor Insurance Regulation, published in December 2024.
 - Financial Consumer Protection Instructions for the Banking Sector No. 14/ 2024.
- **Within the priority of establishing Fintech Labs for testing financial technology innovations in the financial sector**, the following were achieved:

Box (1) Continued

- Launch of the Regulatory Sandbox (JoRegBox), aimed at promoting innovative financial solutions and advancing digital transformation in the financial sector.
- Issuance of the Communication Strategy for the Financial Technology and Innovation Center in April 2024.
- Signing of a Memorandum of Understanding to enhance cooperation in financial technology and innovation, supporting both domestic and international partnerships.
- Launch of the Fintech Academy Jordan, in collaboration with the Institute of Banking Studies, to promote awareness of financial technology.
- **As part of the expansion of digital services provided by the money exchange sector to enhance their role in promoting financial inclusion.** A portal was opened at the CBJ to receive applications from licensed money exchange companies seeking to provide new money exchange services. The CBJ also monitored companies already granted approvals to ensure proper implementation of digital services.
- **As part of reducing financing costs for microfinance companies,** the CBJ received the third installment of funding from the Arab Fund for Economic and Social Development in September 2024, totaling JD 9 million (JD 4.5 million allocated for 2024 and JD 4.5 million for 2025). The cumulative funding secured under this initiative reached JD 21.3 million.
- **Launching the electronic Know Your Customer (eKYC) system in a live environment,** enabling banks and licensed financial institutions to identify and verify customers electronically through secure access to national databases. By the end of 2024, 29 financial institutions had joined the eKYC system, out of a target of 35.

□ Third: Key Activities Undertaken by Capital Market Institutions During 2024

- Publication and updating of educational posts and videos targeting investors and traders in the Amman Stock Exchange, alongside other awareness initiatives.
- Establishment of a simulation room and signing of Memoranda of Understanding with several universities to promote investment literacy and awareness of the trading system.
- As part of reviewing the regulatory framework for the capital market, three legislations were reviewed and revised, namely, "Lending, Borrowing, and Short Selling", Market Making, and Depository Receipts.

Box (1) Continued

Key Achievements of the Executive Program for the Economic Modernization Vision 2024	
Investment Driver	<ul style="list-style-type: none"> • Completion of the National Investment Roadmap to enhance the investment environment. • Updating investment opportunity models and launching 21 new investment opportunities across several priority economic sectors. • Activation of 95 investment services on the comprehensive electronic investment services platform.
High-Value Industries Driver	<ul style="list-style-type: none"> • Approval of the Industrial Policy Document (2024-2028) by the Cabinet, and formulation of a national team to follow up on the implementation of the document pursuant to the Cabinet's decision. • Approval of the National Strategy for the Leather and Textile Sector (2024-2026). • Issuance of the amended bylaw for petroleum, oil shale, coal, and strategic minerals exploitation projects No. 76 of 2020.
Future Services Driver	<ul style="list-style-type: none"> • Completion of four comprehensive government service centers in the governorates of Tafilah, Aqaba, Madaba, and Ma'an, bringing the total number of established centers to seven: Queen Alia International Airport, Muqablin, Irbid, Tafilah, Aqaba, Ma'an, and Madaba. • Completion of the opening of the first specialized center for serving entrepreneurs in the central region, and completion of the study and identification of the locations selected for establishing two specialized centers for entrepreneurs in the South and North. • Enhancing cybersecurity in 60 government institutions through projects to develop security infrastructure. <p>Regarding the Financial Services Sector:</p> <ul style="list-style-type: none"> • Launching the National Financial Inclusion Strategy (2023-2028). • Establishing laboratories to test Fintech innovations in the financial sector (Fintech Labs). • Establishing the Fintech Academy Jordan in collaboration with the Institute of Banking Studies, to promote awareness of Fintech. • Opening a portal to receive applications, at CBJ, for licensed exchange companies seeking to provide new money exchange services. • Updating the legislative and regulatory frameworks for the banking sector, and approving several regulations and instructions in 2024, including: the Compulsory Motor Insurance Regulation No. 52 of 2024 and its related instructions for 2024, the Guarantee Fund for Insured Persons and Beneficiaries of Insurance Contracts Regulation No. 53 of 2024, and the Financial Consumer Protection Instructions for the Banking Sector No. 14/ 2024.

Box (1) Continued

	<ul style="list-style-type: none"> • Launching the Electronic Know Your Customer (eKYC) system in a live environment. • Regarding the priority of reducing financing costs for microfinance companies, the CBJ secured the third installment of funding from the Arab Fund for Economic and Social Development in September 2024, totaling JD 9 million in September 2024 (JD 4.5 million for 2024 and JD 4.5 million allocated for 2025). The cumulative funding secured under this initiative reached JD 21.3 million. • Establishing a simulation room and signing memoranda of understanding with several universities to introduce the trading system and enhance investment culture. • As part of modernizing capital market regulations, three legislations were reviewed and revised: “Lending, Borrowing, and Short Selling”, Market Makers, and Depository Receipts.
Jordan as a Global Destination Driver	<ul style="list-style-type: none"> • Continuing incentive programs for charter, regular, and low-cost flights. • Continuing the development and promotion of tourism patterns.
Leadership and Innovation Driver	<ul style="list-style-type: none"> • Developing and implementing a sustainable remedial program to compensate for learning losses across all age groups. • Building 20 new schools that consider inclusive education, and are equipped to accommodate population growth and reduce overcrowding.
Sustainable Resources Driver	<ul style="list-style-type: none"> • Developing the Water Sector Strategy (2023-2040), updating water policies, and institutionalizing their implementation. • Completing the technical and financial evaluation of the bid for the Aqaba–Amman Water Desalination and Conveyance Project, assessing the revised bid submitted by the bidder, and initiating direct negotiations. • Reviewing and amending the General Electricity Law No. 64 of 2002. • Approving and implementing time-based tariffs to the following sectors: industries, telecommunications, and vehicle charging (public and residential), with plans to extend the application to additional sectors in 2025. • Developing legislation to regulate investment in electric charging stations.
Sustainable Environment Driver	<ul style="list-style-type: none"> • Improving green infrastructure through labor-intensive green employment initiatives.
Quality of Life Driver	<ul style="list-style-type: none"> • Completing the update and development of the health map. • Approving the Health Financing Reform and Universal Health Coverage Plan for (2024-2030). • Developing the Customs Center of the Aqaba Special Economic Zone Authority. • Implementing the Public Transport Linkage Project (connecting Amman and Zarqa with Bus Rapid Transit), to provide safe and regular public transport between the two cities. • Launching the new master plan project for the Aqaba Special Economic Zone.



Global Economy

- **Global Economic Growth**
- **Global Inflation**
- **Global Unemployment**
- **Global Foreign Trade**
- **Global Public Debt**
- **Global Monetary Development**

CHAPTER ONE

GLOBAL ECONOMY

In 2024, the global economy was significantly influenced by a series of impactful events, primarily driven by escalating geopolitical tensions across multiple regions. These developments, coupled with heightened risk concerns in global financial markets, followed by increased uncertainty surrounding international trade flows, resulted in slowing global economic growth.

According to the World Economic Outlook (WEO, April 2025), published by the International Monetary Fund (IMF), global economic growth moderated to 3.3 percent in 2024, down from 3.5 percent in 2023. This slowdown was largely driven by subdued economic performance in several key regions, including China, Latin America, and the European Union, which collectively hindered a return to pre-pandemic average growth levels. Despite these challenges, the global labor market demonstrated notable resilience, with the global unemployment rate remaining unchanged at 5.0 percent, consistent with the level recorded in 2023.

In 2024, central banks in major economies made notable progress in addressing inflationary pressures, successfully guiding inflation toward targeted levels. As a result, many central banks shifted their stance toward monetary policy easing, initiating multiple interest rate cuts throughout the year following

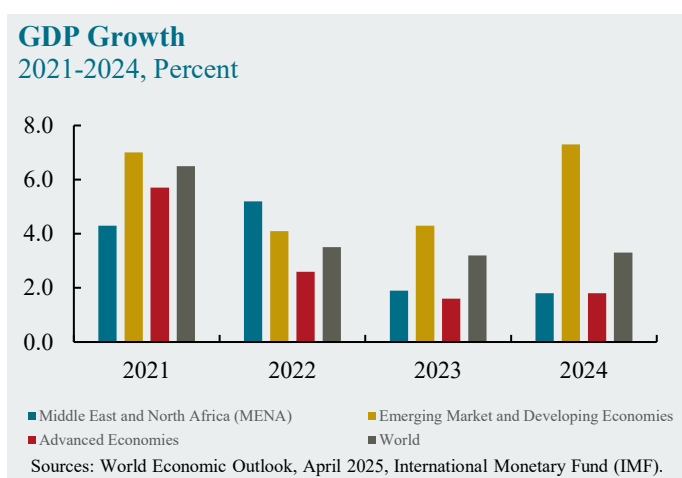
a prolonged period of monetary tightening in 2022 and 2023. However, the effectiveness of these monetary measures was partly constrained by the adoption of expansionary fiscal policies in some countries, which added complexity to efforts to maintain price stability.

Emerging market economies benefited from the shift in global monetary conditions, which eased pressures on their currencies relative to the US dollar and improved overall financial conditions. This relief helped mitigate the effects of imported inflation and provided greater flexibility for a more gradual and controlled reduction in domestic inflation rates. As a result of these developments, the global inflation rate declined to 5.7 percent in 2024, down from 6.7 percent in 2023.

Despite heightened uncertainty and geopolitical tensions in the Red Sea region, global trade experienced a notable recovery in 2024. The volume of global trade expanded by 3.8 percent, a significant improvement compared to the modest growth of 1.0 percent in 2023. This rebound was largely driven by a rise in Chinese exports and increased imports by the United States, supported by proactive measures taken by businesses and consumers in anticipation of potential new tariffs.

Global Economic Growth

The global economy experienced a modest slowdown in 2024, with growth easing to 3.3 percent from 3.5 percent in 2023. This deceleration was primarily driven by escalating geopolitical tensions and heightened uncertainty across global markets. These challenges persisted despite the initiation of a new monetary policy easing cycle by central banks worldwide.



Advanced economies recorded modest growth in 2024, with GDP expanding by 1.8 percent, slightly higher than 1.7 percent in 2023. The Eurozone showed signs of recovery, with growth accelerating to 0.9 percent in 2024, compared to 0.4 percent in 2023. In the United States, growth eased slightly to 2.8 percent, down from 2.9 percent in 2023, while the Japanese economy experienced a notable slowdown, registering growth of only 0.1 percent, down from 1.5 percent in 2023.

GDP Growth

2021-2024, Percent

	2021	2022	2023	2024
World	6.6	3.6	3.5	3.3
Advanced Economies, of which:	6.0	2.9	1.7	1.8
United States	6.1	2.5	2.9	2.8
Euro Area	6.3	3.5	0.4	0.9
Japan	2.7	0.9	1.5	0.1
Emerging Market and Developing Economies, of which:	7.0	4.1	4.7	4.3
China	8.6	3.1	5.4	5.0
Brazil	4.8	3.0	3.2	3.4
India	9.7	7.6	9.2	6.5
Middle East and North Africa (MENA)	4.2	5.5	2.1	1.8
Saudi Arabia	5.1	7.5	-0.8	1.3
Egypt	3.3	6.7	3.8	2.4

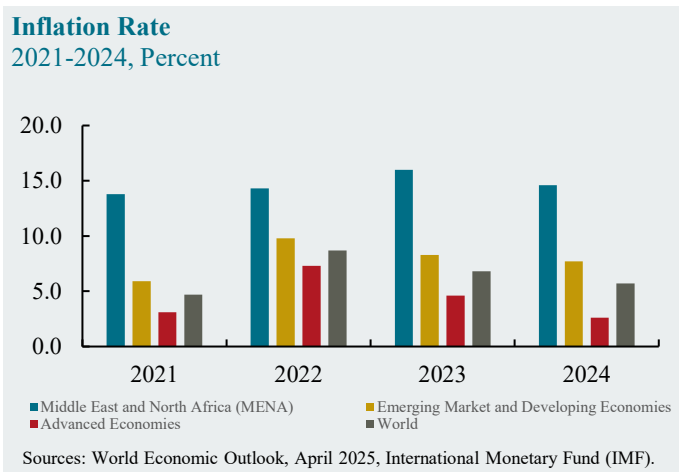
Source: World Economic Outlook (WEO), April 2025, IMF.

Growth in emerging and developing economies moderated to 4.3 percent in 2024, down from 4.7 percent in 2023. Both China and India experienced slower economic momentum, with growth rates of 5.0 percent and 6.5 percent, respectively, compared to 5.4 percent and 9.2 percent in 2023. In contrast, Brazil sustained its positive trajectory, recording economic growth of 3.4 percent, slightly higher than 3.2 percent in 2023.

In 2024, economic growth in the Middle East and North Africa (MENA) region declined to 1.8 percent, down from 2.1 percent in 2023. Egypt's economy experienced a notable slowdown, with growth moderating to 2.4 percent in 2024, compared to 3.8 percent in 2023. Meanwhile, Saudi Arabia returned to positive growth in 2024, recording a 1.3 percent expansion after a contraction of 0.8 percent in 2023.

Global Inflation

The global inflation rate declined to 5.7 percent in 2024, down from 6.7 percent in 2023. This reflects the effectiveness of monetary tightening measures implemented by many central banks, which successfully eased inflationary pressures across most major economies.



Inflation in advanced economies declined markedly in 2024, reaching 2.6 percent in 2024 compared to 4.6 percent in 2023. In the United States, inflation eased to 3.0 percent, down from 4.1 percent in 2023, while the Eurozone recorded an inflation rate of 2.4 percent, significantly lower than the 5.4 percent recorded in 2023. In emerging and developing economies, inflation saw a modest decline, falling to 7.7 percent in 2024 from 8.0 percent in 2023. Inflation in China remained broadly stable at 0.2 percent, while India recorded a decrease to 4.7 percent, down from 5.4 percent in 2023. Brazil also experienced a slight improvement, with inflation easing to 4.4 percent in 2024 from 4.6 percent in 2023.

In the MENA region, the inflation rate decreased slightly to 14.6 percent in 2024, compared to 14.9 percent in 2023. However, inflation trends varied significantly across countries. Egypt experienced a sharp rise in inflation, reaching 33.3 percent, up from 24.4 percent in 2023, while Saudi Arabia witnessed inflation ease to 1.7 percent, down from 2.3 percent in 2023.

Inflation Rate
2021-2024, Percent

	2021	2022	2023	2024
World	4.7	8.6	6.7	5.7
Advanced Economies, of which:	3.1	7.3	4.6	2.6
United States	4.7	8.0	4.1	3.0
Euro Area	2.6	8.4	5.4	2.4
Emerging Markets and Developing Economies, of which:	5.8	9.5	8.0	7.7
China	0.9	2.0	0.2	0.2
Brazil	8.3	9.3	4.6	4.4
India	5.5	6.7	5.4	4.7
Middle East and North Africa (MENA)	12.9	13.6	14.9	14.6
Saudi Arabia	3.1	2.5	2.3	1.7
Egypt	4.5	8.5	24.4	33.3

Source: World Economic Outlook (WEO), April 2025, IMF.

Global Unemployment

The slowdown in global economic activity in 2024 constrained the labor market's ability to achieve a stronger and more sustained recovery. According to the Employment Trends and Social Outlook Report 2024, issued by the International Labor Organization (ILO), global employment

expanded at a pace consistent with labor force growth. This alignment helped maintain the global unemployment rate at 5.0 percent, unchanged from the level recorded in 2023.

Despite overall stability in global unemployment rates, youth unemployment remained elevated in 2024, reaching approximately 12.6 percent. This reflects persistent structural challenges in integrating youth into the labor market and underscores the limited capacity of many economies to generate adequate job opportunities. Contributed factors include heightened geopolitical tensions, rising costs associated with climate change adaptation, and continued risks related to sovereign debts. These challenges are particularly acute in low-income countries, where job creation continues to lag behind that of more developed economies, exacerbating labor market vulnerabilities.

| Global Foreign Trade

Global trade saw a marked recovery in 2024, with global trade volume increasing by 3.8 percent, a substantial improvement from the modest growth of 1.0 percent recorded in 2023. This rebound was supported by stronger export performance, particularly from advanced economies, where export growth rose to 2.1 percent in 2024, compared to 1.1 percent in 2023. Emerging and

developing economies recorded an even more pronounced recovery, with exports expanding by 6.7 percent in 2024, compared to 1.1 percent in 2023.

World Trade Growth Rate

2021-2024, Percent

	2021	2022	2023	2024
World Trade Growth	10.9	5.7	1.0	3.8
Advanced Economies Exports	9.7	5.9	1.1	2.1
Advanced Economies Imports	10.2	7.3	-0.6	2.4
Emerging Markets and Developing Economies Exports	12.9	4.6	1.1	6.7
Emerging Markets and Developing Economies Imports	12.2	4.0	3.1	5.8

Source: World Economic Outlook (WEO), April 2025, IMF.

In 2024, imports of goods and services demonstrated solid growth across both advanced and emerging economies. Advanced economies recorded a 2.4 percent increase in imports, reversing a decline of 0.6 percent seen in 2023. Emerging and developing economies experienced a more pronounced expansion, with imports rising by 5.8 percent, up from 3.1 percent in 2023.

| Global Public Debt

In 2024, many countries continued to face mounting fiscal pressures stemming from rising budget deficits and elevated public debt levels. These challenges were compounded by increasing economic and political uncertainty, a surge in

defense spending, particularly across Europe, and a decline in foreign aid. As a result, total global public debt rose to 92.3 percent of GDP, compared to 91.3 percent in 2023.

Emerging and developing economies experienced an increase in public debt levels, with debt reaching 69.5 percent of GDP, up from 67.4 percent in 2023. China’s total public debt increased to 88.3 percent of GDP, while the MENA region, public debt recorded a slight increase to 44.6 percent of GDP.

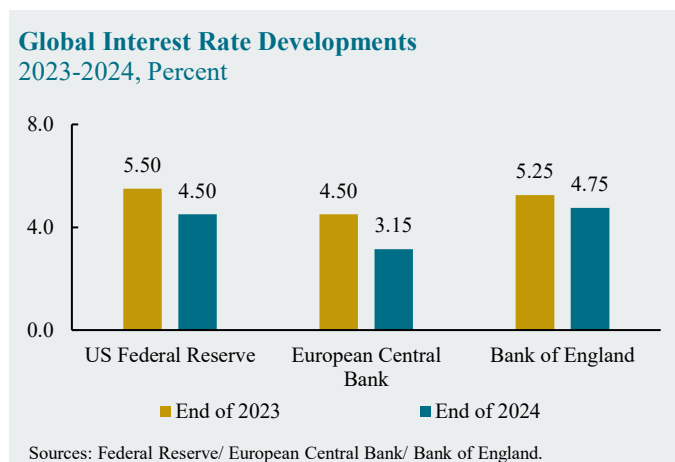
In advanced economies, total public debt increased slightly, reaching 108.5 percent of GDP, compared to 108.2 percent in 2023. Within the Eurozone, public debt increased to 87.7 percent of GDP, compared to 87.4 percent in 2023. In the United States, public debt rose to 120.8 percent, compared to 119.0 percent in 2023.

Global Public Debt 2021-2024, as a Percent of GDP				
	2021	2022	2023	2024
World	94.0	89.9	91.3	92.3
Advanced Economies, of which:	115.5	109.3	108.2	108.5
United States	124.7	118.8	119.0	120.8
Euro Area	93.9	89.5	87.4	87.7
Emerging Markets and Developing Economies	63.2	63.4	67.4	69.5
China	70.1	75.5	82.0	88.3
Middle East and North Africa (MENA)	51.3	43.4	44.0	44.6

Source: Fiscal Monitor, April 2025, IMF.

Global Monetary Developments

In 2024, most central banks transitioned toward more accommodative monetary policies, albeit at a slower pace compared to the preceding tightening cycle. These adjustments were aimed at guiding inflation rates back toward targeted levels. The US Federal Reserve reduced its benchmark interest rate by 100 basis points, from 5.50 percent to 4.50 percent. Similarly, the European Central Bank (ECB) implemented a 135-basis point cut, lowering its rate from 4.5 percent to 3.15 percent. The Bank of England also eased its policy stance, cutting interest rates by 50 basis points to reach 4.75 percent by the year-end.





The Real Sector

- Output
- Prices
- Labor Market
- Production and Employment Policies



CHAPTER TWO

THE REAL SECTOR

In 2024, the national economy demonstrated resilience in maintaining macroeconomic stability, despite heightened geopolitical instability in the region stemming from the protracted impact of the Gaza war, which extended well beyond projections. Gross Domestic Product (GDP), at constant market prices, recorded a growth rate of 2.5 percent in 2024, compared to 2.9 percent in 2023. This performance was largely supported by the outstanding performance of external sector, which demonstrated adaptability and resilience in the face of regional and global headwinds. Notably, both exports and workers' remittances exceeded expectations. The economic growth achieved during 2024 was driven by the positive performance across most economic sectors, which registered a broad range of growth rates. The agriculture sector led with a growth of 6.9 percent, while the "domestic household services" sector registered the lowest positive growth at 0.6 percent. In contrast, the construction sector experienced a contraction of 1.1 percent, reflecting the impact of ongoing regional uncertainty. The manufacturing sector maintained its position as a key driver of economic growth for the third consecutive year, contributing 0.7 percentage point (29.9 percent of total economic growth in 2024).

Given that the economic growth rate recorded in 2024 exceeded the population growth rate of 1.9 percent, real GDP per capita increased by 0.6 percent, to reach JD 2,846.2, up from JD 2,829.6 in

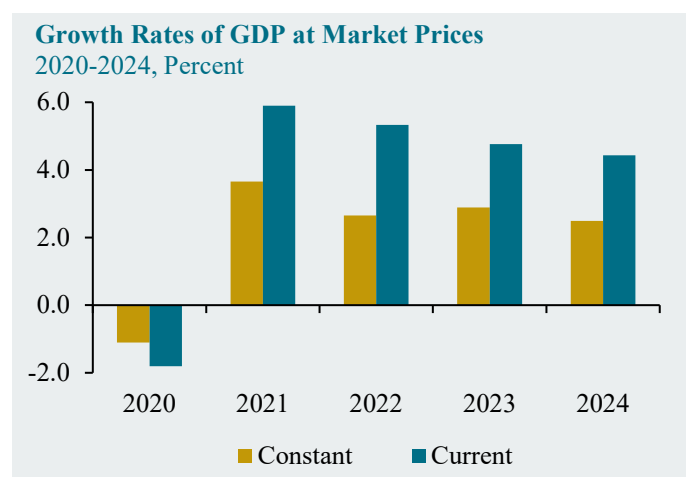
2023. Additionally, the unemployment rate decreased to 21.4 percent, compared to 22.0 percent in 2023. This decline was supported by increased employment across several key sectors, particularly in agriculture, "information and communications", "scientific, professional and technical activities", education, and the "finance, insurance and business services" sector.

The inflation rate, as measured by the Consumer Price Index (CPI), continued its slowdown for the second consecutive year, reaching 1.56 percent compared to 2.08 percent in 2023. This came in the aftermath of being affected by the inflationary wave that the global economy suffered from following the repercussions of the COVID-19 pandemic in 2021 and 2022. This slowdown is driven by the continued decline in global inflationary pressures, in addition to the continued implementation of balanced domestic economic policies, by both the government and the Central Bank.

In 2024, the government approached several measures and legislative reforms aimed at enhancing the investment climate, to improve the business environment, regulating the labor market, and fostering broader economic participation, all in support of sustained economic growth. Among the most notable developments were the enactment of the Public-Private Partnership Projects By law, and the Flexible Work By law.

Output

In 2024, Gross Domestic Product (GDP), at constant market prices, grew by 2.5 percent, to reach JD 33,397.0 million, compared to a growth rate of 2.9 percent in 2023. This modest deceleration in growth reflects the continued impact of regional geopolitical tensions. When excluding the “net taxes on products” item, which grew by 1.0 percent, GDP at constant basic prices, recorded a growth rate of 2.7 percent, compared to 3.2 percent in 2023.



The GDP deflator, a measure of the general price level, recorded an inflation rate of 1.9 percent in 2024, slightly up from 1.8 percent in 2023. Consequently, GDP at current market prices grew by 4.4 percent, to JD 37,880.1 million, compared to a growth of 4.8 percent in 2023. However, the “net

factor income from abroad” item registered a higher deficit of JD 884.6 million, up from JD 268.9 million in 2023, the Gross National Product (GNP), at current market prices, registered a slowdown growing by 2.8 percent, reaching JD 36,995.5 million, compared to a growth rate of 5.1 percent in 2023. Taking into account the “net other current transfers from abroad” item, which amounted to JD 4,140.5 million, Gross National Disposable Income (GNDI), at current prices, recorded a growth of 3.3 percent, to reach JD 41,136.0 million.

Economic Growth Rates at Current and Constant Prices
2021-2024, Percent

	2021	2022	2023 ⁽¹⁾	2024 ⁽¹⁾
At Current Prices (2016=100)				
GDP	5.9	5.3	4.8	4.4
GNP*	5.7	4.8	5.1	2.8
GNDI**	5.8	3.9	3.7	3.3
At Constant Prices (2016=100)				
GDP	3.7	2.6	2.9	2.5
GNP*	3.4	2.0	3.2	0.6
GNDI**	3.8	1.5	1.9	1.5

Sources: - Department of Statistics.
- Central Bank of Jordan/ Monthly Statistical Bulletin.

(1) : Preliminary.

* : Represents Gross Domestic Product plus net factor income from abroad (primary income in balance of payments).

** : Represents Gross National Product plus net other current transfers from abroad (secondary income in balance of payments).

As a result of these developments, and in the context of a population growth rate of 1.9 percent in 2024, GDP per capita at current market prices, a key indicator of economic well-being, increased by 2.5 percent, to reach JD 3,228.2 (USD 4,553.2), compared to a growth rate of 2.8 percent in 2023.

It is worth noting that the Department of Statistics (DOS) conducted a revision of its annual GDP estimates for 2023, which led to adjustments in the reported GDP figures at both current and constant prices. Consequently, these revised estimates have been reflected into the quarterly data for 2024 (Box 2 for details).

Population and Per Capita Income, in Accordance with Various Measures of National Accounts				
2021-2024				
	2021	2022	2023 ⁽¹⁾	2024 ⁽¹⁾
Population (Million)	11.057	11.302	11.516	11.734
Growth Rate (%)	2.3	2.2	1.9	1.9
GDP Per Capita at Constant Prices (JD)	2,790.6	2,802.4	2,829.6	2,846.2
Growth Rate (%)	1.3	0.4	1.0	0.6
GDP Per Capita at Current Prices (JD)	2,972.8	3,063.5	3,149.8	3,228.2
Growth Rate (%)	3.5	3.0	2.8	2.5
GNP Per Capita at Current Prices (JD)	2,957.9	3,031.7	3,126.4	3,152.8
Growth Rate (%)	3.3	2.5	3.1	0.8
GNDI Per Capita at Current Prices (JD)	3,341.0	3,397.6	3,456.5	3,505.7
Growth Rate (%)	3.4	1.7	1.7	1.4

Sources: - Department of Statistics.
- Central Bank of Jordan/ Monthly Statistical Bulletin.
(1) : Preliminary.

Box (2)

Annual GDP data for 2023

The Department of Statistics has released the preliminary annual GDP estimates for 2023, following its established methodology, which involves the issuance of preliminary quarterly GDP data based on a set of indicators and initial survey results, followed later by annual estimates that incorporate actual annual data reported by companies, as well as public and private institutions. The final estimates also reflect data revisions that may occur in subsequent years to ensure accuracy and completeness.

Consequently, adjustments were made to the GDP estimates at both current and constant prices for the year 2023, as outlined below:

Revised GDP Estimates for 2023

	Constant Prices			Current Prices		
	Previous Estimates	Revised Estimates	Difference	Previous Estimates	Revised Estimates	Difference
Value (JD million)	32,520.8	32,586.0	+65.2	36,186.9	36,272.8	+85.9
Growth rate (%)	2.7	2.9	+0.2	4.5	4.8	+0.3

At the sectoral level, the “mining and quarrying” sector recorded the largest upward revision in value added at constant market prices, with an increase of JD 24.2 million, compared to previously published data, followed by “producers of government services” sector, which witnessed an upward adjustment of JD 15.6 million. In contrast, the “finance, insurance and business services” sector experienced a downward revision, with a decrease of JD 13.1 million in its value added at constant market prices. The following table summarizes these key adjustments:

Box (2) Continued

Amount of Change in Sectoral GDP Estimates for 2023 (JD million)

Sector	Constant Prices			Current Prices		
	Previous Estimates	Revised Estimates	Difference	Previous Estimates	Revised Estimates	Difference
Mining and Quarrying	836.5	860.8	24.2	1,157.0	1,170.5	13.4
Producers of Government Services	4,364.6	4,380.2	15.6	5,044.4	5,067.5	23.1
Manufacturing	5,836.5	5,851.2	14.7	6,267.4	6,270.3	2.9
Wholesale and Retail Trade	2,832.6	2,845.0	12.4	2,859.9	2,873.7	13.8
Electricity and Water	568.6	579.1	10.5	573.0	578.8	5.8
Domestic Services of Households	480.4	490.7	10.3	503.8	515.0	11.3
Construction	948.9	958.3	9.4	964.3	974.8	10.5
Real Estate	3,477.0	3,485.3	8.3	3,973.1	3,983.9	10.8
Transport, Storage and Communications	2,824.5	2,832.0	7.5	2,871.8	2,892.1	20.3
Agriculture	1,602.1	1,609.6	7.4	1,740.5	1,745.4	5.0
Community, Social and Personal Services	2,702.7	2,706.9	4.2	3,228.8	3,236.3	7.4
Producers of Private Non-profit Services to Households	268.1	270.7	2.5	324.6	330.5	6.0
Restaurants and Hotels	468.7	470.9	2.2	537.4	540.5	3.1
Net taxes on Products	3,794.5	3,765.3	-29.2	4,662.9	4,647.8	-15.1
Imputed Bank Service Charge	-968.6	-990.5	-22.0	-1,144.1	-1,160.5	-16.4
Finance, Insurance and Business Services	2,483.7	2,470.6	-13.1	2,622.1	2,606.3	-15.9
Gross Domestic Product at Market Prices	32,520.8	32,586.0	65.2	36,186.9	36,272.8	85.9

Box (2) Continued

Based on the preliminary annual GDP estimates for 2023, quarterly GDP data have been revised to reflect the updated figures. As a result, minor adjustments were made to the quarterly economic growth rates at both current and constant market prices. The revised growth rates are summarized as follows:

Adjustments in Quarterly Economic Growth Rates for 2023 and 2024

Year	Quarter	Constant Prices			Current Prices		
		Previous Estimates	Revised Estimates	Difference	Previous Estimates	Revised Estimates	Difference
2023	Q1	3.0	3.2	0.2	5.3	5.5	0.2
	Q2	2.7	2.9	0.2	4.4	4.7	0.3
	Q3	2.7	2.9	0.2	4.4	4.6	0.2
	Q4	2.3	2.5	0.2	4.1	4.4	0.3
2024	Q1	2.0	2.2	0.2	4.2	4.3	0.1
	Q2	2.4	2.4	-	4.0	4.0	-
	Q3	2.6	2.6	-	4.6	4.6	-
	Q4	-	2.7	-	-	4.7	-

□ Sectoral Developments

Most of the economic sectors contributing to GDP recorded positive growth, with rate ranging from 6.9 percent in the agricultural sector to 0.6 percent in the “domestic services of households” sector. The sole exception was the construction sector, which experienced a decline of 1.1 percent, partly reflecting the impact of ongoing regional uncertainty weighted on investment and activity in the sector. Economic growth during 2024 was primarily driven by the manufacturing sector, which maintained its position as the leading growth contributor for the third consecutive year. The sector contributed 0.7 percentage point, accounting for 29.9 percent of the total real GDP growth recorded in 2024.

Commodity-producing sectors recorded a growth rate of 4.2 percent, slightly below the 4.6 percent growth achieved in 2023. Meanwhile, service-producing sectors registered a growth rate of 1.9 percent, compared to 2.5 percent in 2023.

	2021	2022	2023 ⁽¹⁾	2024 ⁽¹⁾
Agriculture, Forestry & Fishing	6.6	3.9	6.4	6.9
Mining & Quarrying	3.8	9.8	8.6	5.5
Manufacturing	2.3	3.5	3.8	4.2
Electricity & Water	0.4	5.2	5.6	4.8
Construction	5.6	4.7	2.6	-1.1
Total Commodity - Producing Sectors	3.3	4.3	4.6	4.2
Trade, Restaurants & Hotels	8.3	4.1	3.0	2.2
Transport, Storage & Communications	10.8	3.6	4.4	3.3
Finance, Real Estate & Business Services	0.8	2.1	1.9	1.7
Social & Personal Services	4.0	2.3	3.2	2.2
Producers of Government Services	1.7	2.2	2.0	1.2
Producers of Private Non-Profit Services to Households	4.6	5.0	4.3	2.5
Domestic Services of Households	12.8	-1.6	3.2	0.6
Total Service - Producing Sectors	4.0	2.3	2.5	1.9
GDP at Constant Basic Prices	3.7	3.0	3.2	2.7

Source: Department of Statistics.
(1) : Preliminary.

The relative importance of commodity-producing sectors in GDP, at constant basic prices, increased to reach 34.7 percent, up from 34.2 percent in 2023. This shift was accompanied by a corresponding decline in the relative share of service-producing sectors, which fell to 65.3 percent, compared to 65.8 percent in 2023. As a result of these developments, commodity-producing sectors remained the primary driver of GDP growth rate, at constant basic prices, contributing 1.5 percentage points (or 55 percent of the total real GDP growth of 2.7 percent). Meanwhile, the service-producing sector contributed 1.2 percentage points to real GDP growth.

The Relative Importance of Economic Sectors in GDP at Constant Basic Prices

2021-2024, Percent

	2021	2022	2023 ⁽¹⁾	2024 ⁽¹⁾
Agriculture, Forestry & Fishing	5.4	5.4	5.6	5.8
Mining & Quarrying	2.7	2.8	3.0	3.1
Manufacturing	20.1	20.2	20.3	20.6
Electricity & Water	1.9	2.0	2.0	2.1
Construction	3.3	3.3	3.3	3.2
Total Commodity - Producing Sectors	33.3	33.8	34.2	34.7
Trade, Restaurants & Hotels	11.4	11.5	11.5	11.4
Transport, Storage & Communications	9.7	9.7	9.8	9.9
Finance, Real Estate & Business Services	21.1	20.9	20.7	20.5
Producers of Government services	15.5	15.4	15.2	15.0
Other Services	9.0	8.7	8.6	8.5
Total Service - Producing Sectors	66.7	66.2	65.8	65.3
GDP at Constant Basic Prices	100.0	100.0	100.0	100.0

Source: Department of Statistics.
(1) : Preliminary.

• Developments in Commodity-Producing Sectors:

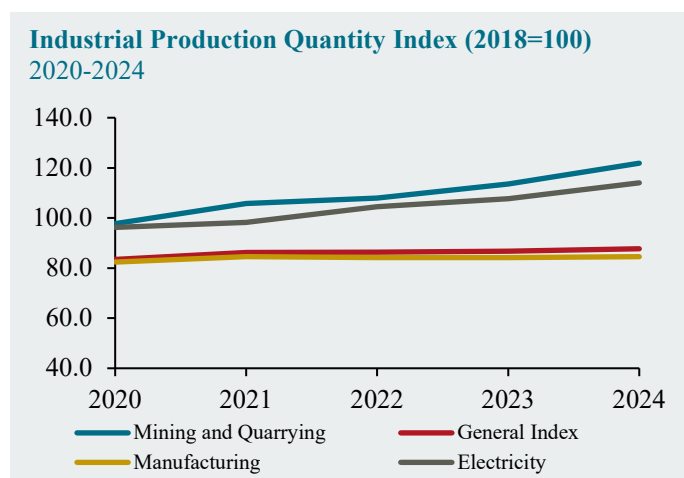
- **Industry:** The industry sector (both “mining and quarrying” and manufacturing), recorded a growth rate of 4.3 percent in 2024, compared to 4.4 percent in 2023. The relative importance of this sector in GDP, at constant basic prices, increased by 0.4 percentage point, to reach 23.7 percent. This sector maintained its strong contribution to economic activity, accounting for 1.0 percentage point of total GDP growth at constant basic prices in 2024, unchanged from its contribution in 2023. The Industrial Production Quantity Index (IPI) recorded a growth of 1.1 percent in 2024, up from 0.5 percent in 2023. The growth recorded in the industrial sector during 2024 was result of the following:

- **The improvement in manufacturing sector performance, which recorded a growth rate of 4.2 percent in 2024, compared to 3.8 percent in 2023.** As evidenced by the Manufacturing Industry Production Quantities Index, which showed an overall increase in output across several key industries, most notably; “food products”, “refined petroleum products”, and “paper and paper products”. Conversely, declines

in output were observed in several other industries, most notably; clothing, “chemical materials and products” and “manufacture of electrical equipment”. (Detailed figures are provided in the Statistical Appendix/ Table No. 3).

- **A moderation in production momentum in the mining and quarrying sector which** recorded a growth rate of 5.5 percent in 2024, marking a slowdown compared to the 8.6 percent growth achieved in 2023. This occurred as a result of the following:
 - ✓ The slowdown in potash production, which increased by 1.9 percent, to reach 2.83 million tons, compared to a growth of 3.6 percent growth in 2023. Despite facing geopolitical disruptions and global price pressures in the fertilizer market, the Arab Potash Company reported net profits of JD 184 million in 2024. This performance was supported by 5 percent reduction in the average production cost per ton of potash, compared to 2023, driven by enhanced operational efficiency.
 - ✓ In contrast, phosphate production recorded a notable increase of 16.7 percent in 2024, to reach 13.0 million tons, compared to a modest growth of

1.5 percent in 2023. The Jordan Phosphate Mines Company reported net profits of JD 462 million, driven by expanded sales across raw phosphate, phosphate fertilizers, and phosphoric acid.



Main Indicators of the Industrial Sector
2021-2024

	2021	2022	2023	2024
Value Added at Current Prices (JD Million) ⁽¹⁾	6,315.9	6,989.0	7,440.7	7,959.1
Growth Rate at Constant Prices (%) ⁽¹⁾	2.5	4.3	4.4	4.3
The Deflator of the Industrial Sector (2016=100) ⁽¹⁾	103.7	119.0	121.6	124.0
Industrial Exports* (JD Million) ⁽¹⁾	5,233.7	7,466.8	7,222.3	7,245.0
Industrial Production Quantity Index (2018=100) ⁽²⁾	86.3	86.3	86.7	87.7
Outstanding Credit Facilities Extended by Licensed Banks (JD Million)	3,652.7	3,917.9	3,997.5	4,076.9

Sources: - Department of Statistics.
- Central Bank of Jordan/ Monthly Statistical Bulletin.

(1) : The years 2023 and 2024 are preliminary data.
(2) : Preliminary data for the year 2024.
* : Domestic exports excluding agricultural exports.

- **Agriculture:** The agriculture sector maintained strong performance for the second consecutive year, ranking among the leading economic sectors in terms of growth. In 2024, the sector recorded a growth rate of 6.9 percent, up from 6.4 percent in 2023. Accordingly, the sector's contribution to GDP growth rate, at constant basic prices, increased by 0.1 percentage point, to reach 0.4 percentage point. Its relative importance in GDP also increased by 0.2 percentage point to reach 5.8 percent. This performance was partly driven by increased external demand, reflected in a 30.5 percent increase in agricultural exports in 2024, compared to 13.8 percent in 2023. Progress continued in the implementation of the National Plan for Sustainable Agriculture (2022-2025), launched by the Ministry of Agriculture to enhance both plant and animal productivity and support the resilience of the farming sector. On the financing side; banks credit facilities to the agricultural sector increased by 6.4 percent (JD 37.9 million), to reach JD 627.3 million by the end of 2024. In addition, the Agricultural Credit Corporation extended JD 57 million in loans, benefiting 10.6 thousand farmers, with financing directed toward a wide variety of agricultural and rural activities.

Main Indicators of the Agricultural Sector				
2021-2024				
	2021	2022	2023	2024
Value Added at Current Prices ⁽¹⁾ (JD Million)	1,573.4	1,668.1	1,745.4	1,919.5
Growth Rate at Constant Prices ⁽¹⁾ (%)	6.6	3.9	6.4	6.9
The Deflator of the Agricultural Sector ⁽¹⁾ (2016=100)	108.1	110.3	108.4	111.6
Outstanding Credit Facilities Extended by Licensed Banks (JD Million)	453.3	534.6	589.5	627.3

Sources: - Department of Statistics.
- Central Bank of Jordan/ Monthly Statistical Bulletin.

(1) : The years 2023 and 2024 are preliminary data.

- **Construction:** In 2024, the construction sector witnessed a decline of 1.1 percent, compared to a growth rate of 2.6 percent in 2023. This decline is attributed, in part, to the prevailing geopolitical uncertainty in the region, which negatively impacted investor confidence and led to the hesitation or postponement of construction decisions, a common trend during periods of heightened regional instability. As a result, the relative importance of the construction sector in GDP at constant basic prices decreased by 0.1 percentage point, reaching 3.2 percent in 2024. Several key indicators reflected the sector's downturn; a 4.0 percent decline in the "licensed areas for building", a 16.9 percent decrease in "imported quantities of intermediate building materials", and a 1.9 percent drop in the banks credit facilities extended to the sector.

Main Indicators of Construction Sector				
2021-2024				
	2021	2022	2023	2024
Value Added at Current Prices ⁽¹⁾ (JD Million)	880.8	947.7	974.8	944.0
Growth Rate at Constant Prices ⁽¹⁾ (%)	5.6	4.7	2.6	-1.1
The Deflator of the Construction Sector ⁽¹⁾ (2016=100)	98.7	101.4	101.7	99.6
Outstanding Credit Facilities Extended by Licensed Banks (JD Million)	7,718.5	8,237.0	8,014.0	7,858.8
Number of Permits (Permit)	26,720	25,790	24,207	23,902
Licensed Areas for Building (Thousands of sq.m.)	8,747.4	9,058.5	9,408.5	9,027.5

Sources: - Department of Statistics.
- Central Bank of Jordan/ Monthly Statistical Bulletin.

(1) : The years 2023 and 2024 are preliminary data.

- **Electricity and Water:** The "electricity and water" sector recorded a growth rate of 4.8 percent in 2024, marking a slowdown compared to 5.6 percent in 2023. Despite this deceleration, the sector maintained its contribution to GDP growth, at constant basic prices, at approximately 0.1 percentage point. Meanwhile, its relative importance in GDP increased slightly to 2.1 percent, up from 2.0 percent in 2023. The slowdown in growth was partly due to weakened activity in several economic sectors, particularly; "restaurants and hotels", transportation, and "mining and quarrying", which collectively led to a

decline in local electricity demand. In contrast, the total amount of electricity exported by the National Electric Power Company (NEPCO) increased by 32.7 percent in 2024, to reach 265.8 GW/ h. Notably, electricity exports to Iraq, which began in February 2024, reached a volume of 90.5 GW/ h.

- **Developments in Service-Producing Sectors:**

- **Transport, Storage and Communications:** This sector witnessed a slowdown in its performance, recorded a growth rate of 3.3 percent in 2024, compared to 4.4 percent in 2023. As a result, the sector's contribution to GDP growth rate, at constant basic prices, declined to 0.3 percentage point, compared to 0.4 percentage point in 2023, while its relative importance in GDP remained broadly stable at 9.9 percent. The slowdown in sectoral growth is primarily attributed to a general decline in demand for transport services, reflecting a broader economic slowdown, particularly in sectors linked to tourism activity, as a sharp deceleration in the growth rate of number of departures, which slowed to 3.4

percent in 2024, down from 24.4 percent in 2023, and a moderation in Royal Jordanian airlines passenger growth, which slowed to 4.0 percent, compared to 18.1 percent in 2023.

- **Finance, Insurance and Business Services:** This sector witnessed a stable in its performance in 2024, recording a growth rate of 2.7 percent. Accordingly, the sector's contribution to GDP growth rate, at constant basic prices, remained steady at 0.2 percentage point, and its relative importance in GDP held at 8.6 percent, unchanged from 2023. The stability was an outcome of a 4.2 percent increase in total credit facilities extended by banks in 2024, compared to a 2.4 percent in 2023, and a decrease in the interest rate margin, which narrowed to 2.39 percentage points, compared to 2.88 percentage points in 2023.
- **Real Estate:** This sector witnessed a slowdown in its performance in 2024, recording a growth rate of 1.0 percent, compared to 1.4 percent in 2023. As a result, its contribution to GDP growth rate, at constant basic prices, decreased by 0.1 percentage point to reach 0.1 percentage

point, while its relative importance to GDP also declined to 11.9 percent, compared to 12.1 percent in 2023. Key indicators influencing sector performance include rent prices, as measured by the Consumer Price Index, which rose by 3.8 percent in 2024, compared to 4.1 percent in 2023. The population growth rate remained stable at 1.9 percent in 2024.

In 2024, the real estate market experienced a decline in trading volume by 4.0 percent, with the total value of transactions falling to JD 6.7 billion, compared to JD 7.0 billion in 2023. In response, a series of government and financial sector initiatives were introduced in November 2024 to stimulate the real estate sector. Key measures included:

- A 50 percent exemption on registration fees for residential apartments with an area of 150 square meters or more, for first-time buyers. This complements a previous decision granting a 100 percent exemption on registration fees for apartments under 150 square meters.
- A 50 percent exemption on property fees for 3 years for individuals purchasing a residential apartment for the first time.

In addition, the banking sector supported these efforts through a new initiative to provide soft housing loans, launched in November 2024, this initiative offers preferential interest rates not exceeding 4.99 percent for the first three years, targeting first-time apartment buyers.

- **Producers of Government Services:** This sector recorded a growth rate of 1.2 percent in 2024, down from 2.0 percent in 2023. Consequently, the sector's contribution to GDP growth rate, at constant basic prices, decreased by 0.1 percentage point, reaching 0.2 percent in 2024. Its relative importance in GDP also decreased slightly to 15.0 percent, compared to 15.2 percent in 2023. The slower performance of the sector partly reflects the slowdown in growth of compensation of government employees within the general budget, which is a key indicator of public service output, that grew by 2.1 percent in 2024, compared to 5.7 percent in 2023.
- **Wholesale and Retail Trade:** This sector experienced a slowdown in its performance, recording a growth rate of

2.3 percent in 2024, compared to 2.6 percent in 2023. Accordingly, its contribution to GDP growth rate, at constant basic prices, decreased by 0.1 percentage point, to reach 0.2 percentage point. Meanwhile, its relative importance in GDP remained largely unchanged at 9.8 percent, consistent with 2023 levels. The slower growth in this sector is attributed to a 0.4 percent decrease in import volumes and a 3.9 percent decline in tourists in 2024. These developments reflect, in part, the broader slowdown in domestic demand, driven by the ongoing geopolitical tensions in the region.

- **Restaurants and Hotels:** This sector was among the most affected by geopolitical instability in the region, experiencing a marked slowdown in performance. The sector recorded a growth rate of 1.4 percent in 2024, significantly down from 5.7 percent in 2023. As a result, its contribution to GDP growth rate, at constant basic prices, decreased by 0.1

percentage point, approaching zero, while it maintained its relative importance to GDP at 1.6 percent, unchanged from 2023. The weak performance reflects the decline in tourism income and the number of tourists by 2.3 percent and 3.9 percent, respectively, during 2024.

Main Indicators of the Tourism Sector
2021-2024

	2021	2022	2023	2024
Number of Tourists (Thousand)	2,358.6	5,048.9	6,353.8	6,108.5
Gross Tourism Income/ GDP* (%)	6.0	11.9	14.5	13.5
Outstanding Credit Facilities Extended by Licensed Banks (JD Million)	713.5	685.1	667.6	654.0
Number of Hotels	622	607	638	919
Number of Rooms (Thousand)	29.1	29.9	30.6	35.9
Employees in Hotels (Thousand)	20.0	21.8	21.9	22.5
Employees in the Tourism Sector (Thousand)	49.2	54.8	54.9	56.3

Sources: - Central Bank of Jordan/ Monthly Statistical Bulletin.
- Ministry of Tourism and Antiquities.

* : Gross tourism income according to the balance of payments data.

Box (3)

GDP by Expenditure Approach for the Years 2022 and 2023

The Department of Statistics released GDP data based on the expenditure approach (demand side) for the years 2022 and 2023. The data indicated that economic performance during these two years was driven by improvement in the external sector. In contrast, the contribution of consumption expenditures and gross capital formation declined in both the private and public sectors. A detailed breakdown of the demand-side components is presented below (statistical tables/ Table 2):

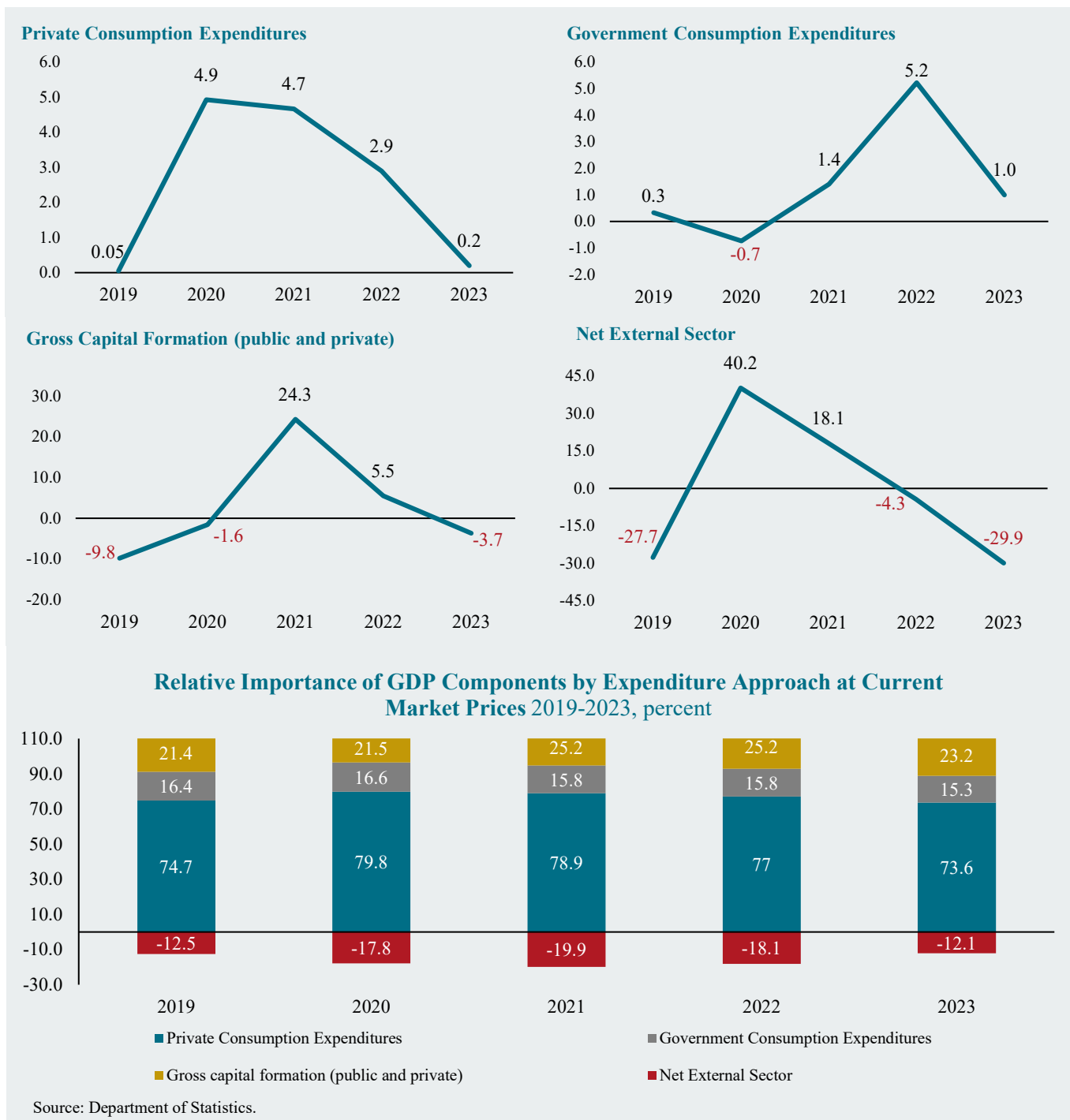
- **Private Consumption Expenditures:** The relative importance of this item in GDP, at current market prices, declined over the period 2022-2023. It accounted for 77.0 percent of GDP in 2022 and 73.6 percent in 2023, down from 78.9 percent in 2021. The growth rate of private consumption expenditure also slowed, recording 2.9 percent in 2022 and 0.2 percent in 2023, compared to 4.7 percent in 2021. This deceleration is partly attributed to the weakened pace of domestic demand, which was adversely impacted by a rise in the general price level amid a global inflationary wave. This inflationary pressure prompted the adoption of tightening monetary policies by central banks - including the Central Bank of Jordan - beginning at the end of March 2022 and continuing throughout 2023. The inflation rate in the Kingdom, as measured by the Consumer Price Index (CPI), rose to 4.23 percent in 2022, up from 1.35 percent in 2021, before declining to 2.08 percent in 2023.
- **Government Consumption Expenditures:** The relative importance of this item in GDP, at current market prices, remained stable at 15.8 percent in 2022, before declining slightly to 15.3 percent in 2023. In terms of growth, the value added of government consumption rose by 5.2 percent in 2022, compared to a growth rate of 1.4 percent in 2021. This increase was partly driven by higher government expenditures, particularly a 4.4 percent rise in employee compensation and a 3.5 percent increase in military allocations over 2021 levels. Growth in value added continued in 2023, to reach 1.0 percent. This was supported by further increase in both employee compensation and military allocations, which rose by 5.7 percent and 5.4 percent, respectively, during 2023.

Box (3) Continued

- **Gross Capital Formation (Public and Private):** The relative importance of this item in GDP, at current market prices, remained stable at 25.2 percent in 2022, before declining by 2.0 percentage points to reach 23.2 percent in 2023. This component experienced a notable slowdown in performance. After recording a strong growth rate of 24.3 percent in 2021, growth in gross capital formation decelerated to 5.5 percent in 2022, and contracted by 3.7 percent in 2023. According to available indicators, this decline is primarily attributed to a slowdown in domestic investment activity, coupled with a decline in government capital expenditure, which grew by 32.9 percent in 2022, down from 38.3 percent in 2021, and then declined by 8.9 percent in 2023. In contrast, Net Foreign Direct Investment (FDI) flows showed strong positive momentum, FDI increased from JD 441.5 million in 2021 to JD 683.4 million in 2022 and continued to rise significantly in 2023, to reach JD 1,424.5 million.
- **The Net External Sectors:** The relative importance of this item in GDP, at current market prices showed notable improvement over the period of 2022 and 2023. The sector's negative contribution to GDP narrowed to 12.1 percent in 2023, compared to a larger negative contribution of 19.9 percent in 2021. In terms of performance, the net external sector grew by 4.3 percent in 2022 and recorded a significant improvement of 29.9 percent in 2023. The improvement in 2022 was primarily driven by a strong increase in total merchandise exports, which grew by over 36.0 percent, outpacing the 27.0 percent growth in merchandise imports. The positive performance continued in 2023, despite a 1.8 percent decline in exports, due to a sharper decline in imports, which contracted by 5.9 percent during 2023.

Box (3) Continued

Growth Rates of GDP Components by Expenditure Approach at Current Market prices 2019-2023, percent



| Prices

The inflation rate in the Kingdom continued to decelerate in 2024, marking the second consecutive year of moderation, following the inflationary wave that emerged in the wake of the Covid-19 pandemic during 2021 and 2022. This downward trend reflects the easing of global inflationary pressures, coupled with the consistent application of balanced domestic economic policies by both the government and the CBJ, aimed at containing inflation. The following is an analysis of price level developments in 2024, based on various inflation indicators:

□ Consumer Price Index (CPI)

The inflation rate, as measured by the relative percentage change in the CPI, decreased to 1.56 percent in 2024, compared to 2.08 percent in 2023, continuing its downward trend from a peak of 4.23 percent in 2022 following the global inflationary wave post-COVID-19. This decline is attributed to a combination of external and internal factors. Externally, the moderation in global inflationary pressures stemmed from gradual disruptions in global supply chains and the tight monetary policies adopted by major central banks over the past two years to contain demand-driven inflation.

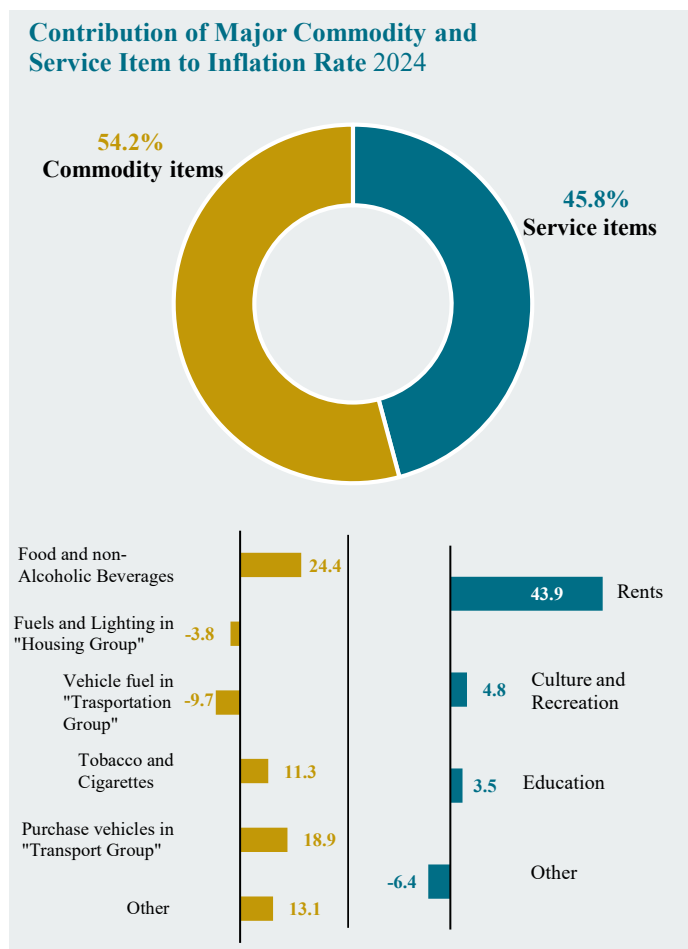
These efforts contributed to a continued decline in commodity prices in international markets, notably oil prices declined by 2.9 percent, averaging USD 79.8 per barrel in 2024, down from USD 82.2 per barrel in 2023, and food prices also declined by 2.1 percent, according to the Food Price Index released by the Food and Agriculture Organization (FAO). Domestically, the decline in energy prices had a clear impact on local inflation, particularly in the “fuel and lighting” item, which reduced the inflation rate by 0.1 percentage point in 2024, compared to a positive contribution of 0.3 percentage point in 2023. Similarly, food prices remained low, with their contribution to inflation limited to just 0.4 percentage point.

On the domestic front, the government continued to implement a range of measures introduced in 2022 to mitigate the impact of external inflationary pressures. These measures included fixing the prices of key essential goods and services such as bread, household gas cylinders, and public transportation fares. Maintaining strategic stockpiles of essential food commodities through preventive storage. Setting price ceilings for shipping containers used in customs valuation to reduce import-related costs. In 2024, the government expanded its efforts with

additional measures, including instructing regulatory authorities to expedite the customs clearance of goods, particularly food items, and allowing the private sector to store food commodities at Silos Company warehouses at prices about 40 percent below prevailing market storage rates. These actions were complemented by the continued implementation of tight monetary policy by the CBJ since March 2022, which helped curb demand driven inflationary pressures.

The inflation rate in 2024 was an outcome of the following factors:

- **Slowdown in price increase for several groups and items**, most notably rent item, which increased by 3.8 percent, down from 4.1 percent in 2023, partly due to weaker demand for furnished apartments amid a 3.9 percent drop in tourist numbers, reflecting the regional geopolitical instability, particularly the war in Gaza. Transportation prices rose by 0.9 percent, compared to 1.3 percent in 2023, driven by a 2.9 percent drop in international oil prices. Communications prices rose by 0.3 percent, down from 0.5 percent in 2023, amid intensifying market competition.



These items and groups collectively contributed 0.8 percentage point to the inflation rate in 2024, accounting for 51.3 percent of the total, compared to 0.9 percentage point (or 43.3 percent) in 2023.

- **Price declines in several items and groups**, most notably; “fuel and lighting” item which fell by 1.1 percent, compared to 5.8 percent increase in 2023. Health group prices decreased by 0.1 percent, compared to a 2.9 percent increase in 2023. “clothing and footwear” group dropped by 0.9 percent, compared to a 0.6 percent decline in 2023. Collectively, these items and groups reduced the inflation rate by 0.1 percentage point, compared to a positive contribution of 0.4 percentage point in 2023.
- **Acceleration in prices of a few items**, most notably; food item, which rose by 1.6 percent, up from 0.7 percent in 2023. Despite a 2.1 percent drop in global food prices, domestic price increases were recorded in; “meat and poultry” increased by 3.3 percent in 2024, compared to 0.2 percent in 2023. “vegetables and legumes dry and canned” items increased by 3.1 percent, compared to a 7.9 percent drop in 2023.

Tobacco and cigarettes: increased by 4.1 percent in 2024, up from 3.5 percent in 2023, partly due to the revised special tax system enacted on September 12, 2024, which raised the special tax on all tobacco and cigarette products.

Inflation Rate

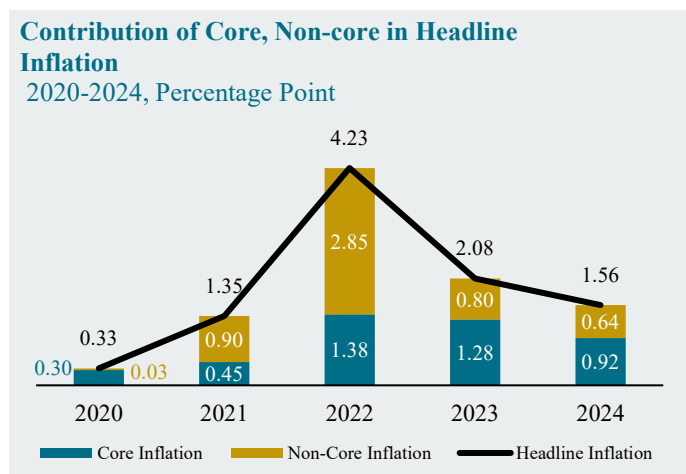
2023-2024

Groups	Relative Imp.	Inflation Rate (%)		Contribution to inflation rate (Percentage Point)	
		2023	2024	2023	2024
All Items	100.0	2.08	1.56	2.08	1.56
1. Food and Non Alcoholic Beverages, of which:	26.5	0.6	1.5	0.2	0.4
Meat & Poultry	4.7	0.2	3.3	0.0	0.2
Vegetables & Legumes Dry & Canned	3.0	-7.9	3.1	-0.2	0.1
2. Alcohol & Tobacco & Cigarettes, of which:	4.4	3.5	4.1	0.1	0.2
Tobacco & Cigarettes	4.4	3.5	4.1	0.1	0.2
3. Clothing & Footwear, of which:	4.1	-0.6	-0.9	0.0	0.0
Clothing	3.4	-1.0	-1.0	0.0	0.0
4. Housing, of which:	23.8	4.3	2.8	1.0	0.7
Rents	17.5	4.1	3.8	0.7	0.7
Fuels & Lighting	4.7	5.8	-1.1	0.3	-0.1
5. Household Furnishings & Equipment	4.9	1.8	0.2	0.1	0.0
6. Health	4.0	2.9	-0.1	0.1	0.0
7. Transportation	16.0	1.3	0.9	0.2	0.1
8. Communication	2.8	0.5	0.3	0.0	0.0
9. Culture & Recreation	2.6	4.4	2.8	0.1	0.1
10. Education	4.3	1.8	1.3	0.1	0.1
11. Restaurants & Hotels	1.8	2.4	1.0	0.0	0.0
12. Other Goods & Services	4.8	2.7	1.8	0.1	0.1

Source: Department of Statistics.

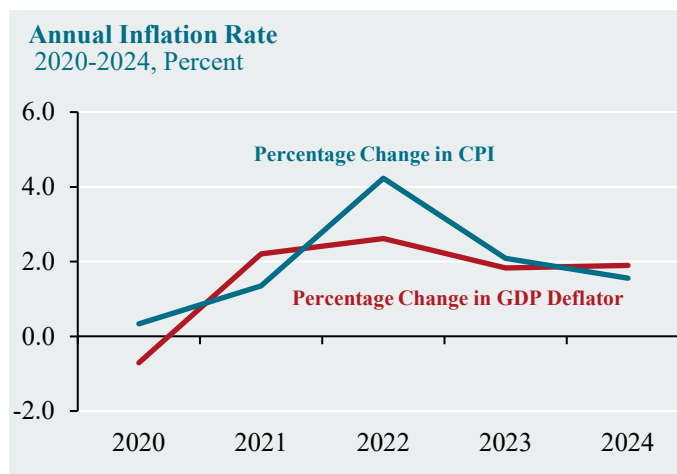
Core Inflation Rate

The core inflation rate, which excludes the most volatile items (energy and food), slowed to 1.97 percent in 2024, down from 2.71 percent in 2023. It contributed approximately 0.92 percentage point to the headline inflation rate. This moderation was primarily attributed to a slowing in the price increase of several key service-related items and groups, including rent, which increased by 3.8 percent in 2024, compared to 4.1 percent in 2023. Education increased by 1.3 percent, compared to 1.8 percent in 2023. “Household furnishings and equipment” increased marginally by 0.2 percent, compared to 1.8 percent in 2023, while communications prices rose by 0.3 percent, down from 0.5 percent in 2023. Meanwhile, other groups and items recorded actual declines, most notably, “clothing and footwear” group decreased by 0.9 percent, compared to a 0.6 percent decline in 2023, while health group prices fell by 0.1 percent, reversing a 2.9 percent increase in 2023, and “home maintenance services” item declined by 0.4 percent, compared to an increase of 2.4 percent in 2023.



GDP Deflator

The general price level, as measured by the percentage change in the GDP deflator, remained relatively stable in 2024, recording a growth of 1.9 percent, nearly unchanged from the previous year. This relative stability was primarily driven by a decrease in production costs in several sectors that witnessed a slowdown in performance, most notably; prices of “mining and quarrying” increased by 1.4 percent, compared to 2.5 percent in 2023, “transportation, storage and communications” increased by 2.3 percent, down from 3.3 percent, and “producers of government services” increased by 1.3 percent, compared to 3.5 percent in the previous year. Conversely, some sectors witnessed rising prices, including manufacturing which rose by 2.7 percent, compared to 1.7 percent in 2023. “electricity and water” increased by 1.9 percent, up from 1.1 percent in 2023. In addition, the agricultural sector experienced a price increase of 2.9 percent in 2024, reversing a 1.7 percent decline in 2023.



| Labor Market

Despite the slowdown in the economic growth experienced by the national economy in 2024, driven by the repercussions of geopolitical tensions in the region, which adversely impacted the performance of several key labor-intensive sectors, such as tourism, transportation, and trade, the unemployment rate among Jordanians continued on a downward trajectory for the third consecutive year. The unemployment rate dropped by 0.6 percentage point, to reach 21.4 percent in 2024, compared to 22.0 percent in 2023 and 22.8 percent in 2022. This comes after a peak of 24.1 percent in 2021, which was largely the result of the economic disruptions caused by the COVID-19 pandemic.

The decline in the unemployment rate in 2024 was mainly attributed to a 6.1 percent increase in the number of employed, compared to a 4.7 percent increase in 2023. This positive performance was supported by the resilience of several sectors in the face of external challenges, most notably the agriculture sector, “information and communications”, “scientific, professional and technical activities”, education, as well as the “financial services and insurance” sectors. Collectively, these sectors accounted for approximately one-third of the total increase in employment recorded in 2024.

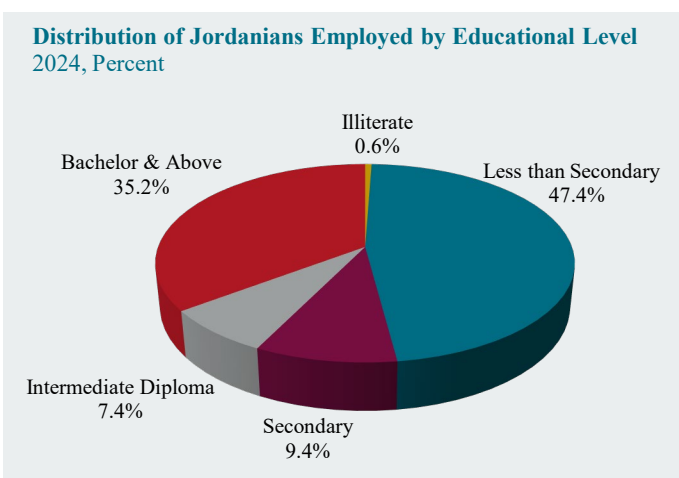
Despite the gradual decline in the unemployment rate over the past three years, it remains elevated, reflecting persistent structural imbalances in the labor market. Key contributing factors include the steady increase in the number of new entrants to the labor force, the presence of foreign workers (both licensed and unlicensed) who compete with Jordanian workers for available job opportunities, as well as a mismatch between educational outcomes and labor market needs. Additionally, the low labor force participation rate of Jordanians, particularly women.

The following is an analysis of key labor market indicators in the Kingdom:

□ Employment

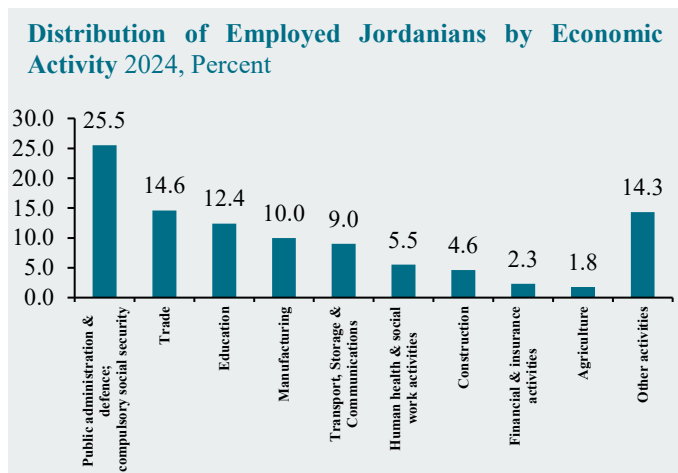
In 2024, the number of employed Jordanians increased by 90.8 thousand, exceeding the 2023 increase by 23.9 thousand, bringing the total number of employed individuals to 1,576.4 thousand (of whom 81 percent are males and 19 percent are females). As a result, the employment-to-population ratio (for individuals aged 15 years and above) increased by 0.9 percentage point, reaching 26.8 percent, after remaining relatively stable at 25.9 percent over the past two years.

By educational level, workers with a high school degree or lower, accounted for 57.3 percent of the total number of employed Jordanians, while those with an academic degree (bachelor’s degree or above) made up 35.2 percent.

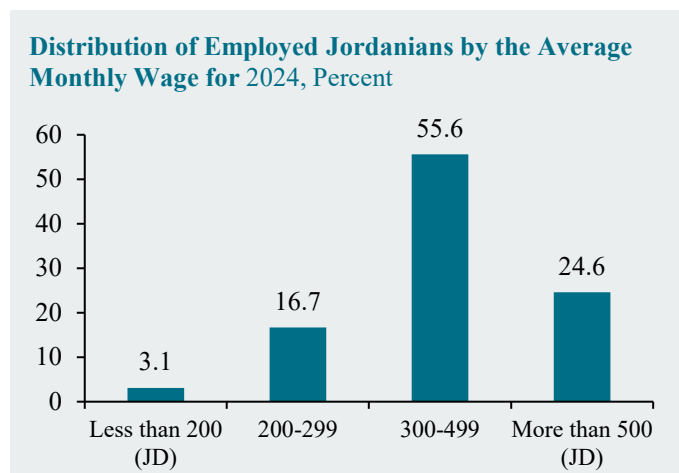


By sectors, service-producing activities continue to dominate employment, accounting for 81.9 percent of Jordanian workers, particularly in sectors such as “public administration and defense, compulsory social security”, “wholesale and retail trade” and education.

The public sector, despite a slight decline in its share to 37.3 percent in 2024 (down from 37.7 percent in 2023), continues to play a significant role in employment. Meanwhile, the private sector, as the main driver of employment, employs 62.7 percent of Jordanian workers.

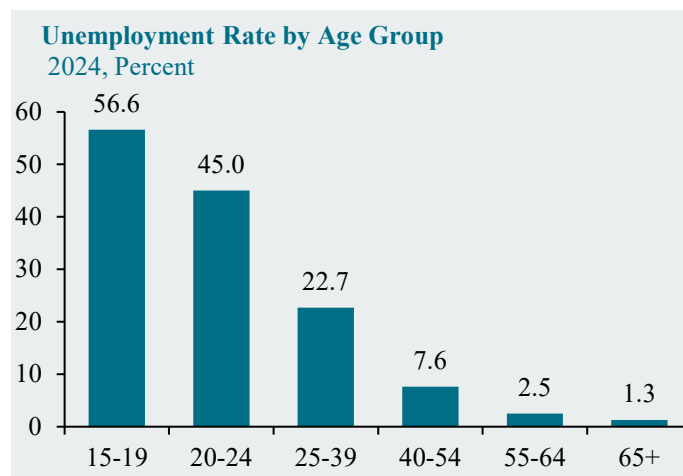
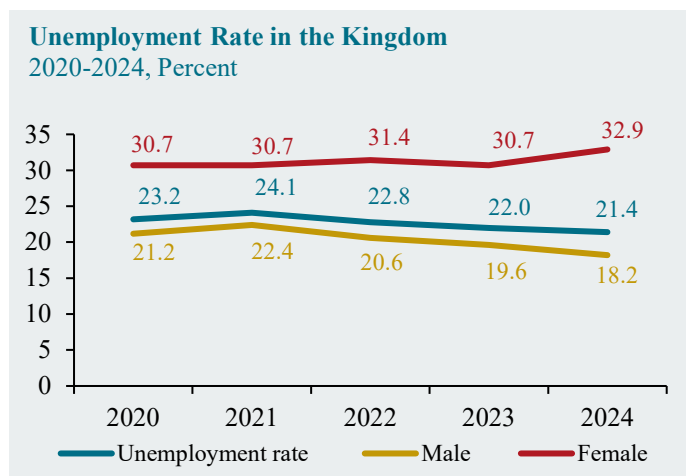


In terms of average monthly wages, 55.6 percent of workers earn monthly wages between JD 300 and JD 499.



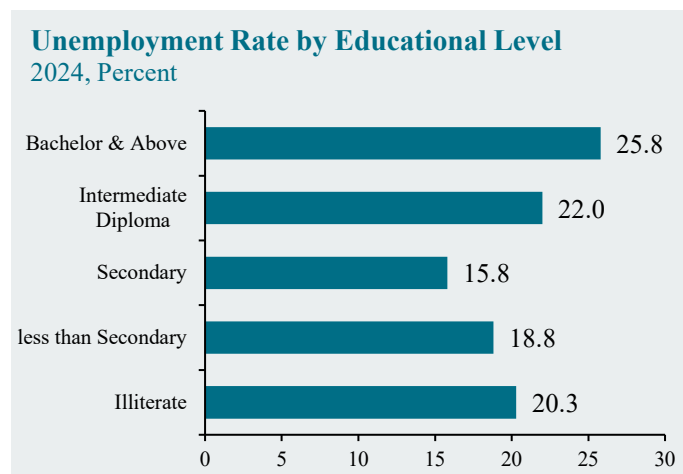
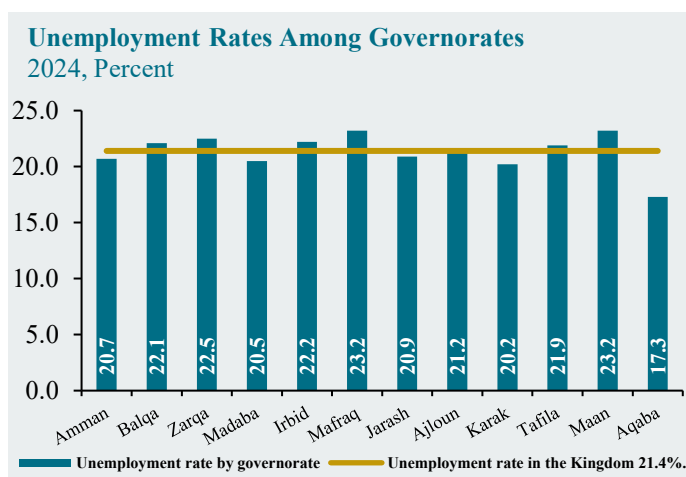
Unemployment

In 2024, the number of unemployed Jordanians reached 429.7 thousand, (66.4 percent males and 33.6 percent females). Accordingly, the unemployment rate (the number of unemployed to the total labor force) stood at 21.4 percent (18.2 percent among males and 32.9 percent among females), compared to 22.0 percent in 2023 (19.6 percent for males and 30.7 percent for females).



At the governorate level, Aqaba recorded the lowest unemployment rate at 17.3 percent, while Ma'an and Mafrq registered the highest, at 23.2 percent each.

In terms of educational level, academic degree holders (bachelor's degree or above) experienced the highest unemployment rate, at 25.8 percent, highlighting the persistent mismatch between academic qualifications and labor market requirements.



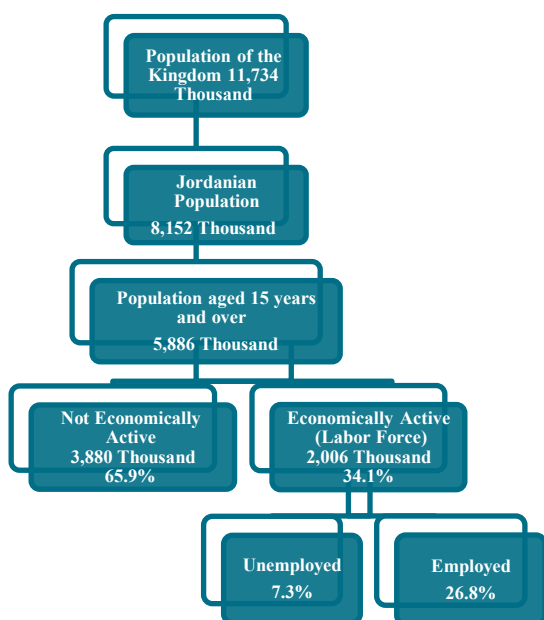
By age groups, the highest unemployment rate was recorded among youth aged 15-19 years, to reach 56.6 percent, with rates declining progressively in older age cohorts.

❑ Labor Force (Employed and Unemployed)

The population of the Kingdom reached approximately 11.7 million in 2024, including

around 8.1 million Jordanian nationals, of whom roughly 2.0 million were part of the labor force. The crude economic participation rate (calculated as the labor force divided by the total Jordanian population) increased by 0.6 percentage point, to reach 24.6 percent. In parallel, the more indicative refined economic participation rate (measuring the Jordanian labor force as a percentage of Jordanian aged 15 years and above), which indicates the utilization of human resources in the economy, increased by 0.9 percentage point to reach 34.1 percent in 2024 (53.4 percent for males, and 14.9 percent for females), compared to 33.2 percent in 2023 (53.2 percent for males, and 14.0 percent for females).

Structure of Labor Market in The Kingdom, 2024



Production and Employment Policies

During 2024, the Government adopted several measures and legislation aimed at creating a favorable investment climate to improve the business environment, attract additional domestic and foreign investments, regulate the labor market, and raise economic participation, thereby contributing to driving economic growth. The key achievements in this regard are summarized below:

- **Supporting Economic Growth**
 - **Issuance of the “Industrial Support and Development Fund Regulations for 2024”** pursuant to Article (16) of the “Industrial Support and Development Fund Bylaw No. (45) of 2022.” The Fund aims to strengthen investments and exports in the industrial sector through four programs: supporting industrial enterprises to develop and modernize products and enhance export readiness, expanding exports and access to new export markets and promoting exports, output-based incentive, and export credit guarantee.
 - **Launch of the Natural Gas Distribution Networks Project** by the Cabinet. This initiative reflects the Government’s policy of expanding the supply of natural gas to

cities and industrial clusters, with the objectives of reducing energy costs, enhancing the capacity and competitiveness of national industries, and opening new horizons for economic growth and job creation.

- **Promoting Investment**

- **Issuance of the “National Registry of Government Investment Projects Bylaw No. (8) of 2024”** enacted pursuant to the provision of the Public-Private Partnership Projects Law No. (19) of 2023. The Bylaw contributes to monitoring the preparation, planning, and implementation of government investment and PPP projects at a strategic level. The Registry provides a comprehensive database of government investment projects, housed within the Ministry of Planning and International Cooperation. It includes two main datasets: government investment projects and PPP projects with their associated direct and indirect financial commitments.
- **Issuance of the “Public-Private Partnership Projects Bylaw No. (9) of 2024”** pursuant to the PPP Law No. (19) of 2023. The Bylaw aims to support the establishment, rehabilitation, operation,

maintenance, management, or development of infrastructure and public facilities; the provision of public services; and the financing of government projects. It also implements PPP projects that generate added value and higher service quality, while leveraging the private sector’s modern expertise and advanced technical and technological knowledge.

- **Labor Market Policies**

- **Issuance of the “Reduction of Old-Age, Disability, and Death Insurance Contributions for Workers in Private Sector Establishments Bylaw No. (45) of 2024”** pursuant to the Social Security Law No. (1) of 2014. The Bylaw governs the reduction of monthly contributions paid by small- and medium-sized enterprises on behalf of their insured employees. This reduction aims to encourage these enterprises to hire more youth and thus contribute to reducing unemployment rates.
- **Approval of the “Flexible Work Bylaw No. (44) of 2024”** pursuant to the Labor Law No. (8) of 1996. The Bylaw seeks to increase employment rates in the labor market and enhance women’s economic participation. It is also designed to help

reduce unemployment, ease conditions for workers by allowing them to perform their jobs in line with their family responsibilities and social circumstances and align with new work patterns. The Bylaw further aims to reduce operational costs for enterprises, lower turnover rates, and enable the Ministry of Labor to fulfill its mandated roles under the law in regulating the labor market in general, and flexible work arrangements in particular.

- **Approval of the Draft “Amended Social Security Law for 2024”** by the Cabinet, which was subsequently submitted to Parliament for constitutional procedures. The draft law aligns with the objectives of the Economic Modernization Vision, as it fosters a better work environment, supports women’s economic participation, and enhances investment and growth opportunities. It also responds to emerging work patterns, including flexible work in all its forms, ensuring broader coverage under the Social Security Law, safeguarding workers’ rights, and promoting fairness and equity in the inheritance of retirement pensions for both men and women.

- **Decision to Increase the Minimum Wage:**
In December 2024, the Tripartite Committee for Labor Affairs issued a decision to raise the minimum wage in Jordan by JD 30, setting it at JD 290, effective January 2025. The decision exempted the garment sector, given the specific nature of its contractual arrangements in local and foreign markets. The decision also excluded non-Jordanian domestic workers.

The background features a blue-tinted image of financial data. At the top, there are several line graphs with different colors (blue, green, red) showing trends. Below the graphs, there are stacks of silver coins of varying heights, arranged from left to right in descending order. A pen is visible on the left side, resting on a surface. The overall scene suggests a financial or economic context.

3

Monetary, Banking, and Financial Sector

- **Central Bank of Jordan and Monetary Policy**
- **Other Depository Corporation Operations (Licensed Banks)**
- **Other Financial Corporations**



CHAPTER THREE

MONETARY, BANKING, AND FINANCIAL SECTOR

In 2024, the CBJ's monetary policy was marked by a high degree of flexibility and responsiveness to local, regional, and global economic developments. Following the achievement of the key objectives of its tight monetary policy during (2022–2023), most notably, maintaining monetary stability in the Kingdom -including the stability of the Jordanian Dinar exchange rate and keeping inflation rates within appropriate levels-, the CBJ adopted a more accommodative policy stance in 2024. Accordingly, the CBJ reduced its key interest rates three times in 2024, with a cumulative reduction of 100 basis points. This transition contributes in stimulating economic growth, while preserving the strength and resilience of the banking sector.

Simultaneously, the CBJ continued implementing its targeted financing program to support key high value-added economic sectors by offering preferential interest rates, ensuring affordable access to financing, thereby fostering productive economic activity.

The performance of Other Depository Corporations, (which include all licensed banks operating in Jordan), remained positive in 2024. Total assets increased by JD 3.7 billion (5.6 percent), reaching JD 69.9 billion. Deposits rose by JD 3.0 billion (6.8 percent), while the outstanding balance of credit facilities grew by 4.2 percent. Credit facilities extended to the private sector accounted for approximately 90.1 percent of total credit extended. Furthermore, the interest rate margin in the banking market narrowed to 2.39 percent, one of the lowest levels recorded in the past 26 years.

To further reinforce the resilience of the banking system, the CBJ implemented several regulatory measures during 2024, aimed at enhancing the governance and soundness of banks and financial institutions under its supervision. These included updated regulations and instructions designed to enhance ability to follow best practices, strengthen their financial positions and bolster their role in supporting the national economy (Box 4).

Box (4)

Banking and Financial Legislations During 2024

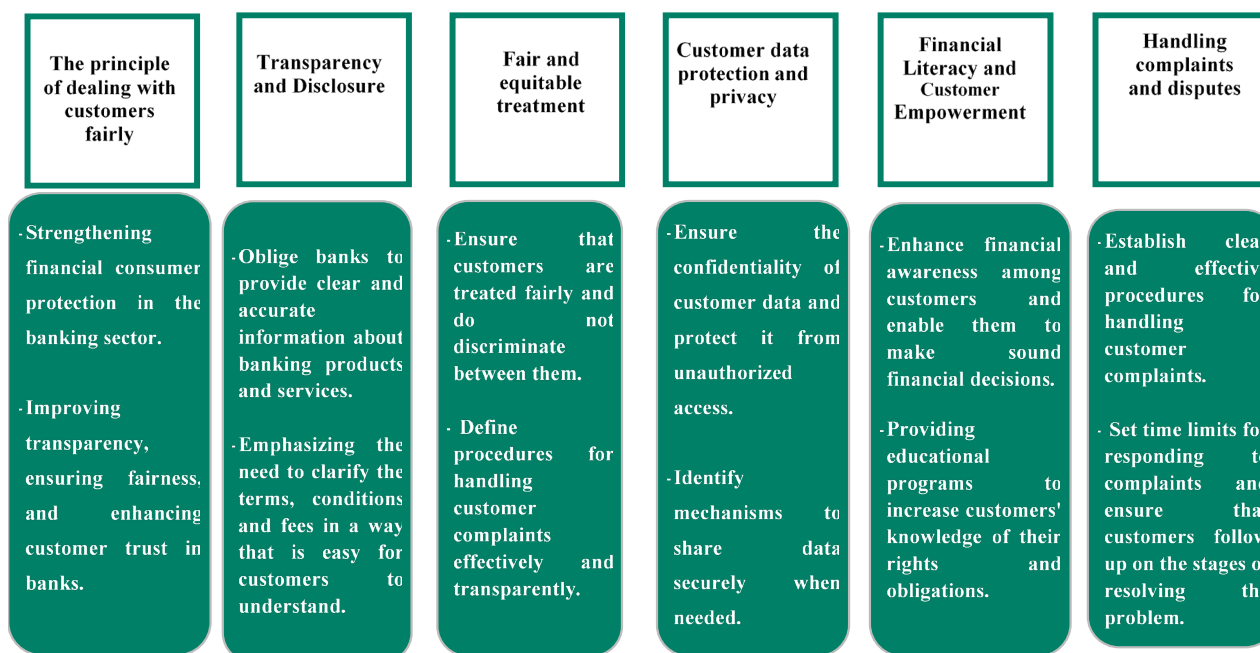
In line with the CBJ's ongoing commitment to preserving the stability of the banking and financial sector, enhancing institutional performance, promoting sound governance practices, and aligning with international regulatory standards, a series of measures and regulations were issued and implemented in 2024, aiming to improve the quality of banking and financial assets, strengthen the risk management framework, ensuring greater transparency in financial operations, and bolster the confidence of customers and investors in the sector.

As part of these efforts, the CBJ issued the following key banking instructions in 2024:

- **Instructions on the Classification of Credit Exposures and the Calculation of Impairment Provisions.** These instructions aimed at establishing a standardized framework for classifying credit exposures and managing credit risk, in line with the Basel Committee's and international best practices. Also, these instructions complement existing accounting standards related to the classification of credit exposures and the provisioning of expected credit losses. The regulatory framework also promotes consistency across banks in identifying high-risk and non-performing credit exposures for prudential requirements.
- **Instructions on the Net Stable Funding Ratio (NSFR).** As part of the CBJ's broader efforts to strengthen financial stability and enhance the resilience of banks during periods of stress, the Net Stable Funding Ratio (NSFR) instructions were issued in 2024. These instructions are designed to ensure that banks maintain a stable and sustainable funding structure that is appropriately aligned with the nature of their assets and activities, thereby mitigating maturity mismatches between assets and liabilities. The instructions are consistent with Basel III standards to ensure sound liquidity management while reinforcing the overall resilience of the banking sector.
- **Circular on the Liquidity Coverage Ratio (LCR) for Significant Currencies.** This circular amend the existing LCR requirements to further align with Basel III standards and enhance banks' ability to manage liquidity risk across multiple currencies. Under this circular banks are required to maintain a minimum LCR of 100 percent across all currencies, with continuous monitoring and calculation at both the banking group level and for their operations in Jordan. In addition, banks must establish minimum thresholds for each significant currency, report any breaches in a timely manner and implement corrective actions as necessary. The circular also mandates that banks conduct stress testing analyses to assess the potential impact of exchange rate fluctuations on liquidity, ensuring greater resilience to unexpected market developments.

Box (4) Continued

- Consumer Financial Protection Instructions for the Banking Sector.** The CBJ issued comprehensive instructions to establish a clear legislative and regulatory framework governing the relationship between banks and their customers. These instructions outline the responsibilities and obligations of banks and ensure alignment with internationally recognized principles of financial consumer protection. Key principles addressed include fair treatment of customers, disclosure and transparency, protection of customer data and privacy, responsible pricing, appropriate product design and service delivery, responsible lending practices and prevention of over-indebtedness, as well as promotion of financial awareness, education, and capacity building. Additionally, the instructions include specific provisions related to credit cards and dormant accounts, and establish maximum limits on fees that banks may charge for services provided to customers.



In accordance with the provisions of the Insurance Regulation Law No. (12) of 2021, several key regulations were issued in 2024 to enhance the regulatory framework governing the insurance sector. The most notable regulations issued during the year include:

Box (4) Continued

- **Instructions on the Conditions Required for the External Auditor of Insurance Companies and the Scope of his Work and Duties No. (15) of 2024.** These instructions require insurance companies to establish a formal audit service policy, which must be approved by the company's Board of Directors. The policy must be reviewed at least annually and updated as necessary.
- **Instructions on the Principles for Calculating Underwriting Liabilities No. (29) of 2024.** These instructions require insurance companies to submit to the CBJ a certificate issued by a qualified actuary, using a standardized and approved template. The CBJ has the right to request written clarification from the actuary regarding any data or information contained in the certificate. Additionally, insurance companies must recognize and evaluate the assets and liabilities of insurance contracts in accordance with International Financial Reporting Standard (IFRS) No. 17. The assumptions and methodologies used in these evaluations must be approved by the appointed actuary.
- **Instructions on the Accounting Policies to be Followed and the Necessary Forms for Preparing and Presenting Financial Statements and Reports No. (28) of 2024.** These instructions aim to ensure that insurance companies adopt uniform and specific accounting policies for the preparation of their final financial reports and statements. In accordance with these requirements, companies must submit to the CBJ the approved, certified, and signed financial statements, duly verified by the external auditor.
- **Mandatory Insurance System and the Related Instructions and Tables in 2024.** Which includes coverage for Jordanian and non-Jordanian vehicles, as well as transit vehicles passing through the Kingdom's borders.

Regarding the most notable developments and amendments to the regulations governing the financing companies' sector, the following key changes occurred in 2024:

Amendment to the Financing Companies by law No. (107) of 2021. During its session on 30/11/2024, the Council of Ministers approved amendments to the Financing Companies by law. These amendments align with the Economic Modernization Vision, specifically targeting project financing and employment generation. The amendments aim to govern the work of financing companies, strengthen the legislative framework governing them, and establish an institutional framework with clear and objective licensing standards. Financing companies will be subject to Jordanian laws and regulations and supervised by the CBJ.

Box (4) Continued

These changes are intended to meet consumer needs, protect them from unfair lending practices, safeguard their rights, and promote responsible financing practices aligned with best professional standards. Additionally, the amendments reflect the latest developments and changes in the financing sector.

The CBJ continued its efforts to develop and enhance the regulatory framework governing the national payments system, with the aim of improving the efficiency, safety, and security of electronic payment and money transfer services. In this context, the following instructions were issued:

- **Amended Instructions to the Financial Guarantee Regulations for Electronic Payment and Money Transfer Service Providers No. (17/2024).** These amended instructions aim to standardize the financial guarantees submitted by exchange companies and electronic payment and money transfer service providers to the CBJ. The purpose of these guarantees is to ensure regulatory compliance and proper service delivery, while also reducing compliance related costs for companies. The amendments support the creation of a balanced regulatory framework that mitigates compliance risk without imposing undue financial burden on service providers.
- **Circular No. (26/4/8827) to Electronic Payment and Money Transfer Service Providers,** mandating the suspension of fund transfer operations conducted over-the-counter (OTC) through agents of electronic payment and money transfer service providers. The circular restricts such transactions to be processed exclusively via the instant payment system “CliQ” and limits the provision of this service to digital channels through customers’ electronic wallets.
- **Circular No. (26/4/20740) to Electronic Payment and Money Transfer Service Providers/ Electronic Money Issuers.** These circular addresses the inclusion of assessing the adequacy of financial guarantees in related to the issuance of electronic money. It outlines specific operational procedures and supervisory controls to ensure that the value of electronic money issued does not exceed the financial guaranteed coverage. These measures are implemented in accordance with the Financial Guarantee Instructions for Electronic Payment and Money Transfer Service Providers, as well as other applicable circulars and legal provisions.

Box (4) Continued

- **Circular No. (26/1/7296) to Electronic Payment and Money Transfer Providers, E-Money issuers, and Mobile Payment Service Providers.** This circular aims on establishing limits on both the number and value of outgoing financial transactions from e-wallet accounts.
- **Circular No. (26/1/7297) to Banks Operating in the Kingdom and Electronic Payment and Money Transfer Providers Operating Points of Sale (POS) services.** This circular was issued to oblige banks and electronic payment and money transfer providers engaged in electronic funds collection through POS terminals comply with a defined set of minimum regulatory requirements and controls concerning the use of foreign cards.

As part of the CBJ's ongoing efforts to strengthen and modernize the regulatory framework for the money exchange sector, the following instructions were issued in 2024:

- **Amendment to the Instructions on Financial Soundness Indicators and Their Limits for Exchange Companies No. (13/2023).** These amendments were introduced to the existing instructions on financial soundness indicators for exchange companies to enhance their financial stability and align regulatory practices with international best practices and ensuring adherence to financial safety requirements. Key amendments included increasing the permissible ratio of fixed assets from 20 percent to 25 percent of capital or shareholders' equity, whichever is higher. Furthermore, revising the calculation basis for all financial ratios; now to be based on capital or shareholders' equity instead of capital alone, except for the liquidity indicator. In addition, the amendments exclude certain internationally recognized assets from the maximum allowed limit.

Box (4) Continued

- **Instructions No. (3/2024) on the Standards and Requirements for Licensed Certified Accountants Auditing Exchange Companies**, these instructions aim to regulate the external audit process for exchange companies by establishing clear standards for the selection of licensed audit firms and audit teams. The objective is to ensure the integrity, accuracy, and reliability of financial reporting within the sector. The instructions further seek to enhance transparency, protect stakeholders' interests, and support effective regulatory oversight by requiring the listing of approved auditors in official registers, and enabling penalties imposition on non-compliant auditors. These measures contribute in enhancing confidence in the financial sector.
- **Instructions No. (7/2024) on the Dealings of Licensed Exchange Companies in the Kingdom with Foreign Exchange and Money Transfer Companies**. These instructions were issued to regulate the interactions of licensed exchange companies in the Kingdom with their foreign counterparts and international money transfer companies. The objective is to ensure compliance with local and international regulations, particularly those related to Anti-Money Laundering and Counter Terrorist Financing (AML/CFT) and cross-border financial transactions, and enhancing transparency in financial operations. Key provisions include requiring prior approval from the CBJ before engaging into agreements with any foreign entity, mandating that companies verify the legitimacy, reputation, and regulatory compliance of foreign partners. These instructions are intended to enhance public and investor confidence in the financial sector and empower the CBJ with the authority to enforce compliance, including the ability to impose strict penalties for violations.

The Central Bank of Jordan and Monetary Policy

Following the successful implementation of CBJ's tight monetary policy during 2022–2023, supported by strong monetary indicators, the CBJ initiated a monetary policy easing phase in September 2024. This policy shift aligned with global and regional interest rate trends and was aimed at maintaining monetary stability in the Kingdom (Box 5).

Interest Rates on Monetary Policy Instruments

As part of its easing cycle, the CBJ reduced interest rates on all monetary policy instruments three times in 2024, with a cumulative cut of 100 basis points, marking the end of the monetary tightening cycle that began in March 2022. During the tightening phase, the CBJ had raised interest rates 11 times throughout 2022 and 2023, with a total increase of 500 basis points across all instruments, and 525 basis points specifically on the overnight deposit window. The table below outlines the interest rates on CBJ's monetary policy instruments as of the end of 2024:

Interest Rates on Monetary Policy Instruments 2021-2024, Percent				
	2021	2022	2023	2024
CBJ Main Rate	2.50	6.50	7.50	6.50
Repurchase Agreements Rate (weekly or monthly)	2.50	6.50	7.50	6.50
Re-discount Rate	3.50	7.50	8.50	7.50
Repurchase Agreements Rate (overnight)	3.25	7.25	8.25	7.25
Overnight Deposit Window Rate	2.00	6.25	7.25	6.25
Certificates of Deposit (weekly)	2.50	6.50	7.50	6.50

The CBJ kept the preferential interest rates unchanged for its refinancing program to support ten vital economic sectors. The program, valued at JD 1.4 billion, offers an interest rate of 1.0 percent for projects within Amman governorate, and 0.5 percent for projects in the rest of governorates. The interest rate remains fixed for the entire life of the loan, up to 10 years, in order to balance between maintaining monetary stability and contribute to promoting economic growth.

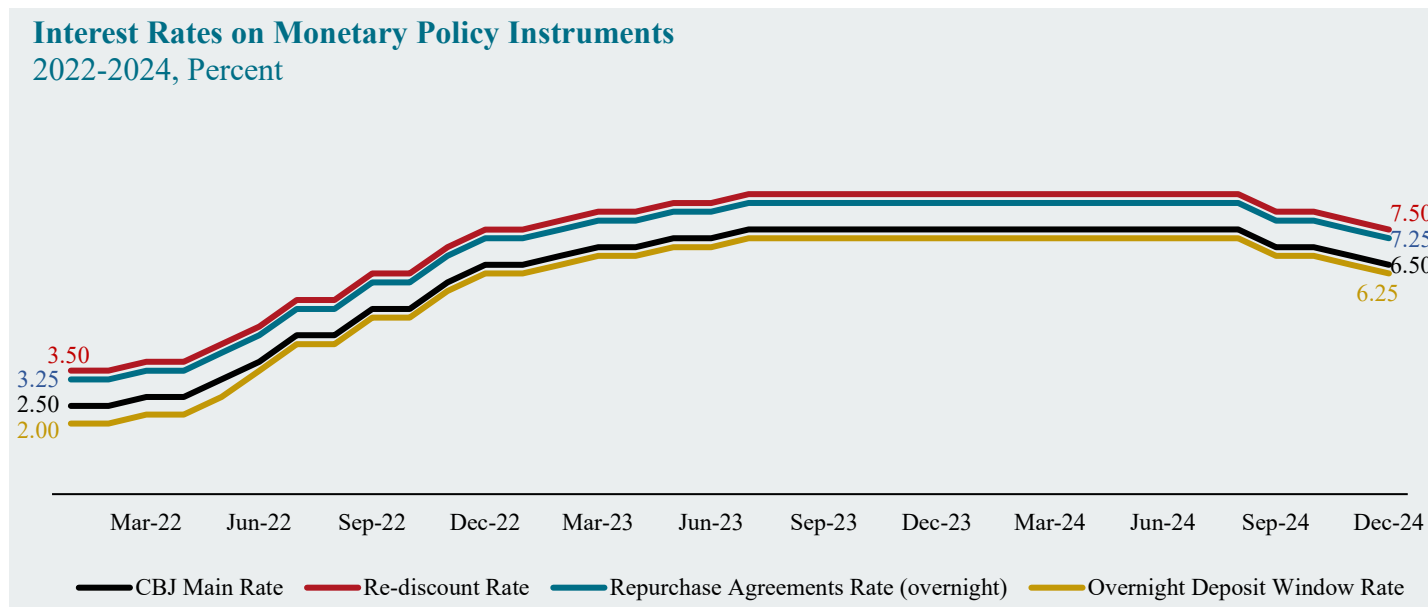
Box (5)

The CBJ's Monetary Policy: A Shift Towards Monetary Easing in 2024

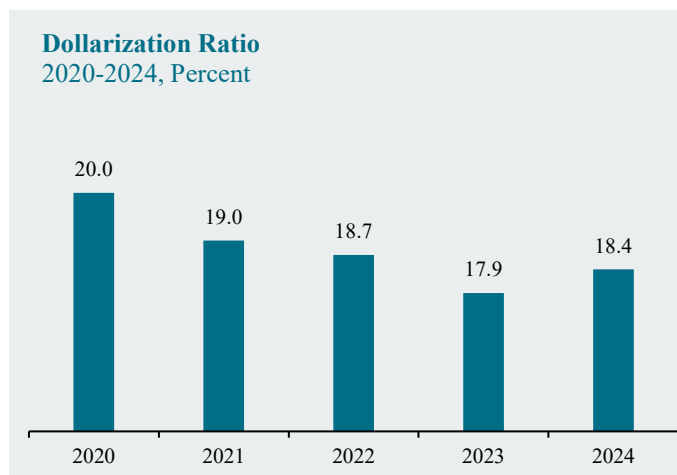
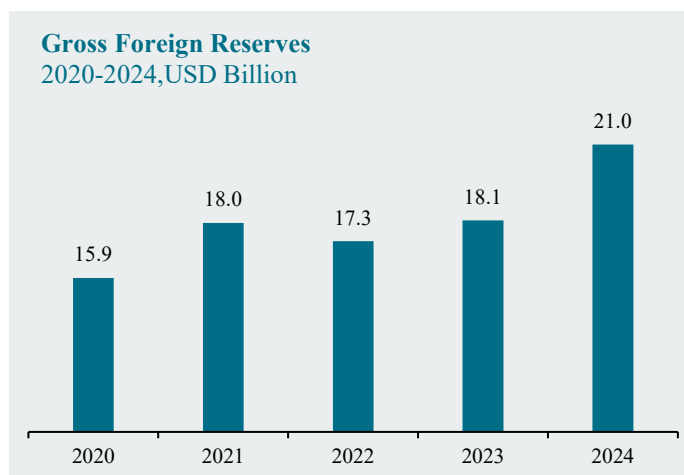
In 2024, the global monetary policy landscape began to shift following nearly two years of sustained tightening measures implemented in response to elevated inflationary pressures stemming from the post-COVID-19 pandemic economic recovery. As inflation gradually moderated, particularly in advanced economies, several central banks commenced a cautious cycle of monetary easing in the second half of the year. The European Central Bank led this shift by initiating interest rate cuts in June 2024, citing a continued decline in Eurozone inflation and improved medium-term expectations for price stability. In a similar move, the U.S. Federal Reserve began cutting interest rates in September 2024. This decision was driven by a dual mandate: responding to easing inflationary while mitigating emerging risks associated with slowing economic growth and rising unemployment.

On the domestic front, the Central Bank of Jordan (CBJ) affirmed the effectiveness of its tight monetary policy over the past two years in achieving its key objectives of maintaining monetary and financial stability. As global inflationary pressures eased and several central banks around the world shifted toward more accommodative monetary policies, the CBJ identified sufficient space to adjust its monetary policy stance in support of domestic economic activity. Accordingly, the CBJ reduced interest rates across all its monetary policy instruments on three separate occasions between September and the end of 2024. These actions resulted in a cumulative reduction of 100 basis points, marking a measured shift towards monetary easing while continuing to uphold the stability of the financial system.

Box (5) Continued



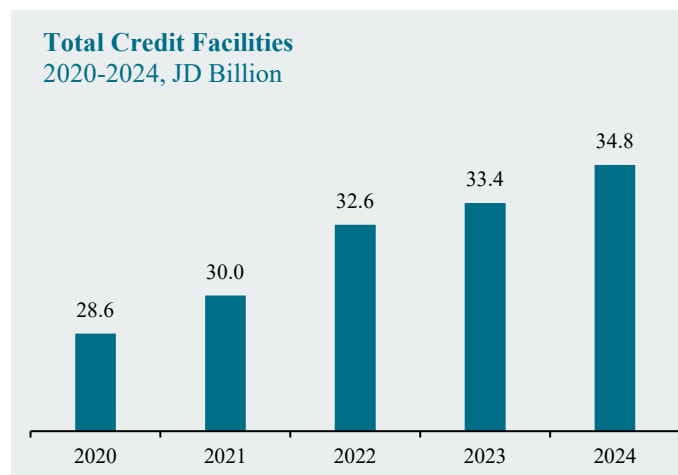
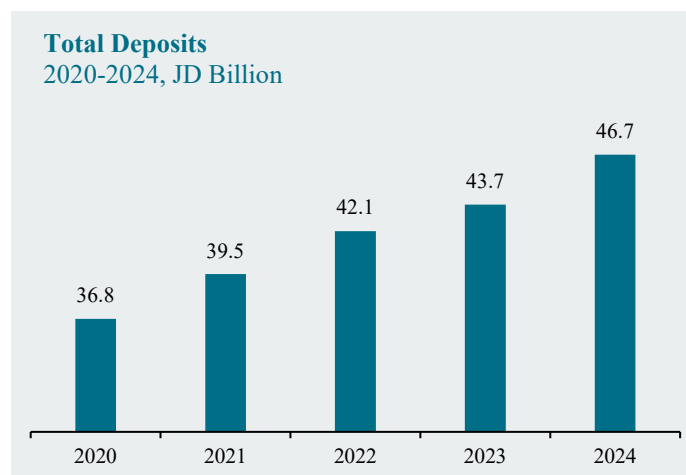
The CBJ’s credible and consistent approach to monetary policy throughout the tightening cycle reinforced confidence in the national economy and supported the continued strength and stability of the Jordanian dinar, despite the persistent regional challenges. This sustained confidence was clearly reflected in the substantial accumulation of foreign exchange reserves, which reached a historic high of approximately USD 21.0 billion by the end of 2024. These reserves are sufficient to cover around 8.2 months of the Kingdom’s imports of goods and services. In parallel, the dollarization ratio declined to 18.4 percent at the year-end 2024, compared to levels exceeding 20 percent prior to the COVID-19 pandemic.



Box (5) Continued

The CBJ's monetary policy also played a pivotal role in alleviating inflationary pressures stemming from domestic demand factors. As a result of these efforts, the inflation rate declined to 1.56 percent in 2024, compared to 2.08 percent in 2023, and remained well below its peak of 4.23 percent recorded during the inflationary surge in 2022. This notable moderation in inflation contributed to preserving the purchasing power of the Jordanian dinar, thereby supporting the overall competitiveness of the national economy.

Growing confidence in the Jordanian economy was reflected in the solid expansion of bank deposits, which increased by approximately JD 3.0 billion (6.8 percent) in 2024, reaching JD 46.7 billion by year-end. This growth was primarily driven by a rise in deposits denominated in Jordanian dinars, indicating strengthened trust in the national currency. In parallel, credit facilities extended by the banking sector grew by 4.2 percent (equivalent to JD 1.4 billion), bringing the total outstanding credit facilities to approximately JD 34.8 billion. Notably, credit extended to the private sector constituted 90.1 percent of the total.



□ Exchange Rate and Foreign Reserves

• Jordanian Dinar Exchange Rate

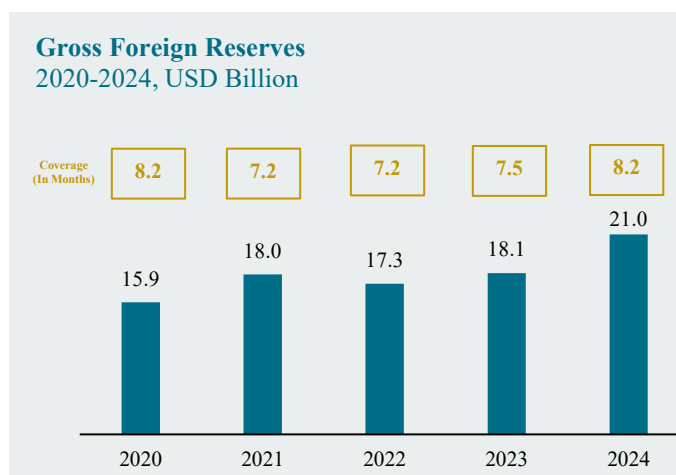
The CBJ maintains a fixed exchange rate policy of the Jordanian Dinar against the U.S. Dollar, which serves as the nominal anchor for monetary policy and a key pillar of macroeconomic stability. This policy, in place since 1995, has been maintained at an average rate of 709 fils per 1 USD. In 2024, the JD appreciated by 8.0 percent against the Japanese Yen, while it depreciated by 2.6 percent against the Sterling Pound and by 0.1 percent against the Euro, compared to the rates at the end of 2023.

• Foreign Exchange Reserves

CBJ's gross foreign reserves, including gold and Special Drawing Rights (SDRs), increased by USD 2.9 billion in 2024, reaching USD 21.0 billion, compared to USD 18.1 billion at the end of 2023. This reserve level is sufficient to cover 8.2 months of the Kingdom's imports of goods and services, significantly exceeding the internationally recommended benchmark of three months.

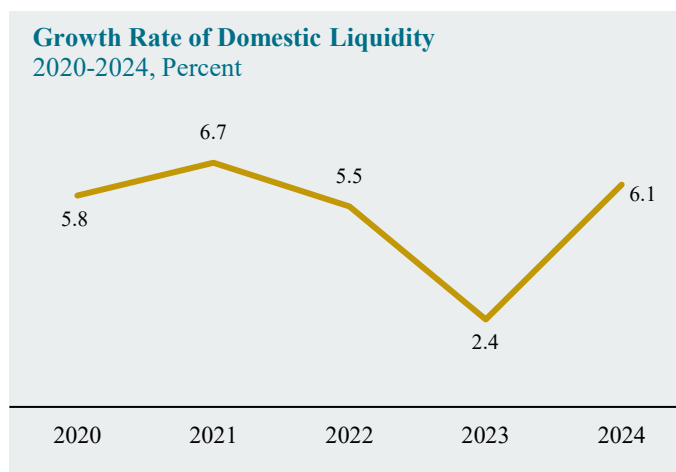
These comfortable reserve levels help support a stable macroeconomic environment and reinforce the confidence of international

creditors, foreign investors, and international financial institutions in the domestic economy, enhance the country's creditworthiness and its ability to meet external obligations, while providing a financial buffer against potential external shocks or crises.



□ Domestic Liquidity

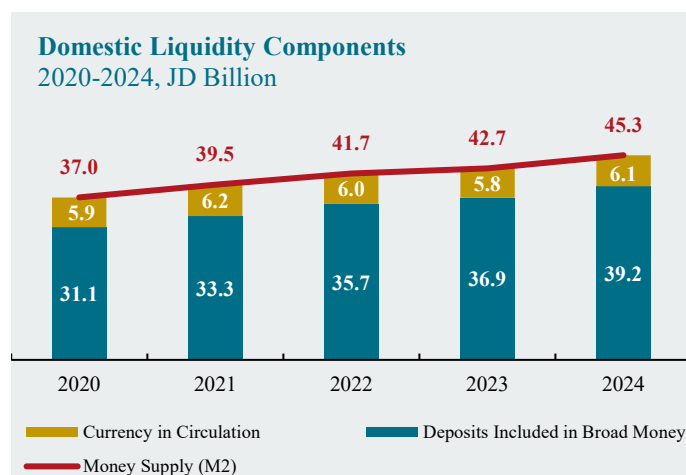
Broad money supply (M2) reached JD 45.3 billion in 2024, marking an increase of JD 2.6 billion (6.1 percent), compared to JD 42.7 billion at the end of 2023.



The evolution breakdown of domestic liquidity by its components and influencing driving factors at the end of 2024 is illustrated below:

• Components of Domestic Liquidity

The increase in domestic liquidity was primarily driven by a 6.3 percent increase in deposits included in broad money, which rose to JD 39.2 billion, compared to JD 36.9 billion at the end of 2023, and a 4.7 percent increase in currency in circulation, reaching JD 6.1 billion, compared to JD 5.8 billion at the end of 2023, as shown in the following figure:



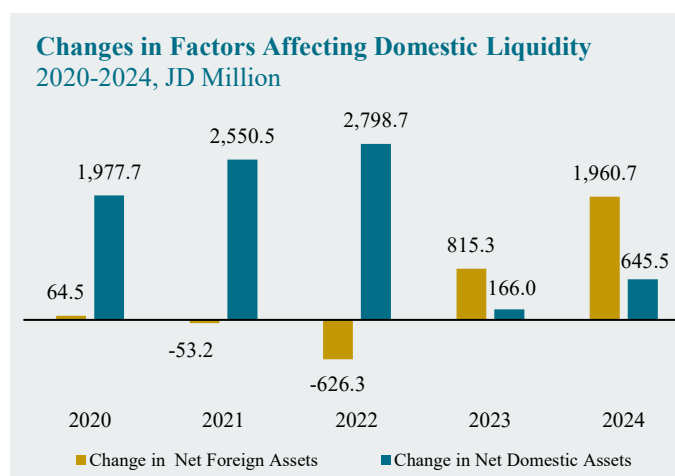
• Key Factors Influencing Domestic Liquidity

1. Net Domestic Assets

The banking system's net domestic assets increased by JD 645.5 million (1.9 percent), reaching JD 35.4 billion, compared to JD 34.7 billion at the end of 2023.

2. Net Foreign Assets

Net foreign assets of the banking system increased by JD 2.0 billion (24.7 percent), reaching JD 9.9 billion, up from JD 7.9 billion at the end of 2023. Meanwhile, CBJ's net foreign assets reached approximately JD 14.5 billion.



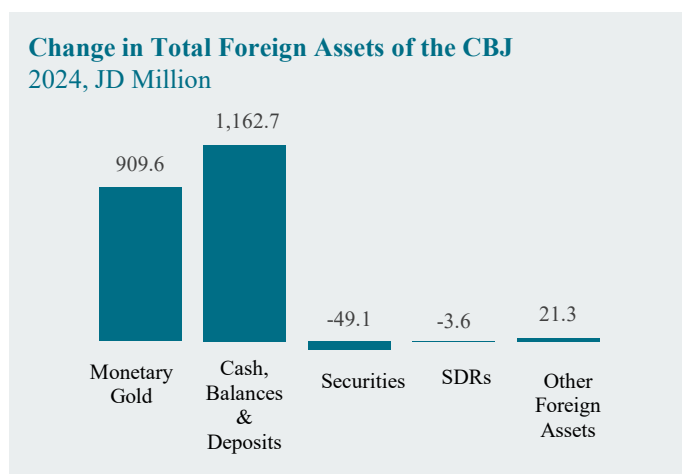
Factors Affecting Domestic Liquidity
2021-2024, Percent

	2021	2022	2023	2024
	Growth rates (%)			
Foreign Assets (Net)	-0.7	-8.1	11.4	24.7
Domestic Assets (Net)	8.7	8.8	0.5	1.9
Net Claims on Central Government	11.8	2.9	4.3	4.6
Claims on Municipalities	32.0	37.4	10.7	8.5
Claims on Public Nonfinancial Corporations	6.8	66.7	36.2	23.9
Claims on Other Financial Corporations	0.7	-2.5	-9.8	3.0
Claims on Private Sector (Resident)	4.4	8.3	1.8	2.3
Other Items (net)	1.3	3.2	10.4	8.8
Domestic liquidity	6.7	5.5	2.4	6.1

□ The CBJ's Balance Sheet

At the end of 2024, the CBJ's total assets/liabilities had increased by approximately JD 2.0 billion, reaching JD 19.3 billion, compared to JD 17.3 billion at the end of 2023 (Statistical Annex/ Table 9).

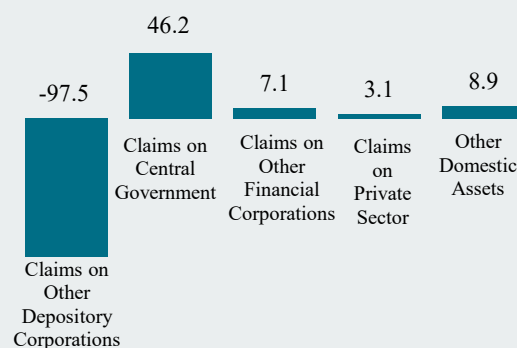
- On the assets side, foreign assets increased by JD 2.0 billion (13.9 percent), totaling JD 16.8 billion. This increase was driven mainly by a rise in “cash, balances and deposits” by JD 1.2 billion (16.9 percent), and an increase in “monetary gold” holdings by JD 909.6 million (27.2 percent), and a slight decline in “securities”, which decreased by JD 49.1 million (1.5 percent).



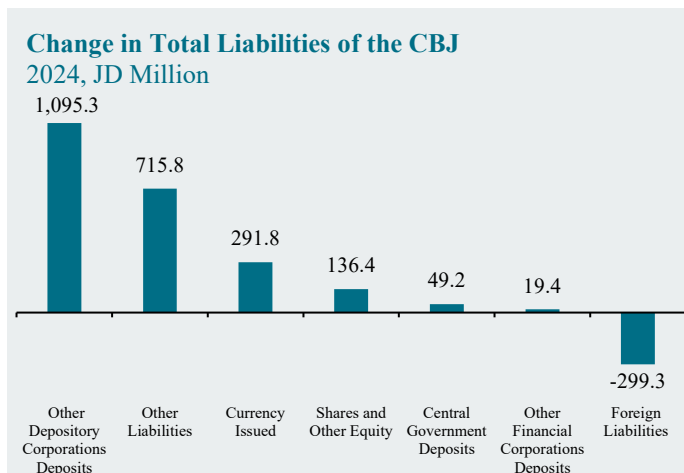
- In contrast, domestic assets recorded a modest decline of JD 32.2 million (1.3 percent),

reaching approximately JD 2.5 billion. This decline was primarily driven by a decrease in “claims on other depository corporations” by JD 97.5 million (7.8 percent), while “claims on central government” recorded an increased by JD 46.2 million (9.3 percent).

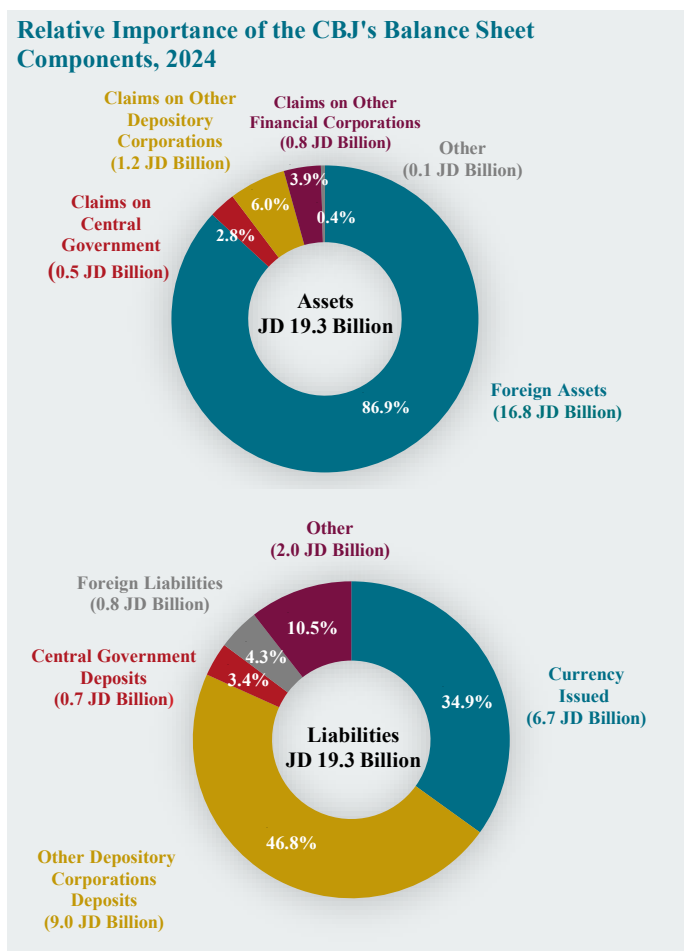
Change in Total Domestic Assets of the CBJ
2024, JD Million



- On the liabilities side, domestic liabilities increased by JD 2.3 billion (14.3 percent). This increase was driven by an increase in “other depository corporation’s deposits at the CBJ” by JD 1.1 billion (13.8 percent), “other liabilities” by JD 715.8 million, “currency issued” by JD 291.8 million (4.5 percent), and “shares and other equity” by JD 136.4 million (22.8 percent). Conversely, “foreign liabilities” decreased by JD 299.3 million (26.6 percent).



- The following figure illustrates the relative importance of the CBJ's assets and liabilities components:



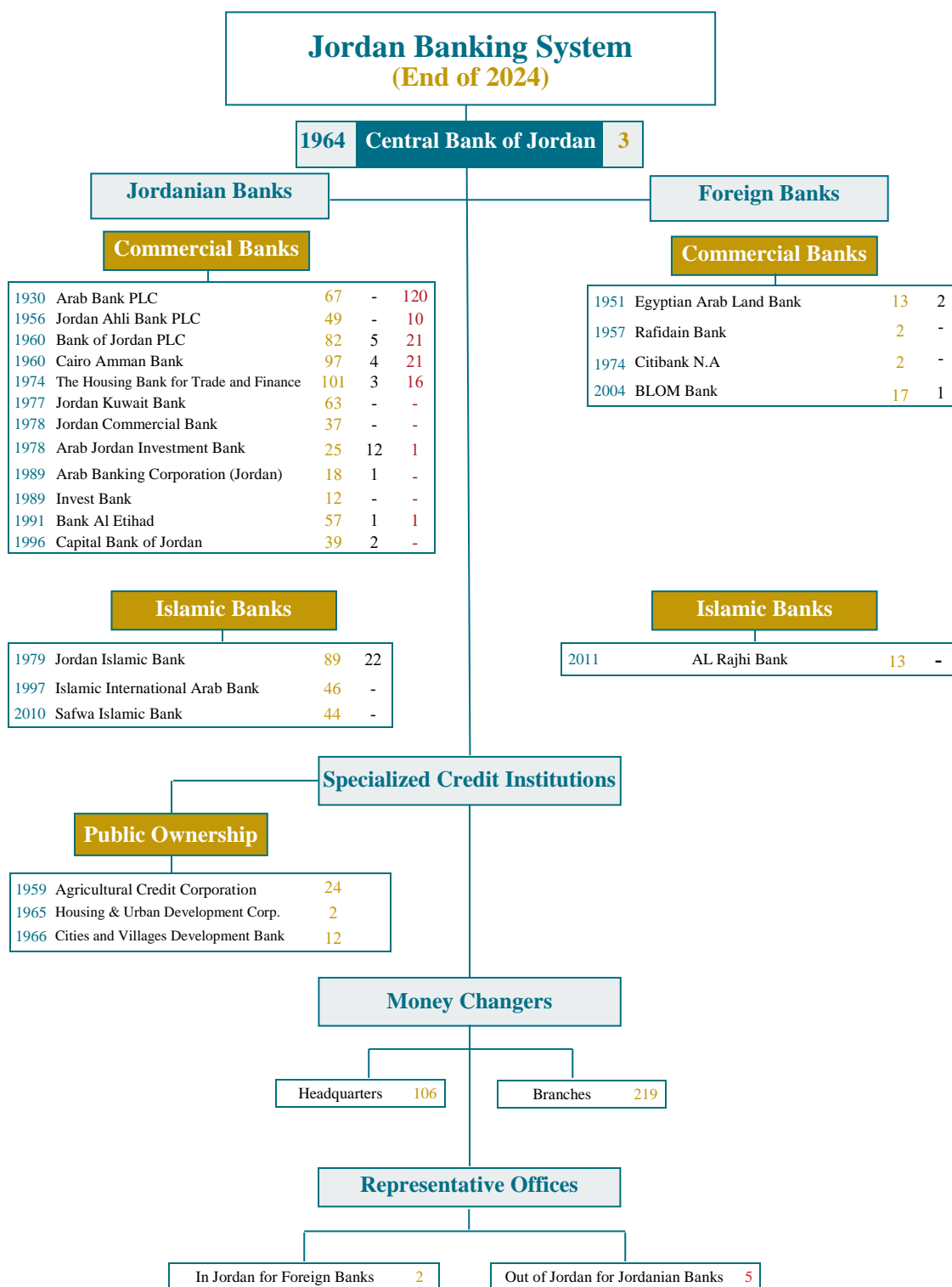
Other Depository Corporations Operations (Licensed Banks)

In 2024, the performance of Other Depository Corporations (ODCs) continued a positive trajectory. Total assets/ liabilities grew by JD 3.7 billion (5.6 percent), reaching JD 69.9 billion. Deposits rose by 6.8 percent, amounting to JD 46.7 billion, while the outstanding credit facilities rose by 4.2 percent, to reach JD 34.8 billion.

As of the end of 2024, a total of 20 licensed banks were operating in Jordan. These include 15 Jordanian banks (three of which are Islamic banks), and 5 branches of foreign banks, one of which is Islamic. Collectively, these banks operated through 873 branches and 53 representative offices, compared to 875 branches, and 56 representative offices at the end of 2023. Preliminary data indicates that the population-to-branch ratio reached approximately 13.4 thousand citizens per branch at the end of 2024.

Jordanian licensed banks also maintain a notable international presence, operating 190 branches, 5 representative offices, 22 offices, and 2 offshore units abroad. Of these, 97 branches and 22 offices are in the Palestinian territories.

To enhance the resilience of the banking system, the CBJ implemented a set of additional measures to regulate operations of licensed banks and ensure alignment with developments in the banking sector (Box 4).



- Year of establishment.
- Number of branches including headquarters.
- Number of mini-branches.
- Number of branches outside Jordan.

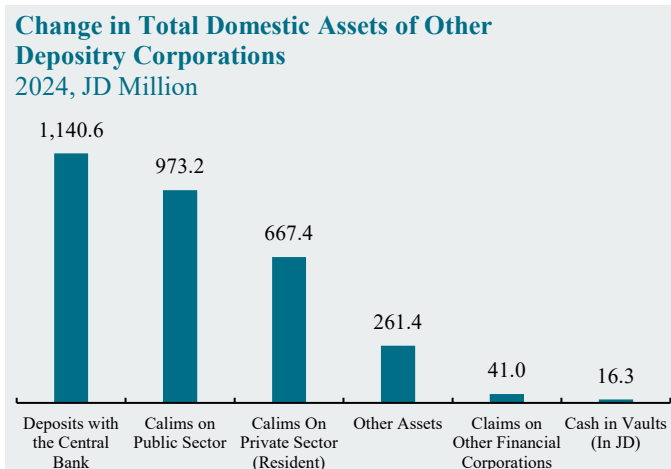
Consolidated Balance Sheet of Other Depository Corporations

The assets/ liabilities of Other Depository Corporations (ODCs) increased by approximately JD 3.7 billion (5.6 percent), reaching JD 69.9 billion at the end of 2024, compared to an increase of JD 2.0 billion (3.2 percent) in 2023. This acceleration reflects sustained improvements in the overall performance of ODCs (Statistical Annex/ Table 11).

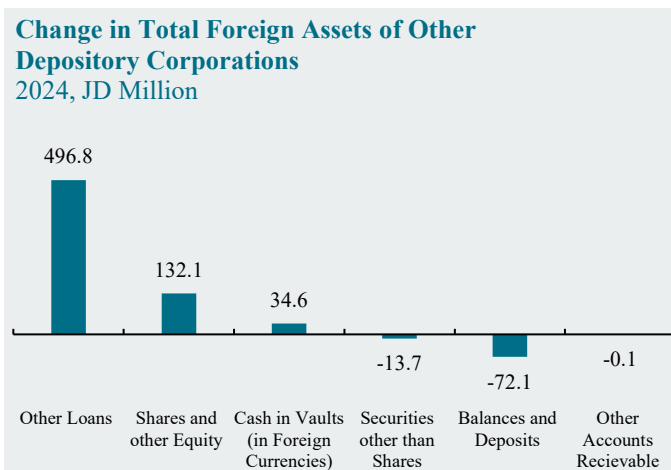
Commercial banks accounted for 78.7 percent of the total ODCs assets/ liabilities, while Islamic banks represented the remaining 21.3 percent.

- On the assets side, domestic assets increased by JD 3.1 billion (5.2 percent) to JD 63.1 billion, driven by: An increase in ODC deposits at the CBJ by JD 1.1 billion (14.5 percent), higher claims on the public sector, up by JD 973.2 million (6.0 percent), and higher

claims on the private sector (resident), up by JD 667.4 million (2.3 percent).

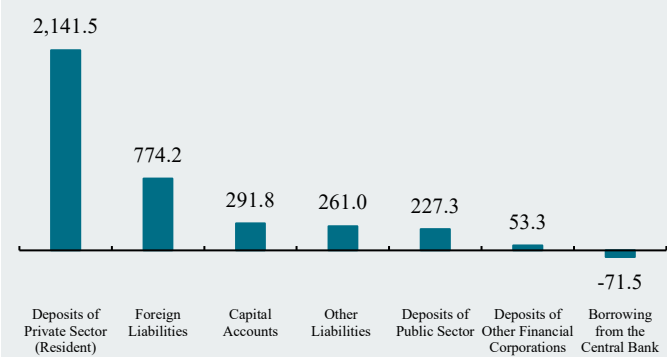


- Foreign assets rose by JD 577.6 million (9.3 percent) to JD 6.8 billion, supported by: a rise in “other loans” to the private sector (non-resident) by JD 496.8 million (58.8 percent), and an increase in “shares and other equity” holdings by JD 132.1 million (20.1 percent).



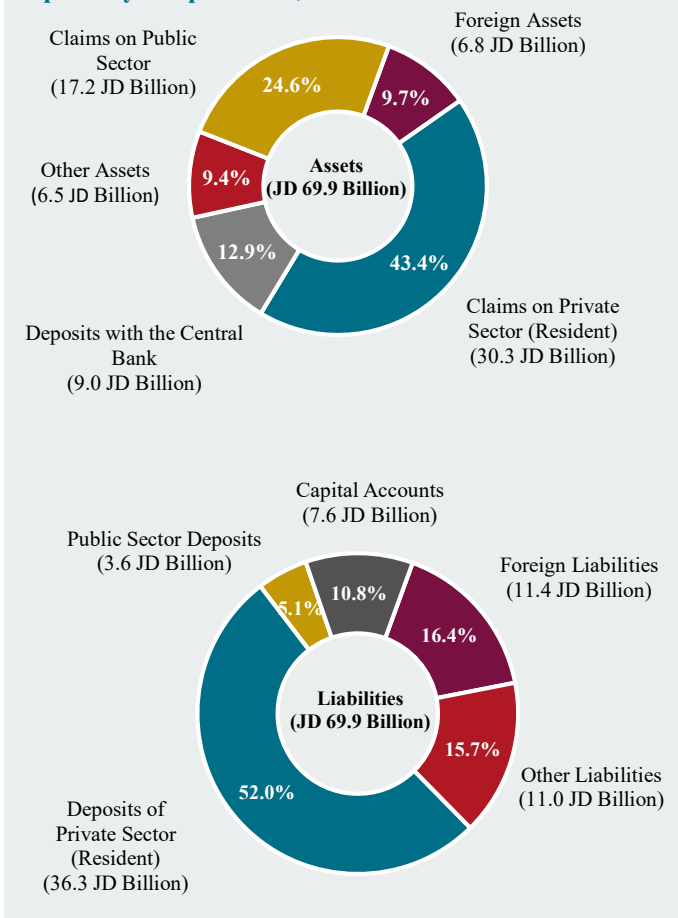
- On the liabilities side, domestic liabilities increased by JD 2.9 billion (5.2 percent), to JD 58.4 billion, mainly due to: an increase in deposits of private sector (resident) by JD 2.1 billion (6.3 percent), “capital accounts” by JD 291.8 million (4.0 percent), and “other liabilities” by JD 261.0 million (3.0 percent). Foreign liabilities increased by JD 774.2 million (7.3 percent) to JD 11.4 billion.

Change in Total Liabilities of Other Depository Corporations
2024, JD Million



- The accompanying figure illustrates the relative importance of ODCs assets/liabilities at the end of 2024.

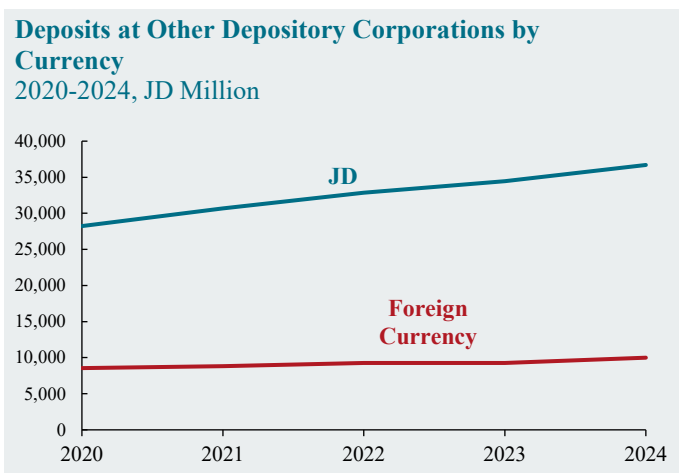
Relative Importance of the consolidated Balance Sheet Components of Other Depository Corporations, 2024



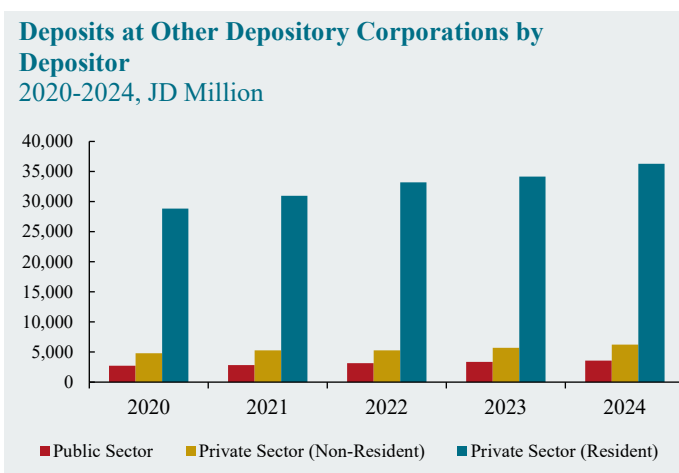
Deposits Structure at Other Depository Corporations

Total deposits held at other depository corporations reached JD 46.7 billion by the end of 2024, marking an increase of JD 3.0 billion (6.8 percent) compared to the end of 2023. Private sector (resident) deposits presented 77.7 percent of total deposits (Statistical Annex/ Table 14).

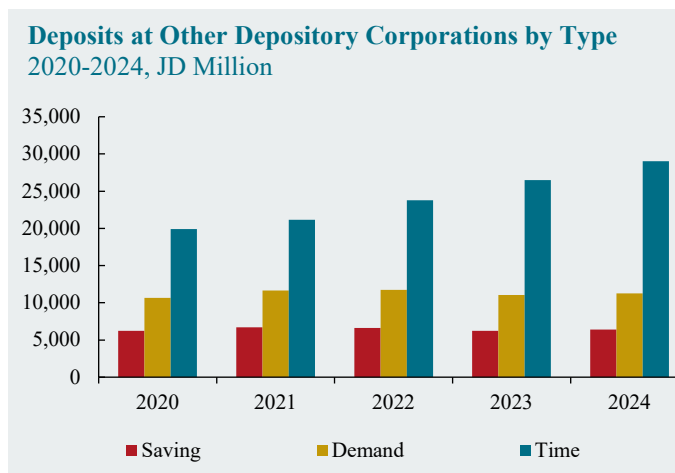
- In terms of currency composition, Jordanian Dinar-denominated deposits reached JD 36.7 billion, compared to JD 34.5 billion at the end of 2023, while foreign currency deposits amounted to JD 10.0 billion, compared to JD 9.3 billion at the end of 2023.



- By depositor type, private sector (resident) deposits stood at JD 36.3 billion, private sector (non-resident) deposits reached JD 6.2 billion. Public sector deposits totaled JD 3.6 billion, and deposits from other financial corporations amounted to JD 566.4 million.



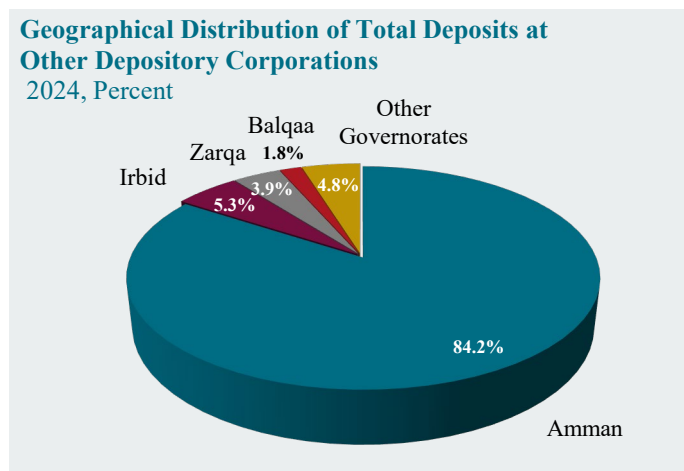
- By maturity, time deposits dominated the structure (62.1 percent), followed by demand deposits (24.2 percent), and savings deposits (13.7 percent).



Relative Importance of Deposits at Other Depository Corporations
2021-2024, Percent

	2021	2022	2023	2024
By Depositor				
Public Sector	7.1	7.4	7.7	7.7
Private Sector (Resident)	78.4	78.9	78.1	77.7
Private Sector (Non-Resident)	13.3	12.6	13.0	13.4
Other Financial Corporations	1.2	1.1	1.2	1.2
By Type				
Demand Deposits	29.5	27.9	25.2	24.2
Saving Deposits	17.0	15.7	14.2	13.7
Time Deposits	53.5	56.4	60.6	62.1
By Currency				
In Jordanian Dinar	77.6	78.0	78.8	78.6
In Foreign Currencies	22.4	22.0	21.2	21.4

- By geographical distribution, Amman accounted for 84.2 percent of total deposits, followed by Irbid governorate (5.3 percent), and Zarqa governorate (3.9 percent).

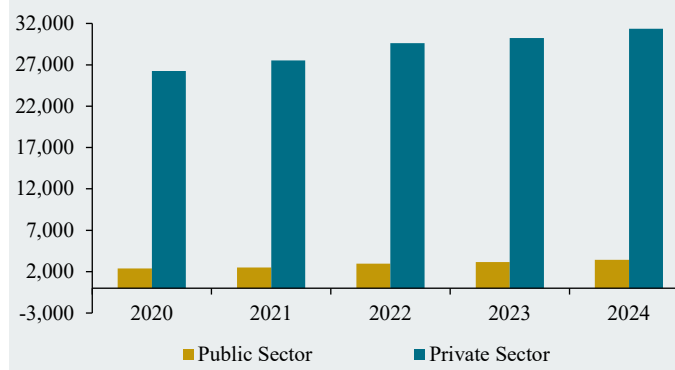


□ Credit Facilities Extended by Other Depository Corporations

In 2024, Credit facilities extended by other depository corporations increased by JD 1.4 billion (4.2 percent), to reach JD 34.8 billion, compared to JD 33.4 billion at the end of 2023 (Statistical Annex/ Table 17).

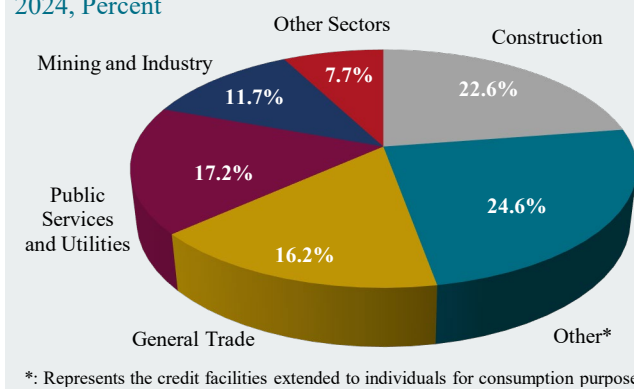
- By borrower, credit facilities extended to the private sector (resident and non-resident) increased by JD 1.2 billion (3.8 percent), reaching JD 31.3 billion, representing 90.1 percent of total credit facilities. The public sector accounted for the remaining 9.8 percent.

Credit Facilities by Borrower 2020-2024, JD Million



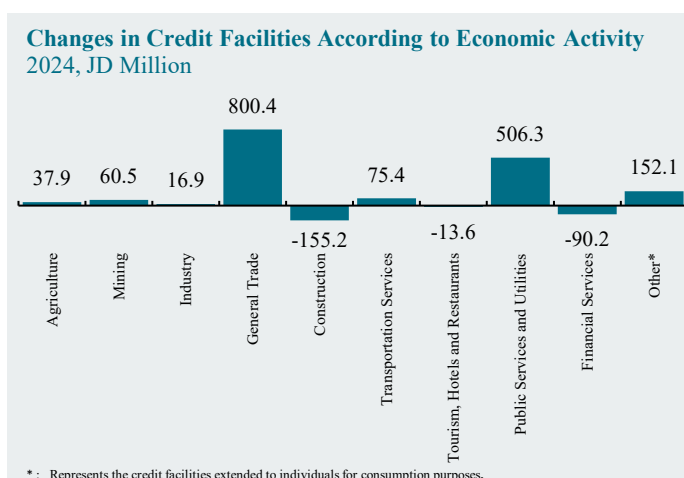
- By economic activity, the composition of credit facilities in 2024 was as follows:

Relative Importance of Credit Facilities According to Economic Activity 2024, Percent

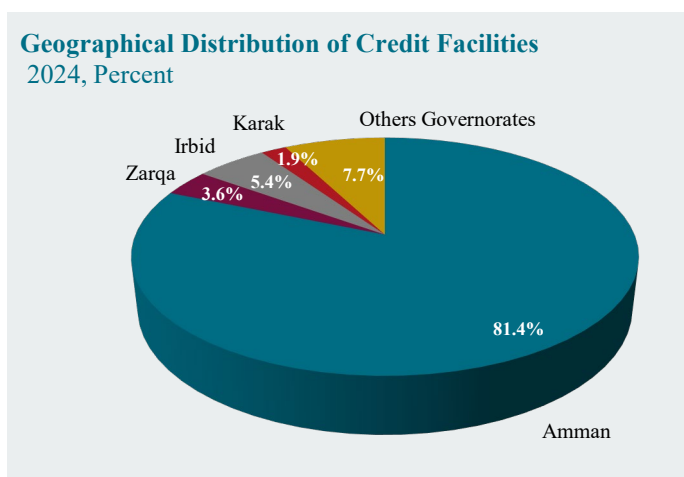


- The “Other” item, primarily loans extended to individual for consumption purposes, accounted for 24.6 percent of the total, followed by the construction sector (22.6 percent), “public services and utilities” (17.2 percent), and “general trade” (16.2 percent).

- The following figure illustrates changes of credit facilities extended according to economic activity in 2024:



- By geographical distribution, credit facilities remained concentrated in the capital, Amman, which accounted for 81.4 percent of the total. Irbid and Zarqa governorates followed with shares of 5.4 percent, and 3.6 percent, respectively.



Market Interest Rates

In response to evolving local, regional, and global economic developments, the CBJ adopted an expansionary monetary policy in 2024, reducing interest rates on its monetary policy instruments by 100 basis points. It is noteworthy that commercial banks had already begun lowering interest rates on credit facilities as early as August 2023, reflecting a healthy competitive banking environment. The following table illustrates interest rates on credit facilities and deposits at other depository corporations:

Weighted Average Interest Rates on Deposits and Credit Facilities at Other Depository Corporations *
2021-2024, Percent

	2021	2022	2023	2024
Deposits				
Demand	0.26	0.37	0.53	0.69
Saving	0.27	0.41	0.31	0.33
Time	3.45	4.61	5.94	5.87
Credit Facilities				
Overdrafts	7.19	8.30	9.07	8.77
Loans and Advances	6.83	8.34	8.82	8.26
Discounted Bills & Bonds	8.01	8.36	8.69	10.29

*: Interest rates represent weighted averages of customers at the individual bank level, and for banks at the banking system level.

An analysis of market interest rates in 2024 shows that the weighted average interest rate on loans and advances decreased by 56 basis points, reaching 8.26 percent, compared to 8.82 percent at the end of 2023. Similarly, the weighted average interest rate on time deposits decreased by 7 basis points, reaching 5.87 percent, compared to 5.94 percent at the end of 2023.

As a result, the interest rate margin, defined as the difference between the weighted average interest rates on “loans and advances” and those on “time deposits”, narrowed by 49 basis points, reaching 2.39 percent at the end of 2024. Which is one of the lowest during 26 years.

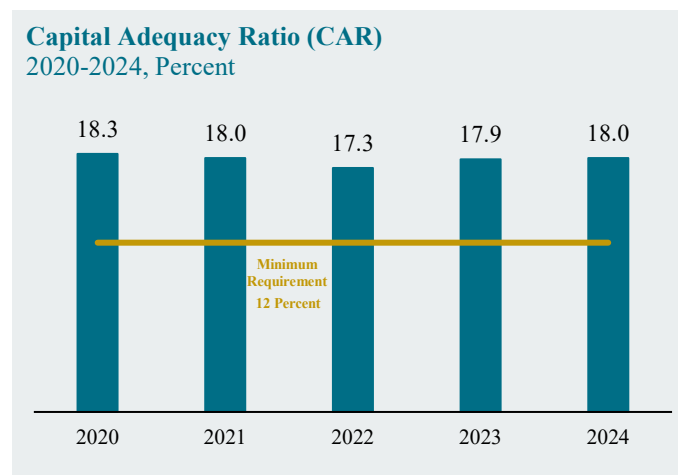
□ Financial Soundness Indicators

The banking sector in Jordan remained strong and resilient, supported by high capital levels, among the highest in the Middle East and North Africa (MENA) region, and a robust liquidity position. This assessment is based on the financial soundness indicators as of the end of 2024.

• Capital Adequacy Ratio (CAR)

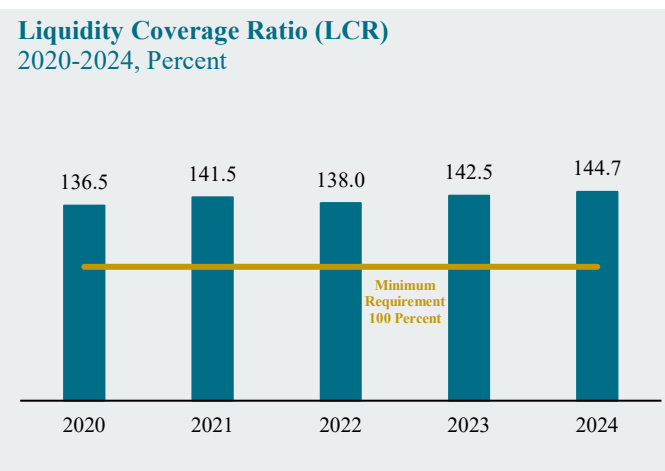
The CAR reached 18.0 percent at the end of 2024, well above the CBJ’s minimum requirement

of 12 percent, and Basel III threshold of 10.5 percent. This reflects the sector’s strong capital position relative to risk-weighted assets.



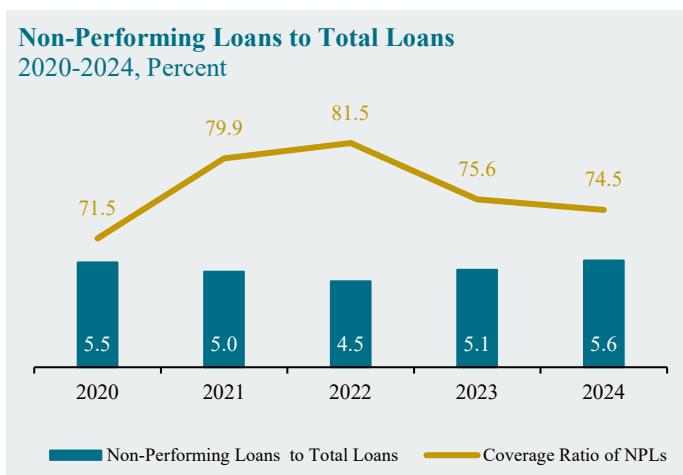
• Liquidity Coverage Ratio (LCR)

The LCR reached 144.7 percent at the end of 2024, significantly exceeding the CBJ’s 100 percent requirement. This indicates ample liquid assets to meet short-term obligations, that are due within three months or less.



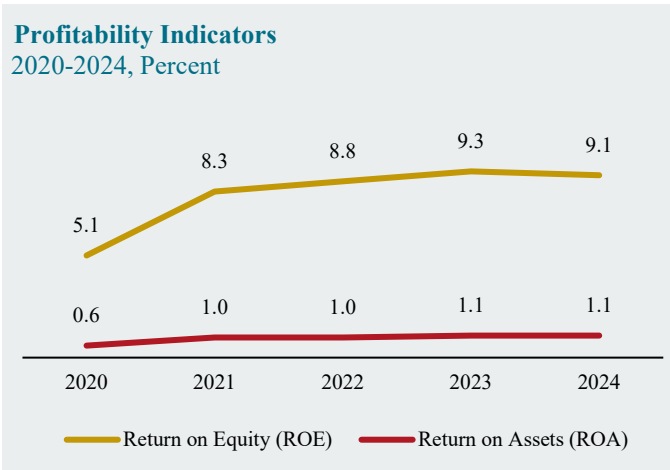
• **Non-Performing Loans (NPLs)/ Total Loans Ratio**

The ratio of NPLs to total loans serves as an indicator of asset quality and credit risk exposure. The NPLs ratio stood at 5.6 percent at the end of 2024, reflecting a relatively low and manageable level particularly when compared to post-global financial crisis figures. This indicates the sector’s effective management of credit risk over the past decade. The provisions coverage ratio of NPLs reached 74.5 percent at the end of 2024.



• **Profitability Indicators**

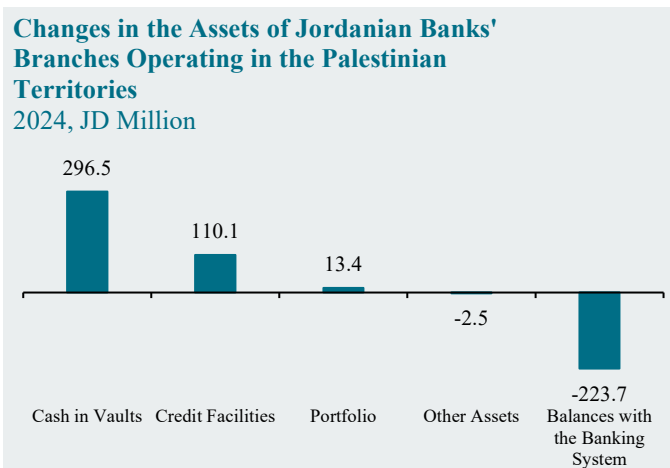
The after-tax net profit of banks reached JD 689 million at the end of 2024, compared to JD 659 million at the end of 2023. Profitability indicators remained stable, with a Return on Equity (ROE) of 9.1 percent and a Return on Assets (ROA) of 1.1 percent.



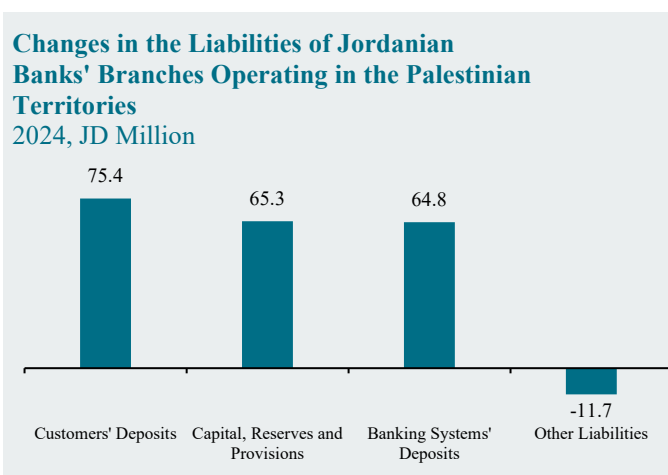
□ **Jordanian Banks’ Activities in the Palestinian Territories**

The total assets/ liabilities of Jordanian bank branches operating in the Palestinian territories increased by JD 193.8 million (3.2 percent) in 2024, reaching JD 6.3 billion, compared to JD 6.1 billion at the end of 2023 (Statistical Annex/ Table 19).

On the assets side, growth was primarily driven by increases in the “cash in vault” by JD 296.5 million, and “credit facilities” by JD 110.1 million (3.9 percent), while “balances with the banking system” decreased by JD 223.7 million (10.4 percent).



On the liabilities side, the expansion reflected higher “customer deposits” by JD 75.4 million (1.6 percent), “capital, reserves and provisions” by JD 65.3 million (7.2 percent), and “deposits of the banking system” by JD 64.8 million (25.4 percent).



Other Financial Corporations

Over the past years, the CBJ has broadened its regulatory scope beyond banks and exchange companies to also include insurance companies, finance companies and “electronic payment and money transfer companies”. This expansion reflects CBJ’s efforts to establish a comprehensive and integrated framework for the financial and banking system in the Kingdom.

Insurance Companies

At the end of 2024, 20 insurance companies were operating in the Kingdom; 15 companies licensed for both general and life insurance, 4 companies licensed for general insurance only, and 1 company licensed exclusively for life insurance.

Total assets/ liabilities of insurance companies increased by JD 66.5 million (6.0 percent), reaching JD 1,166.0 million at the end of 2023 (Statistical Annex/ Table 20).

On the assets side, “financial assets” increased by JD 70.9 million (27.7 percent), and “investments and other assets” increased by JD 17.4 million (5.2 percent). In contrast, “balances and deposits” decreased by JD 26.2 million (8.1 percent).

On the liabilities side, “technical provisions” increased by JD 35.2 million (6.3 percent), “accounts payable” rose by JD 18.4 million (13.3 percent), and “other liabilities and equity” grew by JD 13.4 million (14.8 percent).

Collected premiums increased by JD 57.5 million (7.8 percent) reaching JD 799.7 million in 2024, and paid-up compensation increased by JD 33.5 million (6.7 percent) totaling JD 534.4 million.

In terms of the breakdown of collected premiums, “medical insurance” increased by JD 31.1 million (14.3 percent), “motor vehicle insurance” increased by JD 13.9 million (5.4 percent), and “life insurance” increased by JD 7.9 million (6.0 percent) (Statistical Annex/ Table 21).

The collected premiums of “motor vehicle insurance” represented 34.0 percent of the total collected premiums, followed by “medical insurance” at 31.0 percent. Other insurance types, such as, “life insurance”, “fire and other property damage insurance”, “general accidents insurance”, and “marine and transport insurance”, accounted for 17.5 percent, 10.0 percent, 4.4 percent, and 3.1 percent, respectively.

	2021	2022	2023	2024 ⁽¹⁾
Motor Vehicle	35.0	35.0	34.9	34.0
Medical	30.0	29.2	29.3	31.0
Life	16.9	17.4	17.9	17.5
Accident	3.7	3.8	4.4	4.4
Marine and Transport	2.7	2.6	2.5	3.1
Fire & Other Damage to Property	11.7	12.0	11.0	10.0

(1): Preliminary.

As for paid-up compensations during 2024, the increase was concentrated in compensations paid for “motor vehicle insurance”, which increased by JD 21.3 million (8.9 percent), and “medical

insurance” by JD 9.8 million (5.2 percent). The collected premiums of “motor vehicle insurance” accounted for 48.9 percent of the total paid-up compensations, while “medical insurance” accounted for 36.9 percent of the total paid-up compensations (Statistical Annex/ Table 22).

	2021	2022	2023	2024 ⁽¹⁾
Motor Vehicle	44.7	46.7	47.9	48.9
Medical	33.7	37.9	37.4	36.9
Life	13.6	10.7	9.7	9.7
Accident	1.3	1.0	0.8	1.5
Marine and Transport	0.5	0.8	0.9	0.5
Fire & Other Damage to Property	6.2	2.9	3.3	2.5

(1): Preliminary.

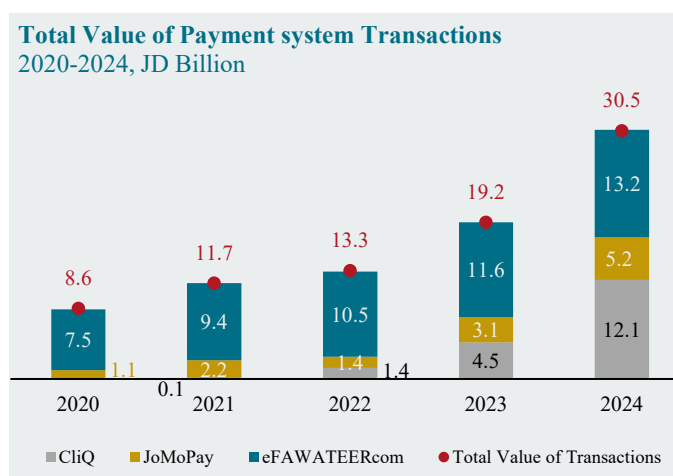
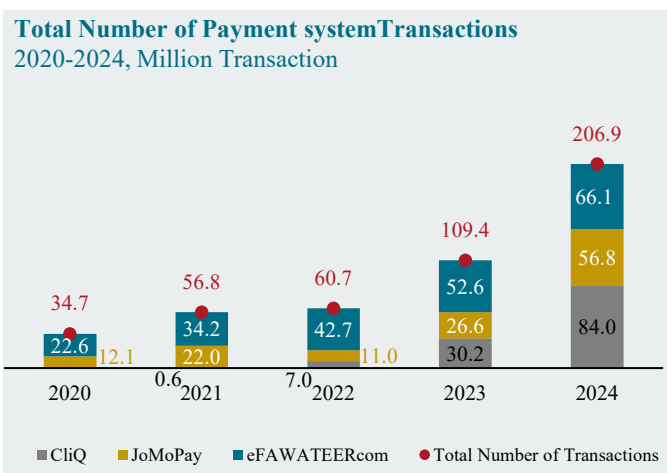
□ Electronic Payment and Money Transfer Companies

The payments sector in Jordan has experienced substantial progress over the past two decades in payment, clearing, and settlement systems, as well as in electronic banking and financial services, driven by continuous collaboration between the CBJ and the banking sector. This partnership has resulted in the establishment of an advanced payment ecosystem that leverages cutting-edge technologies to support economic development, while ensuring efficiency, security, and reliability in meeting customer needs.

The transformation of the national payment infrastructure began with the introduction of the Real-Time Gross Settlement (RTGS) system, followed by several regionally pioneering initiatives. These included the Automated Clearing House (ACH), which processed transactions exceeding JD 9.0 billion in 2024, the Electronic Check Clearing Unit (ECCU), which handled transactions totaling JD 40 billion, and the Electronic Bill Presentment and Payment System (eFAWATEERcom), with a transaction value of JD 13.2 billion during 2024. These milestones underscore the growing adoption of digital payment solutions across the Kingdom.

To further advance this ecosystem, the CBJ, in cooperation with the banking sector, established the Jordanian Payments and Clearing Company (JoPACC) in 2017. JoPACC manages retail payment systems developed jointly with the CBJ and commercial banks, complementing ongoing efforts to enhance payment infrastructure. One of its major achievements was the launch of the instant payment system “CliQ” in 2020, which has since transformed interoperability among banks, e-wallet providers and bill payment service providers. By the end of 2024, the number of CliQ users reached 4.3 million, with transactions totaling JD 12.1 billion.

During 2024, electronic payment systems continued to expand significantly. Transactions processed through JoMoPay, CliQ, and eFAWATEERcom increased by 97.5 million transactions (89.1 percent) in 2024 compared to 2023, reaching 206.9 million transactions. The total value of these transactions rose by JD 11.3 billion (59.0 percent) to JD 30.6 billion compared to the end of 2023. (Statistical Tables / Table 24).



On the regulatory front, the CBJ continued to strengthen the legislative and supervisory frameworks governing the national payment system, ensuring alignment with international best practices. These efforts aim to enhance efficiency, safety and innovation in payment and money transfer services.

In the field of financial technology, 2024 marked a milestone with the launch of the Regulatory Sandbox (JoRegBox), a controlled environment enabling entrepreneurs and innovators to test digital financial solutions with real customers under simplified regulatory conditions. This initiative is expected to streamline financial processes, encourage innovation, and reduce associated costs.

The year also witnessed the establishment of the FinTech Academy Jordan (FTA Jordan), in partnership with the Institute of Banking Studies. The academy aims to bridge the knowledge gap in financial technology, in alignment with the Kingdom's Economic Modernization Vision.

Additionally, the CBJ hosted the "Visa Everywhere" initiative for the first time in Jordan, supporting global competition among FinTech companies to address challenges in payments and commerce.

The CBJ also partnered with the Cambridge Centre for Alternative Finance (CCAF) to launch a Regulatory Knowledge Exchange platform for the CBJ fostering collaboration, knowledge sharing, and technical assistance in the regulation of financial and digital services, and supervising it.

□ Finance Companies and Credit Bureaus

At the end of 2024, the number of licensed microfinance companies supervised by the CBJ stood at nine. The total assets/ liabilities of these companies decreased by JD 11.0 million (3.1 percent) during 2024, reaching JD 355.0 million. This decline was primarily driven by a contraction in the loan and financing portfolio, which fell by JD 24.0 million (7.8 percent).

CRIF Jordan, as a core component of the financial system infrastructure, continued to expand and diversify its database of data providers. By the end of 2024, CRIF Jordan had signed agreements with approximately 68 institutions, thereby enhancing the breadth of credit inquiry services available to credit providers. The sectoral distribution of data providers included 20 banks, 13 leasing companies, 8 microfinance institutions, 5 telecommunications companies and 22 entities across various other sectors.

In addition to credit inquiry services, CRIF Jordan developed a suite of value-added solutions, including credit scoring, portfolio alerts, batch inquiries and returned check services. Moreover, the company also advanced the digital delivery of credit reports, making them accessible through the mobile applications of several banks.

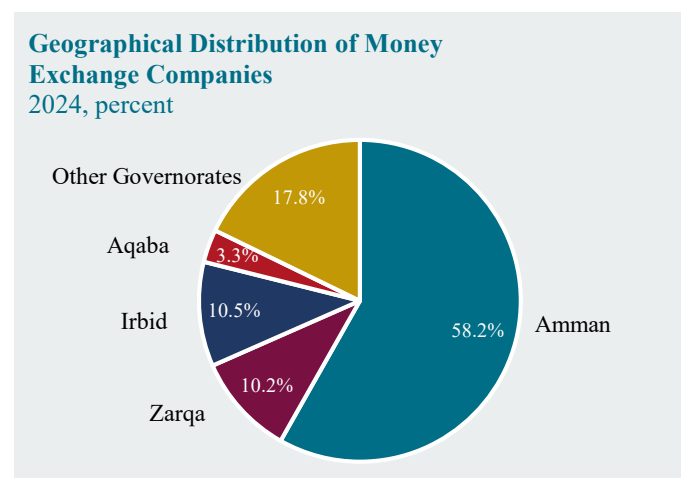
The CBJ remained committed to the objectives of the National Financial Inclusion Strategy (2023–2028), particularly under the pillar of financing through non-bank financial institutions. Efforts in this area focused on broadening access to diverse financial products and services, including credit, by individuals and Micro, Small, and Medium-Sized Enterprises (MSMEs). The strategy sets a target for increasing financing by 16 percent over a four-year period.

In support of innovation and entrepreneurship, the CBJ also continued to leverage its Regulatory Sandbox (JoRegBox). In 2024, one notable product, “CRIF Cosmo,” was accepted for testing. This electronic platform is designed to enhance credit risk assessment services.

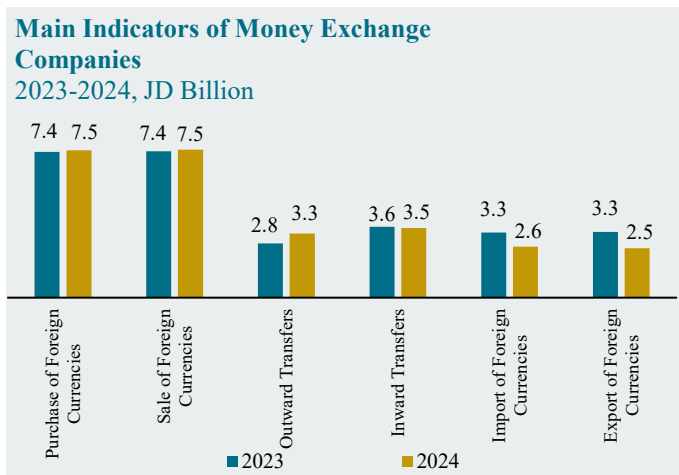
□ Money Exchange Companies

By the end of 2024, the number of licensed money exchange companies operating in the Kingdom reached 106 headquarters and 219 branches, bringing the total to 325 exchange locations, compared to 323 exchange locations (112 headquarters and 211 branches) at the end of 2023.

In terms of geographical distribution, 58.2 percent of money exchange companies were concentrated in Amman governorate, followed by 10.5 percent in Irbid governorate, and 10.2 percent in Zarqa governorate. The chart below illustrates the distribution of exchange companies by governorate as of the end of 2024.



As for financial performance, the total capital of licensed money exchange companies reached JD 119.1 million at the end of 2024, compared to JD 115.9 million at the end of 2023. Key financial indicators are summarized in the chart below.



As part of efforts to modernize the money exchange sector and enhance its role in delivering digital financial services, the permitted scope of activities for exchange companies were expanded in 2024 to include: the design and development of computer programs and financial software, the provision of interactive automated teller machines (Kiosks) and the issuance of multi-currency cards through co-branded products.

In terms of supervision and compliance, supervisory activities continued to follow a risk-based inspection approach to ensure compliance with regulations. Corrective measures were taken

against non-compliant companies, while coordination with relevant authorities supported specialized inspections targeting unsafe currency practices and unauthorized transfers.

Moreover, exchange companies' external dealings were closely monitored, particularly their roles as agents for mobile payment service providers and their participation in electronic bill presentment and collection services.

To safeguard the sector against misuse for unauthorized financial activities, the CBJ conducted field visits aimed at raising awareness among exchange companies. These efforts enhanced their ability to detect and respond to attempts by individuals or entities engaging in unlicensed currency exchange and money transfer operations.

Applied Economic Studies Published by the Research Department in 2024

In 2024, the CBJ's Research Department issued the 4th edition of the Applied Economic Studies Journal, featuring several applied studies focused on specialized topics related to the Jordanian economy (Box 6).

Box (6)

Applied Economic Studies Published by the Research Department in 2024

The CBJ has issued the fourth edition of the Journal of Applied Economic Studies, an annual research journal focused on economic, financial, and monetary issues, supervised by the Research Department of the CBJ. This edition includes a set of research papers that highlight important economic issues of interest to researchers and specialists in the field of economics.

The studies published in this issue cover several main topics, including an analysis of government spending efficiency, which assesses the effectiveness of directing public financial resources to achieve desired economic and social objectives. The issue also features a study on the price and income elasticity of Jordanian exports, aiming to understand the responsiveness of exports to changes in prices and income, thereby enhancing the competitiveness of domestic exports. Furthermore, the journal presents a paper on estimating total factor productivity and its determinants, highlighting factors affecting productivity improvement and its role in supporting economic growth. Recognizing the rapid developments in artificial intelligence, the issue includes an innovative study on using machine learning techniques for nowcasting Gross Domestic Product (GDP) under limited data conditions, reflecting the CBJ's commitment to adopting modern analytical methods based on technology to enhance the accuracy of economic forecasts.

1. Efficiency of Government Spending in Jordan: This study aims to assess the efficiency of government spending in the education, health, infrastructure, and environment sectors in Jordan for the period 2003-2023. A non-parametric approach using Data Envelopment Analysis (DEA) was employed to measure the efficiency of government spending in Jordan. The study found the efficiency of sector performance in the Kingdom to be: education (96 percent), health (91 percent), infrastructure (87 percent), and environment (70 percent). This indicates that the Jordanian government can improve performance in various sectors without increasing expenditures. Following these efficiency measurements, Principal Component Analysis (PCA) method was used to estimate a comprehensive index reflecting the overall efficiency of public spending in Jordan. The results showed a steady improvement in public spending efficiency, with noticeable improvements in specific periods, reflecting the impact of economic policies and reforms.

Box (6) Continued

- 2. Price and Income Elasticity of Jordanian Exports:** This study aimed to estimate the price and income elasticities of demand for Jordanian exports using quarterly data for the period 2001–2023. Elasticities were estimated at three levels: the aggregate level for national exports, the level of the top four countries by geographic distribution, and the level of the top four exported goods by commodity composition. The Imperfect Substitute Model was used to estimate elasticities, while the Seemingly Unrelated Regression (SUR) model was used to calculate elasticities at the geographic and commodity levels. For the aggregate level, the Ordinary Least Squares (OLS) model was employed. The findings revealed that at the aggregate level, income elasticity was positive and elastic, whereas price elasticity was elastic and negative. At the geographic level, income elasticity was positive and elastic for most countries in the study, except Iraq, where it was unitary elastic. The price elasticity, on the other hand, was negative, elastic, and statistically significant. At commodity composition level, income elasticity was positive and elastic for all sample commodities, while price elasticity was negative and elastic.
- 3. Estimating Total Factor Productivity and Its Determinants:** The study aimed to estimate the growth rate of Total Factor Productivity (TFP) in Jordan for the period 2010-2023 and its contribution to real GDP growth, in addition to examining the macroeconomic determinants affecting TFP growth. The study also estimated the contribution of factors of production, represented by workers' compensation and capital stock, to real GDP growth. The results showed that the income shares of labor and capital were 0.67 and 0.32, respectively. On average, throughout the sample period, the contributions of labor, capital, and TFP to real GDP growth were 1.7, 0.3, and 0.3 percentage points, respectively. In the long run, TFP growth is positively influenced by trade openness, the Human Development Index (HDI), and the ratio of net foreign direct investment to output. Conversely, it is negatively affected by imports of "raw materials and intermediate goods" and "capital goods," while the real interbank interest rate has a muted effect.

Box (6) Continued

4. A Machine Learning Approach to Nowcasting GDP with Limited Data Span: The Case of Jordan: This paper applies a new nowcasting approach for Real Gross Domestic Product (RGDP) forecasts in Jordan using Machine learning (ML). By employing the Extreme Gradient Boosting (XGBoost) algorithm, the study generates sector-specific GDP predictions, focusing particularly on the fourth quarter of 2023. These predictions are then compared against forecasts compiled using benchmark models, including AI-based models such as Long Short-Term Memory (LSTM) and traditional models like Autoregressive Moving Average (ARIMA) and Dynamic Factor Models (DFM). Results demonstrate that XGBoost provides projections with a high degree of accuracy. The growth rate projected for the fourth quarter of 2023 stands at 2.4 percent, closely aligning with the observed 2.3 percent. Therefore, the paper recommends adding XGBoost to the nowcasting tools used by Central Banks.

The Journal Link:





Public Finance Sector

- General Budget
- Budgets of Government Units
- Outstanding Government Debt



In 2024, the overall fiscal deficit, including foreign grants, widened by JD 238.2 million compared to 2023, reaching JD 2,098.5 million, equivalent to 5.5 percent of GDP. This compares with a deficit of JD 1,860.3 million (5.1 percent of GDP) in 2023.

The widening deficit was mainly driven by a 4.8 percent rise in public expenditure, which outpaced the 2.6 percent growth in public revenues (domestic revenues and foreign grants).

Domestic revenues grew by 2.9 percent in 2024, reaching JD 8,770.5 million, supported by higher tax revenues (up by JD 168.7 million, or 2.7 percent), and non-tax revenues (up by JD 81.8 million, or 3.6 percent).

Public expenditure increased by JD 533.6 million (4.8 percent), reaching JD 11,537.6 million in 2024. This was mainly attributed to a JD 741.2 million rise in current expenditure (7.7 percent), which reached JD 10,368.0 million. Meanwhile, capital expenditures declined by JD 207.6 million (15.1 percent), to JD 1,169.6 million.

Outstanding government debt (domestic and external) rose by JD 2,980.2 million to JD 44,161.9 million by the end of 2024, representing 116.6 percent of GDP, compared to 113.5 percent of GDP in 2023 (JD 41,181.7 million). This increase reflected financing needs, including deficits of the Water Authority of Jordan and the National Electric Power Company.

Excluding government securities held by the Social Security Investment Fund (SSIF), outstanding government debt (domestic and external) stood at JD 34,178.4 million, equivalent to 90.2 percent of GDP, up from JD 32,289.3 million (89.0 percent of GDP) in 2023.

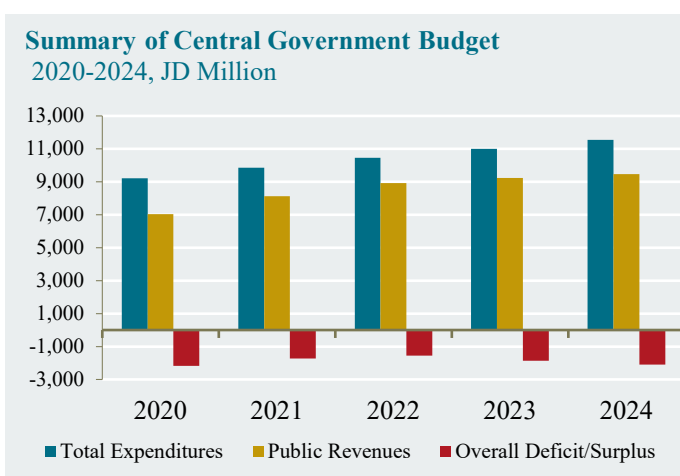
Throughout the year, the government advanced fiscal reforms in tax revenues and customs duties to enhance revenue sustainability. In parallel, economic measures were introduced to stimulate economic growth, improve the investment climate, attract foreign and domestic capital, and support productive sectors, thereby contributing to long-term economic development (Box 7).

General Budget

In 2024, the overall fiscal deficit of the general budget, including foreign grants, widened by JD 238.2 million, reaching JD 2,098.5 million, equivalent to 5.5 percent of GDP. This compares with a deficit of JD 1,860.3 million (5.1 percent of GDP) in 2023.

Excluding foreign grants, which amounted to JD 704.6 million, the overall fiscal deficit widened to JD 2,803.1 million (7.4 percent of GDP), up from 7.1 percent of GDP in 2023. This deterioration was mainly driven by a JD 533.6 million increase in public expenditure, which outpaced the JD 243.4 million rise in public revenues.

Consequently, the revenue-to-expenditure coverage ratio declined by 1.8 percentage points, reaching to 82.1 percent in 2024 compared to 2023.



Developments in Public Revenues and Public Expenditures

	2021	2022	2023*	2024**
Public Revenues	8,128.2	8,914.1	9,231.7	9,475.1
Growth Rate (%)	15.6	9.7	3.6	2.6
Total Expenditures	9,858.8	10,466.6	11,004.0	11,537.6
Growth Rate (%)	7.0	6.2	5.1	4.8
Overall Deficit/ Surplus (Including Grants)	-1,730.6	-1,552.5	-1,860.3	-2,098.5
Ratio to GDP (%)	-5.3	-4.5	-5.1	-5.5

Source: Ministry of Finance/ General Government Finance Bulletin, January 2025.

* : Includes refunds and clearing data of JD 88 million for 2023.

** : Includes refunds and clearing data of JD 36 million for 2024.

Public Revenues

Public revenues (domestic revenues and foreign grants) grew by JD 243.4 million (2.6 percent), reaching JD 9,475.1 million in 2024, compared to JD 9,231.7 million in 2023. This increase was largely attributed to a JD 250.5 million rise in domestic revenues, while foreign grants decreased slightly by JD 7.1 million.

Main Indicators of Public Revenues

	2021	2022	2023*	2024**
Domestic Revenues	7,324.9	8,121.9	8,520.0	8,770.5
Ratio to Public Revenues (%)	90.1	91.1	92.3	92.6
Ratio to Current Expenditures (%)	84.0	90.7	88.5	84.6
Ratio to GDP (%)	22.3	23.5	23.5	23.2
Foreign Grants	803.3	792.2	711.7	704.6
Ratio to Public Revenues (%)	9.9	8.9	7.7	7.4
Ratio to GDP (%)	2.4	2.3	2.0	1.9
Public Revenues	8,128.2	8,914.1	9,231.7	9,475.1
Ratio to Total Expenditures (%)	82.4	85.2	83.9	82.1
Ratio to GDP (%)	24.7	25.7	25.5	25.0

Source: Ministry of Finance/ General Government Finance Bulletin, January 2025.

* : Includes refunds and clearing data of JD 88 million for 2023.

** : Includes refunds and clearing data of JD 36 million for 2024.

• Domestic Revenues

Domestic revenues grew by 2.9 percent in 2024, reaching JD 8,770.5 million (23.2 percent of GDP), representing 91.6 percent of the revenue target set in the 2024 General Budget Law. This improvement was supported by government measures implemented in late 2024.

Key developments included:

- Tax revenues increased by JD 168.7 million (2.7 percent), reaching JD 6,440.9 million (17.0 percent of GDP).
- Non-tax revenues increased by JD 81.8 million (3.6 percent), reaching JD 2,329.6 million (6.1 percent of GDP).

Tax revenues remained the dominant component of domestic revenues, accounting for 73.4 percent of the total. Within this category, general tax on goods and services increased by JD 118.2 million (2.8 percent), reaching JD 4,274.1 million, reversing the slight decline of 0.3 percent in 2023. As a result, it represented 66.4 percent of total tax revenues, supported by:

- An 11.1 percent increase in sales tax on the commercial sector.
- A 3.0 percent rise in sales tax on services.

- A 0.3 percent increase in sales tax on domestic goods.
- A 2.9 percent decline in sales tax on imported goods.

Despite the overall increase in tax revenues, growth in taxes on income and profits slowed sharply, up by only 1.5 percent compared to 14.5 percent in 2023. Revenues in this category increased by JD 26.7 million, reaching JD 1,799.8 million, reflecting mixed developments:

- Revenues from the National Contribution Account rose by JD 48.9 million (39.1 percent), reaching JD 173.9 million, accounting for 9.7 percent of proceeds of taxes on income and profits.
- Individual income tax rose by JD 34.6 million (9.6 percent), to JD 396.2 million, accounting for 22.0 percent of proceeds of taxes on income and profits.
- In contrast, corporate income tax companies and project declined by JD 56.8 million (4.4 percent), dropping to JD 1,229.7 million, comprising 68.3 percent of the total of taxes on income and profits. This decline reflected a 17.7 percent drop in the pre-tax profits of companies listed on the Amman Stock Exchange in 2023.

Taxes on international trade and transactions (customs duty and related fines) increased by JD 17.6 million (7.3 percent), reaching JD 257.7 million.

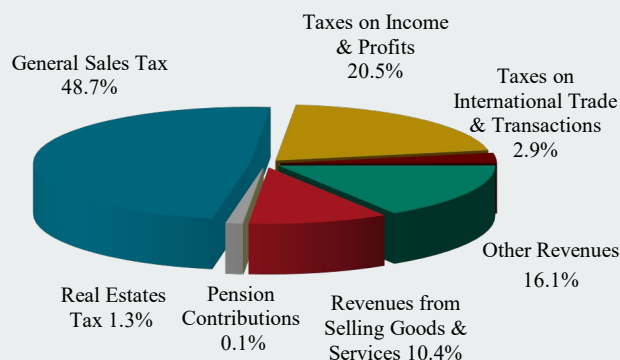
Meanwhile, taxes on financial transactions (real- estates tax) rose by JD 6.2 million (6.0 percent), reaching JD 109.2 million.

Non-tax revenues increased by JD 81.8 million (3.6 percent), reaching JD 2,329.6 million, or 26.6 percent of domestic revenues. This increase was primarily driven by a JD 142.7 million rise in “property income” (23.5 percent), along with a JD 16.9 million increase in “revenues from selling goods and services” (1.9 percent). These gains were partially offset by a JD 76.8 million decline in “miscellaneous revenues” (10.4 percent), and a JD 0.9 million decrease in “pension contributions” (16.7 percent).

Components of Domestic Revenues				
2021-2024, JD Million				
	2021	2022	2023	2024
Tax Revenues	5,626.9	6,047.9	6,272.2	6,440.9
Ratio to Domestic Revenues (%)	76.8	74.5	73.6	73.4
Ratio to GDP (%)	17.1	17.5	17.3	17.0
Other Revenues	1,690.4	2,069.1	2,242.4	2,325.1
Ratio to Domestic Revenues (%)	23.1	25.5	26.3	26.5
Ratio to GDP (%)	5.1	6.0	6.2	6.1
Pension Contributions	7.5	4.9	5.4	4.5
Ratio to Domestic Revenues (%)	0.1	0.1	0.1	0.1
Ratio to GDP (%)	0.02	0.01	0.01	0.01
Total Domestic Revenues	7,324.9	8,121.9	8,520.0	8,770.5

Source: Ministry of Finance/ General Government Finance Bulletin, January 2025.

Structure of Domestic Revenues of the Budgetary Central Government, 2024, percent



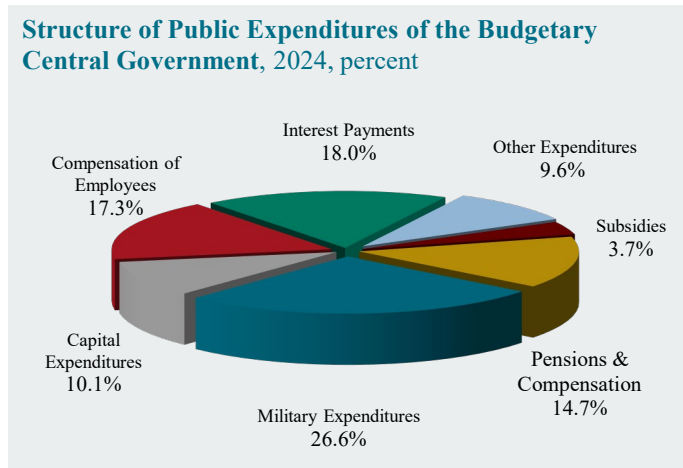
• Foreign Grants

Foreign grants declined slightly by JD 7.1 million (1.0 percent), totaling JD 704.6 million in 2024.

□ Public Expenditures

In 2024, central government public expenditures grew by 4.8 percent, reaching JD 11,537.6 million (30.5 percent of GDP), compared to a growth rate of 5.1 percent in 2023. This increase was primarily driven by higher current expenditures of JD 741.2 million (7.7 percent), while capital expenditures declined by JD 207.6 million (15.1 percent).

Relative to the allocations in the 2024 General Budget Law, the realized execution rate fell by 3.0 percentage points to 93.3 percent, reflecting lower-than-expected spending.



Main Indicators of Public Expenditures
2021-2024, JD Million

	2021	2022	2023	2024
Current Expenditures	8,720.6	8,954.3	9,626.8	10,368.0
Ratio to Total Expenditures (%)	88.5	85.6	87.5	89.9
Ratio to GDP (%)	26.5	25.9	26.5	27.4
Capital Expenditures	1,138.2	1,512.3	1,377.2	1,169.6
Ratio to Total Expenditures (%)	11.5	14.4	12.5	10.1
Ratio to GDP (%)	3.5	4.4	3.8	3.1
Total Expenditures	9,858.8	10,466.6	11,004.0	11,537.6
Ratio to GDP (%)	30.0	30.2	30.3	30.5

Source: Ministry of Finance/ General Government Finance Bulletin, January 2025.

• Current Expenditures

Current expenditures represented 89.9 percent of total public expenditures (27.4 percent of GDP), amounting to JD 10,368.0 million in 2024, an increase of JD 741.2 million (7.7 percent), compared to JD 9,626.8 million in 2023. The execution rate reached 97.4 percent of budget

allocations, underscoring the rigid nature of this category.

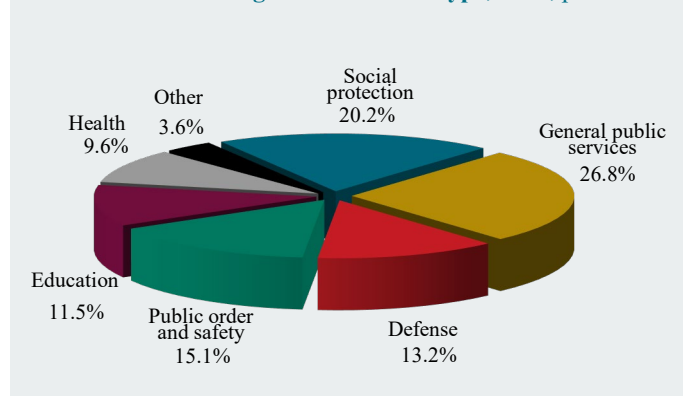
The self-reliance index, measured by the ratio of domestic revenues to current expenditures, declined to 84.6 percent in 2024, down from 88.5 percent in 2023.

Key expenditure drivers included:

- Interest payments (domestic and external) rose by 22.0 percent.
- Subsidies increased by 21.8 percent.
- Goods and services grew by 7.9 percent.
- Military expenditure increased by 2.3 percent.
- Compensation for employees rose by 2.1 percent.

Structurally, 89.2 percent of current expenditures are inflexible, concentrated in military allocations, interest payments, employee compensation, and retirement benefits (Statistical Tables/ Table 27). Functionally, the largest shares were allocated to general public services, accounting for 26.8 percent, followed by social protection, which constituted 20.2 percent of total current expenditures.

Distribution Of Current Expenditures Of Budgetary Central Government According To Functional Type, 2024, percent



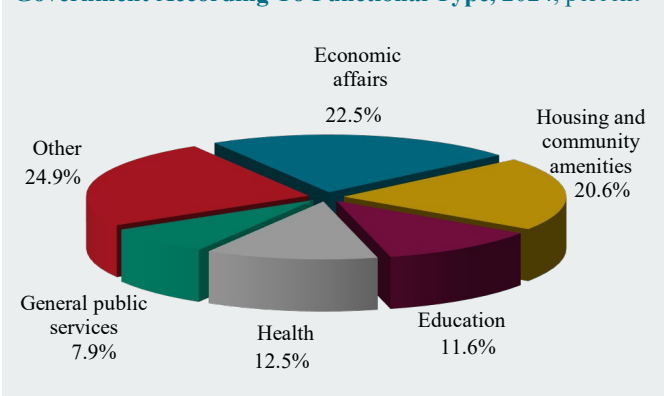
• Capital Expenditures

Capital expenditures declined by JD 207.6 million (15.1 percent), to JD 1,169.6 million in 2024, representing 10.1 percent of public expenditures and 3.1 percent of GDP.

According to the available data, the realization rate of capital expenditures measured as the ratio of actual spending to allocations in the 2024 General Budget Law, declined significantly to 67.6 percent, compared to 86.5 percent in 2023.

From a functional classification perspective, capital expenditure of the central government was primarily directed to the “economic affairs” category, which accounted for 22.5 percent of the total. This was followed by the “housing and community amenities” category, which accounted for 20.6 percent.

Distribution Of Capital Expenditures Of Budgetary Central Government According To Functional Type, 2024, percent



□ General Budget Deficit/ Surplus

In 2024, fiscal developments in both revenues and expenditure resulted in a widening of the central government’s fiscal deficit:

- The overall fiscal deficit, including foreign grants, increased to JD 2,098.5 million (5.5 percent of GDP), compared to JD 1,860.3 million (5.1 percent of GDP) in 2023. This outcome was broadly in line with the JD 2,068.7 million deficit projected in the General Budget Law for 2024.
- Excluding foreign grants, the overall fiscal deficit widened to JD 2,803.1 million (7.4 percent of GDP), up from JD 2,572.1 million (7.1 percent of GDP) in 2023.
- The general budget recorded a primary fiscal deficit (excluding interest payments), including foreign grants, the primary deficit amounted to JD 20.3 million (0.1 percent of

GDP), an improvement compared with JD 157.6 million (0.4 percent of GDP) in 2023.

- Excluding foreign grants, the primary deficit stood at JD 724.9 million (1.9 percent of GDP), also lower than the JD 869.3 million (2.4 percent of GDP) recorded in 2023.
- The current deficit, defined as the gap between domestic revenues and current expenditures, widened to JD 1,597.5 million (4.2 percent of GDP) in 2024, compared with JD 1,106.8 million (3.1 percent of GDP) in 2023.

Measures of Budget Deficit/ Surplus

2021-2024, As a Percent of GDP

	2021	2022	2023	2024
Overall Deficit/ Surplus (Including Grants)	-5.3	-4.5	-5.1	-5.5
Overall Deficit/ Surplus (Excluding Grants)	-7.7	-6.8	-7.1	-7.4
Primary Deficit/ Surplus (Including Grants)	-1.0	-0.4	-0.4	-0.1
Primary Deficit/ Surplus (Excluding Grants)	-3.4	-2.6	-2.4	-1.9
Current Deficit/ Surplus	-4.2	-2.4	-3.1	-4.2

Source: Ministry of Finance/ General Government Finance Bulletin, January 2025.

Budgets of Government Units

The overall fiscal deficit of government units increased in 2024, reaching JD 731.2 million, compared with JD 539.5 million in 2023, as reported in the General Budget Law for fiscal year 2025.

The consolidated summary of government units' budgets for 2024 shows that 7 out of 24 units

reported a combined fiscal deficit of JD 802.5 million in 2024, compared with 8 out of 25 units posting a deficit of JD 663.1 million in 2023. The primary contributors to these fiscal deficits were:

- The National Electric Power Company (NEPCO), with a fiscal deficit of JD 482.2 million in 2024, up from JD 401.0 million in 2023.
- The Water Authority of Jordan (WAJ), which recorded a deficit of JD 294.2 million in 2024, up from JD 246.0 million in 2023.

Despite these pressures, revenues of independent government units improved, increasing by JD 125.8 million (17.7 percent), to JD 838.1 million in 2024.

Revenues from the sale of goods and services accounted for the largest share (69.0 percent, JD 578.5 million). In addition, foreign grants totaled JD 94.0 million, property income amounted to JD 86.5 million, and government subsidies (current and capital) reached JD 36.7 million.

On the expenditures side, government units' expenditure rose by 25.4 percent to JD 1,569.3 million in 2024. This growth was the result of an increase in current expenditure by 26.5 percent, and capital expenditure by 23.0 percent. Current expenditure represented 67.6 percent of the total, while capital expenditure accounted for the remaining 32.4 percent (Statistical Annex/ Table 25-B).

Box (7)

The Key Government Measures in 2024

During 2024, the government remained committed to fiscal consolidation efforts aimed at strengthening public finances and addressing ongoing fiscal pressures. Key measures included enhanced revenue mobilization, broadening the tax base, and improving the efficiency of tax administration. These efforts were implemented alongside the continued application of the monthly gasoline price adjustment mechanism, aligning domestic fuel prices with international oil market trends. In response to regional geopolitical instability, including disruptions in the Red Sea, the government undertook proactive steps to mitigate potential impacts on domestic revenue performance. On the expenditure side, fiscal discipline was maintained through the rationalization of current expenditures and postponement of non-essential capital projects, ensuring the efficient allocation of resources while safeguarding macroeconomic stability.

Tax Revenue Measures:

- The amended Special Tax Bylaw for 2024 was approved and officially enacted upon its publication in the Official Gazette on September 12, 2024. Key amendments included: a reduction in the special tax on petrol-powered vehicles, a progressive increase in the special tax on higher-priced electric vehicles, and adjustments to the special tax rates on cigarettes, tobacco products (including mu'assel), electronic cigarettes, and related liquids, in line with the national strategy to combat tobacco use and reduce smoking in all its forms.
- Revised Tax Incentives for Electric Vehicles, effective until the end of 2024:
 - A 50 percent reduction in the special tax for electric vehicles with a customs value between JD 10,000 and JD 25,000, reducing the tax rate from 40 percent to 20 percent.
 - A similar 50 percent reduction for electric vehicles with a customs value exceeding JD 25,000, reducing the tax rate from 55 percent to 27.5 percent.
 - An amended version of the Special Tax Bylaw for 2024 was issued, introducing a gradual implementation of the special tax on electric vehicles over a three-year period (2025–2027), as follows:

Box (7) Continued

Special Tax Rate on Electric Vehicles

	2025	2026	2027 and beyond
Electric vehicles with a customs value of JD 10,000 or less	10%	12%	15%
Electric vehicles with a customs value above JD 10,000 and up to JD 25,000	30%	35%	40%
Electric Vehicles with a customs value exceeding JD 25,000	40%	45%	55%

- In 2024, an amended bylaw was issued for the vehicle registration, licensing, and market fees system, introducing a revised licensing structure based on the pre-customs value of vehicles rather than their engine capacity. The new system will be applicable to first-time private vehicle registrations starting January 1, 2025.

Customs Duties Measures:

- Individuals involved in customs-related cases that were discovered or subjected to customs seizures before December 31, 2019, were granted partial exemptions from fines, at rates of up to 90 percent.
- The implementation of the Cabinet resolution issued on September 1, 2022, which proposed a phased reduction of customs duties from 25 percent to 20 percent starting January 1, 2025, and further to 15 percent by January 1, 2027, was deferred. This resolution applied to selected goods, including food items, products in the engineering and construction sectors, and furniture.

Non-Tax Revenue Measures:

- Taxpayers with outstanding claims managed by the Public Funds Directorate at the Ministry of Finance were granted exemptions from accumulated financial fines, according to specific provisions and criteria. This exemption became effective from the date of the decision, November 5, 2024, and remains valid until the end of 2024.

Box (7) Continued

- From November 19, 2024, until the end of 2024, exemptions were granted for vehicles with expired licenses. Vehicles with licenses expired for several years were exempted from all due fines, while vehicles with licenses expired for more than one year were also exempted from the acquisition fees for previous years and any applicable re-registration fees.
- The government reduced roofing fees for residential apartments by 50 percent for a period of three years. Additionally, registration fees were reduced by 50 percent for residential units exceeding 150 square meters.

Implementation of the Fuel Price Liberalization Policy:

- The fuel price difference item on electricity bills remained set at zero throughout 2024.
- Prices of various oil derivatives were adjusted monthly, with changes ranging between -12.2 percent and +2.5 percent. The prices of Kerosene and household liquefied gas cylinders remained unchanged, as shown in the table below:

Developments in Oil Derivatives Prices, 2024

Product	Unit	December 2023	December 2024	Change (%)
Unleaded Gasoline 90	Fils/ Liter	915	860	-6.0
Unleaded Gasoline 95	Fils/ Liter	1,160	1,105	-4.7
Unleaded Gasoline 98	Fils/ Liter	1,310	1,255	-4.2
Gas Oil (Diesel)	Fils/ Liter	750	680	-9.3
Kerosene	Fils/ Liter	620	620	0.0
Liquid Gas (12.5kg)	JD/ Cylinder	7.0	7.0	0.0
Fuel Oil (1%)	JD/ Ton	441.4	442	0.1
Fuel for Airplanes (Local Companies)	Fils/ Liter	607	533	-12.2
Fuel for Airplanes (Foreign Companies)	Fils/ Liter	612	538	-12.1
Fuel for Unplanned Flights	Fils/ Liter	627	553	-11.8
Asphalt	JD/ Ton	426.3	436.9	2.5

Source: Jordan Petroleum Refinery Company.

Outstanding Government Debt

At the end of 2024, the outstanding government debt (domestic and external), including budgetary and guaranteed, rose by JD 2,980.2 million, reaching JD 44,161.9 million, compared to the end of 2023. This increase reflected the government's financing needs to cover the general budget deficit, WAJ, and NEPCO deficits.

As a percentage of GDP, the outstanding government debt increased by 3.1 percentage points, reaching 116.6 percent of GDP at the end of 2024, compared with 113.5 percent at the end of 2023. This increase was attributable to debt growth outpacing the growth in nominal GDP. Domestic debt (budgetary and guaranteed) increased by JD 1,849.6 million, reaching JD 24,339.5 million (64.3 percent of GDP). External debt (budgetary and guaranteed) increased by JD 1,130.6 million, reaching JD 19,822.4 million (52.3 percent of GDP).

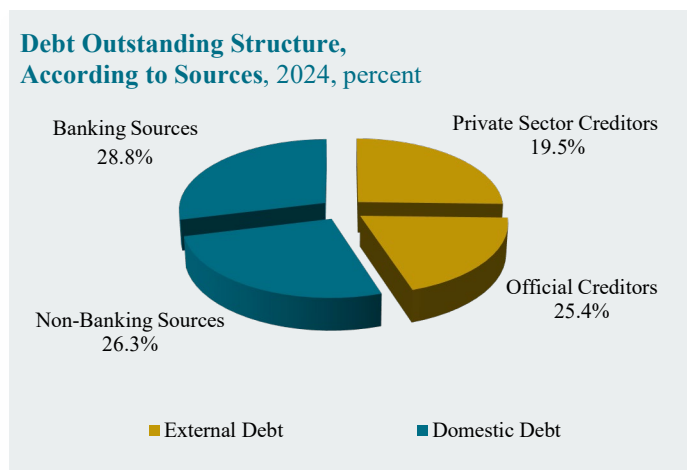
Combined debt of NEPCO and WAJ reached JD 8,700 million, representing 19.7 percent of total government debt (23.0 percent of GDP).

When excluding government securities held by (SSIF), outstanding government debt (domestic and external), increased by JD 1,889.1 million to

reach JD 34,178.4 million (90.2 percent of GDP), compared to JD 32,289.3 million (89.0 percent of GDP) at the end of 2023.

By reviewing the composition of the outstanding government's domestic debt by creditor, it is observed that banking sector sources accounted for 28.8 percent of the total outstanding government debt (domestic and external), and non-bank sources, most notably the holdings of SSIF, represented 26.3 percent of the total.

Regarding the composition of external debt (budgetary and guaranteed), obligations owed to official creditors, including governments, as well as international and regional financial institutions, accounted for 25.4 percent of the outstanding government debt. Meanwhile, debt owed to private sector creditors represented 19.5 percent of the total.



In the light of these developments, the following table highlights the key debt indicators, covering aspects of financial solvency (ability to service debt obligations) and liquidity:

Major Debt Indicators				
2021-2024, Percent				
	2021	2022	2023	2024
First: Financial Solvency Indicators				
Outstanding Government Debt/ GDP	108.8	111.2	113.5	116.6
Outstanding Government Debt/ Domestic Revenues	488.3	473.9	483.4	503.5
External Debt/ Domestic Revenues	211.7	208.2	219.4	226.0
External Debt/ Exports of Goods and Non-Factor Services	157.5	114.8	118.4	122.8
Second: Liquidity Indicators				
External Debt Service/ Domestic Revenues	25.0	34.5	37.1	27.8
External Debt Service/ Exports of Goods and Non-Factor Services	18.6	19.0	20.0	15.1
Debt Interest/ Domestic Revenues	19.2	17.6	20.0	23.7

Source: Ministry of Finance/ General Government Finance Bulletin, January 2025.

The following section provides an analysis of the most prominent indicators of the outstanding government domestic and external debt in 2024:

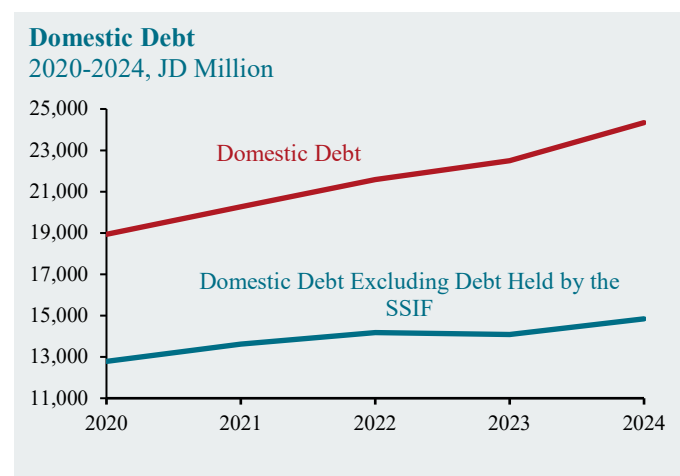
□ Domestic Debt (Budgetary and Guaranteed)

In 2024, the government continued to rely on domestic borrowing as a principal financing tool to cover the general budget deficit, address the WAJ deficit, and meet obligations related to debt servicing and bond redemptions. In this context,

the issuance of domestic debt instruments, primarily in the form of local bonds, expanded, with new issuance surpassing amortizations during the year.

Accordingly, the total domestic debt (budgetary and guaranteed) increased by JD 1,849.6 million, reaching JD 24,339.5 million (64.3 percent of GDP) by the end of 2024, compared to JD 22,489.9 million (62.0 percent of GDP) in 2023.

Excluding government securities held by the SSIF, which totaled JD 9,496.1 million, domestic debt (budgetary and guaranteed) stood at JD 14,843.4 million (39.2 percent of GDP).



A detailed breakdown of domestic debt reveals the following:

- Budgetary domestic debt increased by JD 1,378.7 million, reaching JD 20,854.0 million, accounting for 85.7 percent of the total domestic debt.

- Guaranteed domestic debt increased by JD 470.9 million, reaching JD 3,485.5 million, representing 14.3 percent of the total.

According to the data presented in Statistical Annex/ Table 28, debt held by banking sources increased by JD 695.5 million in 2024, reaching JD 12,724.3 million. This represents 52.3 percent of the government's domestic debt portfolio, slightly down from 53.5 percent in 2023. The composition of domestic debt by instrument was as follows:

- Treasury bills and bonds: JD 9,619.6 million, representing 39.5 percent of total domestic debt.
- Loans and advances: JD 3,104.7 million, representing 12.8 percent of total domestic debt.

In terms of creditor type, domestic debt held by non-bank institutions, primarily SSIF, amounted to JD 11,615.2 million, representing 47.7 percent of the government's domestic debt portfolio.

The net movement in domestic debt instruments, including treasury bills and bonds issued on behalf of the central government and own-budget agencies, showed a net increase of JD

353.9 million in issuance compared to 2023, bringing the total outstanding volume to JD 5,003.5 million. These issuances were distributed as follows:

- Treasury bonds: JD 4,103.5 million.
- Treasury bills: JD 900.0 million.

Simultaneously, redemptions of domestic debt declined by JD 147.5 million, totaling JD 3,700.0 million in 2024. Consequently, net issuances amounted to JD 1,303.5 million, up from JD 802.1 million in 2023.

In parallel, interest payments on domestic debt increased by JD 223.7 million, reaching JD 1,271.7 million in 2024. This figure accounted for 14.5 percent of domestic revenues, with an increase of 2.2 percentage points compared to their level in 2023.

The average interest rates on domestic government securities in 2024 were: 6.869 percent for two-year treasury bonds, 6.576 percent for three-year bonds, 6.527 percent for five-year bonds, and 5.763 percent for seven-year bonds. These compared to 6.912 percent, 6.857 percent, 6.813 percent, and 6.961 percent in 2023, respectively.

Selected Government Domestic Debt Indicators 2021-2024, JD Million

	2021	2022	2023	2024
Government Domestic Debt	20,259.5	21,579.2	22,489.9	24,339.5
Ratio to GDP (%)	61.6	62.3	62.0	64.3
Domestic Debt Holding by the Social Security Investment Fund (SSIF)	6,633.9	7,400.5	8,408.5	9,496.1
Ratio to GDP (%)	20.2	21.4	23.2	25.1
Government Domestic Debt Excluding Debt Holding by SSIF	13,625.6	14,178.7	14,081.4	14,843.4
Ratio to GDP (%)	41.5	41.0	38.8	39.2
Transactions in Domestic Debt Instruments ⁽¹⁾				
Issue	4,277.1	4,951.4	4,649.6	5,003.5
Redemption	2,908.0	4,086.0	3,847.5	3,700.0
Interests	1,008.5	984.3	1,048.0	1,271.7

Source: Ministry of Finance/ General Government Finance Bulletin, January 2025.

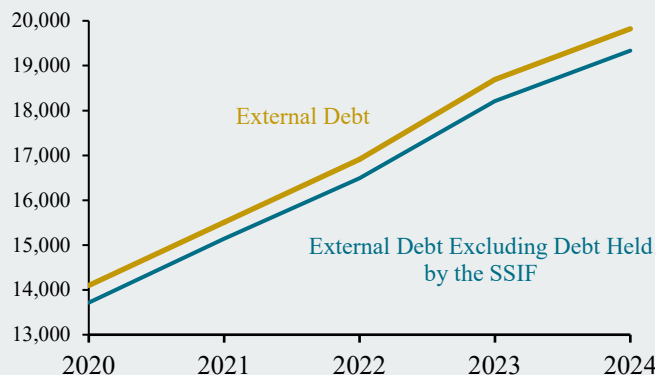
(1) : Includes public entities bonds.

□ Outstanding External Debt (Budgetary and Guaranteed)

By the end of 2024, the outstanding external debt (budgetary and guaranteed) increased by JD 1,130.6 million, reaching JD 19,822.4 million, (52.3 percent of GDP), compared to JD 18,691.8 million (51.5 percent of GDP) at the end of 2023.

When excluding USD-denominated government securities held by the SSIF, which amounted to JD 487.4 million, the external debt balance (budgetary and guaranteed) stood at JD 19,335.0 million (51.0 percent of GDP).

External Debt 2020-2024, JD Million



In this context, the government continued to utilize USD-denominated domestic treasury instruments as part of its external debt strategy, in 2024. The following transactions were conducted:

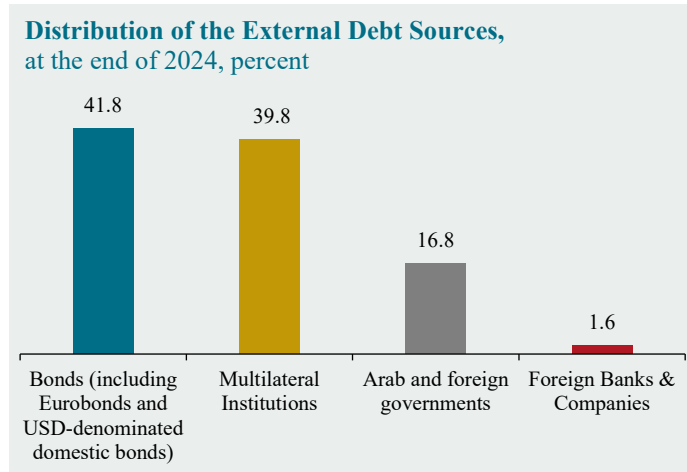
- May 2024: Issued USD 240 million (JD 170.2 million) in USD-denominated treasury bills at a 6.500 percent annual coupon, maturing in May 2025. Redeemed USD 220 million (JD 156.0 million) in similar instruments.
- June 2024: Issued USD 205 million (JD 145.3 million) in USD-denominated treasury bills at 6.500 percent annual coupon, maturing in June 2025. Redeemed USD 210 million (JD 148.9 million).
- July 2024: Issued USD 410 million (JD 290.7 million) in USD-denominated treasury bills at a 6.500 percent annual coupon rate, maturing in July 2025. Redeemed an equal amount.

- August 2024: Issued USD 70 million (JD 49.6 million) in USD-denominated treasury bonds at a 6.500 percent annual coupon rate, maturing in August 2029.
- September 2024: Issued USD 120 million (JD 85.1 million) in USD-denominated treasury bills at a 5.750 percent annual coupon rate, maturing in September 2025. Redeemed USD 75 million (JD 53.2 million).
- November 2024: Issued USD 82 million (JD 58.1 million) in USD-denominated treasury bills at a 5.751 percent annual coupon, maturing in May 2025. Also, USD 110 million (JD 78.0 million) in USD-denominated domestic treasury bonds at a 6.500 percent annual coupon, maturing in November 2029.

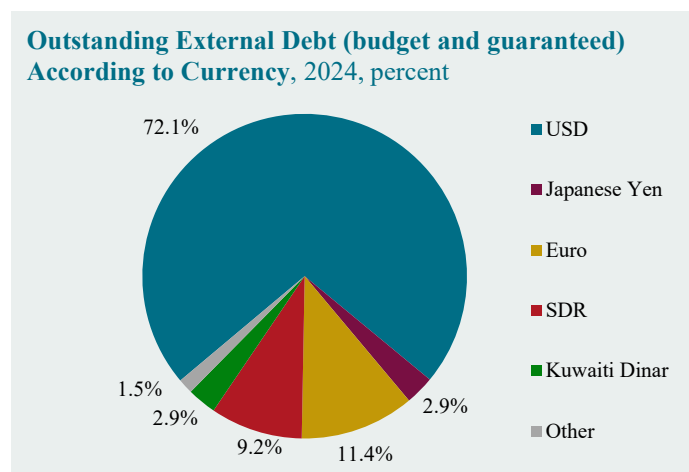
The increase in external debt during 2024 was attributed to: Net repayments and disbursements of JD 1,436.5 million (USD 2,026.1 million), a net increase in SSIF holdings of USD-denominated securities by JD 3.5 million (USD 4.9 million), and a reduction of JD 309.4 million (USD 436.4 million) due to exchange rate fluctuations of major creditor currencies against the Jordanian Dinar.

At the end of 2024, bonds (including Eurobonds and USD-denominated domestic bonds) comprised the largest share of external debt portfolio, accounting for 41.8 percent of the outstanding external debt. This was followed by: loans from

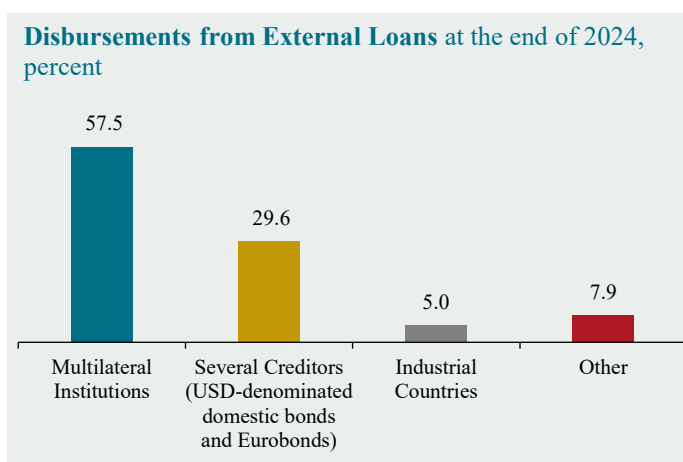
regional and international financial institutions, and loans from Arab and foreign governments, including bilateral loans and those backed by export credit guarantees (Statistical Annex/ Table 29).



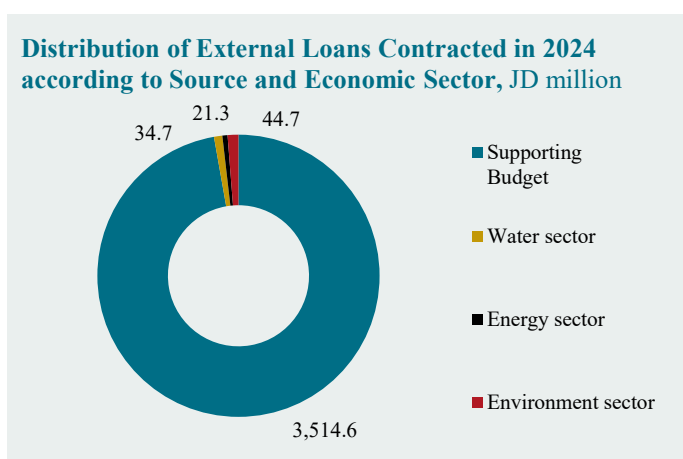
The US dollar remained the dominant currency of external borrowing, accounting for 72.1 percent of total external debt. This reflects the government’s continued preference for USD-denominated instruments, primarily through domestic bonds issuances and Eurobonds placements, to mitigate risks associated with foreign exchange fluctuations.



Total external loan disbursements in 2024, used to finance the general budget deficit, and various development projects, amounted to JD 2,965.4 million, a decrease of JD 1,234.4 million compared to 2023. Of this total, 57.5 percent came from regional and international financial institutions, while the remainder came from other sources (including USD-denominated domestic bonds and bills, and Eurobonds) (Statistical Annex/ Table 30).



In 2024, total new external loan commitments (budgetary and guaranteed) amounted to JD 3,615.3 million (USD 5,099.1 million), with budget support loans representing JD 3,514.6 million, or 97.2 percent of total contracted loans (Statistical Annex/ Table 31).



External debt service (interests and principal payments) in 2024 amounted to JD 2,436.7 million (6.4 percent of GDP), of which principal repayments amounting to JD 1,559.3 million, and interest payments of JD 877.4 million. This marks a significant decline from JD 3,161.4 million (8.7 percent of GDP) in 2023, which included JD 2,456.3 million in principal and JD 705.1 million in interest. The overall decline in debt service payments was JD 724.7 million. Consequently, the external debt service ratio (measured as the ratio of total cash repayments to exports of goods and non-factor services) decreased to 15.1 percent in 2024, down from 20.0 percent in 2023.

Selected External Debt Indicators

2021-2024, JD Million

	2021	2022	2023	2024
External Debt	15,507.2	16,911.0	18,691.8	19,822.4
Ratio to GDP (%)	47.2	48.8	51.5	52.3
External Debt Holding by the Social Security Investment Fund (SSIF)	369.7	422.1	483.9	487.4
Ratio to GDP (%)	1.1	1.2	1.3	1.3
External Debt Excluding Debt Holding by SSIF	15,137.5	16,488.9	18,207.9	19,335.0
Ratio to GDP (%)	46.1	47.6	50.2	51.0
Repayments	1,829.6	2,803.2	3,161.4	2,436.7
Principal	1,387.1	2,307.1	2,456.3	1,559.3
Interest	442.5	496.1	705.1	877.4
Debt Service Ratio ⁽¹⁾ (%)	18.6	19.0	20.0	15.1

Source: Ministry of Finance/ General Government Finance Bulletin, January 2025.

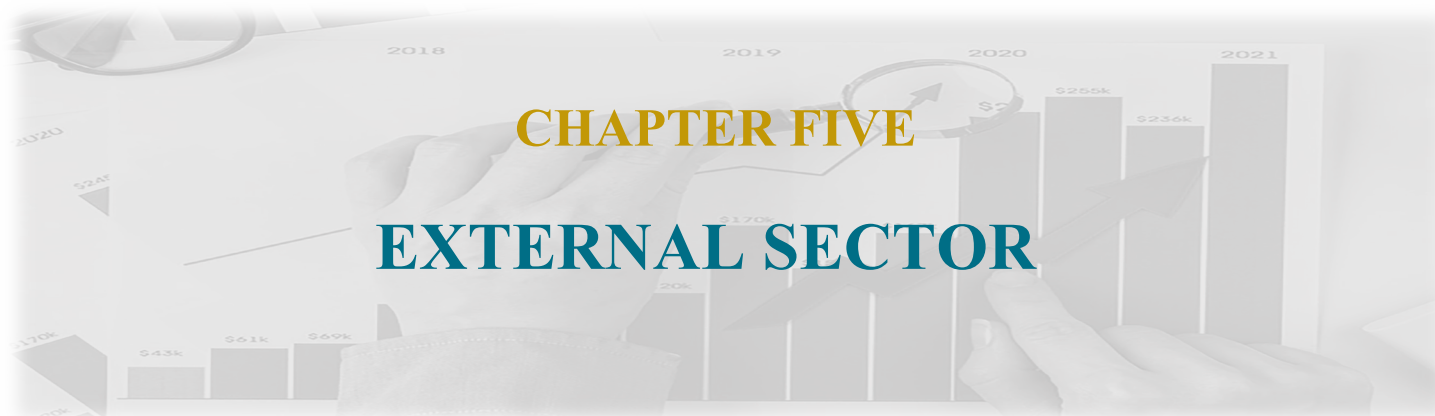
(1) : Represents the ratio of repayments (principal + interest) to total exports of goods and non-factor services.



5

External Sector

- External Trade
- Trade Balance
- Balance of Payments
- International Investment Position



Despite heightened geopolitical instability in the region stemming from the ongoing war in Gaza, the external sector demonstrated notable resilience and adaptability during 2024. This performance was underpinned by key factors, the geographic and commodity-based expansion of the exports base, diversification of energy imports sources, strong reliance on tourism from Arab countries and Jordanian expatriates, and the government’s precautionary and proactive measures to ensure sustainable supply chains. These efforts effectively mitigated the external sector’s exposure to external shocks. As a result, domestic exports rose by 4.1 percent, driven mainly by increased foreign demand for “non-conventional” exports. Meanwhile, imports grew by 4.5 percent, primarily due to higher imports of capital goods and durable consumer goods. In contrast, energy imports declined, reflecting the drop in global oil prices.

Despite the challenging regional environment, tourism flows from neighboring countries played a critical role in mitigating the expected slowdown in the sector. As a result, travel receipts declined by only 2.3 percent in 2024, while remaining above pre-pandemic levels. In parallel, workers' remittances continued to support domestic consumption and overall economic activity, recording a 2.8 percent increase in 2024.

Given the performance of these indicators, the current account deficit reached 5.9 percent of GDP in 2024, compared to a deficit of 3.6 percent of GDP in 2023. Net foreign direct investment (net FDI) inflows to the Kingdom amounted to approximately JD 1,160.6 million, covering almost 52.3 percent of the deficit.

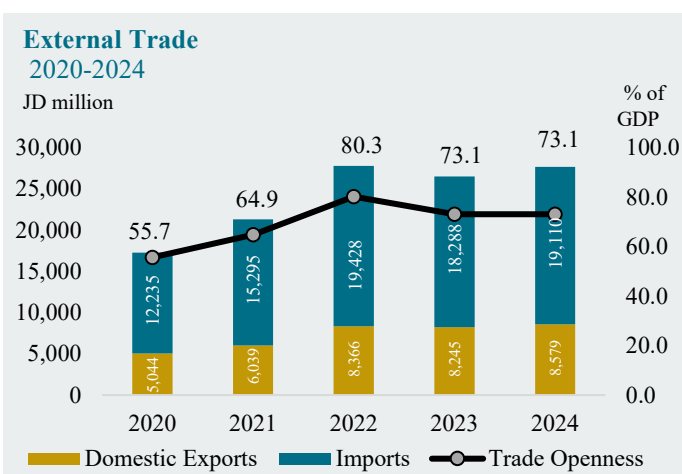
The international investment position at the end of 2024 showed a decline in the Kingdom’s net external obligations, reaching JD 35,316.2 million, compared to JD 35,380.8 million at the end of 2023.

External Trade

External trade (the sum of domestic exports and imports) grew by 4.4 percent in 2024, reversing the contraction of 4.5 percent recorded in 2023. This positive performance was supported by an increase in both domestic exports of 4.1 percent, and imports of 4.5 percent.

Trade openness (measured as the ratio of external trade to GDP) stood at 73.1 percent of GDP in 2024, broadly unchanged from 2023, yet remaining above the past five-year average of 66.5 percent of GDP.

From a geographical distribution perspective, external trade expanded significantly with Iraq (31.4 percent), the United States of America (13.4 percent), Saudi Arabia (13.3 percent), and China (12.9 percent). Conversely, external trade declined with India (28.8 percent) and the United Arab Emirates (5.2 percent). Collectively, these countries accounted for 55.7 percent of total external trade in 2024, up from 54.9 percent in 2023.



External Trade Indicators

2021-2024

	2021	2022	2023	2024 ⁽¹⁾
Growth rate (%)				
External Trade	23.5	30.3	-4.5	4.4
Total Exports	17.8	36.6	-1.8	5.8
Domestic Exports	19.7	38.5	-1.4	4.1
Re-Exports	1.6	17.0	-5.9	28.1
Imports*	25.0	27.0	-5.9	4.5
Trade Balance	31.2	19.7	-9.5	3.2
As a Percent of GDP (%)				
External Trade	64.9	80.3	73.1	73.1
Total Exports	20.2	26.2	24.5	24.9
Domestic Exports	18.4	24.2	22.7	22.6
Re-Exports	1.8	2.0	1.8	2.3
Imports*	46.5	56.1	50.4	50.4
Trade Balance	-26.3	-29.9	-25.9	-25.5

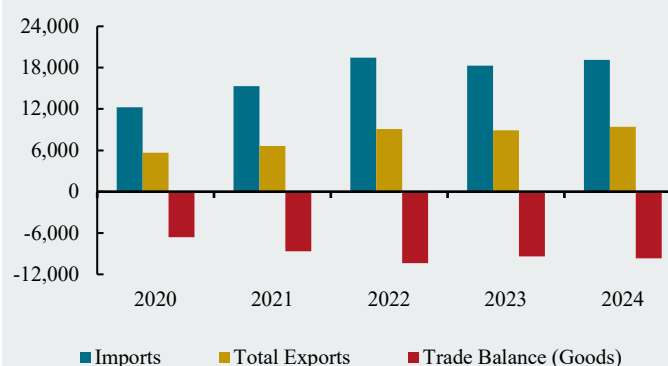
(1): Preliminary

* : Including imports of non-resident entities.

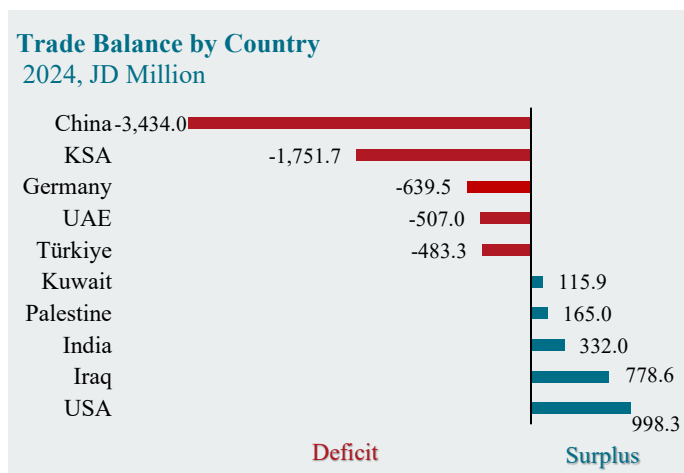
Trade Balance

In 2024, the Kingdom's trade balance deficit (defined as total exports minus imports, CIF basis) widened by 3.2 percent compared to 2023. This increase was primarily attributed to higher imports growth which outpaced the growth in total exports.

Trade Balance 2020-2024, JD Million



The Kingdom recorded its largest trade surpluses with the USA, Iraq, India, Palestine, and Kuwait, while the most significant trade deficits were registered with China, Saudi Arabia, Germany, the UAE, and Türkiye.



The coverage ratio of total exports to imports improved slightly, reaching 49.4 percent in 2024, compared to 48.7 percent in 2023.

□ Total Exports

Total exports increased by 5.8 percent in 2024, reaching JD 9,432.9 million. This growth was driven by an expansion in both domestic exports and re-exports.

❖ Domestic Exports

Despite ongoing regional instability and disruptions in global shipping routes through the Bab El-Mandeb Strait, domestic exports exceeded expectations in 2024, increasing by JD 334.1 million, (4.1 percent), to reach JD 8,579.3 million. This growth was primarily driven by a 9.0 percent

increase in exports quantities, supported by stronger foreign demand and an expanded exports base across both commodities and markets. However, average exports prices declined by 4.5 percent over the same period.

Performance was bolstered by strong growth in “non-conventional” exports, which increased by 10.1 percent to JD 6,625.4 million, raising their share of total domestic exports to 77.2 percent in 2024, compared to 73.0 percent in 2023. In contrast, conventional exports (potash, phosphates, fertilizers and phosphoric acid) declined by 12.2 percent to JD 1,953.9 million, reducing their share to 22.8 percent from 27.0 percent in previous year.

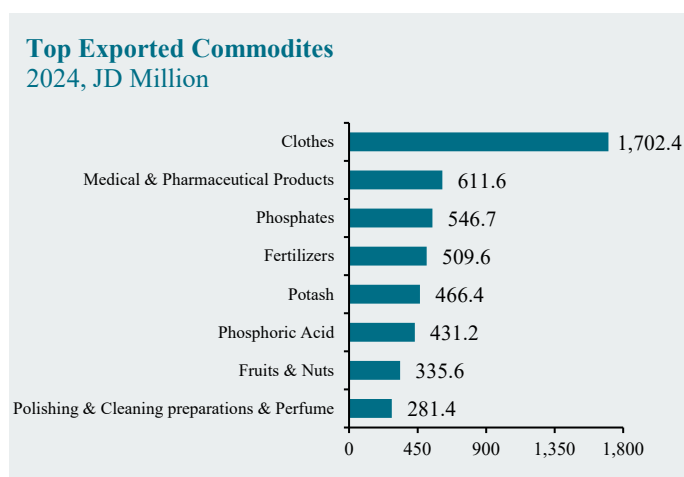
Domestic exports accounted for 22.6 percent of GDP in 2024, compared to 22.7 percent in 2023.

Analyzing commodity structure and geographical distribution of domestic exports revealed the following:

- By commodity group, “Miscellaneous Manufactures” increased by 15.4 percent, raising their share to 28.2 percent of total domestic exports (25.4 percent in 2023). “Chemicals” decreased slightly by 0.4 percent, reducing their share to 28.2 percent (29.4 percent in 2023). “Food and Live Animals” grew strongly by 30.5 percent, increasing their share to 15.6 percent (12.4 percent in 2023). “Crude Materials, Inedible, Except Fuels” declined by 16.3 percent, with

their share dropping to 13.6 percent (16.9 percent in 2023). Altogether, these four groups accounted for 85.6 percent of the total domestic exports in 2024.

- By exported commodities, notable increases were recorded in “Fruits and nuts” (72.7 percent), Fertilizers (34.8 percent), Clothes (24.6 percent), “Polishing and Cleaning preparations and perfume materials” (16.7 percent) and “Medical and pharmaceutical products” (14.9 percent). In contrast, exports of Potash declined by 28.3 percent, Phosphoric acid by 27.3 percent and Phosphates by 9.3 percent. Collectively, these selected goods accounted for 56.9 percent of total domestic exports in 2024, compared to 55.3 percent in 2023.



Domestic Exports by Commodity

2023-2024, JD Million

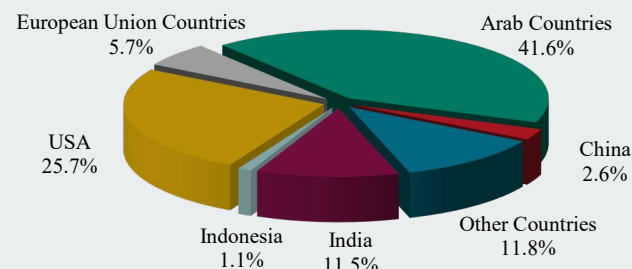
	2023	2024 ⁽¹⁾	Growth rate (%)
Domestic Exports o/w:	8,245.2	8,579.3	4.1
Clothes	1,366.4	1,702.4	24.6
USA	1,111.2	1,381.2	24.3
Medical & Pharmaceutical Products	532.4	611.6	14.9
KSA	118.2	149.6	26.6
Iraq	78.6	120.4	53.1
Algeria	48.4	64.3	32.8
Phosphates	603.0	546.7	-9.3
India	396.4	397.8	0.3
Indonesia	82.1	82.0	-0.2
China	7.3	30.3	315.9
Fertilizers	377.9	509.6	34.8
Iraq	38.6	130.5	238.0
India	100.3	108.7	8.4
Potash	650.8	466.4	-28.3
Egypt	64.6	66.1	2.3
India	101.2	65.9	-34.9
Brazil	50.4	56.1	11.4
Phosphoric Acid	593.3	431.2	-27.3
India	567.2	366.6	-35.4
Türkiye	0.3	18.5	-
Fruits & Nuts	194.3	335.6	72.7
KSA	61.0	121.7	99.4
UAE	24.2	43.4	79.5
Iraq	18.6	37.5	102.1
Polishing & Cleaning Preparation & Perfume Materials	241.2	281.4	16.7
Iraq	114.1	134.7	18.1
KSA	56.8	65.5	15.2
Libya	30.0	31.6	5.5

Source: Department of Statistics.

(1) : Preliminary.

- By economic function, “Consumer Goods” increased by 22.4 percent, representing 52.3 percent of total domestic exports in 2024. “Capital Goods” increased by 6.3 percent, accounting for 2.5 percent of total domestic exports. Conversely, “Raw Materials and Intermediate Goods” decreased by 11.6 percent, with their share at 45.1 percent.
- By country group, domestic exports to the “Greater Arab Free Trade Area” increased by 15.8 percent, accounting for 41.6 percent of total domestic exports in 2024. Exports to the “North American Free Trade Agreement (NAFTA)” countries grew by 11.3 percent, reaching 26.8 percent, while exports to “European Union” grew by 5.7 percent, accounting for of 5.7 percent. Conversely, exports to “Non-Arab Asian Countries” decreased by 14.7 percent, representing 20.2 percent of total domestic exports.
- By market destinations, domestic exports increased significantly to Iraq (42.5 percent), Egypt (38.8 percent), the KSA (14.4 percent), the USA (12.8 percent). In contrast, exports decreased to India (18.9 percent), Palestine (13.3 percent), China (11.5 percent), and the UAE (2.4 percent). Collectively, these markets accounted for 71.6 percent of total domestic exports in 2024, compared to 69.5 percent in 2023.

Geographical Distribution of Domestic Exports 2024, Relative Importance (%)



Geographical Distribution of Domestic Exports 2023-2024, JD Million

	2023	2024 ⁽¹⁾	Growth rate (%)
Domestic Exports o/w:	8,245.2	8,579.3	4.1
USA	1,958.4	2,208.4	12.8
Clothes	1,111.2	1,381.2	24.3
Fertilizers	84.0	83.0	-1.3
Medical & Pharmaceutical Products	58.4	51.4	-12.0
Vegetables	5.7	6.2	8.3
KSA	983.6	1,125.3	14.4
Live Animals	111.9	154.9	38.4
Medical & Pharmaceutical Products	118.2	149.6	26.6
Fruits and Nuts	61.0	121.7	99.4
Vegetables	59.4	81.4	37.0
India	1,221.2	990.9	-18.9
Phosphates	396.4	397.8	0.3
Phosphoric Acid	567.2	366.6	-35.4
Fertilizers	100.3	108.7	8.4
Potash	101.2	65.9	-34.9
Iraq	635.1	905.2	42.5
Polishing & Cleaning Preparation & Perfume Materials	114.1	134.7	18.1
Fertilizers	38.6	130.5	238.0
Medical & Pharmaceutical Products	78.6	120.4	53.1
UAE	326.7	318.7	-2.4
Medical & Pharmaceutical Products	55.8	51.9	-6.9
Tobacco and Tobacco Manufacture	5.8	47.6	-
Fruits and Nuts	24.2	43.4	79.5
China	252.5	223.4	-11.5
Potash	136.9	46.9	-65.8
Phosphates	7.3	30.3	315.9
Clothes	9.6	12.3	28.4
Palestine	232.9	201.9	-13.3
Polishing & Cleaning Preparation & Perfume Materials	5.3	8.6	60.1
Plastic Products	7.3	7.4	1.7
Egypt	119.5	165.9	38.8
Potash	64.6	66.1	2.3
Tobacco and Tabaco Manufacture	0.5	24.7	-
Plastic & Articles Thereof	9.8	11.2	14.5

Source: Department of Statistics.

(1) : Preliminary.

❖ Re-Exports

In 2024, the re-exported goods rose significantly by JD 187.0 million (28.1 percent), to reach JD 853.7 million.

- By re-exported commodities, the increase was broad-based across commodity categories. Notably, exports of “Coffee, Tea, Cocoa, Spices and Manufactures Thereof” surged by 146.4 percent, while “Power Generating Machinery and Equipment” grew by 124.3 percent. Exports of “Machinery Specialized for Agriculture, Industry and Construction Sectors” rose by 59.1 percent, “Professional, Scientific and Controlling Instruments” by 47.1 percent, and “Transport Equipment and Spare Parts” by 14.8 percent. Collectively, these commodities accounted for 39.0 percent of total re-exported goods in 2024, compared to 35.6 percent in 2023.
- By economic function, re-exports of “Consumer Goods” recorded strong growth of 54.1 percent, accounting for 34.9 percent of the total re-exports. “Capital Goods” increased by 45.8 percent, representing 37.7 percent of re-exported goods. In contrast, “Raw Materials and Intermediate Goods” declined by 8.2 percent, accounting for 25.7 percent of the total re-exports.

- By market, the main destinations for re-exports were the USA, the UAE, Iraq, Egypt, KSA, Syria, Türkiye, and Indonesia which collectively accounted for 45.9 percent of total re-exports in 2024.

□ Merchandise Imports

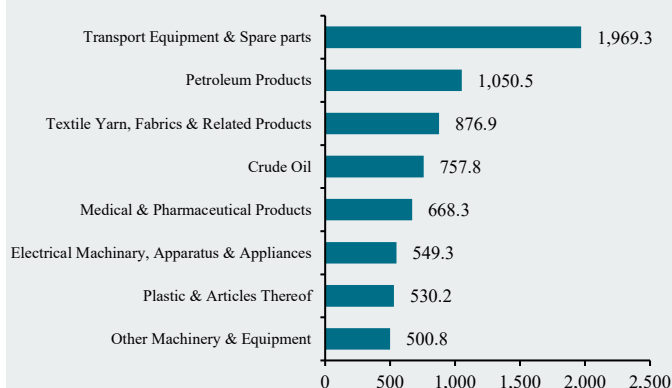
In 2024, the Kingdom’s merchandise imports increased by JD 822.7 million (4.5 percent), reaching JD 19,110.4 million. This growth was driven by a 3.7 percent increase in imported quantities and a 0.8 percent rise in prices.

The overall increase reflected a 7.2 percent increase in non-energy imports, which amounted to JD 16,441.4 million, representing 86.0 percent of total imports (up from 83.8 percent in 2023). In contrast, energy imports declined by 9.7 percent to reach JD 2,669.0 million, due to falling global energy prices and lower quantities of imports. As a result, the share of energy in total imports dropped to 14.0 percent in 2024, down from 16.2 percent in 2023. The ratio of imports to GDP remained stable at 50.4 percent, the same level recorded in 2023.

An analysis of the Kingdom’s imports in 2024 by commodity structure and geographical distribution revealed the following:

- By commodity group, “Machinery and Transport Equipment” increased by 12.8 percent, making up the largest share of total imports at 22.3 percent, compared to 20.7 percent in 2023. “Food and Live Animals” rose by 2.4 percent, accounting for 17.8 percent of total imports (18.2 percent in 2023). “Manufactured Goods Classified by Material” grew by 7.7 percent, representing 14.1 percent (13.7 percent in 2023). Collectively, these three groups accounted for 54.2 percent of total imports in 2024.
- By imported commodities, significant increases were recorded in “Other Machinery and Equipment” (17.6 percent), “Transport Equipment and Spare parts” (14.3 percent), “Textile yarn, Fabrics and related products” (13.5 percent), “Plastics & Articles Thereof” (10.1 percent), “Medical and Pharmaceutical Products” (7.6 percent), and Crude oil (2.3 percent). Conversely, imports of Petroleum Products fell by 19.2 percent, while “Electrical Machinery, Apparatus and Appliances” decreased slightly by 1.1 percent. Collectively, these selected imported goods accounted for 36.1 percent of total imports in 2024, compared to 36.2 percent in 2023.

Top Imported Commodities
2024, JD Million



Imports by Commodity
2023-2024, JD Million

	2023	2024 ⁽¹⁾	Growth rate (%)
Total Imports o/w:	18,287.7	19,110.4	4.5
Transport Equipment & Spare Parts	1,723.6	1,969.3	14.3
China	565.7	761.6	34.6
USA	282.2	341.7	21.1
South Korea	290.4	257.1	-11.5
Germany	185.3	209.0	12.8
Petroleum Products	1,300.4	1,050.5	-19.2
KSA	632.9	863.4	36.4
India	576.4	151.6	-73.7
UAE	54.3	12.4	-77.1
Textile Yarn, Fabrics & Related Products	772.9	876.9	13.5
China	362.1	472.3	30.4
Taiwan	99.6	101.5	2.0
Türkiye	79.1	84.6	7.0
Crude Oil	740.9	757.8	2.3
KSA	559.0	591.9	5.9
Iraq	181.9	165.9	-8.8
Medical & Pharmaceutical Products	621.1	668.3	7.6
Germany	82.7	93.0	12.4
USA	66.1	77.0	16.6
Switzerland	53.7	55.1	2.5
Electrical Machinery, Apparatus & Appliances	555.6	549.3	-1.1
China	219.2	208.9	-4.7
Italy	27.2	53.7	97.5
Plastic & Articles Thereof	481.7	530.2	10.1
KSA	218.0	254.6	16.8
China	75.6	77.7	2.9
UAE	35.6	37.4	5.0
Other Machinery & Equipment	425.9	500.8	17.6
China	163.3	198.9	21.8
Italy	60.2	63.0	4.8

Source: Department of Statistics.

(1) : Preliminary.

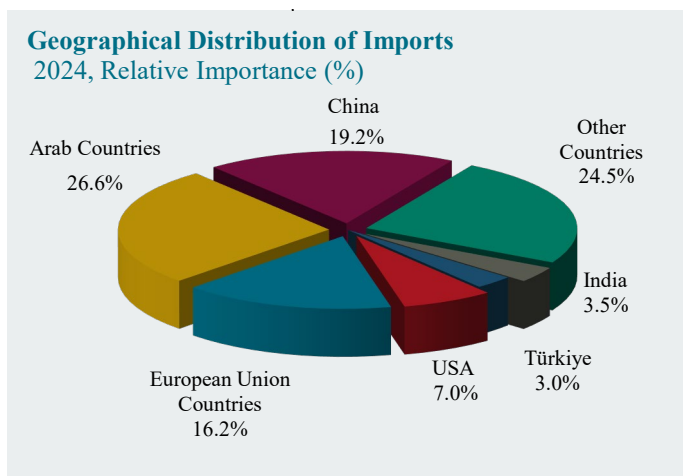
- By economic function, “Consumer Goods” imports increased significantly by 15.0 percent, accounting for 36.1 percent of total imports. This growth reflected a 5.9 percent increase in current consumer goods and a 33.7 percent rise in durable goods. “Capital Goods” imports rose by 14.8 percent, representing 13.0 percent. Conversely, “Raw Materials and Intermediate Goods” imports decreased by 7.1 percent, though they remained the largest category, accounting for 47.5 percent of total imports.
- By country group, imports from “Greater Arab Free Trade Area” increased by 8.2 percent, reaching 26.6 percent of total imports. Imports from the “North American Free Trade Agreement (NAFTA)” countries increased by 10.9 percent, representing 7.4 percent, imports from “South American countries” increased by 12.0 percent, accounting for 4.1 percent. Meanwhile, imports from “Non-Arab Asian countries” decreased by 0.2 percent, though they remained the largest source at 38.2 percent of total imports.
- By market destinations, imports rose significantly from Egypt by 32.2 percent, China (14.9 percent), the USA (14.6 percent), the KSA (12.9 percent), Germany (8.7 percent), and Türkiye (3.5 percent). Conversely, imports from India declined sharply by 39.9 percent, and from the UAE by 6.1 percent. Collectively, these markets accounted for 59.6 percent of total imports in 2024 up from 58.4 percent in 2023.

Geographical Distribution of Imports 2023-2024, JD Million

	2023	2024 ⁽¹⁾	Growth rate (%)
Total Imports o/w:	18,287.7	19,110.4	4.5
China	3,188.9	3,662.5	14.9
Transport Equipment & Spare Parts	565.7	761.6	34.6
Textile Yarn, Fabrics & Related Products	362.1	472.3	30.4
Telecommunication Equipment	332.4	294.9	-11.3
Iron & steel	152.6	213.8	40.1
KSA	2,578.6	2,912.2	12.9
Petroleum Products	632.9	863.4	36.4
Crude Oil	559.0	591.9	5.9
Plastic & Articles Thereof	218.0	254.6	16.8
Sugar	97.2	87.9	-9.6
USA	1,161.1	1,330.6	14.6
Transport Equipment & Spare Parts	282.2	341.7	21.1
Power Generating Machinery & Equipment	100.5	202.9	101.9
Medical & Pharmaceutical Products	66.1	77.0	16.6
UAE	972.2	912.5	-6.1
Sugar	18.8	52.5	178.9
Iron & steel	27.5	40.1	46.0
Plastic & Articles Thereof	35.6	37.4	5.0
Germany	623.0	677.1	8.7
Transport Equipment & Spare Parts	185.3	209.0	12.8
Medical & Pharmaceutical Products	82.7	93.0	12.4
Other Machinery & Equipment	36.5	53.2	45.8
India	1,098.0	660.0	-39.9
Petroleum products	576.4	151.6	-73.7
Rice	74.4	82.9	11.4
Fish & Meat preparations	63.7	61.2	-4.0
Egypt	494.8	654.1	32.2
Fruits, Vegetables & Nuts	74.0	94.6	27.9
Ammonia	4.1	32.2	-
Dairy Products & Eggs	28.9	28.9	-0.1
Türkiye	558.1	577.9	3.5
Textile Yarn, Fabrics & Related Products	79.1	84.6	7.0
Clothing & Footwear	61.5	43.0	-30.1

Source: Department of Statistics.

(1) : Preliminary.



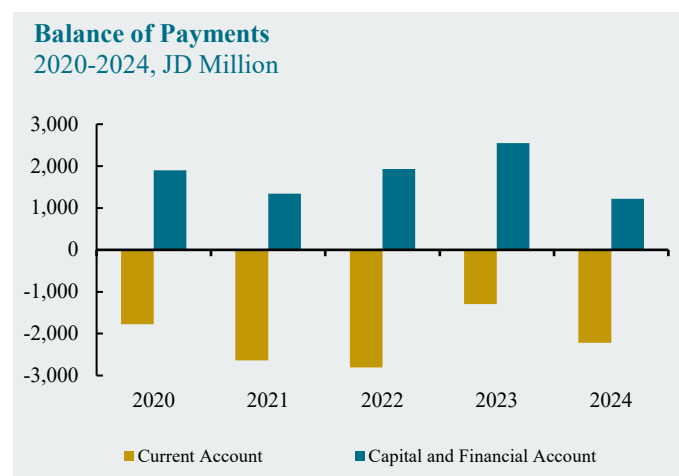
Balance of Payments

The current account deficit (including grants) in 2024 reached 5.9 percent of GDP, compared to 3.6 percent of GDP in 2023. Excluding grants, the deficit stood at 10.1 percent of GDP, compared to 7.1 percent of GDP in 2023. This was mainly driven by an increase in the primary income deficit (JD 615.7 million), alongside a decrease in the services account surplus (JD 436.6 million).

Total current payments rose by JD 1,783.8 million, reaching JD 24,435.2 million, while total current receipts increased by JD 861.4 million, to reach JD 22,215.4 million. Consequently, the coverage ratio of current receipts to current payments declined to 90.9 percent in 2024, from 94.3 percent in 2023.

Capital and Financial account recorded a net inflow of JD 1,216.7 million in 2024, compared to a net inflow of JD 2,552.1 million in 2023. Within this, net foreign direct investment inflow to Jordan reached JD 1,160.6 million, while portfolio investments recorded a net outflow of JD 155.0 million. Other investments recorded a net inflow of JD 1,571.5 million.

As a result, the overall balance of payment deficit narrowed to JD 517.3 million in 2024, compared to a deficit of JD 522.9 million in 2023.



Current Account

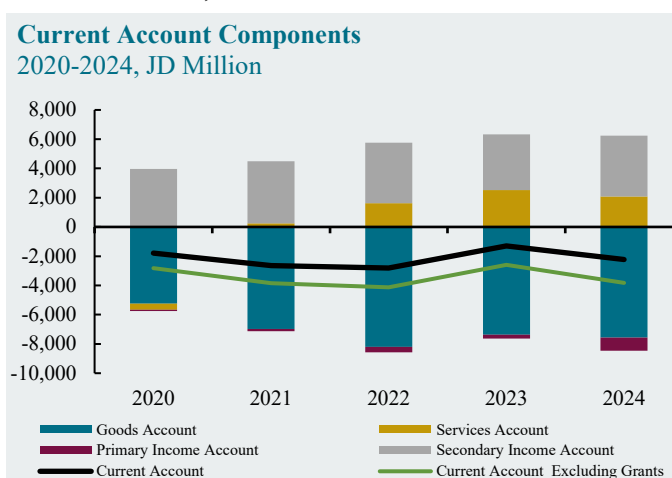
The current account deficit (including grants), increased by JD 922.4 million, reaching JD 2,219.8 million (5.9 percent of GDP) in 2024.

Key developments in current transactions with the rest of the world in 2024 included:

- Goods account:** the deficit increased by JD 209.7 million (2.8 percent) to reach JD 7,569.5 million, compared to JD 7,359.8 million in 2023. As a share of GDP, the goods account contributed to reduce the current account deficit by 0.3 percentage point, largely due to higher exports, while imports did not exert additional pressure.
- Services account:** the surplus declined by JD 436.6 million, reaching JD 2,093.8 million, increasing the current account deficit by 1.5 percentage points of GDP. This was primarily due to a 2.3 percent decline in travel receipts (to reach JD 5,132.4 million), reflecting a 3.9 percent drop in tourist in 2024. In addition, the deficit in transport services widened, particularly freight services, in line with higher imports.
- Primary Income account:** the deficit rose to JD 884.6 million, up from JD 268.9 million in 2023, increasing the current account deficit by 1.6 percentage points. This was driven mainly by a rise in net investment income deficit (up by JD 619.9 million to reach JD 1,091.6 million). Conversely, the surplus in net compensation of employees increased slightly by JD 4.2 million, reaching JD 207.0 million.

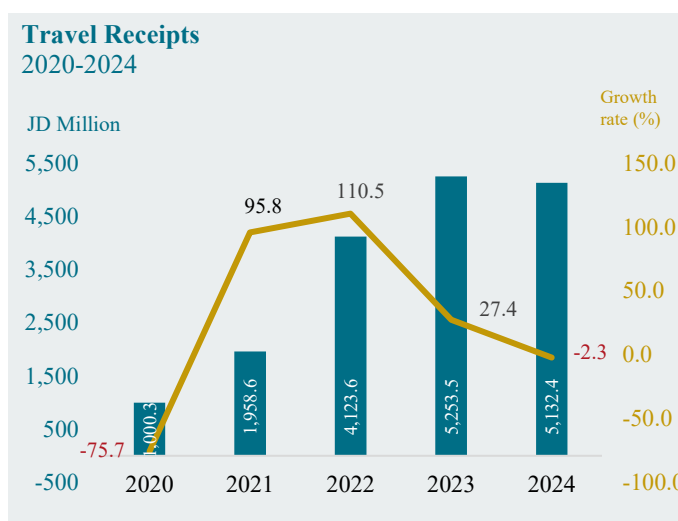
It's worth noting that the primary current account deficit (excluding interest payments) stood at 3.7 percent of GDP, compared to 1.8 percent of GDP in 2023.

- Secondary Income account:** the surplus increased by JD 339.6 million, reaching JD 4,140.5 million, contributing to reduce the current account deficit by 0.5 percentage point of GDP. This improvement reflected a rise in foreign grants to the public sector (up by JD 317.0 million, to reach JD 1,611.0 million), and an increase in transfers to other sectors (up by JD 22.6 million to reach JD 2,529.5 million). Within this, personal transfers receipts rose by JD 43.5 million to reach JD 2,890.8 million, driven by higher workers' remittances, which increased by JD 62.3 million (2.8 percent) to reach JD 2,296.7 million.



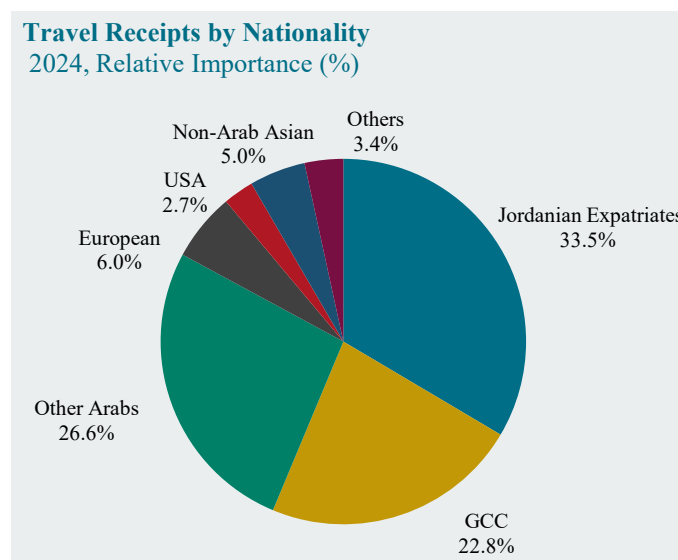
Box (8) Tourism Sector in 2024: Resilience Despite Geopolitical Challenges

- The tourism sector, known for being highly affected by crisis, demonstrated notable resilience despite geopolitical tensions from the ongoing war on Gaza and instability in some regional countries. Travel receipts experienced only a slight decline of 2.3 percent, totaling JD 5,132.4 million in 2024.



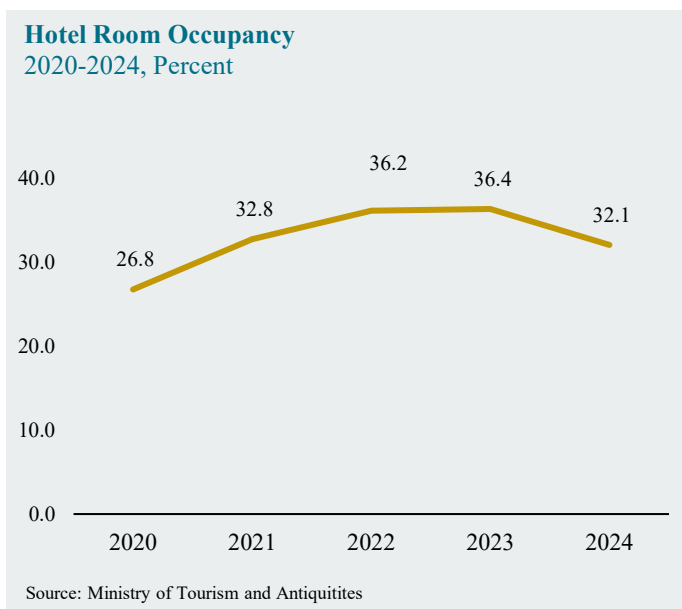
This performance reflects the sector’s ability to withstand regional disruptions and adapt to changing circumstances, highlighting its resilience. Notably, travel receipts remained above pre-pandemic levels in 2019.

- The composition of tourists played a critical role in mitigating the overall decline in travel receipts during 2024. Prior to the outbreak of the Gaza war, Jordanian expatriates and Arab tourists constituted 73.6 percent of travel receipts in the first three quarters of 2023. This share increased significantly to 82.9 percent in 2024.



Box (8) Continued

- The total number of tourists decreased by 3.9 percent compared to its levels in 2023, reaching approximately 6.1 million visitors in 2024. This decline was primarily driven by a decline in tourists from Europe by 58.9 percent, and from the United States by 43.0 percent. These declines were largely attributed to the high sensitivity to regional geopolitical instability. As a result, hotel room occupancy rates declined to 32.1 percent in 2024, compared to 36.4 percent in 2023. In contrast, tourists from Jordanian expatriates and Arab countries increased by 7.2 percent and 7.9 percent, respectively.



□ Capital and Financial Account

In 2024, capital and financial transactions with the rest of the world recorded a net inflow of JD 1,216.7 million, compared with JD 2,552.1 million in 2023.

Key developments in capital and financial transactions in 2024 were as follows:

- **Foreign Direct Investment (FDI):** net FDI inflows to Jordan reached JD 1,160.6 million (down from JD 1,424.5 million in 2023), covering 52.3 percent of the current account deficit.
 - By region, Arab countries accounted for 64.8 percent of inflows, with the GCC countries contributing 32.5 percent. Kuwait ranked first (9.1 percent), followed by the KSA (8.2 percent), the UAE (7.1 percent), and Qatar (4.5 percent). European countries made up 21.4 percent of inflows, led by the United Kingdom (8.3 percent), and the EU (7.1 percent, with France at 3.8 percent). “Non-Arab Asian countries” accounted for 5.2 percent, led by India (2.6 percent), and China (2.4 percent). Other countries collectively made-up 8.7 percent.
 - By sector, the largest share went to “financial and insurance” activities (23.4 percent), followed by “information and communication” (10.0 percent), “mining and quarrying” (9.1 percent), “transport and storage” (8.4 percent), “wholesale and retail trade” (7.7 percent), and manufacturing (7.6 percent).
- Real estate: Non-Jordanian investments in land and real estate accounted for 19.1 percent of FDI inflows.
- **Portfolio investment:** recorded a net outflow of JD 155.0 million, compared to a net inflow of JD 945.6 million, mainly due to the Eurobonds issuance of USD 1,250.0 million in 2023.
- **Other investments:** recorded a net inflow of JD 1,571.5 million (up from JD 565.0 million in 2023). This was mainly driven by higher net government loans (JD 1,205.3 million), an increase in non-resident currency and deposits (JD 532.4 million), and an increase in IMF net credit facilities (JD 173.0 million). Conversely, net loans extended abroad by licensed banks rose (JD 496.7 million).
- **CBJ’s reserve assets:** increased by JD 1,352.0 million, due to a rise in foreign currency and deposits (JD 1,154.4 million), and an increase in monetary gold holdings (JD 240.1 million), despite a decline in foreign securities (JD 49.1 million).

| International Investment Position

At the end of 2024, the Kingdom’s net international investment position showed a decrease in net external obligations by JD 64.6 million, bringing the net position to JD 35,316.2 million, compared to JD 35,380.8 million in 2023.

A breakdown is as follows:

- **Net FDI stock:** JD 24,173.1 million.
- **Net portfolio investment stock:** JD 8,676.0 million.
- **Net other investments stock:** JD 18,018.0 million.
- **Reserve assets stock:** JD 15,550.9 million.

The following is the developments of the external financial assets and liabilities components at the end of 2024 compared to the end of 2023:

❖ **External financial assets stock:** increased by JD 2,533.0 million, reaching JD 30,727.7 million, reflecting:

- An increase in direct investment stock abroad by JD 38.4 million, reaching JD 7,097.6 million.
- An increase in portfolio investment stock by JD 84.1 million, totaling JD 564.8 million.
- An increase in other investments stock by JD 387.8 million, reaching JD 7,514.4 million, driven by:
 - An increase in the stock of loans extended abroad by JD 496.7 million, reaching JD 1,341.6 million.
 - A decrease in the stock of currency and deposits by JD 60.9 million, reaching JD 4,309.5 million.

- A decrease in the stock of trade credits by JD 54.4 million, reaching JD 146.4 million.

- An increase in the stock of reserve assets by JD 2,022.7 million, reaching JD 15,550.9 million.

❖ **External financial liabilities stock:** increased by JD 2,468.4 million, reaching JD 66,043.9 million, mainly due to:

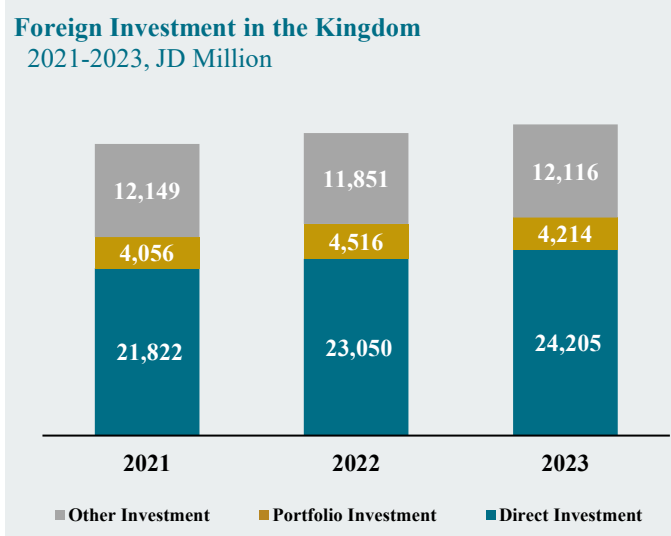
- An increase in FDI stock, by JD 1,043.5 million, reached JD 31,270.7 million.
- A decrease in portfolio investment stock, by JD 70.9 million, reaching JD 9,240.8 million.
- An increase in other investments stock, by JD 1,495.8 million, reaching JD 25,532.4 million. This is mainly due to the following:
 - An increase in long-term general government loans by JD 971.4 million, reaching JD 8,507.1 million.
 - An increase in non-resident currency and deposits in the banking system by JD 430.4 million, reaching JD 11,117.7 million (increasing by JD 725.4 million for licensed banks, and decreasing by JD 295.0 million for the CBJ).
 - And an increase in trade credits of JD 110.9 million, reaching JD 1,062.7 million.

Box (9)

Foreign Investment Survey for 2021 and 2022, and Central Bank of Jordan Estimates for 2023

Recognizing the critical role of the Foreign Investment Survey in delivering high-quality, comprehensive, and detailed data, the Central Bank of Jordan (CBJ), in collaboration with the Department of Statistics (DOS) and in coordination with the Companies Control Department (CCD), conducted the survey covering the years 2021 and 2022. To ensure continuity in the data, the CBJ also developed preliminary estimates for foreign investment in 2023, using the same survey methodology. These estimates were based on administrative data sourced from the CCD, and were fully aligned with the International Monetary Fund's Balance of Payments and International Investment Position Manual (Sixth Edition, BPM6). The survey encompassed approximately 8,175 firms, of which, 1,303 were directly surveyed in the field by the DOS, while 6,872 were assessed using estimation techniques applied by the CBJ. This comprehensive methodology resulted in the most extensive survey undertaken by the CBJ to date, based on the number of firms covered.

- As of the end of 2023, the total foreign investment stock in the Kingdom reached JD 40.5 billion, encompassing foreign direct investment (FDI), portfolio investment, and other investments. This figure excludes investments by non-Jordanian individuals in land and real estate. The foreign investment stock showed a consistent upward trend compared to JD 39.4 billion in 2022 and JD 38.0 billion in 2021.

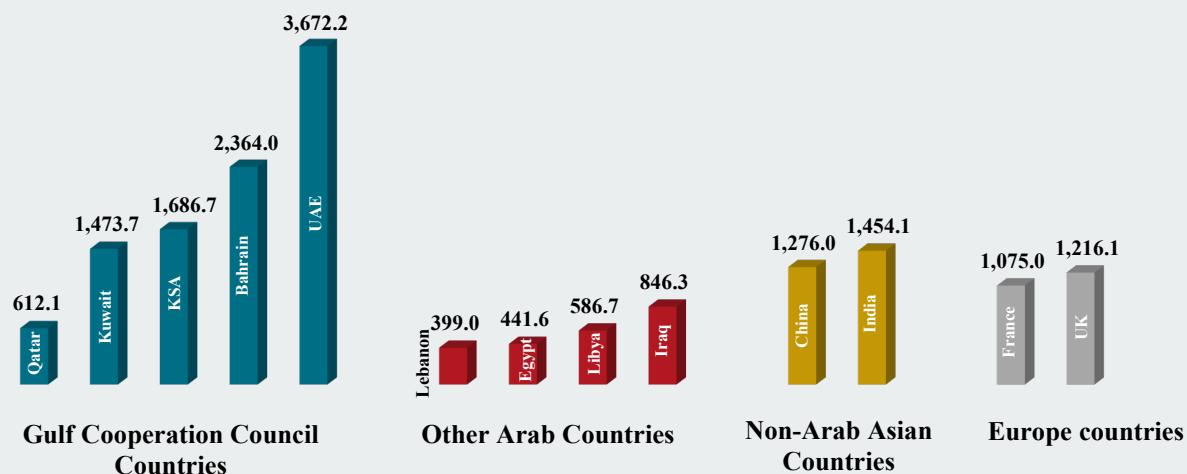


- The composition of total foreign investment stock in the kingdom in 2023 was as follows:
 - FDI amounted to JD 24.2 billion, representing 59.7 percent of total foreign investment stock.
 - Portfolio investment amounted to JD 4.2 billion (10.4 percent).
 - Other investments totaled JD 12.1 billion (29.9 percent).

Box (9) Continued

- According to the CBJ's estimates for 2023, Arab countries accounted for 52.2 percent of the Kingdom's FDI stock, of which the Gulf Cooperation Council (GCC) countries contributed 40.5 percent, the distribution was as follows:
 - United Arab Emirates amounted to JD 3.7 billion, or 15.2 percent of the total FDI stock.
 - Bahrain with JD 2.4 billion (9.8 percent).
 - Saudi Arabia with JD 1.7 billion (7.0 percent).
 - Kuwait with JD 1.5 billion (6.1 percent).
 - Qatar with JD 0.6 billion (2.5 percent).
- European countries contributed for 19.0 percent of the total FDI stock, led by the United Kingdom, with a value of JD 1.2 billion, or 5.0 percent of the total FDI stock, and France with JD 1.1 billion (4.4 percent).
- The Non-Arab Asian countries made up 16.1 percent of the total FDI stock, with India contributing JD 1.5 billion (6.0 percent), and China with JD 1.3 billion (5.3 percent). Other countries collectively accounted for the remaining 12.7 percent of the total FDI stock.

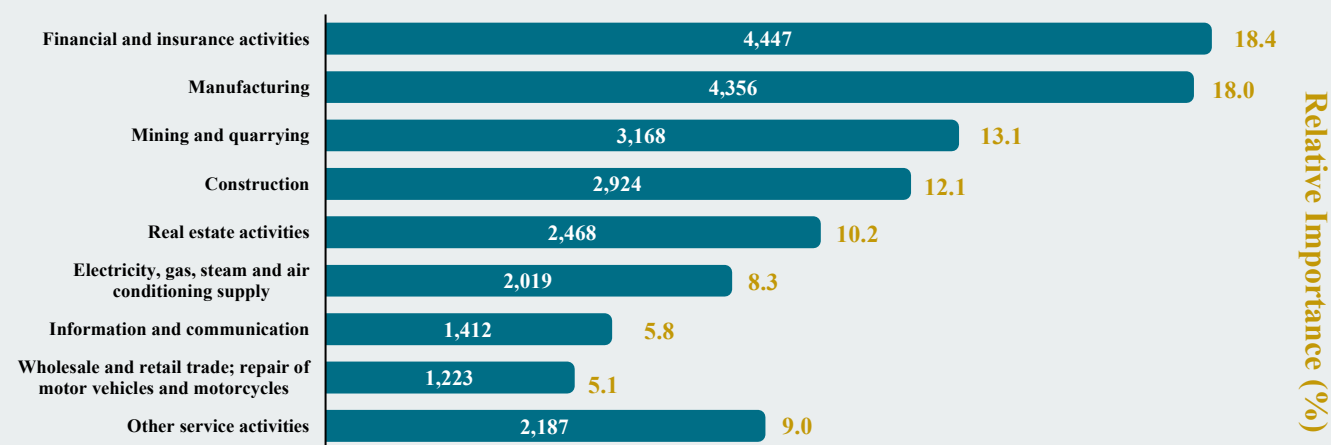
Foreign Direct Investment in the Kingdom by Geographical Distribution - Main Countries
2023, JD Million



Box (9) Continued

- At the end of 2023, the distribution of FDI stock in the Kingdom by economic activity reflected key sectoral trends: “financial and insurance activities” attracted the largest share, with FDI totaling JD 4.4 billion, accounting for 18.4 percent. “Manufacturing” followed closely, representing 18.0 percent. “Mining and quarrying” accounted for JD 3.2 billion, equivalent to 13.1 percent, while “construction” accounted for JD 2.9 billion, or 12.1 percent.

Foreign Direct Investment in the Kingdom by Economic Activity
2023, JD Million



- Furthermore, the total stock of portfolio investment in the kingdom stood at JD 4.2 billion. Saudi Arabia ranked as the leading source, with investments totaling JD 0.9 billion, accounting for 21.3 percent. Kuwait followed with JD 0.6 billion (13.4 percent), while the UAE accounted for JD 0.4 billion (9.4 percent).
- By economic activity, the financial and insurance activities attracted the largest share, with JD 2.7 billion, representing 63.4 percent. “Mining and quarrying” followed, with JD 0.8 billion (19.9 percent), while “manufacturing” accounted for JD 0.3 billion (6.5 percent).
- At the end of 2023, the stock of other investments in the Kingdom totaled JD 12.1 billion, up from JD 11.9 billion at the end of 2022. These investments were primarily concentrated in non-resident currency and deposits, which represented 74.6 percent of the total other investments, while private sector external borrowing accounted for 17.4 percent.



**FOREIGN INVESTMENT
TABLES**

FOREIGN INVESTMENT TABLES

	Page
Foreign Investment in the Kingdom	
1- Foreign Investment in the Kingdom	121
2- Foreign Investment in the Kingdom by Economic Activity.....	122
3- Foreign Investment in the Kingdom by Legal Status.....	123
Foreign Direct Investment in the Kingdom	
4- Foreign Direct Investment in the Kingdom by Economic Activity	124
5- Foreign Direct Investment in the Kingdom by Geographical Distribution (Countries)	125
6- Foreign Direct Investment in the Kingdom by Geographical Distribution (Region)	126
7- Foreign Direct Investment in the Kingdom by Legal Status	127
Portfolio Investment in the Kingdom	
8- Portfolio Investment in the Kingdom by Economic Activity	128
9- Portfolio Investment in the Kingdom by Geographical Distribution (Countries)	129
10- Portfolio Investment in the Kingdom by Geographical Distribution (Region)	130
11- Portfolio Investment in the Kingdom by Legal Status	131
Other Investment in the Kingdom	
12- Other Investment in the Kingdom by Economic Activity	132
13- Other Investment in the Kingdom by Instrument	133
14- Other Investment in the Kingdom by Legal Status	134

Table 1
Foreign Investment in the Kingdom ⁽¹⁾

(JD Million)

	Stock 2021	Stock 2022	Stock 2023 ⁽²⁾
Foreign Investment in the Kingdom ⁽³⁾	38,026.7	39,417.0	40,534.9
Foreign Direct Investment	21,821.9	23,050.2	24,204.6
Non-resident direct investors	21,677.0	22,894.7	24,033.2
Equity ⁽⁴⁾	20,437.3	21,605.4	22,648.1
Debt instruments	1,239.7	1,289.3	1,385.1
Reverse investment	0.7	0.7	0.7
Equity	0.0	0.0	0.0
Debt instruments	0.7	0.7	0.7
Fellow investment	144.2	154.8	170.7
Equity	0.0	0.0	0.0
Debt instruments	144.2	154.8	170.7
Portfolio Investment	4,055.9	4,516.1	4,214.3
Equity	4,030.4	4,473.1	4,204.3
Debt securities	25.5	43.1	10.0
Other Investment	12,148.9	11,850.6	12,115.9
Insurance and pension	0.8	11.8	28.6
Trade credit	23.9	24.1	14.8
Other accounts payable	1,147.3	836.8	914.3
Currency and deposits	8,766.7	8,692.1	9,044.2
Long term	1,058.5	994.6	1,083.9
Short term	7,708.2	7,697.5	7,960.3
Loans	2,210.2	2,286.0	2,114.2
Long term	2,024.9	2,060.9	1,944.4
Short term	185.3	225.1	169.8

(1): Preliminary.

(2): Estimates.

(3): The data are presented according to Assets - Liabilities principle.

(4): Direct investment includes re-invested earnings to direct investors.

Table 2

Foreign Investment in the Kingdom by Economic Activity⁽¹⁾

(JD Million)

	Stock 2021	Stock 2022	Stock 2023 ⁽²⁾
Foreign Investment in the Kingdom	38,026.7	39,417.0	40,534.9
Financial and insurance activities	16,415.2	16,269.8	17,061.6
Manufacturing	5,032.4	5,248.8	5,145.4
Mining and quarrying	3,009.6	4,246.7	4,061.4
Electricity, gas, steam and air conditioning supply	3,294.4	3,368.9	3,382.5
Construction	2,821.8	2,900.2	2,924.2
Real estate activities	2,404.2	2,437.9	2,563.0
Information and communication	1,259.9	1,242.3	1,456.7
Wholesale and retail trade; repair of motor vehicles and motorcycles	1,303.9	1,209.5	1,453.4
Professional, scientific and technical activities	770.4	811.0	830.8
Accommodation and food service activities	819.7	820.4	734.9
Transportation and storage	532.9	512.1	541.8
Administrative and support service activities	111.1	111.8	107.1
Human health and social work activities	57.9	64.9	96.0
Education	86.6	75.1	69.6
Other service activities	106.7	97.5	106.5

(1): Preliminary.

(2): Estimates.

Table 3

Foreign Investment in the Kingdom by Legal Status⁽¹⁾

(JD Million)

	Stock 2021	Stock 2022	Stock 2023 ⁽²⁾
Foreign Investment in the Kingdom	38,026.7	39,417.0	40,534.9
Public shareholding companies	19,869.3	21,100.0	22,249.1
Private shareholding companies	8,703.8	8,916.4	8,494.2
Limited liability companies	5,341.1	5,372.4	5,211.1
Other	4,112.6	4,028.1	4,580.4

(1): Preliminary.

(2): Estimates.

Table 4

Foreign Direct Investment in the Kingdom by Economic Activity⁽¹⁾

(JD Million)

	Stock 2021	Stock 2022	Stock 2023 ⁽²⁾
Foreign Direct Investment in the Kingdom	21,821.9	23,050.2	24,204.6
Financial and insurance activities	3,851.3	3,829.0	4,446.8
Manufacturing	4,291.0	4,425.7	4,356.2
Mining and quarrying	2,325.5	3,190.1	3,167.6
Construction	2,821.8	2,900.2	2,924.2
Real estate activities	2,301.4	2,341.8	2,468.4
Electricity, gas, steam and air conditioning supply	1,808.1	1,989.4	2,018.9
Information and communication	1,206.6	1,200.5	1,411.9
Wholesale and retail trade; repair of motor vehicles and motorcycles	1,024.3	979.2	1,223.4
Professional, scientific and technical activities	770.4	811.0	830.8
Accommodation and food service activities	761.4	762.3	677.0
Transportation and storage	450.6	436.6	467.1
Administrative and support service activities	111.1	111.8	107.1
Human health and social work activities	23.0	22.5	54.7
Education	51.7	26.1	26.2
Other service activities	23.8	24.2	24.2

(1): Preliminary.

(2): Estimates.

Table 5

Foreign Direct Investment in the Kingdom by Geographical Distribution (Countries) ⁽¹⁾

(JD Million)

	Stock 2021	Stock 2022	Stock 2023 ⁽²⁾
Foreign Direct Investment in the Kingdom	21,821.9	23,050.2	24,204.6
United Arab Emirates	3,448.1	3,550.1	3,672.2
Bahrain	2,185.7	2,206.2	2,364.0
Saudi Arabia	1,423.5	1,472.6	1,686.7
Kuwait	1,334.4	1,335.6	1,473.7
India	976.4	1,465.6	1,454.1
China	1,141.7	1,434.6	1,276.0
United Kingdom	1,319.0	1,206.3	1,216.1
France	1,112.5	1,142.6	1,075.0
Iraq	787.1	837.0	846.3
Qatar	489.7	487.6	612.1
Libya	533.8	542.1	586.7
United States of America	443.6	484.2	472.7
Egypt	474.5	448.1	441.6
Lebanon	512.9	394.2	399.0
Syria	368.2	369.6	376.4
Cyprus	257.0	307.8	311.7
Other countries	5,013.9	5,366.0	5,940.4

(1): Preliminary.

(2): Estimates.

Table 6

Foreign Direct Investment in the Kingdom by Geographical Distribution (Region) ⁽¹⁾

(JD Million)

	Stock 2021	Stock 2022	Stock 2023 ⁽²⁾
Foreign Direct Investment in the Kingdom	21,821.9	23,050.2	24,204.6
Gulf Cooperation Council:	8,881.2	9,052.2	9,808.7
United Arab Emirates	3,448.1	3,550.1	3,672.2
Bahrain	2,185.7	2,206.2	2,364.0
Saudi Arabia	1,423.5	1,472.6	1,686.7
Kuwait	1,334.4	1,335.6	1,473.7
Qatar	489.7	487.6	612.1
Oman	0.0	0.0	0.0
Other Arab countries, o/w:	2,928.6	2,857.8	2,838.2
Iraq	787.1	837.0	846.3
Libya	533.8	542.1	586.7
Egypt	474.5	448.1	441.6
Lebanon	512.9	394.2	399.0
Syria	368.2	369.6	376.4
Europe countries, o/w:	4,257.5	4,329.0	4,599.5
United Kingdom	1,319.0	1,206.3	1,216.1
France	1,112.5	1,142.6	1,075.0
Cyprus	257.0	307.8	311.7
Spain	131.5	146.2	145.8
America countries, o/w:	459.0	499.0	669.4
United States of America	443.6	484.2	472.7
Non-Arab Asian countries, o/w:	3,148.3	4,010.2	3,900.7
India	976.4	1,465.6	1,454.1
China	1,141.7	1,434.6	1,276.0
South Korea	447.2	484.3	496.5
Singapore	154.7	161.1	170.1
Taiwan	43.4	44.0	32.0
Other countries	2,147.2	2,302.0	2,388.2

(1): Preliminary.

(2): Estimates.

Table 7

Foreign Direct Investment in the Kingdom by Legal Status⁽¹⁾

(JD Million)

	Stock 2021	Stock 2022	Stock 2023 ⁽²⁾
Foreign Direct Investment in the Kingdom	21,821.9	23,050.2	24,204.6
Public shareholding companies	6,725.5	7,569.0	8,792.7
Private shareholding companies	6,970.4	7,312.6	6,860.1
Limited liability companies	5,234.3	5,255.8	5,092.3
Other	2,891.7	2,912.8	3,459.6

(1): Preliminary.

(2): Estimates.

Table 8

Portfolio Investment in the Kingdom by Economic Activity⁽¹⁾

(JD Million)

	Stock 2021	Stock 2022	Stock 2023 ⁽²⁾
Portfolio Investment in the Kingdom	4,055.9	4,516.1	4,214.3
Financial and insurance activities	2,768.3	2,787.8	2,671.7
Mining and quarrying	602.3	1,002.3	840.1
Manufacturing	263.8	301.1	273.0
Real estate activities	102.8	96.1	94.6
Accommodation and food service activities	58.3	58.1	57.9
Education	34.9	49.1	43.4
Human health and social work activities	34.9	42.5	41.3
Electricity, gas, steam and air conditioning supply	33.6	41.1	40.2
Wholesale and retail trade; repair of motor vehicles and motorcycles	40.5	37.8	39.7
Information and communication	48.3	36.0	39.0
Other service activities	68.4	64.4	73.5

(1): Preliminary.

(2): Estimates.

Table 9

Portfolio Investment in the Kingdom by Geographical Distribution (Countries) ⁽¹⁾

	(JD Million)		
	Stock 2021	Stock 2022	Stock 2023 ⁽²⁾
Portfolio Investment in the Kingdom	4,055.9	4,516.1	4,214.3
Saudi Arabia	916.6	935.6	896.6
Kuwait	470.3	630.0	566.3
United Arab Emirates	289.0	430.7	394.4
Bahrain	153.0	274.7	269.5
Iraq	250.3	304.1	249.1
Palestine	341.5	242.2	230.3
Qatar	197.5	191.6	187.4
Libya	154.5	187.5	158.2
Lebanon	165.4	176.8	139.0
Egypt	103.0	103.9	102.9
Syria	104.0	104.4	100.6
United States of America	72.0	83.4	84.5
Liechtenstein	59.7	59.9	57.6
Iran	55.3	54.6	55.7
Oman	53.5	53.0	50.5
France	4.1	32.6	37.3
Liberia	38.6	38.4	36.3
United Kingdom	23.6	24.2	22.9
Other countries	603.9	588.6	575.4

(1): Preliminary.

(2): Estimates.

Table 10

Portfolio Investment in the Kingdom by Geographical Distribution (Region) ⁽¹⁾

(JD Million)

	Stock 2021	Stock 2022	Stock 2023 ⁽²⁾
Portfolio Investment in the Kingdom	4,055.9	4,516.1	4,214.3
Gulf Cooperation Council:	2,079.9	2,515.6	2,364.7
Saudi Arabia	916.6	935.6	896.6
Kuwait	470.3	630.0	566.3
United Arab Emirates	289.0	430.7	394.4
Bahrain	153.0	274.7	269.5
Qatar	197.5	191.6	187.4
Oman	53.5	53.0	50.5
Other Arab countries, o/w:	1,175.5	1,174.2	1,034.6
Iraq	250.3	304.1	249.1
Palestine	341.5	242.2	230.3
Libya	154.5	187.5	158.2
Lebanon	165.4	176.8	139.0
Egypt	103.0	103.9	102.9
Syria	104.0	104.4	100.6
Europe countries, o/w:	67.1	158.3	159.1
France	4.1	32.6	37.3
United Kingdom	23.6	24.2	22.9
Finland	8.9	10.2	10.2
America countries, o/w:	95.7	99.8	101.4
United States of America	72.0	83.4	84.5
Canada	16.5	16.0	16.4
Non-Arab Asian countries, o/w:	69.5	78.8	77.9
Iran	55.3	54.6	55.7
Türkiye	4.9	5.2	5.0
Other countries	568.1	489.5	476.5

(1): Preliminary.

(2): Estimates.

Table 11

Portfolio Investment in the Kingdom by Legal Status⁽¹⁾

(JD Million)

	Stock 2021	Stock 2022	Stock 2023 ⁽²⁾
Portfolio Investment in the Kingdom	4,055.9	4,516.1	4,214.3
Public shareholding companies	3,535.4	3,989.8	3,701.7
Limited liability companies	106.8	116.6	118.8
Private shareholding companies	120.5	117.8	114.8
Other	293.2	291.9	279.1

(1): Preliminary.

(2): Estimates.

Table 12

Other Investment in the Kingdom by Economic Activity⁽¹⁾

(JD Million)

	Stock 2021	Stock 2022	Stock 2023 ⁽²⁾
Other Investment in the Kingdom	12,148.9	11,850.6	12,115.9
Financial and insurance activities	9,795.7	9,653.0	9,943.1
Electricity, gas, steam and air conditioning supply	1,452.7	1,338.5	1,323.4
Manufacturing	477.6	522.1	516.2
Wholesale and retail trade; repair of motor vehicles and motorcycles	239.1	192.5	190.3
Transportation and storage	82.4	75.5	74.7
Mining and quarrying	81.9	54.3	53.7
Information and communication	5.0	5.9	5.8
Other service activities	14.6	8.9	8.8

(1): Preliminary.

(2): Estimates.

Table 13*Other Investment in the Kingdom by Instrument⁽¹⁾*

(JD Million)

	Stock 2021	Stock 2022	Stock 2023 ⁽²⁾
Other Investment in the Kingdom	12,148.9	11,850.6	12,115.9
Insurance and pension	0.8	11.8	28.6
Trade credit	23.9	24.1	14.8
Other accounts payable	1,147.3	836.8	914.3
Currency and deposits	8,766.7	8,692.1	9,044.2
Long term	1,058.5	994.6	1,083.9
Short term	7,708.2	7,697.5	7,960.3
Loans	2,210.2	2,286.0	2,114.2
Long term	2,024.9	2,060.9	1,944.4
Short term	185.3	225.1	169.8

(1): Preliminary.

(2): Estimates.

Table 14

Other Investment in the Kingdom by Legal Status ⁽¹⁾

(JD Million)

	Stock 2021	Stock 2022	Stock 2023 ⁽²⁾
Other Investment in the Kingdom	12,148.9	11,850.6	12,115.9
Public shareholding companies	9,608.3	9,541.2	9,754.8
Private shareholding companies	1,612.9	1,486.0	1,519.3
Other	927.7	823.4	841.8

(1): Preliminary.

(2): Estimates.

	2019	2020	2021	2022	2023
Foreign Assets	5,579.1	6,290.1	6,332.7	5,864.1	6,220.8
Cash in Vaults (In Foreign Currencies)	204.2	271.2	250.4	253.9	217.1
Balances with Foreign Banks	3,816.8	4,494.1	4,447.5	3,922.9	4,125.0
Portfolio (Non-Resident)	259.8	219.6	237.9	217.1	217.1
Credit Facilities to Private Sector (Non-Resident)	674.4	612.8	687.8	664.8	844.9
Other Foreign Assets	81.4	581.6	615.5	606.2	658.3
Domestic Assets	48,063.0	50,747.8	54,725.1	58,281.2	59,955.0
Claims on Public Sector	11,354.6	11,916.7	13,172.1	13,876.4	14,044.5
Claims on Central Government	357.2	401.6	530.0	728.4	806.6
Claims on Public Entities ⁽¹⁾	847.5	571.5	530.0	1,017.1	1,385.5
Claims on Private Sector (Resident)	24,275.2	1,005.5	610.3	1,017.1	1,385.5
Cash in Vaults & Deposits with the CBJ	5,874.3	25,771.9	26,918.9	29,137.7	29,647.8
Other Assets	531.1	6,300.1	7,407.7	7,177.9	7,883.1
Assets = Liabilities	4,272.0	4,223.4	4,453.8	4,646.3	4,684.3
Capital, Reserves and Provisions	83,642.0	57,038.0	61,057.7	64,145.3	66,175.8
Foreign Liabilities	6,226.3	9,069.4	9,940.7	9,999.7	9,450.8
Central Government Deposits	12.7	71.6	57.8	69.6	109.2
Public Entities Deposits ⁽¹⁾	51.9	9.7	5.3	8.2	6.1
Private Sector Deposits (Resident)	51.0	91.0	93.6	56.1	52.6
Financial Institutions Deposits	8,040.8	143.2	117.5	64.4	79.7
Credit from the CBJ	22,110.4	8,753.8	9,666.6	9,801.5	9,203.2
Capital, Reserves and Provisions	309.2	21,998.4	23,329.4	25,634.3	27,376.5
Foreign Liabilities	183.3	172.4	185.6	15.6	403.9
Central Government Deposits	20,251.3	1,370.1	1,398.0	234.7	5.7
Public Entities Deposits ⁽¹⁾	912.5	20,097.3	21,321.6	1,571.1	285.8
Private Sector Deposits (Resident)	880.2	944.9	985.9	23,404.8	1,721.4
Financial Institutions Deposits	8,031.1	9,519.8	10,592.6	1,690.6	24,959.7
Credit from the CBJ	1,169.0	6,428.7	6,593.3	6,758.8	7,217.2

	2019	2020	2021	2022	2023
Government	357.2	401.6	530.0	728.4	806.6
Central Government	551.0	571.5	610.3	1,017.1	1,385.5
Public Entities ⁽¹⁾	1,331.7	1,821.5	1,835.0	1,789.4	1,613.8
Private Sector (Resident)	24,298.1	25,795.0	26,941.4	29,164.2	29,676.7
Financial Institutions	9,944.7	10,979.9	11,125.0	11,483.2	12,677.1
Cash in Vaults & Deposits with the CBJ	34,969.7	37,011.9	39,509.2	41,681.7	42,666.7
Other Assets	11.0	5,939.4	6,228.4	6,037.4	5,800.0
Capital, Reserves and Provisions	31,072.5	33,283.8	35,644.2	36,712.9	36,712.9
Foreign Liabilities	9,074.1	9,954.4	10,009.9	9,979.9	9,728.1
Central Government Deposits	12.7	71.6	57.8	69.6	109.2
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Private Sector Deposits (Resident)	51.0	91.0	93.6	56.1	52.6
Financial Institutions Deposits	8,040.8	1			

STATISTICAL TABLES ANNEX

Page

THE REAL SECTOR

1- Gross Domestic Product at Current Prices by Economic Activity	139
2- Gross Domestic Product at Current Prices by Expenditure Approach	140
3- Industrial Production Quantity Index	141
4- Quantities Produced by Major Industries	142
5- Construction Activity in the Kingdom	143
6- Consumer Price Index	144
7- Relative Distribution of Jordanian Workers Aged 15 Years and above by Economic Activity.....	145

MONETARY, BANKING, AND FINANCIAL SECTOR

8- Depository Corporations Survey	146
9- Assets and Liabilities of the Central Bank of Jordan.....	147
10- Average Exchange Rate of the Jordanian Dinar in Major Foreign Currencies Units	148
11- Consolidated Balance Sheet of Other Depository Corporations.....	149
12- Consolidated Balance Sheet of Commercial Banks.....	150
13- Consolidated Balance Sheet of Islamic Banks.....	151
14- Total Deposits with Other Depository Corporations According to Depositor.....	152
15- Total Deposits with Other Depository Corporations According to Type.....	152
16- Geographical Distribution of Total Deposits with Other Depository Corporation.....	153
17 Credit Facilities According to Economic Activity and Borrower.....	154
18- Geographical Distribution of Credit Facilities.....	155
19- Consolidated Balance Sheet of Jordanian Banks' Branches Operating in the Palestinian Territories	156
20- Assets and Liabilities of Insurance Companies Operating in Jordan	157
21- The Premiums Underwritten of Insurance Companies	158
22- Compensations Paid by Insurance Companies	158
23- Number of Payment System Transactions.....	159
24- Value of Payment System Transactions.....	159

PUBLIC FINANCE SECTOR

25- Fiscal Position of Central Government (Budgetary and Own-Budget Agencies)	160
A- Summary of Central Government Budget (Budgetary)	161
B- Summary of Government Units Budgets (Own-Budget Agencies)	162
26- Components of Domestic Revenues (Budgetary Central Government)	163
27- Components of Public Expenditures (Budgetary Central Government)	164
28- Government Domestic Debt (Budgetary and Guaranteed)	165
29- External Debt (Budget and Guaranteed)	166
30- Distribution of External Loans Disbursed in 2024 According to Source	167
31- Distribution of External Loans Contracted in 2024 According to Source and Economic Sector	168

EXTERNAL SECTOR

32- Balance of Payments (A)	169
- Balance of Payments (B)	170
- Balance of Payments (C)	171
- Balance of Payments (D)	172
33- External Trade by Economic Functions	173
34- External Trade by Commodity According to S.I.T.C.	174
35- Geographic Distribution of External Trade.....	175
36- International Investment Position	176
- International Investment Position (Continued)	177

Table 1
Gross Domestic Product at Current Prices
by Economic Activity

	(JD Million)				
	2020	2021	2022	2023 ⁽¹⁾	2024 ⁽¹⁾
Agriculture	1,441.7	1,573.4	1,668.1	1,745.4	1,919.5
Mining and Quarrying	665.0	759.7	1,051.6	1,170.5	1,252.3
Manufacturing	5,320.3	5,556.2	5,937.4	6,270.3	6,706.8
Electricity and Water	495.9	501.7	541.9	578.8	618.1
Construction	827.0	880.8	947.7	974.8	944.0
Trade, Restaurants and Hotels	2,854.6	2,994.7	3,224.1	3,414.2	3,584.8
Transport, Storage and Communications	2,351.0	2,498.3	2,681.4	2,892.1	3,057.1
Finance, Insurance, Real Estate and Business Services	5,989.9	6,167.5	6,353.6	6,590.2	6,795.7
Social and Personal Services	2,797.2	2,936.2	3,065.4	3,236.3	3,377.8
Producers of Government Services	4,466.5	4,617.7	4,796.0	5,067.5	5,192.5
Producers of Private Non-Profit Services for Households	266.4	285.5	308.8	330.5	345.9
Domestic Services of Households	442.0	499.7	497.7	515.0	522.8
Less: Imputed Bank Service Charge	836.1	939.8	1,075.9	1,160.5	1,205.8
GDP at Basic Prices	27,081.3	28,331.5	29,997.9	31,625.0	33,111.5
Net Taxes on Products	3,946.0	4,538.7	4,625.3	4,647.8	4,768.6
GDP at Market Prices	31,027.3	32,870.2	34,623.1	36,272.8	37,880.1
Net Factor Income from Abroad	-87.9	-164.5	-359.1	-268.9	-884.6
GNP at Market Prices	30,939.4	32,705.7	34,264.0	36,003.9	36,995.5

Source: Department of Statistics.

(1) : Preliminary.

Table 2
Gross Domestic Product
at Current Prices by Expenditure Approach

	(JD Million)				
	2019	2020	2021	2022	2023 ⁽¹⁾
Total Consumption	28,774.5	29,898.8	31,127.5	32,149.6	32,249.8
Public	5,173.4	5,135.3	5,207.1	5,478.9	5,535.1
private	23,601.0	24,763.6	25,920.4	26,670.7	26,714.7
Gross Capital Formation	6,766.3	6,658.4	8,275.3	8,726.6	8,404.8
Gross Fixed Capital Formation	5,804.5	5,861.4	7,284.6	7,702.6	7,684.0
Change in Stocks ⁽²⁾	961.8	797.1	990.6	1,024.0	720.8
Total Domestic Demand	35,540.8	36,557.3	39,402.8	40,876.2	40,654.6
Net Exports of Goods and Services (Except Production Factor Services)	-3,943.6	-5,530.0	-6,532.5	-6,253.1	-4,381.8
Exports	11,586.7	7,516.5	9,962.2	14,857.8	15,888.3
Imports	15,530.4	13,046.5	16,494.7	21,110.9	20,270.1
GDP at Current Prices	31,597.1	31,027.3	32,870.2	34,623.1	36,272.8

Source: Department of Statistics.

(1) : Preliminary.

(2) : Includes the value of the change in livestock numbers.

Table 3

Industrial Production Quantity Index

(2018 = 100)

	Weight	2020	2021	2022	2023	2024 ⁽¹⁾
Mining and Quarrying	5.355	97.7	105.8	107.9	113.5	121.8
Extraction of crude petroleum and natural gas	0.087	157.1	196.3	159.0	181.1	180.1
Quarrying of stone, sand and clay	0.603	117.8	150.6	139.3	141.8	181.4
Mining of chemical and fertilizer minerals	4.666	94.9	100.0	106.1	109.6	115.5
Manufacturing	88.737	82.4	84.5	84.1	84.2	84.5
Food products	23.964	73.2	70.3	74.3	80.0	83.9
Beverages	3.215	125.5	111.7	112.3	105.4	59.1
Tobacco products	1.263	113.6	109.6	118.3	122.5	124.0
Textiles	0.788	80.4	80.2	70.3	73.7	71.7
Wearing apparel	6.487	51.9	48.6	41.6	41.0	32.7
Leather and related	0.295	87.9	54.0	56.8	62.0	41.8
Wood and products of wood except furniture	0.427	78.0	81.6	80.1	80.2	77.4
Paper and paper products	2.664	119.2	135.1	144.1	148.5	153.0
Printing and reproduction of recorded media	1.864	50.0	52.7	54.0	48.3	46.1
Refined petroleum products	9.804	96.6	172.3	195.9	162.9	172.6
Chemicals and chemical products	7.470	121.1	125.6	118.8	123.0	118.4
Pharmaceuticals, medicinal chemical and botanical products	6.384	110.6	111.4	116.8	122.8	127.0
Rubber and plastic products	3.800	64.0	38.5	31.1	29.5	35.8
Other non-metallic mineral products	6.309	71.2	59.2	42.7	56.5	55.1
Basic metals	4.393	86.4	71.5	82.9	62.8	67.8
Fabricated metal products, except machinery and equipment	4.227	149.0	141.2	154.3	165.3	175.6
Computer, electronic and optical products	0.208	92.5	86.9	62.6	84.6	89.7
Electrical equipment	2.193	120.4	139.1	121.7	114.3	108.9
Machinery and equipment n.e.c.	0.760	86.7	66.1	31.4	38.7	59.7
Motor vehicles, trailers and semi-trailers	0.284	68.9	71.4	45.8	70.7	68.8
Furniture	1.878	66.1	59.6	57.7	51.6	46.2
Other manufacturing	0.061	61.1	70.0	74.9	78.3	77.0
Electricity, Gas, Steam and Air Conditioning Supply	5.908	96.2	98.2	104.4	107.7	114.0
General Index	100.0	83.4	86.3	86.3	86.7	87.7

Source: Department of Statistics.

(1) : Preliminary.

Table 4
Quantities Produced by Major Industries

	Unit	2020	2021	2022	2023	2024 ⁽¹⁾
Mining and Quarrying						
Phosphate	1,000 Ton	8,616.0	9,840.7	10,957.1	11,120.2	12,977.7
Potash	1,000 Ton	2,455.5	2,562.5	2,684.0	2,780.2	2,833.4
Manufacturing						
Fertilizers	1,000 Ton	929.0	1,055.1	952.6	948.0	1,026.4
Chemical Acids	1,000 Ton	1,391.8	1,562.3	1,584.3	1,519.4	1,648.0
Clinker	1,000 Ton	292.9	216.0	190.3	71.7	0.0
Petroleum Products	1,000 Ton	1,855.0	1,765.0	1,625.5	1,636.0	1,771.2

Source: Industrial Companies in Jordan.

(1) : Preliminary.

Table 5
Construction Activity in the Kingdom

(Area: Thousands of Sq. M.)

	2020	2021	2022	2023	2024 ⁽¹⁾
(A) Residential					
No. of Permits	17,929	24,982	23,898	22,238	21,369
Amman	3,845	6,035	6,204	6,616	6,715
Irbid	5,102	6,029	5,480	5,101	4,964
Zarqa	2,137	2,761	2,549	2,249	2,149
Other	6,845	10,157	9,665	8,272	7,541
Area	4,959.7	7,684.6	7,567.7	7,762.4	7,118.7
Amman	2,046.4	3,532.8	3,475.7	3,902.0	3,541.7
Irbid	1,066.4	1,396.6	1,448.7	1,550.5	1,395.1
Zarqa	537.8	698.9	683.6	564.2	570.5
Other	1,309.1	2,056.3	1,959.7	1,745.7	1,611.3
(B) Other Purposes					
No. of Permits	1,271	1,738	1,892	1,969	2,533
Amman	598	954	1,032	985	1,559
Irbid	101	154	175	221	245
Zarqa	278	322	282	291	306
Other	294	308	403	472	423
Area	761.2	1,062.8	1,490.8	1,646.1	1,908.8
Amman	383.2	713.7	860.6	962.2	1,044.7
Irbid	56.9	28.7	88.2	121.3	116.2
Zarqa	152.5	115.3	119.4	145.5	163.3
Other	168.6	205.1	422.6	417.1	584.6
Total (A+B)					
No. of Permits	19,200	26,720	25,790	24,207	23,902
Area	5,720.9	8,747.4	9,058.5	9,408.5	9,027.5

Source: Department of Statistics.

(1) : Preliminary.

Table 6

Consumer Price Index

(2018 = 100)

	Weight	2020	2021	2022	2023	2024 ⁽¹⁾
Food and non-Alcoholic Beverages	26.524	102.6	102.7	106.1	106.8	108.3
Food items, of which:	23.796	102.9	103.0	106.6	107.3	109.0
Cereal and its Products	4.171	105.4	107.3	111.9	115.8	118.1
Meat and Poultry	4.686	101.2	107.6	110.4	110.6	114.2
Dairy Products and Eggs	3.720	101.4	101.6	106.3	112.4	112.3
Oils and Fats	1.697	99.2	105.2	114.2	116.2	114.9
Fruits and Nuts	2.567	100.5	98.7	99.4	98.6	98.1
Vegetables and Legumes Dry and Canned	2.962	105.0	91.5	96.4	88.8	91.6
Sugar and its Products	2.313	103.8	104.6	107.6	109.8	111.8
Spices and Food additives	1.266	104.8	103.1	100.9	100.5	103.6
Non-Alcoholic Beverages	2.728	100.4	100.4	102.1	101.9	102.4
Alcohol and Tobacco and Cigarettes	4.374	101.4	104.0	103.9	107.5	111.9
Alcoholic Beverages	0.008	106.3	121.9	122.6	122.6	122.5
Tobacco and Cigarettes	4.367	101.4	103.9	103.9	107.5	111.9
Clothing and Footwear	4.115	97.5	96.3	96.6	96.0	95.1
Housing, of which:	23.776	99.7	101.3	108.0	112.6	115.8
Rents	17.541	102.3	103.8	106.5	110.9	115.2
Fuels and Lighting	4.693	90.2	91.3	114.7	121.3	119.9
Household Furnishings and Equipment	4.941	101.5	102.0	105.1	107.0	107.2
Health	3.996	104.6	105.5	109.3	112.5	112.4
Transportation	15.983	98.6	103.0	108.8	110.2	111.2
Communication	2.827	100.9	102.3	103.2	103.7	104.1
Culture and Recreation	2.551	98.5	99.1	108.6	113.4	116.6
Education	4.350	104.4	104.7	106.1	107.9	109.3
Restaurants and Hotels	1.793	104.8	106.3	114.0	116.7	117.9
Other Goods and Services	4.769	103.6	103.8	106.3	109.2	111.2
Consumer Price Index	100.0	101.1	102.5	106.8	109.0	110.7

Source: Department of Statistics.

(1) : Preliminary.

Table 7

*Relative Distribution of Jordanian Workers Aged 15 Years and Above
by Economic Activity*

	2020	2021	2022	2023	2024 ⁽¹⁾
Total Labor Force	1,742,413	1,807,481	1,838,658	1,904,040	2,006,130
Total Number of Workers	1,338,308	1,371,932	1,418,821	1,485,675	1,576,448
Relative Distribution of Workers by Economic Activity					
Agriculture, Forestry and Fishing	1.7	1.9	1.8	1.6	1.8
Mining and Quarrying	0.6	0.7	0.6	0.6	0.6
Manufacturing	10.4	10.8	10.6	10.3	10.0
Construction	4.8	5.0	4.4	4.7	4.6
Wholesale and Retail Trade	14.4	14.7	15.2	14.8	14.6
Transport, Storage and Communications	7.8	8.6	8.1	8.8	9.0
Financial and Insurance Activities	2.0	1.9	1.8	2.0	2.3
Public administration, Defence and Social Security	27.0	25.5	25.7	25.5	25.5
Education	12.6	12.8	12.7	12.3	12.4
Human Health and Social Service	5.5	5.4	5.3	5.9	5.5
Others	13.2	12.7	13.8	13.5	13.7
Total	100.0	100.0	100.0	100.0	100.0

Sources: Department of Statistics/ Labor Force Survey.

(1) : Preliminary.

Table 8
Depository Corporations Survey ⁽¹⁾

(JD Million)

	2020	2021	2022	2023	2024
Foreign Assets (Net)	7,811.0	7,757.8	7,131.6	7,946.9	9,907.6
Central Bank	11,040.7	12,017.8	11,654.9	12,387.6	14,544.8
Other Depository Corporations ⁽²⁾	-3,229.7	-4,259.9	-4,523.3	-4,440.6	-4,637.2
Domestic Assets (Net)	29,200.9	31,751.4	34,550.1	34,716.1	35,361.7
Net Claims on Central Government	11,591.1	12,959.7	13,334.2	13,911.4	14,554.1
Claims on Municipalities	401.6	530.0	728.4	806.6	875.3
Claims on Public Non-Financial Corporations	571.5	610.3	1,017.1	1,385.5	1,716.4
Claims on Other Financial Corporations	1,821.5	1,835.0	1,789.4	1,613.8	1,661.9
Claims on Private Sector (Resident)	25,795.0	26,941.4	29,164.2	29,676.7	30,347.2
Other Items (net)	-10,979.9	-11,125.0	-11,483.2	-12,677.8	-13,793.2
Broad Money (M2)	37,011.9	39,509.2	41,681.7	42,663.1	45,269.3
Currency in Circulation	5,939.4	6,225.4	6,037.4	5,807.6	6,083.1
Deposits of Depository Corporations	31,072.5	33,283.8	35,644.2	36,855.5	39,186.2
Transferable Deposits Included in Broad Money	9,074.1	9,954.4	10,009.9	9,479.0	9,746.4
Other Financial Corporations	76.2	69.0	77.9	137.5	162.4
Municipalities	9.7	5.3	8.2	6.1	9.8
Public Non-Financial Corporations	91.2	96.1	57.9	52.6	55.1
Social Security Corporation	143.2	117.5	64.4	79.7	67.5
Private Sector (Resident)	8,753.8	9,666.6	9,801.5	9,203.2	9,451.6
Other Deposits Included in Broad Money	21,998.4	23,329.4	25,634.3	27,376.5	29,439.8
Other Financial Corporations	339.7	404.6	408.2	403.9	451.7
Municipalities	18.8	19.6	15.6	5.7	1.9
Public Non-Financial Corporations	172.4	185.6	234.7	285.8	283.6
Social Security Corporation	1,370.1	1,398.0	1,571.1	1,721.4	1,849.8
Private Sector (Resident)	20,097.3	21,321.6	23,404.8	24,959.7	26,852.8

Source: Central Bank of Jordan/ Monthly Statistical Bulletin.

(1) : Includes the Central Bank and Other Depository Corporations.

(2) : Includes all licensed banks in Jordan.

Table 9

Assets and Liabilities of the Central Bank of Jordan

(JD Million)

	2020	2021	2022	2023	2024
Foreign Assets	13,198.9	14,686.4	14,083.1	14,711.0	16,751.8
Monetary Gold	2,646.0	2,646.1	2,837.1	3,347.2	4,256.8
Cash, Balances & Deposits	6,551.7	7,988.9	7,107.7	6,878.8	8,041.5
Securities	2,791.0	2,842.3	2,885.1	3,198.5	3,149.4
SDRs	13.8	11.6	7.6	7.1	3.5
Other Foreign Assets ⁽¹⁾	1,196.3	1,197.5	1,245.6	1,279.3	1,300.6
Domestic Assets	2,826.8	2,993.6	2,921.8	2,559.5	2,527.3
Claims on Other Depository Corporations	1,390.9	1,620.1	1,526.1	1,247.9	1,150.4
Claims on Central Government	546.3	482.8	586.2	498.3	544.5
Claims on Other Financial Corporations	816.1	817.2	732.8	744.3	751.4
Claims on Private Sector	23.1	22.5	26.5	28.8	31.9
Other Assets	50.4	51.0	50.3	40.2	49.1
Assets = Liabilities	16,025.6	17,680.0	17,004.8	17,270.5	19,279.1
Monetary Base	9,148.2	9,816.0	9,152.2	8,860.0	9,418.3
Currency Issued	6,496.5	6,834.8	6,678.2	6,441.3	6,733.1
Deposits of Other Depository Corporations	2,651.7	2,981.2	2,474.0	2,418.7	2,685.1
Legal Reserves	1,221.6	1,335.5	1,457.1	1,507.5	1,589.3
Excess Reserves	1,430.1	1,645.7	1,016.9	911.3	1,095.9
Other Deposits of Other Depository Corporations	3,721.8	4,491.9	4,713.6	5,513.6	6,342.5
Transferable Deposits ⁽²⁾	3,721.8	4,491.9	4,113.6	4,713.6	5,792.5
Other Deposits ⁽³⁾	0.0	0.0	600.0	800.0	550.0
Central Government Deposits	413.1	565.1	1,202.5	615.6	664.8
Public Non-Financial Corporations Deposits	0.2	2.5	1.8	0.0	0.0
Other Financial Corporations Deposits	4.6	11.2	8.4	28.3	47.7
Foreign Liabilities	1,672.0	1,818.0	1,179.4	1,123.5	824.2
Shares and Other Equity	468.2	502.2	543.3	597.4	733.8
Other Liabilities	597.6	473.1	203.7	532.1	1,247.9

Source: Central Bank of Jordan/ Monthly Statistical Bulletin.

- (1) : Includes loans arising from payment agreements.
(2) : Represents the balance of overnight deposits window.
(3) : Represents the balance of certificates of deposits.

Table 10*Average Exchange Rate of the Jordanian Dinar
in Major Foreign Currencies Units*

	2020	2021	2022	2023	2024
Euro	1.236	1.192	1.338	1.304	1.303
US Dollar	1.410	1.410	1.410	1.410	1.410
Pound Sterling	1.098	1.025	1.140	1.134	1.104
Japanese Yen	150.5	154.7	184.1	197.6	213.4

Source: Central Bank of Jordan/ Monthly Statistical Bulletin.

Table 11

Consolidated Balance Sheet of Other Depository Corporations

(JD Million)

	2020	2021	2022	2023	2024
Foreign Assets	6,290.1	6,332.7	5,864.1	6,220.8	6,798.4
Cash in Vaults (In Foreign Currencies)	271.2	250.4	253.9	217.1	251.7
Balances and Deposits	4,494.1	4,447.5	3,922.9	4,122.9	4,050.9
Securities Other than Shares	219.6	237.9	355.3	329.1	315.5
Other Loans	612.8	687.8	664.8	844.9	1,341.6
Shares and Other Equity	581.6	615.5	606.2	658.3	790.4
Other Accounts Receivable	110.9	93.5	61.0	48.4	48.3
Domestic Assets	50,747.8	54,725.1	58,281.2	59,955.0	63,054.9
Claims on Central Government	11,916.7	13,177.1	13,876.4	14,044.5	14,618.1
Claims on Municipalities	401.6	530.0	728.4	806.6	875.3
Claims on Public Non-Financial Corporations	571.5	610.3	1,017.1	1,385.5	1,716.4
Claims on Other Financial Corporations	1,005.5	1,017.8	1,056.6	869.5	910.5
Claims on Private Sectors (Resident)	25,771.9	26,918.9	29,137.7	29,647.8	30,315.3
Deposits with Central Bank	6,300.1	7,407.7	7,177.9	7,883.1	9,023.7
Cash in Vaults (In JD)	557.1	609.5	640.8	633.7	650.1
Other Assets	4,223.4	4,453.8	4,646.3	4,684.3	4,945.6
Assets = Liabilities	57,038.0	61,057.7	64,145.3	66,175.8	69,853.3
Transferable Deposits Included in Broad Money	9,069.4	9,940.7	9,999.7	9,450.8	9,698.7
Other Financial Corporations	71.6	57.8	69.6	109.2	114.7
Municipalities	9.7	5.3	8.2	6.1	9.8
Public Non-Financial Corporations	91.0	93.6	56.1	52.6	55.1
Social Security Corporation	143.2	117.5	64.4	79.7	67.5
Private Sector (Resident)	8,753.8	9,666.6	9,801.5	9,203.2	9,451.6
Other Deposits included in Broad money	21,998.4	23,329.4	25,634.3	27,376.5	29,439.8
Other Financial Corporations	339.7	404.6	408.2	403.9	451.7
Municipalities	18.8	19.6	15.6	5.7	1.9
Public Non-Financial Corporations	172.4	185.6	234.7	285.8	283.6
Social Security Corporation	1,370.1	1,398.0	1,571.1	1,721.4	1,849.8
Private Sectors (Resident)	20,097.3	21,321.6	23,404.8	24,959.7	26,852.8
Central Government Deposits	944.9	985.9	1,174.6	1,215.7	1,326.5
Borrowing From Central Bank	1,622.9	1,737.2	1,690.6	1,459.0	1,387.5
Foreign Liabilities	9,519.8	10,592.6	10,387.3	10,661.4	11,435.6
Capital Accounts	6,428.7	6,593.3	6,755.8	7,263.9	7,555.7
Other Liabilities	7,453.9	7,878.7	8,502.9	8,748.5	9,009.5

Source: Central Bank of Jordan/ Monthly Statistical Bulletin.

Table 12

Consolidated Balance Sheet of Commercial Banks

(JD Million)

	2020	2021	2022	2023	2024
Foreign Assets	5,743.6	5,722.0	5,292.6	5,428.5	5,306.7
Cash in Vaults (In Foreign Currencies)	226.3	211.9	206.5	180.5	212.9
Balances and Deposits	4,308.0	4,249.6	3,751.2	3,853.5	3,631.5
Securities Other than Shares	219.6	237.9	355.3	329.1	315.5
Other Loans	367.1	388.1	385.5	420.4	448.6
Shares and Other Equity	512.0	541.2	534.3	598.0	653.8
Other Accounts Receivable	110.6	93.3	59.8	47.0	44.4
Domestic Assets	41,105.3	43,774.8	46,641.5	47,812.5	49,643.2
Claims on Central Government	10,834.3	11,894.1	12,440.1	12,722.2	13,293.7
Claims on Municipalities	401.6	530.0	728.4	806.6	875.3
Claims on Public Non-financial Corporations	270.5	259.4	256.3	386.3	465.3
Claims on Other Financial Corporations	921.6	921.5	953.7	761.4	792.3
Claims on Private Sector (Resident)	20,051.9	20,471.9	21,913.0	22,075.3	22,097.6
Deposits with Central Bank	4,496.1	5,443.4	5,775.4	6,536.5	7,529.4
Cash in Vaults (In JD)	352.0	389.7	413.1	410.6	409.0
Other Assets	3,777.3	3,864.8	4,161.5	4,113.6	4,180.5
Assets = Liabilities	46,848.9	49,496.8	51,934.1	53,241.0	54,949.9
Deposits	24,403.5	25,616.8	27,590.4	28,497.3	29,489.3
Other Financial Corporations	314.6	323.6	324.3	342.4	360.9
Municipalities	27.6	24.4	23.5	11.5	11.3
Public Non-Financial Corporations	224.4	243.6	254.1	304.5	303.3
Social Security Corporation	1,333.6	1,280.3	1,379.8	1,583.4	1,670.7
Private Sector (Resident)	21,744.1	23,011.3	24,810.8	25,389.6	26,191.0
Central Government	759.2	733.7	797.9	865.9	952.2
Borrowing from Central Bank	1,417.3	1,653.5	1,614.4	1,367.1	1,276.5
Foreign Liabilities	8,946.7	9,890.0	9,725.1	9,704.1	10,265.4
Capital Accounts	5,452.5	5,547.9	5,697.9	6,157.5	6,384.4
Other Liabilities	6,628.9	6,788.7	7,306.2	7,515.2	7,534.3

Source: Central Bank of Jordan/ Monthly Statistical Bulletin.

Table 13

Consolidated Balance Sheet of Islamic Banks

(JD Million)

	2020	2021	2022	2023	2024
Foreign Assets	546.5	610.6	571.5	792.3	1,491.7
Cash in Vaults (In Foreign Currencies)	44.9	38.5	47.3	36.6	38.8
Balances and Deposits	186.0	197.9	171.7	269.4	419.4
Other Financing	245.6	299.7	279.4	424.5	893.0
Shares and Other Equities	69.6	74.3	71.9	60.4	136.6
Other Accounts Receivable	0.3	0.2	1.1	1.5	3.9
Domestic Assets	9,642.5	10,950.3	11,639.8	12,142.5	13,411.8
Claims on Central Government	1,082.4	1,283.0	1,436.3	1,322.4	1,324.4
Claims on Public Non-Financial Corporation	301.0	350.9	760.8	999.2	1,251.0
Claims on Other Financial Corporation	83.9	96.3	102.9	108.1	118.2
Claims on Private Sector (Resident)	5,720.0	6,447.0	7,224.8	7,572.6	8,217.7
Deposits with Central Bank	1,804.0	1,964.3	1,402.6	1,346.6	1,494.3
Cash in Vaults (In JD)	205.1	219.8	227.7	223.1	241.0
Other Assets	446.1	589.0	484.8	570.6	765.1
Assets = Liabilities	10,189.0	11,560.9	12,211.2	12,934.7	14,903.5
Deposits	7,609.2	8,639.2	9,218.4	9,545.7	10,975.7
Other Financial Corporations	96.7	138.8	153.4	170.7	205.5
Municipalities	0.9	0.4	0.3	0.2	0.4
Public Non-Financial Corporations	39.0	35.7	36.7	33.9	35.4
Social Security Corporation	179.7	235.1	255.7	217.7	246.6
Private Sector (Resident)	7,107.0	7,976.9	8,395.4	8,773.3	10,113.5
Central Government	185.8	252.2	376.7	349.8	374.3
Central Bank Deposits	205.6	83.7	76.2	92.0	111.1
Foreign Liabilities	573.1	702.6	662.2	957.3	1,170.2
Capital Accounts	976.2	1,045.4	1,057.9	1,106.4	1,171.3
Other Liabilities	825.0	1,090.0	1,196.6	1,233.3	1,475.2

Source: Central Bank of Jordan/ Monthly Statistical Bulletin.

Table 14

*Total Deposits with Other Depository Corporations
According to Depositor*

(JD Million)

	2020	2021	2022	2023	2024
Public Sector	2,750.2	2,805.3	3,124.7	3,366.9	3,594.2
General Government	2,486.8	2,526.1	2,833.9	3,028.5	3,255.4
Central Government	944.9	985.9	1,174.6	1,215.7	1,326.5
General Budget	831.3	857.7	1,017.2	1,094.9	1,208.0
Own Budget	113.7	128.2	157.5	120.8	118.5
Social Security Corporation	1,513.3	1,515.4	1,635.5	1,801.0	1,917.3
Municipalities	28.6	24.8	23.8	11.7	11.7
Public Non-Financial Corporations	263.4	279.2	290.8	338.4	338.7
Private Sector	33,627.6	36,254.6	38,504.2	39,864.3	42,538.0
Private Sector (Resident)	28,851.1	30,988.2	33,206.2	34,163.0	36,304.4
Private Sector (Non-Resident)	4,776.4	5,266.3	5,298.0	5,701.3	6,233.6
Other Financial Corporations	411.3	462.4	477.8	513.1	566.4
Total Deposits	36,789.1	39,522.3	42,106.7	43,744.3	46,698.6

Source: Central Bank of Jordan/ Monthly Statistical Bulletin.

Table 15

*Total Deposits with Other Depository Corporations
According to Type*

(JD Million)

	2020	2021	2022	2023	2024
Demand	10,641.9	11,664.0	11,742.6	11,031.2	11,276.0
Saving	6,226.9	6,720.6	6,600.3	6,209.1	6,414.6
Time	19,920.3	21,137.8	23,763.9	26,503.9	29,008.0
Total Deposits	36,789.1	39,522.3	42,106.7	43,744.3	46,698.6

Source: Central Bank of Jordan/ Monthly Statistical Bulletin.

Table 16

Geographical Distribution of Total Deposits with Other Depository Corporation

(JD Million)

	2020	2021	2022	2023	2024
Amman	30,702.5	32,989.9	35,360.3	36,775.7	39,309.2
Zarqa	1,580.0	1,669.4	1,644.7	1,736.5	1,840.3
Irbid	2,092.3	2,220.9	2,263.1	2,302.4	2,451.7
Mafraq	244.2	272.0	271.2	276.6	315.0
Karak	342.4	329.3	375.4	390.4	402.1
Tafileh	71.2	75.2	88.4	77.7	79.4
Maan	114.0	121.7	145.5	148.5	149.3
Aqaba	383.2	441.8	484.4	513.9	587.5
Balqa	645.9	731.5	771.4	797.1	829.5
Jarash	183.2	201.9	227.2	237.9	216.4
Ajloun	155.6	171.1	170.3	176.3	184.6
Madaba	274.6	297.6	304.9	311.2	333.6
Total	36,789.1	39,522.3	42,106.7	43,744.3	46,698.6

Source: Central Bank of Jordan/ Monthly Statistical Bulletin.

Table 17

Credit Facilities According to Economic Activity and Borrower

(JD Million)

	2020	2021	2022	2023	2024
By Economic Activity					
Agriculture	416.8	453.3	534.6	589.5	627.3
Mining	236.6	168.2	130.7	139.7	200.2
Industry	3,525.4	3,484.5	3,787.2	3,857.8	3,874.7
General Trade	4,524.3	4,453.1	4,698.0	4,848.2	5,648.6
Construction	7,261.5	7,718.5	8,237.0	8,014.0	7,858.8
Transportation Services	385.6	394.7	368.5	419.1	494.5
Tourism, Hotels and Restaurants	735.6	713.5	685.1	667.6	654.0
Public Services and Utilities	4,360.9	4,608.8	5,268.4	5,481.7	5,987.9
Financial Services	655.7	763.5	791.9	963.6	873.4
Other ⁽¹⁾	6,536.7	7,270.4	8,090.1	8,406.0	8,558.1
Total	28,639.1	30,028.5	32,591.5	33,387.1	34,777.6
of which in Foreign Currencies	3,496.8	3,697.3	4,117.9	3,957.1	4,327.5
By Borrower					
Central Government	1,804.1	1,816.4	2,040.1	2,101.6	2,260.5
Public Non-Financial Corporations	566.0	686.5	921.4	1,056.0	1,154.3
Other Financial Corporations	129.7	129.0	94.7	60.6	32.7
Private Sector (Resident)	25,526.5	26,708.8	28,870.5	29,324.0	29,988.4
Private Sector (Non-Resident)	612.8	687.8	664.8	844.9	1,341.6

Source: Central Bank of Jordan/ Monthly Statistical Bulletin.

(1) : Most of these loans represent the facilities extended to individuals for consumption purposes.

Table 18
Geographical Distribution of Credit Facilities

(JD Million)

	2020	2021	2022	2023	2024
Amman	23,469.8	24,331.4	26,421.3	27,017.9	28,302.3
Zarqa	1,006.3	1,102.1	1,195.7	1,202.7	1,261.6
Irbid	1,442.8	1,587.2	1,752.8	1,841.0	1,891.1
Mafraq	300.3	330.5	368.2	373.7	389.0
Karak	557.3	617.8	650.3	664.8	673.0
Tafileh	122.6	131.7	143.5	148.3	148.5
Maan	192.7	215.0	234.5	239.4	243.4
Aqaba	528.3	557.5	563.7	585.9	575.5
Balqa	452.6	526.5	571.3	585.5	587.8
Jarash	175.6	198.2	218.9	255.4	222.0
Ajloun	151.6	166.5	182.7	179.1	179.3
Madaba	239.2	264.3	288.6	293.2	304.2
Total	28,639.1	30,028.5	32,591.5	33,387.1	34,777.6

Source: Central Bank of Jordan/ Monthly Statistical Bulletin.

Table 19

*Consolidated Balance Sheet of Jordanian Banks' Branches
Operating in the Palestinian Territories*

(JD Million)

	2020	2021	2022	2023	2024
Cash in Vaults	309.6	420.6	443.4	412.9	709.4
Balances with the Banking System	1,947.8	2,080.2	2,093.3	2,152.3	1,928.6
Credit Facilities	2,410.8	2,567.9	2,553.6	2,789.8	2,899.9
In Jordan Dinar	327.5	376.6	322.5	426.7	275.4
In US Dollar	1,051.0	1,002.3	1,048.2	989.9	989.1
In Other Foreign Currencies	1,032.3	1,189.0	1,182.9	1,373.2	1,635.4
Portfolio	585.6	604.8	589.6	620.2	633.6
Other Assets	211.8	155.6	128.2	155.1	152.6
Assets = Liabilities	5,465.6	5,829.1	5,808.1	6,130.3	6,324.1
Deposits of Banking System	309.0	310.3	290.1	254.9	319.7
Customers' Deposits	4,083.0	4,443.8	4,398.4	4,634.8	4,710.2
In Jordan Dinar	1,063.0	1,162.7	1,103.5	1,028.4	1,098.7
In US Dollar	1,388.0	1,684.4	1,600.1	1,649.1	1,638.0
In Other Foreign Currencies	1,632.0	1,596.7	1,694.8	1,957.3	1,973.5
Capital, Reserves and Provisions	729.8	716.8	808.0	911.2	976.5
Other Liabilities	343.8	358.2	311.6	329.4	317.7

Source: Central Bank of Jordan/ Monthly Statistical Bulletin.

Table 20

Assets and Liabilities of Insurance Companies Operating in Jordan

(JD Million)

	2019	2020	2021	2022	2023
Balances and Deposits	288.8	295.1	296.1	322.8	296.6
Financial Assets ⁽¹⁾	213.3	222.5	256.9	256.2	327.1
Accounts Receivable (Net)	196.3	194.4	196.0	187.4	191.8
Customers (Debtors) ⁽²⁾	159.9	158.1	156.8	154.8	162.1
Receivables from Reinsurers	36.4	36.2	39.2	32.6	29.7
Investments and Other Assets	297.8	317.3	347.5	333.1	350.5
Assets = Liabilities + Equity	996.2	1,029.3	1,096.4	1,099.5	1,166.0
Paid-up Capital and Reserves ⁽³⁾	317.8	320.0	319.8	304.3	300.2
Accounts Payable	148.7	139.5	147.7	138.6	157.0
Creditors	49.1	44.9	48.1	45.0	50.9
Reinsurers Payable	81.6	81.4	76.9	79.8	101.0
Creditor Banks	18.0	13.3	22.7	13.8	5.1
Provisions	10.2	21.8	10.9	11.0	14.6
Technical Provisions	463.7	486.4	524.8	555.0	590.2
Accounting Provisions	155.1	175.7	204.8	210.8	238.3
Unexpired Risks Provisions ⁽⁴⁾	151.1	147.0	153.9	169.5	170.2
Outstanding Claims Provisions	157.6	163.7	166.2	174.7	181.7
Other Liabilities and Equities	55.8	61.5	93.3	90.6	104.0

Source: Central Bank of Jordan/ Monthly Statistical Bulletin.

- (1) : Includes Financial Assets at Fair value Through (Income Statement, and Other Comprehensive Income), and Financial Assets at Amortized Cost.
(2) : Includes agents, brokers, employees and insurance companies.
(3) : Includes paid-up capital, premium (discount), and reserves (mandatory, voluntary and special).
(4) : Includes unearned premiums and premium deficit (other technical).

Table 21

The Premiums Underwritten of Insurance Companies⁽¹⁾

(JD Million)

	2020	2021	2022	2023	2024
Marine and Transport Insurance	16.1	17.5	18.5	18.7	24.6
Fire and other Damage to Property Insurance	74.7	75.8	83.6	81.6	80.4
Motor Insurance	212.4	226.1	245.0	257.7	271.6
General Accidents Insurance ⁽²⁾	19.1	24.0	26.6	35.2	35.0
Life Assurance	92.7	109.3	121.7	132.2	140.1
Medical Insurance	178.5	193.7	204.2	216.8	247.9
Total	593.4	646.4	699.6	742.2	799.7

Source: Central Bank of Jordan/ Monthly Statistical Bulletin.

(1) : Preliminary.

(2) : Includes insurance on credit and liability, aviation and general classes of insurance.

Table 22

Compensations Paid by Insurance Companies⁽¹⁾

(JD Million)

	2020	2021	2022	2023	2024
Marine and Transport Insurance	5.8	2.4	3.7	4.5	2.9
Fire and other Damage to Property Insurance	26.1	29.5	14.1	16.3	13.2
Motor Insurance	184.9	212.1	223.0	240.0	261.4
General Accidents Insurance ⁽²⁾	5.9	6.1	6.0	4.0	7.9
Life Assurance	52.8	64.6	51.4	48.7	51.7
Medical Insurance	151.5	159.7	181.3	187.5	197.4
Total	426.9	474.2	479.4	500.9	534.4

Source: Central Bank of Jordan/ Monthly Statistical Bulletin.

(1) : Preliminary.

(2) : Includes insurance on credit and liability, aviation and general classes of insurance.

Table 23

Number of payment system Transactions

(Million Transaction)

	2020	2021	2022	2023	2024 ⁽¹⁾
JoMoPay	12.1	22.0	11.0	26.6	56.8
CliQ	0.0	0.6	7.0	30.2	84.0
eFAWATEERcom	22.6	34.2	42.7	52.6	66.1
Total	34.7	56.8	60.7	109.4	206.9

Source: Central Bank of Jordan/ Monthly Statistical Bulletin.

(1) : Preliminary.

Table 24

Value of payment system Transactions

(JD Million)

	2020	2021	2022	2023	2024 ⁽¹⁾
JoMoPay	1,080.0	2,150.0	1,360.0	3,119.0	5,224.0
CliQ	1.0	141.0	1,350.0	4,480.0	12,141.0
eFAWATEERcom	7,461.4	9,449.8	10,457.7	11,612.6	13,190.9
Total	8,542.5	11,740.8	13,167.7	19,211.6	30,555.9

Source: Central Bank of Jordan/ Monthly Statistical Bulletin.

(1) : Preliminary.

Table 25

Fiscal Position of Central Government
(Budgetary and Own-Budget Agencies)

(JD Million)

	2020	2021	2022	2023	2024 ⁽¹⁾
Budgetary Central Government					
Public Revenues	7,028.9	8,128.2	8,914.1	9,231.7	9,475.1
Domestic Revenues	6,238.0	7,324.9	8,121.9	8,520.0	8,770.5
Foreign Grants	790.8	803.3	792.2	711.7	704.6
Total Expenditures	9,211.3	9,858.8	10,466.6	11,004.0	11,537.6
Current Expenditures	8,388.5	8,720.6	8,954.3	9,626.8	10,368.0
Capital Expenditures	822.8	1,138.2	1,512.3	1,377.2	1,169.6
Overall Deficit/ Surplus (Including Grants)	-2,182.4	-1,730.6	-1,552.5	-1,860.3	-2,098.5
Own-Budget Agencies					
Public Revenues	1,137.1	932.6	1,083.4	712.3	838.1
Domestic Revenues	1,119.6	911.1	1,018.5	662.7	744.1
Foreign Grants	17.5	21.5	64.9	49.6	94.0
Total Expenditures	1,185.8	1,200.3	1,310.0	1,251.8	1,569.3
Current Expenditures	890.7	893.0	972.7	838.2	1,060.5
Capital Expenditures	295.1	307.3	337.2	413.6	508.7
Overall Deficit/ Surplus (Including Grants)	-48.8	-267.7	-226.6	-539.5	-731.2
Central Government (Budgetary and Own-Budget Agencies)					
Public Revenues	8,166.0	9,060.8	9,997.5	9,944.0	10,313.2
Domestic Revenues	7,357.6	8,236.0	9,140.4	9,182.7	9,514.6
Foreign Grants	808.3	824.8	857.1	761.3	798.6
Total Expenditures	10,397.1	11,059.1	11,776.6	12,255.8	13,106.9
Current Expenditures	9,279.2	9,613.6	9,927.0	10,465.0	11,428.5
Capital Expenditures	1,117.9	1,445.5	1,849.5	1,790.8	1,678.3
Overall Deficit/ Surplus (Including Grants)	-2,231.1	-1,998.3	-1,779.1	-2,399.8	-2,829.7

Source : Ministry of Finance/ General Government Finance Bulletin, January 2025 and General Budget Department.

(1) : Preliminary.

Table 25-A

Summary of Central Government Budget (Budgetary)

	(JD Million)				
	2020	2021	2022	2023	2024 ⁽¹⁾
Public Revenues	7,028.9	8,128.2	8,914.1	9,231.7	9,475.1
Domestic Revenues	6,238.0	7,324.9	8,121.9	8,520.0	8,770.5
Tax Revenues	4,958.6	5,626.9	6,047.9	6,272.2	6,440.9
Pension Contributions	7.3	7.5	4.9	5.4	4.5
Other Revenues	1,272.1	1,690.4	2,069.1	2,242.4	2,325.1
Foreign Grants	790.8	803.3	792.2	711.7	704.6
Total Expenditures	9,211.3	9,858.8	10,466.6	11,004.0	11,537.6
Current Expenditures, of which:	8,388.5	8,720.6	8,954.3	9,626.8	10,368.0
Interest Payments (Commitment Basis)	1,243.4	1,403.4	1,427.6	1,702.8	2,078.2
Capital Expenditures	822.8	1,138.2	1,512.3	1,377.2	1,169.6
Overall Deficit/ Surplus					
Including Grants	-2,182.4	-1,730.6	-1,552.5	-1,860.3	-2,098.5
Excluding Grants	-2,973.3	-2,533.9	-2,344.7	-2,572.1	-2,803.1
Primary Deficit/ Surplus (Excluding Grants)	-1,729.9	-1,130.5	-917.1	-869.3	-724.9

Source : Ministry of Finance/ General Government Finance Bulletin, January 2025.

(1) : Preliminary.

2023 : Includes refunds and clearing data of JD 88 million.

2024 : Includes refunds and clearing data of JD 36 million.

Table 25-B

Summary of Government Units Budgets
(Own-Budget Agencies)

	(JD Million)				
	2020	2021	2022	2023	2024 ⁽¹⁾
Public Revenues	1,137.1	932.6	1,083.4	712.3	838.1
Domestic Revenues, of which:	1,119.6	911.1	1,018.5	662.7	744.1
Tax Revenues	4.5	8.9	10.5	15.6	11.5
Government Subsidy	24.5	26.0	25.7	33.8	36.7
Revenues from Selling Goods and Services	1,014.6	814.0	878.6	512.3	578.5
Foreign Grants	17.5	21.5	64.9	49.6	94.0
Total Expenditures	1,185.8	1,200.3	1,310.0	1,251.8	1,569.3
Current Expenditures	890.8	893.0	972.7	838.2	1,060.5
Wages, Salaries and Allowances	273.6	277.0	271.7	264.2	293.9
Interest Payments	140.5	131.8	129.0	155.0	255.2
Purchases of Goods and Services	419.9	434.9	519.9	372.7	457.8
Other Current Expenditures	56.8	49.3	52.1	46.3	53.6
Capital Expenditures	295.0	307.3	337.3	413.6	508.7
Overall Deficit/ Surplus (Including Grants)	-48.7	-267.8	-226.6	-539.5	-731.2

Source : General Budget Department.

(1) : Preliminary.

Note : In line with the constitutional amendments, the budgets of government units were included in the draft general budget law as of Fiscal Year 2023.

Table 26
Components of Domestic Revenues
(Budgetary Central Government)

	(JD Million)				
	2020	2021	2022	2023	2024 ⁽¹⁾
First: Tax Revenues	4,958.6	5,626.9	6,047.9	6,272.2	6,440.9
1- Taxes on Income and Profits	1,103.6	1,179.6	1,548.2	1,773.1	1,799.8
Income Tax from Individuals	263.9	276.8	328.2	361.6	396.2
Income Tax from Companies & Projects	773.8	802.8	1,094.6	1,286.5	1,229.7
National Contribution Account	65.8	100.0	125.3	125.0	173.9
2- Taxes on Financial Transactions (real-estates tax)	46.8	70.6	99.5	103.0	109.2
3- Taxes on Goods and Services	3,533.9	4,038.7	4,167.5	4,155.9	4,274.1
4- Taxes on International Trade & Transactions	274.4	338.0	232.7	240.1	257.7
Second: Pension Contributions	7.3	7.5	4.9	5.4	4.5
Third: Other Revenues	1,272.1	1,690.4	2,069.1	2,242.4	2,325.1
1- Revenues from Selling Goods & Services	634.1	838.4	886.3	898.3	915.2
2- Property Income, of which:	235.2	357.9	458.6	607.1	749.8
Financial Surplus	206.7	335.2	423.7	559.5	704.6
3- Miscellaneous Revenues, of which:	402.8	494.1	724.3	737.0	660.2
Mining Revenues	26.8	45.1	183.9	125.0	94.3
Repayments	17.1	26.7	17.0	27.5	21.5
Total Domestic Revenues	6,238.0	7,324.9	8,121.9	8,520.0	8,770.5

Source : Ministry of Finance/ General Government Finance Bulletin, January 2025.

(1) : Preliminary.

Table 27
Components of Public Expenditures
(Budgetary Central Government)

(JD Million)

	2020	2021	2022	2023	2024 ⁽¹⁾
First: Current Expenditures	8,388.5	8,720.6	8,954.3	9,626.8	10,368.0
1- Compensations of Employees	1,676.8	1,771.3	1,848.7	1,953.9	1,994.6
Wages, Salaries and Allowances	1,495.3	1,595.0	1,669.7	1,743.9	1,778.7
Social Security	181.5	176.3	179.1	210.0	215.9
2- Purchases of Goods & Services	415.2	441.7	417.3	427.8	461.4
3- Interest Payments (Commitment Basis)	1,243.4	1,403.4	1,427.6	1,702.8	2,078.2
Internal	847.2	977.1	959.5	1,030.7	1,239.9
External	396.2	426.3	468.1	672.1	838.3
4- Subsidies, of which:	310.8	238.1	240.4	354.6	432.0
Subsidies for Non-Financial Public Institutions	193.7	180.4	176.5	194.5	211.4
Social Safety Net/ Cash Support	113.1	0.0	0.0	0.0	0.0
5- Grants	18.9	20.2	20.1	25.9	28.0
6- Social Benefits	1,840.2	1,892.9	1,986.0	2,013.1	2,077.0
Pensions and Compensation	1,570.5	1,605.0	1,638.4	1,660.0	1,693.3
Social Assistances	269.7	287.9	347.7	353.1	383.7
7- Miscellaneous Expenditures, of which:	247.6	203.4	168.3	150.1	228.5
Scholarships and Training	21.5	6.6	6.4	7.2	6.2
8- Military Expenditures	2,635.7	2,749.6	2,845.9	2,998.7	3,068.3
Second: Capital Expenditures	822.8	1,138.2	1,512.3	1,377.2	1,169.6
Total Expenditures	9,211.3	9,858.8	10,466.6	11,004.0	11,537.6

Source : Ministry of Finance/ General Government Finance Bulletin, January 2025.

(1) : Preliminary.

Table 28
Government Domestic Debt
(Budgetary and Guaranteed)

	(JD Million)				
	2020	2021	2022	2023	2024 ⁽¹⁾
Government Domestic Debt Including the Debt Holding by Social Security Investment Fund (SSIF)	18,933.7	20,259.5	21,579.2	22,489.9	24,339.5
1) Domestic Debt (Budgetary)	16,494.6	17,883.4	18,947.6	19,475.3	20,854.1
A) Treasury Bills and Bonds	16,219.6	17,608.7	18,674.1	19,201.3	20,579.9
- Held by the Banking System	8,508.7	9,328.5	9,490.9	9,160.2	9,421.3
- Held by Non-Banks	7,710.9	8,280.2	9,183.2	10,041.1	11,158.6
B) Loans and Advances	275.0	274.7	273.5	274.0	274.2
- From Central Bank	271.7	271.7	271.7	271.7	269.7
- From Commercial Banks	3.3	3.0	1.8	2.3	4.5
2) Domestic Debt (Guaranteed)	2,439.1	2,376.0	2,631.5	3,014.6	3,485.4
A) Corporate Bonds	538.0	517.9	317.9	468.1	493.1
- Held by the Banking System	294.2	279.7	178.8	211.6	198.3
- Held by Non-Banks	243.8	238.2	139.1	256.5	294.8
B) Loans and Advances, of which:	1,901.1	1,858.1	2,313.6	2,546.5	2,992.3
- Held by the Banking System	1,855.6	1,815.9	2,256.8	2,383.1	2,830.6
Gross Central Government's Deposits with the Banking System	1,336.0	1,502.9	2,226.9	1,784.6	1,906.1
1) Budgetary	1,133.0	1,349.9	2,036.1	1,575.3	1,708.0
A) Ministry of Finance Deposits	-1,095.8	-857.2	-734.7	-1,077.5	-1,036.5
- With the Central Bank ⁽²⁾	-1,115.8	-876.2	-745.9	-1,087.6	-1,041.7
- With Commercial Banks	20.0	19.0	11.2	10.1	5.1
B) Other Ministries Deposits	2,228.8	2,207.1	2,770.8	2,652.8	2,744.6
- With the Central Bank	1,417.5	1,277.7	1,639.5	1,481.0	1,470.2
- With Commercial Banks	811.2	929.4	1,131.3	1,171.8	1,274.3
2) Own-Budget Agencies Deposits	203.0	153.0	190.7	209.3	198.1
Domestic Debt Holding by SSIF	6,149.7	6,633.9	7,400.5	8,408.5	9,496.1

Source: Ministry of Finance/ General Government Finance Bulletin, January 2025.

(1) : Preliminary.

(2) : Represents net treasury overdraft (treasury overdraft account minus Ministry of Finance deposits, in JD and foreign currencies, with the Central Bank).

Table 29

External Debt (Budget and Guaranteed)

	(JD Million)				
	2020	2021	2022	2023	2024 ⁽¹⁾
1) Long-Term Loans	7,566.3	8,875.7	10,009.9	10,608.4	11,533.8
A) Arab and Foreign Governments, of which:	2,824.9	2,886.7	3,013.8	3,234.9	3,331.6
Japan	852.9	822.4	780.8	786.9	777.6
Germany	548.9	614.4	553.1	676.5	653.9
United States	28.4	25.3	22.2	19.7	17.2
France	707.5	705.9	764.3	771.5	757.3
B) Regional and International Institutions, of which:	4,634.9	5,684.3	6,324.2	6,956.2	7,885.9
World Bank and International Development Association	2,363.6	2,643.5	2,818.5	3,164.6	3,837.2
Arab Fund for Economic and Social Development	424.2	405.9	369.4	351.1	329.0
European Investment Bank	83.9	117.9	110.9	108.3	219.5
Arab Monetary Fund	198.2	284.1	201.0	188.6	189.1
Islamic Development Bank	110.4	101.6	91.5	215.1	208.4
International Monetary Fund	736.7	1,085.0	1,699.0	1,640.4	1,729.2
C) Foreign Banks & Companies	106.5	304.7	671.9	417.3	316.3
2) Others⁽²⁾, of which:	6,532.0	6,631.4	6,901.2	8,083.4	8,288.6
Eurobonds & Domestic Bonds in Dollar	6,532.0	6,631.4	6,901.2	8,083.4	8,288.5
External Debt Including the Debt Holding by Social Security Investment Fund (SSIF)	14,098.3	15,507.2	16,911.0	18,691.8	19,822.4
External Debt Holding by SSIF	383.1	369.7	422.1	483.9	487.4

Source : Ministry of Finance/ General Government Finance Bulletin, January 2025.

(1) : Preliminary.

(2) : Including bonds, leasing contracts and Eurobonds.

Table 30
Distribution of External Loans Disbursed in 2024
According to Source

Source	Disbursements (JD Million)	Relative Importance (%)
Regional & International Institutions:	1,705.8	57.5
International Bank for Reconstruction and Development	784.5	26.5
International Monetary Fund	318.7	10.7
Arab Monetary Fund	185.2	6.2
European Investment Bank	117.0	3.9
OPEC Fund For International Development	94.3	3.2
French Development Agency	78.0	2.6
Asian Investment Bank	51.1	1.7
Arab Fund For Economic and Social Development	24.8	0.8
Kuwaiti Fund	21.8	0.7
European Bank For Recontraction and Development	18.6	0.6
Saudi Fund For Development	5.3	0.2
Islamic Development Bank, Jeddah	5.0	0.2
International Fund For Agriculture Development	1.5	0.1
Multiple Creditors (Domestic Bonds in Dollar and Eurobonds)	876.4	29.6
Industrial Countries:	148.7	5.0
Germany	76.8	2.6
Japan	71.9	2.4
Other	234.5	7.9
Total	2,965.4	100.0

Source: Ministry of Finance/ General Government Finance Bulletin, January 2025.

Table 31

Distribution of External Loans Contracted in 2024

According to Source and Economic Sector

(JD Million)

Sector \ Source	Arab & Foreign Governments	Regional & International Institutions	Multiple Creditors	Total	Sector's Relative Importance (%)
Supporting Budget	282.5	1,833.5	1,398.6	3,514.6	97.2
Water	0.0	34.7	0.0	34.7	1.0
Energy	0.0	0.0	21.3	21.3	0.6
Environment	44.7	0.0	0.0	44.7	1.2
Total	327.2	1,868.2	1,419.9	3,615.3	100.0

Source: Ministry of Finance/ General Government Finance Bulletin, January 2025.

Table 32
Balance of Payments (A)

(JD Million)

	2020 ⁽¹⁾	2021 ⁽¹⁾	2022 ⁽¹⁾	2023 ⁽¹⁾	2024 ⁽¹⁾
Current account	-1,778.5	-2,639.5	-2,808.7	-1,297.4	-2,219.8
Goods	-5,243.9	-6,964.8	-8,208.8	-7,359.8	-7,569.5
Exports (FOB)	5,639.7	6,643.8	9,073.8	8,911.8	9,432.9
Imports (FOB)	10,883.6	13,608.6	17,282.6	16,271.6	17,002.4
Services	-421.7	254.0	1,623.3	2,530.4	2,093.8
Credit	1,775.8	3,203.6	5,654.0	6,873.0	6,708.6
Debit	2,197.5	2,949.6	4,030.7	4,342.6	4,614.8
Transport	-1,009.7	-1,031.3	-1,202.4	-1,072.4	-1,267.3
Credit	346.3	677.3	1,086.2	1,201.2	1,160.3
Debit	1,356.0	1,708.6	2,288.6	2,273.6	2,427.6
Travel	729.5	1,306.6	3,082.9	3,934.7	3,759.1
Credit	1,000.3	1,958.5	4,123.6	5,253.5	5,132.4
Debit	270.8	651.9	1,040.7	1,318.8	1,373.3
Construction	13.8	38.7	31.7	28.4	42.2
Credit	52.5	57.6	48.4	53.2	54.1
Debit	38.7	18.9	16.7	24.8	11.9
Insurance and pension services	-279.8	-373.1	-440.3	-443.4	-505.3
Credit	6.0	0.8	8.8	0.0	0.0
Debit	285.8	373.9	449.1	443.4	505.3
Financial services	-4.7	57.4	54.4	48.0	71.4
Credit	38.2	80.6	77.7	73.8	86.0
Debit	42.9	23.2	23.3	25.8	14.6
Charges for the use of intellectual property	-13.0	-2.3	-13.7	-11.6	-7.1
Credit	4.4	17.6	11.1	10.2	16.1
Debit	17.4	19.9	24.8	21.8	23.2
Telecommunications, computer, and information services	-16.7	-6.7	-24.6	-12.2	-2.5
Credit	10.7	22.3	18.1	23.6	34.2
Debit	27.4	29.0	42.7	35.8	36.7
Other business services	90.2	102.0	50.8	75.5	114.6
Credit	148.1	156.4	109.7	124.4	165.1
Debit	57.9	54.4	58.9	48.9	50.5
Personal, cultural, and recreational services	53.5	103.6	79.5	67.7	32.2
Credit	68.4	113.1	83.5	70.2	43.2
Debit	14.9	9.5	4.0	2.5	11.0
Government goods and services	15.2	59.1	5.0	-84.3	-143.5
Credit	100.9	119.4	86.9	62.9	17.2
Debit	85.7	60.3	81.9	147.2	160.7

Source: Central Bank of Jordan/ Monthly Statistical Bulletin.

(1) : Preliminary.

Table 32
Balance of Payments (B)

(JD Million)

	2020 ⁽¹⁾	2021 ⁽¹⁾	2022 ⁽¹⁾	2023 ⁽¹⁾	2024 ⁽¹⁾
Primary income	-87.9	-164.5	-359.1	-268.9	-884.6
Credit	648.9	546.4	762.5	1,350.7	1,483.7
Debit	736.8	710.9	1,121.6	1,619.6	2,368.3
Compensation of employees	206.1	196.7	201.0	202.8	207.0
Credit	238.9	241.2	244.7	248.3	255.3
Debit	32.8	44.5	43.7	45.5	48.3
Investment income	-294.0	-361.2	-560.1	-471.7	-1,091.6
Credit	410.0	305.2	517.8	1,102.4	1,228.4
Debit	704.0	666.4	1,077.9	1,574.1	2,320.0
Monetary authorities	110.5	61.7	157.5	365.2	425.2
Credit	146.4	73.6	172.3	429.1	504.6
Debit	35.9	11.9	14.8	63.9	79.4
Deposit - taking corporations, except central bank	160.7	142.8	216.6	368.4	350.5
Credit	201.7	171.4	276.7	536.8	563.7
Debit	41.0	28.6	60.1	168.4	213.2
General Government	-324.6	-354.4	-389.6	-565.1	-737.4
Credit	0.0	0.0	0.0	0.0	0.0
Debit	324.6	354.4	389.6	565.1	737.4
Other Sectors	-240.6	-211.3	-544.6	-640.2	-1,129.9
Credit	61.9	60.2	68.8	136.5	160.1
Debit	302.5	271.5	613.4	776.7	1,290.0
Secondary income	3,975.0	4,235.8	4,135.9	3,800.9	4,140.5
Credit	4,265.3	4,634.2	4,531.0	4,218.5	4,590.2
Debit	290.3	398.4	395.1	417.6	449.7
General government	1,038.6	1,209.0	1,319.6	1,294.0	1,611.0
Credit	1,038.6	1,209.0	1,319.6	1,294.0	1,611.0
Debit	0.0	0.0	0.0	0.0	0.0
Other Sectors, o/w:	2,936.4	3,026.8	2,816.3	2,506.9	2,529.5
Credit	3,226.7	3,425.2	3,211.4	2,924.5	2,979.2
Debit	290.3	398.4	395.1	417.6	449.7
Personal transfers	2,936.4	3,026.8	2,816.3	2,506.9	2,529.5
Credit	3,182.7	3,360.0	3,143.4	2,847.3	2,890.8
Debit	246.3	333.2	327.1	340.4	361.3
<i>Of which: Workers' remittances</i>	1,905.8	1,837.7	1,876.0	1,894.0	1,935.4
Credit	2,150.4	2,170.9	2,203.1	2,234.4	2,296.7
Debit	244.6	333.2	327.1	340.4	361.3
Capital account	17.0	11.0	38.0	30.0	30.0
Credit	17.0	11.0	38.0	30.0	30.0
Debit	-	-	-	-	-
Nonproduced nonfinancial assets	-	-	-	-	-
Capital transfers	17.0	11.0	38.0	30.0	30.0
Credit	17.0	11.0	38.0	30.0	30.0
Debit	-	-	-	-	-

Source: Central Bank of Jordan/ Monthly Statistical Bulletin.

(1) : Preliminary.

Table 32
Balance of Payments (C)

(JD Million)

	2020 ⁽¹⁾	2021 ⁽¹⁾	2022 ⁽¹⁾	2023 ⁽¹⁾	2024 ⁽¹⁾
Financial account	-1,879.0	-1,331.2	-1,888.2	-2,522.1	-1,186.7
Direct investment	-521.1	-430.2	-596.8	-1,318.9	-1,122.2
Net acquisition of financial assets	18.7	11.3	86.6	105.6	38.4
Net incurrence of liabilities	539.8	441.5	683.4	1,424.5	1,160.6
Portfolio investment	-301.6	165.0	344.1	-945.6	155.0
Net acquisition of financial assets	-20.0	35.8	26.9	-79.6	84.1
Net incurrence of liabilities	281.6	-129.2	-317.2	866.0	-70.9
Financial derivatives	-	-	-	-	-
Other investment	-1,843.5	-2,758.1	-1,108.3	-565.0	-1,571.5
Net acquisition of financial assets	633.3	71.2	-414.9	237.2	365.9
Other equity	0.2	0.0	0.0	0.0	0.0
Currency and deposits	700.3	-100.4	-504.6	159.2	-65.4
Deposit - taking corporations, except central bank	753.9	-70.3	-512.3	175.1	-60.9
Loans	-61.6	75.0	-23.0	180.1	496.7
Deposit - taking corporations, except central bank - <i>Long term</i>	-61.6	75.0	-23.0	180.1	496.7
Trade credit and advances	-14.8	122.4	110.6	-116.6	-54.4
Other sectors - <i>Short term</i>	-14.8	122.4	110.6	-116.6	-54.4
Other accounts receivable	18.0	-25.0	9.7	15.7	10.2
Monetary authorities - <i>Short term</i>	-11.6	-7.6	42.5	28.3	10.3
Deposit - taking corporations, except central bank - <i>Short term</i>	29.6	-17.4	-32.8	-12.6	-0.1
Insurance, pension, and standardized guarantee schemes	-8.8	-0.8	-7.6	-1.2	-21.2
Nonlife insurance technical reserves	-6.4	-4.4	-14.4	-6.8	-18.0
Life insurance and annuities entitlements	-2.4	3.6	6.8	5.6	-3.2
Net incurrence of liabilities	2,476.8	2,829.3	693.4	802.2	1,937.4
Other equity	-	-	-	-	-
Currency and deposits	1,227.8	716.6	-660.8	371.3	532.4
Monetary authorities - <i>Short term</i>	-60.8	-175.8	-304.3	-57.2	-295.0
Deposit - taking corporations, except central bank	1,256.2	825.2	-409.3	352.1	725.4
Loans	1,393.9	1,523.8	1,196.8	347.3	1,225.1
Monetary authorities	381.0	428.3	304.7	-64.6	152.9
Credit and loans with the IMF	349.7	384.6	372.1	-45.9	173.0
Drawings	489.0	384.6	372.1	22.9	318.7
Repayments	-139.3	0.0	0.0	-68.8	-145.7
Other long-term	31.3	43.7	-67.4	-18.7	-20.1
Drawings	56.9	66.5	0.0	38.7	14.3
Repayments	-25.6	-22.8	-67.4	-57.4	-34.4

Source: Central Bank of Jordan/ Monthly Statistical Bulletin.

(1) : Preliminary.

Table 32
Balance of Payments (D)

(JD Million)

	2020 ⁽¹⁾	2021 ⁽¹⁾	2022 ⁽¹⁾	2023 ⁽¹⁾	2024 ⁽¹⁾
Deposit - taking corporations, except central bank - Long term	208.3	146.1	223.1	-155.0	-5.5
General government - Long term	685.7	865.4	750.0	685.1	1,205.3
<i>Drawings</i>	1,008.6	1,235.2	1,257.6	1,360.0	1,759.9
<i>Repayments</i>	-322.9	-369.8	-507.6	-674.9	-554.6
Other sectors - Long term	118.9	84.0	-81.0	-118.2	-127.6
<i>Drawings</i>	191.8	163.8	19.3	56.7	37.3
<i>Repayments</i>	-72.9	-79.8	-100.3	-174.9	-164.9
Trade credit and advances	-169.1	167.9	167.0	-9.4	111.0
Other sectors - Short term	-169.1	167.9	167.0	-9.4	111.0
Other accounts payable	25.4	92.2	-10.8	76.2	51.3
Deposit - taking corporations, except central bank - Short term	25.4	92.2	-10.8	76.2	51.3
Special drawing rights	0.0	328.0	0.0	0.0	0.0
Insurance, pension, and standardized guarantee schemes	-1.2	0.8	1.2	16.8	17.6
Nonlife insurance technical reserves	1.6	3.6	0.4	15.6	15.6
Life insurance and annuities entitlements	-2.8	-2.8	0.8	1.2	2.0
Reserve assets	787.2	1,692.1	-527.2	307.4	1,352.0
Monetary gold	813.9	208.3	273.1	186.6	240.1
Special drawing rights	2.1	-2.2	-4.0	-0.5	-3.6
Reserve position in the IMF	-	-	-	-	-
Other reserve assets	-28.8	1,486.0	-796.3	121.3	1,115.5
Currency and deposits	705.0	1,442.8	-884.3	-222.3	1,154.4
Securities	-721.3	51.3	42.8	313.4	-49.1
Debt Securities	-721.3	51.3	42.8	313.4	-49.1
Other claims	-12.5	-8.1	45.2	30.2	10.2
Net error and omissions	-117.5	1,297.3	882.5	-1,254.7	1,003.1
Memorandum Items					
Overall Balance ⁽²⁾	-1,143.4	-689.1	-2,207.6	-522.9	-517.3
Financing, o/w:	1,143.4	689.1	2,207.6	522.9	517.3
Net Foreign Assets	0.7	-652.0	785.2	-402.6	-1,100.7
Central Bank	-787.2	-1,692.1	527.2	-307.4	-1,352.0
Licensed Banks	787.9	1,040.1	258.0	-95.2	251.3
International Monetary Fund (Net)	349.7	384.6	372.1	-45.9	173.0
Arab Monetary Fund (Net)	31.3	43.7	-67.4	-18.7	-20.1
Exceptional Financing	-	-	-	-	-

Source: Central Bank of Jordan/ Monthly Statistical Bulletin.

(1) : Preliminary.

(2) : A new methodology has been adopted since 2017.

Table 33
External Trade by Economic Functions

(JD Million)

	2020		2021		2022		2023		2024 ⁽¹⁾	
	Value	Share (%)	Value	Share (%)	Value	Share (%)	Value	Share (%)	Value	Share (%)
Domestic Exports	5,044.1	100.0	6,038.8	100.0	8,365.5	100.0	8,245.2	100.0	8,579.3	100.0
Consumer Goods	2,522.4	50.0	2,793.2	46.3	3,488.7	41.7	3,667.8	44.5	4,487.7	52.3
Crude Materials and Intermediate Goods	2,427.8	48.1	3,147.5	52.1	4,750.4	56.8	4,371.9	53.0	3,865.0	45.1
Capital Goods, o/w:	91.7	1.8	97.1	1.6	125.2	1.5	203.7	2.5	216.6	2.5
Parts and Accessories	11.2	0.2	12.5	0.2	23.5	0.3	33.6	0.4	25.6	0.3
Other Goods	2.2	0.1	1.0	-	1.2	-	1.8	-	10.0	0.1
Re-Exports	595.7	100.0	605.0	100.0	708.1	100.0	666.7	100.0	853.7	100.0
Consumer Goods	145.5	24.4	167.9	27.8	202.9	28.7	193.5	29.0	298.2	34.9
Crude Materials and Intermediate Goods	209.8	35.2	232.0	38.4	273.7	38.7	239.3	35.9	219.7	25.7
Capital Goods, o/w:	211.8	35.5	194.8	32.2	224.6	31.7	221.2	33.2	322.2	37.7
Parts and Accessories	81.8	13.7	82.1	13.6	32.6	4.6	33.2	5.0	47.3	5.5
Other Goods	28.6	4.9	10.3	1.6	6.9	0.9	12.7	1.9	13.6	1.7
Imports	12,235.4	100.0	15,295.1	100.0	19,428.5	100.0	18,287.7	100.0	19,110.4	100.0
Consumer Goods	4,186.2	34.2	4,846.2	31.7	5,642.3	29.0	5,993.0	32.8	6,890.2	36.1
Crude Materials and Intermediate Goods	5,901.7	48.2	8,259.7	54.0	11,463.8	59.0	9,775.6	53.5	9,083.6	47.5
Capital Goods, o/w:	1,826.6	14.9	1,887.0	12.3	1,978.2	10.2	2,171.9	11.9	2,492.5	13.0
Parts and Accessories	463.3	3.8	410.0	2.7	380.2	2.0	423.6	2.3	413.4	2.2
Other Goods	320.9	2.7	302.2	2.0	344.2	1.8	347.2	1.8	644.1	3.4
Trade Balance	-6,595.6	100.0	-8,651.3	100.0	-10,354.8	100.0	-9,375.8	100.0	-9,677.5	100.0
Consumer Goods	-1,518.4	23.0	-1,885.1	21.8	-1,950.7	18.8	-2,131.8	22.7	-2,104.3	21.7
Crude Materials and Intermediate Goods	-3,264.1	49.5	-4,880.2	56.4	-6,439.7	62.2	-5,164.4	55.1	-4,998.9	51.7
Capital Goods, o/w:	-1,523.1	23.1	-1,595.1	18.4	-1,628.3	15.7	-1,747.1	18.6	-1,953.7	20.2
Parts and Accessories	-370.2	5.6	-315.5	3.6	-324.1	3.1	-356.8	3.8	-340.6	3.5
Other Goods	-290.0	4.4	-290.9	3.4	-336.1	3.3	-332.5	3.6	-620.6	6.4

Source: Central Bank of Jordan/ Monthly Statistical Bulletin.

(1) : Preliminary.

Table 34

External Trade by Commodity According to S.I.T.C

(JD Million)

	Domestic Exports					Re-Exports					Imports				
	2020	2021	2022	2023	2024 ⁽¹⁾	2020	2021	2022	2023	2024 ⁽¹⁾	2020	2021	2022	2023	2024 ⁽¹⁾
0. Food and Live Animals	695.8	805.1	898.7	1,022.8	1,334.3	46.4	67.3	59.6	47.9	106.3	2,592.5	2,823.0	3,658.9	3,328.9	3,409.6
1. Beverages and Tobacco	44.9	50.8	51.0	59.6	166.0	4.4	4.2	3.5	4.5	3.6	157.8	157.0	159.0	196.5	253.4
2. Crude Materials, Inedible, Except Fuels	707.9	1,024.4	1,951.2	1,394.0	1,167.0	10.8	11.4	12.6	13.2	11.5	269.5	313.7	371.7	437.0	397.3
3. Mineral Fuels, Lubricants and Related Materials	67.2	42.7	76.7	41.3	22.7	1.7	6.3	8.1	23.5	3.7	1,669.4	2,403.9	3,575.6	2,955.0	2,669.0
4. Animal and Vegetable Oils, Fats and Waxes	6.0	3.2	4.3	4.1	11.5	0.5	0.9	3.2	0.9	1.0	119.5	170.2	228.8	168.8	177.6
5. Chemicals	1,475.5	1,885.4	2,336.3	2,427.6	2,419.0	97.9	129.0	138.9	119.7	127.4	1,647.6	1,958.8	2,272.2	2,221.0	2,389.6
6. Manufactured Goods Classified by Material	355.9	500.6	594.6	630.6	611.0	47.9	55.2	73.1	57.5	64.2	1,924.1	2,286.2	2,850.7	2,504.0	2,697.1
7. Machinery and Transport Equipment	135.0	197.9	296.1	310.3	326.3	247.9	240.9	295.5	279.3	352.2	2,571.5	2,928.6	3,180.9	3,782.5	4,265.0
8. Misc. Manufactured Articles	1,293.0	1,478.5	2,131.2	2,095.0	2,418.6	59.2	74.6	101.9	89.2	157.0	871.5	1,171.5	1,320.4	1,379.0	1,843.7
9. Commodities and Transactions not Classified Elsewhere	262.9	50.2	25.4	259.9	102.9	79.0	15.2	11.7	31.0	26.8	412.0	1,082.2	1,810.3	1,315.0	1,008.1
Total	5,044.1	6,038.8	8,365.5	8,245.2	8,579.3	595.7	605.0	708.1	666.7	853.7	12,235.4	15,295.1	19,428.5	18,287.7	19,110.4

Source: Central Bank of Jordan/ Monthly Statistical Bulletin.

(1) : Preliminary.

Table 35
Geographic Distribution of External Trade

(JD Million)

	Domestic Exports					Imports				
	2020	2021	2022	2023	(1)2024	2020	2021	2022	2023	2024(1)
Arab Countries, o/w:	2,015.9	2,270.4	2,740.7	3,081.4	3,568.7	2,882.5	4,344.4	5,787.8	4,694.1	5,079.0
Saudi Arabia	576.2	733.4	840.3	983.6	1,125.3	1,521.5	2,282.2	2,931.7	2,578.6	2,912.2
Iraq	444.4	411.8	614.8	635.1	905.2	43.7	59.0	157.4	195.6	186.1
Syria	35.0	56.4	70.5	58.0	55.1	31.2	50.3	46.0	45.6	60.8
UAE	183.0	160.8	181.9	326.7	318.7	448.9	1,014.1	1,520.6	972.2	912.5
Lebanon	55.2	31.7	55.6	58.5	72.0	51.7	75.3	80.0	67.3	69.1
Egypt	85.8	127.0	160.1	119.5	165.9	424.2	505.9	556.0	494.8	654.1
European Union Countries, o/w:	153.3	197.3	489.9	462.6	488.8	2,516.3	2,858.1	3,167.4	3,042.1	3,098.8
Italy	8.6	18.3	42.2	45.1	51.2	363.7	456.2	460.0	485.2	531.2
Netherlands	37.2	38.9	123.4	79.4	92.1	123.5	153.1	152.0	137.1	149.6
Germany	12.8	18.2	23.3	22.8	30.4	522.9	544.3	565.1	623.0	677.1
Spain	24.3	24.2	45.6	75.0	38.0	264.0	243.0	283.6	247.9	238.3
France	3.7	6.9	14.3	13.9	14.1	216.6	211.2	242.8	274.9	267.1
Other European Countries, o/w:	179.2	54.2	12.1	129.3	120.0	447.4	749.6	925.4	718.5	707.3
Switzerland	174.0	44.8	4.6	110.3	64.1	106.0	431.6	734.1	454.0	350.2
NAFTA and South American Countries, o/w:	1,309.5	1,739.2	2,219.7	2,151.7	2,365.2	1,617.1	1,704.1	1,937.7	1,974.6	2,197.8
USA	1,220.5	1,586.5	1,954.4	1,958.4	2,208.4	976.2	988.0	1,065.2	1,161.1	1,330.6
Non-Arab Asian Countries, o/w:	1,073.3	1,418.9	2,326.4	2,030.5	1,731.4	4,287.7	5,270.0	7,077.4	7,307.8	7,294.9
India	613.5	906.6	1,272.8	1,221.2	990.9	347.5	420.2	992.5	1,098.0	660.0
Türkiye	53.3	69.2	65.2	72.2	75.3	396.9	490.6	644.8	558.1	577.9
South Korea	15.0	34.3	30.1	27.7	40.7	305.8	356.7	379.1	406.1	351.9
Japan	15.6	22.8	61.7	38.2	43.2	234.4	256.1	246.8	226.4	237.1
Indonesia	89.7	119.8	240.3	133.0	97.6	85.8	233.9	420.7	524.8	527.0
China	114.8	72.1	190.6	252.5	223.4	1,924.2	2,230.2	2,959.0	3,188.9	3,662.5
Other Countries	312.9	358.8	576.7	389.7	305.2	484.4	368.9	532.8	550.6	732.6
Total	5,044.1	6,038.8	8,365.5	8,245.2	8,579.3	12,235.4	15,295.1	19,428.5	18,287.7	19,110.4

Source: Central Bank of Jordan/ Monthly Statistical Bulletin.

(1) : Preliminary.

Table 36

International Investment Position

(JD Million)

	2020 ⁽¹⁾	2021 ⁽¹⁾	2022 ⁽¹⁾	2023 ⁽¹⁾	2024 ⁽¹⁾
International investment position, (net)	-33,703.6	-30,861.4	-33,519.0	-35,380.8	-35,316.2
Assets	20,276.9	28,181.0	27,278.5	28,194.7	30,727.7
Direct investment abroad	483.6	6,784.7	6,908.4	7,059.2	7,097.6
Equity capital and reinvested earnings ⁽²⁾	483.6	6,784.7	6,908.4	7,059.2	7,097.6
Portfolio investment	497.6	533.4	560.3	480.7	564.8
Equity securities	109.9	113.0	11.9	-35.2	-24.4
Banks ⁽²⁾	90.9	94.0	-7.1	-54.2	-43.4
Other sectors ⁽²⁾	19.0	19.0	19.0	19.0	19.0
Debt securities	387.7	420.4	548.4	515.9	589.2
Bonds and notes	387.7	420.4	548.4	515.9	589.2
Banks	387.7	420.4	548.4	515.9	589.2
Financial derivatives	-	-	-	-	-
Other investments	7,271.0	7,359.8	6,912.9	7,126.6	7,514.4
Trade credit	84.4	206.8	317.4	200.8	146.4
Other sectors	84.4	206.8	317.4	200.8	146.4
Loans	1,379.8	1,454.7	1,431.7	1,611.8	2,108.5
Central bank of Jordan	766.9	766.9	766.9	766.9	766.9
Long-term	766.9	766.9	766.9	766.9	766.9
General government	-	-	-	-	-
Banks	612.9	687.8	664.8	844.9	1,341.6
Long-term	195.2	207.7	208.6	223.9	224.8
Short-term	417.7	480.1	456.2	621.0	1,116.8
Other sectors	-	-	-	-	-
Currency and deposits	5,288.0	5,187.6	4,683.0	4,842.2	4,776.8
Banks	4,777.9	4,707.6	4,195.3	4,370.4	4,309.5
Other assets	518.8	510.7	480.8	471.8	482.7
Central bank of Jordan	407.6	416.9	419.8	423.4	434.4
Long-term	407.6	416.9	419.8	423.4	434.4
General government	-	-	-	-	-
Banks	111.2	93.8	61.0	48.4	48.3
Long-term	111.2	93.8	61.0	48.4	48.3
Other sectors	-	-	-	-	-
Reserve assets	12,024.7	13,503.1	12,896.9	13,528.2	15,550.9
Monetary gold	2,646.0	2,646.1	2,837.1	3,347.2	4,256.8
Special drawing rights	13.8	11.6	7.6	7.1	3.5
Reserve position in the fund	0.4	0.4	0.4	0.4	0.4
Foreign exchange	9,342.7	10,831.3	9,992.9	10,084.4	11,190.9
Currency and deposits	6,551.7	7,988.9	7,107.7	6,885.9	8,041.5
Securities	2,791.0	2,842.4	2,885.2	3,198.5	3,149.4
Bonds and notes	2,791.0	2,700.7	2,832.9	3,060.8	3,149.4
Money-market instruments	0.0	141.7	52.3	137.7	0.0
Other Claims	21.8	13.7	58.9	89.1	99.3

Source: Central Bank of Jordan/ Monthly Statistical Bulletin.

(1) : Preliminary.

(2) : Data are based on foreign investment survey (2021 – 2022).

Table 36
International Investment Position (Continued)

(JD Million)

	2020 ⁽¹⁾	2021 ⁽¹⁾	2022 ⁽¹⁾	2023 ⁽¹⁾	2024 ⁽¹⁾
Liabilities	53,980.6	59,042.4	60,797.5	63,575.5	66,043.9
Direct investment in Jordan	25,978.8	27,244.1	28,732.1	30,227.2	31,270.7
Equity capital and reinvested earnings ⁽²⁾	25,978.8	27,244.1	28,732.1	30,227.2	31,270.7
Portfolio investment	7,195.1	8,566.7	8,714.5	9,311.7	9,240.8
Equity securities	2,537.0	3,977.0	4,419.5	4,149.8	4,090.9
Banks ⁽²⁾	1,618.8	2,594.7	2,596.4	2,480.3	2,439.7
Other sectors ⁽²⁾	918.2	1,382.3	1,823.1	1,669.5	1,651.3
Debt securities	4,658.1	4,589.7	4,295.0	5,161.9	5,149.9
Bonds and notes	4,658.1	4,589.7	4,295.0	5,161.9	5,149.9
General Government	4,658.1	4,589.7	4,295.0	5,161.9	5,149.9
Other Sectors	-	-	-	-	-
Financial derivatives	-	-	-	-	-
Other investments	20,806.7	23,231.6	23,350.9	24,036.6	25,532.4
Trade credit	626.2	794.1	961.1	951.8	1,062.7
General Government	-	-	-	-	-
Other sectors	626.2	794.1	961.1	951.8	1,062.7
Short-term	626.2	794.1	961.1	951.8	1,062.7
Loans	9,250.9	10,444.7	11,455.6	11,778.2	12,685.7
Central Bank of Jordan	846.9	1,235.9	1,799.4	1,722.5	1,789.3
Use of IMF credit & loans	736.7	1,085.0	1,699.0	1,640.4	1,729.2
Other long-term	110.2	150.9	100.4	82.1	60.1
General Government	5,735.8	6,419.0	6,864.7	7,535.7	8,507.1
Long-term	5,735.8	6,419.0	6,864.7	7,535.7	8,507.1
Banks	417.1	563.2	786.3	631.3	625.8
Short-term	417.1	563.2	786.3	631.3	625.8
Other sectors	2,251.1	2,226.6	2,005.2	1,888.7	1,763.5
Long-term	2,251.1	2,226.6	2,005.2	1,888.7	1,763.5
Currency and deposits	10,456.6	11,106.0	10,392.4	10,687.3	11,117.7
Central Bank of Jordan	1,286.9	1,111.1	806.8	749.6	454.6
Banks	8,815.0	9,640.2	9,230.9	9,583.0	10,308.4
Other liabilities	473.0	886.8	541.8	619.3	666.3
Banks	307.5	399.7	388.9	465.1	516.4
Short-term	307.5	399.7	388.9	465.1	516.4
Other liabilities	165.5	487.1	152.9	154.2	149.9
Other long-term	165.5	487.1	152.9	154.2	149.9
SDR's allocation	165.5	487.1	152.9	154.2	149.9

Source: Central Bank of Jordan/ Monthly Statistical Bulletin.

(1) : Preliminary.

(2) : Data are based on foreign investment survey (2021 – 2022).



Financial Statements and Independent Auditor's Report

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

**To the Council of Ministers
To the Chairman and Members of the Board of Directors
Central Bank of Jordan
(Established by Special Law)
Independent Auditor's Report
Amman - Hashemite Kingdom of Jordan**

Qualified Opinion

We have audited the accompanying financial statements of the **Central Bank of Jordan (the "Bank")**, which comprise the statement of financial position as at 31 December 2024, and the statement of income, statement of comprehensive income, statement of changes in capital and reserves and statement of cash flows for the year then ended and notes to the financial statements including the material accounting policy information.

In our opinion, except for the possible effect of the matter described in the basis for qualified opinion paragraph below, the accompanying financial statements present fairly, in all material aspects, the financial position of the Bank as at 31 December 2024 and its financial performance and its cash flows for the year then ended in accordance to the Central Bank of Jordan Law and its instructions and the amended International Financial Reporting Standards (IFRS) as disclosed in note (2) to the accompanying financial statements.

Basis for Qualified Opinion

As disclosed in note (9) to the accompanying financial statements, the bank's assets include overdue debt balances for years against the Central Bank of Iraq in the amount of JD 766,882,210 as at 31 December 2024 resulted from commercial exchange and repayment facility agreements. The recoverability of these debt balances depends on the final outcome of the related negotiations between the Governments of Jordan and Republic of Iraq. The Bank did not provide against these doubtful debts according to International Financial Reporting Standards (9); accordingly, we were unable to determine the required provision against these assets, consequently, we were unable to determine whether any adjustment to be made on the accompanying financial statements. Moreover, these balances were classified as stage (1) while it should be classified as stage (3) in accordance with the requirements of IFRS (9).

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards, are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the Bank in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Jordan, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of a matter

We draw attention to note (2) to the accompanying financial statements which describes the basis of preparation. The financial statements have been prepared to assist the bank in complying with the financial provisions of the Central Bank of Jordan Law No. (23) of 1971 and its amendments and the instructions issued by the Central Bank of Jordan. As a result, the financial statements of the Central Bank of Jordan may not be suitable for any other purpose.

Other information included in the bank's 2024 annual report

Other information consists of the information included in the annual report, other than the financial statements and our auditor's report thereon. Management is responsible for the other information. The annual report is expected to be made available to us after the date of this auditor's report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance to the Central Bank of Jordan Law and its instructions and the amended International Financial Reporting Standards (IFRS) as disclosed in note (2) to the accompanying financial statements, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the bank's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However future events or conditions may cause the bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

For and on behalf of Ernst & Young – Jordan

Osama Fayez Shakhathreh
License No. 1079

Amman Jordan
24 March 2025

Central Bank of Jordan
(Established by a Special Law)
Amman - The Hashemite Kingdom of Jordan
Statement of Financial Position
As at 31 December 2024

	Notes	31 December 2024 JD	<u>Statement (A)</u> 31 December 2023 JD
<u>ASSETS-</u>			
Gold and assets in foreign currencies:			
Gold	6	4,256,828,648	3,347,236,496
Cash, balances and deposits	7	8,041,537,270	6,878,774,975
Foreign financial securities at amortized cost	8	3,149,401,797	3,198,548,724
Past due credit facilities and commercial exchange agreements	9	766,882,210	766,882,210
Special drawing rights	10	3,464,359	7,099,155
Foreign financial assets at fair value through other comprehensive income	11	434,392,528	423,401,138
Miscellaneous other assets in foreign currencies	12	99,282,048	89,061,005
Total assets in foreign currencies		<u>16,751,788,860</u>	<u>14,711,003,703</u>
Assets in Jordanian currency:			
Financial securities and others	13	568,257,939	520,776,936
Advances granted to local banks and financial institutions	14	1,760,264,647	1,719,887,605
Local financial assets at fair value through other comprehensive income	15	7,739,538	7,779,684
Investment in associates	16	51,455,597	49,036,326
Financing of financial securities repurchase agreements	17	90,000,000	200,000,000
Property, equipment and software - net	18	26,688,642	15,945,684
Miscellaneous other assets in Jordanian currency	19	54,338,023	53,037,026
Total assets in Jordanian Dinar		<u>2,558,744,386</u>	<u>2,566,463,261</u>
Total assets		<u>19,310,533,246</u>	<u>17,277,466,964</u>
Off-balance sheet accounts	47/B	<u>711,294,902</u>	<u>822,892,162</u>

Notes from (1) to (49) represent an integral part of these financial statements

Central Bank of Jordan
(Established by a Special Law)
Amman - The Hashemite Kingdom of Jordan
Statement of Financial Position
As at 31 December 2024

	Notes	31 December 2024 JD	<u>Statement (A)</u> 31 December 2023 JD
<u>LIABILITIES, CAPITAL AND RESERVES-</u>			
Currency issued	20	6,733,124,370	6,441,259,298
Liabilities in foreign currencies:			
Local licensed banks and financial institutions' deposits		651,041,769	671,552,079
Government deposits	23/A	141,234,506	106,952,232
Government with independent budgets deposits and public institutions deposits		7,918,726	5,672,000
Foreign financial institutions, banks and agencies deposits	23/B	551,985,059	808,697,541
Obligations against special drawing rights	21	149,855,372	154,168,882
Deposits and other liabilities - in foreign currencies		35,044,073	45,635,384
Total liabilities in foreign currencies		<u>1,537,079,505</u>	<u>1,792,678,118</u>
Liabilities in Jordanian currency:			
Certificates of deposits	22	550,000,000	800,000,000
Local licensed banks and financial institutions' deposits		7,874,338,397	6,488,984,742
Government deposits	23/A	269,128,591	262,063,723
Government with independent budgets deposits and public institutions deposits		246,500,512	240,954,830
International Monetary Fund accounts	24	121,215,190	159,467,419
Foreign financial institutions, banks and agencies deposits	23/C	1,130,669	1,173,449
Other liabilities - in Jordanian currency	25	169,657,717	85,013,137
Gold and foreign currencies valuation differences	26	1,072,177,071	401,455,404
Total liabilities in Jordanian currency		<u>10,304,148,147</u>	<u>8,439,112,704</u>
Capital and reserves:			
Capital		48,000,000	48,000,000
General reserve	27	85,890,230	67,090,230
Valuation reserve of financial assets at fair value through other comprehensive income	28	196,049,065	183,584,921
Special reserves	29	406,241,929	305,741,693
Total capital and reserves		<u>736,181,224</u>	<u>604,416,844</u>
Total liabilities, capital and reserves		<u>19,310,533,246</u>	<u>17,277,466,964</u>
Off-balance sheet accounts	47/B	<u>711,294,902</u>	<u>822,892,162</u>

Notes from (1) to (49) represent an integral part of these financial statements

Central Bank of Jordan
(Established by a Special Law)
Amman - The Hashemite Kingdom of Jordan
Income Statement
For the year ended 31 December 2024

	<u>Notes</u>	<u>31 December 2024</u> JD	<u>Statement (B)</u> <u>31 December 2023</u> JD
Revenues:			
Revenue from foreign investments	30	651,034,557	505,074,240
Revenue from local investments	31	28,621,624	31,253,076
Miscellaneous other revenue	32	10,558,503	10,743,471
Total revenues		690,214,684	547,070,787
Expenses:			
Interest paid on certificates of deposits and licensed banks' overnight window deposits	33	341,076,993	275,878,031
Interest paid on Government and public institutions accounts		26,033,314	28,183,778
Interest paid on foreign financial institutions, banks, and agencies' accounts		38,385,953	36,913,796
Other interest, commissions, and expenses	34	17,372,674	18,473,648
Cost of issuance and amortization of currency notes and minted coins		6,855,005	9,112,298
General and administrative expenses	35	66,415,381	52,698,844
Expected credit losses provision	36	409,319	521,330
Recovered from discounting of provision	13	(1,168,459)	(1,108,119)
Total expenses		495,380,180	420,673,606
Profit from valuation of the banks' assets and liabilities from gold and foreign currencies	26	670,721,667	324,089,183
Profit before the adjustment of the impact in the treatment of gold and foreign currencies		865,556,171	450,486,364
(Profit) from valuation of the bank's assets and liabilities in gold and foreign currencies transferred as per the bank's law	26	(670,721,667)	(324,089,183)
Profit after the adjustment of the impact in the treatment of gold and foreign currencies – Statement (B)		194,834,504	126,397,181
Transferred to special reserve as per the bank's law	29	100,834,504	36,397,181
Transferred to government as per the bank's law	27	75,200,000	72,000,000
Transferred to general reserve as per the bank's law	27	18,800,000	18,000,000

Notes from (1) to (49) represent an integral part of these financial statements

Central Bank of Jordan
(Established by a Special Law)
Amman - The Hashemite Kingdom of Jordan
Statement of Comprehensive Income
For the year ended 31 December 2024

Statement (C)

	<u>Note</u>	<u>31 December 2024 JD</u>	<u>31 December 2023 JD</u>
Profit after the adjustment of the impact in the treatment of gold and foreign currencies - Statement (B)		194,834,504	126,397,181
Other comprehensive income items:			
Change in financial assets revaluation reserve through other comprehensive income	28	12,464,144	1,423,428
Total comprehensive income - Statement (C)		<u>207,298,648</u>	<u>127,820,609</u>

Notes from (1) to (49) represent an integral part of these financial statements

Central Bank of Jordan
(Established by a Special Law)
Amman - The Hashemite Kingdom of Jordan
Statement of Changes in Capital and Reserves
For the year ended 31 December 2024

Statement (D)

	Capital	General reserve	Valuation reserve of financial assets at fair value through other comprehensive income	Special reserve	Profit as per the Bank's law	Total
<u>For the Year Ended 31 December 2024</u>	JD	JD	JD	JD	JD	JD
Balance at 1 January 2024	48,000,000	67,090,230	183,584,921	305,741,693	-	604,416,844
Total comprehensive income	-	-	12,464,144	-	194,834,504	207,298,648
Transferred to general reserve	-	18,800,000	-	-	(18,800,000)	-
Transferred to special reserves	-	-	-	100,834,504	(100,834,504)	-
Transferred to government	-	-	-	-	(75,200,000)	(75,200,000)
Other adjustments	-	-	-	(334,268)	-	(334,268)
Balance as at 31 December 2024	<u>48,000,000</u>	<u>85,890,230</u>	<u>196,049,065</u>	<u>406,241,929</u>	<u>-</u>	<u>736,181,224</u>
<u>For the Year Ended 31 December 2023</u>	JD	JD	JD	JD	JD	JD
Balance at 1 January 2023	48,000,000	49,090,230	184,621,280	261,571,832	-	543,283,342
Total Comprehensive Income	-	-	1,423,428	-	126,397,181	127,820,609
Transferred to general reserve	-	18,000,000	-	-	(18,000,000)	-
Transferred to special reserve	-	-	-	36,397,181	(36,397,181)	-
Transferred to public treasury	-	-	-	-	(72,000,000)	(72,000,000)
Other adjustments	-	-	(2,459,787)	7,772,680	-	5,312,893
Balance as at 31 December 2023	<u>48,000,000</u>	<u>67,090,230</u>	<u>183,584,921</u>	<u>305,741,693</u>	<u>-</u>	<u>604,416,844</u>

Notes from (1) to (49) represent an integral part of these financial statements

Central Bank of Jordan
(Established by a Special Law)
Amman - The Hashemite Kingdom of Jordan
Statement of Cash Flows
For the year ended 31 December 2024

Statement (E)

	Notes	31 December 2024	31 December 2023
		JD	JD
OPERATING ACTIVITIES			
Profit for the year before the adjustment of the impact in the treatment of gold and foreign currencies - Statement (B)		865,556,171	450,486,364
Adjustments:			
Depreciation of property, equipment and software	18	3,443,884	3,846,392
Gain from sale of property, equipment and software		(10,465)	(4,810)
Gain from valuation of the bank's assets of gold	26	(669,509,404)	(323,503,875)
Gain from the valuation of the bank's assets and liabilities in foreign currencies	26	(1,212,263)	(585,308)
bank's share of the business results of associates	16	(2,753,539)	2,283,932
Expected credit losses provision (recovered from)	36	409,319	521,330
Recovered from discounting of Impairment loss against financial securities	13	(1,168,459)	(1,108,119)
Net profit before the change in assets and liabilities		194,755,244	131,935,906
Change in assets and liabilities			
Deposits in foreign banks and financial institutions maturing after more than 3 months		(211,751,565)	926,009,055
Miscellaneous other assets in foreign currencies		(10,221,043)	(30,162,042)
Miscellaneous other assets in Jordanian Dinar		(1,331,928)	7,057,161
Licensed banks deposits and local financial institutions in foreign Currencies		(20,510,310)	17,436,112
Government deposits in foreign currencies		34,282,274	(26,860,961)
Government with independent budgets deposits and public institutions deposits in foreign currencies		2,246,726	(11,109,221)
Foreign financial institutions, banks and agencies deposits in foreign currencies maturing after more than 3 months		(254,058,333)	-
Obligations against special drawing rights		(4,313,510)	1,244,702
Deposits and other liabilities in foreign currencies		(10,591,311)	9,144,839
Deposits of local licensed banks and financial institutions - Jordanian Dinar		1,385,353,655	547,179,738
Government deposits - Jordanian Dinar		7,064,868	(477,498,123)
Government with independent budgets deposits and public institutions - Jordanian Dinar		5,545,682	(73,254,182)
International Monetary Fund accounts		(38,252,229)	(25,297,315)
Foreign financial institutions, banks and agencies deposits		(42,780)	(325,212)
Special drawing rights		3,634,796	465,926
Decrease in currency issued		291,865,072	(236,945,190)
Other liabilities - Jordanian Dinar		84,225,306	(4,835,720)
Net cash flows from operating activities		1,457,900,614	754,185,473
INVESTING ACTIVITIES			
Foreign financial securities at amortized cost		49,264,720	(313,237,622)
Financial securities and others in Jordanian Dinar		(48,204,000)	87,900,000
Advances granted to local banks and financial institutions		(41,589,959)	(57,566,997)
Foreign financial assets at fair value through other comprehensive income		1,512,899	(2,579,188)
Repurchase of securities agreement in more than 3 months		-	100,000,000
Purchase and sale of gold - net		(240,089,617)	(186,698,998)
Purchase of property, equipment, and software	18	(14,188,658)	(3,199,309)
Proceeds from sale of property, equipment and software		12,281	5,026
Net cash flows used in investing activities		(293,282,334)	(375,377,088)
FINANCING ACTIVITIES:			
Transferred to treasury account		(73,200,000)	(72,000,000)
Net cash flows used in financing activities		(73,200,000)	(72,000,000)
Valuation of the Bank's assets and liabilities in foreign currencies		1,212,263	585,308
Increase in cash and cash equivalent		1,092,630,543	307,393,693
Cash, balances and deposits at the beginning of the year		5,299,232,936	4,991,839,243
Cash, balances and deposits at the end of the year	38	6,391,863,479	5,299,232,936

Notes from (1) to (49) represent an integral part of these financial statements .

CENTRAL BANK OF JORDAN
(ESTABLISHED BY A SPECIAL LAW)
AMMAN - THE HASHEMITE KINGDOM OF JORDAN
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2024

1- General

- The Central Bank of Jordan was established in 1964 by a Special Law, and the bank has an independent legal body, and its objectives are to maintain monetary stability in the Kingdom, ensure the convertibility of the Jordanian Dinar, contribute to achieving banking and financial stability in the Kingdom, and contribute to encouraging steady economic growth in accordance with the general economic policies in the Kingdom.
- According to the Central Bank of Jordan Law and its amendments for the year 1971, if the reserves were not enough to cover any loss incurred by the Bank in the profit and loss account for any financial year, then the Government must pay an adequate amount for such coverage within three months following the year-end of that financial year.
- During June 2016, law number (24) for the year 2016 has been formalized, which represents the amended law for the Central Bank of Jordan law number (23) for the year 1971 and its amendments, the bank had applied this amended law as soon as it was formalized.
- The bank's headquarters are located in Amman, with two branches in Irbid and Aqaba.
- The total number of employees in the Central Bank of Jordan as at the end of 2024 was 1,307.
- The accompanying financial statements of the Central Bank of Jordan have been approved by the Board of Directors on its meeting held on 24 February 2025.

2- Basis of Preparation of the Financial Statements

The accompanying financial statements have been prepared in accordance to the Central Bank of Jordan Law and its instructions and the amended International Financial Reporting Standards (IFRS) as shown below.

The financial statements have been prepared on the historical cost basis except for financial assets and gold, which appear at fair value at the date of the financial statements. The accompanying financial statements represent the bank's combined accounts, including Irbid and Aqaba branches.

The main differences between IFRS as it should be applied and Central Bank of Jordan Law and its Instruction are as follows:

1- Article (56):

Any loss or profit arising from the re-valuation of the assets and liabilities of the Central Bank in gold or foreign currencies as a result of any change in the par value of any foreign currency, shall be excluded from the statement of profit and loss of the Central Bank and shall be carried in a special account. The Central Bank may allocate in subsequent years the funds required for the amortization of such losses carried in this special account, and may use any part of its general reserve, on the recommendation of The board and with the approval of the Council of Ministers, to cover such losses carried in the special account or any part thereof.

2- Instructions number (1203 / 2019):

In line with Article No. (12) Paragraph (C) of the Central Bank Law No. 23 for the year 1971 and its amendments, and based on Board of Directors decision No. 91/69 dated 4 December 1969 and according to the applied instructions of the Central Bank of Jordan No. (1203/2019) it was decided to exclude loans granted to banks and specialized institutions from the amortized cost measurement requirements based on International Financial Reporting Standards and to be recorded and presented at its nominal amount, since it is being granted at an interest rate lower than the market interest rate in order to achieve the goals connected with these loans as part of implementing the approved programs by the Central Bank of Jordan and to contribute the encouragement of countries' business growth in accordance with the general economic policies of the Kingdom.

3- Economic Security Committee Resolution for the year 1991:

The government of the Hashemite Kingdom of Jordan advance was excluded under the 1991 Resolutions of the Economic Security Committee from the requirements of International Financial Reporting Standards in relation to measuring these loans at the amortized cost and to be recorded and presented at nominal value.

3- Functional Currency and Presentation Currency

The financial statements are presented in Jordanian Dinar, which is the bank's functional currency.

4- Significant Accounting Judgments and Key Sources of Uncertainty Estimates

Preparation of the financial statements and application of the accounting policies require management to make judgments and estimates that affect the amounts of financial assets and financial liabilities and to disclose potential liabilities. Moreover, these estimates and judgments affect revenues, expenses, provisions, in general, expected credit losses, as well as changes in fair value that appear in the statement of comprehensive income and within Statement of Changes in Capital and Reserves. In particular, the bank's management requires judgments to be made to estimate the amounts and timing of future cash flows. These estimates are necessarily based on multiple hypotheses and factors with varying degrees of estimation and uncertainty. Meanwhile, the actual results may differ from estimates due to the changes arising from the conditions and circumstances of those estimates in the future.

Judgments, estimates, and assumptions are reviewed periodically. Moreover, the effect of the change in estimates is recognized in the financial period in which the change occurs if the change affects only the financial period. On the other hand, the effect of the change in estimates is recognized in the financial period in which the change occurs and in future periods if the change affects the financial period and future financial periods.

Following are the significant matters that include the use of uncertain estimates and judgments in the application of the accounting policies that significantly impact the financial statements amounts:

Provision for expected credit losses

Management is required to use significant judgments and estimates to estimate the amounts and timing of future cash flows and assess the risks of a significant increase in credit risks for financial assets after initial recognition and future measurement information for the expected credit losses. The most important policies and estimates used by the bank's management are detailed in note (40).

Significant increase in credit risk

The expected credit loss is measured as an allowance equivalent to the expected credit loss of (12) months for the assets of the stage (1), or the credit loss over the life of the assets of the stage (2) or (3). The asset moves to the stage (2) if credit risk increases significantly since initial recognition. IFRS (9) does not specify what constitutes a significant increase in credit risk. In assessing whether the credit risk of any asset has increased significantly, the bank takes into account reasonable and reliable quantitative and qualitative information. The estimates used by the bank's management concerning the significant change in credit risk that result in a change in the classification within the three stages (1, 2 and 3) are shown in detail in note (40).

Evaluation of business model

The classification and measurement of financial assets depend on the results of the principal and interest payments test on the principal outstanding and the business model test. The bank defines a business model at a level that reflects how the financial assets are managed together to achieve a particular business objective. This assessment includes judgment that reflects all relevant evidence, including how to assess the performance of the assets and measure their performance, the risks that affect the performance of assets and how they are managed. The bank monitors financial assets measured at amortized cost and derecognized before maturity to understand the reason for derecognition and whether the reasons are consistent with the objective of the business held. In this respect, control is part of the bank's continuous assessment of whether the business model under which the remaining financial assets are retained is appropriate, and whether it is inappropriate if there is a change in the business model, and therefore, a future change is made in the classification of those assets.

Tangible and intangible assets useful life

Management periodically reassesses the economic useful life of tangible and intangible assets, based on the general condition of these assets and the expectation of their useful economic lives in the future. The impairment loss is recognized in income statement for the year.

Litigation allowance

The allowance is made to meet any potential legal liabilities based on a legal study prepared by the bank's legal department. This study identifies potential future risks and is reviewed periodically.

Establish groups of assets with similar credit risk characteristics

When expected credit losses are measured on a collective basis, financial instruments are grouped basing on credit risks shared qualities for example (instrument type, credit risk severity, guarantee type, initial recognition date, remaining period till due date, geographical location for the lender, etc.) the bank continuously monitors the convenience of credit risks properties to assess whether it is still consistent. This is required to guarantee that in case there are any changes in credit risk properties the assets get redistributed accordingly. That may result in building up new portfolios of the transfer of existing assets to existing portfolios that better reflect credit risk properties for that group of assets.

Re-division of portfolios and movements between portfolios

The re-division of portfolios and movements between portfolios is more common when credit risk increases significantly (or when such a large increase is reflected). Therefore, assets are transferred from expected credit losses of between (12) months to another portfolio or vice versa. However, this may happen within the portfolios that continue to be measured on the same basis as expected credit losses for a 12-month period or a lifetime, but the amount of the expected credit loss changes due to the varying credit risk of portfolios.

Models and assumptions used

The bank uses various models and assumptions in measuring the fair value of financial assets as well as in assessing the expected credit loss described in note (40). The judgment is applied when determining the best models for each type of asset as well as for the assumptions used in those models, which include assumptions regarding the main drivers of credit risk.

A) Classification and measurement of financial assets and liabilities

The bank classifies financial instruments or components of financial assets at initial recognition either as a financial asset or a financial liability, or as an equity instrument in accordance with the substance of the contractual agreements and the definition of the instrument. The reclassification of a financial instrument is subject to the substance of the financial statements and not to its legal form.

The Bank shall determine the classification at initial recognition and reassess such determination, if possible and appropriate, at each date of the statement of financial position.

When measuring financial assets and liabilities, certain assets and liabilities of the bank are re-measured at fair value for financial reporting purposes. In assessing the fair value of any assets or liabilities, the bank uses available observable market data.

B) Fair value measurement

If the fair values of financial assets and financial liabilities included in the statement of financial position cannot be obtained from active markets, these fair values are determined using a range of valuation techniques involving the use of accounting models. If possible, the entered data for those models will be extracted from the market data. In the absence of such market data, fair values are determined by making judgments. These provisions include liquidity considerations and model data such as derivative volatility, longer-term discount rates, pre-payment ratios and default rates on asset-backed securities. Management believes that the valuation techniques used are appropriate to determine the fair value of financial instruments.

C) Derivative financial instruments

The fair values of derivative financial instruments measured at fair value are generally obtained by reference to quoted market prices, discounted cash flow models and, where appropriate, recognized pricing models. In the absence of prices, fair values are determined using valuation techniques that reflect observable market data. These techniques include comparison with similar instruments at observable market prices, discounted cash flow analysis, pricing option models and other valuation techniques commonly used by market participants. The main factors that management takes into consideration when applying the model are:

- The expected timing and probability of future cash flows on the instrument where such cash flows are generally subject to the terms of the instrument, although the management's judgment may be required, where the counterparty's ability to repay the instrument in accordance with contractual terms is in doubt; and
- An appropriate discount rate for the instrument. Management determines the instrument discount rate at a rate higher than the non-risk rate. In assessing the instrument by reference to comparative instruments, Management considers the maturity, structure, and degree of classification of the instrument based on the system in which the existing position is compared. When evaluating tools on a model basis using the fair value of the main components, they also consider the need to adjust for a several factors, such as bid differences, credit status, portfolio service costs, and uncertainty about the model.

Leases

Extension and termination options are included in several leases. These conditions are used to increase operational flexibility in terms of contract management, that most of the held extension and termination options are renewable by both the bank and the lessor.

When determining the term of the lease, management considers all facts and circumstances that create an economic incentive for the option to extend, or not to terminate. The extension options (or periods after the termination options) are included only in the term of the lease if the lease is reasonably certain to be extended (or not terminated). The evaluation is reviewed in the event of a significant event or a significant change in the circumstances that affect this evaluation and that are under the control of the tenant.

Key Sources of Uncertainty Estimates

The principal estimates used by Management in applying the bank's accounting policies that have the most significant effect on the amounts recognized in the financial statements are as follows:

Probability of Default

The potential for default is a key input in measuring the expected credit loss. The probability of default is an estimate of the probability of default over a given period of time, which includes the calculation of historical data, assumptions, and expectations relating to future circumstances.

Loss Given Default

Loss given default is an estimate of the loss arising from default. It is based on the difference between the contractual cash flows due and those that the financier expects to collect, taking into account cash flows from collateral and integrated credit adjustments.

Fair Value Measurement and Valuation Procedures

When estimating the fair value of financial assets and financial liabilities, the bank uses available observable market data. In the absence of level (1) inputs, the bank conducts evaluations using appropriate valuation models to determine the fair value of financial instruments.

5- Material Accounting Policy Information

The following are the most important accounting policies adopted by the bank:

A- Net Interest Income

Calculating Investments Revenues and Interest Paid

Interest income and expense for all financial instruments, except for those classified as held for trading, or those measured or designated as at fair value through profit or loss, are recognized in 'Net Interest Income' as 'Interest Income' and 'Interest Expense' in the income statement using the effective interest method. Interest on financial instruments measured at fair value through the income statement is included within the fair value movement during the year.

The effective interest rate is the rate that discounts the estimated future cash flows of the financial instrument through the expected life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount of the financial asset or financial liability. The future cash flows are estimated, taking into account all the contractual terms of the instrument.

Interest income / interest expense is calculated by applying the effective interest rate to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortized cost of the financial asset before adjusting for any expected credit loss allowance), or to the amortized cost of financial liabilities. For credit-impaired financial assets, the interest income is calculated by applying the effective interest rate to the amortized cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for expected credit losses). For financial assets originated or purchased credit-impaired, the effective interest rate reflects the expected credit losses in determining the future cash flows expected to be received from the financial asset.

Interest income and expense in the bank's income statement also includes the effective portion of fair value changes of derivatives designated as hedging instruments in cash flow hedges of interest rate risk. For fair value hedges of interest rate risk related to interest income and expense, the effective portion of the fair value changes of the designated derivatives, as well as the fair value changes of the designated risk of the hedged item, are also included in interest income and expense, interest expenses also include the interest expenses against the lease liabilities.

B- Net Fees and Commission Income

Fees and commission income and expense include fees other than those that are an integral part of the effective interest rate.

Fee and commission expenses concerning services are accounted for as the services are received.

A contract with a customer that results in a recognized financial instrument in the bank's financial statements may be partially in the scope of IFRS (9) and partially in the scope of IFRS (15). If this is the case, then the Bank recognizes the commissions for the part related to IFRS (9) and the remaining part recognized according to IFRS (15).

C- Net Trading Income

Net trading income includes all gains and losses from changes in the fair value of financial assets and financial liabilities held for trading. The bank has elected to present the full fair value movement of trading assets and liabilities in trading income, including any related interest income, expense, and dividends.

D- Net Income from other Financial Instruments at Fair Value through Profit or Loss

Net income from other financial instruments at fair value through profit or loss includes all gains and losses from changes in the fair value of financial assets and financial liabilities at fair value through profit or loss except those that are held for trading. The bank has elected to present the full fair value movement of assets and liabilities at fair value through profit or loss in this line, including the related interest income, expense, and dividends.

The fair value movement on derivatives held for economic hedging where hedge accounting is not applied are presented in 'Net income from other financial instruments at fair value through the statement of income'. However, for designated and effective cash flow and net investment hedge accounting relationships, the gains and losses of the hedging instrument, including any hedging ineffectiveness included in the profit or loss, are presented in the same line as the hedged item that affects the profit or loss.

E- Dividends Income

Dividend income is recognized when the right to receive payment is established. This is the ex-dividend date for quoted equity securities, and usually the date when shareholders approve the dividend for unquoted equity securities.

The presentation of dividend income in the income statement depends on the classification and measurement of the equity investment, i.e:

- For equity instruments which are held for trading, dividend income is presented in the statement of profit and loss within the profit (loss) of financial assets at fair value through the profit or loss line; and
- For equity instruments classified at fair value through other comprehensive income, dividend income is presented in dividends from financial assets at fair value through other comprehensive income line within the statement of profit and loss; and
- For equity instruments not classified at fair value through other comprehensive income and not held for trading, dividend income is presented as net income from other instruments at fair value through the statement of profit and loss.

F- Financial Instruments

Initial Recognition and Measurement

Financial assets and financial liabilities are recognized in the bank's statement of financial position when the bank becomes a party to the contractual provisions of the instrument. Loans and customers overdrafts are recognized once booked on the customer's account.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributed to the acquisition or the issuance of financial assets and financial liabilities are added to, or deducted from the fair value of the financial assets or financial liabilities, as appropriate on initial recognition. Transaction costs directly attributed to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the income statement.

If the transaction price differs from fair value at initial recognition, the bank will account for such difference as follows:

- If fair value is evidenced by a quoted price in an active market for an identical asset or liability or based on a valuation technique that uses only data from observable markets, then the difference is recognized in the profit or loss on initial recognition (i.e. day 1 of profit or loss);
- In all other cases, the fair value will be adjusted to become it in line with the transaction price (i.e. day 1 of profit or loss will be deferred by including it in the initial carrying amount of the asset or liability).

After initial recognition, the deferred gain or loss will be recognized in the income statement on a rational basis, only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability or when derecognizing the instruments.

Financial Assets

Initial Recognition

All financial assets are recognized on the trading date when the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned. They are initially measured at fair value, plus transaction costs, except for those financial assets classified as fair value through profit or loss. Transaction costs directly attributable to the acquisition of financial assets classified as fair value through profit or loss are recognized immediately in the income statement.

Subsequent Measurement

All recognized financial assets that are within the scope of IFRS (9) are required to be subsequently measured at amortized cost or fair value on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Specifically:

- Debt instruments held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI), are subsequently measured at amortized cost;
- Debt instruments held within a business model whose objective is both to collect the contractual cash flows and to sell the debt instruments, and that have contractual cash flows that are (SPPI), are subsequently measured at fair value through other comprehensive income;
- All other debt instruments (e.g. debt instruments managed on a fair value basis or held for sale) and equity investments are subsequently measured at fair value through income statement.

However, the bank may irrevocably make the following selection / designation at initial recognition of a financial asset on an asset-by-asset basis:

- The bank may irrevocably select to present subsequent changes in fair value of an equity investment that is neither held for trading nor contingent consideration recognized by an acquirer in a business combination to which IFRS (3) applies, in other comprehensive income; and
- The bank may irrevocably designate a debt instrument that meets the amortized cost or fair value through other comprehensive income criteria as measured at fair value through the income statement, if doing so eliminates or significantly reduces an accounting mismatch (referred to as the fair value option).

Debt Instruments at Amortized Cost or at Fair Value through Other Comprehensive Income

The bank assesses the classification and measurement of a financial asset based on the contractual cash flow characteristics of the asset and the bank's business model for managing the asset.

For an asset to be classified and measured at amortized cost or at fair value through other comprehensive income, its contractual terms should give rise to cash flows that are solely payments of principal and interest on the principal outstanding.

For the purpose of solely payments of principal and interest test (SPPI), principal is the fair value of the financial asset at initial recognition. That principal amount may change over the life of the financial asset (e.g. if there are repayments of principal). Interest consists of the consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time, and for other basic lending risks and costs, as well as a profit margin. The solely payments of principal and interest assessment is made in the currency in which the financial asset is denominated.

Contractual cash flows that are SPPI are consistent with a basic lending arrangement. Contractual terms that introduce exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are solely payments of principal and interest. An originated or an acquired financial asset can be a basic lending arrangement irrespective of whether it is a loan in its legal form.

Equity Instruments at Fair Value through Other Comprehensive Income

The bank recognizes the financial assets at fair value through other comprehensive income which have quoted prices in active financial markets at fair value based on their market prices. The bank recognizes unquoted financial assets at fair value through comprehensive income at their book value.

Assessment of Business Model

An assessment of business models for managing financial assets is fundamental to the classification of a financial asset. The bank determines the business models at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. The Bank's business model does not depend on management's intentions for an individual instrument; therefore, the business model assessment is performed at a higher level of aggregation rather than on an instrument-by-instrument basis.

The bank has more than one business model for managing its financial instruments, which reflect how the bank manages its financial assets in order to generate cash flows. The bank's business models determine whether cash flows will result from collecting contractual cash flows, selling financial assets, or both.

The bank considers all relevant information available when making the business model assessment. However, this assessment is not performed based on scenarios that the bank does not reasonably expect to occur, such as so-called 'worst case' or 'stress case' scenarios. The bank takes into account all relevant evidence available such as:

- The stated policies and objectives of the portfolio and application of those policies whether the management strategy focuses on obtaining contractual revenues, maintaining specific profit rate matching the profit of financial assets with the period of financial liabilities that finance those assets, or obtaining cash flows through the sale of assets.
- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel; and
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way in which those risks are managed; and
- How the business managers are compensated (e.g. whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).

At initial recognition of a financial asset, the bank determines whether newly recognized financial assets are part of an existing business model or whether they reflect the commencement of a new business model. The bank reassess its business models each reporting period to determine whether the business models have changed since the preceding period.

When a debt instrument measured at fair value through other comprehensive income is derecognized, the cumulative gain/loss previously recognized in other comprehensive income is reclassified from statement of changes in capital and reserves to the income statement. In contrast, for an equity investment designated as measured at fair value through other comprehensive income, the cumulative gain/loss previously recognized in other comprehensive income is not subsequently reclassified to the income statement but transferred within the statement of changes in capital and reserves.

Debt instruments that are subsequently measured at amortized cost or at fair value through other comprehensive income are subject to impairment.

Financial Assets (Assessment of whether contractual cash flows are solely payments of principal and interest only)

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as the profit margin.

In assessing whether the contractual cash flows are SPPI, the bank considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the bank considers:

- Contingent events that would change the amount and timing of cash flows;
- Prepayment and extension terms; and
- Terms that limit the bank's claim to cash flows from specified assets.

Financial Assets at Fair Value through Profit or Loss

Financial assets at fair value through profit or loss are:

- Assets with contractual cash flows that are not solely payments of principal and interest; or/and
- Assets that are held in a business model other than held to collect contractual cash flows or held to collect and sell; or
- Assets designated at fair value through profit or loss using the fair value option.

These assets are measured at fair value, with any gains/losses arising on re-measurement recognized in the profit or loss.

Investment in associates

An associate is an entity over which the bank has significant influence.

Significant influence is the power to participate in the financial and operating policies of the investee, but not control or joint control over those policies.

The bank's investment in the associated company is proven according to the equity method, where investments in the associated companies are shown at cost, and the book value of the investments in the associated company is adjusted to prove the bank's share in the changes in the net assets of the associated company after the date of ownership of the profit or loss of the investee facility.

Reclassifications

If the business model under which the bank holds financial assets changes, the financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model, which results in reclassifying the bank's financial assets. The changes in the contractual cash flows are considered under the accounting policy on the modification and de-recognition of financial assets described below.

Fair Value Option

A financial instrument with a fair value that can be reliably measured at fair value through profit or loss (fair value option), can be classified at initial recognition even if the financial instruments are not acquired or incurred principally for the purpose of selling or repurchasing. The fair value option may be used for financial assets if it significantly eliminates or significantly reduces the measurement or recognition inconsistency that would otherwise have resulted in the measurement of the asset or liability or recognized the related gain or loss on a different basis ("accounting mismatch"). The fair value option for financial liabilities can be chosen in the following cases:

- If the selection leads to a significant cancellation or reduction of the accounting mismatch.
- If the financial liabilities are part of a portfolio managed on a fair value basis, in accordance with a documented risk management or investment strategy; or
- If a derivative is included in the underlying financial or non-financial contract, and the derivative is not closely related to the underlying contract.

These instruments cannot be reclassified from the fair value category through profit or loss while retained or issued. Financial assets at fair value through profit or loss are recognized at fair value with any unrealized gain or loss arising from changes in fair value recognized in investment income.

Impairment in Financial Assets:

The bank recognizes loss allowances for expected credit losses on:

- Financial assets at amortized cost
- Gold deposits
- Balances and deposits
- Foreign financial securities at amortized cost
- Past due direct credit facilities and commercial exchange agreements
- Financial securities and others
- Advances granted to local banks and financial institutions
- Financing of repurchase agreements
- Miscellaneous other assets – Jordanian currency
- Indirect facilities off-balance sheet (in foreign currencies) including letters of credit and SWAP contracts.

No impairment loss is recognized on equity investments.

Except for purchased or originated credit-impaired financial assets (which are considered separately below), expected credit losses are required to be measured through a loss provision at an amount equal to:

- 12-month expected credit loss, i.e. lifetime expected credit loss that results from those default events on the financial instrument that are possible within 12 months after the reporting date, referred to as Stage 1; or
- Lifetime expected credit loss that results from all possible default events over the life of the financial instrument, referred to as Stage 2 and Stage 3.

A loss allowance for full lifetime expected credit loss is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition. For all other financial instruments, expected credit losses are measured at an amount equal to the 12-month expected credit loss.

Expected credit losses are a probability-weighted estimate of the present value of credit losses. These are measured as the present value of the difference between the cash flows due to the bank under the contract and the cash flows that the bank expects to receive arising from the weighting of multiple future economic scenarios, discounted at the asset's effective interest rate.

For financial guarantee contracts, the expected credit loss is the difference between the expected payments to reimburse the holder of the guaranteed debt instrument less any amounts that the bank expects to receive from the holder, the client, or any other party.

The bank measures expected credit loss on an individual basis, or on a collective basis for portfolios of loans that share similar economic risk characteristics. The measurement of the loss allowance is based on the present value of the asset's expected cash flows using the asset's original effective interest rate, regardless of whether it is measured on an individual basis or a collective basis.

Credit-Impaired Financial Assets

A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Credit-impaired financial assets are referred to as Stage 3 assets. Evidence of credit-impairment includes observable data about the following events:

- Significant financial difficulty of the borrower or issuer;
- A breach of contract such as a default or past due event;
- The bank grants the borrower, for economic or contractual reasons related to the financial difficulty of the borrower, a waiver; or
- The disappearance of an active market for a security because of financial difficulties; or
- The purchase of a financial asset at a deep discount that reflects the incurred credit losses.

It may not be possible to identify a single discrete event. Instead, the combined effect of several events may have caused financial assets to become credit-impaired. The Bank assesses whether debt instruments that are financial assets measured at amortized cost or fair value through other comprehensive income are credit-impaired at each reporting date. To assess if sovereign and corporate debt instruments are credit-impaired, the Bank considers factors such as bond yields, credit ratings, and the ability of the borrower to raise funding.

A loan is considered credit-impaired when a concession is granted to the borrower due to a deterioration in the borrower's financial condition, unless there is evidence that as a result of granting the concession, the risk of not receiving the contractual cash flows has reduced significantly, and there are no other indicators of impairment. For financial assets where concessions are contemplated but not granted, the asset is deemed credit-impaired when there is observable evidence of credit-impairment including meeting the definition of default. The definition of default includes unlikeliness to pay indicators and the payments stopped. However, in cases where the assets impairment is not recognized after the payments stopped are supported by reasonable information.

Purchased or Originated Credit-Impaired (POCI) Financial Assets

Purchased or originated credit-impaired financial assets, are treated differently because the asset is credit-impaired at initial recognition. For these assets, the bank recognizes all changes in lifetime expected credit loss since initial recognition as a loss allowance with any changes recognized in the income statement. A favorable change for such assets creates an impairment gain.

Definition of Default

The definition of default is considered extremely important when determining expected credit loss. The definition of default is used in measuring the amount of expected credit loss and in the determination of whether the loss provision is based on 12-month or lifetime expected credit loss, as default is a component of the probability of default (PD), which affects both the measurement of expected credit losses and the identification of a significant increase in credit risk below.

The definition of default is appropriately tailored to reflect different characteristics of different types of assets. Overdrafts are considered as being past due once the customer has breached an advised limit or has been advised of a limit smaller than the current amount outstanding.

When assessing if the borrower is unlikely to pay its credit obligation, the bank takes into account both qualitative and quantitative indicators. The information assessed depends on the type of the asset. For example, in corporate lending, a qualitative indicator used is the breach of covenants, which is not relevant for retail lending. Quantitative indicators, such as overdue status and non-payment on another obligation of the same counterparty, are key inputs in this analysis. The bank uses a variety of sources of information to assess default that is either developed internally or obtained from external sources.

Significant Increase in Credit Risk

The bank monitors all financial assets, issued loan commitments, and financial guarantee contracts that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk, the bank measures the loss provision based on lifetime rather than 12-month expected credit loss.

The bank does not consider financial assets with 'low' credit risk at the reporting date deemed to have had a significant increase in credit risk. As a result, the bank monitors all financial assets, issued loan commitments, and financial guarantee contracts that are subject to impairment for significant increase in credit risk.

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the bank compares the risk of a default occurring on the financial instrument at the reporting date, based on the remaining maturity of the instrument, with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognized. In making this assessment, the bank considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort, based on the bank's historical experience and expert credit assessment including forward-looking information.

Multiple economic scenarios form the basis of determining the probability of default at initial recognition and at subsequent reporting dates. Different economic scenarios will lead to a different probability of default. It is the weighting of these different scenarios that forms the basis of a weighted average probability of default that is used to determine whether credit risk has significantly increased.

Modification and Derecognition of Financial Assets

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date. In addition, the introduction or adjustment of existing covenants of an existing loan would constitute a modification even if these new or adjusted covenants do not yet affect the cash flows immediately but may affect the cash flows depending on whether the covenant is or is not met (e.g. a change to the increase in the interest rate that arises when covenants are breached).

When a financial asset is modified, the bank assesses whether this modification results in derecognition. In accordance with the bank's policy, a modification results in derecognition when it gives rise to a substantial difference in terms.

- Qualitative factors, such as contractual cash flows after modification are no longer (SPPI), change in currency or change of counterparty, the extent of change in interest rates, maturity, covenants. If these do not clearly indicate a material modification, then;
- A quantitative assessment is performed to compare the present value of the remaining contractual cash flows under the original terms with the contractual cash flows under the revised terms, both amounts discounted at the original effective interest.

In the case where the financial asset is derecognized, the loss provision for expected credit loss is re-measured at the date of derecognition to determine the net carrying amount of the asset at that date. The difference between this revised carrying amount and the fair value of the new financial asset with the new terms will lead to a gain or loss on derecognition. The new financial asset will have a loss allowance measured based on 12-month expected credit loss.

When the contractual terms of a financial asset are modified, and the modification does not result in derecognition, the bank determines if the financial asset's credit risk has increased significantly since initial recognition by comparing:

- The remaining lifetime probability of default estimated based on data at initial recognition and the original contractual terms; with
- The remaining lifetime probability of default at the reporting date based on the modified terms.

Where a modification does not lead to derecognition, the bank calculates the modification gain/loss comparing the gross carrying amount before and after the modification (excluding the provision for expected credit loss). Then, the bank measures expected credit loss for the modified asset, where the expected cash flows arising from the modified financial asset are included in calculating the expected cash shortfalls from the original asset.

The bank derecognizes a financial asset only when the contractual rights to the asset's cash flows expire or when the financial asset and substantially all the risks and rewards of ownership of the asset are transferred to another entity. If the bank neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the bank recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the bank retains substantially all the risks and rewards of ownership of a transferred financial asset, the Bank continues to recognize the financial asset and recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain/loss that had been recognized in other comprehensive income and accumulated in equity is recognized in the statement of income statement, with the exception of equity investments designated as measured at fair value through other comprehensive income, where the cumulative gain/loss previously recognized in other comprehensive income is not subsequently reclassified to the income statement.

Impairment of Non-Financial Assets

- At each reporting date, the bank reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.
- An impairment loss is recognized if the carrying amount of an asset exceeds its recoverable amount.
- The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell.
- Impairment losses are recognized in income statement.
- For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

Write-off

Financial assets are written off when the bank has no reasonable expectations of recovering the financial asset. This is the case when the bank determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. In case of a write-off of a financial asset, the bank proceeds its attempts to retain the financial assets, which is recognized in the income statement when recovered.

Presentation of Provision for Expected Credit Loss in the Statement of Financial Position

Provision for expected credit loss is presented in the statement of financial position as follows:

- For financial assets measured at amortized cost: as a deduction from the gross carrying amount of the assets;
- For debt instruments measured at fair value through other comprehensive income: no loss allowance is recognized in the statement of financial position as the carrying amount is at fair value. However, the loss allowance is included as part of the revaluation amount in the investment's revaluation reserve.
- For loan commitments and financial guarantee contracts: as a provision; and
- Where a financial instrument includes both a drawn and an undrawn component, and the bank cannot identify the expected credit loss on the loan commitment component separately from those on the drawn component: the bank presents a combined loss allowance for both components. The combined amount is presented as a deduction from the gross carrying amount of the drawn component. Any excess of the loss allowance over the gross amount of the drawn component is presented as a provision.

Financial Liabilities

Debt and equity instruments issued are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Financial liabilities are a contractual obligation to deliver cash or another financial asset, or to exchange financial assets or financial liabilities with another entity under conditions potentially unfavorable to the bank, or a contract that will or may be settled in the bank's own equity instruments, and is a non-derivative contract for which the bank is or may be obliged to deliver a variable number of its own equity instruments, or a derivative contract over own equity that will or may be settled other than by the exchange of a fixed amount of cash (or another financial asset) for a fixed number of the bank's own equity instruments.

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

Financial Liabilities at Fair Value Through the Statement of Profit or loss

Financial liabilities are classified as at fair value through profit or loss when the financial liability is (i) held for trading, or (ii) it is designated as at fair value through the statement of profit and loss. A financial liability is classified as held for trading if:

- It has been incurred principally for the purpose of repurchasing it in the near term; or
- On initial recognition, it is part of a portfolio of identified financial instruments that the bank manages together and has a recent actual pattern of short-term profit-taking; or
- It is a derivative that is not designated and effective as a hedging instrument.

A financial liability, other than a financial liability held for trading, or contingent consideration that may be paid by an acquirer as part of a business combination, may be designated as at fair value through profit or loss upon initial recognition if:

- Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- The financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the bank's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- It forms part of a contract containing one or more embedded derivatives, and IFRS (9) permits the entire hybrid (combined) contract to be designated as at fair value through the statement of profit or loss.

Financial liabilities at fair value through profit or loss are stated at fair value, with any gains/losses arising on re-measurement recognized in the statement of profit or loss to the extent that they are not part of a designated hedging relationship. The net gain/loss recognized in the statement of profit and loss incorporates any interest paid on the financial liability and is included in the 'net income from other financial instruments at fair value through profit or loss'.

However, for non-derivative financial liabilities designated as at fair value through profit or loss, the amount of change in the fair value of the financial liability attributable to changes in the credit risk of that liability is recognized in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in the statement of profit or loss. The remaining amount of change in the fair value of liability is recognized in the statement of profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognized in other comprehensive income are not subsequently reclassified to the statement of profit or loss; instead, they are transferred to retained earnings upon derecognition of the financial liability.

For issued loan commitments and financial guarantee contracts designated as at fair value through profit or loss, all gains and losses are recognized in the statement of profit or loss.

In making the determination of whether recognizing changes in the liability's credit risk in profit or loss comprehensive income will create or enlarge an accounting mismatch in the statement of profit or loss, the bank assesses whether it expects that the effects of changes in the liability's credit risk will be offset in the statement of income by a change in the fair value of another financial instrument measured at fair value through profit or loss.

Other Financial Liabilities

Other financial liabilities, including deposits and borrowings, are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of financial liabilities and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Derecognition of Financial Liabilities

The bank derecognizes financial liabilities when, and only when, the bank's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liabilities derecognized and the consideration paid and payable is recognized in the income statement.

When the bank exchanges with the existing lender one debt instrument into another one with substantially different terms, such exchange is accounted for as an amortization of the original financial liabilities and the recognition of new financial liabilities. Similarly, the bank accounts for fundamental modification of terms of an existing liability or part of it as an amortization of the original financial liability and the recognition of a new liability. It is assumed that the terms are fundamentally different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees, are received and discounted using the original effective rate.

Credits and Advances Granted

- Loans granted to local banks and financial institutions are excluded from the requirements of International Financial Reporting Standards regarding measuring those loans at amortized cost to be recorded and presented in its nominal amount, since it is being granted at an interest rate lower than the market interest rate in order to achieve the stated goals of these loans in implementation of the various programs approved by the Central Bank of Jordan to contribute in encouraging steady economic growth in accordance with the general economic policies of the Kingdom.
- Expected credit losses provision is made for advances and credit granted if it becomes clear that the amounts owed to the Bank cannot be collected and when there is objective evidence that an event has negatively affected the future cash flows of the advances and credit granted and when this decline can be estimated, the value of the provision is recorded in the income statement.

Derivative Financial Instruments

The bank enters into a variety of derivative financial instruments some of which are held for trading while others are held to manage its exposure to interest rate risk; credit risk; and foreign exchange rate risk. Held derivatives include foreign exchange forward contracts, interest rate swaps, cross currency interest rate swaps, and credit default swaps.

Derivatives are initially recognized at fair value at the date a derivative contract is entered into and are subsequently re-measured to their fair value at each balance sheet date. The resulting gain/loss is recognized in the income statement immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the statement of income depends on the nature of the hedge relationship. The bank designates certain derivatives as either hedges of the fair value of recognized assets, liabilities or firm commitments (fair value hedges), hedges of highly probable forecast transactions, hedges of foreign currency risk of firm commitments (cash flow hedges), or hedges of net investments in foreign operations (net investment hedges).

A derivative with a positive fair value is recognized as a financial asset whereas a derivative with a negative fair value is recognized as a financial liability. A derivative is presented within other asset or other liability if the remaining maturity of the instrument is more than 12 months, and it is not expected to be realized or settled within 12-months. Other derivatives are presented within other assets or other liabilities.

Embedded Derivatives

Embedded derivatives in financial liabilities or other non-financial asset host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts, and the host contracts are not measured at fair value through income statement.

An embedded derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the hybrid instrument to which the embedded derivative relates is more than (12) months and is not expected to be realized or settled within (12) months. Other embedded derivatives are presented as other assets or other liabilities.

Commitments to Provide a Loan at a Below-Market Interest Rate

Commitments to provide a loan at a below-market interest rate are initially measured at their fair values and, if not designated as at fair value through income statement, are subsequently measured:

- The amount of the loss provision determined in accordance with IFRS (9); and
- The amount initially recognized less, where appropriate, the cumulative amount of income recognized in accordance with the bank's revenue recognition policies, which is higher.

Commitments to provide a loan below market rate not designated at fair value through income statement are presented as provisions in the statement of financial position and the re-measurement is presented in other revenue.

The bank has not designated any commitments to provide a loan below market rate designated at fair value through the income statement based on bank's application instruction No. (1203 / 2019) and in line with Article No. (12) Paragraph (C) of the Central Bank Law No. 23 of 1971 and its amendments, and based on Board of Directors decision No. 91/69 dated 4 December 1969, it was decided to exclude loans granted to banks and specialized institutions from the requirements of the International Financial Reporting Standards regarding to measuring the loss at amortized cost to be recorded and presented at its nominal amount, since it is being granted at an interest rate lower than the market interest rate in order to achieve the stated goals of these loans in implementation of the various programs approved by the bank to contribute in encouraging steady economic growth in accordance with the general economic policies of the Kingdom.

Derivatives

Derivatives for Trading

The fair value of derivative financial instruments held for trading (such as forward foreign exchange contracts, future interest contracts, swaps, foreign exchange options rights) is recognized in the statement of financial position, and fair value is determined at the prevailing market rates. If this information is not available, the assessment methodology is disclosed, and the change in fair value is recognized in the income statement.

Hedge Accounting

The bank designates certain derivatives as hedging instruments in respect of foreign currency risk and interest rate risk in fair value hedges, cash flow hedges, or hedges of net investments in foreign operations, as appropriate. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges. The bank does not apply fair value hedge accounting of portfolio hedges of interest rate risk. In addition, the bank does not use the exemption to continue using IAS (39) hedge accounting rules, i.e. the bank applies IFRS (9).

At the inception of the hedge relationship, the bank documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the bank documents whether the hedging instrument is effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk, which is when the hedging relationships meet all the following hedge effectiveness requirements:

- There is an economic relationship between the hedged item and the hedging instrument; and
- The effect of credit risk does not dominate the value changes that result from that economic relationship; and
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the bank actually hedges, and the quantity of the hedging instrument that the bank actually uses to hedge that quantity of the hedged item.

The bank rebalances a hedging relationship in order to comply with the hedge ratio requirements when necessary. In such cases discontinuation may apply to only part of the hedging relationship. For example, the hedge ratio might be adjusted in such a way that some of the volume of the hedged item is no longer part of a hedging relationship, hence hedge accounting is discontinued only for the volume of the hedged item that is no longer part of the hedging relationship.

If a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio but the risk management objective for that designated hedging relationship remains the same, the bank adjusts the hedge ratio of the hedging relationship (i.e. rebalances the hedge) so that it meets the qualifying criteria again.

In some hedge relationships, the bank designates only the intrinsic value of options. In this case, the fair value change of the time value component of the option contract is deferred in other comprehensive income, over the term of the hedge, to the extent that it relates to the hedged item and is reclassified from statement of changes in capital and reserves to the statement of income when the hedged item does not result in the recognition of a non-financial item. The bank's risk management policy does not include hedges of items that result in the recognition of non-financial items, because the bank's risk exposures relate to financial items only.

The hedged items designated by the bank are time-period related hedged items, which means that the amount of the original time value of the option that relates to the hedged item is amortized from equity to the statement of income on a rational basis (e.g. straight-line basis) over the term of the hedging relationship.

In some hedge relationships, the bank excludes from the designation the forward element of forward contracts, or the currency basis spread of cross currency hedging instruments. In this case, a similar treatment is applied to the one applied for the time value of options. The treatment for the forward element of a forward contract and the currency basis element is optional, and the option is applied on a hedge-by-hedge basis, unlike the treatment for the time value of the options which is mandatory. For hedge relationships with forwards, or foreign currency derivatives such as cross currency interest rate swaps, where the forward element or the currency basis spread is excluded from the designation, the bank generally recognizes the excluded element in other comprehensive income.

Fair Value Hedges

The fair value change on qualifying hedging instruments is recognized in the statement of income except when the hedging instrument hedges an equity instrument designated at fair value through other comprehensive income in which case it is recognized in other comprehensive income. The bank has not designated fair value hedge relationships where the hedging instrument hedges an equity instrument designated at fair value through other comprehensive income.

The carrying amount of a hedged item not already measured at fair value is adjusted for the fair value change attributable to the hedged risk with a corresponding entry in the income statement. For debt instruments measured at fair value through other comprehensive income, the carrying amount is not adjusted as it is already at fair value, but the part of the fair value gain or loss on the hedged item associated with the hedged risk is recognized in the income statement instead of other comprehensive income. When the hedged item is an equity instrument designated at fair value through other comprehensive income, the hedging gain / loss remains in other comprehensive income to match that of the hedging instrument.

Where hedging gains / losses are recognized in the income statement, they are recognized in the same line as the hedged item.

The bank discontinues hedge accounting only when the hedging relationship (or a part thereof) ceases to meet the qualifying criteria (after rebalancing, if applicable). This includes instances when the hedging instrument expires or is sold, terminated, or exercised. The discontinuation is accounted for prospectively. The fair value adjustment to the carrying amount of hedged items for which the effective interest rate method is used (i.e. debt instruments measured at amortized cost or at fair value through other comprehensive income) arising from the hedged risk is amortized to the income statement commencing no later than the date when hedge accounting is discontinued.

Cash Flow Hedges

The effective portion of changes in the fair value of derivatives and other qualifying hedging instruments that are designated and qualify as cash flow hedges is recognized in the cash flow hedging reserve, a separate component of other comprehensive income, limited to the cumulative change in fair value of the hedged item from inception of the hedge less any amounts recycled to the income statement.

Amounts previously recognized in other comprehensive income and accumulated in change in capital and reserves are reclassified to the income statement in the periods when the hedged item affects the statement of income, in the same line as the recognized hedged item. If the bank no longer expects the transaction to occur, that amount is immediately reclassified to the income statement.

The bank discontinues hedge accounting only when the hedging relationship (or a part thereof) ceases to meet the qualifying criteria (after rebalancing, if applicable). This includes instances when the hedging instrument expires or is sold, terminated or exercised, or where the occurrence of the designated hedged forecast transaction is no longer considered to be highly probable. The discontinuation is accounted for prospectively. Any gain/loss recognized in other comprehensive income and accumulated in statement of changes in capital and reserves at that time remains in statement of changes in capital and reserves and is recognized when the forecast transaction is ultimately recognized in the income statement when a forecast transaction is no longer expected to occur, the gain / loss accumulated in statement of changes in capital and reserves is reclassified and recognized immediately in the income statement.

Hedges of Net Investments in Foreign Operations

Hedges of net investments in foreign operations are accounted for similarly to cash flow hedges. Any gain / loss on the hedging instrument relating to the effective portion of the hedge is recognized in other comprehensive income and accumulated in the foreign currency translation reserve.

Gains and losses on the hedging instrument relating to the effective portion of the hedge accumulated in the foreign currency translation reserve are reclassified to the profit or loss in the same way as exchange differences relating to the foreign operation as described above.

G- Offsetting

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and the Bank intends to either settle them on a net basis or to realize the asset and settle the liability simultaneously.

H- Accounts Managed on Behalf of Customers

These represent the accounts managed by the bank on behalf of its customers, but do not represent part of the bank's assets. Fees and commissions on such accounts are shown in the income statement, a provision against the impairment in the capital-guaranteed portfolios managed on behalf of customers is taken.

I- Employees Benefits

Employees short term benefits are recognized as expenses when delivering relevant services. Liability is recorded against the related commitment when the bank is legally obliged implicitly or explicitly to pay for past services rendered by the employee and the liability can be estimated reliably.

J- Provisions

Provisions are recognized when the bank has a present obligation (legal or constructive) as a result of past events, it is probable that the obligation will be settled and the amount can be estimated reliably. When the bank expects to pay all or part of the provision (eg. the case of insurance contracts), the payment is made as a separate asset only if there is actual certainty. The expense related to the provision is recorded in the statement of comprehensive income after any payments are made.

K- Fair Value

Fair value is defined as the price at which an asset is to be sold or paid to convert any of the liabilities in a structured transaction between the market participants on the measurement date, irrespective of whether the price can be realized directly or whether it is estimated using another valuation technique. When estimating the fair value of an asset or liability, the bank takes into consideration when determining the price of any asset or liability whether market participants are required to consider these factors at the measurement date. The fair value for measurement and / or disclosure purposes in these financial statements is determined on the same basis, except for measurement procedures that are similar to fair value procedures and are not fair value such as fair value as used in IAS (36).

In addition, fair value measurements are classified for the purposes of financial reporting to level (1), (2) or (3) based on the extent to which the inputs are clear concerning the fair value measurements and the importance of inputs to the full fair value measurements. These are as follows:

Level inputs (1): inputs derived from quoted (unadjusted) prices of identical assets or liabilities in active markets that an enterprise can obtain on the measurement date;

Level inputs (2): inputs derived from data other than quoted prices used at level 1 and observable for assets or liabilities, either directly or indirectly; and

Level inputs (3): are inputs to assets or liabilities that are not based on observable market prices.

L- Repurchase and Resale Agreements

The financial statements of the sold assets that were concurrently pledged to repurchase them at a future date continue to be recognized in the financial statements, due to the bank's continued control over these assets and because any risks or benefits that revert to the bank as they arise, and their evaluation continues in accordance with the followed accounting policies, and the amounts corresponding to the sums received for these contracts are included in the liabilities in the borrowed funds item, the difference between the sale price and the repurchase price is recognized as an interest expense payable over the term of the contract using the effective interest method.

Assets purchased with a corresponding commitment to resell at a specified future date are not recognized in the Bank's financial statements since the Bank is not able to control these assets or the associated risks and benefits. The related payments are recognized as part of deposits at banks and financial institutions or direct credit facilities as applicable, and the difference between the purchase and resale price is recognized as interest income over the agreement term using the effective interest rate method.

M- Property and Equipment

Property and equipment are recorded at historical cost after deducting accumulated depreciation or any impairment in their value. Property and equipment (except for land) are depreciated, once they are ready for use, according to their expected economic useful lives using the straight-line method based on the following annual rates:

	%
Buildings	3
Buildings improvements	20
Furniture, fixtures, and decorations	10
Vaults and safe boxes	5
Computer hardware	25
Machinery and equipment	15
Vehicles	15
Computer software	25

- In the event that the recoverable amount of any property and equipment is less than its net book value, the value of the property and equipment is reduced to the recoverable amount, and the impairment loss is charged to the statement of profit or loss.
- At the end of each year, the economic useful lives of property and equipment are reviewed. In case the expected economic useful lives differ from the previously prepared estimates, the change in estimate is recorded in the subsequent years, being a change in estimates.
- Property and equipment are derecognized upon disposal or when no future benefits are expected from their use or disposal.

N- Leases

The Bank determines whether a contract is, or contains, a lease. A contract is considered or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration as the definition of a lease in the standard.

Bank Acting as a Lessee

At commencement or on modification of a contract that contains a lease component, the bank allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the bank has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component. The bank recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the bank by the end of the lease term or the cost of the right-of-use asset reflects that the bank will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the bank uses its incremental borrowing rate.

The bank determines the borrowing rate by analyzing its loans from various external sources and making some adjustments to reflect the lease terms and the type of leased assets.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments including fundamental fixed payments.
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date.
- The amount expected to be payable by the lessee under residual value guarantees; and
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Bank's estimate of the amount expected to be payable under a residual value guarantee, if the bank changes its assessment of whether it will exercise a purchase, extension or termination option.

When lease liabilities are measured using this method, the adjustments are made to related right of use asset or in the income statement if the net book value for the related right of use asset was not fully depreciated.

Short-term leases and leases of low-value assets

The Bank has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets, where the Bank recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The Bank as lessor

When the Bank acts as a lessor, it determines at lease inception whether the lease is a finance lease or an operating lease.

To classify each lease, the Bank makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Bank considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Bank applies the derecognition and impairment requirements in IFRS 9 to the net investment in the lease. The Bank further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

The Bank determines whether the contract is a lease or includes lease clauses. The contract is considered a lease contract or includes a lease if it includes the transfer of control over a specified asset for a specified period in exchange for compensation as defined in the lease contract in the standard.

O- Foreign Currencies

- Transactions in foreign currencies occurred during the year are recorded at the prevailing exchange rates at the date of the transaction.
- Financial assets' and financial liabilities' balances denominated in foreign currencies are translated at the prevailing average exchange rates on the statement of financial position date as declared by the Bank against the Jordanian Dinar.
- Non-monetary assets and liabilities denominated in foreign currencies and presented at fair value are translated on the date when their fair value is determined.
- The currency differences arising from the revaluation of the bank's assets in foreign currencies are transferred to the foreign currency and gold valuation account. Appearing on the assets side if its balance was debit and on the liabilities side if its balance was a credit.

P- Date of Recognizing Financial Assets

The purchase or sale of financial assets is recognized at the trading date (the date of the Bank's commitment to purchase or sell the financial assets).

Q- The costs of printing new currency notes and minted coins are amortized over three years.

R- Interest earned is recognized on the accrual basis except for interest from credit facilities and other commercial payment agreements which is recognized as income only when received.

S- Interest and commissions expenses are recognized on the accrual basis.

T- Under the Law of Central Bank, Article 9/A, the Central Bank of Jordan has to maintain a general reserve of 20% of the net profit of the Bank in each fiscal year and pay the remaining to the government.

6- Gold

Gold is stated in the statement of financial position on the basis of the prevailing international prices of International Markets when preparing the evaluation bulletin approved by the bank on the last working day of the year amounting to JD 1,848/030 per ounce as of 31 December 2024, the ounces quantity is 2,303,441 (JD 1,462/655 per ounce as of 31 December 2023 the ounces quantity was 2,288,466).

This item consists of the following:

	31 December 2024 JD	31 December 2023 JD
Bank's reserve from gold	4,256,828,648	3,347,236,496
Includes: Gold deposits	358,517,820	215,010,285
Less: provision for expected credit losses for gold deposits	(55,343)	(38,365)
	<u>358,462,477</u>	<u>214,971,920</u>

All the balances of the gold deposit accounts are classified as part of the stage 1, and there are no transfers between (stage 1, 2 and 3), or non-existent balances during the year ended 31 December 2024. The movements on each of the balances of gold deposits and provision for expected credit losses for the balances of these accounts according to the stages of classification were as follows:

The movement on gold deposit balances subject to the expected credit loss measurement on individual level is as follows:

Item	31 December 2024			
	Stage 1 JD	Stage 2 JD	Stage 3 JD	Total JD
Beginning balance	215,010,285	-	-	215,010,285
Debit transactions during the year	529,243,435	-	-	529,243,435
Credit transactions during the year	(429,651,875)	-	-	(429,651,875)
	314,601,845	-	-	314,601,845
Gold valuation gains	43,915,975	-	-	43,915,975
Ending balance	358,517,820	-	-	358,517,820

Item	31 December 2023			
	Stage 1 JD	Stage 2 JD	Stage 3 JD	Total JD
Beginning balance	32,053,875	-	-	32,053,875
Debit transactions during the year	394,209,560	-	-	394,209,560
Credit transactions during the year	(234,015,000)	-	-	(234,015,000)
	192,248,435	-	-	192,248,435
Gold valuation gains	22,761,850	-	-	22,761,850
Ending balance	215,010,285	-	-	215,010,285

The movement on provision for expected credit losses for gold deposits is as follows:

Item	For the Year Ended 31 December 2024			
	Stage 1	Stage 2	Stage 3	Total
	JD	JD	JD	JD
Beginning balance	38,365	-	-	38,365
Impact of revaluation	10,109	-	-	10,109
Increase in impairment loss during the year	6,869	-	-	6,869
Ending balance	55,343	-	-	55,343

Item	For the Year Ended 31 December 2023			
	Stage 1	Stage 2	Stage 3	Total
	JD	JD	JD	JD
Beginning balance	6,271	-	-	6,271
Impact of revaluation	883	-	-	883
Increase in credit loss during the year	31,211	-	-	31,211
Ending balance	38,365	-	-	38,365

According to the Central Bank of Jordan Law No. (23) for the year 1971 and its amendments, specially regarding to the article No. (56):

- a) Any loss or profit arising from the re-valuation of the assets and liabilities of the Bank in gold or foreign currencies as a result of any change in the par value of any foreign currency, shall be excluded from the statement of profit and loss of the Bank and shall be carried in a special account. The bank may allocate in subsequent years the funds required for the amortization of such losses carried in this special account, and may use any part of its general reserve, on the recommendation of The Board and with the approval of the Council of Ministers, to cover such losses carried in the special account or any part thereof.
- b) The Board shall determine, for the purpose of the annual balance sheet, the value of all Gold and foreign currency assets corresponding to bank notes in circulation.
- c) Gold balances and deposits that mature during short-term periods (less than three months) amounted to JD 192,189,075 as of 31 December 2024 (JD 14,625,646 as of 31 December 2023).

7- Cash, Balances and Deposits

This item consists of the following:

	31 December 2024 JD	31 December 2023 JD
Cash at bank	242,399,082	228,800,665
Current and on-demand accounts	855,585,555	1,107,311,738
Deposits balances (a)	6,944,655,000	5,544,380,000
	8,042,639,637	6,880,492,403
Expected credit losses provision	(1,102,367)	(1,717,428)
	8,041,537,270	6,878,774,975

(a) All of deposits are classified in stage 1, in addition there is no transfers between the stages (stage 1, 2 and 3) or written-off balances during year ended 31 December 2024 and the following are the movement for each balances and expected credit losses for those accounts based on their stages.

Deposits balances that is subject to expected credit loss measurement:

Item	31 December 2024			
	Stage 1 JD	Stage 2 JD	Stage 3 JD	Total JD
Beginning balance	5,544,380,000	-	-	5,544,380,000
Debit transactions during the year	22,022,958,000	-	-	22,022,958,000
Credit transactions during the year	(20,622,683,000)	-	-	(20,622,683,000)
Ending balance	6,944,655,000	-	-	6,944,655,000

Item	31 December 2023			
	Stage 1 JD	Stage 2 JD	Stage 3 JD	Total JD
Beginning balance	5,969,780,000	-	-	5,969,780,000
Debit transactions during the year	18,492,138,000	-	-	18,492,138,000
Credit transactions during the year	(18,917,538,000)	-	-	(18,917,538,000)
Ending balance	5,544,380,000	-	-	5,544,380,000

Provision for expected credit losses for deposits as per staging are as follows:

Item	For the Year Ended 31 December 2024			
	Stage 1	Stage 2	Stage 3	Total
	JD	JD	JD	JD
Beginning balance	1,717,428	-	-	1,717,428
Recovered from credit losses during the year	(615,061)	-	-	(615,061)
Ending balance	1,102,367	-	-	1,102,367

Item	For the Year Ended 31 December 2023			
	Stage 1	Stage 2	Stage 3	Total
	JD	JD	JD	JD
Beginning balance	2,474,667	-	-	2,474,667
Recovered from credit losses during the year	(757,239)	-	-	(757,239)
Ending balance	1,717,428	-	-	1,717,428

The following are the details of deposits according to the maturity date:

Deposits	Due within 3 months	Due within a Period from 3 to 6 months	Due within a Period from 6 months to 1 year	Total
	JD	JD	JD	JD
2024	5,880,603,291	520,963,330	542,127,192	6,943,693,813
2023	4,692,446,090	226,732,483	623,574,210	5,542,752,783

During the year 2024, interest rates on (USD) currency deposit accounts ranged from 4.45% to 5.90% depending on maturity date. (2023: from 4.55% to 6.20%).

- There are no exposures that have been modified, transferred or written off during the years 2024 and 2023.

8- Foreign Financial Securities at Amortized Cost

This item consists of the following:

	31 December 2024	31 December 2023
	JD	JD
a – Foreign Bonds		
(a-1) Foreign bonds with fixed interest rates	3,149,750,005	2,919,492,144
(a-2) Foreign bonds with floating interest rates	-	141,800,000
	3,149,750,005	3,061,292,144
b – Foreign Commercial Papers		
(b) Foreign commercial papers at amortized cost	-	137,722,581
	-	137,722,581
Total foreign financial securities at amortized cost	3,149,750,005	3,199,014,725
(c) Less: Expected credit losses provision	(348,208)	(466,001)
	3,149,401,797	3,198,548,724

The maturities of foreign bonds at amortized cost ranged from 15 days to four years and ten months, with an interest rate ranging from 0.375% to 6.125%.

(a) All of foreign bonds accounts balances are classified in stage 1 in addition there is no transfers between stages (stage 1,2 and 3) or written-off balances during years ended 31 December 2024 and 2023. The following is the movement on each of the balances for the accounts balances based on their stages:

(a-1) Accounts balances for foreign bonds with fixed interest rates:

Item	31 December 2024			
	Stage 1	Stage 2	Stage 3	Total
	JD	JD	JD	JD
Beginning balance	2,919,492,144	-	-	2,919,492,144
Debit transactions during the year	1,006,770,874	-	-	1,006,770,874
Credit transactions during the year	(776,513,013)	-	-	(776,513,013)
Ending balance	3,149,750,005	-	-	3,149,750,005
Item	31 December 2023			
	Stage 1	Stage 2	Stage 3	Total
	JD	JD	JD	JD
Beginning balance	2,549,856,230	-	-	2,549,856,230
Debit transactions during the year	694,247,626	-	-	694,247,626
Credit transactions during the year	(324,611,712)	-	-	(324,611,712)
Ending balance	2,919,492,144	-	-	2,919,492,144

(a-2) Accounts balances for foreign bonds with floating interest rates:

Item	As of 31 December 2024			
	Stage 1	Stage 2	Stage 3	Total
	JD	JD	JD	JD
Beginning balance	141,800,000	-	-	141,800,000
Debit transactions during the year	-	-	-	-
Credit transactions during the year	(141,800,000)	-	-	(141,800,000)
Ending balance	-	-	-	-

Item	As of 31 December 2023			
	Stage 1	Stage 2	Stage 3	Total
	JD	JD	JD	JD
Beginning balance	283,607,289	-	-	283,607,289
Debit transactions during the year	209	-	-	209
Credit transactions during the year	(141,807,498)	-	-	(141,807,498)
Ending balance	141,800,000	-	-	141,800,000

(b) All of foreign commercial papers accounts balances are classified in stage 1, in addition there is no transfers between stages (stage 1,2 and 3) or written off balances during years ended 31 December 2024 and 2023, the following is the movement on each of balances for the accounts balances based on their stages:

(b) Accounts balances for foreign commercial papers:

Item	As of 31 December 2024			
	Stage 1	Stage 2	Stage 3	Total
	JD	JD	JD	JD
Beginning balance	137,722,581	-	-	137,722,581
Debit transactions during the year	252,227,419	-	-	252,227,419
Credit transactions during the year	(389,950,000)	-	-	(389,950,000)
Ending balance	-	-	-	-

Item	As of 31 December 2023			
	Stage 1	Stage 2	Stage 3	Total
	JD	JD	JD	JD
Beginning balance	52,313,584	-	-	52,313,584
Debit transactions during the year	280,383,997	-	-	280,383,997
Credit transactions during the year	(194,975,000)	-	-	(194,975,000)
Ending balance	137,722,581	-	-	137,722,581

(c) Provision for expected credit losses for foreign commercial papers at amortized cost according to the credit stages are as follows:

Item	For the year ended 31 December 2024			
	Stage 1	Stage 2	Stage 3	Total
	JD	JD	JD	JD
Beginning balance	466,001	-	-	466,001
Recovered from expected credit losses during the year	(117,793)	-	-	(117,793)
Ending balance	348,208	-	-	348,208

Item	For the year ended 31 December 2023			
	Stage 1	Stage 2	Stage 3	Total
	JD	JD	JD	JD
Beginning balance	634,389	-	-	634,389
Increase in credit losses during the year	32,584	-	-	32,584
Recovered from expected credit losses during the year	(200,972)	-	-	(200,972)
Ending balance	466,001	-	-	466,001

9- Past Due Direct Credit Facilities and Commercial Exchange Agreements

This item represents balances arising from commercial exchange agreements and past due debts on the Central Bank of Iraq as regards implementation of facilities arrangements, the details are as follows:

	31 December 2024	
	Equivalent amount in JD	Amount in USD
Past due commercial exchange agreements	93,059,821	131,255,036
Past due debts	673,822,389	950,384,188
	766,882,210	1,081,639,224

	31 December 2023	
	Equivalent amount in JD	Amount in USD
Past due commercial exchange agreements	93,059,821	131,255,036
Past due debts	673,822,389	950,384,188
	766,882,210	1,081,639,224

- The above balance represents past due direct credit facilities and commercial exchange agreements, and the related interest in suspense amounted to JD 431,490,720 as of 31 December 2024 (JD 419,683,510 as of 31 December 2023) and recorded by the Central Bank in special records within the off-balance sheet items.

Distribution of accounts balances for past due direct credit facilities and commercial exchange agreements according to its stages are as follows:

Item	As of 31 December 2024			
	Stage 1	Stage 2	Stage 3	Total
	JD	JD	JD	JD
Beginning balance	766,882,210	-	-	766,882,210
Debit transactions during the year	-	-	-	-
Credit transactions during the year	-	-	-	-
Ending balance	766,882,210	-	-	766,882,210

Item	As of 31 December 2023			
	Stage 1	Stage 2	Stage 3	Total
	JD	JD	JD	JD
Beginning balance	766,882,210	-	-	766,882,210
Debit transactions during the year	-	-	-	-
Credit transactions during the year	-	-	-	-
Ending balance	766,882,210	-	-	766,882,210

- There are no exposures that have been modified, transferred, or written off during the years 2024 and 2023.
- No provision against expected credit losses had been booked for past due direct credit facilities and commercial exchange agreements as of 31 December 2024 and 2023.

10- Special Drawing Rights

	31 December 2024	31 December 2023
	JD	JD
Assets from Special Drawing Rights *	2,385,528	5,989,270
Reserve position with the International Monetary Fund **	1,078,831	1,109,885
The Bank's reserve of special drawing rights	3,464,359	7,099,155

* This item represents the value of the assets of the Central Bank of Jordan with the International Monetary Fund and is used for the transactions and operations that take place with the Fund. The balance amounted to SDR 2,579,981 units as of 31 December 2024 (SDR 6,296,243 units as of 31 December 2023). Its fair value, which was calculated according to the average price of the Jordanian dinar against the SDRs unit, is JD 2,385,528 as of 31 December 2024 (JD 5,989,270 as of 31 December 2023).

- The debit side of this account represents the purchases of SDRs by the Bank and the interest granted by the Fund, which amounted to SDR 111,489,013 units during the year 2024, equivalent to JD 104,919,414.
 - The credit side of this account represents commissions on SDRs allocations and Jordanian borrowing repayments from the Fund, which amounted to SDR 115,205,275 units during the year 2024, equivalent to JD 108,552,925.
 - The effect of revaluing the Central Bank of Jordan's assets from SDRs units amounted to a profit of JD 29,770 for the year ended 31 December 2024.
- ** This item represents the subscription to the reserve tranche with the International Monetary Fund amounting to SDR 1,166,771 units which is equivalent to JD 1,078,831 as of 31 December 2024 (SDR 1,166,771 as of 31 December 2023, which is equivalent to JD 1,109,885 as of 31 December 2023).
- The effect of revaluing the Central Bank of Jordan's assets from SDRs units amounted to a profit of JD 31,054 for the year ended 31 December 2024.

The distribution of accounts balances for special drawing rights according to the credit staging:

Item	31 December 2024			
	Stage 1	Stage 2	Stage 3	Total
	JD	JD	JD	JD
Beginning balance	7,099,155	-	-	7,099,155
Debit transactions during the year	105,420,111	-	-	105,420,111
Credit transactions during the year	(109,054,907)	-	-	(109,054,907)
Ending balance	3,464,359	-	-	3,464,359

Item	31 December 2023			
	Stage 1	Stage 2	Stage 3	Total
	JD	JD	JD	JD
Beginning balance	7,565,081	-	-	7,565,081
Debit transactions during the year	94,286,930	-	-	94,286,930
Credit transactions during the year	(94,752,856)	-	-	(94,752,856)
Ending balance	7,099,155	-	-	7,099,155

- There are no exposures that have been modified, transferred, or written-off during the years 2024 and 2023.
- No provision against expected credit losses had been booked for special drawing rights as of 31 December 2024 and 2023.

11- Foreign Financial Assets at Fair Value Through Other Comprehensive Income

This item consists of the Bank's contributions in International and Regional foreign Financial Institutions and its details are as follows:

	Currency	31 December 2024 JD	31 December 2023 JD
Arab Fund for Economic and Social Development	Kuwait Dinar	251,993,615	245,523,419
Arab Investment and Export Credit Guarantee Corporation	Kuwait Dinar	3,220,780	3,114,121
Arab Bank for Economic Development in Africa	US Dollar	8,500,495	8,057,248
Islamic Development Bank	Islamic Dinar	49,734,102	46,580,099
Arab Monetary Fund	Arabic Dinar	65,999,037	66,810,210
Arab Monetary Fund	Jordanian Dinar	407,661	413,496
International Bank for Reconstruction and Development (World Bank)	US Dollar	14,036,581	13,631,491
International Bank for Reconstruction and Development (World Bank)	Jordanian Dinar	19,101,597	18,801,876
Islamic Corporation for the Insurance of Investment and Export Credit	Islamic Dinar	334,482	320,694
Islamic Corporation for the Development of the Private Sector	US Dollar	1,755,859	1,736,408
International Islamic Trade Finance Corporation	US Dollar	656,251	602,304
Asian Infrastructure Investment Bank	US Dollar	18,652,068	17,809,772
		434,392,528	423,401,138

- Contributions in International and Regional Financial Institutions were measured at fair value through other comprehensive income. The international financial contribution assessment reserve has profit of JD 190,959,526 as of 31 December 2024 (profit of JD 178,455,237 as at 31 December 2023).
- The latest audited and issued financial statements were obtained to measure the fair value of these contributions using the bank's contribution percentage in net assets.
- The effect of changes in foreign currencies exchange rate amounted to a loss of JD 3,909,190 for the year ended 31 December 2024, and this amount was transferred to gold and foreign currencies valuation differences loss (JD 166,707 for the year ended 31 December 2023).

12- Miscellaneous other Assets - Foreign Currencies

This item consists of the following:

	31 December 2024 JD	31 December 2023 JD
Accrued and not received interest on gold deposits	113,549	86,636
Accrued and not received interest on foreign currency current accounts	4,658,174	4,667,011
Accrued and not received interest on foreign term deposits	67,105,747	61,603,786
Accrued and not received interest on foreign commercial papers	-	2,186,982
Accrued and not received interest on foreign bonds	27,380,275	19,985,068
Accrued and not received Interest on special drawing rights	24,278	53,858
Accrued and not received interest on floating bonds in foreign currencies	-	477,664
Accrued and not received returns / federal overnight investment	25	-
	99,282,048	89,061,005

13- Financial Securities and Other

This item consists of the following:

	31 December 2024	31 December 2023
	JD	JD
Bond issued from the Ministry of Finance to the order of the Central Bank of Jordan (a)	269,705,032	271,705,032
Bond of the Jordan Mortgage Refinance Company (b)	23,911,447	22,742,988
General institution bonds (c)	7,136,000	9,248,000
Jordanian treasury bonds (c)	247,079,000	196,763,000
Credit granted to Jordanian government (d)	20,563,120	20,563,120
	568,394,599	521,022,140
Less: Provision for expected credit losses	(136,660)	(245,204)
	568,257,939	520,776,936

- All of financial securities and others account balances are classified in stage 1, in addition there are no transfers between stages (stage 1,2,3) or written off balances during year ended 31 December 2024. The bank has taken expected credit losses provision against the Jordan Mortgage Refinance Company's bond and has not taken any expected credit loss provisions on the rest of the financial assets to be considered secured for the bank and / or guaranteed by the Government of Jordan, including the bond issued by the ministry of finance to the order of Bank and the advance against tranche reserve.
- a) In accordance with the Economic Security Committee's Resolution No. (8/91) dated 13 June 1991, enacted as Law and incorporated in the Law of the Protection of the National Economy for the Year 1992, a bond of JD 390 million with no maturity date was issued by the Ministry of Finance to the order of the Central Bank of Jordan. The purpose of the bond was to settle exceptional advances granted to the Treasury in accordance with the previous resolutions of the Economic Security Committee. Furthermore, the same resolution stipulates that these exceptional advances are non-interest bearing as of the resolution date and considering these assets to cover the currency in circulation based on article (31) of Central Bank of Jordan law. Accordingly, no provision was booked against the advances and considering that its book value equals its present value, and the amount stated as of the end of the year 2024 represents the unsettled balance. The bank signed a memorandum of understanding with the Ministry of Finance on 19 August 2024 for the purpose of repaying the remaining balance of the advances from the net profits due to the government at the end of each fiscal year.
- b) The Council of Ministers approved an offer in accordance with decision No. (615) dated 6 January 2004 submitted by a major shareholder of the Jordan Commercial Bank (previously Jordan Gulf Bank). The offer includes some terms related to the exceptional credit facilities granted by the Central Bank of Jordan to Jordan Gulf Bank with a balance of JD 40,275,412 such as:
 - The credit facilities agreement was amended by extending its maturity date to (30) years.

- Jordan Commercial Bank (formerly Jordan Gulf Bank) pays the present value of the bond issued to the order of the Central Bank of Jordan of JD 9 million, on the basis of the discount rate of 5.1219%. The bond has been transferred to the Jordan Mortgage Refinance Company so that the above company pays the nominal value of the bond amounting to JD 40,275,412 after 30 years in a single payment, knowing that the present value of the bond is JD 23,911,447 as of 31 December 2024 (JD 22,742,988 as of 31 December 2023) net after deducting the present value provision against it.
- According to the debt transfer agreement signed on 30 December 2004, the debt bond issued to the Central Bank of Jordan by the Commercial Bank of Jordan (formerly Jordan Gulf Bank) was transferred to the Jordan Mortgage Refinance Company so that the Jordan Mortgage Refinance Company is obliged to pay the facility shall be paid at the end of (30) years from the date of the issuance of the bond to the Central Bank of Jordan, moreover that it is entitled to an annual interest of 5.1219%. The bond and interest shall be due on 7 June 2035. The bank has booked a provision for impairment in the fair value against this bond in the amount of JD 16,363,965 as of 31 December 2024.

Balances movement for the Jordan Mortgage Refinance Company bond according to its staging as of 31 December 2024 and 2023 in net after deducting the present value provision as follows:

Item	31 December 2024			
	Stage 1	Stage 2	Stage 3	Total
	JD	JD	JD	JD
Beginning balance	22,742,988	-	-	22,742,988
Debit transactions during the year	1,168,459	-	-	1,168,459
Credit transactions during the year	-	-	-	-
Ending balance	23,911,447	-	-	23,911,447

Item	31 December 2023			
	Stage 1	Stage 2	Stage 3	Total
	JD	JD	JD	JD
Beginning balance	21,634,869	-	-	21,634,869
Debit transactions during the year	1,108,119	-	-	1,108,119
Credit transactions during the year	-	-	-	-
Ending balance	22,742,988	-	-	22,742,988

Provision for expected credit losses for The Jordan Mortgage Refinance Company bond balance according to staging as follows:

Item	For the Year Ended 31 December 2024			
	Stage 1	Stage 2	Stage 3	Total
	JD	JD	JD	JD
Beginning balance	245,204	-	-	245,204
Recovered from expected credit losses during the year	(108,544)	-	-	(108,544)
Ending balance	136,660	-	-	136,660

Item	For the Year Ended 31 December 2023			
	Stage 1	Stage 2	Stage 3	Total
	JD	JD	JD	JD
Beginning balance	257,849	-	-	257,849
Recovered from expected credit losses during the year	(12,645)	-	-	(12,645)
Ending balance	245,204	-	-	245,204

- There are no exposures that have been modified, transferred, or written-off during the years 2024 and 2023.
- c) According to articles No. (39), (48) and (49) of the Central Bank of Jordan Law No. (23) for the year 1971 and its amendments, the Bank purchased governmental financial securities as follows:
- Bonds of public institutions with a maturity extending to 22 June 2025, with an interest rate of 6.550%.
 - Jordanian treasury bonds with maturity ranging between 16 January 2025 and 24 May 2036, with interest rate ranging from 3.533% to 6.250%.
 - There was no provision booked on financial securities (public institutions bonds, Jordanian treasury bonds, individual saving bonds) and others in local currency because it had been considered as secured/ guaranteed from the government which the LGD is zero.
- d) This item represents advances granted to the Government amounting to JD 20,563,120, against the withdrawal of the tranche reserve from the International Monetary Fund purchased by Economic Security Committee Decision No. (9/91) dated 3 June 1991 as one of the assets held to cover the currency in circulation in accordance with Article (31) of the Central Bank of Jordan Law, and therefore no provision was made against it and considering its book value equal to its present value. The Bank signed a memorandum of understanding with the Ministry of Finance on 19 August 2024 for the purpose of repaying the remaining balance of the credit from the net profits due to the government at the end of each fiscal year after completing the payment of the advances mentioned in item (a) above.

14- Advances Granted to Local Banks and Financial institutions

- This item consists of the following:

	31 December 2024 JD	31 December 2023 JD
Advances to commercial banks under liquidation - net (a)	4,301,682	7,778,061
Advances to banks and specialized credit institutions (b)	670,891,329	671,980,175
Advances to local commercial banks (c)	905,806,625	881,585,392
Investment agency with Islamic banks (d)	576,761	3,960,319
Investment deposits with Islamic banks (e)	178,688,250	154,583,658
	1,760,264,647	1,719,887,605

(14-a) This item includes advances to commercial banks under liquidation, granted in accordance with the Economic Security Committee's (ESC) resolutions, which were enacted as law and incorporated in the Law of Protection of the National Economy for the year 1992. They also include other advances and facilities granted in accordance with management's resolutions. The details are as follows:

	31 December 2024 JD	31 December 2023 JD	Resolution No.
<u>Advances to banks under Liquidation:</u>			
Petra Bank*	210,216,347	210,917,528	2/90,4/90,13/89,20/89
National Islamic Bank **	(64,487)	(21,888)	371/2000, 2/91
Amman Investment Bank / under liquidation	(6,394)	(6,394)	
Total Advances to Banks under Liquidation	<u>210,145,466</u>	<u>210,889,246</u>	
<u>Advances to banks and other institutions:</u>			
Credit facilities to Philadelphia Bank Customers – Net ***	20,250,177	22,982,776	1/2005
Total advances to banks and other institutions	<u>20,250,177</u>	<u>22,982,776</u>	
Total advances for banks under liquidations	<u>230,395,643</u>	<u>233,872,022</u>	
<u>Less: Provision for expected credit losses*</u>	<u>(226,093,961)</u>	<u>(226,093,961)</u>	
	<u>4,301,682</u>	<u>7,778,061</u>	

* In accordance with the Economic Security Committee Resolution No. (4/90) dated 15 July 1990, which acquired the status of law under the National Economy Protection Law of 1992, it was decided to liquidate Petra Bank and appoint the Central Bank of Jordan (represented by the Governor of Central Bank of Jordan), as liquidator as of 21 July 1990, which is the date in which the ongoing liquidation process started, and these procedures are still going. The decision of ministry's council number (10868) dated 18 April 2018 approved to transfer the liquidation process from Central Bank of Jordan to the Ministry of Finance. In accordance with Prime Minister decision No. (4958) dated 17 June 2019 designated Jordan Loan Guarantee Corporation as the liquidator of Petra Bank. The liquidation of Petra Bank has been extended to 31 December 2024 as per Board of Directors Resolution No. (218/2023) dated 18 December 2023. The amount is considered a debt payable to the Central Bank of Jordan by Petra Bank in accordance with the Economic Security Committee's Resolution No. (2/90) dated 10 July 1990, enacted as law and incorporated in the Law of Protection of the National Economy for the year 1992. Moreover, there are deposits transferred from Petra Bank to the Central Bank of Jordan not paid yet estimated at JD 423,229 as of 31 December 2024.

** In accordance with the Economic Security Committee's Resolution No. (2/91) dated 28 February 1991, it was resolved to liquidate the National Islamic Bank. In accordance with the Central Bank of Jordan Governor's Resolution No. (371/2000) dated 7 August 2000. The resolution provided a mechanism to transfer all the liquidation debts to the Ministry of Finance which is to be responsible for collecting the debts and effecting the required settlements with customers.

*** This item represents credit facilities provided by the Central Bank of Jordan for handling the deficit in the assets of Philadelphia Bank of which the majority relates to the credit facilities granted to the customers of Philadelphia Bank. According to the resolution of the Central Bank of Jordan Board of Directors No. (1/2005) dated 12 January 2005, it was agreed to merge Philadelphia Bank with the Jordan Ahli Bank during the year 2005. The collected amounts are placed in intermediate accounts at commercial banks which in turn transfer these collections to the Central Bank of Jordan. Moreover, an amount of JD 48,529,961 was transferred to the Central Bank of Jordan up to the year 2024 and offset against the credit facilities balance of Philadelphia Bank customers, the balance amount designated from the treasury bonds owned by the Central Bank portfolio JD (48) million from the balance of those collections.

The distribution of advances to banks under liquidation balance according to their credit staging as follows:

Item	31 December 2024			
	Stage 1	Stage 2	Stage 3	Total
	JD	JD	JD	JD
Beginning balance	-	-	233,872,022	233,872,022
Debit transactions during the year	-	-	63,391,401	63,391,401
Credit transactions during the year	-	-	(66,867,780)	(66,867,780)
Ending balance	-	-	230,395,643	230,395,643

Item	31 December 2023			
	Stage 1	Stage 2	Stage 3	Total
	JD	JD	JD	JD
Beginning balance	-	-	236,895,315	236,895,315
Debit transactions during the year	-	-	8,241,582	8,241,582
Credit transactions during the year	-	-	(11,264,875)	(11,264,875)
Ending balance	-	-	233,872,022	233,872,022

The movement on provision against expected credit losses on advances to banks under liquidation according to the credit staging as follows:

Item	For the Year Ended 31 December 2024			
	Stage 1	Stage 2	Stage 3	Total
	JD	JD	JD	JD
Beginning balance	-	-	226,093,961	226,093,961
Increase in credit loss at the end of the year	-	-	-	-
Recovered from credit loss at the end of the year	-	-	-	-
Ending balance	-	-	226,093,961	226,093,961

Item	For the Year Ended 31 December 2023			
	Stage 1	Stage 2	Stage 3	Total
	JD	JD	JD	JD
Beginning balance	-	-	226,093,961	226,093,961
Increase in credit loss at the end of the year	-	-	-	-
Recovered from credit loss at the end of the year	-	-	-	-
Ending balance	-	-	226,093,961	226,093,961

(14-b) The details of the advances granted to specialized credit institutions are as follows:

	31 December		Interest Rate	Maturity Date	Payment Method
	2024	2023			
	JD	JD			
Agricultural Credit Corporation (b-1)	120,892,824	121,980,898	0.5%	19 December 2032	According to conditions of granting advances
Jordan Loan Guarantee Corporation/Exports (b-2)	99,999,277	99,999,277	2%	29 March 2027	On maturity date
Jordan Loan Guarantee Corporation (b-3)	49,999,228	50,000,000	2%	11 March 2028	Single payment on the maturity date
Jordan Loan Guarantee Corporation/Mortgage loans (b-4)	100,000,000	100,000,000	0.5%	22 December 2029	Single payment on the maturity date
Jordan Loan Guarantee Corporation/SMEs support to confront Corona Pandemic(b-5)	300,000,000	300,000,000	0.5%	13 April 2035	Single payment on the maturity date
	670,891,329	671,980,175			

(b-1) Under article (39/b) of the Central Bank law, which allows banks and specialized lending institutions to be granted in advance or financing in the terms and controls they deem appropriate, with their full value guaranteed by any of the papers, credits and bills referred to in paragraph (a) of the same article or any other guarantees or arrangements deemed appropriate by the Board, the Bank has granted the Agricultural Lending Corporation in advance with a balance of JD (120,892,824) as of 31 December 2024. It lasts for (8) years depending on the date of the grants and has an interest rate of 0.5% and is paid in payments related to a repayment schedule set at the grant.

(b-2) According to loan agreement between Central Bank of Jordan and Jordan Loan Guarantee Corporation on 12 March 2017 with regard Exports guarantee program which states that the Central Bank of Jordan grants Jordan Loan Guarantee Corporation a JD 100,000,000 advance with 2% interest rate matures in 10 years, which the total amount of the advance will be utilized for purchasing governmental financial securities for the company benefits and all securities will be as a mortgage for the banks benefit and the company will use the return from securities in the benefit of Exports insurance guarantee program, the amount utilized from the loan as of 31 December 2024 and 2023 is JD (99,999,277).

- (b-3) According to loan agreement between Central Bank of Jordan and the Jordan Loan Guarantee Corporation dated 26 March 2018 regarding loans guarantee program for small emerging projects which states that Central Bank of Jordan grants Jordan Loan Guarantee Corporation JD 50,000,000 at a rate of 2% for a period of 10 years, which the balance will be used to purchase government securities for the Company's benefit and all securities will be mortgaged to the benefit of Central Bank, and the Company will use the return on investment of financial securities to finance small emerging projects loans guarantee program, the utilized balance of this loan is JD (49,999,228) as of 31 December 2024.
- (b-4) According to loan agreement between Central Bank of Jordan and the Jordan Loan Guarantee Corporation dated 18 December 2019 regarding loans guarantee program for mortgage loan guarantee – affordable housing which states that Central Bank of Jordan grants Jordan Loan Guarantee Corporation JD 100,000,000 at a rate of 0.5% for a period of 10 years, which the balance will be used to purchase government securities for the Company's benefit and all securities will be mortgaged to the benefit of Central Bank, and the Company will use the return on investment of financial securities to finance banking guarantees support program for mortgage loan guarantee – affordable housing, the utilized balance of this loan is JD (100,000,000) as of 31 December 2024 and 2023.
- (b-5) According to loan agreement between Central Bank of Jordan and the Jordan Loan Guarantee Corporation dated 2 April 2020 regarding the creation of the National Loan Guarantee Program in response to the Covid-19 pandemic, the Central Bank granted the Jordan Loan Guarantee Corporation an advance of JD 300,000,000 at a rate of 0.5% for a period of 15 years, where the entire balance of the advance will be used to purchase government securities for the benefit of the company and to pledge these securities for the benefit of the Central Bank, provided that the company uses the return on investment of securities to finance the National Loan Guarantee Program in response to the COVID-19 pandemic, the utilized balance of this loan amounted to JD (300,000,000) as of 31 December 2024 and 2023.

The distribution of advances granted to banks and specialized credit institutions balances according to the credit stages was as follows:

31 December 2024				
Item	Stage 1	Stage 2	Stage 3	Total
	JD	JD	JD	JD
Beginning balance	671,980,175	-	-	671,980,175
Debit transactions during the year	21,458,000	-	-	21,458,000
Credit transactions during the year	(22,546,846)	-	-	(22,546,846)
Ending balance	670,891,329	-	-	670,891,329

31 December 2023				
Item	Stage 1	Stage 2	Stage 3	Total
	JD	JD	JD	JD
Beginning balance	662,592,671	-	-	662,592,671
Debit transactions during the year	31,038,000	-	-	31,038,000
Credit transactions during the year	(21,650,496)	-	-	(21,650,496)
Ending balance	671,980,175	-	-	671,980,175

- There are no exposures that have been modified, transferred or written-off during the years 2024 and 2023.
- No provision against expected credit losses on advances granted to banks and specialized credit institutions balance had booked as of 31 December 2024 and 2023.
- These advances are presented at their nominal value according to the Bank's application instructions No. (1203 / 2019).

(14-c) This amount represents advances granted from the Central Bank of Jordan to licensed banks working in Jordan within the program of medium-sized financing to industrial sector according to the licensed banks memorandum No. (54/2011) dated on 14 March 2011, and its subsequent circulates for licensed banks which includes the extension of the program as shown below:

<u>Local Commercial Banks</u>	<u>31 December</u>		<u>Interest rate</u>	<u>Maturity date</u>	<u>Payment method</u>
	<u>2024</u>	<u>2023</u>			
	<u>JD</u>	<u>JD</u>	<u>%</u>		
Arab Bank	174,361,813	143,415,513	0% - 1%	10 years or less	According to the conditions for granting advances
Cairo Amman Bank	121,827,385	129,362,271	0% - 1%	10 years or less	According to the conditions for granting advances
Egyptian Arab Land Bank	4,691,117	4,980,222	0% - 1%	10 years or less	According to the conditions for granting advances
Jordan Commercial Bank	63,379,472	36,398,226	0% - 1%	10 years or less	According to the conditions for granting advances
Bank of Jordan	18,673,409	15,480,449	0% - 1%	10 years or less	According to the conditions for granting advances
Jordan Ahli Bank	48,730,252	50,688,794	0% - 1%	10 years or less	According to the conditions for granting advances
Invest Bank	10,211,018	9,953,400	0% - 1%	10 years or less	According to the conditions for granting advances
Arab Banking Corporation	9,842,022	9,859,225	0% - 1%	10 years or less	According to the conditions for granting advances
Jordan Kuwait Bank	46,878,705	50,291,256	0% - 1%	10 years or less	According to the conditions for granting advances
Bank al Etihad	126,205,608	106,207,327	0% - 1%	10 years or less	According to the conditions for granting advances
Arab Investing Bank	32,593,893	32,191,724	0% - 1%	10 years or less	According to the conditions for granting advances
Housing Bank	89,589,310	95,666,126	0% - 1%	10 years or less	According to the conditions for granting advances
Capital Bank of Jordan	156,521,900	195,214,555	0% - 1%	10 years or less	According to the conditions for granting advances
BLOM Bank	2,300,721	1,876,304	0% - 1%	10 years or less	According to the conditions for granting advances
Total	905,806,625	881,585,392			

The distribution on advances granted to local commercial banks balance according to their credit staging:

Item	31 December 2024			
	Stage 1	Stage 2	Stage 3	Total
	JD	JD	JD	JD
Beginning balance	881,585,392	-	-	881,585,392
Debit transactions during the year	372,648,341	-	-	372,648,341
Credit transactions during the year	(348,427,108)	-	-	(348,427,108)
Ending balance	905,806,625	-	-	905,806,625

Item	31 December 2023			
	Stage 1	Stage 2	Stage 3	Total
	JD	JD	JD	JD
Beginning balance	831,433,141	-	-	831,433,141
Debit transactions during the year	407,030,314	-	-	407,030,314
Credit transactions during the year	(356,878,063)	-	-	(356,878,063)
Ending balance	881,585,392	-	-	881,585,392

- There are no exposures that have been modified, transferred or written off during the years 2024 and 2023.

No provision against expected credit losses on advances granted to local commercial banks' balance had booked as of 31 December 2024 and 2023 given the fact that those financial assets have guarantees that fully covered the advances.

These advances are presented at their nominal value according to the Bank's application instructions No. (1203 / 2019).

(14-d) This amount represents funding granted from the Central Bank of Jordan to Islamic Banks in Jordan within the restricted investment agency with Islamic banks, according to circular No. (3/7487) dated on 17 June 2015, as follows:

<u>Islamic Licensed Banks</u> Jordanian Dinar	<u>31 December</u>		Expected Return	Maturity Date	Payment method
	<u>2024</u>	<u>2023</u>			
	<u>JD</u>	<u>JD</u>			
Investment Agency/ Islamic International Arab Bank	3,959,898	5,193,090	1% - 1.75%	10 years or less	According to financing conditions
Investment Agency/ Jordan Islamic Bank	3,682,070	4,619,519	1% - 1.75%	10 years or less	According to financing conditions
Total	7,641,968	9,812,609			
Deduct: Expected credit losses provision	(7,065,207)	(5,852,290)			
	576,761	3,960,319			

The distribution of investment agency with Islamic banks (advances granted to customers) balances according to their credit staging as follows:

Item	<u>31 December 2024</u>			
	<u>Stage 1</u>	<u>Stage 2</u>	<u>Stage 3</u>	<u>Total</u>
	<u>JD</u>	<u>JD</u>	<u>JD</u>	<u>JD</u>
Beginning balance	9,812,609	-	-	9,812,609
Debit transactions during the year	-	-	-	-
Credit transactions during the year	(2,170,641)	-	-	(2,170,641)
Ending balance	7,641,968	-	-	7,641,968

Item	<u>31 December 2023</u>			
	<u>Stage 1</u>	<u>Stage 2</u>	<u>Stage 3</u>	<u>Total</u>
	<u>JD</u>	<u>JD</u>	<u>JD</u>	<u>JD</u>
Beginning balance	15,239,962	-	-	15,239,962
Debit transactions during the year	32,349	-	-	32,349
Credit transactions during the year	(5,459,702)	-	-	(5,459,702)
Ending balance	9,812,609	-	-	9,812,609

Expected credit losses provision against investment agency contracts with Islamic banks (advances granted to customers):

Item	For the Year Ended 31 December 2024			
	Stage 1	Stage 2	Stage 3	Total
	JD	JD	JD	JD
Beginning balance	5,852,290	-	-	5,852,290
Increase in credit loss during the year	1,212,917	-	-	1,212,917
Ending balance	7,065,207	-	-	7,065,207

Item	For the Year Ended 31 December 2023			
	Stage 1	Stage 2	Stage 3	Total
	JD	JD	JD	JD
Beginning balance	4,447,294	-	-	4,447,294
Increase in credit loss during the year	1,404,996	-	-	1,404,996
Ending balance	5,852,290	-	-	5,852,290

- There are no exposures that have been modified, transferred or written-off during the years 2024 and 2023.
- These advances are presented at their nominal value according to the Bank's application instructions No. (1203/2019).

(14-e) This item represents the finance granted from Central Bank to Islamic banks in the Kingdom within investment agreements signed with them in order to utilize the Central Bank program to finance the economic sectors, according to the details below:

<u>Islamic licensed banks / investment agreement</u>	<u>31 December</u>		<u>Expected Return</u>	<u>Maturity Date</u>	<u>Payment method</u>
	<u>2024</u>	<u>2023</u>			
	<u>JD</u>	<u>JD</u>			
Investment deposit (saving) at Islamic International Arab Bank	24,731,917	18,403,989	0.5% - 1%	10 Years or less	According to financing conditions
Investment deposit (saving) at Jordan Islamic Bank	37,444,610	23,188,237	0.5% - 1%	10 Years or less	According to financing conditions
Investment deposit (time) at Islamic International Arab Bank	43,245,538	37,378,411	1% - 1.75%	10 Years or less	According to financing conditions
Investment deposit (notice) at Jordan Islamic Bank	23,258,848	13,977,981	1% - 1.75%	10 Years or less	According to financing conditions
Investment deposit (inside Amman) at Safwa Islamic Bank	28,697,658	25,295,455	1% - 1.75%	10 Years or less	According to financing conditions
Investment deposit (outside Amman) at Safwa Islamic Bank	11,415,509	12,421,492	0.5% - 1%	10 Years or less	According to financing conditions
Investment deposit (inside Amman) at Alrajih Bank	4,383,885	5,135,133	1%	10 Years or less	According to financing conditions
Investment deposit (outside Amman) at Alrajih Bank	1,306,252	1,418,094	0.5%	10 Years or less	According to financing conditions
Investment deposit (Inhad Program) at International Islamic Arab Bank	304,202	400,352	1%	7 Years or less	According to financing conditions
Investment deposit (Inhad Program) at Jordan Islamic Bank	823,551	1,108,100	1%	7 Years or less	According to financing conditions
Investment deposit (Inhad Program) at Safwa Islamic Bank	140,743	208,878	1%	7 Years or less	According to financing conditions
Investment deposit (Qard Hasan) at the Islamic International Arab Bank	259,924	1,398,675	0%	Less than 5 Years	According to financing conditions
Investment deposit (Qard Hasan) at Jordan Islamic Bank	1,148,470	6,220,335	0%	Less than 5 Years	According to financing conditions
Investment deposit (Qard Hasan) at Safwa Islamic Bank	711,218	6,275,562	0%	Less than 5 Years	According to financing conditions
Investment deposit (Qard Hasan) at Alrajih Bank	-	71,839	0%	Less than 5 Years	According to financing conditions
Investment deposit (saving) (Qard Hasan) at Jordan Islamic Bank	-	29,520	0%	10 Years or less	According to financing conditions
Investment deposit (notice) (Qard Hasan) at Jordan Islamic Bank	815,925	1,651,605	0%	10 Years or less	According to financing conditions
Total	178,688,250	154,583,658			

The movement of investment deposits with Islamic banks balances according to their credit staging as follows:

Item	As of 31 December 2024			
	Stage 1	Stage 2	Stage 3	Total
	JD	JD	JD	JD
Beginning balance	154,583,658	-	-	154,583,658
Debit transitions during the year	92,139,472	-	-	92,139,472
Credit transitions during the year	(68,034,880)	-	-	(68,034,880)
Ending balance	178,688,250	-	-	178,688,250

Item	As of 31 December 2023			
	Stage 1	Stage 2	Stage 3	Total
	JD	JD	JD	JD
Beginning balance	148,105,770	-	-	148,105,770
Debit transitions during the year	77,769,694	-	-	77,769,694
Credit transitions during the year	(71,291,806)	-	-	(71,291,806)
Ending balance	154,583,658	-	-	154,583,658

- There are no exposures that have been modified, transferred or written-off during the years 2024 and 2023.

These advances are presented at their nominal value according to the Bank's application instructions No. (1203/2019).

No provision booked against expected credit losses on investment deposits with Islamic banks as of 31 December 2024 and 2023 as the Bank does not bear any credit risks resulting from the default of any of these banks clients, but rather it is charged to licensed Islamic banks in accordance with the agreements signed with them.

15- Local Financial Assets at Fair Value Through Other Comprehensive Income

This item consists of the Bank's contribution in local financial institutions as the following:

	31 December 2024 JD	31 December 2023 JD
Agricultural Credit Corporation	1,395,306	1,336,304
Cities and Villages Development Bank	3,644,232	3,743,380
Jordan Mortgage Refinance Company	2,700,000	2,700,000
	7,739,538	7,779,684

- The contributions in local financial institutions were measured at fair value and valuation reserve amounted to JD 5,089,538 as at 31 December 2024 (JD 5,129,684 as of 31 December 2023).

- The latest audited and issued financial statements were used to calculate the fair value of the contributions according to the Bank's contribution percentage method of net assets for each of the Agricultural Credit Corporation and Cities and

Villages Development Bank whereas the fair value has been calculated in accordance with the local share price as of 31 December 2024 for the Jordan Mortgage Refinance Company noting that the Bank does not have any control on these institutions.

16- Investment in associates

This item represents the bank's contribution to the capital of the following companies:

	<u>Nature of the activity</u>	<u>Country</u>	<u>Actual ownership %</u>	<u>31 December 2024</u> JD	<u>31 December 2023</u> JD
Jordanian Loan Guarantee Company	Developmental	Jordan	45.124%	19,411,530	18,631,837
Jordanian Payment and Clearing Systems Company	Developmental	Jordan	45%	10,673,144	8,710,483
Innovative startups & SME Fund	Developmental	Jordan	49%	21,370,923	21,694,006
				51,455,597	49,036,326

- These associate companies are not listed in any financial market except for the Jordanian Loan Guarantee Corporation.
- The most recent unaudited financial statements were relied upon as of 31 December 2024.

The movement in investments in associated companies is as follows:

	<u>31 December 2024</u> JD	<u>31 December 2023</u> JD
Beginning balance	49,036,326	-
Transferred from local financial assets at fair value through other comprehensive income	-	46,752,394
Other adjustment	(334,268)	-
The Bank's share of the results of the associates (note 31)	2,753,539	2,283,932
Ending Balance	51,455,597	49,036,326

Below is a summary of the financial statements of the associate companies:

	31 December 2024				31 December 2023			
	Jordanian Loan Guarantee	Payment and Clearing Systems	Innovative Startups & SME Fund	Total	Jordanian Loan Guarantee	Payment and Clearing Systems	Innovative Startups & SME Fund	Total
	JD	JD	JD	JD	JD	JD	JD	JD
Current assets	180,192,037	22,159,731	27,998,174	230,349,942	28,357,862	17,144,863	29,593,259	75,095,984
Non-current assets	587,466,251	3,969,910	28,332,132	619,768,293	711,505,629	4,716,910	24,064,629	740,287,168
Current liabilities	29,838,547	2,319,703	12,643,375	44,801,625	11,664,760	2,210,498	9,384,407	23,259,665
Non-current liabilities	694,801,713	91,839	72,803	694,966,355	686,908,587	294,645	-	687,203,232
Equity	<u>43,018,028</u>	<u>23,718,099</u>	<u>43,614,128</u>	<u>110,350,255</u>	<u>41,290,144</u>	<u>19,356,630</u>	<u>44,273,481</u>	<u>104,920,255</u>
Bank's ownership	45.124%	45%	49%		45.124%	45%	49%	
The Bank's share of equity	<u>19,411,530</u>	<u>10,673,144</u>	<u>21,370,923</u>	<u>51,455,597</u>	<u>18,631,837</u>	<u>8,710,483</u>	<u>21,694,006</u>	<u>49,036,326</u>
Revenues	49,136,306	12,943,153	1,713,129	63,792,588	6,925,107	11,104,344	1,760,314	19,789,765
Total expenses	(47,408,422)	(8,554,566)	(1,715,208)	(57,678,196)	(5,145,569)	(7,990,157)	(1,597,976)	(14,733,702)
Profit of the year	<u>1,727,884</u>	<u>4,388,587</u>	<u>(2,079)</u>	<u>6,114,392</u>	<u>1,779,538</u>	<u>3,114,187</u>	<u>162,338</u>	<u>5,056,063</u>
The Bank's share of the year's profit	<u>779,694</u>	<u>1,974,864</u>	<u>(1,019)</u>	<u>2,753,539</u>	<u>803,002</u>	<u>1,401,384</u>	<u>79,546</u>	<u>2,283,932</u>

17- Financing of Financial Securities Repurchase Agreements

According to articles No. (39) and (49) of the Central Bank of Jordan Law No. (23) for the year 1971 and its amendments, the Bank has the right to repurchase the balances of the governmental financial securities guaranteed from the Government, the repurchase agreements amounted to JD 90 million as of 31 December 2024 which mature on 2 January 2025, while the balance of repurchase agreements was JD 200 million as of 31 December 2023.

The Bank has not recorded any provisions on the repurchase agreements used by the Bank for the purpose of injecting liquidity since these agreements are considered fully guaranteed for the Bank. The sole owner of securities during the period of the contract is the Bank and has the right to dispose of them because of the transfer of ownership from Commercial Banks to Central Bank of Jordan.

The distribution of repurchase agreements balances according to their credit staging as follows:

Item	31 December 2024			
	Stage 1	Stage 2	Stage 3	Total
	JD	JD	JD	JD
Beginning balance	200,000,000	-	-	200,000,000
Debit transactions during the year	223,500,000	-	-	223,500,000
Credit transactions during the year	(333,500,000)	-	-	(333,500,000)
Ending balance	90,000,000	-	-	90,000,000

There are no exposures that have been modified, transferred or written-off during the years 2024 and 2023.

Item	31 December 2023			
	Stage 1	Stage 2	Stage 3	Total
	JD	JD	JD	JD
Beginning balance	525,000,000	-	-	525,000,000
Debit transactions during the year	1,086,500,000	-	-	1,086,500,000
Credit transactions during the year	(1,411,500,000)	-	-	(1,411,500,000)
Ending balance	200,000,000	-	-	200,000,000

18- Property, Equipment and Software – net

	Land	Buildings	Buildings improvements	Furnitur, fixtures and decorations	Vaults and safe boxes	Computer hardware	Machinery and equipment	Vehicles	Computer software	Projects under construction	Total
<u>2024</u>	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Cost											
Beginning balance	3,043,979	13,584,403	8,065,283	1,453,238	258,650	10,854,692	12,818,537	1,813,155	11,861,790	2,699,075	66,452,802
Additions	-	-	67,806	-	3,940	64,754	501,134	74,250	126,486	13,350,288	14,188,658
Disposals	-	-	-	(29,303)	(3,900)	(160,533)	(72,997)	(206,171)	-	-	(472,904)
Transferred from projects under construction	5,508,000	-	-	-	-	980,213	14,123	143,000	1,130,326	(7,775,662)	-
Ending Balance	8,551,979	13,584,403	8,133,089	1,423,935	258,690	11,739,126	13,260,797	1,824,234	13,118,602	8,273,701	80,168,556
Accumulated Depreciation											
Beginning balance	-	11,746,946	6,246,608	995,164	149,474	9,115,722	10,497,525	1,685,949	10,069,730	-	50,507,118
Additions	-	282,578	559,021	67,909	10,063	837,109	812,671	43,697	830,836	-	3,443,884
Disposals	-	-	-	(28,556)	(3,046)	(160,516)	(72,800)	(206,170)	-	-	(471,088)
Ending Balance	-	12,029,524	6,805,629	1,034,517	156,491	9,792,315	11,237,396	1,523,476	10,900,566	-	53,479,914
Net Book Value as of 31 December 2024	8,551,979	1,554,879	1,327,460	389,418	102,199	1,946,811	2,023,401	300,758	2,218,036	8,273,701	26,688,642
<u>2023</u>											
Cost											
Beginning balance	3,043,979	13,584,403	7,437,872	1,380,197	258,400	9,731,497	12,562,054	1,741,905	10,717,749	2,869,998	63,328,054
Additions	-	-	256,032	76,409	520	164,457	289,568	71,250	484,889	1,856,184	3,199,309
Disposals	-	-	-	(5,218)	(270)	(35,988)	(33,085)	-	-	-	(74,561)
Transferred from projects under construction	-	-	371,379	1,850	-	994,726	-	-	659,152	(2,027,107)	-
Ending Balance	3,043,979	13,584,403	8,065,283	1,453,238	258,650	10,854,692	12,818,537	1,813,155	11,861,790	2,699,075	66,452,802
Accumulated Depreciation											
Beginning balance	-	11,464,368	5,651,085	930,222	139,720	8,388,408	9,629,726	1,639,331	8,892,211	-	46,735,071
Additions	-	282,578	595,523	69,969	10,024	763,300	900,861	46,618	1,177,519	-	3,846,392
Disposals	-	-	-	(5,027)	(270)	(35,986)	(33,062)	-	-	-	(74,345)
Ending Balance	-	11,746,946	6,246,608	995,164	149,474	9,115,722	10,497,525	1,685,949	10,069,730	-	50,507,118
Net Book Value as of 31 December 2023	3,043,979	1,837,457	1,818,675	458,074	109,176	1,738,970	2,321,012	127,206	1,792,060	2,699,075	15,945,684

- The fully depreciated property and equipment amounted to JD 37,946,803 as of 31 December 2024 (JD 35,145,889 as of 31 December 2023).

19- Miscellaneous Other Assets - Jordanian Dinar

This item consists of the following:

	31 December 2024	31 December 2023
	JD	JD
Accrued interest/revenue receivable	6,636,387	3,952,162
Housing loans for employees *	32,239,900	29,146,812
Gold, silver and metal coins	11,641,806	9,301,480
Deferred expenses - printing of bank notes and metal coins – net **	-	6,952,805
Miscellaneous other assets	4,142,329	3,975,235
	54,660,422	53,328,494
Less: Expected credit losses provision	(322,399)	(291,468)
	54,338,023	53,037,026

* All balances of loan balances and housing finance granted to employees of Bank were classified within the first, second and third stages, there are no written-off balances during the years ended 31 December 2024 and 2023. The Bank has taken a provision on the total employees housing loans to meet any risks that may arise as a result of default or failure to pay their installments. The market value of the collateral against these loans is much higher than the carrying value plus first-degree property mortgage in favor of the bank, and a life insurance on the employees and an insurance on the property against earthquakes, fires and floods, and a written pledge of employees to pay the premiums and deducted directly from the salaries transferred to them. The movement of each balance of loans and housing financing granted to employees of the Bank are as follows.

The movement on housing loans and finance balances:

Item	As of 31 December 2024			
	Stage 1 JD	Stage 2 JD	Stage 3 JD	Total JD
Beginning balance	26,909,857	585,016	1,651,939	29,146,812
Debit transactions during the year	8,628,456	341,371	788,686	9,758,513
Credit transactions during the year	(5,893,554)	(233,169)	(538,702)	(6,665,425)
Ending Balance	29,644,759	693,218	1,901,923	32,239,900

Item	As of 31 December 2023			
	Stage 1 JD	Stage 2 JD	Stage 3 JD	Total JD
Beginning balance	24,845,959	517,588	1,443,790	26,807,337
Debit transactions during the year	8,116,548	265,171	818,572	9,200,291
Credit transactions during the year	(6,052,650)	(197,743)	(610,423)	(6,860,816)
Ending Balance	26,909,857	585,016	1,651,939	29,146,812

The movement on expected credit losses provision for housing loans and finance balances:

Item	For the Year Ended 31 December 2024			
	Stage 1	Stage 2	Stage 3	Total
	JD	JD	JD	JD
Beginning balance	269,097	5,851	16,520	291,468
Increase in credit loss during the year	86,285	3,414	7,887	97,586
Recovered from credit loss during the year	(58,936)	(2,332)	(5,387)	(66,655)
Ending Balance	296,446	6,933	19,020	322,399

Item	For the Year Ended 31 December 2023			
	Stage 1	Stage 2	Stage 3	Total
	JD	JD	JD	JD
Beginning balance	248,459	5,176	14,438	268,073
Increase in credit losses during the year	81,165	2,652	8,186	92,003
Recovered from credit loss during the year	(60,527)	(1,977)	(6,104)	(68,608)
Ending Balance	269,097	5,851	16,520	291,468

** Deferred expenses relating to the printing of bank notes and metal coins are stated at net value after the deduction of accumulated amortization.

20- Currency Issued

- This item represents the currency issued by the Central Bank of Jordan and in circulation outside the Bank's treasury, representing a liability on the Bank.
- According to Article (31), of the Central Bank Law No. (23) of 1971 and its amendments, bank shall maintain assets the value of which at any time shall not be less than the value of the notes and coins in circulation. Such assets shall consist of all or any of the following:
 - a) Gold and gold coins in any form;
 - b) The Kingdom's contribution to any regional or international financial institution paid in gold or convertible foreign currencies;
 - c) The Kingdom's holdings in special drawing rights.
 - d) Convertible foreign currencies in the form of cash, demand or time deposits, certificates of deposit, or bank acceptances provided that their maturities do not exceed two years.
 - e) Financial papers issued or guaranteed by a foreign government or any of its official institutions, or by an international financial institution, made in a convertible currency.
 - f) Any foreign currency assets including credit balances in favour of the Kingdom under payments and setoff agreements.
 - g) Negotiable government securities.

- After the elapse of the grace period specified by the Council of Ministers for the replacement of the cancelled currency, the value of the bank notes and coins not replaced is credited to the treasury account at the Bank. If the Bank notes and coins are presented afterwards, the Bank pays them and charges their value to the treasury account. The Council of Ministers has the right to determine the period it deems appropriate in order to stop the payment of those notes and coins based on a recommendation by the Central Bank of Jordan.

21- Obligations Against Special Drawing Rights

	31 December 2024	31 December 2023
	JD	JD
Bank obligations Against Special Drawing Rights	149,855,372	154,168,882

- This item represents the Bank's liability in connection with Jordan's share of the special drawing rights allocations at the International Monetary Fund of SDRs 162,070,636 as of 31 December 2024 (SDRs 162,070,636 as of 31 December 2023). According to the average exchange rate of the Jordanian Dinar against SDRs, this liability amounted to JD 149,855,372 of 31 December 2024 (JD 154,168,882 as of 31 December 2023). This amount is a long-term liability to be repaid by the Government in the future upon request.

- The decrease in the value of this item as of 31 December 2024 is the result of the decrease in the (SDR) exchange rate against the Jordanian dinar, which resulted in the addition of valuation loss amounting to JD 4,313,510.
- The last distribution of the general allocation of SDR units was in 2021, when Jordan's share of this allocation amounted to SDRs 328,845,919, bringing the total allocated to Jordan to SDRs 490,916,555, and according to an agreement signed between the Central Bank of Jordan and the Ministry of Finance, the allocations for the year 2021 were transferred amounting to SDRs 328,845,919 to the Ministry of Finance's account during the second quarter of 2022, bringing the balance of Special Drawing Rights allocations to SDRs 162,070,636 for the years 2024 and 2023.

22- Certificates of Deposits

The Bank issued certificates of deposit during the year 2024, with the value of the auctions ranging from JD 550,000,000 and JD 800,000,000. Accordingly, the outstanding balance of certificates of deposit amounted JD 550,000,000 as of 31 December 2024 maturing on 7 January 2025. The Bank has gradually decreased the interest rate on these certificates during the year from 7.500% to 6.500% at the end of the year, while the outstanding balance of certificates of deposit as of 31 December 2023 amounted to JD 800,000,000.

23- Government Deposits and Foreign financial institution, Banks and agencies deposits

A- Government deposits

- Local: This item represents government accounts within the budget, including accounts that receive interest either 50% or 100% of the overnight deposit window interest rate, which ranged during the year from 6.25% to 7.25% with regard to balances in Jordanian Dinars.

- Foreign: This item represents government accounts within the budget or in independent budgets and public institutions in foreign currencies and their balances are not due within a specified period, some of which receive interest as follows:

- Great British Pound at a rate of 3.25% to 5.13%

- US dollar at a rate of 3.25% to 5.38%

- Euro at a rate of 2.15% to 3.69%

B- Deposits of foreign financial institution, banks, and agencies in foreign currency.

The details of deposits and call accounts in total according to their maturity dates is as follows:

	Matures within 3 months <u>JD</u>	Matures from 3 months to 6 months <u>JD</u>	Matures from 6 months to a year <u>JD</u>	Without maturity <u>JD</u>	<u>Total JD</u>
Deposits of foreign financial institution, banks and agencies as at 31 December 2024	125,506,276	70,900,000	354,500,000	1,078,783	551,985,059
Deposits of foreign financial institution, Banks and agencies as at 31 December 2023	127,553,000	324,958,333	354,500,000	1,686,208	808,697,541

- The interest rates for US dollar currency on deposit balances during the year 2024 ranged from 4.31% to 5.60% according to the maturity dates, while the interest rates for the US dollar currency on deposit balances during the year 2023 ranged from 3.35% to 5.60% according to the maturity dates.

C- Deposits of foreign financial institution, banks and agencies in the local currency:

This item represents current accounts with the Bank that are not subject to interest and have no maturity within a specified period.

24- International Monetary Fund Accounts

	<u>31 December 2024 JD</u>	<u>31 December 2023 JD</u>
International Monetary Fund Account No. (1) *	121,025,473	159,193,018
International Monetary Fund Account No. (2) **	189,717	274,401
	<u>121,215,190</u>	<u>159,467,419</u>

This item represents the International Monetary Fund's accounts that relate to the Fund's holding of Jordanian dinars with the Central Bank of Jordan, which are used in the Fund's transactions that include collecting quota payments and purchase and repurchase agreements.

* International Monetary Fund Account No. (1) includes the balance of the Extended Credit Loan (EFF) of the Central Bank of Jordan and the minimum share of the Hashemite Kingdom of Jordan from the Fund's allocations to the Bank.

- The balance of the EFF amounted to SDR 128,662,501 as of 31 December 2024 (SDR 165,831,667 as of 31 December 2023), equivalent to JD 120,223,980 as of 31 December 2024 (JD 158,373,843 as of 31 December 2023).
- The balance of the Kingdom's minimum share of the Fund's allocations at the Bank amounted to SDR 857,750 as of 31 December 2024 (SDR 857,750 as of 31 December 2023), equivalent to JD 801,493 as of 31 December 2024 (JD 819,175 as of 31 December 2023).
- Most of the balances in this account have a fixed maturity within a specific period and receive interest as shown in the table below.

** International Monetary Fund Account No. (2) is used for transactions related to administrative expenses to the Fund, and it amounted to JD 189,717 as of 31 December 2024 (JD 274,401 as of 31 December 2023). This decrease is due to transfers intended to cover expenses at the request of the fund. This account is not subject to interest and has no maturity within a specific period.

The below table represents the maturities of the International Monetary Fund's accounts as of 31 December:

	Matures within 3 months	Matures from 3 months to 6 months	Matures from 6 months to a year	More than a year to 3 years	More than 3 years	Without maturity	Total
	JD	JD	JD	JD	JD	JD	JD
2024							
IMF Account No. (1)	4,007,467	13,358,220	17,365,685	57,440,344	28,052,264	801,493	121,025,473
IMF Account No. (2)	-	-	-	-	-	189,717	189,717
2023							
IMF Account No. (1)	4,095,875	13,652,917	17,748,792	94,205,129	28,671,130	819,175	159,193,018
IMF Account No. (2)	-	-	-	-	-	274,401	274,401

- The interest rates for the SDR currency on the EFF loan during the year 2024 ranged from 3.76% to 5.14% according to the maturity dates, while the interest rates for the SDR currency on the EFF loan during the year 2023 from 3.92% to 5.20%, according to the maturity dates.

25- Other Liabilities in Jordanian Currency

This item consists of the following:

	<u>31 December 2024</u>	<u>31 December 2023</u>
	JD	JD
Accrued and unpaid interest	5,095,232	5,201,039
Cash margins on letters of credit	6,215,296	10,131,090
Jordanian treasury deposits	50,000,000	-
Other deposit accounts	108,321,541	69,674,982
Miscellaneous other liabilities	25,648	6,026
	169,657,717	85,013,137

26- Gold and Foreign Currencies Valuation Differences

This item consists of the following:

	31 December 2024 JD	31 December 2023 JD
Beginning balance of gold and foreign currencies valuation differences	401,455,404	77,366,221
Gain from valuation of gold and foreign currencies transferred according to the Central Bank's Law *	670,721,667	324,089,183
Ending Balance of Gold and Foreign Currencies Valuation Differences	1,072,177,071	401,455,404

* According to Article (56/a) of the Bank's Law No.(23) for the Year 1971 and its amendments and the amended law No (24) 2016, any gain or loss raised from the revaluation of the Bank's gold or foreign currencies (assets and liabilities) are excluded from the profit and loss account and are recorded to a special account, as a result of a change in the equivalent price in any foreign currency. The differences in the valuation of gold and foreign currencies as of year-end are transferred to gold and foreign currencies valuation differences account as follows:

	31 December 2024 JD	31 December 2023 JD
(Debit) credit differences resulting from valuation of Bank's contributions in the international and regional financial institutions in foreign currencies (a)	(3,909,190)	166,707
Credit differences resulting from the valuation of Bank's assets and liabilities in foreign currencies (a)	1,929,205	502,660
Credit differences resulted from valuation of SDR currency related to (IMF/EFF) loan (a)	3,299,367	7,180
Debit differences resulted from valuation of foreign trade systems in foreign currencies (a)	(107,119)	(91,239)
Credit differences resulting from gold valuation (b)	667,343,858	322,580,604
Credit differences resulted from gold coins valuation (b)	2,165,546	923,271
Total Valuation Differences of Gold and Foreign Currencies During the Year	670,721,667	324,089,183

a. The movement on the foreign currencies' valuation is as follows:

	31 December 2024 JD	31 December 2023 JD
Balance of the valuation differences of foreign currencies at the beginning of the year	(372,095,949)	(372,681,257)
(Debit) credit differences resulting from valuation of Bank's contributions in the international and regional financial institutions in foreign currencies	(3,909,190)	166,707
Credit differences resulting from the valuation of Bank's assets and liabilities in foreign currencies	1,929,205	502,660
Credit differences resulted from valuation of SDR currency related to (IMF/EFF) loan	3,299,367	7,180
Debit differences resulted from valuation of foreign trade systems foreign currencies	(107,119)	(91,239)
Balance of the valuation differences of foreign currencies at the end of the year	(370,883,686)	(372,095,949)

b. The movement on the gold valuation is as follows:

	31 December 2024	31 December 2023
	JD	JD
Balance of the valuation differences of gold at the beginning of the year	773,551,353	450,047,478
Credit gold valuation difference	667,343,858	322,580,604
Credit gold coins valuation difference *	2,165,546	923,271
Balance of the valuation differences of gold at the end of the year	1,443,060,757	773,551,353

* The valuation of the memorial gold coins which appear in other assets in Jordanian Dinar- note (19) and is conducted according to the bank valuation bulletin as of the last business day, which is prepared according to the latest prices in the market.

27- General Reserve

This item consist of the following:

	31 December 2024	31 December 2023
	JD	JD
Balance of the general reserve at the beginning of the year	67,090,230	49,090,230
Transferred from current year profit according to the Bank's law for general reserve *	18,800,000	18,000,000
Balance of the General Reserve at the end of the year	85,890,230	67,090,230

* According to the Central Bank of Jordan law No. (9/a) which states that the Central Bank shall maintain a general reserve at 20% of its net profit in each fiscal year, according to the provisions of Article (9/c) the net profits of the Bank decides, after deducting all payments and administrative expenses and contributions to private provident fund staff of Bank and its users, and any special provisions for other unexpected expenses or to meet any shortage of Bank assets, accordingly the annual Bank's profits was distributed according to the following:

- Transfer 20% from the Bank's net profits to the general reserve account.
- Transfer 80% from the Bank's net profits to the government (general treasury account).

28- Reserve of Financial Assets Valuation at Fair Value through Other Comprehensive Income

This item consists of the following:

	31 December 2024 JD	31 December 2023 JD
Special reserves balance for valuation of the financial assets at the beginning of the year	183,584,921	184,621,280
Other adjustments	-	(2,459,787)
Gains from valuation of the contributions in the regional and foreign financial institutions	12,504,289	1,001,097
(Losses) gains from valuation of the contributions in the local financial institutions	(40,145)	422,331
Special reserves balance for valuation of the financial assets at the end of the year	196,049,065	183,584,921

29- Special Reserves

This item consists of the following:

	31 December 2024 JD	31 December 2023 JD
Special reserves beginning balance	305,741,693	261,571,832
Other adjustments	(334,268)	7,772,680
Transferred from the profits of investment in associates	2,753,539	2,283,932
Transferred from gain per bank's law against shortage in bank's assets	98,080,965	34,113,249
Special reserves ending balance	406,241,929	305,741,693

30- Revenue from Foreign Investments

This item consists of the following:

	31 December 2024 JD	31 December 2023 JD
Interest received on time deposits, current and notice accounts with correspondents	373,564,760	337,191,642
Interest on foreign bonds	91,800,795	68,558,343
Capital gain from fair value through P&L portfolio	1,644,380	916,552
Income from dealing with gold	173,443,365	88,244,435
Revenue from option contracts	5,818,054	5,499,004
Gains on foreign currency trading	460,958	472,030
Income on commercial papers	4,302,245	4,192,234
	651,034,557	505,074,240

31- Revenue from Local Investments

This item consists of the following:

	31 December 2024	31 December 2023
	JD	JD
Interest on advances granted to specialized credit institutions and licensed banks	11,142,863	9,998,595
Income from swap contracts	2,679,967	2,265,884
Income from forward contracts	2,650,530	2,266,174
Interest on Jordanian treasury bonds and bills	7,573,279	8,692,436
Interest on public institutions' bonds	238,741	51,302
Revenue against risk on investment contracts with Islamic banks	108,212	166,184
Revenues from investment agreements with Islamic banks	1,104,705	1,238,812
Income from contribution in local institutions	270,000	337,500
The Bank's share of the results of the associates (note 16)	2,753,539	2,283,932
Income from repurchase of financial securities	99,788	3,952,257
	28,621,624	31,253,076

32- Miscellaneous Other Revenues

This item consists of the following:

	31 December 2024	31 December 2023
	JD	JD
Annual fees, and licensing fees paid by banks, financial corporations and representative offices	5,233,146	5,137,360
Annual money exchange companies licensing and flat fees	996,250	1,057,876
Supervisory and control fees on insurance companies	3,059,209	2,896,855
Income from sale of available for sale issuances	128,496	95,372
Net interest on housing loans	(25,298)	(18,500)
Expense commissions collected from customers	79,886	75,933
Revenue from the finance of housing	587,535	579,099
Other revenue	499,279	919,476
	10,558,503	10,743,471

33- Interest Paid on Certificates of Deposits and Licensed Banks' Overnight Window Deposits

This item consists of the following:

	31 December 2024	31 December 2023
	JD	JD
Interest paid on certificates of deposits	55,845,205	52,654,795
Interest paid on overnight deposits	285,231,788	223,223,236
	341,076,993	275,878,031

34- Other Interest, Commissions and Other Expenses

This item consists of the following:

	31 December 2024	31 December 2023
	JD	JD
IMF accounts expenses	12,294,605	13,914,798
Commissions and expenses for managing the Bank's accounts with correspondents	2,163,118	1,907,759
Government transfers expenses	7,673	12,019
Other paid commissions and expenses	1,001	1,380
Interest paid on other accounts	2,906,277	2,637,692
	17,372,674	18,473,648

35- General and Administrative Expenses

This item consists of the following:

	31 December 2024 JD	31 December 2023 JD
Salaries, Bonuses, Wages and Allowances:		
Salaries, bonuses, wages and allowances	23,276,414	18,754,917
Overtime	1,478,213	1,292,218
	24,754,627	20,047,135
Travel, Training and Educational Expenses:		
Travel expenses and allowances	615,626	640,748
Training and educational expenses	1,466,970	832,323
	2,082,596	1,473,071
Other Employees' Benefits:		
Employees insurance premiums	268,369	150,283
Medical treatment expenses	6,172,813	5,919,423
Customer service and employees' uniforms	24,337	29,293
Social activities expenses	831,800	589,150
Canteen expenses	8,400	8,400
	7,305,719	6,696,549
Contribution to Employees Saving Fund, Social Security and Staff End of Service Rewards:		
Bank's contribution to employees saving fund	1,606,673	1,356,765
Bank's social security contribution	2,145,359	2,011,535
Staff end-of-service rewards, benefits and leave payments	13,370,433	5,226,406
	17,122,465	8,594,706
Stationery and supplies:		
Stationery, supplies and printings	97,607	115,283
Books and subscriptions in newspapers and magazines	141,952	271,552
Subscriptions in scientific and intellectual Institutions	129,581	130,881
	369,140	517,716
Institute of Banking Studies Expenses	328,376	278,199
Anti-Money Laundry and Counter Terrorist Financing Unit Expenses	1,550,000	1,250,000
Telecommunication Expenses:		
Postage and telephone	114,359	95,848
Subscriptions to reuter's agency, SWIFT and internet services	840,364	890,614
Payment system expenses	245,411	240,508
	1,200,134	1,226,970
Aqaba and Irbid Branches Expenses	988,141	1,002,602
Maintenance and Repair Banks assets:		
Fuel and vehicles maintenance	97,885	97,446
Furniture, equipment, and computer maintenance	1,665,513	1,651,373
	1,763,398	1,748,819
Buildings expenses		
Electricity, water and fuel	992,494	1,005,702
Security, maintenance and cleaning of the Bank's buildings	734,287	659,539
Rent and rented buildings expenses	130,981	232,218
Insurance of buildings and bank's assets	127,842	180,673
	1,985,604	2,078,132
Depreciation of property and equipment	3,443,884	3,846,392
Other Expenses	3,521,297	3,938,553
Total	66,415,381	52,698,844

36- Expected Credit Losses

This item consists of the following:

	31 December 2024	31 December 2023
	JD	JD
Provision of expected credit losses on gold	6,869	31,211
Recovered from provision of expected credit losses on deposits and bank balances	(615,061)	(757,239)
Recovered from provision of expected credit losses on foreign financial securities at amortized cost	(117,793)	(168,388)
Recovered from provision of expected credit losses on financial securities and others	(108,544)	(12,645)
Provision of expected credit losses on advances granted to banks and financial institutions	1,212,917	1,404,996
Provision of expected credit losses on miscellaneous other assets in Jordanian Dinar	30,931	23,395
	409,319	521,330

37- Bank Deposits/ Required Cash Reserves

Deposits by banks in foreign currencies and Jordanian Dinar stated under liabilities in the statement of financial position as of 31 December 2024 include required cash reserves as follows:

	31 December 2024	31 December 2023
	JD	JD
Jordanian Dinar	1,589,252,603	1,507,478,195
Foreign currencies	550,674,041	522,374,906
Total required cash reserves	2,139,926,644	2,029,853,101

38- Cash and Cash Equivalent

The details of cash and cash equivalents as of 31 December 2024 and 2023 are as follows:

	31 December 2024	31 December 2023
	JD	JD
Cash at the bank and current account balances with external banks	1,097,845,247	1,336,026,054
Add:		
Balances with banks and banking institutions mature within three months	5,880,603,291	4,692,446,090
Securities repurchase agreements mature within three months	90,000,000	200,000,000
Deduct:		
Deposits of banks and foreign banking institutions mature within three months	(126,585,059)	(129,239,208)
Certificates of deposit mature within three months	(550,000,000)	(800,000,000)
	6,391,863,479	5,299,232,936

39- Financial Instruments Derivatives

- Financial derivatives represent forward and swap contracts, and it is represented as follows:
 - a) Forward contracts represent contracts made by the bank with licensed banks in order to purchase Dinar in exchange of selling USD on exchange date to support the trust of Jordan domestic market in Jordanian Dinar, the balance of forward contracts is JD 482,490,500 as at 31 December 2024 for nine contracts. The fair value of the assets and liabilities of forward contracts are zero as at 31 December 2024.
 - b) There are swap contracts in foreign currencies (US Dollar against Jordanian Dinar) at the Bank shown off the statement of financial position totalling JD 108,141,717 as at 31 December 2024. They are represented by two contracts with licensed bank in Jordan amounted to of JD 69,945,987 against the banks' capital and the related reserves, and four contracts with international financial institution for the amount of JD 38,195,730 against the facilities granted by it for the licensed banks within the agreement of supporting small and medium projects and for local institutions outside the small and medium projects. The fair value of the assets and liabilities of these swap of barter contracts are JD 77,608 and JD 2,037, respectively, as of 31 December 2024.

40- Risk Management

The Central Bank of Jordan adopts a general framework for managing the overall risks it may be exposed to, which includes financial risks (credit risks, market risks, and liquidity risks) and non-financial risks (strategic risks, operational risks, and reputational risks), where policies, instructions and methodologies emerge from it to manage various types of risks and reduce them to an acceptable level of (Risk Appetite), which is in line with the strategic objectives of the Bank.

Management of risks at the Bank is congruent with the volume of its activities, the variety of its operations, as follows:

- The Bank Law and its approved policies on credit granting and related collaterals.
- The Board of Directors assumes several responsibilities, the most important of which is supervising the implementation of the general framework for the management risk in the Central Bank of Jordan and approving the policies and strategies that emerge from it.
- Risk management and compliance committees (which emerged from the Bank's Board of Directors and the executive committee) and in cooperation with the various relevant committees (audit committee, investment committee and credit and financing facilities committee).
- The bank's regulatory departments own the risks, such as the Investment and Foreign Operations Department and the Open Market and Public Debt Operations Department, which are responsible for managing the risks resulting from their work in accordance with the general framework for overall risk management at the bank and in coordination and cooperation with the Risk Management and Compliance Department.
- The Risk Management and Compliance Department and the Information Security and Cybersecurity Department are responsible for setting the general framework for risk management and monitoring compliance with the policies, methodologies and procedures emerging from it.
- The internal audit department responsible for evaluating the effectiveness of risk management processes and contributing to their improvement through its assurance and advisory activities.

a. Credit Risk and Application Methodology for IFRS (9)**- Open market operations and loans granting:**

The credit facilities offered by the Bank are characterized with low risks. This is due to the creditworthiness of customers such as the government, banks, and specialized credit institutions. Moreover, the coverage rate of the offered credit facilities in addition to the nature of these low-risk guarantees leads to limit the exposure to credit risk.

Credit risk consists of two parts: default risk and credit rating degrading risk.

- Default Risk:

- Setting up a minimum credit rate for the correspondent banks with which the Bank deals with in the field of the employment of funds based on their total assets, capital, and capital adequacy ratio.
- Establishing a minimum credit rate for issuances subscribed to or invested in.

- Credit Rating Degrading Risk:

- Following up on the conditions of correspondent banks and publications of international credit rating agencies periodically and regularly.
- Implementing conservative measures for concern of degradation of credit rating through reducing the deposits at these banks:
- The bank applies International Financial Reporting Standard No. (9) regarding the recognition of expected credit losses.
- The expected credit losses (ECL) for each of the expected credit losses for the entire lifetime of the credit exposure and expected credit losses by probability of default of credit exposure shall be calculated within 12 months either on an individual basis or on a portfolio basis of the financial instruments based on the nature of financial instruments in the portfolio.
 - All the Bank's debt instruments that carry credit risks shall be subject to the measurement of expected credit loss except for the following:
 - Financials instruments at fair value through profit or loss (FVTPL). This portfolio includes debt instruments (bonds) and equity instruments (shares) which shall be measured at fair value. Moreover, the change in fair value shall be recorded in the statement of profit and loss and these instruments have to be traded in the short term. The debt instruments in this portfolio shall not be subject to the calculation of the ECL.
 - Financial instruments at fair value through other comprehensive income (FVOCI). This portfolio includes debt instruments (bonds) and equity instruments (shares) which shall be measured at fair value. Furthermore, subsequent changes in fair value have to be recorded in the statement of other comprehensive income (under conditions). Debt instruments within this portfolio, although measured at fair value, are also subject to the calculation of ECL.

Accordingly, the Bank has developed a policy to conduct an assessment at the end of each financial period in case of an increase in credit risk of the financial instrument at the date of initial recognition taking into consideration the change in the risk of default over the remaining life of the financial instrument. Therefore, the Bank has implemented a policy showing how the assessment procedures are applied on an individual basis of the financial instrument or on a portfolio basis through the distribution of credit requirements into (3) stages or levels according to the degree of risk presented therein as follows:

- Stage (1): which includes debt instruments of low risk and high repayment ability that lack indicators showing that changes in the macroeconomy will negatively affect the probability of collection as reflected by the credit rating of the instrument, in addition to future forecasts both at the level of instrument or economy. Moreover, this stage is characterized, according to the standard, that it calculates the probability of default (PD) for the next 12 months as of the date of each financial statement.
- Stage (2): which includes high risk debt instruments or those instruments that have a significant increase in their credit risk since their initial recognition. (This means that they have become below the investment grade in the absolute term or that they have a decrease in their risk by two degrees on the credit risk scale (in the relative term)). Furthermore, PD is calculated here for the entire lifetime of the asset and not for the next 12 months as in case of the first stage.
- Stage (3): which includes debt instruments that have objective evidence of an actual impairment (default) and it has become almost certain to have a loss in the credit or great part of it.

Calculation of ECL:

Identification of provisions for impairment of financial assets requires issuance of terms and inferences by the management of the Bank in order to estimate future cash flows, along with their maturity dates, in addition to estimating any fundamental increase in the credit risk of financial assets after being initially recognized. Moreover, information on future measurement of ECL shall be considered as well.

The Bank shall measure loss provisions by an amount equals to the ECL over the lifetime of financial assets except for the following, where the ECL are measured for 12 months:-

- Gold deposits within gold accounts.
- US dollar term deposits within cash balances and deposits accounts.
- Securities in foreign currency within accounts of foreign securities at amortized cost.

The Bank has recognized expected credit losses on each of the following financial assets:

- Gold deposits within gold accounts.
- Foreign securities at amortized cost (in foreign currency).
- Term deposits (in foreign currency).
- Off-balance sheet indirect facilities (in foreign currency), which includes letters of credit, swap and forward contracts.
- Financial securities and others (in Jordanian Dinar) which includes Jordanian treasury bonds, public institution bonds, individual saving bonds, bonds issued under extraordinary advances to the government, the reserve segment, and Jordan Mortgage Refinance Company's bond.
- Credit granted to banks and local financial institutions (in Jordanian Dinar) which includes advances granted to commercial and islamic banks, and the advance of Petra Bank, other banks and financial institutions under liquidation.
- Repurchase agreements (REPOs) (in Jordanian Dinar).
- Other assets in local currency (housing loans in Jordanian Dinar).

The following table sets out the provision for expected credit losses according to its classification stages as at 31 December 2024:

Item	Stage (1)	Stage (2)	Stage (3)	Total
	JD	JD	JD	JD
Gold deposits	55,343	-	-	55,343
Cash, balances, and deposits	1,102,367	-	-	1,102,367
Foreign financial securities at amortized cost	348,208	-	-	348,208
Financial securities and others	136,660	-	-	136,660
Advances granted to local banks and financial institutions	7,065,207	-	226,093,961	233,159,168
Miscellaneous other assets in Jordanian Dinar	296,446	6,933	19,020	322,399
Total	9,004,231	6,933	226,112,981	235,124,145

The following table sets out the provision for ECL according to its classification stages for the financial year as of 31 December 2023:

Item	Stage (1)	Stage (2)	Stage (3)	Total
	JD	JD	JD	JD
Gold deposits	38,365	-	-	38,365
Cash, balances, and deposits	1,717,428	-	-	1,717,428
Foreign financial securities at amortized cost	466,001	-	-	466,001
Financial securities and others	245,204	-	-	245,204
Advances granted to local banks and financial institutions	5,852,290	-	226,093,961	231,946,251
Miscellaneous other assets in Jordanian Dinar	269,097	5,851	16,520	291,468
Total	8,588,385	5,851	226,110,481	234,704,717

The Bank's Internal Credit Rating System and its Working Mechanism

In order to measure the degree of risk pertaining to any credit exposure, the Bank has adopted methods and strategies globally recognized. Three levels of risk were used as follows:

Level/ stage	Credit rating score	Customer grade	Average ratio of PD	Level of credit quality
First	Aaa-Baa	1-4	0.8%	High credit quality with a credit risk score from significantly low to low
Second	Ba-Caa	5-7	42%	Moderate credit quality with a moderate credit risk score
Third	Ca-C	8-10	100%	Significantly low credit quality with a very high credit risk score

The Mechanism Adopted to Calculate the ECL on Each item of Financial Instruments Separately.

The definition and mechanism of calculation and monitor of probability of default (PD), exposure at default (EAD), and loss given default (LGD) are explained below:

- **Probability of Default (PD):** It is the percentage of probability of losses or default to pay installments or obligations to the Bank in their due dates. In measuring the degree of risk associated with any credit exposure, the bank relied on globally recognized methods and methodologies, by subscribing to Moody's to obtain the values of the probability of default variable (PD) used in the ECL where it has identified three levels of risk.
- **Loss Given Default (LGD):** It is the percentage representing that part of the exposure which will be lost in the event of default.
- Expected Credit Losses are a probability-weighted estimate of credit losses. In this regard, the Bank has measured ECL on financial instruments based on many economic indicators relating to the financial instrument. For instance, when it comes to secured debt instruments for which collaterals are available, the recovery rate at default is calculated; this includes some collaterals provided against some advances granted to the Islamic banks customers. As for unsecured debt instruments for which collaterals are not available, the LGD is considered to be (45%) of senior claims, and (75%) of subordinate claims.
- ECL for financial instruments issued by the Jordanian government are considered to be zero, and therefore the provisions allocated will be zero as well. Accordingly, LGD for the following assets has been used as follows:
 - Foreign currency deposits: LGD is considered to be (45%) based on the following indicators:
 - Historically, the Bank has not faced any case of default of its deposits with its foreign correspondents.
 - Deposits are held with high rating correspondent banks; each of which is given a ceiling on the deposits it holds based on many factors.
 - Such deposits are not renewed automatically; rather, all deposits will be transferred and then re-held.
 - Bonds at amortized cost: LGD is (45%) as it is considered one of the senior claims in case of repayment of debts at default.
 - Jordan Mortgage Refinance Company's bond: LGD is (45%) as it is considered one of the senior claims in case of repayment of debts at default.
 - Advances granted to Islamic banks. These are divided into two types:
 - Advances granted against collaterals by the Jordan Loan Guarantee Corporation (JLGC) at different ratios of the advance value is considered as the recovery rate for these advances and the LGD is thereby calculated based on (1 - recovery rate).
 - Advances granted with no collaterals by the JLGC; instead, real estate collaterals or personal guarantees are provided. (LGD) is (45%) as it is considered one of the senior claims in case of repayment of debts at default.

- **Exposure at Default EAD:**

IFRS 9 requires an examination of the pattern of amounts provided to debtors as well as an identification of the amount employed at time of default (whether in a form of facilities, or direct or indirect loans). However, most of the components of the Bank portfolio are bonds, and debts instruments, along with their amounts which can be determined from the outstanding balance.

- **Governance of the adoption of the IFRS 9 which includes responsibilities of the Board of Directors and executive management to ensure commitment to the IFRS 9 application requirements.**

Finance Department:

- Participating with the Bank's departments in the development and construction of a business model which includes the classification of financial assets of the Bank according to the principles of IFRS 9.
- Ensuring that reconciliation and accounting entries are prepared after approving results and verifying that all products have been subjected to the calculation.
- Participating with the Bank's departments in the preparation of a clear framework for the calculation of ECL and classification of financial instruments into three stages in accordance with the IFRS 9 application requirements.
- Preparing necessary disclosures in cooperation with the related departments in the Bank and in line with the Bank law and IFRS 9 application requirements.
- Preparing the required statements from the Bank.

Internal Audit Department:

- Examining, evaluating, and improving the efficiency and adequacy of internal control, risk management, and corporate governance systems in the Bank.
- Reviewing credibility and reliability of financial information and the extent to which they can be relied on.
- Reviewing work systems and procedures to check their compatibility and correspondance with the laws, regulations, instructions, policies, methodologies, and plans, in addition to determining their adequacy and degree of commitment thereon.
- Evaluating available resources to ensure optimal utilization.
- Providing advice and making recommendations related to the development and update of work systems and procedures applied in the Bank, so as to raise their efficiency and effectiveness.

Risk and Compliance Management Department:

- Developing and implementing the Enterprise Risk Management Framework which includes mechanisms for determining, assessing, controlling, and monitoring risks on an ongoing basis.

Information Security and Cybersecurity Department

- Developing related policies to maintain and protect information security in such a way as to ensure sustainability in meeting the Bank's objectives efficiently and effectively.

Audit Committee

This Committee provides necessary recommendations and suggestions in order to help the Board of Directors perform its duties and supervisory role with regards to the following:

- Internal control system.
- Performance, independence, and effectiveness of the internal audit.
- Reliability of financial data and the mechanism for the preparation and presentation of financial statements.
- The Bank's compliance with laws, regulations, legislation, and codes of conduct.
- Reviewing financial data after the adoption of the standard; particularly, in order to verify the adequacy of provisions before being presented to the Board of Directors.
- Reviewing observations indicated in the Bank's report as well as the external auditor's report, in addition to following up procedures taken thereon.
- Following up accounting issues which have a fundamental impact on the financial data of the Bank and ensure the accuracy and soundness of accounting and supervisory procedures, and the degree of abidance thereon.

Risk Management and Compliance Committee

This Committee provides necessary recommendations and suggestions that contribute to enable the Board of Directors perform its supervisory role pertaining to the application of the general framework for management risk. The key tasks of the Committee are as follows:

- Reviewing the Enterprise Risk Management (ERM) framework document and submitting recommendations and proposals thereon to the Board of Directors every three years and as needed.
- Reviewing the policies, strategies, and methodologies derived from the framework and the Risk Appetite Document and submitting recommendations to the Bank's Board of Directors.
- Reviewing and monitoring reports submitted by the Risk Management and Compliance Department on control indicators for the risk appetite.
- Reviewing and monitoring the summary of the results of the Risk and Control Self-Assessment (RCSA).
- Reviewing and monitoring reports related to the implementation of policies issued by the Risk Management and Compliance Department and reviewing the periodic reports submitted to the Committee through the Risk Management and Compliance Department.
- Submitting the Committee's recommendations to the Board of Directors.
- Reviewing reports related to the security situation of the Central Bank's environment on a regular basis and submitting appropriate recommendations and proposals thereon to the Board of Directors.

1- Exposure to Credit Risk:

The following are the details of on-statement of financial position and off-statement of financial position items subject to credit risk as of 31 December 2024 and 2023:

	31 December 2024	31 December 2023
	JD	JD
On-balance sheet items:		
Gold deposits	358,462,477	214,971,920
Cash balances and deposits	7,799,138,188	6,649,974,310
Foreign financial securities at amortized cost	3,149,401,797	3,198,548,724
Past due direct credit facilities and commercial exchange agreements	766,882,210	766,882,210
Special drawing rights	3,464,359	7,099,155
Miscellaneous other assets in foreign currencies	99,282,048	89,061,005
Financial securities and others	568,257,939	520,776,936
Advances granted to local banks and financial institutions	1,760,264,647	1,719,887,605
Financing of financial securities repurchase agreements	90,000,000	200,000,000
Miscellaneous other assets in Jordanian Dinar	42,696,217	36,782,741
Total	14,637,849,882	13,403,984,606
Off-balance sheet items:		
Letters of credit	120,662,685	119,379,340
Foreign obligations against currencies forward contracts	482,490,500	594,042,500
Swaps contracts	108,141,717	109,470,322
The total of items outside the statement of financial position	711,294,902	822,892,162
Total	15,349,144,784	14,226,876,768

2- Distribution of exposure to credit risk according to the degree of risk:

A- Foreign financial securities at amortized cost as at 31 December 2024:

- Foreign bonds:

Classification	Rating Institution	Issuing Institution	Balance
			JD
Aa1	Moody's	Oesterreichische Kontrol Bank	35,421,140
Aaa	Moody's	Danish Government/Copenhagen	17,011,834
Aaa	Moody's	Landeskreditbank Baden	56,682,201
Ba3	Moody's	The Jordanian Government	33,108,076
Aa2	Moody's	Government of Qatar	35,282,823
Aaa	Moody's	Asian Development Bank	70,691,780
Aaa	Moody's	Asian Infrastructure Investment Bank	49,601,736
Aaa	Moody's	European Council / Brussels	56,695,960
Aaa	Moody's	The European Bank for Reconstruction and Development / London	21,248,994
Aa1	Moody's	Inter-American Investment Corporation	58,048,550
Aaa	Moody's	International American Development Bank / Washington	35,409,686
Aaa	Moody's	International Finance Corporation / Washington	56,705,408
Aa1	Moody's	International Finance Facility for Immunisation	35,354,628
Aaa	Moody's	Islamic Development Bank	432,436,885
AA+	S&P	New Development Bank - BRICS	35,423,728
Aaa	Moody's	Nordic Investment Bank	21,172,802
Aaa	Moody's	United States Treasury	2,099,105,566
Total foreign bonds at amortized cost			3,149,401,797
Total foreign financial securities at amortized cost			3,149,401,797

3 - Distribution of the collaterals fair value against credit exposures for the year 2024:

First: Distribution of the collaterals fair value against gross exposures:

	Gross exposure	Cash margins	Government financial securities	Non-government financial securities	Mortgage	Gross collaterals	Net exposure after collaterals	Expected Credit Loss
	JD	JD	JD	JD	JD	JD	JD	JD
On-balance sheet items:								
Gold	358,517,820	-	-	-	-	-	358,517,820	55,343
Cash balances and deposits	7,800,240,555	-	-	-	-	-	7,800,240,555	1,102,367
Financial securities at amortized cost – foreign currencies	3,149,750,005	-	-	-	-	-	3,149,750,005	348,208
Past due direct credit facilities and commercial exchange agreements	766,882,210	-	-	-	-	-	766,882,210	-
Special drawing rights	3,464,359	-	-	-	-	-	3,464,359	-
Miscellaneous other assets - foreign currencies	99,282,048	-	-	-	-	-	99,282,048	-
Financial securities and others	568,394,599	-	644,215,000	40,275,412	-	684,490,412	23,911,447	136,660
Advances granted to local banks and financial institutions *	1,763,028,172	-	549,998,505	1,984,144,447	-	2,534,142,952	7,641,968	7,065,207
Financing of financial securities repurchasing agreements	90,000,000	-	90,000,093	-	-	90,000,093	-	-
Miscellaneous other assets in Jordanian currency **	40,423,475	-	-	-	41,938,770	41,938,770	-	296,446
Total	14,639,983,243	-	1,284,213,598	2,024,419,859	41,938,770	3,350,572,227	12,209,690,412	9,004,231
Off-balance sheet items:								
Letters of credit	120,662,685	6,215,296	-	-	-	6,215,296	114,447,389	-
Foreign obligations against currencies forward contracts	482,490,500	-	-	-	-	-	482,490,500	-
Swaps contracts	108,141,717	-	-	-	-	-	108,141,717	-
Total Exposures amount	15,351,278,145	6,215,296	1,284,213,598	2,024,419,859	41,938,770	3,356,787,523	12,914,770,018	9,004,231
Second: Credit exposures in stage 2:								
Miscellaneous other assets - Jordanian currency	693,218	-	-	-	980,703	980,703	-	6,933
Total	693,218	-	-	-	980,703	980,703	-	6,933
Third: Credit exposures in stage 3:								
Advances granted to local banks and financial institutions	230,395,643	-	-	-	-	-	230,395,643	226,093,961
Miscellaneous other assets - Jordanian currency	1,901,923	-	-	-	2,690,672	2,690,672	-	19,020
Total	232,297,566	-	-	-	2,690,672	2,690,672	230,395,643	226,112,981

* This item includes exposures that do not have collaterals for the balances of investment with Islamic banks (advances granted to customers), where a provision against investment contracts with Islamic banks was calculated.

** The Bank has taken a provision on the total portfolio of loans and housing financing of employees at a rate of (1%) to meet any risks that may arise as a result of default or non-payment of installments on time, as the market value of collateral against these loans is much higher than the book value.

- Distribution of the collaterals fair value against credit exposures for the year 2023:

First: Distribution of the collaterals fair value against gross exposures:

	Gross exposure	Cash margins	Government financial securities	Non-government financial securities	Mortgage	Gross collaterals	Net exposure after collaterals	Expected Credit Loss
	JD	JD	JD	JD	JD	JD	JD	JD
On-balance sheet items:								
Gold	215,010,285	-	-	-	-	-	215,010,285	38,365
Cash balances and deposits	6,651,691,738	-	-	-	-	-	6,651,691,738	1,717,428
Financial securities at fair value through profit or loss – foreign currencies	-	-	-	-	-	-	-	-
Foreign financial securities at amortized cost	3,199,014,725	-	-	-	-	-	3,199,014,725	466,001
Past due direct credit facilities and commercial exchange agreements	766,882,210	-	-	-	-	-	766,882,210	-
Special drawing rights	7,099,155	-	-	-	-	-	7,099,155	-
Miscellaneous other assets - foreign currencies	89,061,005	-	-	-	-	-	89,061,005	-
Financial securities and others	521,022,140	-	596,011,000	40,275,412	-	636,286,412	22,742,988	245,204
Advances granted to local banks and financial institutions *	1,717,961,834	-	549,999,277	1,905,212,727	-	2,455,212,004	9,812,609	5,852,290
Financing of financial securities repurchasing agreements	200,000,000	-	200,000,580	-	-	200,000,580	-	-
Miscellaneous other assets in Jordanian currency **	34,837,254	-	-	-	38,555,199	38,555,199	-	269,097
Total	13,402,580,346	-	1,346,010,857	1,945,488,139	38,555,199	3,330,054,195	10,961,314,715	8,588,385
Off-balance sheet items:								
Letters of credit	119,379,340	10,131,090	-	-	-	10,131,090	109,248,250	-
Foreign obligations against currencies forward contracts	594,042,500	-	-	-	-	-	594,042,500	-
Swaps contracts	109,470,322	-	-	-	-	-	109,470,322	-
Total Exposures amount	14,225,472,508	10,131,090	1,346,010,857	1,945,488,139	38,555,199	3,340,185,285	11,774,075,787	8,588,385
Second: Credit exposures in stage 2:								
Miscellaneous other assets - Jordanian currency	585,016	-	-	-	838,184	838,184	-	5,851
Total	585,016	-	-	-	838,184	838,184	-	5,851
Third: Credit exposures in stage 3:								
Advances granted to local banks and financial institutions	233,872,022	-	-	-	-	-	233,872,022	226,093,961
Miscellaneous other assets - Jordanian currency	1,651,939	-	-	-	2,366,822	2,366,822	-	16,520
Total	235,523,961	-	-	-	2,366,822	2,366,822	233,872,022	226,110,481

* This item includes exposures do not have collaterals for the balances of investment with Islamic banks (advances granted to customers), where a provision against investment contracts with Islamic banks was calculated.

** The Bank has taken a provision on the total portfolio of loans and housing financing of employees at a rate of (1%) to meet any risks that may arise as a result of default or non-payment of installments on time, as the market value of collateral against these loans is much higher than the book value.

4 - Geographical distribution of credit risk exposure

	Inside the Kingdom	GCC Countries	Other Countries	Europe	Asia *	America	Canada	Total
	JD	JD	JD	JD	JD	JD	JD	JD
Gold	-	-	-	358,462,477	-	-	-	358,462,477
Cash balances and deposits	-	3,310,907,627	43,873	3,569,102,443	207,129,091	711,808,944	146,210	7,799,138,188
Foreign financial securities at amortized cost	33,108,076	467,719,707	-	208,232,930	155,717,246	2,284,623,838	-	3,149,401,797
Past due direct credit facilities and commercial exchange agreements	-	-	766,882,210	-	-	-	-	766,882,210
Special drawing rights	-	-	-	-	-	3,464,359	-	3,464,359
Miscellaneous other assets - foreign currencies	853,042	34,423,270	-	35,668,783	2,051,590	26,285,363	-	99,282,048
Financial securities and others	568,257,939	-	-	-	-	-	-	568,257,939
Advances granted to local banks and financial institutions	1,760,264,647	-	-	-	-	-	-	1,760,264,647
Financing of financial securities repurchasing agreements	90,000,000	-	-	-	-	-	-	90,000,000
Miscellaneous other assets in Jordanian currency	42,696,217	-	-	-	-	-	-	42,696,217
Total on-balance sheet items	2,495,179,921	3,813,050,604	766,926,083	4,171,466,633	364,897,927	3,026,182,504	146,210	14,637,849,882
Off-balance sheet items:								
Letters of credit	6,649,396	51,316,561	375,050	54,887,610	7,049,746	384,322	-	120,662,685
Foreign obligations against currencies forward contracts	482,490,500	-	-	-	-	-	-	482,490,500
Swaps contracts	69,945,987	-	-	38,195,730	-	-	-	108,141,717
Total for the Year 2024	3,054,265,804	3,864,367,165	767,301,133	4,264,549,973	371,947,673	3,026,566,826	146,210	15,349,144,784
Total for the Year 2023	3,185,157,004	3,534,768,328	767,170,638	3,354,745,853	454,402,360	2,929,961,605	670,980	14,226,876,768

* Except for Middle Eastern countries

Distribution of credit exposures according to geographical distribution according to IFRS (9):

Item	Stage 1	Stage 2	Stage 3	Total
	JD	JD	JD	JD
Inside the Kingdom	3,047,394,934	686,285	6,184,585	3,054,265,804
GCC Countries	3,864,367,165	-	-	3,864,367,165
Other Countries	767,301,133	-	-	767,301,133
Europe	4,264,549,973	-	-	4,264,549,973
Asia	371,947,673	-	-	371,947,673
America	3,026,566,826	-	-	3,026,566,826
Canada	146,210	-	-	146,210
Total 2024	15,342,273,914	686,285	6,184,585	15,349,144,784
Total 2023	14,216,861,752	585,016	9,430,000	14,226,876,768

5 -Exposure to credit risk according to economic sector:

Item / Economic Sector	Financial JD	Government and public sector JD	Total JD
Gold	358,462,477	-	358,462,477
Cash balances and deposits	6,733,011,676	1,066,126,512	7,799,138,188
Foreign financial securities at amortized cost	-	3,149,401,797	3,149,401,797
Past due direct credit facilities and commercial exchange agreements	-	766,882,210	766,882,210
Special drawing rights	-	3,464,359	3,464,359
Miscellaneous other assets - foreign currencies	67,509,268	31,772,780	99,282,048
Financial securities and other	23,774,787	544,483,152	568,257,939
Advances granted to local banks and financial institutions	1,639,371,823	120,892,824	1,760,264,647
Financing of financial securities repurchase agreements	90,000,000	-	90,000,000
Miscellaneous other assets in Jordanian currency	42,696,217	-	42,696,217
Total on-balance sheet items	8,954,826,248	5,683,023,634	14,637,849,882
Off-balance sheet items:			
Letters of credit	-	120,662,685	120,662,685
Foreign obligations against currencies forward contracts	482,490,500	-	482,490,500
Swaps contracts	69,945,987	38,195,730	108,141,717
Total for the Year 2024	9,507,262,735	5,841,882,049	15,349,144,784
Total for the Year 2023	9,083,801,776	5,143,074,992	14,226,876,768

Distribution of credit exposures by economic sector according to IFRS (9)

Item	Stage 1 JD	Stage 2 JD	Stage 3 JD	Total JD
Financial	9,500,391,865	686,285	6,184,585	9,507,262,735
Government and public sector	5,841,882,049	-	-	5,841,882,049
Total 2024	15,342,273,914	686,285	6,184,585	15,349,144,784
Total 2023	14,216,861,752	585,016	9,430,000	14,226,876,768

Interest Rate Repricing Gap:

Classification is based on interest repricing periods or maturities, whichever are nearer.

	Up to 3 Months	More than 3 to 6 Months	More than 6 Months up to 1Year	More than 1 Year to 3 Years	More than 3 Years	Without Interest	Total
<u>31 December 2024</u>	JD	JD	JD	JD	JD	JD	JD
<u>Assets</u>							
Gold and foreign currencies assets:							
Gold	192,189,075	120,094,595	46,178,807	-	-	3,898,366,171	4,256,828,648
Cash balances and deposits	6,735,858,346	520,963,330	542,127,192	-	-	242,588,402	8,041,537,270
Foreign financial securities at amortized cost	269,354,285	177,190,574	321,717,602	1,833,869,330	547,270,006	-	3,149,401,797
Past due direct credit facilities and commercial exchange agreements	-	-	-	-	-	766,882,210	766,882,210
Special drawing rights	-	-	-	-	3,464,359	-	3,464,359
Foreign financial assets at fair value through other comprehensive income	-	-	-	-	-	434,392,528	434,392,528
Miscellaneous other assets - foreign currencies	-	-	-	-	-	99,282,048	99,282,048
Assets in Jordanian currency:							
Financial securities and other	10,300,000	7,136,000	5,000,000	82,700,000	172,853,787	290,268,152	568,257,939
Advances granted to local banks and financial institutions	94,486,444	93,316,175	176,138,690	750,640,204	581,021,635	64,661,499	1,760,264,647
Financial assets in local currency at fair value through other comprehensive income	-	-	-	-	-	7,739,538	7,739,538
Investment in associate	-	-	-	-	-	51,455,597	51,455,597
Financing of financial securities repurchase agreements	90,000,000	-	-	-	-	-	90,000,000
Property and equipment and software (net)	-	-	-	-	-	26,688,642	26,688,642
Miscellaneous other assets in Jordanian Dinar	-	-	-	-	31,917,501	22,420,522	54,338,023
Total Assets	7,392,188,150	918,700,674	1,091,162,291	2,667,209,534	1,336,527,288	5,904,745,309	19,310,533,246

Interest Rate Repricing Gap:

Classification is based on interest repricing periods or maturities, whichever are nearer:

	Up to 3 Months	More than 3 to 6 Months	More than 6 Months up to 1 Year	More than 1 Year to 3 Years	More than 3 Years	Without Interest	Total
31 December 2024	JD	JD	JD	JD	JD	JD	JD
Liabilities							
Currency issued	-	-	-	-	-	6,733,124,370	6,733,124,370
Liabilities in foreign currencies:							
Local licensed banks and financial institutions' deposits	-	-	-	-	-	651,041,769	651,041,769
Government deposits	36,059,292	-	-	-	-	105,175,214	141,234,506
Governmental deposits with independent budgets and public institutions deposits	119,726	-	-	-	-	7,799,000	7,918,726
Foreign financial institutions, banks and independent agencies' deposits	125,506,276	70,900,000	354,500,000	-	-	1,078,783	551,985,059
Obligations against special drawing rights	-	-	-	-	149,855,372	-	149,855,372
Deposits and other liabilities	25,803,422	-	-	-	-	9,240,651	35,044,073
Liabilities in Jordanian Currency:							
Certificate of deposits	550,000,000	-	-	-	-	-	550,000,000
Local licensed banks and financial institutions deposits	5,141,500,000	-	-	-	-	2,732,838,397	7,874,338,397
Government deposits	269,128,591	-	-	-	-	-	269,128,591
Governmental deposits with independent budgets and public institutions deposits	246,500,512	-	-	-	-	-	246,500,512
International Monterey Fund accounts	4,007,467	13,358,220	17,365,685	57,440,344	28,052,264	991,210	121,215,190
Foreign financial institutions, banks and independent agencies' deposits	-	-	-	-	-	1,130,669	1,130,669
Other liabilities in Jordanian currency	11,310,528	-	-	-	-	158,347,189	169,657,717
Gold and foreign currencies valuation differences	-	-	-	-	-	1,072,177,071	1,072,177,071
Total Liabilities	6,409,935,814	84,258,220	371,865,685	57,440,344	177,907,636	11,472,944,323	18,574,352,022
Interest rate re-pricing gap	982,252,336	834,442,454	719,296,606	2,609,769,190	1,158,619,652	(5,568,199,014)	736,181,224
31 December 2023							
Total Assets	6,360,690,587	642,020,911	1,578,144,575	2,349,222,292	1,346,132,720	5,001,255,879	17,277,466,964
Total Liabilities	5,556,809,763	338,611,250	372,248,792	94,205,129	28,671,130	10,282,504,056	16,673,050,120
Interest rate re-pricing Gap	803,880,824	303,409,661	1,205,895,783	2,255,017,163	1,317,461,590	(5,281,248,177)	604,416,844

B- Market Risks

It is the risk of fluctuation of the fair value and cash flows of financial instruments as a result of a change in market prices, such as the risk of a change in exchange rates, the risk of a change in gold prices, and the risk of a change in interest rates. Market risk is measured by the bank's management in several ways, including:

- Monitoring risks through the Investments and External Operations Department and the Risk Management and Compliance Department and submitting periodic reports thereon to the competent committees (the Risk Management and Compliance Committees and the Investment Committee).
- Establishing a pattern for the measurement of interest rate risk such as using the sensitivity analysis method based on the assessment of risks relating to incurring losses in fair value due to the changes in interest rates and exchange rates of foreign currencies.
- Scenario analysis by assuming several scenarios for interest rate fluctuations and analyzing the extent to which the bank's portfolio is affected by these fluctuations.
- Adopting the value – at – risk (VAR) method to statistically assess the potential losses in an instrument or portfolio due to the prevailing adverse changes in the market. The maximum potential loss is shown at a determined confidence level of (95%) and a specified retention period.
- The Bank continues to tie the Jordanian Dinar to the US Dollar while maintaining most of the Bank of assets in US Dollar for rates not less than (82%), from the net Bank assets in foreign currencies (after netting local banks deposits from foreign currencies and other outside short-term obligations).

Exchange Rate Risk

This is the most important risk encountered in the investment activity due to the tie of the Jordanian Dinar to the US Dollar at a fixed exchange rate. In addition, the Bank's foreign assets are evaluated according to this exchange rate because the Bank is entitled to keep up to 18% of its net assets in foreign currencies other than the US Dollar. Any negative changes in their exchange rates against the US Dollar will lead to diminishing the size of the Bank assets in proportion to the change.

Nevertheless, the percentage has been set up for strategic objectives to diversify and maintain the balance between the Bank's assets and liabilities denominated in various foreign currencies. Moreover, the legislator, through Article (56/b) of the Bank's law, emphasized on the subject of the treatment of this condition due to his conviction of the importance and necessity that the Central Bank of Jordan should keep part of its assets in other foreign currencies to fulfill its needs and those of the Country and its organizations. The effects of the exchange rate fluctuations in foreign currencies have been isolated in the Bank's profit or loss through recording them in a special account for the evaluation differences as the fluctuation in exchange rates is a repetitive and permanently recurring process. The present utilization rate is (1.44%).

Foreign Currency Risk

Sensitivity analysis for 2024:

Currency	Effect of Raising the Exchange Rate by 5% on Assets or Liabilities	Effect of Reducing the Exchange Rate by 5% on Assets or Liabilities
	JD	JD
Euro	5,812,079	(5,812,079)
Great British Pound	2,165,977	(2,165,977)
Japanese Yen	2,036	(2,036)
Canadian Dollar	6,154	(6,154)
Swiss Franc	6,607	(6,607)
Other Currencies	106,641	(106,641)

Sensitivity analysis for 2023:

Currency	Effect of Raising the Exchange Rate by 5% on Assets or Liabilities	Effect of Reducing the Exchange Rate by 5% on Assets or Liabilities
	JD	JD
Euro	8,514,676	(8,514,676)
Great British Pound	1,867,598	(1,867,598)
Japanese Yen	7,882	(7,882)
Canadian Dollar	33,549	(33,549)
Swiss Franc	3,955	(3,955)
Other Currencies	109,710	(109,710)

Change in Gold Price Risk

Gold price risk is the risk of exposure of the Bank's financial position to significant movements in the price of gold.

The Bank is exposed to gold price risk principally through its holdings of gold investment assets. These gold investment assets are held in custody with foreign commercial banks and agencies. The Bank's net gold investment assets were 2,303,441 ounces with a value of JD 4,256,828,648 as of 31 December 2024 (2023: 2,288,466 ounces, JD 3,347,236,496), approximately 22.08% of its assets (2023: 19.37%). The Bank occasionally also has small exposures to gold price risk arising from its banking activities with central and commercial banks. Gold price risk is measured within the Bank's methodology, including its economic capital framework and stress tests.

Change in Interest Rate Risk

This is the risk resulting from the change in market interest rates. This risk is one of the most prevalent risks to which the Bank is exposed, as deposits constitute a large percentage of the Bank investments in addition to other instruments related to interest rate such as debts instruments (fixed income).

The Bank manages these interest rate risks through applying the sensitivity analysis to the instruments subject to interest rate in the portfolio (Moody's analysis +, - 1% on the same interest).

The details of the sensitivity analysis of the accounts exposed to changes in interest rates according to currency type during the years 2024 and 2023 are as follows:

Sensitivity analysis for 2024:

Currency	Effect of Raising the Interest Rate by 1% on the income statement	Effect of Reducing the Interest Rate by 1% on the income statement
	JD	JD
US Dollar	100,929,562	(100,929,562)
Jordanian Dinar	(48,104,452)	48,104,452

Sensitivity analysis for 2023:

Currency	Effect of Raising the Interest Rate by 1% on the income statement	Effect of Reducing the Interest Rate by 1% on the income statement
	JD	JD
US Dollar	87,412,152	(87,412,152)
Jordanian Dinar	(39,426,685)	39,426,685

Concentration of Foreign Currencies Risks

	US Dollar	Great British Pound	Swis Franc	Japanese Yen	Canadian Dollar	Euro	Others	Total
31 December 2024	JD	JD	JD	JD	JD	JD	JD	JD
Assets								
Gold	-	-	-	-	-	-	4,256,828,648	4,256,828,648
Cash accounts	224,394,150	433,819	-	-	-	17,570,806	307	242,399,082
Current accounts	712,003,036	42,743,796	-	40,720	123,087	98,401,227	2,132,509	855,444,375
Demand accounts	7,255	-	132,135	-	-	-	-	139,390
Term accounts	6,943,554,423	-	-	-	-	-	-	6,943,554,423
Foreign financial securities at amortized cost – fixed rate	3,149,401,797	-	-	-	-	-	-	3,149,401,797
Past due Direct Credit facilities and commercial exchange agreements	766,882,210	-	-	-	-	-	-	766,882,210
Special drawing rights	-	-	-	-	-	-	3,464,359	3,464,359
Foreign financial assets at fair value through other comprehensive Income	43,601,255	-	-	-	-	-	390,791,273	434,392,528
Miscellaneous other assets in foreign currencies	98,732,284	141,925	-	-	-	269,542	138,297	99,282,048
Total	11,938,576,410	43,319,540	132,135	40,720	123,087	116,241,575	4,653,355,393	16,751,788,860
Liabilities:								
Current and demand accounts	142,448,329	36,667,547	434	-	-	89,487,855	-	268,604,165
Term accounts / reserve	550,674,041	-	-	-	-	-	-	550,674,041
Term accounts	550,906,277	-	-	-	-	-	-	550,906,277
Other term accounts	7,799,000	-	-	-	-	-	-	7,799,000
Obligations against special drawing rights allocations	-	-	-	-	-	-	149,855,372	149,855,372
Other accounts in foreign currency	7,439,949	91,155	-	-	-	67,285	1,642,261	9,240,650
Total	1,259,267,596	36,758,702	434	-	-	89,555,140	151,497,633	1,537,079,505
Net concentration	10,679,308,814	6,560,838	131,701	40,720	123,087	26,686,435	4,501,857,760	15,214,709,355
31 December 2023								
Assets	10,764,215,769	37,351,967	79,096	157,635	670,980	170,293,516	3,738,234,740	14,711,003,703
Liabilities	1,528,875,989	32,211,416	465	-	-	74,950,291	156,639,957	1,792,678,118
Net concentration	9,235,339,780	5,140,551	78,631	157,635	670,980	95,343,225	3,581,594,783	12,918,325,585

C- Liquidity Risk

- Liquidity is defined as the Bank's ability to finance the increase of its assets and face its liabilities when due without incurring unacceptable losses. The bank uses various methods to measure and analyze the liquidity of the financial position that help the bank to plan and manage its financial resources in addition to identifying mismatches in assets and liabilities which is possible to exposes the Bank to liquidity risk.
- The maturities of assets against liabilities are distributed as follows:
 1. The Bank's custody volume of any issue should not exceed 10% of the total issue or US Dollar 100 million, whichever is less.
 2. The Bank should keep a minimum amount of liquidity in current accounts representing at least 20% of the issued credits.
 3. The Bank should maintain assets that can be easily liquidated as protection against any unforeseen shortage in liquidity.
 4. Liquidity is measured through the daily balances statement in addition to the analysis and distribution of financial assets according to the expected dates of their maturities and contingent liabilities required payments.

Liquidity Risk

The schedual below classifies the distribution of undiscounted liabilities based on the remaining period for the contractual maturity at the date of the financial statements:

	Less than One Month	From 1 to 3 Months	From 3 to 6 Months	From 6 Months up to 1Year	From 1 to 3 Years	More than 3 Years	Without Maturity	Total
	JD	JD	JD	JD	JD	JD	JD	JD
31 December 2024								
Liabilities:								
Currency issued	-	-	-	-	-	-	6,733,124,370	6,733,124,370
Liabilities in foreign currencies:								
Local licensed banks and financial institutions' deposits	550,674,041	-	-	-	-	-	100,367,728	651,041,769
Government deposits	138,092	-	-	-	-	-	141,234,506	141,372,598
Governmental deposits with independent budgets And public institutions deposits	353	-	1,418,000	-	6,381,000	-	119,726	7,919,079
Foreign financial institutions, banks and independent agencies' deposits	36,961,700	89,716,958	70,968,693	360,655,949	-	-	1,078,783	559,382,083
Obligations against special drawing rights	-	833,088	-	-	-	-	149,855,372	150,688,460
Deposits and other liabilities	62,920	809,174	-	-	-	-	25,803,422	26,675,516
Liabilities in Jordanian Currency:								
Government deposits	550,685,616	-	-	-	-	-	-	550,685,616
Local licensed banks and financial institutions deposits	5,143,260,788	-	-	-	-	-	2,732,838,397	7,876,099,185
Government deposits	-	-	-	-	-	-	269,128,591	269,128,591
Governmental deposits with independent budgets And public institutions deposits	-	-	-	-	-	-	246,500,512	246,500,512
International Monterey Fund accounts	-	4,007,467	13,358,220	17,365,685	57,440,344	28,052,264	991,210	121,215,190
Foreign financial institutions, banks and independent agencies' deposits	-	-	-	-	-	-	1,130,669	1,130,669
Other liabilities in Jordanian currency	11,310,528	-	-	-	-	-	158,347,189	169,657,717
Gold and foreign currencies valuation differences	-	-	-	-	-	-	1,072,177,071	1,072,177,071
Total Liabilities	6,293,094,038	95,366,687	85,744,913	378,021,634	63,821,344	28,052,264	11,632,697,546	18,576,798,426
Total Assets (according to its anticipated maturity)	4,177,455,036	3,214,733,114	918,700,674	1,091,162,291	2,667,209,534	1,336,527,288	5,904,745,309	19,310,533,246
31 December 2023								
Total Liabilities	5,423,396,609	97,036,685	342,787,794	380,432,717	97,750,129	28,671,130	10,307,337,193	16,677,412,257
Total Assets (according to its anticipated maturity)	3,958,500,530	2,402,190,057	642,020,911	1,578,144,575	2,349,222,292	1,346,132,720	5,001,255,879	17,277,466,964

Financial Derivatives / Liabilities that is settled in gross which includes:

Foreign Currencies Derivatives: Currencies SWAP and Forward contracts

	Less than One Month	From 1 to 3 Months	From 3 to 6 Months	From 6 Months up to 1Year	From 1 to 3 Years	More than 3 Years	Total
	JD	JD	JD	JD	JD	JD	JD
<u>31 December 2024</u>							
Trading Financial Derivatives							
currency contracts							
SWAP Contracts	19,083,611	19,112,119	69,945,987	-	-	-	108,141,717
Currencies Forward Hedging contracts / Currencies Forward contracts	333,446,000	127,774,500	21,270,000	-	-	-	482,490,500
Total	352,529,611	146,886,619	91,215,987	-	-	-	590,632,217

<u>31 December 2023</u>							
Trading Financial Derivatives							
currency contracts							
SWAP Contracts	21,379,612	20,591,931	67,498,779	-	-	-	109,470,322
Currencies Forward Hedging contracts / Currencies Forward contracts	-	472,094,500	42,540,000	14,180,000	-	-	528,814,500
Total	21,379,612	492,686,431	110,038,779	14,180,000	-	-	638,284,822

Off statement of financial position items

	For 1 Year JD	From 1 to 5 Years JD	More than 5 Years JD	Total JD
<u>31 December 2024</u>				
Off statement of financial position items				
Letters of credit	118,163,662	2,499,023	-	120,662,685
Foreign obligations against currencies forward contracts	482,490,500	-	-	482,490,500
Swaps Contracts	108,141,717	-	-	108,141,717
	708,795,879	2,499,023	-	711,294,902

<u>31 December 2023</u>				
Off statement of financial position items				
Letters of credit	114,782,048	4,597,292	-	119,379,340
Foreign obligations against currencies forward contracts	594,042,500	-	-	594,042,500
Swaps Contracts	109,470,322	-	-	109,470,322
	818,294,870	4,597,292	-	822,892,162

41- Capital Management

Through the management of its capital, the Bank aims at:

- a. Complying with the Central Bank of Jordan law.
- b. Maintaining its ability as a going concern through establishing a strong base to support its objectives represented in preserving monetary stability and guaranteeing the convertibility of the Jordanian Dinar and the stability of the financial sector which is conducted in a manner that contributes to economic growth in the Kingdom, and thus, makes available an attractive investment environment in addition to the safety and fortitude of the banking system and the national payments system through the application of an effective monetary policy and the employment of the optimal human, financial, technical and knowledge resources.

The Bank maintains a general reserve at 20% of its net profit in each fiscal year. The rest of net profit is paid to the Ministry of Finance after taking all the necessary provisions and reserves. In case the general reserve exceeds twice the amount of capital, all net profits are paid to the Ministry of Finance. Should the reserves be inadequate to cover any losses in profit or loss account for any fiscal year, the government has to pay an adequate amount for this coverage. The amount is considered a preferred debt to the government deductible from the profit achieved in subsequent periods.

42- Capital Items:

	2024 JD	2023 JD
Capital	48,000,000	48,000,000
General reserve	85,890,230	67,090,230
Financial assets valuation reserve	196,049,065	183,584,921
Special reserves	406,241,929	305,741,693
Total capital and reserves	736,181,224	604,416,844

43- Related parties transactions

Transaction with related parties represents the transactions conducted with ministries, governmental institutions, any governmental entity and associates, in addition to the senior executive management and the Board of directors within the normal course of business and at prevailing interest rates and commissions.

The balances of transactions with related parties included in the statement of financial position are as follows:

	31 December 2024 JD	31 December 2023 JD
Assets in foreign currency		
Foreign securities at amortized cost - Jordanian Ministry of Finance	33,108,076	33,215,358
Assets in Jordanian currency		
Financial Securities and Others - Jordanian Ministry of Finance	544,483,152	498,279,152
Advances granted to associates - Jordanian Loan Guarantee Company	549,998,505	549,999,277
Liabilities in foreign currency		
Government deposits	141,234,506	106,952,232
Government deposits in independent budgets and public institutions	7,799,000	5,672,000
Liabilities in Jordanian currency		
Government deposits	269,128,591	262,063,723
Government deposits in independent budgets and public institutions	246,500,512	240,954,830

Details of transactions with related parties included in the income statement are as follows:

	31 December 2024	31 December 2023
	JD	JD
Net income		
Local investment revenues - interest on Jordanian treasury bonds and bills	7,573,279	8,692,436
Local investment revenues - interest on advances granted to specialized lending institutions	5,621,469	5,588,760
Local investment revenues - the Bank's share of the associates' results	2,753,539	2,283,932
Local investment revenues - interest on bonds of public institutions	238,741	51,302
Interest paid on the accounts of the government and public institutions	26,033,314	28,183,778
Interest, commissions and other expenses - government transfers' expenses	7,673	12,019

Below is a summary of the salaries and bonuses of the Bank's senior management and the board of directors:

	31 December 2024	31 December 2023
	JD	JD
Salaries and bonuses of key management and bonuses of members of the Bank's board of directors	742,732	674,274

44- Analysis of the Maturities of Assets and Liabilities

The following table shows the analysis of assets and liabilities according to the expected recoverability or settlement period:

	31 December 2024		
	Up to One	More than One Year	Total
	Year		JD
	JD	JD	JD
Assets:			
Gold	4,256,828,648	-	4,256,828,648
Cash balances and deposits	8,041,537,270	-	8,041,537,270
Foreign financial securities at amortized cost	768,262,462	2,381,139,335	3,149,401,797
Past due direct credit facilities and commercial exchange agreements	-	766,882,210	766,882,210
Special drawing rights	-	3,464,359	3,464,359
Foreign financial assets at fair value through other comprehensive income	-	434,392,528	434,392,528
Miscellaneous other assets – Foreign currencies	99,282,048	-	99,282,048
Financial securities and others	22,436,000	545,821,939	568,257,939
Advances granted to local banks and financial institutions	363,941,309	1,396,323,338	1,760,264,647
Local-currencies Financial assets at fair value through other comprehensive income.	-	7,739,538	7,739,538
Investment in associates	-	51,455,597	51,455,597
Financial securities repurchasing agreements	90,000,000	-	90,000,000
Property and Equipment and software-net	-	26,688,642	26,688,642
Miscellaneous other assets in Jordanian Dinar	-	54,338,023	54,338,023
Total	13,642,287,737	5,668,245,509	19,310,533,246
Liabilities:			
Currency issued	-	6,733,124,370	6,733,124,370
Local licensed banks and financial institutions deposits in foreign currencies	651,041,769	-	651,041,769
Government deposits in foreign currencies	141,234,506	-	141,234,506
Government deposits with independent budgets and Public Institutions	1,537,726	6,381,000	7,918,726
Foreign financial institutions, banks and independent agencies' deposits	551,985,059	-	551,985,059
Obligations against special drawing rights	-	149,855,372	149,855,372
Deposits and other liabilities in foreign currencies	35,044,073	-	35,044,073
Certificates of deposits - JD	550,000,000	-	550,000,000
Local licensed banks and financial institutions deposits – JD	5,141,500,000	2,732,838,397	7,874,338,397
Government deposits – JD	269,128,591	-	269,128,591
Government deposits with independent budgets and Public institutions – JD	246,500,512	-	246,500,512
International Monetary Fund accounts	35,722,582	85,492,608	121,215,190
Foreign financial institutions, banks and independent agencies' deposits- JD	-	1,130,669	1,130,669
Other liabilities – JD	11,310,528	158,347,189	169,657,717
Gold and foreign currencies valuation differences	-	1,072,177,071	1,072,177,071
Total	7,635,005,346	10,939,346,676	18,574,352,022
Net	6,007,282,391	(5,271,101,167)	736,181,224

	31 December 2023		
	Up to One Year	More than One Year	Total
	JD	JD	JD
Assets:			
Gold	3,347,236,496	-	3,347,236,496
Cash balances and deposits	6,878,774,975	-	6,878,774,975
Foreign financial securities at amortized cost	1,051,536,112	2,147,012,612	3,198,548,724
Past due direct credit facilities and commercial exchange agreements	-	766,882,210	766,882,210
Special drawing rights	-	7,099,155	7,099,155
Foreign financial assets at fair value through other comprehensive income	-	423,401,138	423,401,138
Miscellaneous other assets – Foreign currencies	89,061,005	-	89,061,005
Financial securities and others	5,652,000	515,124,936	520,776,936
Advances granted to local banks and financial institutions	369,660,727	1,350,226,878	1,719,887,605
Local-currencies Financial assets at fair value through other comprehensive income.	-	7,779,684	7,779,684
Investment in associates	-	49,036,326	49,036,326
Financial securities repurchasing agreements	200,000,000	-	200,000,000
Property and Equipment and software-net	-	15,945,684	15,945,684
Miscellaneous other assets in Jordanian Dinar	-	53,037,026	53,037,026
Total	11,941,921,315	5,335,545,649	17,277,466,964
Liabilities:			
Currency issued	-	6,441,259,298	6,441,259,298
Local licensed banks and financial institutions deposits in foreign currencies	671,552,079	-	671,552,079
Government deposits in foreign currencies	106,952,232	-	106,952,232
Government deposits with independent budgets and Public Institutions	2,127,000	3,545,000	5,672,000
Foreign financial institutions, banks and independent agencies' deposits	808,697,541	-	808,697,541
Obligations against special drawing rights	-	154,168,882	154,168,882
Deposits and other liabilities in foreign currencies	45,635,384	-	45,635,384
Certificates of deposits - JD	800,000,000	-	800,000,000
Local licensed banks and financial institutions deposits – JD	4,042,000,000	2,446,984,742	6,488,984,742
Government deposits – JD	262,063,723	-	262,063,723
Government deposits with independent budgets and Public institutions – JD	240,954,830	-	240,954,830
International Monetary Fund accounts	35,497,584	123,969,835	159,467,419
Foreign financial institutions, banks and independent agencies' deposits- JD	-	1,173,449	1,173,449
Other liabilities – JD	15,332,129	69,681,008	85,013,137
Gold and foreign currencies valuation differences	-	401,455,404	401,455,404
Total	7,030,812,502	9,642,237,618	16,673,050,120
Net	4,911,108,813	(4,306,691,969)	604,416,844

45- Accounts Managed on Behalf of Customers

Open market operations and public debt:

The accounts managed on behalf of customers amounted to JD 27,023 million as at the end of the year 2024 compared to JD 25,071 million for the year 2023, distributed as follows:

Account	In JD Million	
	2024	2023
Treasury bonds / USD	3,500	3,320
Ministry of finance / treasury bonds	20,210	18,985
Ministry of finance / treasury bills	350	200
Public institutions / public institutions bonds	393	468
Public institutions / public institutions bills	100	-
Floating Jordanian treasury bonds	-	-
Jordanain Islamic Sukuk Company's sukuk	67	133
National electricity Company's Skuk	1,326	1,034
Individual naturalization bonds	20	16
Treasury Bills / USD	1,057	915
	27,023	25,071

46- Fair Value Hierarchy

a. The fair value of financial assets and liabilities specified at fair value on an ongoing basis:

Some of the bank's assets and liabilities are evaluated using the fair value at the end of each financial period, the following table shows information about the method of determining the fair value of those assets and liabilities (evaluation method and inputs used).

Financial Assets / Financial Liabilities	Fair value 31 December		Fair value level	Evaluation method and Inputs used	Material intangible inputs	The relation between material intangible inputs and fair value
	2024	2023				
	JD	JD				
Financial Assets at Fair Value						
Gold	4,256,828,648	3,347,236,496	First level	Fair Market Value	Not Applicable	Not Applicable
Foreign Financial Securities at Fair Value through Profit or Loss						
Foreign Financial Assets at Fair Value through Other Comprehensive Income:						
Contributions with available market prices	2,700,000	2,700,000	First level	Fair Market Value	Not Applicable	Not Applicable
Contributions with no available market prices	439,432,066	428,480,822	Second level	According to Net Assets Value Method (Equity Method)	Not Applicable	Not Applicable
Special Drawing Rights	3,464,359	7,099,155	Second level	Prices published by International Monetary Fund	Not Applicable	Not Applicable
Total Financial Assets at Fair Value	4,702,425,073	3,785,516,473				

There were no transfers between the first and second level during the year 2024 and 2023.

b. The fair value of financial assets and liabilities that is not specified at fair value on an ongoing basis:

Except for what is included in the table below, we believe that the book value of the financial assets and liabilities that is shown in the bank's financial statements is similar to its fair value because the bank's management believes that the book value of those items below almost equals its fair value because of their short maturity date or the interest is repriced during the year:

	31 December 2024		31 December 2023		Fair Value Level
	Book Value	Fair Value	Book Value	Fair Value	
	JD	JD	JD	JD	
Financial assets that are not specified at fair value					
Balances at central banks	2,699,240	2,711,915	6,622,150	6,638,953	Second level
Balances at financial institutions and banks	852,884,524	857,530,024	1,100,685,726	1,105,335,934	Second level
Deposits at financial institutions and banks	6,943,554,423	7,010,660,170	5,542,666,434	5,604,270,220	Second level
Grants, facilities and other financial assets	2,306,587,793	2,275,611,139	2,246,516,831	2,217,921,553	Second level
Financial assets at amortized cost	3,149,401,797	3,176,782,073	3,198,548,724	3,221,198,439	First and Second level
Total financial assets that are not specified at fair value	13,255,127,777	13,323,295,321	12,095,039,865	12,155,365,099	
Financial liabilities that are not specified at fair value					
Deposits at financial institutions and banks	6,242,174,041	6,242,174,041	5,364,374,906	5,364,374,906	Second level
Deposits	550,906,277	558,303,301	807,011,333	819,243,754	Second level
Cash margins	6,215,296	6,215,296	10,131,090	10,131,090	Second level
Total financial liabilities that are not specified at fair value	6,799,295,614	6,806,692,638	6,181,517,329	6,193,749,750	

For the items above, the fair value of the financial assets and liabilities were determined for the first and second level according to the agreed on pricing method that reflects credit risk of the parties dealt with.

47- Commitments and Contingent Liabilities

This item consists of the following:

a- Contractual commitments:

	2024	2023
	JD	JD
Construction projects contracts	5,246,165	1,055,679
Subscriptions in international contributions (callable)**	423,065,543	427,880,111
Installments for international contributors*	2,358,560	2,426,491
	430,670,268	431,362,281

* The above amount represents future payments on International Financial Institutions contributions within determined scheduled payments as at the end of the current year.

** The above amount represents callable shares in case that the contributing institutions are unable to meet their obligations. The above institutions are rated with the highest rate (Aaa rating) according to the rating agency (Moody's) and none of those shares have been called before.

b- Systematic Accounts:

	2024	2023
	JD	JD
Letters of credit	120,662,685	119,379,340
Foreign obligations against currencies forward contracts*	482,490,500	594,042,500
Swap contracts**	108,141,717	109,470,322
	711,294,902	822,892,162

* Forward contracts, which represents contracts made by the bank with licensed banks in order to buy Jordanian Dinar in exchange of selling US Dollar on exchange date to support the trust of Jordan domestic market in Jordanian Dinar. Note that the outstanding balance of forward contracts is JD 482,490,500 as at 31 December 2024 (JD 594,042,500 as at 31 December 2023) for nine contracts, matures in January, February, March, April, May 2025, details are as bellow:

31 December 2024				
Value of forward contract (USD)	Fair value for assets (JD)	Fair value for liabilities (JD)	Bank classification long / short-term**	Maturity date
10,000,000	-	-	P1/Aa3	21 January 2025
10,000,000	-	-	P1/Aa3	21 January 2025
450,000,000	-	-	NP/Ba1	27 January 2025
10,000,000	-	-	P1/Aa3	13 February 2025
10,000,000	-	-	P1/Aa3	24 February 2025
10,000,000	-	-	P1/Aa3	18 March 2025
150,000,000	-	-	NP/Ba3	24 March 2025
10,000,000	-	-	P1/Aa3	23 April 2025
20,000,000	-	-	P1/Aa3	27 May 2025
680,000,000	-	-		

**This item represents six swap contracts to exchange US Dollars for Jordanian Dinars, two contracts are with a licensed bank in exchange of its capital and reserves, with the amount of JD 69,945,987 as at 31 December 2024, the maturity of these contracts are on April and May 2025, the other four contracts are with an international financial institution against facilities granted by it for the licensed banks within the agreement of supporting small and medium projects and for a local governmental institution outside the small and medium projects with the amount of JD 38,195,730 as at 31 December 2024 with their maturity dates during January and February 2025, the outstanding balances of these swap contracts are shown in the forward prices as at the financial position date, their details are as follows:

31 December 2024				
Swap contract amount (USD)	Assets fair value (JD)	Liabilities fair value (JD)	Bank classification long / short-term**	Maturity Date
26,798,307	-	362	P1/Aaa	15 January 2025
1,625,000	-	101	P1/Aaa	18 February 2025
22,566,996	-	1,408	P1/Aaa	18 February 2025
2,651,622	-	166	P1/Aaa	18 February 2025
26,599,860	28,568	-	P1/Aa3	3 April 2025
70,521,862	49,040	-	P1/Aa3	27 May 2025
150,763,647	77,608	2,037		

31 December 2023				
Swap contract amount (USD)	Assets fair value (JD)	Liabilities fair value (JD)	Bank classification long / short-term**	Maturity Date
30,042,313	-	7,655	P1/Aaa	11 January 2024
1,625,000	-	1,921	P1/Aaa	15 February 2024
22,566,996	-	26,686	P1/Aaa	15 February 2024
2,651,622	-	3,136	P1/Aaa	15 February 2024
950,000	-	1,827	P1/Aaa	14 March 2024
1,142,454	-	2,894	P1/Aaa	27 March 2024
23,345,640	-	15,113	P1/Aa3	4 April 2024
70,521,862	-	49,500	P1/Aa3	30 May 2024
152,845,887	-	108,732		

** Long/short-term credit ratings issued by Moody's global credit ratings.

- c. There are lawsuits filed against the Bank amounting to JD 31,000 as at 31 December 2024 (JD 31,000 as at 31 December 2023), representing financial claims. These lawsuits are still pending in the specialized courts. According to the Bank's legal consultant, no provisions should be taken against these claims.

48- Comparative figures

Some of 2023 balances were reclassified for comparability purposes with 2024's classifications. The reclassification had no effect on profit, capital, and reserves.

49- Subsequent events

The esteemed Council of Ministers decided in its session held on 5 February 2025, based on the recommendation of the Economic Modernization and Development Committee and the recommendation of the Board of Directors of the Central Bank of Jordan, to approve increasing the capital of the Central Bank of Jordan to become JD 100 million instead of JD 48 million, by transferring the increase amount of JD 52 million from the general reserve account to the capital account in accordance with the provisions of Article (8) of the Central Bank of Jordan Law No. (23) of 1971 and its amendments.