جمعية البنوك في الأردن
ASSOCIATION OF BANKS IN JORDAN

Development of the Jordanian Banking Sector

(2000 –2008)

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Chairman's Foreword

The accomplishments of the banking sector are considered part of many and major achievements attained for the Jordanian economy. These accomplishments are a clear reflection of the intensive efforts aiming to achieve further financial and monetary stability. The Jordanian banking functions have developed qualitatively over the past few years, especially in terms of keeping up with electronic services and operations that rely on information technology and communications and in terms of introducing new banking services.

All of this reflected on the financial performance of banks which achieved good results that are highlighted in the following:

- Assets of banks more than doubled between the year 2000 and August 2008 as they surged from JD12.9 billion at the end of 2000 to JD30.1 billion at the end of August 2008, representing 239.8 per cent of the gross domestic product at current market prices for 2007.
- The balance of deposits at banks operating in Jordan rose gradually between 2000 and August 2008 from JD8.2 billion in 2000 to JD18.1 billion at the end of August 2008, representing 136.4 per cent of the gross domestic product at current market prices for 2007. The balance of deposits has changed structurally in favor of deposits in Jordanian dinars which have become more attractive as a saving currency.
- The balance of credit facilities extended by banks increased from JD4.5 billion in 2000 to JD13.3 billion at the end of August 2008. Credit facilities in foreign currencies accounted for 13.2 per cent of total credit facilities as of the end of August 2008.
- The financial strength indicators of banks went up between 2000 and June 2008. The capital adequacy ratio stood at 17.6 per cent, the ratio of non-performing loans to total loans came at four per cent and the ratio covering the provision of credit facilities diminution to non-performing loans was 64.9 per cent. Other indicators showed the return on equity at 13.6 per cent, the return on assets at 1.8 per cent and the liquidity ratio at 138.1 per cent.

The results reflected on the credit ratings of banks by specialized international credit agencies that possess high experience and credibility. Within this context, a number of Jordanian banks moved up the scale to very high rankings whereas others ranked among the list of top banks and financial institutions in the Middle East region in general.

Dr. Michel Marto
Chairman of the Board Director

Director General's Address

Realizing the need for and the importance of disseminating some information, data and statistical indicators about the Jordanian banking sector, the management of the association opted to issue this study under the title "The Development of the Jordanian Banking Sector". The study falls within our promise to continuously update our previous publication entitled "The Banks Operating in Jordan".

The study is divided into 12 sections in the first of which looks at the role of the Central Bank of Jordan in managing the monetary policy whereas the second section gives facts about the Jordanian banking system in terms of the structure and the growth in the number of banks and branches. The third section examines the development of the Jordanian banking system in terms of growth of assets, capital / reserves / provisions / deposits, credit facilities and the indicators of financial soundness. The fourth and fifth sections deal with the shares of commercial banks and Islamic banks as well as the shares of Jordanian and non-Jordanian banks in terms of assets, deposits and credit facilities. The sixth section shows the banking concentration in the Jordanian banking system and the seventh section traces the progress in the performance of banks listed on the Amman Bourse. The development of the interest rates structure in the Jordanian banking market can be seen in the eighth section followed by the clearing of checks and the evolution of banking services in the ninth and tenth sections. In the 11th section, the study highlights the progress in the ratings of banks according to international rating agencies and in the last section, banks are ranked according to performance of assets, deposits, credit facilities, shareholders', equity, capital, after tax profits and number of workers.

We hope that this study would contribute to the enlightenment of all those concerned and interested about the development in the performance of the Jordanian banking system. We reassert that the distinguished achievement of the Jordanian banking sector has been realized as a result of the appropriate macro economic environment and the modern legislations besides the prudent economic, monetary and financial policies in the Kingdom.

Dr. Adli Kandah
Director General

First:

The Central Bank of Jordan and the monetary policy

- Monetary policy tools
- Monetary policy trends
- Exchange rate policy of Jordanian dinar
- Interest rates policy

First: The Central Bank of Jordan and the monetary policy

The elements of monetary stability that the Central Bank of Jordan aims to achieve comprise the stability of the general level of prices, the stability of the dinar exchange rate and the formation of an interest rate structure that corresponds with the local economic conditions and the international developments. The central bank seeks to accomplish this through regulating the growth of local liquidity in the national economy while keeping up with the stability of the general level of prices and the exchange rate stability on the one hand and the financing of the real economic activity on the other hand.

- Monetary policy tools

1- Direct monetary policy

Until the early 90's, the central bank controlled the growth of liquidity in the national economy by using the traditional monetary policy tools (direct), particularly the rediscount rate, the percentage of the mandatory cash reserve and in certain cases, the direct ceiling on credit expansion. Moreover, the bank resorted during that period to administrative measures to influence the banking credit structure and its cost through specifying interest rates on loans and deposits and obliging the banks to direct a portion of their financial portfolio to certain specific investments. Experience has shown that these tools were not effective as desired to influence the size of liquidity in the national economy. They also resulted in price and structural distortions in the banking sector and, consequently, reduced the efficiency of allocating the resources in the national economy.

2- Indirect monetary policy

From the end of 1993 and onwards, the central bank adopted the indirect approach for managing the monetary policy. Through open market operations, which is the method most used by the central banks in developed countries for managing monetary policy, the central bank uses certificates of deposit that it issues specifically for this purpose as a main tool to extract excess liquidity from the economy. Subsequently, any effect on the price levels in general and on the exchange rate is nullified. The central bank chose to introduce the certificate of deposit as a tool because of insufficient government issues of public debt tools, which are directly tied to financing the general budget deficit, and the weakness of the secondary market for such tools. By contrast, the repurchase operations of certificates of deposit for one week help in pumping liquidity, whenever needed, in the national economy besides its

role in facilitating the banks' management of their financial portfolios in the short term. In addition to the certificates of deposit, the central bank uses also the rediscount rate and the overnight deposit window for managing its monetary policy.

- Monetary policy trends

The monetary policy of the Central Bank of Jordan varied between flexibility and rigidity depending on the local economic developments and the interest rates movements in the international financial markets. The 90's were marked in general by a strict monetary policy aimed at lowering inflation rates as in the early 90's or at enhancing the exchange rate stability as in the mid and late 90.s when demand went up suddenly and sharply for foreign currencies. As a result, at that time, interest rates on various monetary tools at the central bank climbed to record highs. Following a solid monetary stability, the monetary policy was relaxed from mid 1999. During this period, it was possible to reduce the interest rate on various monetary policy tools to the lowest level since the adoption of the new approach for managing monetary policy. However, the central bank took some strict steps mid 2004 by raising interest rates to circumvent potential inflationary pressures as a result of heightened local demand.

- Exchange rate policy of Jordanian dinar

Since the dinar was issued in 1950 until the end of 2006, the Central Bank of Jordan adopted various systems and policies for the dinar's exchange rate. During the period, the central bank linked the dinar to the sterling pound and then the dollar and later to the Special Drawing Rights (SDRs). On 15-10-1988, the Central Bank of Jordan floated the dinar's exchange rate on a "managed float" basis. Since February 1989, the central bank fixed the dinar rate against the dollar and at the end of May 1989, the central bank linked the dinar to a basket of currencies or what is called the Special Drawing Rights. Since October 1995, the Jordanian dinar was linked to the US dollar.

- Interest rates policy

The central bank applied several reforms on this policy aiming to formulate a flexible and suitable interest rate structure that conform with the local prevailing economic conditions and with the developments on interest rates in international markets. Since economic reforms were applied in late 80s and early 90s of the past century, the central bank started to liberalize the interest rates on both deposits and loans in the banking market. By using the indirect

method, the central bank left interest rates for the market to determine their levels. The central bank influences interest rates indirectly by modifying the key interest rates on its monetary policy tolls (rediscount rate, overnight window deposit rate, repurchase rate of certificates of deposit) and through open market operations by selling dinar certificates of deposit.

Second:

The status of the banking system

- The structure of the Jordanian banking system
- Number of licensed banks
- Expansion of banking branches

Second: The status of the banking system

- The structure of the Jordanian banking system

The Jordanian banking system comprises the Central Bank of Jordan, the Jordanian banks (commercial and Islamic), non-Jordanian banks, the specialized lending institutions (government and joint ownership), money-changing companies and representative offices of foreign banks in Jordan or of Jordanian banks outside the Kingdom.

The banks operating in the Kingdom are divided as follows at the end of September 2008:

First: Jordanian banks

1. Commercial banks.

Table (1)
Commercial banks operating in Jordan as of Sep.2008

#	Member Name	Established in
1	Arab Bank	1930
2	Jordan Ahli Bank	1956
3	Cairo Amman Bank	1960
4	Bank of Jordan	1960
5	The Housing Bank for Trade & Finance	1974
6	Jordan Kuwaiti Bank	1977
7	Arab Jordan Investment Bank	1978
8	Jordan Commercial Bank	1978
9	Jordan Investment & Finance Bank	1989
10	Arab Banking Corp./ Jordan	1989
11	Union Bank	1991
12	Societe General - Jordan	1993
13	Capital Bank	1996

2. Islamic banks.

Table (2)
Islamic banks operating in Jordan as of Sep.2008

#	Member Name	Established in
1	Jordan Islamic Bank	1978
2	International Islamic Arab Bank	1997

Second: Non-Jordanian banks.

Table (3)

Non- Jordanian banks operating in Jordan as of Sep.2008

#	Member name	License year
1	HSBC	1949
2	Egyptian Arab Land Bank	1951
3	Rafidain Bank	1957
4	Citi Bank	1974
5	Standard Chartered	2002
6	Bank Audi	2004
7	National Bank of Kuwait	2004
8	BLOM Bank	2004

- Number of licensed banks

The number of licensed banks operating in Jordan rose from 21 banks in 2000 to 23 banks in 2007. This change was the result of an increase in the number of foreign banks operating in Jordan from five banks in 2000 to eight banks. Keen to enhance the strength and vitality of the banking sector, the Central Bank of Jordan granted licenses to three foreign banks to operate in Jordan in 2004. These banks were: BLOM Bank, Audi Bank and the National Bank of Kuwait. By contrast, the number of national banks declined from 16 banks to 15 banks as a result of a merger between Philadelphia Bank and Jordan National Bank on 12-1-2005.

As such, the number of banks licensed to operate in Jordan reached 23 banks at the end of 2007. Of the total, 15 banks are Jordanian (two of them are Islamic banks) and eight banks are foreign (five of them are Arab banks).

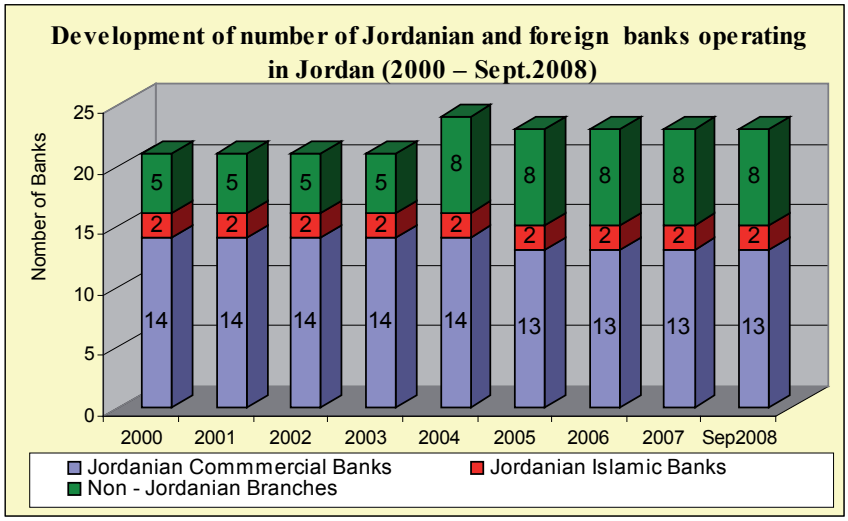
Table (4)

Number of Jordanian and foreign banks operating in Jordan (2000 – Sept.2008)

Year	# of National Banks		# of Foreign Banks	Total
	Commercial Banks	Islamic Banks		
2000	14	2	5	21
2001	14	2	5	21
2002	14	2	5	21
2003	14	2	5	21
2004	14	2	8	24
2005	13	2	8	23
2006	13	2	8	23
2007	13	2	8	23
Sep2008	13	2	8	23

Source: Association of Banks in Jordan, Annual Reports.

Chart (1)



- Expansion of banking branches

a) Number of branches

At the end of 2007, the licensed banks operated 559 branches inside the Kingdom. As such, the banking density index (number of people/ total number of branches of banks operating in the Kingdom) stood at 10,300 persons per branch at the end of 2007 compared to 10,900 persons per branch in 2006.

The expansion and spread of banks outside Jordan was marked by the opening of 137 branches outside the borders of the Kingdom or by the establishment of their independent banks or by forging an alliance with banks or financial institutions. This strategic option, namely expansion abroad, by a number of Jordanian banks in some of the neighboring and regional markets was due to the limited local market. By seeking new and vital outlets for business and investments, the banks sought to benefit from growth opportunities and new scopes to develop their operations and activities and be able to compete besides widening their clientele base.

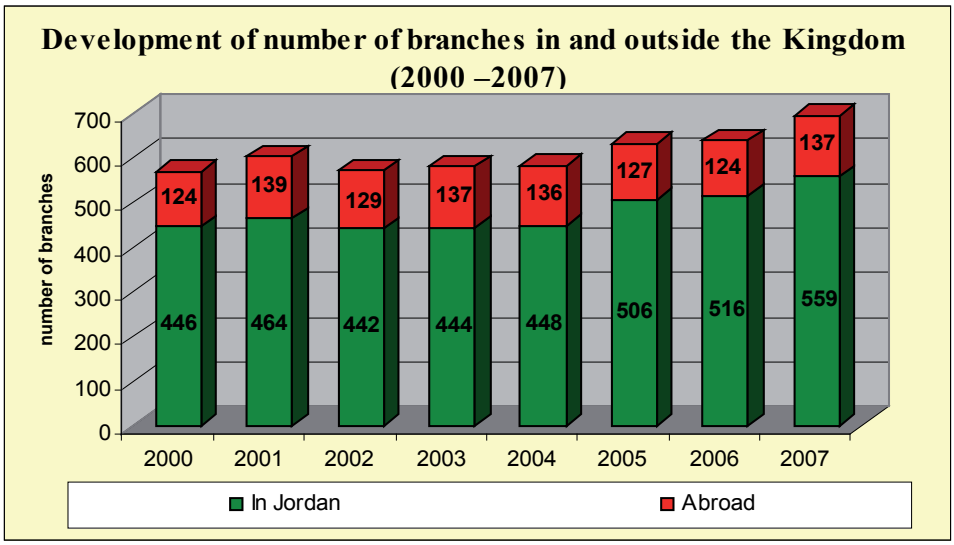
Table (5)

Number of branches, offices and automated teller machines (2000 – 2007)

year	Number of Branches		Number of offices		Number of (ATMs)
	In Jordan	Abroad	In Jordan	Abroad	
2000	446	124	153	24	377
2001	464	139	153	24	377
2002	442	129	157	14	534
2003	444	137	138	25	577
2004	448	136	156	27	617
2005	506	127	96	20	663
2006	516	124	83	22	724
2007	559	137	79	19	846

Source: Association of Banks in Jordan, Annual Reports.

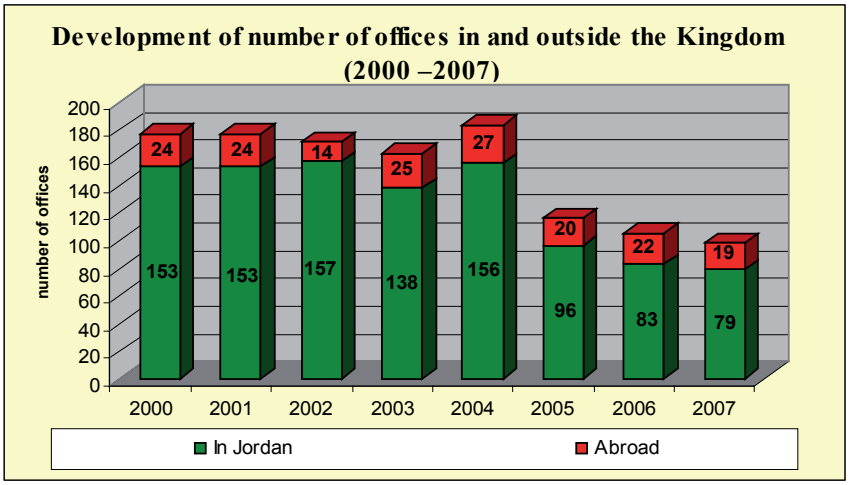
Chart (2)



b) Number of offices

The licensed banks operated 79 offices inside the Kingdom and 19 offices outside the borders at the end of 2007.

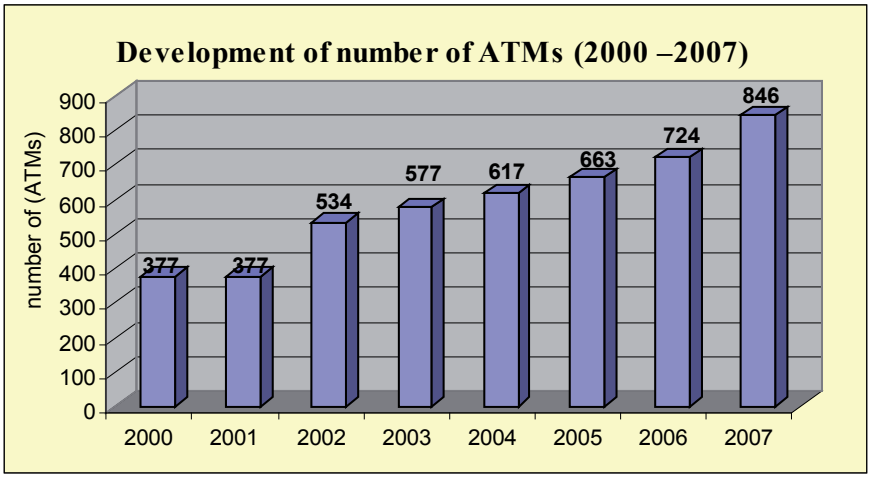
Chart (3)



c) Number of Automated Teller Machines (ATMs)

The ATMs were first used in the Kingdom in the early 80s of the past century. Today, ATMs and points of sale are spread all over the regions of the Kingdom and the branches of banks as well as major commercial centers, hospitals and universities. This facility made it easier for dealings and minimized the reliance on cash. At the end of 2007, banks provided 846 ATMs inside Jordan.

Chart (4)



Third:

Development of the banking system

- Development of assets
- Development of capital, reserves and provisions
- Development of credit facilities
- Development of deposits
- Indicators of financial soundness of the Jordanian banking system

Third: Development of the banking system

- Development of assets

The assets of Jordanian banks operating in the Kingdom more than doubled between 2000 and August 2008 as it rose from JD12.9 billion at the end of 2000 to JD30.1 billion at the end of August 2008. The increase by JD17.2 billion or 133 per cent shows an 11.3 per cent annual growth. The banks' assets as a percentage of the gross domestic product at current market prices increased from 215.3 per cent in 2000 to 239.8 per cent in 2007.

Table (6)
Assets of banks operating in Jordan in millions of dinars and its ratio to GDP
(2000 – Aug.2008)

year	Total Assets	Domestic Assets		Foreign Assets		percentage change of total assets	Total Assets/ GDP
	JD Million	JD Million	In percent of total Assets (%)	JD Million	In percent of total Assets (%)	%	%
2000	12913.5	9201.8	71.30	3711.7	28.70	11.80	215.30
2001	14153.6	9825.6	69.40	4328	30.60	9.60	222.40
2002	15119.3	10626.6	70.30	4492.7	29.70	6.80	222.50
2003	15701.5	11319.7	72.10	4381.8	27.90	3.90	217.20
2004	17821.1	12819	71.90	5002.1	28.10	13.50	220.50
2005	21086.5	15724.7	74.60	5361.8	25.40	18.30	234.00
2006	24237.6	18034.2	74.40	6203.4	25.60	14.90	239.80
2007	26815.6	20299.1	75.70	6516.5	24.30	10.64	228.77
Aug-08	30105.6	23888.6	79.35	6217	20.65	12.27	-

Source: Central Bank of Jordan

Chart (5)

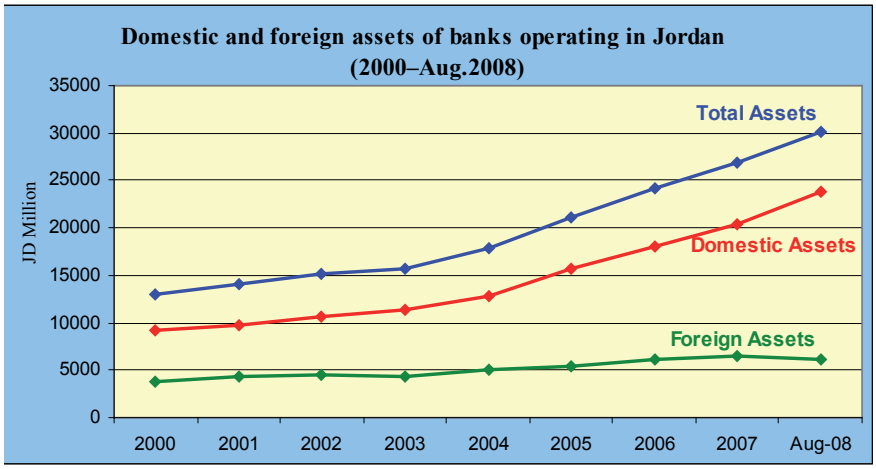
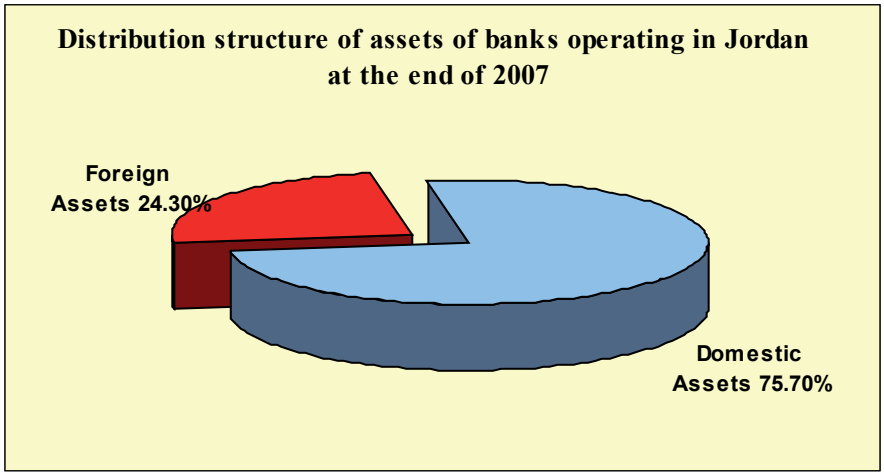


Chart (6)



- Development of capital, reserves and provisions

Realizing that strong banking institutions are fundamental for enhancing their capabilities to compete locally and abroad, the central bank requested Jordanian banks on 20-8-2003 to raise their minimum capital from JD20 million to JD40 million by the end of 2007. All the banks, except for one, were able to increase their capital to more than JD40 million in 2005 and 2006 before the 2007 deadline.

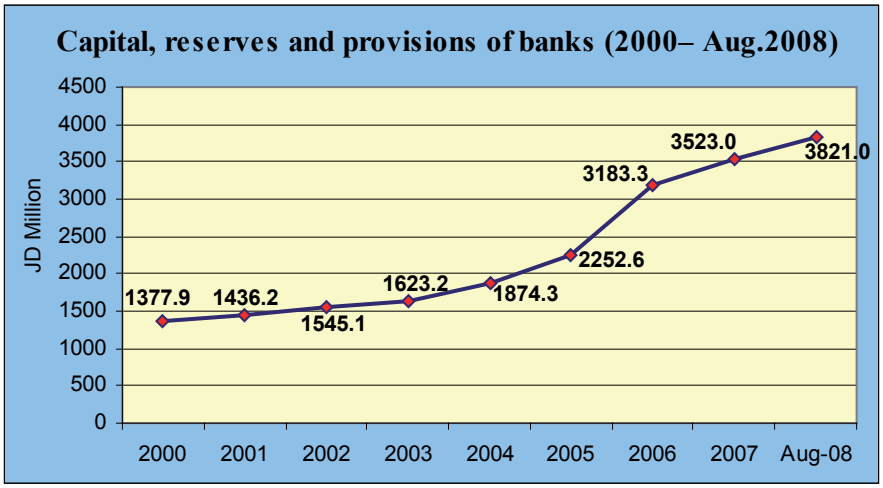
Table (7)

Development of capital, reserves and provisions (2000 – Aug.2008)

year	Capital, reserves and provisions JD Million
2000	1377.9
2001	1436.2
2002	1545.1
2003	1623.2
2004	1874.3
2005	2252.6
2006	3183.3
2007	3523.0
Aug-08	3821.0

Source: Central Bank of Jordan

Chart (7)



- Development of credit facilities

a) Development of credit facilities in Jordanian dinars and in foreign currencies:

- An increase in the balance of credits extended by banks from JD4.5 billion in 2000 to JD13.3 billion at the end of August 2008. The JD8.7

billion rise represents a 191 per cent surge at an annual rate of 13.2 per cent.

- An increase in the percentage of credit facilities extended by banks to the gross domestic product at current market prices from 75.8 per cent in 2000 to 96.4 per cent in 2007.
- A decline in the percentage of credits in foreign currencies to total credit facilities from 13.4 per cent in 2000 to 13.2 per cent as of the end of end of August 2008.

Table (8)

Total credit facilities extended by banks operating in Jordan and its ratio to GDP (2000-Aug.2008)

year	Total Credit Facilities	Domestic Credit Facilities		Foreign Credit Facilities		percentage change of Total Credit facilities	Total Credit Facilities/ GDP
	JD Million	JD Million	In percent of Total Credit Facilities (%)	JD Million	In percent of Total Credit Facilities (%)	%	%
2000	4,546.5	3,936.8	86.59	609.7	13.41	1.80	75.80
2001	4,948.9	4,251.9	85.92	697.0	14.08	8.90	77.80
2002	5,130.0	4,311.9	84.05	818.1	15.95	3.70	75.50
2003	5,262.4	4,333.0	82.34	929.4	17.66	2.60	72.80
2004	6,189.2	5,227.9	84.47	961.3	15.53	17.60	76.60
2005	7,744.3	6,887.4	88.94	856.9	11.06	25.10	85.90
2006	9,761.9	8,761.8	89.76	1000.1	10.24	26.10	96.60
2007	11,295.6	10,199.7	90.30	1095.9	9.70	15.71	96.37
Aug-08	13,259.5	11,506.6	86.78	1752.9	13.22	17.39	-

Source: Central Bank of Jordan

Chart (8)

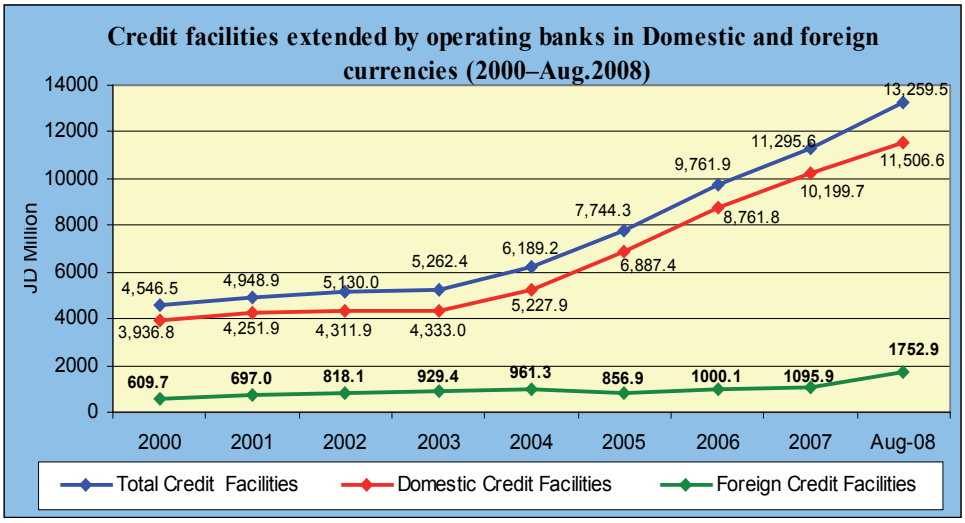
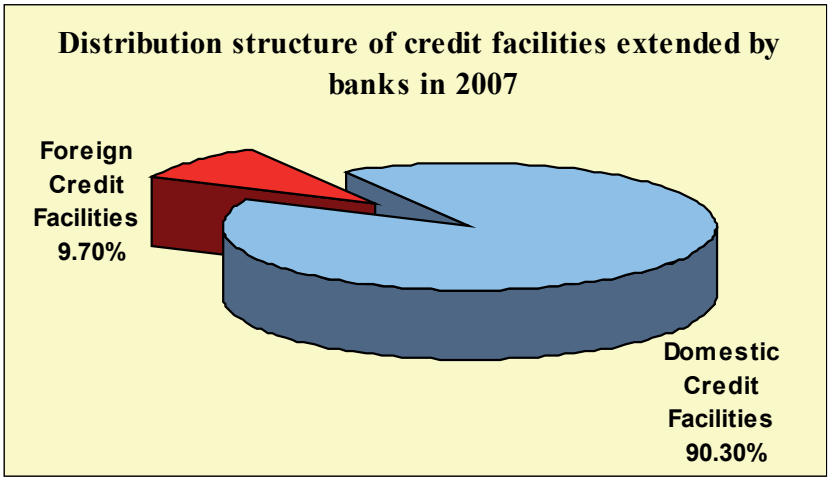


Chart (9)



b) Development of credit facilities according to type

- A rise in loans to total facilities from 59.6 per cent in 2000 to 81.5 per cent in 2007 in contrast to a decline in overdrafts and advances under current accounts as well as promissory notes from 31.2 per cent and 9.1 per cent in 2000 to 14.7 per cent and 3.9 per cent respectively in 2007.

Table (9)
Development of types of credit facilities extended by licensed banks
(2000 –Aug.2008)

year	Overdraft		Loans and Advances		Discounted Bills & Bonds		Total
	JD Million	%	JD Million	%	JD Million	%	
2000	1419.8	31.20	2711.4	59.60	415.3	9.10	4546.5
2001	1368.2	27.60	3115.1	62.90	465.3	9.40	4948.6
2002	1304.2	25.40	3428.6	66.80	397.2	7.70	5130.0
2003	1304.7	24.80	3620.5	68.80	337.2	6.40	5262.4
2004	1343.4	21.70	4499.6	72.70	346.2	5.60	6189.2
2005	1572.9	20.30	5813.9	75.10	357.5	4.60	7744.3
2006	1580.5	16.20	7722.1	79.10	459.3	4.70	9761.9
2007	1658.6	14.68	9199.8	81.45	437.2	3.87	11295.6
Aug-08	1842.2	13.89	10914.3	82.31	503.0	3.79	13259.5

Source: Central Bank of Jordan

Chart (10)

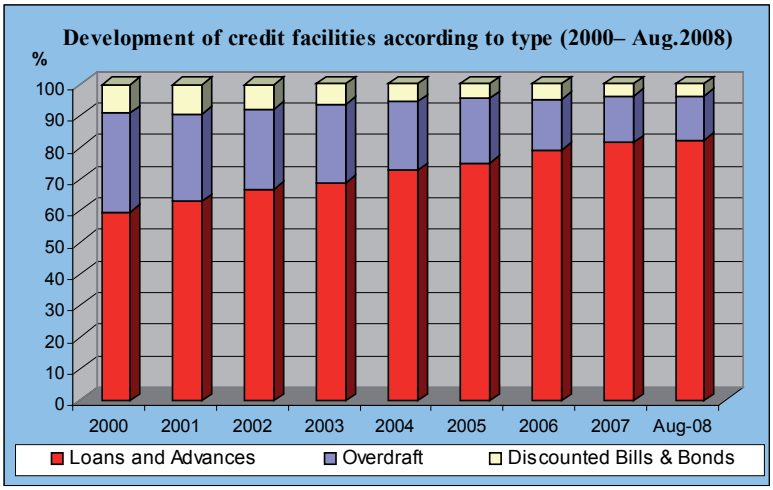
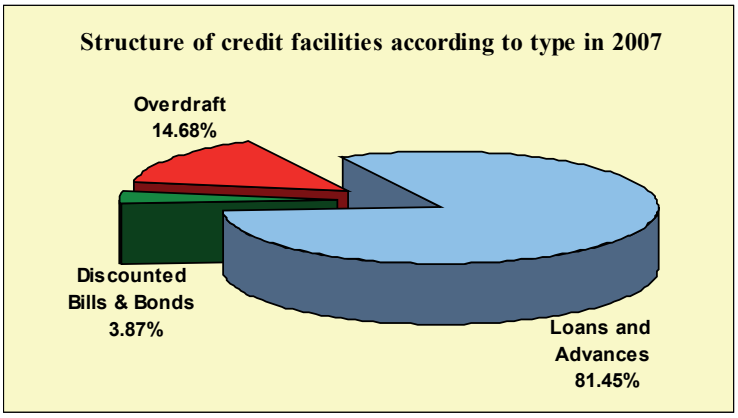


Chart (11)



c) Distribution of facilities on economic sectors

Three main economic sectors (general trade, construction and industry) accounted for 51.7 per cent of the credit facilities extended by banks. 22.5 per cent went for general trade, 16.1 per cent benefited the construction sector and 13.1 per cent was the share for industry between 2000 and August 2008. The mining, agriculture, financial services, transport and tourism sectors did not get more than 17.5 per cent of the total facilities extended by banks between 2000 and August 2008. The remaining 30.8 per cent of the total facilities were "other credits" that comprised mostly personal loans including borrowings for purchase of shares.

Table (10)

Distribution of credit facilities extended by licenced banks over economic sectors (2000–Aug.2008)

JD Million

Sector	2000	2001	2002	2003	2004	2005	2006	2007	Aug-08
Agriculture	128.0	105.5	102.9	98.8	113.6	110.9	140.9	156.2	187.5
Mining	100.7	77.7	95.3	78.0	77.7	56.5	42.8	65.7	43.1
Industry	683.4	728.6	789.8	801.4	895.3	981.6	1093.1	1348.1	1632.0
General Trade	1112.5	1206.1	1250.9	1327.3	1472.9	1585.0	1916.6	2434.7	3033.4
Construction	744.9	728.9	764.9	804.5	953.2	1162.1	1560.8	1942.1	2275.7
Transportation services	134.2	132.1	163.6	166.6	174.1	219.6	291.0	352.3	366.4
Tourism, Hotels & Restaurants	155.2	171.0	173.5	172.8	154.9	181.2	195.1	255.8	302.4
Public Services & Utilities	240.0	326.4	349.7	349.0	494.3	554.1	637.3	733.7	799.2
Financial Services	152.8	150.9	139.7	133.1	97.2	176.1	242.1	390.1	427.7
Other	1094.8	1321.7	1299.7	1330.9	1756.0	2717.2	3642.2	3616.9	4192.1

Source: Central Bank of Jordan

Chart (12)

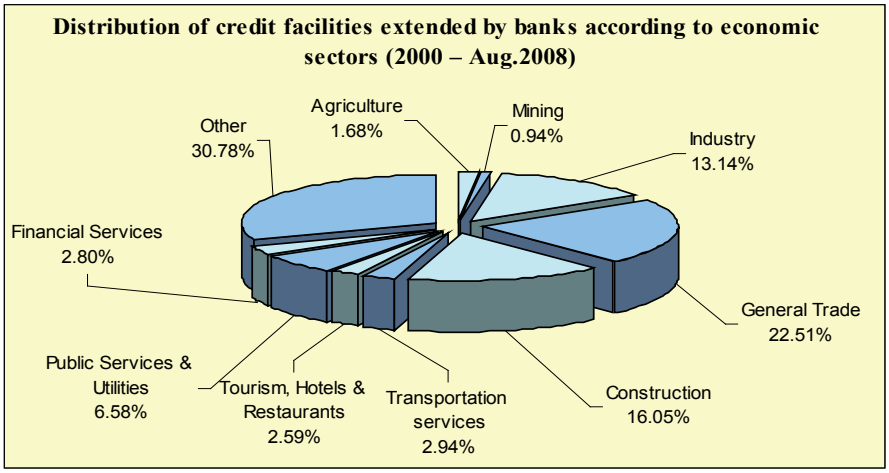
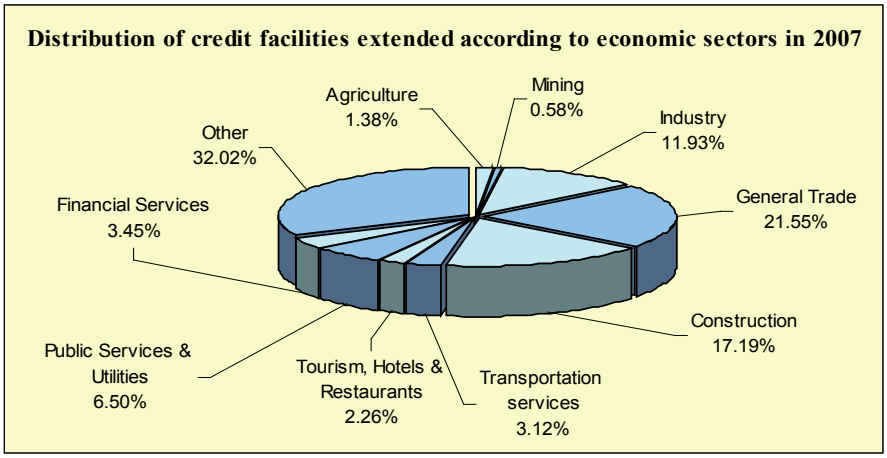


Chart (13)



- Development of deposits

a) Deposits in Jordanian dinars and in foreign currencies:

The balance of deposits at the banks operating in Jordan rose gradually between 2000 and 2007 from JD8.2 billion in 2000 to JD18.1 billion at the end of August 2008. The JD9.9 billion increase or 120.3 per cent translates into a 10.3 per cent annual growth. The percentage of deposits at the banks to the gross domestic product at current market prices slipped from 137.1 per **cent** in 2000 to 136.4 per cent in 2007. It is clear the structural change of the deposits was in favor of deposits in Jordanian dinars, indicating the attractiveness of the Jordanian dinar as a saving currency.

Table (11)

Total deposits at banks operating in Jordan and its ratio to GDP

(2000 – Aug.2008)

Year	Total Deposits	Domestic Deposits		Foreign Deposits		percentage change of Total Deposits %	Total Deposits /GDP %
	JD Million	JD Million	In percent of Total Deposits (%)	JD Million	In percent of Total Deposits (%)		
2000	8224.5	5000.2	60.80	3224.3	39.20	9.60	137.10
2001	8721.3	5203.7	59.67	3517.6	40.33	6.00	137.00
2002	9367.7	5532.6	59.06	3835.1	40.94	7.40	137.90
2003	9969.4	6082.9	61.02	3886.5	38.98	6.40	137.90
2004	11564.1	6878.7	59.48	4685.4	40.52	16.00	143.10
2005	13119.3	8364.5	63.76	4754.8	36.24	13.40	145.60
2006	14591.9	9427.1	64.61	5164.8	35.39	11.20	144.40
2007	15988.1	10618.0	66.41	5370.1	33.59	9.57	136.40
Aug-08	18117.4	13013.6	71.83	5103.8	28.17	13.32	-

Source: Central Bank of Jordan

Chart (14)

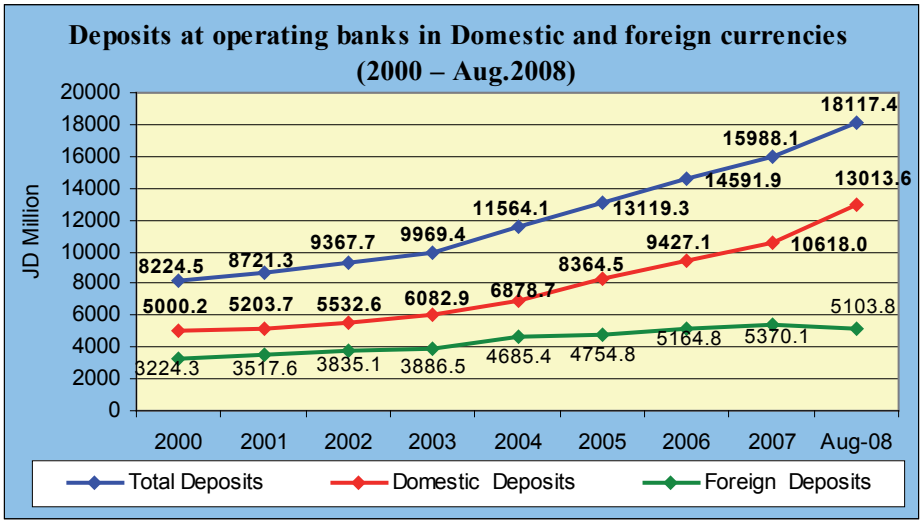
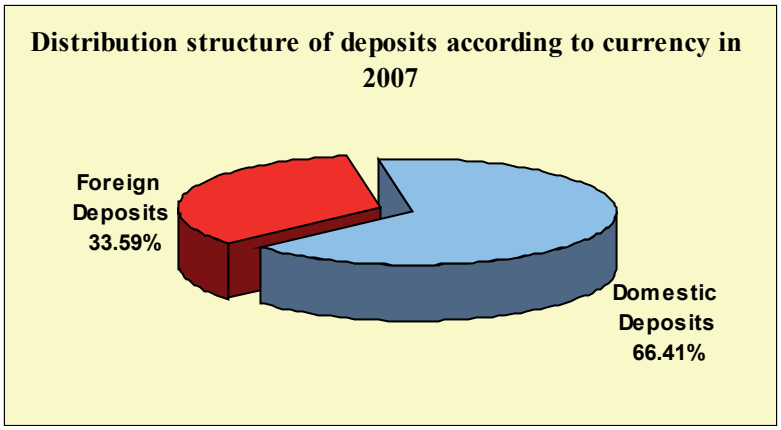


Chart (15)



b) Development of deposits according to type

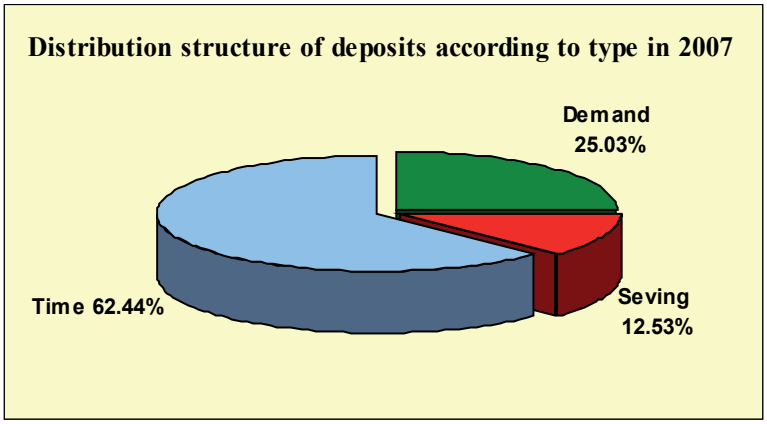
The structure of deposits in terms of types has changed during the past decade in favor of demand deposits at the expense of term deposits. The percentage of demand deposits to total deposits increased from 16 per cent in 2000 to 26.9 per cent as of the end of August 2008 whereas the term deposits dropped from 72.2 per cent in 2000 to 61.2 per cent as of the end of August 2008. Savings maintained the rate almost the same during the period.

Table (12)
Development of types of deposits at banks operating in Jordan
(2000–Aug.2008)

year	Demand		Saving		Time		Total
	JD Million	%	JD Million	%	JD Million	%	
2000	1313.7	16.00	970.8	11.80	5940.0	72.20	8224.5
2001	1529.3	17.50	1067.2	12.20	6124.8	70.20	8721.3
2002	1920.4	20.50	1233.8	13.20	6213.5	66.30	9367.7
2003	2338.8	23.50	1510.6	15.20	6120.0	61.40	9969.4
2004	3244.1	28.10	1828.6	15.80	6491.4	56.10	11564.1
2005	3674.4	28.00	1956.6	14.90	7488.3	57.10	13119.3
2006	3835.4	26.30	1997.1	13.70	8759.4	60.00	14591.9
2007	4001.9	25.03	2002.9	12.53	9983.3	62.44	15988.1
Aug-08	4867.6	26.87	2168.8	11.97	11081.0	61.16	18117.4

Source: Central Bank of Jordan

Chart (16)



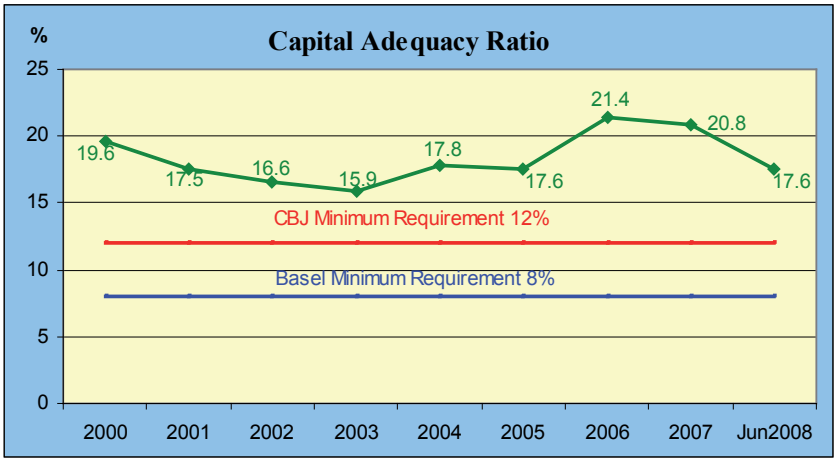
- Indicators of financial soundness of the Jordanian banking system.

1- Capital adequacy ratio

This ratio measures the extent of capital sufficiency held by the bank to confront the risks it may face. The numerator comprises the bank's regular capital which includes the paid-up capital, reserves, retained earning/ losses and other items such as supporting debts, the accumulated change in the fair value of shares available for sale and the reserve of general banking risks after excluding the bank's investments in the capital of other banks and financial companies. The denominator comprises the credit risks that include assets and off-balance sheet items weighted by proper risks in addition to market risks. Despite the fluctuations of this rate between 2000 and August 2008, it remained throughout the period within a comfortable range above the 12 per cent minimum set by the central bank and the eight per cent minimum set by the Basel Committee. This rate reached its lowest level at the end of 2003 when the average for all banks stood at 15.9 per cent. The highest level was reached at the end of 2006 when it stood at 21.4 per cent. This noticeable increase was mainly the result of banks raising their capital during 2006 and the posting of higher profits which reflected positively on the capital adequacy of banks.

By maintaining a comfortable margin of capital adequacy, that is above the 12 per cent minimum required by the central bank and the eight per cent required by the Basel Committee, during the 2000- June 2008 period; banks have asserted holding enough capital to face risks despite the big expansion in the usage of funds, especially in credit extension. This strengthens the stability of the banking system in particular and the financial stability in general.

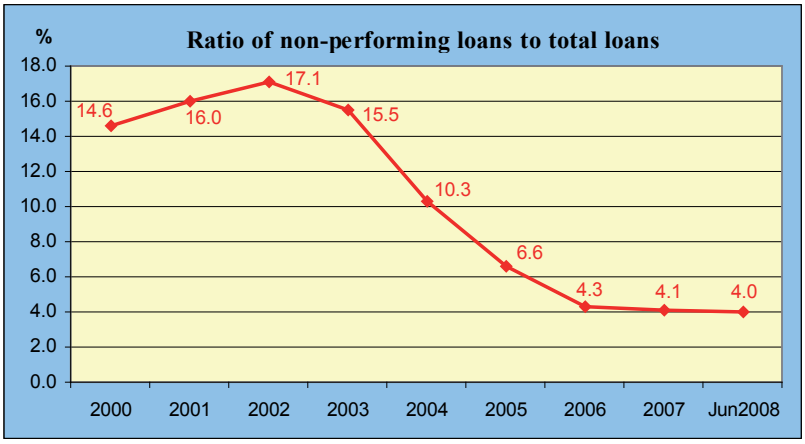
Chart (17)



2- Percentage of non-performing loans/ total loans

The regulations of the central bank define non-performing loans as the loans that have been due for 90 days or more. The percentage of net non-performing loans/ total loans has dropped from 17.1 per cent at the end of 2002 to 4.0 per cent at the end of the first half of 2008. This is the lowest level that has been reached mainly as a result of an improvement in the Kingdom's economic performance which reflected positively on the capabilities of clients to repay their obligations. Other factors were the higher efficiency of banks in managing their assets and collecting their dues besides the write-offs by banks of non-performing loans for which full provisions have been taken.

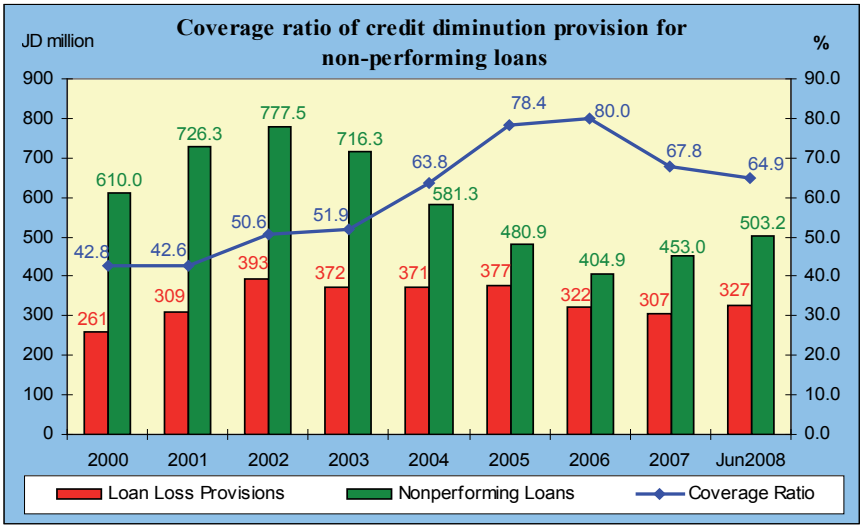
Chart (18)



3- Coverage ratio of credit provisions to non-performing loans

This ratio measures the sufficiency of provisions allocated by banks to counter the non-performing loans. Much improvement was achieved on this ratio which went up from 42.8 per cent at the end of 2002 to its highest level at the end of 2006 when it reached 80 per cent. The ratio slipped back to 64.9 per cent at the end of the first half of 2008. Reaching high levels, as was the case since 2005, is a positive indicator that reflects the capability of banks to face credit risks from their earnings without having to resort to capital. Furthermore, the high coverage ratio represents protection of the banks' capital and, subsequently, an enhancement of its financial strength that reflects positively on the Kingdom's financial stability. The increase in the coverage ratio to comfortable levels is the result of lower non-performing loans and also the keenness of the central bank to have banks allocate sufficient provisions to counter their non-performing loans.

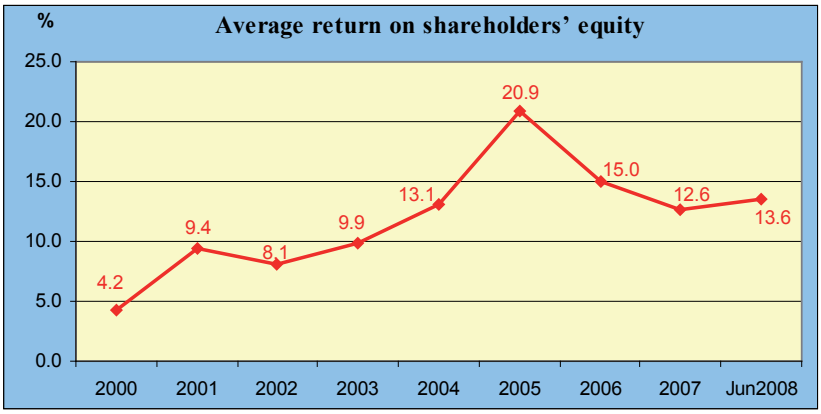
Chart (19)



4- Return on equity

As a result of continued growth in banks' profits, this ratio went up from 4.2 per cent at the end of 2000 to the highest level of 20.9 per cent at the end of 2005. Despite the continued rise in the profit of banks after 2005, this ratio fell back to 15 per cent in 2006 and 12.6 per cent in 2007 as a result of the big growth in the shareholders' equity of banks; not matched by a similar growth in the profits of banks.

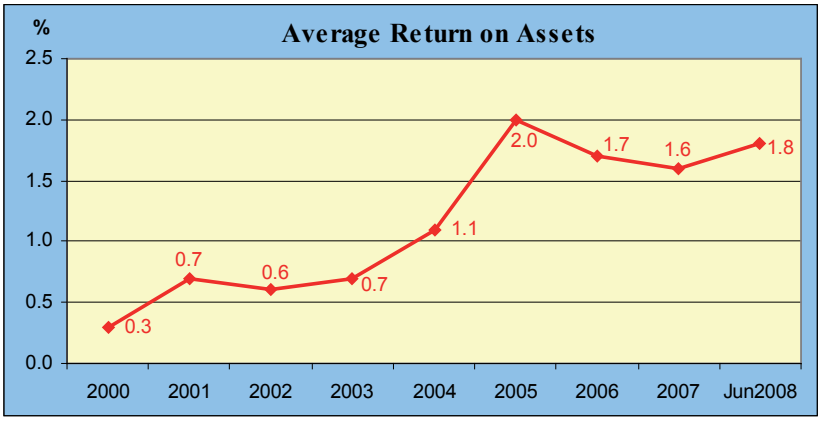
Chart (20)



5- Return on assets

The return on assets reached its highest at the end of 2005 when it stood at two per cent before declining slightly at the end of 2006 to 1.7 per cent because the growth in the assets of banks was higher than the profits.

Chart (21)

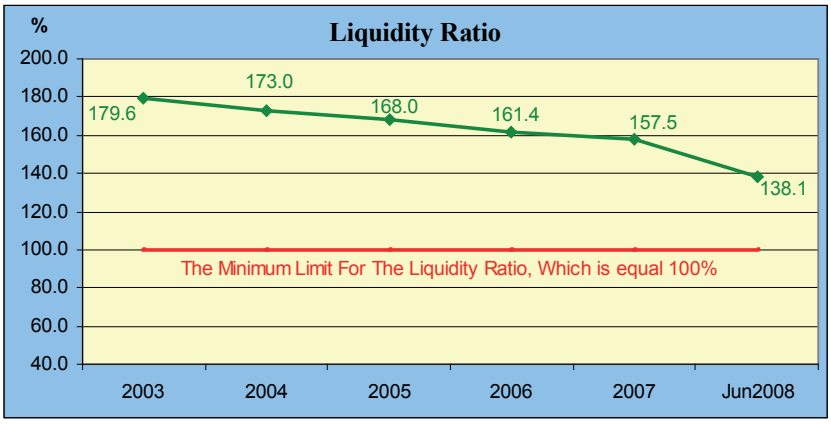


6- Liquidity

The legal liquidity ratio measures the liquid assets available at the bank against its obligations that are due. At the end of 2003, the ratio reached 179.6 per cent before going down continuously to 138.1 per cent at the end of the first half of 2008. Yet, it is still much higher than the 100 per cent minimum required by the central bank. The decline was due to banks' expansion of credit facilities (which are not considered liquid assets) at the expense of cash balances and

other liquid assets. It is worth mentioning that, in general, a big increase in the liquidity ratios reflects inefficiency of banks in utilizing their resources of funds. Whereas, a big drop is considered a negative indicator reflecting high liquidity risks. Consequently, banks have to balance between security, liquidity and profitability giving proiority to security and liquidity over profitability. In this regard, the central bank, through its control over the banking system, focuses on sound management of liquidity by stressing the instructions issued in 2000 on liquidity based on maturity ladder. These instructions take into consideration balancing the tenures between the resources of funds and its uses without depending on fluctuating and short term resources of funds to finance long term assets.

Chart (22)



Fourth:

Islamic banks operating in Jordan

- Islamic banks' share of assets
- Islamic banks' share of deposits
- Islamic banks' share of credit facilities

Fourth: Islamic banks operating in Jordan

- Islamic banks' share of assets

Data shown in table 13 indicate the following:

- Islamic banks controlled at the end of 2007 (8.75) per cent of the assets of the Jordanian banking system. The remaining 91.25 per cent of the assets belonged to commercial banks.
- From 2000 until 2007, the distribution of assets fluctuated between the commercial banks and the Islamic banks. At the end of the period, the fluctuation ended in favor of the Islamic banks whose share of assets edged up slightly from 7.6 per cent in 2000 to 8.75 per cent in 2007. The share of commercial banks declined from 92.4 per cent in 2000 to 91.25 per cent in 2007.

Table (13)

Distribution of the assets of the banking system between the commercial banks and the Islamic banks (2000 – 2007)

year	Assets of Commercial banks/total assets %	Assets of Islamic banks/total assets %
2000	92.41	7.59
2001	92.28	7.72
2002	91.35	8.65
2003	90.14	9.86
2004	90.53	9.47
2005	91.13	8.87
2006	91.18	8.82
2007	91.25	8.75

Source: Banks in Jordan

Chart (23)

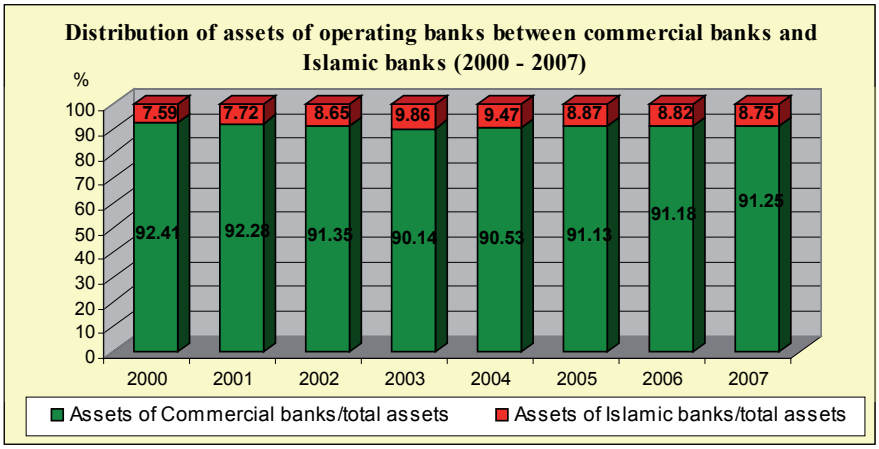
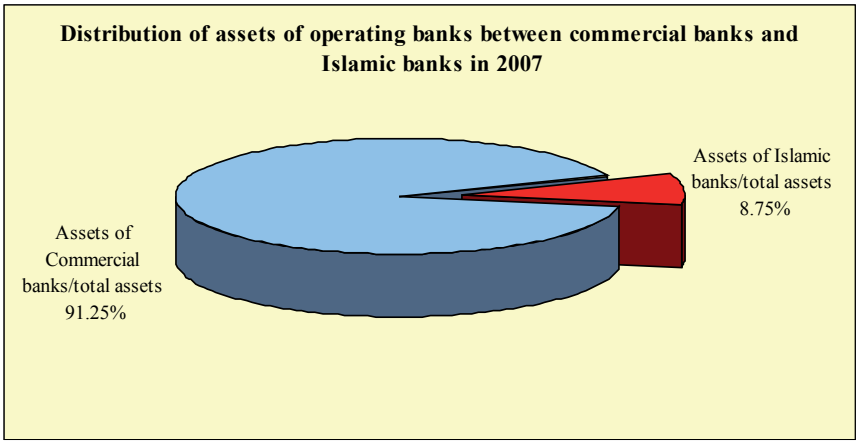


Chart (24)



- Islamic banks' share of deposits

Data shown in table 14 indicate the following:

- At the end of 2007, Islamic banks controlled 4 per cent of the total deposits in the Jordanian banking system. The remaining 96 per cent belonged to commercial banks.
- The distribution of deposits in the banking system fluctuated between the commercial banks and the Islamic banks. At the end of the period, the fluctuation ended in favor of the commercial banks whose share of deposits increased from 92.7 per cent in 2000 to 96 per cent in 2007. The share of Islamic banks of the total deposits declined from 7.3 per cent in 2000 to 4 per cent in 2007.

Table (14)

Distribution of the deposits at the banking system between the commercial banks and the Islamic banks (2000 – 2007)

Year	Deposits of Commercial banks/total deposits	Deposits of Islamic banks/total deposits
	%	%
2000	92.67	7.33
2001	93.34	6.66
2002	91.31	8.69
2003	89.82	10.18
2004	90.10	9.90
2005	90.60	9.40
2006	96.40	3.60
2007	96.00	4.00

Source: Banks in Jordan

Chart (25)

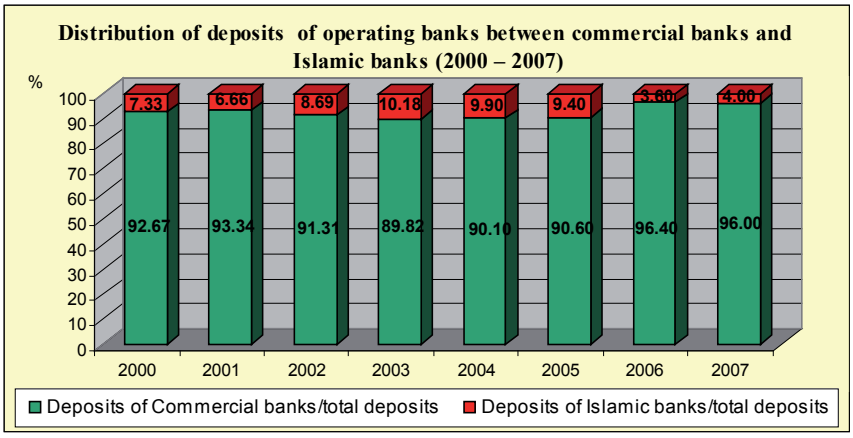
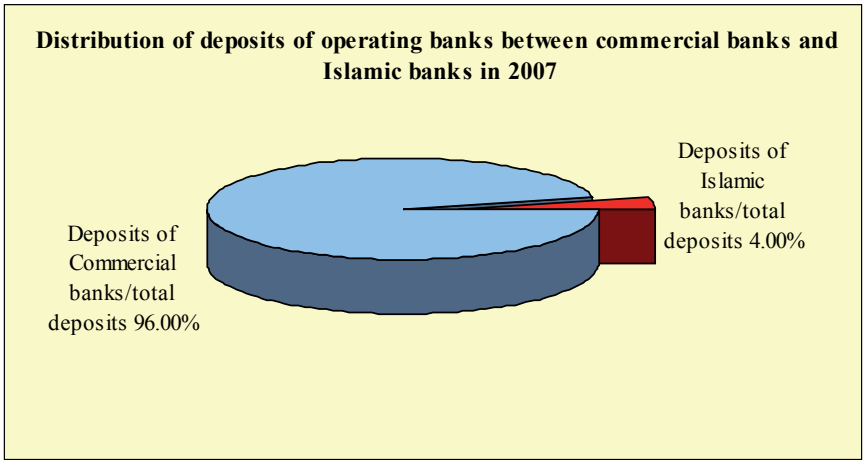


Chart (26)



- Islamic banks' share of credit facilities

Data shown in table 15 indicate the following:

- Islamic banks controlled 8.5 per cent of the credit facilities extended by the Jordanian banking system at the end of 2007. The remaining 91.5 per cent belonged to commercial banks.
- The distribution of credit facilities extended by the banking system fluctuated between commercial banks and Islamic banks. The fluctuation ended in favor of Islamic banks whose share of the facilities edged up slightly from 7.7 per cent in 2000 to 8.5 per cent in 2007. The share of commercial banks went down from 92.3 per cent in 2000 to 91.5 per cent in 2007.

Table (15)

Distribution of the credit facilities extended by the banking system between the commercial banks and the Islamic banks

Year	Credit facilities of Commercial banks/ total Credit facilities	Credit facilities of Islamic banks/ total Credit facilities
	%	%
2000	92.32	7.68
2001	92.77	7.23
2002	91.83	8.17
2003	91.38	8.62
2004	91.28	8.72
2005	91.69	8.31
2006	91.67	8.33
2007	91.50	8.50

Source: Banks in Jordan

Chart (27)

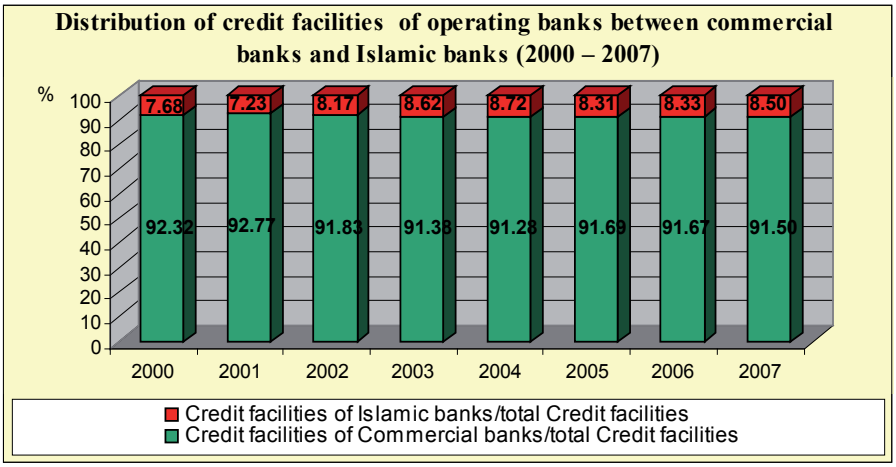
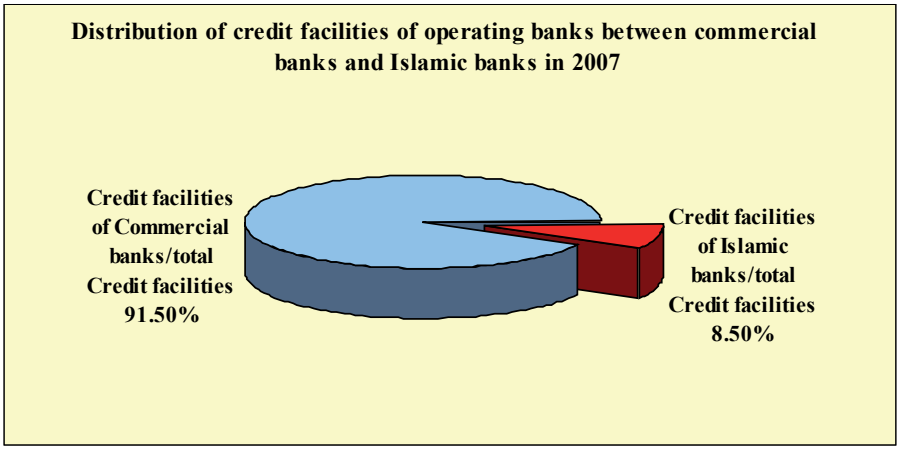


Chart (28)



Fifth:

Foreign banks operating in Jordan

- Non-Jordanian banks' share of assets
- Non-Jordanian banks' share of deposits
- Non-Jordanian banks' share of credit facilities

Fifth: Foreign banks operating in Jordan

- Non- Jordanian (foreign) banks share of assets

Data shown in table 16 indicate the following:

- At the end of 2007, non- Jordanian banks controlled nine per cent of the total assets of the Jordanian banking system. The remaining 91 per cent belonged to Jordanian banks.
- From 2000 until 2007, the distribution of assets fluctuated between the Jordanian banks and non- Jordanian banks. At the end of the period, the fluctuation ended in favor of Jordanian banks whose share of assets rose from 90 per cent in 2000 to 91 per cent in 2007. The share of non-Jordanian banks declined from 10 per cent in 2000 to nine per cent in 2007.

Table (16)

Distribution of the assets of the banking system between Jordanian banks and non-Jordanian banks

Year	Assets of Jordanian banks/ total assets %	Assets of non-Jordanian banks/ total assets %
2000	89.96	10.04
2001	91.03	8.97
2002	89.43	10.57
2003	91.78	8.22
2004	90.71	9.29
2005	90.56	9.44
2006	90.02	9.98
2007	91.00	9.00

Source: Banks in Jordan

Chart (29)

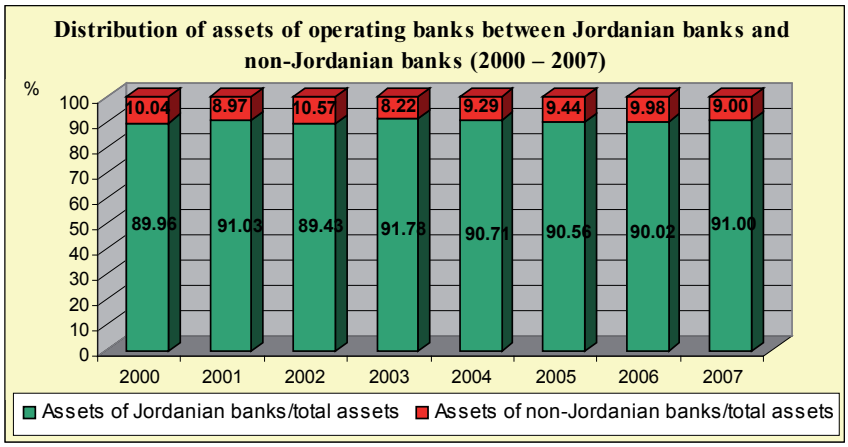
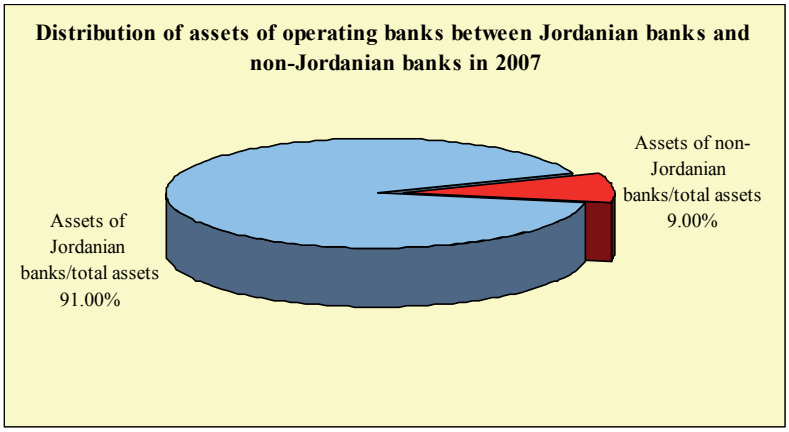


Chart (30)



- Non- Jordanian (foreign) banks' share of deposits

Data shown in table 17 indicate the following:

- At the end of 2007, non- Jordanian banks controlled 11 per cent of the total deposits in the Jordanian banking system. The remaining 89 per cent belonged to Jordanian banks.
- The distribution of deposits in the banking system fluctuated between Jordanian banks and non- Jordanian banks. At the end of the period, the fluctuation was in favor of non- Jordanian banks whose share of deposits increased from 10 per cent in 2000 to 11 per cent in 2007. The share of Jordanian banks dropped from approximately 90 per cent in 2000 to 89 per cent in 2007. The decline may be attributed to three non- Jordanian banks which entered the Jordanian banking market in 2004.

Table (17)

Distribution of the deposits at the banking system between Jordanian banks and non-Jordanian banks

Year	Deposits of Jordanian banks/ total deposits	Deposits of non-Jordanian banks/ total deposits
	%	%
2000	89.97	10.03
2001	91.06	8.94
2002	89.49	10.51
2003	92.12	7.88
2004	91.41	8.59
2005	90.74	9.26
2006	88.58	11.42
2007	89.00	11.00

Source: Banks in Jordan

Chart (31)

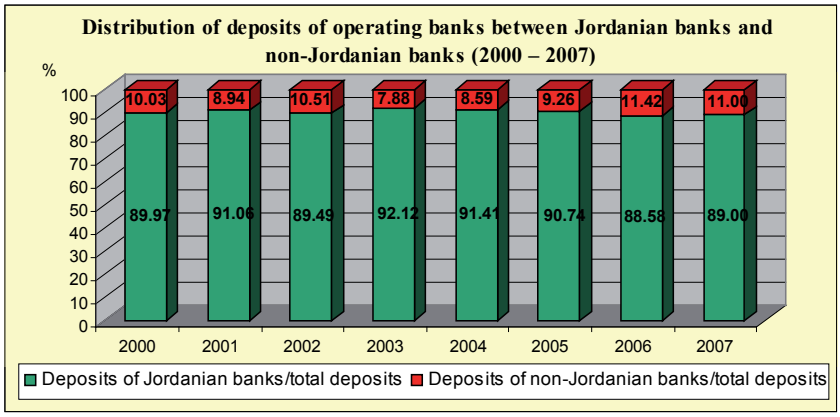
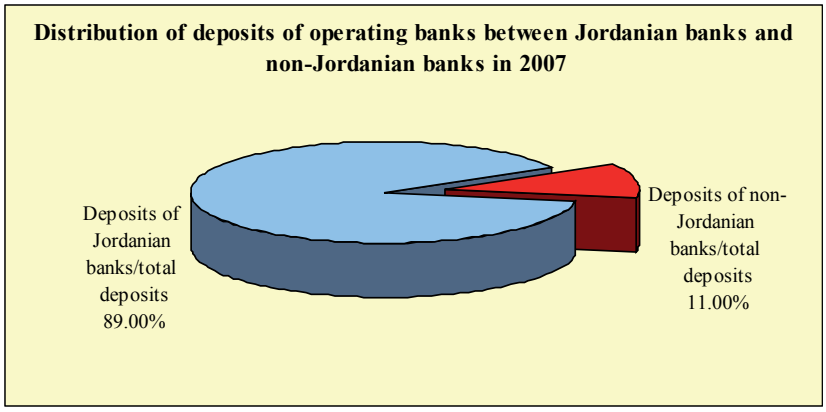


Chart (32)



- Non- Jordanian (foreign) banks' share of credit facilities

Data shown in table 18 indicate the following:

- At the end of 2007, non- Jordanian banks controlled 14 per cent of the total credit facilities extended by the Jordanian banking system. The remaining 86 per cent belonged to Jordanian banks.
- The distribution of credit facilities extended by the banking system fluctuated between Jordanian banks and non- Jordanian banks before settling in favor of non- Jordanian banks whose share of credit facilities went up from 10 per cent in 2000 to 14 per cent in 2007. The share of Jordanian banks fell from 90 per cent in 2000 to 86 per cent in 2007.

Table (18)

Distribution of the credit facilities extended by the banking system between Jordanian banks and non-Jordanian banks

Year	credit facilities of Jordanian banks/ total credit facilities	credit facilities of non-Jordanian banks/total credit facilities
	%	%
2000	90.00	10.00
2001	92.05	7.95
2002	90.80	9.20
2003	91.26	8.74
2004	91.22	8.78
2005	91.31	8.69
2006	90.61	9.39
2007	86.00	14.00

Source: Banks in Jordan

Chart (33)

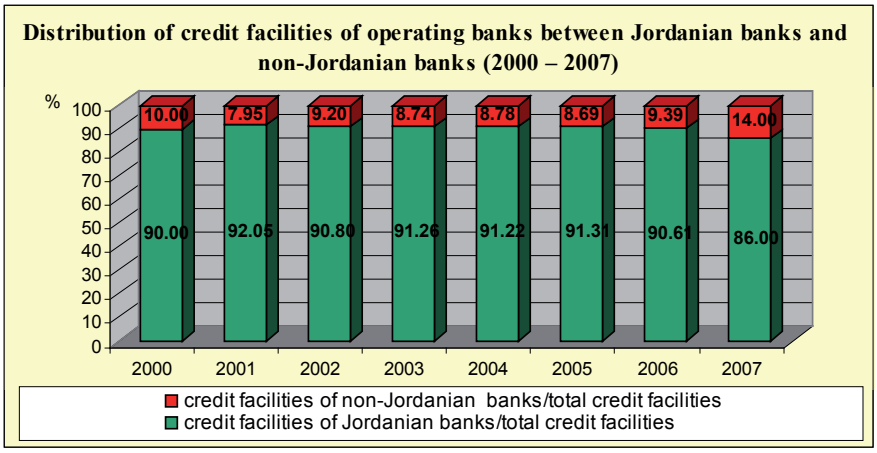
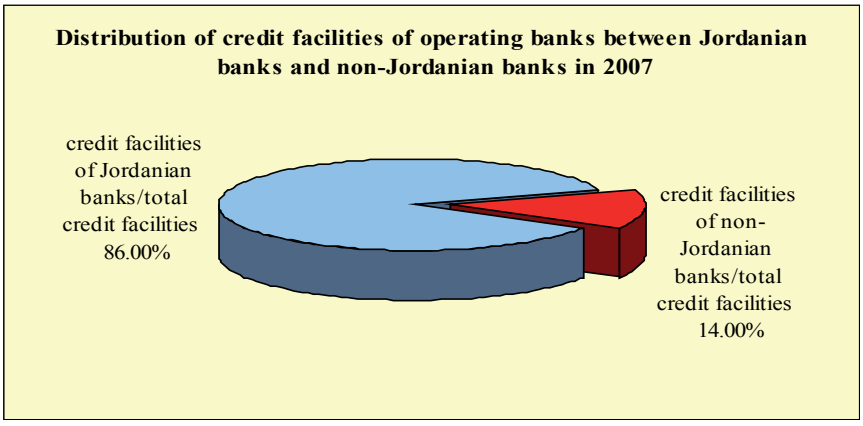


Chart (34)



Sixth:

Banking concentration

- Concentration of assets
- Concentration of deposits
- Concentration of credit facilities

Sixth: Banking concentration

Banking concentration is measured by calculating the shares of the largest three banks in terms of total assets, deposits and credit facilities. (Studies show that if the rate of concentration of the largest three banks is more than 40 per cent, than there is a state of monopoly in the banking). According to data available on Jordan, the concentration rate has noticeably declined during the past decade, signaling a higher degree of competition in the Jordanian banking system.

- Concentration of assets:

The largest three banks' share of the total assets of licensed banks declined from 53.13 per cent in 2000 to 47.80 per cent in 2007.

- Concentration of deposits:

The largest three banks' share of the total deposits of licensed banks went down from 53.74 per cent in 2000 to 50.35 per cent in 2007.

- Concentration of credit facilities:

The largest three banks' share of the total credit facilities extended by licensed banks fell from 49.79 per cent in 2000 to 41.99 per cent in 2007.

Chart (35)

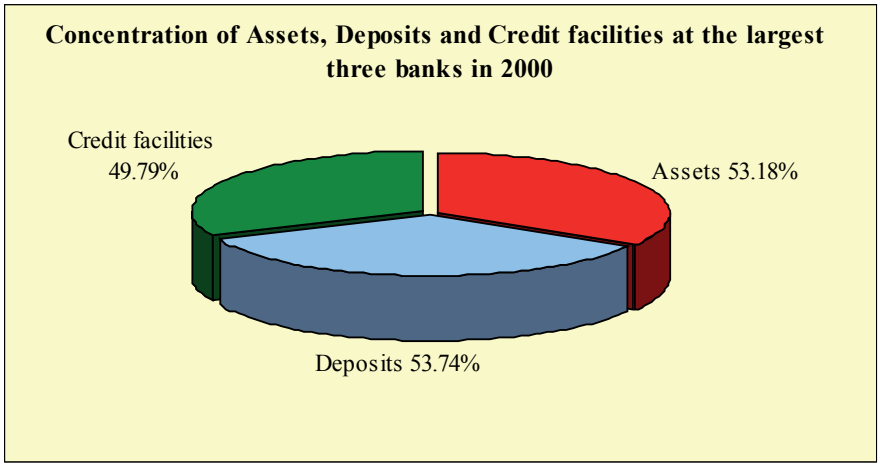
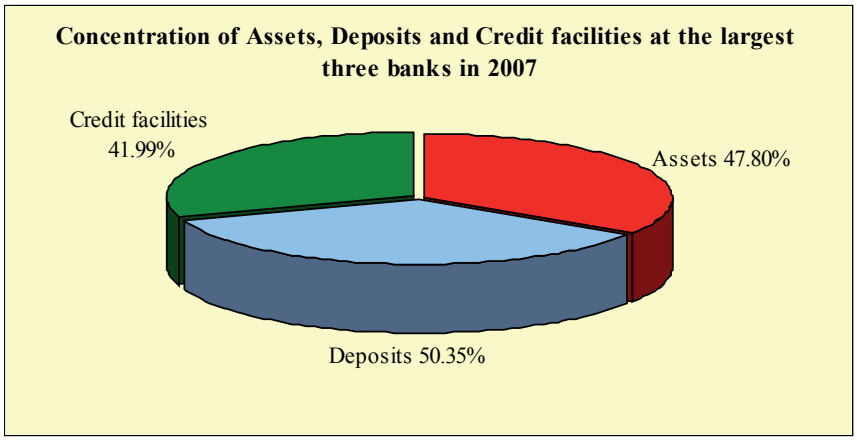


Chart (36)


Concentration of Assets, Deposits and Credit facilities at the largest three banks in 2007
Credit facilities 41.99%
Assets 47.80%
Deposits 50.35%

Seventh:

Development in the performance of banks listed on the bourse

- **The share price index of banks listed on the bourse**
- **The trading volume of bank shares listed on the bourse**
- **Ownership of non-Jordanians in the equity of banks listed on the bourse**

Seventh: The development in the performance of banks listed on the bourse

- The share price index of banks listed on the bourse

At the end of 2008, the share price index of banks listed on the Amman Bourse stood at 14408.6 points compared to 13886.7 points at the end of 2007. This shows a three per cent growth whereas the increase in the general price index of the bourse reached 17 per cent.

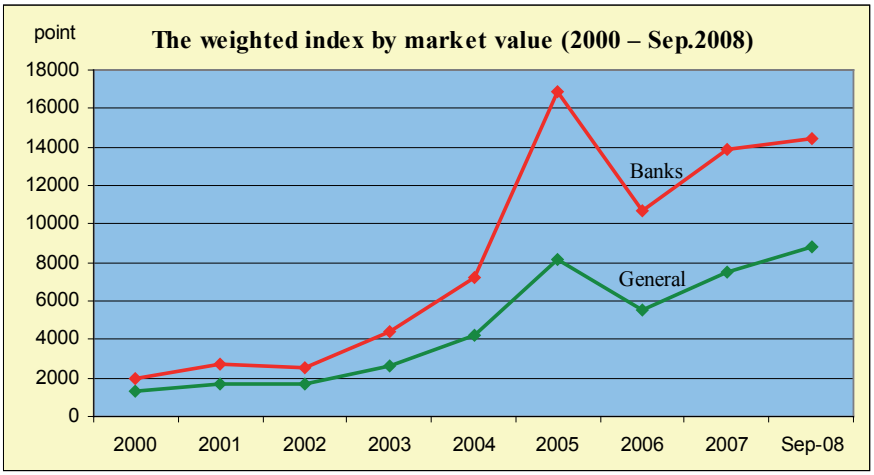
Table (19)

The share price index weighted by market value (2000 – Sep.2008)

Year	The share price index weighted by market value	
	General	Banks
2000	1331.0	1987.0
2001	1727.0	2752.0
2002	1700.2	2556.6
2003	2614.5	4433.6
2004	4245.5	7230.9
2005	8191.5	16892.0
2006	5518.1	10704.7
2007	7519.3	13886.7
Sep 2008	8846.2	14408.6

Source: Amman Stock Exchange

Chart (37)



- The trading volume of bank shares listed on the bourse

Between 2004 and September 2008, the ratio of the trading volume of bank

shares to the total trading volume of the bourse declined gradually. After registering 44.6 per cent in 2004, the ratio dropped to 19.9 per cent in 2007 before recording the lowest level of 13.85 per cent at the end of September 2008.

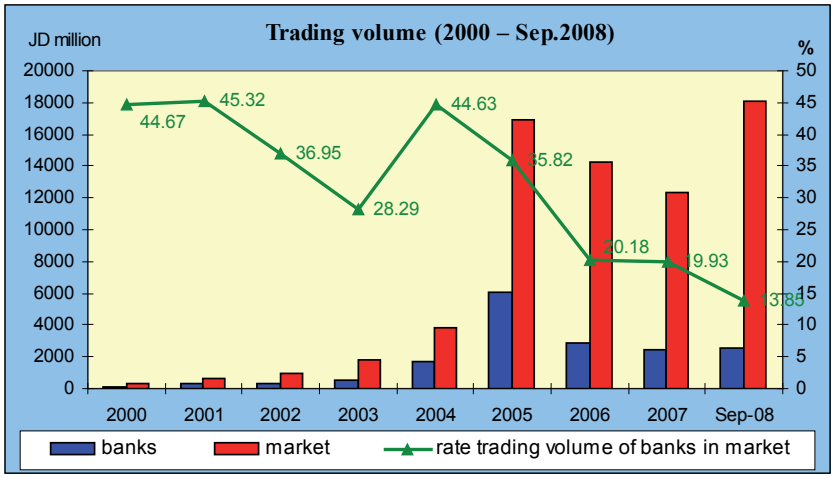
Table (20)

The trading volume of bank shares listed on the ASE (2000 – Sept.2008)

Year	Value traded (JD million)		
	Banks	Market	Banks/market (%)
2000	128.56	287.80	44.67
2001	300.28	662.55	45.32
2002	349.78	946.70	36.95
2003	524.84	1855.17	28.29
2004	1693.00	3793.25	44.63
2005	6043.41	16871.05	35.82
2006	2867.83	14209.87	20.18
2007	2460.80	12348.10	19.93
Sep-08	2504.00	18081.00	13.85

Source: Amman Stock Exchange

Chart (38)



- Ownership of non- Jordanians in the equity of banks listed on the bourse

The share of non- Jordanians in the equity of banks listed on the bourse rose from 55.17 per cent in 2000 to 58.7 per cent at the end of September 2008.

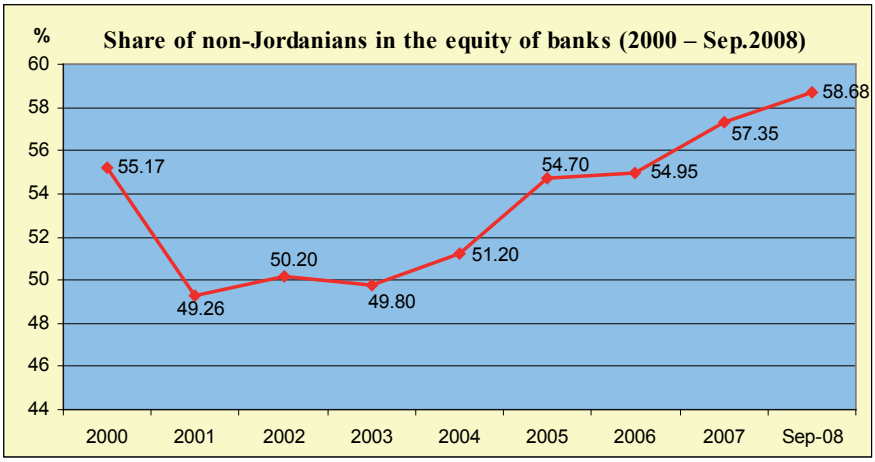
Table (21)

Share of non-Jordanians in the equity of banks (2000 – Sep.2008)

Year	Share of non-Jordanians in the equity of banks %
2000	55.172
2001	49.255
2002	50.20
2003	49.80
2004	51.20
2005	54.70
2006	54.95
2007	57.35
Sep 2008	58.675

Source: Amman Stock Exchange

Chart (39)



Eighth:

Development on the interest rates structure in the Jordanian Banking market

- Changes of interest rates on deposits
- Changes of interest rates on credit facilities
- Interest rate margin
- Prime interest rate
- Changes of interest rates on monetary policy tools
- Development of inter bank lending rates (JODIBOR)

Eighth: The development on interest rates structure in the Jordanian banking market

- Changes of interest rates on deposits

The weighted average of interest rates on all forms of deposits declined noticeably between 2000-2004 before rising gradually until 2007. The increase of weighted average of interest rates was noticeable on the time deposits in 2006 when it went up 161 basis points above the level registered in 2005. Despite the increase of interest rates on all forms of deposits, it did not reach the level registered in 2000. Interest rates edged down slightly during the January- August period of 2008.

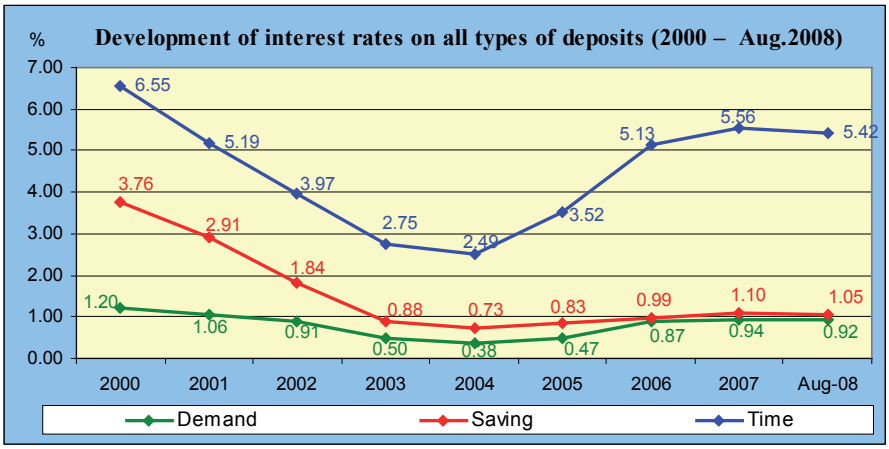
Table (22)

The weighted average of interest rates on deposits at banks (2000 – Aug.2008)

Year	Demand %	Saving %	Time %
2000	1.200	3.760	6.550
2001	1.060	2.910	5.190
2002	0.910	1.840	3.970
2003	0.500	0.880	2.750
2004	0.380	0.730	2.490
2005	0.470	0.830	3.520
2006	0.870	0.990	5.130
2007	0.940	1.100	5.560
Aug-2008	0.920	1.050	5.420

Source: Central Bank of Jordan

Chart (40)



- Changes of interest rates on credit facilities

The weighted average of interest rates on all kinds of credit facilities dropped between 2000-2004 before moving back up gradually until 2007. Despite the increase of interest rates on all kinds of credit facilities, it did not reach the level registered in 2000. Interest rates edged down slightly during the first eight months of 2008.

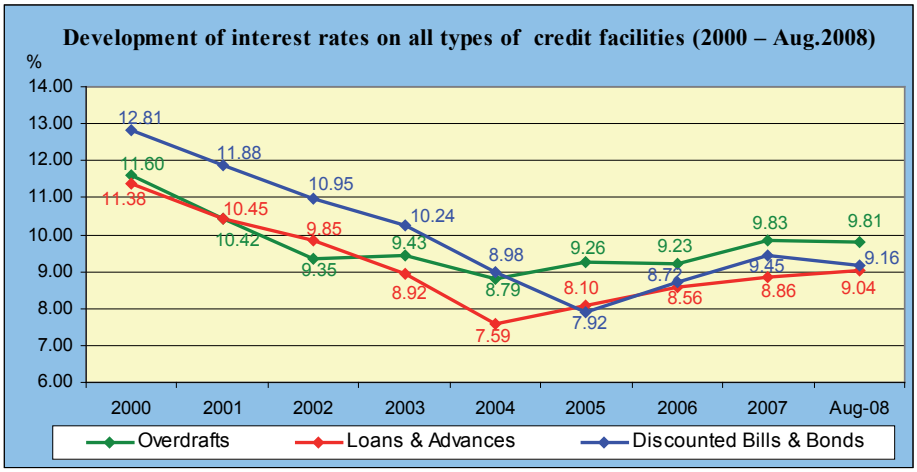
Table (23)

The weighted average of interest rates on credit facilities extended by banks (2000-Aug.2008)

Year	Overdrafts %	Loans & Advances %	Discounted Bills & Bonds %
2000	11.600	11.380	12.810
2001	10.420	10.450	11.880
2002	9.350	9.850	10.950
2003	9.430	8.920	10.240
2004	8.790	7.590	8.980
2005	9.260	8.100	7.920
2006	9.230	8.560	8.720
2007	9.830	8.860	9.450
Aug-2008	9.810	9.040	9.160

Source: Central Bank of Jordan

Chart (41)



- Interest rate margin

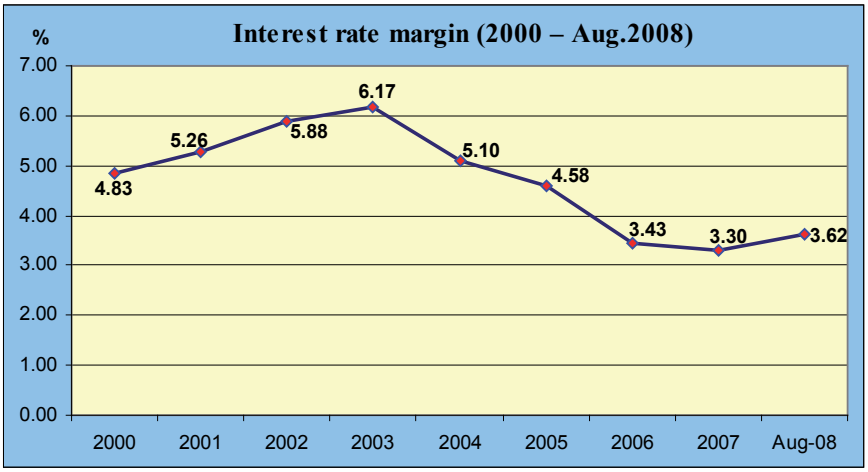
In light of interest rate changes on deposits and credit facilities, the interest rate margin, measured by the difference between the interest rate on loans and the interest rate on time deposits, fluctuated between 2000 and 2007. The highest interest rate margin was in 2003 when it stood at 6.17 per cent. It gradually declined since then to 3.62 per cent at the end of August 2008.

Table (24)
Interest rate margin (2000 – Aug.2008)

Year	Loans & Advances %	Time %	Interest rate margin %
2000	11.380	6.550	4.830
2001	10.450	5.190	5.260
2002	9.850	3.970	5.880
2003	8.920	2.750	6.170
2004	7.590	2.490	5.100
2005	8.100	3.520	4.580
2006	8.560	5.130	3.430
2007	8.860	5.560	3.300
Aug-2008	9.040	5.420	3.620

Source: Central Bank of Jordan

Chart (42)



- Prime interest rate

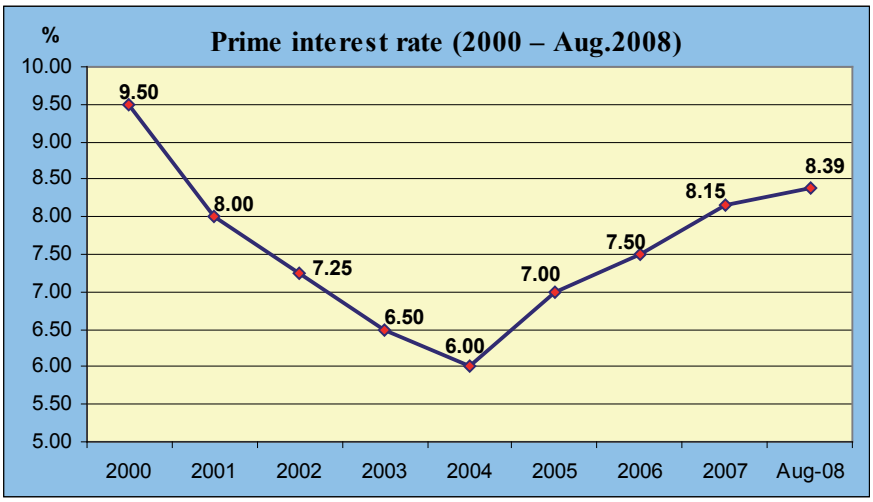
The prime interest rate dropped gradually since the beginning of 2000 until the end of 2004 before rising again gradually to 8.39 per cent at the end of August 2008. However, it did not register the level at the start of the period.

Table (25)
Prime interest rate (2000 – Aug.2008)

Year	Prime interest rate %
2000	9.500
2001	8.000
2002	7.250
2003	6.500
2004	6.000
2005	7.000
2006	7.500
2007	8.150
Aug-2008	8.390

Source: Central Bank of Jordan

Chart (43)



- Changes of interest rates on monetary policy tools

In response to developments in international money markets and in keeping up with local economic developments, the central bank made changes on the interest rates of monetary policy tools. On September 19, 2007, the central bank lowered the interest rates by 50 basis points on its monetary policy tools represented by the rediscount rate, the repurchase agreement rates and the interest rate on overnight "window deposits".

- The rediscount rate was lowered from 7.5 per cent to 7.0 per cent per annum.
- The repurchase agreement rates were lowered from 7.25 per cent to 6.75 per cent per annum.
- The interest rate on "window deposits" was lowered from 5.25 per cent to 4.75 per cent per annum.

The latest changes carried out by the central bank were on 3-2-2008 when interest rates on monetary policy tools were lowered by 25 basis points on rediscount rates, the "window deposit" and repurchase agreements. Consequently, the interest rates on the monetary policy tools became as follows:

- The rediscount rate was lowered by 25 basis points to 6.75 per cent.
- The repurchase agreement rate for one night was lowered by 25 basis points to 6.50 per cent.
- The interest rate on overnight "window deposit" was lowered by 25 basis points to 4.50 per cent.

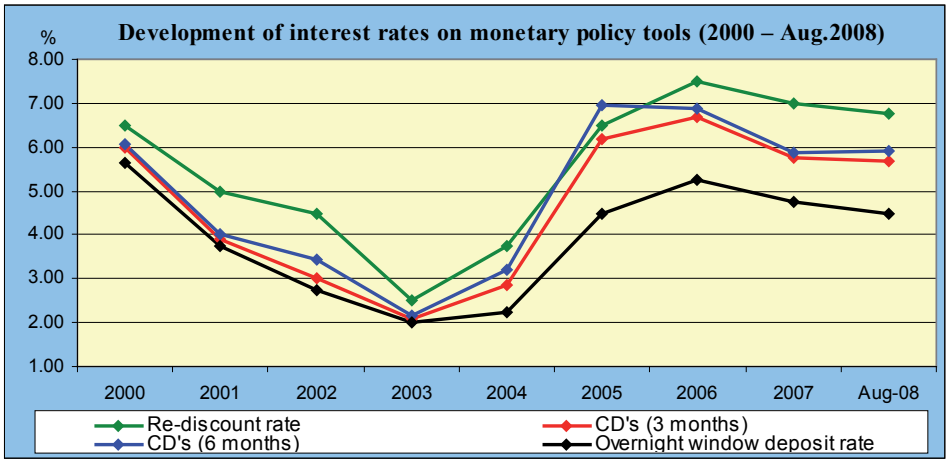
Table (26)

Interest rates on monetary policy tools (2000 – Aug.2008)

Year	Re-Discount rate %	Repurchase Agreements		Certificates of Deposit			Overnight window deposit rate
		Repo (overnight) %	Repo (one week) %	CD's (3months) %	CD's (6months) %	CD's (1year) %	
2000	6.500		7.500	6.000	6.050		5.625
2001	5.000		6.000	3.900	4.000		3.750
2002	4.500		5.500	3.000	3.450		2.750
2003	2.500		3.500	2.100	2.150		2.000
2004	3.750	4.000	4.750	2.850	3.200		2.250
2005	6.500		7.500	6.200	6.950	6.850	4.500
2006	7.500		8.500	6.700	6.862	6.850	5.250
2007	7.000	6.750		5.750	5.867	–	4.750
Aug-2008	6.750	6.500		5.675	5.926		4.500

Source: Central Bank of Jordan

Chart (44)



- Development of inter bank lending rates (JODIBOR)

The Association of Banks proposed during the first half of 2005 to member banks the idea of forming a reference interest rate for inter bank lending in Jordanian dinars because there was no reference interest rates for inter bank lending. Joint efforts between the Association of Banks, the Central Bank of Jordan and the banks operating in Jordan focused on forming a local benchmark rate for short- term (one day to 12 months) inter bank lending rates in Jordanian dinars. The objective of this step was to come up with a return curve for the money market in Jordanian dinars. Through such a curve, it would be possible to compare the returns of the money market and also prepare to find tools and derivatives for the interest rates in the Jordanian dinar.

Banks agreed on JODIBOR as a name for the key short-term interest rate reference used between banks, financial institutions and investors to specify the cost of borrowing in Jordanian dinars in the money and capital market. JODIBOR was officially launched on 1-11-2005 after a trial period that started on 1-8-2005.

By agreement among all parties concerned, standards were introduced as a code of conduct that morally binds all the banks participating in this scheme, and forms a framework for dealing within moral values commonly practiced.

The mechanism of calculating the JODIBOR reference interest rate was based on the following:

- Number of participating banks: Ten banks were chosen and entrusted with pricing for all tenures. These banks represented all the banks

operating in the Kingdom and included Jordanian and non-Jordanian banks whether small and big. (Arab Bank, Housing Bank for Trade and Finance, Jordan Capital Bank, Ahli Bank, Bank of Jordan, Union Bank, Jordan Kuwait Bank, Cairo Amman Bank, Egyptian Arab Lank Bank and Audi Bank).

- Pricing all tenures: The ten banks price all tenures by using three decimals (for one night, one week, one month, three months, six months and one year).
- Mechanism of calculation: The association calculates the JODIBOR average for each maturity after excluding the highest two prices and the lowest two prices and working out the simple mathematical average for the remaining six prices. The methodology of calculation was amended to exclude only the highest and lowest prices and working out the simple mathematical average for the remaining eight prices.
- Calculation of the coefficient of variation: To measure the price divergency, the coefficient of variation for the ten banks is calculated by dividing the deviation for the ten banks by the price average of ten banks and multiplying the result by hundred.
- Deriving the return curve: On that day also, the return curve is derived and its direction compared to the previous day and to the 29-8-2005 that was considered the base day.
- Announcing the JODIBOR rates: At 11:00am of each working day, the JODIBOR rates are announced. The rates are published also at the website of the association and the website of the central bank.

The developments on inter bank lending rates (JODIBOR) between 2005 and September 2008 show the following:

- Average interest rates on lending for one night, one week, one month and three months rose at the end of 2006 from the levels registered at the end of 2005, 2007 and September 2008.
- Average interest rates on lending for all maturities at the end of September 2008 were higher than the levels recorded at the end of 2007.

By comparing the average interbank lending rates (JODIBOR) during September 2008 with the average interbank lending rates during September 2007, it can be found that during September 2008, the rates were lower by 17 points for one night, 23 points for one week maturity, 29 points for one month maturity, 43 points for 3 months maturity and 40 pints for six months maturity. For one year maturity, the rate was 3 points higher.

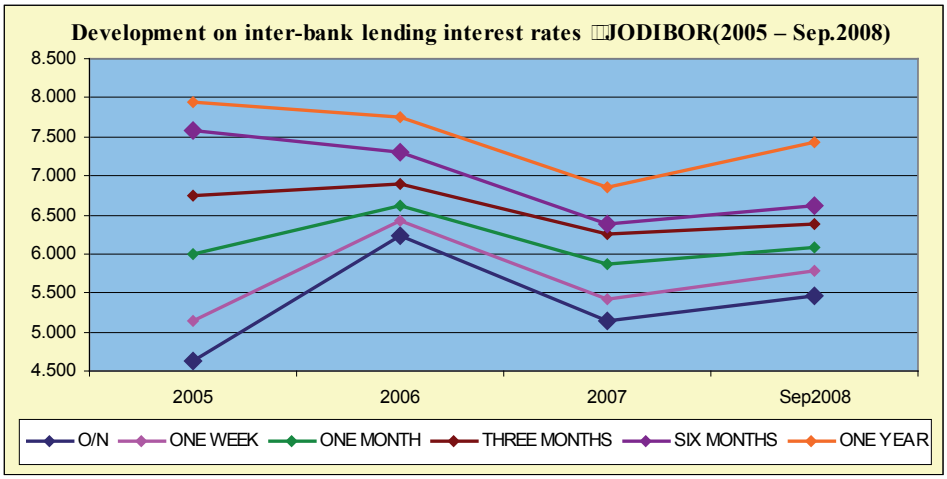
Table (27)

Development of inter-bank lending interest rates (JODIBOR) as of the end of (2005-Sept.2008)

	2005	2006	2007	Sep-2008
O/N	4.625	6.242	5.138	5.456
ONE WEEK	5.142	6.425	5.425	5.784
ONE MONTH	6.008	6.608	5.872	6.078
THREE MONTHS	6.742	6.900	6.244	6.375
SIX MONTHS	7.583	7.300	6.388	6.616
ONE YEAR	7.942	7.758	6.850	7.438

Source: Association of Banks in Jordan

Chart (45)



Ninth:

Clearing of checks

Ninth: Clearing of Checks

Checks were of the most important tools that were historically used, since the late 19th century, to execute payments between different parties whether in trade or at the consumer level. The system of clearing checks in the Kingdom was developed over several stages from manual to automatic in 1997. Now, the current system is an electronic clearing one that depends on exchanging electronically the copies and data of checks between member banks and the clearing centre. Launched on Thursday , July 5, 2007 ; the project is considered of the pioneering steps that aim at reducing the period for collecting checks to same working day of depositing a check in the account of a beneficiary instead of three working days at least under the previous system.

The number of checks handled declined from around 10931.9 thousand checks in 2006 to 10901.9 thousand in 2007 whereas the value of checks increased by 14 per cent from JD 26521.6 million to JD 30233.7 million.

The number and value of checks that bounced increased by 45.9 per cent and 76.2 per cent respectively. The number reached 626.6 thousand checks in 2007 from 429.4 thousand in 2006 and the value reached JD 1404.6 million in 2007 from JD 797.1 million in 2007.

It should be mentioned in this regard that the checks that bounced because of insufficient funds accounted for 57 per cent of the number of bounced checks and 52 per cent of their value.

Looking at the development of checks' clearing until the end of August 2008 and comparing the data with the same period of 2007, the following figures, calculated in an accumulative manner, were observed:

(i) An increase in the number and value of checks presented for clearing. The number of checks rose by 568.2 thousand from 7297.6 thousand at the end of August 2007 to 7865.8 thousand at the end of August 2008. The value of checks presented for clearing rose by JD8120.4 million from JD19684.0 million at the end of August 2007 to JD27804.4 million at the end of August 2008.

(ii) The number and value of checks that bounced increased by 107.1 thousand checks and JD489.6 million respectively. The number of checks that bounced increased from 367.1 thousand at the end of August 2007 to 474.2 thousand checks at the end of August 2008. The value of such checks rose from JD822.2 million at the end of August 2007 to JD1311.8 million at the end of August 2008.

(iii)The rate of checks that bounced because of insufficient funds to the overall number of bounced checks rose to 56.28 per cent at the end of August 2008.

Table (28)
Clearing of checks (2000 – August 2008)

Description	2000	2001	2002	2003	2004	2005	2006	2007	Aug 2008
Circulated Cheques									
Number (thousand)	8,891.7	8,958.2	8,577.4	8,475.4	8,516.4	9,588.9	10,931.9	10,901.9	7,865.8
Value(JD million)	11,622.6	12,584.6	12,904.7	14,269.2	17,058.4	22,732.2	26,521.6	30,233.7	27,804.4
Returned Cheques									
Number (thousand)	549.2	536.7	472.2	423.9	364.1	386.4	429.4	626.6	474.2
Value(JD million)	494.0	515.5	486.5	497.1	466.4	626.8	797.1	1,404.6	1,311.8
The ratio to the number of Circulated Cheques (%)	6.18	5.99	5.51	5.00	4.28	4.03	3.93	5.75	6.03
The ratio to the value of Circulated Cheques (%)	4.25	4.10	3.77	3.48	2.73	2.76	3.01	4.65	4.72
Returned Cheques for insufficient balance									
Number (thousand)	…	…	255.2	237.3	204.1	209.4	240.8	357.3	266.9
Value(JD million)	…	…	252.1	260.0	249.0	297.3	380.6	733.2	434.4
The ratio to the number of Circulated Cheques (%)	…	…	2.98	2.80	2.40	2.18	2.20	3.28	3.39
The ratio to the value of Circulated Cheques (%)	…	…	1.95	1.82	1.46	1.31	1.44	2.43	1.56
Returned Cheques for another reasons									
Number (thousand)	…	…	217.0	186.6	160.0	177.0	188.6	269.3	207.2
Value(JD million)	…	…	234.4	237.1	217.4	329.5	416.5	671.4	702.5
The ratio to the number of Circulated Cheques (%)	…	…	2.53	2.20	1.88	1.85	1.73	2.47	2.63
The ratio to the value of Circulated Cheques (%)	…	…	1.82	1.66	1.27	1.45	1.57	2.22	2.53

Source: Central Bank of Jordan

Chart (46)

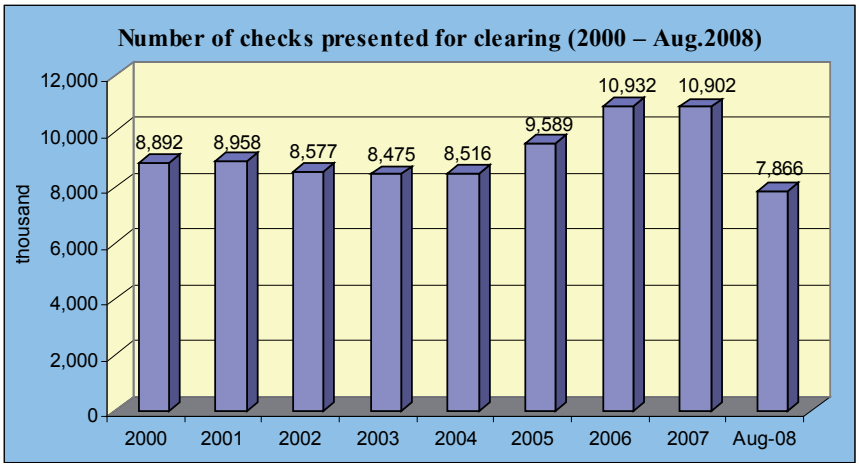


Chart (47)

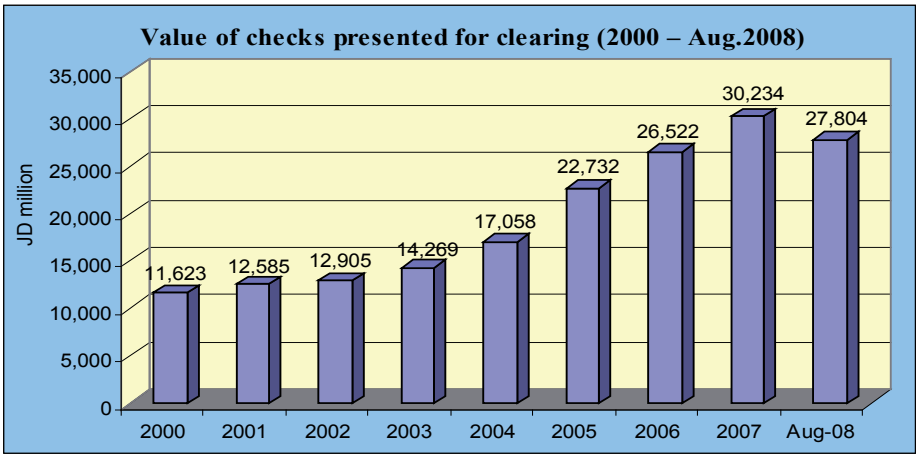


Chart (48)

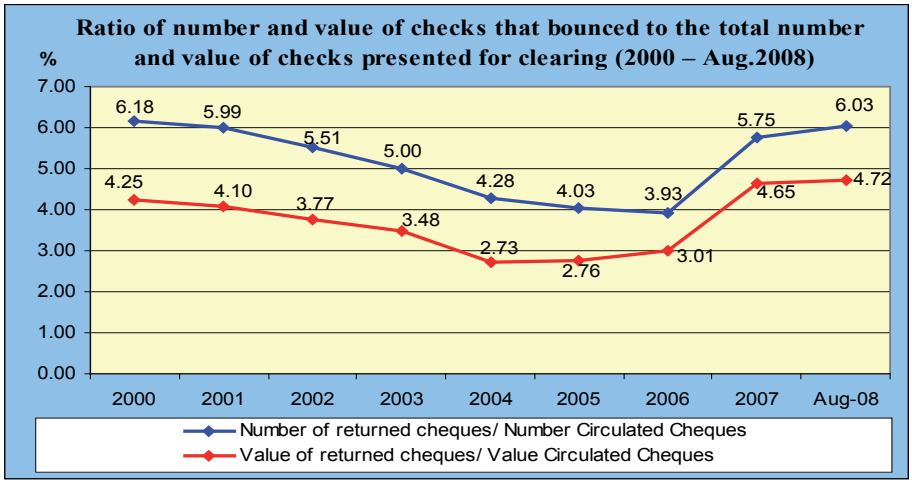
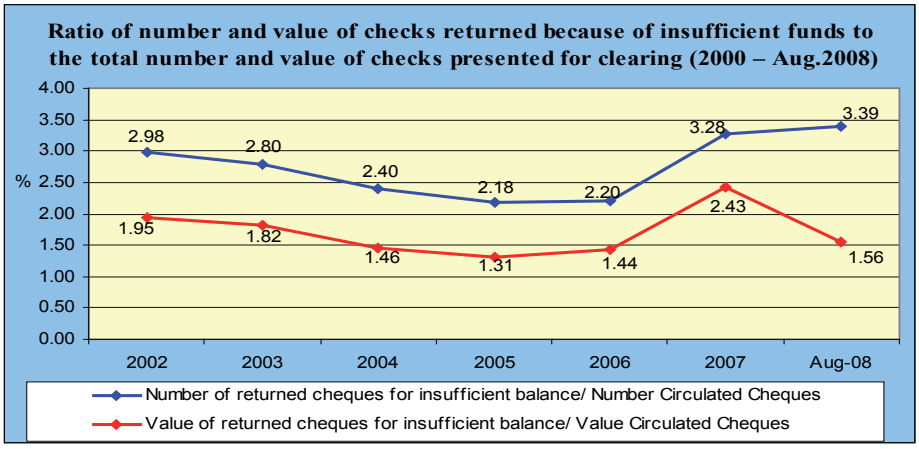


Chart (49)



Tenth:

Development of banking services

- New banking services
- Electronic banking services (via internet)

Tenth: Development of banking services

- New banking services

Banks operating in Jordan achieved important qualitative leaps and undertook speedy steps to modernize and develop their products ; keeping them in line with developments in the international banking industry.

Banks have carried out a qualitative move by developing their services and diversifying their products in conformity with the results and outputs of the information technology and telecommunications' revolution.

During 2007, around 66 new services were introduced mostly by employing technology in the service of clients.

Table (29)
New banking services introduced by banks in 2007

Name of service	Name of service
Car financing Housing financing Opening five new branches Expanding ATM network Establishing quality assurance unit	Accepting loan applications via the bank's website Upgrading the automated phone banking services " Hala Arabi" Launching new website: www.arabbank.com.jo Online cash deposit service available at 20 ATM locations Electronic clearing
Ma'ak Visa credit card programme Al-Hal programme for personal loans Mubarak programme for car loans Financing projects of Housing and Urban Development Department Establishing 12 specialized centers for developing SMEs Finance leasing New campaign for saving accounts Accepting Social Security subscriptions	Call centre Operating the customers' management system Launching the follow-up collection unit Launching the customers' follow-unit "Let's Go Places" campaign "Know Your Customer" campaign "My Business" revolving loan Ahli premium banking service
Microfinance Internet banking SMS banking Banking services via Jordan Post	Fuel loans Golden deposit account Medical loans Social Security subscription payment
Orange bill payment Social Security installment payments Financing travel packages Discounted certificates of deposit	Western Union transfers via internet Secure shopping via internet (VBV) Electronic clearing Camera surveillance for branches and ATMs
Prepaid cards service ABC Online "Jordan" Social Security subscription payment IN card for companies	Premier centre My Rewards Points programme Credit cover Opening new branch in Abdoun
Gold certificates	Visa card
Assortment of credit cards	Visa card: SMS service
Visa card: SMS service Master card: SMS service	LCD loan Furniture loan

- Electronic banking services (via internet)

Table (30)
Electronic banking services

Bank's Name	Website	Availability of Online services in Jordan	Retail e-banking	Corporate e-banking
Arab Bank	www.arabbank.com.jo	Yes	Yes	Yes
Jordan Ahli Bank	www.ahli.com	Yes	Yes	Yes
Cairo Amman Bank	www.cab.jo	Yes	Yes	No
Bank of Jordan	www.bankofjordan.com	Yes	Yes	Yes
The Housing Bank for Trade & Finance	www.hbtf.com	Yes	Yes	Yes
Jordan Kuwait Bank	www.jordan-kuwait-bank.com	Yes	Yes	Yes
Arab Jordan Investment Bank	www.ajib.com	Yes	Yes	Yes
Jordan Commercial Bank	www.jgbank.com.jo	No	No	No
Jordan Islamic Bank	www.jordanislamicbank.com	Yes	Yes	Yes
Jordan Investment & Finance Bank	www.jifbank.com	Yes	Yes	No
Arab Banking Corp.	www.arabbanking.com.jo	Yes	Yes	Yes
Union Bank	www.unionbankjo.com	Yes	Yes	Yes
Societe General Bank-Jordan	www.sgbj.com.jo	Yes	Yes	Yes
Capital Bank	www.capitalbank.jo	Yes	Yes	Yes
International Islamic Arab Bank	www.iiabank.com.jo	No	No	No
HSBC	www.jordan.hsbc.com	Yes	Yes	Yes
Egyptian Arab Land Bank	www.arakari.com.jo	No	No	No
Rafidain Bank	www.rafidain-bank.org	No	No	No
Citi Bank	www.citibank.com/jordan	NA	NA	NA
Standard Chartered	www.standardchartered.com	Yes	Yes	No
Bank Audi	www.audi.com.lb	Yes	Yes	Yes
National Bank of Kuwait	www.nbk.com	No	No	No
BLOM Bank	www.blom.com.lb	Yes	Yes	Yes

Eleventh:

Development of bank's ratings

Eleventh: Development of bank's ratings

Banks achieved good results in terms of credit ratings that are usually extended by specialized international institutions known for their experience and high credibility . A number of Jordanian banks moved up to very high rankings and some banks topped the list of banks and financial institutions in the Middle East in general.

The attainment of good ratings does not only reflect the banks' growth in credit and financial indicators and an advancement in services, products and quality, that has risen to the highest standards adopted in the international financial and banking industry, but underlines the role of the senior management of banks and all their cadres. The efforts exerted to formulate plans and necessary strategies, have all been instrumental as they enabled the banks to reach high and very advanced levels in all aspects and also obtain the best credit ratings from the most prestigious and experienced institutions. Undoubtedly, the top credit ratings are a proof of the right track followed by senior management which succeeded in achieving its objectives besides the correct and accurate measures and banking operations according to highest international specifications and standards.

Table (31)
Classification of banks according to Moody's Ratings

Moody>s Ratings	Arab Bank Plc.	Cairo Amman Bank	The Housing Bank for Trade and Finance	HSBC Bank Middle East
Outlook	Stable	Stable	Stable	Stable
Foreign LT Bank Deposits	Ba3	Ba3	Ba3	Aa2
Local LT Bank Deposits	A3	Ba1	A3	Aa2
Bank Financial Strength	C+	D-	C-	C+
Foreign Currency ST Debt	NP			
Local Currency ST Debt	P-2			
Short Term		NP	P-2	P-1
Senior Unsecured Debt				Aa2
Subordinated Debt				Aa3

Source: Moody>s Investors Service

Table (32)
Classification of banks according to Fitch Ratings

Fitch Ratings	Arab Bank PLC.	Bank of Jordan	Cairo Amman Bank	The Housing Bank for Trade and Finance	Jordan Islamic Bank for Finance and Investment	HSBC Bank Middle East
Outlook	Stable	Stable			Stable	Stable
LT Issuer Default Rating	A-	BB-	NR	NR	BB-	AA-
Short Term	F1	B				F1+
ST Issuer Default Rating				NR	B	F1+
Individual Rating	B	C/D		NR	C/D	B
Support Rating	5	3	3	3	3	1
Senior Unsecured Debt						AA-
Foreign Currency LT Debt			NR			
Subordinated Debt						A+

Source: Fitch Ratings

Table (33)
Classification of banks according to Thomson Bank Watch

Thomson Bank Watch	Arab Bank Plc.	Cairo Amman Bank	The Housing Bank for Trade and Finance
Long Term			WR
Short Term	WR	WR	WR
Senior Unsecured Debt	WR	WR	

Source: Thomson Bank Watch

Table (34)
Classification of banks according to Standard and Poor's

Standard and Poor>s	Arab Bank Plc.
Outlook	Stable
LT Foreign Issuer Credit	BBB
LT Local Issuer Credit	BBB
ST Foreign Issuer Credit	A-3
ST Local Issuer Credit	A-3

Source: Standard and Poor's

Twelfths:

Ranking of banks according to some financial indicators

- Ranking of banks according to overall assets
- Ranking of banks according to the average return on assets
- Ranking of banks according to deposits
- Ranking of banks according to credit facilities
- Ranking of banks according to shareholders' equity
- Ranking of banks according to the average return on shareholders' equity
- Ranking of banks according to capital
- Ranking of banks according to net profit after tax
- Ranking of banks according to number of workers
- Ranking of banks according to the average assets per worker
- Ranking of banks according to net profit before tax per worker

Tenth: Ranking of banks according to some financial indicators in 2006 and 2007

- Ranking of banks according to overall assets: Thirteen banks have maintained their rankings of the previous year whereas six banks moved up the scale and four banks regressed.
- Ranking of banks according to the average return on assets: Only one bank maintained its ranking of the previous year whereas three banks went up the scale and ten banks regressed.
- Ranking of banks according to overall deposits: Ten banks have maintained their rankings of the previous year whereas three banks moved up the scale and ten banks regressed.
- Ranking of banks according to overall credit facilities: Ten banks have maintained their rankings of the previous year whereas eight banks moved up the scale and five banks regressed.
- Ranking of banks according to shareholders' equity: Seven banks have maintained their rankings of the previous year whereas five banks moved up the scale and eleven banks regressed.
- Ranking of banks according to the average return on shareholders' equity: Three banks have maintained their rankings of the previous year whereas eight banks moved up the scale and twelve banks regressed.
- Ranking of banks according to capital: Ten banks have maintained their rankings of the previous year whereas five banks moved up the scale and eight banks regressed.
- Ranking of banks according to pretax profit: Ten banks have maintained their rankings of the previous year whereas eight banks moved up the scale and five banks regressed.
- Ranking of banks according to number of workers: Fifteen banks have maintained their rankings of the previous year whereas four banks moved up the scale and four banks regressed.
- Ranking of banks according to the average assets per worker: Three banks have maintained their rankings of the previous year whereas eleven banks moved up the scale and nine banks regressed.
- Ranking of banks according to net profit before tax per worker: Eightbanks have maintained their rankings of the previous year whereas eight banks moved up the scale and seven banks regressed.
- Ranking of banks according to overall assets in 2007 (only Jordan branches). Ranking of Jordan Islamic Bank differs when off-balance sheet items are considered.

- Ranking of banks according to the average return on assets in 2007(only Jordan branches). Ranking of Jordan Islamic Bank differs when off-balance sheet items are considered.
- Ranking of banks according to overall deposits in 2007 (only Jordan branches). Ranking of Jordan Islamic Bank differs when off-balance sheet items are considered.
- Ranking of banks according to overall credit facilities in 2007 (only Jordan branches). Ranking of Jordan Islamic Bank differs when off-balance sheet items are considered.
- Ranking of banks according to shareholders' equity in 2007 (only Jordan branches)
- Ranking of banks according to the average return on shareholders' equity in 2007 (only Jordan branches)
- Ranking of banks according to capital in 2007 (only Jordan branches)
- Ranking of banks according to pretax profit in 2007 (only Jordan branches)
- Ranking of banks according to number of workers in 2007(only Jordan branches)
- Ranking of banks according to the average assets per worker (only Jordan branches)
- Ranking of banks according to net profit before tax per worker in 2007 (only Jordan branches)

- Ranking of Banks According to Total Assets for the Year 2007 (Only Jordan Branches)

Table (35)
Ranking of banks according to total assets in 2007

Bank's Name	Ranking 2007	Assets (JD million)	Ratio to Total Assets %	Ranking 2006
Arab Bank	**1**	6093.00	24.32	1
The Housing Bank for Trade & Finance	**2**	4132.60	16.49	2
Jordan Kuwaiti Bank	**3**	1752.00	6.99	3
Jordan Islamic Bank*	**4**	1596.83	6.37	4
Jordan Ahli Bank	**5**	1548.58	6.18	5
Bank of Jordan	**6**	1276.00	5.09	6
Cairo Amman Bank	**7**	1085.36	4.33	7
Union Bank	**8**	1056.30	4.22	8
Capital Bank	**9**	896.82	3.58	9
Jordan Investment & Finance Bank	**10**	707.37	2.82	10
International Islamic Arab Bank*	**11**	594.00	2.37	12
HSBC**	**12**	587.07	2.34	11
Arab Banking (Corporation) Jordan	**13**	574.00	2.29	14
Jordan Commercial Bank	**14**	533.92	2.13	13
Arab Jordan Investment Bank	**15**	516.00	2.06	16
Standard Chartered **	**16**	483.89	1.93	15
Bank Audi	**17**	400.00	1.60	17
Egyptian Arab Land Bank	**18**	304.95	1.22	18
Citi Bank	**19**	241.80	0.96	20
Societe General - Jordan	**20**	222.58	0.89	21
BLOM Bank	**21**	197.00	0.79	22
National Bank of Kuwait	**22**	173.30	0.69	19
Rafidain Bank**	**23**	84.03	0.34	23
Total		**25057.40**	**100.00**	

* The Assets of Islamic Banks do not include the item outside the statement
** According to 2006 data.

- Ranking of Banks According to Average Return on Assets for the Year 2007 (Only Jordan Branches)

Table (36)
Ranking of banks according to the average return on assets in 2007

Bank's Name	Ranking 2007	Average return on assets %	Ranking 2006
Jordan Kuwaiti Bank	**1**	3.20	7
Standard Chartered **	**2**	2.88	1
International Islamic Arab Bank*	**3**	2.80	13
The Housing Bank for Trade & Finance	**4**	2.60	2
HSBC	**5**	2.36	4
Jordan Commercial Bank	**6**	2.20	3
National Bank of Kuwait	**7**	1.90	8
Citi Bank	**8**	1.81	17
Bank of Jordan	**9**	1.62	10
Jordan Islamic Bank *	**10**	1.53	20
Arab Banking (Corporation) Jordan	**11**	1.49	5
Cairo Amman Bank	**12**	1.41	9
Arab Bank	**13**	1.30	12
Union Bank	**14**	1.22	15
Arab Jordan Investment Bank	**15**	1.20	16
Capital Bank	**16**	1.15	6
Rafidain Bank **	**17**	1.10	21
Jordan Investment & Finance Bank	**18**	1.00	14
Bank Audi	**19**	1.00	22
BLOM Bank	**20**	1.00	18
Societe General - Jordan	**21**	0.96	11
Jordan Ahli Bank	**22**	0.58	19
Egyptian Arab Land Bank	**23**	0.46	23
Average		**1.60**	

* The ranking of Islamic Bank vary, if the item outside the statement of assets were calculated
** According to 2006 data.

- Ranking of Banks According to Total Deposits for the Year 2007 (Only Jordan Branches)

Table (37)
Ranking of banks according to total deposits in 2007

Bank's Name	Ranking 2007	Deposits (JD million)	Ratio to Total Deposits %	Ranking 2006
Arab Bank	**1**	5312.20	31.17	1
The Housing Bank for Trade & Finance	**2**	3059.10	17.95	2
Jordan Kuwaiti Bank	**3**	1024.00	6.01	3
Jordan Ahli Bank	**4**	863.34	5.07	4
Bank of Jordan	**5**	857.10	5.03	5
Cairo Amman Bank	**6**	597.15	3.50	6
Jordan Investment & Finance Bank	**7**	593.91	3.48	10
HSBC	**8**	555.20	3.26	9
Union Bank	**9**	539.55	3.17	7
Capital Bank	**10**	503.45	2.95	8
Jordan Islamic Bank *	**11**	472.39	2.77	11
Arab Banking (Corporation) Jordan	**12**	443.00	2.60	14
Standard Chartered **	**13**	412.79	2.42	13
Arab Jordan Investment Bank	**14**	343.00	2.01	15
Jordan Commercial Bank	**15**	315.66	1.85	12
Bank Audi	**16**	285.00	1.67	16
International Islamic Arab Bank*	**17**	208.93	1.23	17
Egyptian Arab Land Bank	**18**	162.60	0.95	18
BLOM Bank	**19**	133.00	0.78	22
Citi Bank	**20**	109.90	0.64	19
Societe General - Jordan	**21**	109.59	0.64	21
National Bank of Kuwait	**22**	92.60	0.54	20
Rafidain Bank**	**23**	48.77	0.29	23
Total		**17042.23**	**100.00**	

* The deposite of the Islamic Banks include account of Banking institutions, clients,current accounts and secured cash deposits

** According to 2006 data.

- Ranking of Banks According to Total Credit Facilities for the Year 2007 (Only Jordan Branches)

Table (38)
Ranking of banks according to total credit facilities in 2007

Bank's Name	Ranking 2007	Credit Facilities (JD million)	Ratio to Total Credit Facilities %	Ranking 2006
Arab Bank	**1**	2089.00	18.93	1
The Housing Bank for Trade & Finance	**2**	1590.40	14.42	2
Jordan Kuwaiti Bank	**3**	979.00	8.87	3
Bank of Jordan	**4**	695.30	6.30	4
Jordan Islamic Bank*	**5**	692.36	6.28	5
Jordan Ahli Bank	**6**	662.37	6.00	7
Rafidain Bank **	**7**	508.53	4.61	6
Cairo Amman Bank	**8**	496.67	4.50	10
Capital Bank	**9**	489.30	4.43	8
Union Bank	**10**	455.50	4.13	9
Jordan Investment & Finance Bank	**11**	311.36	2.82	13
HSBC	**12**	298.12	2.70	15
Arab Banking (Corporation) Jordan	**13**	252.00	2.28	14
International Islamic Arab Bank*	**14**	244.60	2.22	12
Arab Jordan Investment Bank	**15**	235.00	2.13	17
Bank Audi	**16**	189.00	1.71	19
Standard Chartered **	**17**	181.16	1.64	16
Egyptian Arab Land Bank	**18**	164.21	1.49	18
Societe General - Jordan	**19**	154.69	1.40	20
BLOM Bank	**20**	120.00	1.09	21
Jordan Commercial Bank	**21**	99.00	0.90	11
National Bank of Kuwait	**22**	79.20	0.72	22
Citi Bank	**23**	46.10	0.42	23
Total		**11032.87**	**100.00**	

* Islamic Banks facilities include deffered sales recievable, and other recievables - in net and financing
** According to 2006 data.

- Ranking of Banks According to Shareholders Equity for the Year 2007 (Only Jordan Branches)

Table (39)
Ranking of banks according to shareholders' equity in 2007

Bank's Name	Ranking 2007	Equity Rights (JD million)	Ratio to Total Equity Rights %	Ranking 2006
The Housing Bank for Trade & Finance	**1**	823.70	24.57	1
Arab Bank	**2**	568.00	16.94	2
Union Bank	**3**	212.75	6.35	9
Jordan Kuwaiti Bank	**4**	205.00	6.11	4
Jordan Ahli Bank	**5**	186.80	5.57	3
Capital Bank	**6**	158.60	4.73	5
Bank of Jordan	**7**	148.60	4.43	6
Jordan Islamic Bank	**8**	133.48	3.98	8
Cairo Amman Bank	**9**	121.53	3.62	7
Arab Jordan Investment Bank	**10**	118.00	3.52	12
Jordan Commercial Bank	**11**	80.32	2.40	10
Jordan Investment & Finance Bank	**12**	79.95	2.38	11
HSBC	**13**	78.61	2.34	14
International Islamic Arab Bank	**14**	74.00	2.21	13
Arab Banking (Corporation) Jordan	**15**	67.00	2.00	15
National Bank of Kuwait	**16**	57.30	1.71	16
Standard Chartered *	**17**	47.45	1.42	17
Bank Audi	**18**	38.00	1.13	22
BLOM Bank	**19**	34.00	1.01	23
Citi Bank	**20**	33.70	1.01	19
Rafidain Bank *	**21**	32.11	0.96	18
Societe General - Jordan	**22**	27.19	0.81	20
Egyptian Arab Land Bank	**23**	26.59	0.79	21
Total		**3352.68**	**100.00**	

* According to 2006 data.

- Ranking of Banks According to Average Return on Shareholders Equity for the Year 2007 (Only Jordan Branches)

Table (40)

Ranking of banks according to the average return on shareholders' equity in 2007

Bank's Name	Ranking 2007	Average return on equity rights %	Ranking 2006
Standard Chartered *	**1**	29.92	1
Jordan Kuwaiti Bank	**2**	27.80	2
International Islamic Arab Bank	**3**	23.40	13
HSBC	**4**	20.98	3
Jordan Islamic Bank	**5**	18.48	8
Jordan Commercial Bank	**6**	15.00	10
Bank of Jordan	**7**	14.10	6
Arab Bank	**8**	13.50	4
Citi Bank	**9**	13.00	14
Arab Banking (Corporation) Jordan	**10**	12.85	5
The Housing Bank for Trade & Finance	**11**	12.40	9
Cairo Amman Bank	**12**	12.17	7
Bank Audi	**13**	11.40	19
Jordan Investment & Finance Bank	**14**	9.20	12
BLOM Bank	**15**	9.00	21
Societe General - Jordan	**16**	8.50	11
National Bank of Kuwait	**17**	6.90	18
Capital Bank	**18**	6.43	15
Arab Jordan Investment Bank	**19**	6.40	16
Union Bank	**20**	6.06	17
Egyptian Arab Land Bank	**21**	5.30	22
Jordan Ahli Bank	**22**	5.29	20
Rafidain Bank*	**23**	2.44	23
Average		**12.63**	

* According to 2006 data.

- Ranking of Banks According to Capital for the Year 2007 (Only Jordan Branches)

Table (41)
Ranking of banks according to capital in 2007

Bank's Name	Ranking 2007	Capital (JD million)	Ratio to Total Capital %	Ranking 2006
Arab Bank	1	356.000	19.98	1
The Housing Bank for Trade & Finance	2	250.000	14.03	2
Capital Bank	3	123.000	6.90	3
Jordan Ahli Bank	4	110.000	6.17	4
Bank of Jordan	5	100.000	5.61	5
Arab Jordan Investment Bank	6	100.000	5.61	13
Union Bank	7	95.000	5.33	10
Cairo Amman Bank	8	75.000	4.21	7
Jordan Kuwaiti Bank	9	75.000	4.21	6
Jordan Islamic Bank	10	65.000	3.65	8
Jordan Commercial Bank	11	63.250	3.55	9
Arab Banking (Corporation) Jordan	12	56.000	3.14	12
Jordan Investment & Finance Bank	13	55.000	3.09	14
National Bank of Kuwait	14	50.000	2.81	11
International Islamic Arab Bank	15	40.000	2.24	15
Bank Audi	16	31.300	1.76	19
BLOM Bank	17	30.000	1.68	20
Societe General - Jordan	18	26.971	1.51	16
Citi Bank	19	23.500	1.32	17
Egyptian Arab Land Bank	20	20.000	1.12	18
HSBC	21	14.000	0.79	21
Standard Chartered *	22	13.000	0.73	22
Rafidain Bank *	23	10.000	0.56	23
Total		**1782.021**	**100.00**	

* According to 2006 data.

- Ranking of Banks According to Net Pretax Profit for the Year 2007 (Only Jordan Branches)

Table (42)
Ranking of banks according to pretax profit in 2007

Bank's Name	Ranking 2007	Net pretax profit (JD million)	Ratio to Total Net pretax profit %	Ranking 2006
The Housing Bank for Trade & Finance	**1**	138.20	24.19	1
Arab Bank	**2**	110.00	19.25	2
Jordan Kuwaiti Bank	**3**	53.40	9.35	3
Bank of Jordan	**4**	34.80	6.09	4
Jordan Islamic Bank	**5**	34.40	6.02	8
HSBC	**6**	25.65	4.49	9
Jordan Ahli Bank	**7**	21.46	3.76	7
Cairo Amman Bank	**8**	19.55	3.42	5
Standard Chartered *	**9**	19.04	3.33	10
Union Bank	**10**	18.17	3.18	11
International Islamic Arab Bank	**11**	16.00	2.80	12
Capital Bank	**12**	13.49	2.36	6
Jordan Commercial Bank	**13**	12.41	2.17	15
Arab Banking (Corporation) Jordan	**14**	11.30	1.98	14
Jordan Investment & Finance Bank	**15**	10.45	1.83	13
Arab Jordan Investment Bank	**16**	8.00	1.40	16
Citi Bank	**17**	6.00	1.05	18
National Bank of Kuwait	**18**	5.70	1.00	17
Bank Audi	**19**	4.90	0.86	21
BLOM Bank	**20**	3.50	0.61	20
Societe General - Jordan	**21**	3.33	0.58	19
Rafidain Bank*	**22**	1.39	0.24	22
Egyptian Arab Land Bank *	**23**	0.18	0.03	23
Total		**571.32**	**100.00**	

* According to 2006 data.

- Ranking of Banks According to Number of Employees for the Year 2007 (Only Jordan Branches)

Table (43)
Ranking of banks according to number of workers in 2007

Bank's Name	Ranking 2007	Number Of Employees	Ranking 2006
Arab Bank	**1**	2892	1
The Housing Bank for Trade & Finance	**2**	1802	2
Jordan Islamic Bank	**3**	1611	3
Cairo Amman Bank	**4**	1389	6
Bank of Jordan	**5**	1294	5
Jordan Ahli Bank	**6**	1250	4
Jordan Kuwaiti Bank	**7**	750	7
Jordan Commercial Bank	**8**	465	8
Union Bank	**9**	404	10
Arab Banking (Corporation) Jordan	**10**	398	9
HSBC	**11**	393	12
Arab Jordan Investment Bank	**12**	375	11
International Islamic Arab Bank	**13**	333	14
Capital Bank	**14**	281	13
Standard Chartered *	**15**	265	15
Egyptian Arab Land Bank	**16**	260	16
Jordan Investment & Finance Bank	**17**	247	17
Societe General - Jordan	**18**	226	18
Bank Audi	**19**	146	19
BLOM Bank	**20**	125	20
Citi Bank	**21**	68	21
National Bank of Kuwait	**22**	60	22
Rafidain Bank*	**23**	31	23
Total		**15065**	

* According to 2006 data.

- Ranking of Banks According to Average Assets Per Employee for the Year 2007 (Only Jordan Branches)

Table (44)

Ranking of banks according to average assets per employee as of the end of 2007

Bank's Name	Ranking 2007	One thousand Dinars per employee	Ranking 2006
Citi Bank	**1**	3555.88	2
Capital Bank	**2**	3191.53	4
National Bank of Kuwait	**3**	2888.33	1
Jordan Investment & Finance Bank	**4**	2863.85	3
Bank Audi	**5**	2739.73	8
Rafidain Bank*	**6**	2710.65	5
Union Bank	**7**	2614.60	7
Jordan Kuwaiti Bank	**8**	2336.00	9
The Housing Bank for Trade & Finance	**9**	2293.34	10
Arab Bank	**10**	2106.85	11
Standard Chartered *	**11**	1826.00	12
International Islamic Arab Bank	**12**	1783.78	6
BLOM Bank	**13**	1576.00	13
HSBC	**14**	1493.82	14
Arab Banking (Corporation) Jordan	**15**	1442.21	16
Arab Jordan Investment Bank	**16**	1376.00	15
Jordan Ahli Bank	**17**	1238.86	19
Jordan Islamic Bank	**18**	1195.52	21
Egyptian Arab Land Bank	**19**	1172.88	18
Jordan Commercial Bank	**20**	1148.22	17
Bank of Jordan	**21**	986.09	20
Societe General - Jordan	**22**	984.87	23
Cairo Amman Bank	**23**	781.40	22
Average		**1926.37**	

* According to 2006 data.

- Ranking of Banks According to Net Profit (Before Tax) Per Employee for the Year 2007
(Only Jordan Branches)

Table (45)

Ranking of banks according to net pretax profit per employee as of the end of 2007

Bank's Name	Ranking 2007	One thousand Dinars per employee	Ranking 2006
National Bank of Kuwait	**1**	95.00	1
Citi Bank	**2**	88.24	3
The Housing Bank for Trade & Finance	**3**	76.69	5
Standard Chartered *	**4**	71.85	4
Jordan Kuwaiti Bank	**5**	71.20	6
HSBC	**6**	65.27	7
International Islamic Arab Bank	**7**	48.05	11
Capital Bank	**8**	48.01	2
Union Bank	**9**	44.98	9
Rafidain Bank *	**10**	44.84	10
Jordan Investment & Finance Bank	**11**	42.31	8
Arab Bank	**12**	38.04	12
Bank Audi	**13**	33.56	21
Arab Banking (Corporation) Jordan	**14**	28.39	13
BLOM Bank	**15**	28.00	15
Bank of Jordan	**16**	26.89	14
Jordan Commercial Bank	**17**	26.69	19
Jordan Islamic Bank	**18**	21.35	22
Arab Jordan Investment Bank	**19**	21.33	16
Jordan Ahli Bank	**20**	17.17	20
Societe General - Jordan	**21**	14.73	17
Cairo Amman Bank	**22**	14.07	18
Egyptian Arab Land Bank	**23**	0.69	23
Average		**42.06**	

* According to 2006 data.