



جمعية البنوك في الأردن
ASSOCIATION OF BANKS IN JORDAN

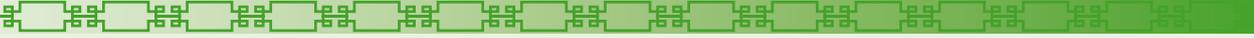
Association of Banks in Jordan

29th Annual Report

2007

Association of Banks in Jordan

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His Majesty King Abdullah II bin All Hussein



Board of Directors

The Association's Board of Directors comprised the following banks at the end of 2007

- The Housing Bank for Trade and Finance / represented by H.E. Dr. Michel Marto / chairman
- Jordan Kuwait Bank / represented by Mr. Mohammad Yasser Al Asmar / vice chairman
- Arab Bank / represented by Mr. Salem Bourqan / member
- Jordan Ahli Bank / represented by H.E. Mr. Marwan Awad / member
- Union Bank / represented by Mr. Issam Salfiti / member
- Capital Bank / represented by Mr. Haitham Qumhiyeh / member
- Bank of Jordan / represented by Mr. Shaker Fakhoury / member
- Arab Jordan Investment Bank / represented by Mr. Hani Al Qadi / member
- Citibank / represented by Mr. Ziyad Aqrouq / member
- Central Bank of Jordan / represented by H.E. Mrs Kholoud Al- Saqqaf / observer member.

Director General

Dr. Adli Kandah

Auditors

Messers Ma'moun Faroukah & Partners

Members

Membership in the Association is mandatory for all Jordanian banks and branches of non-Jordanian banks operating in Jordan. The Association's membership at the end of 2007 was as follows:

First: Jordanian banks:

#	Member Name	Established in	Web site
1	Arab Bank	1930	www.arabbank.com.jo
2	Jordan Ahli Bank	1956	www.ahli.com
3	Cairo Amman Bank	1960	www.cab.jo
4	Bank of Jordan	1960	www.bankofjordan.com
5	The Housing Bank for Trade & Finance	1974	www.hbtf.com
6	Jordan Kuwaiti Bank	1977	www.jordan-kuwait-bank.com
7	Arab Jordan Investment Bank	1978	www.ajib.com
8	Jordan Commercial Bank	1978	www.jgbank.com.jo
9	Jordan Islamic Bank	1978	www.jordanislamicbank.com
10	Jordan Investment & Finance Bank	1989	www.jifbank.com
11	Arab Banking Corp./ Jordan	1989	www.arabbanking.com.jo
12	Union Bank	1991	www.unionbankjo.com
13	Societe General - Jordan	1993	www.sgbj.com.jo
14	Capital Bank	1996	www.capitalbank.jo
15	International Islamic Arab Bank	1997	www.iiabank.com.jo

Second: Non-Jordanian banks

#	Member Name	Established in	Web site
1	HSBC	1949	www.jordan.hsbc.com
2	Egyptian Arab Land Bank	1951	www.arakari.com.jo
3	Rafidain Bank	1957	www.rafidain-bank.org
4	Citi Bank	1974	www.citibank.com/jordan
5	Standard Chartered	2002	www.standardchartered.com
6	Bank Audi	2004	www.audi.com.lb
7	National Bank of Kuwait	2004	www.nbk.com
8	BLOM Bank	2004	www.blom.com.lb

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Chairman's Foreword

Messers / Respected members of the Association of Banks

It is a pleasure to thank you warmly for accepting our invitation and attending the 29th annual ordinary meeting of the general assembly. I am glad to present to you the 29th annual report about the achievements and activities of the Association of Banks as well as the audited financial statements for the year ending December 31, 2007. The auditor's report, addressed to your Association about the results of the examination of the statements, is attached.

Messers / Respected members of the Association

Banks continued to adhere to all requirements of the Central Bank of Jordan and the international obligations that aim at developing the banking system by introducing global standards in all banking operations. Such steps include corporate Governance, implementation of Basel II requirements, the National Payment System, the electronic clearing of cheques and the Credit Information bureau among other guidelines.

I would like to mention that banks operating in the Kingdom have extended credit facilities, the outstanding of which stood at JD11 billion at the end of 2007. Deposits at the banks at the end of the year reached JD16 billion. Shareholders' equity exceeded JD3 billion, of which around JD1.8 billion represented the total capital of banks.

The results of banks' operations in 2007 indicate that their pretax profits have increased to more than JD571 million. Most of the profits were derived from operational income generated from core banking activities, topped by the extension of credit facilities, which is considered the main vein that feeds economic dealings. Employing depositors' money in several investment tools provided banks with another source of income from core banking business.

The growth in banks' profits does not only benefit the shareholders because a good portion is tax revenue for the state treasury. It is estimated that the income tax and other fees that banks have to pay to the Ministry of Finance for the year 2007 will be more than one-third of the total tax revenues that public shareholding companies pay to the state treasury every year.

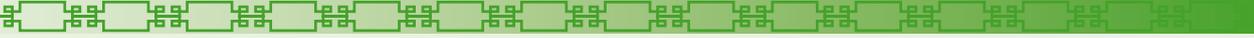
Moreover, higher profits enable banks to expand their social responsibility role, towards the environment and the community where they operate, whether through donations or through development and building activities. The higher profits also allow banks to assist various parties based on organized and well-studied policies and strategies. What's more important is of concern to banks as the higher profits strengthen their foundations in order to raise capital through stock dividends or private placement. This approach ultimately enhances the capabilities of banks to finance economic projects.

Messers / Respected members of the Association

Finally, please allow me to express much thanks to all members of the Association for their efforts throughout the year to achieve the Association's objectives. It is my pleasure to express thanks and appreciation to the Governor of the Central Bank of Jordan and the various personnel for their continued cooperation with the Association for the benefit of the national economy under the leadership of His Majesty King Abdullah II Bin Al Hussein, May God protect him.

Dr. Michel Marto

Chairman of the Board of Director



Director General Address

During 2007, the Association discussed and followed up on several issues submitted to it, particularly those that were presented by member banks. A total of 27 issues and subjects, including legislative matters, were discussed in the Association by various committees that were formed. Of those topics, 11 banking were received from member banks, eight subjects were from the Central Bank of Jordan (CBJ) and eight were draft regulations from the Government.

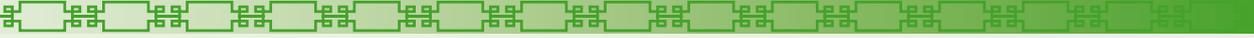
These matters were discussed in-depth by specialized technical committees in the Association and the remarks / comments of the banks about these issues were forwarded to the concerned parties. The response to the observations was highly and seriously considered as the parties embraced several proposals and remarks, which were suggested by the Association on behalf of the banks regarding different issues.

Also during 2007, about 24 workshops, seminars, training courses and lectures were held regarding subjects and issues of interest to the banking sector. The association participated in two committees formed by the Prime Minister and the Minister of Industry and Trade. One committee dealt with “demographic investment” and the second studied the report issued by the World Bank on business activities.

The association issued during 2007 a set of bulletins, reports and studies related to the Jordanian banking sector.

Finally, I cannot but deeply thank and appreciate the efforts and distinguished expertise of the Chairman and Board Members for their continued support to the Association. Much thanks and appreciation goes also to all member banks for their cooperation and to all staff at the association for their efforts for further progress.

Dr. Adli Kandah
Director General



First: Summary of Economic Situation in 2007

The main economic developments in the Kingdom during the year 2007 were the following:

Gross Domestic Product: The Gross Domestic Product (GDP) grew by 6.0 per cent at constant market prices during 2007 compared to 6.4 per cent growth during 2006. Although this growth is still within relatively high levels, it confirms at the same time that the Jordanian economy is still moving toward a slowdown for the third consecutive year.

Most of the sectors contributed to this growth led by the sector of finance, insurance, real estate and business services, which recorded a 1.5 per cent growth. In second place, taxes on products grew by 0.9 per cent followed by the sectors of transport, telecommunications, manufacturing and government services each of which grew by 0.8 per cent. Wholesale and retail trade registered 0.5 per cent growth; construction posted 0.4 per cent and the personal and social services sector trailed with a 0.2 per cent growth. The negative performance continued at the sectors of mining industries and the producers of not-for-profit services. This regression, in terms of negative rates, caused the average general growth in the GDP to slip.

Prices: The average inflation measured by the relative change in the consumer price index stood at 5.4 per cent in 2007 compared to 6.2 per cent in 2006. Fodder and foodstuffs were the main products whose prices went up in 2007 in addition to the rise in the prices of international crude oil. Such an increase reflected on the prices of raw materials and capital goods used in production and clearly showed on the prices of end products whether manufactured locally or imported.

Volume of Investments benefiting from the Investment Promotion Law: The amount of investments, which benefited from the investment promotion law, reached JD2221.2 million in 2007 compared to JD1833.6 million in 2006.

External Trade: In 2007, external trade declined as the average growth of exports slowed down from 21.0 per cent in 2006 to 9.5 per cent in 2007. In contrast, the average growth of imports rose from 10.0 per cent in 2006 to 17.2 per cent in 2007. As a result, the trade deficit widened by 23.4 per cent in 2007. National exports accounted for 36.0 per cent of GDP in 2007 (compared to 36.9 per cent in 2006). The value of imports relative to the GDP stood at 85.5 per cent (compared to 81.9 per cent in 2006). Consequently, the rate of the trade deficit to the GDP was 49.5 per cent in 2007 (compared to 45.0 per cent in 2006).

Poverty and Unemployment: Available data indicate that the unemployment rate declined by 0.9 per cent from its 2006 level reaching 13.1 per cent in 2007. However, this rate is still high and represents one of the major challenges facing the national economy. As for poverty, latest data issued by the Department of Statistics (DOS) showed that the rate of poverty went up from 14.2 per cent in 2002 to 14.7 per cent in 2005. The poverty line rose 28.6 per cent from JD392 per capita annually in 2002 to JD504 per capita annually in 2005. The poverty rate in urban areas reached 13.1 per cent compared to 12.9 per cent in 2002. In rural areas, the living standards regressed as the poverty rate increased to 22.8 per cent compared to 18.7 per cent in 2002.



Public Finance: The budget deficit after aid amounted to JD614.5 million in 2007 or 5.5 per cent of GDP at current prices compared to 4.4 per cent in 2006. But before aid, the budget deficit rose to JD958 million in 2007 or 8.5 per cent of the GDP in current prices.

Current Account: The deficit of the current account in the balance of payments increased as a percentage of GDP to around 15.1 per cent in 2007 from 13.7 per cent in 2006.

Foreign Currency Reserves: The balance of foreign currency reserves at the CBJ increased by 12.6 per cent or JD769.2 million to JD6870.8 million at the end of 2007. This amount suffices the Kingdom's imports of goods and services for six months and strengthens the monetary stability besides maintaining the exchange rate stability of the Jordanian dinar against foreign currencies.

Domestic Liquidity / Money Supply (M2): Money supply went up by JD1488.8 million or 10.6 per cent to JD15598.5 million at the end of 2007. This increase was due to a JD2264.9 million rise in the net domestic assets of the Jordanian banking system and a JD313.1 million rise in the net foreign assets of the Jordanian banking system over the levels registered in 2006.

Credit Facilities: The outstanding balance of credit facilities extended by licensed banks reached JD11295.6 million at the end of 2007, 15.7 per cent or JD1533.7 million higher than the total at the end of 2006. The main increase was in loans category, which went up by 19.1 per cent from JD7722.1 million in 2006 to JD9199.8 million in 2007. Loans accounted for 81.5 per cent of the direct credit facilities outstanding in 2007 compared to 79.1 per cent in 2006.

Advances in current accounts or overdrafts rose slightly by not more than five per cent to around JD1658.6 million at the end of 2007 compared to JD1580.5 million in 2006. Despite the absolute increase in the volume of this type of financing, its percentage to the overall credit facilities went down from 16.2 per cent in 2006 to 14.7 per cent in 2007. The balance of discounted bills dropped by 4.8 per cent from JD459.3 million in 2006 to JD437.2 million in 2007.

Regarding the classification of credit facilities by currency, the relative importance of those extended in dinars rose to 90.3 per cent of the total credit facilities at the end of 2007 compared to 89.8 per cent in 2006. This increase came at the expense of credit facilities in foreign currencies, which slipped to 9.7 per cent from 10.2 per cent.

A breakdown of the credit facilities by economic activity showed an increase in credits extended to all sectors at the end of 2007. Most of the increase was concentrated in credits to “general trade” which rose by JD518.1 million or 33.8 per cent of the overall increase. The “construction” sector ranked second as credit facilities extended to it went up by JD381.3 million or 24.9 per cent of the gross increase. Credits to the “industrial” sector rose by JD255.0 million or 16.6 per cent of the overall increase in credit facilities. This indicates that most of the credit facilities extended by banks operating in the Kingdom were short-term in line with the tenor of deposits held by the banks.

Deposits: The balance of total deposits at licensed banks went up by 9.6 per cent or JD1396.2 million reaching JD15988.1 million at the end of 2007. The higher balance of deposits in 2007 was due to an increase in the (resident) private sector deposits by JD1223.9 million, a JD130.1 million rise in the deposits of the public sector, a JD35.0 million increase in the deposits of (non-resident) private sector and a JD7.2 million rise in deposits of non-banking financial institutions compared to the levels at the end of 2006.

In terms of structural classification of the main deposits (demand, savings and time deposits), the relative importance of time deposits was higher for the second consecutive year as it accounted for 62.4 per cent of total deposits compared to 60.0 per cent in 2006. This gain in the importance of this type of deposits came at the expense of the other two categories: Demand and savings. The relative importance of demand deposits came down from 26.3 per cent to 25.0 per cent in 2007 whereas the relative importance of savings declined from 13.7 per cent to 12.5 per cent.

By type of currency, the relative importance of the deposits in dinars went up to 66.4 per cent of the total deposits at the end of 2007 compared to 64.6 per cent in 2006. The higher relative importance of the dinar came at the expense of deposits in foreign currencies whose relative importance declined from 35.4 per cent in 2006 to 33.6 per cent in 2007.

Interest Rates Structure:

Interest rates on monetary policy tools

The CBJ amended in 2007 the terms of repurchase agreements by allowing the licensed banks to carry out overnight repurchase agreements with the CBJ instead of one week at 7.25 per cent interest which is 125 basis points lower than its previous level.

The CBJ lowered by 50 basis points the interest rates on its monetary tools for one time, on each of the rediscount operations, overnight window deposit and overnight repurchase agreements. The rates became 7.00 per cent, 4.75 per cent and 6.75 per cent respectively.



Interest rates in the banking market:

Interest rates on deposits at licensed banks moved upwards during 2007 compared to the levels at the end of the previous year. The average weighted interest rates on time deposits rose by 43 basis points to 5.56 per cent whereas the average weighted interest rates on savings edged up by 11 basis points to 1.10 per cent. The average weighted interest rates on demand deposits reached 0.94 per cent, seven basis points higher than the level at the end of 2006.

Interest rates on credit facilities extended by licensed banks moved upwards during 2007 compared to the levels in 2006. The average weighted interest rates on overdrafts or advances under current accounts increased by 60 basis points to 9.83 per cent whereas the average weighted interest rates on discounted bills rose by 73 points to 9.45 per cent. The average weighted interest rates reached 8.86 per cent on loans, 30 basis points higher than the level at the end of 2006.

Second: Development of the Banking System in 2007

A) The Consolidated Balance Sheet of Licensed Banks

During 2007, banks continued to achieve more exceptional results that reflected on their balance sheets and financial statements as follows:

1. Assets / Liabilities

The assets / liabilities balance of licensed banks increased by 10.6 per cent compared to a 14.9 per cent rise in 2006. The balance reached JD26815.6 million at the end of 2007 compared to JD24237.6 million at the end of 2006. Debt owed by the (resident) private sector went up by 15.3 per cent from JD9528.8 million in 2006 to JD10988.0 million in 2007. The balance of debt owed by the public sector surged by 32.9 per cent from JD2312.4 million in 2006 to JD3074.9 million in 2007. The balance of foreign currency held by banks at the central bank rose by an average 8.2 per cent to the equivalent of JD472.2 million in 2007 compared to JD436.5 million in 2006. Reserves in dinars of licensed banks increased to JD3630.7 million in 2007, 1.6 per cent higher than the JD3572.2 million in 2006.

Foreign assets rose by the equivalent of JD313.1 million or 5.0 per cent to JD6516.5 million at the end of 2007 compared to JD6203.4 million in 2006.

Banks' assets of foreign currencies reached JD7908.2 million in 2007, 5.0 per cent higher than the JD7534.0 in 2006.

As for liabilities, foreign liabilities went up by 13.7 per cent to JD4793.2 million in 2007 compared to JD4215.9 million in 2006.

Banks' liabilities of foreign currencies increased by 7.4 per cent to JD7963.3 million in 2007 compared to JD7414.4 million in 2006

The balance of loans extended by the central bank to the licensed banks dropped by JD56.6 million or 11.5 per cent to JD436.3 million in 2007 from JD492.9 million in 2006.

Consolidated Balance Sheet of Licensed Banks

End of Period	2006	2007	Change	Change
	JD million	JD million	JD million	%
Assets				
Foreign Assets	6203.4	6516.5	313.1	5.05
Domestic Assets	18034.2	20299.1	2264.9	12.56
Claims on Public Sector	2312.4	3074.9	762.5	32.97
Claims on Private Sector (Resident)	9528.8	10988.0	1459.2	15.31
Claims on Financial Institutions	117.6	176.6	59	50.17
Reserves	3572.2	3630.7	58.5	1.64
Currency	173.7	177.8	4.1	2.36
Deposits with CBJ in Jordan Dinar	3398.5	3452.9	54.4	1.60
Deposits with CBJ in foreign currencies	436.5	472.2	35.7	8.18
Unclassified Assets	2066.7	1956.7	-110	-5.32
Total Assets = Liabilities	24237.6	26815.6	2578	10.64
Liabilities				
Demand Deposits	3217.8	3368.4	150.6	4.68
Time and Saving Deposits	8842.3	9995.6	1153.3	13.04
Foreign Liabilities	4215.9	4793.2	577.3	13.69
Central Government Deposits	477.8	535.1	57.3	11.99
Credit from CBJ	492.9	436.3	-56.6	-11.48
Capital Accounts & Allowances	3183.3	3523.0	339.7	10.67
Unclassified Liabilities	3807.6	4164.0	356.4	9.36

Source: Central Bank of Jordan/ Monthly Statistical Bulletin

Assets of Licensed Banks in Foreign Currencies

	2006	2007	Change	Change
	JD million	JD million	JD million	%
Cash in Vaults	67.2	96.1	28.9	43.01
Balances with CBJ	436.5	472.2	35.7	8.18
Balances with Banks	4834.3	5416.6	582.3	12.05
Portfolio	755.2	406.3	-348.9	-46.20
Credit Facilities	928.4	1024.1	95.7	10.31
Other	512.4	492.9	-19.5	-3.81
Total	7534.0	7908.2	374.2	4.97

Source: Central Bank of Jordan/ Monthly Statistical Bulletin

Liabilities of Licensed Banks in Foreign Currencies

	2006	2007	Change	Change
	JD million	JD million	JD million	%
Customers> Deposits	5164.7	5370.0	205.3	3.98
Central Government	10.7	10.2	-0.5	-4.67
Public Entities	112.5	108.5	-4	-3.56
Non-Banking Financial Institutions	7.7	18.3	10.6	137.66
Private Sector	5033.8	5233.0	199.2	3.96
Cash Margins	475.0	541.7	66.7	14.04
Deposits of Banks	1345.6	1583.9	238.3	17.71
Other	429.0	467.7	38.7	9.02
Total	7414.4	7963.3	548.9	7.40

Source: Central Bank of Jordan/ Monthly Statistical Bulletin

2. Capital, Reserves and Provisions

Licensed banks increased their capital, reserves and provisions to JD3523.0 million, 10.7 per cent higher than the JD3183.3 million in 2006.

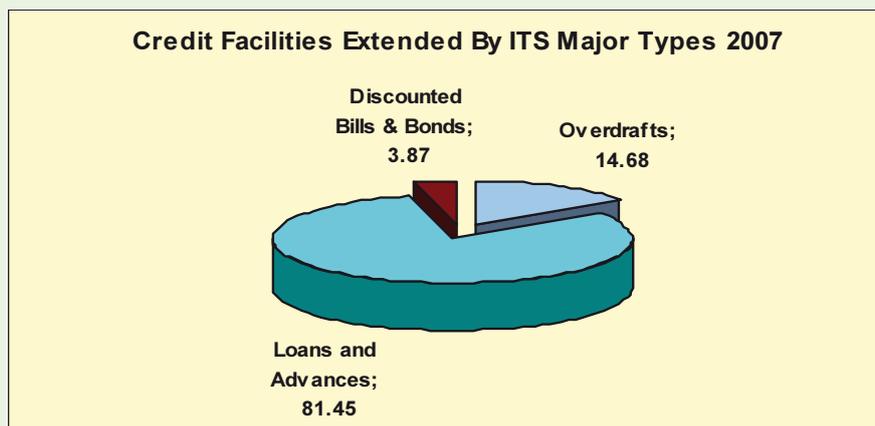
3. Credit Facilities

The balance of credit facilities extended in dinars by licensed banks went up markedly by 15.7 per cent to JD11295.6 million at the end of 2007 compared to JD9761.9 million at the end of 2006. The increase was mainly in loans, which reached JD9199.8 million, a 19.1 per cent rise over the JD7722.1 million in 2006. Loans accounted for 81.5 per cent of total direct credit facilities in 2007 compared to 79.1 per cent in 2006. The balance of overdrafts or advances under current accounts edged up by not more than 5.0 per cent to around JD1658.6 million compared to JD1580.5 million in 2006. Despite the absolute increase in this type of credits, its rate to the total facilities slipped from 16.2 per cent in 2006 to 14.7 per cent in 2007. As for promissory notes and discounted bills, the balance declined by 4.8 per cent to JD437.2 million in 2007 from JD459.3 million.

Extended Credit Facilities by the Banking System According to its Major Types

Credit Facility Type	2006	Relative Importance	2007	Relative Importance	Percentage Change
	JD million	%	JD million	%	%
Overdrafts	1580.5	16.2	1658.6	14.68	4.94
Loans and Advances	7722.1	79.1	9199.8	81.45	19.14
Discounted Bills & Bonds	459.3	4.7	437.2	3.87	-4.81
Total	9761.9	100.0	11295.6	100.00	15.71

Source: Central Bank of Jordan/ Monthly Statistical Bulletin

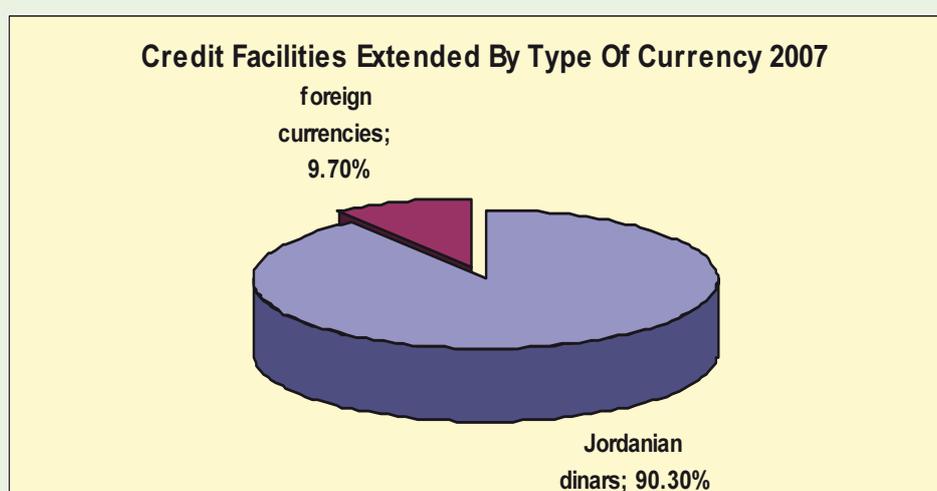


By type of currency, credit facilities in Jordanian dinars gained in terms of the relative importance as it reached 90.3 per cent of the overall balance of credit facilities at the end of 2007 compared to 89.8 per cent at the end of 2006. This increase in relative importance came at the expense of credit facilities in foreign currencies whose relative importance dipped from 10.2 per cent at the end of 2006 to 9.7 per cent at the end of 2007.

Extended Credit Facilities by the Type of Currency

Credit Facilities	2006	Relative Importance	2007	Relative Importance	Percentage Change
	JD million	%	JD million	%	%
Jordanian dinars	8762	89.76	10199.7	90.30	16.41
foreign currencies	1000	10.24	1095.9	9.70	9.579
Total	9761.9	100.0	11295.6	100.00	15.71

Source: Central Bank of Jordan/ Monthly Statistical Bulletin



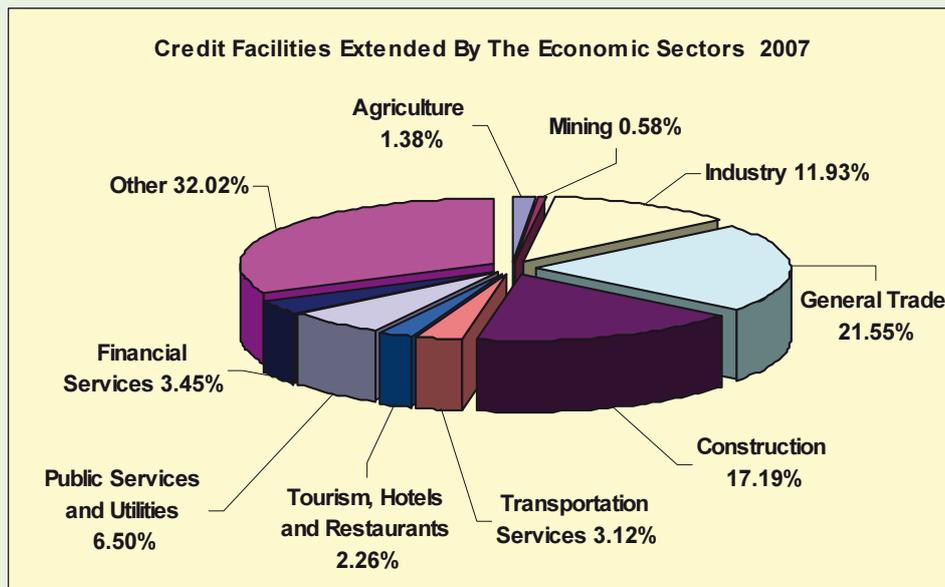
Regarding sectoral distribution of direct credit facilities, three economic activities (general trade, construction and industry) accounted for more than half the overall balance of credit facilities at the end of 2007, as the rate stood at 50.7 per cent. General trade had the largest share, which amounted to JD2434.7 million or 21.55 per cent of the credit facilities' balance. At 17.19 per cent, the construction sector came in second place with a JD1942.1 million share followed by the industry, which accounted for 11.93 per cent or JD1348.1 million. Public services and utilities received JD733.7 million and the financial services sector was further down at JD390.1 million. The remaining sectors were as follows: Transport services (JD352.3 million), tourism, hotels and restaurants (JD255.8 million), agriculture (JD156.2 million) and mining (JD65.7 million).

Although credit facilities extended for "other purposes" were lower by JD25.3 million, they accounted for 32.0 per cent of overall credit facilities.

Extended Credit Facilities over the Economic Sectors

Sector	2006	Relative Importance	2007	Relative Importance	Change	Percentage Change
	JD million	%	JD million	%	JD million	%
Agriculture	140.9	1.4	156.2	1.38	15.3	10.86
Mining	42.8	0.4	65.7	0.58	22.9	53.50
Industry	1093.1	11.2	1348.1	11.93	255	23.33
General Trade	1916.6	19.6	2434.7	21.55	518.1	27.03
Construction	1560.8	16.0	1942.1	17.19	381.3	24.43
Transportation Services	291.0	3.0	352.3	3.12	61.3	21.07
Tourism, Hotels and Restaurants	195.1	2.0	255.8	2.26	60.7	31.11
Public Services and Utilities	637.3	6.5	733.7	6.50	96.4	15.13
Financial Services	242.1	2.5	390.1	3.45	148	61.13
Other, of which	3642.2	37.3	3616.9	32.02	-25.3	-0.69
Buying Shares	359.0	-	427.8	-	68.8	19.16
Total	9761.9	100.0	11295.6	100.00	1533.7	15.71

Source: Central Bank of Jordan/ Monthly Statistical Bulletin



Many banks provide services and facilities to its customers, of which credit cards, personal loans and car loans.

Credit Cards:

Operating banks in Jordan provide four types of credit cards, they are: Visa, Master Card, AMEX and National Express. The number of cards granted by banks reached in 2007 about 127 thousand cards, the issuance fees ranged from free to 100 Dinar, with respect to monthly interest rate, it ranged from zero to 2.25%, as for the commission on cash withdrawals it ranged from 2% to 4%, some banks stipulated salary transfer to grant credit cards while other banks granted these card unconditionally.

Personal Loans:

The operating banks in Jordan granted in 2007 about 110 thousand personal loans where its volume exceeded 600 million Dinar with rate interest ranged from 7.5% to 13.5% with a commission ranged from zero to 1.75% , the repayment period ranged from one year to eight years, some banks stipulated salary transfer or mortgage to grant personal loans.

Car loans:

The operating banks in Jordan granted in 2007 about 18 thousand loans to buy a car where its volume exceeded 185 million Dinar with an average interest rate ranged from 5.5% to 11.5% and with a commission was close to zero, the repayment period ranged from one year to seven years, the banks varied in term of salary transfer requirement to obtain car loans.

Credit Cards Issued in 2007

Bank's Name	Trade Mark	of # extended card	Issuance annual fees in JD	Monthly interest rate	Commission on cash withdrawal	Salary transfer	Minimum income
Arab Bank	VISA	NA	25-40	2.0	and 3.0 minimum 4JD	unconditional	NA
Jordan Ahli Bank	VISA Master	2031 2731	25-50 10-50	1.50	4.0	conditional	double
Cairo Amman Bank	VISA	33735	15-50	2.0	4.0	conditional	times 5
Bank of Jordan	VISA	9362	20-30	1.8	4.0	according to slice	NA
The Housing Bank for Trade & Finance	VISA Master	17126	15-80	1.8-1.0	2.0-4.0	unconditional	times 10
Jordan Kuwaiti Bank	VISA Master Amex	3287	15-100	1.5	4.0	NA	NA
Arab Jordan Investment Bank	VISA	1152	free	flat 1.5	4.0	unconditional	times 2
Jordan Commercial Bank	VISA Master National	1290 932 150	25-50 25-50 0	1.5 1.5 1.5	4.0 4.0 4.0	unconditional unconditional unconditional	double double double
Jordan Islamic Bank	VISA Master	2580	13.80	0	4.0	conditional	double
Jordan Investment & Finance Bank	VISA	7786	NA	1.5	4.0	conditional	double
Arab Banking (Corporation) Jordan	VISA Master	2617	10-50	1.75	4.0	unconditional	NA
Union Bank	VISA Master Amex	2013 20 81	10-50 NA NA	charge charge charge	4.0 2.0 NA	NA	NA
Societe General - Jordan	Master	528	35-50	1.5	NA	Conditional	times 3
Capital Bank	Master	1560	25-35	2.0 1.8	4.0	NA	NA
International Islamic Arab Bank	VISA	774	NA	NA	2.0	unconditional	NA
HSBC	VISA Master	28838	35-65	2.0	4.0	Conditional or securing cash	double
Egyptian Arab Land Bank	VISA Master	3078	Free for the first year only	0.0-1.75	4.0	unconditional conditional	times 3
Rafidain Bank	NA	NA	NA	NA	NA	NA	NA
Citi Bank	NA	NA	NA	NA	NA	NA	NA
Standard Chartered	NA	NA	NA	NA	NA	NA	NA
Bank Audi	VISA Master	3502	25-40	1.9	4.0	unconditional	times 3
National Bank of Kuwait	VISA	28	NA	2.0	4.0	Conditional or securing cash	double
BLOM Bank	Master	977	25-35	2.25	3.0	unconditional	NA

NA: Not Available

Personal Loans Extended in 2007

Bank's Name	of # loans	Value of loans in JD	Salary transfer	Income multiples	Interest rate	Annual commission	Period of repayment (year)
Arab Bank	NA	NA	Conditional	40	11.25	for the first 1.0 year only	7
Jordan Ahli Bank	11221	34,456,451	Conditional	NA	11.0	0.5-1.0	6
Cairo Amman Bank	24319	87,891,000	Conditional	NA	9.5	1.0	7
Bank of Jordan	14774	49,200,363	According to slice	By the debt burden	8.0-11.0	1.0	6
The Housing Bank for Trade & Finance	34811	155,841,000	Conditional	30	11.25	1.0	5-8
Jordan Kuwaiti Bank	2091	5,904,197	Conditional	25	10.0	1.0	5
Arab Jordan Investment Bank	663	2,595,000	Conditional or securing cash	20-35	11.0	1.0	5-7
Jordan Commercial Bank	1825	7,466,018	Conditional	30	7.45-10.0	1.0	1-6
Jordan Islamic Bank	14159	159,800,000	Conditional & mortgage	NA	NA	NA	NA
Jordan Investment & Finance Bank	1343	5,084,426	Conditional	50	9.0	1.0	7
Arab Banking (Corporation) Jordan	1806	12,273,000	Conditional	24	9.5-12.0	1.0	6
Union Bank	953	3,128,774	Conditional	10	11.5	1.0	4
Societe General - Jordan	4041	9,836,719	NA	NA	10.5	NA	6
Capital Bank	781	5,642,420	NA	NA	10.0-11.5	NA	6
International Islamic Arab Bank	NA	NA	NA	NA	NA	NA	NA
HSBC	3053	34,668,437	Conditional	Installment value doesn't exceed 45% of net salary	9.75-13.5	0.75-1.75	1-7
Egyptian Arab Land Bank	1493	5,318,485	upon case	10-20	9.0-12.0	1.0	5-8
Rafidain Bank	NA	NA	NA	NA	NA	NA	NA
Citi Bank	NA	NA	NA	NA	NA	NA	NA
Standard Chartered	NA	NA	NA	NA	NA	NA	NA
Bank Audi	2419	26,000,000	Conditional	25	9.0-10.0	1.0	6
National Bank of Kuwait	48	2,382,400	NA	NA	11.0	NA	3
BLOM Bank	293	2,078,076	Conditional	20	12.5	NA	5

NA: Not Available

Car Loans Extended in 2007

Bank's Name	of # loans	Value of loans in JD	Salary transfer	Income multiples	Interest rate	Annual commission	Period of repayment (year)
Arab Bank	NA	NA	Unconditional	Not linked to the loan	6.00	NA	7
Jordan Ahli Bank	59	834,665	Conditional	NA	10.00	0.50	5
Cairo Amman Bank	110	1,083,000	Conditional	NA	7.5-10.0	-	4
Bank of Jordan	1573	27,308,408	According to slice	By the debt burden	5.5-7.25	0.0	7
The Housing Bank for Trade & Finance	803	20,419,415	Unconditional	NA	flat 6.25	0.0	4
Jordan Kuwaiti Bank	371	5,315,925	Unconditional	NA	flat 6.25	0.0	6
Arab Jordan Investment Bank	75	1,060,700	Unconditional	NA	flat 5.0-6.0	0.0	5
Jordan Commercial Bank	58	952,720	Unconditional	30-20	flat 5.5	0.0	4-6
Jordan Islamic Bank	10890	84,200,000	Conditional & car mortgage	Double	NA	NA	NA
Jordan Investment & Finance Bank	658	11,123,311	Unconditional	Unconditional	5.5	NA	6
Arab Banking (Corporation) Jordan	148	3,154,800	Unconditional	NA	flat 5.5	NA	6-7
Union Bank	365	4,207,950	Unconditional	NA	flat 5.5	NA	5
Societe General - Jordan	530	3,975,757	NA	NA	flat 6.0	NA	5
Capital Bank	63	1,312,525	NA	NA	10.0-11.50	NA	6
International Islamic Arab Bank	364	1,704,160	Unconditional	NA	5.0-6.5	NA	1-5
HSBC	NA	NA	NA	NA	NA	NA	NA
Egyptian Arab Land Bank	447	5,785,120	Unconditional	Unconditional	5.75-6.25	0.0	1-7
Rafidain Bank	NA	NA	NA	NA	NA	NA	NA
Citi Bank	NA	NA	NA	NA	NA	NA	NA
Standard Chartered	NA	NA	NA	NA	NA	NA	NA
Bank Audi	6	261,000	Unconditional	NA	5.5-6.25	NA	6
National Bank of Kuwait	8	198,272	Conditional	NA	11.0	0.0	4-5
BLOM Bank	1300	24,258,136	Unconditional	NA	6.0	0.0	6

NA: Not Available

4- Deposits:

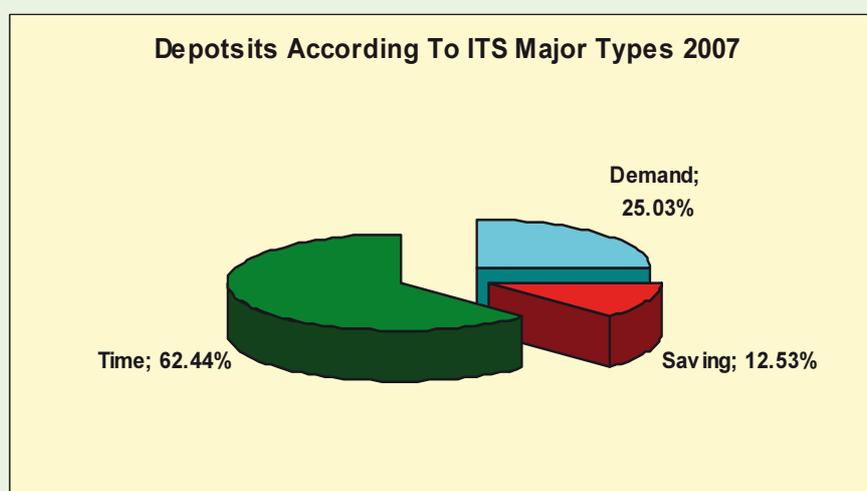
The balance of deposits at banks rose by 9.6 per cent to JD15988.1 million at the end of 2007 compared to JD14591.9 at the end of 2006.

Regarding the structural composition of the main types of deposits (demand, savings and time deposits), the relative importance of time deposits rose for the second consecutive year to account for 62.4 per cent of total deposits at the end of 2007 from 60.0 per cent at the end of 2006. The increase in the importance of this type of deposits was at the expense of the other two types: demand deposits and savings. The relative importance of demand deposits declined from 26.3 per cent at the end of 2006 to 25.0 per cent at the end of 2007. Savings came down from 13.7 per cent to 12.5 per cent.

Extended Deposits According to its Major Types

Deposit Type	2006	Relative Importance	2007	Relative Importance	Percentage Change
	JD million	%	JD million	%	%
Demand	3835.4	26.3	4001.9	25.03	4.34
Saving	1997.1	13.7	2002.9	12.53	0.29
Time	8759.4	60.0	9983.3	62.44	13.97
Total	14591.9	100.0	15988.1	100.00	9.57

Source: Central Bank of Jordan/ Monthly Statistical Bulletin

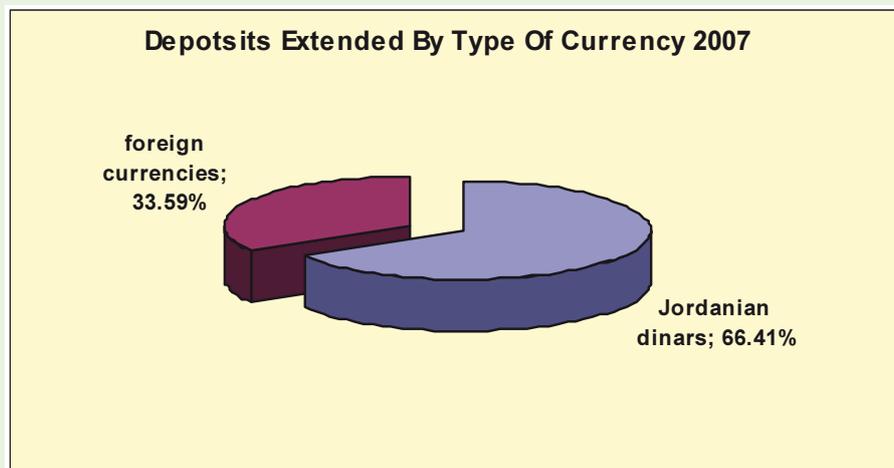


By type of currency, the relative importance of dinar-denominated deposits rose to account for 66.4 per cent of total deposits at the end of 2007 compared to 64.6 per cent at the end of 2006. The increase in the importance of dinar deposits came at the expense of deposits in foreign currencies, the relative importance of which dropped from 35.4 per cent at the end of 2006 to 33.6 per cent at the end of 2007.

Extended Deposits According to Type of Currency

Type of Currency	2006	Relative Importance	2007	Relative Importance	Percentage Change
	JD million	%	JD million	%	%
Jordanian dinars	9427.1	64.60	10618.0	66.41	12.63
Foreign currencies	5164.8	35.40	5370.1	33.59	3.98
Total	14591.9	100.0	15988.1	100.00	9.57

Source: Central Bank of Jordan/ Monthly Statistical Bulletin



5- The Consolidated Balance Sheet of Jordanian Banks' Branches in Palestinian Territories.

The balance of assets held by branches of Jordanian banks operating in the Palestinian territories rose at the end of 2007 by 15.4 per cent to JD3074.5 million compared to JD2664.4 at the end of 2006. This increase came as a result of higher figures in some of the main accounts in the consolidated balance sheets of these banks whether in terms of assets or liabilities.

On the liabilities side, the balance of credit facilities dropped in 2007 by JD102.7 million or 13.1 per cent to JD678.6 million from JD781.3 million. The account “investments of banks in securities” also dropped by JD7.4 million or 9.4 per cent from the level recorded at the end of 2006. But this slide was countered by a sharp increase in the “cash on hand” and “balances at banks” accounts by 86.3 per cent and 27.7 per cent respectively.

On the assets side, the balance of banks’ deposits went down in 2007 by 16.2 per cent to JD134.8 million compared to JD160.8 million at the end of 2006. Countering that was an increase in the deposits of clients by 17.3 per cent at the end of 2007. Capital, reserves and provisions of these branches also increased by 23.2 per cent to JD345.1 million in 2007 compared to JD280.2 million in 2006.

Consolidated Balance Sheet of Jordanian Banks’ Branches Operating in Palestinian Territories

	2006	2007	Change	Percentage Change
	JD million	JD million	JD million	%
Cash in Vaults	82.3	153.3	71	86.27
Balances with the Banking System	1626.1	2076.9	450.8	27.72
Credit Facilities	781.3	678.6	-102.7	-13.14
Portfolio	78.4	71.0	-7.4	-9.44
Other Assets	96.3	94.7	-1.6	-1.66
Total Assets = Liabilities	2664.4	3074.5	410.1	15.39
Deposits of Banking System	160.8	134.8	-26	-16.17
Customers’ Deposits	2055.2	2410.2	355	17.27
Capital, reserves and Allowances	280.2	345.1	64.9	23.16
Other Liabilities	168.2	193.4	25.2	14.98

Source: Central Bank of Jordan/ Monthly Statistical Bulletin

B) Development of Number of Banks and Branches

The number of licensed banks operating in the Kingdom remained unchanged in 2007 from the 23 banks in 2006. Of these banks, 15 were Jordanian (two Islamic) and eight were foreign (five Arab banks). The services of these banks cover most areas of the Kingdom, as their network comprises 558 branches and 73 offices. The index measuring banking density (number of inhabitants ÷ total number of banks' branches operating in the Kingdom) stood at about 10.3 thousand persons per each branch in 2007 compared to 10.9 thousand persons for each branch in 2006.

Expansion outside Jordan was considered few years ago by a number of banks whether through opening branches, establishing wholly-owned independent banks or through alliances with banking and financial institutions. This strategic option, i.e. external expansion, by a number of Jordanian banks in neighbouring and regional markets, was influenced by the limited local market and the ambition to seek new outlets for operations and investment. Banks also sought expansion to benefit from growth opportunities for developing their activities and widening their base of clientele.

The number of Jordanian banks' branches operating outside the Kingdom stood at 137 branches at the end of 2007.

The following tables show the growth in the number of banks and branches in Jordan, the banking spread at the end of 2007, the distribution of branches over the governorates, the branches that opened in 2007, the offices at the end of 2007 and those offices that opened during the year besides the distribution of offices over the governorates and the ATMs available at banks in 2007.

The Development of Number of Banks and Branches in Jordan

Year	Number of Jordanian Banks	Number of Foreign Banks	Total	Number of Branches
2002	16	5	21	471
2003	16	5	21	449
2004	16	8	24	447
2005	15	8	23	506
2006	15	8	23	516
2007	15	8	23	559

The Banking Embranchment at the end of 2007

Bank's Name	Branches		Offices	
	In Jordan	Abroad	In Jordan	Abroad
Arab Bank	76	81	1	14
Jordan Ahli Bank	46	14	3	0
Cairo Amman Bank	51	17	4	0
Bank of Jordan	47	7	28	0
The Housing Bank for Trade & Finance	96	10	3	4
Jordan Kuwaiti Bank	39	3	9	0
Arab Jordan Investment Bank	9	1	10	1
Jordan Commercial Bank	25	3	1	0
Jordan Islamic Bank	56	0	9	0
Jordan Investment & Finance Bank	8	0	1	0
Arab Banking (Corporation) Jordan	14	0	0	0
Union Bank	16	1	1	0
Societe General - Jordan	16	0	0	0
Capital Bank	8	0	1	0
International Islamic Arab Bank	16	0	0	0
HSBC	3	0	2	0
Egyptian Arab Land Bank	9	0	3	0
Rafidain Bank *	1	0	0	0
Citi Bank	2	0	0	0
Standard Chartered *	8	0	1	0
Bank Audi	7	0	2	0
National Bank of Kuwait	1	0	0	0
BLOM Bank	5	0	0	0
Total	559	137	79	19

* According to 2006 data

The Distribution of Branches in Governorates in 2007

Bank's Name	Amman	Irbid	Zarqa	Balqa	Aqaba	Karak	Madaba	Maan	Jerash	Ajloun	Tafleh	Mafraq
Arab Bank	49	5	7	5	2	1	1	2	1	1	1	1
Jordan Ahli Bank	32	3	2	2	1	1	1	1	1	0	1	1
Cairo Amman Bank	29	7	4	4	1	2	1	0	1	0	0	2
Bank of Jordan	28	6	4	1	1	1	1	1	1	2	0	1
The Housing Bank for Trade & Finance	50	15	11	4	1	9	1	1	1	1	1	1
Jordan Kuwaiti Bank	29	3	4	1	1	0	1	0	0	0	0	0
Arab Jordan Investment Bank	6	1	1	0	1	0	0	0	0	0	0	0
Jordan Commercial Bank	15	3	2	3	1	0	1	0	0	0	0	0
Jordan Islamic Bank	27	7	7	3	1	3	1	2	1	2	1	1
Jordan Investment & Finance Bank	5	1	1	0	1	0	0	0	0	0	0	0
Arab Banking (Corporation) Jordan	11	1	1	0	1	0	0	0	0	0	0	0
Union Bank	11	3	1	0	1	0	0	0	0	0	0	0
Societe General - Jordan	11	1	1	0	1	1	1	0	0	0	0	0
Capital Bank	5	1	1	0	1	0	0	0	0	0	0	0
International Islamic Arab Bank	9	1	4	0	1	0	1	0	0	0	0	0
HSBC	3	0	0	0	0	0	0	0	0	0	0	0
Egyptian Arab Land Bank	5	1	1	0	1	0	0	0	0	0	0	1
Rafidain Bank *	1	0	0	0	0	0	0	0	0	0	0	0
Citi Bank	2	0	0	0	0	0	0	0	0	0	0	0
Standard Chartered *	6	1	0	0	1	0	0	0	0	0	0	0
Bank Audi	7	1	0	0	0	0	0	0	0	0	0	0
National Bank of Kuwait	1	0	0	0	0	0	0	0	0	0	0	0
BLOM Bank	5	0	0	0	0	0	0	0	0	0	0	0
Total	347	61	52	23	18	18	10	7	6	6	4	8

* According to 2006 data

Opened Branches in 2007

Bank's Name	In Jordan			Abroad		
	#	Branch's Name	City	#	Branch's Name	City
Arab Bank	1	City Mall	Amman	5	Gomhuriah + Naser City 2	Cairo
					Sharm Al Sheikh	Sharm Al Sheikh
					Al Rayyan	AL Doha
Jordan Ahli Bank	4	City Mall + Swefieh + AbuNsair + Al-Jubaiha	Amman	0	-	-
Cairo Amman Bank	3	City Mall + Zara Mall	Amman	1	Al Masyoun	Ram Allah
		Madaba	Madaba			
Bank of Jordan	1	City Mall	Amman	0	-	-
The Housing Bank for Trade & Finance	0	-	-	3	Beit lahem + Khan Youns + Jenen	Ram Allah
Jordan Kuwaiti Bank	4	City Mall + Wadi saqra + Alrabiyah + Dabouq	Amman	1	Ram Allah	Ram Allah
Arab Jordan Investment Bank	1	Tela Al Ali	Amman	0	-	-
Jordan Commercial Bank	0	-	-	0	-	-
Jordan Islamic Bank	2	Al Thaneyyah	Karak	0	-	-
		Khreibet Alsouq	Amman			
Jordan Investment & Finance Bank	1	Swefieh	Amman	0	-	-
Arab Banking (Corporation) Jordan	2	City Mall + Al Rawnaq	Amman	0	-	-
Union Bank	3	City Mall + Al-Jubaiha + Dahiyet Al Yasmin	Amman	0	-	-
Societe General - Jordan	0	-	-	0	-	-
Capital Bank	3	Swefieh + AlMadinna Monawarah	Amman	0	-	-
		Aqaba	Aqaba			
International Islamic Arab Bank	5	Swefieh + Shmeisani	Amman	0	-	-
		Al Rusaifeh + Zarqa + Zarqa Univ	Zarqa			
HSBC	1	Abdoun	Amman	0	-	-
Egyptian Arab Land Bank	1	Abdoun	Amman	0	-	-
Rafidain Bank *	-	-	-	-	-	-
Citi Bank	0	-	-	0	-	-
Standard Chartered *	-	-	-	-	-	-
Bank Audi	0	-	-	0	-	-
National Bank of Kuwait	0	-	-	0	-	-
BLOM Bank	2	.Al-Jubaiha + Macca St	Amman	0	-	-
Total	34			10		

* Not Available

Opened Offices in 2007

Bank's Name	In Jordan			Abroad		
	#	Branch's Name	City	#	Branch's Name	City
Arab Bank	1	Mecca Mall	Amman	2	Rafidya	Nables Bedyá
Jordan Ahli Bank	0	-	-	0	-	-
Cairo Amman Bank	1	Yarmouk Univ.	Irbid	0	-	-
Bank of Jordan	2	Al Shooneh Al Shooneh	Al Shooneh	0	-	-
The Housing Bank for Trade & Finance	0	-	-	0	-	-
Jordan Kuwaiti Bank	0	-	-	0	-	-
Arab Jordan Investment Bank	2	City Mall Al Hussun St.	Amman Irbid	0	-	-
Jordan Commercial Bank	0	-	-	0	-	-
Jordan Islamic Bank	0	-	-	0	-	-
Jordan Investment & Finance Bank	0	-	-	0	-	-
Arab Banking (Corporation) Jordan	0	-	-	0	-	-
Union Bank	1	Aqaba	Aqaba	0	-	-
Societe General - Jordan	0	-	-	0	-	-
Capital Bank	0	-	-	0	-	-
International Islamic Arab Bank	0	-	-	0	-	-
HSBC	0	-	-	0	-	-
Egyptian Arab Land Bank	1	NYIT Office	Amman	0	-	-
Rafidain Bank *	-	-	-	-	-	-
Citi Bank	0	-	-	0	-	-
Standard Chartered *	-	-	-	-	-	-
Bank Audi	0	-	-	0	-	-
National Bank of Kuwait	0	-	-	0	-	-
BLOM Bank	0	-	-	0	-	-
Total	8			2		

* Not Available

The Distribution of Offices in Governorates in 2007

Bank's Name	Amman	Irbid	Zarqa	Balqa	Aqaba	Karak	Madaba	Maan	Jerash	Ajloun	Tafleh	Mafraq
Arab Bank	1	0	0	0	0	0	0	0	0	0	0	0
Jordan Ahli Bank	1	1	0	1	0	0	0	0	0	0	0	0
Cairo Amman Bank	0	1	0	0	2	0	0	0	1	0	0	0
Bank of Jordan	10	9	3	2	3	0	0	0	0	0	0	1
The Housing Bank for Trade & Finance	0	0	0	2	0	0	0	1	0	0	0	0
Jordan Kuwaiti Bank	6	0	0	1	1	1	0	0	0	0	0	1
Arab Jordan Investment Bank	6	2	1	0	1	0	0	0	0	0	0	0
Jordan Commercial Bank	0	0	0	0	1	0	0	0	0	0	0	0
Jordan Islamic Bank	4	1	3	0	0	1	0	0	0	0	0	0
Jordan Investment & Finance Bank	1	0	0	0	0	0	0	0	0	0	0	0
Arab Banking (Corporation) Jordan	0	0	0	0	0	0	0	0	0	0	0	0
Union Bank	0	0	0	0	1	0	0	0	0	0	0	0
Societe General - Jordan	0	0	0	0	0	0	0	0	0	0	0	0
Capital Bank	0	0	0	0	1	0	0	0	0	0	0	0
International Islamic Arab Bank	0	0	0	0	0	0	0	0	0	0	0	0
HSBC	2	0	0	0	0	0	0	0	0	0	0	0
Egyptian Arab Land Bank	3	0	0	0	0	0	0	0	0	0	0	0
Rafidain Bank *	0	0	0	0	0	0	0	0	0	0	0	0
Citi Bank	0	0	0	0	0	0	0	0	0	0	0	0
Standard Chartered *	0	0	0	0	1	0	0	0	0	0	0	0
Bank Audi	2	0	0	0	0	0	0	0	0	0	0	0
National Bank of Kuwait	0	0	0	0	0	0	0	0	0	0	0	0
BLOM Bank	0	0	0	0	0	0	0	0	0	0	0	0
Total	36	14	7	6	11	2	0	1	1	0	0	2

* According to 2006 data

The ATMs at Banks in 2007

Bank's Name	Number of ATMs of the Banks at the end of 2007	Number of ATMs brought \ to service in 2007
Arab Bank	139	13
Jordan Ahli Bank	57	7
Cairo Amman Bank	124	33
Bank of Jordan	71	5
The Housing Bank for Trade & Finance	159	12
Jordan Kuwaiti Bank	64	7
Arab Jordan Investment Bank	17	4
Jordan Commercial Bank	25	1
Jordan Islamic Bank	64	7
Jordan Investment & Finance Bank	7	0
Arab Banking (Corporation) Jordan	27	2
Union Bank	17	3
Societe General - Jordan	14	0
Capital Bank	9	3
International Islamic Arab Bank	9	4
HSBC	15	2
Egyptian Arab Land Bank	8	2
Rafidain Bank *	-	-
Citi Bank*	-	-
Standard Chartered *	-	-
Bank Audi	13	4
National Bank of Kuwait	2	0
BLOM Bank	5	2
Total	846	111

* Not Available

C) Performance of Banks Listed on Amman Stock Exchange

14 banks operating in Jordan were listed on the Amman Stock Exchange (ASE) in 2007. Shares of these banks were traded and the following results were achieved:

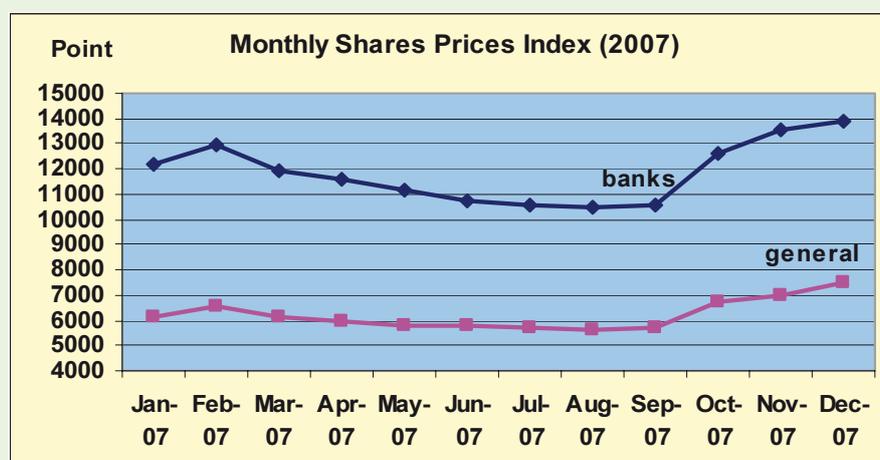
1- Share Price Index:

The index measuring prices of bank shares listed on the Amman Stock Exchange (ASE) rose by 29.72 per cent or 3,182 points to 1,3886.7 points in 2007 compared to 10704.7 points in 2006.

Monthly Shares Price Index of Banks Listed on ASE (2007)

MONTH	Shares Prices Index (point)	
	BANKS	GENERAL
Jan-07	12149.7	6145.7
Feb-07	12979.5	6543.7
Mar-07	11969.1	6148.7
Apr-07	11629.5	5970.9
May-07	11129.4	5831.1
Jun-07	10774.0	5761.7
Jul-07	10551.2	5684.2
Aug-07	10439.4	5609.6
Sep-07	10535.1	5727.6
Oct-07	12631.5	6688.2
Nov-07	13556.7	6984.1
Dec-07	13886.7	7519.3

Source: Amman Stock Exchange / Monthly Statistical Bulletin



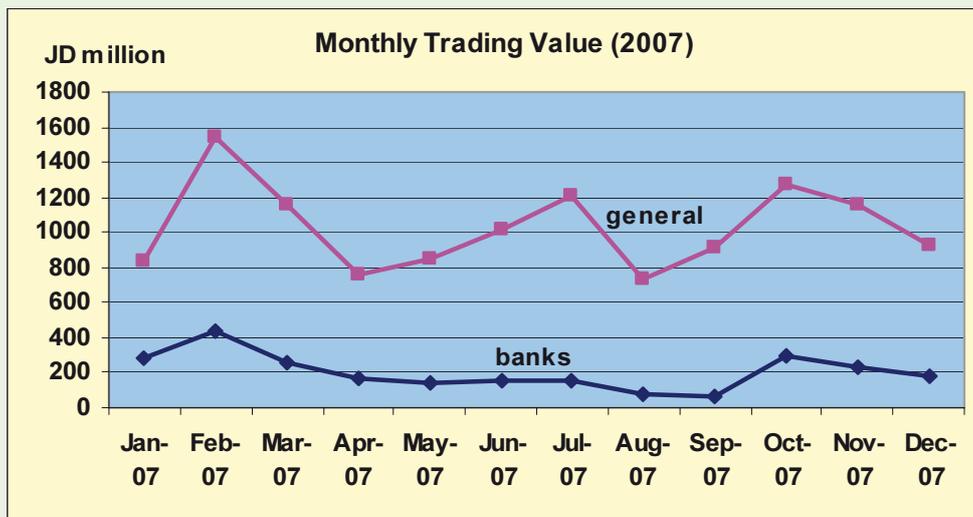
2- Trading Volume:

The volume of trading bank shares listed on the Amman Stock Exchange (ASE) dropped from JD2867.8 million in 2006 (or 20.19 per cent of the overall trading volume) to JD2460.8 million in 2007 (or 19.93 per cent of the overall trading volume).

Monthly Trading Value of Banks Listed on ASE (2007)

MONTH	Value Traded (JD million)		
	BANKS	GENERAL	(%) Banks/ general
Jan-07	280.8	833.0	33.71
Feb-07	442.4	1,536.9	28.79
Mar-07	251.2	1,155.8	21.73
Apr-07	168.4	758.0	22.22
May-07	146.7	842.8	17.41
Jun-07	159.6	1,014.4	15.73
Jul-07	156.8	1,211.8	12.94
Aug-07	76.1	735.0	10.35
Sep-07	69.5	908.6	7.65
Oct-07	301.9	1,268.4	23.80
Nov-07	228.7	1,156.6	19.77
Dec-07	178.8	926.9	19.29
Total	2,460.9	12,348.2	19.93

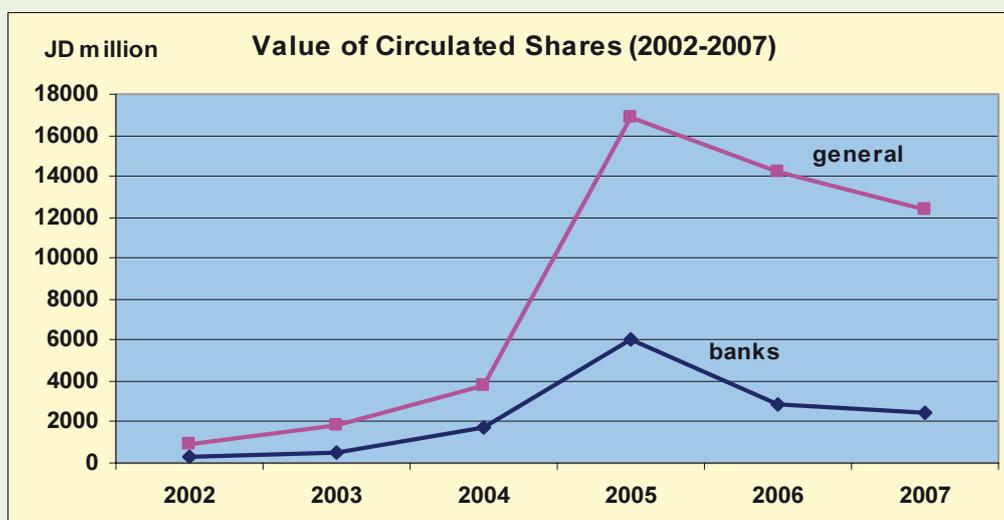
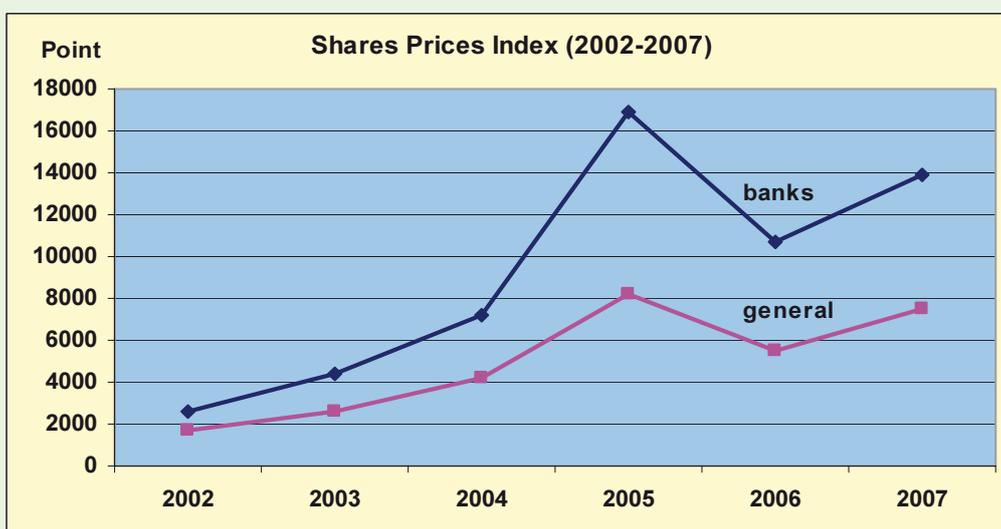
Source: Amman Stock Exchange / Monthly Statistical Bulletin



Value of Circulated Banks' Shares Listed on ASE (2002-2007)

Year	(Shares Prices Index (point		(Value of Circulated shares (JD million		(%) Banks/ general
	BANKS	GENERAL	BANKS	GENERAL	
2002	2556.6	1700.2	349.78	950.27	36.95
2003	4433.6	2614.5	524.84	1855.17	28.48
2004	7230.9	4245.5	1693.00	3793.25	44.63
2005	16892.0	8191.5	6043.41	16871.05	35.82
2006	10704.7	5518.1	2867.83	14209.87	20.19
2007	13886.7	7519.3	2460.80	12348.10	19.93

Source: Amman Stock Exchange / Monthly Statistical Bulletin





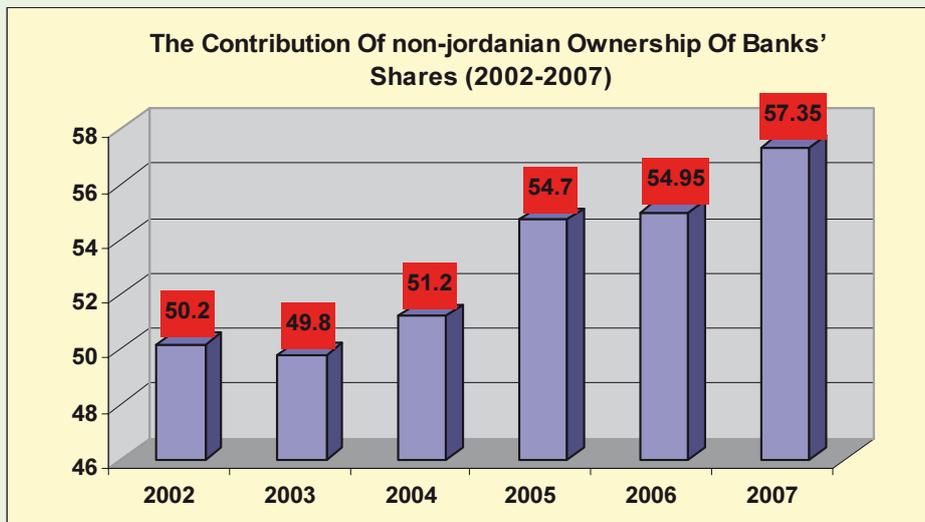
3- Ownership of non-Jordanians in Equity of Banks:

As a result of opening the Jordanian banking sector to the world, the share of non-Jordanians in the ownership of banks listed on the bourse increased from 54.95 per cent in 2006 to around 57.35 per cent in 2007.

The Contribution of non-Jordanian Ownership of Banks' Shares (2002-2007)

Year	The Contribution of Non-Jordanians %
2002	50.2
2003	49.8
2004	51.2
2005	54.7
2006	54.95
2007	57.35

Source: Amman Stock Exchange / Monthly Statistical Bulletin



D) Clearing of Cheques

As of Thursday, July 5, 2007, Jordan became one of the leading world countries that implement a comprehensive system for electronic clearing of cheques. To execute this major project, all licensed banks and their branches were equipped with the necessary computers, scanners, and communication lines and data base systems. Moreover, the necessary technical cadres were trained to handle the system.

During 2007, the number of cleared cheques dropped from around 10931.9 thousand cheques in 2006 to 10901.9 thousand in 2007. The value of the cheques was, however, higher by 14.0 per cent to 30233.7 million from JD26521.6 million in 2006.

The number of bounced cheques was higher in 2007 by 45.9 per cent reaching 626.6 thousand cheques compared to 429.4 thousand cheques in 2006. This increase was accompanied by a 76.2 per cent rise in the value of bounced cheques to JD1404.6 million in 2007 from JD797.1 million in 2006.

It is worth mentioning in this regard that the number of cheques that bounced because of insufficient funds in 2007 represented 57.0 per cent of the overall number of returned cheques. The value of these 57.0 per cent of bounced cheques represented 733.2 per cent of the gross value of returned cheques.

Circulated and Returned Cheques at the Clearing Rooms

Description	2006	2007	% Percentage Change
Circulated Cheques			
Number (thousand)	10931.9	10901.9	-0.27
Value(JD million)	26521.6	30233.7	14
Returned Cheques			
Number (thousand)	429.4	626.6	45.92
Value(JD million)	797.1	1404.6	76.21
The ratio to the number of Circulated Cheques (%)	3.93	5.75	-
The ratio to the value of Circulated Cheques (%)	3.00	4.65	-
Returned Cheques for insufficient balance			
Number (thousand)	240.8	357.3	48.38
Value(JD million)	380.6	733.2	92.64
The ratio to the number of Circulated Cheques (%)	2.20	3.44	-
The ratio to the value of Circulated Cheques (%)	1.44	2.43	-
Returned Cheques for another reasons			
Number (thousand)	188.6	269.3	42.79
Value(JD million)	416.5	671.4	61.2
The ratio to the number of Circulated Cheques (%)	1.73	2.47	-
The ratio to the value of Circulated Cheques (%)	1.57	2.22	-

Source: Central Bank of Jordan/ Monthly Statistical Bulletin

E) Interest Rate Structure

1- Changes of Interest Rates on Deposits

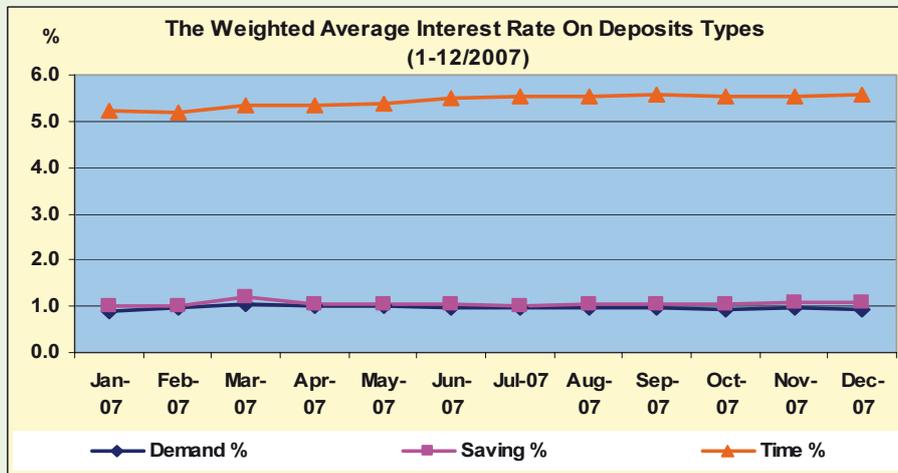
Interest rates on deposits of all types increased as follows during 2007:

- Time-deposits: The weighted average of interest rates on time deposits rose during 2007 to 5.56 per cent, 43 basis points higher than the 2006 level.
- Savings: The weighted average of interest rates on savings rose during 2007 to 1.10 per cent, 11 basis points higher than the level at the end of 2006.
- Demand and deposits: The weighted average of interest rates on demand deposits during 2007 reached 0.94 per cent, 7 basis points higher than the level recorded at the end of 2006.

The Weighted Average Interest Rates on Deposits Types 2007

MONTH	Demand %	Saving %	Time %
Jan-07	0.89	1.01	5.21
Feb-07	0.95	1.01	5.20
Mar-07	1.03	1.19	5.36
Apr-07	1.01	1.04	5.36
May-07	1.02	1.03	5.40
Jun-07	0.96	1.03	5.49
Jul-07	0.96	1.01	5.54
Aug-07	0.96	1.03	5.54
Sep-07	0.96	1.04	5.58
Oct-07	0.93	1.06	5.53
Nov-07	0.97	1.08	5.53
Dec-07	0.94	1.10	5.56
AVERAGE	0.97	1.05	5.44
MAX	1.03	1.19	5.58
MIN	0.89	1.01	5.20

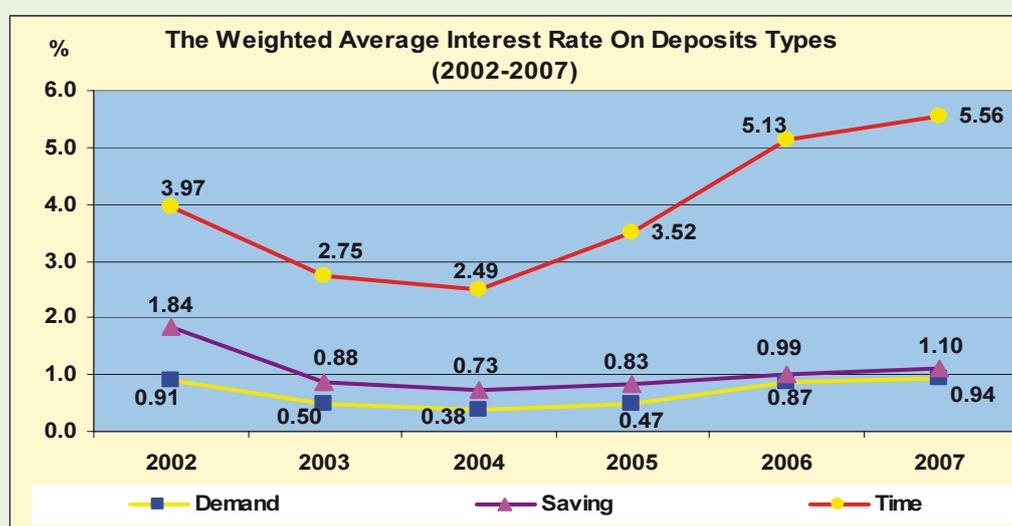
Source: Central Bank of Jordan/ Monthly Statistical Bulletin



The Weighted Average Interest Rates on Deposits Types (2002-2007)

Year	% Demand	% Saving	% Time
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

Source: Central Bank of Jordan/ Monthly Statistical Bulletin



2- Changes of Interest Rates on Credit Facilities

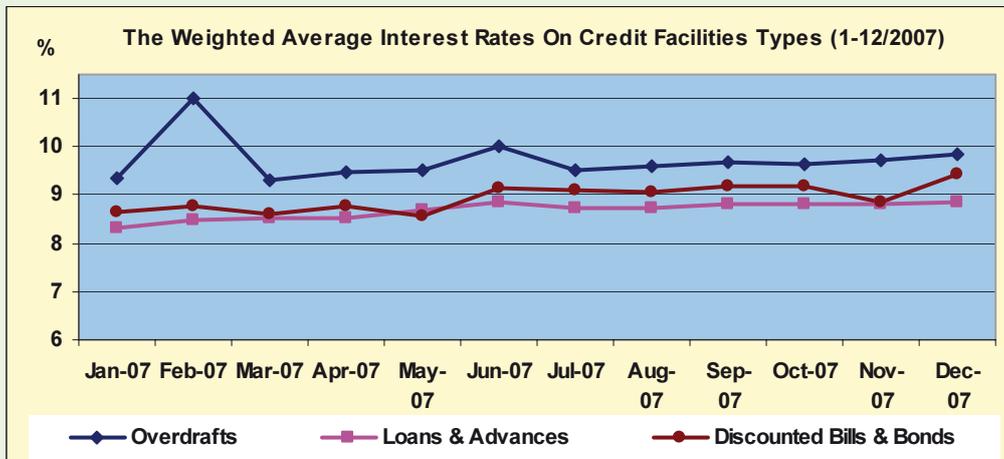
Interest rates on credit facilities changed as follows:

- Advances in Current Accounts (Overdrafts): The weighted average interest rates on advances in current accounts or overdrafts increased during 2007 to 9.83 per cent, 60 basis points higher than the level registered at the end of 2006.
- Loans: The weighted average interest rates on loans reached 8.86 per cent, 30 basis points higher than the level posted in 2006.
- Promissory Notes and Discounted Bills: The weighted average interest rates on promissory notes and discounted bills rose to 9.45 per cent in 2007, 73 basis points higher than the level recorded at the end of 2006.

The Weighted Average Interest Rates on Credit Facilities Types 2007

MONTH	Overdrafts %	Loans & Advances %	Discounted Bills & Bonds %
Jan-07	9.34	8.32	8.64
Feb-07	11.01	8.47	8.79
Mar-07	9.29	8.54	8.62
Apr-07	9.47	8.51	8.78
May-07	9.51	8.69	8.57
Jun-07	10	8.86	9.16
Jul-07	9.52	8.71	9.12
Aug-07	9.6	8.72	9.06
Sep-07	9.67	8.8	9.18
Oct-07	9.62	8.82	9.18
Nov-07	9.71	8.82	8.84
Dec-07	9.83	8.86	9.45
AVERAGE	9.71	8.68	8.95
MAX	11.01	8.86	9.45
MIN	9.29	8.32	8.57

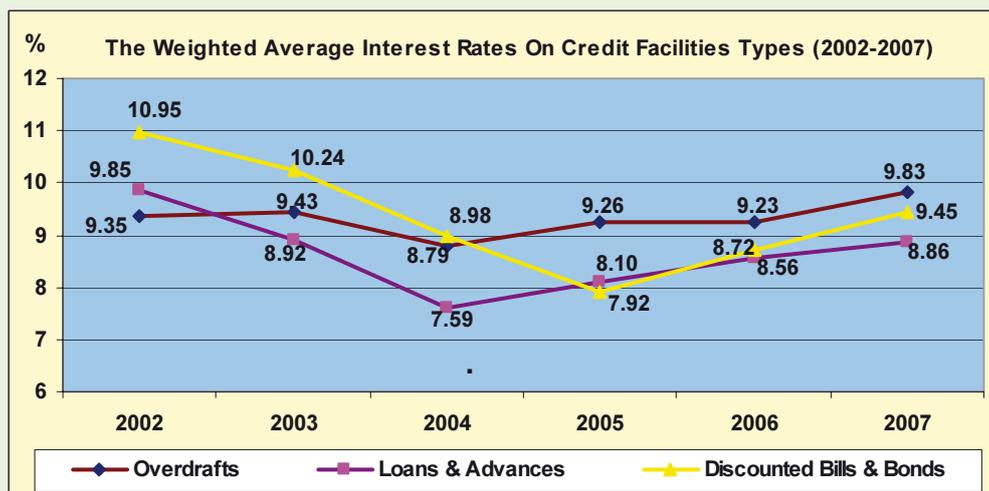
Source: Central Bank of Jordan/ Monthly Statistical Bulletin



The Weighted Average Interest Rates on Credit Facilities Types (2002-2007)

Year	Overdrafts	Loans & Advances	Discounted Bills & Bonds
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

Source: Central Bank of Jordan/ Monthly Statistical Bulletin



3- Interest Rate Margin:

In higher 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 on time deposits, declined to 3.3 per cent, 13 basis points lower than its 3.43 per cent level at the end of 2006.



4- Prime Lending Rates:

Prime rates lending stood at 8.15 per cent during 2007, 65 basis points higher than the 7.50 per cent level recorded at the end of 2006.

5- 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 lowered on September 19, 2007 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.

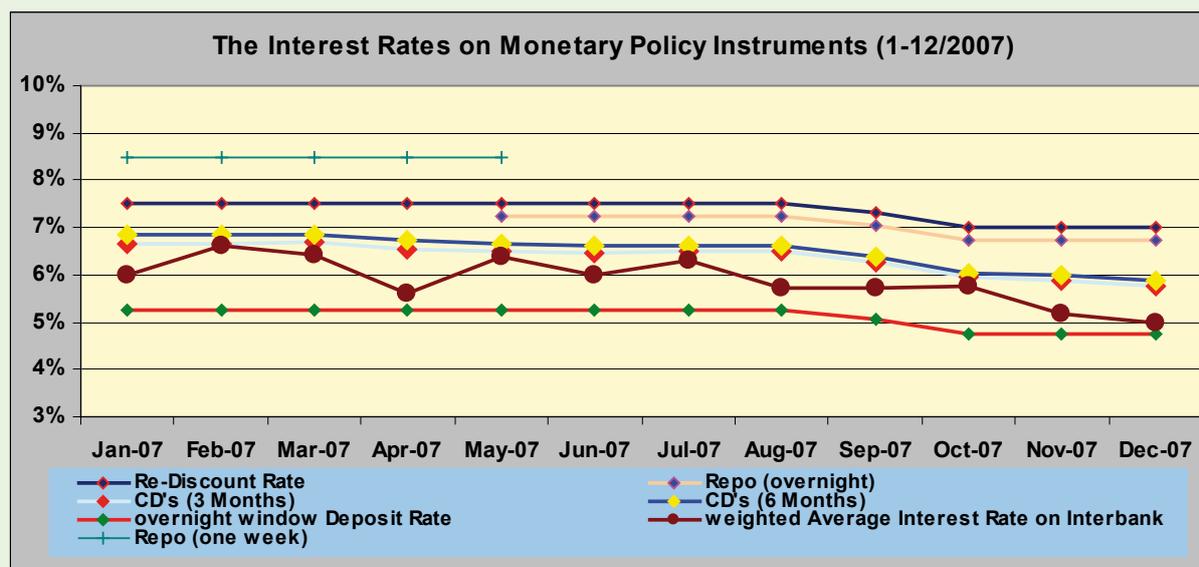


Following are the interest rate changes on the various dinar tools in 2007:

- **Rediscount rate:** The central bank maintained the stability of rediscount interest rate at 7.50 per cent from the beginning of the year until September 18, 2008 when the rate was lowered by 50 basis points. The new rate of 7.0 per cent took effect from Wednesday, September 19, 2007 until the end of the year.
- **Repurchase agreements (overnight and one week):** The central bank used one week repurchase agreements as a monetary policy tool at an 8.5 per cent interest until the first of May 2007 when licensed banks were allowed to execute overnight repurchase agreements with the central bank instead of repurchase agreements for a week at a 7.25 per cent interest rate. For this purpose, the central bank issued memorandum 262007/ dated May 2, 2007 using overnight repurchase agreements at 7.25 per cent interest rate instead of a week from that day. The rate of overnight repurchase agreement was lowered on September 18, 2007 by 50 basis points and the new rate at 6.75 per cent was applied from Wednesday, September 19, 2007 until the end of year.
- **Certificates of deposits:**
 - **Certificates of deposit (three months):** The average for three-months certificates of deposit stood at 6.365 per cent in 2007. The highest average was 6.684 per cent during March and the lowest average was 5.75 per cent during December.
 - **Certificates of deposits (six months):** The average for six-months certificates of deposit stood at 6.508 per cent in 2007. The highest average was 6.856 per cent during March and the lowest was 5.867 per cent during December.
- **Overnight window deposit:** The Central Bank maintained the stability of window deposit (overnight) interest rate at 5.25 per cent from the beginning of the year until September 18, 2007 when it was lowered by 50 basis points. The new rate of 4.75 per cent applied from Wednesday, September 19, 2007 until end of year.

The Interest Rates on Monetary Policy Instruments 2007

MONTH	Rediscount /Rate	Repurchase Agreements		Certificates of Deposit			Deposit Window	Weighted Average Interest Rates On
		One Night	One Week	(3) Months	(6) Months	One Year	(One) (Night)	Interbank
Jan-07	7.500		8.500	6.651	6.850		5.250	5.982
Feb-07	7.500		8.500	6.654	6.843		5.250	6.633
Mar-07	7.500		8.500	6.684	6.856		5.250	6.433
Apr-07	7.500		8.500	6.558	6.742		5.250	5.618
May-07	7.500	7.250	8.500	6.507	6.658		5.250	6.374
Jun-07	7.500	7.250		6.473	6.611		5.250	5.995
Jul-07	7.500	7.250		6.499	6.625		5.250	6.292
Aug-07	7.500	7.250		6.492	6.616		5.250	5.735
Sep-07	7.310	7.060		6.282	6.400		5.060	5.740
Oct-07	7.000	6.750		5.946	6.043		4.750	5.754
Nov-07	7.000	6.750		5.883	5.986		4.750	5.170
Dec-07	7.000	6.750		5.750	5.867		4.750	4.988
AVERAGE	7.359	7.039	8.500	6.365	6.508	-	5.109	5.893
MAX	7.500	7.250	8.500	6.684	6.856	-	5.250	6.633
MIN	7.000	6.750	8.500	5.750	5.867	-	4.750	4.988



The Interest Rates on Monetary Policy Instruments (2002-2007)

Year	Rediscount /Rate %	Repurchase Agreements		Certificates of Deposit			Deposit Window
		One Night %	% One Week	Months (3) %	Months (6) %	% One Year	% (One Night)
2002	4.500		5.500	3.000	3.450		
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	7.359	7.039	8.500	6.365	6.508	—	5.109

6- Interbank Lending Rates (JODIBOR)

The changes of interest rates on interbank lending (JODIBOR) were as follows during 2007:

- Average interest rates on lending for one night rose to 5.904 per cent in 2007, 35 basis points higher than the rate in 2006.
- Average interest rates on lending for week rose to 6.219 in 2007, 33 basis points higher than the rate in 2006.
- Average interest rates on lending for one month rose to 6.492 per cent in 2007, 12 basis points higher than the rate in 2006.
- Average interest rates on lending for three months declined to 6.756 per cent in 2007, six basis points lower than the rate in 2006.
- Average interest rates on lending for six months dropped to 7.005 per cent in 2007, 36 basis points lower than the rate in 2006.
- Average interest rates on lending for one year fell to 7.411 per cent in 2007 37 basis points lower than the rate in 2006.

Inter-Bank Lending Interest Rates (JODIBOR) in (2006-2007)

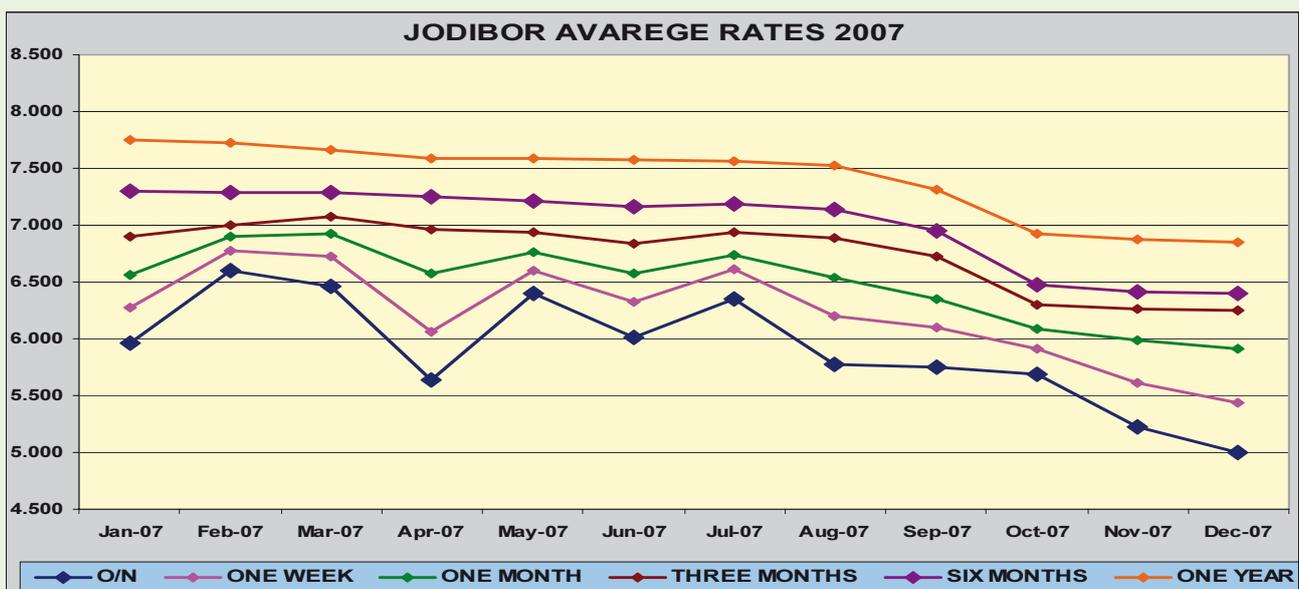
Period	O/N	ONE WEEK	ONE MONTH	THREE MONTHS	SIX MONTHS	ONE YEAR
2006	5.552	5.885	6.372	6.814	7.364	7.780
2007	5.904	6.219	6.492	6.756	7.005	7.411

The following table shows monthly changes of average interest rates on interbank lending during 2007 for all maturities (overnight, one week, one month, three months and one year).

- Overnight (O/N): Average interest rates on overnight lending fluctuated during 2007. The highest (6.6) was recorded during February and the lowest (4.995) was registered during December. The average coefficient of variation stood at (1.7241) in 2007 with October registering the highest value at 2.6787 and December posting the lowest at 0.7251.
- One Week: Average interest rates on lending for a one-week maturity fluctuated during 2007. The highest (6.780) was recorded during February and the lowest (5.442) was posted during December. The average coefficient of variation stood at (2.2563) in 2007 with the highest value reaching (3.2402) in November and the lowest (1.4211) in January.
- One Month: Average interest rates on lending for a one-month maturity fluctuated during 2007. The highest (6.928) was registered in March and the lowest (5.909) was registered in December. The average coefficient of variation stood at (2.3501) in 2007 with the highest value reaching (3.8036) in December and the lowest (1.3583) in March.
- Three Months: Average interest rates on lending for three months maturity dropped during 2007 to (6.756), six basis points lower than the 2006 average. The highest (7.080) was registered during March and the decline continued to the lowest 6.249 value during December. The average coefficient of variation for three months maturity stood at (1.2621) in 2007 with the highest value reaching (1.8340) during August and the lowest (0.7981) during April.
- Six Months: Average interest rates on lending for six months maturity declined gradually, since the beginning of 2007 when the highest value (7.297) was registered during January. The continued decline resulted in the lowest value at (6.395) during December. Average interest rates on lending for six months maturity dropped in 2007 to (7.005), 36 basis points lower than the 2006 average. The average coefficient of variation for six months maturity stood at (1.2210) with the highest value reaching (1.7782) during August and the lowest (0.6249) in March.
- One Year: Average interest rates on lending for one year fell gradually since the beginning of 2007 when the highest value (7.750) was registered during January. As the decline continued, the lowest value (6.855) was recorded in December. Average interest rates on lending for one year dropped in 2007 to (7.411), 37 basis points lower than the 2006 average. The average coefficient of variation for one year stood at (1.7651) with the highest value reaching (2.2464) in January and the lowest (0.8199) in November.

Inter-Bank Lending Interest Rates (JODIBOR) in 2007

DATE	O/N	ONE WEEK	ONE MONTH	THREE MONTHS	SIX MONTHS	ONE YEAR
Jan-07	5.963	6.276	6.565	6.902	7.297	7.750
Feb-07	6.600	6.780	6.904	6.998	7.293	7.724
Mar-07	6.458	6.720	6.928	7.080	7.284	7.657
Apr-07	5.632	6.062	6.573	6.963	7.254	7.592
May-07	6.396	6.597	6.758	6.938	7.211	7.584
Jun-07	6.017	6.321	6.572	6.839	7.166	7.575
Jul-07	6.349	6.613	6.736	6.934	7.182	7.557
Aug-07	5.773	6.199	6.540	6.891	7.139	7.524
Sep-07	5.756	6.100	6.353	6.721	6.947	7.318
Oct-07	5.687	5.908	6.087	6.295	6.476	6.924
Nov-07	5.219	5.606	5.981	6.258	6.414	6.877
Dec-07	4.995	5.442	5.909	6.249	6.395	6.855
AVERAGE	5.904	6.219	6.492	6.756	7.005	7.411
MAX	6.600	6.780	6.928	7.080	7.297	7.750
MIN	4.995	5.442	5.909	6.249	6.395	6.855



F) Syndicated Loans

Syndicated Loans in 2007

Bank's Name	Number of Loans Participated in	Economic Sectors	Volume of Participation		% Ratio to Total	
			Million JD	Million USD	Dinar	USD
Arab Bank	2	Tourism + Government	13.00	0	29.0	0
Jordan Ahli Bank	8	Housing + Health + Tourism + Telecommunication + Energy	9.54	16.78	NA	NA
Cairo Amman Bank	1	Services	5.00	0	10	0
Bank of Jordan	1	Energy	5.00	0	10	0
The Housing Bank for Trade & Finance	21	Water + Education + Energy + Health + Services + Tourism + Mining	70.00	39.30	34.3	15.94
Jordan Kuwaiti Bank	5	Hotels + Services + Maintenance	25.15	3.9	17.64	2.43
Arab Jordan Investment Bank	1	Stock	10.00	0	20	0
Jordan Commercial Bank	0	NA	NA	NA	NA	NA
Jordan Islamic Bank	0	NA	NA	NA	NA	NA
Jordan Investment & Finance Bank	8	Services + Military Housing + Energy + Transportation + Industry	9.2	5.55	12.53	5.81
Arab Banking (Corporation) Jordan	0	NA	NA	NA	NA	NA
Union Bank	2	Health + Services	0.826	0		
Societe General - Jordan	0	NA	NA	NA	NA	NA
Capital Bank	7	Industry + Business + Real stat	5.0	17.5		
International Islamic Arab Bank	0	NA	NA	NA	NA	NA
HSBC	1	Services	2	0	4.17	0
Egyptian Arab Land Bank	4	Services + Construction	7.567	1.985	NA	21
Rafidain Bank	NA	NA	NA	NA	NA	NA
Citi Bank	0	0	0	0	0	0
Standard Chartered	NA	NA	NA	NA	NA	NA
Bank Audi	1	Energy	5.7	0		
National Bank of Kuwait	0	0	0	0	11.4	0
BLOM Bank	1	Tourism	8.0	0	NA	NA

G) Banking Services

1- New Banking Services

The New Banking Services Introduced by the Banks in 2007

Bank's Name	Number of services	The new banking services
Arab Bank	6	Accepting loan applications via the bank's website
		Upgrading the Automated Phone Banking service "Hala Arabi"
		Launching new website: www.arabbank.com.jo
		Online Cash Deposit Service available at 20 ATM locations
		Electronic clearing
		Accepting social security subscriptions
Jordan Ahli Bank	8	Call centre (Ahli Ahlan)
		Operating the customers' management system
		Launching the follow up collection unit
		Launching the customers' follow-unit
		"Let's Go Places" campaign
		"Know your customer programme
		"My Business" revolving loan
Ahli premium banking service		
Cairo Amman Bank	4	Microfinance
		Internet banking
		SMS banking
		Banking services via Jordan Post
Bank of Jordan	7	Al-Hal programme for personal loans
		Ma'ak credit cards programme
		Mubarak programme for car loans
		Financing projects of Housing and Urban Development Department
		Establishing 12 specialised centres for developing SMEs
		Finance leasing
		New campaign for savings accounts
The Housing Bank for Trade & Finance	NA	
Jordan Kuwaiti Bank	4	Orange bill payment
		Social Security installment payments
		Financing travel packages
		Discounted certificates of deposit

Arab Jordan Investment Bank	NA	
Jordan Commercial Bank	5	Fuel loans
		Medical loan
		Golden Deposit Account
		Social Security monthly payments collection
		Two in one corporate card
Jordan Islamic Bank	4	Speed cash payments “Western Union”
		Secure shopping via internet (VBV)
		Electronic cheque clearing
		Camera surveillance for branches and ATMs
Jordan Investment & Finance Bank	NA	
Arab Banking Corp./Jordan	3	Prepaid cards service
		ABC Online “Jordan”
		Social Security subscription payments
Union Bank	1	Gold certificates
Societe General - Jordan	1	Assortment of credit cards
Capital Bank	2	Visa card: SMS service
		Master card: SMS service
International Islamic Arab Bank	5	Car financing
		Housing financing
		Opening five new branches
		Expanding ATM network
		Establishing quality assurance unit
HSBC	4	Premier centre
		My Rewards Points programme
		Credit cover
		Opening new branch in Abdoun
Egyptian Arab Land Bank	NA	
Rafidain Bank	NA	
Citi Bank	NA	
Standard Chartered	NA	
Bank Audi	3	LCD loan
		Furniture loan
		Scooter loan
National Bank of Kuwait	1	Visa cards
BLOM Bank	1	Visa card: SMS service

NA: Not Available



2- Electronic Banking Services (Via Internet)

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

NA: Not Available

Third: Ranking of Banks According to some 2007 Financial Indicators for the Year 2007

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

Ranking of Banks According to Total Assets for the Year 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 rank of Jordan Islamic Bank will be different when calculating the items apart from its statement.

** According to 2006 data.



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

Ranking of Banks According to Average Return on Assets for the Year 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 rank of Jordan Islamic Bank will be different when calculating the items apart from its statement.

** According to 2006 data.

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

Ranking of Banks According to Total Deposits for the Year 2007

Bank's Name	Ranking 2007	Deposits (JD million)	Ratio to Total Deposits %	Ranking 2006
Arab Bank	1	5312.20	30.46	1
The Housing Bank for Trade & Finance	2	3059.10	17.54	2
Jordan Kuwaiti Bank	3	1024.00	5.87	3
Jordan Ahli Bank	4	863.34	4.95	4
Bank of Jordan	5	857.10	4.91	5
International Islamic Arab Bank	6	609.00	3.49	17
Cairo Amman Bank	7	597.15	3.42	6
Jordan Investment & Finance Bank	8	593.91	3.40	10
HSBC	9	555.20	3.18	9
Union Bank	10	539.55	3.09	7
Capital Bank	11	503.45	2.89	8
Jordan Islamic Bank *	12	472.39	2.71	11
Arab Banking (Corporation) Jordan	13	443.00	2.54	14
Standard Chartered **	14	412.79	2.37	13
Arab Jordan Investment Bank	15	343.00	1.97	15
Jordan Commercial Bank	16	315.66	1.81	12
Bank Audi	17	285.00	1.63	16
Egyptian Arab Land Bank	18	162.60	0.93	18
BLOM Bank	19	133.00	0.76	22
Citi Bank	20	109.90	0.63	19
Societe General - Jordan	21	109.59	0.63	21
National Bank of Kuwait	22	92.60	0.53	20
Rafidain Bank**	23	48.77	0.28	23
Total		17442.30	100.00	

* The rank of Jordan Islamic Bank will be different when calculating the items apart from its statement.

** According to 2006 data.



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

Ranking of Banks According to Total Credit Facilities for the Year 2007

Bank's Name	Ranking 2007	Credit Facilities (JD million)	Ratio to Total Credit Facilities %	Ranking 2006
Arab Bank	1	2089.00	18.83	1
The Housing Bank for Trade & Finance	2	1590.40	14.34	2
Jordan Kuwaiti Bank	3	979.00	8.82	3
Bank of Jordan	4	695.30	6.27	4
Jordan Islamic Bank*	5	692.36	6.24	5
Jordan Ahli Bank	6	662.37	5.97	7
Rafidain Bank **	7	508.53	4.58	6
Cairo Amman Bank	8	496.67	4.48	10
Capital Bank	9	489.30	4.41	8
Union Bank	10	455.50	4.11	9
Jordan Investment & Finance Bank	11	311.36	2.81	13
International Islamic Arab Bank	12	306.00	2.76	12
HSBC	13	298.12	2.69	15
Arab Banking (Corporation) Jordan	14	252.00	2.27	14
Arab Jordan Investment Bank	15	235.00	2.12	17
Bank Audi	16	189.00	1.70	19
Standard Chartered **	17	181.16	1.63	16
Egyptian Arab Land Bank	18	164.21	1.48	18
Societe General - Jordan	19	154.69	1.39	20
BLOM Bank	20	120.00	1.08	21
Jordan Commercial Bank	21	99.00	0.89	11
National Bank of Kuwait	22	79.20	0.71	22
Citi Bank	23	46.10	0.42	23
Total		11094.27	100.00	

* The rank of Jordan Islamic Bank will be different when calculating the items apart from its statement.

** According to 2006 data.

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

Ranking of Banks According to Shareholders Equity for the Year 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.



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

Ranking of Banks According to Average Return on Shareholders Equity for the Year 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.

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

Ranking of Banks According to Capital for the Year 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.



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

Ranking of Banks According to Net Pretax Profit for the Year 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.

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

Ranking of Banks According to Number of Employees for the Year 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.



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

Ranking of Banks According to Average Assets Per Employee for the Year 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.

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

Ranking of Banks According to Net Profit (Before Tax) Per Employee for the Year 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.



Fourth: Human Resources Working in Banks

A) Number of Employees

For the fourth consecutive year, there was noticeable increase in the size of the human resources working in banks. The number of employees in banks rose by 6.2 per cent or 872 workers to 15037 persons in 2007 from 14165 persons in 2006.

The Distribution of Employees by Sex (2004-2007)

Year	Males	Relative Distribution %	Females	Relative Distribution %	Total	Growth Rate %
2004	8715	70.1	3714	29.9	12429	4.3
2005	9135	69.3	4047	30.7	13182	6.1
2006	9701	68.5	4464	31.5	14165	7.5
2007	10160	67.44	4905	32.56	15065	6.4

The distribution of employees by sex showed that the number of males increased by 441 persons to 10142 employees in 2007 compared to 9701 workers in 2006. Despite the absolute rise in the number of males, their percentage of total employees regressed from 68.5 per cent in 2006 to 67.45 per cent in 2007. This rise was accompanied by an increase in the number of females to 4895 persons, 431 workers more than the 4464 employees at the end of 2006. As such, female workers accounted for 32.55 per cent of the total number of workers at the end of 2007.

B) Resignations and Appointments

Banks appointed 3148 persons in the past year compared to 2761 persons in the previous year. The number of those who left for all reasons reached 2107 persons in 2007 compared to 1778 persons in 2006.

Resignations and Appointments (2004-2007)

Year	Resignations*	Appointments	Staff Turnover Rate %
2004	1015	1554	8.17
2005	1341	2094	10.17
2006	1778	2761	12.55
2007	2131	3168	14.15

* Resignations include all employees who resigned willingly, Resignations ...etc.

Accordingly, 2007 was a year marked by a higher turnover of staff (total resignations ÷ total employees x 100) which rose to 14.01 per cent in 2007 compared to 12.55 per cent in 2006.

C) Academic Qualifications of Staff:

The academic level of the employees continued to improve in 2007 as the rate of those who hold university degrees (bachelor, master and doctorate certificates) reached 63 per cent of the total number of employees compared to 59.7 per cent in the year 2006. By contrast, the workers who hold Tawjihi certificates continued to decline. Those employees accounted for 8.5 per cent in 2007 down from 9.5 per cent in 2006. Rate of employees with diploma degrees went down from 20.0 per cent in 2006 to 18.9 per cent in 2007. Rate of workers whose education is less than Tawjihi dropped from 10.7 per cent in 2006 to 9.7 per cent in 2007.

The Distribution of Employees According to their Education Qualifications (2004-2007)

Year	Doctorate		Master		BA		Diploma		Tawjihi		Without Tawjihi		Total
	#	%	#	%	#	%	#	%	#	%	#	%	
2004	17	0.1	657	5.3	5853	47.1	2963	23.9	1520	12.2	1419	11.4	12429
2005	19	0.1	748	5.6	6582	50.0	2992	22.7	1389	10.6	1452	11.0	13182
2006	24	0.2	781	5.5	7654	54.0	2841	20.1	1347	9.5	1518	10.7	14165
2007	26	0.2	834	5.5	8638	57.3	2844	18.9	1268	8.4	1455	9.7	15065

D) Classification of Employees by Age:

The rate of employees aged less than 25-years-old rose from 16.3 per cent in 2006 to 16.8 per cent in 2007 whereas the rate of those aged 25-39 years dropped from 55.1 per cent in 2006 to 54.4 per cent in 2007. The rate of workers whose age is between 40-59 increased from 27.9 per cent in 2006 to 28.3 per cent in 2007 but the number of those who exceeded the age of 60 years and were still working came down from 99 persons to 78 persons representing only 0.5 per cent of the overall number of employees.

The Distribution of Employees According to their Age (2004-2007)

Year	Less than 25 years		years 25-39		years 40-59		More than 60 years		Total
	Number	%	Number	%	Number	%	Number	%	
2004	1732	13.9	7018	56.5	3584	28.8	95	0.8	12429
2005	1897	14.4	7231	54.8	3938	29.9	116	0.9	13182
2006	2305	16.3	7812	55.1	3949	27.9	99	0.7	14165
2007	2541	16.9	8196	54.4	4251	28.2	77	0.5	15065

E) Employees' Social Status:

The rate of workers who were single in 2007 declined to 42.2 per cent from 45 per cent in 2006 whereas those who were married rose from 55.0 per cent to 57.8 per cent.

The Distribution of Employees According to their Social Status (2004-2007)

Year	Singles		Married		Total
	Number	%	Number	%	
2004	4135	23.3	8294	66.7	12429
2005	4757	36.1	8425	63.9	13182
2006	6376	45.0	7789	55.0	14165
2007	6364	42.2	8701	57.8	15065

F) Geographical Distribution of Employees:

The number of banks employees in Amman totaled 12,643 persons or 84.08 per cent of total bank employees. Irbid governoate accounted for 5.01 per cent of total bank employees followed by Zarqa governorate (3.61 per cent). In Aqaba governorate, the rate stood at 1.57 per cent followed by Karak governorate (1.30 per cent) and then Balqa governorate (1.12 per cent). In other governorates, the rate did not exceed one per cent in any of them.

Geographical Distribution of Employees in 2007

Governorate	Number Of Employees	Geographical distribution of employees
Amman	12675	84.14
Irbid	754	5.00
Zarqa	538	3.57
Aqaba	236	1.57
Balqa'	168	1.12
Al Karak	196	1.30
Mafraq	102	0.68
Madaba	120	0.80
Jerash	83	0.55
Maan	79	0.52
Tafleh	53	0.35
Ajloun	61	0.40
Total	15065	100.00

The geographical concentration of employees per Governorate =
 (# of banks employees in the Governorate / total # of banks employees) x 100%

The Distribution of Employees According to Governorates in 2007

Bank's Name	Amman	Irbid	Zarqa	Balqa'	Aqaba	Karak	Madab	Maan	Jerash	Alloun	Tafleh	Mafraq
Arab Bank	2686	46	61	10	22	11	10	14	11	3	8	10
Jordan Ahli Bank	1048	51	31	30	16	16	14	12	10	0	12	10
Cairo Amman Bank	1147	78	44	31	21	30	9	0	9	0	0	20
Bank of Jordan	1056	111	32	12	17	11	11	8	12	12	0	12
The Housing Bank for Trade & Finance	1393	138	91	12	41	33	25	16	12	15	13	13
Jordan Kuwaiti Bank	679	19	17	9	11	4	6	0	0	0	0	5
Arab Jordan Investment Bank	341	14	10	0	10	0	0	0	0	0	0	0
Jordan Commercial Bank	382	27	12	18	12	7	7	0	0	0	0	0
Jordan Islamic Bank	972	186	164	30	24	80	24	29	28	31	20	23
Jordan Investment & Finance Bank	221	7	9	10	0	0	0	0	0	0	0	0
Arab Banking (Corporation) Jordan	376	8	5	0	9	0	0	0	0	0	0	0
Union Bank	354	25	10	0	15	0	0	0	0	0	0	0
Societe General - Jordan	203	5	5	0	5	4	4	0	0	0	0	0
Capital Bank	267	4	5	0	5	0	0	0	0	0	0	0
International Islamic Arab Bank	286	9	25	0	8	0	5	0	0	0	0	0
HSBC	393	0	0	0	0	0	0	0	0	0	0	0
Egyptian Arab Land Bank	222	9	11	0	9	0	0	0	0	0	0	9
Rafidain Bank*	28	0	0	3	0	0	0	0	0	0	0	0
Citi Bank	62	0	2	0	0	0	4	0	0	0	0	0
Standard Chartered *	247	8	0	0	10	0	0	0	0	0	0	0
Bank Audi	137	8	0	0	1	0	0	0	0	0	0	0
National Bank of Kuwait	60	0	0	0	0	0	0	0	0	0	0	0
BLOM Bank	115	1	4	3	0	0	1	0	1	0	0	0
Total	12675	754	538	168	236	196	120	79	83	61	53	102

* According to 2006 data.

Fifth: Activities of the Association during 2007

During 2007, the Association discussed and followed up on various issues that were submitted to it, especially by member banks. These issues were discussed in-depth by the concerned technical committees at the Association and the remarks/comments of the banks were communicated to the concerned authorities, which responded to them with a high degree of seriousness. Many of the remarks and suggestions that were presented by the Association, on behalf of the banks on various issues, were embraced.

Regarding training, the Association held several meetings, seminars, workshops, training courses and lectures during 2007 on subjects and issues that were of interest to the banking sector.

The Association also issued during 2007 a set of bulletins, reports and studies of concern to the Jordanian banking system.

Following are the Association's main activities during 2007:

A) Banking Issues Submitted by Member Banks

- 1- Credit concentrations and lowering the organizational capital by the amount of the bank's equity in the capital of a subsidiary company.
- 2- Subjecting cash collaterals, which guarantee credit facilities, to the law of the Deposit Insurance Corporation.
- 3- Canceling the lien from the records of the Securities Depository Centre without checking with the bank.
- 4- Imposing income tax on the deposits of banks from abroad.
- 5- The automated system for hypothecating shares at the Securities Depository Centre.
- 6- The special power of attorneys used by customers.
- 7- The revenue stamps on hypothecation documents.
- 8- Archiving documents electronically, after the lapse of certain time.

B) Instructions of Central Bank of Jordan (CBJ)

- 1- Instructions on managing and marketing portfolios and investment funds in foreign currencies for clients.
- 2- Instruction on control systems and internal audit.
- 3- Instructions on branching out
- 4- Instructions for calculating liquidity according to maturity scale.
- 5- Instructions on anti money-laundering and financing terrorism.
- 6- Guidebook on corporate governance for banks in Jordan.
- 7- Central Bank circular on components of credit percentage extended for real estate construction.
- 8- Problems that face the cashing of National Aid cheques.

C) Government Laws, Regulations and Decisions

- 1- Draft law amending the companies' law
- 2- Study of labour law draft
- 3- Law on leasing fixed assets and selling them to non-Jordanians and legal persons.
- 4- The new enforcement law No. 25 issued in 2007.
- 5- Decision of the Bureau for Interpretation of Laws giving priority to state treasury in collecting its dues.

D) Seminars, Lectures, and Training Courses

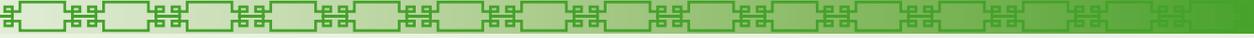
- 1- Meeting between the Minister of industry and trade and the chairman and members of the board of directors and representatives of the banking sector.
- 2- Minister of Justice acquaints the board of directors with the strategy for upgrading courts.
- 3- Monthly seminars:
 - First monthly seminar: “Insuring Deposits – The legislation and the implementation.
 - Second monthly seminar: “The Construction Sector in Jordan – To what Extent?”
 - Third monthly seminar: “Finance Leasing in Jordan: Reality and Future”
 - Fourth monthly seminar: “Securitization”
 - Fifth monthly seminar: “Insuring Housing Loans”
 - Sixth monthly seminar: “Challenges Facing women entrepreneurs in Obtaining Bank Credit”
- 4- Seminar: “The National Employment and Training Project”
- 5- Seminar: Compliance
- 6- Workshops:
 - “Building the Early Warning System to Predict Banking Crisis”
 - “Accredited Entrepreneur”
 - “Managing Risks for Business Staff”
 - “Implementing Basel II Agreement / Management of Risks and Related Issues”
 - “IT Solutions for Risk Management”
 - “AML Compliance for Banks, with Special Emphasis on IT Solutions”
 - “New Practical Methods for Complying with Anti Money-Laundering for Banks”
 - “Management of Troubled Loans”
- 7- Training courses:
 - “Combating and Uncovering Credit Cards Fraud”
 - “The Comprehensive Security Programme”
 - “Public Relations, Protocol and Etiquette”

8- Lectures

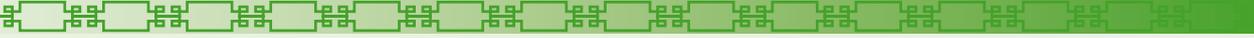
- “Management of Risks and Applications of Basel II.”
- “Wages and Compensations System in Jordan.”
- “Security and Secure Electronic Transactions for Online Banking.”

E) Other Activities and News

- 1- The general assembly meeting
- 2- Participation in “Demographic Investment Committee”
- 3- Participation in “The Committee for studying the business activity report issued by the World Bank.
- 4- Issuance of a number of publications and bulletins by the Association.
- 5- Formation of committees.



**Sixth: Financial Statements and Auditor's Report
for the year Ended December 31st 2007**



Independent Auditor's Report

Messrs Members of Association of Banks

Association with juridical independent personality

Amman – The Hashemite Kingdom of Jordan.

We have audited the accompanying financial statements of the Association of Banks – Association with juridical independent personality, which comprise the balance sheet as of December 31, 2007, The Income Statement and The Cash Flows for the year ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

The Associations management is responsible for the preparation and fair presentation of these financial statements in accordance with international Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error, selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Association's preparation and fair presentation of the financial statements 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 Association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

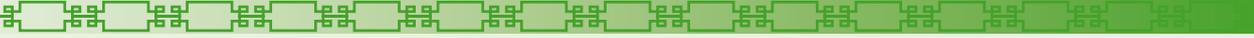
In our opinion, the financial statements give a true and fair view of (or "present fairly, in all material respects.") the financial position of Association of Banks as of December 31 2007, and of its financial performance and its cash flows for the year ended in accordance with International Reporting Standards.

MA'MOUN FAROUKA

LICENSED AUDITOR NO. 265

MA'MOUN FAROUKA & CO.

AMMAN, March 16th 2008



Association of Banks
An Association with Juridical Independent Personality
Amman – The Hashemite Kingdom of Jordan

EXHIBIT A

BALANCE SHEET AS OF DECEMBER 31ST 2007

		<u>2007</u>	<u>2006</u>
		<u>JD</u>	<u>JD</u>
<u>Assets</u>			
<u>Current Assets</u>			
	Note		
Cash on hand		1,000	1,300
Cash at bank	3	1,474,233	1,091,806
Accounts Receivable	4	19,003	28,217
Refundable Deposits		1,132	982
Prepaid Expenses		<u>2,803</u>	<u>3,061</u>
Total Current Assets		<u>1,498,171</u>	<u>1,125,366</u>
<u>Non Current Assets</u>			
Total Fixed Assets at Cost		2,240,376	2,215,707
Accumulated Depreciation		<u>(584,297)</u>	<u>(520,663)</u>
Net book value	5	<u>1,656,079</u>	<u>1,695,044</u>
Total Assets		<u>3,154,250</u>	<u>2,820,410</u>
<u>Liabilities & Accumulated Surplus</u>			
<u>Current Liabilities</u>			
Credit Banks		2,024	5,563
Account Payable		2,360	1,562
Trustees Employee Income Tax		528	000
Accrued Expenses		1,056	1,955
Trustees	6	<u>13,955</u>	<u>19,955</u>
Total Current Liabilities		<u>19,923</u>	<u>23,035</u>
Provision for Compensating the end of Employee Service		<u>26,736</u>	<u>59,309</u>
<u>Accumulated Surplus</u>			
Retained Surplus		2,738,066	2,276,618
Surplus for this year-Exhibit B		<u>369,525</u>	<u>461,448</u>
Accumulated Surplus Total		<u>3,107,591</u>	<u>2,738,066</u>
Total Liabilities & Accumulated Surplus		<u>3,154,250</u>	<u>2,820,410</u>

The Accompanying Notes From 1-9 Constitute an Integral Part of This Statement

Association of Banks
An Association with Juridical Independent Personality
Amman – The Hashemite Kingdom of Jordan

EXHIBIT B

REVENUES AND EXPENSES STATEMENT FOR THE YEAR ENDED DECEMBER 31st 2007

		<u>2007</u>	<u>2006</u>
		<u>JD</u>	<u>JD</u>
<u>Revenues</u>	<u>Note</u>		
Subscription Fees		795,320	796,738
Revenues Other		5,306	10,163
Revenue Halls Rent		5,500	3,250
Bank Interest Revenue		73,743	40,298
<u>Total Revenues</u>		879,869	850,449
<u>Banks Magazine</u>			
Magazine Revenue	7/A	41,572	41,172
Expenses Magazine :Less	8/A	(38,610)	(29,413)
<u>Banks Magazine Profit</u>		2,962	11,759
<u>Training Courses</u>			
Training courses Revenue	7/B	13,000	14,513
Expenses Training courses :Less	8/B	(9,361)	(10,604)
<u>Profit (loss) from Training Courses</u>		3,639	3,909
Total Revenues & Gain from Banks Magazine and Training Courses		886,470	866,117
General & Administrative Expenses :Less	9	(514,795)	(404,669)
Last year expenses		(2,150)	000
<u>Year's Surplus – Exhibit A</u>		369,525	461,448

The Accompanying Notes From 1-9 Constitute an Integral Part of This Statement

Association of Banks
An Association with Juridical Independent Personality
Amman – The Hashemite Kingdom of Jordan

EXHIBIT C

CASH FLOWS STATEMENT FOR THE YEAR ENDED DECEMBER 31ST 2007

	<u>2007</u>	<u>2006</u>
	<u>JD</u>	<u>JD</u>
<u>Cash Flows from Operating Activities</u>		
Surplus for the Year	369,525	448,461
End of service Compensating provision	(32,573)	6,884
Depreciation Expenses	63,634	<u>619,45</u>
Net Income Before Changes in Working Capital	400,586	951,513
<u>(Increase) Decrease In Current Assets</u>		
Subscription fees	(149)	000
Account Receivables	9,214	(11,054)
Prepaid Expenses	259	(297)
<u>Increase (Decrease) In Current Liabilities</u>		
Accounts Payable	798	(4,477)
Other Credit Balances	(373)	<u>(3,771)</u>
Net cash flow from operating activities	410,335	<u>352,494</u>
<u>Cash Flow From Investment Activities</u>		
Changes in Fixed Assets	<u>(24,669)</u>	<u>6,080</u>
<u>Cash Flow From Financing Activities</u>		
Credit Bank	<u>(3,539)</u>	<u>(23,236)</u>
Net increase in cash during the year	382,127	477,196
Cash balance in the beginning of the year	<u>1,093,106</u>	<u>615,910</u>
Cash balance in the end of the year	<u>1,475,233</u>	<u>1,093,106</u>

The Accompanying Notes From 1-9 Constitute an Integral Part of This Statement

Association of Banks
An Association with Juridical Independent Personality
Amman – The Hashemite Kingdom of Jordan

NOTES TO THE FINANCIAL STATEMENTS

1. The Registration And Objectives of The Association

The Association was registered on October 1st 1978 as an ordinary association which enjoys juridical personality and managerial & financial independency, under the associations and social societies law number (33) for the year 1966 and emendation number (9) for the year 1971, After the issuance of the Banks Law number (28) for the year 2000 the Association become an institution virtue the term of the banks law according to article (95) of that law. Where the reverence Council of Ministers issued in the March 29th 2005, (Association of Banks) regulation number (35) for the year 2005, and published it in the Official Gazette (4707 edition) of May 16th 2005.

The Association Aims at Raising and Uplifting the Banking Business by:

- Supporting the advantages of members and coordination between them to inquest their common behalf.
- Developing and modernizing the banks services.
- Stabilizing the concept of bank business and bank business customs and following a unified regulations and procedures for this purpose

2. Significant Accounting Policies

A. Fixed Assets are depreciated at the Cost According to Straight – Line Depreciation Method.

Lands	-
Constructions	2%
Furniture	10%
Equipments & Tools	15%
Computer devices	20%
Books	10%

B. The Association follows Cash Basis in showing the Banks Magazine Subscription Revenue, whereas it follows the Accrual Basis to record other monetary treatments.

3. Cash at Banks

This item consists of the following:-

	<u>2007</u> <u>JD</u>	<u>2006</u> <u>JD</u>
Union bank / Deposit acc.	1,023,317	000
Arab bank / Deposit account	440,649	574,632
Housing bank / Current account	822	4,735
Housing bank / Deposit account	9,445	512,439
Total	<u>1,474,233</u>	<u>1,091,806</u>

4. Accounts Receivable

This item consists of the following:-

	<u>2007</u> <u>JD</u>	<u>2006</u> <u>JD</u>
Members accounts	13,153	25,859
Employees accounts	3	3
Other accounts	5,847	2,355
Total	<u>19,003</u>	<u>28,217</u>

5. Fixed Assets

This item consists of the following:-

Cost

	<u>31/12/2007</u>	<u>Additions</u>	<u>Omissions</u>	<u>31/12/2006</u>
Association>s land	326,477	000	000	326,477
Association>s Construction	1,557,388	000	000	1,557,388
Equipment & tools	135,906	11,777	000	124,129
Furniture>s & decorations	175,189	12,865	000	162,324
Books	7,816	27	000	7,789
Cars	37,600	000	000	37,600
Total	<u>2,240,376</u>	<u>24,669</u>	<u>000</u>	<u>2,215,707</u>

Accumulated Depreciation

	<u>31/12/2007</u>	<u>Additions</u>	<u>Omissions</u>	<u>31/12/2006</u>
Association>s land	000	000	000	000
Association>s construction	311,430	31,148	000	280,282
Equipments & Tools	107,638	9,211	000	98,427
Furniture & Decorations	156,226	829,16	000	139,397
Books	3,363	806	000	2,557
Cars	5,640	—	000	000
		<u>5,640</u>		
Total	<u>584,297</u>	<u>63,634</u>	<u>000</u>	<u>520,663</u>

Total Net Book Value of Fixed Assets **1,656,079**

1,695,044

6. Trustees

This item consists of the following:-

	<u>2007</u>	<u>2006</u>
	<u>JD</u>	<u>JD</u>
The University Student Fund	1,225	1,225
The Information Technology Center Fund	<u>12,730</u>	<u>12,730</u>
Total Deposits	<u>13,955</u>	<u>13,955</u>

7. Magazine & Training Courses Gains.

A. Magazine Revenues

This item consists of the following:-

	<u>2007</u>	<u>2006</u>
	<u>JD</u>	<u>JD</u>
Subscription Revenue	26,964	26,268
Advertisings Revenue	14,435	14,732
Sales Revenue	<u>173</u>	<u>172</u>
Total Revenue from the Magazine	<u>41,572</u>	<u>41,172</u>

B. Training courses Revenues

This item consists of the following:-

	<u>2007</u>	<u>2006</u>
	<u>JD</u>	<u>JD</u>
Bank Strategic Course	000	4,388
Letter of Credit Course	000	4,125
Fraud combat Course	000	6,000
Public relations & Protocol Course	2,350	000
Building Course	3,450	000
Credit Card Fraud Course	2,400	000
Security Program	<u>4,800</u>	<u>000</u>
Total Training Courses Revenues	<u>13,000</u>	<u>14,513</u>

8. Magazine & Training Courses Expenses

A. Magazine Expenses

This item consists of the following:-

	<u>2007</u>	<u>2006</u>
	<u>JD</u>	<u>JD</u>
Rewards	8,385	13,735
Printing	29,334	15,085
Miscellaneous	891	593
Total Banks Magazine Expenses	<u>38,610</u>	<u>29,413</u>

B. Training courses Expenses

This item consists of the following:-

	<u>2007</u>	<u>2006</u>
	<u>JD</u>	<u>JD</u>
Bank Strategic Course	000	1,293
Letter of Credit Workshop	000	1,112
Fraud on Banks Course	000	1,010
Public Relations & Protocol	1,800	000
Building Course	891	000
Credit Cards Fraud	1,473	000
Security Program	3,243	000
Free Training Courses	<u>1,954</u>	<u>7,189</u>
Total Training Courses Expenses	<u>9,361</u>	<u>10,604</u>

9. General & Administrative Expenses

This item consists of the following:-

	<u>2007</u>	<u>2006</u>
	<u>JD</u>	<u>JD</u>
Salaries and Wages	169,524	177,553
Social Security	17,757	13,746
Saving Fund	11,694	11,856
Consulting Expenses	2,000	220
Traveling & Transportation	9,212	5,637
Medical Expenses	12,128	31,256
Electricity & Water.	8,046	6,778
Hospitality & Cleaning	9,928	5,578
Post , Telephone & Internet	10,436	9,977
Real Estate Tax	7,050	7,050
Bank Commissions and Charges	161	103
Office Supplies	000	53
Stationary and Publications	19,853	8,138
Compensation End of Service	15,863	6,884
Maintenance & Repair Expenses	7,997	6,179
Cars & Motorbikes Expenses	5,994	2,877
Insurance	2,641	2,745
Garden Expenses	348	47
Depreciations	63,634	61,282
Auditing Fees	1,160	812
Public officer Notary Expenses	589	600
Tax on Deposit Expenses	2,522	2,015
Meetings & Parties	3,354	10,415
JODIBOR Project	1,500	000
Donations	100,000	6,500
External Membership	737	000
General Miscellaneous Expenses	24,881	19,716
Studies & Researches Expenses	000	2,320
Fuel Expenses	3,534	2,131
Employees Clothing>s Expenses	1,216	2,076
Translation Expenses	<u>1,036</u>	<u>125</u>
TOTAL	<u>514,795</u>	<u>404,669</u>



