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# THE ASSOCIATION OF BANKS IN JORDAN

Recommendations for Banking Sector Research

June, 2008

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# **THE ASSOCIATION OF BANKS IN JORDAN**

RECOMMENDATIONS FOR BANKING SECTOR RESEARCH

JORDAN ECONOMIC DEVELOPMENT PROGRAM (SABEQ)

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FOR ABJ IN THE AREAS OF MARKET INTELLIGENCE RESEARCH  
AND SUPPORT SERVICES TO MEMBERS

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# GAINING INSIGHT ON MARKET PERCEPTIONS

## BACKGROUND

Jordan's banking sector dominates the country's financial system and contributes significantly to the Jordan economy but at 35%, the government tax rate on banking is 15% higher than it is on any other sector of the economy. Member banks believe a negative public image is part of the issue - a belief that banks are transactional, short-term and motivated primarily by money.

The Association of Banks in Jordan wishes to design and conduct research on behalf of its member banks to (1) gain a deeper insight on the public's attitudes on the banking sector, (2) learn more about the factors that most influence those perceptions, i.e. are attitudes based on customer experiences or general impressions, (3) gain perspective on the factors that most significantly impact bank selection, usage, and loyalty for consumers and (4) measure consumer reaction and the effect on attitudes of various media messages.

USAID through its Jordan Economic Development Program (SABEQ) is providing technical assistance to the Association of Banks in designing, conducting and assessing the outcomes of the research. The intent is to provide outcomes that can be utilized by the ABJ and its member banks in refining advocacy and communications strategies.

## RESEARCH OBJECTIVES

The research will be designed to gain insight on public perceptions by examining:

### Behaviors

- Consumer habits and usage;
- Loyalty.

### Attitudes

- Level of satisfaction or dissatisfaction in regards to the personal services and financial products provided, i.e. the quality of the customer experience, efficiency and quality of processes, range, quality and price of products offered by banks;
- Perceptions on the effectiveness of banks in meeting community and customer needs;
- Perceptions of the sector and their contributions to the common good.

### Media Impact on Attitudes

A review of banking sector coverage in the Jordan Times between February and June, 2008, shows that the majority of the sector's print coverage in the English language newspaper is about bank's financial results and commercial businesses. Excerpts of many Jordan Times articles during the period are included in the Appendix. Headlines during the period include:

- *"Profits of 15 Banks Balloon to JD858m,"*
- *"Arab Bank Group Ups Net Profit by 24.4 % in Q1,"*
- *"Arab Bank Group enters \$900m Loan Deal for Orascom Construction Industries,"*
- *"Arab Bank Asia Dynamic Fund wins Lipper-Reuters Award,"*
- *"Arab Bank Holds 2nd Global Group Regulatory Compliance Summit,"*
- *"Housing Bank Ups Q1 Pretax Profit by 15.2% to JD42.2m,"*
- *"Growing Demand for Massive Project Financing Tests Capabilities of Banks."*

During the focus groups, we plan to present for feedback visual displays of several media headlines, some real and some hypothetical, to obtain feedback and assess their effect on perceptions and their role in reinforcing attitudes.

Several messages will be prepared for the analysis. Initially, a facsimile of a real message could be presented to gather feedback and assess its role in reinforcing any negative perceptions. If applicable, messages should be modified so no specific banks are discussed.

- **"Profits of 15 Banks Balloon to JD858m,"**
- **"XYZ Bank Enters \$900m Loan Deal with Construction Company."**

Then, a pair of hypothetical messages could be presented to analyze their impact and ability to impress positive views.

- *Customer educational seminars, i.e. "Everyone is Entitled to Grow" – Banks are boosting efforts to meet needs of SMEs and are offering free workshops to assist young entrepreneurs in developing business plans and raising capital. Other seminars could offer customers help in financial and retirement planning, investing and asset allocation.*
- *Community impact, i.e. "In 1988 you could access your bank account at nearly ## outlets. Today, Jordan consumers can access their accounts at over #### points of service across the country - and that doesn't count phone and Internet banking."*

## APPROACH

During this initial phase of research, a series of four focus groups will be used to gain insight on the factors that influence Jordanian's attitudes and behaviors in regards to the banking sector. Questions will aim to determine whether perceptions are most related to "impressionistic" attitudes regarding the macro-level performance of the sector, i.e. the public good or contributions made to Jordan's communities by the sector; or to "experiential" views or the micro-level performance of banks, i.e. level of satisfaction based on customer experience with bank services.

The target demographic recommended for this initial series of focus groups will be the "emerging affluent" consumer segment, i.e. persons between the ages of 28 and 45 earning a monthly income of 1200 JD or greater. Participants could be working professionals either in the public or private sector, owners of small businesses, attorneys or doctors. The attitudes of this sector are probably important to member banks as this demographic segment is a growing one and their need for financial services likely to grow. Both men and women will be recruited to participate but the genders will be segregated into separate groups. Focus groups that are relatively homogenous of age, gender, and product usage generally work better than mixed groups.

The intent of these focus groups is to gather information that could prove useful to member banks on multiple fronts:

- First, in the formulation of communications strategies and key messages for the sector that could resonate positively with consumers.
- Secondly, to assist member banks with data that could help in developing customer growth, service quality and retention strategies.

Focus groups can provide a strong learning opportunity and are often used as a first step to direct quantitative research studies. Once the ABJ has completed this first set of focus groups, analyzed and presented findings to its member banks, demand could call for a broader research effort.

## PLANNING PRINCIPLES

As the ABJ moves forward on this research initiative, it will be important to be mindful of the following:

- Have realistic expectations. Market research methods such as focus groups can provide valuable feedback to analyze qualitatively consumer perceptions. The groups will provide insight, but it will be hard to reach consensus or generalized conclusions from them.

Since the focus groups will be held across similar customer segments, we can depend on the results being largely the same throughout the entire customer group if we get similar results for the groups we hold. Two focus group samples are almost always a sufficient indicator of the opinions of the whole group. Nonetheless the ABJ cannot claim statistical results from the focus groups planned.

- Streamline discussion. It is important that we don't try to over-accomplish. The final set of questions and the discussion guide should go directly to questions that provide value-added information.
- Be simple. We should use very simple language and simple questions to ensure understanding.

## **LOGISTICS**

Two people will conduct each focus group, a facilitator or discussion leader and a note-taker. The facilitator asks questions most of which will be prepared beforehand, elaborates where necessary and makes sure that every participant has the opportunity to participate.

The discussion leader never expresses a personal opinion, and in any explanation or clarification attempts to avoid any judgmental statements. We are not there to educate participants. We are there to educate ourselves.

The discussion leader should emphasize that there are no "right" answers to any of the questions. The questions are meant to stimulate discussion and people should express their views as completely and as honestly as they can.

The note-taker records the consensus on each question, if there is one, plus any interesting individual answers.

If possible, the focus groups should be recorded or videotaped and permission from each participant should be secured beforehand, making it clear that nothing would be broadcast or that no individual would be identified or quoted.

The ABJ can have additional observers, provided that they are few in number and discreet. We should not bring senior bank managers into focus groups for that could skew responses. Observers should not ask questions, except at the very end, as it will distract people and the conversation could suffer.

The focus groups should be held in a neutral place and not in the ABJ offices or bank buildings as that may prejudice answers.

## **KEY TASKS**

### **STEP 1: ESTABLISH A TIMELINE**

Planning should take at least four weeks. It takes time to identify participants, develop and test the questions, locate a site, invite and follow up with participants, and develop materials for the sessions.

### **STEP 2: SELECT A FACILITATOR**

SABEQ will assist in identifying a research partner and facilitator with a working knowledge of group dynamics and a reputation as a good meeting leader. The facilitator should be able to deal tactfully with outspoken group members, keep the discussion on course, and make sure every participant is heard.

### **STEP 3: CHOOSE THE LOCATION**

It is important to choose a setting in which participants feel comfortable expressing their opinions. A SABEQ conference room or a private dining room at a well-known restaurant could be used.

### **STEP 4: DEFINE, IDENTIFY AND RECRUIT TARGET PARTICIPANTS**

We will provide the definition of the "target" participant and define "rules for exclusion" for the research firm's use in recruiting attendees. The research firm can identify and invite participants on the ABJs behalf, but we will provide them with the definition of the target participant and rules for excluding candidates, i.e. employees of banks.

The number of participants in the focus group should be kept between 8 and 10. Response rates can range between 50% and 70% so approximately 30-35 men and a similar number of women will need to be invited to support two focus groups of each gender.

If needed, we can request that the research partner develop a list of potential invitees and provide them to the ABJ for review and "scrubbing" prior to any invitations being extended.

## **STEP 5: FINALIZE FOCUS GROUP QUESTIONS**

The questions posed are critical. The sequence and tone of the questions are as significant as the questions themselves. To be effective, focus group questions should be open-ended, focused, and move from general to more specific and should move participants to a point where they feel comfortable discussing their perceptions and issues.

Later in the document ideas for questions are listed, but as a team, the ABJ, SABEQ staff and the research firm should share ideas for questions that relate to the purpose of the research. Once a list of possible questions is developed, we can narrow it down by choosing the top six to eight that are most applicable to the purpose.

If at all possible, we should test questions on ABJ and SABEQ staff to determine if the responses give us the information we need? If they don't, we should revise them.

## **STEP 6: DEVELOP A DISCUSSION GUIDE**

A detailed discussion guide puts the questions in context for the facilitator. It helps ensure that each focus group is conducted in a similar fashion and that the facilitator stays on track and on time. Questions planned should be accomplished within a 1 ½ to 2-hour time frame.

The discussion guide will have three parts. The opening should take about 5-7 minutes and is the time for the facilitator to welcome the group, introduce the purpose and context of the focus group, explain what a focus group is and how it will flow, and facilitate introductions. The following sections where we will ask questions designed and tested will take about 20-25 minutes each. The closing section wraps up the focus group. This includes thanking the participants, giving them an opportunity and avenue for further input, telling them how the data will be used, and explaining the larger context for the focus groups.

At conclusion, attendees will be asked to complete a short demographic, customer experience questionnaire that could prove interesting in developing a participant profile. Variables could include:

- Profession (manager, public or private sector, attorney, doctor)
- Marital status, current number in household
- Age and Gender
- Education
- Location of residence
- Income
- Ownership (car, home)
- Bank experience (credit, online banking, # of banking relationships, investment advisor, current loans and current savings, balance ranges provided)

## STEP 7: ORDER SUPPLIES, REFRESHMENTS AND PARTICIPANT GIFTS

Since the participants are volunteering 2 or more hours of their time, a small gift could be used as an incentive to encourage participation and show appreciation to attendees.

Refreshments should also be planned and the group and facilitator will need supplies, including:

- notepads and pencils for participants and observers,
- flip chart or easel paper for facilitator,
- list of participants for facilitator and greeter,
- name tags,
- markers,
- refreshments,
- tape or video recorder (optional),
- watch or clock,
- post-it notes,
- participant demographic questionnaire.

## FOCUS GROUP QUESTIONS

As introduced earlier, a discussion guide will be developed for the facilitator that contains a list of topics and questions for discussion with participants. The questions and guide will be broken into three sections.

### INTRODUCTION

The introduction should take approximately 5 to 7 minutes.

<b>Introduction</b>	
<b>Topic</b>	<b>Comments</b>
Introduction	Moderator introduces self, the client, Association of Banks in Jordan and the project.  Explains how long the session is expected to run, 1 ½ to 2 hours.  Asks participants to switch off mobile phones for the duration of the session.
Focus Group Objectives	Explains briefly the objectives of the discussion.  The objectives are to understand: <ul style="list-style-type: none"><li>• The group's level of satisfaction with their bank;</li><li>• The factors that most influence their satisfaction, i.e. quality personal service, product features, ease of process/doing business.</li><li>• The group's perception of the sector as a whole, its value to consumers and its contribution to Jordan's economy.</li></ul>
Participant Consent	Discusses confidentiality of the discussion to participants. If applicable, notifies participants that discussions are being recorded and secures their permission.  Explains that participants can ask for clarification at any time.
Introduce Participants	Asks participants to go around the group and introduce themselves.

## CUSTOMER EXPERIENCE AND SATISFACTION

The initial questions will probe participants about their personal experiences and satisfaction with their bank. Allow 20-25 minutes.

<b>Customer Experience</b>		
#	Question	Comments
1	In choosing a bank, what factor or factors would you say are most important to you?	Note: If needed the facilitator could provide prompts to illicit responses, i.e. location of branch or convenience, a specific product or service offered, a personal referral or connection to a bank employee, family preference, pricing.
2	How satisfied would you say you are in regards to the overall quality of your banking experience? Using a show of hands for a binary yes or no response.	Could also consider having participants rank their level of satisfaction with a score of 1-5-10, where 1 is completely dissatisfied, 5 means an average experience or 10 means expectations were exceeded.
3	What factor has most impacted your satisfaction?	Customer service, cost, product quality.
4	How would you rank your loyalty to a specific bank? Or likelihood of changing providers or using multiple providers depending on the service needed?	"Highly-likely" to move across providers or "not-likely". Could also be interesting to ask how many providers they currently use.

## GENERAL PERCEPTIONS

This series of questions should provide insight on the participants' attitudes and general perceptions of the sector. Allow 20 minutes.

<b>Attitudes and Perceptions</b>		
#	Question	Comments
1	Ask participants what their general feelings are about banks. "What do you think about the banking sector? Are they positive, neutral, or negative impressions?	Group Activity: Ask participants to list perceptions on sticky-notes and then aggregate or post them on flip chart.
2	What are the factors that most influence your attitudes about banks?	Brainstorm. Make two lists for positive, negative attributes.
3	What would you like to see banks do differently? What should they be doing to improve customer satisfaction?	Brainstorm responses.

## SCENARIOS

In the final section, the facilitator will present prototypes of both hypothetical and real messages to participants and capture their feedback. The goal is to measure the effect of different messages and media on the participants' general attitudes regarding banks. Allow 15-20 minutes. No greater than 3 separate messages should be tested.

Testing Communications Effect on Attitudes		
#	Question	Examples
1	Free seminar advertisement or newspaper feature article or series of articles, authored by a bank, CFA or other specialist. Could provide tips on investing in stocks, retirement planning, real estate, protecting against identity theft.	<p><b>1) Financial Planning Seminar</b> – free seminar for customers on investment and financial planning. Sample newspaper ad.</p> <p><b>2) Everyone is Entitled to Grow</b> – Banks are boosting efforts to meet needs of SMEs and are offering free business planning and development seminars for customers.</p> <p><b>3) Money Matters</b> – newspaper column, written by a CFP or CFA from a Jordan bank.</p>
2	Business publication article on statistics of performance, customers served, income.	<p>1) In 1988 you could access your bank account at nearly ##### outlets. Today, Jordanian consumers can access their accounts at over ##### points of service across the country - and that doesn't count phone and Internet banking.</p> <p>2) There are around ### branches per million people in Jordan, compared with 270 in Canada, 226 in the USA and 205 in the UK.</p> <p>3) XYZ Bank's profit before taxes and provisions went up by 26 per cent in the first quarter of 2008 to \$295 million, compared with \$234.1 million in same period in 2007</p>

## WRAP-UP

Finally, the facilitator will thank participants and hand out a participant profile questionnaire to complete and return it before they leave. The questionnaire will capture demographic data that can be used to present banks with a profile of the focus group participants.

Allow 5-10 minutes

## REPORTING FOCUS GROUP RESULTS

### ANALYZING AND REPORTING THE DATA

After the groups are completed, the research consultant will analyze the recordings and transcripts of the focus groups, will compare responses of the groups and will identify the repeating ideas and major themes of each. From this analysis, the consultant will draw conclusions and formulate recommendations.

The findings will be captured in a report that, among other things, should include:

- a profile of session participants, i.e. 50% of participants were 30-35 years of age, 25% of participants have 2 or more banking relationships, financial experience data (totals of bank loans and deposits);
- quotes of responses that exemplify a repeating idea. Quotations, which capture the words, emotions, experiences, and perceptions of participants, could prove especially meaningful to member banks. The consultant may also want to quote a response that was an exception to a trend in order to illustrate a minority opinion or highlight a noteworthy idea;
- recommendations regarding communications strategies that could prove useful to banks in improving perceptions.

In addition to producing a report, it may be helpful to present findings to member banks through other presentations. Here are a few ideas:

- Fact sheets. Prepare single page fact sheets that would highlight a theme, quotes from the consumers and provide background information to bank stakeholders on the focus groups held. The sheets could highlight the findings, inferences made and recommendations for improving programs and communication strategies.
- Workshop and PowerPoint presentation to banks. The presentation could be combined with audio excerpts from participants, provided we have their written consent (see section on confidentiality in Chapter Seven).
- Gender reports. Prepare separate accounts of the focus group findings for the different genders. If the two groups of men or the groups of women yielded different or inconsistent results, this may be less meaningful.
- Forums. Create opportunities for consumers who are willing to come and tell their stories. Again, this would have to be done carefully to make sure that the parents understand any risks involved.

# APPENDIX

## QUESTIONNAIRE FOR FOCUS GROUP PARTICIPANTS

The following information will be used to develop a demographic profile of our focus group participants. Thank you for your participation in the focus group and for completing this survey as accurately and completely as possible.

### PART 1: PERSONAL INFORMATION

This information will be held in our records for future follow-up purposes only. Your personally identifiable information will not be linked to your answers to the questions about your background and demographic information. All personally identifiable information will be held as strictly confidential

Name: \_\_\_\_\_

Mobile number: \_\_\_\_\_ e-mail address: \_\_\_\_\_

### PART 2: DEMOGRAPHIC AND BACKGROUND INFORMATION

Age: \_\_\_\_\_ Area of Residence: \_\_\_\_\_

Education: \_\_\_\_\_

Current Occupation: \_\_\_\_\_

1. How many banking institutions do you currently use? \_\_\_\_\_

2. Is your primary bank the bank your parents use: \_\_\_\_\_

3. What financial services do you use today?

Savings       Checking       Credit Card       Online Banking       SMS

Auto loan       Housing loan       Investing, Mutual Funds, stocks, bonds       Business Banking       Online Bill Pay

4. What financial services do you anticipate needing in the future?

Savings       Checking       Credit Card       Online Banking       SMS

Auto loan       Housing loan       Investing, Mutual Funds, stocks, bonds       Business Banking       Online Bill Pay

5. Please use the space below to briefly describe your past and current experiences with banks.

6. Please use this space to convey any thoughts on the topic that we discussed today that you thought of later or didn't get to convey during the focus group.

7. (Optional) Did you find this to be an interesting experience? Yes No

## BANKING SECTOR'S PUBLIC IMAGE, ARTICLE

### Jordan's banking sector could benefit from a collective public relations effort

"...the prevailing sentiment is that the government tax rate on banking is higher than it need be—higher than any other sector of the economy, according

A deep seeded image problem seems to be a part of what needs to be overcome,...To counter this, the industry is planning a public relations campaign that aims to educate both the population at large as well as government officials."

*Isam H. Salfiti,  
Chairman Union Bank,  
International Reports.net,  
June 2006*

#### Consolidation likely in Jordanian banking sector

Growth and stability lead to overall economic confidence

As the man responsible for the state of the American dollar, the aftermath of Allan Greenspan's departure as Chairman of the US Federal Reserve is being watched worldwide, including by the financial decision-makers in Jordan. "We are very much connected to the market," said Isam Salfiti, chairman and general manager of one of this country's largest banks. The mustachioed Salfiti, in smart round glasses and a gregarious deportment, claims that every time Greenspan raised interest rates by a quarter of a percentage point its impact upon the Jordanian market was less immediate than it was on the Central Bank. "Our Central Bank raised interest rates every time Greenspan did," said Salfiti. "Whenever Greenspan said something—the whole world reacted."



**Isam H. Salfiti,**  
Chairman of Union Bank

Last year was a booming year for profits in Jordan, including in the banking industry. Despite a set back in early March in the Jordanian stock market, and somewhat higher interest rates, Salfiti anticipates another good year owing to the fact that all the elements are in place for continued growth.

The four and a half point drop in the market is nothing more than an overdue correction says Salfiti, who believes that a measure of uncertainty over the near term political situation in the region is what initiated the sell off. A few days after the correction in the market, stocks had rebounded. Although it is small, even by regional standards, the presence of an exchange reinforces Jordanian influence as a banking and financial center.

Depending on whom you ask, there is, in Jordan, something in the neighborhood of twenty-three banks. Most financial experts believe that this is too many. "I believe Jordan is very overbanked," said Salfiti, citing the example of how one bank alone has over 130 branches in this nation of less than six million people, while yet another operates about 80. The prevailing wisdom in Jordan is that consolidation is needed so as to bring the numbers down. Too much competition leads to lower profits.

As evidenced by the number of banks that are operating here, the Jordanian banking sector is considered to be quite dynamic. The country is also viewed as offering a liberal environment in which to operate. Approximately five of the institutions in service here are subsidiaries of foreign banks, three of them from the West—HSBC, Standard Chartered and Citigroup. Moreover, five others are serving as investment banks, although their activities differ little from most commercial banks, and four other organizations are in place specializing in agricultural loans (Agricultural Credit Corporation), industrial lending (Industrial Development Bank), housing (Beitna), as well as rural development (Cities and Villages Development Bank).

Like financial institutions the world-over, the banking industry is changing as economic liberalizations take hold and banks, such as Salfiti's Union Bank, seek growth. Union Bank was initially a finance company that evolved into a bank in 1992. The bank's specialization today is in money exchange. For the most part Salfiti considers his bank as a boutique company, giving special attention to clients. The emphasis now is in bringing the bank to the next level, seeing it grow into a larger entity than it is today.

Although an evolution is taking place, and the banking sector continues to grow, the prevailing sentiment is that the government tax rate on banking is higher than it need be—higher than any other sector of the economy, according to Salfiti. A deep seeded image problem seems to be a part of what needs to be overcome, as it was not all that long ago that people tended to look after their money themselves rather than rely on institutions. To counter this the industry is planning a public relations campaign that aims to educate both the population at large as well as government officials.

## **SNAPSHOT OF JORDAN TIMES MEDIA COVERAGE**

### **ARTICLES RUN BETWEEN FEBRUARY AND JUNE 2008**

#### **Arab bank holds 2nd Global Group Regulatory Compliance summit**

Jordan Times, Economy - 2 June 2008 - The Arab bank Group Regulatory Compliance (GRC) hosted an anti-money laundering (AML) workshop as well as its second GRC global summit in Amman.

#### **Arab Bank Asia Dynamic Fund wins Lipper-Reuters Award**

Jordan Times, Economy - 5 May 2008, AMMAN (JT) - AB Asia Dynamic Fund has won the prestigious Lipper Award for the best fund over the past year in the Asia-Pacific region. Lipper, a company specialising in assessment and comparison of investment funds, selected AB Asia Dynamic as winner of the award in recognition of its excellent performance over the past year. Jawdat Al Halabi, executive vice president of AB Private Banking, Arab Bank's private banking division, said the award reflects the bank's keenness to upgrade its investment services. He underlined the bank's policy of diversifying options to ensure investors get favourable returns through applying feasible and modern asset management models. Halabi indicated that the manager of the fund, Arab Bank Fund Managers (Guernsey) Ltd. has allowed the investment adviser the flexibility to protect the portfolio from volatile conditions (market downturns) by holding cash and/or hedging instruments. This style sets the fund apart from the "crowd", he said.

#### **Arab Bank Group enters \$900m loan deal for Orascom Construction Industries**

Jordan Times, Economy - 4 May 2008 - AMMAN (JT) - Arab Bank Group has recently signed a \$900 million loan agreement along with eight global and regional banks for Orascom Construction Industries (OCI). Arab Bank was the mandated lead arranger. The loan will be utilised to partly finance the recent acquisition of the Egyptian Fertilizer Company (EFC) by OCI. Arab Bank Chairman/CEO Abdul Hamid Shoman said the bank's participation in the agreement underlines the vital and leading role it plays in managing and extending large loans, reflecting on Arab Bank's strategy seeking to meet the financing demands in Arab and international markets, especially in the services and production sectors.

#### **Housing Bank ups Q1 pretax profit by 15.2% to JD42.2m**

Jordan Times, Economy - 4 May 2008 - AMMAN (JT) - The Housing Bank for Trade and Finance (HBTF) raised its pretax profit by 15.2 per cent, or JD5.6 million, during the first quarter of this year, Chairman Michel Marto said on Saturday. Marto indicated that the pretax profit amounted to JD42.2 million compared to JD36.6 million in the January-March period of 2007. At the end of March 2008, the bank's assets stood at JD5.1 billion, an increase of JD77 million over the total recorded at the end of last year. Client deposits rose by JD148 million to JD3.65 billion and net direct credit facilities went up by JD100 million reaching JD2 billion at the end of March this year.

#### **Arab bank Group ups net profit by 24.4 % in Q1**

Jordan Times, Economy - 27 April 2008 - Arab bank Group's profit before taxes and provisions went up by 26 per cent in the first quarter of 2008 to \$295 million, compared with \$234.1 million in same period in 2007.

### **New initiative to preserve stories of mothers, grandmothers**

Jordan Times, Local - 18 April 2008 - The stories of mothers and grandmothers, the Kingdom's unsung heroes, will finally be told under an agreement recently signed between the Greater Amman Municipality (GAM), the Jordan Post Company (JPC) and Jordan Ahli bank.

The three institutions on Wednesday agreed to launch the heritage-cultural project "Mama's Story, Grandmother's Story", along with the Ministry of Municipal Affairs, which will organise a competition called "Mamas and Grandmothers recitals".

The project was announced last month under the patronage of HRH Queen Rania with the aim to collecting and printing a collection of stories of mothers and grandmothers from all over the Kingdom.....

Jordan Ahli Bank's cultural department is to work with GAM to manage the project and provide financial support according to the agreement, Ahli Managing Director Marwan Awad said. The JPC will distribute applications for the competition to its 365 offices across the Kingdom to enable all citizens to take part, according to JPC Director General Mansour Malhas.

### **Growing demand for massive project financing tests capabilities of banks**

Jordan Times, Economy - 28 February 2008 - AMMAN - While its financial institutions are posting healthy profits, Jordan's banking sector is beginning to undergo some potentially far-reaching changes.

With an increasing number of massive infrastructure and real estate projects planned, the appetite for large-scale loans in Jordan is growing dramatically, bringing about added pressure on the banking sector to cope with demand.

... Nour Nahawi, the chief executive officer of Arab Banking Corporation in Jordan, told local press: "The demand lies in mega-capitalised banks to cope with potential projects like the Red-Dead Canal. Capital must be sizeable enough to remain in step with economic growth."

Combined with the central bank's new regulations, which will require minimum capital levels of approximately \$142 million by 2010, the growing demand for massive project loans is pushing banks towards an increasingly expansionist policy to help enlarge their footprint.

### **Profits of 15 banks balloon to JD858m**

Jordan Times, Economy - 27 February 2008 - Total net profit generated by 15 Jordanian banks listed on the Amman Stock Exchange (ASE) amounted to JD857.9 million at the end of last year, according to an analysis conducted by Amwal Invest.

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