

Prudential and Structural Islamic Financial Indicators (PSIFIs) for Islamic Banks

Country:		Jordan																							
Time period covered :		Starting Period: 2013A						Ending Period: 2018Q4																	
Core Prudential Islamic Financial Indicators (PIFIs)																									
Code	Indicator	Standard	Currency	Units	2013A	2014Q1	2014Q2	2014Q3	2014Q4	2015Q1	2015Q2	2015Q3	2015Q4	2016Q1	2016Q2	2016Q3	2016Q4	2017Q1	2017Q2	2017Q3	2017Q4	2018Q1	2018Q2	2018Q3	2018Q4
End-of-period exchange rate (JOD / USD):					0.709	0.709	0.709	0.709	0.709	0.709	0.709	0.709	0.709	0.709	0.709	0.709	0.709	0.709	0.709	0.709	0.709	0.709	0.709	0.709	0.709
Capital Adequacy : Basel Standard																									
CP01a	CAR				...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
	Total regulatory capital				...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
	Risk-weighted assets (RWA)				...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
CP02a	Tier 1 capital to RWA				...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
	Tier 1 capital				...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
	RWA				...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
CP03a	Common Equity Tier 1 (CET1) capital to RWA				...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
	CET1 capital				...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
	RWA				...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Capital Adequacy: IFSB Formula																									
CP01b	CAR (IFSB) ¹				21.8%	22.3%	22.3%	21.3%	23.0%	23.2%	22.3%	22.7%	23.5%	22.4%	21.8%	20.9%	22.9%	21.7%	21.7%	21.1%	22.7%	23.0%	23.0%	22.8%	22.3%
	Total regulatory capital	IFSB SD	NC	M	517.8	518.0	522.0	523.0	564.5	567.1	567.4	567.4	605.2	607.5	607.9	607.7	668.9	670.3	669.3	670.4	723.6	731.5	737.9	747.6	764.0
	RWA	IFSB SD	NC	M	2,370.0	2,323.3	2,343.7	2,449.7	2,459.1	2,441.9	2,539.3	2,501.7	2,572.1	2,715.0	2,793.4	2,913.2	2,922.9	3,082.2	3,079.8	3,184.4	3,186.6	3,177.1	3,209.0	3,275.5	3,432.7
CP02b	Tier 1 capital to RWA (IFSB)				21.2%	21.7%	21.6%	20.8%	22.2%	22.4%	21.5%	21.9%	22.7%	21.5%	20.9%	20.0%	21.9%	20.7%	20.8%	20.1%	21.6%	22.0%	22.1%	22.0%	21.4%
	Tier 1 capital	IFSB SD	NC	M	503.6	504.8	506.3	510.6	546.1	547.6	546.7	547.4	582.8	583.5	582.8	583.3	638.9	639.4	639.2	639.5	689.4	698.2	709.3	721.0	734.0
	RWA	IFSB SD	NC	M	2,370.0	2,323.3	2,343.7	2,449.7	2,459.1	2,441.9	2,539.3	2,501.7	2,572.1	2,715.0	2,793.4	2,913.2	2,922.9	3,082.3	3,079.8	3,184.4	3,186.6	3,177.1	3,209.0	3,275.5	3,432.7
CP03b	Common Equity Tier 1 (CET1) capital to RWA (IFSB)				...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	22.0%	22.1%	22.0%	21.4%
	CET1 capital				...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	698.2	709.3	721.0	734.0
	RWA				...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	3,177.1	3,209.0	3,275.5	3,432.7
Asset Quality																									
CP04	Gross nonperforming financing (gross NPF) ratio				3.6%	...	3.8%	...	3.0%	2.7%	2.8%	3.0%	2.7%	2.5%	2.7%	3.1%	2.4%	2.4%	2.9%	2.9%	2.6%	2.8%	2.8%	3.1%	2.8%
	Gross NPF		NC	M	156.5	...	154.0	...	125.0	122.2	125.1	139.8	129.9	126.6	139.4	158.6	125.0	128.4	157.5	156.3	143.9	157.0	164.0	185.6	165.9
	Total financing ²		NC	M	4,382.7	...	4,007.9	...	4,232.4	4,454.6	4,497.2	4,663.0	4,890.5	5,035.5	5,166.0	5,169.3	5,246.6	5,348.8	5,430.8	5,468.6	5,525.6	5,570.5	5,778.6	5,974.3	5,978.6
CP05	Net nonperforming financing (net NPF) to capital				11.8%	...	10.7%	...	5.4%	5.5%	4.8%	6.6%	5.3%	3.9%	5.5%	7.3%	3.7%	4.1%	7.1%	6.2%	4.9%	5.8%	7.0%	5.6%	6.6%
	Net NPF		NC	M	60.9	...	55.7	...	30.7	31.1	27.1	37.6	31.9	23.9	33.4	44.1	24.8	27.5	47.3	41.6	35.2	42.5	51.7	41.7	50.6
	Total regulatory capital		NC	M	517.8	...	522.0	...	564.5	567.1	567.4	567.4	605.2	607.5	607.9	607.7	668.9	670.3	669.3	670.4	723.6	731.5	737.9	747.6	764.0
CP06	Provisions for gross nonperforming financing (gross NPF)				61.1%	...	63.8%	...	75.4%	74.4%	78.3%	73.1%	75.4%	81.1%	76.0%	72.2%	80.2%	78.6%	70.0%	73.4%	75.5%	72.9%	68.5%	77.5%	69.5%
	Provisions		NC	M	95.6	...	98.3	...	94.3	90.9	98.0	102.2	98.0	102.7	106.0	114.5	100.2	100.9	110.2	114.7	108.7	114.5	112.3	143.9	115.3
	Gross NPF		NC	M	156.5	...	154.0	...	125.0	122.2	125.1	139.8	129.9	126.6	139.4	158.6	125.0	128.4	157.5	156.3	143.9	157.0	164.0	185.6	165.9
Earnings																									
CP07	Return on assets (ROA)				1.8%	...	1.5%	...	1.5%	1.6%	1.7%	1.6%	1.7%	1.6%	1.8%	1.9%	1.9%	1.7%	1.8%	1.8%	1.9%	1.6%	1.8%	1.8%	1.9%
	Net income (before extraordinary items, taxes, and Zakat) ³		NC	M	91.7	...	85.0	...	88.4	98.0	104.8	104.1	109.6	113.2	128.8	132.1	134.5	124.3	134.9	137.7	141.7	126.2	138.5	142.0	145.0
	Total assets ⁴		NC	M	5,226.1	...	5,675.0	...	5,818.8	6,179.6	6,311.1	6,428.9	6,480.7	6,879.2	6,985.9	7,096.4	7,116.4	7,400.1	7,447.0	7,496.9	7,547.8	7,727.2	7,743.7	7,741.3	7,820.6
CP08	Return on equity (ROE)				17.5%	...	15.4%	...	15.5%	16.5%	17.6%	17.2%	17.9%	17.6%	20.2%	20.2%	20.3%	17.8%	19.5%	19.6%	19.7%	16.7%	18.5%	18.7%	18.8%
	Net income (before extraordinary items, taxes, and Zakat) ³		NC	M	91.7	...	85.0	...	88.4	98.0	104.8	104.1	109.6	113.2	128.8	132.1	134.5	124.3	134.9	137.7	141.7	126.2	138.5	142.0	145.0
	Equity ⁵		NC	M	524.6	...	553.5	...	569.3	595.7	595.3	604.0	613.5	641.9	638.9	653.0	661.4	697.2	693.2	701.4	718.0	753.5	747.6	760.0	772.6
CP09	Net profit margin				47.4%	...	44.3%	...	46.2%	47.1%	48.8%	47.8%	48.9%	46.2%	51.0%	51.7%	52.0%	47.1%	50.4%	51.4%	51.9%	45.8%	49.2%	50.2%	50.5%
	Net income (before extraordinary items, taxes, and Zakat) ³		NC	M	91.7	...	85.0	...	88.4	98.0	104.8	104.1	109.6	113.2	128.8	132.1	134.5	124.3	134.9	137.7	141.7	126.2	138.5	142.0	145.0
	Gross income ³		NC	M	193.6	...	191.8	...	191.3	208.0	214.6	217.9	224.1	244.8	252.4	255.6	258.8	264.1	267.5	268.0	273.0	275.4	281.7	283.1	286.9
CP10	Cost to income				52.6%	...	55.7%	...	53.8%	52.9%	51.2%	52.1%	51.1%	53.8%	49.0%	48.4%	48.0%	52.9%	49.3%	48.7%	48.1%	54.2%	50.9%	49.8%	49.4%
	Operating costs ³		NC	M	101.9	...	106.8	...	102.9	110.0	109.8	113.6	114.5	131.6	123.8	123.6	124.2	139.8	131.8	130.4	131.2	149.3	143.5	141.0	141.8
	Gross income ³		NC	M	193.6	...	191.8	...	191.3	208.0	214.6	217.9	224.1	244.8	252.4	255.6	258.8	264.1	267.5	268.0	273.0	275.4	281.7	283.1	286.9
Leverage																									
CP11	Capital to assets (balance sheet definition)				9.1%	8.6%	8.7%	8.5%	8.9%	8.8%	8.4%	8.2%	8.5%	8.4%	8.2%	8.0%	8.6%	8.6%	8.5%	8.4%	9.0%	9.0%	9.1%	9.3%	9.2%
	Tier 1 capital		NC	M	503.6	504.8	506.3	510.6	546.1	547.6	546.7	547.4	582.8	583.5	582.8	583.3	638.9	639.4	639.2	639.5	689.4	698.2	709.3	721.0	734.0
	Total assets		NC	M	5,505.2	5,882.6	5,844.5	5,983.6	6,135.2	6,223.9	6,486.9	6,652.7	6,830.1	6,928.4	7,141.7	7,306.4	7,402.6	7,397.5	7,491.4	7,615.8	7,692.2	7,762.0	7,795.1	7,789.8	7,948.9
CP12	Leverage (regulatory definition)				...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	16.5%	17.2%	19.5%	18.8%
	Tier 1 capital				...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	698.2	709.3	721.0	734.0
	Exposure				...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	4,227.3	4,134.2	3,704.6	3,905.7
Liquidity																									
CP13	Liquid assets ratio				37.3%	37.4%	38.3%	37.2%	37.9%	37.1%	39.2%	37.8%	36.6%	35.2%	35.0%	36.3%	36.5%	35.1%	35.0%	35.9%	35.9%	35.9%	34.9%	35.1%	36.0%
	Liquid assets		NC	M	2,053.8	2,202.2	2,237.0	2,227.6	2,325.4	2,311.1	2,544.4	2,516.5	2,497.3	2,439.3	2,501.5	2,652.8	2,702.8	2,598.5	2,625.2	2,731.6	2,760.1	2,782.8	2,719.4	2,731.9	2,865.4
	Total assets		NC	M	5,505.2	5,882.6	5,844.5	5,983.6	6,135.2	6,223.9	6,486.9	6,652.7	6,830.1	6,928.4	7										

Code	Indicator	Standard	Currency	Units	2013A	2014Q1	2014Q2	2014Q3	2014Q4	2015Q1	2015Q2	2015Q3	2015Q4	2016Q1	2016Q2	2016Q3	2016Q4	2017Q1	2017Q2	2017Q3	2017Q4	2018Q1	2018Q2	2018Q3	2018Q4
	<i>Ijarah / Ijarah Muntahia Bittamlik</i>		NC	M	846.7	898.0	958.2	1,009.7	1,065.3	1,109.8	1,165.7	1,199.4	1264.8	1312.1	1361.5	1,408.5	1,460.1	1,494.5	1,529.7	1,557.8	1,575.7	1,621.1	1,675.8	1,692.2	1,710.8
	<i>Mudharabah</i>		NC	M	4.0	4.1	3.5	3.1	0.8	0.8	4.4	9.7	9.2	8.9	0.3	0.3	0.3	0.2	0.2	0.0	0.0	0.0	0.0	0.0	0.0
	<i>Musharakah</i>		NC	M	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.6	0.8	2.1	0.0	0.0	2.1
	<i>Diminishing Musharakah</i>		NC	M	22.4	23.0	23.7	24.4	25.5	25.8	26.1	26.8	27.7	28.3	28.8	29.5	30.2	30.4	30.2	30.0	30.4	30.6	32.7	33.2	31.3
	<i>Wakalah</i>		NC	M	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	26.7	40.7	44.1	26.9	33.9	47.9	55.1	64.7	56.0
	<i>Qard Hassan</i>		NC	M	12.8	13.4	14.1	15.3	12.9	17.2	18.0	19.1	19.5	25.5	29.5	31.3	32.2	34.2	35.9	39.2	42.0	45.4	50.0	53.5	55.8
	<i>Others</i>		NC	M	62.7	72.5	82.0	71.7	64.0	68.3	74.5	74.0	66.9	75.9	77.3	77.9	64.3	70.7	73.2	82.4	98.7	101.3	102.4	82.8	99.2
	<i>(i) Bai Ajel</i>		NC	M	62.4	72.5	81.9	71.7	64.0	61.0	66.0	63.5	65.1	63.2	64.5	63.2	49.7	54.2	57.4	65.9	81.7	82.6	84.0	62.5	78.2
	<i>(ii) Ijarah mawsufa fi al-dhimmah (also called forward ijarah)</i>		NC	M	0.0	0.0	0.0	0.0	0.0	0.0	1.2	1.5	1.6	2.0	2.1	4.1	2.5	2.9	2.8	3.2	3.3	3.7	3.6	4.3	4.3
	<i>(iii) ju'alah (also spelled ju'ala)</i>		NC	M	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.9	2.0	2.5	3.0	3.3	3.5	4.0	4.3	4.7
	<i>Others</i>		NC	M	0.3	0.0	0.1	0.0	0.0	7.3	7.3	9.0	0.2	10.7	10.7	10.6	10.2	11.6	10.5	10.3	10.4	11.5	10.8	11.7	12.0
ST08	Assets held by domestic systemically important Islamic banks ¹⁵				...	...	...	...	...	...	...	...	...	...	...	...	4,099.5	4,115.9	4,148.7	4,177.5	4,211.6	4,235.4	4,229.3	4,149.4	4,160.6

Source: Central Bank of Jordan

1 Rate of Alpha = 30%, (IFSB Standard 2 & IFSB Standard 7 for the periods starting from 2013A till 2017Q4), (IFSB Standard 15 for the periods starting from 2018Q1 and up)

2 Total Financing, excluding Interbank financing and before deducting the following items: (provisions, deferred returns, outstanding revenues) as reported on the financial statements.

3 The data is accumulated and annualized multiplying the accumulated data of Q1, Q2, Q3 and Q4 with factors 4, 2, 1.33 and 1 respectively.

4 Represents the average total assets.

5 Represents average equity.

6 On-balance sheet items only.

7 After weighting the indirect credit facility items and after deducting the cash margins

8 Direct investment accounts (Reverse Tawaruq) are excluded

9 Includes: car purchase financing, consumption financing, personal financing

10 Data belonging to this item is included in the above items

11 Total return is calculated before deducting the following items: Income distributed to IAH, IRR, PER, ...etc.; the data is accumulated and annualized multiplying the accumulated data of Q1, Q2, Q3 and Q4 with factors 4, 2, 1.33 and 1 respectively.

12 Total financing is calculated after deducting the following items: provisions, deferred returns, outstanding revenues as reported on the financial statements.

13 Direct investment accounts (Reverse Tawaruq), please note that Central Bank of Jordan banned this type of account, so there was a steady decrease overtime, until it reach Zero.

14 Total revenues generated before deducting any item; the data is accumulated and annualized multiplying the accumulated data of Q1, Q2, Q3 and Q4 with factors 4, 2, 1.33 and 1 respectively.

15 One Islamic bank has been identified as a D-SIB.