

Flash Note

Jordan - Insurance Sector

The Government of Jordan has decided to grant insurance companies various incentives and privileges to stimulate mergers in the sector.

Merged insurance companies will be exempt from income tax and annual fees for a period of three years, and will also be exempt from fees payable in cases of company ownership transfers and capital increases.

The insurance sector in Jordan consists of twenty four companies as of end of 2016. Fifteen companies are engaged in three types of insurance: life, non-life, and medical insurance. Seven companies are engaged in two types of insurance: non-life and medical insurance. One company specializes only in life insurance and one company specializes only in non-life insurance.

The number of listed insurance companies on the Amman Stock Exchange is twenty, with a total market capitalization of JD 297.47 million, as of October 17th, 2017.

Jordan's insurance sector total gross written premiums reached JD 582.94 million in 2016, compared to JD 551.70 million recorded in the previous year. According to Swiss Re Group, Jordan's insurance sector was ranked 81 worldwide in terms of written premiums in 2016.

2016 witnessed the first merger in 25 years between two insurance companies: First Insurance Company and Yarmouk Insurance.

Research Contacts:

Loay AbuBaker
Head of Research
Tel +962 6 563 0501 ext. 1017
Loay.AbuBaker@investbank.jo

Shereen Jmeian
Analyst
Tel +962 6 563 0501 ext. 1015
Shereen.Jmeian@investbank.jo

Trading Contacts:

Mohammad Tommalieh
Head of Brokerage
Tel +962 6 563 0501 ext. 1010
Mohammad.Tommalieh@investbank.jo

Khaldun Alzoubi
Senior Broker
Tel +962 6 563 0501 ext. 1011
Khaldun.Alzoubi@investbank.jo

Dana Abu Gharbieh
Broker
Tel +962 6 563 0501 ext. 1012
Dana.AbuGharbieh@investbank.jo

Customer Service:

Rania Abu Manneh
Customer Service Officer
Tel +962 6 563 0501 ext. 1009
Rania.Abumanneh@investbank.jo

Sherin Hayek
Customer Service Officer
Tel +962 6 563 0501 ext. 1008
Sherin.Hayek@investbank.jo

Corporate Finance:

Christeen Haddadin
Head of Corporate Finance
Tel: +962 6 563 0501 ext. 1039
Christeen.Haddadin@investbank.jo

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