


**COMMERCIAL BANKS' CONTRIBUTION TO EXPANDED INVESTMENT AND CREDIT  
IN JORDAN**

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ARTICLE INFO	ABSTRACT
<p><b>Article history:</b></p> <p><b>Received</b> 31 January 2023</p> <p><b>Accepted</b> 22 March 2023</p>	<p><b>Purpose:</b> The study aimed to investigate the role of commercial banks in increasing investment and credit facilities in Jordan.</p> <p><b>Theoretical framework:</b> The theoretical literature in this study sheds a light on the role of the commercial banks in increasing investment and credit facilities. It also sheds a light on the role of commercial banks in supporting economy.</p>
<p><b>Keywords:</b></p> <p>Banks; Commercial Banks; Credit Facilities; Investment; Jordan.</p>	<p><b>Design/methodology/approach:</b> The researchers adopted a descriptive analytical and quantitative approaches. The study's sample includes all the commercial banks in Jordan. The researcher collected data on commercial banks from reports issued by the Central Bank of Jordan. The sampled banks include: (Bank of Jordan, Arab Bank, Capital Bank and Etihad Bank). The data targets the period (2017-2020).</p> <p><b>Findings:</b> The researcher found that there is an important role for Commercial banks in investment in general, due to an increasing the financial indicators of Commercial banks related to investment during the years (2017-2020). The study reported that the value of Commercial banks credit facilities increased significantly during .The comparison period (2017-2020)</p>
	<p><b>Research, Practical &amp; Social implications:</b> The present study provides information and review of literature for the ones interested in conducting studies about the impact of commercial banks on economic variables. It also provides the decision makers in the Jordanian Ministry of Finance with useful information for supporting and improving investment in Jordan.</p> <p><b>Originality/value:</b> The present study is significant because it is the first study that addresses the role of commercial banks in increasing investment and credit facilities in Jordan as far as the researcher knows.</p> <p>Doi: <a href="https://doi.org/10.26668/businessreview/2023.v8i4.1832">https://doi.org/10.26668/businessreview/2023.v8i4.1832</a></p>

**CONTRIBUIÇÃO DOS BANCOS COMERCIAIS PARA A EXPANSÃO DOS INVESTIMENTOS E DO  
CRÉDITO NA JORDÂNIA**

**RESUMO**

**Objetivo:** O estudo visava investigar o papel dos bancos comerciais no aumento do investimento e das facilidades de crédito na Jordânia.

**Estrutura teórica:** A literatura teórica deste estudo lança uma luz sobre o papel dos bancos comerciais no aumento do investimento e das facilidades de crédito. Ela também lança uma luz sobre o papel dos bancos comerciais no apoio à economia.

**Design/metodologia/abordagem:** Os pesquisadores adotaram uma abordagem analítica e quantitativa descritiva. A amostra do estudo inclui todos os bancos comerciais da Jordânia. O pesquisador coletou dados sobre bancos comerciais a partir de relatórios emitidos pelo Banco Central da Jordânia. Os bancos amostrados incluem: (Banco da Jordânia, Banco Árabe, Banco de Capital e Banco Etihad). Os dados visam o período (2017-2020).

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**Conclusões:** O pesquisador descobriu que existe um papel importante para os bancos comerciais no investimento em geral, devido a um aumento dos indicadores financeiros dos bancos comerciais relacionados ao investimento durante os anos (2017-2020). O estudo relatou que o valor das facilidades de crédito dos bancos comerciais aumentou significativamente durante o período de comparação (2017-2020)

**Pesquisa, implicações práticas e sociais:** O presente estudo fornece informações e revisão de literatura para os interessados em realizar estudos sobre o impacto dos bancos comerciais nas variáveis econômicas. Ele também fornece aos tomadores de decisão do Ministério da Fazenda da Jordânia informações úteis para apoiar e melhorar os investimentos na Jordânia.

**Originalidade/valor:** O presente estudo é significativo porque é o primeiro estudo que aborda o papel dos bancos comerciais no aumento do investimento e das facilidades de crédito na Jordânia, tanto quanto o pesquisador sabe.

**Palavras-chave:** Bancos, Bancos Comerciais, Facilidades de Crédito, Investimento, Jordânia.

## CONTRIBUCIÓN DE LOS BANCOS COMERCIALES A LA EXPANSIÓN DE LA INVERSIÓN Y EL CRÉDITO EN JORDANIA

### RESUMEN

**Propósito:** El estudio tenía por objeto investigar el papel de los bancos comerciales en el aumento de la inversión y las facilidades de crédito en Jordania.

**Marco teórico:** La literatura teórica de este estudio arroja luz sobre el papel de los bancos comerciales en el aumento de la inversión y las facilidades de crédito. También arroja luz sobre el papel de los bancos comerciales en el apoyo a la economía.

**Diseño/metodología/enfoque:** Los investigadores adoptaron un enfoque descriptivo, analítico y cuantitativo. La muestra del estudio incluye todos los bancos comerciales de Jordania. El investigador recopiló datos sobre los bancos comerciales a partir de los informes publicados por el Banco Central de Jordania. Los bancos de la muestra son: (Banco de Jordania, Arab Bank, Capital Bank y Etihad Bank). Los datos se dirigen al período (2017-2020).. Hallazgos El investigador encontró que hay un papel importante para los bancos comerciales en la inversión en general, debido a un aumento de los indicadores financieros de los bancos comerciales relacionados con la inversión durante los años (2017-2020). El estudio informó que el valor de las facilidades de crédito de los bancos comerciales aumentó significativamente durante el período de comparación (2017-2020).

**Investigación, implicaciones prácticas y sociales:** El presente estudio proporciona información y revisión de la literatura para los interesados en la realización de estudios sobre el impacto de los bancos comerciales en las variables económicas. También proporciona a los responsables de la toma de decisiones en el Ministerio de Finanzas jordano información útil para apoyar y mejorar la inversión en Jordania.

**Originalidad/valor:** El presente estudio es significativo porque es el primero que aborda el papel de los bancos comerciales en el aumento de la inversión y las facilidades de crédito en Jordania, hasta donde sabe el investigador.

**Palabras clave:** Bancos, Bancos Comerciales, Facilidades de Crédito, Inversión, Jordania.

### INTRODUCTION

After the industrial revolution, several changes occurred to civilian activities and transactions (AlMudhafar, & AlHawazi, 2022). They include: the changes that occurred to the products and services offered by commercial banks. For instance, they started showing much attention to meeting performance standards (Hussaina & Abdulahad, 2022).

It should be noted that commercial banks are considered one of the main financial institutions in the Jordanian economy and contribute to supporting the growth of the GDP by increasing investment and providing the financial resources necessary for investment in various economic sectors.

Commercial banks provide financing through various financing contracts, and the banks have succeeded in hiring in various forms, most notably, and the Commercial banking sector in Jordan; It is considered one of the leading sectors in Commercial finance and represents an integrated system in the Commercial banking system, serving different segments of society and affecting various sectors of the economy (Obada and Melhem, 2019).

The Commercial banking model of financing assumes that the ability to provide medium and long-term resources is due to the special nature of the method of this system and its mechanism of action, which is to link the available funds with the sources of employment according to their different deadlines on the one hand, and attention to the broad base of small savers on the other hand (Abu Zaid, 2000).

The nature of the work of Commercial banks requires that participation in profit and loss and bearing risks be one of the methods of financing and investment in Commercial banks, by investing in real productive projects based on speculation and participation, in which Commercial financing is granted after ensuring the financial solvency of the client and the investment feasibility of the project in Production and Profits (Khalaf, 2006).

Al-Rdaydeh et al (2019) added that last four decades witnessed the emergence of Commercial finance that enables companies to acquire bank financing from different types of commercial banks (commercial and Commercial banks). Today, banks worldwide typically practice a dual banking system (commercial and Commercial). Such a system doesn't face operational problems. This is the only difference between the systems is Commercial banking operates within the regulations and parameters of Shariah law.

Commercial finance, through Commercial financial institutions, can contribute to promoting economic development in its various dimensions through a set of multiple and legitimate formulas, which are commensurate with the various economic activities and sectors, whether they are commercial, industrial, agricultural, real estate, professional, craftsmanship, and the financing activity is one of the most important Activities in Commercial banks, where returns represent the most important source of profits (Obada and Melhem, 2019).

Jordan's experience in the field of Commercial banking is somewhat early compared to other countries, as the first Commercial bank was established in Jordan in 1978, which bore the name of the Jordan Commercial Bank. Commercial banks in Jordan into two banks. In 2010, Alinma Bank was transformed into the third Commercial bank in Jordan. In 2011, Al Rajhi Industrial Bank was transformed into Jordan Dubai Commercial Bank, which is one of the largest Commercial banks in the Kingdom of Saudi Arabia, and opened its first branch in

Jordan. This brings the number of Commercial banks in Jordan to four (Association of Banks in Jordan, 2015).

These institutions, banks, of an Commercial nature were clearly able to stimulate saving and mobilize it among large segments of the Jordanian society, and they were able to increase these deposits in the banking system by linking stagnant savings with investment channels in economic projects with a developmental return on the level of the Jordanian economy, and here comes the importance of financing Commercial finance in providing financial resources to bridge the gap between limited savings and the increasing demand for investment in the Jordanian economy (Abdelhalim, 2017).

There is a great demand on Commercial funding formulas by individuals and companies. Those formulas affect the economic growth level much. They comply with the provisions of Shariah. There has been an increase in the demand on Commercial funding formulas by the owners of projects during the past three decades. There are more than 75 countries have Commercial banking institutions. Those countries include more than 292 banks which are fully Commercial or have branches for conducting Commercial transactions (Alrawahdeh & Zyadat, 2021).

There are a large number of methods that Commercial banks and financial institutions can use in financing operations, and they are of two basic types: financing methods based on participation in the return on investment, and financing methods based on debt. In the financing methods based on participation in a return on investment, speculation stands out, which is one of the most common and practical methods of financing in Commercial banks (Al-Shawarbi, 2002).

Among the most important forms available to Commercial banks, or other institutions that allow the provision of financing in Commercial forms, to finance small and medium enterprises, we find the following formulas (Abu Shanab, 2015):

- Partnership financing (Musharaka): participation in Commercial banks is applied to several forms, the most important of which are: Participation in a specific transaction: the participation of the Commercial bank with one or more parties in financing a specific commercial transaction as the import of a commodity, and the process ends with the sale of that commodity and each party obtains its share of the profit.

- Permanent Musharaka: It is the bank's participation in a specific project with the aim of profit without specifying a specific date for the end of this company, i.e. a long-term partnership
- Diminishing Musharaka: It is the bank's participation in a specific project with the aim of profit, with specifying a date or a way to end the bank's participation in this project in the future, that is, it is the participation of the Commercial bank with one party or other parties in the establishment of a specific project, where the bank and partners contribute to the capital of the project in certain proportions. On the condition that the other party gradually purchases the bank's share of the profits that it obtains until the bank's share of the project is transferred in full to the other party, and the bank exits from the partnership
- Mudaraba financing: In this form, the bank provides its money and the project owner his work and experience, and the project owner is rewarded for his work by obtaining a share of the profits (if achieved) according to predetermined percentages. In the event of loss, the bank shall bear it alone, while the speculator has lost his effort.
- Murabaha financing This formula satisfies the needs of merchants and manufacturers who do not wish to participate with banks. Commercial banks can benefit from this financing formula in meeting the needs of small and medium enterprises, especially since paying the price of the commodity with the bank's profit margin is often in installments, those needs that vary according to different sectors, including: the craft sector, the liberal professions sector, and the commercial sector The agricultural sector, the industrial sector, and the construction sector
- Lease to Own "Leasing": The Commercial bank finances this process by requesting the owner of the small and medium enterprise from the Commercial bank to purchase an asset represented in one of the equipment it needs, after providing the bank with all the data related to that asset including its specifications, price and source (the supplier), then The bank buys it and leases it to the owner of the institution for a period that usually lasts the life of the hypothetical or taxable asset, and this is through a lease contract only, without reference to the sale of the asset at the end of the period. .
- Salam financing: Commercial banks can finance small and medium-sized enterprises following different methods of peace, including: The bank provides cash financing that the owner of the institution needs, provided that this financing is a salam capital, and the commodity produced by the institution is the Muslim in it, especially if

They were the products of an industrial workshop or an agricultural facility, then the Commercial bank concludes a parallel peace contract with another party to sell those products, and earn the difference between the purchase and sale price, provided that there is an agreement in the terms between the two parallel contracts.

### **STATEMENT OF THE PROBLEM.**

Therefore; the problem of this study is: What is the role of Commercial banks in increasing investment and credit facilities in Jordan?

### **OBJECTIVES AND QUESTIONS**

This study aimed to investigate the role of Commercial banks in increasing investment and credit facilities in Jordan. The study questions are the following:

Q.1: What is the role of Commercial banks in increasing investment and in Jordan?

Q.2: What is the role of Commercial banks in increasing credit facilities in Jordan?

### **THE STUDY'S SIGNIFICANCE AND JUSTIFICATION**

The importance of Commercial banks is due to the fact that many individuals and companies have tendencies towards borrowing from Commercial banks. Accordingly, there is an active role for Commercial banks in increasing investment and credit facilities, this makes Commercial banks an important role in economic development and enterprise development. The more funds allocated for investment and for granting credit facilities to the community, the higher the bank's profits on the one hand, and the higher the volume of projects as well.

There is a major need to conduct this study in order to find ways for supporting investment in Jordan. It's necessary to conduct this study to increase the amount of credit facilities offered to Jordanian citizens.

### **DEFINITIONS**

The study's terms are defined below:

**Commercial Banks:** A banking financial enterprises to collect and use funds in accordance with the provisions of Commercial Sharia in a manner that serves a mutually supportive Commercial society (theoretical definition)

**Commercial Banks:** They refer to all the commercial banks in Jordan (operational definition)



**Investment:** Financial value from bank operations that help individuals or companies raise capital and provide financial advisory services to them.

**Credit Facilities:** The value of financing securitization and/or documentary credits with refinancing and/or Commercial bank guarantee letters of all kinds (initial, final, and advance payments) for the purpose of financing the working capital of the establishments for a repayment period of a maximum of one year to be paid through equal and sequential monthly installments

## REVIEW OF LITERATURE

Altameemi & Al-Slehat (2022) explored the impact of Commercial financing on the credit facilities of commercial banks mediated by two variables. Those two variables are (total asset and Investment deposit). They are size indicators. The sample consists of 16 commercial and Commercial banks chosen from the Jordanian banking sector. Those banks are chosen the banks listed on Amman stock exchange. It was found that the two variables partially mediate the direct effect of Commercial financing on the credit facilities of commercial banks. This effect is statistically significant. The findings may contribute to improving the competitiveness of the Jordanian Commercial and commercial banking services market through several Commercial financing services to maintain and sustain the banking resources.

Melhem and others (2021) explored the financing and investment role of the financing formulas adopted in Jordanian Commercial banks. The investment role of the Jordan Commercial Bank and the Commercial International Arab Bank were mainly evaluated. Five criteria were used that included the field of investment of funds in those banks, the relative importance of investment methods, and the size of assets. , the volume of financing and investment, the volume of investment income, and the relative importance of investment deposits. The results showed that the Jordanian Commercial banks depend on Murabaha and leasing and avoiding participation and speculation, and it was found through the results that the housing and construction sector dominated the investments of both the Jordan Investment Bank and the International Commercial Bank, while the level of financing was very low in the agricultural and industrial sectors. The study also showed that there is a positive statistically significant effect of Murabaha and Payel financing on the volume of financing and investment in Jordanian Commercial banks, and there is no statistically significant effect of Mudaraba financing, Musharaka, Ijarah, Istisna and Qard Hassan. On the volume of financing and investment in Jordanian Commercial banks.

Alrawahdeh & Zyadat (2021) investigated the role of Commercial banks in increasing the amount of domestic savings and the extent of funding the economic development process in Jordan during the period (2010-2019). They adopted a descriptive analytical approach. The data was collected from the Association of Banks that is located in Jordan. It was analyzed through conducting the linear regression analysis. It was found that the assets of Jordanian Commercial banks increased. That indicates that there has been an increase in the savings of Commercial banks. It was concluded that the total credit facilities offered by Commercial banks to individuals and all sectors increased. It was found that there is a significant positive relationship between the assets in Commercial banks and credit facilities.

Al-Rdaydeh et al (2019) explored the impact of Commercial and/or conventional bank financing on the growth of firms. The data was collected about 113 firms that are located in a Middle East country – Jordan – that implemented a dual-banking system from 2007 to 2016. It was found that the implementation of either type of bank financing, be it Commercial and/or conventional, affect the growth of the firms. It was found that Commercial bank financing had a more significant effect on the growth of the firms. Managers, stakeholders, and investors are expected to make changes to their opinion on Commercial bank financing, which is currently viewed as a part of religious practice. It may lead to the utilization of Commercial bank financing by companies. The study of the latter researchers is one of the first empirical studies that address the effect of Commercial bank financing on the growth of firms.

Obada and Melhem (2019) explored the economic significance of Commercial banking finance in Jordan through measuring its effect on savings and investment, inflation, unemployment, and GDP during the period (2001-2016). They conducted the regression analysis to explore this effect. It was found that there isn't any statistically significant effect for financing in the Arab Commercial Bank on GDP, inflation and unemployment. There's a statistically significant impact for Jordan Commercial Bank financing for the general trade, housing and construction sectors on inflation. There isn't any statistically significant impact for financing in the Jordanian Commercial Bank is concerned with unemployment and GDP. It was found that the largest part of financing in Jordanian Commercial banks is directed to the housing and construction sectors, followed by the general trade sector.

Caporale & Helmi (2018) explored the impact of Commercial banking on the causal linkages between credit and GDP by comparing two sets of seven emerging countries, the first without Commercial banks and the second with a dual banking system including both Commercial and conventional banks. Contrary to the previous studies, the study of the latter



researchers check the robustness of the results through using time series and panel methods. In addition, it tests for both long- and short-run causality. In brief, there are significant differences between both sets of the countries. Those differences reflect the distinctive features of Commercial banks. To be specific, the time series analysis offers an evidence of long-run causality running from credit to GDP in the states with Commercial banks.

Abdelhalim (2017) explored the developmental role of Commercial banks in the Jordanian economy in light of the complexity and expansion of economic relations at the local and international levels. Reliance on official statistics on the private and public level. The study showed the reality of the Commercial banking work in increasing the gross domestic product and increasing the rates of economic growth as well as the diversity in the sources of national income as well as the upgrading of the financial resources provided by Commercial banks as an alternative to foreign financial flows.

Sharrett & Zaghلامي (2016) shed a light on the importance of the Commercial Banking finance. They shed a light on the evolution of such finance, its role in financing various economic sectors, and contribution to development in Malaysia. In addition, they shed a light on the financing mechanisms and the investment instruments constituting the Commercial Banking Financing. They found that the Commercial banking finance has a positive significant impact on the Malaysian GDP. It was found that the Commercial banking finance is significant in interpreting GDP in the Malaysian economy.

Al-Fawwaz et al (2015) tested the impact of Commercial finance in the Jordanian Commercial bank on several macroeconomic variables. They targeted the period from 2001 to 2011. They conducted the regression analysis and tested the hypotheses. They found that there is a positive statistically significant relationship of Commercial banking finance on the output. They concluded that there is a negative significant relationship between Commercial finance and the rate of inflation. That indicates that Commercial finance improves the production of goods and services in the economic field. That shall lead to reducing the general price level. The researchers suggest that there is a need to pay more attention to the role of Commercial finance. They added that there is a need to offer new Commercial financial instruments. They added that there is a need to promote awareness about Commercial financial engineering in universities, institutes and colleges.

Al-Berishi (2011) shed a light on Commercial banks, and the most important roles they play in terms of social and economic development. He aimed to develop a brief evaluation of the banking performance of these banks through the goals they have set. He shed a light on the

obstacles that hinder their growth and progress of those banks. He shed a light on the obstacles that prevent improving their administrative work. It was found that the message of the Commercial bank is represented in finding an alternative to usurious banks. Commercial banks play a major role in fostering social and economic development through the finance instrument.

The literature review showed that there is an important role for Commercial banks in the economy, through the various forms of Commercial finance. The literature has shown that there is an increase in the demand for Commercial finance in various countries of the world, especially Commercial countries. Previous studies indicated that Commercial financing formulas differ from the financing formulas in commercial banks, and this led to the popularity of Commercial finance because it helps with investment and participation in profits and losses.

## **MATERIAL AND METHODOLOGY**

The descriptive analytical and quantitative approaches were adopted in order to meet the study's objectives. According to Al-Derbashi, and Moussa (2022), the quantitative approach is adopted for developing a new theory and checking the validity of theoretical assumptions. In this study, the researcher used aggregate data on the commercial banks operating in Jordan. These data were obtained from the data of the Central Bank of Jordan for the years (2017-2020). The data included two groups of indicators, the first includes profits and investment value, and the second group includes credit facilities.

### **Population**

The study population includes all Commercial banks in Jordan.

### **Sample**

The study sample included the following Commercial banks in Jordan:

- Bank of Jordan
- Arab Bank
- Capital Bank
- Bank al Etihad

## **Data & Statistical Analysis Methods**

The researchers adopted a descriptive analytical approach. The study's sample includes all the commercial banks in Jordan. The researcher collected data on commercial banks from reports issued by the Central Bank of Jordan. The sampled banks include: (Bank of Jordan, Arab Bank, Capital Bank and Etihad Bank). The data targets the period (2017-2020)..

### The Study's Variables

The study's variables are listed below:

- The independent variables: Commercial Bank.( Bank of Jordan, Arab Bank, Capital Bank and Bank al Etihad).

The dependent variable: investment and credit facilities in Jordan.

## RESULTS AND DISCUSSION

### First Question

#### Q.1: What is the role of Commercial banks in increasing investment and in Jordan?

The data on various investment in Commercial banks was presented as shown in Table No. (1)

Table (1): Commercial Banks Trading Information

Trading Information	2020	2019	2018	2017
International wakala investments	78,717,349	70,790,378	56,020,856	33,861,572
Investments Accounts at Banks and Banking Institutions	35,252,012	17,681,535	17,642,298	21,979,000
Deferred sales receivables and other receivables – net	3,344,824,800	2,893,707,960	2,502,579,177	2,437,768,585
Ijara asses – Net	1,127,813,019	1,012,461,044	933,054,234	846,553,054
Finance Investments - Finances-Net	33,157,539	31,874,382	32,703,789	30,980,357
Financial assets at fair value through OCI	12,975,052	12,042,273	11,033,194	10,546,525
Financial assets at fair value through the joint investments accounts holders equity	95,372,853	69,780,795	64,710,558	76,259,500
Qard Hassan loans – net	78,465,083	16,866,209	12,235,417	9,507,195
Real Estate investments	107,608,263	111,190,169	107,340,284	120,212,403
Total Assets	6,664,738,062	6,006,092,731	5,282,115,725	5,169,420,306

\*The data in the above table was obtained from reports issued by the Central Bank of Jordan

Looking at the data in Table (1), we find that there is an important role for Commercial banks in investment in general, due to an increasing the financial indicators of Commercial banks related to investment during the years (2017-2020). We note the growth of International wakala investments from about (33) million dinars in 2017 to about (78) million dinars in 2020. The table indicates that Investments Accounts at Banks and Banking Institutions grew from

about (21) million dinars during 2017 to become about ( 35) million dinars during the year 2020.

It is clear from the data of Commercial banks that the deferred sales receivables and other receivables - net increased from (2.4) billion dinars in 2017 to (3.4) billion dinars during the year 2020, and this is a significant increase that indicates the importance of investments through Commercial banks.

It turns out that Ijara asses - Net increased from (0.8) billion dinars in 2017 to about (1.1) billion dinars during 2020, and that Finance Investments - Finance-Net increased from about (30) million dinars to about (33) million dinars during years of comparison.

The data indicates, as shown in Table No. (1), Financial assets at fair value through OCI increased from about (10) million dinars in 2017 to about (12.9) million dinars in 2020. Financial assets at fair value through the joint investments also grew accounts holders equity from (76) million dinars in 2017 to become about (95) million dinars in 2020.

It was found that Qard Hassan loans - net increased from about (9) million dinars in 2017 to about (78) million dinars during the year (2020), at the same time, there was fluctuation in the values of Real Estate investments during the comparison period.

The increase in the volume of investment was reflected in the rise in total assets from about (5.1) million dinars in 2017 to about (6.6) billion dinars in 2020, and here we noted the great role of Commercial banks in increasing the values of investment in the economy in general.

## Second Question

### Q.2: What is the role of Commercial banks in increasing credit facilities in Jordan?

The data on various credit facilities in Commercial banks was presented as shown in Table No. (2)

Table (2): Commercial Banks Credit Facilities

Credit Facilities Ratio	2020	2019	2018	2017
Net Credit Facilities to Total Assets%	68.78	65.85	65.89	64.77
Net Credit Facilities to Total Deposits%	79.66	76.76	76.93	74.63

\*The data in the above table was obtained from reports issued by the Central Bank of Jordan

The results presented in Table (2) indicate that Commercial banks play a major role in providing credit facilities to individuals and companies in Jordan, through the high and

increasing rates of credit facilities ratio. Data indicate that the percentage of net credit facilities to total assets increased from about (64.7%) in 2017 to about (68.7%) in 2020.

Table No. (2) shows that the percentage of net credit facilities to total deposits increased from about (74.6%) in 2017 to about (79.6%) in 2020, and these data clearly indicate that the value of Commercial banks credit facilities increased significantly during The comparison period (2017-2020), which indicates that there is a large role for Commercial banks in increasing credit facilities in the Jordanian economy, according to the data issued by the Central Bank of Jordan.

## **CONCLUSION**

The research investigate the role of Commercial banks in increasing investment and credit facilities in Jordan. We conclude that there is a great role of Commercial banks in increasing the values of investment in the economy in general. The study also indicated that there is a large role for Commercial banks in increasing credit facilities in the Jordanian economy, according to the data issued by the Central Bank of Jordan. These results highlight the important role that Commercial banks play in investment, financing and providing credit facilities in the economy. In terms of the study's limitations, it should be noted that the results may change if the researcher have targeted a longer duration or used different reports. The results may differ if the researcher used a different methodology (e.g. a survey-based methodology or a meta-analysis-based methodology).

## **RECOMMENDATIONS**

The researchers recommend to conducting more research to explore the role of Commercial banks in providing financing and investment in Commercial countries and the world to help understand the role of Commercial banks in stimulating the economy and the financial market.

## **SUGGESTIONS FOR RESEARCHERS**

The researcher of the present study recommends conducting studies about the factors that affect the performance of commercial banks. He recommends conducting studies about the factors affecting the quality of the services and products of commercial banks. He recommends conducting studies about the role of commercial banks in fostering economic development in

Jordan.

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