



سلطة النقد الفلسطينية
PALESTINE MONETARY AUTHORITY



الجهاز المركزي للإحصاء الفلسطيني
Palestinian Central Bureau of Statistics

The Palestinian Central Bureau of Statistics (PCBS) and The Palestine Monetary Authority (PMA)

The Deficit in Current Account is USD 719 Million of the Palestinian Balance of Payments – Second Quarter 2023

The Palestinian Central Bureau of Statistics (PCBS) and the Palestine Monetary Authority (PMA) announced the preliminary results of the Palestinian Balance of Payments (BoP) for the second quarter of 2023 under the joint issuance cycle. It should be noted that the data excludes those parts of Jerusalem which were annexed by Israeli occupation in 1967.

The deficit in trade balance of goods is the main reason behind the current account deficit

An incessant deficit in the Current Account (goods, services, income, current transfers) which totaled USD 719 million. Mainly triggered by the deficit of the Trade Balance of Goods, which reached USD 1,992 million, as well as the deficit in Services Balance, which amounted to USD 332 million.

The compensations of employees working in Israel are the main reason behind the income account surplus

The surplus in Income Account (compensations of employees and investments income) amounted to USD 961 million. This surplus was due to compensations of the employees working in Israel, which reached USD 911 million with a decrease of 6% compared to previous quarter. As for the received investments income, it amounted to USD 60 million; and was mainly caused by the income received on the portfolio investments abroad, in addition to the interest received on the Palestinian deposits in banks abroad.

The current transfers from abroad to other (non-government) sectors are a main reason behind the current transfers surplus

The Current Transfers achieved a surplus value amounted to USD 644 million. where the current transfers for the government sector constituted 20% of the total transfers from abroad, while the percentage of the transfers to other sectors reached 80%. The donors' current transfers constituted 16% of total transfers from abroad.

The preliminary results showed a surplus value for the Capital and Financial Account amounted to USD 574 million, the surplus in the Capital and Financial Account was mainly caused by the surplus in Financial Account which amounted to USD 492 million. There was an increase in the reserve assets at PMA amounted to USD 37 million, compared to an increase of USD 281 million in the previous quarter.



سلطة النقد الفلسطينية
PALESTINE MONETARY AUTHORITY



الجهاز المركزي للإحصاء الفلسطيني
Palestinian Central Bureau of Statistics

It is worth mentioning that the Balance of Payments (BoP) is used to determine the economic position of a country compared to other countries worldwide, and to calculate the size of its external debt. This data enables researchers and decision makers to devise informed economic policies and development plans to improve their external balance to guarantee the stability of the state and sustain the economic growth. BoP data was prepared according to the latest international recommendations taking into account the specificity of the Palestinian situation.

For further details, please contact:

Palestinian Central Bureau of Statistics

**P.O BOX 1647, Ramallah, P6028179,
Palestine.**

Tel: (972/970) 2 2982700

Email: diwan@pcbs.gov.ps

Website: <http://www.pcbs.gov.ps>

Palestine Monetary Authority

P.O.Box 452, Ramallah- Palestine.

Or Tel: (972/970) 2 2415250

Email: info@pma.ps

Website: <http://www.pma.ps>





سلطة النقد الفلسطينية
PALESTINE MONETARY AUTHORITY



الجهاز المركزي للإحصاء الفلسطيني
Palestinian Central Bureau of Statistics

Table 1: Balance of Payments In Palestine* for the first and the second quarter 2023

(Value in million USD)

<i>Indicator</i>	Q1- 2023	Q2- 2023
Current account (net)	-755	-719
Goods (net)	-2,052	-1,992
Exports (fob)	703	627
Imports (fob)	2,755	2,619
Services (net)	-333	-332
Exports	257	229
Imports	590	561
Income (net)	1,012	961
Receipts	1,034	984
Compensation of employees	979	924
<i>Of which from Israel</i>	966	911
Investment income	55	60
Payments	22	23
Current transfers (net)	618	644
Inflows	722	745
To the government sector	100	150
<i>of which from Donors transfers</i>	41	94
To the other sectors	622	595
<i>of which from Donors transfers</i>	25	25
Outflows	104	101
Capital and financial account (net)	676	574
Capital account (net)	84	82
Capital transfers (net)	84	82
Inflows	84	82
To the government sector	18	20
<i>of which from Donors transfers</i>	18	20
To the other sectors	66	62
Outflows	0	0
Acquisition / disposal of non-Produced, non-financial assets non-financial assets (net)	0	0



سلطة النقد الفلسطينية
PALESTINE MONETARY AUTHORITY



الجهاز المركزي للإحصاء الفلسطيني
Palestinian Central Bureau of Statistics

Table 1 (Cont.): Balance of Payments In Palestine* for the first and the second quarter 2023

(Value in million USD)

Indicator	Q1- 2023	Q2- 2023
Financial account (net)**	592	492
Foreign Direct investment (net)	271	-200
Change in investment abroad (net)	0	27
Change in investment in Palestine (net)	271	-227
Foreign Portfolio investment (net)	-21	-78
Change in Assets (net)	-83	30
Change in Liabilities (net)	62	-108
Foreign Other investment (net)	623	807
Change in Assets (net)	640	811
<i>Of which Currency and deposits***</i>	<i>711</i>	<i>927</i>
Change in Liabilities (net)	-17	-4
<i>Of which Loans nonresidents</i>	<i>-1</i>	<i>-43</i>
<i>Of which Currency and deposits****</i>	<i>-16</i>	<i>38</i>
Net errors and omissions	79	145
Overall balance	281	37
Financing	-281	-37
Exceptional financing	0	0
Change in Reserve assets (- = Increase/+ = decrease)	-281	-37

*The data excludes those part of Jerusalem which were annexed by Israeli occupation in 1967.

** Include reserve assets.

***Currency and deposits: Including the cash of foreign currency in the banks and the deposits of the Palestinian institutions deposited abroad.

****Currency and deposits: Includes the deposits of non-residents deposited in Local banks.