



Preliminary results of the International Investment Position and External Debt for the Palestinian Territory 2011.

Stocks of Palestinian assets invested abroad are about USD 5,233 million. while Stocks of foreign liabilities on the Palestinian economy are about USD 4,512 million

The Palestinian Central Bureau of Statistics (PCBS) and the Palestine Monetary Authority (PMA) have prepared a press release for the International Investment Position (IIP), and External Debt statistics of the Palestinian Territory in 2011.

The primary results of the IIP (external assets – foreign liabilities) for the Palestinian Territory by the end of 2011 revealed that the net IIP had amounted to about USD 721.0 million, which means that the Palestinian economy of its various sectors had invested outside Palestinian Territory by more than the investment amount in the Palestinian Territory from abroad. The cash deposits of local banks in foreign banks and foreign exchange in the Palestinian economy had contributed of major value in the external assets, which represented by 63.6% of their total value.

The total stocks of External Assets for the Palestinian Territory (Stocks of residents in the Palestinian Territory invested abroad) had amounted to USD 5,233.0 million, The Foreign Direct Investment abroad had contributed to 3.7%, Portfolio Investments abroad reached 21.9%, while Other Foreign Investments abroad reached 64.9%, and Reserve Assets amounted to 9.5%. According to sectoral level, the external investments of banking sector had contributed a major value in the external

assets, represented by 72.5% of the total value of external assets.

The total stocks of Foreign Liabilities at the Palestinian Territory (Stocks of non-residents invested in the Palestinian Territory) had amounted to USD 4,512.0 million, The Foreign Direct Investment in the Palestinian Territory had contributed 51.6%, Portfolio Investments in the Palestinian Territory reached 13.5%, and Other Investments in the Palestinian Territory amounted to 34.9%.

The International Investment Position (IIP) is defined as an accounting sheet records the investments stocks for the residents in the Palestinian Territory (individuals, institutions and government) that is invested in the rest of the world (abroad) under the name of (assets), on the one hand, and the investments stocks owned by residents outside Palestinian Territory (individuals, institutions and governments) that is invested in the Palestinian Territory under the name of (liabilities) on the other hand.

the Balance of Payments Manual - fifth edition, issued by the International Fund in 1993, divides the assets and liabilities to direct investment (investment by 10% and more in the non-resident capital), and portfolio investment (investment less than 10% in the non-resident capital as well as investment in bonds), and other investments (which are divided into stocks of trade credit, loans, currency and deposits and any other assets or liabilities), in addition to the Reserve Assets, which is defined as Stocks held by the Monetary Authority to address the imbalances in the balance of payments, it is worth mentioning that the reserve assets are only included in the asset side.



The External Debt is defined as an accounting sheet records the debt stocks on Palestinian economy sectors due to nonresidents, which include (loans from nonresident, the nonresidents deposits deposited in the banks sector in Palestine, the Palestinian bonds purchased by nonresidents, debt transactions between the non-resident enterprises and fellow enterprises in Palestine, in addition to any other liabilities on Palestinian economy) the data of external debt have been extracted from the liabilities side in the international investment position matrix (debt items). Preparing, classifying and publishing of the data based on (External Debt Statistics Manual) issued by IMF in 2003, this manual is harmonized with 5th edition of Balance of Payments and International Investment Position Manual.

The total stocks of External Debt on the Palestinian economy sectors had amounted to USD 1,597.0 million, The debt on general government sector had contributed 69.8%, while debt on banks sector reached 22.5%, and debt on other sectors (non-financial, insurance enterprises NGOs and household sectors) amounted to 6.3%, the lending between affiliated companies contributed to 1.4%.

It's worth to mention that external debt statistics are published for the first time by PCBS in cooperation with Palestine Monetary Authority, such data will be released periodically along with the data of the International Investment Position.

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Table 1: International Investment Position (IIP) stock by Economic Sectors For the Palestinian Territory, at end of 2011

Value in US million \$

Economic Sector Investments Stocks by Type of Investment	Monetary Authorities (PMA)	Government Sector	Banks Sector	Other Sectors		TOTAL
				Non-Financial companies, Insurance companies and NGO's Sector	House- Holds Sector	
International Investment Position (net)*	807	-1113	2478	-714	-737	721
Total External Assets	807	1	3793	543	89	5233
Foreign Direct Investment Abroad	0	0	19	120	53	192
Portfolio Investments Abroad	145	0	754	247	1	1147
Other Investments Abroad	165	1	3020	176	35	3397
<i>Of which: currency and deposits**</i>	<i>165</i>	<i>0</i>	<i>2964</i>	<i>162</i>	<i>35</i>	<i>3326</i>
Reserve Assets	497	0	0	0	0	497
Total Foreign Liabilities	0	1114	1315	1257	826	4512
Foreign Direct Investment in Palestine	0	0	767	738	823	2328
Foreign Portfolio Investments in Palestine	0	0	189	422	0	611
Foreign Other Investments in Palestine	0	1114	359	97	3	1573
<i>Of which: Loans from abroad</i>	<i>0</i>	<i>1114</i>	<i>0</i>	<i>94</i>	<i>0</i>	<i>1208</i>
<i>Of which: currency and deposits***</i>	<i>0</i>	<i>0</i>	<i>359</i>	<i>0</i>	<i>0</i>	<i>359</i>

Notes:

- The Data in the Table Above are Closed to the Nearest Integer.
- * International Investment Position (net): Equals Total External Assets Minus total Foreign Liabilities.
- ** Currency and deposits: Including Residents Deposits in Banks Abroad, In addition to Foreign Currency Cash in Palestinian Economy.
- *** Currency And deposits: Include the Deposits of Non-residents Deposited in Local Banks.



Table 2: Gross External Debt position on the Palestinian Territory, at the end of 2011

Value in US million \$

Economic Sector	Stock at the end of 2011
General Government	1114
Short-term	64
Long-term	1050
Monetary Authorities	0
Short-term	0
Long-term	0
Banks	359
Short-term	359
Long-term	0
Other Sectors	100
Short-term	6
Long-term	94
Direct investment: lending between affiliated companies	24
Debt liabilities to affiliated enterprises	0
Debt liabilities to direct investors	24
Gross External Debt Position	1597