



## **Palestinian Central Bureau of Statistics (PCBS) and the Palestine Monetary Authority (PMA)**

### **Results Announcement**

#### **International Investment Position & External Debt – Fourth Quarter, 2017**

The Palestinian Central Bureau of Statistics (PCBS) and the Palestine Monetary Authority (PMA) announced the preliminary results of the International Investment Position (IIP), and External Debt statistics for Palestine as of end of the fourth quarter 2017.

The primary results of the IIP (external assets – foreign liabilities) for Palestine at the end of fourth quarter 2017 revealed that the net IIP amounted to about USD 1,373 million, which means that the Palestinian economy's investments outside Palestine outweighs investments in Palestine from abroad. The resident cash deposits in foreign banks and foreign exchange in the Palestinian economy accounted for the bulk of the external assets, constituting 65.2% of the total value of external assets.

The total stocks of External Assets for Palestinian economy amounted to USD 6,455 million, the Foreign Direct Investment Abroad contributed to 6.5%, Portfolio Investments abroad reached 16.3%, while Other Foreign Investments Abroad (mainly currency and deposits) reached 70.3% and Reserve Assets amounted to 6.9%, at sectoral level, the external investments of banks sector represented a large share of the external assets, standing at 73.6% of the total value of external assets for Palestinian economy.

The total stocks of Foreign Liabilities in Palestine (Stocks of non-residents invested in Palestine) amounted to USD 5,082 million, the Foreign Direct Investment in Palestine contributed to 53.2%, Portfolio Investments in Palestine reached 13.1% and Other Investments in Palestine (mainly loans and deposits from abroad) amounted to 33.7%, at sectoral level, the foreign investments in banks sector contributed a major value in the foreign liabilities, represented by 36.4% of the total value of foreign liabilities on Palestinian economy.

The Gross External Debt on the Palestinian economic sectors reached USD 1,720 million, the debt on government sector represented 60.5%, while debt on banks sector reached 35.1%, and debt on other sectors (Nonbank financial corporations, non-financial corporations, NGOs and household sector) amounted to 4.1%, and the lending between affiliated companies reached 0.3%.

The International Investment Position (IIP) is an accounting sheet that records the investments stocks for the residents in Palestine (individuals, institutions and government) invested in the rest of the world (abroad) under the name of (assets), and compares them to the investments stocks owned by residents outside Palestine (individuals, institutions and government) invested in Palestine under the name of (liabilities).

The Balance of Payments Manual - fifth edition, issued by the International Monetary Fund in 1993, divides the assets and liabilities into 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. It divides these other investments into stocks of trade credit, loans, currency and deposits and any other assets or liabilities), in addition to the Reserve Assets, i.e. Stocks held by the Central Banks/ Monetary Authorities 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 an accounting sheet that records the debt stocks on Palestinian economic sectors due to non-residents. These include (loans from non-residents, the deposits of the non-residents deposited in the banks sector in Palestine, the Palestinian bonds purchased by non-residents, debt transactions between the non-resident enterprises and fellow enterprises in Palestine. They encompass as well 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 are based on (External Debt Statistics Manual) issued by IMF in 2003, this manual is harmonized with the 5<sup>th</sup> edition of Balance of Payments Manual.

**For further details please contact:**

**Palestinian Central Bureau of Statistics  
P.O. Box 1647, Ramallah- Palestine.**

**Or**

**Palestine Monetary Authority  
P.O. Box 452, Ramallah- Palestine.**

Tel: (972/970) 2 2982700

Fax: (972/970) 2 2982710

Toll free: 1800300300

E-Mail: [diwan@pcbs.gov.ps](mailto:diwan@pcbs.gov.ps)

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

Tel: (972/970) 2 2415250

Fax: (972/970) 2 2409922

E-Mail: [info@pma.ps](mailto:info@pma.ps)

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

Issued on : 19/3/2018

**Table 1: International Investment Position (IIP) Stock by Economic Sectors for Palestine, at the End of the Fourth Quarter, 2017**

Value in million USD

Economic Sector  Investments Stocks by Type of Investment	Monetary Authorities (PMA)	Government Sector	Banks Sector	Other Sectors		TOTAL
				Nonbank Financial Corporations, Non-Financial Corporations, and NGOs Sector	House- Holds Sector	
<b>International Investment Position (net)*</b>	<b>887</b>	<b>-957</b>	<b>2,902</b>	<b>-547</b>	<b>-912</b>	<b>1,373</b>
<b>Total External Assets</b>	<b>887</b>	<b>85</b>	<b>4,752</b>	<b>665</b>	<b>66</b>	<b>6,455</b>
Foreign Direct Investment Abroad	0	0	0	379	43	422
Portfolio Investments Abroad	90	0	836	129	0	1,055
Other Investments Abroad	351	85	3916	157	23	4,532
<i>Of which: currency and deposits**</i>	351	0	3836	0	23	4,210
Reserve Assets	446	0	0	0	0	446
<b>Total Foreign Liabilities</b>	<b>0</b>	<b>1042</b>	<b>1850</b>	<b>1212</b>	<b>978</b>	<b>5,082</b>
Foreign Direct Investment in Palestine	0	0	937	788	978	2,703
Foreign Portfolio Investments in Palestine	0	0	310	354	0	664
Foreign Other Investments in Palestine	0	1042	603	70	0	1,715
<i>Of which: loans from abroad</i>	0	1042	0	43	0	1,085
<i>Of which: currency and deposits***</i>	0	0	603	0	0	603

**Notes:**

- The data in the above table are close to the nearest integer.

- The data does not include the value of land owned by non-residents.

\* 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 resident banks.

**Table 2: Gross External Debt Position on Palestine, at the End of the Third and Fourth Quarters, 2017**

Value in million USD

<b>Economic Sector</b>	<b>Stock at the end of the Third Quarter 2017</b>	<b>Stock at the end of the fourth Quarter 2017</b>
<b>General Government</b>	<b>1,035</b>	<b>1,042</b>
Short-term	66	77
Long-term	969	965
<b>Monetary Authorities</b>	<b>0</b>	<b>0</b>
Short-term	0	0
Long-term	0	0
<b>Banks</b>	<b>699</b>	<b>603</b>
Short-term	343	368
Long-term	356	235
<b>Other Sectors</b>	<b>70</b>	<b>70</b>
Short-term	3	3
Long-term	67	67
<b>Direct Investment: lending between affiliated companies</b>	<b>5</b>	<b>5</b>
Debt liabilities to affiliated enterprises	0	0
Debt liabilities to direct investors	5	5
<b>Gross External Debt Position</b>	<b>1,809</b>	<b>1,720</b>