The Palestinian Central Bureau of Statistics (PCBS) and

The Palestine Monetary Authority (PMA)

59% of the Total External Assets of the Palestinian Economy are

 Currency and Deposits

The net stock of the international investment position (IIP) amounted to USD 8,614 million at the end of the second quarter of 2025

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 second quarter 2025 and end of 2024[[1]](#footnote-1).

The preliminary results of the IIP (external assets – foreign liabilities) for Palestine at the end of the second quarter of 2025 revealed that the net IIP amounted to USD 8,614 million.

**Currency and deposits accounted for 59% of the total external assets of the Palestinian economy at the end of the second quarter of 2025. This is mainly due to the absence of a Palestinian national currency, as well as a 23% increase in clearance revenues held by Israel compared with the previous quarter.**

The total stocks of External Assets for Palestinian economy amounted to USD 15,058 million, the Foreign Direct Investment Abroad contributed to 2%, and Portfolio Investments abroad reached 14%, while Other Foreign Investments Abroad (mainly currency and deposits) reached 75% and Reserve Assets amounted to 9%.

57% of the total foreign liabilities on the Palestinian economy at the end of the second quarter of 2025 are foreign direct investment

The total stocks of foreign liabilities in Palestine (non-resident investments in Palestine) amounted to USD 6,444 million. Of this, foreign direct investment in Palestine accounted for 57%, ( mainly, banks, insurance and communication companies owned by non-residents in addition to buildings owned by non-residents households, amounted to USD 3,680 million), portfolio investments reached 10%, and other investments (mainly loans and deposits from abroad) amounted to 33%.

The Government's External Debt stock stabilized at about 1.3 billion US dollars at the end of the second quarter of 2025

The gross external debt of the Palestinian economic sectors reached USD 2,118 million, reflecting an increase of less than 1% compared with the previous quarter. Government sector debt represented 64% (this debt is to external arab and international financial institutions, mainly Al-Aqsa Fund, Qatar National Bank, and the World Bank), while debt of the banking sector (deposits of non-residents in banks operating in Palestine) accounted for 33%. Debt of other sectors (including non-bank financial corporations, non-financial corporations, NGOs, and the household sector) amounted to 2%, while intercompany lending between affiliated enterprises accounted for less than 1%.

The International Investment Position (IIP) is an accounting statement that records the stock of investments by residents in Palestine (individuals, institutions, and the government) in the rest of the world (abroad), under the category of assets. It compares these with the stock of investments held by non-residents (individuals, institutions, and the government abroad) in Palestine, under the category of liabilities.

The Balance of Payments Manual – fifth edition, issued by the International Monetary Fund in 1993 – divides assets and liabilities into direct investment (investment of 10% or more in non-resident capital), portfolio investment (investment of less than 10% in non-resident capital, as well as investment in bonds), and other investments. These other investments include stocks of trade credit, loans, currency and deposits, and any other assets or liabilities. In addition, the Manual identifies reserve assets, i.e., stocks held by central banks or monetary authorities to address imbalances in the balance of payments. It is worth mentioning that reserve assets are recorded only on the asset side.

The External Debt is an accounting statement that records the debt stocks of Palestinian economic sectors owed to non-residents. These include loans from non-residents, deposits of non-residents held in banks operating in Palestine, Palestinian bonds purchased by non-residents, and debt transactions between non-resident enterprises and their fellow enterprises in Palestine. They also encompass any other liabilities of the Palestinian economy. The data on external debt are extracted from the liabilities side of the International Investment Position (IIP) matrix (debt items). The preparation, classification, and publication of these data are based on the External Debt Statistics Manual, issued by the IMF in 2003, which is harmonized with the fifth edition of the Balance of Payments Manual.

Table 1: International Investment Position (IIP) Stock by Economic Sectors for Palestine, at the end of the Second Quarter, 2025

 Value in million USD

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| TOTAL | Other Sectors | Banks Sector | Government Sector | Monetary Authorities |  Economic SectorInvestments Stocks byType of Investment |
| House- Holds Sector | Non-bank Financial Corporations, Non-Financial Corporations, and NGOs Sector |
| 8,614 | 1,058- | 787- | 7,887 | 850 | 1,722 | International Investment Position (net)\* |
| 15,058 | 60 | 942 | 10,133 | 2,201 | 1,722 | Total External Assets  |
| 320 | 2 | 318 | 0 | 0 | 0 |  Foreign Direct Investment Abroad |
| 2,030 | 0 | 482 | 1,417 | 0 | 131 |  Portfolio Investments Abroad |
| 11,285 | 58 | 142 | 8,716 | 2,201 | 168 |  Other Investments Abroad |
| 8,911 | 58 | 11 | 8,674 | 0 | 168 |  Of which: currency and deposits\*\* |
| 1,423 | 0 | 0 | 0 | 0 | 1,423 |  Reserve Assets |
| 6,444 | 1,118 | 1,729 | 2,246 | 1,351 | 0 | Total Foreign Liabilities  |
| 3,680 | 1,118 | 1,207 | 1,355 | 0 | 0 |  Foreign Direct Investment in Palestine |
| 657 | 0 | 475 | 182 | 0 | 0 |  Foreign Portfolio Investments in Palestine |
| 2,107 | 0 | 47 | 709 | 1,351 | 0 |  Foreign Other Investments in Palestine: |
| 1,463 | 0 | 47 | 65 | 1,351 | 0 |  Of which: loans from abroad |
| 644 | 0 | 0 | 644 | 0 | 0 |  Of which: currency and deposits\*\*\* |

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: Include the resident's deposits in banks abroad, in addition to foreign exchange 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 First Quarter, 2025 and Second Quarter, 2025

 Value in million USD

|  |  |  |
| --- | --- | --- |
| Stock at the end of the Second Quarter 2025 | Stock at the end of the First Quarter 2025 | Economic Sector |
| 1,351 | 1,332 | General Government |
| 353 | 427 |  Short-term |
| 998 | 905 |  Long-term |
| 0 | 0 | Monetary Authorities |
| 0 | 0 |  Short-term |
| 0 | 0 |  Long-term |
| 709 | 712 | Banks |
| 328 | 332 |  Short-term |
| 381 | 380 |  Long-term |
| 47 | 58 | Other Sectors |
| 0 | 0 |  Short-term |
| 47 | 58 |  Long-term |
| 11 | 11 | Direct Investment: lending between affiliated companies |
| 0 | 0 |  Debt liabilities to affiliated companies |
| 11 | 11 |  Debt liabilities to direct investors |
| 2,118 | 2,113 | Gross External Debt Position |

Table 3: International Investment Position (IIP) Stock by Economic Sectors for Palestine, at the end of 2024

 Value in million USD

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| TOTAL | Other Sectors | Banks Sector | Government Sector | Monetary Authorities |  Economic SectorInvestments Stocks byType of Investment |
| House- Holds Sector | Nonbank Financial Corporations, Non-Financial Corporations, and NGOs Sector |
| 6,717 | 1,057- | 806- | 6,480 | 465 | 1,635 | International Investment Position (net)\* |
| 12,853 | 53 | 892 | 8,486 | 1,787 | 1,635 | Total External Assets  |
| 259 | 2 | 257 | 0 | 0 | 0 |  Foreign Direct Investment Abroad |
| 1,774 | 0 | 492 | 1,133 | 0 | 149 |  Portfolio Investments Abroad |
| 9,492 | 51 | 143 | 7,353 | 1,787 | 158 |  Other Investments Abroad |
| 7,532 | 51 | 12 | 7,311 | 0 | 158 |  Of which: currency and deposits\*\* |
| 1,328 | 0 | 0 | 0 | 0 | 1,328 |  Reserve Assets |
| 6,136 | 1,110 | 1,698 | 2,006 | 1,322 | 0 | Total Foreign Liabilities  |
| 3,458 | 1,110 | 1,202 | 1,146 | 0 | 0 |  Foreign Direct Investment in Palestine |
| 608 | 0 | 449 | 159 | 0 | 0 |  Foreign Portfolio Investments in Palestine |
| 2,070 | 0 | 47 | 701 | 1,322 | 0 |  Foreign Other Investments in Palestine: |
| 1,442 | 0 | 47 | 73 | 1,322 | 0 |  Of which: loans from abroad |
| 628 | 0 | 0 | 628 | 0 | 0 |  Of which: currency and deposits\*\*\* |

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: This item include the residents’ deposits in banks abroad, in addition to foreign exchange in Palestinian economy.

\*\*\* Currency and deposits: This item include the deposits of non-residents deposited in resident banks.

Table 4: Gross External Debt Position on Palestine,

at the end of years 2023, 2024

Value in million USD

|  |  |  |
| --- | --- | --- |
| Stock at the end of 2024 | Stock at the end of 2023 | Economic Sector |
| 1,322 | 1,321 | General Government |
| 404 | 297 |  Short-term |
| 918 | 1024 |  Long-term |
| 0 | 0 | Monetary Authorities |
| 0 | 0 |  Short-term |
| 0 | 0 |  Long-term |
| 701 | 749 | Banks |
| 325 | 345 |  Short-term |
| 376 | 404 |  Long-term |
| 47 | 58 | Other Sectors |
| 0 | 0 |  Short-term |
| 47 | 58 |  Long-term |
| 11 | 11 | Direct Investment: lending between affiliated companies |
| 0 | 0 |  Debt liabilities to affiliated enterprises |
| 11 | 11 |  Debt liabilities to direct investors |
| 2,081 | 2,139 | Gross External Debt Position |

1. In parallel with this release, the annual data for 2024 will also be published on the websites of both institutions [↑](#footnote-ref-1)