



Note to users

Based on the visit of a technical mission from the International Monetary Fund to the Palestinian Central Bureau of Statistics and the Palestine Monetary Authority on 27 November 2011, regarding the balance of payments and international investment Position, the following recommendations were made:

- Excluding the Stocks of currency and deposits in Jordanian dinars from the stock of reserve assets of the Palestinian Monetary Authority, because its non-applicability of standards reserve assets.

[New Press Release](#)

**The Palestinian Central Bureau of Statistics (PCBS) and Palestine
Monetary Authority (PMA) announce the results of the Foreign
Investments Survey for Palestinian Institutions 2008, 2009**

- **An increase in the stocks of foreign investments in the Palestinian institutions from 1,384.8 million US \$ in 2008 to 1,642.3 million US \$ in 2009.**
- **An increase in the stocks of Palestinian institutions investments abroad from 5,493.1 million US \$ in 2008 to 5,786.1 million US \$ in 2009.**
- **An increase in the stocks of reserve assets related to Palestine Monetary Authority (PMA) by 4.8% in 2009.**

The Palestinian Central Bureau of Statistics (PCBS) and the Palestine Monetary Authority (PMA) conducted the first Foreign Investments Survey (FIS) in the Palestinian Territory during the period March and October of year 2010. The survey covered all private establishments operating in the Palestinian Territory which had foreign investments from abroad or had investments abroad during the year 2008 and 2009 except those non-financial establishments located in Gaza strip. With therefore note that this survey will be implemented yearly.

The FIS is considered the best tool for collecting data about International Investment Position (IIP), of which flows and stocks of foreign investments are collected using special forms. The IIP is an account, which records the total balance of foreign financial assets and liabilities of the economy. IIP and its changes are categorized in two levels; the first to differentiate between assets and liabilities, where the difference represents the net (IIP). The second level focuses on the division of assets and liabilities on functional basis as this method is fully consistent with the basic elements of the financial account in the balance of payments, in addition to the changes between the stocks at the beginning and end of the period; which including change of prices, currency exchange rate, the quantitative change resulting from sudden profit or loss as a result to natural disasters or wars. The FIS was conducted in accordance with the recent international recommendations, while taking into consideration the uniqueness of the Palestinian situation.

Direct investor is defined as the owner holds 10% or more of the ordinary shares in the company in which he/she invests; while portfolio investor owns less than 10% of the ordinary shares in the company in which he/she invests in addition to investments in bonds. Other investments include investment in currency and deposits, loans, trade credits, in addition to other assets and liabilities.



The results of the survey revealed that the total stocks of foreign investments in Palestinian institutions had amounted to 1,642.3 million US \$ by the end of 2009 and that marks an increase by 18.6% compared with the year 2008. This includes Foreign Direct Investment, Portfolio Investments, and Other Investments that include the stocks of Palestinian deposits abroad, trade credits and loans extended to non-residents.

Stocks of Foreign Direct Investment in the Palestinian institutions had amounted to 1,157.3 million US \$ in 2009; an increase of 29.6% compared with the year 2008.

The results also indicated that the stocks of foreign portfolio investment (investment in less than 10% of equity share and investments in debt securities) in the Palestinian institutions amounted to 394.4 million US \$ in 2009; an increase of 20.7% compared with the year 2008.

The other foreign investments in the Palestinian institutions had amounted to 90.6 million US \$ and that marks a decrease by 45.1% compared with the year 2008. Other foreign investments include the stocks of deposits for non-resident which amounted to 73.8 million US \$, with a decrease of 50.4% compared with the year 2008, in addition to debt and long term loans borrowed from non-resident which amounted to 16.7 million US \$; with an increase of 1.8% compared with the year 2008. where, this survey will be implemented yearly.

The results also showed that the total of the Palestinian institutions investments abroad amounted to 5,786.1 million US \$ by the end of 2009, with an increase of 5.3% compared with the year 2008. These investments include Palestinian direct investment abroad, Palestinian portfolio investments abroad, and other investments abroad (deposits for Palestinian institutions abroad, the loans lent to non-residents, the prepayment to non-residents and trade credits, in addition to the Palestinian reserve assets). The results of the survey indicated that stock of foreign direct investments (FDI) abroad of the Palestinian institutions amounted to 457.6 million US \$; an increase of 17.5% compared with the year 2008.

The stocks of portfolio investment abroad of Palestinian institutions amounted to 686.3 million US \$; with an increase of 71.3% compared with the year 2008. While the other investments abroad had amounted to 3,615.0 million US \$, with a decrease of 2.9% compared with the year 2008. The other investments abroad comprises stocks of Palestinian institutions deposits abroad, (amounted to 2,908.3 million US \$ with a decrease of 12.4% compared with the year 2008) loans lent to non-residents (amounted to 147.9 million US \$ with an increase of 14.1% compared with the year 2008), prepayments to non-residents (amounted to 36.0 million US \$ with a decrease of 55.3% compared with the year 2008), in addition to the trade credits and others (amounted to 522.8 million US \$ with an increase of 173.7% compared with the year 2008).

The stocks of the Palestinian reserve assets related to PMA also amounted to 1,027.2 million US \$ with an increase of 4.8% compared with the year 2008.



**The Main Findings of Foreign Investments Survey in the Palestinian Institutions
for the Years 2008, 2009**

Values in million US \$

Indicator	2008	2009
Total Assets*	5,493.1	5,786.1
Stocks of Palestinian foreign direct investments abroad	389.4	457.6
Stocks of Palestinian portfolio investments abroad	400.6	686.3
Other Palestinian investments abroad:	3,723.0	3,615.0
<i>Of which: stocks of Palestinian deposits abroad</i>	3,321.6	2,908.3
Stocks of reserves assets	980.1	1,027.2
Total Liabilities**	1,384.8	1,642.3
Stocks of foreign direct investments in Palestine	892.9	1,157.3
Stocks of foreign portfolio investments in Palestine	326.8	394.4
Other foreign investments in Palestine:	165.1	90.6
<i>Of which: stocks of non-residents deposits in Palestine</i>	148.7	73.8

Assets* : Investments abroad for the Palestinian Institutions.

Liabilities** : Foreign investments in the Palestinian Institutions.

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