



**Note to users**

**Note:** The quarterly balance of payments data has been modified based on the revision of the quarterly National Accounts data for the year 2011.

[Old press release](#)

**The Palestinian Central Bureau of  
Statistics (PCBS) and Palestine  
Monetary Authority (PMA)  
announce the preliminary results  
of the Palestinian Balance of  
Payments – Second Quarter 2011.**

**US\$ 763 Million is the Deficit in  
Current Account.**

The Balance of Payments (BOP) is an account measuring transactions between residents and non-residents in a given period. It is considered to be the peak of efforts in preparing systematic economic statistics that are necessary for observing economic performance in general and for deriving essential data used in compiling the Rest of the World Account as part of the Palestinian National Accounts. BoP consists of two main accounts, the Current Account and the Capital and Financial Account.

The main findings of the preliminary results of BoP for the Second quarter of 2011 are:

The deficit value of the Current Account amounted to US\$ 763.3 million (28.0% of the GDP in current prices for the second quarter of 2011) decreased by 11.0% compared to the previous Quarter. The deficit of Current Account was caused mainly by the deficit in the Trade Balance of goods which was US\$ 1,175.3 million (43.1% of the GDP in current prices) decreased by 15.9% compared to the previous quarter.

The deficit in Services Balance amounted to US\$ 75.2 million, increased by 51.9% compared to the previous Quarter. The increase in this deficit was caused by the decrease of the exports in Government Services in addition to the increase of the imports in Travel, and Government Services from other side.

The surplus in Income Balance (compensations of employees and investments income) amounted to US\$ 275.6 million decreased by 2.0% compared to the previous Quarter, this surplus was due to surplus in Compensations of Employees working in Israel which reached US\$ 241.0 million. Meanwhile, the received investments income amounted to US\$ 14.4 million, mainly caused by the the interest received on the Palestinian deposits in banks abroad.

According to the Net Current Transfers, the surplus value amounted to US\$ 211.6 million decreased by 31.4% compared to the previous Quarter. The donors' current transfers was 47.8% of total value of receipts from abroad. While the private sector was 61.5% of total value of receipts from abroad.

The surplus value of Capital and Financial Account amounted to US\$ 785.0 million. This surplus was caused mainly by the surplus in the Capital Account (amounted to US\$ 61.3 million), surplus by the donors capital transfers, in addition to the surplus in Financial Account (Direct Investments, Portfolio Investments, Other Investments, and Reserve Assets) which amounted to US\$ 723.7 million.

The surplus of Financial Account was caused mainly by the surplus of Net



Foreign Direct Investments (US\$ 61.3 million), the surplus of Net Foreign Portfolio Investments amounted to US\$ 66.2 million. and the surplus of Net Foreign Other Investments (US\$ 529.7 million).

The changes on Reserve Assets flows (decrease) amounted to US\$ 66.5 million in PMA, which are reflected in the Overall Balance surplus in Palestine case due to the absence of other financing resources.

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