



# SOCIO-ECONOMIC REPORT

## SEPTEMBER 2012

### Contents

I. Socio-economic fact sheet	p1
II. Macroeconomic situation	p2
II.a Production	p2
II.b Prices	p3
II.c Exchange rates	p4
II.d Labor market	p4
<i>Box: Illiteracy in the oPt</i>	p5
III. Public sector	p6
IV. Banking sector	p7
V. Private sector	p8
VI. Trade	p9
VII. Gaza Strip	p10
Annex A: Statistical reference tables	p12
Annex B: Terms and definitions	p17
Annex C: Acronyms and abbreviations	p20

For further information or to be added to the mailing list please contact:

UNSCO West Bank:

Astrid Marschatz [marschatz@un.org](mailto:marschatz@un.org)

UNSCO Gaza:

Raed Raqeb [raqeb@un.org](mailto:raqeb@un.org)

The UNSCO Socio-Economic Report is also accessible on [www.unsco.org](http://www.unsco.org).

Since 1996 UNSCO has continually monitored and reported on socio-economic conditions in the occupied Palestinian territory (oPt) and, in the process, established an extensive socio-economic database. UNSCO does not produce primary data but rather makes use of available data, that in the oPt are relatively abundant. The information that is available, however, often remains dispersed and is not automatically shared between institutions. The objective of the database is to collate a wide range of social and economic indicators in one location, and, through the report, present a broad perspective of socio-economic conditions in the oPt.

The purpose of the present report is to: 1) broaden the access to the information contained in the database through publication of the most recent data gathered; and 2) provide readers with up-to-date information on short term changes in socio-economic conditions in the occupied Palestinian territory.

The report is divided into seven sections, as follows:

Section I. consists of a one-page fact sheet that provides a snapshot view of the socio-economic situation for the current and previous reporting periods.

Sections II. and III. report on the macro-economic and fiscal situation, and sections IV. and V. give an overview of developments in the banking and private sectors, respectively. Section VI. deals with trade, and Section VII. is dedicated to issues on Gaza.

Two annexes provide detailed reference information. Annex A presents detailed statistical reference tables, and Annex B lists the main socio-economic terms used in this report along with their corresponding definitions.

Topics of current interest are analyzed in-depth in periodic "Supplements".

Most sections provide data on the six preceding reporting periods for each indicator and a reference period.

*Note: The data for the West Bank and the oPt in this report do not include occupied East Jerusalem unless otherwise specified.*

## I. SOCIO-ECONOMIC FACT SHEET - SEPTEMBER 2012

Key macroeconomic indicators					
Production		Q2/2000	Q1/2012	Q2/2012	Change in Q2/2012 (%)
GDP (constant 2004 prices, US\$ million)		a/	1,580 <sup>b/</sup>	1,722 <sup>b/</sup>	9.0 <sup>b/</sup>
GDP rate of change (year-on-year, constant 2004 prices, %)		a/	5.6 <sup>b/</sup>	7.7 <sup>b/</sup>	----
GDP per capita (annualized, constant 2004 prices, US\$)		a/	1,579 <sup>b/</sup>	1,708 <sup>b/</sup>	8.2 <sup>b/</sup>
Prices		Aug 2000	Aug 2012	Sep 2012	Year-on-year (Sep 2012)
Change in prices (CPI, %)	Total <sup>c/</sup>	-0.9	1.5	1.4	4.1
	East Jerusalem	-1.1	1.6	1.5	4.5
	West Bank	-0.6	2.2	2.2	6.5
	Gaza Strip	-0.8	0.3	1.3	1.2
Labor market		Q2/2000	Q1/2012	Q2/2012	Change in Q2/2012 (%)
Labor force (thousands)	Total	706.2	1,094.5	1,109.3	1.4
	West Bank	483.8	731.2	738.2	1.0
	Gaza Strip	222.4	363.3	371.1	2.1
Unemployment rate (%)	Total	8.8	23.9	20.9	----
	West Bank	6.5	20.1	17.1	----
	Gaza Strip	13.8	31.5	28.4	----
Adjusted unemployment rate (%)	Total	18.5	27.4	24.9	----
	West Bank	15.8	24.1	21.5	----
	Gaza Strip	24.2	34.1	31.6	----
Public sector					
		Jan 2011	Aug 2012	Sep 2012	Change in Sep 2012 (%)
Government total net revenue (cash basis, NIS million)		605.9	658.4	1,269.6	92.8
Government wage expenditure (cash basis, NIS million)		499.6	526.6	543.6	3.2
Government non-wage expenditure (cash basis, NIS million)		223.0	321.0	461.4	43.7
Government net lending (cash basis, NIS million)		42.4	61.6	106.0	72.1
Government balance (cash basis, NIS million)		-171.3	-304.3	48.5	
External budget support (NIS million)		113.3	399.8	110.8	-72.3
Banking sector					
		Q2/2000	Q2/2012	Q3/2012	Change in Q3/2012 (%)
Bank credit (US\$ million)		1,234	3,849	3,829	-0.5
Bank deposits (US\$ million)		3,328	6,911	7,201	4.2
Loan-to-deposit ratio (%)		37.1	55.7	53.2	----
Private sector					
		Aug 2000	Aug 2012	Sep 2012	Change in Sep 2012 (%)
New company registrations	Total	231	92	103	12.0
	West Bank	137	74	79	6.8
	Gaza Strip	94	18	24	33.3
Area licensed for new construction (thousand m <sup>2</sup> )	Total	530.3	576.6	564.7	-2.1
	West Bank	345.7	294.1	270.0	-8.2
	Gaza Strip	184.6	282.5	294.6	4.3
Gaza Strip					
Truck movement		Aug 2000	Aug 2012	Sep 2012	Change in Sep 2012 (%)
Gaza Strip imports (truckloads) <sup>d/</sup>	Karni (conveyor belt/chute)	4,373	0	0	0.0
	Sufa	4,384	0	0	0.0
	Rafah	953	0	0	0.0
	Kerem Shalom	0	5,169	4,620	-10.6
	Kerem Shalom (fuel)	0	100	107	7.0
	Nahel Oz	904	0	0	0.0
Gaza Strip exports (truckloads) <sup>d/</sup>	Karni	2,460	0	0	0.0
	Kerem Shalom	0	3	0	-100.0
Closure		Aug 2000	Complete closure-Sep 2012		Partial closure-Sep 2012
Effective closure days (%)	Karni (conveyor belt)	0	100		0
	Kerem Shalom	n.a.	32		0
	Nahal Oz (fuel)	0	100		0
	Sufa (aggregates)	0	100		0
	Rafah (commercial)	0	100		0
	Rafah (passenger)	0	3		97

**Sources:** PCBS: production, prices, labor market; MoF: public sector; PMA: banking sector; MoNE: new company registrations; Engineering Offices and Consulting Firms: area licensed for new construction; MoNE and General Petroleum Corporation: Gaza truck movement; UNSCO: closure and Gaza truck movement.

a/ Data not available.

b/ Preliminary data.

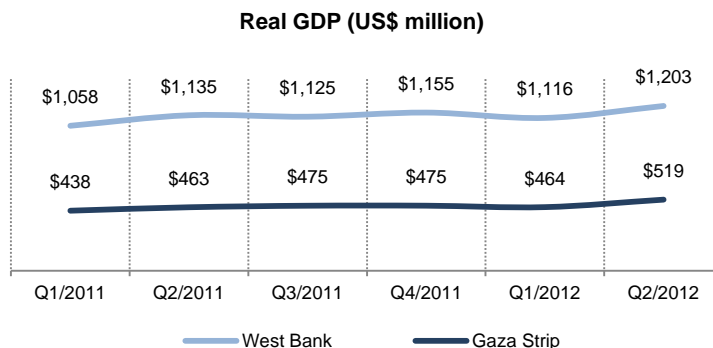
c/ Includes data for occupied East Jerusalem.

d/ MoNE data for August 2000 do not include aggregates or aid flows.

## II. MACRO-ECONOMIC SITUATION

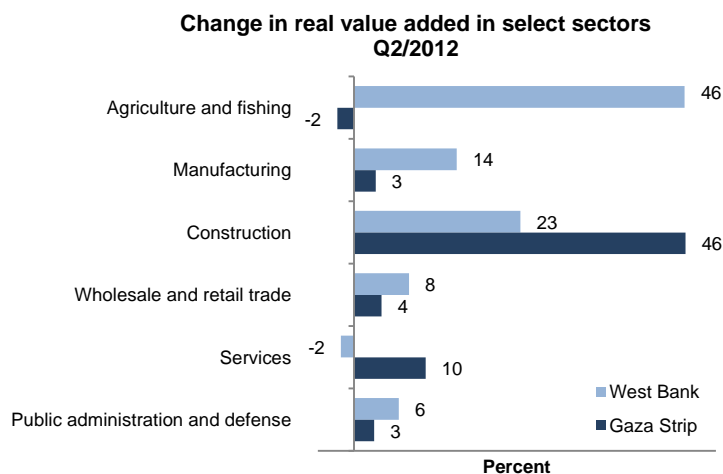
### II.a Production

Real GDP increased by 9% in Q2/2012 compared to Q1/2012, and was almost 8% higher than in the same quarter a year earlier. In Q2/2012, real GDP increased by 8% in the West Bank (6% year-on-year) and by 12% in the Gaza Strip (12% year-on-year as well), compared to Q1/2012. Real GDP reached US\$1,722 million in the second quarter of 2012 (US\$2,568 million in nominal terms), of which 70%, or US\$1,203 million, was generated in the West Bank and 30%, or US\$519 million, in the Gaza Strip.



Source: PCBS.  
Note: Base year is 2004.

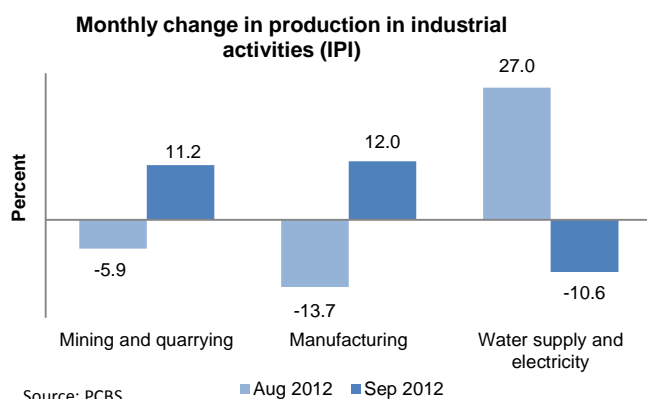
In the Gaza Strip, the construction sector displayed the greatest expansion in Q2/2012, increasing in real value added by 46% during the quarter and by 54% from the Q2/2011. Construction is the third largest sector in the Gaza economy, accounting for 19% of GDP. This sector was followed by services, which increased by 10% from



Source: PCBS.  
Note: Base year is 2004.

Q1/2012 and by 18% compared to Q2/2011, accounting for 33% of total GDP, thus remaining the largest sector in the Gaza economy. In the wholesale and retail trade sector, value added increased by 4% in Q2/2012 compared to the previous quarter, and it was 1% higher than in Q2/2011. In the public administration and defense sector, the second largest sector in the economy, value added was 3% higher than in Q1/2012 and 1% higher than in Q2/2011. Similarly, in the manufacturing sector, real value added increased by 3% in Q2/2012 compared to Q1/2012 but was 7% less than in Q2/2011. Value added in agriculture and fishing actually diminished in Q2/2012, by 2% compared to Q1/2012 and by 41% compared to Q2/2011.

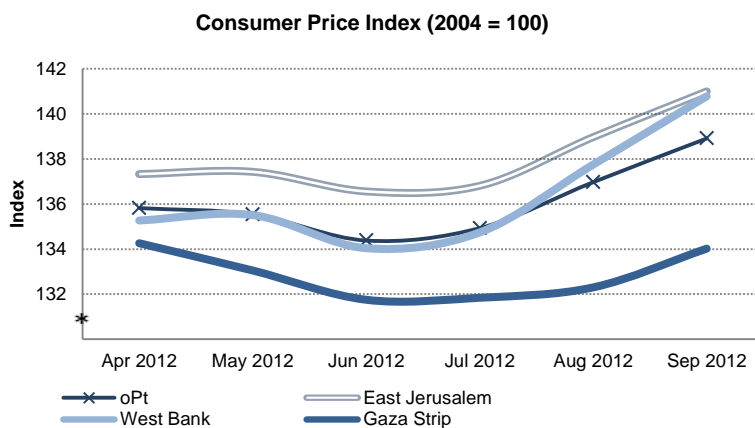
In the West Bank, real value added in the agriculture and fishing sector expanded by 46% in Q2/2012 compared to Q1/2012 and was 21% higher than in Q2/2011. The second highest increase was seen in the construction sector, where value added increased by 23% during Q2/2012, but this level was 6% lower than in Q2/2011. In the case of manufacturing, real value added increased by 14% in Q2/2012 compared to Q1/2012, but remained almost unchanged compared to Q2/2011. Wholesale and retail trade expanded by 8% during the quarter, and value added was 12% higher than in Q2/2011. Even though value added in public administration and defense increased by 6% during the quarter, it remained almost unchanged compared to Q2/2011. Finally, the services sector shrank by 2% in Q2/2012 compared to Q1/2012 but its value added was 9% higher than in Q2/2011, accounting for 18% of GDP, thus remaining the largest sector in the West Bank economy.



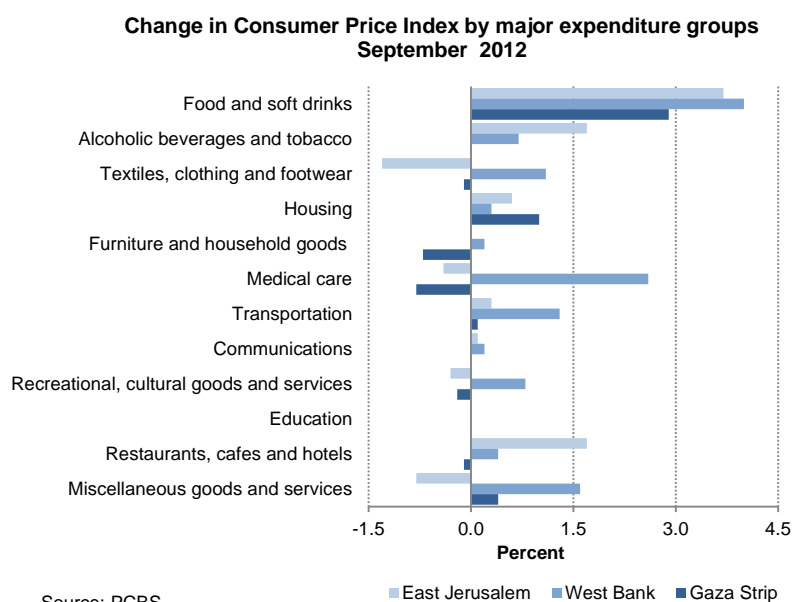
The Industrial Production Index (IPI), used to gauge short term changes in productive activity, increased by 6.7% in September 2012 compared to August of the same year. Productive activity in the manufacturing sector (which has a share of 80.6% in the IPI) increased by 12.0% during the month. It increased by 11.2% in the mining and quarrying sector (with a share of 4.6%), but it decreased by 10.6% in the water supply and electricity sector (with a share of 14.9% in the IPI).

## II.b Prices

The Consumer Price Index (CPI), used to measure inflation, increased by 1.4% in September 2012 compared to August of the same year, whereas it increased by 4.1% compared to September 2011. Prices in the food and soft drinks sector, alcoholic beverages and tobacco, housing, transportation and medical care increased the most during the month. Price decreases during September 2012 were detected in the textiles, clothing and footwear sector, as well as furniture and household goods.



The CPI increased by 2.2% in the West Bank in September 2012 compared to August (and 6.5% compared to September 2011). Food and soft drinks, medical care, miscellaneous goods and services, transportation and textiles, clothing and footwear showed the greatest price increases during the month. Prices did not decrease in any category in the West Bank in September 2012.



In East Jerusalem the CPI increased by 1.5% in September 2012 (and 4.5% compared to September 2011). The greatest price increases were in food and soft drinks, alcoholic beverages and tobacco, restaurants, cafes and hotels, housing, and transportation. The prices for textiles, clothing and footwear and miscellaneous goods and services, decreased the most during the month.

The CPI increased by 1.3% in the Gaza Strip in September 2012 (and 1.2% compared to September 2011). The greatest price increases were in food and soft drinks, housing and miscellaneous goods and services. The prices for medical care and furniture and household goods saw the biggest decreased during the month.

## II.c Exchange rates

The New Israeli Shekel (NIS) rose against the US dollar in September 2012 but it fell against the Euro. The Jordanian Dinar (JOD) also fell against the Euro while its exchange rate to the US dollar remained fixed at 0.71.

Average monthly exchange rates							
	Aug 2000	Apr 2012	May 2012	Jun 2012	Jul 2012	Aug 2012	Sep 2012
NIS/US\$	4.05	3.75	3.83	3.89	3.99	4.02	3.95
NIS/Euro	3.66	4.94	4.90	4.88	4.91	4.98	5.07
JOD/US\$	0.71	0.71	0.71	0.71	0.71	0.71	0.71
JOD/Euro	0.64	0.93	0.91	0.89	0.87	0.88	0.91

Source: Bank of Israel, Central Bank of Jordan.

## II.d Labor market

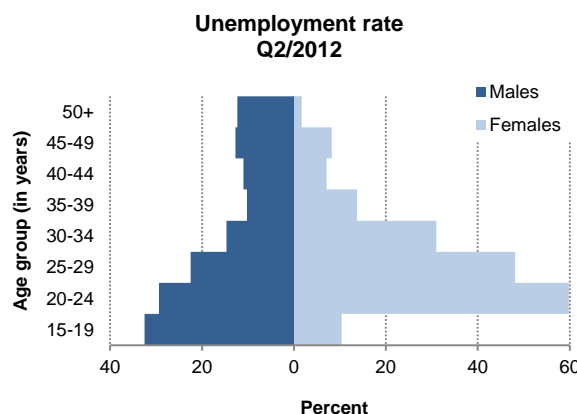
In Q2/2012, 44% of persons aged 15 years and above, or approximately 1.1 million persons, participated in the labor force, including about 738,200 people in the West Bank and 371,100 in the Gaza Strip. The labor force participation rate was 44% in Q2/2012, remaining basically unchanged at 45% in the West Bank and 40% in the Gaza Strip in Q2/2012.

Labor force participation rate (%) (Labor force in thousands)							
	Q2/2000	Q1/2011	Q2/2011	Q3/2011	Q4/2011	Q1/2012	Q2/2012
West Bank	45.3 (483.8)	43.2 (672.7)	45.3 (711.1)	46.2 (732.1)	47.3 (754.9)	45.4 (731.2)	45.4 (738.2)
Gaza Strip	40.1 (222.4)	37.0 (324.2)	38.1 (336.8)	39.0 (348.7)	39.5 (356.3)	39.9 (363.3)	40.3 (371.1)
oPt	43.5 (706.2)	41.0 (996.9)	42.7 (1047.9)	43.6 (1080.8)	44.4 (1111.2)	43.4 (1094.5)	43.6 (1109.3)

Source: PCBS.

The overall unemployment rate decreased from 24% in Q1/2012 to 21% in Q2/2012, but it was two percentage points higher than in Q2/2011. The unemployment rate shows great variations with sex and age. In particular, women and young persons in the labor force are relatively more affected by the lack of jobs. As the unemployment rate for men decreased by three percentage points and that of women by two percentage points in Q2/2012, women's unemployment rate remained more than ten percentage points above men's (30% vs. 19%).

Likewise, unemployment continues to affect younger age groups more than older ones. In Q2/2012, unemployment rates decreased for women in all age groups except for those aged 15 to 19 years and 25 to 29. Unemployment affected 60% of women between 20 and 24 years of age and 48% of those women in the 25-to-29-year age group. For men, unemployment rates decreased for all age groups in Q2/2012 but still affected 33% of 15-to-19-year olds and 30% of those aged between 20 and 24.



Source: PCBS.

The average duration of the period of unemployment increased from 10.4 months in Q1/2012 to 10.7 months in Q2/2012. The gap between the West Bank and Gaza has been widened as the average period of unemployment increased slightly in the Gaza Strip in Q2/2012 but decreased in the West Bank. Similarly, in Q2/2012 the period of unemployment was longer for women than for men, with differentials of 3 and more than 7 months in the West Bank and in the Gaza Strip, respectively.

**Average duration of unemployment (in months)  
Q2/2012**

	Female	Male	Total
West Bank	9	6	6
Gaza Strip	21	14	16
oPt	15	9	11

Source: PCBS.

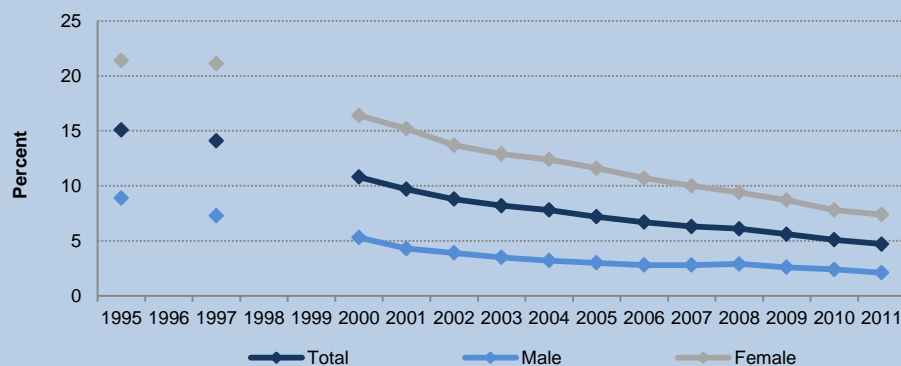
## Illiteracy

Illiteracy rates in the oPt have substantially declined since 1995. Illiteracy has decreased by more than two-thirds, from 15% of people aged 15 years and older in 1995 to 5% in 2011, according to data recently published by PCBS.

Illiteracy among women has been reduced by approximately two-thirds, from 21% in 1995 to 7% in 2011. For men, the illiteracy rate was cut by three-quarters, from 9% to 2%.

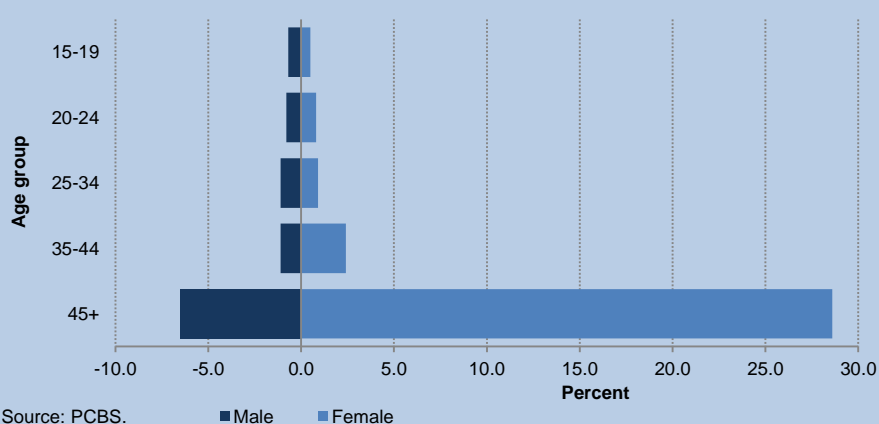
The absolute gap between male and female illiteracy rates has been reduced, from 13 percentage points in 1995 to 5 percentage points in 2011. Yet, in 2011, women were, on average, 3.5 times as likely to be illiterate as men, whereas they had been 2.4 times as likely to be illiterate in 1995.

**Illiteracy rates in the oPt among people aged 15 years and older**



Source: PCBS.

**Illiteracy rate by sex and age, 2011**



Source: PCBS.

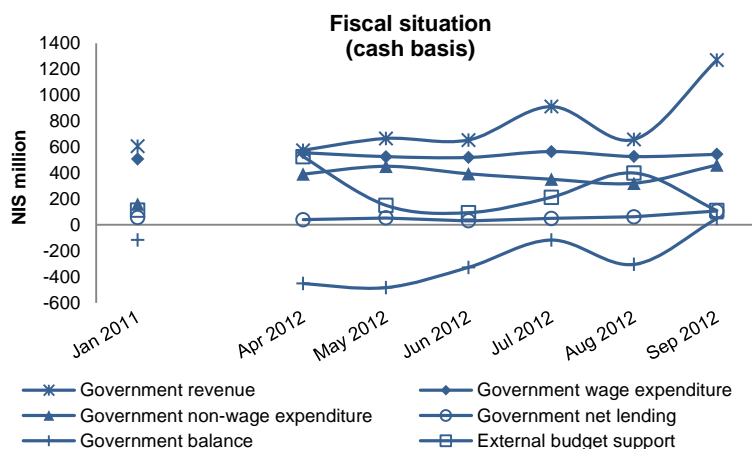
The gender gap in illiteracy is mostly due to the high illiteracy rate for women above the age of 45 years, which, at 29%, was four times higher than for men of the same age group. In the 35-44 years age group, women were, on average, twice as likely to be illiterate as men. In the 25-34 years age group there was hardly any difference between the sexes and in the 20-24 years age group, they were on par. Women aged 15 to 19 years have a lower illiteracy rate than men of the same age group, although the difference is small.

Source: PCBS.



### III. PUBLIC SECTOR

Government net revenue (cash basis) was 93% higher in September 2012 compared to August, and was 78% higher than in September 2011, reaching NIS1269.6 million. Non-tax revenue, which represents only 6% of total net revenue, increased by 43% during the month, but was 35% lower than in September 2011. Tax revenue, which represents 14% of total net revenue, increased by 60% from August to September 2012, and increased by 38% compared to September 2011. Clearance revenue accounts for 82% of total net revenue and was 109% higher in September 2012 than in August, reaching a level 127% higher than in September 2011.



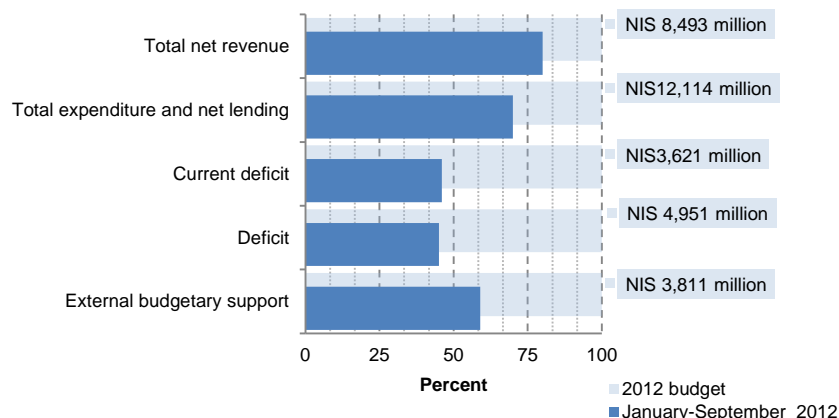
Source: Ministry of Finance.

Note: This graph updates information from previous months with information available as of 15 October 2012.

Total expenditure plus net lending reached NIS1,111.1 million in September 2012. Government wage expenditure increased by 3% from August to September 2012, and was 5% higher than in September 2011. Non-wage expenditure increased by 44% in September 2012 compared to August, and was 27% higher than in September 2011. The government's net lending increased by 72% from August to September 2012, reaching a level 143% higher than in September 2011. The resulting current surplus amounted to NIS158.5 million, and the overall surplus (after development expenditure) reached NIS48.5 million at the end of September 2012. External budgetary support reached NIS110.8 million in September 2012.

The PA's 2012 approved budget amounts to NIS13,444 million, based on a projected total net revenue of

**Fiscal revenue, expenditure and deficit in January-September 2012 compared to 2012 budget**



Source: Ministry of Finance.

Note: This graph updates information from previous months with information available as of 15 October 2012.

NIS8,493 million, and total expenditure plus net lending of NIS12,114 million. Nine months into the year, the PA's total revenue equaled 80% of the annual budgeted amount, and total expenditure plus net lending equaled 70%. The current deficit reached 46% of the annual budgeted amount, and the overall deficit was 45% of the annual budgeted amount. External budgetary support at the end of September 2012 was only 59% of the annual budgeted amount.

## IV. BANKING SECTOR

In Q3/2012, the volume of credit decreased by less than 1% to US\$3,829 million compared to Q2/2012. Most of bank credit is in the form of loans, and their size relative to total bank credit increased by four percentage points to 74% in Q3/2012. At the same time, the proportion of overdrafts in total credit decreased by four percentage points to 26%. The proportion of leasing in total bank credit increased slightly (see further details in Table A4 in Annex A).

**Distribution of bank credit by type (%)**  
(Bank credit by type in million US\$)

	Q1/2008	Q2/2010	Q3/2011	Q4/2011	Q1/2012	Q2/2012	Q3/2012
Loans	59.9 (1,061)	67.3 (2,354)	72.7 (2,387)	71.3 (2,534)	70.1 (2,566)	70.3 (2,706)	73.9 (2,829)
Overdrafts	39.5 (701)	32.5 (1,138)	27.1 (890)	28.4 (1,010)	29.6 (1,083)	29.5 (1,134)	25.9 (990)
Leasing	0.6 (11)	0.2 (8)	0.3 (8)	0.2 (9)	0.2 (9)	0.2 (9)	0.3 (10)
<b>Total</b>	<b>100.0</b> <b>(1,773)</b>	<b>100.0</b> <b>(3,500)</b>	<b>100.0</b> <b>(3,285)</b>	<b>100.0</b> <b>(3,553)</b>	<b>100.0</b> <b>(3,658)</b>	<b>100.0</b> <b>(3,849)</b>	<b>100.0</b> <b>(3,829)</b>

Source: PMA.

Note: The totals may not be exactly equal to the sum of percentages due to rounding.

Q3/2012 saw an increase of 4% in total bank deposits. Public sector deposits, which account for 8% of total deposits, increased by 10% during the quarter, while private sector deposits increased by 4%. Deposits from residents, which account for 97% of total private sector deposits, increased by 4%, while those of non-residents increased by close to 5%.

**Distribution of bank deposits (in million US\$)**

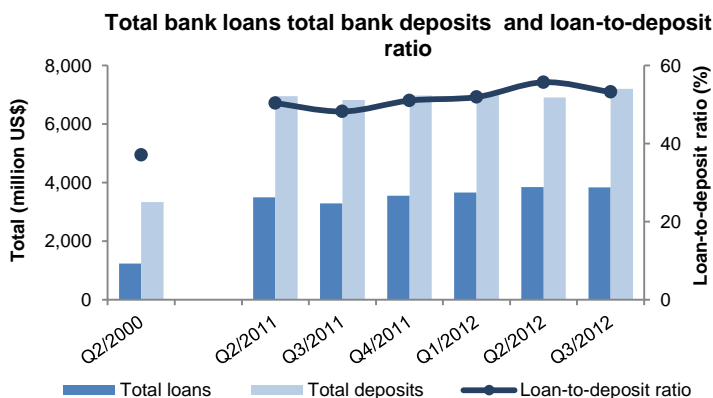
	Q2/2000	Q2/2011	Q3/2011	Q4/2011	Q1/2012	Q2/2012	Q3/2012
Public institutions and local authorities	56.5	156.5	152.7	147.4	146.5	162.6	146.9
Government	115.1	399.8	370.1	437.1	419.6	353.2	419.5
<b>Total public sector deposits</b>	<b>171.6</b>	<b>556.3</b>	<b>522.9</b>	<b>584.5</b>	<b>566.1</b>	<b>515.9</b>	<b>566.4</b>
Residents	3,082.6	6,204.3	6,095.6	6,192.3	6,276.1	6,180.6	6,409.2
Non-residents	14.6	189.7	202.1	195.7	203.2	215.0	225.2
<b>Total private sector deposits</b>	<b>3,097.2</b>	<b>6,394.0</b>	<b>6,297.7</b>	<b>6,388.0</b>	<b>6,479.3</b>	<b>6,395.6</b>	<b>6,634.4</b>
<b>Total deposits (public and private sectors)</b>	<b>3,268.8</b>	<b>6,950.4</b>	<b>6,820.5</b>	<b>6,972.5</b>	<b>7,045.4</b>	<b>6,911.5</b>	<b>7,200.8</b>

Source: PMA

Note: Data do not include deposits of the PMA and commercial banks.

Current accounts are the main form of deposits for residents and non-residents, as well as for the government. (See further details in Table A5 in Annex A).

The loan-to-deposit ratio decreased from 56% to 53% in Q2/2012. (See further details in Table A6 in Annex A.)



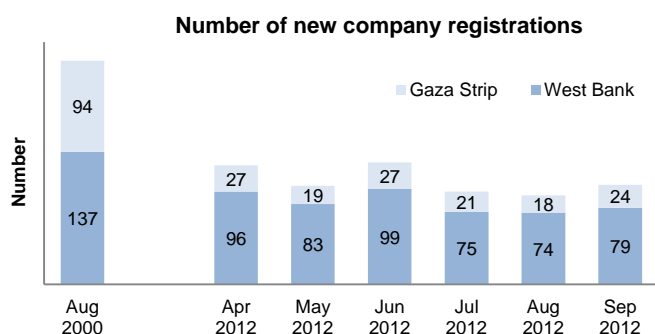
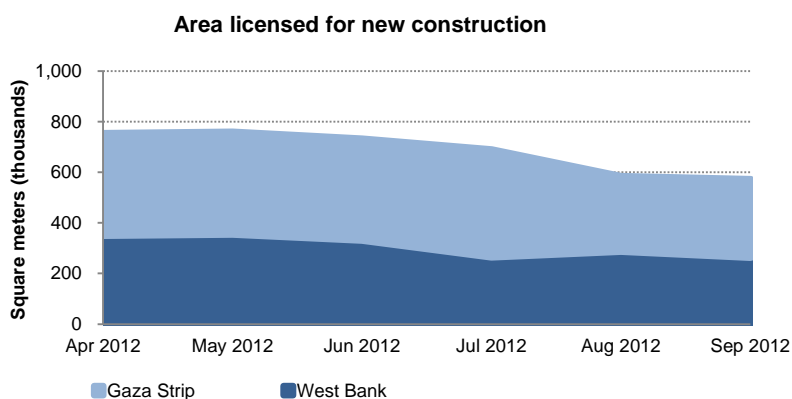
Source: PMA



## V. PRIVATE SECTOR

In September 2012, the area licensed for new construction in the West Bank decreased by 8% compared to the previous month.

In the Gaza Strip there was an increase of 4% in the area licensed for new construction in September 2012. (See further details in Table A8. in Annex A.)



The number of new companies being registered in the West Bank in September 2012 increased by five compared to August 2012, from 74 to 79.

In Gaza, 24 new companies were registered in September 2012, 6 more in the August 2012. (See further details in Table A7 in Annex A.)

Forty-eight companies from five main economic sectors (banking and financial services, insurance, investments, industry, and services) are currently listed in the Palestinian Stock Exchange. By the end of September 2012, market capitalization increased by 2.3% to under US\$2.7 billion.

Securities trade							
	Aug 2000	Apr 2012	May 2012	Jun 2012	Jul 2012	Aug 2012	Sep 2012
Number of shares traded (million)	7.00	13.7	14.3	12.1	5.4	5.0	7.6
Value of shares traded (million US\$)	13.0	31.3	26.3	16.8	7.8	8.6	14.6
AI-Quds index (close)	265.23	467.41	449.74	444.00	442.27	432.42	445.76

Source: Palestine Securities Exchange.

In September 2012, the number of shares traded increased by 50% and the value of shares traded increased by 71% compared to the previous month. Of the 36 companies traded in the month, 12 were gainers, 19 were decliners and 5 companies were stable. The AI-Quds index decreased by 3.1% in September 2012.

Sixteen percent of owners/managers of active industrial enterprises in the West Bank reported a general improvement in their enterprise's performance in Q3/2012 compared to Q2/2012, and close to 10% perceived improvements during the quarter in obtaining needed raw materials or inputs and in transporting finished goods to market. Expectations for improvements to come in Q3/2012 are nonetheless high, with more than a fifth of owners/managers expecting an improvement in the enterprise's general performance in the third quarter. Fewer expected improvements in obtaining needed raw materials (9%) and inputs or in transporting finished goods to market (12%).

**Proportion of owners/managers of the active industrial enterprises who experienced/expect improvements**

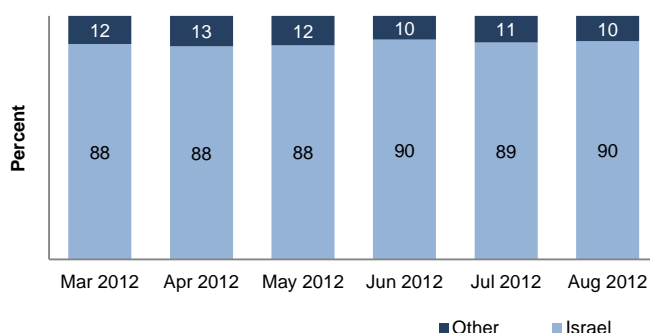
	Improvement experienced in Q3/2012		Improvement expected in Q4/2012	
	West Bank	Gaza Strip	West Bank	Gaza Strip
Enterprise's performance in general	16	29	22	71
Obtaining needed raw materials and inputs	10	31	9	71
Transporting finished goods to market	10	31	12	71

Source: PCBS.

In Gaza, 29% of owners/managers experienced improvements in the enterprise's general performance in Q3/2012, while 31% perceived an improvement in obtaining needed raw materials and inputs and 21% in transporting finished goods to market. Still, 71% of owners/managers expect an improvement in all these categories in Q4/2012.

## VI. TRADE

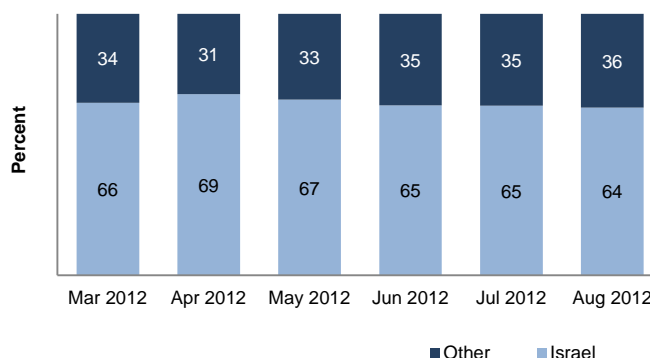
**Goods exports from the oPt by destination  
August 2012**



Source: PCBS.

Registered exports of goods decreased by 7% in August 2012 compared to July, and were almost 10% lower than a year earlier, amounting to approximately US\$57.3 million. Palestinian exports of goods to Israel decreased by 6% during the month, while exports to other countries decreased by 11%. Israel therefore continues to be the main market for Palestinian goods, absorbing 90% of registered goods exports from the oPt in August 2012.

**Goods imports to the oPt by origin  
August 2012**



Source: PCBS.

Registered imports of goods decreased by 3% in August 2012 compared to July, but were 4% higher than a year earlier, amounting to approximately US\$357.2 million. Imports from Israel decreased by 4% during the month, and imports from other countries decreased by less than 1% compared to July 2012. Still, imports from Israel represented 64% of total Palestinian imports during the month.

A goods trade deficit of US\$299.8 million was recorded in August 2012, reflecting a 2% decrease from the July (and a 7% increase from the same month a year earlier).

## VII. GAZA STRIP

There was a 16% increase in the amount of cooking gas imported to the Gaza Strip in September 2012 compared to the previous month, with 2,388 tons allowed in through the Kerem Shalom (Karem Abu Salem) crossing. In September 2012, 34,200 liters of petrol and 151,100 liters of diesel were imported for UNRWA.

**Volume of registered fuel sales in the Gaza Strip**

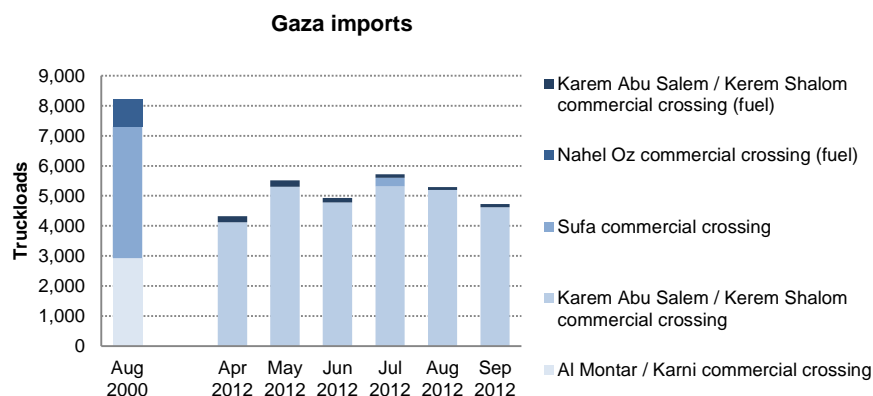
	Aug 2000	Apr 2012	May 2012	Jun 2012	Jul 2012	Aug 2012	Sep 2012
	<b>Nahal Oz</b>	<b>Kerem Shalom</b>					
Petrol (1000 liter)	3,188.9	643.6	254.2	32.0	33.7	69.6	34.2
Diesel (1000 liter)	11,343.0	1,422.0	936.9	542.7	222.6	274.0	151.1
White diesel (1000 liter)	243.1	0.0	34.2	0.0	0.0	0.0	0.0
Cooking gas (1000 ton)	1.9	3.4	4.3	3.2	2.6	2.1	2.4
Industrial diesel (1000 liter)	n.a	6,714.3	4,540.5	5,035.9	4,153.3	382.6	590.6

*Source:* General Petroleum Corporation, Ministry of National Economy.

In September 2012, the number of truckloads (including fuel) imported into the Gaza Strip decreased by 11% compared to August 2012. (See further details in Table A9 in Annex A.)

The proportion of truckloads with food items among imports decreased by four percentage points and made up 34% of imported goods (1,579 truckloads) in September 2012, while the remaining 66% of imports (3,041 truckloads) were non-food items.

A total of 1,371 truckloads entering Gaza brought materials for approved international building projects, including 1,129 truckloads (78,890 tons) of gravel, 199 truckloads (7,455 tons) of cement and 43 truckloads (1,348 tons) of steel bars for UNRWA, UNDP ANERA, USAID, Coastal Municipalities Water Utility, and the Palestinian Water Authority building projects.

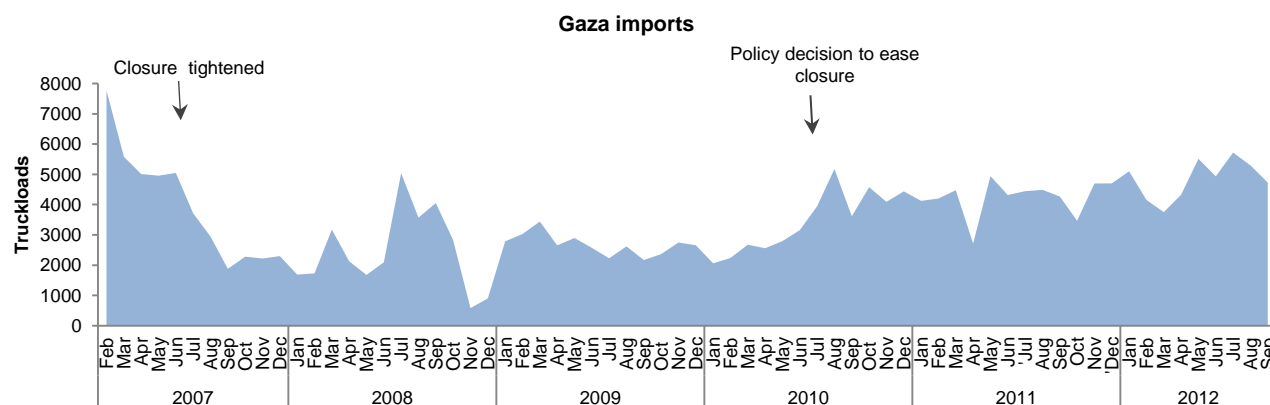


*Source:* Ministry of National Economy.

Note: Truckload imports exclude industrial diesel supplies to power plant.

Note: Karni crossing has remained closed since 12 June 2007 for the movement of goods in and out of Gaza, and on 1 March 2011, Israel closed the conveyor belt at Karni, too

Following the June 2010 decision to ease the closure of Gaza, monthly import levels have averaged around 4,406 truckloads.



Source: Ministry of National Economy.

Note: The figures exclude gravel imported through Karni in February-May 2007, as well as imports through Rafah and Erez.

On 8 December 2010 Israel announced its intention to gradually expand the number and range of exports permitted from Gaza. According to this announcement, allowed exports would include agricultural produce, furniture and textiles.

<b>Gaza exports</b>			
	<b>Total number of trucks</b>	<b>Goods</b>	<b>Destinations</b>
<b>January 2012</b>	69	Straw berries (53 trucks/172.1 tons) Carnations (9 trucks/1,205,550 stems) Cherry tomatoes (4 trucks/29.30 tons) Sweet peppers (3 trucks/12 tons)	Europe
<b>February 2012</b>	29	Straw berries (1 truck/3 tons) Carnations (16 trucks/2,384,300 stems) Cherry tomatoes (5 trucks/35.20 tons) Sweet peppers (2 trucks/3.4 tons) Tomatoes (5 trucks/55 tons)	Europe
<b>March 2012</b>	22	Carnations (18 trucks/2,718,000 stems) Cherry tomatoes (1 truck/7 tons) Tomatoes (3 trucks/54 tons)	Saudi Arabia Europe Jordan
<b>April 2012</b>	18	Carnations (18 trucks/2,490,000 stems)	Europe
<b>May 2012</b>	5	Tomatoes (4 trucks/62 tons) Clothes (1 truck/2,040 pieces)	Jordan Britain
<b>June 2012</b>	1	Furniture (1 truck/7.5 tons)	Jordan
<b>July 2012</b>	1	Clothes (1 truck/2,070 pieces)	Britain
<b>Aug 2012</b>	3	Tomatoes (3 trucks/40 tons)	Saudi Arabia
<b>Sep 2012</b>	0		

Source: Palestinian Agricultural Relief Committees, Ministry of National Economy.

Note: According to the Palestinian Wood Industries Union, furniture was shipped from Gaza in June 2012 to an exhibition in Jordan under the condition that the furniture be sold in Jordan afterwards and not be sent back to Gaza, therefore being considered here as an export. Six companies from Gaza participated at the event, exhibiting bedroom, dining room, living room and children's bedroom furniture.

In September 2012, the World Food Program coordinated the transfer of 11 truckloads of school furniture and 7 truckloads (77 tons) of date bars and to the West Bank from the Gaza Strip through the Kerem Shalom commercial crossing.

# ANNEX A: Statistical reference tables

**Table A1.**  
**Consumer price index (2004=100) by major expenditure group**

	Apr 2012	May 2012	June 2012	July 2012	Aug 2012	Sep 2012
<b>oPt (including occupied East Jerusalem)</b>						
Food and soft drinks	150.7	149.9	146.7	148.3	151.2	155.7
Alcoholic beverages and tobacco	168.6	169.8	169.2	169.1	179.9	181.3
Textiles, clothing and footwear	116.3	115.9	114.8	114.1	115.7	115.4
Housing	136.0	136.1	136.5	136.3	136.7	137.8
Furniture, household goods	115.3	115.8	115.7	116.0	117.9	117.7
Medical care	118.4	118.0	120.6	120.8	120.6	121.1
Transportation	129.5	129.6	129.1	128.5	130.0	130.7
Communications	107.9	108.0	107.4	107.3	107.4	107.5
Recreational, cultural goods & services	105.3	105.1	105.2	105.5	106.1	106.0
Education	119.4	119.4	119.4	119.4	119.4	119.4
Restaurants, cafes and hotels	150.0	150.3	150.5	151.0	150.2	150.6
Miscellaneous goods and services	130.2	129.6	131.2	131.2	132.0	132.2
<b>All items of consumer price index</b>	<b>135.8</b>	<b>135.5</b>	<b>134.4</b>	<b>134.9</b>	<b>137.0</b>	<b>138.9</b>
<b>East Jerusalem</b>						
Food and soft drinks	155.1	154.9	151.9	152.6	154.8	160.5
Alcoholic beverages and tobacco	170.3	173.7	172.8	172.6	183.3	186.4
Textiles, clothing and footwear	128.0	128.0	126.0	125.7	130.6	128.9
Housing	125.2	125.1	125.6	125.2	126.0	126.7
Furniture, household goods	114.1	115.7	115.2	114.7	117.7	117.7
Medical care	122.4	120.7	126.1	127.2	127.1	126.6
Transportation	143.5	143.8	142.6	143.3	145.3	145.8
Communications	103.4	103.5	103.5	103.5	103.6	103.8
Recreational, cultural goods & services	114.2	114.1	114.1	114.3	115.4	115.1
Education	119.6	119.6	119.6	119.6	119.6	119.7
Restaurants, cafes and hotels	152.0	152.6	157.0	158.2	157.0	159.7
Miscellaneous goods and services	121.0	120.2	121.5	121.2	122.4	121.4
<b>All items of consumer price index</b>	<b>137.3</b>	<b>137.4</b>	<b>136.6</b>	<b>136.8</b>	<b>139.0</b>	<b>141.0</b>
<b>West Bank</b>						
Food and soft drinks	147.8	148.5	143.9	145.8	150.1	156.1
Alcoholic beverages and tobacco	172.3	172.6	172.2	172.1	192.9	194.2
Textiles, clothing and footwear	107.9	107.3	108.6	107.3	108.2	109.5
Housing	147.0	147.1	146.3	146.7	147.2	147.6
Furniture, household goods	104.6	104.7	104.8	104.8	105.8	105.9
Medical care	121.3	121.6	122.5	123.0	122.5	125.7
Transportation	127.5	127.5	127.9	127.3	128.9	130.6
Communications	109.1	109.3	107.5	107.5	107.5	107.7
Recreational, cultural goods & services	93.9	93.6	97.0	97.6	97.7	98.5
Education	116.3	116.3	116.2	116.2	116.2	116.2
Restaurants, cafes and hotels	149.8	150.1	149.7	150.4	149.2	149.8
Miscellaneous goods and services	141.4	140.7	144.4	144.6	145.2	147.5
<b>All items of consumer price index</b>	<b>135.3</b>	<b>135.5</b>	<b>134.0</b>	<b>134.7</b>	<b>137.8</b>	<b>140.8</b>
<b>Gaza Strip</b>						
Food and soft drinks	151.6	148.8	145.6	145.8	146.9	151.2
Alcoholic beverages and tobacco	157.2	157.2	157.2	157.2	157.2	157.2
Textiles, clothing and footwear	108.3	107.5	106.2	105.9	104.2	104.1
Housing	131.4	131.7	132.8	132.1	132.2	133.6
Furniture, household goods	129.8	129.0	128.5	130.1	131.3	130.4
Medical care	100.9	100.5	100.4	99.5	99.5	98.7
Transportation	128.7	128.7	127.8	127.8	128.5	128.7
Communications	107.0	107.0	106.6	106.6	106.6	106.6
Recreational, cultural goods & services	97.9	97.9	97.7	97.8	97.8	97.6
Education	115.7	115.7	115.7	115.7	115.7	115.7
Restaurants, cafes and hotels	156.6	156.6	156.5	156.5	156.5	156.4
Miscellaneous goods and services	132.0	131.7	132.6	132.9	133.3	133.9
<b>All items of consumer price index</b>	<b>134.3</b>	<b>133.1</b>	<b>131.8</b>	<b>131.8</b>	<b>132.3</b>	<b>134.0</b>

Source: PCBS.

**Table A2.**  
**Rate of unemployment and adjusted unemployment (%)**

	Q2/2000	Q1/2011	Q2/2011	Q3/2011	Q4/2011	Q1/2012	Q2/2012
<b>oPt</b>							
Unemployment	8.8	21.7	18.7	22.4	21.0	23.9	20.9
Adjusted unemployment	18.5	27.7	24.0	26.8	24.8	27.4	24.9
<b>West Bank</b>							
Unemployment	6.5	17.4	15.4	19.7	16.6	20.1	17.1
Adjusted unemployment	15.8	23.8	21.2	23.9	20.5	24.1	21.5
<b>Gaza Strip</b>							
Unemployment	13.8	30.8	25.6	28.0	30.3	31.5	28.4
Adjusted unemployment	24.2	35.9	30.0	32.8	33.8	34.1	31.6

Source: PCBS, Labor Force Surveys.

**Table A3.**  
**Fiscal indicators (NIS million)**

	Jan 2011	Apr 2012	May 2012	Jun 2012	Jul 2012	Aug 2012	Sep 2012
Government revenue	605.9	574.9	666.1	654.4	911.3	658.4	1,269.6
Government wage expenditure	507.0	556.3	526.1	519.6	564.9	526.6	543.6
Government non-wage expenditure	159.1	390.7	451.6	393.8	351.9	321.0	461.4
Government net lending	55.6	40.2	53.0	31.9	49.4	61.6	106.0
Government balance	-116.7	-451.3	-483.3	-326.7	-116.9	-304.3	48.5
External budget support	113.3	526.1	151.0	94.3	212.9	399.8	110.8

Source: Ministry of Finance.

*Note: This table updates the information of tables from previous months and should be assumed to be the most accurate available on 15 October 2012.*

**Table A4.**  
**Bank credit by economic activity**

	Q2/2011	Q3/2011	Q4/2011	Q1/2012	Q2/2012	Q3/2012
<b>Total (in million US\$)</b>						
Total public sector	1,118	856	1,101	1,122	1,204	1,116
Total private sector	2,382	2,428	2,452	2,536	2,645	2,714
<i>Agriculture and food processing</i>	33	32	35	45	33	32
<i>Manufacturing and mining</i>	291	293	302	267	275	242
<i>Real estate, construction and land</i>	396	423	429	568	588	615
<i>Local and foreign trade</i>	501	498	491	539	556	563
<i>Transportation</i>	25	26	23	21	24	22
<i>Tourism, hotels, restaurants and others</i>	50	51	50	53	56	55
<i>Financial services</i>	65	68	27	22	22	19
<i>Public services</i>	316	310	268	265	255	242
<i>Investment in securities and financial tools</i>	70	68	66	65	55	66
<i>Cars and vehicles</i>	109	114	119	103	109	116
<i>Consumption</i>	319	366	417	420	497	548
<i>Other private sector</i>	207	180	225	169	175	193
<b>Total</b>	<b>3,500</b>	<b>3,285</b>	<b>3,553</b>	<b>3,658</b>	<b>3,849</b>	<b>3,829</b>
Total excluding total public sector and public	2,066	2,118	2,183	2,271	2,390	2,472
<b>Relative distribution (% of total)</b>						
Total public sector	31.9	26.1	31.0	30.7	31.3	29.1
Total private sector	68.1	73.9	69.0	69.3	68.7	70.9
<i>Agriculture and food processing</i>	0.9	1.0	1.0	1.2	0.9	0.8
<i>Manufacturing and mining</i>	8.3	8.9	8.5	7.3	7.1	6.3
<i>Real estate, construction and land</i>	11.3	12.9	12.1	15.5	15.3	16.1
<i>Local and foreign trade</i>	14.3	15.2	13.8	14.7	14.5	14.7
<i>Transportation</i>	0.7	0.8	0.6	0.6	0.6	0.6
<i>Tourism, hotels, restaurants and others</i>	1.4	1.6	1.4	1.5	1.5	1.4
<i>Financial services</i>	1.9	2.1	0.8	0.6	0.6	0.5
<i>Public services</i>	9.0	9.4	7.6	7.2	6.6	6.3
<i>Investment in securities and financial tools</i>	2.0	2.1	1.9	1.8	1.4	1.7
<i>Cars and vehicles</i>	3.1	3.5	3.3	2.8	2.8	3.0
<i>Consumption</i>	9.1	11.1	11.7	11.5	12.9	14.3
<i>Other private sector</i>	5.9	5.5	6.3	4.6	4.6	5.0
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
<b>Relative distribution excluding total public sector and public services (% of total)</b>						
Agriculture and food processing	1.6	1.5	1.6	2.0	1.4	1.3
Manufacturing and mining	14.1	13.8	13.8	11.8	11.5	9.8
Real estate, construction and land	19.2	20.0	19.7	25.0	24.6	24.9
Local and foreign trade	24.2	23.5	22.5	23.7	23.3	22.8
Transportation	1.2	1.2	1.0	0.9	1.0	0.9
Tourism, hotels, restaurants and others	2.4	2.4	2.3	2.3	2.3	2.2
Financial services	3.2	3.2	1.2	1.0	0.9	0.8
Investment in securities and financial tools	3.4	3.2	3.0	2.9	2.3	2.7
Cars and vehicles	5.3	5.4	5.4	4.5	4.6	4.7
Consumption	15.4	17.3	19.1	18.5	20.8	22.2
Other private sector	10.0	8.5	10.3	7.4	7.3	7.8
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Source: PMA.

Note: The totals may not be exactly equal to the sum of percentages due to rounding.



**Table A5.**  
**Bank deposits by sector and type (US\$ million)**

	Q2/2000	Q2/2011	Q3/2011	Q4/2011	Q1/2012	Q2/2012	Q3/2012
<b>Public sector deposits</b>							
<b>Public institutions and local authorities</b>							
Current accounts	17.3	82.2	81.9	81.3	79.1	88.5	83.8
Time deposits	39.2	74.3	70.9	66.1	67.4	74.1	63.1
<i>Sub-total public institutions and local authorities</i>	<i>56.5</i>	<i>156.5</i>	<i>152.7</i>	<i>147.4</i>	<i>146.5</i>	<i>162.6</i>	<i>146.9</i>
<b>Government</b>							
Current accounts	37.6	217.3	216.2	282.4	233.6	200.0	246.3
Time deposits	77.5	182.5	153.9	154.7	186.0	153.3	173.2
<i>Sub-total government</i>	<i>115.1</i>	<i>399.8</i>	<i>370.1</i>	<i>437.1</i>	<i>419.6</i>	<i>353.2</i>	<i>419.5</i>
<b>Total public sector deposits</b>	<b>171.6</b>	<b>556.3</b>	<b>522.9</b>	<b>584.5</b>	<b>566.1</b>	<b>515.9</b>	<b>566.4</b>
<b>Private sector deposits</b>							
<b>Residents</b>							
Current accounts	746.5	2,392.9	2,369.6	2,354.0	2,376.7	2,338.4	2,490.6
Savings accounts	440.4	1,925.9	1,900.0	1,977.9	2,048.5	2,043.4	2,081.0
Time deposits	1,895.7	1,885.5	1,826.0	1,860.5	1,851.0	1,798.8	1,837.6
<i>Sub-total residents</i>	<i>3,082.6</i>	<i>62,043.0</i>	<i>6,095.6</i>	<i>6,192.3</i>	<i>6,276.1</i>	<i>6,180.6</i>	<i>6,409.2</i>
<b>Non-residents</b>							
Current accounts	3.3	63.4	69.1	55.3	56.7	64.0	74.0
Savings accounts	2.4	49.1	49.2	49.2	50.0	54.8	57.4
Time deposits	8.9	77.3	83.8	91.2	96.5	96.2	93.7
<i>Sub-total non-residents</i>	<i>14.6</i>	<i>189.7</i>	<i>202.1</i>	<i>195.7</i>	<i>203.2</i>	<i>215</i>	<i>225.2</i>
<b>Total private sector deposits</b>	<b>3,097.2</b>	<b>6,394.0</b>	<b>6,297.7</b>	<b>6,388.0</b>	<b>6,479.3</b>	<b>6,395.6</b>	<b>6,634.4</b>
<b>Total deposits (public and private sectors)</b>	<b>3,268.8</b>	<b>6,950.4</b>	<b>6,820.5</b>	<b>6,972.5</b>	<b>7,045.4</b>	<b>6,911.5</b>	<b>7,200.8</b>

Source: PMA

Note: Data do not include deposits of the PMA and commercial banks.

**Table A6.**  
**Total loans, total deposits and loan-to-deposit ratio**

	Q2/2000	Q2/2011	Q3/2011	Q4/2011	Q1/2012	Q2/2012	Q3/2012
Total loans (US\$ million)	1,234	3,500	3,285	3,553	3,658	3,849	3,829
Total deposits (US\$ million)	3,328	6,950	6,821	6,972	7,045	6,911	7,201
Loan-to-deposit ratio (%)	37.1	50.4	48.2	51.0	51.9	55.7	53.2

Source: PMA.

**Table A7.**  
**Number of new company registrations by legal status**

	Aug 2000	Apr 2012	May 2012	Jun 2012	Jul 2012	Aug 2012	Sep 2012
<b>West Bank</b>							
Private	42	42	41	36	28	27	33
Private limited	95	49	39	61	42	41	43
Public limited	0	0	0	0	0	0	0
Foreign	0	3	2	1	2	2	1
Non-profit	0	2	1	1	3	4	2
<b>Total</b>	<b>137</b>	<b>96</b>	<b>83</b>	<b>99</b>	<b>75</b>	<b>74</b>	<b>79</b>
<b>Gaza Strip</b>							
Private	81	16	6	14	15	7	15
Private limited	12	11	13	13	6	11	9
Public limited	0	0	0	0	0	0	0
Foreign	1	0	0	0	0	0	0
<b>Total</b>	<b>94</b>	<b>27</b>	<b>19</b>	<b>27</b>	<b>21</b>	<b>18</b>	<b>24</b>

Source: Ministry of National Economy.

**Table A8.**  
**Area licensed for new construction (square meters)**

	Aug 2000	Apr 2012	May 2012	Jun 2012	Jul 2012	Aug 2012	Sep 2012
<b>West Bank</b>							
Ramallah, Al-Bireh and Jerusalem		159,213	89,367	136,104	74,984	96,955	74,668
Nablus		61,031	99,013	65,002	82,194	90,609	47,898
Tulkarm		19,456	30,823	23,743	9,336	7,504	10,306
Hebron		55,846	66,741	50,497	35,328	45,536	85,440
Bethlehem		30,193	39,642	27,342	38,785	31,016	15,265
Jenin		26,534	31,836	32,500	26,927	21,171	33,069
Qalqilya		4,785	4,381	2,704	4,031	1,286	3,400
Salfit		0	0	0	0	0	0
<b>West Bank Total</b>	<b>345,685</b>	<b>357,058</b>	<b>361,803</b>	<b>337,892</b>	<b>271,585</b>	<b>294,077</b>	<b>270,046</b>
<b>Gaza Strip</b>							
Northern District	27,902	85,115	73,875	64,295	59,025	24,652	51,654
Gaza	50,116	96,887	132,531	175,515	114,976	139,286	120,878
Al Wastah	15,984	85,212	99,114	30,530	30,791	45,235	42,375
Khan Younis	51,146	85,920	59,424	89,485	181,619	56,741	60,297
Rafah	39,429	36,194	25,203	26,910	24,122	16,595	19,440
<b>Gaza Strip Total</b>	<b>184,577</b>	<b>389,328</b>	<b>390,147</b>	<b>386,735</b>	<b>410,533</b>	<b>282,509</b>	<b>294,644</b>

Source: Engineering Offices and Consulting Firms.

**Table A9.**  
**Gaza truckload movement**

	Aug 2000	Apr 2012	May 2012	Jun 2012	Jul 2012	Aug 2012	Sep 2012
<b>Al Montar / Karni commercial crossing</b>							
Truckloads exports	992	0	0	0	0	0	0
Truckloads imports	2,923	0	0	0	0	0	0
<b>Karem Abu Salem / Kerem Shalom commercial crossing</b>							
Truckloads exports	0	18	5	1	1	3	0
Truckloads imports	0	4,123	5,298	4,781	5,316	5,196	4,620
<b>Sufa commercial crossing</b>							
Truckloads exports	0	0	0	0	0	0	0
Truckloads imports	4,384	0	0	0	286	0	0
<b>Nahe! Oz commercial crossing (fuel)</b>							
Truckloads imports	904	0	0	0	0	0	0
<b>Karem Abu Salem / Kerem Shalom commercial crossing (fuel)</b>							
Truckloads imports	0	203	216	152	118	100	107

Source: Ministry of National Economy (Aug 2000); General Petroleum Corporation (other periods).

Note: Truckload imports exclude industrial diesel supplies to powerplant.

## **ANNEX B: Terms and definitions**

---

### **Adjusted unemployment rate**

The adjusted unemployment rate presents the number of unemployed according to the relaxed definition as a percentage of the labor force. The relaxed definition of unemployment includes all persons aged 15 or over who are unemployed plus those who, during the reference period, are without work, are available for work but did not seek work (and therefore could not be classified as unemployed) because they felt that no work would be available to them.

The adjusted unemployment rate gives a broader measure of the unutilized supply of labor. The relaxation of the standard definition of unemployment makes sense in circumstances where the conventional means of seeking work are of limited relevance, where the labor market is largely unorganized, where labor absorption is inadequate or where the labor force is largely self-employed.

### **AI-Quds index**

This is the primary stock index of the Palestine Securities Exchange (PSE).

### **Area licensed for new construction**

This is the area licensed for construction in new and existing buildings.

### **Average daily net wage**

This average is calculated as the total net wages paid to all employees divided by total workdays. Wages received in different currencies are converted into New Israeli Shekels according to the exchange rate in the survey month.

### **Bank credit**

It measures the borrowing capacity provided to individuals, firms and organizations by the banking system in the form of loans or other types of credit. Credit is generally believed to contribute to economic growth.

### **Bank deposits**

Deposits are accounts maintained by a bank on behalf of customers. This indicator is often used to measure the safety of and people's trust in the banking system.

### **Consumer Price Index (CPI)**

The CPI is a statistical tool used to measure changes over time in the prices paid by households for a basket of goods and services that they customarily purchase for consumption. The CPI is used to measure inflation over time.

The main categories of goods and services included in the basket of goods are: fruits, vegetables and other food items, beverages, tobacco, textiles, clothing, footwear, furniture, household appliances, household utensils, fuel, power, transportation, communications, medical and pharmaceutical products, goods for personal care, services charges for public transport, communication, hospital care, and others, and school fees. Data on prices for consumers are collected through visits conducted by trained staff to selected markets including groceries, supermarkets, markets, restaurants, general services offices, hospitals, private schools, etc.

### **Effective/partial closure days**

Effective closure days are calculated by adding all days when a crossing is fully or partially closed, excluding weekends and holidays. Partial closure means that the crossing is closed for more than one hour but not for a full day, in which case it would be considered fully closed.

Weekends and holidays include all Saturdays, half the Fridays (since labor and commercial flows are about half their normal workday level on Fridays) and universally celebrated Jewish and Muslim holidays. Jewish and Muslim holidays which fall on Saturday or Friday are not counted as a holiday but as a Saturday (full day closure) or Friday (half day closure), respectively.

**Employed**

The “employed” comprise all persons are 15 years or over who were working at a paid job or business for at least one hour during the week prior to the survey, or who did not work but held a job or owned business from which they were temporarily absent (because of illness, vacation, temporarily stoppage, or any other reason) during the reference week.

**Exchange rate**

The price of one currency stated in terms of another currency is the exchange rate.

**Exports**

Exports are any good or commodity, shipped or otherwise transported out of the territory to another part of the world, typically for use in trade or sale. Export products or services are provided to foreign consumers by domestic producers.

**Gross Domestic Product (GDP)**

GDP is the total value of all goods and services produced within oPt in a given period of time.

When GDP is expressed in constant terms (real GDP), a deflator is used to adjust for changes in money-value.

Quarterly data are annualized by multiplying by 4.

**GDP per capita**

This is the result of the division of GDP by total population.

$$\text{GDP per capita} = \frac{\text{GDP}}{\text{population}}$$

**GDP rate of change**

The rate of change is the percentage change (increase or decrease) of GDP from the previous measurement cycle.

$$\text{GDP rate of change in period (t)} = \frac{\text{GDP in period (t)} - \text{GDP in period (t - 1)}}{\text{GDP in period (t - 1)}} \cdot 100\%$$

**Inflation rate**

The inflation rate is the percentage change in the price index over time.

$$\text{Inflation rate in period (t)} = \frac{\text{Price index in period (t)} - \text{Price index in period (t - 1)}}{\text{Price index in period (t - 1)}} \cdot 100\%$$

**Government total net revenue**

It measures the net inflows received by the government, including clearance revenue, tax refunds, and tax and non-tax revenue collected by the Ministry of Finance and other ministries for the consolidated Single Treasury Account (STA).

**Government wage expenditure**

This is the government’s outlay on the wages and salaries of permanent civilian and security employees.

**Government non-wage expenditure**

This is the part of government expenditure absorbed by operational expenditures, transfers and minor development and capital expenditures.

**Government net lending**

This term includes transfers to local government to cover clearance revenue, deductions by the Government of Israel for water and electricity, and services by the Ministry of Health and the Ministry of Agriculture.

**Government balance**

The government balance is the difference between the government’s total net revenue and its expenditures, including wage and non-wage expenditures, net lending and development expenditures.

**External budget support**

It consists of transfers of resources by donor countries to the Palestinian National Authority to help finance its budget.

**Imports**

Imports are the goods and services that are produced by the foreign sector and are purchased by the domestic economy.

**Industrial Production Index (IPI)**

This index is a statistical tool used for measuring changes in the volume of industrial production during a certain period of time. The index uses the change in volume of production for the largest establishment in each industry. The relative share for the main industrial activities represents the percent share of value added of the industrial institutions in 2009 in addition to the value added of olive presses.

**Labor force**

The labor force consists of all persons of working age (15 years or over) who are either employed or unemployed during a specified reference period.

$$\text{labor force} = \text{employed} + \text{unemployed}$$

Excluded from the labor force are those of working age who are neither working nor searching for work. These could be students, retired persons, those in prison, and homemakers.

**Loan-to-deposit ratio**

This ratio gives the amount of banks' loans divided by the amount of their deposits. The statistic is often used to assess the banking system's liquidity. If the ratio is too high it may imply that banks could not have enough liquidity to cover any unforeseen fund requirements. Conversely, if the ratio is too low banks may not be lending and earning as much as they could be.

$$\text{loan-to-deposit ratio} = \frac{\text{bank loans}}{\text{bank deposits}} \cdot 100\%$$

**Number of new company registrations**

This is the number of new companies that register with the Ministry of National Economy to conduct business operations in oPt.

**Number of shares traded**

It is the amount of shares that trade hands from sellers to buyers in the market over a given period.

**Underemployment**

Underemployment exists when a person's employment is inadequate in relation to specified norms or alternative employment. Time-related underemployment applies to those who involuntarily work less than the normal duration of work determined for the activity and who seek or are available for additional work during the reference week.

**Unemployment rate**

The "unemployed" comprise all persons aged 15 or over who, during the week before the survey, were without work, available for work and seeking work. The unemployment rate expresses the number of unemployed as a percentage of the total labor force.

The indicator is widely used as a measure of unutilized labor supply.

$$\text{unemployment rate} = \frac{\text{unemployed}}{\text{labor force}} \cdot 100\%$$

**Value of shares traded**

The value of shares traded is the sum of the shares traded multiplied by their respective matching price.

## **ANNEX C: Abbreviations and acronyms**

---

<b>CPI</b>	Consumer Price Index
<b>GDP</b>	Gross Domestic Product
<b>IPI</b>	Industrial Production Index
<b>JOD</b>	Jordanian Dinar
<b>MoF</b>	Palestinian Ministry of Finance
<b>MoNE</b>	Palestinian Ministry of National Economy
<b>NGO</b>	non-governmental organization
<b>NIS</b>	New Israeli Shekel
<b>oPt</b>	occupied Palestinian territory
<b>PCBS</b>	Palestinian Central Bureau of Statistics
<b>PMA</b>	Palestine Monetary Authority
<b>UN</b>	United Nations
<b>UNDP</b>	United Nations Development Programme
<b>UNRWA</b>	United Nations Relief and Works Agency for Palestine Refugees
<b>UNSCO</b>	Office of the United Nations Special Coordinator for the Middle East Peace Process
<b>USAID</b>	United States Agency for International Development
<b>US\$</b>	United States Dollar
<b>ANERA</b>	American Near East Refugee Aid