

UNITED NATIONS



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OFFICE OF THE UNITED NATIONS SPECIAL CO-ORDINATOR

SOCIO-ECONOMIC REPORT – JANUARY 2010

Since 1996 UNSCO has continually monitored and reported on socio-economic conditions in the occupied Palestinian territory and in the process established an extensive socio-economic database. UNSCO does not create raw data but rather uses available data which, in the occupied Palestinian territory (oPt) is relatively abundant. However, the data that is available tends to remain dispersed and is not always automatically shared between institutions. The objective of the database is to bring together in one place a wide variety of data on socio-economic conditions and by doing so present a broader, more detailed perspective on socio-economic conditions. The purpose of this report is to: 1) broaden the access to this database through publication of the most recent data gathered; and 2) provide readers with up to date information on socio-economic conditions in the occupied Palestinian territory.

The report is divided into four sections:

Section 1 consists of a one-page fact sheet which provides a snapshot view of the socio-economic situation for the current and previous reporting period and it provides, for reference purposes, base line figures for the period just prior to the outbreak of the second *Intifada*.

Sections 2 and 3 report on the macro-economic situation and the economic activity throughout the oPt, including private sector and banking activity. Section 4 focuses on access of goods in and out of the Gaza strip. All sections provide data on the last six reporting periods for each indicator as well as base line data, which is pre *Al-Aqsa intifada*. In addition, summary analysis on observed trends is presented below each table.

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I. SOCIO-ECONOMIC FACT SHEET – JANUARY 2010

A. GENERAL	Baseline 2004	Previous period	Previous period	Current period	B. FISCAL SITUATION	Baseline 1999	Previous period	Current period
Indicator 1. GDP (\$US) 2. GDP per capita (\$US)	2004 ¹ 4198.4 1,317.0	Q3-2004 1120.9 350.4	Q2-2009 1,249.7 338.8	Q3-2009 1,244.8 ² 335.0	Indicator (US\$ millions) 1. Revenue 2. Expenditure 3. Net lending 4. Balance 5. External Budget support (including TIM)	1999-Q4 ³ 235 235 0 0 0	Q3-2009 450.9 360.3 89.1 -575.7 663.3	Q4-2009 ⁴ (budget) 397.5 264.0 81.2 -258.2 284.3
Source: PCBS					Source: World Bank Ministry of Finance			
C. MACRO-ECONOMIC	Baseline	Previous period	Current period	D. PRIVATE SECTOR	Baseline	Previous period	Current period	
Indicator⁵ 1. Consumer Price Index ⁶ Total West Bank Gaza Strip 2. Truck movement ⁷ <u>Imports</u> Karni - conveyor belt/chute Sufa Rafah Kerem Shalom Kerem Shalom (fuel) Nahal Oz <u>Exports</u> Karni Kerem Shalom	2004 100 100 100 Aug-2000 4,373 4,384 953 0 0 904 2,460 0	Dec-2009 127.75 125.54 132.15 Dec-2009 631 0 0 1,914 60 52 0 6	Jan-2010 127.83 125.56 132.27 Jan -2009 551 0 0 1,413 85 12 0 44	Indicator 1. New Company Registrations Total West Bank Gaza Strip 2. Area Licensed for new Construction (x 1000 m ²) Total West Bank Gaza Strip 3. Banking (US\$ thousands) Loans Deposits Loans/Deposits Ratio	Q2-2000 ⁸ 568 288 280 Q2-2000 739.7 665.3 74.4 Q2-2000 1,234 3,328 37.1 %	Q3-2009 434 381 35 Q3-2009 509.4 509.4 0 Q3-2009 ⁹ 2,261 6,687 33.81%	Q4-2009 506 444 62 Q4-2009 593.5 593.5 0 Q4-2009 2,232 6,655 33.54%	
Source: PCBS (1), Ministry of National Economy, General Petroleum Corporation .				Source: Ministry of National Economy (1), Engineering Offices and Consulting Firms (2), Palestine Monetary Authority (3)				
E. LABOR FLOWS	Baseline	Previous period	Current period	F. CLOSURE	Baseline (Open)	Complete Closure	Partial Closure	
Indicator 1. Labor Force size Total West Bank Gaza Strip 2. Unemployment 3. Adjusted Unemployment ¹⁰	Q2-2000 706,174 483,796 222,378 8.8 % 18.5 %	Q3-2009 955,400 644,800 310,600 25.8% 31.4%	Q4-2009 963,500 656,900 306,600 24.8% 30.2%	Indicator 1 Indicator 1. Effective closure days ¹¹ Karni (Conveyer Belt) Kerem Shalom Nahal Oz (fuel) Sufa (aggregates) Rafah (commercial) Rafah (passenger)	Aug-2000 100 % 0 % 100 % 100 % 100 % 100 %	Jan-2010 66% 19% 81% 100% 97% 26 %	Jan-2010 34% 0% 3% 0% 3% 74%	
Source: PCBS				Source: UNSCO				

¹ The base year for GDP is 2004

² These numbers may be adjusted

³ No available baseline data on the year 2000.

⁴ These numbers may be adjusted

⁵ For a more detailed report on sections C (Macro-economy) and D (Private sector), see data below.

⁶ CPI Base year for 2004 = 100

⁷ MoNE data does not include aggregates or aid flows in Aug 2000.

⁸ On indicators measured on quarter basis, 2nd quarter of 2000 was used as a baseline since Intifada broke up in the third quarter.

⁹ * Please note that data for Q3-2008 has been adjusted by the PMA for all bank credit categories.

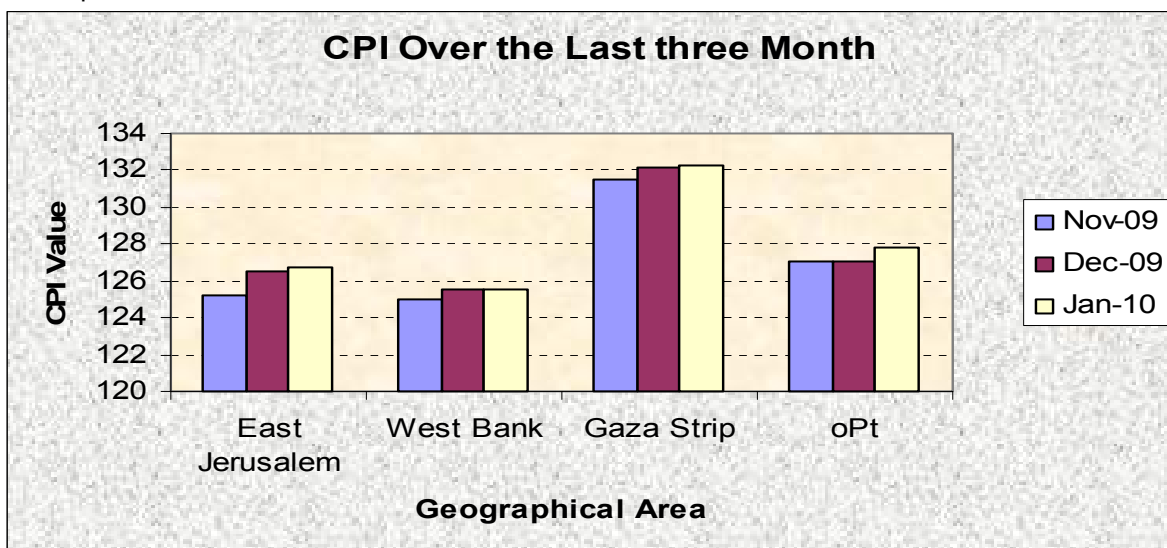
¹⁰ Adjusted unemployment is calculated by adding discouraged workers (i.e. unemployed but no longer seeking work) to the ILO standard.

¹¹ Effective closure days are calculated by adding all days when a crossing was fully or partially closed excluding weekend and holiday. Partial closure means that crossing was partially closed for more than one hour but not for a full day where it is considered full closure. Karni - conveyor belt/chute -The conveyor belt/chute for cereals and animal feed at Karni is the only operational one. Rafah Crossing for passengers is partially opened for humanitarian purposes.

II. MACRO-ECONOMIC INDICATORS – JANUARY 2010

Indicator	Baseline Aug-04	Aug -09	Sep -09	Oct -09	Nov -09	Dec -09	Jan -2010
Palestinian Consumer Price Index (by region and expenditure group)							
Major Groups of Expenditure (Occupied Palestinian Territory – excluding Jerusalem)							
Food and soft drinks		141.75	142.14	141.81	142.64	144.25	143.57
Alcoholic Beverages and tobacco		140.97	140.88	140.90	140.80	140.78	145.14
Textiles, clothing and footwear		106.05	106.21	106.85	107.27	107.99	107.86
Housing		121.95	122.27	123.40	125.44	126.00	126.89
Furniture, household goods		112.88	114.43	114.33	114.48	114.94	115.48
Medical care		113.15	114.1	114.79	114.73	114.29	114.84
Transportation		119.37	119.72	118.81	120.19	119.46	119.16
Communications		109.98	110.28	106.92	106.89	106.85	107.03
Recreational, cultural goods & services		101.35	101.51	101.79	101.78	102.18	102.72
Education		102.12	109.24	109.24	109.24	110.32	110.32
Restaurants and cafes		133.01	133.71	135.18	135.64	134.51	135.04
Miscellaneous goods and services		113.63	114.08	115.10	116.74	117.89	117.48
All items of consumer price index		125.60	126.28	126.22	127.01	127.75	127.83
Major Groups of Expenditure (Jerusalem)							
Food and soft drinks		140.68	140.72	141.92	141.57	144.74	144.65
Alcoholic Beverages and tobacco		128.81	128.73	128.90	128.71	128.66	134.06
Textiles, clothing and footwear		108.46	109.36	111.38	111.81	113.21	112.88
Housing		118.12	118.46	119.06	120.49	120.55	120.57
Furniture, household goods		105.28	107.28	106.40	106.60	107.40	107.87
Medical care		121.15	123.52	125.65	124.98	124.47	125.97
Transportation		122.68	124.78	123.34	124.56	124.39	123.84
Communications		107.06	107.06	103.58	103.38	103.62	103.62
Recreational, cultural goods & services		106.51	106.25	107.25	106.95	107.40	107.71
Education		107.07	111.72	111.72	111.72	112.05	112.05
Restaurants and cafes		145.82	146.46	148.23	148.23	147.20	146.72
Miscellaneous goods and services		107.59	107.85	108.36	109.70	110.65	110.72
All items of consumer price index		123.75	124.53	124.96	125.24	126.47	126.69
Major Groups of Expenditure (Rest of the West Bank)							
Food and soft drinks		137.43	137.93	139.02	140.94	142.12	141.02
Alcoholic Beverages and tobacco		138.17	137.9	138.34	138.06	138.10	143.66
Textiles, clothing and footwear		94.82	94.19	94.42	95.22	95.48	95.17
Housing		129.10	129.14	129.72	131.71	132.77	134.50
Furniture, household goods		100.19	99.9	101.33	101.45	100.72	100.73
Medical care		108.51	109.31	109.59	109.49	110.09	110.28
Transportation		117.83	117.77	116.99	118.73	117.77	117.62
Communications		111.05	111.04	107.71	107.77	107.44	108.05
Recreational, cultural goods & services		91.05	91.61	91.14	91.65	92.29	92.62
Education		96.66	104.58	104.58	104.58	106.46	106.46
Restaurants and cafes		126.78	127.32	128.29	128.73	128.05	128.59
Miscellaneous goods and services		119.54	120.63	121.55	123.22	123.46	122.60
All items of consumer price index		122.75	123.25	123.71	124.98	125.54	125.56
Major Groups of Expenditure (Gaza Strip)							
Food and soft drinks		149.04	148.73	146.79	148.41	149.50	148.78
Alcoholic Beverages and tobacco		154.09	154.09	153.51	153.51	153.51	156.63
Textiles, clothing and footwear		114.30	115.43	113.81	113.69	115.07	115.03
Housing		114.94	114.92	116.49	118.77	119.87	121.71
Furniture, household goods		137.81	140.42	141.47	142.41	143.13	144.71
Medical care		97.91	98.14	98.23	98.92	98.30	98.28
Transportation		124.78	125.37	124.87	126.06	125.93	125.78
Communications		107.60	108.63	105.58	105.58	105.58	105.58
Recreational, cultural goods & services		99.24	99.4	99.35	99.30	99.68	100.21
Education		100.37	107.59	107.59	107.59	107.59	107.59
Restaurants and cafes		145.20	147.79	147.56	150.31	148.83	150.13
Miscellaneous goods and services		116.94	116.53	117.67	119.51	120.82	120.01
All items of consumer price index		130.48	131.04	130.26	131.45	132.15	132.27
Source: PCBS							

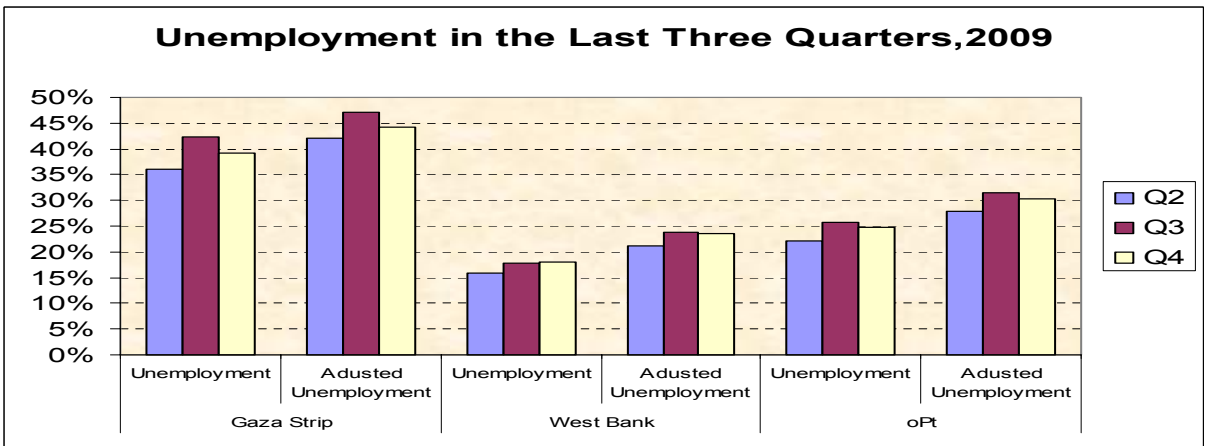
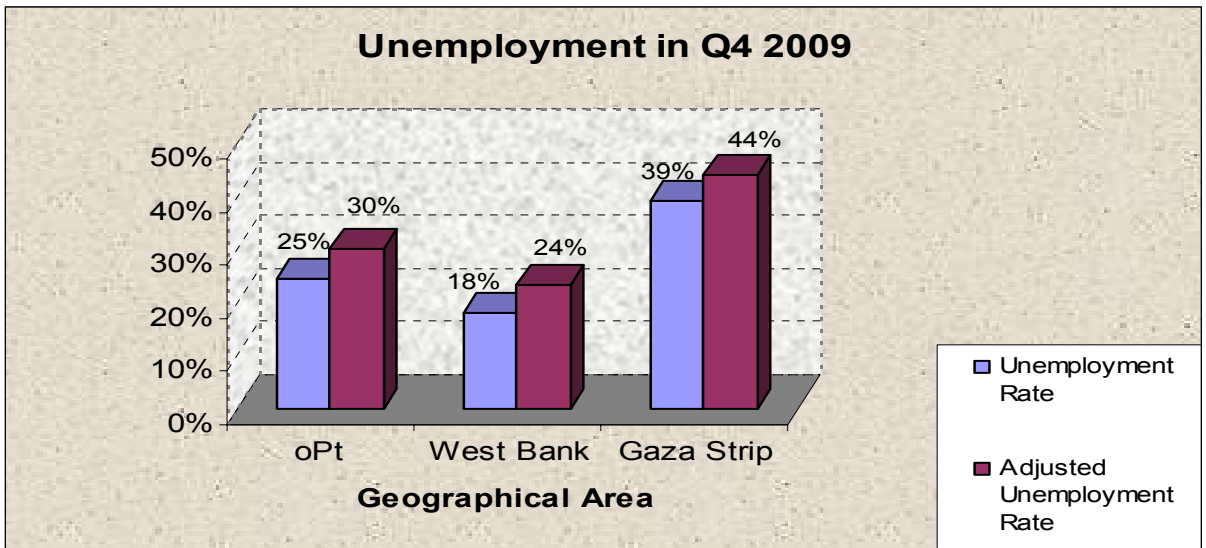
The Palestinian CPI reached 127.83 in January 2010, an increase of 0.06% compared to December 2009. Increases were recorded in the medical care sector (0.48%), in restaurants and cafes (0.39 %) housing (0.70 %) and in communications (0.17 % each). the food and soft drinks experienced a 0.47% price decline.



Indicator	Baseline Q2 -00	Q3-08	Q4-08	Q1-09	Q2-09	Q3-09	Q4-09
Labor Force							
Unemployment and Adjusted Unemployment¹² in Occupied Palestinian Territories							
Labor Force -Total	706,174	899,425	896,100	934000	949,800	955,400	963,500
Labor Force - West Bank	483,796	608,312	604,000	620400	649,600	644,800	656,900
Labor Force - Gaza Strip	222,378	291,113	292,100	313600	300,200	310,600	306,600
occupied Palestinian territory							
Unemployment	8.8%	27.5%	27.9%	25.4%	22.2%	25.8%	24.8%
Adjusted Unemployment	18.5%	32.7%	33.4%	30.6%	28.0%	31.4%	30.2%
West Bank							
Unemployment	6.5%	20.7%	19.8%	19.5%	15.9%	17.8%	18.1%
Adjusted Unemployment	15.8%	26.4%	26.0%	25.1%	21.2%	23.7%	23.5%
Gaza Strip							
Unemployment	13.8%	41.9%	44.8%	37.0%	36.0%	42.3%	39.3%
Adjusted Unemployment	24.2%	46.1%	48.8%	41.5%	42.1%	47.1%	44.3%
Source: PCBS							

The overall unemployment rate decreased from 25.8% in the 3rd quarter 2009 to 24.8% in the 4th quarter 2009, as compared with 27.9% in the 4th quarter 2008. the Gaza Strip experienced a decline from 42.3% in the 3rd quarter 2009 to 39.3% in the 4th quarter 2009 while the rate in the West Bank increased from 17.8% to 18.1%. Hebron governorate registered the highest unemployment rate among the West Bank governorates (23.6%) followed by Qalqilia governorate at (23.4) while Jericho and Aghwar governorate registered the lowest unemployment rate (7.1%). For Gaza Strip, Khan Younis governorate registered the highest unemployment rate (50.4%) followed by Rafah governorate (39.1%), then Gaza city governorate (38.2%).

¹² Adjusted unemployment is the total number of unemployed in addition to those who are unemployed and don't seek any employment.



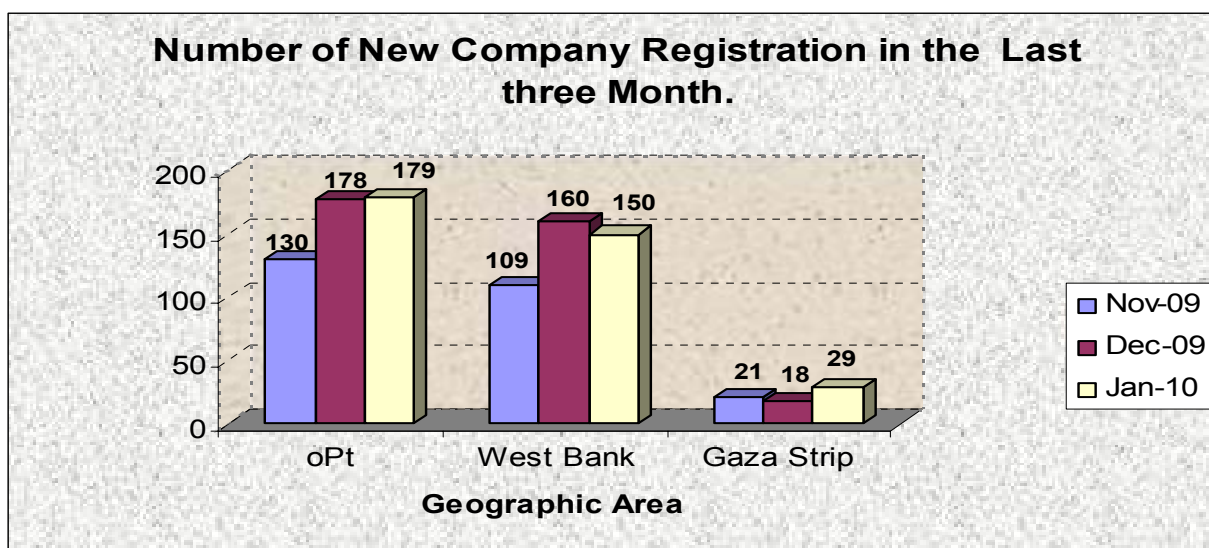
Indicator	Baseline Aug-00	Aug -09	Sep -09	Oct -09	Nov -09	Dec -09	Jan -2010
Exchange Rate							
Exchange Rate	4.05	3.83	3.77	3.73	3.76	3.78	3.72
Source: PCBS							

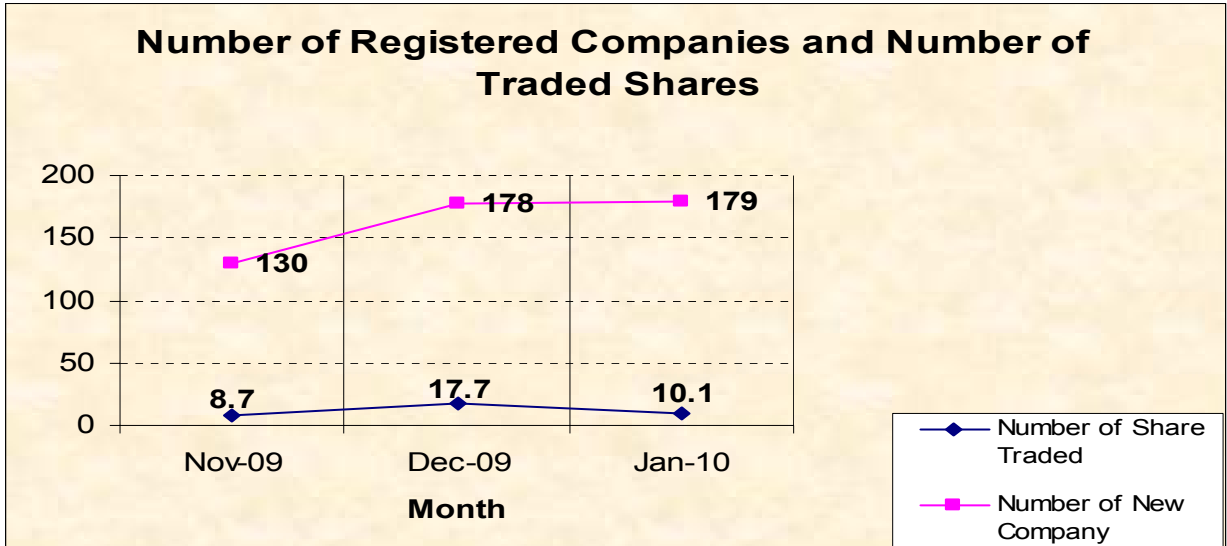
The exchange rate between the US dollar and the NIS a declined by approximately 1.59% in January 2010 compared to December 2009.

III. ECONOMIC ACTIVITY – JANUARY 2010

Indicator	Baseline Aug.2000	Aug -09	Sep -09	Oct -09	Nov -09	Dec -09	Jan -2010
Number of new Company Registrations (by region and legal status)							
Gaza Strip							
Private	81	4	5	6	6	7	10
Private Limited	12	17	8	17	15	11	19
Public Limited	0	0	0	0	0	0	0
Foreign	1	0	0	0	0	0	0
Total	94	21	13	23	21	18	29
West Bank							
Private	42	73	33	82	49	83	73
Private Limited	95	91	42	92	56	76	76
Public Limited	0	1	0	0	0	0	0
Foreign	0	0	2	1	4	1	1
Total	137	165	77	175	109	160	150
Source: Ministry of Economy							

The number of new company registrations is used as a proxy indicator for the vitality of the local economy as well as the ability of the local economy to create new employment. New company registrations in the West Bank declined by 6.25% compared to December 2009. When compared to pre-Intifada levels, new company registrations have dropped by approximately 9.49%. As for Gaza, data from the Ministry of economy in Gaza indicate 29 new registered companies for January 2010. If considering data from ministry of economy in Gaza, the number of newly registered companies in Gaza an increased by approximately 61.11% compared to December 2009.





Indicator	Baseline Aug-00	Aug -09	Sep -09	Oct -09	Nov -09	Dec -09	Jan -2010
Palestinian Securities Exchange							
Volume of trade							
Number of shares traded (x million)	7.02	12.0	26.9	14.9	8.7	18.7	10.1
Value of shares traded (x million US\$)	13.06	27.9	32.7	30.0	21.1	34.2	21.0
Indices							
Al-Quds index	265.23	498.45	498.92	500.18	502.12	493.00	502.43
Source: Palestinian Securities Exchange (PSE)							

Similar to bank credit and deposits, data on the Palestinian stock exchange is used as a proxy indicator of Palestinian perceptions vis-à-vis the state of the national economy. Data for January 2010 shows a declined in terms of value of shares traded of approximately 45.77 % and in terms of number of stocks traded of approximately 38.74 %. The Al-Quds index increased by 1.91 %.

Indicator	Baseline Aug-00	Aug -09	Sep -09	Oct -09	Nov -09	Dec -09	Jan -2010
Area licensed for new construction (Gaza Strip, square meters)							
Northern District	27,902	2,240	1,080	1,850	3,720	3,540	15,330
Gaza	50,116	3,250	2,150	2,150	1,850	3,570	2,550
Al Wastah	15,984	1,120	950	1,100	1,060	1,240	1,230
Khan Younis	51,146	2,600	1,780	3,100	4,320	1,530	8,770
Rafah	39,429	2,950	1,140	3,400	2,250	2,520	4,470
Gaza Strip Total	184,577	12,160	7,100	11,600	13,200	12,400	32,350
Source: Engineering Offices and Consulting Firms							

Indicator	Baseline Aug-00	Aug -09	Sep -09	Oct -09	Nov -09	Dec -09	Jan -2010
Area licensed for new construction (West Bank, square meters)							
Ramallah & Al- Bireh & Jerusalem		72,463	50,749	63,773	66,092	273,391	48,482
Nablus		49,387	58,483	41,516	39,947	131,455	31,722
Tulkarm		36,987	21,132	26,128	27,037	45,518	22,842
Hebron		68,217	29,026	22,175	39,039	114,236	16,131
Bethlehem		28,917	7,421	15,853	9,786	17,376	2,505
Jenin		17,579	12,448	28,058	13,844	38,090	12,818
Qalqilya		1,727	3,476	3,418	6,866	1,543	3,166
Salfit		0	0	0	0	0	0
Total	345,685	275,277	182,735	200,921	202,611	621,609	137,666
Source: Engineering Offices and Consulting Firms							

Similar to new company registrations, the area licensed for new construction is also used as a proxy indicator for economic vitality. January 2010 data shows a decline in the area licensed for new construction of approximately 77.85% compared to the previous month in the West Bank. When compared to pre *intifada* levels, area licensed for new construction has now a decline by 60.18 %.

Indicator	Q4-08	Q1-09	Q2-09	Q3-09
Bank Credit				
Bank Credit by economic activity (x million US\$)				
Agriculture	48	40	41	37
Manufacturing & Mining	72	165	174	179
Real estate and Lands	234	190	219	238
General Trade	330	312	351	360
Transportation	14	18	16	23
Tourism, Hotels & Restaurants	26	29	31	35
Public Services	250	240	252	323
Financial Services & Facilitations granted to financial institutions	120	45	46	69
Financing granted to the investment of the shares	51	67	66	56
Finance the purchase of cars	40	43	48	56
Total Public Sector	534	582	749	722
Financing for consuming purposes	70	66	60	65
Others in the private sector	40	45	47	97
GRAND TOTAL	1,830	1,842	2,100	2,261
Total Excluding theirs in the Public Services and Total Public Sector	1,045	1,020	1,099	1,216
Bank Credit by economic activity (as percentage of total)				
Agriculture	2.6%	2.2%	2.0%	1.6%
Industry & Mining	3.9%	9.0%	8.3%	7.9%
Real estate and Lands	12.8%	10.3%	10.4%	10.5%
General Trade	18.0%	16.9%	16.7%	15.9%
Transportation	0.8%	1.0%	0.8%	1.0%
Tourism, Hotels & Restaurants	1.4%	1.6%	1.5%	1.6%
Public Services	13.7%	13.0%	12.0%	14.3%
Financial Services & Facilitations granted to financial institutions	6.5%	2.4%	2.2%	3.1%
Financing granted to the investment of the shares	2.8%	3.7%	3.2%	2.5%
Finance the purchase of cars	2.2%	2.4%	2.3%	2.5%
Total Public Sector	29.2%	31.6%	35.7%	31.9%
Financing for consuming purposes	3.8%	3.6%	2.8%	2.9%
Others in the private sector	2.2%	2.5%	2.3%	4.3%
Total	100%	100%	100%	100%
Bank Credit by Economic Branch (excluding Total public sector and Public Services) (% of total)				
Agriculture	4.6%	3.9%	3.8%	3.1%
Manufacturing and Mining	6.9%	16.2%	15.8%	14.7%
Real estate and Lands	22.4%	18.6%	20.0%	19.6%
General Trade	31.6%	30.5%	31.9%	29.7%
Tourism, Hotels & Restaurants	1.4%	1.8%	1.5%	1.9%
Transportation	2.5%	2.8%	2.8%	2.9%
Financial Services & Facilitations granted to financial institutions	11.4%	4.4%	4.2%	5.7%
Financing granted to the investment of the shares	4.9%	6.6%	6.0%	4.6%
Finance the purchase of cars	3.8%	4.2%	4.3%	4.6%
Financing for consuming purposes	6.7%	6.4%	5.4%	5.3%
Others in the private sector	3.8%	4.4%	4.3%	8.0%
Total	100%	100%	100%	100%
Source: PMA				

Data on bank credit is another proxy indicator for economic progress and business confidence (increasing use of bank credit, particularly in the main productive sectors) or decline (decreasing use of bank credit). The Palestine Monetary Authority provides adjusted data once every three months. In relative terms, general trade and public services show a decrease in the use of credit. Bank credit to the public sector indicates a decrease of approximately 3.56% in Q3-2009 when compared with Q2-2009. (Please note the PMA has adjusted the indicators for bank credit by economic activities starting Q3-2008. Due to such significant changes in the methodology, current trends cannot be compared to those prior to 2008.)

Indicator	Baseline Q2 -00	Q2-08	Q3-08	Q4-08	Q1-09	Q2-09	Q3-09
Bank Credit							
Bank Credit by type (million US\$)							
Loans	512	1,066	1,109	1,113	1,159	1,339	1,500
Overdrafts	653	669	688	707	673	751	753
Leasing	0	11	10	10	10	10	7
BA & Discounted Bills	69	0	0	0	0	0	0
Total	1,234	1,747	1,807	1,830	1,842	2,100	2,261
Bank Credit by type (as percentage of total)							
Loans	41%	61.1%	61.4%	60.8%	62.9%	63.8%	66.4%
Overdrafts	53%	38.3%	38.1%	38.6%	36.5%	35.8%	33.3%
Leasing	0%	0.6%	0.6%	0.6%	0.6%	0.5%	0.3%
BA & Discounted Bills	6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total	100%	100%	100%	100%	100%	100%	100%
Source: PMA							

Disaggregating bank credit by the type of credit, the data shows an increase in loans and overdrafts. Loans currently represent 66.4 % of all credit extended compared to only 41% in the *pre-Intifada* period.

Indicator	Baseline Q2-00	Q2-08	Q3-08*	Q4-08	Q1-09	Q2-09	Q3-09
Bank Credit							
Bank Credit by borrowing entity (million US\$)							
Businesses	752	1,009	1,024	1,045	1,020	1,099	1,216
Consumers	429	511	545	534	582	749	722
Public Services	52	227	238	250	240	252	323
Total	1,234	1,747	1,807	1,830	1,842	2,100	2,261
Bank Credit by borrowing entity (as percentage of total)							
Businesses	61%	57.7%	56.7%	57.1%	55.4%	52.3%	53.8%
Consumers	35%	29.3%	30.1%	29.2%	31.6%	35.7%	31.9%
Public Services	4%	13.0%	13.2%	13.7%	13.0%	12.0%	14.3%
Total	100%	100%	100%	100%	100%	100%	100%
* Please note that data for Q3-2008 has been adjusted by the PMA							
Source: PMA							

Disaggregating bank credit by borrowing entity shows that consumer lending has experienced a decrease of approximately 3.56% in Q3 -2009 compared to Q2-2009.

Indicator	Baseline Q2-00	Q2-08	Q3-08	Q4-08	Q1-09	Q2-09	Q3-09
Bank Deposits (excluding deposits of the PMA and commercial banks)							
Distribution of Public sector deposits by depositor and type (million US\$)							
Public Institutions and Local Auth.							
Current Accounts	17.3	70.2	60.9	54.6	57.9	65.1	81.6
Time Deposits	39.2	67.0	60.1	72.4	74.4	78.6	78.7
Sub-total	56.5	137.2	121.0	127.1	132.3	143.7	160.3
Government							
Current Accounts	37.6	172.7	220.8	276.6	243.2	199.5	275.4
Time Deposits	77.5	191.8	213.4	191.3	152.7	158.3	176.2
Sub-total	115.1	364.5	434.2	467.9	395.9	357.9	451.6
Total Public sector deposits	171.6	501.7	555.3	595.0	528.1	501.6	612.0
Distribution of Private sector deposits by residency and type (million US\$)							
Residents							
Current Accounts	746.5	1,682.9	1,756.8	1,686.7	1,704.2	1,794.5	2,014.3
Savings Accounts	440.4	1,350.9	1,439.8	1,364.7	1,366.9	1,474.4	1,535.4
Time Deposits	1,895.70	1,915.3	1,978.4	2,047.0	1,939.9	1,925.1	1,835.9
Sub-total	3,082.6	4,949.1	5,174.9	5,098.4	5,011.0	5,194.0	5,385.5
Non-Residents							
Current Accounts	3.3	39.0	39.8	41.1	100.7	139.9	162.8
Savings Accounts	2.4	18.7	21.5	24.8	31.1	40.5	51.1
Time Deposits	8.9	69.1	58.9	65.0	76.2	88.1	91.8
Sub-total	14.6	126.8	120.2	130.9	208.0	268.5	305.7
Total Private sector deposits	3,097.2	5,075.9	5,295.1	5,229.3	5,219.0	5,462.5	5,691.2
Total Deposits (public and private)	3,268.8	5,577.6	5,850.4	5,824.3	5,747.1	5,964.1	6,303.2
Source: PMA							

Bank deposits for the Q3- 2009 indicate an increase in public sector deposits of approximately 22.01% and an increase in private sector deposits of 4.19% compared with Q2- 2009.

Indicator	Baseline Q2-00	Q2-08	Q3-08	Q4-08	Q1-09	Q2-09	Q3-09
Value of Loans and Deposits (million US\$)							
Total Loans	1,234	1,747	1,807	1,830	1,842	2,100	2,261
Total Deposits	3,328	6,035	6,307	6,269	6,165	6,390	6,687
Loans/Deposits (ratio)	37.06%	28.94%	28.66%	29.19%	29.88%	32.86%	33.81%
Source: PMA							

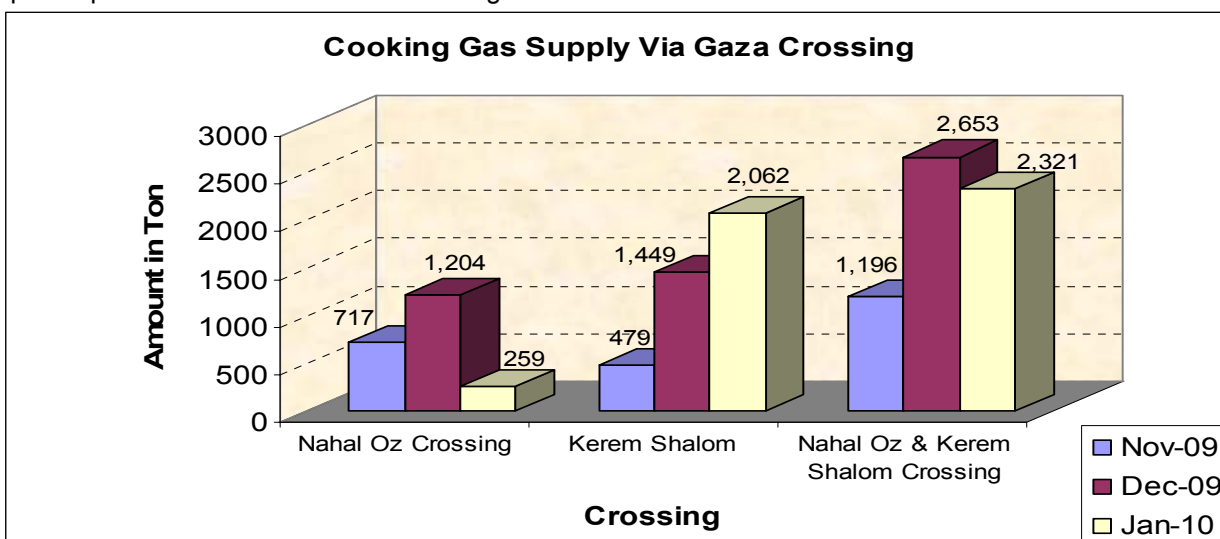
In a functioning economy, an increase in the loans versus deposits ratio is perceived as a positive sign, as monies are not saved but invested or consumed, each of which acts as a stimulant for the economy. Since September 2006, this ratio had steadily declined in the oPt signaling little optimism in the prospects for the Palestinian economy. Q3- 2009 figures however marked the second quarterly increase after two years of decline, with a 7.68% jump from Q2- 2009.

IV. GAZA ECONOMIC ACCESS – JANUARY 2010

Indicator	Baseline Aug-00	Aug -09	Sep -09	Oct -09	Nov -09	Dec -09	Jan -2010
Volume of Registered Fuel sales in the Gaza Strip (x 1000 liters/ton)							
volume of registered fuel sales in the Gaza Strip (Nahal Oz Crossing)							
Petrol (Liter)	3,188.9	150.0	70.0	36.5	89.9	36.5	40.0
Diesel (Liter)	11,343	499.4	601.0	0	702.5	0.0	0.0
White diesel (Liter)	243.1	0.0	0.0	0.0	0.0	0.0	0.0
cooking gas (Ton)	1.9	3.4	2.6	1.5	0.7	1.2	0.3
Industrial Diesel (Liter)	n.a	9,691	11,750	5,555	2,751	3,667	752
volume of registered fuel sales in the Gaza Strip (Kerem Shalom)							
Petrol (Liter)	0	0	0	0	0	0	0
Diesel (Liter)	0	0	0	0	0	0	0
White diesel (Liter)	0	0	0	0	0	0	0
cooking gas (Ton)	0	0	0	0.2	0.5	1.5	2
Industrial Diesel (Liter)	0	0	90,0	2,434	6,952	5,099	6,713
Source: General Petroleum Corporation							

The volume of registered fuel sales in the Gaza Strip continued to decline in January 2010. At the same time, there was a significant decline in the amount of imported cooking gas with 259 tonnes allowed in through Nahel Oz Crossing. (78.49% decline compared to the volume allowed in December 2009). During the reporting period, 40,000 liters of petrol were imported for private sector, through the Nahal oz crossing. 2,062 tons of cooking gas were pumped through the newly established fuel pipelines at Kerem Shalom. (42.31% increased compared to December 2009). Comparing allowed in cooking gas for both December and January , an overall decline of about 12.51% was registered in January

On 01 Jan 2010, Israel declared that Nahal Oz fuel pipelines were now closed and that fuel will be only transferred to Gaza via Kerem Shalom. However, Nahal Oz was exceptionally opened on 19 Jan and 40,000 litres of petrol (for UNRWA), 259 tonnes of cooking gas and 752,079 liters of the power plants' fuel were transferred through.



Indicator	Baseline Aug-00	Aug -09	Sep -09	Oct -09	Nov -09	Dec -09	Jan -2010
Truck Loads Movement							
Al Montar/ Karni commercial crossing							
Total Truck Loads Exports	992	0	0	0	0	0	0
Total Truck Loads Imports	2,923	632	615	597	781	631	551
Karem Abu Salem / Kerem Shalom commercial crossing							
Total Truck Loads Exports	0	0	0	0	0	6	44
Total Truck Loads Imports	0	1,827.5	1,430	1,694	1,897.5	1,914	1,413
Sufa commercial crossing							
Total Truck Loads Exports	0	0	0	0	0	0	0
Total Truck Loads Imports	4,384	0	0	0	0	0	0
Nahel Oz commercial crossing (fuel)							
Total Truck Loads Imports	904	160	123	64	49	52	12
Karem Abu Salem / Kerem Shalom commercial crossing (fuel)							
Total Truck Loads Imports	0	0	0	9	21	60	85
Truckloads Imports Exclude Industrial Diesel supplies to power plant							
Source: Baseline: Ministry of National Economy; General Petroleum Corporation							

Exports have stopped altogether except for limited agricultural exports in January 2010. Israel allowed Gaza to export flowers to Europe. In January 2010, 44 trucks of flowers and carnations were exported. January 2010 data indicates a decline in the total number of imported truckloads to the Gaza Strip by approximately 22%, compared to December 2009 (2,061 vs. 2,657). Karni crossing has remained closed since 12 June 2007 for the movement of goods in and out of Gaza. The single conveyor belt/chute for cereals and animal feed at Karni was open for a total of 8 days. 551 truckloads of animal feed (46.6%), wheat (52.5%), chickpeas (0.2%), carob (0.4%) and gravel (0.4%) for the Water Authority entered Gaza via the conveyor belt. Of the 1,413 truckloads entering Gaza during the month through Karem Shalom (Karm Abu Salem), 173 (or 12.24%) were designated for humanitarian aid agencies and the remaining 1,240 (or 87.76%) were for the private sector. Food items made up the majority of imported goods (840.5 truckloads, or 59%) while 572.5 truckloads, or 41%, were for non food items. Glass imports stopped as of 17 February; since 29 December 2009 a total of 103 truckloads carrying 65,189 sheets were imported.

