UNITED NATIONS



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OFFICE OF THE UNITED NATIONS SPECIAL CO-ORDINATOR

SOCIO-ECONOMIC REPORT – DECEMBER 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), are relatively abundant. However, the data that are available tend to remain dispersed and are 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 socioeconomic situation for the current and previous reporting periods and it provides, for reference purposes, baseline figures for the period just prior to the outbreak of the second *Intifada*.

Sections 2 and 3 report on the macro-economic situation and 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 baseline data, which are pre *Al-Aqsa intifada*. In addition, a summary analysis on observed trends is presented below each table.

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I. SOCIO-ECONOMIC FACT SHEET – DECEMBER 2010

				1				
A.	Baseline	Previous	Previous	Current	B. FISCAL SITUATION	Baseline	Previous	Current
GENERAL	2004	period	period	period		1999	period	period
Indiantan	2004 ¹	02.0004	00.0040	02 0040		1999-Q4 ³	02.0040	04 004 04
Indicator	2004	Q3-2004	Q2-2010	Q3-2010	Indicator (US\$ millions)	1999-Q4	Q3-2010	Q4-2010 ⁴ (budget)
1. GDP (US\$	4,198.4	1,120.9	1,417.8	1,409.5 ²	1. Revenue	235	504.2	(budget) 427.9
millions)	4,100.4	1,120.0	1,417.0	1,400.0	2. Expenditure	235	237.4	323.7
2. GDP per	1,317.0	350.4	373.4	368.4	3. Net lending	0	60.3	42.3
capita (US\$)	1,01110		0.011		4. Balance	Õ	-263.9	-433.4
					5. External budget support	0	177.9	428.6
					(including TIM)			
Source: PCBS					Source: World Bank, Ministry of	Finance		
C. MACRO-E	CONOMIC	Baseline	Previous	Current	D. PRIVATE SECTOR	Baseline	Previous	Current
			period	period			period	period
Indicator ⁵		2004	Nov 2010	Dec 2010	Indicator			
1. O	6				1. New company registrations	Aug-2000 [®]	Nov 2010	Dec- 2010
1. Consumer Pr Total	ice index	100	121 50	121 26				
		100	131.50	131.36	Total	004	102	126
West Bank		100	129.40	129.58	Total West Bank	231	103	136
Gaza Strip		100	133.21	133.55	West Bank	137	72	111 25
					Gaza Strip	94	31	25
2. Truck movem	ent ⁷				2. Area licensed for new	Aug-2000	Nov 2010	Dec- 2010
2. Truck movem		Aug-2000	Nov 2010	Dec 2010	construction (\mathbf{x} 1000 \mathbf{m}^2)	Aug-2000	100 2010	Dec- 2010
Imports		Aug 2000	1101 2010	000 2010				
Karni - conveyo	r belt/chute	4,373	850	1,054	Total	530.3	310.3	866.3
Sufa		4,384	0	0	West Bank	345.7	214.2	773.3
Rafah		953	0	0	Gaza Strip	184.6	96.0	93.0
Kerem Shal	om	0	3,136	3,260	·			
Kerem Shal		0	105	123	3. Banking (US\$ thousands)	Q2-2000	Q2-2010	Q3-2010
Nahal Oz	- ()	904	0	0	3 (
Exports					Loans	1,234	2,658	2,852
Karni		2,460	0	0	Deposits	3,328	6,685	7,050
Kerem Shale	om	0	4	99	Loans/Deposits ratio	37.10%	39.76%	40.45%
			_					
Source: PCBS (of National Ec	onomy, Gener	al	Source: Ministry of National Eco			and
Petroleum Corp			Previous	Current	Consulting Firms (2), Palestine N	Baseline	Complete	Partial
E. LABOR FL	.ows	Baseline	period	period	F. CLOSURE	(Open)	Closure	Closure
Indicator		Q2-2000	Q2-2010	Q3-2010	Indicator	A	Dec. 0040	Dec. 0040
1. Labor force s	ize (v 1000)				1 Indicator	Aug-2000	Dec -2010	Dec -2010
Total	20 (A 1000)	706.2	980.4	966.9	1. Effective closure days ¹⁰			
West Bank		483.8	666.3	658.0	Karni (Conveyer Belt)	100%	63%	37%
Gaza Strip		222.4	314.1	308.9	Kerem Shalom	0 %	16%	0%
Guza Guip		222.4	517.1	000.0	Nahal Oz (fuel)	100%	100%	0%
2. Unemployme	nt	8.8%	22.9%	26.6%	Sufa (aggregates)	100%	100%	0%
		0.070	22.070	20.070	Rafah (commercial)	100%	100%	0%
3. Adjusted		18.5%	28.6%	33.3%	Rafah (passenger)	100%	10%	0%
unemploymer	nt ⁹	10.070	20.070	00.075		10070	1070	0,0
Source: PCBS					Source: UNSCO			
000100.1000								

1 The base year for GDP is 2004.

2 These numbers may be adjusted.

 $_{\rm 3}$ 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 do not include aggregates or aid flows in Aug 2000.

8 For indicators measured on a monthly basis, August 2000 is used as a baseline since Intifada broke out.

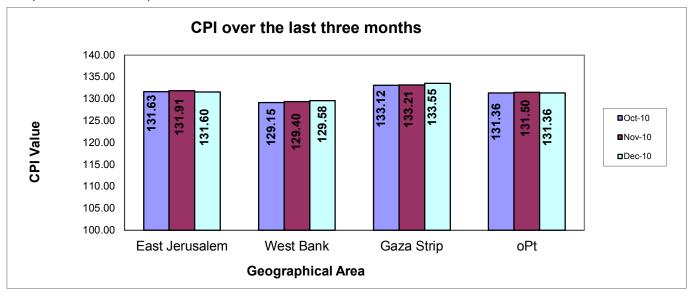
9 Adjusted unemployment is calculated by adding discouraged workers (i.e. unemployed but no longer seeking work) to the ILO standard.

10 Effective closure days are calculated by adding all days when a crossing was fully or partially closed, excluding weekends and holidays. Partial closure means that the crossing was partially closed for more than one hour but not for a full day, where it would be 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 – DECEMBER 2010

Housing 126.34 126.01 122.6.22 127.33 127.99 128.21 Transportation 114.05 114.16 114.75 115.25 115.26 Communications 121.21 120.80 120.72 121.21.86 121.78 Communications 121.21 120.80 106.79 106.88 100.77 106.88 100.79 105.81 110.32 Recreational, cultural goods & services 103.01 137.36 133.56 139.28 Miscellaneous goods and services 120.56 120.72 121.62 122.73 122.83 133.68 Maitems of Consumer price index 120.56 120.72 121.62 122.73 152.03 155.97 Altems of Consumer price index 115.39 155.97 155.63 155.93 155.93 155.93 155.93 155.93 155.93 122.06 122.03 121.04 121.94 122.01 122.36 122.05 122.05 122.05 122.05 122.05 122.05 122.05 122.05 122.05	Indicator	Baseline Aug-04	July- 2010	Aug -2010	Sep -2010	Oct -2010	Nov -2010	Dec -2010
Food and soft drinks 142.99 143.81 144.826 144.826 144.81 144.826 144.81 144.826 144.81 144.826 144.81 144.826 144.81 144.826 144.81 144.826 144.81 114.85 115.85 <th>Palestinian consumer price in</th> <th>dex (by re</th> <th>egion and e</th> <th>xpenditure</th> <th>group)</th> <th></th> <th></th> <th></th>	Palestinian consumer price in	dex (by re	egion and e	xpenditure	group)			
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Textiles, clothing and footwear 108,81 109,42 109,52 109,97 111,55 111,85 Furniture, household goods 114,65 114,71 114,91 115,35 115,58 115,58 Furniture, household goods 114,05 114,171 114,92 115,23 115,23 Communications 122,12 120,89 120,50 120,79 106,83 Recreational, cultural goods & services 103,07 102,98 100,67 106,83 Recreational, cultural goods & services 120,307 102,98 103,06 103,13 103,52 Recreational, cultural goods and services 120,01 128,89 130,68 131,36 131,60 Majer Groups GExpenditure (Jerusalann) 122,80 128,89 130,68 131,35 132,03 155,93 Fusiting and footwear 115,27 117,58 116,87 117,75 120,66 121,31 Fusiting and footwear 112,27 112,87 127,83 122,37 122,46 Fusiting and footwear 128,00 127,55								
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All items of consumer price index 130.73 130.79 133.30 133.12 133.21 133.55								
Source: PCBS	Source: PCBS	1	130.73	130.79	133.30	133.12	133.21	155.55

The Palestinian CPI reached 131.36 in December 2010, a decline of 0.10% compared to November 2010. Increases were recorded in the Transportation sector (0.17%), in Miscellaneous goods and services (0.21%) Textiles, clothing and footwear (0.30%) and Medical care (0.48%), while the Food and soft drinks sector experienced a 0.46% price decline.

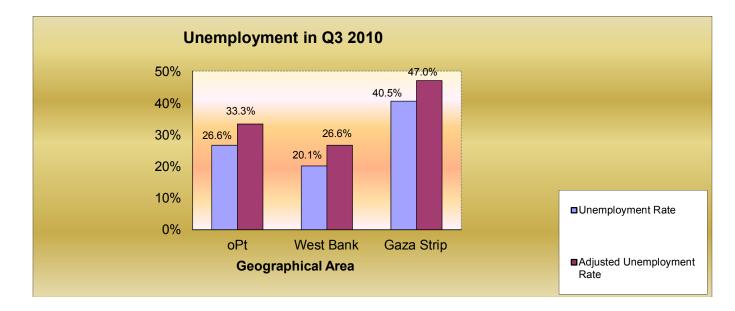


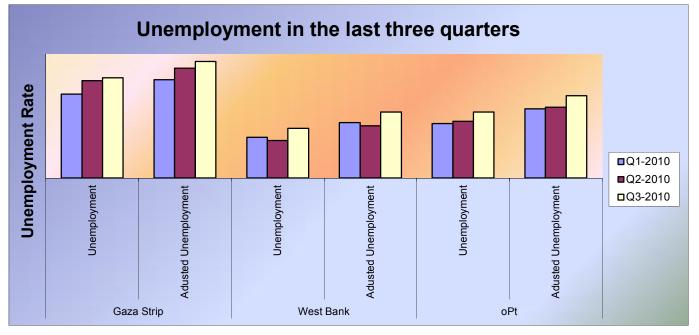
Indicator	Baseline Q2 -00	Q2-09	Q3-09	Q4-09	Q1-2010	Q2-2010	Q3-2010
Labor Force							
Unemployment and adjusted un	employment ¹¹ i	n the occ	upied Pa	lestinian	territory		
Labor force –Total (x 1000) Labor force - West Bank	706.2 483.8	949.8 649.6	955.4 644.8	963.5 656.9	953.9 649.0	980.4 666.3	966.9 658.0
Labor force - Gaza Strip	222.4	300.2	310.6	306.6	304.9	314.1	308.9
occupied Palestinian territory							
Unemployment	8.8%	22.2%	25.8%	24.8%	22.0%	22.9%	26.6%
Adjusted unemployment	18.5%	28.0%	31.4%	30.2%	28.0%	28.6%	33.3%
West Bank							
Unemployment	6.5%	15.9%	17.8%	18.1%	16.5%	15.5%	20.1%
Adjusted unemployment	15.8%	21.2%	23.7%	23.5%	22.4%	21.1%	26.6%
Gaza Strip							
Unemployment	13.8%	36.0%	42.3%	39.3%	33.9%	39.3%	40.5%
Adjusted unemployment	24.2%	42.1%	47.1%	44.3%	39.7%	44.3%	47.0%

According to the relaxed definition of unemployment, the percentage of persons who are able but do not work regardless of seeking or not seeking jobs, increased from 28.6% in the 2^{nd} quarter 2010 to 33.3% In the 3^{rd} quarter of 2010, compared with 31.4% in the 3^{rd} quarter 2009. According to the ILO standards, the percentage of persons who do not work but are seeking jobs increased between the 2^{nd} quarter 2010 and the 3^{rd} quarter of 2010. The results show that the percentage of unemployed increased from 22.9% in the 2^{nd} quarter 2010 to 26.6% in the 3^{rd} quarter of 2010, as compared with 25.8% in the 3^{rd} quarter of 2009. In the West Bank it increased from 15.2% in the 2^{nd} quarter 2010 to 20.1% in the 3^{rd} quarter of 2010. The unemployment rate also increased in Gaza Strip, from 39.3% in the 2^{nd} quarter 2010 to 40.5% in the 3^{rd} quarter of 2010.

Hebron governorate has the highest unemployment rate among the West Bank governorates (25.0%), followed by Bethlehem governorate (24.7%), while Jerusalem governorate has the lowest unemployment rate (13.3%). For Gaza Strip, Khan Younis governorate has the highest unemployment rate (46.2%), followed by North Gaza governorate (41.8%), and Deir AlBalah governorate (41.5%).

¹¹ Adjusted unemployment is the total number of unemployed in addition to those who are unemployed and do not seek any employment.





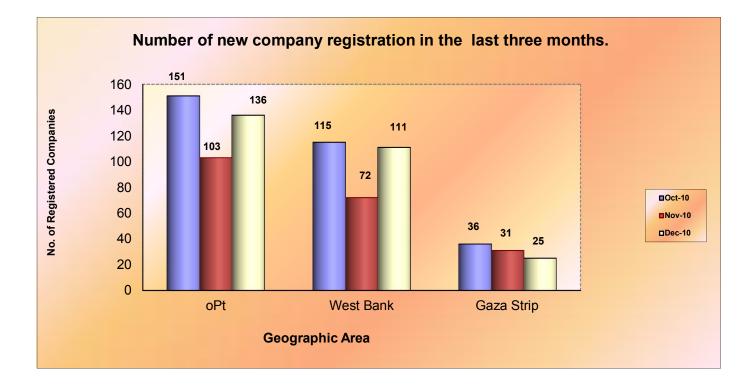
Indicator	Baseline Aug-00	July - 2010	Aug -2010	Sep -2010	Oct -2010	Nov -2010	Dec -2010
Exchange rate							
Exchange rate	4.05	3.86	3.79	3.73	3.61	3.64	3.61
Source: PCBS							

The exchange rate between the US dollar and the NIS declined by approximately 0.90% in December 2010 compared to November 2010.

III. ECONOMIC ACTIVITY – DECEMBER 2010

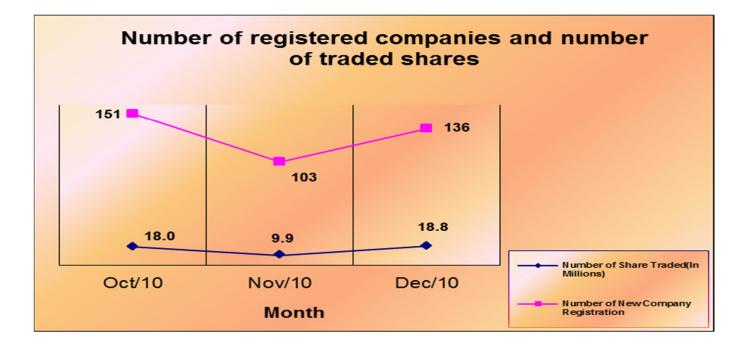
Indicator	Baseline Aug.2000	July -2010	Aug -2010	Sep -2010	Oct -2010	Nov -2010	Dec -2010
Number of new con	npany registrati	ons (by regio	on and legal	status)			
Gaza Strip							
Private	81	10	7	9	15	14	8
Private limited	12	23	38	23	21	14	0 17
	12			23			
Public limited	0	0	0	0	0	0	0
Foreign	94	0 33	0 45	32	0 36	31	0 25
Total	94	33	45	32	30	31	25
West Bank							
Private	42	19	34	33	35	24	34
Private limited	95	72	70	53	77	46	71
Public limited	0	0	0	0	1	0	0
Foreign	0	2	1	2	1	1	2
Non- profit	0	3	1	0	1	1	4
Total	137	95	106	88	115	72	111

New company registrations in the West Bank increased by 54.17% compared to November 2010. When compared to pre-Intifada levels, new company registrations have declined by approximately 18.98%. For Gaza, data from the local Ministry of Economy indicate 25 new registered companies in December 2010. On such basis, the number of newly registered companies in Gaza shows a decline of approximately 19.35% compared to November 2010.



Indicator	Baseline Aug-00	July -2010	Aug -2010	Sep -2010	Oct -2010	Nov -2010	Dec -2010
Palestinian Securities Exchang	ge						
Volume of trade							
Number of shares traded (x million) Value of shares traded (x million US\$)	7.0 13.0	13.8 25.0	10.3 16.7	12.2 27.0	18.0 21.6	9.9 33.5	18.8 44.0

Similar to bank credit and deposits, data on the Palestinian stock exchange are used as a proxy indicator of Palestinian perceptions vis-à-vis the state of the national economy. Data for December 2010 show an increase in terms of the number of stocks traded of approximately 90.73% and an increase in terms of value of shares traded of approximately 31.59%. The Al-Quds index increased by 1.81%.



Gaza50,11623,15014,64025,20023,87021,745Al Wastah15,9849,4008,22011,48012,18014,510Khan Younis51,14625,56022,36024,79022,56023,240	Indicator	Baseline Aug-00	July -2010	Aug -2010	Sep -2010	Oct -2010	Nov -2010	Dec -2010
Gaza50,11623,15014,64025,20023,87021,745Al Wastah15,9849,4008,22011,48012,18014,510Khan Younis51,14625,56022,36024,79022,56023,240	Area licensed for new cons	truction (G	aza Strip, s	quare met	ers)			
Gaza50,11623,15014,64025,20023,87021,745Al Wastah15,9849,4008,22011,48012,18014,510Khan Younis51,14625,56022,36024,79022,56023,240								
Al Wastah15,9849,4008,22011,48012,18014,510Khan Younis51,14625,56022,36024,79022,56023,240	Northern District	27,902	20,500	18,250	21,320	23,250	20,880	18,750
Khan Younis 51,146 25,560 22,360 24,790 22,560 23,240	Gaza	50,116	23,150	14,640	25,200	23,870	21,745	20,545
	Al Wastah	15,984	9,400	8,220	11,480	12,180	14,510	16,560
Bofob 30,420 11,640 10,000 12,680 14,400 15,670	Khan Younis	51,146	25,560	22,360	24,790	22,560	23,240	20,820
Talali 33,423 II,040 I0,990 I2,000 I4,490 I0,070	Rafah	39,429	11,640	10,990	12,680	14,490	15,670	16,325
Gaza Strip Total 184,577 90,250 74,460 95,470 96,350 96,045	Gaza Strip Total	184,577	90,250	74,460	95,470	96,350	96,045	93,000

Indicator	Baseline Aug-00	July -2010	Aug -2010	Sep -2010	Oct -2010	Nov -2010	Dec -2010
Area licensed for new const	truction (W	/est Bank, s	quare met	ers)			
Ramallah & Al- Bireh & Jerusalem		155,799	106,431	62,232	76,858	58,940	272,753
Nablus		60,434	56,319	40,429	56,690	53,458	170,220
Tulkarm		27,288	21,491	19,813	21,873	19,007	78,610
Hebron		32,414	65,762	20,797	46,670	38,710	149,730
Bethlehem		15,316	18,150	13,905	26.577	18.307	53,683
Jenin		35.243	22.741	14,558	23,434	19,875	34,148
Qalqilya		4.721	4.985	752	1.322	5.930	14,185
Salfit		0	0	0	0	0	0
Total	345.685	331,215	295,879	172,486	253,424	214,227	773,329

Similar to new company registrations, the area licensed for new construction is also used as a proxy indicator for economic vitality. December 2010 data show an increase in the area licensed for new construction of approximately 260.99% compared to the previous month in the West Bank. When compared to pre *intifada* levels, area licensed for new construction has now increased by 123.71%. The reason for the large increase in construction as suggested by the data for December is that all non-completed construction are resubmitted for licenses by year end to ensure that new licenses will be issued for the next year

Indicator	Q3-09	Q4-09	Q1-2010	Q2-2010	Q3-2010
Bank Credit					
Bank credit by economic activity (x million US\$)					
Agricultural and food processing	37	39	47	53	57
Mining and Manufacturing	179	185	194	213	235
Real estate and Constructions , land	238	266	292	320	319
Local and foreign Trade Finance	360	341	379	425	470
Transportation	23	25	24	22	23
Tourism, Hotels & Restaurants, Swimming	35	39	44	50	53
Other Public Services Financial Services	323 69	328 73	347 70	332 66	363 66
Securities Purchasing and Carrying	56	73 56	70 54	54	53
Cars & Vehicles Finance	56 56	50 57	54 68	81	92
Total Public Sector	722	637	870	825	885
Consumptions	65	77	88	99	107
Others in private sector	97	111	111	119	128
Total Private and Public Sector	2,261	2,234	2,587	2,658	2,852
Total excluding theirs in the public services and total public	_,_ • •	_,	_,	_,	_,
sector	1,216	1,269	1,370	1,501	1,604
Bank credit by economic activity (% of total)					
Agricultural and food processing	1.6%	1.7%	1.8%	2.0%	2.0%
Mining and Manufacturing	7.9%	8.3%	7.5%	8.0%	8.2%
Real estate and Constructions + land	10.5%	11.9%	11.3%	12.0%	11.2%
Local and foreign Trade Finance	15.9%	15.3%	14.6%	16.0%	16.5%
Transportation	1.0%	1.1%	0.9%	0.8%	0.8%
Tourism, Hotels & Restaurants, Swimming	1.6%	1.8%	1.7%	1.9%	1.9%
Other Public Services	14.3%	14.7%	13.4%	12.5%	12.7%
Financial Services	3.1%	3.3%	2.7%	2.5%	2.3%
Securities Purchasing and Carrying	2.5%	2.5%	2.1%	2.0%	1.9%
Cars & Vehicles Finance	2.5%	2.6%	2.6%	3.0%	3.2%
Total Public Sector Consumptions	31.9% 2.9%	28.5% 3.4%	33.6% 3.4%	31.0% 3.7%	31.0% 3.8%
Others in private sector	4.3%	5.0%	4.3%	4.5%	4.5%
Total Private and Public Sector	100%	100%	100%	100%	100%
Bank credit by economic branch (excluding total public secto	ar and public	oom(iooo) (% o	f total)		
Agricultural and food processing	3.1%	3.0%	3.4%	3.5%	3.5%
Mining and Manufacturing	14.7%	14.6%	14.2%	14.2%	3.5 <i>%</i> 14.6%
Real estate and Constructions + land	14.7%	21.0%	21.3%	21.3%	14.0%
Local and foreign Trade Finance	29.7%	26.9%	27.6%	21.3%	29.3%
Transportation	1.9%	20.3 %	1.8%	1.4%	1.4%
Tourism, Hotels & Restaurants, Swimming	2.9%	3.1%	3.2%	3.3%	3.3%
Financial Services	5.7%	5.8%	5.1%	4.4%	4.1%
Securities Purchasing and Carrying	4.6%	4.4%	4.0%	3.6%	3.3%
Cars & Vehicles Finance	4.6%	4.5%	4.9%	5.4%	5.7%
Consumptions	5.3%	6.0%	6.4%	6.6%	6.7%
Others in private sector	8.0%	8.7%	8.1%	7.9%	8.0%
Total	100%	100%	100%	100%	100%
Source: PMA					

The Palestine Monetary Authority provides adjusted data once every three months. In relative terms, Local and foreign trade finance and Other public services show an increase in the use of credit. Bank credit to the Total public sector increased by approximately 7.34% in Q3-2010 when compared with Q2-2010. (Please note that the PMA 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	Q2-09	Q3-09	Q4-09	Q1-2010	Q2-2010	Q3-2010
Bank Credit			·				
Bank credit by type (million US\$)							
Loans Overdrafts Leasing BA & discounted bills Total	512 653 0 69 1,234	1,339 751 10 0 2,100	1,500 753 7 0 2,261	1,565 659 8 0 2,232	1,874 705 8 0 2,587	1,926 724 8 0 2,658	1,999 845 8 0 2,852
Bank credit by type (as percentage of to	tal)						
Loans Overdrafts Leasing BA & discounted bills Total	41% 53% 0% 6% 100%	63.8% 35.8% 0.5% 0.0% 100%	66.4% 33.3% 0.3% 0.0% 100%	70.1% 29.5% 0.3% 0.0% 100%	72.4% 27.3% 0.3% 0.0% 100%	72.5% 27.2% 0.3% 0.0% 100%	70.1% 29.6% 0.3% 0.0% 100%

Disaggregating bank credit by the type of credit, the data show an increase in loans and overdrafts. Loans currently represent 70.1% of all credit extended compared to only 41% in the *pre-Intifada* period.

Indicator	Baseline Q2-00	Q2-09	Q3-09	Q4-09	Q1-2010	Q2-2010	Q3-2010
Bank Credit							
Bank credit by borrowing entity (million US	\$)						
Businesses Consumers Public services Total	752 429 52 1,234	1,099 749 252 2,100	1,216 722 323 2,261	1,269 637 328 2,234	1,370 870 347 2,587	1,501 825 332 2,658	1,604 885 363 2,852
Bank credit by borrowing entity (% of total)							
Businesses Consumers Public services Total	61% 35% 4% 100%	52.3% 35.7% 12.0% 100%	53.8% 31.9% 14.3% 100%	56.8% 28.5% 14.7% 100%	53.0% 33.6% 13.4% 100%	56.5% 31.0% 12.5% 100%	56.2% 31.0% 12.7% 100%
Source: PMA							

Disaggregating bank credit by borrowing entity shows that consumer lending has experienced an increase of approximately 7.34 % in Q3-2010 compared to Q2-2010.

Indicator	Baseline Q2-00	Q2-09	Q3-09	Q4-09	Q1-2010	Q2-2010	Q3-2010
Bank Deposits (excluding deposi	ts of the PI	MA and co	ommercia	l banks)			
Distribution of public sector deposits by o	lepositor and	type (millio	n US\$)				
Public institutions and local auth.							
Current accounts	17.3	65.1	81.6	78.2	78.9	74.7	79.4
Time deposits	39.2	78.6	78.7	74.7	76.2	74.8	75.8
Sub-total	56.5	143.7	160.3	152.9	155.1	149.5	155.2
Government							
Current accounts	37.6	199.5	275.4	232.6	310.9	300.5	296.5
Time deposits	77.5	158.3	176.2	180.6	180.0	182.1	188.3
Sub-total	115.1	357.9	451.6	413.2	490.9	482.7	484.8
Total public sector deposits	171.6	501.6	612.0	566.1	646.0	632.1	640.0
Distribution of private sector deposits by	residency and	d type (milli	on US\$)				
Residents							
Current accounts	746.5	1,794.5	2,014.3	1,890.2	1,975.1	1,936.1	2,171.3
Savings accounts	440.4	1,474.4	1,535.4	1,608.3	1,632.7	1,639.6	1,743.2
Time deposits	1,895.70	1,925.1	1,835.9	1,891.3	1,879.3	1,721.2	1,813.8
Sub-total	3,082.6	5,194.0	5,385.5	5,389.7	5,487.1	5,296.9	5,728.2
Non-residents							
Current accounts	3.3	139.9	162.8	152.1	167.3	222.9	119.1
Savings accounts	2.4	40.5	51.1	61.5	69.2	86.8	44.0
Time deposits	8.9	88.1	91.8	104.6	108.2	128.0	80.1
Sub-total	14.6	268.5	305.7	318.2	344.6	437.7	243.3
Total private sector deposits	3,097.2	5,462.5	5,691.2	5,708.0	5,831.8	5,734.6	5,971.5
	3.268.8	5,964.1	6,303.2	6,274.1	6,477.8	6,366.7	6,611.5

Bank deposits for the Q3- 2010 indicate an increase in Total public sector deposits of approximately 1.24% and an increase in Total private sector deposits of 4.13% compared with Q2- 2010.

Indicator	Baseline Q2-00	Q2-09	Q3-09	Q4-09	Q1-2010	Q2-2010	Q3-2010			
Value of Loans and Deposits (million US\$)										
Total loans	1,234	2,100	2,261	2,232	2,587	2,658	2,852			
Total deposits	3,328	6,390	6,687	6,655	6,935	6,685	7,050			

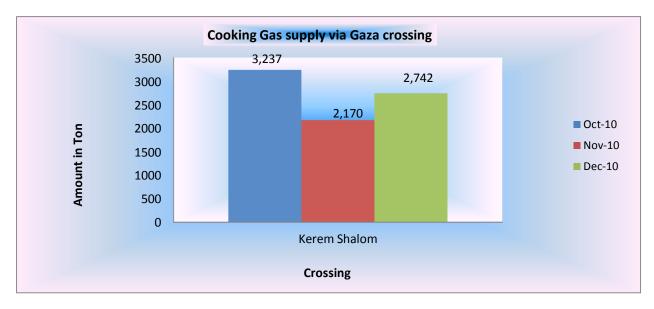
In a functioning economy, an increase in the loans versus deposits ratio is perceived as a positive sign, as monies are not saved but invested or consumed, both of which acts as a stimulant for the economy. Since September 2006, this ratio had steadily declined in the oPt, signaling little optimism in the prospects for the Palestinian economy. However, Q3-2010 shows an increase in total loans of approximately 7.28%, and an increase in total deposits of 5.46% compared with Q2- 2010.

IV. GAZA ECONOMIC ACCESS – DECEMBER 2010

Indicator	Baseline Aug-00	July -2010	Aug -2010	Sep -2010	Oct -2010	Nov -2010	Dec -2010
Volume of registered fue	sales in th	e Gaza Strip	(x 1000 lit	ers/ton)			
Volume of registered fue	l sales in th	e Gaza Strip	(Nahal Oz	Crossing)			
Petrol (Liter)	3,188.9	0.0	0.0	0.0	0.0	0.0	0.0
Diesel (Liter)	11,343	0.0	0.0	0.0	0.0	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	0.0	0.0	0.0	0.0	0.0	0.0
Industrial diesel (Liter)	n.a	0.0	0.0	0.0	0.0	0.0	0.0
Volume of registered fuel sales in the Gaza Strip (Kerem Shalom)							
	-		·				
Petrol (Liter)	0.0	76.4	117.9	31.0	78.5	125.3	0.0
		76.4 341.1	117.9 470.7	31.0 0.0	78.5 370.0	125.3 246.3	0.0 135.0
Petrol (Liter)	0.0						
Petrol (Liter) Diesel (Liter)	0.0 0.0	341.1	470.7	0.0	370.0	246.3	135.0

There was a significant increase in the amount of imported cooking gas, with 2,742 tons allowed in through Kerem Shalom, which represents a 26.36% increase compared to the volume allowed in November 2010. During the reporting period, 135,020 liters of Diesel were imported for the private sector.

On 1 January 2010, Israel declared Nahal Oz fuel pipelines closed, with fuel being transferred to Gaza only via Kerem Shalom.



Indicator	Baseline Aug-00	July -2010	Aug -2010	Sep -2010	Oct -2010	Nov -2010	Dec -2010
Truck Loads Movement							
Al Montar/ Karni commercial cros	sing						
Total truck loads exports Total truck loads imports	992 2,923	0 796	0 815	0 461	0 680	0 850	0 1,054
Karem Abu Salem / Kerem Shalo	m commerci	al crossing					
Total truck loads exports Total truck loads imports	0 0	0 2,984.0	0 4,205.0	0 3,029.0	0 3,744.0	4 3,136.0	99 3,260.0
Sufa commercial crossing							
Total truck loads exports Total truck loads imports	0 4,384	0 0	0 0	0 0	0 0	0 0	0 0
Nahel Oz commercial crossing (f	uel)						
Total truck loads imports	904	0	0	0	0	0	0
Karem Abu Salem / Kerem Shalo	m commerci	al crossing (fu	iel)				
Total truck loads imports Truckloads imports exclude industri	0 al diesel sup	166 plies to power p	156 plant	124	152	105	123
Source: Baseline: Ministry of Nation				ion			

Exports have stopped altogether except for limited agricultural exports in December 2010. Israel allowed Gaza to export strawberries and flowers to Europe. In December 2010, 91 trucks of strawberries (171.1 tonnes), 7 trucks of carnations (996,000 stems) and 1 truck of vegetables to West Bank were exported through the Kerem Shalom Crossing. December 2010 data indicate an increase in the total number of imported truckloads to the Gaza Strip of approximately 8% compared to November 2010 (4,437 vs. 4,091). 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 9 days. 1,054 truckloads of animal feed (38.2%), wheat (41.84%) and gravel (19.9%) for UNRWA, the Coastal Municipalities Water Utility and the Palestinian Water Authority entered Gaza via the conveyor belt. Of the 3,260 truckloads entering Gaza during the month through Karem Shalom (Karm Abu Salem), 170 (or 5.21%) were designated for humanitarian aid agencies and the remaining 3,090 (or 94.79%) were for the private sector. Food items made up the smallest proportion of imported goods (1,309 truckloads, or 40%) while 1,951 truckloads, or 60%, were for non-food items.

