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OFFICE OF THE UNITED NATIONS SPECIAL CO-ORDINATOR

## SOCIO-ECONOMIC REPORT – NOVEMBER 2009

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 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 three 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, the Private sector and the banking modules of the UNSCO database. They 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 given below each table.



**SOCIO-ECONOMIC FACT SHEET – NOVEMBER 2009**

A. GENERAL			Previous period	Current period	B. FISCAL SITUATION			Baseline	Previous period	Current period			
<b>Indicator</b>	<b>Q1-2009</b>	<b>Q2-2009</b>			<b>Indicator (US\$ millions)</b>	<b>Q4-1999</b>	<b>Q2-2009</b>		<b>Q3-2009 (budget)</b>				
1. GDP (\$US)	1,177.3	1,252.1 <sup>1</sup>			1. Revenue	235	355.7		447.8				
2. GDP per capita (\$US)	321.4	339.4			2. Expenditure	235	189.3		347.6				
					3. Net lending	0	109.3		89.1				
					4. Balance	0	-270.6		-500.2				
					5. External Budget support (including TIM)	0	148.3		663.4				
Source: PCBS					Source: World Bank- Ministry of Finance								
C. MACRO-ECONOMIC				Baseline	Previous period	Current period	D. PRIVATE SECTOR				Baseline	Previous period	Current period
<b>Indicator<sup>2</sup></b>	<b>Aug-2004</b>	<b>Oct-2009</b>	<b>Nov-2009</b>				<b>Indicator</b>	<b>Q2-2000</b>	<b>Q2-2009</b>	<b>Q3-2009</b>			
1. Consumer Price Index <sup>3</sup>							1. New Company Registrations						
Total		126.22	127.01				Total	568	521	434			
West Bank		123.71	124.98				West Bank	288	434	381			
Gaza Strip		130.26	131.45				Gaza Strip	280	87	53			
2. Truck movement <sup>4</sup>							2. Area Licensed for new Construction (dunums)	<b>Q2-2000</b>	<b>Q2-2009</b>	<b>Q3-2009</b>			
<u>Imports</u>	<b>Aug-2000</b>	<b>Oct -2009</b>	<b>Nov-2009</b>				Total	739.7	521.4	509.4			
Karni - conveyor belt/chute	4,373	597	781				West Bank	665.3	521.4	509.4			
Sufa	4,384	0	0				Gaza Strip	74.4	0.0	0.0			
Rafah	953	0	0				3. Banking (US\$ thousands)	<b>Q2-2000</b>	<b>Q2-2009<sup>5</sup></b>	<b>Q3-2009</b>			
Kerem Shalom	0	1,694	1,897.5				Loans	1,234	2,100	2,261			
Nahal Oz	904	64	49				Deposits	3,328	6,390	6,687			
<u>Exports</u>							Loans/Deposits Ratio	37.1 %	32.86%	33.81%			
Karni	2,460	0	0										
Kerem Shalom	0	0	0										
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. LABOUR FLOWS				Baseline	Previous period	Current period	F. CLOSURE				Baseline	Previous period	Current period
<b>Indicator</b>	<b>Q2-2000</b>	<b>Q2-2009</b>	<b>Q3-2009</b>				<b>Indicator</b>	<b>Aug-2000</b>	<b>Oct-2009</b>	<b>Nov-2009</b>			
1. Labour Force size							1. Effective closure days <sup>7</sup>						
Total	706,174	949,800	955,400				Karni (goods)	0 %	100%	100%			
West Bank	483,796	649,600	644,800				Erez (workers)	0 %	100%	100%			
Gaza Strip	222,378	300,200	310,600				Sufa (aggregates)	0 %	100%	100%			
2. Unemployment	8.8 %	22.2%	25.8%				Rafah (passenger)	0 %	100%	100%			
3. Adjusted Unemployment <sup>6</sup>	18.5 %	28.0%	31.4%				Rafah (commercial)	0 %	100%	100%			
							Nahal Oz (fuel)	0 %	100 %	100 %			
							Kerem Shalom	0 %	13 %	16 %			
Source: PCBS					Source: UNSCO								

<sup>1</sup> These numbers may be adjusted

<sup>2</sup> For a more detailed report on sections C (Macro-economy) and D (Private sector), see data below.

<sup>3</sup> CPI Base year 2004 = 100

<sup>4</sup> MoNE data does not include aggregates or aid flows in Aug 2000.

<sup>5</sup> \* Please note that data for Q3-2008 has been adjusted by the PMA for all bank credit categories.

<sup>6</sup> Adjusted unemployment is calculated by adding discouraged workers (i.e. unemployed but no longer seeking work) to the ILO standard.

<sup>7</sup> Effective closure days are calculated by adding all days when a crossing was fully or partially closed excluding weekend and holiday. Karni - conveyor belt/chute -The conveyor belt/chute for cereals and animal feed at Karni is the only operational one.



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**MACRO-ECONOMIC UPDATE – NOVEMBER 2009**

- Exchange rate
- Consumer Index by region and expenditure group
- Truck Movement
- Palestinian Imports and Exports
- Volume of registered fuel sales

**For further information please contact:**

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Indicator	Baseline Aug-00	June -09	July -09	Aug -09	Sep -09	Oct -09	Nov -09
<b>Exchange Rate</b>							
Exchange Rate	4.05	3.93	3.90	3.83	3.77	3.73	3.76
Source: PCBS							

The exchange rate between the US dollar and the NIS increased by approximately 0.80% in November 2009 compared to October 2009.

Indicator	Baseline Aug-00	June -09	July -09	Aug -09	Sep -09	Oct -09	Nov -09
<b>Volume of Registered Fuel sales in the Gaza Strip (x 1000 liters/ton)</b>							
<b>volume of registered fuel sales in the Gaza Strip</b>							
Petrol 95 (Liter)	878.3	30.0	90.5	150.0	70.0	36.5	89.9
Petrol 96 (Liter)	2,310.6	0.0	0.0	0.0	0.0	0.0	0.0
Diesel (Liter)	11,342.6	300.4	572.4	499.4	601.0	0	702.5
Gas (Ton)	1.9	2.6	4.7	3.4	2.6	1.5	1.2
White diesel (Liter)	243.1	0.0	0.0	0.0	0.0	0.0	0.0
Source: General Petroleum Corporation and Ministry of Finance							

The volume of registered fuel sales in the Gaza Strip continued to decline in November 2009. There was a significant decline in the amount of imported cooking gas with 1, 2 tons allowed in (31.22% of the volume allowed in October 2009). 479 tons were pumped through the newly established fuel pipelines at Kerem Shalom. During the reporting period, 89,850 liters of petrol and 702,480 liters of diesel were imported for UNRWA.

Indicator	Baseline Aug-04	June -09	July -09	Aug -09	Sep -09	Oct -09	Nov -09
<b>Palestinian Consumer Price Index (by region and expenditure group)</b>							
<b>Major Groups of Expenditure (Occupied Palestinian Territory – excluding Jerusalem )</b>							
Food and soft drinks		137.94	138.86	141.75	142.14	141.81	142.64
Alcoholic Beverages and tobacco		139.04	140.80	140.97	140.88	140.90	140.80
Textiles, clothing and footwear		104.52	104.66	106.05	106.21	106.85	107.27
Housing		119.06	120.57	121.95	122.27	123.40	125.44
Furniture, household goods		111.54	112.21	112.88	114.43	114.33	114.48
Medical care		112.96	113.12	113.15	114.10	114.79	114.73
Transportation		118.47	119.44	119.37	119.72	118.81	120.19
Communications		109.75	109.89	109.98	110.28	106.92	106.89
Recreational, cultural goods & services		101.15	101.15	101.35	101.51	101.79	101.78
Education		102.12	102.12	102.12	109.24	109.24	109.24
Restaurants and cafes		132.62	132.34	133.01	133.71	135.18	135.64
Miscellaneous goods and services		113.97	114.04	113.63	114.08	115.10	116.74
All items of consumer price index		<b>123.48</b>	<b>124.22</b>	<b>125.60</b>	<b>126.28</b>	<b>126.22</b>	<b>127.01</b>
<b>Major Groups of Expenditure (Jerusalem)</b>							
Food and soft drinks		137.73	137.40	140.68	140.72	141.92	141.57
Alcoholic Beverages and tobacco		127.23	128.81	128.81	128.73	128.90	128.71
Textiles, clothing and footwear		107.38	107.45	108.46	109.36	111.38	111.81
Housing		115.28	116.70	118.12	118.46	119.06	120.49
Furniture, household goods		103.26	104.78	105.28	107.28	106.40	106.60
Medical care		121.23	121.04	121.15	123.52	125.65	124.98
Transportation		121.99	122.79	122.68	124.78	123.34	124.56
Communications		106.71	107.06	107.06	107.06	103.58	103.38
Recreational, cultural goods & services		104.00	104.90	106.51	106.25	107.25	106.95
Education		107.07	107.07	107.07	111.72	111.72	111.72
Restaurants and cafes		146.33	145.46	145.82	146.46	148.23	148.23
Miscellaneous goods and services		106.62	107.64	107.59	107.85	108.36	109.70
All items of consumer price index		<b>121.90</b>	<b>122.33</b>	<b>123.75</b>	<b>124.53</b>	<b>124.96</b>	<b>125.24</b>
<b>Major Groups of Expenditure (Rest of the West Bank)</b>							
Food and soft drinks		132.50	134.66	137.43	137.93	139.02	140.94
Alcoholic Beverages and tobacco		135.36	137.57	138.17	137.9	138.34	138.06
Textiles, clothing and footwear		93.96	94.23	94.82	94.19	94.42	95.22
Housing		126.28	127.98	129.10	129.14	129.72	131.71
Furniture, household goods		100.37	99.59	100.19	99.90	101.33	101.45
Medical care		107.55	107.97	108.51	109.31	109.59	109.49
Transportation		116.70	117.92	117.83	117.77	116.99	118.73
Communications		110.93	110.89	111.05	111.04	107.71	107.77
Recreational, cultural goods & services		92.00	91.14	91.05	91.61	91.14	91.65
Education		96.66	96.66	96.66	104.58	104.58	104.58
Restaurants and cafes		126.23	126.01	126.78	127.32	128.29	128.73
Miscellaneous goods and services		122.13	119.95	119.54	120.63	121.55	123.22
All items of consumer price index		<b>120.32</b>	<b>121.43</b>	<b>122.75</b>	<b>123.25</b>	<b>123.71</b>	<b>124.98</b>
<b>Major Groups of Expenditure (Gaza Strip)</b>							
Food and soft drinks		145.48	145.59	149.04	148.73	146.79	148.41
Alcoholic Beverages and tobacco		152.48	154.09	154.09	154.09	153.51	153.51
Textiles, clothing and footwear		113.08	112.70	114.30	115.43	113.81	113.69
Housing		113.59	114.42	114.94	114.92	116.49	118.77
Furniture, household goods		135.20	136.99	137.81	140.42	141.47	142.41
Medical care		99.00	98.81	97.91	98.14	98.23	98.92
Transportation		123.73	124.77	124.78	125.37	124.87	126.06
Communications		107.43	107.41	107.60	108.63	105.58	105.58
Recreational, cultural goods & services		99.94	99.36	99.24	99.40	99.35	99.30
Education		100.37	100.37	100.37	107.59	107.59	107.59
Restaurants and cafes		144.10	144.07	145.20	147.79	147.56	150.31
Miscellaneous goods and services		117.25	117.91	116.94	116.53	117.67	119.51
All items of consumer price index		<b>128.64</b>	<b>129.00</b>	<b>130.48</b>	<b>131.04</b>	<b>130.26</b>	<b>131.45</b>
Source: PCBS							

The Palestinian CPI reached 127.01 in November 2009, an increase of 0.63% compared to October 2009, with most of the increase taking place in the West Bank. Increases were recorded in Food and soft drinks (0.59%), in Textiles, Clothing and Footwear (0.40 %) Housing (1.65 %) and in Miscellaneous goods and services (1.43 % each). Medical care experienced a 0.05% decline.

Indicator	Baseline Aug-00	June -09	July -09	Aug -09	Sep -09	Oct -09	Nov -09
<b>Truck Loads Movement</b>							
<b>AI Montar/ Karni commercial crossing</b>							
Total Truck Loads Exports	992	0	0	0	0	0	0
Total Truck Loads Imports	2,923	643	486	632	615	597	781
<b>Karem Abu Salem / Kerem Shalom commercial crossing</b>							
Total Truck Loads Exports	0	0	0	0	0	0	0
Total Truck Loads Imports	0	1,807	1,526	1,827.5	1,430	1,694	1,897.5
<b>Sufa commercial crossing</b>							
Total Truck Loads Exports	0	0	0	0	0	0	0
Total Truck Loads Imports	4,384	0	0	0	0	0	0
<b>Nahel Oz commercial crossing (fuel)</b>							
Total Truck Loads Imports	904	121	215	160	123	64	49
Source: Baseline: Ministry of National Economy; General Petroleum Corporation and Ministry of Finance							

November 2009 data indicates an increase in the total number of the imported truckloads to the Gaza Strip by approximately 16%, compared to October 2009 (2,727.5 vs. 2,355). 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. 781 truckloads of animal feed (63%), wheat (36%) and gravel (1%) for the Water Authority entered Gaza via the conveyor belt. Of the 1,897.5 truckloads entering Gaza during the month through Karem Shalom (Karm Abu Salem), 307.5 (or 16.21%) were designated for humanitarian aid agencies and the remaining 1,590 (or 83.79%) were for the private sector. Food items made up the majority of imported goods (1,191 truckloads, or 63%) while 706.5 truckloads, or 37%, were for non food items.



**PRIVATE SECTOR AND BANKING UPDATE – NOVEMBER 2009**

- Number of Company Registrations by region and legal status
- Area licensed for Construction
- Bank Credit
- Value of loans and deposits

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Indicator	Baseline Q3-2000	June -09	July -09	Aug -09	Sep -09	Oct -09	Nov -09
<b>Number of new Company Registrations (by region and legal status)</b>							
<b>Gaza Strip</b>							
Private	162	10	6	4	5	6	6
Private Limited	46	18	13	17	8	17	15
Public Limited	1	0	0	0	0	0	0
Foreign	3	0	0	0	0	0	0
<b>Total</b>	<b>212</b>	<b>28</b>	<b>19</b>	<b>21</b>	<b>13</b>	<b>23</b>	<b>21</b>
<b>West Bank</b>							
Private	66	57	72	73	33	82	49
Private Limited	163	87	66	91	42	92	56
Public Limited	0	1	1	1	0	0	0
Foreign	0	3	0	0	2	1	4
<b>Total</b>	<b>229</b>	<b>148</b>	<b>139</b>	<b>165</b>	<b>77</b>	<b>175</b>	<b>109</b>
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 37.71% compared to October 2009. When compared to pre-Intifada levels, new company registrations have dropped by approximately 52.40 %. As for Gaza, figures from the Ministry of Economy in Ramallah show that no new companies were registered, while data from the authorities in Gaza indicate 21 new registered companies for November 2009. If considering data from authorities in Gaza, the number of newly registered companies in Gaza declined by approximately 8.70% compared to October 2009.

Indicator	Baseline Aug-00	June -09	July -09	Aug -09	Sep -09	Oct -09	Nov -09
<b>Area licensed for new construction (Gaza Strip, dunums)</b>							
Northern District	27,902	2,120	1,820	2,240	1,080	1,850	3,720
Gaza	50,116	3,350	2,950	3,250	2,150	2,150	1,850
Al Wastah	15,984	1,170	830	1,120	950	1,100	1,060
Khan Younis	51,146	3,200	1,050	2,600	1,780	3,100	4,320
Rafah	39,429	4,350	4,410	2,950	1,140	3,400	2,250
<b>Gaza Strip Total</b>	<b>184,577</b>	<b>14,190</b>	<b>11,060</b>	<b>12,160</b>	<b>7,100</b>	<b>11,600</b>	<b>13,200</b>
Source: Engineering Offices and Consulting Firms							

Indicator	Baseline Aug-00	June -09	July -09	Aug -09	Sep -09	Oct -09	Nov -09
<b>Area licensed for new construction (West Bank, dunums)</b>							
Ramallah & Al- Bireh & Jerusalem		69,932	99,172	72,463	50,749	63,773	66,092
Nablus		66,003	73,174	49,387	58,483	41,516	39,947
Tulkarm		24,334	35,194	36,987	21,132	26,128	27,037
Hebron		36,299	91,799	68,217	29,026	22,175	39,039
Bethlehem		15,594	14,530	28,917	7,421	15,853	9,786
Jenin		17,549	17,773	17,579	12,448	28,058	13,844
Qalqilya		1,709	7,752	1,727	3,476	3,418	6,866
Salfit		0	0	0	0	0	0
<b>Total</b>	<b>345,685</b>	<b>231,420</b>	<b>339,394</b>	<b>275,277</b>	<b>182,735</b>	<b>200,921</b>	<b>202,611</b>
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. November 2009 data shows an increase in the area licensed for new construction of approximately 0.84% compared to the previous month in the West Bank. When compared to pre *intifada* levels, area licensed for new construction has decreased by 41.39 %.

Indicator	Q4-08	Q1-09	Q2-09	Q3-09
<b>Bank Credit</b>				
<b>Bank Credit by economic activity (x million US\$)</b>				
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
<b>GRAND TOTAL</b>	<b>1,830</b>	<b>1,842</b>	<b>2,100</b>	<b>2,261</b>
Total Excluding theirs in the Public Services and Total Public Sector	1,045	1,020	1,099	1,216
<b>Bank Credit by economic activity (as percentage of total)</b>				
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%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Bank Credit by Economic Branch (excluding Total public sector and Public Services) (% of total)</b>				
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%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
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 Jun-00	Q2-08	Q3-08	Q4-08	Q1-09	Q2-09	Q3-09
<b>Bank Credit</b>							
<b>Bank Credit by type ( million US\$)</b>							
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
<b>Total</b>	<b>1,234</b>	<b>1,747</b>	<b>1,807</b>	<b>1,830</b>	<b>1,842</b>	<b>2,100</b>	<b>2,261</b>
<b>Bank Credit by type (as percentage of total)</b>							
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%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
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 Jun-00	Q2-08	Q3-08*	Q4-08	Q1-09	Q2-09	Q3-09
<b>Bank Credit</b>							
<b>Bank Credit by borrowing entity (million US\$)</b>							
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
<b>Total</b>	<b>1,234</b>	<b>1,747</b>	<b>1,807</b>	<b>1,830</b>	<b>1,842</b>	<b>2,100</b>	<b>2,261</b>
<b>Bank Credit by borrowing entity (as percentage of total)</b>							
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%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
* 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 Aug-00	Q2-08	Q3-08	Q4-08	Q1-09	Q2-09	Q3-09
<b>Bank Deposits (excluding deposits of the PMA and commercial banks)</b>							
<b>Distribution of Public sector deposits by depositor and type (million US\$)</b>							
<b>Public Institutions and Local Auth.</b>							
Current Accounts	23.9	70.2	60.9	54.6	57.9	65.1	81.6
Time Deposits	49.7	67.0	60.1	72.4	74.4	78.6	78.7
Sub-total	73.6	137.2	121.0	127.1	132.3	143.7	160.3
<b>Government</b>							
Current Accounts	39.8	172.7	220.8	276.6	243.2	199.5	275.4
Time Deposits	74.8	191.8	213.4	191.3	152.7	158.3	176.2
Sub-total	114.6	364.5	434.2	467.9	395.9	357.9	451.6
<b>Total Public sector deposits</b>	<b>188.2</b>	<b>501.7</b>	<b>555.3</b>	<b>595.0</b>	<b>528.1</b>	<b>501.6</b>	<b>612.0</b>
<b>Distribution of Private sector deposits by residency and type (million US\$)</b>							
<b>Residents</b>							
Current Accounts	865.3	1,682.9	1,756.8	1,686.7	1,704.2	1,794.5	2,014.3
Savings Accounts	454.3	1,350.9	1,439.8	1,364.7	1,366.9	1,474.4	1,535.4
Time Deposits	2,084.3	1,915.3	1,978.4	2,047.0	1,939.9	1,925.1	1,835.9
Sub-total	3,403.9	4,949.1	5,174.9	5,098.4	5,011.0	5,194.0	5,385.5
<b>Non-Residents</b>							
Current Accounts	9.5	39.0	39.8	41.1	100.7	139.9	162.8
Savings Accounts	3.6	18.7	21.5	24.8	31.1	40.5	51.1
Time Deposits	22.8	69.1	58.9	65.0	76.2	88.1	91.8
Sub-total	35.9	126.8	120.2	130.9	208.0	268.5	305.7
<b>Total Private sector deposits</b>	<b>3,439.8</b>	<b>5,075.9</b>	<b>5,295.1</b>	<b>5,229.3</b>	<b>5,219.0</b>	<b>5,462.5</b>	<b>5,691.2</b>
<b>Total Deposits (public and private)</b>	<b>3,628.0</b>	<b>5,577.6</b>	<b>5,850.4</b>	<b>5,824.3</b>	<b>5,747.1</b>	<b>5,964.1</b>	<b>6,303.2</b>
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 Jun-00	Q2-08	Q3-08	Q4-08	Q1-09	Q2-09	Q3-09
<b>Value of Loans and Deposits (million US\$)</b>							
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)	<b>37.06%</b>	<b>28.94%</b>	<b>28.66%</b>	<b>29.19%</b>	<b>29.88%</b>	<b>32.86%</b>	<b>33.81%</b>
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.

Indicator	Baseline Aug-00	June -09	July -09	Aug -09	Sep -09	Oct -09	Nov -09
<b>Palestinian Securities Exchange</b>							
<b>Volume of trade</b>							
Number of shares traded (x million)	n.a.	26.7	11.9	12.0	26.9	14.9	8.7
Value of shares traded (x million US\$)	n.a.	70.2	19.9	27.9	32.7	30.0	21.1
<b>Indices</b>							
Al-Quds index	n.a.	524.85	488.77	498.45	498.92	500.18	502.12
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 November 2009 shows a decline in terms of value of shares traded of approximately 41.56 % and in terms of number of stocks traded of approximately 29.72 %. The Al-Quds index increased by 0.39 %.