

The Israeli economy- Main economic indicators 1999

31/05/2010

Resource and Use of Resources(1)

	Percent change		NIS billion (1999 prices) 1999	Percent of GDP	
	1998	1999		1998	1999
Resources					
Gross domestic product	2.2	2.2	409.2	100.0	100.0
Imports of goods and services	1.7	14.4	189.8	41.2	46.4
of which: civilian	1.4	14.7	179.9	38.9	44.0
Total resources(2)	2.1	5.8	599.1	141.2	146.4
Use of Resources					
Private consumption	3.6	3.3	246.8	60.0	60.3
Public consumption	2.0	3.9	121.1	29.3	29.6
excl. direct defense imports	1.5	3.4	111.2	27.1	27.2
Gross domestic fixed investment	-4.0	1.5	81.4	20.0	19.9
of which: Business sector	-4.6	9.1	51.3	11.7	12.5
Residential buildings	-6.7	-10.0	21.6	6.1	5.3
Domestic use of resources(2)	0.8	4.5	440.5	106.5	107.6
Exports of goods and services	6.3	9.7	148.6	32.4	36.3
Total use of resources(2)	2.1	5.8	599.1	141.2	146.4
Gross business-sector product	2.2	1.8	273.9	66.5	66.9
GNP at market prices			398.5	97.8	97.4
National income			282.1	69.7	68.9
National income per capita (NIS thous.)			46.1		
GDP(\$ billion)	98.9	98.8			
GDP per capita (\$ thous,1999 prices)	16.6	16.1			

Prices

	1997	1998	1999
	(Percent , annual)		
Inflation target	7-10	7-10	4.0
Inflation rate	7.0	8.6	1.3
	(Annual average)		
Consumer Prices Index (CPI)	9.0	5.4	5.2
Excl. housing	8.4	5.3	6.0
Wholesale prices	6.3	4.2	7.1
Business-sector Product prices (gross)	8.9	6.9	7.6
Exchange rate(3)	4.3	9.6	8.3
Export prices	6.3	6.8	11.1
Import prices(2)	4.1	4.2	7.2
Wages per employee post (nominal)	11.6	7.7	7.6

Balance of Payments

	\$ billion (current prices)			Percent of GDP	
	1997	1998	1999	1998	1999
Exports	33.2	35.0	38.6	35.5	39.2
Civilian imports	41.2	40.1	45.5	40.6	46.2

Defense imports	1.8	1.9	2.1	1.9	2.1
Import surplus	9.7	7.0	9.0	7.1	9.1
Civilian import surplus	8.0	5.1	6.9	5.2	7.0
Current transfers	6.2	6.1	6.4	6.2	6.5
Total current account	-3.5	-0.8	-2.6	-0.9	-2.6
Capital transfers	2.2	1.8	1.7	1.8	1.7
Current account and capital transfers	-1.3	0.9	-0.9	0.9	-0.9
Financial account (excluding BOI)	9.4	1.5	3.1	1.5	3.2
of which : Direct and equity investment	3.6	2.4	3.7	2.4	3.8
Foreign direct investment	1.6	1.9	2.3	1.9	2.3
External debt (end of period)					
Net	14.5	11.6	10.9	12.4	10.9
Gross	51.5	54.6	57.5	58.6	57.4
Foreign reserves (Central Monetary Institutions)	20.8	23.3	23.3	25.0	23.1

Public Sector (percent of GDP)

	1997	1998	1999
Total expenditure	54.0	54.3	54.4
Domestic demand	30.4	30.5	30.1
Domestic civilian consumption	20.0	19.8	19.8
Domestic defense consumption	7.3	7.1	7.2
Investment	3.1	3.5	3.1
Transfer payments	14.6	14.5	14.7
Interest payments	4.4	4.5	4.3
External expenditure	3.6	3.9	4.5
Total revenue	49.9	50.7	49.7
Domestic	45.0	45.3	44.4
of which:Taxes(4)	40.4	40.1	40.3
Unilateral transfers	3.3	3.4	3.4
Interest income from abroad	0.8	1.1	1.0
Total deficit (-)	-4.1	-3.6	-4.8
of which: Excluding BOI profit	-3.9	-4.0	-4.0
Domestic	-5.4	-5.0	-5.5
Total net public debt	88.3	88.3	87.8
Of which :Domestic	83.0	83.8	83.7
External	5.4	4.4	4.2
Central government deficit target	2.8	2.4	2.0
Central government deficit	2.7	2.4	2.2
Of which: Domestic	3.1	2.9	3.0
Rate of National Saving & Investment (1,5)			
Gross saving	16.9	17.4	16.4
General government	-1.1	-1.0	-2.3
Private	18.0	18.4	18.7
Gross investment	20.2	18.1	18.8
Current account balance	-3.3	-0.7	-2.4

Employment and Wages

	Percent change		1999 (thousands)
	1998	1999	
Mean permanent population	2.4	2.5	6121.2
Working-age population	2.7	2.7	4358.4
Total employment(6)	1.9	3.1	2362.1
of which: Business sector	0.7	3.1	1710.4

Public sector	5.1	3.1	651.8
Employment of Israelis	1.5	3.1	2136.6
of which: Business sector	0.2	3.1	1490.8
Public sector	4.9	3.2	645.8
Immigration (7)	-15.4	29.3	51.6
Participation rate in labor force(%)	53.4	53.8	
Unemployment rate (%)	8.6	8.9	
Real wage per employee Post(8)	2.2	2.2	4543.9
Business sector	3.0	3.4	4638.5
Public sector	0.4	-0.3	4336.4
Unit labor cost in business sector	0.1	2.1	

Indicators of Business-Sector Product, by Industry^{1,9}

	Industrial composition		Percent change	
	1999	1998	1999	1998
Manufacturing	28.8	2.6	1.7	
Agriculture	2.8	14.1	-5.9	
Transport and communications	12.6	9.5	5.9	
Construction	8.8	-5.8	-10.7	
Water and electricity	2.6	5.3	1.2	
Commerce and services	53.4	6.7	5.4	
Imputed banking services	-2.9			
Errors and omissions	-6.1			
Total business-sector product	100.0	2.2	1.8	

Money and Finance

	Monetary and Credit Aggregates ⁽¹⁰⁾			Percent Change	
	1997	1998	1999	1998	1999
Money supply (M1)	18.6	20.8	23.2	12.1	11.4
Unindexed assets (M2) ⁽¹¹⁾	121.9	149.4	180.8	22.6	21.0
Unindexed credit	84.0	97.7	115.2	16.3	18.0
Total non-directed bank credit to the public	241.3	279.7	329.7	15.9	17.9
Interest rates (12)					
Bank of Israel interest rate ⁽¹³⁾	14.7	12.5	12.8		
Expected inflation ⁽¹⁴⁾	9.1	6.1	5.1		
Interest on overdraft facilities	20.8	18.3	19.0		
Yield to maturity on 10-year government bonds	4.1	4.9	5.2		

Footnotes

- 1) Based on Central Bureau of Statistics data. All rates of changes are annual.
- 2) Excluding direct defense imports.
- 3) Against the currency basket, a positive figure indicates depreciation.
- 4) Including property taxes.
- 5) The denominator is GNP + unilateral transfers. Investment excluding transfers on capital account. Current account balance includes additional capital transfers.
- 6) Including non-Israeli employees.
- 7) In 1999, calculation based on the first 9 months of the year.
- 8) Percent change in real term deflated by the CPI (base 1994) incl. labor from Judea, Samaria and foreign workers.
- 9) Business sector product measured by final use is more reliable than by industry indicators.
- 10) NIS billion monthly averages.

- 11) Including treasury bills.
 - 12) Interest rates: monthly averages of annualized rates in percentage points.
 - 13) Effective annualized nominal interest rate on daily deposit auctions at the Bank of Israel.
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