



BANK OF ISRAEL
Office of the Spokesperson and Economic Information

Press release

March 18, 2026

The monthly Index of Economic Activity increased by 0.2 percent in February

The monthly Index of Economic Activity¹ increased by 0.2 percent in February, less than in the previous three months. The index this month reflects the average monthly growth estimate for the three months from December 2025 to February 2026, and does not reflect the economic implications of Operation Roaring Lion, which began on February 28. The Index was positively influenced by data on the import of manufacturing inputs in February, the import of durable consumer goods in January and February, the import of investment assets in January, and the general shares index on the Tel Aviv Stock Exchange in recent months.

In contrast, figures for trade and services revenue in December, goods exports and manufacturing exports in February, job vacancies in January and February, the number of employee posts, indirect taxes net of legislative changes, and gasoline consumption in January moderated the increase in the Index (Tables 1 and 2).

The pace of increase of the index is below the long-term growth trend (about 0.3 percent).

The Index for recent months was revised downward with the completion of data that were previously missing.

Figure 1 presents the Index data over the past two years. Table 1 presents the contributions of the Index's components to the overall estimate and revisions to the Index, and Table 2 presents the monthly rate of change in the Index's components.

¹ The monthly Index of Economic Activity reflects the three-month average of the estimated monthly growth of GDP. The estimate is based on a model developed at the Bank of Israel (Ginker and Suhoy, 2021).

FIGURE 1: The Monthly Index of Economic Activity

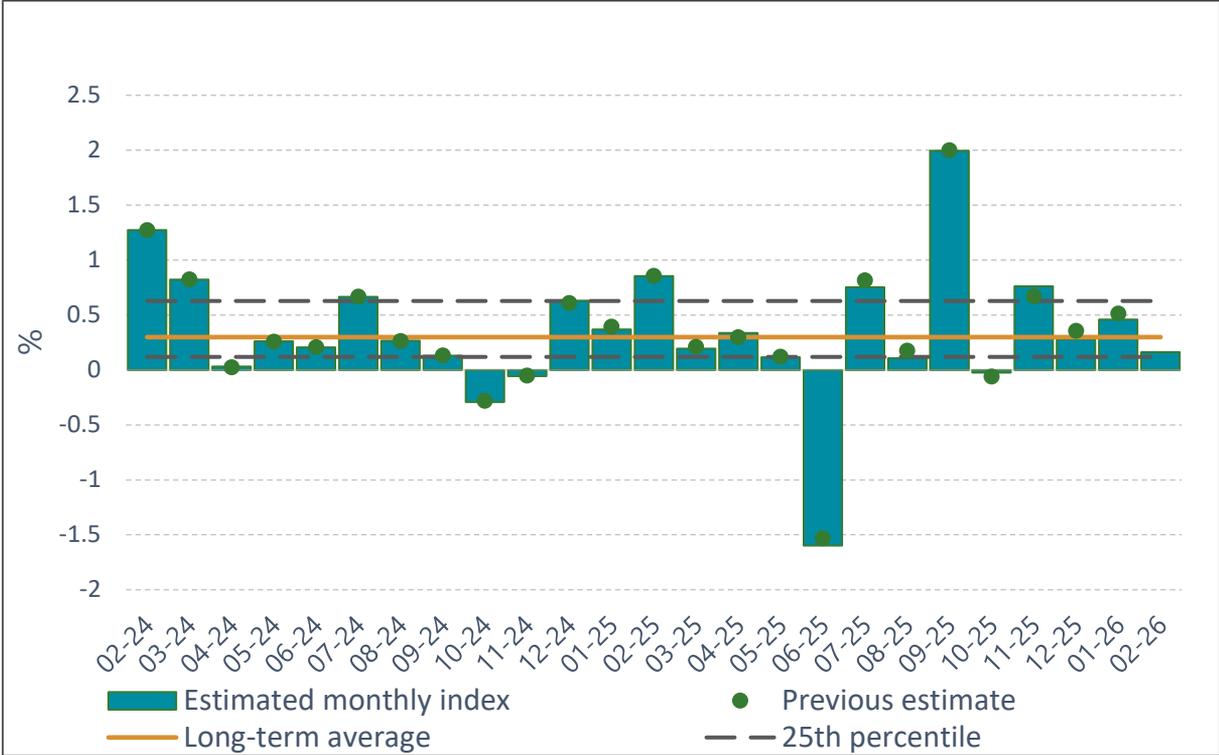


Table 1 | Contribution of the Index Components to the Total Estimate in Recent Months, by Group
(percentage points, unless otherwise specified)

Group	September	October	November	December	January	February
Credit card purchases	0.110	-0.094	0.063	0.031	0.033	-0.012
Industry indices	0.505	-0.300	0.245	0.054	0.149	-0.075
Export indices	0.033	-0.077	0.040	0.037	-0.016	-0.071
Import indices	0.096	-0.088	0.100	-0.012	0.060	0.020
Labor market	0.160	-0.024	0.018	0.005	-0.014	-0.010
Tax data	0.005	0.028	-0.010	-0.018	-0.025	-0.004
Financial indices	-0.055	-0.042	0.010	0.033	0.066	0.077
Purchasing managers indices	0.000	0.002	0.001	-0.002	-0.003	-0.002
Gasoline consumption	0.071	-0.012	0.016	-0.005	-0.018	-0.033
Actual GDP data	0.775	0.287	-0.016	-0.134	-0.067	-0.022
Long-term trend	0.295	0.295	0.295	0.295	0.295	0.295
Total estimate	1.995	-0.025	0.762	0.282	0.459	0.162
Previous estimate	2.001	-0.058	0.670	0.358	0.513	

* The table presents the contribution of each group of components in the monthly index, such that the monthly estimate constitutes the sum of the contributions of each of the components detailed in the table. Some of the raw data influence the monthly estimate with a lag or influence the estimates of several months.

Table 2 | Changes in the Index Components in Recent Months
(monthly rates of change, percent, seasonally adjusted)

Group	Series	September	October	November	December	January	February
Credit card purchases	Index of credit card purchases by private consumers	2.8	-0.6	2.2	-0.5	0.9	0.1
Industry indices	Index of revenue in the services industries	5.4	-2.4	-0.8	-2.6		
	Index of revenue in the trade industries	1.7	0.7	0.5	-0.5		
	Index of retail trade - total, except fuel, fertilizers, and natural gas	1.1	-0.8	0.2	0.9	2.4	
	Residential building starts - total	14.3					
	Index of employees' actual work hours - manufacturing, mining and quarrying	-0.3	-0.6	3.9	-1.3		
	Index of number of employees - manufacturing (excl. diamonds)	0.2	0.2	0.1	0.1		
	Industrial production index - construction inputs	2.5	0.4	2.0	-2.1		
	Industrial production index - total (excl. mining and quarrying)	-5.3	1.5	7.0	-4.5		
Export indices	Industrial production index - mixed-high technology	4.3	-1.6	-2.1	0.8		
	Receipts in respect of total goods exports	11.1	-13.7	2.9	8.4	-6.4	
	Net goods exports - total (excl. ships, aircraft, and diamonds)	1.3	3.9	0.4	1.8	0.2	-8.3
	Goods exports - total manufacturing (excl. diamonds)	2.1	4.3	1.3	1.5	0.0	-9.9
	Goods exports - manufacturing - mixed-high technology	-4.2	10.8	3.2	2.3	-0.6	-10.2
	Receipts in respect of exports of other services (excl. tourism, transportation, and insurance)	0.2	-9.3	9.6	14.8	-12.3	
	Exports of other services (excl. startups) and tourism services	8.7	5.9	-3.0			
Import indices	Exports of other services	9.8	15.0	-14.7			
	Goods imports - consumption goods	4.9	0.3	3.4	-7.7	10.1	0.0
	Goods imports - durable consumption goods	11.3	-2.0	6.6	-22.5	22.1	3.4
	Goods imports - investment assets other than ships and aircraft	10.0	0.2	2.4	-15.3	25.8	
	Goods imports - production inputs	-0.3	0.0	4.4	1.1	-0.5	2.8
Labor market	Employees minus absentees	0.5	0.2	0.0	0.1	1.0	
	Employee posts - total - Israelis	0.1	0.6	0.2	0.2	-0.7	
	Job vacancies	1.9	1.4	0.7	0.5	-0.8	-1.8
	Total wage payments (real)	1.3	0.9	0.4	0.4		
Tax data	VAT - gross	2.0	0.1	1.7	-2.2	-0.2	1.3
	VAT - net, excl. VAT on defense imports - minus legislative changes	-10.3	13.1	-4.4	-11.3	10.9	3.9
	Income tax - net	-0.1	-6.5	10.2	-2.4	3.0	
	Indirect taxes - as defined by the Tax Authority - minus legislative changes	-4.5	5.9	-1.4	-4.0	-0.6	5.7
Financial indices	NASDAQ 100 index	3.7	3.6	0.1	1.5	0.6	-2.7
	Price of a barrel of oil on the London Exchange	0.5	-5.5	-0.5	-3.2	4.9	6.9
	General equities and convertibles index	1.7	5.3	3.4	5.1	8.4	3.4
Purchasing managers index	Purchasing managers index - US	48.9	48.8	48.0	47.9	52.6	52.4
Gasoline consumption	Gasoline consumption	-0.3	-0.1	2.3	-4.4	-1.2	