

## TABLES

<b>Chapter 1</b> <i>The Economy: Developments and Policies</i>		
1.1	GDP and Aggregate Demand, 1990–95 .....	5
1.2	Indicators of Business-Sector Production, 1990–95 .....	6
1.3	General Government Deficit, 1990–95 .....	7
1.4	The Rate of Saving, Investment, and the Balance of Payments on Current Account, 1990–95 .....	8
1.5	The Labor Market, 1990–95 .....	9
1.6	Balance of Payments, 1990–95 .....	10
1.7	Prices, 1990–95 .....	12
1.8	Monetary Indicators, 1990–95 .....	13
<b>Chapter 2</b> <i>Output and Demand</i>		
2.1	Resources and Use of Resources, 1981–95 .....	17
2.2	Product and Productivity of the Business Sector, by Industry, 1981–95 .....	20
2.3	Business-Sector Product, Factors of Production, and Productivity, 1961–95 .....	22
2.4	Demand for Business-Sector Product, 1981–95 .....	24
2.5	Indicators of Business-Sector Profitability and Investment, 1983–95 .....	26
2.6	Gross Domestic Investment, by Type of Asset, 1981–95 .....	29
2.7	The Import Surplus and the Real Exchange Rate, 1981–95 .....	31
2.8	Gross Fixed Investment, by Industry, 1981–95 .....	32
2.9	Gross Capital Stock, by Industry, 1981–96 .....	34
2.10	Total Private Consumption, 1981–95 .....	36
2.11	Private Disposable Income and the Saving Rate, 1991–95 .....	38
2.12	National Saving, Investment, and the Current Account, 1981–95 .....	41
2.13	Industrial Indicators, 1980–95 .....	48
2.14	Indicators of Agricultural Production, 1987–95 .....	55
2.15	Output and Prices of Transport and Communications, 1987–95 .....	60
2.16	Investment in Transport and Communications, 1987–95 .....	62
2.17	Indicators of Construction Activity, 1981–95 .....	64
2.18	Housing Construction, by Initiating Sector, 1979–95 .....	67
2.19	Principal Trade and Services Indicators, 1989–95 .....	70
2.20	Product of Private-Sector Services, 1989–95 .....	71

<b>Chapter 3</b>	<i>Prices</i>	
3.1	Selected Price Indices, 1992–95 .....	73
3.2	Prices of Tradables and Nontradables, 1990–95 .....	76
3.3	Main Components of Consumer Price Index, 1990–95 .....	78
3.4	Inflation and the Exchange Rate: Target and Actual, 1991–95 .....	83
3.5	Price Developments: Related Indicators, 1992–95 .....	90
3.6	Principal Components of Housing Services in CPI, 1992–95 .....	94
<b>Chapter 4</b>	<i>Employment and Wages</i>	
4.1	Principal Labor Market Indicators, 1981–95 .....	98
4.2	Labor Market Indicators, 1990–95 .....	99
4.3	Israeli Labor Force, Selected Data, 1980–95 .....	101
4.4	Business-Sector Employment and Labor Input, by Industry, 1989–95 .....	104
4.5	Indicators of the Depth of Unemployment, 1989–95.....	107
4.6	Change in Real Wage per Employee Post, all Employed Persons, 1981–95 .....	110
4.7	Change in Average Real Wage per Employee Post, Israelis, 1990–95 .....	111
4.8	Immigrants in the Labor Market, Principal Indicators, 1991–95 .....	114
4.9	Occupational Distribution and Education Indicators of Immigrants, 1990–95 .....	115
<b>Chapter 5</b>	<i>The Public Sector</i>	
5.1	The Public Sector: Receipts, Expenditure, and Deficit, 1981–95 .....	118
5.2	The Public Sector: Receipts and Expenditure, Current and Capital Accounts, 1992–95 .....	120
5.3	Exceptional Tax Receipts, 1992–95 .....	123
5.4	The Budget Deficit and the Law, 1992–96 .....	124
5.5	Public Sector Expenditure, by Type of Intervention, 1981–95 .....	128
5.6	The Public Sector: Composition of Receipts, Expenditure, and Deficit, 1990–94 .....	130
5.7	Direct Demand of the Public Sector, 1992–95 .....	132
5.8	The Development of Public Services, 1980–95 .....	133
5.9	Indicators of Defense Consumption, 1980–95 .....	134
5.10	Taxes, Subsidies, and Transfers, 1981–95 .....	136
<b>Chapter 6</b>	<i>The Balance of Payments</i>	
6.1	Selected Balance-of-Payments Indicators, 1987–95 .....	141
6.2	Net Balance of Payments, 1993–95 .....	143

6.3	Goods and Services Account, 1993–95 .....	146
6.4	The Increase of the Civilian Import Surplus, by Component, Excluding Capital Services, 1994–95 .....	148
6.5	Merchandise Exports (f.o.b.), by Industry, 1993–95 .....	151
6.6	Merchandise Imports (c.i.f.), by Economic Use, 1993–95 .....	154
6.7	Import Taxation, Selected Years, 1980–95 .....	155
6.8	Long- and Medium-Term Loans, 1991–95 .....	160
6.9	Balance of Payments, by Sector, 1991–95 .....	162
6.10	Investment in Israel by Nonresidents, and Investment Abroad by Residents, 1991–95 .....	164
6.11	Balance of Payments of the Private Sector, 1994–95 .....	172
6.12	Assets and Liabilities in Foreign Currency, 1993–95 .....	175

**Chapter 7** *The Money and Capital Markets*

7.1	Main Indicators of the Money and Capital Markets: 1993–95 .....	180
7.2	The Money and Capital Markets: Price Changes, Yields, and Flows, 1993–95 .....	183
7.3	The Principal Monetary Aggregates, and Credit, 1993–95 .....	188
7.4	Selected Real Interest Rates, 1992–95 .....	190
7.5	Sources of Change in Unindexed Local-Currency Assets, 1993–95 .....	194
7.6	Real Interest in the Unindexed Local-Currency Segment, 1995 .....	196
7.7	Local- and Foreign-Currency Interest on Credit and Deposits, 1995 .....	199
7.8	Domestic Budget Deficit (Consolidated Balance Sheet of the Government and the Bank of Israel), 1993–95 .....	200
7.9	Commercial Nondirected and Mortgage Bank Credit to the Public, 1993–95 .....	203
7.10	The Capital Market, 1995.....	207
7.11	Main Indicators of the Bond Market, 1994–95 .....	209
7.12	Principal Stock-Market Indicators, 1992–95 .....	211
7.13A	Financial Assets of the Public, 1993–95 .....	213
7.13B	Real Change in Financial Assets of the Public, 1993–95.....	215
7.14	The Contributions of Price and Quantity to the Increase in Wealth, 1994–95 .....	217
7.15	Sources of the Increase in the Public's Wealth, 1994–95 .....	218

## APPENDIX TABLES

A1	Resources and Use of Resources, 1961–95 .....	222
A2	Product and Productivity of the Business Sector, by Industry, 1961–95 .....	226
A3	Gross National Product and Disposable Income, 1971–95 .....	228
A4	National Saving, Investment, and the Current Account, 1960–95 ...	231
A5	Relative Prices of Housing, and Housing Construction by Initiating Sector, 1960–95 .....	235
A6	Selected Price Indices—A, 1960–95 .....	236
A7	Selected Price Indices—B, 1982–95 .....	237
A8	Main Components of the Consumer Price Index, 1962–95 .....	238
A9	Labor Market Indicators, 1960–95 .....	240
A10	The Labor Market—Rates of Change of Real Wages per Employee Post, 1962–95 .....	241
A11	Principal Components of General Government Receipts and Expenditure, 1960–95 .....	242
A12	Taxes, Subsidies, and Transfers, 1960–95 .....	250
A13	Industrial Exports and Goods Imports, 1975–95 .....	253
A14	Imports, Exports, and the Import Surplus, 1975–95 .....	255
A15	Selected Data on Monetary Aggregates, 1973–95 .....	257
A16	Balance of Payments, 1976–95 .....	258
A17	Selected Data on Credit and Interest Rates, 1973–95 .....	262

## FIGURES

<b>Chapter 1</b>	<b><i>The Economy: Developments and Policies</i></b>	
1.1	Main Economic Indicators, 1990–95 .....	2
<b>Chapter 2</b>	<b><i>Output and Demand</i></b>	
2.1	Ratio of Gross Capital Stock to Total Business-Sector Employment, 1971–95 .....	23
2.2	Domestic Use of Resources, GDP, and the Civilian Import Surplus, 1980–95 .....	25
2.3	Indices of Private Consumption as Proportion of Total Disposable Income and Disposable Wage Income, 1980–95 .....	27
2.4	Ratio of Implicit Price Index of Business-Sector Product Prices to Import and Export Prices, 1980–95 .....	33
2.5	Rate of Saving, Investment, and the Current Account, 1960–95 .....	40
2.6	Gross National Saving Rate, by Sector, 1960–94 .....	42

2.7	Families Below the Poverty Line, 1989-94, and Inequality Between Families of Wage-Earners, 1959-94 .....	45
2.8	Gross Infrastructure Investment as Share of Total Resources, 1962-95 .....	46
2.9	Contribution to Change in GDP, and Average Share in GDP, 1993-95 .....	50
2.10	Agriculture: Selected Indicators, 1987-95 .....	53
2.11	Indices of Agriculture and Business-Sector Product Prices, 1986-95 .....	54
2.12A	Relative Producer and Consumer Prices of Vegetables, 1985-95 .....	56
2.12B	Relative Producer and Consumer Prices of Fruit, 1985-95 .....	56
2.13	Infrastructure Investment, 1965-95 .....	59
2.14	Housing Capital Stock per Household, 1975-96 .....	66
 <b>Chapter 3</b> <i>Prices</i>		
3.1	Rates of Change of CPI, 1992-95 .....	74
3.2	Price Indices of Tradables and Nontradables, 1993-95 .....	79
3.3	Real Appreciation, 1989-95 .....	81
3.4	Expected Annual Inflation and Marginal Interest on Monetary Loan, 1991-95 .....	85
3.5	Changes in Production Costs, 1992-95 .....	93
3.6	Housing Prices, 1990-95 .....	95
3.7	Annual Rates of Change of Main Components of the CPI, 1994 and 1995 .....	96
 <b>Chapter 4</b> <i>Employment and Wages</i>		
4.1	Unemployment, 1983-95 .....	106
4.2	The Labor Force, Employment, and Unemployment, 1985-95 .....	106
4.3	Indices of Real Wage per Employee Post, 1984-95 .....	108
4.4	Average Real Wages per Employee Post, and Unit Labor Cost in Business Sector, 1980-95 .....	112
 <b>Chapter 5</b> <i>The Public Sector</i>		
5.1	Change in Price and Quantity of Domestic Public Consumption (Civilian and Defense), 1992-95 .....	125
5.2	Public Sector Expenditure, by Type of Intervention, 1981-95 .....	126
5.3	Average Direct Tax Rates on Wage and Nonwage Income, 1980-95 .....	137
5.4	The Composition of Taxes, by Type of Tax, 1980-95 .....	137

<b>Chapter 6</b>	<b><i>The Balance of Payments</i></b>	
6.1	Industrial Exports of Selected Industries, 1991–95 .....	153
6.2	The Sheqel Exchange Rate Against the Currency Basket and the Dollar, 1991–95 .....	156
6.3	The Interest Rate Differential between Domestic and Foreign- Currency 3-Month Credit, 1993–95 .....	166
6.4	Monthly Standard Deviation of the Rate of Change of the Exchange Rate, 1993–95 .....	166
6.5	Israel's Risk Rating, 1989–95 .....	167
6.6	Net Direct Investment, 1990–95 .....	171
6.7	Net Investment in Securities, 1990–95 .....	171
6.8	Capital Flows of the Banking Sector, 1990–95 .....	174
6.9	The Spread Between LIBOR and the Cost of Domestic Foreign-Currency 3-Month Credit, 1993–95 .....	174
6.10	Ratio of Current-Account Surplus to GNP, 1980–95 .....	177
<b>Chapter 7</b>	<b><i>The Money and Capital Markets</i></b>	
7.1	Inflation and Selected Interest Rates, 1993–95 .....	182
7.2	The Monetary Aggregates, 1992–95 .....	189
7.3	Components of M2, 1992–95 .....	197
7.4	Nondirected Credit, 1992–95 .....	206