

BANK OF ISRAEL

Office of the Spokesperson and Economic Information

Press release

March 20, 2025

**The Bank of Israel publishes the Statistical Bulletin for 2024**

**The Bulletin includes the first publication of the main financial aggregates and data on Israel’s economy for 2024: the public’s financial asset portfolio, nonfinancial private sector debt, economic activity vis-à-vis abroad, and the foreign exchange activity of the main sectors in Israel’s economy.**

The first section of the Statistical Bulletin for 2024 provides a visual presentation of the main financial aggregates and data on Israel’s economic activity, together with information and explanations of the various data, definitions, and calculations. The second part presents papers in the field of statistical methodology prepared by the Bank of Israel’s Information and Statistics Department.

The first part of the Bulletin deals with four main areas of Israel’s financial statistics:

1. **The public’s financial asset portfolio**

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| **Balance of the public’s financial asset portfolio**NIS trillion (line) and annual rate of change (columns) |
| SOURCE: Bank of Israel calculations. |

* The balance of the public’s asset portfolio increased by
* about 15 percent in 2024—a significant increase relative to the average rate of increase over the past decade (6 percent).
* Increases in financial assets abroad and in equities in Israel were prominent, in view of price increases in the capital markets, mainly in the second half of the year.
* Institutional investors continued increasing their exposure to foreign assets. The balance of assets in mutual funds reached a record high, due to a combination of price increases and positive net new investment. Shekel-denominated money market funds and funds specializing in foreign equities were prominent.
1. **Nonfinancial business sector debt**

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| **Annual rate of change in business sector debt by lender**percent |
| SOURCE: Based on Tel Aviv Stock Exchange and reports to the Bank of Israel. |
| **Annual rate of change in household debt, housing and nonhousing** percent |
| SOURCE: Based on reports to the Bank of Israel. |

* The increase in outstanding nonfinancial private sector debt continued, mainly in the second half of the year. This was true in both—the business sector and the households sector.
* The outstanding debt of the nonfinancial private sector increased by about NIS 98 billion (8 percent) in 2024, mainly due to net new borrowing, which was concentrated in bank loans and tradable bonds in Israel. Companies in the construction and real estate industry led the increase in total debt.
* Outstanding household debt also increased, by about NIS 52 billion (7 percent), mainly due to an increase in outstanding housing debt which was the result of an increase in new mortgage borrowing from the banks, which began at the end of 2023. Outstanding nonhousing debt also increased during the year, with a positive growth rate of about 4 percent.
1. **Economic activity vis-à-vis abroad**

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| **Nonresidents’ net investments in Israel, by investment type**$ billion |
| SOURCE: Bank of Israel calculations. |

* The volume of nonresidents’ investment in Israel increased in 2024, relative to the previous year.
* Nonresidents returned to investing in Israeli securities in the second half of the year, for the first time since the third quarter of 2023.
* Direct investments, which had moderated greatly in the first quarter of the year, also resumed their increase beginning in the second quarter.

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| **Causes of the change in the balance of assets abroad**$ billion |
| SOURCE: Bank of Israel calculations. |
| **Household activity vis-à-vis abroad**Including mutual funds, $ billion |
| SOURCE: Bank of Israel calculations. |

* Israelis’ investments abroad also increased in 2024, due to a combination of positive investment flow and increases in the prices of foreign equities.
* Households were also prominent in their net investments in the tradable securities portfolio, and increased their volume of activity abroad over the past two years.
1. **Foreign exchange activity of the main sectors in Israel’s economy**

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| **Estimated net cumulative foreign exchange purchases (+) by the main segments**$ billion |
| SOURCE: Based on reports to the Bank of Israel from institutional investors and businesses. |

* The shekel weakened moderately against the US dollar in 2024, by about 0.6 percent, but strengthened against the euro and the basket of currencies.
* The activity of the main sectors in the foreign exchange market shows that nonresidents from the financial sector were very coordinated with changes in the trend of the exchange rate.
* In contrast with their activity in the previous two years, institutional investors made net sales of US$ 9 billion in 2024, in parallel with price increases on equities abroad.

The second part of the Bulletin includes four papers in the field of statistical methodology and economic information:

1. **Households’ investments in conservative interest-bearing investment channels**

Israeli households seek conservative investments for their savings, out of a desire to benefit from an interest-rate environment that enables a strong return at a low risk level with high liquidity.

The Bank of Israel interest rate has increased since April 2022, making investments in unindexed conservative channels more attractive.

Investments in short-term Bank of Israel notes (MAKAM) and in shekel-denominated money market funds are alternatives to bank deposits. Using data on households’ holdings of securities and deposits, this paper examines whether households increased their investments in these channels.

1. **Nonresidents’ direct investments in the economy—trends in the past decade**

Over the past decade, the balance of nonresidents’ direct investments in Israel increased, mainly as a result of net investment flows. Throughout that time, the volume of new direct investments in capital was higher than reinvested earnings, but in 2023, this trend reversed. In that year, there was a significant decline in the flow of investments, as part of a global trend of reducing direct investments.

An international comparison of selected indices of direct foreign investment over time vis-à-vis selected reference countries with a per capita GDP similar to Israel’s shows that Israel is ranked highly. This ranking was maintained relative to a group of OECD countries and other countries. These indices show the contribution of foreign direct investment to Israel’s economic growth, as well as how attractive Israel’s economy is to foreign investors.

1. **Analysis of changes in the equity and bond indices**

The Bank of Israel regularly monitors activity in the stock and bond markets in Israel, as part of its conduct of economic policy. This paper outlines the Stock Exchange’s methodology of calculating and updating the main equity and bond indices. Based on this methodology, the Bank of Israel conducted calculations to assess the contribution of each security to the change in the value of the index. The last part of the paper presents calculations and analyses of the equity and bond indices in the initial months of the Swords of Iron War.

1. **Specification of data for estimating supply and demand in the labor market**

The main source for data used to estimate supply and demand in the labor market is the Central Bureau of Statistics. This paper presents and specifies the data used to estimate supply and demand in the Israeli labor market, and outlines the main developments in that market. It also outlines the additional potential benefits and uses of these data.