



# FOREIGN TRADE OF ISRAEL

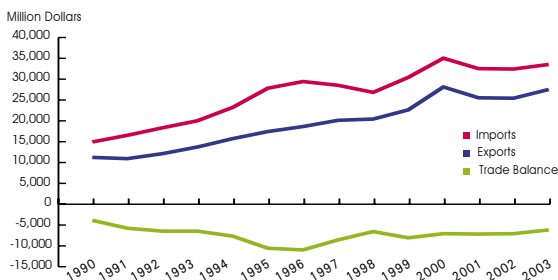
# TRADE VALUE

- In 2003 the value of goods imported into Israel was 33,709 million dollars and the value of exported goods was 27,707 million dollars. The trade deficit amounted to 6,002 million dollars.

- In 2000 imports and exports reached their highest values since the establishment of the State — 35,221 million dollars and 28,340 million dollars, respectively.

The largest trade deficit was recorded in 1996 — 10,820 million dollars.

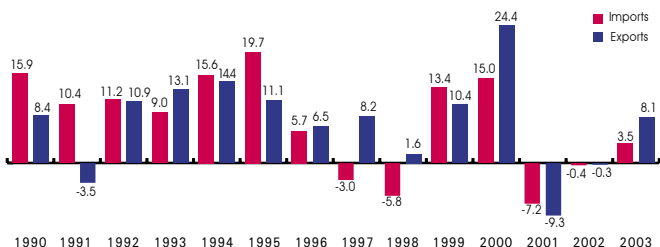
## 1. Imports, Exports and Trade Balance, in Million Dollars, 1990-2003



- In 2003, compared with 2002, imports increased by 3.5%, exports increased by 8.1% and the trade deficit decreased by 13.2%.

- Since 1990, the largest yearly change in the value of imports was recorded in 1995: a rise of 20% compared with 1994, and the largest yearly change in the value of exports was recorded in 2000: a rise of 24%, compared with 1999.

## 2. Yearly Percent Change in the Value of Imports and Exports, 1990-2003



- Each year, from 1990 to 1997, the trade deficit increased. In 1990 and 1991 it increased by approximately 50%. Since then, in most years the trade deficit has decreased.

- From 1990 to 2003 the value of imports per capita increased by 155% and reached \$5,018, and the value of exports per capita increased by 168% and reached \$4,125.

## 3. Imports, Exports and Trade Deficit per Capita, in Dollars, 1950-2003

	1950	1960	1970	1980	1990	2000	2001	2002	2003
Population (millions)	1.3	2.1	3.0	3.9	4.7	6.3	6.4	6.6	6.7
Imports per Capita	237	234	482	2,023	3,242	5,600	5,078	4,955	5,018
Exports per Capita	28	100	247	1,365	2,457	4,506	3,994	3,902	4,125
Trade Deficit per Capita	209	134	235	658	785	1,094	1,084	1,053	893

- The volume of foreign trade is influenced by: local and foreign demand for commodities, the price of commodities and the exchange rates of foreign currency.

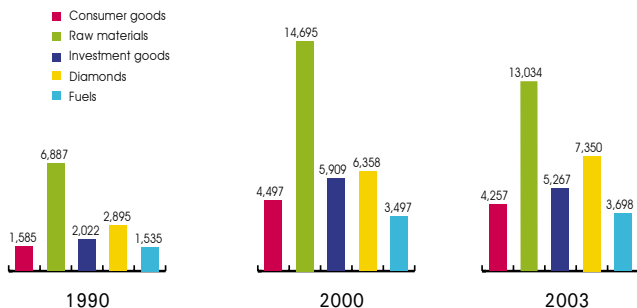
\*All monetary values in this pamphlet are in US dollars.

# COMMODITIES

## Imports

● In 2003 consumer goods constituted 13% of all imported commodities (in 1950 - 26%), investment goods — 16% (in 1950 - 34%), raw materials — 39%, diamonds were 21% and fuels — 11% (in 1950 raw materials, diamonds and fuels together were 40%).

### 4. Imports by Economic Use, in Million Dollars, 1990, 2000, 2003



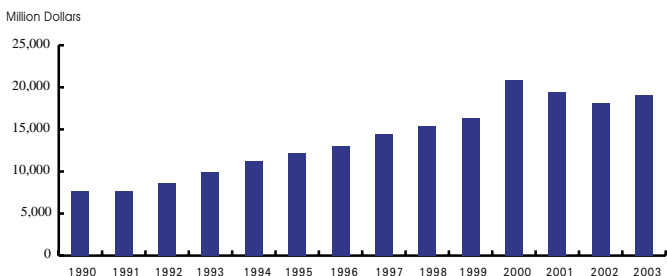
### 5. Imported Commodity Groups: Value in Million Dollars and Percent of Total Imports, 2002

Commodity Group	Value	Percent of Total Imports
Diamonds	7,228	21.8
Crude petroleum oils	1,649	5.0
Motorcars	1,173	3.5
Petroleum oils (other than crude)	885	2.7
Electrical machines for telephony	844	2.5
Computers	738	2.2
Medicaments	570	1.7
Electrical integrated circuits	512	1.5
TV sets and Cameras	502	1.5
Parts for automatic data processing equipment	484	1.5

## Exports

● Changes in the distribution of exported commodities by industry reflect changes in the Israeli economy and in foreign demand. From 1950 to 2003 the share of agricultural exports declined from 48% to 3%, while that of manufacturing exports (excluding diamonds) increased from 25% to 69%. In 2001 the share of manufacturing exports was the largest — 75%.

### 6. Net Manufacturing Exports (excl. Diamonds), in Million Dollars, 1990-2003



# COMMODITIES (CONTINUED)

## 7. Exported Commodity Groups: Value in Million Dollars and Percent of Total Exports, 2002

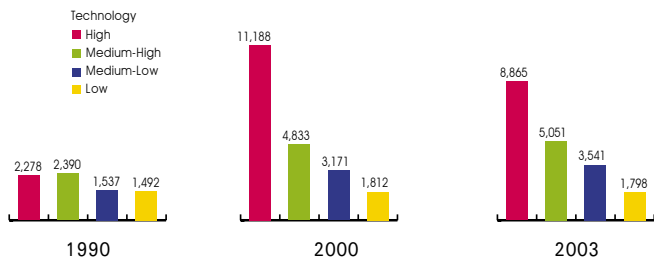
Commodity Group	Value	Percent of Total Exports
Diamonds*	10,389	35.4
Electrical machines for telephony	1,865	6.4
Electrical integrated circuits	1,102	3.8
Parts of airplanes	1,069	3.6
Medicaments	823	2.8
Industrial fatty acids	508	1.7
X-ray based machines	448	1.5
Measuring instruments	440	1.4
TV sets and cameras	416	1.4
Parts for automatic data processing equipment	408	1.3

\* Diamonds are imported to Israel where they are polished and then exported

● In the 1990's manufacturing exports (excl. diamonds) increased by approximately 10% yearly. The highest value was recorded in 2000 — 21,005 million dollars. In 2003 their value was 19,255 million dollars.

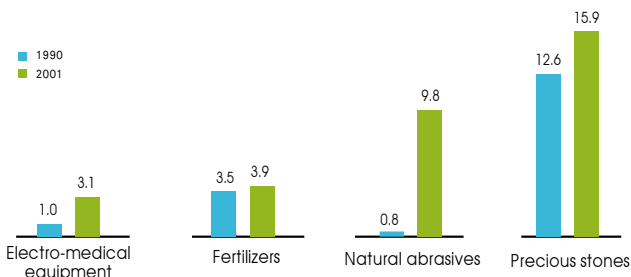
● In 2003, 46% of all manufacturing exports (excl. diamonds) were from high technology industries, 26% were from medium-high technology industries, 19% were from medium-low technology industries and 9% were from low technology industries.

## 8. Gross Manufacturing Exports (excl. Diamonds) by Technological Intensity, in Million Dollars, 1990, 2000, 2003



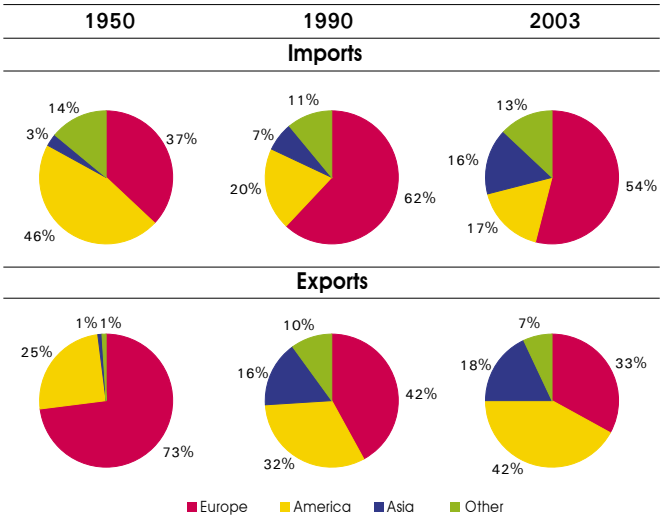
\* In 2000-2001 Israeli exports of precious stones amounted to 16% of world trade, and exports of natural abrasives amounted to 10%.

## 9. Selected Export Commodities, Percent of Total World Trade, 1990, 2000



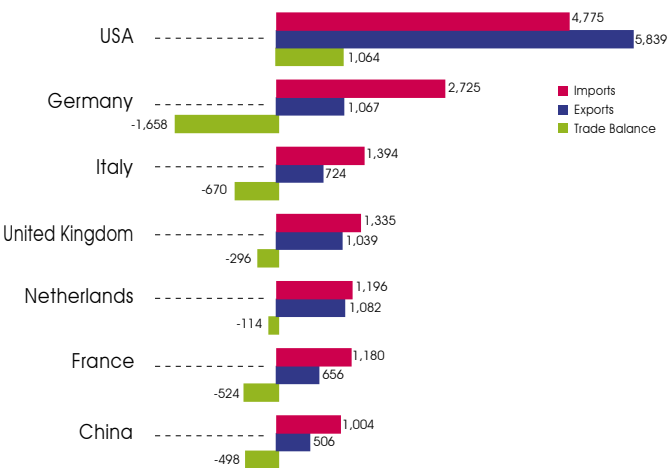
# MAJOR TRADING PARTNER COUNTRIES

10. Imported and Exported Commodities, by Continent, Percentages, 1950, 1990, 2003



● In recent years, 25% of all diamond exports were to Asian countries. In the 1990's their share was higher than 50%.

11. Imports, Exports and Trade Balance (excl. Diamonds) from Selected Countries, in Million Dollars, 2003



● In 2003, the trade deficit with nine countries exceeded 300 million dollars: Germany, Italy, France, China (values in graph 11), Switzerland (751 million dollars), Turkey (511 million dollars), Japan (400 million dollars), Hong Kong (327 million dollars) and South Korea (306 million dollars).

● In addition to the large commercial surplus (excl. diamonds) with the United States (1,064 million dollars in 2003), there is a commercial surplus exceeding 100 million dollars with: Malaysia, Brazil, Mexico, Costa Rica, Cyprus and the Philippines.

# TRADE WITH MEDITERRANEAN COUNTRIES

## 12. The Trade with Mediterranean Countries, in Million Dollars, 1999-2003

	Turkey	Cyprus	Egypt	Jordan	Malta	Morocco
Exports						
1999	338	105	55	21	11	7
2000	434	166	59	39	15	8
2001	321	173	47	52	21	10
2002	383	192	26	69	26	7
2003	453	208	26	87	6	7
Imports						
1999	557	31	20	20	13	1
2000	587	29	21	37	4	2
2001	683	28	20	42	4	1
2002	814	23	20	48	3	1
2003	952	111	22	45	37	1

## MISCELLANEOUS

- In 2003 the value of exports to the Palestinian Authority was 1,100 million dollars (in 1999 — approximately 2,500 million dollars), and the value of imports — approximately 210 million dollars (in 1999 — 300 million dollars).
- More than 70% of the import and export transactions are in US dollars.
- Approximately 80% of all imports and exports (excl. diamonds) arrive by sea, and the rest — by air.

### Additional information

- Foreign Trade Statistics Monthly (Internet only)  
[www.cbs.gov.il/reader/fr\\_trade/ftmenu\\_e\\_v1.htm](http://www.cbs.gov.il/reader/fr_trade/ftmenu_e_v1.htm)
- Imports 1996-2001 — Commodities and Countries (CD Rom only)
- Imports 2002 — Commodities and Countries (CD Rom only)
- Exports 1996-2002 — Commodities and Countries (CD Rom only)

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