

Media Release

info@cbs.gov.il www.cbs.gov.il Fax: 02-6521340

Previous Media Release on Foreign Trade appeared on June 11, 2020

Jerusalem,
July 13, 2020
201/2020

Israel's Foreign Trade, Exports & Imports of Goods: June 2020

Trade Deficit in Goods Totaled NIS 6.1 Billion

Due to sharp decreases in data for the last few months for certain series, seasonally adjusted data and trend data for these series were not calculated. The option of publishing seasonally adjusted data and trend data in the upcoming months will be reevaluated according to the data that will be received.

June 2020

- Exports of goods totaled NIS 13.2 billion.
- Imports of goods totaled NIS 19.3 billion.
- Trade deficit in goods totaled NIS 6.1 billion¹.

April-June 2020 (annual rate) trend data²:

- A decrease of 16.5% in the exports of the **manufacture of electronic components and boards industry**.

¹ Data on exports and imports of goods are temporary data on all goods that were cleared by the Customs Authority. Final data for 2020 will be published in April 2021. The data do not include trade between Israel and the Palestinian Authority or exports and imports of services (including software). Data on all exports and imports of goods and services are published quarterly as part of the Balance of Payments.

² The seasonally adjusted data are calculated by adjusting the original data for the influence of seasonality and festival and trading day effects. Trend data are estimated by removing the irregular influences (noise) from the seasonally adjusted data.

The seasonally adjusted data and the trend are subject to revisions as they are calculated anew, each month or quarter, on the basis of original data that include an additional observation (concurrent season adjustment).

Written by Yaron Marcus - Foreign Trade Sector
For explanations and clarifications regarding the contents of this Press Release,
for more details statistics center 02-6592666

January-June 2020

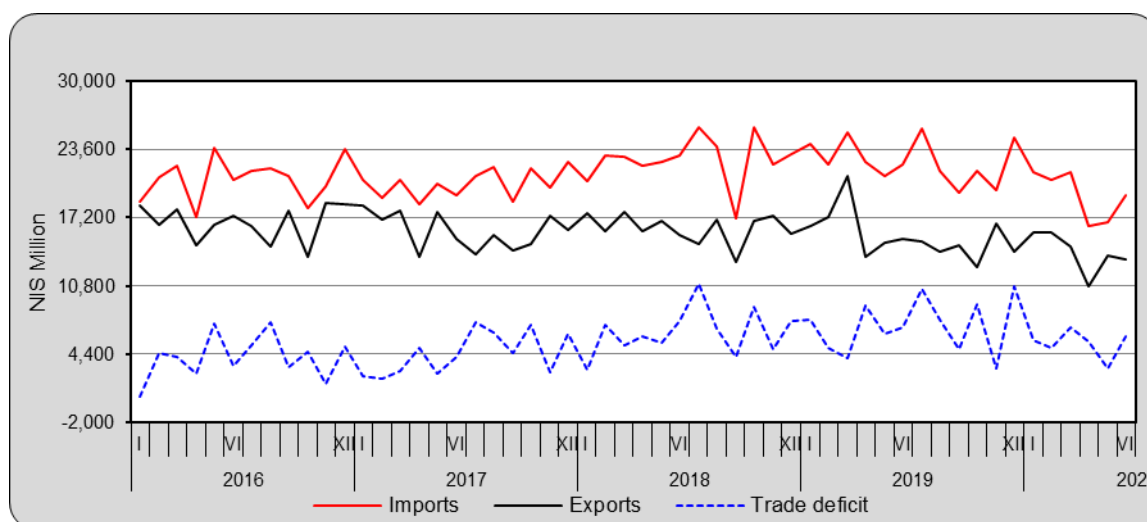
Exports of goods (excluding ships, aircraft and diamonds) in January-June 2020, as a percentage of the **imports**, constituted 71.0% compared with 70.1% in January-June 2019³.

The trade deficit (goods only) in January-June 2020 totaled NIS 32.4 billion, compared with NIS 38.8 billion in January-June 2019⁴.

	June 2020	June 2019	January-June 2020	January-June 2019
Exports*	13.2	15.2	83.7	98.3
Imports*	19.3	22.1	116.1	137.1
Trade Balance*	-6.1	-6.9	-32.4	-38.8
Export, as % of Import	68.5%	68.7%	72.1%	71.7%

*Billion NIS

Diagram 1 - Imports, exports and trade deficit in goods (original data)



Trend Data

Exports of goods (excluding ship, aircraft, diamonds and fuels) decreased by 2.5% at an annual rate in April-June 2020, according to trend data, following a decrease of 15.2% in January-March 2020.

Due to sharp decreases in data for the last few months in the "Imports of Goods" series, seasonally adjusted data and trend data for this series were not calculated. The option of publishing seasonally adjusted data and trend data in the upcoming months will be reevaluated according to the data that will be received.

³ Ratio of value between the value of the exports and the value of the imports.

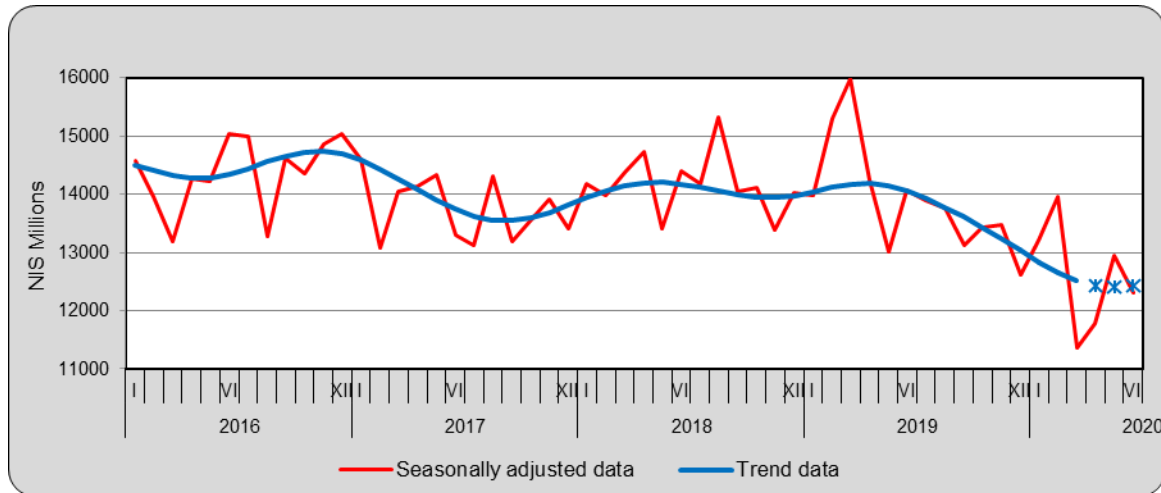
⁴ Trade in goods is influenced by changes in the value of the NIS relative to the value of the other currencies in which import and export transactions are conducted. In June 2020, the NIS strengthened to the currencies; by 1.7% relative to the US Dollar, by 2.1% relative to the Japanese Yen. In contrast the NIS weakened by 1.6% relative to the Euro, by 0.2% relative to the Swiss Franc and by 0.1% relative to the Pound Sterling.

Source for the average exchange rates is the Bank of Israel.

Exports of Goods

Exports of goods totaled NIS 13.2 billion in June 2020. Manufacturing, mining and quarrying exports (excluding diamonds) constituted 91% of all exports of goods, exports of diamonds constituted 8%, and the remaining 1% was agriculture, forestry and fishing exports.

Diagram 2 - Exports of goods (excl. diamonds)



* The last points are subject to substantial revisions

According to trend data, **manufacturing, mining and quarrying exports** (excluding diamonds) decreased by 3.3% at an annual rate in April-June 2020, following a decrease of 16.7% in January-March 2020.

Trend data of manufacture exports, by technological intensity

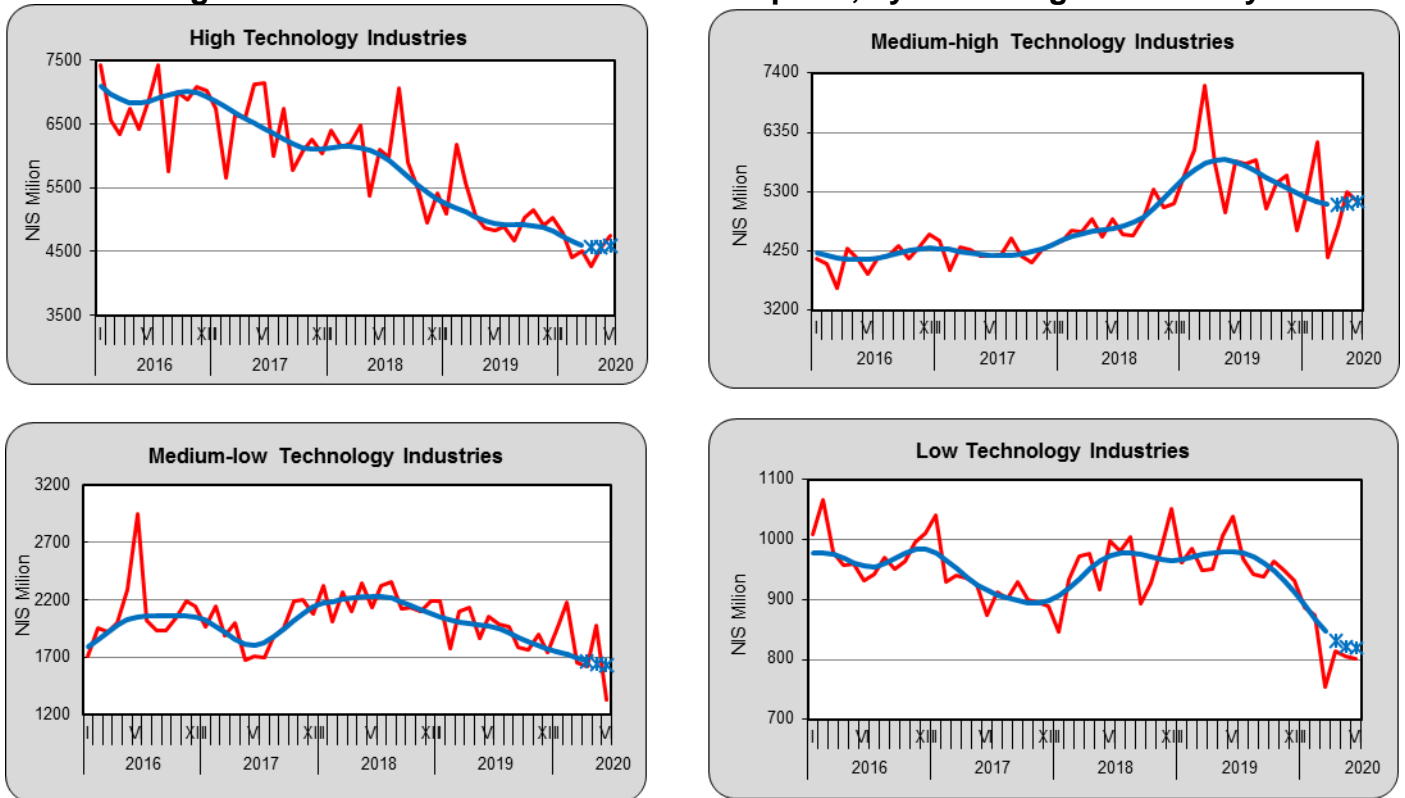
Trend data point to a 0.7% decrease in **exports by high technology industries** (36% of total manufacture exports excluding diamonds), at an annual rate, in April-June 2020, following a decrease of 17.1% in January-March 2020. A breakdown by economic activity shows a decrease of 16.5% at an annual rate in the exports of the **manufacture of electronic components and boards industry**. In contrast, an increase of 106.7% at an annual rate in the exports of the **manufacture of pharmaceutical products industry** (6.2% monthly average).

Trend data point to an increase of 3.9% in **exports by medium-high technology industries** (43% of total manufacture exports excluding diamonds), at an annual rate, in April-June 2020, after a decrease of 13.7% in January-March 2020. A breakdown by economic activity shows an increase of 27.4% (2.0% monthly average) at an annual rate in the exports of the **manufacture of chemical and chemical products industry**.

Trend data point to a 14.5% decrease in **exports by medium-low technology industries** (14% of total manufacture exports excluding diamonds), at an annual rate, in April-June 2020, following a decrease of 16.4% in January-March 2020. A breakdown by economic activity shows a decrease of 14.4% at an annual rate in the exports of the **manufacture of rubber and plastic products industry**.

Trend data point to a 12.2% decrease in **exports by low technology industries** (7% of total manufacture exports excluding diamonds), at an annual rate, in April-June 2020, following a decrease of 25.6% in January-March 2020 (-2.4% monthly average). A breakdown by economic activity shows a decrease of 12.3% at an annual rate in the exports of the **manufacture of food products beverages and tobacco products industry**.

Diagram 3 - Trend data of manufacture exports, by technological intensity



— Trend data — Seasonally adjusted data The last 3 points are subject to substantial revisions

Exports of diamonds (net, polished and rough), in January-June 2020, totaled NIS 6.1 billion (original data) compared with NIS 9.3 billion in January-June of 2019.

Agricultural, forestry and fishing exports in January-June 2020 totaled NIS 2.3 billion (original data), compared with NIS 2.6 billion in January-June 2019. The **exports of growing of flowers** in this period decreased by 35.0% compared with the same period in 2019.

Imports of Goods

Imports of goods in June 2020 totaled NIS 19.3 billion. 49% of total imports were imports of raw materials (excluding diamonds and fuels); 22% were imports of consumer goods; 17% were imports of machinery, equipment and land vehicles for investment; and 12% were imports of diamonds, fuels, ships and aircraft.

Imports of raw materials (excluding ships and aircraft): **Due to sharp decreases in data for the last few months in the "Imports of Raw Materials" series, seasonally adjusted data and trend data for this series were not calculated. The option of publishing seasonally adjusted data and trend data in the upcoming months will be reevaluated according to the data that will be received.**

Imports of investment goods (excluding ships and aircraft): **Due to sharp decreases in data for the last few months in the "Imports of Investment Goods" series, seasonally adjusted data and trend data for this series were not calculated. The option of publishing seasonally adjusted data and trend data in the upcoming months will be reevaluated according to the data that will be received.**

Imports of consumer goods: **Due to sharp decreases in data for the last few months in the "Imports of Consumer Goods" series, seasonally adjusted data and trend data for this series were not calculated. The option of publishing seasonally adjusted data and trend**

data in the upcoming months will be reevaluated according to the data that will be received.

Imports of diamonds (net, rough and polished) in January-June 2020 totaled NIS 5.9 billion, compared with NIS 7.8 billion in January-June 2019.

Imports of fuels (crude oil, distillates and coal) in January-June 2020 totaled NIS 10.5 billion; a decrease of 39.8% relative to January-June 2019.

*Next Media Release on Israel's Foreign Trade in Goods will appear on August 12, 2020.