

BALANCE OF PAYMENTS DEVELOPMENTS

IN JANUARY 2002

Detailed tables related to old and new presentations of Balance of Payments Developments can be found at the internet address: <http://www.tcmb.gov.tr> under the heading: "[Publications/Periodical Publications/Balance of Payments Statistics](#)"

The main points related to the balance of payments developments in the framework of old presentation in January 2002 are summarized below:

A-CURRENT ACCOUNT

Foreign trade deficit, which decreased by 80,1 percent in comparison with same month of the previous year, realized as US dollars 275 million in 2002. The key factors underlying this development are;

- the increase of export revenues by 9,3 percent,,
- the increase of shuttle trade by 7,6 percent,
- the decrease of import (CIF) expenditures by 23,9 percent.

On the other hand, net revenues from other goods and services, as well as unrequited transfers, decreased by 30,2 percent, amounting to US dollars 518 million.

As a result, the current account balance, which had recorded a deficit of US dollars 643 million in January 2001, resulted in a surplus of US dollars 243 million in January 2002.

1-Foreign Trade

Export (FOB) revenues, which had realized as US dollars 2.472 million with the inclusion of **shuttle trade** amounting to US dollars 210 million in January 2001, increased to US dollars 2.716 million, with the contribution of shuttle trade of US dollars 226 million in January 2002. **Import (FOB)** expenditures, including gold imports of US dollars 87 million, had realized as US dollars 3.857 million in January 2001. As for January 2002, the same item decreased to US dollars 2.991 million, of which US dollars 103 million was gold imports.

Consequently, the **foreign trade balance** resulted in a deficit of US dollars 275 million in January 2002, decreasing by 80,1 percent compared to a deficit of US dollars 1.385 million in January 2001.

(Million US dollars)	January 2001	January 2002	% Change
Exports FOB	2.472	2.716	9,,8
Shuttle trade	210	226	7,6
Imports FOB	-3.857	-2.991	- 22,5
Gold imports	-87	-103	- 18,4
Foreign trade deficit	-1.385	-275	- 80,1

2-Other Goods and Services Income, Expenditures and Unrequited Transfers

In January 2002, **tourism revenues** decreased by 3,6 percent compared to January 2001, realizing as US dollars 215 million. **Interest income** decreased by 10,8 percent compared to January 2001, realizing as US dollars 224 million, while **other goods and services income** declined by 63,3 percent to US dollars 346 million.

As for the expenditure side of the above-mentioned items; it is observed that **tourism expenditures, interest and other services expenditures** decreased by 33,6 percent, 27,8 percent and 39,5 percent respectively. As a result, the realizations in these items in January 2002 were recorded as US dollars 73, 371 and 328 million, respectively.

During the same month, **workers` remittances** under the heading **unrequited transfers** declined by 58,9 percent to US dollars 172 million.

B-CAPITAL MOVEMENTS

The developments under **capital movements (excluding reserves)** for January 2002 are as follows:

Regarding **direct investments**, in comparison with the same month last year, non-residents` net direct investments in Turkey decreased by US dollars 263 million in January 2002, amounting to US dollars 11 million, while residents` net direct investments abroad decreased by US dollars 194 million, realizing as US dollars 26 million. As a result, **direct investments** showed a net outflow of US dollars 15 million.

While **borrowings through bond issues** in international capital markets under **portfolio investments** recorded net borrowings of US dollars 600 million in January 2002, borrowings through bond issues hasn`t shown any flow in January 2001.

Residents` security transactions abroad classified under **security investments** had shown net sales of US dollars 156 million in January 2001 and net purchases of US dollars 236 million in January 2002.

As for **non-residents` security transactions**, net purchases of US dollars 1.024 million and US dollars 56 million were recorded in January 2001 and in January 2002, respectively.

Consequently, **portfolio investments** recorded a net inflow of US dollars 1.180 million and US dollars 420 million in January 2001 and in January 2002, respectively.

Long-term capital movements resulted in a net outflow of US dollars 121 million in January 2001 and US dollars 325 million in January 2002.

As for the sub-categories of this caption; **long-term foreign exchange credit disbursements** decreased to US dollars 611 million, from US dollars 799 million due to the decrease of US dollars 263 million in borrowings of the other sectors.

Repayments increased to US dollars 1.012 million, from US dollars 877 million, in January 2002.

The last principal item under long-term capital movements, **deposits with the Central Bank**, which had decreased in the amount of US dollars 43 million in January 2001 in net terms, increased by US dollars 76 million in January 2002.

As for the assets side of **short-term capital movements**, regarding **loans extended** realized as US dollars 37 million in January 2001 and US dollars 101 million in January

2002. **Banks` foreign exchange holdings** with foreign correspondents, which had decreased by US dollars 1.772 million in January 2001, also decreased by US dollars 1.413 million in January 2002.

As for the liability side of **short-term capital movements**, in January 2001, an increase was observed in the amount of US dollars 65 million while a decrease of US dollars 693 million was recorded in January 2002. One of the principal items in this category, **loans received by banks**, which had shown a net disbursement of US dollars 253 million in January 2001, recorded a net repayment of US dollars 82 million in January 2002.

In addition, in **trade credits**, which is under the **other sectors**, a net repayment was realized US dollars 256 million in January 2001 and US dollars 133 million in January 2002, respectively. As for the **foreign exchange credits**, which is also under the **other sectors**, recorded a net repayment of US dollars 31 million in January 2001 and US dollars 76 million in January 2002. As a result, in the periods indicated, **loans received** under the **short-term capital movements-liabilities** recorded a net repayment of US dollars 34 million and of US dollars 290 million, respectively.

FX deposit accounts, which had shown an increase of US dollars 99 million in January 2001, have decreased in the amount of US dollars 403 million in January 2002, mostly owing to the decrease in non-resident banks' deposit accounts opened with the resident banks.

C-RESERVE MOVEMENTS

In line with the above stated developments, the **official reserves**, had increased by US dollars 2.658 in January 2001 and US dollars 404 million in January 2002.