

BALANCE OF PAYMENTS DEVELOPMENTS

IN JANUARY-NOVEMBER 2001

Detailed tables related to 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 January-November 2001 are summarized below:

A-CURRENT ACCOUNT

Foreign trade deficit, which decreased by 79,3 percent in comparison with the same period of the previous year, realized as US dollars 4.324 million in January-November 2001. The key factors underlying this development are;

- the increase of export revenues by 13,2 percent,
- the increase of shuttle trade by 4,6 percent,
- the decrease of import (CIF) expenditures by 25,8 percent.

Net revenues from other goods and services, as well as unrequited transfers, decreased by 33,2 percent, amounting to US dollars 7.860 million.

As a result, the current account balance, which had recorded a deficit of US dollars 9.110 million in January-November 2000, resulted in a surplus of US dollars 3.536 million in January-November 2001.

1-Foreign Trade

Export (FOB) revenues, which had realized as US dollars 28.883 million with the inclusion of **shuttle trade** amounting to US dollars 2.707 million in January-November 2000, increased to US dollars 32.155 million, with the contribution of shuttle trade of US dollars 2.831 million in January-November 2001. **Import (FOB)** expenditures, including gold imports of US dollars 1.845 million, had realized as US dollars 49.763 million in January-November 2000. As for January-November 2001, the same item decreased to US dollars 36.479 million, of which US dollars 890 million was gold imports.

Consequently, the **foreign trade balance** resulted in a deficit of US dollars 4.324 million in January-November 2001, decreasing by 79,3 percent compared to a deficit of US dollars 20.880 million in January-November 2000.

(Million US dollars)	Jan-Nov. 2000	Jan-Nov. 2001	% Change
Exports FOB	28.883	32.155	11,3
Shuttle trade	2.707	2.831	4,6
Imports FOB	-49.763	-36.479	- 26,7
Gold imports	-1.845	-890	- 51,8
Foreign trade deficit	-20.880	-4.324	- 79,3

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

In January-November 2001, **tourism revenues** increased by 6,5 percent compared to January-November 2000, realizing as US dollars 7.820 million. **Interest income** increased by 0,3 percent compared to January-November 2000, realizing as US dollars 2.524 million, while **other goods and services income** declined by 38,7 percent to US dollars 6.638 million.

As for the expenditure side of the above-mentioned items; it is observed that **interest** and **tourism expenditures** increased by 17,5 percent and 1,6 percent respectively while the **other services expenditures** decreased by 28,7 percent. As a result, the realizations in these items in January-November 2001 were recorded as US dollars 6.468, 1.657 and 4.633 million, respectively.

During the same period, **workers` remittances** under the heading **unrequited transfers** declined by 37,5 percent to US dollars 2.596 million.

B-CAPITAL MOVEMENTS

The developments under **capital movements (excluding reserves)** for January-November 2001 are as follows:

Regarding **direct investments**, in comparison with the same period of the last year, non-residents` net direct investments in Turkey increased by US dollars 2.259 million in January-November 2001, amounting to US dollars 3.161 million, while residents` net direct investments abroad decreased by US dollars 372 million, realizing as US dollars 401 million. As a result, **direct investments** showed a net inflow of US dollars 2.760 million.

Borrowings through bond issues in international capital markets under **portfolio investments** recorded net borrowings of US dollars 6.252 million in January-November 2000 and net repayments of US dollars 79 million in January-November 2001..

Residents` security transactions abroad classified under **security investments** had shown net purchases of US dollars 649 million in January-November 2000 and US dollars 588 million in January-November 2001.

As for **non-residents` security transactions**, net sales of US dollars 4.343 million and US dollars 3.871 million were recorded in January-November 2000 and January-November 2001, respectively

Consequently, **portfolio investments** recorded a net inflow of US dollars 1.260 million in January-November 2000 and a net outflow of US dollars 4.538 million in January-November 2001.

Long-term capital movements resulted in a net inflow of US dollars 3.816 million in January-November 2000 and in a net outflow of US dollars 925 million in January-November 2001.

As for the sub-categories of this caption; **long-term foreign exchange credit disbursements** decreased to US dollars 11.243 million, from US dollars 15.627 million due to the decrease of US dollars 3.727 and 884 million in borrowings of the other sectors and banks, respectively.

Repayments increased to US dollars 12.660 million, from US dollars 12.389 million, in January-November 2001..

The last principal item under long-term capital movements, **deposits with the Central Bank**, which had increased in the amount of US dollars 578 million in January-November 2000 on net terms, have also increased in the amount of US dollars 492 million in January-November 2001.

As for the assets side of **short-term capital movements**, regarding **loans extended** US dollars 123 million were repaid in January-November 2000 while US dollars 757 million were extended in January-November 2001. **Banks` foreign exchange holdings** with foreign correspondents, which had increased by US dollars 643 million in January-November 2000, decreased by US dollars 1.332 million in January-November 2001.

As for the liability side of **short-term capital movements**, in January-November 2000, an increase was observed in the amount of US dollars 5.164 million while a decrease of US dollars 9.931 million was recorded in January-November 2001. One of the principal items in this category, **loans received by banks**, which had shown a net disbursement of US dollars 3.987 million in January-November 2000, recorded a net repayment of US dollars 5.797 million in January-November 2001.

In addition, in **trade credits**, which is under the **other sectors**, a net disbursement of US dollars 1.101 million was observed in January-November 2000 while a net repayment US dollars 1.758 million was realized in January-November 2001. As for the **foreign exchange credits**, which is also under the **other sectors**, recorded a net disbursement of US dollars 177 million in January-November 2000 and US dollars 211 million in January-November 2001. As a result, in the periods indicated, **loans received** under the **short-term capital movements-liabilities** recorded a net disbursement of US dollars 5.351 million and a net repayment of US dollars 8.262 million, respectively.

FX deposit accounts, which had shown a decrease of US dollars 187 million in January-November 2000, have also decreased in the amount of US dollars 1.669 million in January-November 2001, 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 decreased by US dollars 2.180 million in January-November 2000 and US dollars 4.282 million in January-November 2001.