

BALANCE OF PAYMENTS DEVELOPMENTS

IN JANUARY-APRIL 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-April 2002 are summarized below:

A-CURRENT ACCOUNT

Foreign trade deficit, which decreased by 40,4 percent in comparison with same period of the previous year, realized as US dollars 1.184 million in January-April 2002. The key factors underlying this development are;

- the increase of export revenues by 5,9 percent,
- the increase of shuttle trade by 21 percent,
- the decrease of import (CIF) expenditures by 1,2 percent..

Net revenues from other goods and services, as well as unrequited transfers, decreased by 76 percent, amounting to US dollars 519 million.

As a result, the current account balance, which had recorded a surplus of US dollars 176 million in January-April 2001, had shown a deficit of US dollars 665 million in January-April 2002.

1-Foreign Trade

Export (FOB) revenues, which had realized as US dollars 11.129 million with the inclusion of **shuttle trade** amounting to US dollars 1.077 million in January-April 2001, increased to US dollars 12.189 million, with the contribution of shuttle trade of US dollars 1.303 million in the same period of 2002. **Import (FOB)** expenditures, including gold imports of US dollars 214 million, had realized as US dollars 13.117 million in January-April 2001. As for January-April 2002, the same item increased to US dollars 13.373 million, of which US dollars 390 million was gold imports.

Consequently, the **foreign trade balance** resulted in a deficit of US dollars 1.184 million in January-April 2002, decreasing by 40,4 percent compared to a deficit of US dollars 1.988 million in January-April 2001.

(Million US dollars)	January- April 2001	January- April 2002	% Change
Exports FOB	11.129	12.189	9,5
Shuttle trade	1.077	1.303	21,0
Imports FOB	-13.117	-13.373	2,0
Gold imports	-214	-390	-82,2
Foreign trade deficit	-1.988	-1.184	- 40,4

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

In January-April 2002, **tourism revenues** increased by 5,1 percent compared to January-April 2001, realizing as US dollars 1.358 million. **Interest income** decreased by 30,1 percent compared to January-April 2001, realizing as US dollars 773 million, while **other goods and services income** declined by 55,3 percent to US dollars 1.354 million.

As for the expenditure side of the above-mentioned items; it is observed that **interest and other services expenditures** decreased by 13,8 percent and 19,7 percent respectively while the **tourism expenditures** increased by 8,1 percent. As a result, the realizations in these items in January-April 2002 were recorded as US dollars 2.029, 1.452 and 559 million, respectively.

During the same period, **workers` remittances** under the heading **unrequited transfers** declined by 42,8 percent to US dollars 644 million.

B-CAPITAL MOVEMENTS

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

Regarding **direct investments**, in comparison with the same period last year, non-residents` net direct investments in Turkey decreased by US dollars 1.844 million in January-April 2002, amounting to US dollars 75 million. Residents` net direct investments abroad which had shown an outflow of 292 million US dollars in January-April 2001 resulted in a net outflow of US dollars 5 million in January-April 2002. In this period, direct investment had shown an inflow of US dollars 70 million in net terms.

Borrowings through bond issues in international capital markets under **portfolio investments** recorded net repayments of US dollars 169 million in January-April 2001 and net borrowings of US dollars 826 million in January-April 2002.

Residents` security transactions abroad classified under **security investments** had shown net purchases of US dollars 41 million in January-April 2001 and US dollars 1.096 million in January-April 2002.

As for **non-residents` security transactions** that had shown net sales of US dollars 3.207 million in January-April 2001, have resulted in net purchases of US dollars 815 million in January-April 2002.

Consequently, **portfolio investments** recorded a net outflow of US dollars 3.417 million and a net inflow of US dollars 545 million in January-April 2001 and in January-April

2002, respectively.

Long-term capital movements resulted in a net outflow of US dollars 1.083 million in January-April 2001 and a net inflow of US dollars 526 million in January-April 2002.

As for the sub-categories of this caption; **long-term foreign exchange credit disbursements increased** to US dollars 4.185 million, from US dollars 3.328 million with an increase of US dollars 691 million in borrowings of the other sectors and of US dollars 305 million in borrowings of the banks.

Repayments decreased to US dollars 3.886 million, from US dollars 4.411 million, in January-April 2002.

The last principal item under long-term capital movements, **deposits with the Central Bank**, which had no change in January-April 2001 in net terms, increased by US dollars 227 million in January-April 2002.

As for the assets side of **short-term capital movements, loans extended** realized as US dollars 234 million in January-April 2001 and US dollars 272 million in January-April 2002. **Banks' foreign exchange holdings** with foreign correspondents, which had decreased by US dollars 1.539 million in January-April 2001, also decreased by US dollars 2.894 million in January-April 2002.

As for the liability side of **short-term capital movements**, in January-April 2001, a decrease was observed in the amount of US dollars 2.179 million and also a decrease of US dollars 2.048 million was recorded in January-April 2002. One of the principal items in this category, **loans received by banks**, which had shown a net repayment of US dollars 928 million in January-April 2001, also recorded a net repayment of US dollars 644 million in January-April 2002.

In addition, in **trade credits**, which is under the **other sectors**, a net repayment of US dollars 797 million was realized in January-April 2001 and US dollars 81 million in January-April 2002. **Foreign exchange credits**, which is also under the **other sectors**, recorded a net disbursement of US dollars 237 million in January-April 2001 and a net repayment of US dollars 500 million in January-April 2002. As a result, in the periods indicated, **loans received** under the **short-term capital movements-liabilities** recorded a net repayment of US dollars 1.478 million and of US dollars 1.216 million, respectively.

FX deposit accounts, which decreased by US dollars 701 million in January-April 2001, have also decreased in the amount of US dollars 832 million in January-April 2002, mostly owing to the decrease in non-resident banks' deposit accounts opened with the resident banks despite an increase of US dollars 260 million in Central Bank deposit accounts.

C-RESERVE MOVEMENTS

In line with the above stated developments, the **official reserves**, had decreased by US dollars 3.530 in January-April 2001 and increased by US dollars 3.411 million in January-April 2002.

Under the Stand-by Agreement, US dollars 1.092 million was disbursed from IMF in April 2002 and net borrowings were realized of US dollars 3.660 million in January-April 2002.