

EMBASSY OF ISRAEL TO LATVIA AND LITHUANIA

# ECONOMICAL AND BUSINESS DATA OVERVIEW

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ISRAEL

**ECONOMICS AND BUSINESS NEWS  
LATEST STATISTICAL DATA  
INFORMATION FROM ECONOMICS DEPARTMENT**

*April, 2010*

# ECONOMICS AND BUSINESS NEWS

## ECONOMIC DEVELOPMENT

### Sources:

Ministry of Finance,

The International Affairs Department, Israel:

<http://www.financeisrael.mof.gov.il>

Ministry of Industry, Trade and Labor, Israel:

<http://www.moital.gov.il>

Central Bureau of Statistics (CBS), Israel:

<http://www.cbs.gov.il>

Ministry of Foreign Affairs, Israel:

<http://www.mfa.gov.il>

The Federation of Israeli Chambers of Commerce (FICC):

<http://www.chamber.org.il>

ISRAEL21c (non-profit educational foundation which focuses media and public attention on the 21<sup>st</sup> century Israel that exists beyond the conflict):

<http://www.israel21c.org>

### **2009 Concluding Data: Israel Saw Growth, Despite the Global Recession** (Ministry of Finance)

Concluding 2009 data reveals that despite the global recession, Israel's economy continued to grow, against all odds, beating even the most optimistic forecasts:

2009 GDP growth: **0.7%** Q4 2009

GDP growth: **4.9%**

GDP per Capita: **102,969 NIS** (crossed the 100,000 NIS bar for the first time in Israel's history).

**Israel's 2009 positive growth stands in contrast to some other developed economies in the world, which tackled serious financial challenges.**

Recovery is felt in the labor market as well, as unemployment dropped. Recovery is also felt in tax revenues, with an end to the growth in budget deficit (the deficit that had characterized the end of 2008 and most of 2009). January 2010 tax revenues were 20% more than the previous January. The fastest recovery is documented in Q4, as it showed a significant increase in business activity, following the modest rise in Q3.

### **The Israeli economy exceeds expectations – the Israeli economy grew 0.7% last year, faster than the previous government estimate of 0.5%**

(CBS, FICC, Jerusalem Post)

That compares with 4% in 2008 and 5.2% in 2007. Members of the Organization of Economic Cooperation and Development contracted at an average rate of 3.5% in 2009. Gross Domestic Product increased 4.9% in the fourth quarter, more than the preliminary estimate of 4.4%. The expansion was led by exports, which grew 42%.

### **Ratings of banks to change – international rating agency Moody's has indicated that it could change its ratings outlook for Israeli banks if conditions in the local economy continue to improve**

(FICC, Globes)

"If economic growth improves over the next few months in line with current expectations, this would ease our residual concerns with regard to asset quality, prompting us to change Israeli banks' rating outlooks back to stable," George Chrysaphinis, VP-Senior Analyst at Moody's says.

**OECD: 2010 is the Target Year for Completing Israel's Accession Process**

*(Ministry of Finance)*

During his official visit to Israel in January 2010, OECD (Organization for Economic Cooperation and Development) Secretary-General Angel Gurría launched the following documents: OECD Economic Survey of Israel & Review of Israel's Labour Market and Social Policies.

Following a meeting at the Israeli PM's office with the social economic cabinet, Gurría said that "2010 is the target year for completing Israel's accession process to the OECD. We are keeping the target, although there are still issues that we must solve but it is important to point out that all these issues can be solved".

**2010 opened with the decision of the Minister of Finance  
to cut VAT by 0.5% to 16.0%**

*(Ministry of Finance)*

This rate cut boosts economic growth by increasing allowances in 2010, increasing the purchasing power of the weak strata and reducing inequality. Additionally, this cut, combined with concurrent interest rate adjustments, will alleviate inflationary pressures. The decision to accelerate the implementation of the half-percent VAT tax relief from 2011 to 2010 was influenced by the upturn in growth and government revenue since the approval of the bi-annual budget and the economic program. As a result of this improvement, the macroeconomic fallout of the global recession for the Israeli economy has been milder than expected.

**Another step towards the establishment of life sciences investment funds**

*(Ministry of Industry, Trade and Labor)*

The Tender's Committee, in association with the Ministry of Finance and the Ministry of Industry, Trade and Labor published the tender's documents for the establishment of life sciences investment funds (Bio-Tech Funds) on April 28, 2010. The four groups that met the primary conditions will begin fundraising in Israel and abroad. If all of the four funds are to be established, then at least \$ 400 million would flow into the Bio-Tech market. There is an anticipation that these groups will succeed in bringing new investors, among them Israeli institutional investors, due to governmental premiums. This project is a central part of the government's strategy to promote hi-tech industries.

Minister of Industry, Trade and Labor, Benjamin Ben Eliezer, noted that this progress acts as a proof of the government's commitment to fix market failures that delay the development of hi-tech industries in Israel. "The aid given to new firms in the field of pharmaceuticals, bio-technology and medical equipment through these funds is another step

taken by the ministry to achieve our vision of establishing the future industries of the state of Israel on life sciences, nanotechnology and clean-tech."

Full Press Release: <http://www.financeisrael.mof.gov.il/FinanceIsrael/Docs/En/pressReleases/20100428.pdf>

**April's CPI is expected to rise by 0.6%. It is seasonally high. It will be affected by rises in the prices of housing, clothing, footwear and travel abroad**  
(FICC according to forecast by "Bank Hapoalim")

May's CPI is expected to rise 0.3%. It will be affected mainly by seasonal increases in fresh produce prices, especially with the inclusion of summer fruits in the measurements. The continued seasonal rise in clothing and footwear and a further slight increase in housing prices will also contribute.

Annual 2010 inflation forecast was updated to 1.8%. The next 12 months forecast increased to 2.8%. The upturn in economic activity worldwide and in Israel in particular will contribute to the sustainment of the domestic inflation rate.

**ILSI Biomed Israel to hold 2010 international conference – cutting-edge technological innovations, industry leaders and an abundance of business opportunities**

(Ministry of Foreign Affairs)

More details: <http://www2.kenes.com/biomed/Pages/Home.aspx>

The Israeli BioMed Industry's largest annual event is set to be held June 14-16, 2010 in Tel Aviv. Considered the biggest life sciences conference held outside the USA, ILSI Biomed attracts the world's leading biotechnology, medicine and medical device entities. New for this year's event is an exclusive Innovation Pavilion which will provide Israeli start-up companies to showcase their products. Company presentations, networking and an extensive exhibition accompany this event as in the previous years.

**Gotta think global – Israel's top 10 export chains**

(Israel21c)

Years ago, the only thing Israel exported was oranges. The product was the Jaffa orange, and it was said that it couldn't be replicated anywhere. As the country grew, so did the variety and extent of its exports, from avocados and tomatoes to semiconductor chips and underwear.

The thinking that evolved is that while Israelis are great customers, the local market is small and you "gotta think global" if you want to sell serious quantities. Another challenge was that the products were often undercover, like the chips that Intel puts inside its computers and the private label panties that Delta Galil makes for Victoria's Secret, Marks & Spencer, and Calvin Klein.

Today, a slew of new Israeli exports and businesses are thinking beyond single or even multiple products. They're selling concepts, as presented in brick-and-mortar storefronts. From hotels, trendy clothing and scented soaps to coffee, jewelry and chocolate, these companies are marketing more than just the inventory on their shelves. They are

penetrating the global market on an entirely new level, putting Israeli creativity and customer service to the Western shopper test.

*ISRAEL21c brings you its picks for the top ten Israeli chains that are expanding beyond the country's narrow environs. Some are tri-continent, others are moving more slowly. But from the US to Asia and Australia, Europe, Eastern Europe and the Netherlands, Israeli brand names are becoming facts on the ground:*  
<http://israel21c.org/201004017823/culture/gotta-think-global-israels-top-10-export-chains>

**Welcome to “Cheap Israel Travel” –  
new website address [www.aboutisrael.info](http://www.aboutisrael.info) opened**

“Cheap Israel Travel” - guide on how to travel to Israel cheap which includes cheap hotels, rentals, hostels, vacations, tours, car rental, flights and more. The goal of this website – to try to help saving money while travelling to Israel, but without a significant drop in quality of service.

# LATEST STATISTICAL DATA

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## BASIC STATISTICS

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<b>Data Category</b>	<b>Period of latest data</b>	<b>Latest data</b>
GDP (gross domestic product)	IV Q, 2009	190,756 million NIS
GDP growth	IV Q, 2009	4.9%
CPI (consumer price index)	March, 2010	104.3 %
CPI, % (against previous month)	March, 2010	+ 0.1%
Unemployment rate, % of economically active population	IV Q, 2009	7.4 %
Export of goods	March, 2010	4.9 billion \$
Import of goods	March, 2010	5.1 billion \$
<i>Source of export/import data (Central Bureau of Statistics, Israel):</i>	<a href="http://www.cbs.gov.il/www/hodaot2010n/16_10_075e.pdf">http://www.cbs.gov.il/www/hodaot2010n/16_10_075e.pdf</a>	
Export to Latvia	March, 2010	1.9 million \$
Export to Lithuania		2.6 million \$
Import from Latvia		2.1 million \$
Import from Lithuania		1.9 million \$
<i>Source of export/import data to/from Latvia &amp; Lithuania (Central Bureau of Statistics, Israel):</i>	<a href="http://www1.cbs.gov.il/www/hodaot2010n/16_10_078e.pdf">http://www1.cbs.gov.il/www/hodaot2010n/16_10_078e.pdf</a>	

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# INFORMATION FROM ECONOMICS DEPARTMENT

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## **BUSINESS OPPORTUNITIES FROM ISRAEL** **March – April, 2010**

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Company Name: **HYDRO- NOA 1988 Ltd.**  
Contact Person: **Mr. Chen Yirmiyahu, Marketing**  
Address: 2 Beit Alfa St. Tel Aviv, Israel  
Telephone No.: 972-3-5616257  
Fax: 972-3-5616743  
E-Mail: [chen@hydronoa.co.il](mailto:chen@hydronoa.co.il)  
Website: [www.hydronoa.co.il](http://www.hydronoa.co.il)  
Year of Establishment: 1968  
No. of Employees: 1-10  
Summary of offer: **Export of Unique Rescue Systems**

**Description of offer:** Hydronoa is the exclusive manufacturer of unique rescue systems. Among our products you can find door-busters, spreaders, cutters and much more. Hydronoa equipment is used as standard equipment at the Israeli fire-brigades, and is used by the military, the police, special forces and more.

Hydronoa is looking for potential distributors/companies that will be able to market the equipment to the local forces in the respective country.

Potential Partner:  
Fire Brigades, Military, Police, Special Forces, Intelligence and all other security forces.

Target Countries: Europe, USA, Asia.

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Company Name: **Radiancy Ltd.**  
Contact Person: **Mr. Ronen Abrahamson, Regional Sales Manager**  
Address: 5 Hanagar St., Hod-Hasharon 45240, Israel  
Telephone No.: 972-54-2597795  
Fax: 972-9-7757511  
E-Mail: [RonenA@Radiancy.com](mailto:RonenA@Radiancy.com)  
Website: [www.Radiancy.com](http://www.Radiancy.com)  
Year of Establishment: 1998  
No. of Employees: 60  
Summary of offer: **Looking for distribution channels for our Medical Devices**

**Description of offer:** Radiancy develops and manufactures light- based systems for skin photo-rejuvenation, acne clearance, hair removal, psoriasis and skin tightening.

Radiancy is committed to deliver smart, easy-to-use desk top systems that deliver excellent results and excellent value.

Visit our website at the beneath link:

<http://radiancy.com/products/medical/mistral.html>

Target Countries: All countries.

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Company Name: **Stride Orthopedics Ltd.**  
Contact Person: **Mr. Michael Alexander**  
Address: D.N. Bikak Hacarem, 20129, Israel  
Telephone No.: 972-4-6619040  
Fax: 972-4-6619039  
E-Mail: [michael@ort.co.il](mailto:michael@ort.co.il)  
Website: [www.ort.co.il](http://www.ort.co.il)  
Year of Establishment: 1993  
No. of Employees: 8  
Summary of offer: **Practical and Educational courses in the making of orthopedic aides (orthotics) for adult and pediatric rehabilitation**

**Description of offer:** We offer a wide range of short courses in the training of orthopedic technicians and physical therapists. The aim is to teach or to widen knowledge in the neurological rehabilitation of adult patients after CVA, head injury, ms etc. and Cerebral Palsy (CP) children (rehabilitation of paralyzed children).

Activity:

Orthopedics – Orthotics, rehabilitation, manufacturing of orthotics, international orthotics courses.

Target Countries: Eastern Europe, Far East.

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Company Name: **MAATZ - THE NATIONAL ROADS COMPANY LTD.**  
Contact Person: **Mr. Yevgeny Artsev**  
Address: 24 Yahadut Canada St., Or Yehuda 60371, Israel  
Telephone No.: 972-3-7355876  
Fax: 972-3-7355770  
E-Mail: [yevgenya@iroads.co.il](mailto:yevgenya@iroads.co.il)  
Website: [www.iroads.co.il](http://www.iroads.co.il)  
Year of Establishment: 2003  
No. of Employees: 296  
Summary of offer: **Import of Permanent and Temporary Tapes for Road Marking**

**Description of offer:** The company is interested in expanding the use of permanent and temporary tapes for road marking and is therefore looking for new approved suppliers in this field.

The company welcomes applications from companies and individuals to be included in the database of approved suppliers in the field of light-reflecting sheets for road marking, subject to them fulfilling basic requirements for supplying road-marking materials.

Technical requirements of tapes for temporary marking at work sites:

- a. Tapes for temporary marking at work sites will be in shades of orange or yellow, and will meet the requirements of the Israeli Standard 935, Part 6.
- b. The level of visibility of the tapes, measured with retro-reflectivity equipment, which meets the requirements of the EN 1436 standard, will be at the level of over 120 (med/lx/m2).
- c. The minimal warranty period required for the tapes is 6 months.
- d. When the request is for accreditation of unknown marking material, a field trial will be conducted with the above material, in order to examine its quality. If the results of the field test are positive, the proposed material will be approved for use in construction projects conducted by the Israel National Roads Company Ltd.

Target Countries: All countries.

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Company Name: **Anlin Translation Services**  
Contact Person: **Mr. Sagy Anlin**  
Address: P.O.Box 2765, Petah Tiqwa 49127, Israel  
Telephone No.: 972-72-2515006  
Fax: 972-72-2765155  
E-Mail: [office@anlin.co.il](mailto:office@anlin.co.il)  
Website: [www.anlin.co.il](http://www.anlin.co.il)  
Year of Establishment: 2005  
No. of Employees: 50  
Summary of offer: **Translation Services**

**Description of offer:** We provide translation services for business and private sectors performed by skilled translators with comprehensive knowledge in a variety of languages to the finance, legal, industrial and marketing sectors.

The services we offer include:

Translations of: vehicle and electronics user guides, academic researches and scientific articles, publicity campaigns and marketing articles, legal contracts and verdicts by lawyers, financial reports and forecasts by accountants, web sites, programs and localization, news forecasts, business plans and more.

Target Countries: All countries.

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Company Name: **One Hour Translation**  
Contact Person: **Mr. Lior Libman**  
Address: Rehovot Science Park, Israel  
One Financial Plaza, New York, NY, USA  
Telephone No.: 1-954-396-5402 (USA)  
972-8-9302705 (Israel)

E-Mail: [lior@onehourtranslation.com](mailto:lior@onehourtranslation.com)  
Website: [www.onehourtranslation.com](http://www.onehourtranslation.com)  
Year of Establishment: 2007  
No. of Employees: 10  
Summary of offer: **Translation Service**

**One Hour Translation, the web's leading professional translation service is offering 50 words FREE**

**Description of offer:** One Hour Translation, <https://www.OneHourTranslation.com> is the web's leading professional translation service with thousands of business customers and over 8000 native-speaking translators worldwide. The service is high-quality, fast, 24/7 and charges fixed price per word regardless of language pair.

Both professional and expert translations (legal, business, medical etc.) are available. To try our service using 50 words FREE coupon, please Register at <https://www.onehourtranslation.com/> and then enter the coupon code CHAMBER50 in the Control Panel.

Target Countries: All countries.

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Company Name: **D A Ratz Carries Services Ltd.**  
Contact Person: **Mr. Shai Peniel**  
Address: Maala Camon 34, P.O Box 154, Carmiel 20100, Israel  
Telephone No.: 972-4-9988998, Mobile: 972-52-7405000  
Fax: 972-4-9587775  
E-Mail: [shai@ratz.org.il](mailto:shai@ratz.org.il)  
Website: [www.ratz.org.il](http://www.ratz.org.il)  
Year of Establishment: 1994  
No. of Employees: 20

**Summary of offer: Warehousing and Logistic Services**

**Description of offer:** We provide a vast range of services; we are a "One Stop Shop" where we are able to offer our clients numerous possibilities. Our customized and highly efficient solutions provide the client with a fast and cost-effective service with no compromise on quality.

Our services include:

- Transport Division
- Logistics and Storage Division
- Insurance, Liabilities and Protection

Target Countries: USA, Europe and Far East

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Company Name: **Centimport Marketing Ltd.**  
Contact Person: **Mr. Yoav Twik**  
Address: 7th Harav Amiel St., Tel-Aviv, Israel  
Telephone No.: 972-3-6053212  
Fax: 972-3-5466539-

E-Mail: [info@centimport.com](mailto:info@centimport.com)  
Year of Establishment: 1956  
No. of Employees: 7  
Summary of offer: **Industrial and Agricultural Chemicals**

**Description of offer:** we can supply industrial and agriculture materials produced in Israel, as well as in other countries. We can provide professional and technical assistance by our company's chemical engineer.

Target Countries: South America, Africa, Middle East, Eastern Europe.

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Company Name: **LPM Lares Group**  
Contact Person: **Mr. Amir Ziman, CEO**  
Address: 11 Hagiborim St., Binyamina, Israel 30500  
Telephone No.: 972-72-236234 / Mobile: 054-9982651  
Fax: 972-3-6380990  
E-Mail: [amirziman@lpm-lares.com](mailto:amirziman@lpm-lares.com)  
Website: [www.lpm-lares.com](http://www.lpm-lares.com)  
Year of Establishment: 2008  
No. of Employees: 1-10  
Summary of offer: **Project Management Services for companies that have purchased projects from Israeli companies**

**Description of offer:** LPM Lares Group was established by experienced Project Managers, Senior Engineers and Quality Directors with more than 15 years of experience in the Defense and Homeland security Industries in Israel. We have extensive experience as Project Managers of A/C upgrades, H/W and S/W design, production, installation and R&D projects etc. in magnitude of dozens of millions of US Dollars. We realized that as prime contractors to the Israeli companies, foreign companies might face difficulties in monitoring and control certain contracts, thereby miss many project aspects, pay extra in travel costs in order to manage and monitor the vendors, face delay on schedule and suffer from budget deficiencies and lower performance of the projects. We are confident that our extensive experience and familiarity with the Israeli industries, Israeli culture, mentality and Hebrew language, can assist foreign companies to enhance the performances of their projects in Israel, regardless of the project's size. With LPM Lares Group as your Local Project Manager (LPM) in Israel, your company will have closer monitoring and control of the local suppliers, reduce project's risks and reveal and solve problems (engineering, schedule or cost related) from the very beginning. The services we offer are approved by the Israeli Authorities as buy-back/offset. We invite you to visit our website for detailed company profile and further explanations of the services that we can provide.

Target Countries: All countries.

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## UPCOMING EVENTS 2010

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***International construction exhibition “Building”***

**May 21-24, 2010** (Tel Aviv)

For more details: <http://www.building2010.co.il/building2010.pdf>

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***Purchasing and Logistics Exhibition***

**May 24-25, 2010**

**For more details**

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***The 73<sup>rd</sup> Meeting of the Board of Governors of the Hebrew University of Jerusalem***

**June 4-9, 2010** (Jerusalem)

For more details: <http://www2.kenes.com/hbog10/Pages/Home.aspx>

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***Jovella - the 7<sup>th</sup> International Jewelry Exhibition in Israel***

**July 06- 07, 2010** (Tel Aviv)

For more details: [http://www.stier.co.il/english/fair\\_jovella.htm](http://www.stier.co.il/english/fair_jovella.htm)

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***Israel: A Nation of Business Innovation***

*(Annual conference by the High Tech Industry Association)*

**June 7-9, 2010** (Jerusalem)

For more details: <http://www.htia2010.co.il/index.html>

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***RAX - the 21<sup>st</sup> Israel International Exhibition for Electrical Engineering***

**June 8-10- 2010** (Tel Aviv)

For more details: <http://www.stier.co.il/english/fairs/rax/info.htm>

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**ILSI Biomed Israel 2010 – the 9<sup>th</sup> National Life Science & Technology Week**  
**June 14-16, 2010** (Tel Aviv)

For more details: <http://www2.kenes.com/biomed/Pages/Home.aspx>

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***Building Exhibition***

**June 21-24, 2010**

For more details

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***Clean Tech 2010 – the 14<sup>th</sup> Annual International Summit and Exhibition for Renewable Energy and Water Technologies, Recycling and Environmental Quality, Infrastructure and Green Building***

**June 29-30, 2010** (Tel Aviv)

For more details: <http://www.mashovgroup.net/cleanTechEnglish/tabid/99/Default.aspx>

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***Security Israel 2010 – the 24<sup>th</sup> International Homeland Security Exhibition***

**June 29 – July 1, 2010**

For more details: <http://www.securityisrael.com/?categoryId=20288>

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***XXXIII World Congress of the International Society of Hematology***

**October 10-13, 2010** (Jerusalem)

For more details: <http://www2.kenes.com/hematology/Pages/Home.aspx>

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***The 2<sup>nd</sup> International Nanotechnology Conference & Exhibition***

**November 8-9, 2010**

For more details: <http://www2.kenes.com/nano/pages/home.aspx>

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**CASA Exhibition - Prestigious exhibition design house**

**November 11-13, 2010**

■ [For more details](#)

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**Dental**

**November 16-18, 2010**

■ [For more details](#)

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**Israfood - the 26<sup>th</sup> International Exhibition for Food and Beverage**

**November 22-24, 2010** (Tel Aviv)

For more details: <http://www.stier.co.il/english/fairs/israfood/info.htm>

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**Hotex - the 27<sup>th</sup> international exhibition for equipment, services & technologies for the Hospitality Industry, the Retail and Institutional Sectors in Israel**

**November 22-24, 2010** (Tel Aviv)

For more details: <http://www.stier.co.il/english/fairs/hotex/info.htm>

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**”Agro Mashov 2011” – the 21<sup>st</sup> International Agricultural Exhibition**

**March 2-3, 2011** (Tel Aviv)

For more details: [www.mashov.net](http://www.mashov.net)

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**More information about exhibitions in Israel :**

- ✓ Israel Trade Fairs and Convention Center  
(<http://itf-en.beatman.eu/en-us/presentations/centralpresentation>)
- ✓ Kenes International  
([www.kenes.com](http://www.kenes.com))
- ✓ Stier Group Exhibitions  
(<http://www.stier.co.il/english/index.htm>)