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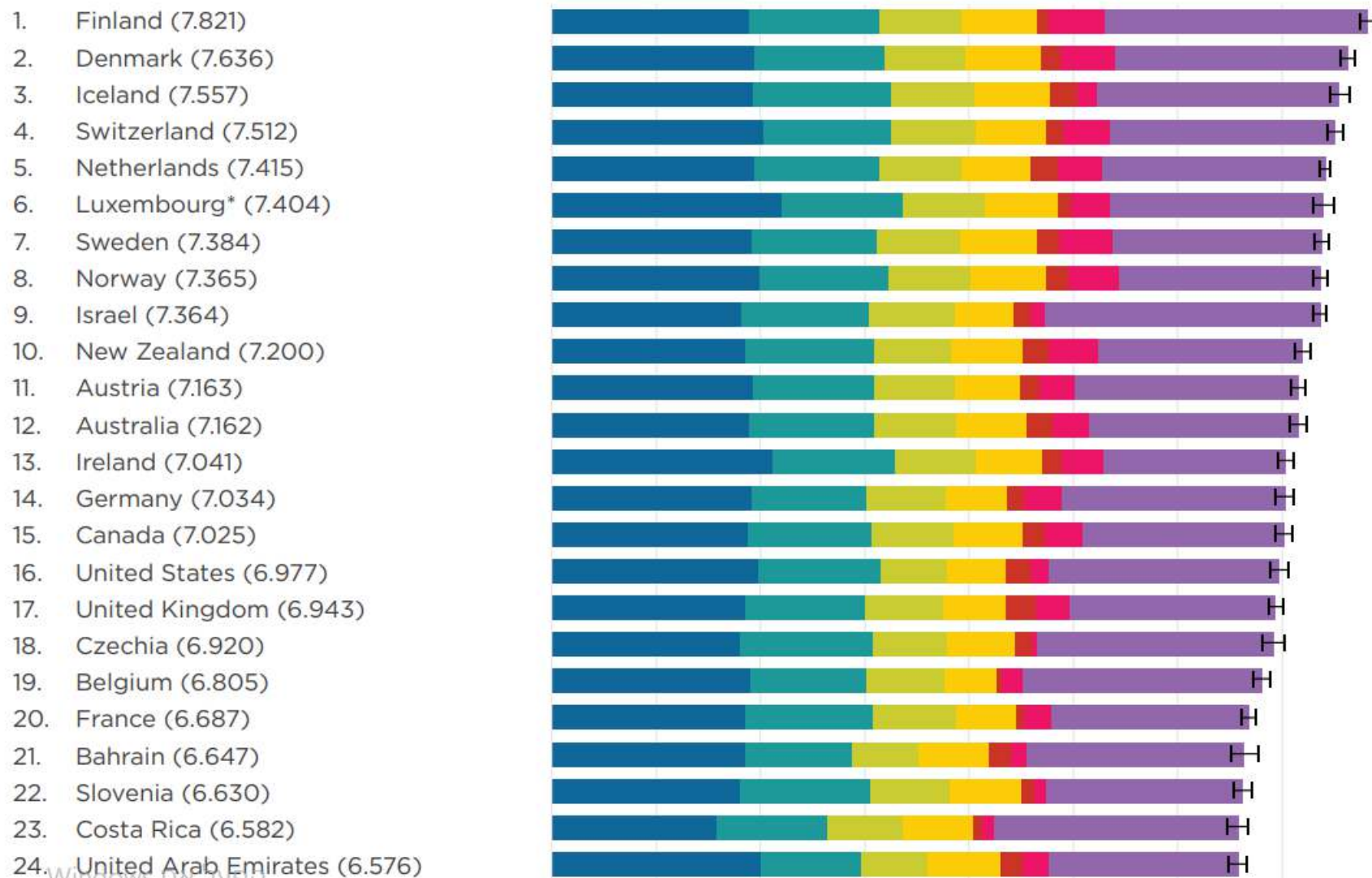
**The
Intensification
of success**

Israel Trends 2022

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Chairperson Hedgewiz

Figure 2.1: Ranking of happiness 2019-2021 (Part 1)



Israel climbed to **9th** place in the world in the UN Happiness Index for 2022.

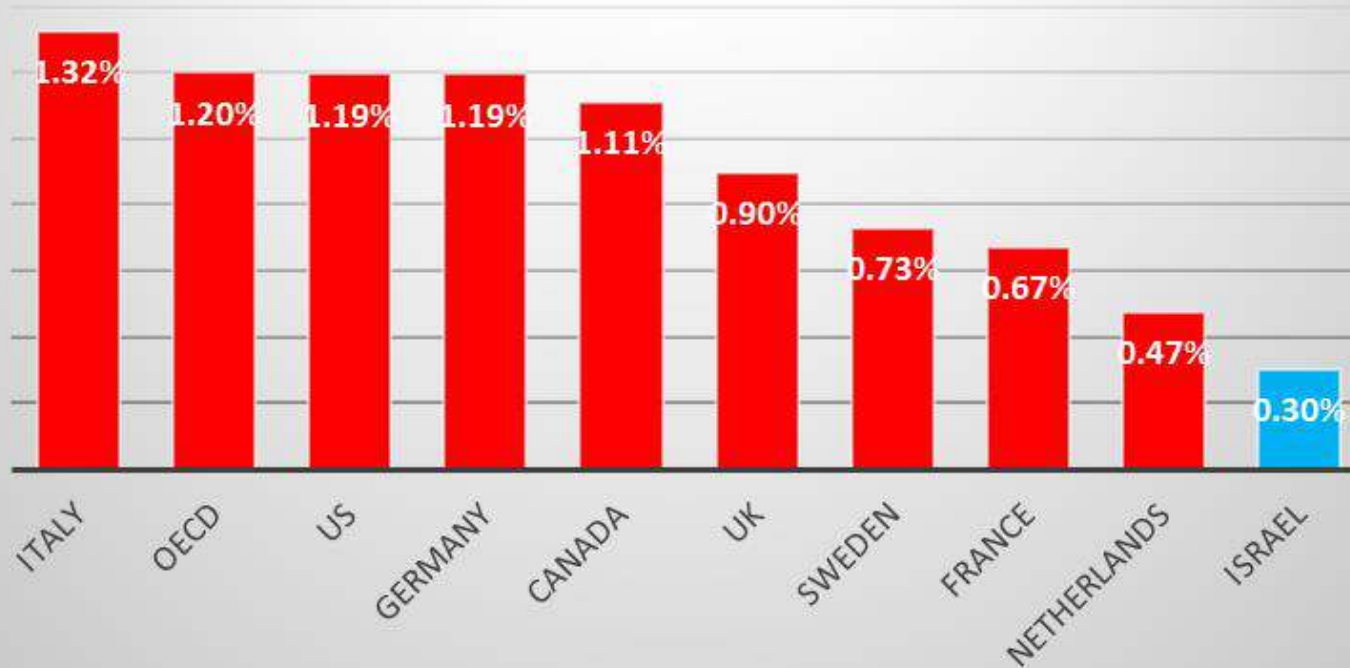
The highest rating it has reached so far. Two notches above the previous 2020 index.

How is this possible?

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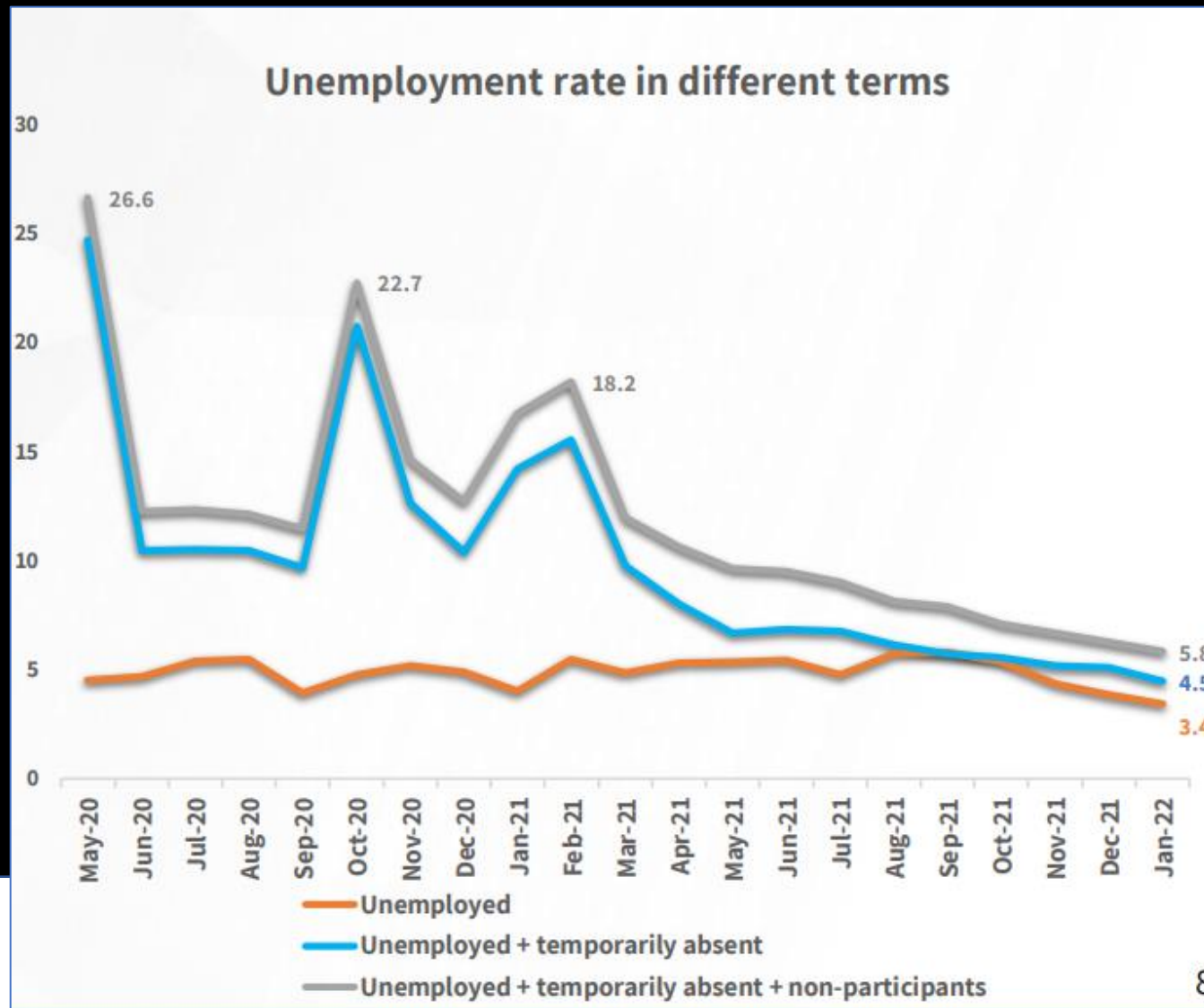
**Mortality rate relative to the number of Coronavirus patients, Israel is the 5th lowest in the OECD
(Of the other four, 3 are island states)**

% of Deaths per Coronavirus cases



Is it because Israel was less affected from the Covid than almost any other developed country?

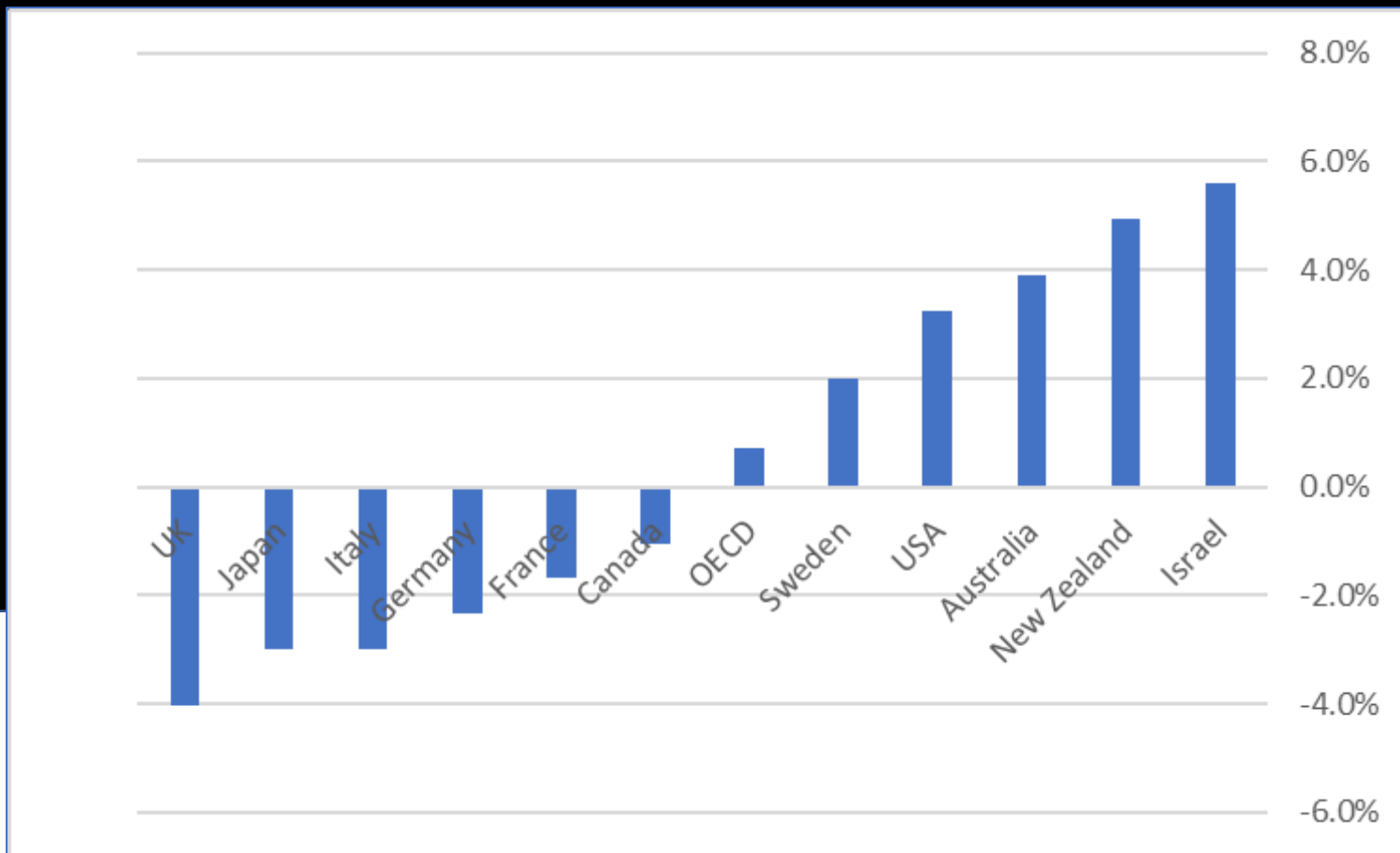
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Is it because despite all the concerns, unemployment has returned to its very low level like before the Covid?

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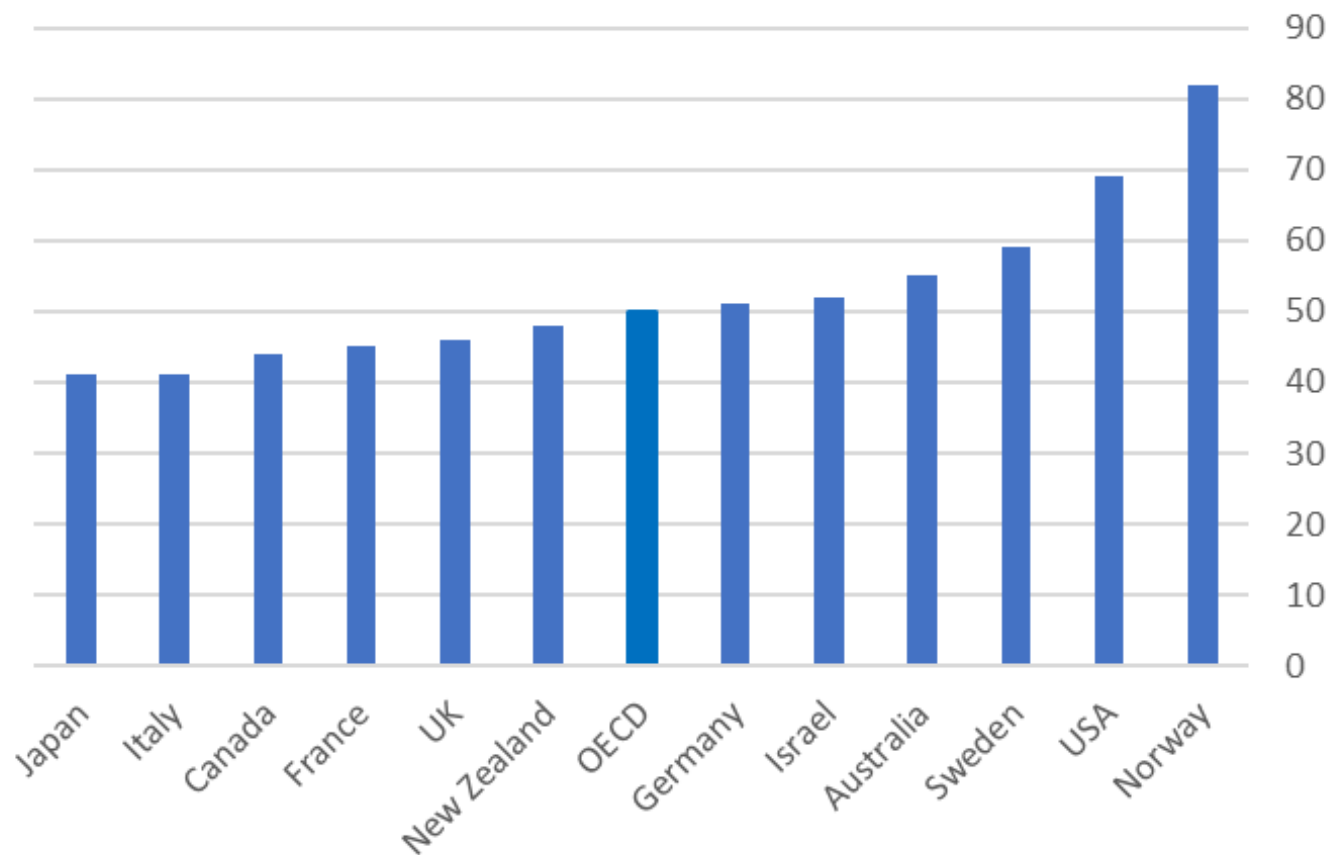
Israel ended the two years of 2020-2021 in 4th place in terms of economic growth with 5.6% compared to 0.7% of the OECD



Or because Israel was less hit financially by the Covid than almost any other developed country?

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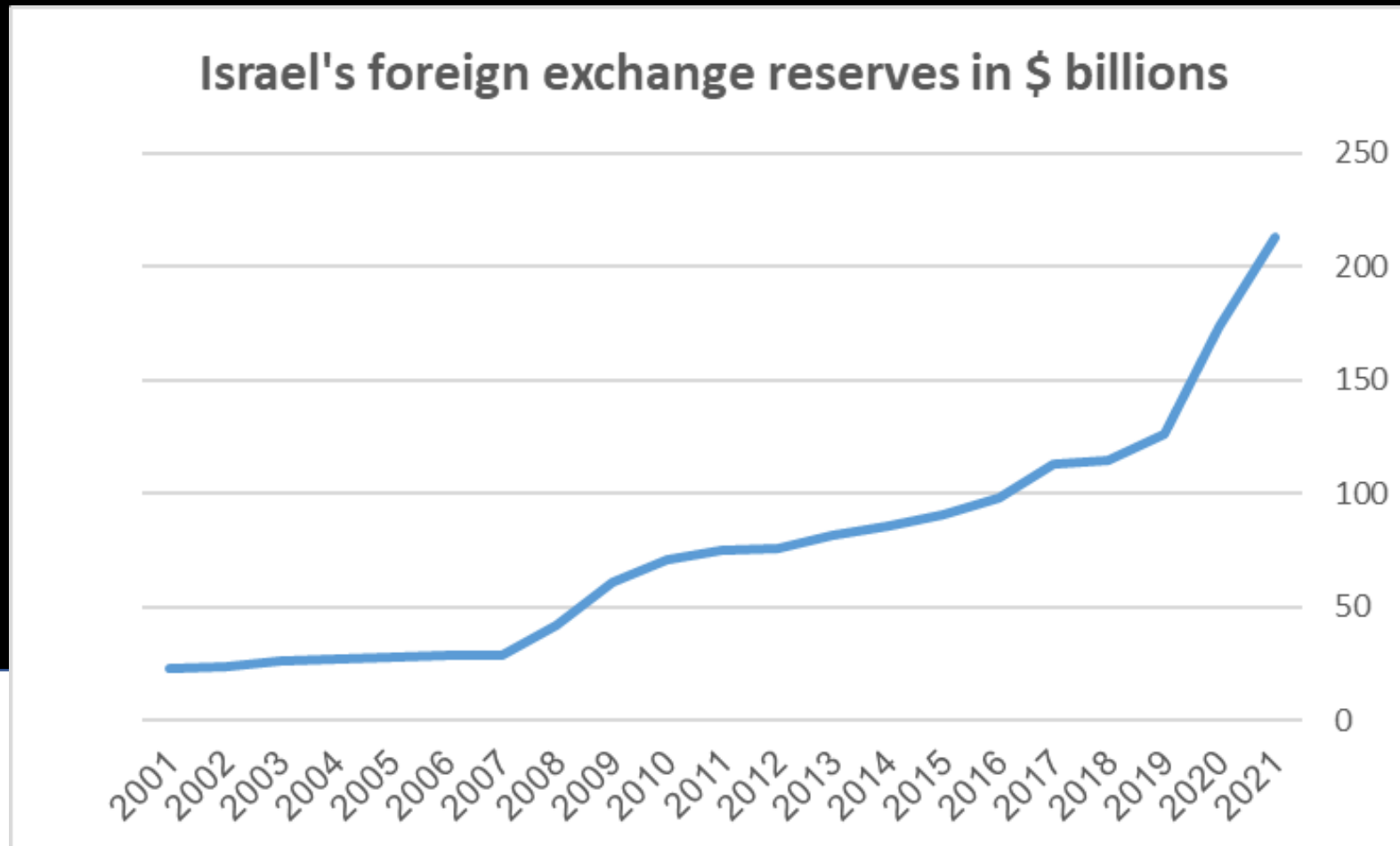
In two years' time of Covid Israel has climbed to **14th** place in GDP per capita among 38 OECD countries. The highest place it has ever reached in this index



Or that the Israeli GDP
has reached
**\$ 500
billion**

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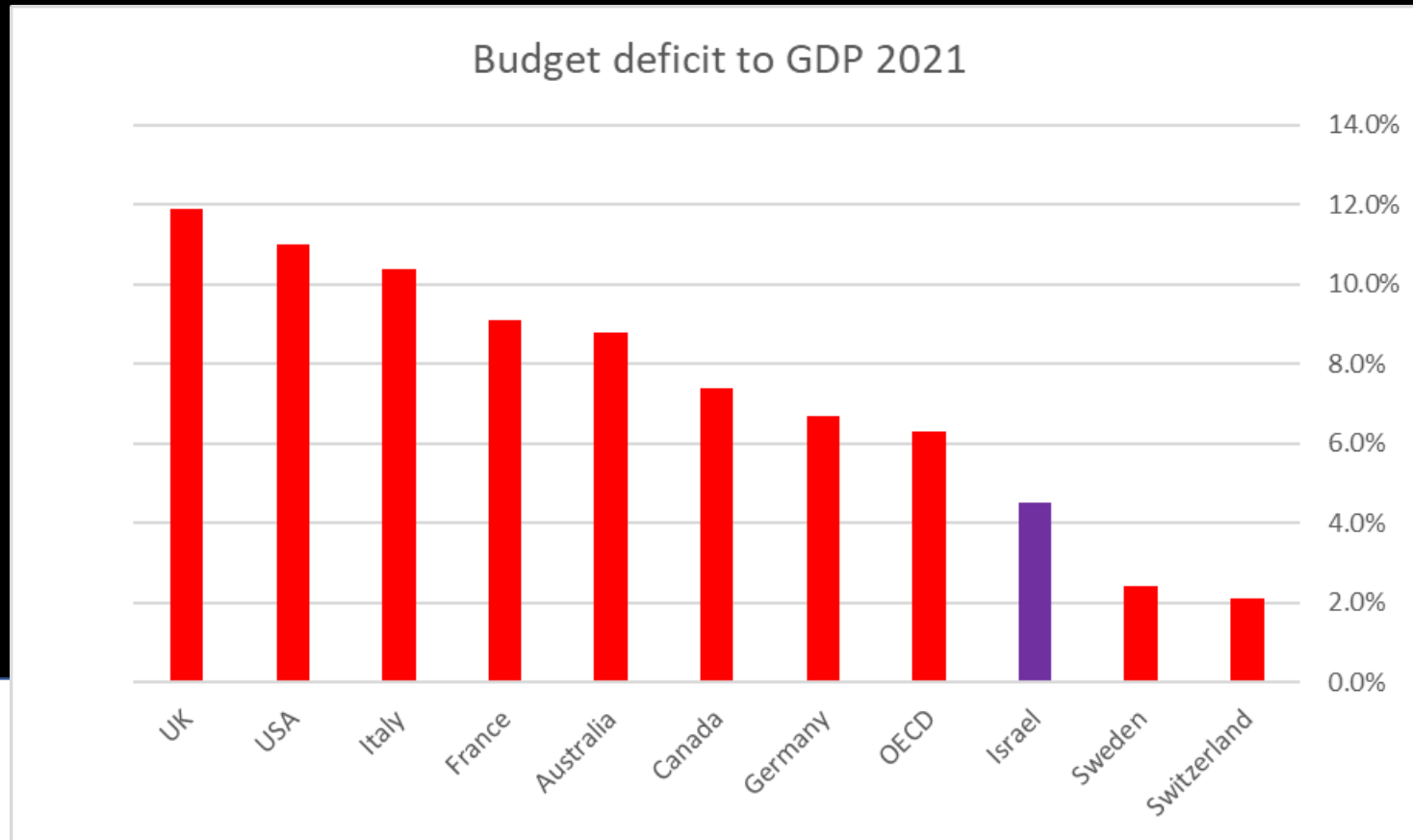
And maybe the feeling of happiness is that Israelis live in a very financially stable country



\$ 213 billion
7th place in the world
in foreign exchange
reserves per capita,
produce exceptional
financial stability

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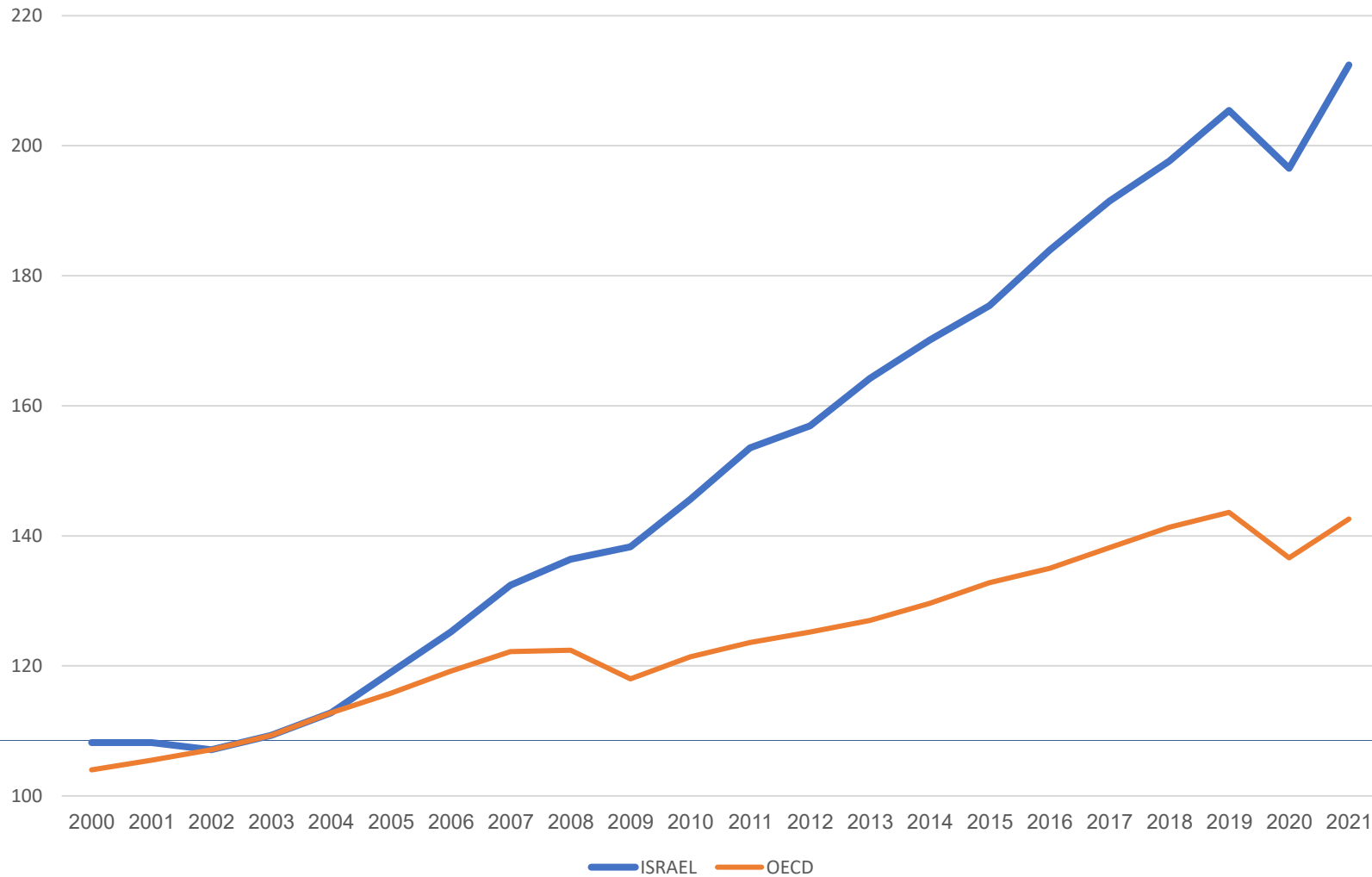
Israel is also in the 7th lowest place in the OECD in relation to budget deficit to GDP with -4.5% versus -6.3%.



The deficit decline in 2021 was the largest at a rate of 6.9% against a decline of only 0.9% on average, in developed countries.

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Israeli economy growth since beginning of the century compared to OECD

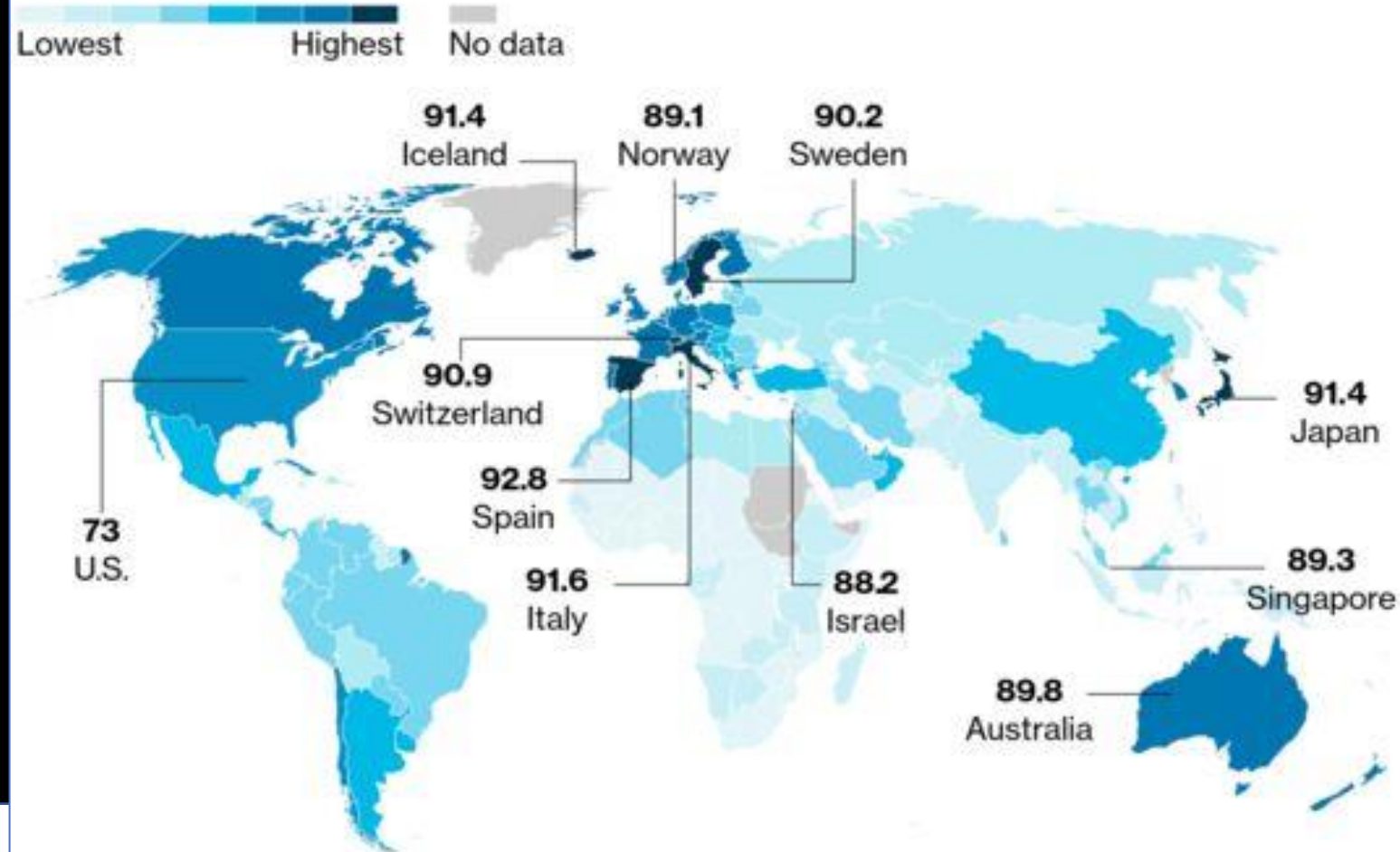


The Israeli economy has grown since the beginning of the century by 112%, compared with only 43% in the OECD

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Healthiest Countries in the World

Bloomberg Global Health Index scores for 169 countries, with the top 10 plus U.S. highlighted



Sources: Bloomberg analysis of World Health Organization data; United Nations Population Division and the World Bank

Bloomberg

Or maybe because the population in Israel is considered among the 10 healthiest populations in the world

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Israel is the youngest country in the OECD, with a median age of 30, compared to 42 in the OECD.

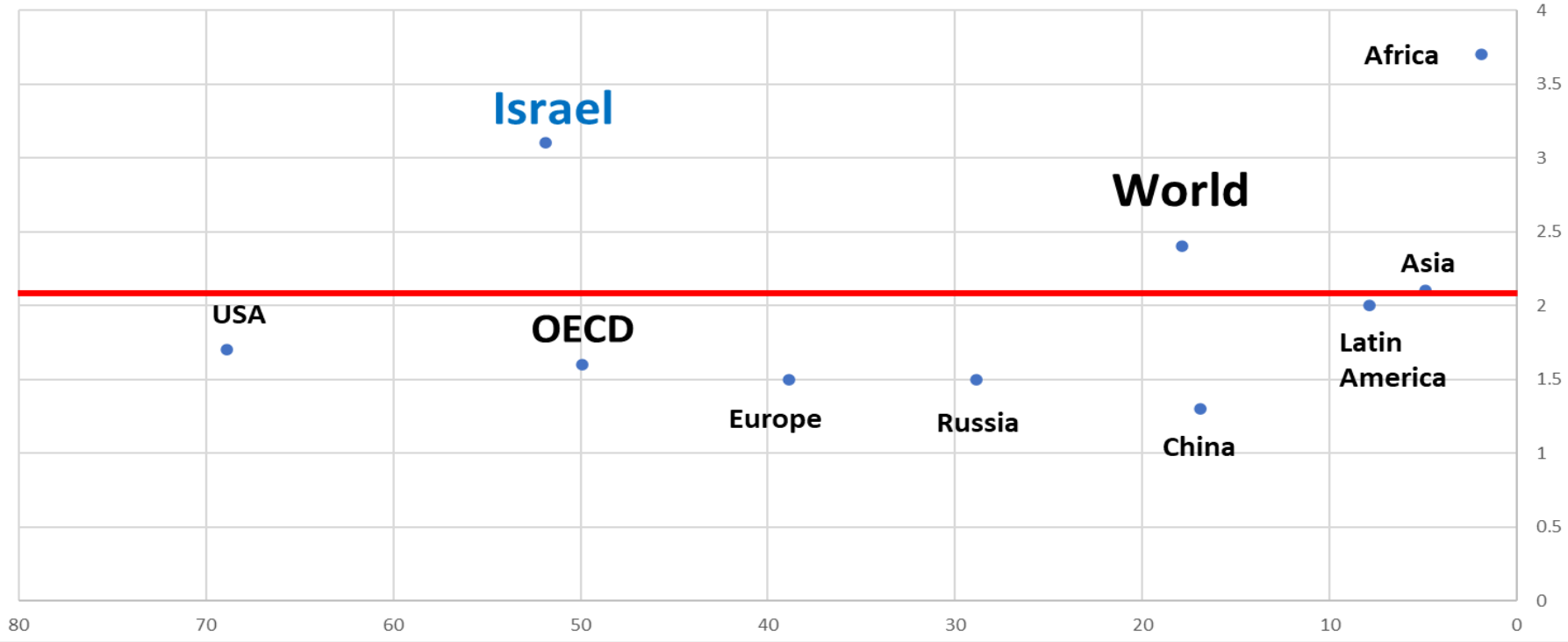
Europe is really aging with a median age of 44 and even the US is no longer young, with a median age of 39.

Is it because the population is so young while the whole Western world and China are aging?

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In all countries below the red line
the population will age and decrease in the near future

Number of births per woman vs. GDP per capita (\$ thousands)



The only
developed
country with a
fertility rate over
2.1 children per
woman



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And perhaps Israelis are happy because they are fulfilling a historical mission and serving as a land of refuge for the Jews



The absorption of the wave of immigration from Ukraine and Russia is expected to lead to growth in demand and also to provide the manpower so required for the high-tech industry, and for the economy as a whole

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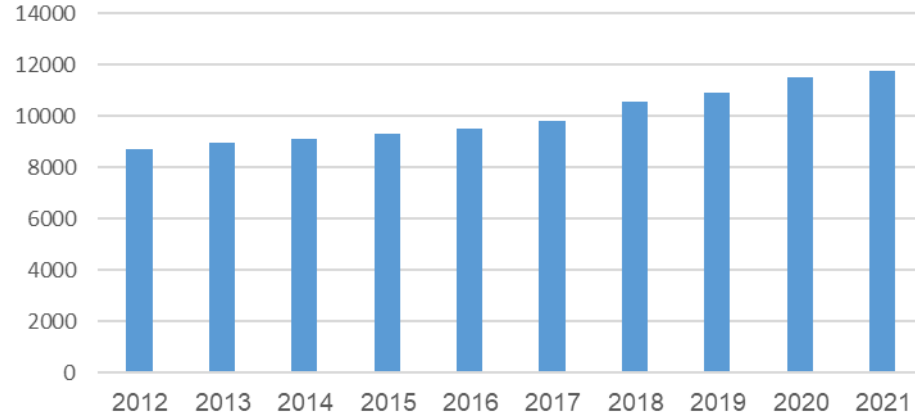
Israel's 9.5 million population is growing at rates that no longer exist in the West.

Accelerated growth with cranes everywhere, towering towers, new neighborhoods and cities, gives a sense of country in a momentum.

From 660,000 residents in the establishment of the state - to such an extent. Amazing.

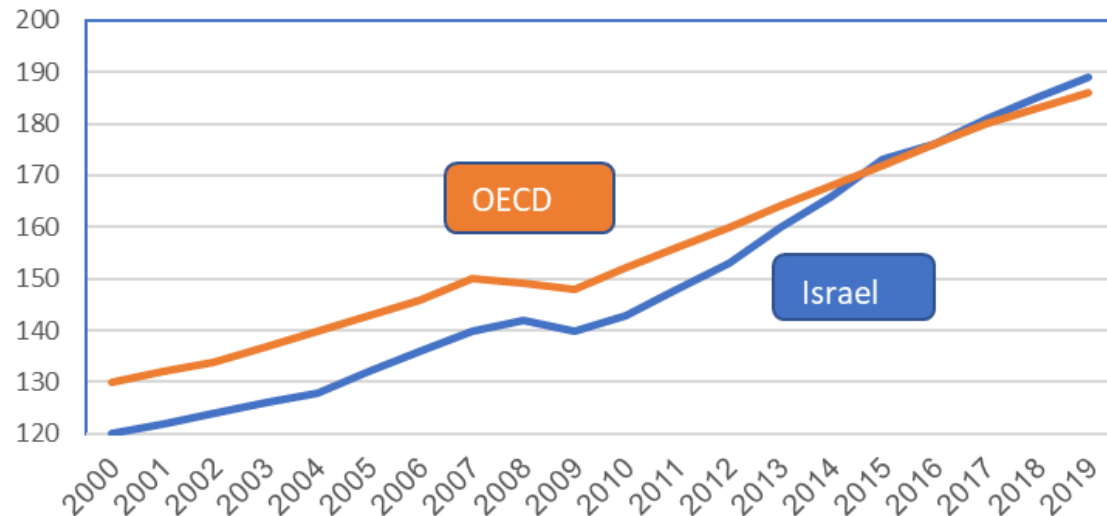
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The average wage rose by 35%
in the last 10 years



And perhaps the sense of
happiness is all because of
the feeling of wealth?

The upper decile in Israel already has more
income than the top decile average in the OECD

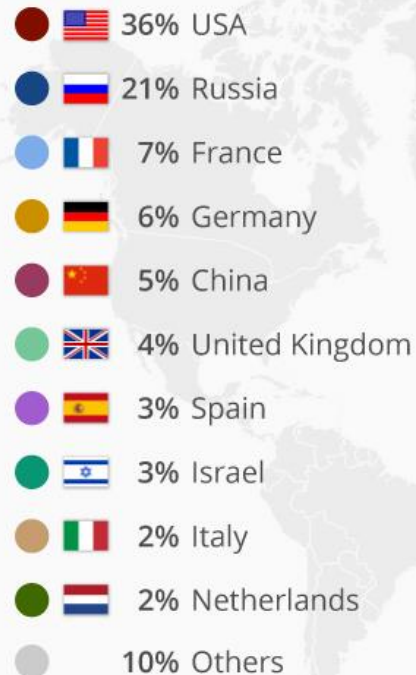


5th place in the world in the number of
millionaires per size of the population, with
157 thousand families.
The average wealth of an adult in Israel is in
20th place in the world.

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The World's Largest Arms Suppliers

Share of global arms exports by country from 2014 to 2018*



Ranked **8** in the world in
arms exports.

This figure is expected to
increase as a result of the
post-Russia-Ukraine
armament moves.

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“ The laser system has the potential to turn Israel into a military power. No country, including the United States, Russia or China, has the capabilities of the "light shield" system developed in Israel. This system, which can also be used as an offensive and not only defensive weapon, is a technological breakthrough that has no equal in the world. It will be able to create a new regional reality vis-à-vis Iran and its envoys in the Middle East”

Ron Ben-Yishai, A well-known Israeli military reporter

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Nearly 100% of Jordan's natural gas consumption is imported from Israel and constitutes about 40% of the total energy supply in the country.
More than 7% of Jordan's water comes from Israel.

Jordan will transfer some of the natural gas it receives from Israel to Lebanon ...

Egypt also relies on Israeli natural gas



And perhaps the fact that some Arab states receive supplies of natural gas and water from Israel, and that might be the economic push that will bring peace - makes Israelis happy

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The Russian-Ukraine war opened a large door for exports of Israeli natural gas to Europe.

The exports will be carried out by flowing the gas from the Leviathan and Tamar reservoirs to northern Egypt, and from there by LNG tankers to Europe.

This will further increase Israel's regional power and wealth.

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And also because of
the new peace
agreements, and their
implementation



Peace agreements with the Emirates, Morocco and Bahrain will add \$ billions a year to Israel. This is an increase of about 0.3% to GDP, every year, in the coming years.

- United Arab Emirates and Israel will soon have a free-zone trade agreement
- Jordan and Israel have signed a solar-power-in-exchange-for-water agreement

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The peace agreements also allow Israel to produce a geopolitical-security axis

Israel's regional and global status is strengthening



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Israel loses only 3% of the water in the pipelines, this places it in 4th place in the world in the efficiency of the water system.

Israel is also number 1 in the world in returning effluent sewage water, at a rate of 88%

(Spain in second place very far with only 25%)

And maybe because Israel was able to build desalination facilities (some of the largest in the world). Therefore the gloomy prophecy did not come true, and thanks to it's actions - Israel does not dry up



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Global Startup Ecosystem Index: Top Countries

Rank	Country	Rank Change (from 2020)	Quantity Score	Quality Score	Business Score	Total Score
1	<u>United States</u>	–	19.45	101.17	3.80	124.420
2	<u>United Kingdom</u>	–	8.16	16.86	3.70	28.719
3	<u>Israel</u>	–	5.48	19.14	3.13	27.741
4	<u>Canada</u>	–	6.58	9.75	3.55	19.876
5	<u>Germany</u>	–	3.64	9.92	3.49	17.053
6	<u>Sweden</u>	+4	2.40	9.24	3.78	15.423
7	<u>China</u>	+7	1.33	11.46	2.34	15.128
8	<u>Switzerland</u>	–	3.82	7.58	3.54	14.943
9	<u>Australia</u>	–2	4.46	5.87	3.50	13.835
10	<u>Singapore</u>	+6	3.22	7.69	2.84	13.745

Source: StartupBlink

And also because
High-tech,
of course

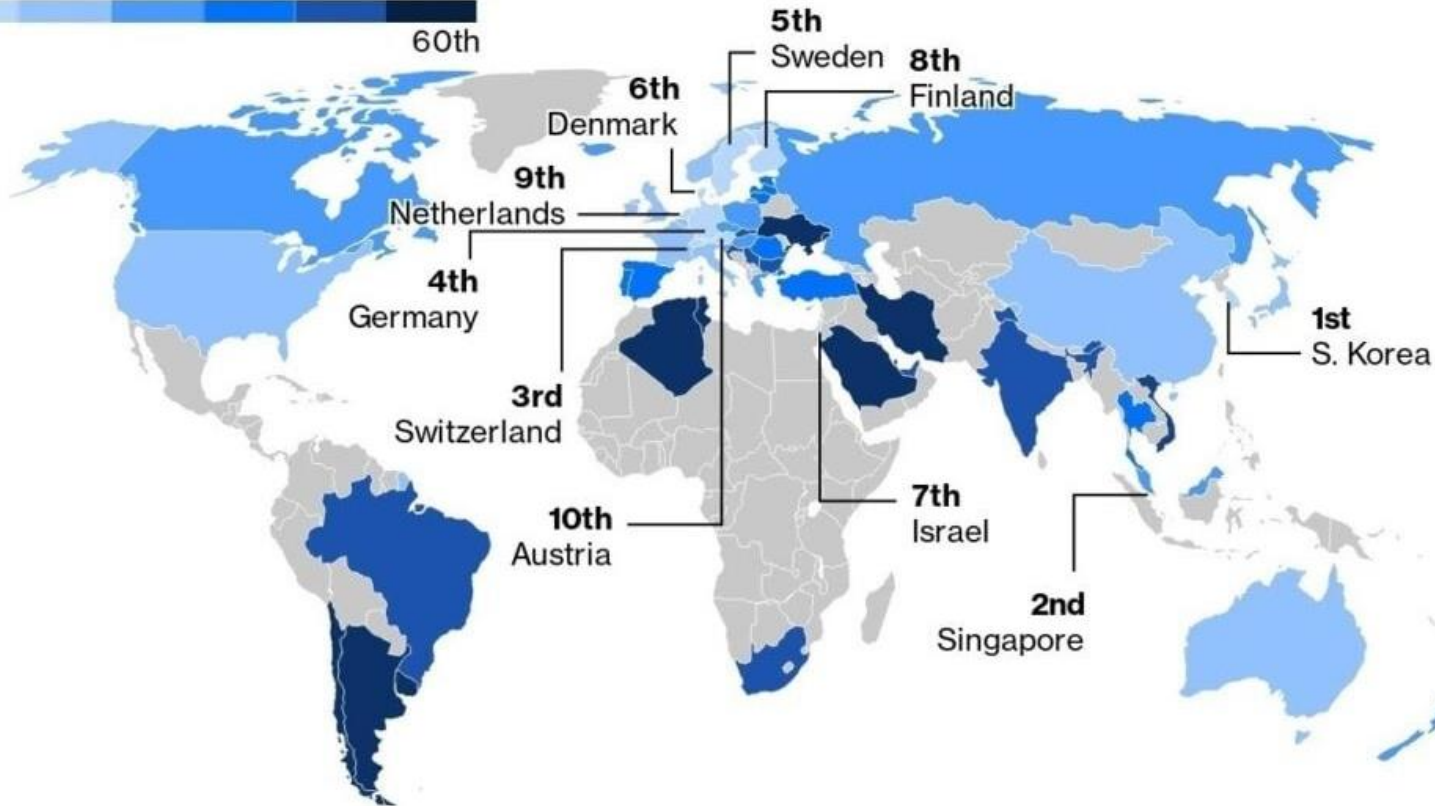
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World's 60 Most Innovative Economies

South Korea, Singapore and Switzerland lead the index in 2021

Innovation Rank

1st 60th



Sources: Bloomberg, International Labor Organization, International Monetary Fund, World Bank, Organisation for Economic Cooperation and Development, World Intellectual Property Organization, United Nations Educational, Scientific and Cultural Organization

Bloomberg

Israel in 7th place among
the most innovative
economies in the world

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Industries that benefit from the flourishing of high-tech in Israel:

CPAs and accountants, Law firms, External engineers, Organizational consultants, Programmers and freelance developers, Digital marketing and sales consultants, Patent specialists, Insurance agents, Pension consultants, Translators, Designers, Real estate agents, Cleaning service companies, Transportation companies, Restaurants and cafes, Catering services, Bankers, Analysts, Tax consultants, Financial and economic consultants, Venture capital funds, Family offices, Renovators, Advertising companies, Construction companies, Leasing and car rental companies, Importers of office equipment, Furniture importers, Guarding and security services, Faculties and colleges for the study of high-tech professions, Institutes for English studies, Lecturers, Event organizers, Artists and entertainers, Fitness trainers and more...

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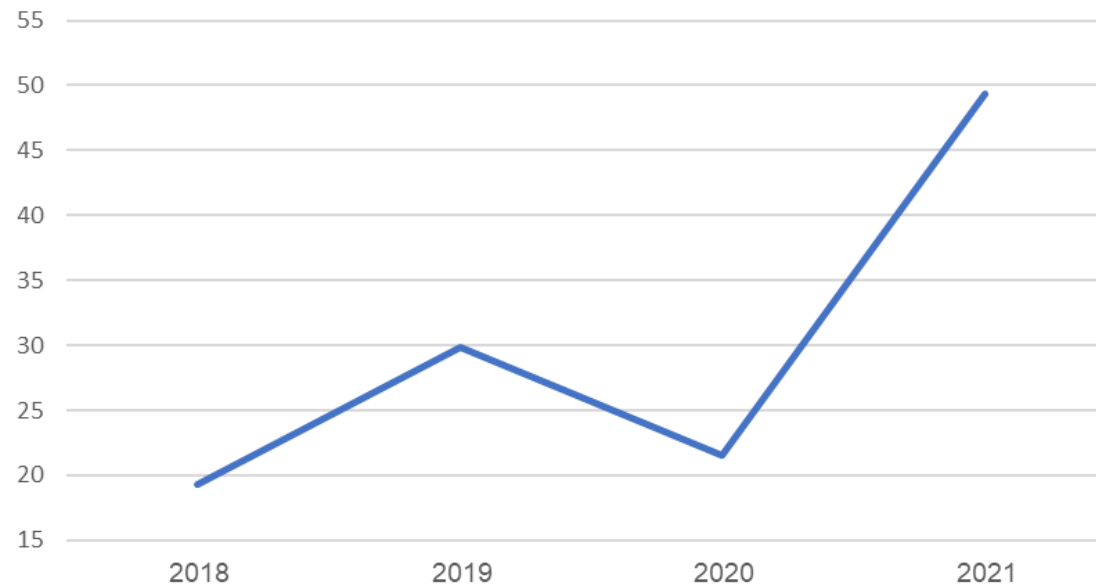
More than 10% of the workers in the economy (who are not employed directly by high-tech companies), nourished by the growth of the industry



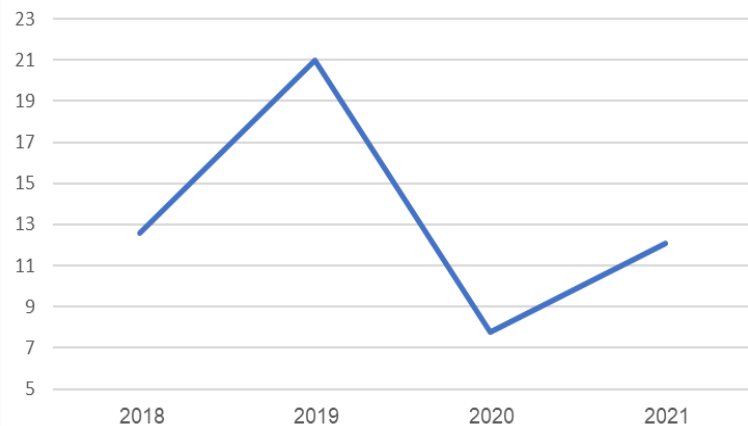
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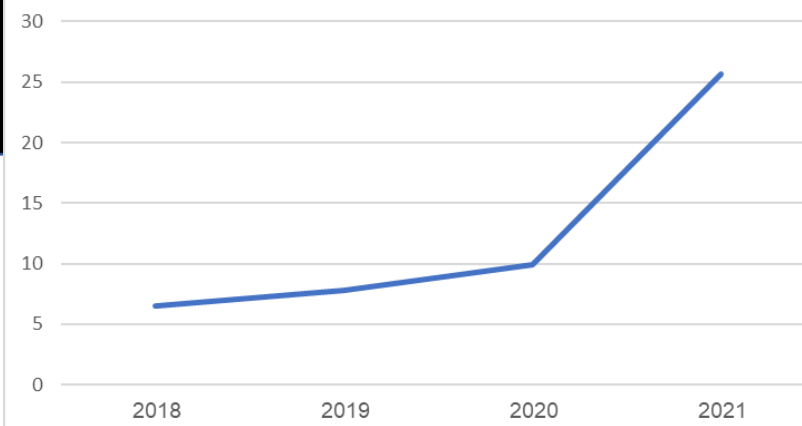
Total high-tech private + public fundraising + exits In the billions of \$



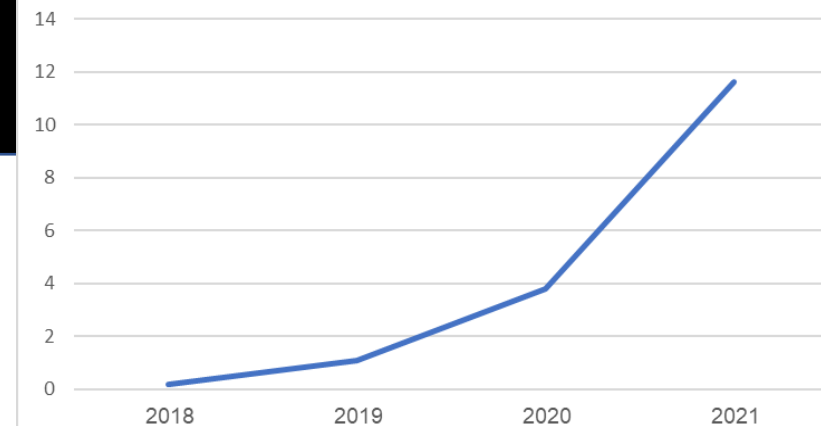
Exits in the billions of \$



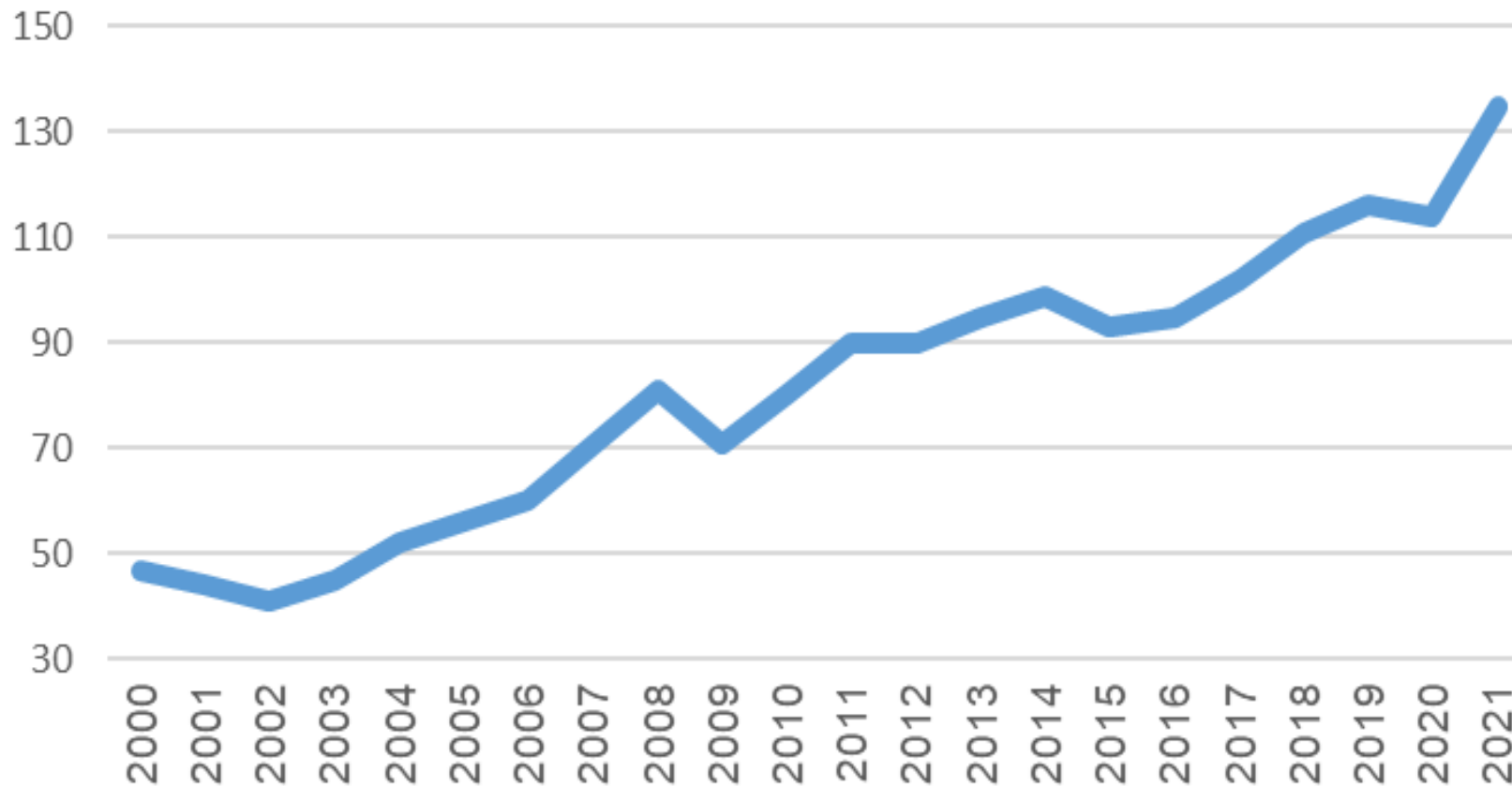
Private high-tech fundraising in the billions of \$



Public high-tech fundraising in the billions of \$



Israeli exports grew by 187%
since the turn of the century (\$ billion)



Exports are also
breaking records
and again thanks
to high-tech

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A historic record for the Israeli team at the
2021 Youth Mathematics Olympics: 7th
place in the world



Israel's student team 2020 are
World Mathematics Champion



And also thanks to the
brilliant minds that
grow up in Israel



All team members won medals at the
2021 International Computer Olympics



All team members won medals at the
2020 International Chemistry
Olympiad



Four of the five team members at
the 2020 Physics Olympics won
medals



The entire youth team for the
2021 Physics Olympics won
medals



All team members at the 2020
Youth Mathematics Olympics
won medals



The Weizmann Institute of Science is ranked among the 25 leading research institutions in the world according to an index of the European Commission;

18% of all undergraduate students study engineering - the most studied course of study in Israel.

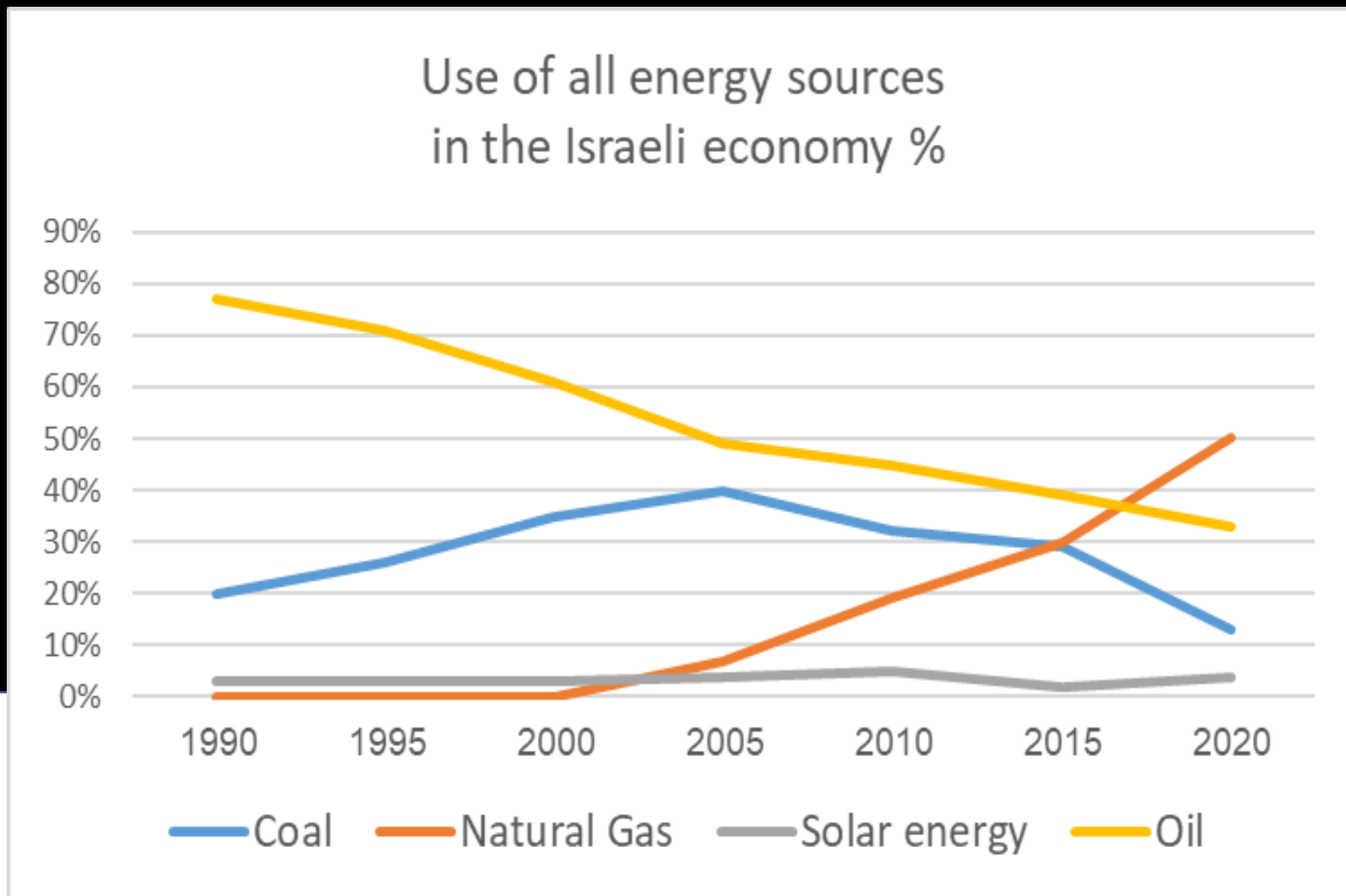
One in three students is pursuing a bachelor's degree in a scientific profession.

About 20% in professions that are "high-tech supporters" such as accounting, law or MBA.

Over half of the students in Israel can potentially fit into high-tech.

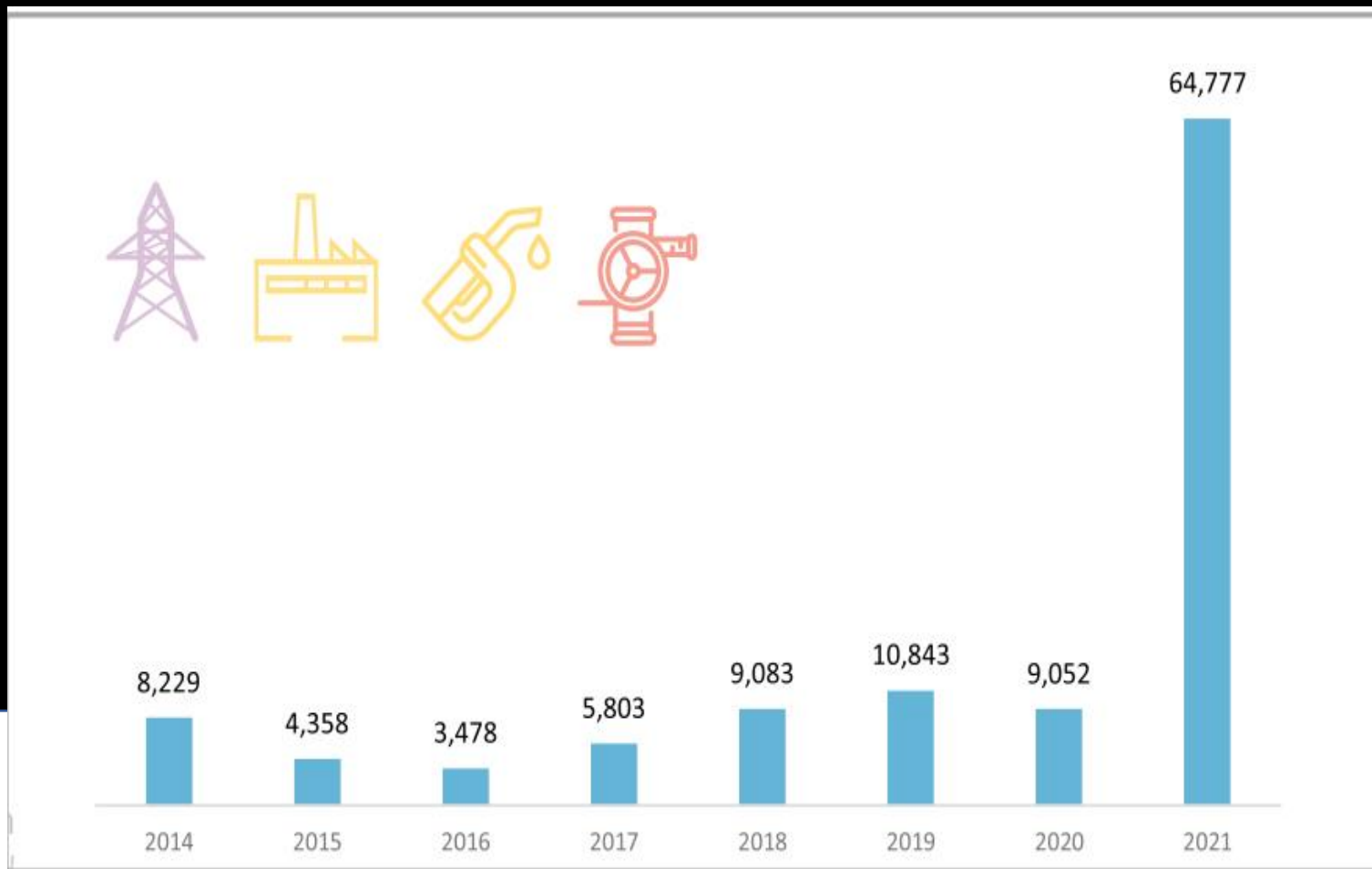
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Dramatic decline in imports of coal and oil for electricity.
They are being replaced by natural gas from own sources



Israel's energy
independence is
rising and the price of
electricity is relatively
cheap compared to
other countries

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According to the Natural Gas Authority, the economic savings in energy costs between 2014 and 2021 resulting from the use of natural gas instead of other fuels in the energy economy are estimated at NIS 116 billion. This is purely economic savings and does not embody environmental benefits in switching to natural gas which is a cleaner fuel, nor does it include state revenues from taxation.

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Challenges:

1. How to overcome the overcrowding in a country that is so geographically small that will double its population within 40 years? transportation and infrastructure.
2. Expanding high-tech prosperity to larger percentages of population.
3. Applying the standard of living of the center also to the periphery, including higher level of education and health.
4. Improving the education system.
5. Dealing with severe sea-port problems.
6. Continuation of the integration of Arabs and ultra-Orthodox Jews in the circles of work, education and a sense of belonging to the State of Israel.
7. Governmental stability

When considering the intensification of a country's success, this can be simplified by examining the 5 power indices:

- Great and even greater economic power based on the growth of science and technology
- Expansion of geopolitical power
- Military power
- Global soft power (is the country attracting?)
- Internal social power and a sense of mutual responsibility

We show in this presentation a tremendous improvement in all power indices.

**Intensification
of success**

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