



## In this issue:

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### Ratings and Rankings

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#### I liked it so much ...

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#### Are the next 10 Nobel Prizes underway?

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### The Tech City

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#### Shooting in Israel (films, I mean)

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#### Upcoming Events: The Chancellor, HSBC

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## Ratings and Rankings

While the rating agencies keep downgrading European countries and their leading commercial banks, Israel's long-term foreign-currency sovereign rating has been **upgraded** by Standard & Poor's from A to A+ with a "stable" outlook. Citing Israel's "prosperous and resilient economy, strong institutions, ongoing fiscal consolidation, and robust external performance", the rating agency also reaffirmed Israel's local currency rating at AA-. "The rating action reflects our view of Israel's improved economic policy flexibility as a result of strong growth and careful macroeconomic management," S&P said. "Israel is on a credible path toward continued government debt burden reduction and stronger external indicators."

References on **Tel-Aviv** were included for the first time in the semi-annual survey of Global Financial Centers Index (GFCI). When the 2,000 or so responding executives were asked where in the world they are likely to open new offices, Israel's financial centre came **6th**, leaving Beijing, Mumbai and Moscow trailing behind. At the top of the list were Seoul, Shanghai and Singapore. Another question was: Which financial centers are likely to become **more significant** ? Here Tel Aviv was ranked 9th. GFCI is edited by the London-based Z/Yen Group and sponsored by the Qatar Financial Centre.

In its annual survey of 142 countries, The World Economic Forum (WEF) rated Israel as the **22nd most competitive** country in the world, 2 spots above its ranking in 2010. The report states, "Israel's main strengths remain its world-class capacity for innovation (6th in the world), which rests on highly innovative businesses that benefit from the presence of the world's best research institutions, geared toward the needs of the business sector. The excellent innovation capacity, which is additionally supported by the government's public procurement policies, is reflected in the country's high number of patents (4th). Its favourable financial environment (10th), particularly the solid availability of venture capital (2nd), has further contributed to making Israel an innovation powerhouse."

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## I liked it so much ...

One of my favourite lines ever in a commercial was Victor Kiam's, who after testing one of the Remington electrical shavers said, "I liked it so much I bought the company". **Asquith Israel** is a new enterprise that brings the concept of merchant banking to Israel with a unique local emphasis. I liked it so much I agreed to serve as their Chairman. It will support Israeli growth businesses by combining principal investment, corporate finance and business development services. A group of young new Olim from the UK and France are behind the initiative.

Investee companies receive up to 30% of the capital they are seeking, alongside introductions to co-investors for the remaining amount. Asquith follows its investment by providing comprehensive commercial assistance in rolling out the service or product worldwide. Its founders see the development of **a stronger SME sector** in the Israeli economy as fundamental to the country's future growth and stability, and as such, Asquith represents an opportunity for investors worldwide to gain exposure to a part of the market that is positioned between Israel Bonds and venture capital in terms of risk, and provides both the financial and

altruistic returns that Israel's supporters are seeking. Asquith's management will conduct a comprehensive **roadshow in November**, which will include a series of talks entitled "Beyond the Start-Up Nation".

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### **Are the next 10 Nobel Prizes underway?**

Following up on our In search of Excellence story (*The Ben-Tovim Report, July 2011*) the first group of four **I-CORE** centers became operational on October 1, 2011. I-CORE - **Israeli Centers of Research Excellence** - is a brand new initiative to reinforce Israel's intellectual capacities and promote synergies among Israel's leading research institutions. Prof. **Dan Shechtman**'s Nobel Prize, Israel's 10th, awarded earlier this month, is just another vivid reminder of the enormous potential Israel has to offer.

The four new research centers are focusing on renewable energy, cognitive science, computer science and molecular medicine. A second wave of 10 I-COREs is to be created in 2012; some of them focusing on social sciences and humanities (see [www.i-core.org.il](http://www.i-core.org.il) for more details).

**For our USA readers**: I will be with I-CORE at the GA in Denver, Colorado, November 6-8, booth #801-2. You are welcome to stop by!

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### **The Tech City**

The positioning of Tel Aviv as a global tech city is about to receive an unprecedented boost with over 20 global business and technology events that will be taking place in the span of 3 days, beginning 31st October. They include Orange/France Telecom, Amazon Cloud, Facebook Future Lab, Journey 2011 by Ernst & Young, Google Executive Briefing and more.

The highlight is the prestigious **DLD** (Digital Life Design) - a global conference on innovation, digital media, science and culture which connects business, creative and social leaders, opinion-formers and investors. Chaired by Israel's high tech guru, Yossi Vardi, and German publishing magnate Hubert Burda, DLD will be held for the first time in Tel Aviv at the historic Jaffa Port with hundreds of key players from the international scene in attendance.

The first major event of the week will be the 9th **Go4Europe** conference, to be held on 31st October. Organized by Cukierman Investment House Ltd. and Catalyst Fund, Go4Europe will address the current issues of raising funds and establishing strategic alliances with Europe.

#### **Apropos...**

On 1st November, the Mayor of Tel-Aviv will, Ron Huldai, will inaugurate **The Library** - an innovative shared working space for technology entrepreneurs, located in an active municipal library. The Library, situated within the Shalom Tower in the heart of Tel Aviv's future high-tech district, incorporates the spirit of technology and innovation with traditional values of readership and knowledge. The City believes this novel concept can become a trendsetter for updating aging library centers the world over.

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### **Shooting in Israel (films, I mean)**

The new UK-Israel film co-production treaty was launched in the International Haifa Film Festival with a red-carpet premier screening of **The Debt**, starring Helen Mirren. The director John Madden (*Shakespeare in Love, Captain Corelli's Mandolin*), received a special award from Haifa's Mayor. After the screening he attended a special reception where he was skillfully interviewed by the British Ambassador Matthew Gould. Raphael Gamzou, Deputy Director General of the Israeli Ministry of Foreign Affairs, and Dr. Simon Kay, Israel Country Director of the British Council, expressed their respective gratitude to the many people whose work has made the new treaty possible. *The Debt* was filmed on location in Tel Aviv, the UK and Budapest.

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### **Upcoming Events**

- The new high-tech centre at the British Embassy (*The Ben-Tovim Report, July 2011*) will be formally launched later this week at the British Ambassador's residence in Ramat-Gan. The guest of honour: **George Osborne**, Chancellor of the Exchequer.
  - **HSBC** is celebrating its 10th anniversary in Tel-Aviv. In a festive event they will also be launching an offshore private banking desk in the presence of Krishna Patel, CEO of Global Private Banking and Yehuda Levi, CEO & Country Manager for Israel.
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