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The pilgrimage goes on ...

Apple Inc. has decided to open a development center in Israel, the first ever outside the USA. Aharon Aharon, a veteran player in Israel's high tech industry, was hired to lead the new development center. Simultaneously, the company is reported to have entered into talks toward acquiring the Herzliya-based flash storage solutions provider Anobit.

Google is opening a new business and research center in Tel Aviv. Reportedly, they will occupy 6 floors in the newly opened Electra Tower.

Bloomberg, the business information and media giant, is moving into a modern and expanded facility in Rothschild Boulevard, Tel-Aviv.

Virgin's (holy?) water deal

Virgin 's Green fund will invest \$7.5 million in the Israeli-based Strauss water business. The joint target: expansion to the UK and Ireland, targeting France, Australia and South Africa for later on. Virgin-Strauss will acquire products and receive services from Strauss Water and will also gain access to services from the Virgin Group.

Last week **Sir Richard Branson** addressed a large audience in Tel- Aviv, to promote Virgin Galactic, the first commercial space travel firm in the world, which plans to offer suborbital space trips to the general public.

Rich people's problems

Israel's recent discoveries of natural gas has provided for future increased revenues. More obvious outcomes are the strengthening of the country's fiscal position and the decreased dependence on imported fuels. Less

common to the Israeli ear is the serious talks about setting up a *sovereign wealth fund*. Add to the formula the highest level of foreign currency reserves ever - close to \$80 billion, and it really looks serious! In its latest report on Israel, the OECD has welcomed the thought.

The National Economic Council and the Bank of Israel have commissioned the Milken Institute to examine how the country should structure the fund. The main challenge is that Israel's trade surplus could double, thereby leading to local currency appreciation and higher prices. The economic risk can be reduced, as it has been done in other oil and gas producing countries, through investing the revenues from natural resource exports in global markets, rather than at home.

Welcome and Farewell

Eli Groner is the new Minister for Economic Affairs at the Israeli Embassy in Washington.

David Simcha is the ingoing Chairman of the Israel-Palestine Chamber of Commerce.

Ofra Cohen is the new General Manager of BHI, Bank Hapoalim's branch in London.

Yossi Turkaspa is the new Director of UK Trade and Investment in Tel-Aviv

Felix Kipper, the legendary Executive Director of the Israel-Britain Chamber of Commerce, is retiring after almost 30 years on the job.

Richard Salt is on his way back to the UK after 5 successful years as the Director of UK Trade and Investment in Tel-Aviv.

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