



הבורסה
לניירות ערך
תל אביב
STOCK
EXCHANGE

TASE

2022

Review

TASE – The Best Israel Has to Offer



Main Indicators 2020-2022

THE TEL-AVIV STOCK EXCHANGE

LOCAL CURRENCY YIELD ⁽¹⁾	2022	2021	2020
TA-35 Index	-9.2%	32.0%	-10.9%
TA-90 Index	-18.2%	33.1%	18.1%
TA-SME60 Index	-33.2%	29.7%	15.6%
TA-Oil & Gas Index	35.0%	61.7%	-44.8%
TA-Banks5 Index	-4.1%	67.9%	-21.8%
TA-Real Estate Index	-30.9%	53.4%	-4.6%
TA Tech-Elite Index	-29.9%	8.7%	39.3%
General Share Index	-15.5%	30.9%	-0.4%
All-Bond Index	-8.3%	3.9%	0.8%
Government Bonds - Tel Gov Shekel Index	-10.0%	-1.0%	1.5%
Corporate Bonds - Tel-Bond 20 Index	-10.0%	8.4%	-0.2%
Corporate Bonds - Tel Bond-Shekel Index	-7.0%	3.0%	-0.1%
Daily Turnover (US \$ millions)			
Shares and Convertibles (Including ETFs)	683	581	540
Bonds (Including ETFs)	1,035	1,216	1,201
Treasury Bills	233	99	168
TA-35 Index Monthly Options (Thousands of contracts)	71	68	76
TA-35 Index Weekly Options (Thousands of contracts)	43	39	36
Dollar Options (Thousands of contracts)	39	47	53
Capital Raised (US \$ billions)⁽²⁾			
Shares and Convertibles in Tel-Aviv ⁽³⁾	6.5	8.0	5.0
Shares and Convertibles abroad	0.3	1.1	2.2
Corporate Bonds - Public ⁽⁴⁾	26.2	24.3	15.5
Corporate Bonds - TASE UP bonds	1.3	5.2	4.1
Government Bonds in Tel-Aviv - Gross ⁽⁵⁾	12.0	32.0	38.3
Market Capitalization (US \$ billions)			
Shares and Convertibles ⁽²⁾	269.6	361.6	262.0
Corporate Bonds ⁽²⁾	116.3	136.8	120.8
Government Bonds ⁽⁵⁾	166.9	226.8	196.2
ETFs	27.8	34.6	28.3
Treasury Bills (MAKAM)	59.5	37.0	27.1
Number of Shares Listed Companies⁽⁶⁾	548	541	455

MAJOR WORLD STOCK EXCHANGES' INDICES

DOLLAR YIELD	2022	2021	2020
S&P 500 Index	-19.4%	26.9%	16.3%
NASDAQ 100 Index	-33.0%	26.6%	47.6%
DJ Euro STOXX 50 Index	-16.8%	11.6%	3.7%
FTSE 100 Index	-10.1%	13.1%	-11.3%
DAX 40 Index	-17.4%	6.8%	13.2%
NIKKEI 225 Index	-20.9%	-6.0%	22.1%
TA-35 Index	-19.7%	36.4%	-4.3%

(1) In 2022 the dollar has appreciated 13.2% against the NIS.

(2) Excluding ETFs.

(3) Excluding amount raised by TASE UP shares - 0.2 US\$ billions in 2021

(4) Including structured bonds.

(5) Excluding borrowed bonds from the Government Bonds Lending Facility.

(6) Excluding TASE UP shares companies - 3 companies in 2021 and 2022.

TASE 2022 by the Numbers

-9%; -12%

TA-35 & TA-125 Indices

Annual Shekel yield, while the MSCI All Countries World Index decreased by 20%

+35%

TA - Oil & Gas Index

Annual Shekel yield

+78%; +67%

TA- Technology & TA-Banks5 Indices

Annual Shekel yield

548

Companies with share listings

the highest since 2012.

205

High-tech companies & Limited Partnerships

of which: 153 technology, 52 biomed

22

New companies in the Shares market

(including dual listings, and companies that completed a reverse merger with TASE-traded companies)

6.5

billion dollars

raised in the share market, of which US\$ 0.7 billion in 13 IPOs

4.1

billion dollars

Value of 13 new companies in the shares market

3.9

billion dollars

Net international investors' purchase of equities in Jan.-Oct 2022

270

billion dollars

Market Capitalization of Shares market

683

million dollars

daily turnover in equity market, the highest since 2011 (in local currency).

27.8

billion dollars

Market Capitalization of 528 ETFs and 39 cross listed ETFs

283

billion dollars

Market Capitalization of bonds: government (36 series) and companies (749 series)

27.5

billion dollars

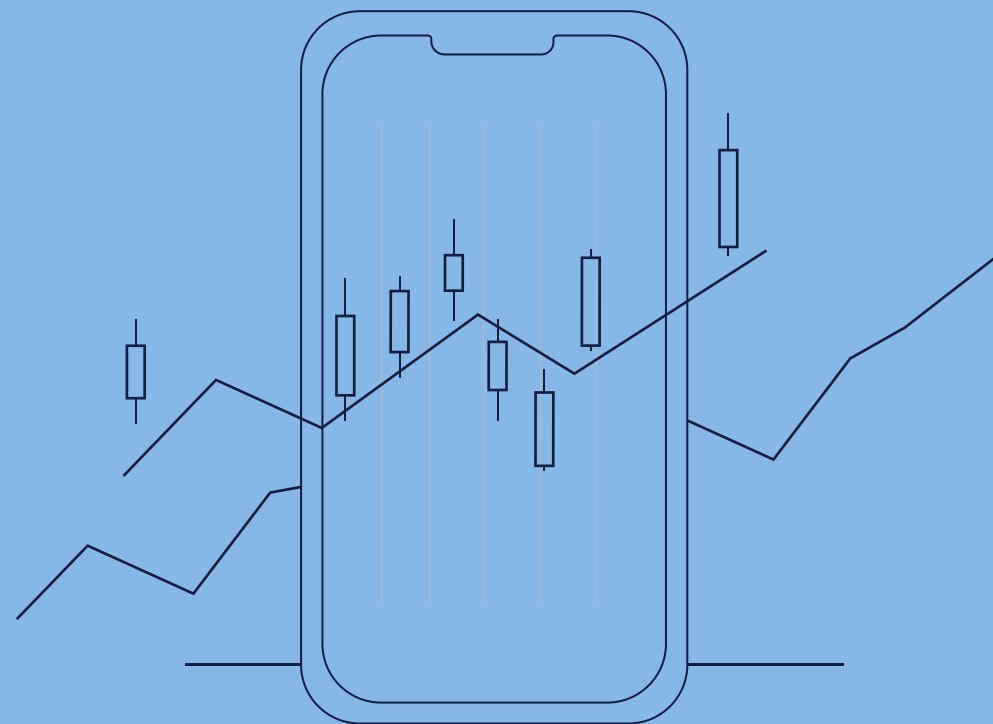
capital raised in corporate bonds and structured bonds

1

billion dollars

daily turnover in bond market

Equity Market*



All the data in this review are in dollar terms, with the exception of index returns that are in the local currency – unless stated otherwise. In 2022, the dollar appreciated by 13.2% relative to the NIS.

Introduction

Stock trading on TASE was highly volatile, ending in price drops in the equity market and the bond market, as it was on leading securities exchanges worldwide. The Israeli market exhibited strength, **with relatively moderate reductions** in TASE's share indices and bond indices compared to the global trend.

The price drops on the global markets were influenced by the inflation surge that resulted in aggressive interest rate increases by central banks and a slowdown in economic activity.

The market inflation that commenced in 2021 following the cancellation of the COVID-19 restrictions and the rise in demands, increased in 2022. The main contributor to the inflation surge this year was **Russia's ongoing hostilities against Ukraine** since February 24, 2022. On this backdrop, the United States and Europe imposed economic sanctions on Russia, and the Nord Stream pipeline that transports natural gas from Russia to Europe was shut down. This caused energy prices to soar – most notably the price of natural gas that skyrocketed by 180%, as well as in the prices of food and metals imported from the conflict countries.

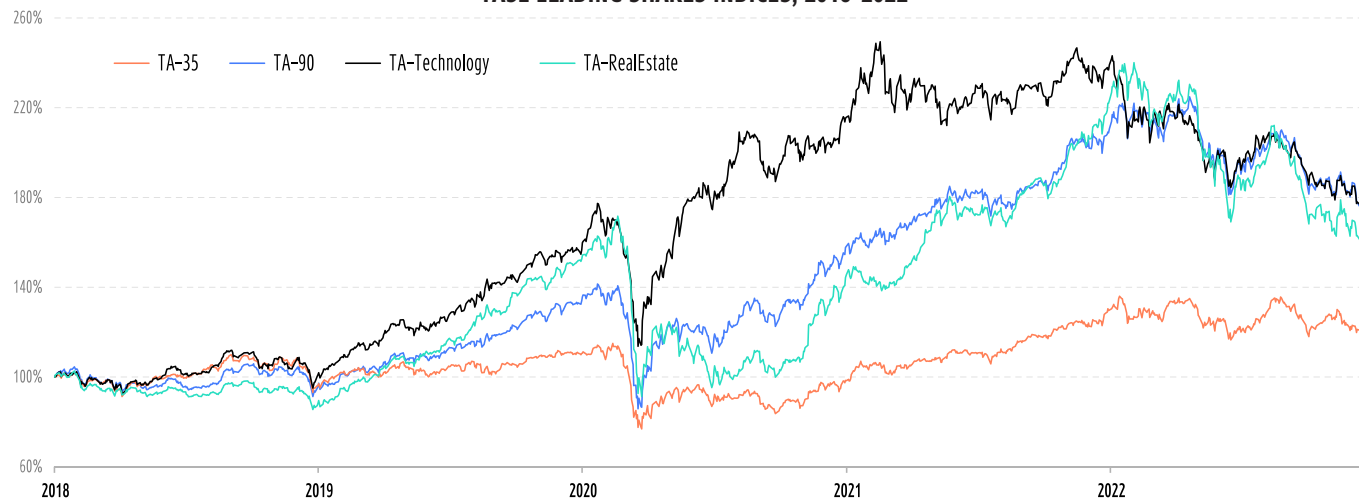
Disruptions in the chain of supply and shortage of food and commodities during the year resulted from the following:

Escalation of the energy crisis in Europe – The crisis, which began in the preceding year due to the European Union's regulations that restrict the use of polluting energy sources, escalated this year following the discontinuance of supply of gas from Russia and the announcement by OPEC (the umbrella organization of the world's largest oil exporters) of a significant reduction in the production and supply of oil starting in November 2022. Consequently, there are growing indications of a recession in Europe which could adversely affect companies that export significantly to Europe, including Israel.

Exacerbation of the climate crisis and droughts in multiple countries.

The war in Ukraine, the world's breadbasket.

TASE LEADING SHARES INDICES, 2018-2022



China's 'Zero COVID' policy, involving the imposition of restrictions and lockdowns by China, resulting in shortages in the global microchip sector and in a slowdown of China's economic growth and disruptions in the trade with China.

Consequently, **annual inflation skyrocketed**, reaching its highest rate in decades – 10.6% in the Eurozone, 11.1% in the United Kingdom and 9.1% in the United States, compared to the 2% target. **In Israel, inflation rose more moderately compared to the developed markets**, mainly due to Israel's natural gas reserves and relatively low dependence on import from the conflict countries, reaching 5.3% (the highest in 20 calendar years), compared to the 3% target set by the Bank of Israel.

In order to curb the inflation, **central banks initiated a series of interest-rate increases**: the Bank of England, which since December 2021 has raised the interest rate nine times by a cumulative 3.4% to a the level of 3.5%; the Federal Reserve, which since March 2022 has raised the U.S. interest rate seven times by a cumulative 4.25% to the level of 4.5%; the European Central Bank, which since July 2022 has raised the interest rate four times by a cumulative 2.5% to the level of 2.5%; and the Bank of Israel, which since April 2022 has raised the interest rate six times by a cumulative 3.15% to the level of 3.25%.

The Israeli Market Exhibited Strength, with a Relatively Low Decrease in the Share Indices Compared to Global Indices.

The TA-35 index and TA-125 index decreased by 9% and 12%, respectively, during the year, compared to a 20% reduction in the global MSCI index.

It should be noted that while, so far, the interest rate increases had little effect on the rising inflation, they had adversely affected economic growth. In light of indications of a slowdown in the global economic activity, the International Monetary Fund (IMF) forecasts the reduction of global growth to 3% in 2022, compared to 6% in 2021.

An economic slowdown in Europe and the United States, which are the main destinations of Israeli export, is expected to adversely affect the economic growth in Israel. Already in the third quarter of 2022, there were indications of a slowdown - a rise in the unemployment rate and a reduction in the number of real estate transactions and in mortgages obtained, as reflected in the data of the Central Bureau of Statistics.

Nevertheless, as aforesaid, the Israeli economy has demonstrated strength, as reflected in the following information:

◆ **Positive macroeconomic indicators:**

- The Economic growth rate remained positive, exceeding that of leading economies, despite the reduction in growth that commenced in the third quarter of 2022 - the Central Bureau of Statistics published estimated data for the third quarter of 2022, according to which: Israeli GDP increased by 1.9% in the third quarter of 2022, following a 7.4% increase in the second quarter of the year and a 3.4% decrease in the first quarter of 2022.

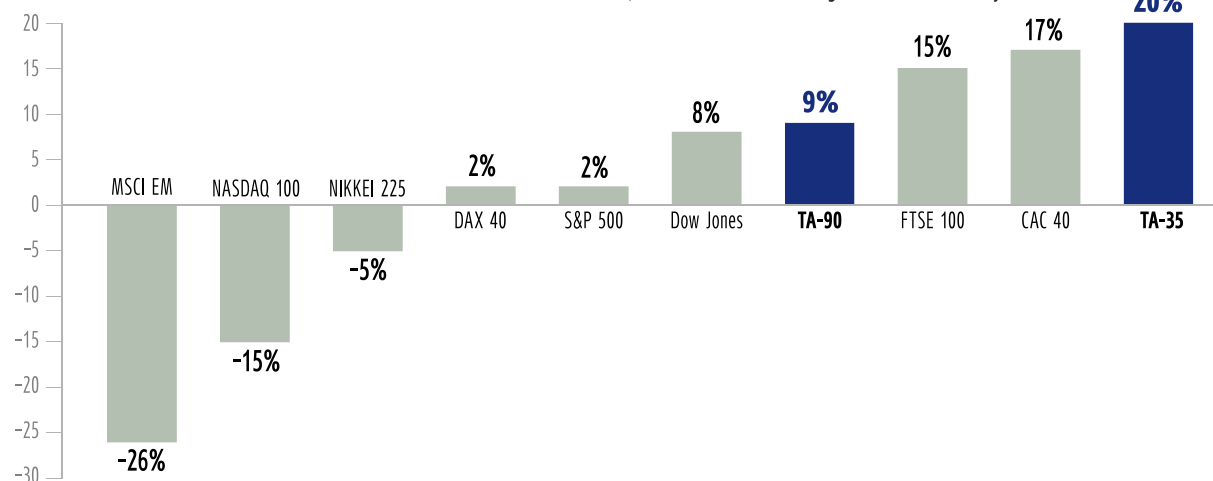
It should be noted that, in the third quarter of 2022, Israeli GDP was 5.6% higher than in the third quarter of 2021 - the highest rise among the reporting OECD countries, including the United States (1.8%) and Germany (1.1%). In addition, the economy's projected growth in 2022 is 6%, double the International Monetary Fund's global growth projection of 3% for 2022.

- The unemployment rate in Israel remains low and stable, despite a slight increase in unemployment starting in the third quarter of 2022 - the Central Bureau of Statistics published that the rate of workers furloughed due to economic causes or dismissed reached

4.5% in November 2022, compared to 3.7% at the end of the first half of the year, and compared to an average 8% in 2021, and an average double-digit figure of 16% in 2020 - the pandemic outbreak year.

- **Continued reduction in the national budget deficit**, as reflected in the Ministry of Finance's data: in the past 12 months, a national budget surplus of 0.6% was recorded - the highest rate since 1987, compared to a deficit of 5% in 2021 and 12% in 2020, at the height of the coronavirus crisis. In opposition, according to the International Monetary Fund - the national budget deficit will reach 3.7% of the GDP in developed economies in the years 2022-2023.
- **A reduction in the debt-to-GDP ratio** to 61% in 2022, and to 63% in 2023 according to the Bank of Israel's forecast, below the 68% and 69% recorded in 2021 and 2020, respectively. In opposition, according to the International Monetary Fund - the debt-to-GDP ratio in developed economies will reach 112% in 2023.
- ◆ **Israel's sovereign credit rating** - The positive indicators specified above resulted in the affirmation of the State of Israel's high sovereign credit rating of A+ with a stable outlook by international credit rating agency, Fitch, AA- rating with a stable outlook by international credit rating agency, S&P, and Moody's affirmation of Israel's sovereign credit rating at A1, with the outlook raised from "stable" to "positive".
- ◆ **Increase in the demand for natural gas from Israel** - as a result of the escalation of the energy crisis in Europe, following the discontinuance of the supply of natural gas by Russia. In this context, it should be noted that on June 15, 2022 a memorandum of understanding was signed between Israel, Egypt and the European Union, which provides for the expansion of the export of gas from Israel to Europe through Egypt and authorizes natural gas exploration and production by European companies in the economic waters of Israel and Egypt.
- ◆ **Appreciation of the dollar by 13.2% relative to the shekel**, which contributed to the increase in the profits of companies that export to the United States.

TASE AND INTERNATIONAL SHARES INDICES, 2021-2022 (% change in local currency)



Share Indices

In total, the **TA-35 index** and the **TA-125 index** decreased by **9%** and **12%** in 2022, respectively, while the U.S. indices, S&P 500 and Dow Jones decreased by 19% and 9%, respectively, and the EURO STOXX 50 index and the global MSCI index decreased by 12% and 20%.

Table 1 – RATE OF RETURN ON SELECT TASE SHARE INDICES

	2022	2021	2018 - 2022
TA-35	-9%	32%	19%
TA-90	-18%	33%	75%
TA-125	-12%	31%	33%
TA-SME60	-33%	30%	-15%
TA-Growth	-33%	10%	1%
TA Oil & Gas	35%	62%	24%
TA-Banks5	-4%	68%	67%
TA-RealEstate	-31%	53%	56%
TA-Technology	-27%	9%	78%

Price reductions marked most of the **sectorial indices**, outstanding among which are:

- ◆ **The indices of the real estate companies**, which are greatly susceptible to interest rate rises, as these drive up their financing costs and reduce the value of their properties, on the one hand, and adversely affect the demand for housing, on the other hand, by making mortgages more expensive. **The TA-Construction index** and the **TA-Investment Properties Abroad index** decreased by 37% on average and the **TA-Investment Properties in Israel index** decreased by 25%.

It should be noted that **in the past five years, 2018-2022, the TA-RealEstate index increased by 56%.**

- ◆ **The indices of high-tech companies** decreased similarly to the global trend. **The TA Global-BlueTech index**, which decreased by 36%, and **the Tech-Elite index**, which decreased by 30%, an average rate similar to the 33% decrease in the NASDAQ 100 index.

The attractiveness that marked the high-tech sector in pandemic years 2020-2021 started to decline following the curbing of the pandemic and the global interest rate increases, which have a particularly negative impact on the growth companies. Consequently, high-tech companies around the world and in Israel started to downsize.

It should be noted that **in the past five years, 2018-2022, the TA-Technology index is in the lead, with an increase of 78%.**

In opposition, **positively** outstanding during the year:

- ◆ **The TA-Oil & Gas index**, which soared by 35% this year, following a 62% surge in the previous year. The increase in the index this year was influenced by the sharp rise in energy prices – the price of natural gas that skyrocketed by 380% by mid-August and decreased towards the end of the year to a price that is 20% greater than the price at the beginning of the year, and by the growing demand for the purchase of natural gas from Israel. It should be noted that the price of Brent oil soared by 55% in the first half of the year, and then in the second half of the year decreased to a price slightly above the price at the beginning of the year – influenced by the slowdown in the global economic activity. Towards the end of the year, the European Union and the G7 countries issued a resolution that sets a maximum price of US\$ 60 per Russian oil barrel, commencing on December 5, 2022.
- ◆ **The TA-Banks5 index**, which recorded a slight decrease of 4% this year, after skyrocketing by 68% in the previous year. The decrease of the index, due to the expected slowdown in the economy, was offset by the positive influence of the increase in the profitability and the financing income of the banks, as a result of the higher volume of credit extended, mainly to home buyers, and of the raising of the interest rate.

The leading indices in the past five years, 2018-2022, include the TA-Technology index, with a 78% increase, and the TA-Banks5 index and the TA-RealEstate index, with an average increase of 62%.

The TA Oil & Gas index surged by 35% as a result of the natural gas price hikes and the rising demand for the purchase of natural gas from Israel.

Equity Trading Volumes

Table 2 - AVERAGE DAILY TRADING VOLUME IN THE EQUITY MARKET (million dollars)

	2022	2021	% CHANGE IN 2022
Shares including ETFs	683	581	17%
Shares excluding ETFs	558	477	17%

Shares trading was active, posting an average daily volume of US\$ 683 million, 17% greater than the average daily volume in 2021 and the highest volume since 2011 (in local currency).

The active trading this year was influenced by: the volatility of the share prices and the increased activity of foreign investors on the equity market at TASE. According to the data of the Bank of Israel, in the months January–October 2022, foreign residents purchased equity holdings in a net amount of US\$ 3.9 billion on TASE, following purchases in a similar amount in the full year 2021.

It should be noted that TASE has reduced the minimum order size, commencing on March 1, 2022, from NIS 5,000 per share in the TA-35 index and NIS 2,000 per share in other indices, to NIS 500 for any share. This move had an immediate and significant effect on the enhancement of liquidity in the market and the increase in the volume of small orders, both by private investors and by primary dealers and quote generators.

The average daily trading volume of shares totaled US\$ 683 million in 2022 - 17% greater than the average daily trading volume last year and the highest volume since 2011 (in local currency).

In 2022, more foreign investors entered the equity market, purchasing shares in a net amount of US\$ 3.9 billion on TASE.

Shares' Market Free Float:

In 2022, net sales of shares by principal shareholders continued- principal shareholders sold shares in an amount of US\$ 1.9 billion and at the same time purchased shares in an amount of US\$ 0.8 billion. The free float in the equity market reached 61.5% at the end of the year.

Interested Parties' Trading Activities in 2022

Sales Totaled US\$ 1.9 billion and Purchases Amounted to US\$ 0.8 Billion This, Compared to Net Share Sales of US\$ 1.4 Billion in 2021

The activity of interested parties in 2022 was reduced compared to 2021.

As a rule, in a bull market interested parties capitalize on the upward trend by realizing part of their holdings, whereas in a bear market they tend to increase their holdings to benefit from the low prices but also as a vote of confidence in the companies and as a means to curb the price drops.

This was the case in 2021, when on the backdrop of the climbing prices the interested parties' gross share sales totaled US\$ 2.4 billion, while the share purchases totaled US\$ 1.0 billion. In 2022, as prices dropped, the sales by interested parties reduced to US\$ 1.9 billion, yet, surprisingly - share purchases by interested parties also reduced, totaling US\$ 0.8 billion.

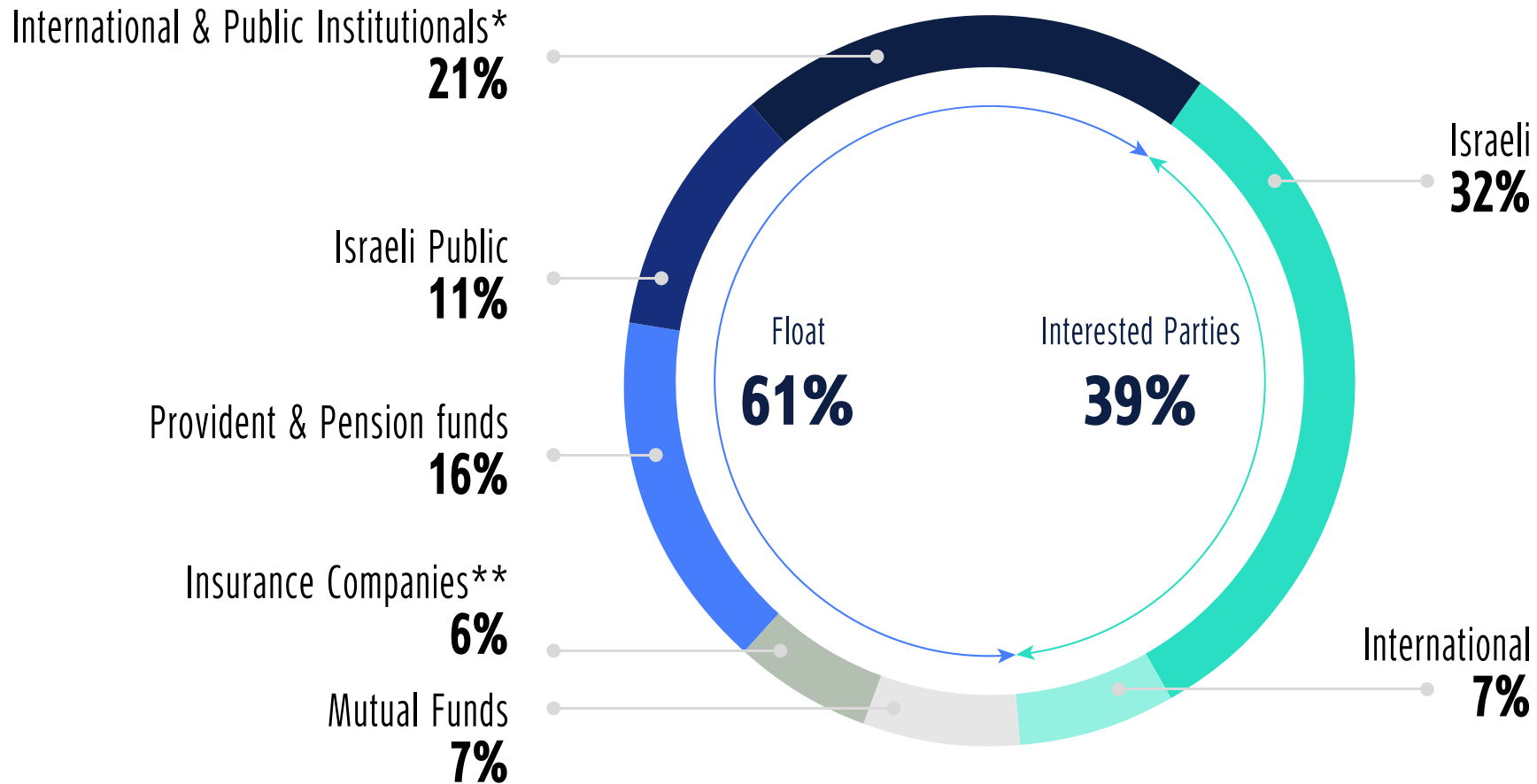
It should be noted that the increase in the number of TASE-listed company without a controlling core may weaken the correlation between the market trend and the activity of the interested parties, since in companies without a controlling core the considerations of interested parties differ from those of the controlling shareholders.

The principal sales by interested parties during the year resulted from the cease of control in TASE-listed companies: sales by Shari Arison in Bank Hapoalim, and sales in Ormat by the Japanese controlling shareholder.

The reduction of purchases by interested parties this year may be due to the substantial purchases made in the previous years, which were extraordinary, resulting from purchases as part of control struggles. Noteworthy this year were the purchases made to cement the control in Brack Capital and as part of the control struggles in Norstar and Paz Oil.

The free float rate in the equity market reached 61.5% at the end of the year, as compared to 60% at the end of 2021.

BREAKDOWN OF SHARES OWNERSHIP, 2022



Source: TASE & Bank of Israel * Including holdings in dual-listed shares abroad. ** Investments in life insurance and general insurance.

During the year, principal shareholders sold equity holdings of US\$ 1.9 billion and purchased equity holdings of US\$ 0.8 billion.

Equity Capital Raising

Table 3 - EQUITY RAISED ON TASE

	AMOUNTS RAISED (million dollars)			NO. OF PUBLIC OFFERINGS + PRIVATE PLACEMENTS		
	2022	2021	2020	2022	2021	2020
Public offerings - IPOs*	714	3,220	1,371	13	94	27
Public offerings - TASE-listed companies	2,848	2,406	2,201	65	73	88
Private placements**	2,829	2,220	1,244	117	145	121
Warrant exercise	150	127	151	-	-	-
Total	6,541	7,973	4,967	195	312	236

* IPOs do not include companies listed without raising capital (dual listings and splits), and companies that completed a reverse merger with TASE-listed companies. ** Excluding shares of US\$ 190 million offered on TASE UP in 2021.

The total equity raised from the public on TASE came to US\$ 6.5 billion, further to a record amount of US\$ 8 billion raised in 2021.

The reduction in the volume raised this year stems from the wave of IPOs that came to an almost complete stop starting in April 2022. In 2022, 13 new issuers (including 6 high-tech companies) raised US\$ 714 million in IPOs, of which eight were performed in the first quarter of 2022.

As a result of the downward trend in the markets, which reduced the appetite for new investments, most of the new issuers that completed the offering are large companies (with a market capitalization of more than NIS 1 billion after-the-money). Five large new issuers raised US\$ 0.6 billion - 84% of the total amount raised in IPOs in 2022, compared to 12 large new issuers that raised US\$ 1.4 billion - 43% of the total amount raised in IPOs - in 2021.

The five large new issuers are: Kvutzat Acro, with a market capitalization of US\$ 1.2 billion after-the-money, Shikun & Binui Energy, with a market capitalization of US\$ 0.8 billion after-the-money, Carasso Real Estate, with a market capitalization of US\$ 0.6 billion after-the-money, and the companies Bait Vegag, and ImageSat - a provider of space-based intelligence and information solutions that performed a global offering (to local and international institutional investors), led by foreign underwriter,

UBS - with a market capitalization of US\$ 0.4 billion, each, after-the-money.

For a list of the 13 new issuers, the amount raised and their post-offering market capitalization, see the TASE website, [TASE IPOs](#).

The equity raised by seasoned issuers increased and came to US\$ 5.8 billion in 2022, compared to US\$ 4.8 billion in the previous year. Most of the increase stems from the equity raised by the major banks, Leumi and Discount, which came to 0.8 and 0.4 billion dollars, respectively, the largest equity offerings performed by banks in more than two decades.

It should be noted that, in light of the surge in the volume of credit extended by the banks in the first third of the year, mainly to mortgagors, the banks needed to increase the capital that serves as a safety cushion against the credit that they had extended (capital adequacy). The banks chose various methods to increase the capital, including: equity offering (Leumi and Discount), suspension of dividend distribution (Hapoalim), and issuance of COCO bonds, which include a mechanism of conversion into shares (Hapoalim and Leumi) (for details, see bond offerings, below). Following the repeated interest-rate increases and the ensuing sharp rise in the banks' profitability, the banks resumed dividend distributions.

Other outstanding offerings performed by the seasoned companies were:

- ◆ An amount of US\$ 1.9 billion was raised by companies in the real estate sector, led by Amot, Shikun & Binui and Gazit Globe, which raised 190, 153 and 146 million dollars, respectively.
- ◆ An amount of US\$ 0.9 billion was raised by companies in the technology sector, mostly renewable energy companies, led by Enlight Energy and Energix, which raised US\$ 258 million and US\$ 212 million, respectively.
- ◆ Shares of Meshek Energy with a value of US\$ 0.4 billion were allotted in a private placement as part of the acquisition of 41% of Dalia Energies, a company engaged in the production and supply of electricity through power plants.

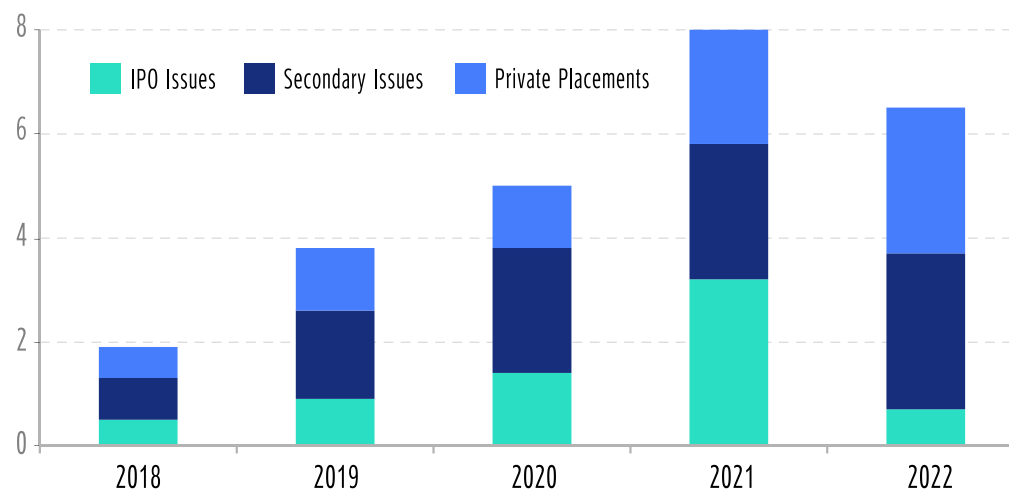
On the equity market, US\$ 6.5 billion was raised from the public in 2022 - further to a record amount of US\$ 8 billion raised last year.

In addition to the 13 new issuers, six companies completed reverse mergers with TASE-listed companies in 2022:

#	Merging company (former name)	Merged company (new name)	Operations infused
1	Edri-El	Wind Buzz	Planning, design and development of optimization solutions for wind turbines
2	ICB	Silver Castle	Development of digital asset trading strategies (Crypto)
3	GO.D.M.	Mia Dynamics	Development of technology for micro electric vehicles
4	Luzon Real Estate	Tarya	Operation of a P2P loan platform
5	Mobile Max	Bubbles Intergroup	Manufacturing, import, marketing and distribution of children's premium brands
6	Nera Tech	GOTO	Operation of shared transportation in Israel and Europe

In addition, another company was listed - Hiper Global - following its split from E&M: the OEM (specification, planning and assembly of customized computer systems) operations of E&M were split off by way of distribution of shares of Hiper Global as a dividend in kind to the shareholders of E&M and its listing on TASE. The market capitalization of Hiper Global is currently US\$ 200 million.

CAPITAL RAISED BY SHARES 2018-2022 (US\$ billions)



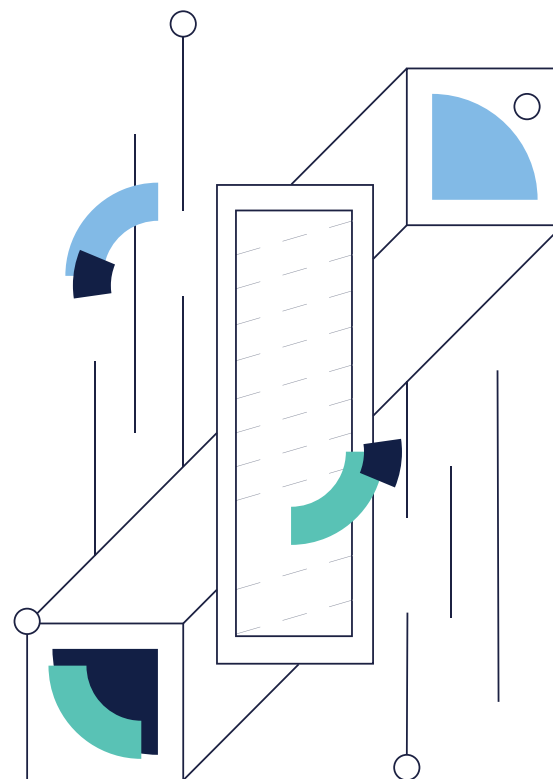
22 new companies listed on the equity market this year, with a combined market capitalization of US\$ 7.6 billion, including two dual listings, a company that split off a listed company and six companies that completed a reverse merger with TASE-traded companies.

The number of companies whose shares trade publicly on TASE stands at 548 companies - the highest number since 2012, of which 52 are dual listings.

Table 4 - EQUITY ISSUANCES AND PRIVATE PLACEMENTS BY SECTOR (in US\$ millions)

	2022		2021		2020	
Total*	6,391	100%	7,846	100%	4,816	100%
Financial sector:	1,706	27%	384	6%	328	7%
Banks	1320	21%				
Insurance	249	4%	64	1%		
Financial services	137	2%	320	5%	328	7%
Real sector:	3,660	57%	3,643	57%	2,825	58%
Real Estate & Construction	1,859	29%	1,662	26%	962	20%
Energy & gas	837	13%	447	7%	663	14%
Investments	504	8%	383	6%	420	8%
Commerce & services	264	4%	895	14%	672	14%
Manufacturing	197	3%	256	4%	108	2%
High-Tech sector:	1,025	16%	2,365	37%	1,663	35%
Technology	944	15%	2,045	32%	1,374	29%
Biomed	81	1%	320	5%	289	6%

* excluding issuances and private placements abroad, and TASE UP .



Dual listings

There are currently 52 dual listings on TASE, after:

- ◆ **Two companies listed their shares for trading on TASE within the framework of the dual listing provisions.**

Foreign real estate company, **UMH** – a foreign REIT engaged in residential investment property in the United States that is traded on NYSE, listed on TASE. Its market capitalization shortly before the dual listing was US\$ 1.1 billion. Concurrently with the listing of the shares on TASE, the company raised US\$ 103 million in its initial offering on the bond market at TASE.

Dually listed technology company, **RADA**, whose shares are listed on Nasdaq, was merged into **Leonardo DRS** (foreign). The shares of RADA were delisted from TASE and Nasdaq and the shares of Leonardo (ticker symbol DRS) were listed in its place on both markets. The market capitalization of Leonardo shortly before the dual listing was US\$ 2 billion.

- ◆ **Three high-tech companies that are traded on TASE have performed dual listing on Nasdaq in the United States:**

- ◆ Cleantech company – **Brenmiller**, whose shares have been traded on TASE since 2017, dual-listed its shares on Nasdaq without raising capital, commencing in May 2022.
- ◆ Technology company, **Saverone**, raised US\$ 13 million in a public offering in the United States and its shares are dual listed on Nasdaq since June 2022.
- ◆ Technology company, **Nayax**, dual-listed its shares on Nasdaq without raising capital, commencing in September 2022.

- ◆ **Dual listings delisted**

The shares of **Optibase**, a company engaged in investment property overseas, were delisted from TASE and from Nasdaq (in April 2022) following a tender offer by the Capri Family Foundation, the controlling shareholder in the company.

Three companies delisted their shares from TASE only and continue to be traded in the United States: biomed companies, **Perrigo** and **BiomX**, and energy company, **Arko Corp**.

THE NUMBER OF TASE-LISTED COMPANIES

At year's end, the shares of **548** companies traded on TASE – the highest number since 2012, as compared to 541 companies at the end of 2021.

The combined market capitalization of the **13** companies that listed shares on TASE for the first time in 2022 (US\$ 4.1 billion, after-the-money), the **6** companies that completed a reverse merger with a TASE-traded company (US\$ 0.2 billion), and the **3** companies that listed without raising capital – two dual listings and a split (US\$ 3.3 billion), amounts to US\$ **7.6** billion.

On the delisting side, 9 companies have been delisted from TASE, including three companies that completed reverse mergers with TASE-listed companies, the listing of which does not impact their TASE coverage.

- ◆ **The distribution of delisting firms according to the reason for delisting follows:**

- ◆ **3** companies with a combined market capitalization of US\$ **1.1** billion have been delisted as a result of corporate reorganization, which did not impact the group's TASE coverage, as the delisting was effected

by way of merger into another public company that continues to be traded (Adika was purchased by Golf, Freshmarket was purchased by Paz Oil, and RADA was purchased by Leonardo).

- ◆ **One** company has been merged into an international company – Telrad was purchased by Liquid. Its market capitalization on the eve of the delisting was US\$ **61** million.
- ◆ **One** company has been delisted as a result of a tender offer of the controlling shareholders – Optibase. Its value on the eve of the delisting was US\$ **22** million.
- ◆ **3** dual listings companies have been delisted from TASE, as aforementioned: Perrigo (market capitalization of US\$ **5** billion on the eve of the delisting), Arko Corp. (market capitalization of US\$ **1** billion on the eve of the delisting), and BiomX (negligible market capitalization on the eve of the delisting).
- ◆ **One** company has been delisted after 4 years on the maintenance list – Africa Israel Industries.

Table 5 – MAIN INDICATORS OF THE EQUITY MARKET, 2013-2022

YEAR	DAILY TURNOVER (US\$ millions)	CAPITAL RAISED IN TEL-AVIV ⁽¹⁾ (US\$ billions)	NUMBER OF LISTED COMPANIES ⁽²⁾	THEREOF: NEW LISTED COMPANIES ⁽²⁾	TA-125 INDEX % CHANGE (local currency terms)
2013	324	1.7	508	6	15.1
2014	339	2.1	473	7	6.7
2015	373	1.4	461	11	2.0
2016	330	1.8	451	8	-2.5
2017	390	3.4	457	20	6.4
2018	391	1.9	448	14	-2.3
2019	365	3.8	442	11	21.3
2020	540	5.0	455	30	-3.0
2021	581	8.0	541	98	31.1
2022⁽⁵⁾	683	6.5	548	16	-11.8

(1) Including private placements and exercise of warrants. Excluding issues abroad of the dual-listed companies and amount raised by TASE UP shares (- 0.2 US\$ billions in 2021). (2) Including dual-listed companies. Excluding ETFs and TASE UP issuers.

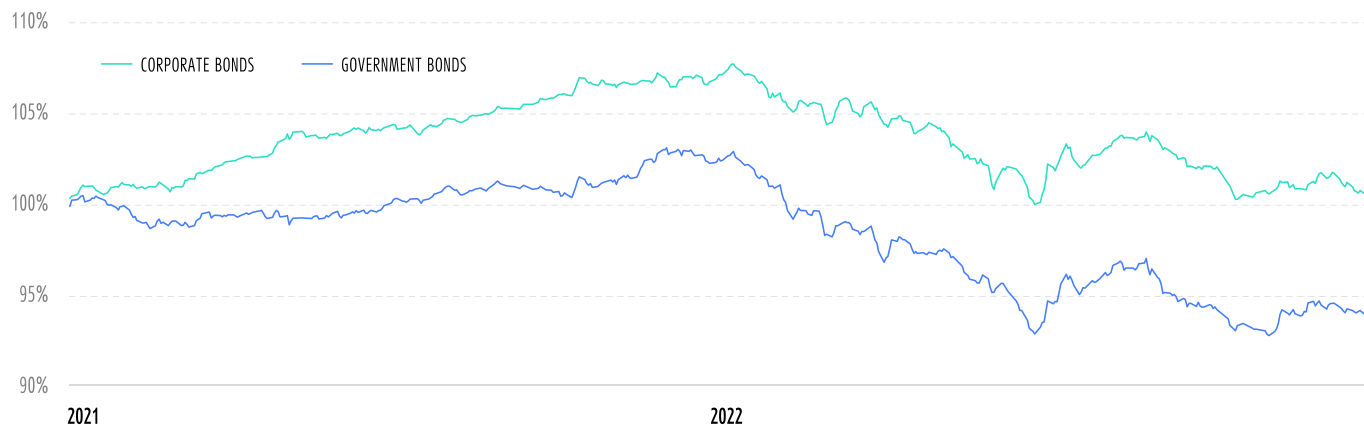
Bonds Market*



All the data in this review are in dollar terms, with the exception of index returns that are in the local currency – unless stated otherwise. In 2022, the dollar appreciated by 13.2% relative to the NIS.

Bond Market Indices

GOVERNMENT AND CORPORATE BONDS INDICES, 2021-2022 (in Israeli Shekel terms)

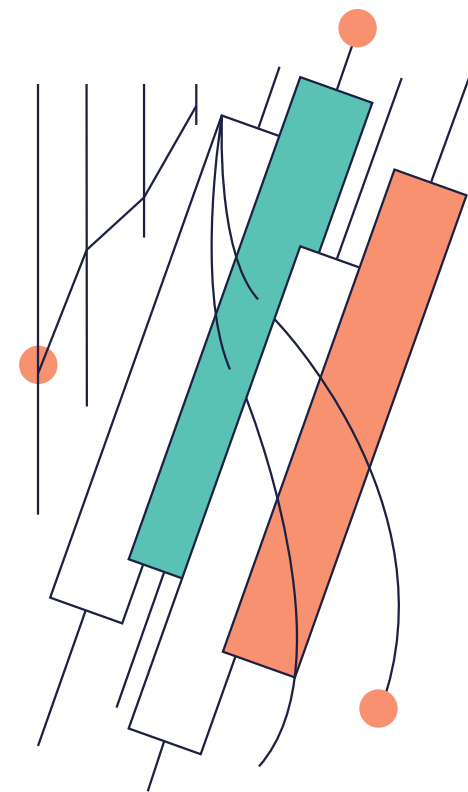


Bond trading concluded with price drops in most leading indices, at an average rate of 8.5%. The price drops were influenced by the growing expectations of interest rate increases and by the actual interest rate increases, due to the rising inflation.

Fixed-rate government shekel bonds, primarily 10-year bonds, stood out with a decrease of 19%, similarly to the trading trends in treasuries.

The exception to the rule this year are: currency-linked corporate bonds included in the Tel Bond-Dollar index, which increased by 10% with volatility, concurrently with the 13.2% appreciation of the dollar relative to the shekel, and the variable-rate government shekel bonds included in the Tel Gov-Floating index, which increased by 1%.

The yield-to-maturity of 10-year fixed-rate government shekel bonds on TASE rose to 3.6% towards the end of 2022, compared to a yield of 1.3% at the end of 2021. A similar trend marked the 10-year treasuries - their yield-to-maturity rose to 3.9% towards the end of 2022, compared to a yield of 1.5% at the end of 2021.



BOND TRADING VOLUME

Table 6 - RATE OF RETURN OF THE INDICES AND MARKET CAPITALIZATION OF THE BONDS

	2022 market capitalization (billion dollars)	2022 ANNUAL RETURN	2021 ANNUAL RETURN
Government Bonds			
CPI-linked	62	-9.8%	7.4%
Shekel - total	93	-8.8%	-0.8%
Stood out among the above indices: Tel Gov - Shekel	81	-10.0%	-1.0%
Tel Gov - Floating	12	1.1%	0.8%
Currency-linked*	11	Unlinked	Unlinked
Total government bonds	167	-9.3%	2.3%
Corporate bonds**			
CPI-linked - total	64	-7.6%	8.7%
Stood out among the above indices: Tel-Bond 20	17	-10.0%	8.4%
Tel-Bond 40	18	-8.0%	7.4%
Tel Bond-CPI Linked SmallCap	16	-7.3%	8.1%
Tel Bond-Yields	8	-8.4%	9.4%
Shekel - total	39	Unlinked	Unlinked
Stood out among the above indices: Tel-Bond Shekel	28	-7.0%	3.0%
Tel Bond-Yields - Shekel	10	-6.1%	6.7%
Currency-linked	3	7.5%	5.7%
Total corporate bonds	106	-6.2%	7.2%

*Foreign currency government bonds listed for parallel trading on TASE for the first time in October 2021. **Excluding TASE UP bonds and financial instruments.

The average daily trading volume of government bonds decreased by 23%, reaching US\$ 724 million, as a result of the discontinuance of the Government's bond acquisition program and the reduced activity of foreign investors.

Table 7 - AVERAGE DAILY TRADING VOLUME IN THE BOND MARKET (million dollars)

	2022	2021	% CHANGE in 2022
Government bonds	724	936	-23%
Corporate bonds including ETFs	311	280	11%
Corporate bonds excluding ETFs*	272	241	13%
(MAKAM (Central Bank Treasury-Bills	233	99	136%

The average daily trading volume of bonds totaled US\$ 724 million in 2022, 23% below the trading volume in 2021. The average daily trading volume in government shekel bonds totaled US\$ 470 million, while the average daily trading volume in CPI-linked government bonds totaled US\$ 254 million.

The reduction in the trading volumes of government bonds was influenced by the termination of the Bank of Israel's plan for the purchase of government bonds at the end of 2021, an expansionary plan implemented by the Bank to aid the economy through the coronavirus crisis.

Another contributing factor was the reduced activity of foreign investors. This year, foreign investors' purchases of government bonds on TASE totaled US\$ 2.1 billion, net in January through October 2022, further to purchases of US\$ 7.3 billion, net in 2021, as reported by the Bank of Israel.

The average daily trading volume of corporate bonds (including structured bonds and ETFs) totaled US\$ 311 million in 2022, 11% greater than the volume in 2021. The increase in the trading volumes of those bonds was influenced by the trading volatility.

Starting in October 2022, the issuance of dedicated bonds by the Government has been discontinued. Consequently, the investments of the pension funds are expected to be diverted from those bonds to equities and corporate bonds on TASE and to foreign assets overseas.

The average daily trading volume of corporate bonds increased by 11%, reaching US\$ 311 million, influenced by the trading volatility.

*Includes structured bonds.

Debt Raising in the Bond Market

The Ministry of Finance's floatation of bonds on TASE was more moderate in 2022, as a result of the transition to a national budget surplus, according to the Ministry of Finance's data. The national budget surplus was influenced by the increase in the Government's revenue, primarily from taxes, alongside a reduction in the Government's expenses following the discontinuance of the economic plan for coping with the coronavirus crisis.

The total amount raised by the Government in Israel and overseas in 2022 amounted to a gross US\$ 13.7 billion, of which US\$ 12 billion on TASE – compared to an amount of US\$ 32 billion raised in 2021, and was the lowest amount raised since 2016 (in local currency).

This year, the weight of capital raised in shekel-bond offerings increased to 76% of the total amount raised in government-bond offerings on TASE during the year, as compared to 74% in 2021. At the same time, the weight of debt raised in offerings of CPI-linked bonds decreased to 24% of the total amount raised in government-bond offerings on TASE during the year, as compared to 26% in 2021.

The Ministry of Finance's offerings were accompanied by redemptions in an amount of US\$ 19.5 billion in shekel bonds and US\$ 6.7 billion in CPI-linked bonds.

An amount of US\$ 1.7 billion was raised overseas, for the first time since October 2020, with Euro-linked 10-year bonds at an interest rate of 0.625% – the lowest to date.

Debt raised in offerings and private placements of corporate bonds to the public

The volume of debt raised through corporate bonds from the public on the Israeli bond market (excluding TASE UP and structured bonds) broke the previous year's historic record and totaled US\$ 25.4 billion in 2022, further to the US\$ 24.3 billion raised in 2021. Debt raising activity of real estate companies reduced somewhat in the second half of the year, as a result of the interest rate increases and the rise in financing costs, whereas debt raising by the banks increased in 2022, reaching a record high.

It should be noted that redemptions totaled US\$ 15.5 billion in 2022 and are expected to reach US\$ 16 billion in 2023.

Table 8 – DEBT RAISED THROUGH NON-GOVERNMENT BONDS, BY SECTORS, 2020-2022 (million dollars)

	2022		2021		2020	
Corporate bonds to the public	26,698	100%	24,257	100%	14,997	100%
Sectoral classification:						
Financial sector:	10,577	39%	8,181	34%	3,490	23%
Banks	8,078	30%	6,250	26%	2,712	17%
Financial services	1,341	5%	1,067	4%	400	3%
Insurance	1,158	4%	864	4%	378	3%
Real sector:	16,121	61%	16,076	66%	11,507	77%
Real estate and construction	9,905	37%	9,996	41%	7,362	49%
Energy and gas exploration	2,838	11%	1,965	8%	1,545	10%
Commerce and services	2,124	8%	1,837	8%	1,283	9%
Investments	674	3%	923	4%	417	3%
Technology	477	2%	1,246	5%	275	2%
Industry	104	0.4%	109	0.4%	625	4%
Corporate bonds on TASE UP *	1,333		5,223		4,132	
Exercise of warrants	-		-		77	
Total corporate bonds	28,031		29,480		19,206	
Structured bonds	808		67		461	
Total debt raised through corporate bonds	28,839		29,547		19,667	

*Including debt raising from institutional investors overseas and listing on TASE UP in an amount of 1.0, 3.3, and 3.1 billion dollars in 2022, 2021 and 2020, respectively.

Debt raised through corporate bonds in 2022 - key characteristics:

◆ Active raising by the financial sector continues:

During the year, the financial sector raised US\$ 10.6 billion in public offerings of bonds and an additional US\$ 0.5 billion in offerings of bonds to institutional investors on TASE UP, compared to US\$ 10.2 billion raised in 2021.

Redemption of marketable bonds by the financial sector totaled US\$ 5.2 billion in 2022, exceeding the amount of redemptions in 2021, which totaled US\$ 3.7 billion. The volume of redemptions in 2023 is expected to amount to US\$ 4.5 billion.

The major banks raised US\$ 8.1 billion from the public in 2022, of which US\$ 5 billion was raised in the first half of the year, further to an amount of US\$ 6.3 billion raised in 2021.

In the second half of the year, indications emerged of a slowdown in the real estate market – a reduction in the number of new builds, in the sale of new apartments and in the volume of mortgages obtained, which resulted in a decrease in the credit extended by banks as well as in debt raising by the banks.

It should be noted that some of the debt raising by the banks, primarily in the first half of 2022, included an equity component – COCO bonds, which include a mechanism of conversion into shares. This year's prominent issuers include:

- **Bank Leumi**, which raised US\$ 2.6 billion in four public offerings, of which US\$ 0.4 billion was raised through COCO CPI-linked bonds that include a mechanism for the absorption of losses through conversion into shares, and US\$ 0.3 billion was raised through variable-rate commercial paper. **In addition**, the bank raised US\$ 0.5 billion in a global offering of dollar bonds on TASE UP to institutional investors in Israel and overseas.
- **Bank Hapoalim**, which raised US\$ 2 billion in two public offerings, of which US\$ 0.4 billion was raised through COCO CPI-linked bonds that include a mechanism for the absorption of losses through conversion into shares.
- **Bank Mizrahi**, which raised US\$ 1.5 billion in two public offerings, of which US\$ 0.2 billion was raised through COCO CPI-linked bonds that include a mechanism for the absorption of losses by way of principal write-down.
- **Bank Discount**, which raised US\$ 0.6 billion in two public offerings. Out of said amount, US\$ 0.2 billion was raised through variable-rate commercial paper, and US\$ 0.1 billion was raised through COCO CPI-linked bonds that include a mechanism for the absorption of losses by way of principal write-down.

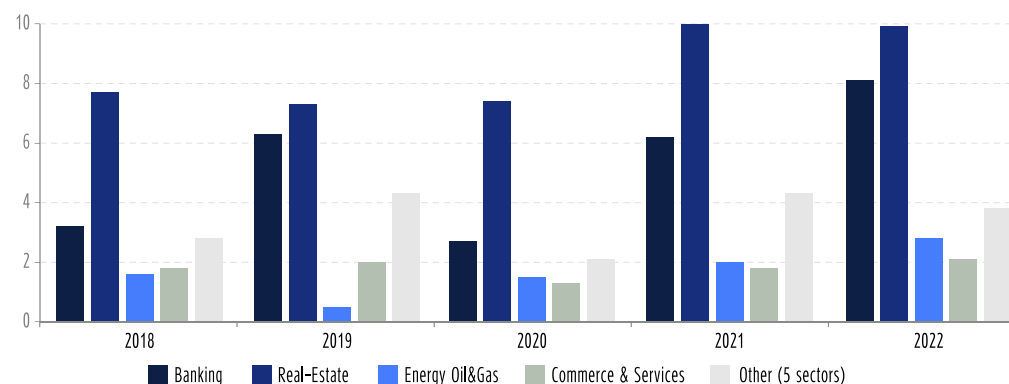
◆ Stability in the volume of debt raised from the public by the real sector:

In 2022, the real sector raised US\$ 16.1 billion in public offerings, similarly to the amount raised from the public in 2021, and an additional US\$ 0.8 billion was raised in offerings of bonds to institutional investors on TASE UP, compared to US\$ 3.2 billion raised in 2021. Redemption of marketable bonds by the real sector totaled US\$ 10 billion in 2022, similarly to the redemptions in 2021, and is expected to increase to US\$ 11.3 billion in 2023.

Presented below are the principal trends in debt raising by the real sector through public offerings of bonds:

- **Real estate companies**, which continue to lead debt raising, with 37% of total debt raised through public offerings of corporate bonds, raised US\$ 9.9 billion in 2022, similar to the amount raised by companies in the sector in 2021. The booming of the Israeli real estate sector, which resulted in record debt raising in 2021 and active debt raising in the first half of 2022, was curtailed in the second half of 2022 as a result of the interest rate increases. The reduction in the volume of mortgages obtained and in the number of new builds was accompanied by an annual increase of 20% in housing prices – the highest rate since 2010.

DEBT RAISED BY NON-GOVERNMENT BONDS BY SECTORS, 2018-2022 (US \$ billions)



This year, an amount of US\$ 27.5 billion was raised in offerings of corporate bonds to the public and to institutional investors, further to the record amount of US\$ 29.5 billion raised last year.

The issuers include **seven new real estate companies** that raised US\$ 302 million in IPOs of bonds: **four construction companies** that issued fixed-rate shekel bonds – **Amram** (US\$ 41 million), **Ofek Shelly** (US\$ 25 million), **Levi** (US\$ 25 million), and **Yesodot Eitanim** (US\$ 12 million); **two investment property companies** – **Ella Investments** (US\$ 54 million) that issued CPI-linked bonds, and foreign company **Kalkan Capital** (US\$ 42 million) that issued shekel bonds; and U.S. residential REIT, **UMH**, which concurrently with the dual listing of its shares on TASE raised US\$ 103 million through dollar-linked bonds.

More than 70 of the seasoned issuers in the real estate sector raised US\$ 9.6 billion during the year, redeemed marketable bonds in a total of US\$ 3 billion during the year, and are expected to redeem marketable bonds of US\$ 3.3 billion in 2023. Companies that stood out in terms of the volume raised: shopping centers company, **Azrieli Group**, that raised US\$ 0.9 billion through the expansion of several series of CPI-linked bonds, and investment property in Israel companies – **Gav-Yam** that raised US\$ 0.7 billion, and **Airport City, Alony Hetz, Amot, Big and Blue Square**, which raised 0.3-0.4 billion dollars, each.

- The second largest volume of debt was raised by the **energy and oil & gas exploration** sector. Three energy companies **raised from the public** US\$ 2.8 billion, as compared to US\$ 2 billion raised by companies in the sector in 2021. These companies redeemed marketable bonds in an amount of US\$ 0.6 billion in 2022, and are expected to redeem marketable bonds in an amount of US\$ 0.7 billion in 2023.

Most of the amount raised from the public by companies in the sector, US\$ 1.9 billion, was raised by **Israel Electric Corporation**, a government company, in three expansions of series of CPI-linked bonds.

In addition to the amount raised from the public, Israel Electric Corporation raised US\$ 0.5 billion in **offerings of dollar-linked bonds to foreign institutional investors on TASE UP**.

- The sector that raised the third-largest amount of debt this year is the **Commerce and Services** sector. 17 companies raised from the public US\$ 2.1 billion, as compared to US\$ 1.8 billion raised by companies in the sector in 2021. These companies redeemed marketable bonds of US\$ 0.9 billion during the year and are expected to redeem marketable bonds in a similar amount in 2023. The most sizable offering in the sector was carried out by government water company, **Mekorot**, in an amount of US\$ 0.4 billion by way of expansion of several series of CPI-linked bonds.

Among the issuers are **two new commerce and services companies** that raised US\$ 90 million through fixed-rate shekel bonds: operator of emergency medical centers and dental clinics in the United States, **Encore Opportunities** (US\$ 61 million) and hotel company, **Pie Siam** (US\$ 29 million).

- ◆ **The weight of debt raised through bonds rated above “A” increased this year and accounted for 89%** of the amount raised in public offerings of bonds, as compared to 85% in 2021. 9% of total debt was raised through non-rated bonds, similarly to 2021.

- ◆ **The weight of debt raised through CPI-linked bonds** in the total debt raised in public offerings of bonds remained unchanged, accounting for **58%**, similarly to 2021. A total of US\$ 15.6 billion was raised through CPI-linked bonds this year, as compared to US\$ 14.3 billion in 2021.

The weight of debt raised through unlinked bonds remained the same as in 2021, at **41%**, with US\$ 11 billion raised this year. Most of the amount was raised through fixed-rate shekel bonds. US\$ 1.3 billion of the amount raised through unlinked bonds this year relates to variable-rate **commercial paper** (– a margin above the Bank of Israel interest rate), four times greater than in 2021.

Offerings of dollar-linked bonds totaled US\$ 0.1 billion only, half the amount raised in 2021.

The financial sector raised a record amount of US\$ 11.1 billion this year in bond offerings, 9% greater than the amount raised in 2021.

ETF's Market*



All the data in this review are in dollar terms, with the exception of index returns that are in the local currency – unless stated otherwise. In 2022, the dollar appreciated by 13.2% relative to the NIS.

ETFs

In 2022, 25 new ETFs were listed with a total market capitalization of US\$ 250 million at year's end. Among the new ETFs:

- ◆ 6 ETFs on local share indices, with a combined market capitalization of US\$ 27 million. Among the new ETFs
 - is an ETF of Psagot, the first of its kind on TASE, tracking the share index, **ESG 100 Entropy**. The index is comprised of the shares of the 100 companies with the highest ESG (corporate social responsibility) ranking by research firm, Entropy, from among the shares included in the TA-125 index.
 - An ETF of Migdal, the first ETF on TASE's **TA-Communication and Information Technology** index.
- ◆ 17 ETFs on foreign share indices, with a combined market capitalization of US\$ 200 million. Among the new ETFs:
 - Four ETFs of the issuers Meitav, Kesem, Psagot and Migdal, the first ETFs in TASE on the **World Value Index**. Their combined market capitalization is US\$ 71 million. The index is comprised of the shares of the 180 companies with the highest value ranking from among the 1,000 foreign-traded companies with the highest market capitalization. The value ranking is calculated on the basis of three ratios – price-to-book ratio, price-to-earnings ratio, and the ratio of enterprise value to earnings before depreciation and amortization.
 - Four ETFs of the issuers Meitav, Kesem, Psagot and Migdal, the first ETFs in TASE on the **World Growth Index**. Their combined market capitalization is US\$ 77 million. The index is comprised of the shares of the 180 companies with the highest growth ranking from among the 1,000 foreign-traded companies with the highest market capitalization. The growth rating is based on the average growth in recent years and the forecasted growth of the companies.
- ◆ 2 ETFs on local bond indices with a combined market capitalization of US\$ 23 million: Kesem's ETF on the **Tel Bond-Shekel 5-15** index, and Harel's ETF on the **Tel Bond-CPI Linked Bank** index.

It should be noted that this year, for the first time, three mutual funds (open-ended) became ETFs (closed-ended) – Migdal's ETF on the **Bluestar Fintech** share index, Harel's ETF on the **Israeli Equity 100** index, and Meitav Tachlit's ETF on the **Tel Bond 60** index.

On the other hand:

- ◆ 21 ETFs with a market capitalization of US\$ 113 million became tracking mutual funds.
- ◆ 27 ETFs with a market capitalization of US\$ 42 million were liquidated and delisted.

There are currently 528 ETFs listed on TASE, including: 88 ETFs on local indices and 277 on foreign share indices, 145 ETFs on local bond indices, and 18 ETFs on foreign bond indices and commodity indices.

The combined market capitalization of the ETFs amounts to US\$ 27 billion at years' end, and this year, for the first time – the combined market capitalization of the ETFs on local share indices (US\$ 10.6 billion) is greater than the combined market capitalization of the ETFs on foreign share indices (US\$ 8.7 billion). **This was influenced by the excess return of TASE's share indices over the foreign indices commencing in 2021 to date.**

295 of the ETFs, with a total market capitalization of US\$ 8.9 billion, are tracking foreign share and bond indices, as well as commodity indices. The most popular base assets among the ETFs tracking foreign share indices are U.S. indices, S&P 500 and NASDAQ 100, that are tracked by ETFs with a total market capitalization of US\$ 5.7 billion.

Tracking ETFs on U.S. indices on the technology, cyber, biotechnology, industry and finance sectors; global indices for developed and emerging markets; all-European and national indices – Germany, U.K., Switzerland and France; select Asian indices – Japan, China, India and Australia.

In addition, 39 foreign ETFs issued by three leading international institutions – Blackrock, Lyxor and Invesco, are currently traded on TASE. These ETFs are traded in parallel on foreign exchanges. **The joint market capitalization of the 39 ETFs on TASE** amounts to US\$ 0.8 billion as of the end of 2022, US\$ 0.1 billion greater than their joint market capitalization at the end of 2021. Most of the increase is attributed to purchases of ETFs on the S&P 500 index.

It should be noted that, on May 25, 2022, the Finance Committee of the Israeli Parliament approved Amendment to the Joint Investments in Trust Regulations (Offering of Units of a Foreign Fund) – which cancels the condition for the listing of foreign funds on TASE, pursuant to which only funds that are listed on exchanges with which an agreement is in place for dual listing on TASE may list on TASE. The cancellation of the condition is expected to increase the supply and variety of the foreign funds traded on TASE.

Table 9 – MARKET CAPITALIZATION AND PURCHASES/SALES OF ETFS* BY THE PUBLIC (US\$ billions)

	Number of ETFs		Market capitalization		Purchases/ (sales), net
	December 2022	December 2022	December 2021	December 2021	2022
ETFs on TASE share indices	88	10.7	11.7		1.7
ETFs on foreign share indices	277	8.7	11.9		-0.1
ETFs on bond market indices and commodity indices** (primarily local corporate bonds)	163	7.6	10.3		-0.8
Total	528	27.0	33.9		0.8

*Excluding foreign ETFs. ** Including ETFs on government bond indices on TASE and on foreign corporate bond indices and commodity indices.

In 2022, the ETFs' market capitalization decreased by US\$ 6.9 billion. The decrease originated from ETFs on foreign share indices and ETFs on local and foreign bond indices:

- ◆ The market capitalization of ETFs on **local share indices** decreased (only in dollar terms) by US\$ 1 billion: an increase of US\$ 1.7 billion originating in the public's net purchases (primarily of ETFs on the TA-125 index, the TA-35 index and the INDEX Israel Banks index) was offset by a depreciation of US\$ 2.8 billion resulting from a decrease in the share indices.

The market capitalization of ETFs on **foreign share indices** decreased by US\$ 3.2 billion, as a result of the decrease in the share indices.

- ◆ The market capitalization of **ETFs on bond and commodity indices**, primarily corporate bonds on TASE, decreased by US\$ 2.7 billion: a decrease of US\$ 1.9 billion originates in the decrease of corporate and government bond indices on TASE, a net depreciation of US\$ 0.4 billion originating in the public's sales of ETFs on corporate bonds (primarily the sale of ETFs on the Tel-Bond 60 index and the Tel Bond-Yields index), a net depreciation of US\$ 0.3 billion originating in the public's sales of ETFs on government bond indices (primarily the sale of ETFs on the Tel Gov – Shekel 2-5 index), and a depreciation of US\$ 0.1 billion originating in net sales of ETFs on foreign bond and commodity indices.

Table 10 – CREATIONS/REDEMPTIONS IN MUTUAL FUNDS
(US\$ billions)

	2022	2021
Funds specializing in TASE-listed shares	0.2	1.5
Funds specializing in TASE-listed bonds	-7.3	8.7
Money market funds	9.6	-1.8
Funds investing in foreign markets	-1.0	1.3

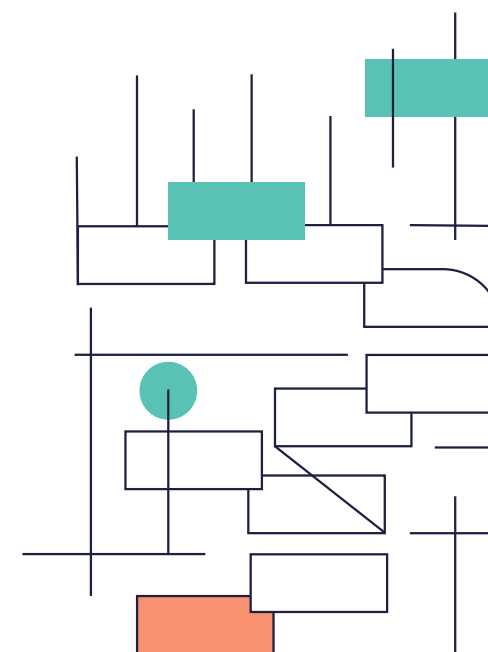
Influenced by the raising of the market interest rate and the price drops on the equity market and the bond market – the public infused into the **money market funds** a massive amount of US\$ 9.7 billion, net, in April-December 2022, after withdrawing a net amount of US\$ 3.7 billion from those funds in the period from January 2020 to March 2022.

The public infused into **ETFs specializing in TASE-listed shares** an amount of US\$ 0.7 billion in January-April 2022, and later withdrew a net amount of US\$ 0.5 billion from those funds. In total, in 2022 the public infused a net amount of US\$ 0.2 billion into those funds, primarily the tracking funds. Outstanding indices: the TA-125 (US\$ 0.2 billion), the TA-35, TA-90 and the INDEX Israeli Value Equities (US\$ 0.1 billion, each).

At the same time, the public withdrew a massive amount of US\$ 7.3 billion, net, from the **mutual funds specializing in TASE-listed bonds** and withdrew US\$ 1 billion from the **funds investing in foreign markets**, primarily the active funds.

Table 11 – AVERAGE DAILY TRADING VOLUME IN THE ETF MARKET (US\$ millions)

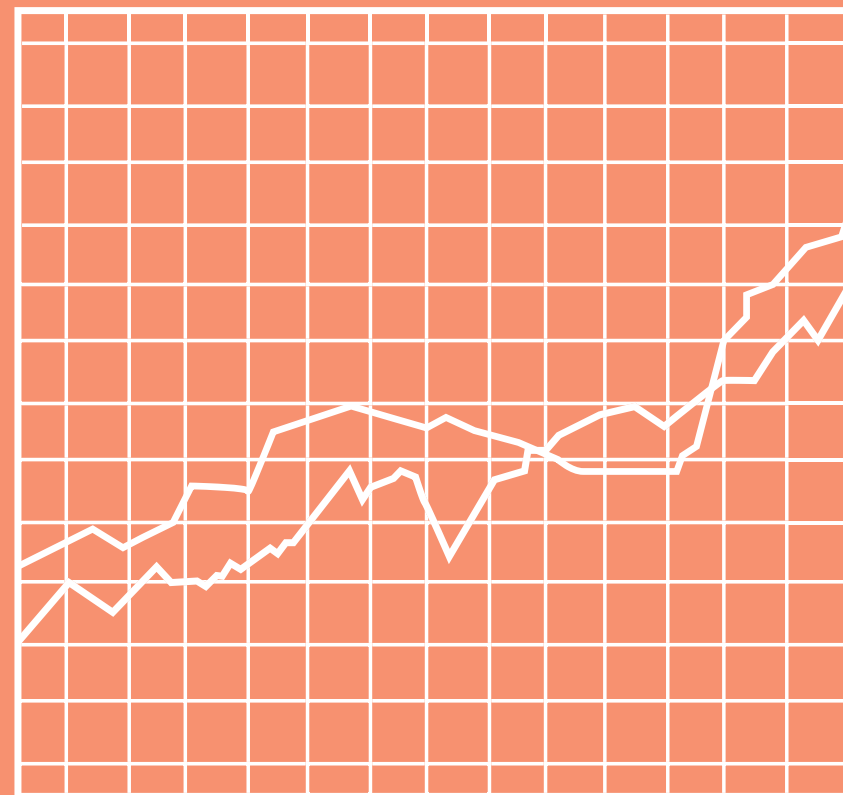
	2022	2021
Share market ETFs	125	104
% of total shares trading volume	18%	18%
Bond market ETFs	39	39
% of total non-government bonds trading volume	12%	14%



528 ETFs are traded on TASE alongside 39 foreign ETFs, which are also traded overseas, with a joint market capitalization of US\$ 27.8 billion.

Other Markets*

Derivatives Market
Central Bank T-Bills (Makam)



All the data in this review are in dollar terms, with the exception of index returns that are in the local currency – unless stated otherwise. In 2022, the dollar appreciated by 13.2% relative to the NIS.

Derivatives Market

Trading on the derivatives market in 2022 was marked by volatility, concluding with a neutral trend compared to the previous year.

The average daily volume of trading in TA-35 options (monthly and weekly) totaled 114 thousand units in 2022, 8% greater than the volume last year, and the highest volume since 2019.

The increase in the trading volumes of these options was influenced by the volatility in the equity market, as reflected in the VTA35 index. The index increased from 15 points at the beginning of the year to 31 points by mid-march 2022, on the eve of the first interest-rate increase in the United States and the growing expectations of its raising in Israel as well, and at year's end dropped to 16 points, with fluctuations, this similarly to the S&P VIX index, which increased from 17 points at the beginning of the year to 36 points by mid-March 2022, settling at 22 points at year's-end.

The average daily trading volume of dollar options amounted to 39 thousand units in 2022, 16% below the average daily volume in 2021.

The reduction in the trading volumes of the dollar options occurred despite of the dollar's 13.2% appreciation relative to the shekel, which was influenced by the raising of the Federal Reserve's interest rate starting in March 2022, and by the price drops in the United States that increased currency purchases by institutional investors as a means for hedging their overseas investments.

Table 12 - TA-35 INDEX OPTIONS TURNOVER, 2018-2022

YEAR	DAILY VOLUME IN MONTHLY OPTIONS (Thousands Contracts)	DAILY VOLUME IN WEEKLY OPTIONS (Thousands Contracts)	DERIVATIVES LIQUIDITY RATIO ⁽¹⁾	MAXIMUM NO. OF OPEN INTEREST CONTRACTS (Thousands)
2018	100	34	843%	583
2019	67	30	668%	346
2020	76	36	567%	411
2021	68	39	735%	349
2022	71	43	640%	355

⁽¹⁾ The ratio between the turnover of the TA-35 options, in the underlying asset terms, (delta-weighted, taking into account the probability that the options will be exercised) and the turnover of the TA-35 index shares.

The average daily trading volume of TA-35 options rose due to the volatility in equity trading.

Central Bank T-Bills (Makam)

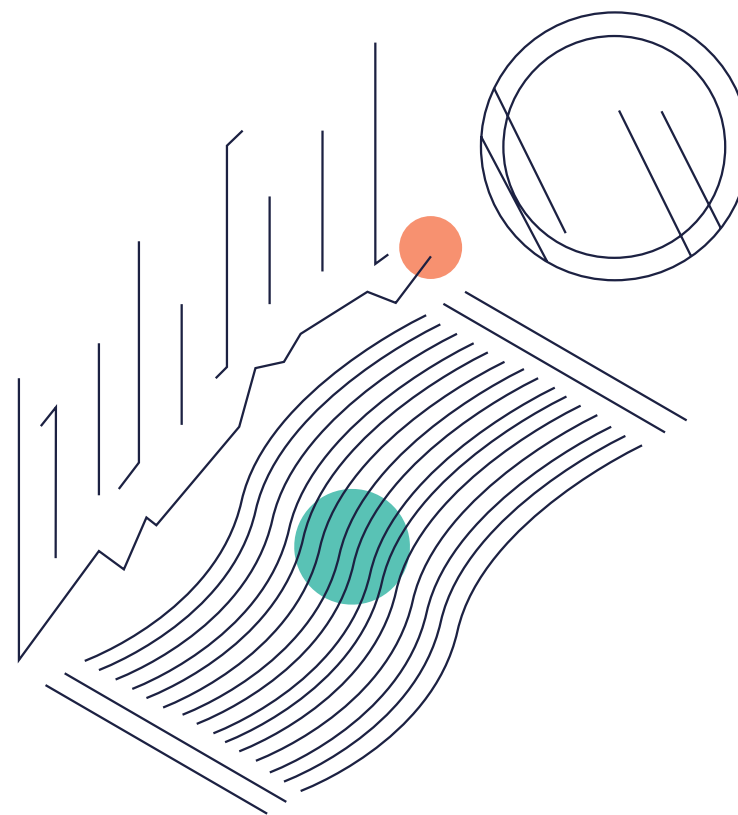
The **prices of MAKAM** recorded a negligible change this year, however the yield-to-maturity increased, reaching 3.6% at the end of 2022, as compared to 0% in the past eight years.

The **average daily turnover of MAKAM** (in on-exchange and off-exchange transactions) totaled US\$ 233 million in 2022, 136% greater than the turnover last year. The increase in the turnover was due to the increase in MAKAM issuances by the Bank of Israel.

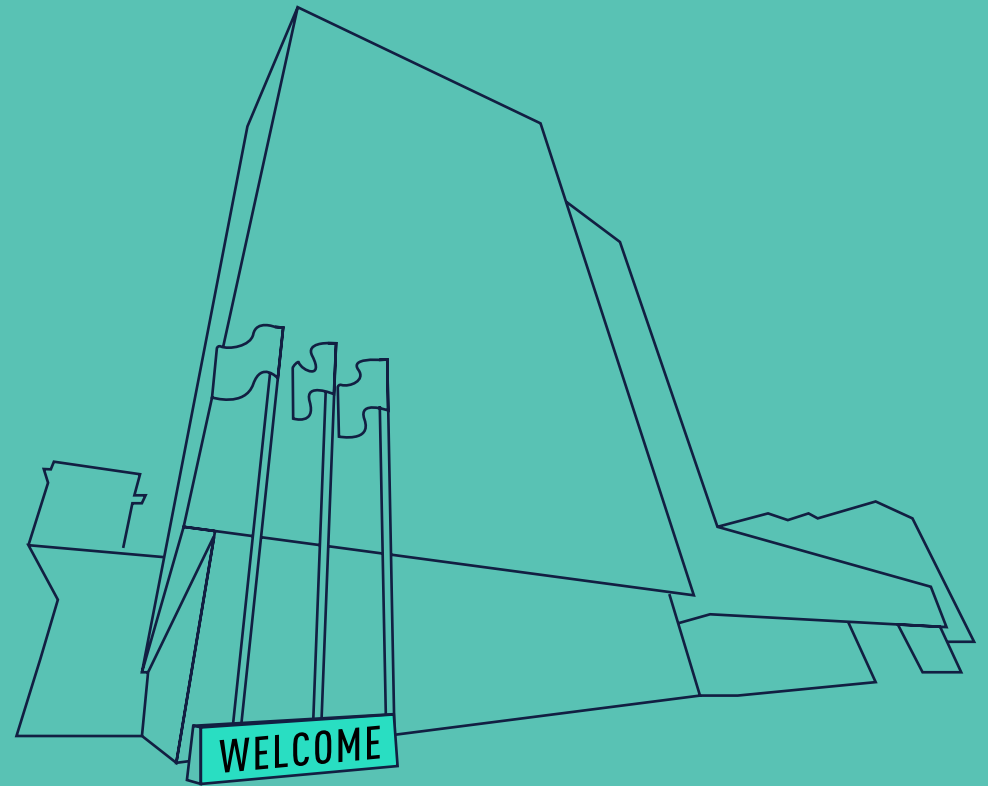
In 2022, the volumes raised by the Bank of Israel through MAKAM soared, totaling US\$ 29.2 billion, net, as compared to a net amount of US\$ 8.7 billion raised in 2021 – an increase that accommodates the public's demand for this solid channel of investment, a demand that is reflected in the massive infusion of money into the money market funds. In addition, MAKAM offerings absorb money from the public, which may contribute to a more moderate interest-raising policy – as aggressive interest-rate increases are detrimental to the economic activity.

Accordingly, in 2022, the **Israeli and foreign public holdings of MAKAM** soared, reaching US\$ 60 billion at the end of the year, as compared to US\$ 37 billion and US\$ 27 billion at the end of 2021 and 2020, respectively.

According to the Bank of Israel data, in the period from January to October 2022, **foreign investors purchased MAKAM on TASE** in a net amount of US\$ 8.1 billion, further to net purchases of US\$ 10.6 billion in 2021.



TASE in 2022



TASE Published Its Five-Year Strategic Plan for 2023-2027

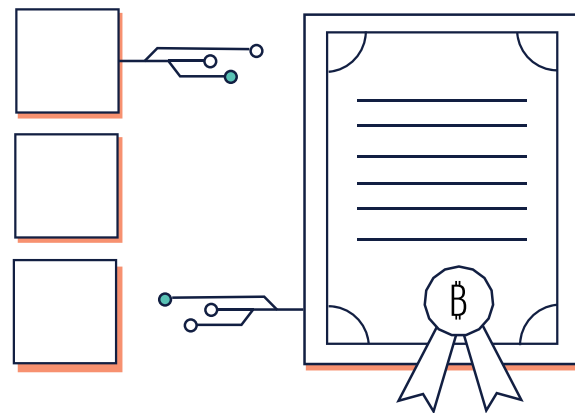
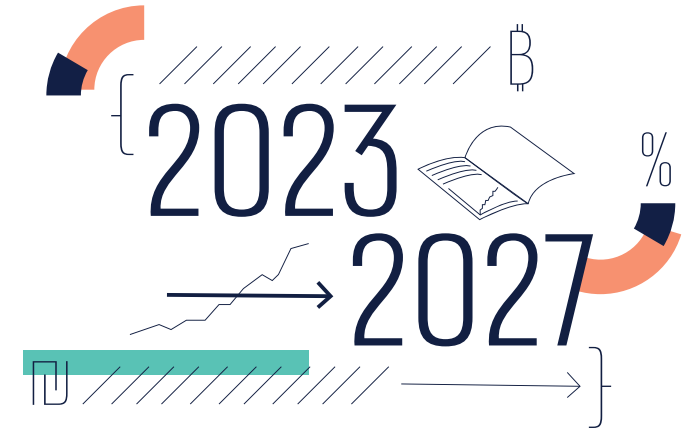
In October, TASE published its strategic plan for the next five years.

Among the main goals of the plan – developing and enhancing the value proposition of TASE’s core activity, expanding and developing the direct engagement with the end customers, creating a platform for digital assets using Blockchain (DLT) and venturing into Crypto, as well as development and sale of technological services and solutions to global exchanges.

TASE intends to advance a restructuring to support the effective implementation of the strategic plan and, down the road, the development and upgrading of the capital market for the benefit of the public. The new structure will consist of a holding company with several subsidiaries. Furthermore, TASE intends to consider the implementation of a plan for strategic purchases and/or investments in its areas of activity and/or in areas that offer added value to its activity.

As part of the approval of the new strategic plan, the management of TASE has set a revenue CAGR from organic growth of 10%-12% over the next five years.

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For the First Time in Israel - Issuance of Israeli Government Bonds on a Blockchain Platform

The Accountant General and TASE announced in October 2022 the establishment of a joint team to perform a POC for the issuance of government bonds on a Blockchain platform (DLT). The process will include a pilot issuance of digital government bonds by digital-asset technology leaders, VMware and Fireblocks. As part of the issuance, the leading international and local banks (primary dealers), will participate in a “live test”, during which they will be connected to a dedicated Blockchain system that will be developed by TASE and the select technology vendors. The issuance consideration, in digital currency, will be transferred from the e-wallets of the participants to the dedicated e-wallet of the State of Israel.

TASE considers this move a first and important step towards making Israel the first to implement cutting-edge technologies and upgrade the capital market, making it more accessible to the public.

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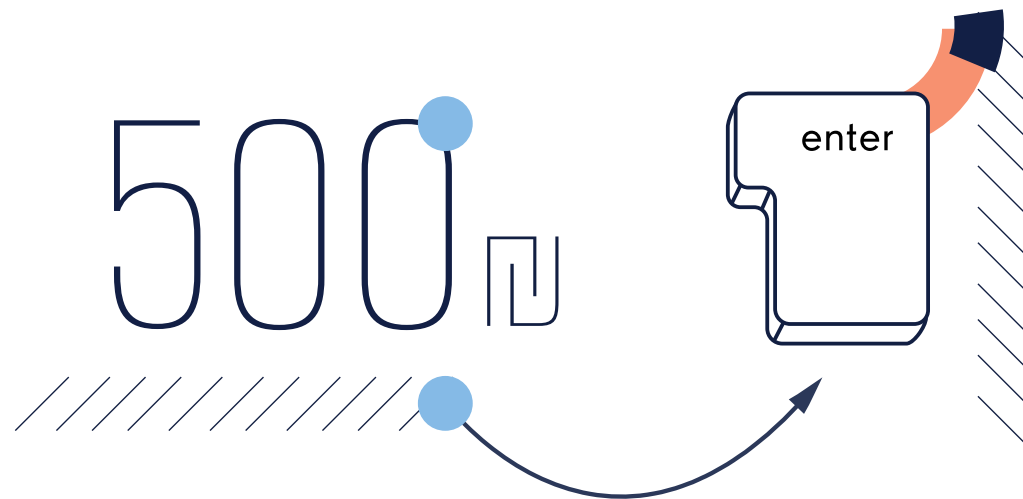
TASE Launches the First Digital Issuance Registration System

In December, TASE launched a unique service with an innovative digital solution for issuances on TASE, allowing companies to operate quickly, accurately, and transparently, with control among all parties involved.

The digital system is a significant leap forward in the transition from a manual registration process to an innovative digital process. The system will allow accessibility and simplification of a complex process and will allow the issuing companies, lawyers, and underwriters leading the issuance to operate transparently and efficiently, while shortening the process, among other things, due to the ability to respond quickly to tasks related to the issuance process, anywhere and at any time.

The system also provides unique solutions, including the reduction of operational risks and human errors in the process by using digital control tools throughout the entire process.

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TASE Removes Trading Barriers for the Public

Starting in March 2022, the minimal size of an order was significantly reduced: for TA-35 shares – from NIS 5,000 to only NIS 500, and for all other shares – from NIS 2,000 to only NIS 500.

This reform, of reducing the minimal order size during the continuous trading phase, will increase the involvement of private investors from among the public in the trading on TASE, by allowing the public to participate in all trading phases with “small” orders. This has created more trading opportunities and increased liquidity for the private investors that, naturally, are unable to frequently trade in high amounts.

This change is another step in TASE’s strategy of opening up the capital market and making it accessible to the public. In the past two years, close to 255 thousand new trading accounts were opened on TASE, emphasizing the need to remove barriers and create more opportunities.

Since the change took effect, in March, until November 13, 2022, the volume of orders made by private investors in an amount of NIS 500–2,000 has tripled.

In August, TASE also launched a campaign designed to inform the public of the reduction of the minimal order size to NIS 500. Within the framework of the campaign, TASE launched the “Trading for Everyone” website, in which the public can find Q&A for the novice investors, information on the yields of TASE’s leading indices over the past decade, smart-investment tips, comparison of trading commissions and more. This new educational move is another step in a series of diverse initiatives carried out by TASE in order to make the capital market accessible to the public and allow it to enjoy the success of the local companies and the strong Israeli economy.

New Reforms at TASE - in Alignment with International Standards

The Reform in TASE's Bond Indices Kicks Off

On June 1, 2022, TASE launched the reform in the bond indices. As part of the reform, the calculation of the bond indices will be automated and updated once a month instead of semi-annually, this in line with common practices applied to international bond indices and with the TASE's equity indices methodology. This move facilitated a significant upgrading of the management of the indices.

The reform also included the introduction of elements such as a weight cap factor per bond series and per issuer, the addition of new series to the indices on a monthly basis, the gradual reduction of the weight of a series as it approximates maturity, and the development of new and more complex bond indices. Government bond indices have been renamed under "Tel-Gov" trademark.

The bond indices are traded on TASE as part of the real time trading, similarly to equities, whereas on international exchanges the bond indices are traded off-exchange, in OTC format. The trading method applied at TASE offers a significant advantage, as it enables the public transparent and real time trading of bond indices in Israel. TASE's bond indices are comprised of 48 indices with a volume of managed assets of approx. NIS 46 billion.

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Comprehensive Reform to Enhance Liquidity in TASE Indices

TASE published the reform for enhancing the liquidity in TASE equity indices. As part of the proposed reform, for the first time, the liquidity criteria will materially affect the weight of the companies included in TASE's indices, alongside the implementation of restraining mechanisms to prevent sharp fluctuations in the shares that comprise the indices. The free float weight classes will be linearly weighted, replacing the existing weight brackets methodology. Shares will be gradually introduced into the indices, to avoid trading irregularities. Fast-track entrance will be available to new large companies only. The Rimon Universe will be upgraded and will comprise up to 300 of the largest and most liquid shares, and the SME-150 Index will be upgraded based on the methodology that is applied to the leading indices.

The reform will facilitate the adjustment of liquidity among the traded companies, in line with international standards, in order to enhance equity liquidity for the benefit of the investors, which prioritize the shares' liquidity.

The reform will take effect during 2023.



Reform in the OTC Market - OTC Transactions

In September, TASE published the reform in OTC transactions, in alignment with international standards.

As part of the reform, TASE members will be required to publish the details of every OTC transaction, on a dedicated system that will be created by TASE. The system will present, among others, the reporting date of the transaction, identification information for the transaction, including the type of customer, the type of transaction and the transaction consideration.

TASE's new system will display all OTC transactions in real time, throughout the trading day, instead of the existing end-of-day display, enabling the immediate distribution of complete information on each transaction to the market, in line with international regulatory directives that in recent years have become integral to the activity of standardized capital markets.

The reform will grant the investors access to transparent, real-time current information on OTC transactions, throughout the trading day, similarly to common global practices.

The reform will take effect during 2023.

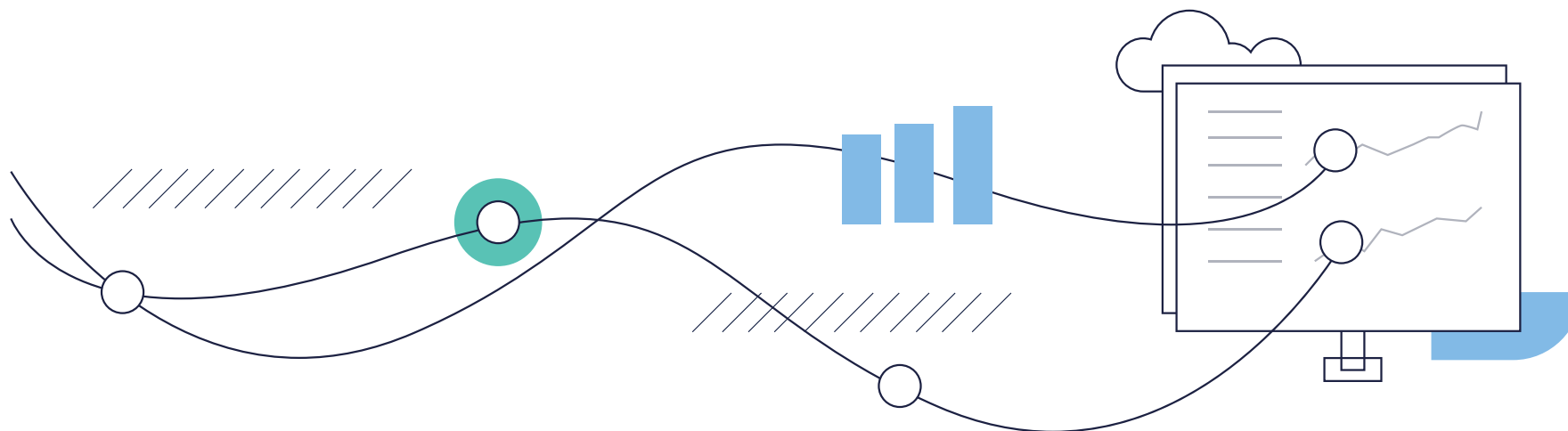
The Settlement Price in Derivatives Will be Determined at the End of Every Trading Day

Starting in January 2022, the calculation of the settlement price for derivatives traded on TASE is determined at the end of every trading day, based on current market data or a theoretical calculation, to reflect the economic value of the derivative, in line with the global practice standard.

This change is intended to align the method of calculation of the settlement price for derivatives with that applied to derivatives in stock exchanges globally. That is, where current market data is not available, the settlement price will be calculated based on the theoretical value of the derivative.

The transition to the new method of calculation of the settlement price for derivatives is beneficial to all parties in the capital market: fund managers will no longer need to reevaluate illiquid derivatives on the basis of an internal model, but will use the daily settlement price calculated and published by TASE, which will serve as a benchmark for all parties in the capital market; TASE members will be able to better monitor investment portfolios containing derivatives, this on the basis of a more accurate daily gain/loss; and the investors will enjoy the improved comparability of the returns achieved by the various managers on investment portfolios containing derivatives. The change also addresses the needs of the institutional investors and is expected to increase their involvement in the derivatives market.

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TASE Provides Companies & the Israeli Public with Global Exposure

The New York Stock Exchange (NYSE) and The Tel Aviv Stock Exchange (TASE) Sign Memorandum of Understanding on Dual Listings

In December 2022, The NYSE and TASE signed a collaboration agreement. Within this framework, they will jointly explore ways to identify dual-listing candidates, promote the benefits of dual listings, and support related marketing activities. The collaboration will enable Israeli companies to perform concurrent IPOs on both exchanges, in cooperation with international investment banks. The two exchanges also will consider the development of new products in the area of digital assets, as well as in other areas, such as ESG, ETFs, indexes and data.

Dual listing serves the interests of Israeli companies and of the State of Israel by allowing companies to maintain a strong link to Israel, while benefiting from the upsides of listing on the world's largest exchange. Dual listing companies on both NYSE and TASE can potentially broaden the investor pool for these securities and provide investors with exposure to two of the world's most innovative economies.

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Dual-listing of ETFs by Invesco, International Investment Management Firm

International investment management firm, Invesco, dual-listed foreign ETFs on TASE for the first time. The first ETFs listed are Invesco's flagship products, including core products such as Invesco S&P500 UCTIS, EMEA ETF tracking the world's most popular index, and MSCI Emerging Markets UCTIS. The firm also listed the Invesco KBW NASDAQ Fintech UCTIS, and two U.S. sectorial UCTISs, which provide a more specific exposure.

TASE has become an Israeli hub for ETFs. With this first listing of its products, Invesco is joining two other international issuers, Blackrock and Lyxor, already listed on TASE, allowing TASE to have close to 40 foreign ETFs of international issuers available for trading on TASE.

The listing of Invesco's ETFs allows Israeli investors access to a broader range of investment products and is part of TASE's strategic plan of expanding the variety of services and products that are available to Israeli investors.

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First Delegation of TASE and Leading Israeli Companies to Dubai

For the first time, a delegation of TASE and leading Israeli companies visited Dubai. The delegation's visit was part of a collaboration of the UAE's Embassy in Israel, Dubai International Chamber, and TASE, designed to expose UAE strategic investors and partners to TASE-listed companies.

The collaboration is the first step in an important project that aims to advance and develop the economic ties between the two countries, with an emphasis on encouragement of global investments in Israel's capital market, through TASE, and to ease access and increase the activity of Israeli companies in the UAE marketplace. The conference brought together leading international companies, major investment entities from across the UAE and representatives of the Israel's top public companies.

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For the First Time - An Official Business Delegation from Abu Dhabi Arrives in Tel Aviv

In September, a first business delegation from Abu Dhabi arrived in Tel Aviv as part of the joint initiative of TASE and ADGM, Abu Dhabi's leading international financial center, in cooperation with the UAE's Embassy in Israel, and as part of the multiple initiatives developed following the historic Abraham Agreements sealed between the two nations. Three memorandums of understanding were signed during the visit, for exploring and enabling business opportunities and new collaborations that promote close and wide partnerships between both jurisdictions.

The delegation members participated in an Opening Bell Ceremony at TASE, followed by a joint conference that hosted senior representatives of TASE-listed companies and various Abu Dhabi organizations, alongside major institutional investors and primary dealers in Israel.

The visit of the Abu Dhabi delegation is part of an ongoing cooperation and building of an economic bridge between the UAE and Israel. TASE will continue to foster the ties with the UAE's business community to bring in investments into Israel.

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TASE Publishes Its First ESG Report

In March, TASE published its first ESG Report. The report, published in Hebrew and English, summarizes TASE's ESG activity in 2021, specifies TASE's goals and commitment to various economic, corporate governance, social and environmental aspects and maps the 13 most material topics within and outside the organization as a strategic foundation for the Company's ESG activity. In addition, TASE defines in the report the U.N.'s Sustainable Development Goals (SDGs) that are most relevant to its activity: gender equality, fair employment and economic growth, industry, innovation and infrastructure, reduction of inequality, and responsible consumption and production.

TASE views the report as a significant milestone in the advancement of ESG, which has taken center stage in Israel and globally in recent years, both among the TASE-listed companies and as a public company itself.

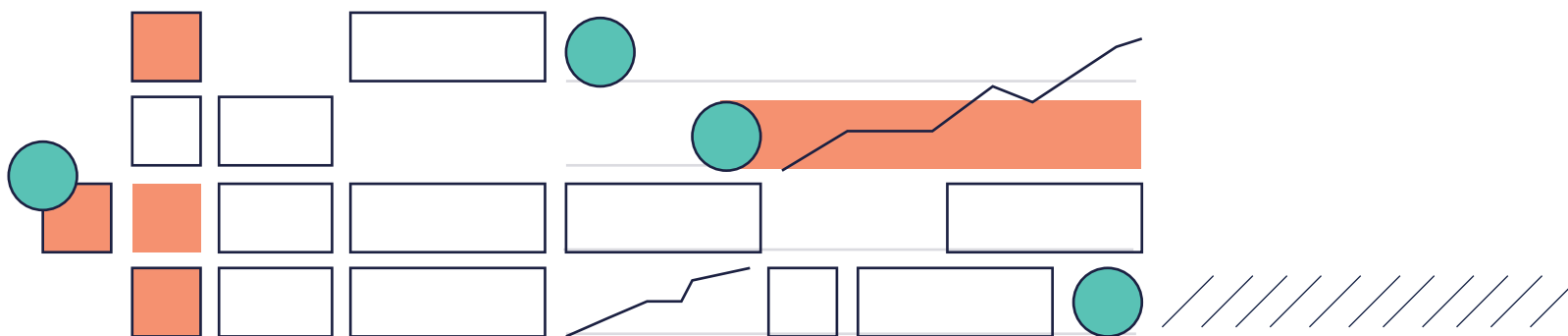
In addition, TASE aired on the TASE website a dedicated page containing a list of the TASE-listed companies that published an ESG report, including a link to the relevant page on the company's website.

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TASE and Supersonas Open in 2022 Two More Training Programs for Women CEOs

In May, TASE and Supersonas, a national social organization dedicated to paving the way for a balanced presence of women in influential and decision-making positions, opened the second training program for women CEOs. This unique program was opened in response to the strong demand following the success of the first program.

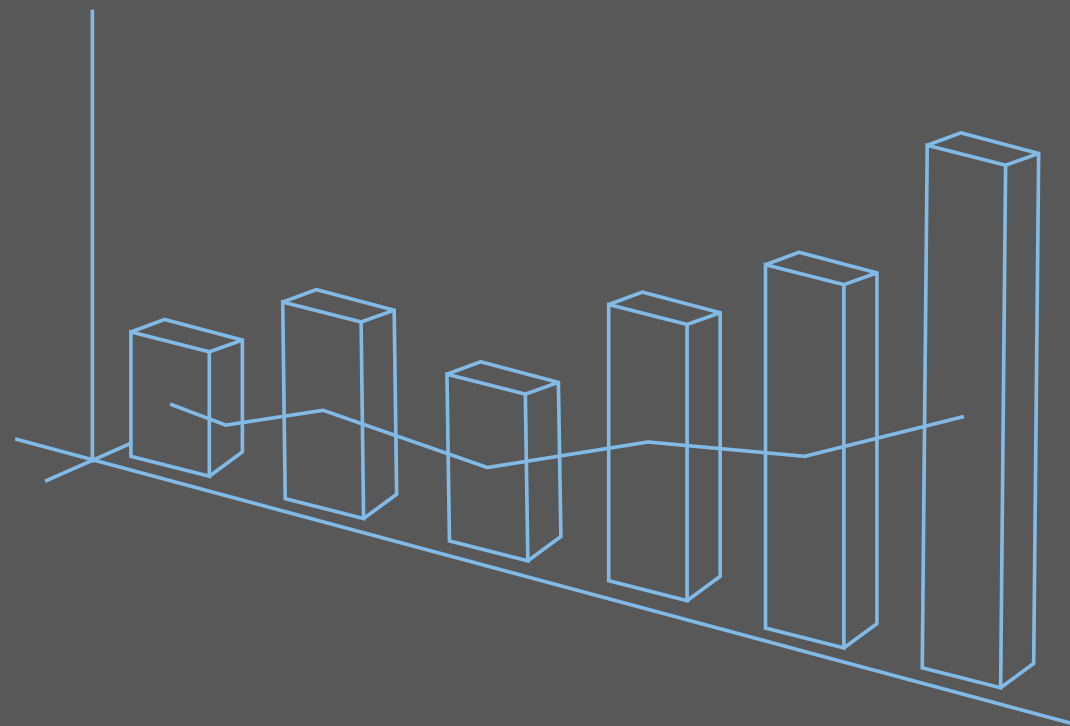
In November, a third program was opened, and additional programs are planned to take place in the coming year. The participants in both programs were women holding senior executive positions in companies listed on TASE, who aim to climb the ladder toward CEO and directorship positions. The objective of the joint project is to increase the number of women serving in senior executive positions in the Israeli economy, thereby reducing gender inequality in the Israeli job market.



TASE Members - Contacts for International Investors

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Mercantile Discount Bank	Zion Beker	972-54-8002130	972-76-8044999	972-76-8044917	zionb@mdb.co.il	https://www.mercantile.co.il/MB/en
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The First International Bank of Israel	Maayan Haim Kahlon		972-3-5196565		haim.m@fibi.co.il	https://online.fibi.co.il/wps/portal/FibiMenu/MarketingEN/AnInformation/AnInvestorRelations/AnCEOStatement
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Data Tables



All the data in this review are in dollar terms, with the exception of index returns that are in the local currency – unless stated otherwise. In 2022, the dollar appreciated by 13.2% relative to the NIS.

Table 13: TA-35 Index Companies - Market Capitalization & Weighting

SECURITY	MARKET CAP 31/12/22 (US\$ millions)	WEIGHTING ⁽¹⁾
1 Teva ⁽²⁾	10,348	7.8%
2 Nice ⁽²⁾	12,289	7.5%
3 Bank Hapoalim	11,769	7.0%
4 Bank Leumi	12,700	6.5%
5 Bank Discount	6,363	6.4%
6 ICL ⁽²⁾	9,342	5.7%
7 Mizrahi Tefahot Bank	8,272	5.0%
8 Tower ⁽²⁾	4,765	4.8%
9 Elbit Systems ⁽²⁾	7,415	4.5%
10 Ormat Technologies ⁽²⁾	4,906	3.9%
11 Bezeq	4,735	3.8%
12 Azrieli Group	8,064	2.9%
13 International Bank	3,963	2.4%
14 Nova ⁽²⁾	2,305	2.3%
15 Energean ⁽²⁾	2,832	2.3%
16 Phoenix	2,636	2.1%
17 Melisron	3,428	2.1%
18 Mivne	2,482	2.0%
19 Alony Hetz	1,816	1.8%
20 Amot	2,777	1.7%
21 Israel Corp.	2,692	1.6%
22 OPC Energy	2,488	1.5%
23 Big	2,424	1.5%
24 Strauss Group	3,041	1.4%
25 Shapir Engineering	2,844	1.3%
26 Delek Group	2,080	1.3%
27 Electra	2,061	1.3%
28 Airport City	2,002	1.2%
29 NewMed Energ PU	2,602	1.2%
30 Harel Investments	1,812	1.1%
31 Energix	1,731	1.1%
32 Ashtrom Group	1,889	0.9%
33 Shikun & Binui	1,339	0.8%
34 Kenon Holdings ⁽²⁾	1,758	0.8%
35 Opko ⁽²⁾	733	0.4%
TOTAL	154,702	100.0%

Table 14: TA-35 Index Companies - Daily Turnover

SECURITY	DAILY TURNOVER IN 2022 ⁽³⁾ (US\$ thousands)
1 Bank Leumi	32,967
2 Bank Hapoalim	29,777
3 ICL ⁽²⁾	25,392
4 Bank Discount	20,008
5 Teva ⁽²⁾	17,838
6 Nice ⁽²⁾	17,151
7 Delek Group	16,811
8 Mizrahi Tefahot Bank	16,197
9 Elbit Systems ⁽²⁾	12,111
10 Bezeq	12,066
11 Tower ⁽²⁾	11,531
12 Azrieli Group	7,957
13 International Bank	7,936
14 Israel Corp.	6,590
15 Ormat Technologies ⁽²⁾	5,850
16 Alony Hetz	5,340
17 Phoenix	5,175
18 Nova ⁽²⁾	5,111
19 NewMed Energ PU	4,737
20 Amot	4,632
21 Kenon Holdings ⁽²⁾	4,542
22 Melisron	4,493
23 Mivne	3,926
24 Big	3,818
25 Harel Investments	3,728
26 Energix	3,727
27 Shikun & Binui	3,601
28 Energean ⁽²⁾	3,459
29 Airport City	2,847
30 OPC Energy	2,716
31 Strauss Group	2,675
32 Shapir Engineering	2,566
33 Electra	2,279
34 Ashtrom Group	2,078
35 Opko ⁽²⁾	1,558
TOTAL	313,188
OF TOTAL TURNOVER	65%

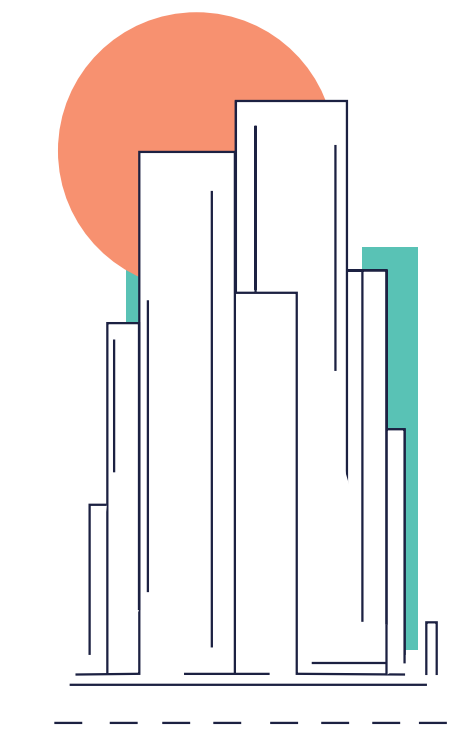


Table 15: Capital Raised by Security Types, 2013-2022 (US\$ millions)

YEAR	SHARES & CONVERTIBLES		GOVERNMENT BONDS-GROSS ⁽³⁾ TEL-AVIV	CORPORATE BONDS			ETPS ⁽⁴⁾
	TEL-AVIV ⁽¹⁾	ABROAD ⁽²⁾		CORPORATE BONDS ⁽¹⁾	TASE UP BONDS ⁽⁵⁾	TOTAL	
2013	1,690	440	18,200	9,545	473	10,018	296
2014	2,146	1,876	14,525	10,321	5,547	15,868	116
2015	1,428	8,591	9,965	14,072	249	14,321	45
2016	1,804	5,860	12,361	16,518	842	17,360	24
2017	3,407	589	12,829	20,500	1,120	21,620	933
2018	1,858	622	12,912	14,967	3,607	18,574	674
2019	3,759	787	19,542	19,305	1,077	20,382	930
2020	4,967	2,219	38,347	15,074	4,132	19,206	461
2021	7,973	1,107	32,014	24,257	5,223	29,480	67
2022	6,541	298	12,039	25,365	1,333	26,698	808
Change in 2022	-18%	-73%	-62%	5%	-74%	-9%	1106%

(1) Including direct offers, private placements and exercise of warrants. Excluding TASE UP shares. (2) In 2015 including US\$ 7.4 billion raised by TEVA through public shares offers in USA. In 2016 including US\$ 5.5 billion raised by TEVA through private placement to Allergan. (3) Excluding borrowed bonds from the Government Bonds Lending Facility. (4) Till 2018 Including deposit notes and structured bonds. Since 2019 included structured bonds. (5) Including bonds to institutions abroad that listed on TASE UP.

Table 16: Daily Turnover, 2013-2022⁽¹⁾ (US\$ millions)

YEAR	THE EQUITY MARKET			THE FIXED INCOME MARKET				TREASURY BILL	TOTAL
	TOTAL	SHARES & CONVERTIBLES	ETPS ⁽²⁾	TOTAL	GOVERNMENT BONDS	CORPORATE BONDS ⁽⁵⁾	ETPS ⁽²⁾⁽³⁾		
2013	324	248	76	1,202	920	210	72	160	1,686
2014	339	237	102	1,186	901	204	81	179	1,704
2015	373	252	121	1,070	789	198	83	131	1,574
2016	330	240	90	979	712	216	51	90	1,399
2017	390	306	84	1,011	726	248	37	60	1,461
2018 ⁽⁴⁾	391	313	78	1,025	736	251	38	120	1,536
2019	365	303	62	985	735	223	27	116	1,466
2020	540	426	114	1,201	888	270	43	168	1,909
2021	581	477	104	1,216	936	241	39	99	1,896
2022	683	558	125	1,035	724	272	39	233	1,951
Change in 2022	18%	17%	20%	-15%	-23%	13%	0%	136%	3%

(1) Including off-the floor transactions. (2) Till 2018 ETNs, since 2019 ETFs. (3) Till 2018 including deposit notes and structured bonds. (4) In 2018 not including off-floor trading of exchange-traded products (ETPs) that were unusually large in scope due to the conversion of ETNs to ETFs under the reform implemented in the last quarter of the year. (5) Since 2019 Including structured bonds.

Table 17: MARKET CAPITALIZATION OF LISTED SECURITIES, 2013-2022 (US\$ billions)

YEAR	THE EQUITY MARKET		THE FIXED INCOME MARKET				TREASURY BILLS
	SHARES & CONVERTIBLES	ETPS ⁽¹⁾	GOVERNMENT BONDS	CORPORATE BONDS ⁽³⁾	TASE UP	ETPS ⁽¹⁾⁽²⁾	
2013	203.3	16.2	138.5	78.1	9.7	16.9	36.2
2014	200.6	18.1	127.6	67.8	12.6	16.0	33.4
2015	243.6	19.1	128.8	70.2	11.9	11.4	29.7
2016	213.9	18.6	129.7	78.2	11.7	10.4	27.3
2017	231.0	21.6	141.9	94.8	12.4	11.3	26.5
2018	187.6	16.0	129.1	89.5	11.9	7.1	28.8
2019	237.2	18.5	154.2	108.3	10.6	8.4	34.7
2020	262.0	18.8	196.2	110.5	10.3	9.5	27.1
2021	361.6	24.3	226.8	126.1	10.7	10.4	37.0
2022	269.6	20.1	166.9	107.9	8.4	7.7	59.5

(1) Till 2017 ETNs Public Holdings. Source: Bank of Israel. Since 2018 - Market capitalization of ETFs. Source: TASE. (2) Till 2018 Including deposit notes and structured bonds. (3) Since 2019 Including structured bonds.

Table 18: ANNUAL YIELDS OF THE EQUITY INDICES, 2013-2022 (% in local currency terms)

YEAR	TA-35 ⁽¹⁾	TA-125 ⁽¹⁾	TA GLOBAL-BLUETECH ⁽²⁾	TA-FINANCE	TA-REALSTATE ⁽³⁾	GENERAL SHARE
2013	12.1	15.1	8.6	18.8	26.0	15.3
2014	10.2	6.7	-5.2	-7.7	0.9	11.5
2015	4.4	2.0	1.6	4.0	1.1	6.8
2016	-3.8	-2.5	15.3	19.2	17.0	-11.0
2017	2.7	6.4	-2.2	26.6	23.4	-1.1
2018	-3.0	-2.3	-10.6	-0.3	-10.9	-3.9
2019	15.0	21.3	18.6	23.7	73.2	17.8
2020	-10.9	-3.0	37.6	-7.6	-4.6	-0.4
2021	32.0	31.1	1.6	53.3	53.4	30.9
2022	-9.2	-11.8	-36.2	-8.8	-30.9	-15.5

(1) Till February 2017 TA-35 was TA-25 and TA-125 was TA-100. (2) Till June 2014 - BlueTech-50. Till February 2017 - BlueTech. (3) Till February 2017 - RealEstate-15.

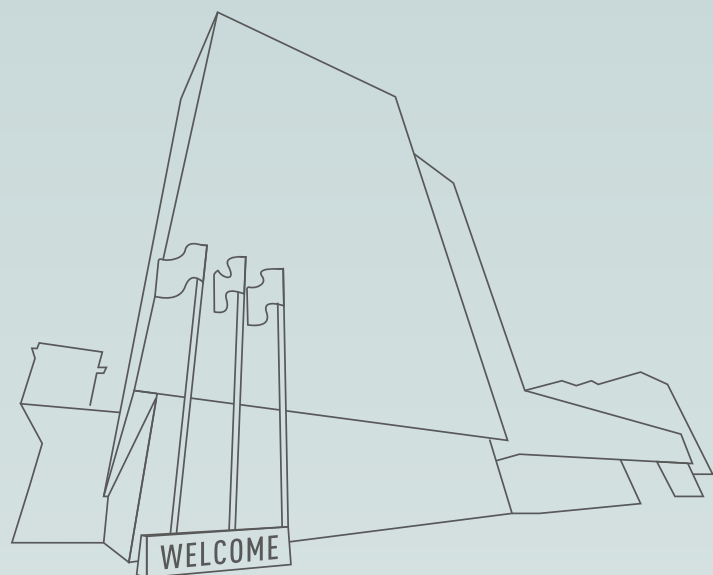
Table 19: ANNUAL YIELDS OF THE BOND INDICES, 2013-2022 (% , in local currency terms)

YEAR	GENERAL BOND ALL-BOND	GOVERNMENT BOND INDICES		CORPORATE BOND INDICES				
		CPI LINKED BONDS TEL GOV - CPI LINKED	NON LINKED BONDS TEL GOV-NON LINKED	CPI LINKED BONDS			NON LINKED BONDS TEL BOND-SHEKEL	DOLLAR LINKED BONDS
				TOTAL	THEREOF: TEL-BOND 20	THEREOF: TEL-BOND 40		
2013	5.4	3.0	4.0	9.5	5.9	6.9	5.9	-0.2
2014	4.7	5.8	7.2	1.0	1.0	0.6	4.0	3.3
2015	1.8	-0.2	2.8	0.8	-1.1	0.2	4.7	5.5
2016	2.1	0.7	1.2	4.1	2.9	1.7	2.4	9.4
2017	4.7	3.4	3.6	6.2	7.1	4.4	7.5	-1.7
2018	-1.5	-1.4	-1.2	-0.8	-1.1	-0.4	-4.3	5.1
2019	8.7	10.3	8.3	7.9	8.2	6.5	8.6	2.5
2020	0.8	1.2	1.3	0.0	-0.2	0.1	-0.1	-2.8
2021	3.9	7.4	-0.8	8.7	8.4	7.4	3.0	5.7
2022	-8.3	-9.8	-8.8	-7.6	-10.0	-8.0	-7.0	7.5

Table 20: ETFs MARKET ON TASE⁽¹⁾, 2022

INDEX	NUMBER OF ETFs	MARKET CAPITALIZATION (US\$ millions)		NET ETFs PURCHASES/SELLING BY THE PUBLIC (US\$ millions)
	DECEMBER 2022	DECEMBER 2022	DECEMBER 2021	2022
TA-125	19	3,330	2,885	1,200
TA-35	15	1,870	1,865	370
TA-90	12	1,410	1,770	90
SHARES INDICES				
Other local shares indices	42	4,010	5,173	-10
Total ETFs on TASE share indices	88	10,620	11,693	1,650
Total ETFs on foreign share indices	277	8,724	11,891	-50
Total ETFs on share indices	365	19,344	23,584	1,600
BONDS INDICES				
Tel-Bond 60	17	1,640	2,265	-180
Tel Bond-Shekel	17	1,110	1,390	-60
Tel-Bond 20	10	930	1,220	-40
Tel Bond Shekel-50	5	580	690	23
Other bonds and goods indices	114	3,369	4,762	-572
Total ETFs on bond indices	163	7,629	10,327	-830
TOTAL	528	26,973	33,911	770

(1) All data are excluding Cross listed ETFs



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