

BDO US & ISRAEL DESK 2022, Q2 REPORT

Coming off the significant peaks that were achieved during the previous year, major markets including the **NYSE**, **Nasdaq** and **TASE** continued to realize significant gains throughout March. Q2 however, with the extended Russian invasion of Ukraine, expressed a rising inflation and steep stock sell offs began eroding confidence in the economy, leading over **80%** of Americans polled in a recent CNBC survey to admit believing that the US economy would likely face a recession in 2022. As of now, neither the American nor the Israeli economies are seeing a significant rise in joblessness, with the US posting only **230,000** jobless claims and Israeli tech companies focusing on laying off staff outside of Israel rather than risking the possibility of not being able to hire back top talent and harming their brands in a small market.

This is a general overview of some of the outstanding events that took place between the US and Israeli markets. It is clear from the below that despite the market drops, the 2 markets are still firmly connected. Perhaps the changing winds could be an alert for new opportunities outside of the public markets.

LATE MARCH 2022

Bank Leumi, Israel's largest bank by market capitalization of **\$14 billion**, will become the first Israeli bank to offer crypto currency trading. This solution was made possible through cooperation with US based **Paxos**, a highly regulated blockchain platform which serves over 400 million people worldwide and has **\$20 billion** assets under management. Leumi customers will be able to trade cryptocurrencies, without the need to download a crypto wallet and with all of the tax complexities handled by the bank.

[For additional information click here.](#)

MAY 2022

► focuses on the Life Science and Technology industries. Organized by the **Mayo Clinic**, **Cleveland Clinic**, **Sourasky Medical Center**, and **Sheba Medical Center**, among other leading healthcare providers and in cooperation with the **Israel Innovation Authority**, the exhibition brought together investors, entrepreneurs and healthcare professionals from around the world. Among the companies presenting, Israeli **Magneto Thrombectomy Solutions** revealed successful first-in-Human results for removing blood clots in patients with acute pulmonary embolism.

[For additional information click here.](#)

► Headquartered in New Jersey, with 100 employees based in Israel, cyber security startup **Semperis** raised over **\$200 million** in an investment round led by **KKR & Co**, **Insight Partners** and **Ten Eleven Ventures**. Since remote work became the reality for many organizations, Semperis became a leading provider of comprehensive hybrid Microsoft Active Directory protection, serving hundreds of customers, including some of the largest organizations in the world across finance, healthcare, manufacturing, insurance, retail, and government agencies.

[For additional information click here.](#)

APRIL 2022

Headquartered in New York, growth equity firm **General Atlantic** opened its first Israeli office in Tel Aviv, becoming the investors 15th office globally. Currently managing over **\$80 billion** in assets, several of their past portfolio companies include: **Facebook**, **Airbnb**, **Slack** and **Alibaba**. Investing over \$750 million into Israel companies since 2019, the firm has added 8 Israeli tech companies to their portfolio so far, including **AppsFlyer** and **Fireblocks**, both of which have achieved unicorn status. The investment rate is speeding up as 6 of the investments were made just this year.

[For additional information click here.](#)

JUNE 2022

► Israel's **Vayyar Imaging**, which creates four-dimensional imaging radar sensors for the automotive, senior care, smart buildings, public safety and retail sectors, achieved unicorn status in its latest series E round. Vayyar raised **\$108 million**, in an investment round led by Kansas based **Koch Disruptive Technologies**, the corporate venture capital arm of **Koch Industries**. Additional investors include Hong Kong based **Gly Capital Management**, **Battery Ventures**, and **Bessemer Ventures**.

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► More negative results for companies that listed through a SPAC, just days after listing on the **Nasdaq**, Israeli fintech company **Pagaya** saw its valuation cut by **\$5.6 billion**, to **\$2.8 billion**. A week earlier, Pagaya completed a SPAC merger with US based **EJF Acquisition Corp** at a **\$8.5 billion** valuation. Pagaya's platform utilizes artificial intelligence and enables P2P loans and credit to financial institutions around the world. The sharp drop in valuation is attributed to the dramatic stock price losses technology companies in general are seeing and more specifically those that listed through SPAC mergers, of which all have posted negative returns.

[For additional information click here.](#)



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