

# Israel - Market



**THE FEDERATION OF ISRAELI  
CHAMBERS OF COMMERCE**

**Israel's Organization of the Free Business Sector**

January 2015



# The Israeli economy in the last decade

	2003	2013	% change
<b>GDP (B\$)</b>	118	291	147%
<b>Business Product (B\$)</b>	97	216	123%
<b>Private Consumption (B\$)</b>	73	164	125%
<b>Product Per Capita (PPP)</b>	22,000\$	36,167\$	64.4%



# Sustaining the stability

	2010	2011	2012	2013	2014
<b>Inflation (%)</b>	2.7	2.2	1.6	1.8	-0.2
<b>Interest Rate (% end)</b>	2.0	2.75	2.0	1.0	0.25
<b>Exchange rate (end year) New Israeli Shekel / \$</b>	3.55	3.82	3.73	3.47	3.89
<b>New Israeli Shekel / €</b>	4.74	4.94	4.92	4.78	4.72
<b>Unemployment rate</b>	6.6	6.8 (*)	6.9 (*)	6.2	5.6

(\*) After new valuation according to OECD



# Business Product by sector - 2013

100% = 216B\$

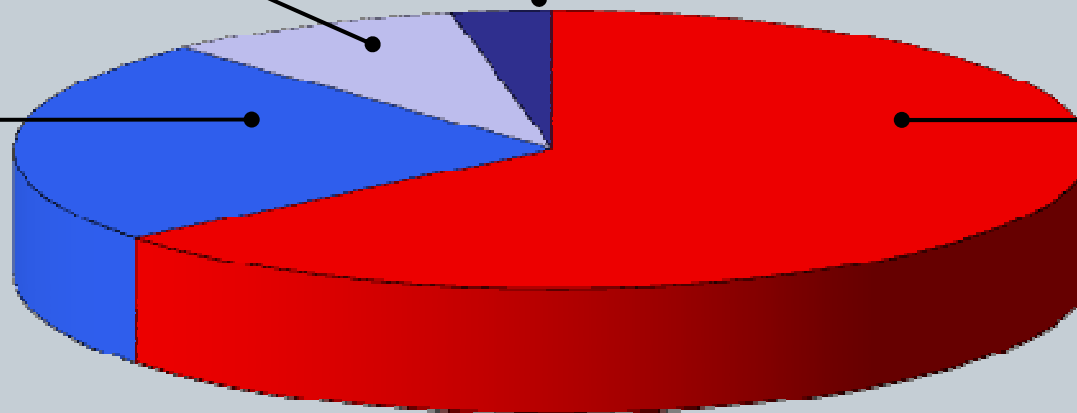
Agriculture 2%

Real, Water, Elc. 10%

Manufacture 21%

**Trade & Services**

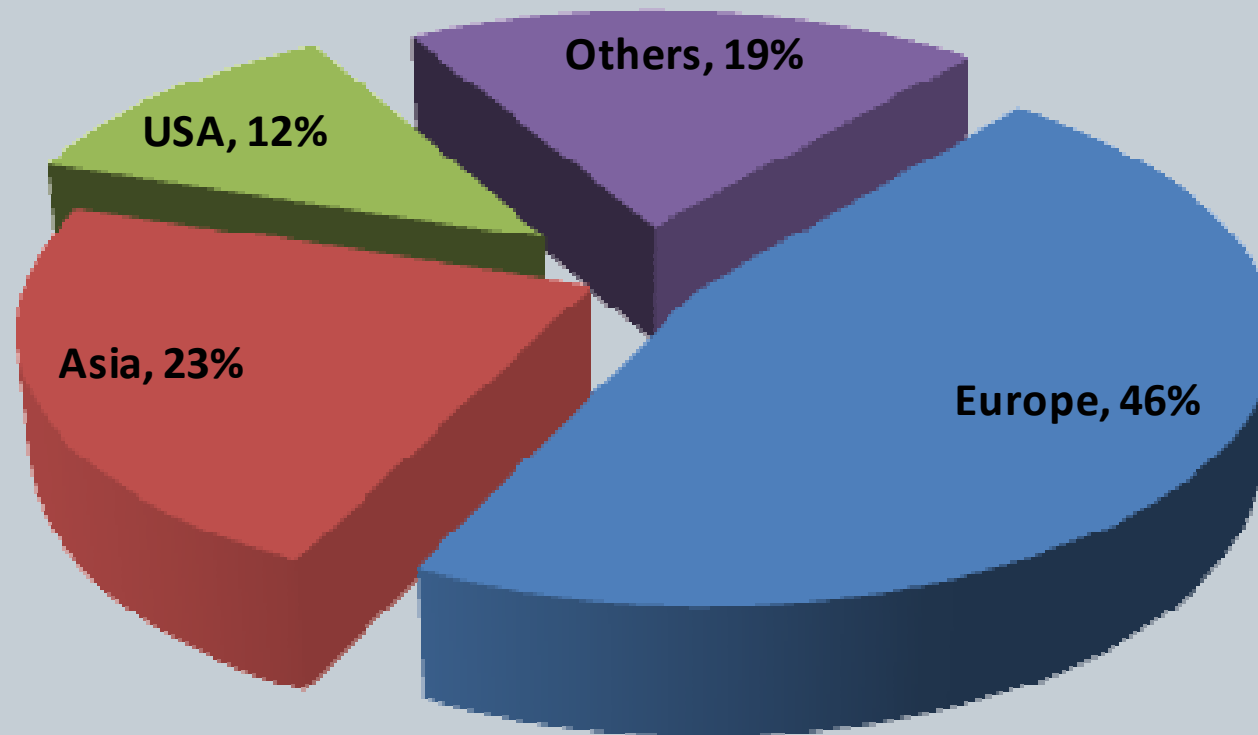
**67%**





# Import<sup>1</sup> of goods by Major Countries 2014

100%=72.3B\$



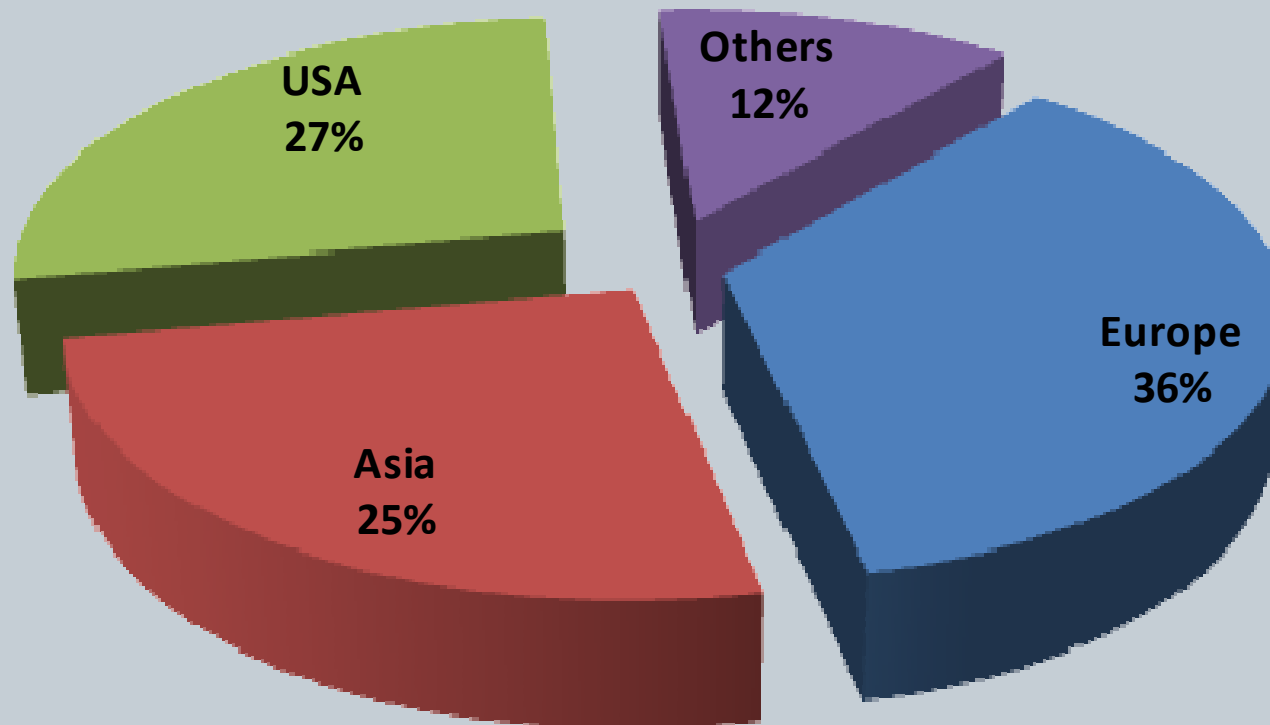
<sup>1</sup> Including Diamonds, excluding defense imports and imports from the Palestinian Authority

Source: Central bureau of statistics



# Export<sup>1</sup> of goods by Major Countries 2014

100%=69B\$



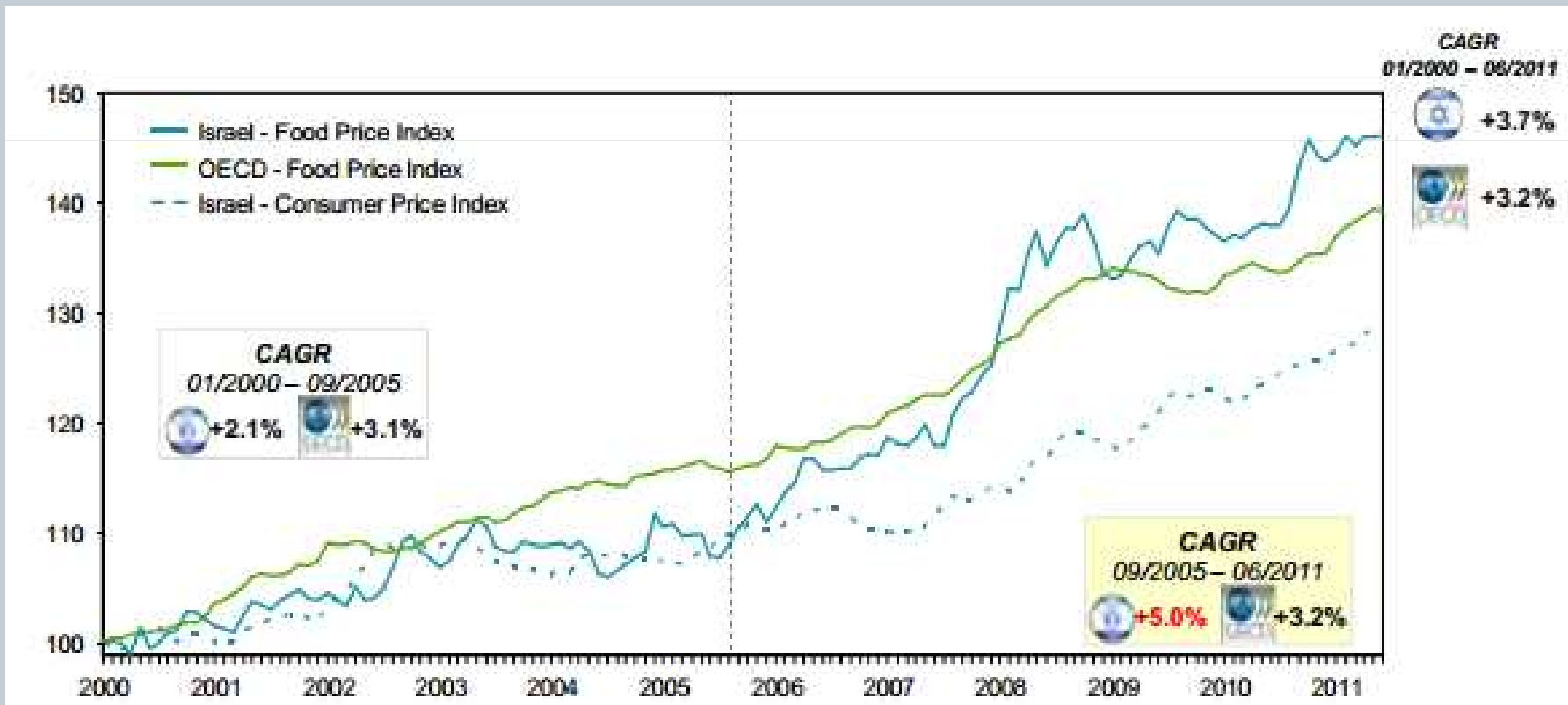
<sup>1</sup> Including Diamonds

Source: Central bureau of statistics



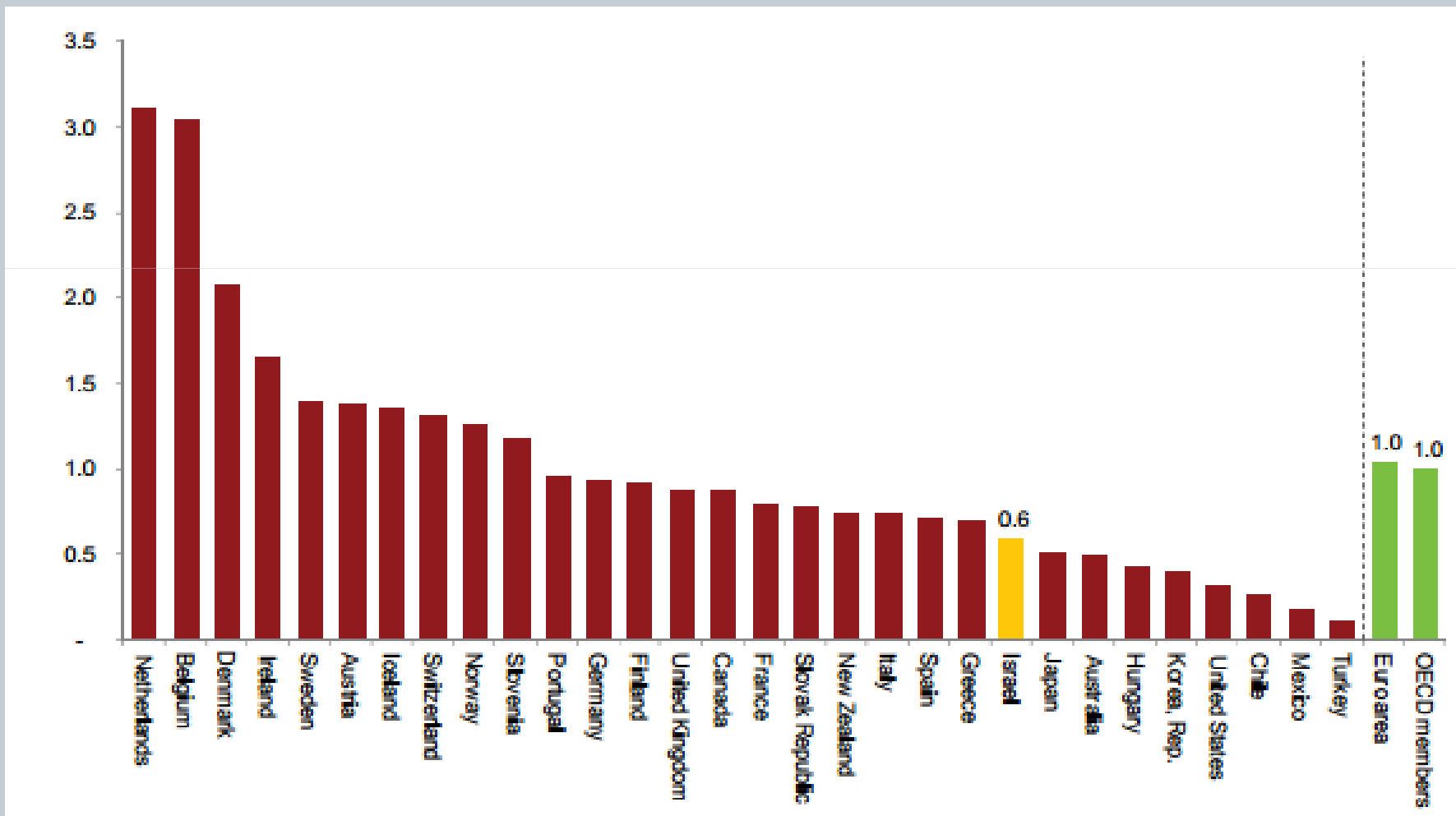
# Consumer Price Indices – Food Israel and OECD 2000-2011

Monitor consulting





# Food imports per capita (\$US)

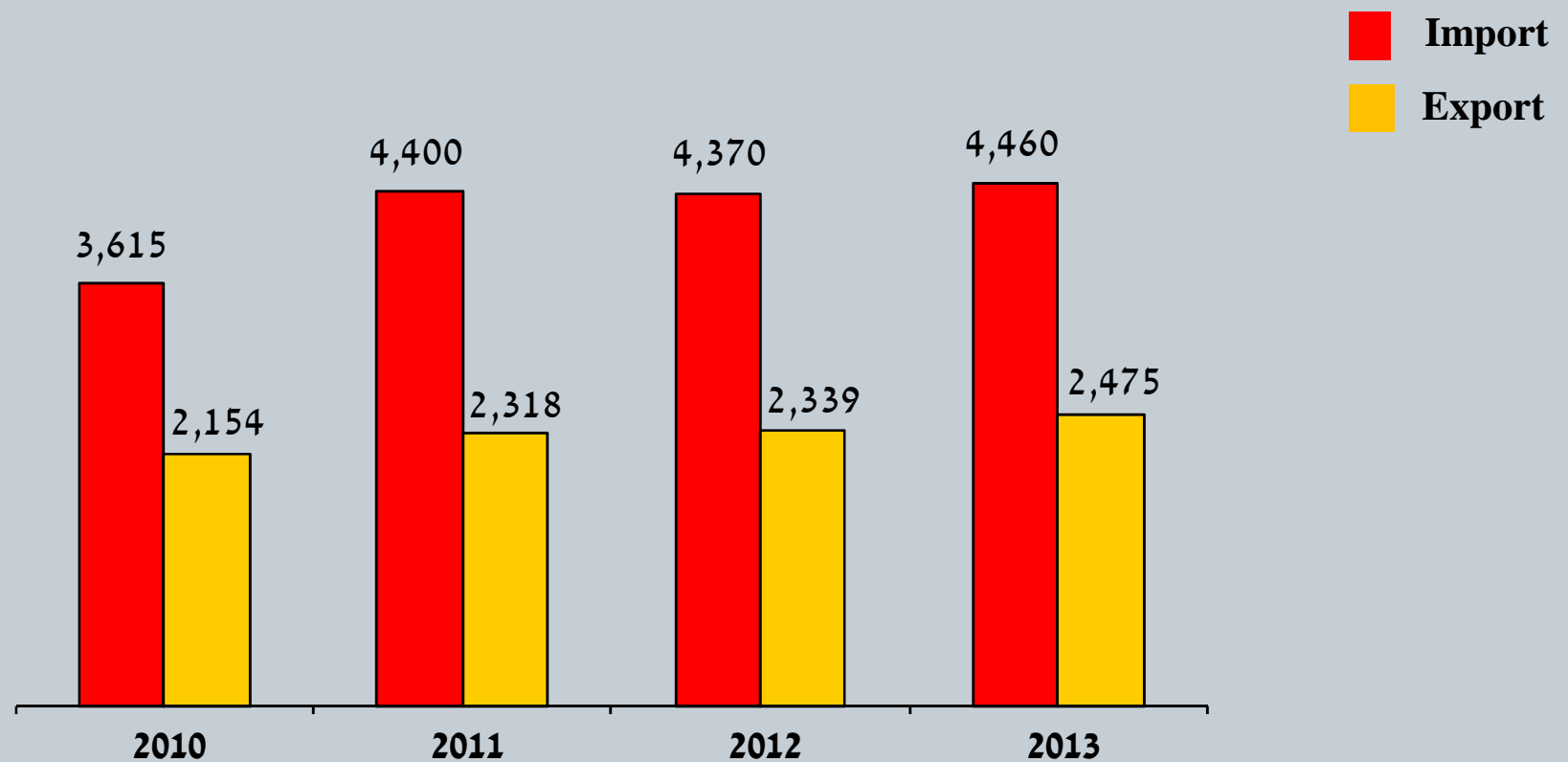


Source: Monitor consulting



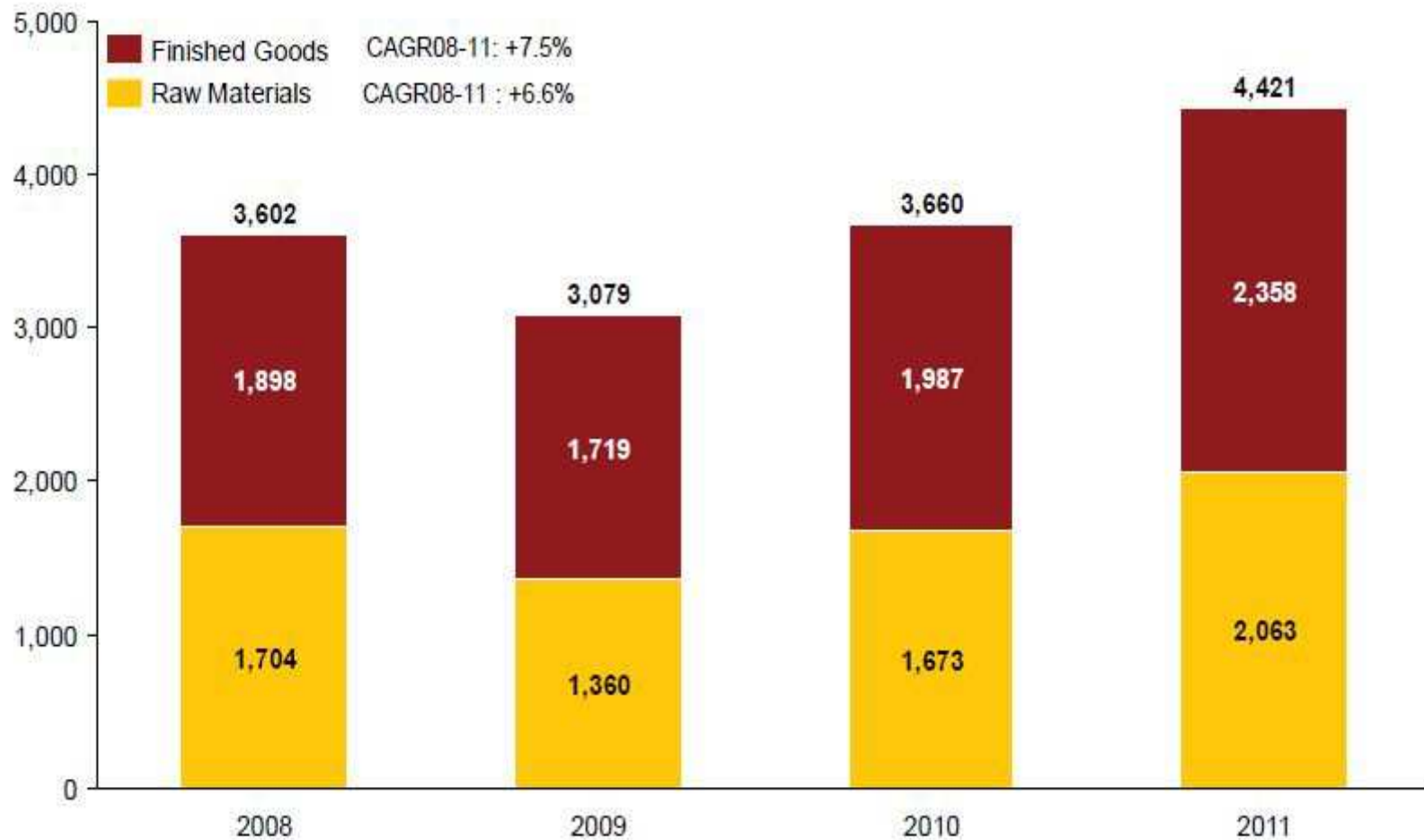


## Israel Food Trade 2010-2013 (Million USD)





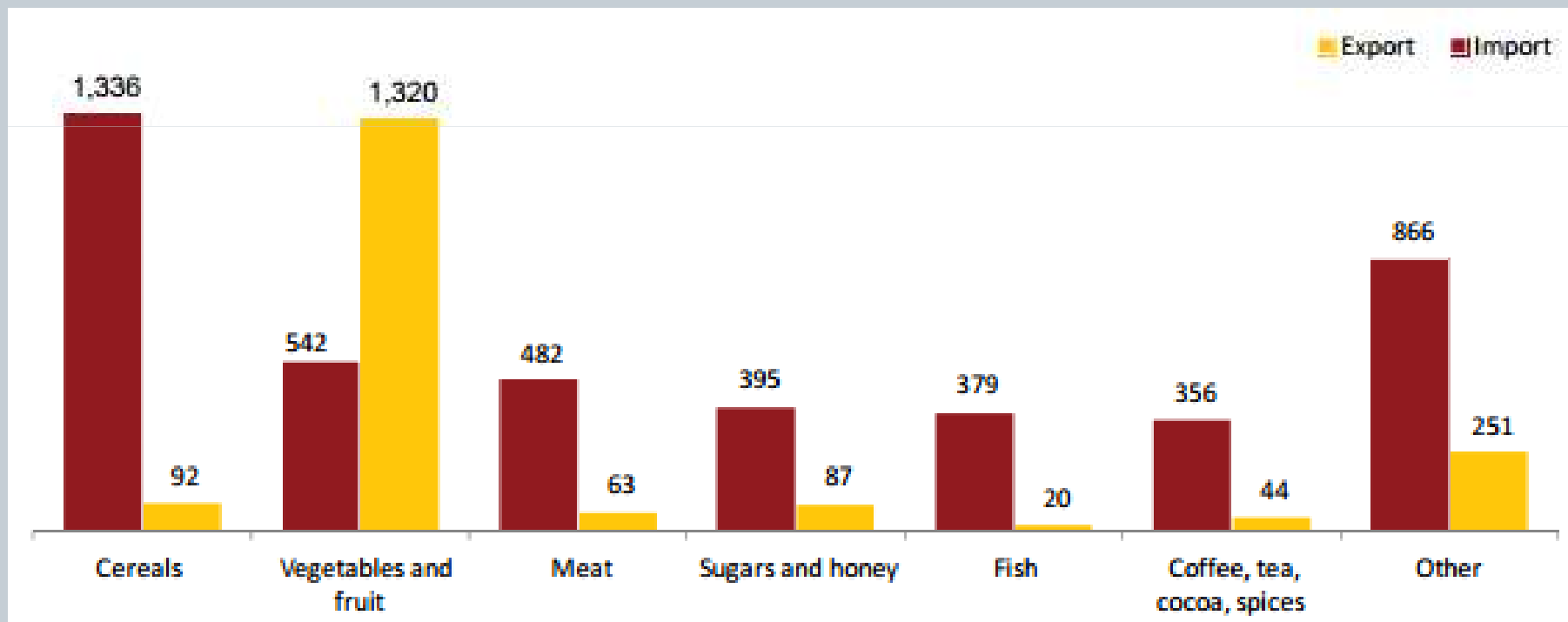
# Import of Raw Materials & Finished Products



Source: Israel central bureau of statistics



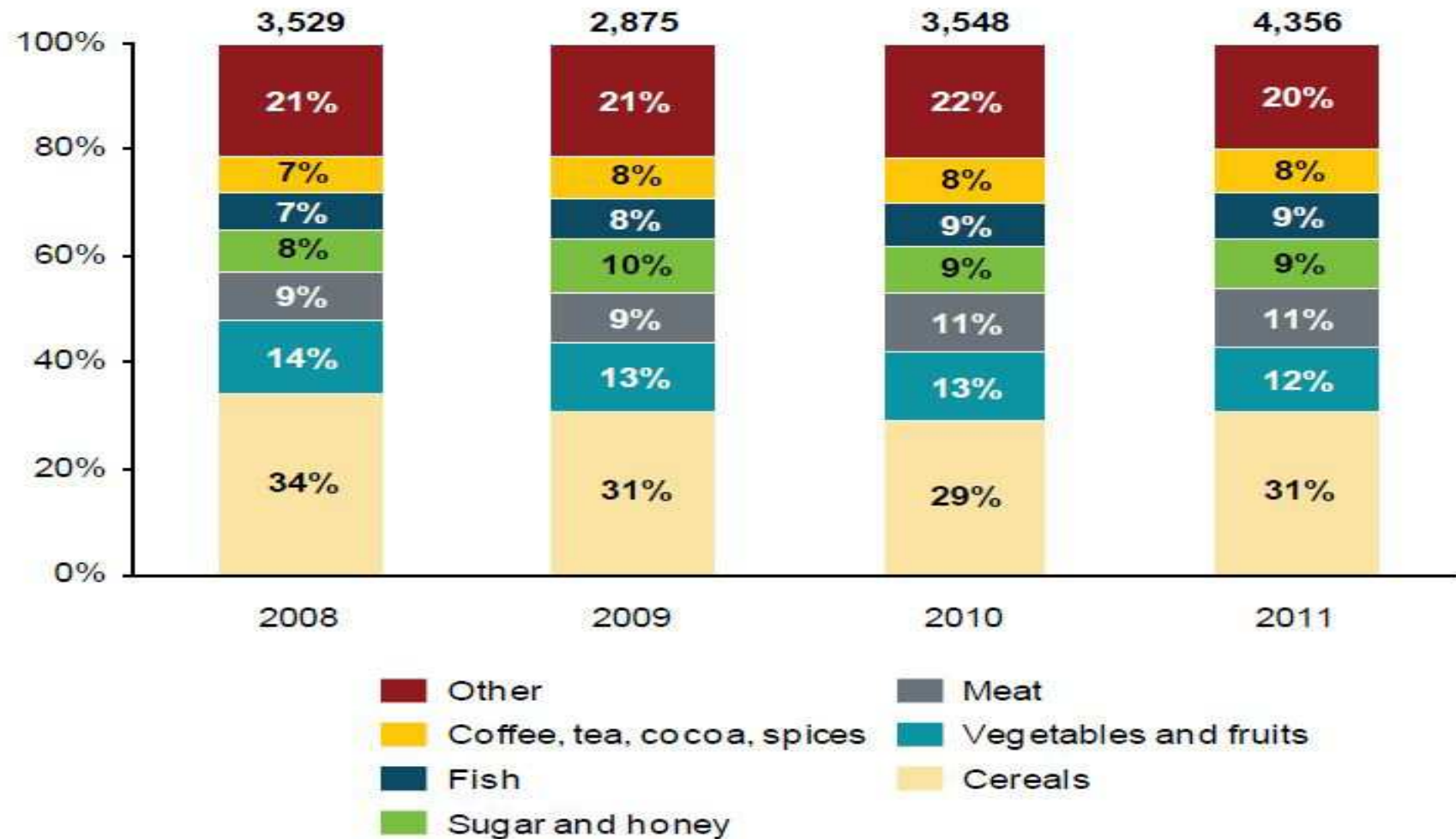
# Israel Food Trade 2011 – By category (Million USD)



Source: Monitor consulting



# Import by Category 2008-2011



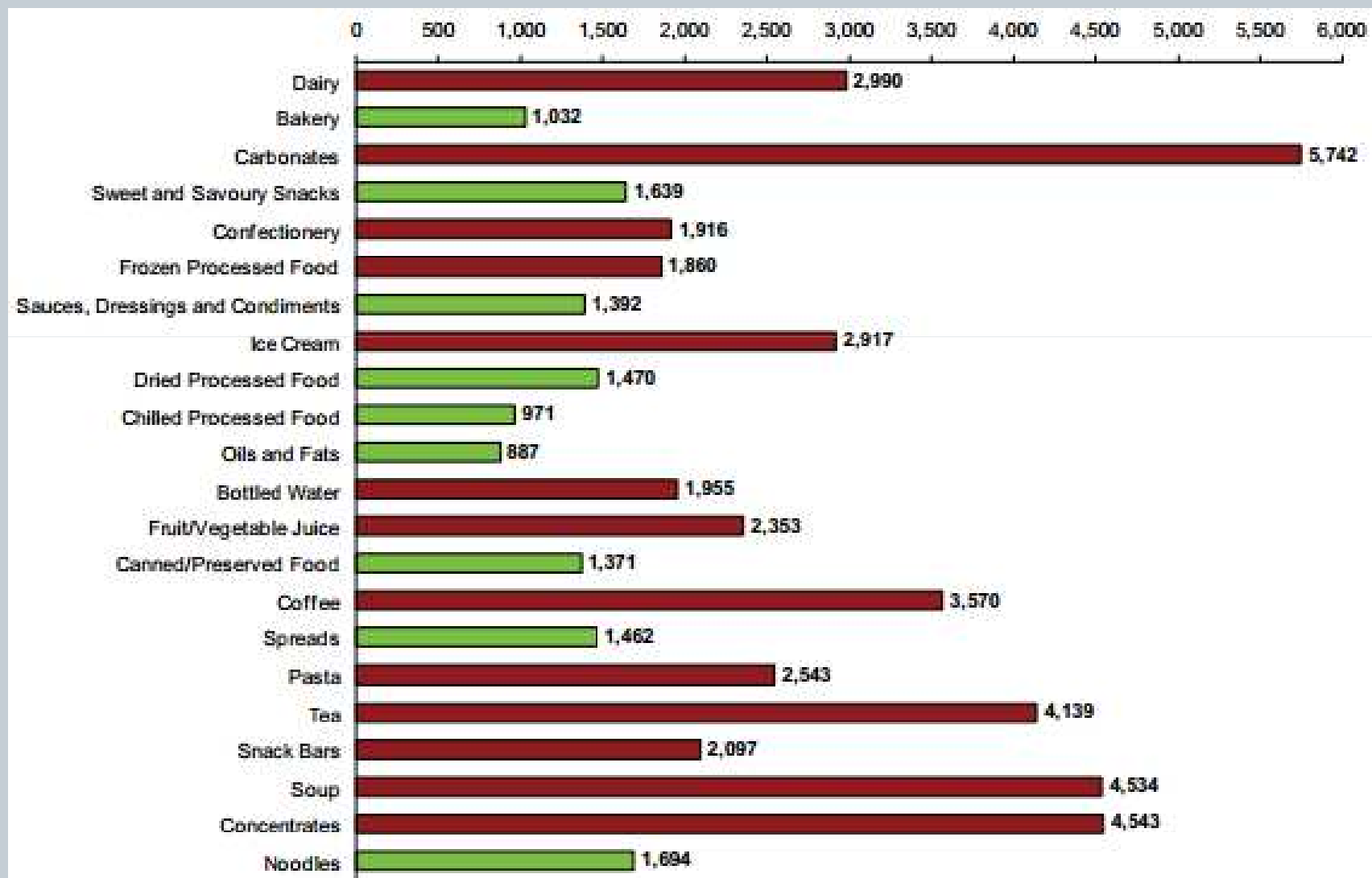


## Centralization level of food and beverages (2010)

Category	Israel	USA	France	UK	Finland	Portugal	New Zealand
Dairy	90%	27%	33%	15%	86%	40%	72%
Bakery	28%	22%	11%	23%	70%	16%	64%
Carbonates	90%	85%	84%	75%	44%	70%	39%
Savoury Snacks	58%	51%	42%	45%	28%	46%	69%
Confectionery	64%	61%	39%	70%	57%	39%	48%
Frozen Processed Food	67%	27%	17%	25%	68%	32%	72%
Sauces and Dressings	52%	28%	41%	39%	77%	35%	71%
Ice Cream	79%	52%	57%	42%	25%	69%	49%
Dried Processed Food	57%	27%	48%	39%	31%	28%	42%
Chilled Processed Food	40%	30%	20%	6%	64%	29%	78%
Oils and Fats	45%	34%	38%	54%	49%	52%	76%
Bottled Water	71%	54%	68%	44%	80%	34%	64%
Fruit/Vegetable Juice	79%	39%	40%	30%	47%	57%	57%
Canned/Preserved Food	53%	30%	20%	42%	43%	25%	47%
Coffee	83%	35%	75%	67%	60%	75%	60%
Spreads	54%	52%	57%	40%	42%	26%	73%
Pasta	69%	35%	55%	32%	41%	42%	45%
Tea	80%	51%	55%	58%	53%	53%	68%
Snack Bars	75%	55%	50%	46%	73%	56%	77%
Soup	91%	64%	81%	58%	71%	72%	87%
Concentrates	91%	74%	49%	55%	53%	76%	67%
Noodles	57%	43%	54%	70%	56%	59%	88%

Source: Monitor consulting

# Centralization level of food beverages (2010)



Source: Monitor consulting



## **Breakdown of the competitive landscape in the food sector**

- The yearly total market size of the supermarkets is NIS 64.1 billion for 2014, an increase of 9.6% from 2010.
- A research shows that the average monthly revenues of retail food stores are at NIS 2,260 per square meter in 2014. whereas the revenues in 2010 were NIS 2,410 per square meter . A decrease of -6%



# Companies in the Food Sector

	<b>Blue Square</b>	<b>Supersol</b>	<b>Grocery Chains</b>	<b>Private Chains</b>
<b>2010</b>	14%	21%	42%	23%
<b>2011</b>	13%	20%	43%	24%
<b>2012</b>	12%	20%	43%	25%
<b>2013</b>	11%	19%	45%	25%
<b>2014</b>	9%	18%	45%	28%

Source: Czamanski Ben Shahr





## Breakdown of private chains by market share 2014

• Beitan Wines/Kimat Hinam	5.3%
• Rami Levi	5.2%
• Hetsi Hinam	3%
• Osher Ad	2.4%
• Yohannof	2.1%
• Other private chains	10.2%



## Distribution of the Chains as per Store Format

■ Discount	52%
■ Local Grocery stores and Private stores	23.5%
■ Niche Stores	10%
■ Convenience Stores	7.5%
■ Markets	4%
■ Internet	3%