

Update 33: Israel - Economy Contracts by 2.4% in 2020, Grows by 6.3% in Q4 2020 amid COVID-19 Pandemic

- The COVID-19 pandemic caused a 2.4% contraction in Israel's economy last year, a smaller dip than expected amid strong high-tech exports and solid consumer spending despite high unemployment
- In its preliminary estimate, the Central Bureau of Statistics said the economy, though hurt by a lack of tourism, outperformed most Western countries in the OECD where the average contraction was 5.5%
- Last year was the first time the Israeli economy shrank since 2002 and analysts say it was the worst decline since Israel became a state in 1948
- It was still a better performance than forecast
- The Bank of Israel last month had projected a 3.7% contraction for 2020 while the Finance Ministry estimated an even steeper 4.6% fall
- The numbers were boosted by a 6.3% annualized rise in Q4 2020 growth, helped by a jump in vehicle sales ahead of a tax hike at the start of 2021, and followed a 41.5% surge in Q3 2020
- As of now, the country has reported 738,629 confirmed COVID-19 cases with 5,473 deaths, 0.74% of the total reported cases and 681,249 recoveries, 92.23% of the total reported cases
- When compared to the overall population of the country, confirmed COVID-19 cases and fatality rate stands at 8.45% and 0.06%, respectively
- Supply Wisdom is continuously monitoring the situation and will alert you to any relevant developments
- Please consult the Ministry of Health (<https://www.health.gov.il/English/Pages/HomePage.aspx>) for the latest information on COVID-19 in Israel

Source(s)

<https://www.reuters.com/article/israel-economy-gdp-int/israel-economy-shrinks-24-in-2020-grows-63-in-fourth-quarter-idUSKBN2AG13V>
<https://www.investing.com/news/economic-indicators/israel-economy-shrinks-24-in-2020-grows-63-in-fourth-quarter-2419486>
<https://www.worldometers.info/coronavirus/country/israel/>

Targets Affected:

Israel

Category(s):

Geo-Political Risk - Macro-Economic Risk

Event:

Coronavirus (COVID-19) Incident(s)

Guidance

Actions to consider:

- Consider implementing suggested actions related to 'Negative Impact on Economy' under the 'COVID-19: Actions to Consider' section below / next page

Related Alerts**Feb. 16, 2021****Medium**

Update 32: Israel - Unemployment Rate Rises to 19.5% Amid COVID-19 Pandemic

Feb. 13, 2021**Medium**

Update 31: Israel - Extends Restrictions Until February 15, 2021 amid Rise in COVID-19 Cases

Feb. 5, 2021**Medium**

Update 30: Israel - Extends Lockdown Until February 07, 2021 as COVID-19 Death Toll Passes 5,000

Feb. 1, 2021**Medium**

Update 29: Israel - Extends COVID-19 Lockdown Until February 05, 2021

Jan. 28, 2021**Medium**

Update 28: Israel - Closes Land Border with Egypt and Jordan Until January 31, 2021 to Contain New COVID-19 Strains

Jan. 25, 2021**Medium**

Update 27: Israel - Bans International Flights Until January 31, 2021 to Curb the Spread of New COVID-19 Variant

Jan. 21, 2021**Medium**

Update 26: Israel - Extends COVID-19 Lockdown Until January 31, 2021 and Imposes New Travel Restrictions

Jan. 20, 2021**Medium**

Update 25: Israel - Daily COVID-19 Cases Hit Record High Of 10,021

Jan. 13, 2021

Medium

Update 24: Israel - Active COVID-19 Cases Hit Record High of 74,639

Jan. 7, 2021

High

Update 23: Israel - Announces New Restrictions as COVID-19 Cases Increase, Non-Essential Businesses to be Closed for Two Weeks

Dec. 24, 2020

High

Update 22: Israel - Announces Third Nationwide Lockdown from December 27, 2020

Dec. 22, 2020

Medium

Update 21: Israel - Government Bans Entry to Foreigners Over Fears of New COVID-19 Strain

Dec. 14, 2020

Medium

Update 20: Israel - Continues to Ease Quarantine and Travel Measures Despite Surge in COVID-19 Cases

Dec. 8, 2020

Medium

Update 19: Israel - Imposes Night Time Curfew to Curb COVID-19 Spread

Nov. 25, 2020

Medium

Update 18: Israel - Continues to Ease Lockdown Measures Despite Surge in COVID-19 Cases

Nov. 17, 2020

Medium

Update 17: Israel - Health Ministry Amends Measures Amidst Decline in COVID-19 Cases

Nov. 10, 2020

Medium

Update 16: Israel - Health Ministry Amends Quarantine Requirements for Returning Passengers Amidst New Mutated COVID-19 Strain Cases

Nov. 8, 2020

Medium

Update 15: Israel - Anti-Government
Protests Continue Amidst Rise in
COVID-19 Cases

Nov. 1, 2020

Medium

Update 14: Israel - Relaxes COVID-19
Measures Further in Stage Two of Exit
Strategy

Oct. 17, 2020

Medium

Update 13: Israel - Relaxes COVID-19
Measures as Economic Crisis
Escalates

Oct. 14, 2020

Medium

Update 12: Israel - Government
Extends Lockdown Until October 18,
2020

Oct. 9, 2020

High

Update 11: Israel - Thousands
Demonstrate as Government Extends
Lockdown

Sept. 24, 2020

Medium

Update 10: Israel - Tightens Second
Lockdown Amid Surge in COVID-19
Cases

Sept. 15, 2020

High

Update 9: Israel - Imposes Second
Nationwide Lockdown Over COVID-19

Sept. 8, 2020

Medium

Update 8: Israel - Reports Highest
Daily Increase of 3,331 COVID-19
Cases, Totaling 133,975

Sept. 5, 2020

High

Update 7: Israel - Plans to Impose
Lockdowns in 30 Cities Amid High
COVID-19 Morbidity

Aug. 7, 2020

Medium

Update 6: Israel - Plans to Resume International Flights Starting August 16, 2020, Amid Spike in COVID-19 Cases

July 17, 2020

High

Update 5: Israel - Imposes New COVID-19 Lockdown Measures Starting July 17, 2020

July 2, 2020

Medium

Update 4: Israel - Reports Highest Daily Increase of 1,013 COVID-19 Cases, Totaling 24,257; Declares Lockdown in Lod and Ashdod

June 12, 2020

Medium

Update 3: Israel - Reports Over 200 New COVID-19 Cases in Last 24 Hours, Highest Daily Rise Since April 2020, Totaling 18,569

June 9, 2020

Medium

Update 2: Israel - Freezes Reopening of Economy Amid Spike in COVID-19 Cases

June 2, 2020

High

Update 1: Israel - Reports 98 New COVID-19 Cases, Totaling 17,169

Impact level Definitions

Impact Level	Definitions
Immediate	Certain - Supply Wisdom recommends considering prompt action. Examples of Immediate level alert events may include bankruptcy filings, data breaches, unexpected curfews, strikes, power black-outs, major geo-political events etc.
High	Highly likely to occur in the near term (within 3 months) - Supply Wisdom recommends being in a state of readiness to take quick action. Examples of High level alert events may include withdrawal of rating by ratings agencies, hostile takeover, multiple cyber-attacks, new business policies causing significant hardship etc.
Medium	Likely to occur in the mid-term (within 3 to 6 months) - Supply Wisdom recommends reviewing current mitigation steps and being ready to take proactive actions if and when situation deteriorates further. Examples of Medium level alert events may include unplanned C-level exits, suppliers caught in bribery cases, economy slipping into recession.
Low	Possible in the long-term (after 6 months) - Supply Wisdom recommends taking proactive action if situation does not resolve. Examples of Low level alert events may include lawsuits filed against suppliers, client losses, air pollution alerts issued by country's local authorities, unexpected holidays announced for the location etc.
Informational	The event is pertinent information but does not have a risk element associated with it. Examples of Info level alert events may include launch of new solutions, partnerships signed, industry outlook, positive changes in government policies, announcements regarding launch of software parks/ free trade zones/special economic zones etc.