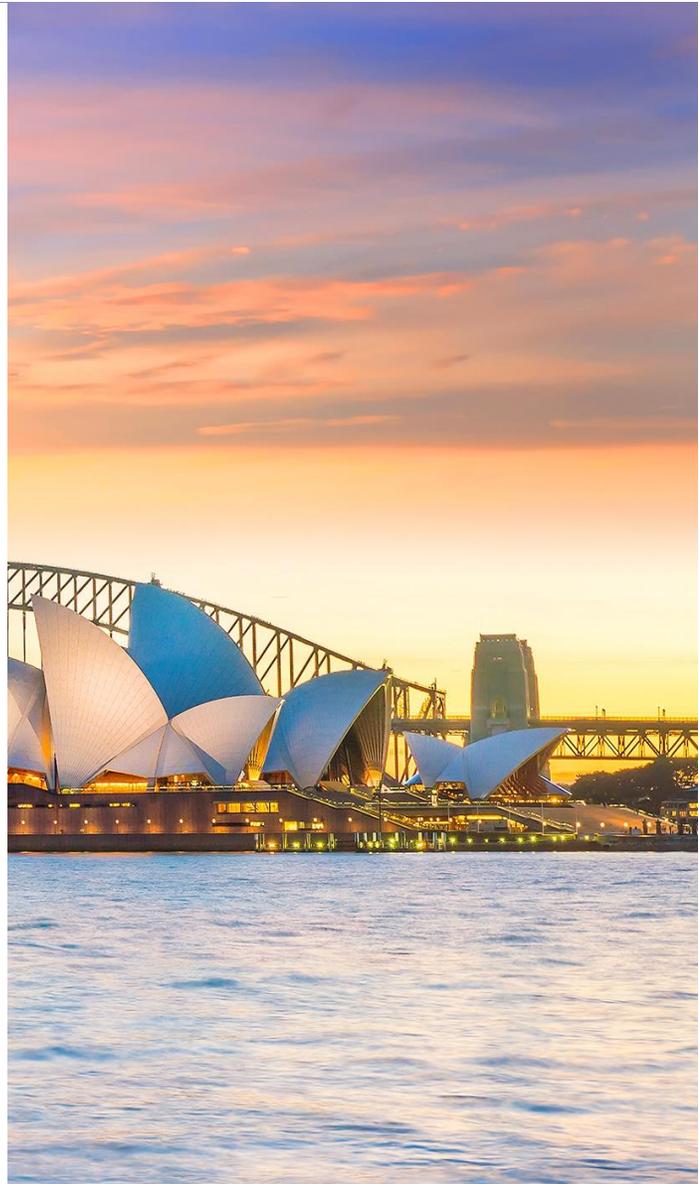

INVESTMENT GUIDE 2020



ISRAEL TRADE COMMISSION
Embassy of Israel in Australia



Israel Trade Commission
Sydney, Australia

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The Australian Investment Market

Overview

Australia is a well-developed market benefitting from its resource endowment. Australia is the world's seventh and Asia-Pacific's firm most prosperous economy.

Its wealth of natural resources (including coal, iron ore, gold, natural gas, and uranium) as well as its trade and investment ties with Asia has powered its economic growth and development

“Although the resource-rich nation is well-known for its minerals and fuels, this triple-A rated economy is predominantly services based, comprising 80% of GDP.

The service sector includes finances, construction, health-care, transport and warehouse, whole and retail, education and training, information and telecom.

Australia uses its wealth to invest trillions of dollars in overseas businesses. At the end of 2019 the total amount of Australian money invested overseas was around \$3 trillion. As such, Australia is the 17th-largest international direct investor in the world.

Where does Australia invest?
2019, A\$ billion

Rank in 2019	Economy	2017	2018	2019	% of total	% change 2018 to 2019	5-year trend % growth
1	United States	683.4	729.0	837.4	28.4	14.9	5.7
2	United Kingdom	347.9	406.3	507.4	17.2	24.9	7.8
3	Japan	125.0	113.3	139.6	4.7	23.1	12.0
4	New Zealand	103.7	96.5	130.5	4.4	35.2	5.3
5	Germany	74.1	73.4	97.1	3.3	32.2	6.9
6	China	77.3	79.1	85.3	2.9	7.7	7.7
7	Singapore	59.9	73.0	84.1	2.8	15.1	10.6
8	Canada	49.9	79.8	83.4	2.8	4.6	16.7
9	Cayman Islands	65.6	79.5	82.4	2.8	3.7	16.3
10	Hong Kong (SAR of China)	49.3	52.7	63.4	2.1	20.4	5.2
11	France	50.1	54.2	52.4	1.8	-3.4	3.3
12	Netherlands	43.4	45.8	44.4	1.5	-3.1	3.4
13	Bermuda	41.7	37.9	38.7	1.3	1.9	1.1
14	Switzerland	36.1	26.5	33.7	1.1	27.4	7.6
15	Republic of Korea	20.0	21.5	22.7	0.8	5.5	9.1
16	Ireland	16.9	15.5	21.5	0.7	38.2	14.4
17	India	13.9	15.6	19.9	0.7	27.8	15.3
	All economies	2,369.4	2,547.7	2,953.1	100.0	15.9	7.5

Based on ABS catalogue 5352.0. Last Updated: May 2020.

Venture Capital

Sources

Venture Capital (VC) is defined as high risk private equity capital for typically new, innovative or fast-growing unlisted companies in the pre-seed, seed, start-up or early expansion stage.

VC provide money and support to those they believe will have long-term growth potential. It generally comes from well-off investors, investment banks and any other financial institution.

“You’re always better off making your business better than your pitch better.”

Here is a list of prominent firms with good ties to Israel:

- Square Peg: <https://www.squarepegcap.com/>
- OurCrowd: <https://www.ourcrowd.com/>
- Sigma Ventures: <https://www.sigmaventures.co/>
- iAngels: <https://www.iangels.com/>
- One Ventures: <https://one-ventures.com.au/>

Corporate Ventures

Australian VC Firms

Corporate venturing is when one company provides venture capital for another company as part of a plan to acquire that company.

Corporate venturing can have an external focus – investing in strategically related technology startups, for example – or an internal focus.

“Given the best offence is a good defence, Corporate Venture Capital is a manifestation of corporations embracing innovation.”

Some of the big players in the Australian market:

- Brandon Capital: Medical
- GBS Venture Firm: Medical and Science
- Artesian: Medical and Science
- Blackbird
- Airtree

This list is great tool to search by *Fund Type* and *Region*
<https://fundcomb.com/blog/a-list-of-australian-vcs>

LOCAL PLAYERS & OPTIONS EMERGING



Private Equity

Investment funds, limited partnerships

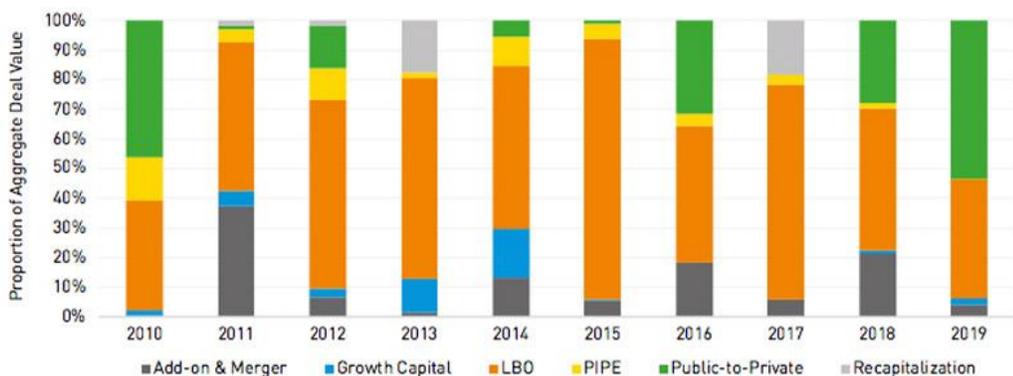
Private Equity is an alternative investment class and consists of capital that is not listed on a public exchange. Private equity is composed of funds and investors that directly invest in private companies, or that engage in buyouts of public companies, resulting in the delisting of public equity

“Private Equity typically refers to investment funds, generally organised as limited partnerships”

Australia has seen its private equity deal count plummet amid competition for asset and soaring deal values

Firms have completed just 20 private equity deals in Australia in 2019, well below the 107 signed in 2018.

Fig. 6: Aggregate Value of Private Equity-Backed Buyout Deals in Australia by Investment Type, 2010 - 2019



Source: Preqin Pro

Family Offices

Ultra-High-Net-Worth Investors

When affluent families plan for their legacies, they think long term and they typically choose between keeping the businesses they created, cashing out or some hybrid combination. But in a constantly evolving cultural and economic environment, this wealth transfer will no doubt present challenges.

In Australia the top 200 single family offices (SFOs) had a total wealth of \$267 billion as of June 2017.

“If you’ve seen one Family Office, you’ve seen one Family Office.”

Growing up in the shadow of a powerful founder has its challenges and families invariably suffer from confronting historical issues that need healing. Past misunderstandings are often hard to discuss and can influence the process of inheritance, creating tension about fairness.

Famous Jewish Australian Business Families:

- Jagen
- Point 72
- Kin Group
- LJCB Investment Group
- Allan Moss Investments
- Sandbar Investments
- Gandel Invest

Tenders

Offers to carry out projects

Private company listing all tenders in Australia

<https://www.austriantenders.com.au/>

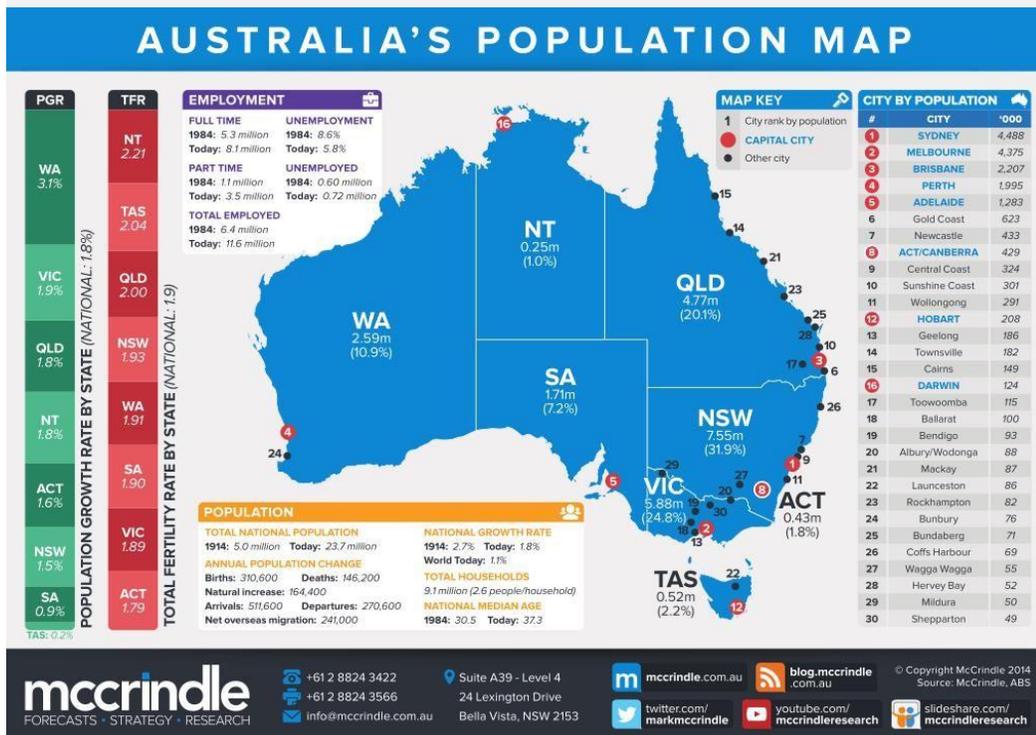
Official tenders' website for the Australian Government

<https://www.tenders.gov.au/>

Rules

<https://www.finance.gov.au/government/procurement/commonwealth-procurement-rules>

“Always deliver more than expected”



Tenders by State

New South Wales: Australia's most populous state

<https://tenders.nsw.gov.au/>

Victoria: Australia's second most populous state

<https://www.tenders.vic.gov.au/>

Western Australia: Think mining

<https://www.tenders.wa.gov.au/watenders/index.do>

Northern Territory: Close proximity to Asia

<https://tendersonline.nt.gov.au/Tender/List/#!/Current>

Queensland: Tropical farming

<https://qtenders.hpw.qld.gov.au/qtenders/>

Australian Capital Territory: Nation's Capital State - administrative

<https://tenders.act.gov.au/>

Tasmania: Produce especially cheese

<https://www.tenders.tas.gov.au/>

South Australia: Famous for ship-building and wine

<https://www.tenders.sa.gov.au/>