



Appendices





Appendices

Appendix A – Forecast of Principal Redemptions and Interest Payments

Diagram A-1
Principal redemptions and interest payments on tradable domestic debt, 2008-2036

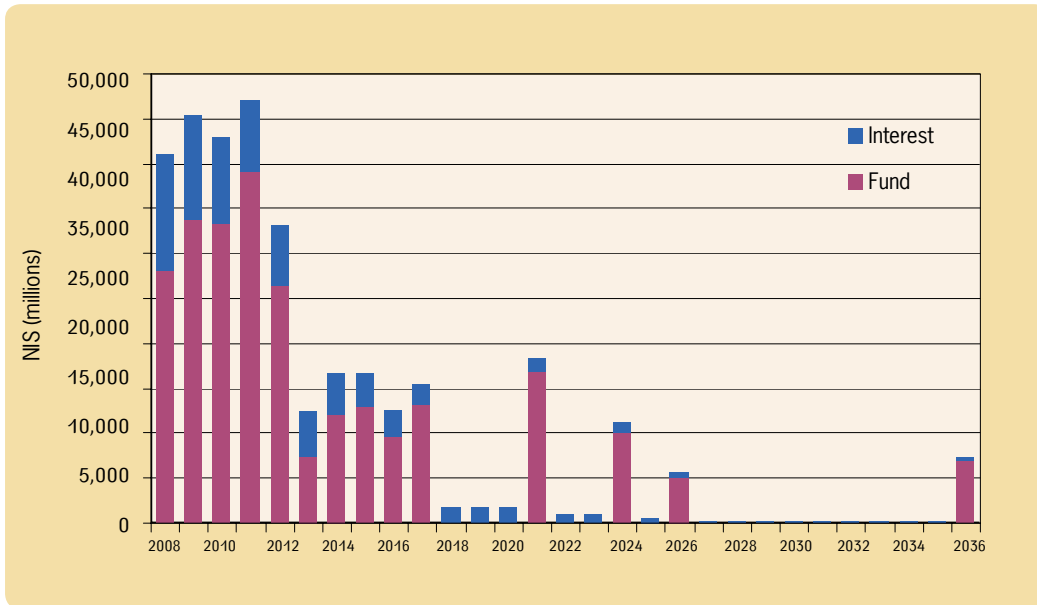


Diagram A-2
Principal redemptions and interest payments on nontradable bonds in the domestic market, 2008-2032

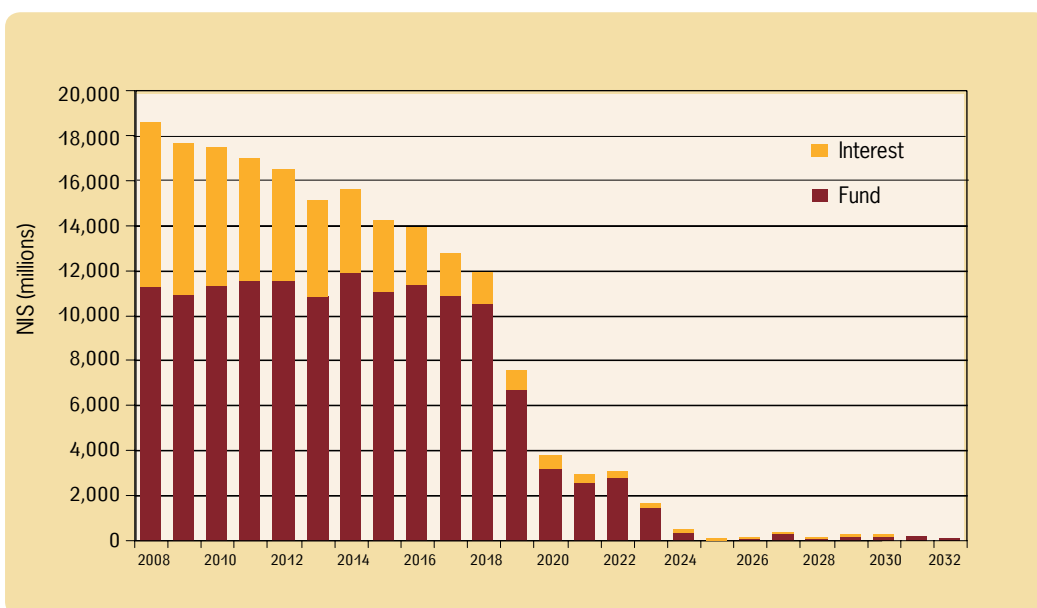
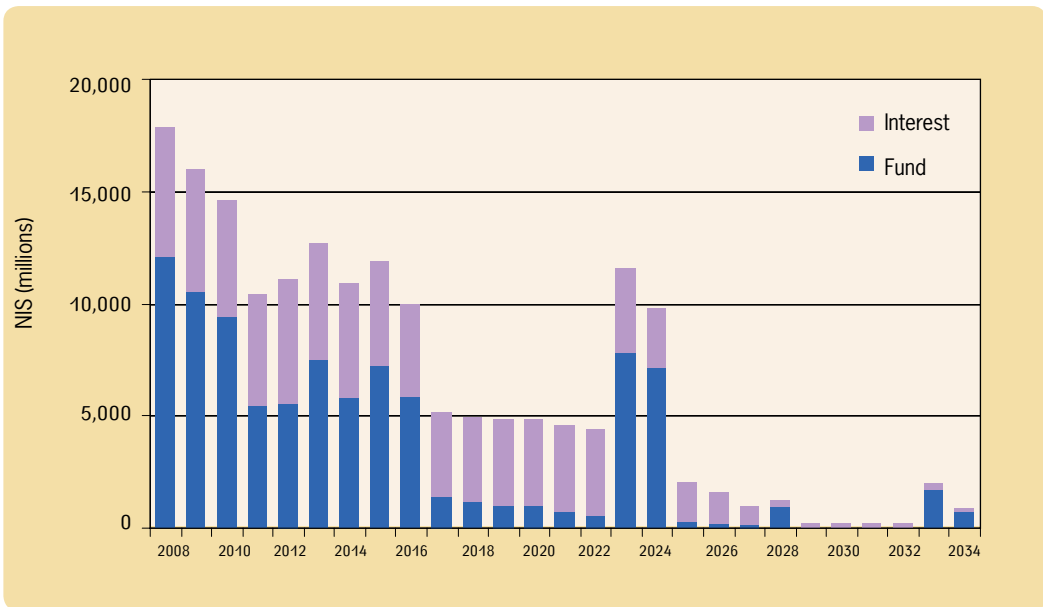


Diagram A-3
Principal redemptions and interest payments on external debt, 2008-2034



Appendix B – Features of Tradable Bonds in the Domestic Market

Bond	First issue date	Interest	Interest payment
CPI-linked			
Galil*	Dec. 31, 1984	Fixed – based on average yields of fixed-coupon CPI-linked bonds, according to the term to maturity of the series or 1% (whichever is higher).	Once annually.
Linked Government Bond	Jun. 26, 2006	Fixed – as determined by the Ministry of Finance.	Once annually.
Dollar-linked			
Gilboa**	Oct. 24, 1988	Floating – based on six-month LIBOR interest rate.	Once every six months.
Unlinked			
New Gilon	Apr. 28, 1999	Floating – based on Makam yields for a period of 3-12 months.	Once every three months.
Floating-Rate Government Bond	Jan. 8, 2008	Floating – based on Makam yields for a period of 12 months.	Once every three months.
Shahar*	Aug. 24, 1995	Fixed – as determined by the Ministry of Finance.	Once annually.
Government Bond	Nov. 6, 2006	Fixed – as determined by the Ministry of Finance.	Once annually.
Short-Term Government Bond	Dec. 6, 2007	Fixed – as determined by the Ministry of Finance.	Once annually.

* This bond is no longer issued.

** This bond is no longer issued. One very small series remains in circulation.

Appendix C – Features of Bonds Issued by the Israel Bonds Organization

Bond type	Interest formula	Interest payment	Repayment period (years)	Minimum purchase
Fixed Coupon				
Jubilee 1 Year	TB1y + spread	Every six months	1	USD 25,000 (and in multiples of USD 5,000)
Jubilee 2 Years(1)	TB2y + spread	Every six months	2	USD 25,000 (and in multiples of USD 5,000)
Jubilee 3 Years	TB3y + spread	Every six months	3	USD 25,000 (and in multiples of USD 5,000)
Jubilee 5 Years	TB5y + spread	Every six months	5	USD 25,000 (and in multiples of USD 5,000)
Jubilee 7 Years(1)	TB7y + spread	Every six months	7	USD 25,000 (and in multiples of USD 5,000)
Jubilee 10 Years	TB10y + spread	Every six months	10	USD 25,000 (and in multiples of USD 5,000)
1-Year Savings Bond	Strip1y + spread	End of period	2	USD 2,500
2-Year Savings Bond(1)	Strip2y + spread	End of period	2	USD 2,500
3-Year Savings Bond	Strip3y + spread	End of period	3	USD 2,500
Mazel Tov 5-Year Bond	Strip5y + spread	End of period	5	USD 100
10-Year Savings Bond	Strip10y + spread	End of period	10	USD 2,500
Mazel Tov 10-Year Bond	Strip10y + spread	End of period	10	USD 100
Canadian Jubilee 1 Year	Canadian TB1y + spread	Every six months	1	CAD 25,000 (and in multiples of CAD 5,000)
Canadian Jubilee 2 Years ⁽¹⁾	Canadian TB2y + spread	Every six months	2	CAD 25,000 (and in multiples of CAD 5,000)
Canadian Jubilee 3 Years	Canadian TB5y + spread	Every six months	5	CAD 25,000 (and in multiples of CAD 5,000)
Canadian Jubilee 5 Years	Canadian TB5y + spread	Every six months	5	CAD 25,000 (and in multiples of CAD 5,000)
1-Year Canadian Savings Bond	Canadian Strip1y + spread	End of period	1	CAD 2,500
2-Year Canadian Savings Bond(1)	Canadian Strip2y + spread	End of period	2	CAD 2,500
10-Year Canadian Savings Bond	Canadian Strip10y + spread	End of period	10	CAD 2,500
5-Year Canadian Mazel Tov	Canadian Strip5y + spread	End of period	5	CAD 100
10-Year Canadian Savings Bond	Canadian Strip2y + spread	End of period	10	CAD 2,500
2-Year Euro Savings Bond	German Strip + spread	End of period	2	EUR 5,000
10-Year Euro Savings Bond	German Strip + spread	End of period	10	EUR 5,000
Floating Rate				
3-Year Libor Floating Rate Bond	Libor + spread	Every six months	3	USD 100,000 (and in multiples of USD 25,000)
4-Year Libor Floating Rate Bond	Libor + spread	Every six months	4	USD 100,000 (and in multiples of USD 25,000)

Bond type	Interest formula	Interest payment	Repayment period (years)	Minimum purchase
10-Year Libor Floating Rate Bond	Libor + spread	Every six months	10	USD 100,000 (and in multiples of USD 25,000)
1 Year Euro Floating Rate Bond	Euribor + spread	Every six months	1	EUR 5,000
2 Year Euro Floating Rate Bond	Euribor + spread	Every six months	2	EUR 5,000
7 Year Euro Floating Rate Bond	Euribor + spread	Every six months	7	EUR 5,000

(1) Sales of these bonds ceased in 2007.

Appendix D – Primary Dealer Rankings, 2007

Rankings listed from highest purchases/activity volume to lowest purchases/activity volume:

Primary market (issues on the Bloomberg system)		Secondary market (trading on the MTS system)	
1.	Deutsche Bank	1.	Discount Bank
2.	Bank Leumi	2.	Bank Leumi
3.	Poalim Sahar	3.	Bank Hapoalim
4.	Migdal Stock Exchange Services	4.	Deutsche Bank
5.	Morgan Stanley	5.	Standard Bank
6.	Union Bank	6.	UBS
7.	Bank Hapoalim	7.	Migdal Stock Exchange Services
8.	Clal Finance	8.	Citibank
9.	First International Bank of Israel	9.	Mizrahi Bank
10.	Mizrahi Bank	10.	U-Bank
11.	Goldman Sachs	11.	Poalim Sahar
12.	Excellence Nessuah	12.	Clal Finance
13.	Discount Bank	13.	Union Bank
14.	U-Bank	14.	Excellence Nessuah
15.	Citibank	15.	First International Bank of Israel
16.	Lehman Bank	16.	Goldman Sachs
17.	UBS	17.	Morgan Stanley
18.	Merrill Lynch	18.	Lehman Bank
19.	Standard Bank	19.	Merrill Lynch

Ranking in the secondary market is based on weighted calculation of the following five parameters:

1. Total trading volume: total trading volume of each Primary Dealer on the MTS system – 40%.
2. Trading volume, filler only: trading volume initiated by each Primary Dealer by quoting a price and quantity on the system and waiting for a “hit” from another party to create a transaction – 25%.
3. Time: the number of hours per day in which each Primary Dealer quotes bid and ask prices, while meeting quoting commitments – 5%.
4. Volume: average daily quote size, while meeting commitments – 10%.
5. Average spread weighted by duration: average bid-ask spread for each bond, taking the duration of the bond into account, such that the longer the duration, the higher the score assigned for a smaller spread – 20%.

Appendix E – Personnel of the Government Debt Management Unit

Name	Position	Telephone No.	E-mail
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Appendix F – Structure of the Debt Management Unit's Website

The website of the Government Debt Management Unit presents extensive, varied information to the public regarding debt management. The following table lists the types of information presented on the website.

Government Debt Management Unit	Domestic Debt	External Debt
Domestic Debt Management Department	General	General
External Debt and Foreign Currency Transactions Department	Features of domestic debt	Features of external debt
Risk Management Department	Interest rates	Funding principles
	Features of tradable bonds	Funding sources
Government Debt	Secondary market	Israel Bonds Organization
Structure of government debt	Turnovers	Public offerings
Total debt and debt as a percentage of GDP	Bond-market reform	Issues backed by U.S. guarantees
Risk Management	General	Private placements
	Contractual engagement documents	Bank consortium
General	Bond lending facility	Shelf plans for issues
About the department	Market-maker rankings	Israel Bonds Organization
Risks in government debt	Swap auctions	General
Models	Funding	Funding summary
Benchmark model	Auction procedures	Previous issues
Issuance model	Tradable funding forecast	Issues on world markets
Estimated debt payments	Funding data table	Issues backed by U.S. guarantees
Estimated interest-rate curves	Issuance and redemption queries	
Publications	Issuance questionnaire	Credit Ratings
Annual report	Nontradable bonds	What are credit ratings?
Prospectuses of the State of Israel	Features of nontradable bonds	Definition of credit rating
Presentations	Nontradable bond issuance procedure	Considerations of rating agencies
Additional publications		Israel's credit rating