ISRAEL HIGH-TECH & INVESTMENT REPORT

A MONTHLY REPORT COVERING NEWS AND INVESTMENT OPPORTUNITIES

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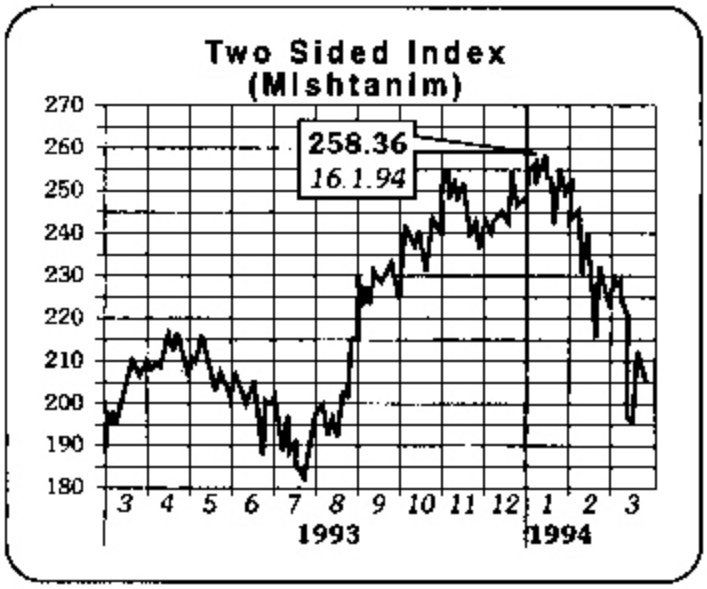
From the Editor's Desk

Private projects may be the coming attraction

The Tel Aviv Stock Exchange has been rising sharply for four years, making it one of the world's premium performers. Since 1989, the "bull" market has gone from one strength to the next. The US dollar return on the exchange's market indices varied from year to year, but was consistently spectacular: 1991 saw a 45% return, 1992 a 58% return and 1993 a 38% return.

During this period, there have been occasional sharp reverses, such as took place during Operation Desert Storm in 1991, but these were followed by strong rebounds. Since September of last year, the prospect of peace, with its possibility of drastic reductions in the defense budget and a blossoming in international trade, further energized the market. It peaked on January 16, with the Two-Sided Index standing at 256.



By mid-March the bourse had fallen by 18%.What happened?

The drop was triggered by a number of events, including the arrests of a number of money managers who have been charged with stock manipulation, and the Hebron massacre.

How will these things affect the Israeli economy and the bull market for equities? It's hard to say. The answer is less connected to economic fundamentals (which remain healthy), and more to near-term developments. The real estate market, for example, which rose by more than 20% in 1993, appears to be ready for revaluation, and the recent closure of the territories is bound to affect housing starts. All in all, the economy may be in for less growth than previously anticipated.

Most foreign investors in Israel have chosen to invest through the stock market, generally avoiding alternative investments.In this month's *Report* we describe a number of opportunities to invest in high technology before the companies involved "go public." All the products being developed are based on unique technologies, have the support of government R&D funding, address large markets and are as-yet relatively unknown. Qualified investors will find some of these situations exciting, but since investment in private companies should be done only after "due diligence," please take these comments as strong signals rather than actual recommendations.

In this Issue

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The next bull market

The Israel of the 1990s merits strong consideration for investment. It is an economic growth area.The prospects of a negotiated peace, plus Israel's unique trade agreements with both the US and Europe, are supportive of expanding exports.

The simplest way, as many have learned to their satisfaction, is to invest in a national fund such as the Israel Fund on the New York Stock Exchange. It is currently quoted at less than 15% below its 52-week high of $20. This price reflects a recent 25% price correction on the TASE.

Most of the foreign investment last year, which totaled about $750 million,was directed into shares registered on the Tel Aviv Stock Exchange. Analysts are suggesting now that the time is ripe for greater investment selectivity -- a good strategy in markets without a clear short-term direction. Rather than investing in publicly quoted companies whose market capitalizations currently reflect excessive optimism, one might consider equity in companies that are still in the development stage.

The successful commercialization of basic research is a major goal of the R&D authorities linked to Israel's great universities.These institutions are the staging grounds of projects from which will spring future successes.The Hebrew University, Ben Gurion University, Bar Ilan, the Weizmann Institute of Science, the Technion and Tel Aviv University are all justifiably proud of their commercialization efforts. In the past 15 years several hundred commercial projects have evolved from research at the universities.

Israeli entrepreneurs, scientists and venture capitalists are allowing a trickle of private-placement participation in electronics, healthcare and software -- all areas where Israeli businesses have a good track record, and enjoy certain advantages. But remember, such investments are only suitable for those who can afford the risks inherent in technologies that are still in their diaper stage; the products have not been market tested.

There are some interesting ongoing projects in various stages of development, some of which will be turned into public companies in the foreseeable future. Several such projects are described here.The products are either folded into existing companies or become the foundation of entirely new companies. Some have resulted in impressive product sales. Of course,these companies and projects require greater study before any commitments are made.

Time-release drugs for teeth

Scientific research into the sustained release of drugs for dental application is being conducted at the Hebrew University's School of Pharmacy. Many of the resultant products have been licensed by Yissum Research and Development Company to Perio Products, a company formed by Israel Chemicals, the country's largest chemical complex.

"The research began in 1982. Five years later we had the basis of two drug delivery systems for the treatment of periodontal diseases. One system consists of a chip made of a biodegradable polymer which serves as a carrier. Liquid in periodontal pockets biodegrades the chip and releases the drug over a period of 7-10 days," explains Professor Michael Friedman.

The market for the novel drug-release product is substantial --$400 million annually in the United States.

Other interesting possibilities

Tel Aviv University's TAUVEX **satellite telescope** project and the Technion's 50 kg satellite to be launched later this year from Kazahkstan are projects which will either become the object of multinational cooperative arrangements or independent commercialization.

Healthcare Technologies is a public company which has adopted the work of Prof. I. Sorov at Ben Gurion University -- a world renowned expert in chlamydia. The company's **kits for the diagnosis of chlamydia** are an important part of its annual sales of about $10 million.

The development of **interferon-based pharmaceuticals** resulting from collaboration between Weizmann Institute researcher Michel Revel and InterPharm Laboratories has resulted in a commercialization unrivaled in the annals of Israeli high-tech. Interferon was a buzzword of the late 1970s, and scores of companies in Europe and the US entered the field. The Swiss Ares-Serono pharmaceutical company joined the InterPharm venture. Yeda Research and Development, the Weizmann Institute's commercialization arm, elected to retain equity in InterPharm for the rights to interferon technology.

By 1990, Yeda had realized its investment of $7 million. In 1993 InterPharm, a public company, had sales of about $50 million. Many private investors who purchased InterPharm shares were able to realize hundreds of per cent in profits. Further growth is expected, according to Wall Street analysts.

For Yeda, such direct investment in the commercialization of its own technology remained a precedent until last year, when it acquired shares in a newly formed company, **Xenograft Technologies Ltd.** In lieu of cash payments for the licensing of its proprietary engraftment technology, Yeda accepted shares representing less than 25% of the share capital.This act of faith aroused our deep interest.

Understanding human monoclonal antibodies

Antibodies are proteins which help the body in creating a defense against infectious diseases and cancer.They are created by white blood cells (B cells) on exposure to living viruses or as a result of vaccination, and neutralize pathogens and cancer cells by adhering to them and marking them for destruction by other cells. For therapeutic purposes, antibodies can be introduced to create "passive immunity" for patients whose bodies are incapable of producing an immune response. Most antibodies in use today come from human donors, or from horses and sheep after these have been vaccinated to produce a high level of immunity.

Twenty years ago a breakthrough was achieved by Kohler and Milstein, British research physicians who developed a novel method for producing monoclonal antibodies by fusing an antibody-producing B cell from an immunized mouse to a laboratory cell line,thus generating large quantities of antibody-producing cells.

Recent developments

In 1988, a seminal paper by Mosier showed that one can put human lymphocytes (T cells and B cells) into mice which lack the ability to produce antibodies. these mice then produced a high level of human immunoglobin. These rodents became known as SCID mice. This knowledge became the basis for research undertaken by Yair Reisner at the Weizmann Institute. Prof. Reisner's expertise in the separation of T and B cells from bone marrow and the methods that he developed, in 1980 were used to cure a children suffering from severe combined immunodefficiency disease at the Memorial Sloan Kettering Cancer Institute. Reisner was also part of an international team invited by the Russians to carry out bone marrow transplants on individuals suffering from radiation exposure as a result of the Chernobyl disaster in 1986.

By 1993, Yair Reisner's experience had led him along a new path, one which drew the attention of a group of venture capitalists. They put together a financing package of more than $6 million to acquire rights to the research, its development and commercialization.

The Yair Reisner research at Weizmann Institute

There is now a new way of making antibodies of choice in all rodents and not only in SCID mice. A milestone was reached when it was shown that normal mice or rats could be converted into SCID like animals by means of bone marrow transplantation, using the SCID mice as bone marrow donors. The mice were then ready to receive human lymphocytes and then were immunized with antigens and the human lymphocytes produced the relevant antibody. The next challenge was the "eternalization"of the B cells that are the essential component of the antibody. Eternalization is the final process after screening, fusion and cloning of the B cells.

The development stage about to be undertaken by Xenograft Technologies aims at producing human monoclonal antibodies in sufficiently large quantities so that they can be used in treating patients. The cloning of cells after their sequencing -- or eternalizing, as scientists say -- is being perfected. Mice and other animals so prepared can be expected to produce the desired antibodies on being exposed to a variety of viral or cancer antigens.

The results appear promising and are providing the impetus to begin development. The cost of development and upscaling, further research, clinical testing, and the formation of links with major companies is immense. Judging from the costs incurred by other companies which have started from a basic idea and succeeded in creating diagnostic or therapeutic products which have reached the market place, millions of dollars will be needed.

Approximately $10 million has been invested in two rounds of financing since the company's formation in 1993.

Whether human monoclonal antibodies developed and produced by Xenograft will indeed lead to new medical products and therapeutic agents for cancer and other infectious diseases has yet to be seen. However, based on what is already proven and what is known about the participants, including the scientists and their advisors, it appears to be one of the more promising monoclonal antibody projects in this country.

New treatment for cancer of the liver

Until recently, primary liver cancer has been treated with the chemotherapeutic andriamycin to suppress tumor growth, but this drug has the unfortunate side effect of destroying many healthy cells in adjacent organs. Dr. Ruth Adler, with Dr. Daniel Shouval of the HU Hadassah Medical School, has developed a new method for targeting the anti-tumor medication more precisely. It is based on the fact that some tumors have unique proteins on their surface, so that specific antibodies, injected into the host's veins,

will find these tumor cells. Dr. Adler coupled these antibodies to andriamycin, using a technology developed at the Weizmann Institute, and discovered that the agent was delivered to the tumor without harming healthy tissues of the heart and bone marrow, as usually happens with andriamycin when administered in large doses.
The new method has been tested on a special strain of mice, but it will be some time before it can be evaluated in human patients.
HUJ RESEARCH & SCIENCE NEWS MARCH 1994

Dry or wet exercise against osteoporosis?

An unusual five-month experiment has been conducted at the Hebrew University to prove that exercising in water can restore bone mass in post-menopausal women over 50, who are particularly vulnerable to bone-mass loss and fracturing.
Two groups of women were involved, each meeting at the HU's Cosell Center for Physical Education three times a week for 45-minutes -- one group in the gym and the other in the pool. The results showed significant gain of bone mass among the "water babies," while the "landlubbers" showed little gain.
Ester Goldstein, a physical education teacher at Wingate Institute, undertook this research as part of her master's degree. She believes that the gentler medium would especially benefit those who, because of injuries, chronic illness or already brittle bones might be unable to participate in conventional exercises.
HUJ RESEARCH & SCIENCE NEWS MARCH 1994

Use of Enzyme in Glaucoma surgery

A new method for treatment in glaucoma related surgery holds out promise for patients. There is no known cure for glaucoma which is caused by the obstruction of the flow of eye fluid and an increase in intraocular pressure.. Relief is provided by the use of drops, laser surgery and ultimately if the other treatments do not work, by corrective surgery.
Professor Arieh Yaron of the Weizmann Institute together with Dr. Jacob Dan have developed a technique by which collagenase enzyme is applied to the eye by means of special delivery system.
Experimental results indicate that the enzyme softens the hard substance of the eye and allows for the liquid to filter out. The technique has been assigned a patent held by Yeda Research. The research has had financial support of the Office of Chief Scientist of the Ministry of Trade and Industry. Medical and healthcare technology venture capitalists should be looking at this project. Dr. Dan has developed the mechanics of the techniques. The commercial potential may lie in the development of a simple kit for use by ophthalmologists in their offices.

Self-tinting for plastic lenses

Self-tinting spectacles have been around for a while, with 10 million pairs being sold annually in the US alone. However, until recently the lenses had to be made of glass, although 80% of the people in industrialized countries who wear glasses prefer lightweight plastic lenses.
At the Weizmann Institute, scientists have developed a polymer that darkens when exposed to sunlight. It can be used as an ultra-thin coating on plastic lenses.
Prof. Valerie Krongauz, who pioneered photochromic polymers 20 years ago, developed the new material.
A patent application has been filed by Yeda Research & Development Company, which is responsible for the commercialization of Weizmann research.

The Israeli fourth International Business Conference

The senior political advisor to Egyptian President Hosni Mubarak, Osama El-Baz, and the Director General in the Department of Economic Affairs & Planning for the PLO, as well as Ahmed Khuri (Abu Ala), one of the architects of the Oslo Accords, were among dozens of international leaders to gather in Jerusalem from February 28 to March 2. Among the luminaries were presidents and prime ministers from Eastern Europe and Japan. In addition, a group of senior executives from international corporations participated in sub-committee meetings.These included executives from Coca Cola, Salomon Brothers, Ford of Europe, General Electric (Europe), Dow Chemicals, Merril Lynch, National (China) Chemicals Import & Export Co., and Hyundai Heavy Industries. Altogether, more than 900 businessmen representing over 35 countries came together.
The two international plenary sessions discussed "The Mid-East Economy in an Era of Peace," and "Bridging East and West: Cooperating with Israel and Adjacent Economies." A Business Opportunities Fair presented over 350 projects to facilitate cooperation between Israeli and foreign companies.
A special train tour -- "The Forum-Telegraph Express" -- stopped at Israel's industrial and technological sites in the South.
This year's conference was the best so far, and the intense interest in potential investment, trade and business activity in Israel was noticeable. Conference Chairman Chaim Weiss has reported that he was aware of the conclusion deals totalling $45 million. However, this figure could be much higher as it is based on information received from a only a small number of all of the participants at the Conference. A follow up conference to be held in New York is being put together at the initiative of Canadian Ted Belman, a participant at the Forum Meeting in Jerusalem.

(Cont'd on page 6)

The Capital Market

Prices of equities on the Tel Aviv Stock Exchange have been deflated as a result of the dip which began on January 16. On March 14 which has been identified as a recent bottom the widely followed MAOF Index signalled a technical "bottom" of about 22 per cent. The Index had traded on that day in the 193-195 range. As seen in the above table, on March 17 it had recovered somewhat to 209. The downward weight on the market exerted by recent political developments culminating in the UN resolution condemning the have of the Fathers massacre has lessened the prospects of a further fall. A return to the peace negotiation tables should remove some of the uncertainties.
However, further police revelations of arrests among money manager charged with manipulation of share prices is spreading to employees of the banking system. A number of individuals have been criminally charged and the more scandals may be revealed.
The current phase of the market has brought down share price multiples to what economists and analysts consider as attractive. According to Bank Leumi the average price/ earnings ratio of the 100 companies with the largest market capitalization is 17-18. The bank is recommending to start to accumulate new positions. However, Bank Hapoalim in a more cautiously worded report is also saying that prices are at attractive levels.

After the bottom

	3/22/94	2/22/94
General Share Index	216.4	237.2
Mishtanim Index	207.2	227.1
Maof Index	207.7	227.9
Karam Index	240.8	263.7

Mutual Funds

Mutual fund managers were unable to post positive yields in February and March. In February the Index of all mutual funds was negative and down by 10.5 per cent. The erosion in net asset values continued into March and improved only after the MAOF Index held at 192 Index levels.
The tables indicating the best performances of the share funds in dollar terms, over the preceding 12 months, indicate that the 55.2 % yield for Afikim Share Fund at the end of January had fallen to 31.4% at the end of February. Repeaters on the best performers list included Magic (Moritz & Tuchler), Analyst Shares and Epsilon. In the "specialized sectors" Unitrust's Zik remains on the best performer list however, its yield was down to 35.3% from 58.8%. The funds whose objective is aggressive capital building, as experts point out, outperform in rising and falling markets. There could be some strong upside performances among this group in any near term rally.

Share Fund Yields

Category: Diversified and Flexible Share Funds

Investment Objective: Growth

Management Policy: Manager invests in equities with mix of investments adjusted to market conditions.

Funds in Category: 47

Top Five Performers

Fund	Manager	% gain
Ramco Flexible	Ramco	41.9
Psagot 100	Psagot	35.5
Panther	Central Trade	34.8
Lemashkiya	Goldman	34.6
Afikim Flexible	Afikim	24.3

Category: General, Variables and Maof

Investment Objective: Aggressive Growth

Management Policy: Manager invests in the 70 leading shares making up the TASE Share index or in the 25 leading shares which make up the Maof Index

Funds in Category: 47

Top Five Performers

Fund	Manager	% gain
Afikim Shares	Afikim	31.4
Magic	Moritz & Tuchler	26.2
Analyst Shares	Analyst	24.4
Epsilon Shares	Epsilon	22.8
Nof	---	20.5

Share Fund Yields

Category: Specialized

Investment Objective: Aggressive Growth

Management Policy: Manager invests in specialized sectors as real estate, oil infrastructure etc.

Funds in Category: 55

Top Five Performers

Fund	Manager	% gain
Ahrayut Oil	Ahrayut	59.9
Zik	Unitrust	35.3
Raam 90	Silberman	56.4
Mivneh	Fibi	27.4
Lahak Slayit	Lahak	23.9

(percentages represent gain in value in U.S. dollar terms for 12 months ending February 28, 1994)

Database: Meytav Mutual Funds

(Cont'd from page 4)

ESC-Energy Systems gets additional financing

Vascular lesions in leg veins constitute a cosmetic as well as a physiological problem for women worldwide. ESC Energy Systems Corp. Ltd., founded in 1992, has begun to ship an electro optical system called PhotoDerm for their non-invasive removal.

The company was founded by Doctors Shimon Eckhouse and Hillel Backrach. Anglo America Ventures Ltd., a major Israeli venture capital fund, invested $1 million in ESC in first-round financing. In a recent private placement engineered by Anglo American, one sixth of ESC was acquired for $1 million by Nitzanim, which in turn was founded by Kyocera of Japan and SBD Israel.

ECI Telecom

ECI Telecon broke new ground by winning an order from a leading European postal telegraph company for $45 million for its PCM-2 digital pair game system, enabling a subscriber with a single twisted-pair copper line to handle two digital calls at the same time.

The name of the carrier was not disclosed.

Scitex profits down on record annual sales

Scitex Corporation has announced a net profit of $94.3 million, or $2.21 per share, for the year ended December 31, 1993, compared with $122.4 million or $3.02 per share for 1992. Results for the year include a non-recurring gain of $4.9 million due to an accounting change, or $0.12 per share, recorded in the first quarter.

For the fourth quarter of 1993, the company reported a net income of $19.1 million, or $0.45 per share, compared with $35.2 million, or $0.83 per share, a year ago. Results of the fourth quarter include a one-time charge of $4 million which affected the reported gross profit.The charge was primarily the result of an inventory writedown taken in streamlining the company's European logistics operations.

The investment community reacted positively to the Scitex announcements, and its American-listed shares moved up by over $1, to the mid $20s. Scitex is involved in electronic prepress systems, one of the most exciting areas in the publishing world. Astute investors are probably looking at the recent valuation with a view to long-term capital appreciation.

"We are pleased with our results for the quarter," said Arie Rosenfeld, Scitex President and CEO. "Excluding one-time charges, these results reflect a significant improvement of $3.3 million -- or 14% -- in pretax profits from the prior quarter. Pretax margins in the quarter would have been in excess of 15%. In particular, we are encouraged by the upward sequential trend of European revenues.These results reconfirm Scitex's position as the largest and most profitable company in our industry."

A company to watch

Neoprobe Corporation, located in Ohio, is an innovator in radioimmunoguided surgery, which uses radio-labeled agents to target cancer sites during surgery while a handheld gamma detector identifies the tagged tissue.The company has carried out clinical testing in Israel, as well as in other countries. Neoprobe Israel will operate a radio-labeling facility. Neoprobe Corp. is a public company traded on NASDAQ under the symbol NEOP.

It's Magic!

Magic Software continues to expand its sales and profits in line with expectations. By management's estimates,1994 sales could be in the order of $25 million, with a net profit of $3.8 million. Magic's growth is related to major product introductions in 1993, the opening of a marketing office in Germany, and the expansion of its French office. Also, new joint marketing agreements have been forged. Magic has also won several key industry competitions. Magic's core product consists of a family of client/server software tools used to develop software programs without writing lines of computer code. Magic is a public company with shares traded on NASDAQ under the symbol MGICF.

Laser Industries

Laser Industries has completed its best year since the late '80s, reporting profits of $2.2 million on $31

million in sales. Its chairman and CEO, Benjamin Gibli, says the new office-based ear, nose and throat procedures will be leading the company to additional growth in the current year.
Laser Industries still needs to prove it can develop new systems for various surgical applications. For the time being, the company's growth will be related to expansion in its traditional markets.

Elscint is still sluggish
In spite of introducing new Tomograph models, cardiological imaging systems, a new MRI unit, and two new ultrasound systems, Elscint's sales advanced by only 8% in 1993, to $237.8 million. The company's profit position was enhanced by a $5 million settlement for patent infringement.

Energy-efficient apartment building
Aimed at providing thermal comfort with minimal use of purchased energy, a six-storey building with four apartments per storey is being designed by Ben-Gurion University's Desert Architecture Unit, headed by Dr. Yair Etzion. Ceiling fans and mechanical dehydrators to combat humidity (which can reach 75% in summer) and solar energy for the winter months are some of the measures being introduced.This apartment block is to be erected in Jaffa on Israel's coast.

Perpetual learning
The existence of an area in the brain that controls the sense of sight and all its aspects -- color, movement, depth, form and orientation -- has been known to scientists for only a few years. Researchers at HU have identified the area that controls cognitive leaning and the memory for complex shapes. It is the first time that electrical brain activity has been documented while the learning process is taking place. The researchers hope to someday use this knowledge to help rehabilitate patients who have suffered brain damage.

LanOptics sales soar but profits weaken
In spite of a near doubling in sales, LanOptics' fourth quarter net shrank to $0.6 million, or $0.10 per common share, down 40% from the same time last year.This compared with per earnings of $0.21 in the fourth quarter 1992 and estimates of $0.32. The company attributed the decline to a one-time rise in R&D costs and higher-than-expected marketing costs in the U.S. and Britain.

Lannet 1993 Net Earnings Fall
Net income for Lannet Data Communications fell sharply last year to $4.19 million from $13.04 million in 1992. Sales were also off slightly at $45.6 million as compared with $46.79 million in 1992.

For Scitex Digital Printing is the Strategic Market Scitex aims at becoming the central player in the infant digital printing market. According to President Arye Rosenfeld, the company is in advanced negotiations with two digital printing companies - Indigo, a company based in Rehovot, Israel, and a Belgian company called Zircon - and will form a strategic marketing relationship with one of them. Scitex expects to sign an agreement in the shortly

Teva's healthy profits
Teva Pharmaceutical Industries reported net profits of $57.5 million in 1993, an 81% increase over its $31.7 million profits in 1992. Teva profits in the fourth quarter of 1993 totaled US$16.2 million, a 59% increase over the corresponding period of 1992. Teva's sales totaled $502 million in 1993, a 27% increase from the $395 million figure for 1992. Fourth quarter sales totaled $131 million. The growth in sales comes from American generated generic sales with only 3% of the total growth coming from the Israeli market.

RAD 1993 Sales Reach $60 million
RAD's Marketing Director, Efi Wachtel, said that developing countries are particularly interested in RAD products because they can facilitate switching from their current communications infrastructure to the next generation of communications.
RAD Data Communications, part of the RAD Byte Group, registered a 30% increase in sales for 1993 over 1992's figure. Sales revenues, nearly all of which came from exports, reached $60 million for the yea.
In the highly competitive North American market, RAD achieved a 38% increase in sales in 1993. This is due in large part to broad acceptance of its products for use in wide area networks (WAN) by telecommunications companies and their service providers.

Mennen to equip Chinese hospitals
Mennen Medical has signed a $5.5 million deal with China's Ministry of Health to supply 40 hospitals with medical equipment. Mennen will supply the hospitals with computerized systems for emergency care, recovery room equipment, and equipment to monitor patients' vital signs during operations.
Tel Aviv based Mennen Medical Ltd is owned by Clal Electronics, Dovrat Shrem and Odyssey Partners, Ehud Geller and David Efrati.

Medical Services and Israel's Neighbours
Minister Haim Ramon told listeners at TAU, I would suggest lowering expectations that Israel well become the region's medical center as soon as peace agreements are signed". Ramon cited the case of

Cyprus as a good example of how such a vision is divorced from reality. "Though Cyprus is very close to Israel and its level of medical services is lower than Israel's, still Tel Aviv's Tel Hashomer Hospital provides only $1 million worth of services to Cypriot patients out of its total hospital revenues of $130 million, because generally patients prefer hospitalization near home and family and in a facility that understands their language." Additional concerns such as national and religious pride might also prevent Arabs from seeking medical care in Israel.

Health in the territories

Once Israel pulls out of Gaza and the West Bank, responsibility for health in the territories will devolve upon a planned "Autonomy Council". Ramon believes that since the majority of the 4,000 employees in the territories' medical system are Palestinian, the transfer of authority will be relatively smooth.

Ramon claims that the level of medical care in the West Bank and Gaza is better than in Arab countries. "When we came to the territories in the early 1970s, infant mortality was approximately 130 per 1,000 births, while now it is down to about 30 per 1,000 births. During the same period, the percentage of births taking place in hospitals rose from 10 to 60% and mortality among mothers has become even lower than in the U.S.

Furthermore, 90% of children benefit from a high level of inoculation against diseases that were prevalent only 20 - 30 years ago. Some diseases, such as jaundice and whooping cough, have vanished altogether."

Tel Aviv University News.

Infra-red technology limitations being surpassed in Jerusalem

Wired optic fiber networks represent a major technology achievement. However, advanced techniques in infra-red technology developed by Jerusalem Optical Link Technologies have been cited by EuroComms as forcing back the boundaries of photonics, the communications technology using wave lengths in and around the visible part of the spectrum.. Solving problems such as creating a cable for Israeli computerized tomography producer is proof of the capacity to get to solutions in industry.. The communications technology allows for throughgput of information in excess of 100 Mbps and this is being offered for for hooking up Ethernet or Token Ring Local Area Networks.

The Arab States - Facts and Figures

The current total population of the Arab countries approaches 250 million. This number doubles every 25 yeas. The average income of most individuals is low but there is a wealthy class in each country. The Gulf states are well known for their riches, the average income per person being among the highest in the world. In 1991, the Arab countries imported $130 billion worth of goods. Over 70% of these imports were from the industrialized counties. It is stunning to note that trade between the Arab countries accounts for only 5% of total imports. This is an indication of how great the potential is for exporting Israeli products to these countries, particularly the Gulf States. The cost of transporting products from Israel to these countries will be much lower than the cost of shipping from, for example the U.S., which exported over $19 billion in goods to the Arab countries in 1991.

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