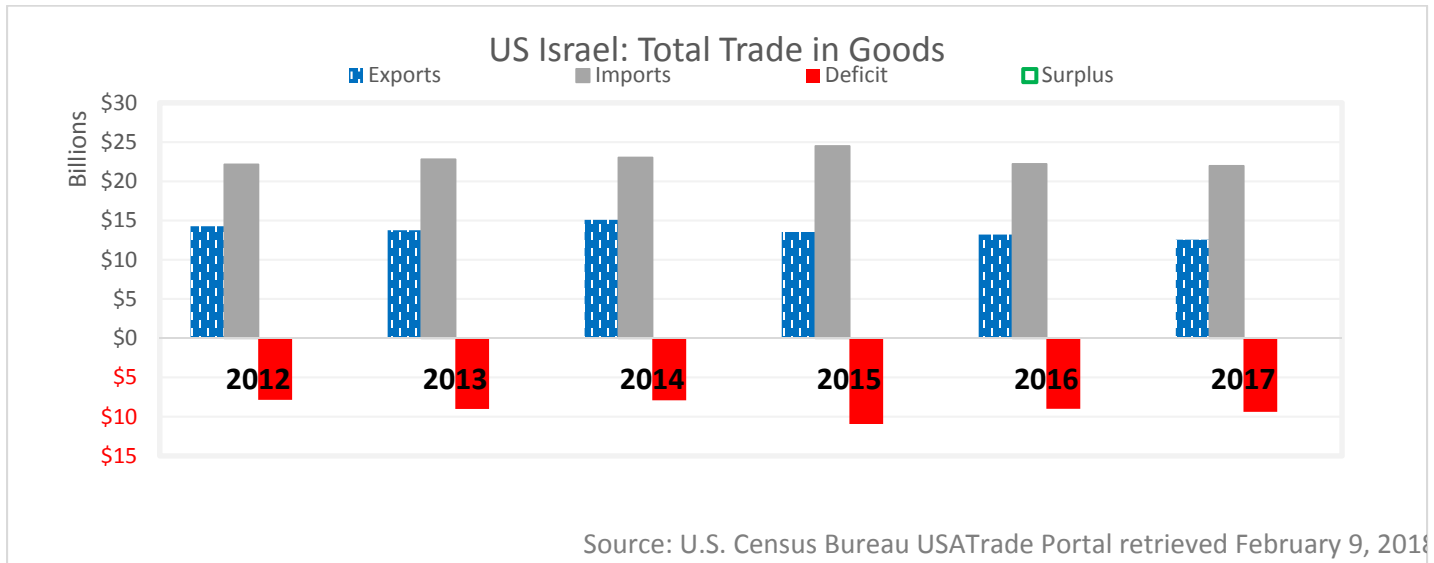




I. Total U.S. Trade in Goods with Israel

In 2017, U.S. exports to Israel totaled \$12.5 billion, a 4.9% (\$652.8 million) decrease from 2016; U.S. imports from Israel totaled \$21.9 billion, a 1.2% (\$256.9 million) decrease; and the trade deficit was \$9.4 billion, a 4.4% (\$395.9 million) increase.



In 2017, 0.8% of total U.S. exports were exported to Israel while 0.9% of total U.S. Imports were imported from Israel. The level of U.S. exports to Israel is higher than the preceding five-year average. The U.S. imports from Israel is slightly below the preceding five-year average not adjusted for inflation.

| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2012-2016 Average |
|---------|-------------|-------------|-------------|--------------|-------------|-------------|-------------------|
| EXPORTS | \$14,273.5 | \$13,743.7 | \$15,073.0 | \$13,539.2 | \$13,196.6 | \$12,543.8 | \$13,965.2 |
| Δvalue | -- | -\$529.8 | \$1,329.3 | -\$1,533.8 | -\$342.6 | -\$652.8 | |
| Δpct | -- | -3.7% | 9.7% | -10.2% | -2.5% | -4.9% | |
| IMPORTS | \$22,131.1 | \$22,783.3 | \$23,007.1 | \$24,478.0 | \$22,203.5 | \$21,946.6 | \$22,920.6 |
| Δvalue | -- | \$652.2 | \$223.7 | \$1,470.9 | -\$2,274.5 | -\$256.9 | |
| Δpct | -- | 2.9% | 1.0% | 6.4% | -9.3% | -1.2% | |
| BALANCE | (\$7,857.6) | (\$9,039.6) | (\$7,934.1) | (\$10,938.8) | (\$9,006.9) | (\$9,402.8) | (\$8,955.4) |
| Δvalue | -- | (\$1,182.0) | \$1,105.5 | (\$3,004.7) | \$1,931.9 | (\$395.9) | |
| Δpct | -- | 15.0% | -12.2% | 37.9% | -17.7% | 4.4% | |

Values in Millions of U.S. Dollars. Source: U.S. Census Bureau USA Trade Portal February 9, 2018



In 2017, of the \$12.5 billion in U.S. exports to Israel, the top commodity sectors were Stone, Glass, and Semiprecious metals items (40.4% of the total U.S. exports), Machinery (18.8%) and Transportation Equipment (12.7%).

In 2017, of the \$21.9 billion in U.S. imports from Israel, the top commodity sectors were Stone, Glass, and Semiprecious Metals items (34.2% of the total U.S. imports) and Chemicals, Plastics, and Leather items (26.8%).

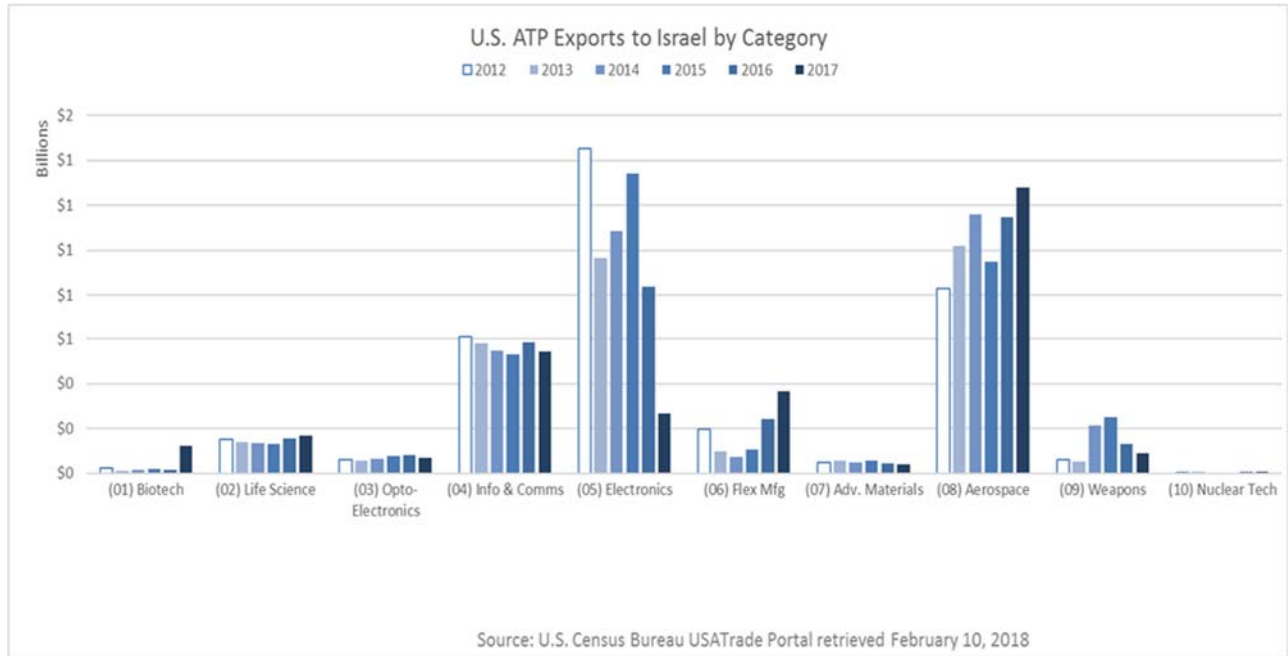
In 2017, the top commodity sectors Stone, Glass and Semiprecious Metals items in U.S. – Israel trade also constituted relatively larger percentages in the U.S. – World trade for the sectors. U.S. exported \$5.1 billion worth of Stone, Glass, and Semiprecious Metals items to Israel, representing 7.0% of total U.S. exports to the world; U.S. imported \$7.5 billion of the same commodities from Israel, representing 9.3% of total U.S. imports for the sectors.

| Imports from Israel by Sector | Israel Commodity Trade 2017 | US exports to Israel by Sector |
|-------------------------------|---|--------------------------------|
| \$21,946,600,091 | Total Value All Commodities | \$12,543,778,417 |
| 1.6% | Agriculture (Chapters 01-24) | 4.4% |
| 0.2% | Minerals (Chapters 25-27) | 1.5% |
| 26.8% | Chemicals, Plastics, Leather (Chapters 28-43) | 9.1% |
| 0.4% | Wood Products (Chapters 44-49) | 1.0% |
| 1.4% | Textiles and Footwear (Chapters 50-67) | 0.6% |
| 34.2% | Stone, Glass, & Semiprecious Metals (Chapters 68-71) | 40.4% |
| 1.9% | Base metals (Chapters 72-83) | 2.2% |
| 14.0% | Machinery (Chapters 84-85) | 18.8% |
| 3.7% | Transportation (Chapters 86-89) | 12.7% |
| 7.3% | Optical, Measuring, Medical or Other Instruments (Chapters 90-92) | 5.2% |
| 0.7% | Arms & Ammunition (Chapter 93) | 1.1% |
| 0.8% | Miscellaneous Manufactured Items (Chapters 94 -96) | 0.5% |
| 0.1% | Art & Antiques (Chapter 97) | 0.3% |
| 6.9% | Special Items (Chapters 98-99** Imports only 99) | 2.3% |

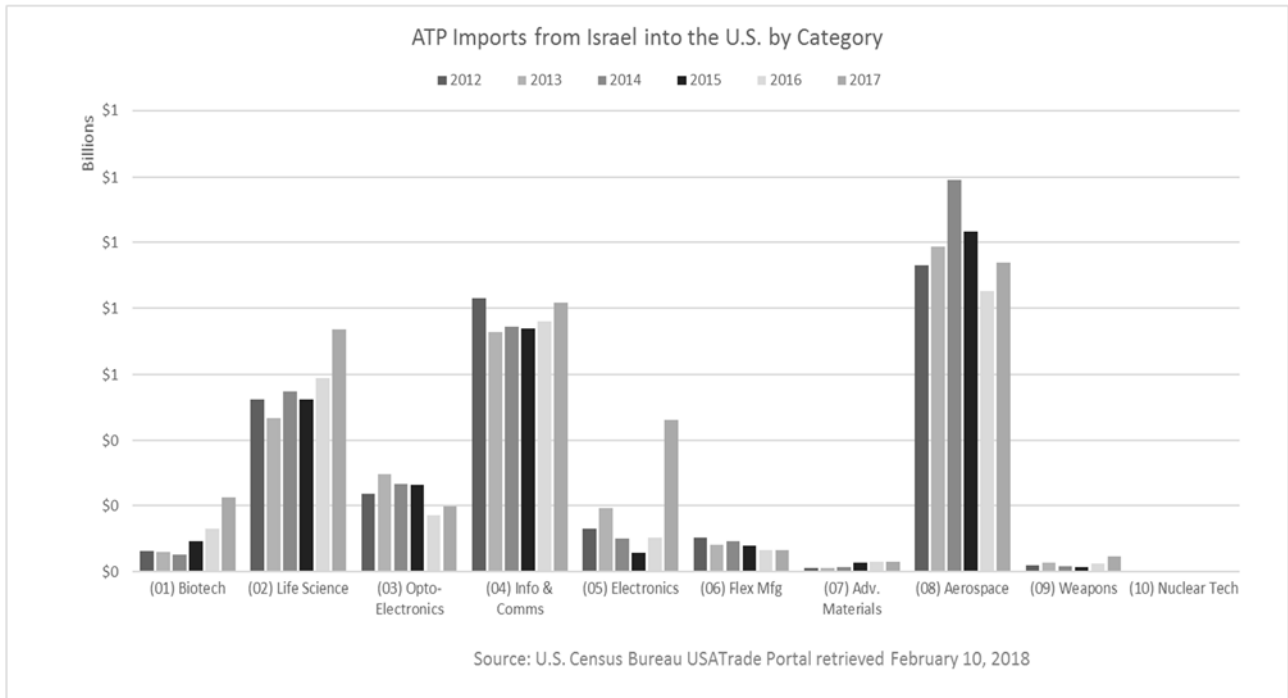
Source: U.S. Census Bureau USATrade Portal retrieved February 10, 2018



In 2017, 0.8% of total U.S. ATP¹ exports were exported to Israel.



In 2017, 0.8% of total U.S. ATP Imports were imported from Israel.



¹ Advanced Technology Product (ATP): about 500 of some 22,000 commodities classification codes contain products from a recognized high technology category (e.g., biotechnology).



II. Exports to Israel subject to US Government Filing Requirements

In 2017, of the \$12.5 billion in U.S. exports to Israel:

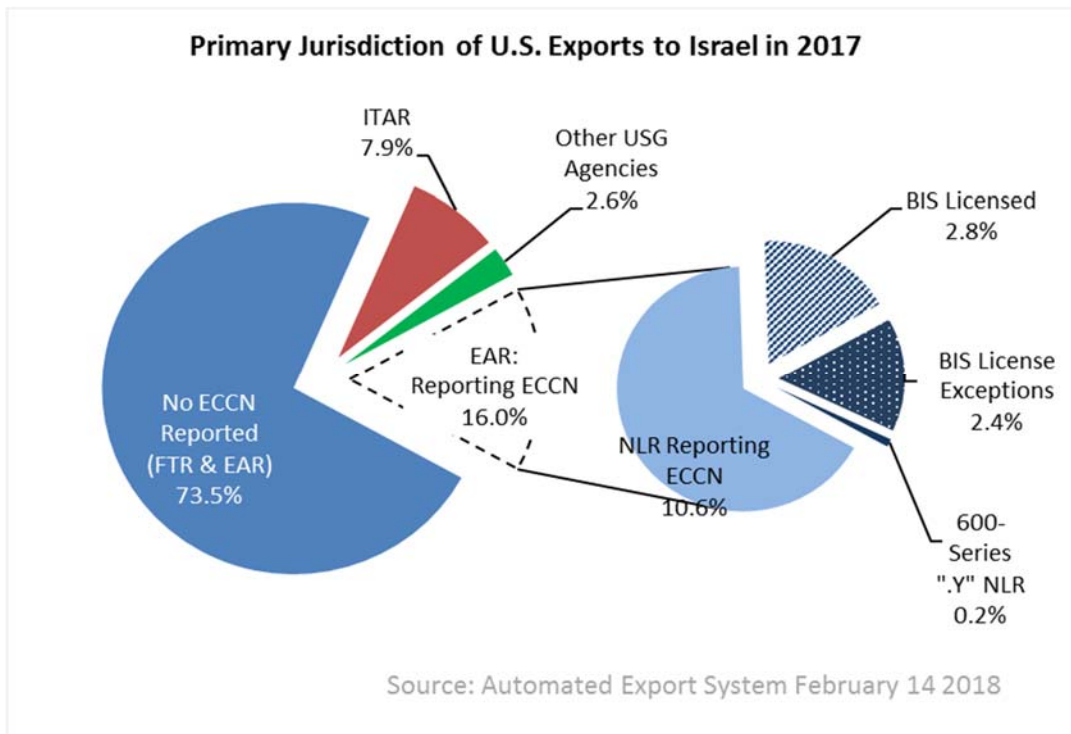
- 5.2% were subject to a BIS license requirement
 - 2.8% were exported under a BIS license;
 - 2.4% were exported under a BIS license exception;
- 10.8% were exported under No License Required with an ECCN and .y 600-series.

| Israel | | 2015 | 2016 | 2017 |
|--------|-------------------------------|-------------------|-------------------|-------------------|
| | Department of State | \$1,790.7 | \$1,578.5 | \$990.3 |
| | Other USG Agencies | \$69.7 | \$132.8 | \$326.0 |
| | Department of Commerce | \$11,678.8 | \$11,485.2 | \$11,227.5 |
| | BIS Licensed | \$193.6 | \$315.9 | \$350.9 |
| | BIS License Exceptions | \$885.2 | \$501.3 | \$302.4 |
| | NLR reporting an ECCN | \$1,274.4 | \$1,399.0 | \$1,335.6 |
| | NLR not reporting an ECCN | \$9,314.3 | \$9,256.0 | \$9,217.9 |
| | 600-Series ".Y" Paragraph NLR | \$11.4 | \$13.0 | \$20.7 |

Values in Millions of U.S. Dollars. Friday, February 09, 2018

Source: Automated Export System

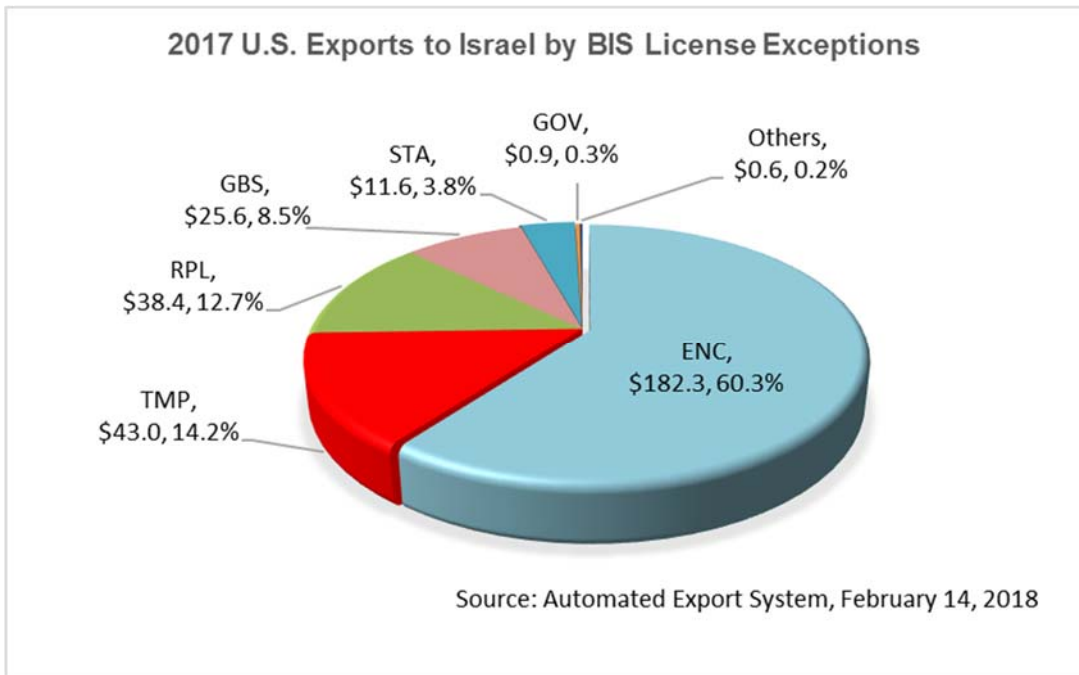
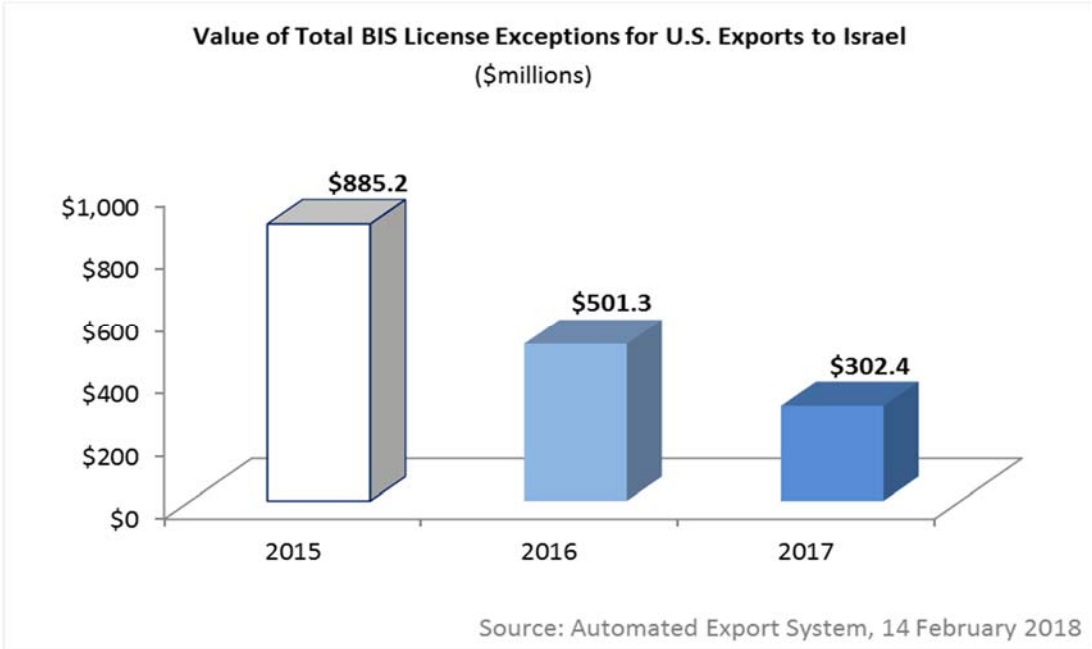
| Reasons for Control | Chemical and Biological Weapons | | | Nuclear Nonproliferation | | National Security | | Missile Tech | Regional Stability | | Firearms Convention | Crime Control | | | Anti-Terrorism | |
|---------------------|---------------------------------|------|------|--------------------------|------|-------------------|------|--------------|--------------------|------|---------------------|---------------|------|------|----------------|------|
| | CB:1 | CB:2 | CB:3 | NP:1 | NP:2 | NS:1 | NS:2 | MT:1 | RS:1 | RS:2 | FC:1 | CC:1 | CC:2 | CC:3 | AT:1 | AT:2 |
| Israel | X | X | X | X | X | X | X | X | X | X | | X | | X | | |

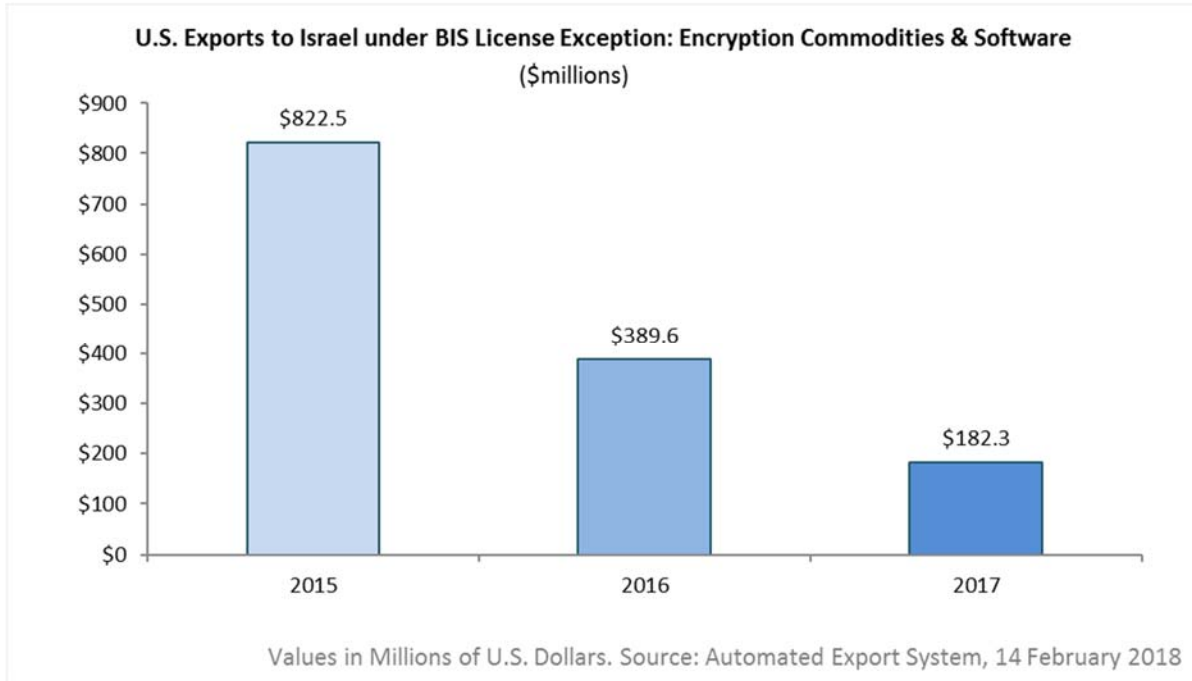




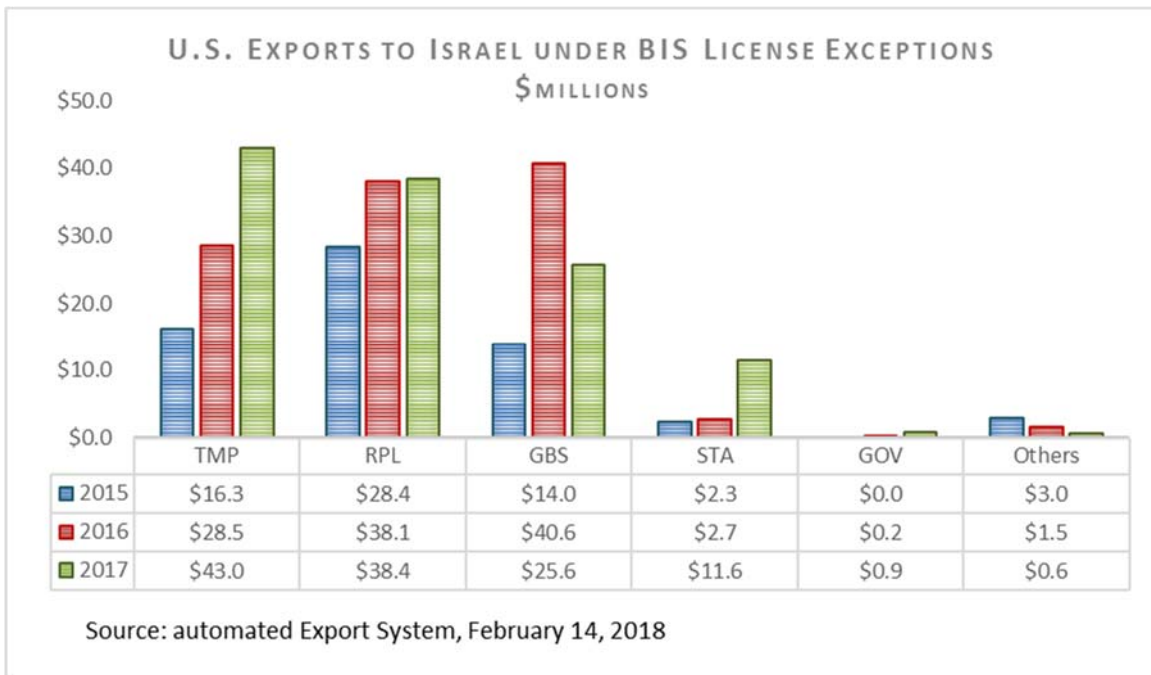
US to Israel Export Trade Trends

In 2017, U.S. exports to Israel shipped under a BIS license exception totaled \$302.4 million, a 0.5% (\$198.9 million) decrease from 2016. The top license exception Encryption Commodities, Software and Technology (ENC) totaled \$182.3 million (60.0% of all license exceptions).





In 2017, U.S. exports to Israel under BIS license exception Temporary Imports and Exports (TMP) increased significantly from \$28.5 million in 2016 to \$43.0 million.





| Top Ten ECCNs by Value to Israel | | |
|----------------------------------|-----|---|
| LICENSED | #1 | 0A606 Ground Vehicles and Related Commodities |
| | #2 | 9A610 Military Aircraft and Related Commodities |
| | #3 | 9A619 Military Gas Turbine Engines and Related Commodities |
| | #4 | 3A611 Military Electronics |
| | #5 | 5A002 Systems/Equip./Integrated Circuits for Info Sec |
| | #6 | 0A604 Commodities Related to Military Explosive Devices and Charges |
| | #7 | 9A001 Aero Gas Turbine Engines |
| | #8 | 9A604 Commodities Related to Launch Vehicles, Missiles, Rockets, torpedoes, ... |
| | #9 | 2A983 Explosives Or Detonator Detection Equip. |
| | #10 | 1B001 Equip. for Production of Fibers, Preforms Or Co |

Source: Automated Export System, March 15, 2018

| Top Ten ECCNs by Value to Israel | | |
|----------------------------------|-----|---|
| EXCEPTIONS | #1 | 5A002 Systems/Equip./Integrated Circuits for Info Sec |
| | #2 | (blank) No ECCN Reported for TMP* |
| | #3 | 3B001 Epitaxial Equip. for Semiconductors |
| | #4 | 9A610 Military Aircraft and Related Commodities |
| | #5 | 5B002 Test/Inspection/Production Equip for Information S |
| | #6 | 9A619 Military Gas Turbine Engines and Related Commodities |
| | #7 | 3A611 Military Electronics |
| | #8 | 7A994 Other "Software" as Follows (See List of Items Controlled). |
| | #9 | 9A991 Aircraft and Certain Gas Turbine Engines N.E.S. |
| | #10 | 3A001 Electronic Devices/Components |

*note: No ECCN is required for license exception TMP as per EAR 758.1(g)(2)

Source: Automated Export System, March 15, 2018

| Top Ten ECCNs by Value to Israel | | |
|----------------------------------|-----|---|
| NLR with ECCN | #1 | 9A991 Aircraft and Certain Gas Turbine Engines N.E.S. |
| | #2 | 3B991 Other Mfg/Test Equip. Not Controlled By 3B |
| | #3 | 5A992 Information Security Equip. |
| | #4 | 5A991 Transmission Items Not W/I Parameters In 5A001 |
| | #5 | 3B992 Equip. for the Inspection/Testing of Components |
| | #6 | 4A994 Items Not Controlled By 4A001/4A002/4A003 |
| | #7 | 3A991 Electronic Devices and Components |
| | #8 | 0A606 Ground Vehicles and Related Commodities |
| | #9 | 7A994 Other "Software" as Follows (See List of Items Controlled). |
| | #10 | 3A992 General Purpose Electronic Equip. |

Source: Automated Export System, March 15, 2018



| Top Ten ECCNs to Israel by Shipment Count | | |
|---|-----|---|
| LICENSED | #1 | 9A610 Military Aircraft and Related Commodities |
| | #2 | 9A619 Military Gas Turbine Engines and Related Commodities |
| | #3 | 0A606 Ground Vehicles and Related Commodities |
| | #4 | 3A611 Military Electronics |
| | #5 | 2B350 Chemical Manufacturing Facilities and Equip. |
| | #6 | 2B230 Pressure Transducers |
| | #7 | 0A604 Commodities Related to Military Explosive Devices and Charges |
| | #8 | 5A002 Systems/Equip./Integrated Circuits for Info Sec |
| | #9 | 9A604 Commodities Related to Launch Vehicles, Missiles, Rockets, torpedoes, ... |
| | #10 | 0A987 Optical Sighting Devices for Firearms |

Source: Automated Export System, March 15, 2018

| Top Ten ECCNs to Israel by Shipment Count | | |
|---|-----|---|
| EXCEPTIONS | #1 | 5A002 Systems/Equip./Integrated Circuits for Info Sec |
| | #2 | 9A610 Military Aircraft and Related Commodities |
| | #3 | 9A619 Military Gas Turbine Engines and Related Commodities |
| | #4 | 3A001 Electronic Devices/Components |
| | #5 | 3B001 Epitaxial Equip. for Semiconductors |
| | #6 | 7A994 Other "Software" as Follows (See List of Items Controlled). |
| | #7 | 9A991 Aircraft and Certain Gas Turbine Engines N.E.S. |
| | #8 | 5B002 Test/Inspection/Production Equip for Information S |
| | #9 | 3A611 Military Electronics |
| | #10 | 6A005 Optical Equip. (Lasers) |

Source: Automated Export System, March 15, 2018

| Top Ten ECCNs to Israel by Shipment Count | | |
|---|-----|---|
| NLR with ECCN | #1 | 9A991 Aircraft and Certain Gas Turbine Engines N.E.S. |
| | #2 | 3B991 Other Mfg/Test Equip. Not Controlled By 3B |
| | #3 | 5A991 Transmission Items Not W/I Parameters In 5A001 |
| | #4 | 5A992 Information Security Equip. |
| | #5 | 3A991 Electronic Devices and Components |
| | #6 | 3B992 Equip. for the Inspection/Testing of Components |
| | #7 | 4A994 Items Not Controlled By 4A001/4A002/4A003 |
| | #8 | 3A992 General Purpose Electronic Equip. |
| | #9 | 7A994 Other "Software" as Follows (See List of Items Controlled). |
| | #10 | 2B999 Specific Processing Equip., N.E.S. |

Source: Automated Export System, March 15, 2018



III. BIS Licensing to Israel

In 2017, BIS reviewed 1,216 export/re-export applications (not including deemed export applications) valued at \$2.3 billion for Israel, out of a total of 34,926 applications worldwide valued at \$570.8 billion.

- Approved applications for Israel totaled 1,067 (87.7% of the total applications) for \$2.3 billion, compared to 29,655 (84.9%) approved applications for all destinations valued at \$318.1 billion.
- Approved deemed export applications for Israel totaled 4, compared to 1,406 worldwide.

