

## Jefferies Israel Group Global Tech Digest

July 27, 2023



We are happy to share with you this newsletter, which includes thematic content from Jefferies research, noteworthy tech industry news, Israeli stocks performance and research, and upcoming events. We hope you find the content relevant and insightful – please feel free to contact any member of our team to discuss the contents of this newsletter in further detail.

## Jefferies Tech Trek 2023

SEPTEMBER 11 – 13, 2023

David Kempinski Hotel, Tel Aviv, Israel | #TechTrek |  
[techtrek.com](https://techtrek.com)





## Rounding the Bend: 17 Stocks at Profit Inflections

Jefferies Equity Research | July 6, 2023

- **SUMMARY** – Focusing on businesses with improving profitability can be a winning investment strategy. Looking at a broad index, such as the R3K, we show that buying a basket of companies that pivot from losing money to making money tends to outperform by several hundred bps. We highlight 17 companies marking this milestone of inflecting from negative EBITDA or EPS to profitability as a key upside catalyst and detail the inflection dynamics amongst other catalysts for each
- Read [here](#)

## It Just Ain't That Bad – Part 2

David Zervos | July 10, 2023

- **SUMMARY** – Given the current strength in the economic data, a sustained string of 0.2s looks extremely unlikely. And the risks that more than 50bps in hikes may be needed in the event we average north of the 0.25 level, while not a base case, certainly must be entertained. Remember, the potency of rate hikes just ain't what it used be - that's the lesson from February. So, a bit more tough love will be required from Jay before all those supply-side post-Covid inflation demons can be fully exorcised from the both the economy and the financial system. As such, a runaway to the upside in risk assets will be difficult to sustain, making carry collection in HY credit still the best risk/reward macro game in town. Good luck trading
- Read [here](#)

## Hey... well done, Jay!!!

David Zervos | July 14, 2023

- **SUMMARY** – As for the Fed's next move, even after the soft inflation data, I continue to believe they will be slow to declare victory. With such strength on the employment side of the policy equation, they have every incentive to stay restrictive and make sure inflation is fully quashed into 2024. More specifically, if we get three more 0.2s, on average, for the core CPI/PCE before the September FOMC meeting, then they should hawkishly pause after a July hike. But if that average gets closer to .25%, then they have another 25bps to go in September. Honestly, I think it's that simple, and that boring.
- Read [here](#)

## Big on the Internet - Trending Products and Stock Implications

Jefferies Equity Research | July 19, 2023

- **SUMMARY** – We're out with the latest edition of our periodical highlighting brands and products trending on the Internet. In this update, we flag the Grimace Meal/Shake, Apple's Vision Pro and rising awareness of student loan repayments. Many new trends that ultimately impact co results are first apparent in search, web/app traffic, app and social media data. We aim to surface trends most relevant to Jefferies' universe
- Read [here](#)



## Internet: Predictions for the Private Internet Market

Jefferies Internet Investment Banking | May 16, 2023

- **SUMMARY** – Ahead of Jefferies' Private Internet Conference, we had the opportunity to speak with Gaurav Kittur, Global Co-Head of Internet Investment Banking, and Cameron Lester, Global Co-Head of Technology, Media, and Telecom Investment Banking. They offer insight into the challenging investment landscape of 2022 and expressed optimism for a brighter 2023
- Read [here](#)

## Software: Digital Download - Identifying Value

Charles Brennan | July 9, 2023

- **SUMMARY** – In a weaker market, one company that has continued to Underperform is GB Group, a leader in identity verification. Recent trading has been soft but competitor news suggest this is more of a market issue than a market share issue. We expect one more weak quarter for GB but as growth re-accelerates, we expect the multiple to follow
- Read [here](#)

## Interactive Entertainment: What's Next for the Video Game Space?

Andrew Uerkwitz | July 11, 2023

- **SUMMARY** – After the latest round of MSFT/ATVI news today, the most popular inquiry from investors: How does the potential closing of the ATVI acquisition impact the broader video game space and other M&A? Short answer: 1) in the near term, very little impact to the way gamers game; 2) Big media/tech, if truly interested in the space, will need to make acquisitions; 3) We will likely see more horizontal M&A, and not vertical
- Read [here](#)

## Internet: Survey Says: AWS Best Positioned in Cloud Over the Next 24 Months

Brent Thill | July 13, 2023

- **SUMMARY** – We surveyed 40 U.S. CIOs who leverage public cloud to ask about their cloud consumption habits and expectations. Our survey indicates that AWS is best positioned to gain incremental spend over the next 24 months, with 63% of CIOs expecting to increase their AWS spend (vs. 48% for MSFT Azure and 23% for Google Cloud). Interestingly, AI capabilities ranked 7th out of 9 categories in terms of importance when selecting a public cloud vendor, below our expectations
- Read [here](#)

## Interactive Entertainment: We're No Experts ... Mobile Advertising Expert Andrew McLean

Andrew Uerkwitz | July 17, 2023

- **SUMMARY** – We're no experts, but we know one. Last week we hosted Andrew McLean again as part of our expert series. Andrew is Principal and MP at Inventus Media, and an active ad buyer/seller. We discussed 2Q ad performance, 2H 2023 outlook, the CTV ad spend hierarchy, and sector specific ad spend trends
- Read [here](#)

## Software: CIO Survey Points to Stable Budgets; Still Early In AI Journey

Brent Thill | July 18, 2023

- **SUMMARY** – Our survey of 40 CIOs had 3 key takes: (1) expect stable software and IT budgets in '23 in line with '22, indicating macro stabilization vs fears going into '23. (2) AI is still in early days with nearly half still exploring it. CIOs that plan to adopt AI expect spend to increase a modest 4-5% from new SKUs in '24. (3) MSFT and AMZN will consolidate spend and gain share as 48% and 43% expect to increase spend – we are buy rated on both stocks
- Read [here](#)

## **Semiconductor: Channel Checks 19-Jul-23: Inventories Climbing From Already High Levels**

Mark Lipacis | July 19, 2023

- **SUMMARY** – Key takes from our supply-chain expert conf call: 1) inventories at distributors and EMS continue to build from high levels, 2) lead times shrinking and semis catching up on long-lead-time orders, 3) mgmt cycles shifted to managing inventories and cash from shortages and expedites, 4) excess inventory lists getting \$0.30-on-the-dollar bids, 5) OEM demand healthy in Defense, Auto, AI, Medical. Our 2Q/3Q ests are below consensus for our analog/MCU stocks
- Read [here](#)

## **Software: Survey Says - Cyber Spend Resilient; PANW Runaway Winner**

Joseph Gallo | July 20, 2023

- **SUMMARY** – Our security VAR survey (25 respondents) indicates cyber spend remains resilient (moderating but steady growth, modest increase in discounting, slight downtick in pipelines). PANW was the best performer, underpinning our preference for platforms in a tougher macro. S & ZS both saw more normalized performance this Q, relative to C1Q while NET inflected positively. MSFT saw healthy momentum in cyber (SASE to impact CY24) while OKTA, VRNS & CHKP were laggards
- Read [here](#)

## **Software: Climbing Valuations: Can The Acceleration Last?**

Brent Thill | July 20, 2023

- **SUMMARY** – Software vals. have climbed to 6.5x NTM rev. (up 27% YTD but still 19% below 8x avg.). IGV is up 40%, still lagging Internet (+43%) and Semi (+52%). Software M&A has been lackluster with \$39B in announced large deal vol. YTD vs. record \$209B last year. We think positive headlines increase likelihood of large deals closing & boost M&A prospects in 2H23. Higher M&A combined with improving fundamentals, and upcoming AI releases could support the next leg up
- Read [here](#)

## **Semiconductor: Bigger Chips = Wafer Demand Outpacing Chips**

Mark Lipacis | July 21, 2023

- **SUMMARY** – We compare growth in wafers vs chip units for the handset and compute verticals, and conclude: 1) 2011-2017: wafers demand kept pace w/ chip unit growth; 2) 2017-2022: wafers outpaced chip units by 6% annually; 3) 2022-2026e; we project wafers outpace chips by 4% annually; 4) Servers will account for 32% of wafers by 2026, up from 11% in 2011. Our analysis supports our above consensus WFE and Advanced Packaging forecasts for 2023-2032
- Read [here](#)

## **Software: Cyber Channel Checks Key Takeaways**

Joseph Gallo | July 24, 2023

- **SUMMARY** – We hosted two cyber & cloud channel consultants to gauge the demand environment into CY2Q prints. Cyber fundamentals remain generally stable in 2Q, with network cyber vendors (PANW, FTNT, ZS) screening the most positively. Our experts also noted stabilizing & potentially inflecting cloud demand in 2Q which should benefit cloud security vendors. We continue to prefer a basket of cyber, favoring platform vendors with strong profit incl. MSFT, PANW, & FTNT
- Read [here](#)

## **Internet: 2Q23 Preview: Expect Strong Earnings to Support YTD Rally**

John Colantuoni | July 25, 2023

- **SUMMARY** – Underlying demand trends suggest most Internet names are well-positioned to deliver cons upside. We are most constructive on Delivery & Mobility into 2Q, given each name is still early in achieving its l-t profit potential. We are mixed on Travel, w/ stock prices approaching all-time highs and estimates for a 2H acceleration in Bookings growth. We are cautious on Ecommerce, as growth remains underwhelming despite some recent signs of improvement
- Read [here](#)

## **Data Centers: 2Q23 Data Center Leasing - New Record Set at 755 MWs**

Jonathan Petersen | July 26, 2023

- **SUMMARY** – US data center leasing volume (top 10 markets) in 2Q23 was 755MW, up +93% QoQ and setting a new record. The most capacity was leased in Phoenix (251 MW) followed by NoVa (216 MW). With capacity constrained in NoVA, we are seeing record leasing volumes across most other markets. DLR remains our top overall REIT pick. Additionally, we view these leasing volumes as positive leading indicators for data center processor chip companies NVDA, AMD, AVGO, MRVL and INTC
- Read [here](#)

### **Interactive Entertainment: Mobile Ad Tech Survey + Preview**

Andrew Uerkwitz | July 26, 2023

- **SUMMARY** – We surveyed 28 mobile game developers who buy & sell ads. They represent \$500MM of ad sales and \$370MM of ad buys. These checks build confidence that the mobile ad market has found a bottom and is returning to growth. A bit of dislocation between buyers & sellers keeps our more muted medium- to long-term view intact. Our checks were more favorable for APP on the demand side. With clearer evidence of an inflection, we would expect continued stock outperformance
- Read [here](#)

### **Consumer Finance: Fintech 2Q23 Previews & Industry Update**

John Hecht | July 26, 2023

- **SUMMARY** – In this note we provide forecasts for 2Q23 results and summarize recent news, MPL industry data, company ABS performance and user activity metrics. Fintech shares have outperformed the market by a significant margin over the last several months, driven by a combination of optimism regarding a soft landing underpinned by improving macro trends, evidence of stabilizing credit performance, and a view that the worst may be over for near-prime consumers
- Read [here](#)

### **Software: Update Call**

Jefferies Equity Research | July 26, 2023

- **SUMMARY** – Please see the recording of the call between Brent Thill, Samad Samana, Joseph Gallo, and Mike Toomey to recap recent software earnings and trading trends.
- Watch [here](#)



## **Tower Semiconductor (TSEM): Correcting TSEM 1Q EPS Ests: EPS Beat**

Mark Lipacis | July 11, 2023

- **SUMMARY** – 1Q23 revenues were 80bps above consensus, while GM of 27.6% was 60bps above. TSEM's 1Q23 GAAP results included restructuring income of \$32m from Arai closure, contributing \$16m to EBIT. 1Q23 Non-GAAP EPS ex-1x was at \$0.60 or \$0.12/27% above consensus (correction following revised ests of Non-GAAP tax and NCI). We now model 2Q23 revs to decline slightly (-2% QQ) before returning to growth in 2H23E. Reiterate Hold and PT of \$45
- Read [here](#)

## **Inmode (INMD): 2Q Beat; FY23 Guide Raise with Solid Margins; Demand Remains Strong**

Matthew Taylor | July 12, 2023

- **SUMMARY** – INMD preannounced a 2Q beat and raised FY23 sales guidance. In our view, solid 2Q growth and the raise should allay some fears around the health of INMD's business in a 'recessionary' environment. We continue to expect strong growth in the 2H23+ given a still growing market, INMD's tech gaining traction, geo expansion, and pipeline contributions (e.g. women's health/optho). We reiterate our Buy rating and raise PT to \$53
- Read [here](#)

## **ICL (ICL): Near-term Headwinds Likely Offset Productivity Gains**

Laurence Alexander | July 17, 2023

- **SUMMARY** – ICL likely faces further demand headwinds related to destocking at customers, lower pricing for ag inputs, and weak consumer electronics demand. We expect margin tailwinds from cost controls to help offset these headwinds in 2H23. Key risks include the impact of higher financing costs and lower crop prices on the demand for ag inputs next year, as well as the risk slower consumer demand in the EU and the US will have knock-on effects for bromine demand
- Read [here](#)

## **Bezeq (BEZQ): First View: Bezeq Raises Adjusted Net Profit Guidance 10%**

Giles Thorne | July 26, 2023

- **SUMMARY** – While the drivers of today's upgrade are a function of largely extraneous factors beyond Bezeq's ability to directly influence, today's news is nonetheless noteworthy for two reasons: firstly, the materiality of the upgrade (+10% to Adjusted Net Profit); and secondly, two of the three drivers have a positive cash flow implication (we estimate c.NIS 0.5bn, c.5% of JEFY23 FCF, assuming tax at 23%)
- Read [here](#)

## **Check Point (CHKP): 2Q: Top-Line Growth Inflection Delayed; EPS Story on Track**

Joseph Gallo | July 27, 2023

- **SUMMARY** – Billings declined 1% yoy missing cons of flat, Subscription rev continues to hold steady (+14% yoy), while product remains challenged (-12% yoy) due to delayed refreshes. EPS growth at 22% yoy (highest in 14 yrs) was the bright spot as EPS story remains intact, despite lackluster top-line growth. While 2H guide has more risk now, we remain confident in CHKP as a double-digit EPS grower (8% yoy guide in CY23) underpinning our \$155 PT (17x P/24E)
- Read [here](#)

## **Tower Semiconductor (TSEM): TSEM 2Q23: Revs/EPS Beat, GM Lower**

Mark Lipacis | July 27, 2023






























- **SUMMARY** – 2Q23 revenues were 90bps above consensus (+0.4% growth QQ, -16% decline YY). TSEM's 2Q23 Non-GAAP GM came in 245bps below consensus and 270bps lower than 1Q23 which we believe is attributed to mix headwinds. We model C2023 revs declining 15% YY and C2024 revenues growing 10% YY. Reiterate Hold. Our new PT of \$40 assumes a 25% discount to INTC acquisition price of \$53
- Read [here](#)



# Israeli Stocks Performance



## Recent Performance of Selected Israeli Tech Stocks

Company	Ticker	Market Cap (m)	Weekly Performance (%)	YTD Performance (%)
888 Holdings	 LSE: 888	\$626	2.4%	32.4%
Amdocs	 DOX	\$11,474	(0.6%)	4.0%
Arbe Robotics	 ARBE	\$226	2.1%	(16.6%)
Audiocodes	 AUDC	\$316	(3.9%)	(43.2%)
Camtek	 CAMT	\$2,012	2.8%	101.7%
Cellebrite	 CLBT	\$1,501	3.4%	70.6%
Ceva	 CEVA	\$630	(0.6%)	6.4%
Check Point	 CHKP	\$15,456	3.8%	4.2%
CyberArk	 CYBR	\$6,540	(2.3%)	26.2%
Fiverr	 FVRR	\$1,105	(5.3%)	2.1%
Gilat	 GILT	\$345	(7.6%)	2.7%
Global-e	 GLBE	\$6,973	(3.2%)	104.6%
Hippo	 HIPO	\$399	0.3%	18.0%
Innovid	 CTV	\$158	2.7%	(36.1%)
Innoviz	 INVZ	\$444	(3.6%)	(15.3%)
Ituran	 ITRN	\$547	(1.4%)	28.2%
Jfrog	 FROG	\$2,955	(2.7%)	31.8%
Kaltura	 KLTR	\$274	(2.9%)	11.7%
Kornit Digital	 KRNT	\$1,441	(4.6%)	22.9%
Lemonade	 LMND	\$1,561	(6.7%)	63.6%
Magic Software	 MGIC	\$586	(9.8%)	(26.2%)
Monday.com	 MNDY	\$8,634	(1.9%)	49.8%
Nano Dimension	 NNDM	\$831	4.1%	41.4%
Nayax	 NYAX	\$685	(8.3%)	10.1%
NeoGames	 NGMS	\$908	(0.6%)	109.1%
NICE	 NICE	\$13,660	(3.7%)	12.6%
Nova	 NVMI	\$3,327	(2.0%)	39.9%
Outbrain	 OB	\$262	(2.7%)	32.3%
Pagaya	 PGY	\$1,531	(0.9%)	96.4%
Payoneer	 PAYO	\$1,899	0.4%	(2.8%)
Perion	 PERI	\$1,622	(3.7%)	37.5%
Playtech	 LSE: PTEC	\$2,245	(1.6%)	16.0%
Playtika	 PLTK	\$4,484	(0.8%)	42.1%
Plus500	 LSE: PLUS	\$1,591	(0.8%)	(10.8%)
Radware	 RDWR	\$827	(0.9%)	(5.8%)
REE	 REE	\$83	(10.6%)	(19.1%)
Riskified	 RSKD	\$801	(4.4%)	(1.3%)
Sapiens	 SPNS	\$1,465	(3.4%)	41.0%
SentinelOne	 S	\$4,497	(0.7%)	5.7%
SimilarWeb	 SMWB	\$563	2.0%	12.1%
SolarEdge	 SEDG	\$13,763	(10.8%)	(14.4%)
Stratasys	 SSYS	\$1,357	(6.3%)	67.2%
Taboola	 TBLA	\$1,136	(4.1%)	7.5%
Tremor	 AIM: TRMR	\$524	(3.6%)	13.4%
Valens	 VLN	\$257	(0.4%)	(43.0%)
Varonis	 VRNS	\$3,008	2.0%	14.1%
Verint	 VRNT	\$2,426	(4.8%)	3.3%
WalkMe	 WKME	\$783	1.4%	(20.4%)
Weebit Nano	 ASX:WBT	\$727	(7.7%)	65.5%
Wix	 WK	\$4,968	(5.3%)	15.8%
Israeli Stocks Weighted Average			(2.4%)	22.3%
NASDAQ			(2.1%)	42.8%
S&P 500			0.0%	19.4%

Source: CapiQ (as of July 26, 2023)

- [Netflix Reworks Microsoft Pact, Lowers Ad Prices in Bid for Growth](#)

Netflix is restructuring its advertising partnership with Microsoft MSFT a year into their deal and lowering ad prices in a bid to jump-start that fledgling corner of its business. The streaming company launched a \$6.99 a month ad-supported option for consumers last year. Microsoft won a competition to provide technology for the service and sell ads on Netflix's behalf, in part because it offered to pay a "revenue guarantee," pledging to deliver a large amount of money to Netflix. With the new ad tier gaining traction slowly, Netflix has had preliminary discussions to sell ads through other partners, in addition to Microsoft, people familiar with the matter said. Netflix is reworking its pact with Microsoft to reduce the revenue guarantee. Those terms are still being settled. Meanwhile, Netflix is offering advertisers better deals. Some advertisers agreed to pay roughly \$39 to \$45 per 1,000 viewers in recent ad deals, according to ad buyers. Netflix previously charged some brands around \$45 to \$55, The Wall Street Journal has reported

- [Google and Microsoft Paying Big to Play in AI](#)

Google and Microsoft MSFT are two very different businesses chasing the same Next Big Thing. Fortunately, both are doing well enough to provide the sizable funds needed for that effort. The two reported relatively strong results for the June-ended quarter late Tuesday, featuring improved revenue growth and profitability as a result of cost reductions. Google's core advertising business returned to growth following two straight quarters of declines, while Microsoft's cloud and enterprise software businesses beat Wall Street's projections for the final quarter in its fiscal year, despite slowing corporate spending on technology across the globe. But the duo's core businesses have nearly taken a back seat to the escalating hype over generative artificial intelligence—the technology behind chatbots such as ChatGPT. That colored their respective reports very differently on Tuesday. Microsoft, whose share price has surged 46% since the start of the year thanks to the company's aggressive adoption of genAI technology in its products, saw its stock slip more than 3% after hours. The company projected revenue for the September quarter that was slightly below Wall Street's projections. And both sent clear signals Tuesday that they would take those numbers even higher. Alphabet's \$6.9 billion in capex for the recent quarter came in well below the \$8 billion Wall Street had anticipated, but Chief Financial Officer Ruth Porat told analysts on the company's earnings call that it will keep increasing for the rest of this year and into next "to support the opportunities we see in AI" across the company. Microsoft is leaning in even more aggressively, with capex for the June quarter jumping 30% year over year to a record \$8.9 billion.

- [Big Tech looks to turn the corner on cloud as AI focus stays strong](#)

U.S. tech giants could signal an end to the nearly year-long slowdown in their cloud businesses as signs of economic resilience encourage clients to boost technology spending, while a pickup in digital ads will also aid profits. Microsoft, Google-owner Alphabet, Amazon.com and Meta Platforms — companies that are together valued at over \$6 trillion — are reporting earnings this week and the next, in what will be a test for their hefty valuations and the broader market rally they have driven thanks to optimism over artificial intelligence

- [Elon Musk's Rebranded Twitter Cuts Ad Prices](#)

The social network formerly known as Twitter is offering new incentives on certain ad formats in the U.S. and U.K. and warning brands that they will lose their verified status unless they reach certain spending thresholds, emails sent this week to advertisers and viewed by The Wall Street Journal show. The company, which makes most of its money from advertising, has struggled to draw new ad commitments under Musk's ownership in part because brands are concerned about Musk's approach to management and content moderation. The advertising industry is also in a slump, and several media companies have begun offering brands discounts.

- [Samsung Rolls Out Thinner Foldable Phones, Tablet and Watch Upgrades](#)



Samsung Electronics introduced the fifth generation of its foldable smartphones on Wednesday, seeking to counter a sluggish market for devices and upcoming rival products from Apple Inc. The new Galaxy Z Flip 5, a 6.7-inch smartphone that folds down into a square shape, now has an external display covering the majority of one side, making it more useful when closed. It's marginally thinner with a new hinge, but makes few other hardware advances. The Galaxy Z Fold 5, the flagship unit in the range, also benefits from the improved hinge that's helped make it thinner and lighter. The two devices retain their pricing, at \$999 for the Flip and \$1,799 for the book-like Fold, and go on sale Aug. 11, the company said in a statement. Their debut marked Samsung's first Unpacked product event at home in South Korea, and was accompanied by a plethora of other devices: two new Galaxy Watch 6 models as well as three new Galaxy Tab S9 tablets. The world's biggest smartphone maker has set itself the goal of building an Apple-like ecosystem of complementary devices

- [\*\*U.S. will be short 67,000 chip workers by 2030, industry group says\*\*](#)

The U.S. semiconductor industry faces a shortfall of roughly 67,000 workers by 2030, according to an industry association study published on Tuesday. The chip industry's workforce is projected to grow to 460,000 by the end of the decade, up from roughly 345,000 this year. But at the current rate that people are graduating from schools, the U.S. will not produce enough qualified workers to fill the increase, according to the study prepared by the Semiconductor Industry Association (SIA) and Oxford Economics. The study comes as the U.S. works to strengthen its domestic chip sector. The CHIPS Act, which sets aside money for new manufacturing sites, and research and development, was signed into law on Aug. 9. The Commerce Department is overseeing the \$39 billion in manufacturing subsidies stipulated under the act, and companies such as Intel Corp (INTC.O), Taiwan Semiconductor Manufacturing Co Ltd (2330.TW) and Samsung Electronics Co Ltd (005930.KS) have said they will apply for them. The law also created a 25% investment tax credit for building new chip factories, or fabs, that is worth \$24 billion

- [\*\*Alibaba's cloud unit brings Meta's AI model Llama to its clients\*\*](#)

Alibaba's (9988.HK) cloud computing division said it has become the first Chinese enterprise to support Meta's (META.O) open-source artificial intelligence (AI) model Llama, allowing its Chinese business users to develop programs off the model. Meta released Llama2, a commercial version of Llama, this month to provide businesses a powerful free-of-charge alternative to pricey proprietary models sold by OpenAI and Google. At the time, Meta said its preferred partner for Llama2 was Microsoft (MSFT.O) but it would also be available through other partners. "Today, Alibaba Cloud has launched the first training and deployment solution for the entire Llama2 series in China, welcoming all developers to create customised large models on Alibaba Cloud," Alibaba Cloud said in a statement on Tuesday published on its WeChat account

- [\*\*Amazon Offers Up Marketplace Rule Change to Ease UK Antitrust Concerns\*\*](#)

Amazon has agreed to change the way it deals with rivals' sales data and to treat all sellers equally on its UK platform after an investigation by the country's antitrust agency. The Competition and Markets Authority said Wednesday that Amazon offered a number of promises to change the way it treats third-party sellers on its UK marketplace. The move comes after the technology company offered a similar truce to European regulators in December. The watchdog opened the probe last year after it raised a number of concerns including how it used user data to give the platform an unfair advantage and the way its Buy Box for showcasing specific offers unduly favored its own retail business

- [\*\*Germany earmarks 20 billion euros in subsidies for chip industry\*\*](#)

Germany plans to invest around 20 billion euros (\$22.15 billion) in the semiconductor industry in the coming years, the economy ministry said on Tuesday, amid growing alarm over supply chain fragility and dependence on South Korea and Taiwan for chips. The country was able to attract global chipmakers to set up factories by offering subsidies under the EU Chips Act that aims to double the bloc's share of global chip output to 20% by 2030. Intel (INTC.O) last month laid out plans to spend more than 30 billion euros to develop two chip-making plants in Magdeburg, Germany's biggest ever foreign investment. The ministry said Taiwanese semiconductor manufacturer TSMC (2330.TW) has also expressed interest in investing in a semiconductor production facility in Germany and that the ministry was in close contact with the company over an investment decision

## Upcoming Jefferies Events



- Jefferies Financial Services Investor Relations Summit, New York, August 10
- Jefferies Semis, IT Hardware & Comm Infrastructure Summit, Chicago, August 29 – 30
- Jefferies Israel Tech Trek, Tel Aviv, September 11 – 13
- Jefferies Office of the CFO Summit, San Francisco, September 26
- EY Journey Conference (Co-Hosted by Jefferies), Tel Aviv, October 25
- Jefferies Miami Consumer Conference, Miami, November 14 – 15
- Jefferies London Healthcare Conference, London, November 14 – 16
- Jefferies Cybersecurity Summit, San Francisco, December 5
- Jefferies CIO Summit, New York, December 13

Best regards,  
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