

September 20, 2006

Mail Stop 4561

Mr. Rimon Shmaya
Comptroller
Industrial Development Bank of Israel
82 Menachem Begin Road
Tel Aviv, Israel 67138

**RE: Industrial Development Bank of Israel
Form 20-F for the Fiscal Year Ended December 31, 2005
Filed July 17, 2006
File No. 2-16830**

Dear Mr. Shmaya:

We have completed our review of your Form 20-F and have no further comments at this time.

Sincerely,

Donald Walker
Senior Assistant Chief Accountant