



Central Bank of Egypt

**Press Release
May 18, 2006**

The Central Bank of Egypt decided to keep its overnight deposit rate unchanged at 8 percent per annum and the lending rate at 10 percent per annum.

In its meeting held on May 18, 2006, the Monetary Policy Committee (MPC) decided to maintain the overnight deposit and the overnight lending rates at 8 percent and 10 percent, respectively.

This decision was based on an assessment of recent domestic and external economic developments since the last MPC meeting. Domestically, domestic inflation rates continued to hold at moderate levels. On the other hand, externally, risks to global inflation are still skewed to the upside and uncertainty surrounds the international interest rate outlook.

The MPC will continue to closely monitor all economic developments, especially the factors underlying inflation, and will not hesitate to adjust the key CBE rates in either direction, if necessary, to ensure price stability over the medium-term.

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Contact person

Name: Mr. Tarek Amer - Deputy Governor

Telephone number: 3918270-3921012 0103051503

e-mail address: tarekamer@cbe.org.eg