

**CENTRAL BANK OF EGYPT**

**ECONOMIC REVIEW**

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**2011/2012**

**Statistics and Economic Reports Sector**

**The Economic Review is issued by the Statistics and Economic Reports Sector at the Central Bank of Egypt (CBE) on a quarterly basis. It aims to make available to a broad readership of specialists and non-specialists a wide range of information on the performance of the Egyptian economy during the reporting period. The CBE posts the Review on its website: [www.cbe.org.eg](http://www.cbe.org.eg).**

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## Main Monetary and Financial Indicators

<b>GDP (LE bn)</b>	<b>July/Sept.</b>	
	<b>2010/2011</b>	<b>2011/2012</b>
GDP at Market Price	364.3	402.1
Annual Growth Rate (%)	17.1	10.4
GDP at Factor Cost	221.4	222.2
Annual Growth Rate (%)	5.5	0.3
<hr/>		
<b>GDP Growth Rate (at Factor Cost) by Sector (%)</b>		
<b><u>A) Productive Sectors</u></b>		
Of which:		
Electricity	7.9	5.3
Water	6.2	5.0
Agriculture, Forestry & Fishing	2.9	3.1
<b><u>B) Services Sectors</u></b>		
Of which:		
Suez Canal	12.0	8.4
Communications	12.0	3.7
Social Services	5.6	3.2
Real Estate	4.6	2.2
<hr/>		
<b>Price Index (%)</b>	<b>2010/2011</b>	<b>2011/2012</b>
- Change in consumer price index (urban) (January 2010 = 100)	7.2	3.8
- Change rate in producer price index (2004/2005 =100)	8.1	1.1
<hr/>		
<b>Monetary Survey (LE bn)</b>	<b>July/Sept.</b>	
	<b>2010/2011</b>	<b>2011/2012</b>
	<b>End of Period</b>	
Reserve money	216.7	241.2
Growth rate %	6.7	-3.9
Domestic liquidity (M2)	948.2	1024.4
Growth rate (%)	3.3	1.5
Money supply (M1)	220.5	253.8
Growth rate (%)	3.0	2.0
Currency in circulation/Money supply (%)	65.2	68.6

Banking system foreign assets, of which:	359.7	265.9
CBE foreign assets	200.1	141.3
Banking system foreign liabilities, of which:	47.5	40.7
CBE foreign liabilities	8.4	9.3
Total deposits with banks (excluding the CBE)	915.8	969.8
In local currency	709.0	738.1
In foreign currencies	206.8	231.7
Foreign currency deposits/Total deposits (%)	22.6	23.9
Total lending and discount balances extended by banks (excluding the CBE), of which:	467.4	479.0
To government and public economic authorities	37.1	38.0
To business sector (public and private)	316.3	321.0
Portfolio of securities and TBs with banks (excluding the CBE), of which:	423.4	477.6
TBs and government bonds	307.6	417.8
Loans/Deposits with banks (%)	51.0	49.4
Investment in securities, TBs and equity participations/Deposits (%)	46.2	49.3

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**- Annual Discount and Interest Rates (%)**

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CBE Lending and Discount Rate		
<b><u>CBE Overnight Deposit and Lending Rates</u></b>		
Deposit	8.25	8.25
Lending	9.75	9.75
Interest Rate on Deposits of More than 1 month to 3 months	6.4	6.8
Interest Rate on Loans of One Year or Less	10.9	11.2

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**US Dollar Exchange Rate Announced by the CBE**

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- Buy and Sell Exchange Rates (Average of the Period)	569.8	596.2
- End of the Period (Average Market Buy Rate)	568.3	595.3

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**Consolidated Fiscal Operations of the General Government (Budget Sector)**

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- Total Revenues	349.6	43.8
- Total Expenditures	490.5	84.4
- Cash Deficit (or Surplus)	140.9	40.6
- Net Acquisition of Financial Assets	-6.6	-0.8

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**July/Sept.**

**2010/2011      2011/2012**

**End of Period**

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8.5                      8.5

8.25                     8.25

9.75                     9.75

6.4                      6.8

10.9                    11.2

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**(PT/Dollar)**

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**2011/2012**

**Estimates                      Actual**

**FY                                      (July/Sept.)**

**LE bn**

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349.6                    43.8

490.5                    84.4

140.9                    40.6

-6.6                      -0.8

<b>Overall Deficit (Surplus)</b>	<b><u>134.3</u></b>	<b><u>41.4</u></b>
Total Finance	134.3	41.4
- Domestic Finance	151.9	48.6
Banking	117.1	45.8
Non-Banking	34.8	2.8
- Foreign Borrowing	-16.5	-6.1
- Arrears	-	-
- Others	-1.4	-0.1
- Revaluation Differences	-	-0.1
- Net Privatization Proceeds	0.3	-
- Difference between TBs Face Value and Present Value	-	-1.9
- Discrepancy	-	1.0
- Cash Deficit (Surplus) / GDP (%)	9.0	2.6
- Overall Fiscal Balance / GDP (%)	8.6	2.6
- Expenditures / GDP (%)	31.2	5.4
- Revenues / GDP (%)	22.3	2.8

### **Domestic Public Debt (LE bn)**

<b><u>Gross, due on:</u></b>	<b><u>1044.9</u></b>	<b><u>1095.7</u></b>
- Government (Net)	808.1	856.7
- Public Economic Authorities (Net)	66.3	67.9
- NIB (Minus Intra-Debt)	170.5	171.1

	<b><u>End of</u></b>	
	<b><u>June 2011</u></b>	<b><u>Sept. 2011</u></b>
	<b><u>1044.9</u></b>	<b><u>1095.7</u></b>
- Government (Net)	808.1	856.7
- Public Economic Authorities (Net)	66.3	67.9
- NIB (Minus Intra-Debt)	170.5	171.1

### **Balance of Payments (US\$ bn)**

<b>Current Account &amp; Transfers</b>	<b>(1.3)</b>	<b>(2.2)</b>
<b>Trade Balance</b>	<b>(7.1)</b>	<b>(7.8)</b>
Merchandise Exports	6.1	6.8
Oil and its Products %	45.8	47.8
Others %	54.2	52.2
Merchandise Imports	13.2	14.6
Intermediate Goods %	29.9	28.6
Investment Goods %	24.6	23.6
Consumer Goods %	26.3	31.6
Fuel, Raw Materials and Others %	19.2	16.2

	<b><u>July/Sept.</u></b>	
	<b><u>2010/2011</u></b>	<b><u>2011/2012</u></b>
	<b>(1.3)</b>	<b>(2.2)</b>
	<b>(7.1)</b>	<b>(7.8)</b>
Merchandise Exports	6.1	6.8
Oil and its Products %	45.8	47.8
Others %	54.2	52.2
Merchandise Imports	13.2	14.6
Intermediate Goods %	29.9	28.6
Investment Goods %	24.6	23.6
Consumer Goods %	26.3	31.6
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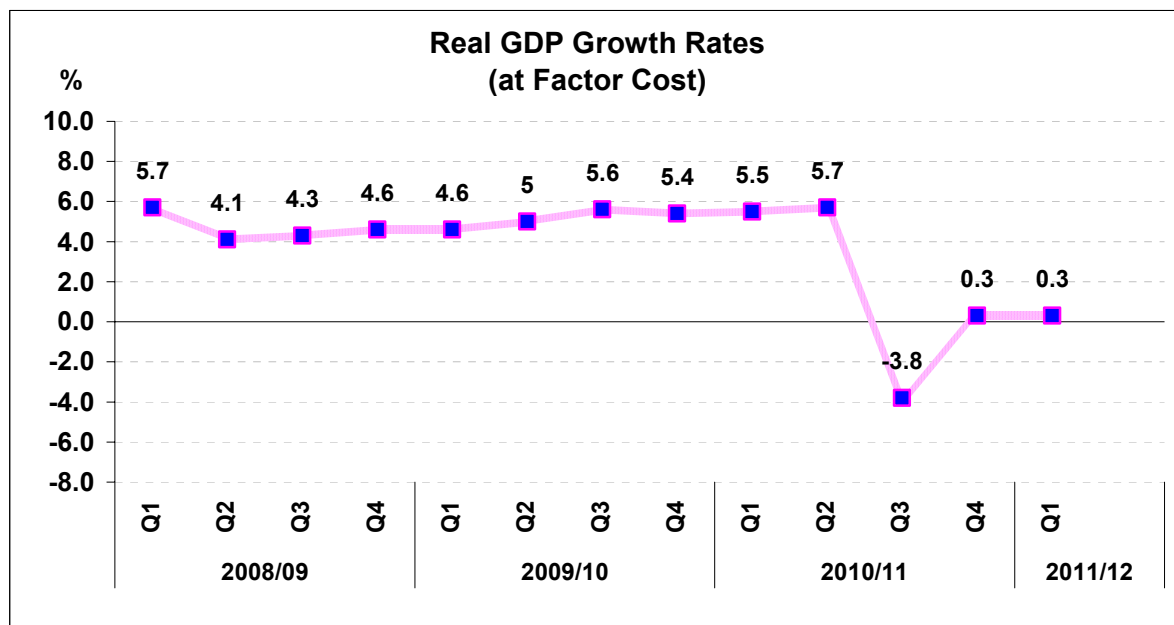
<b>Services Balance</b>	<b>2.6</b>	<b>1.6</b>
Receipts, of which:	6.7	5.4
Transportation %	30.1	38.4
Travel %	54.6	49.9
Investment Income %	1.2	1.0
Payments, of which:	4.1	3.8
Transportation %	9.3	8.2
Travel %	15.5	16.5
Investment Income %	46.8	47.1
<b>Transfers</b>	<b>3.2</b>	<b>4.0</b>
Official %	4.6	0.4
Private %	95.4	99.6
<b>Capital and Financial Account</b>	<b>1.0</b>	<b>0.5</b>
<b>Overall Surplus/(Deficit)</b>	<b>14.7</b>	<b>-2.4</b>
<b>Outstanding External Debt (at End of Sept.)</b>	<b>34.7</b>	<b>34.0</b>



## 1- Macroeconomic Performance

### 1/1- Gross Domestic Product (GDP)

The Egyptian economy has not recovered yet from the repercussions of the unstable security conditions in the wake of the January 25<sup>th</sup> Revolution. GDP (at factor cost and constant prices) weakened to 0.3 percent in 2011/2012 Q1 (against 5.5 percent in the corresponding quarter a year earlier). However, real GDP at factor cost maintained during the quarter under study the same low level of 0.3 percent of the preceding quarter (April/June 2010/2011). Also, GDP growth (at constant market prices) slowed down to 0.2 percent in July/Sept. 2011/2012 (nearly half the rate registered in April/June 2011) against 5.5 percent in July/Sept. 2010/2011.



### GDP (at 2006/2007 Prices)

	<u>Value (LE bn)</u>			<u>Growth Rate (%)</u>		
	July/Sept. 2010/11	April/June 2010/11	July/Sept. 2011/12	July/Sept. 2010/11	April/June 2010/11	July/Sept. 2011/12
GDP at factor cost	221.4	215.8	222.2	5.5	0.3	0.3
Indirect Taxes (Net)	9.8	12.0	9.6	5.4	0.8	-2.0
GDP at market prices	231.2	227.8	231.8	5.5	0.4	0.2

Source: Ministry of Planning.

## **1- GDP at Factor Cost (2006/2007 Prices)**

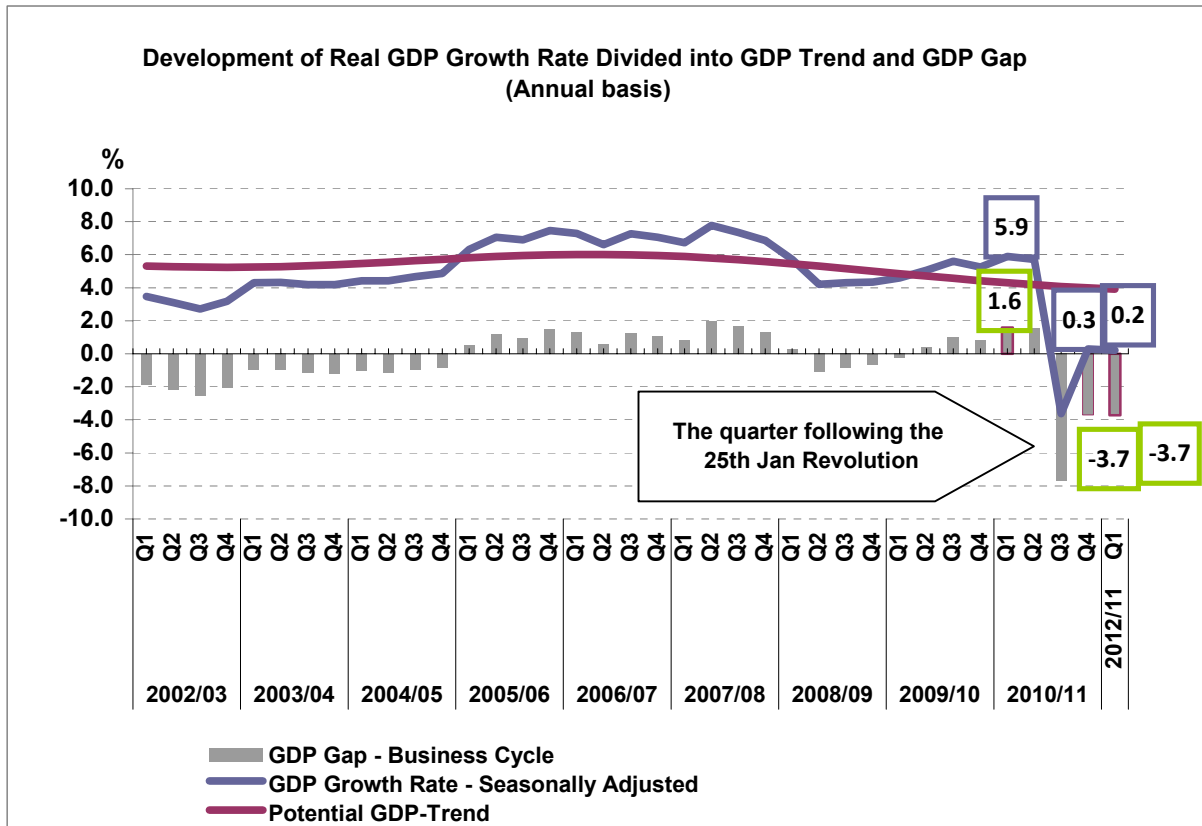
On the **supply side**, the sectors of wholesale and retail trade; construction and building; and transportation and storage contributed to a lesser degree to the real GDP growth (0.3 percent) during July/Sept. 2011/2012 compared with the preceding quarter. Meanwhile, the share of agriculture and irrigation in real GDP growth increased to 0.5 percentage point from 0.3 point. The negative contribution of the manufacturing sector contracted to a negative 0.5 point from a negative 0.7 point. As for external demand-driven sectors, the Suez Canal contribution to real GDP growth decreased to 0.3 percentage point from 0.4 point, while that of tourism fell to a negative 0.5 percentage point from a negative 0.8 point.

### **Real GDP Growth by Main Economic Sectors at Factor Cost**

(Percentage Point)

<b>Domestic Demand-Driven Sectors</b>						
<b>Sector</b>	<b>Growth Rate (%)</b>			<b>Share in Real GDP Growth</b>		
	<b>Q1 2010/11</b>	<b>Q4 2010/11</b>	<b>Q1 2011/12</b>	<b>Q1 2010/11</b>	<b>Q4 2010/2011</b>	<b>Q1 2011/2012</b>
Agriculture, irrigation and fishing	2.9	2.5	3.1	0.46	0.28	0.48
Manufacturing	6.3	-3.8	-3.3	0.96	-0.66	-0.51
Electricity	7.9	2.3	5.3	0.11	0.03	0.08
Construction and building	12.5	0.3	-2.8	0.58	0.01	-0.14
Transportation and storage	7.4	3.4	1.0	0.32	0.16	0.04
Communications	12.0	2.3	3.7	0.43	0.11	0.14
Wholesale and retail trade	7.2	2.1	0.3	0.70	0.22	0.03
Finance	4.9	1.7	0.7	0.19	0.06	0.03
Social Insurance	6.0	2.9	2.5	0.21	0.10	0.09
Real Estates	4.6	2.8	2.2	0.12	0.09	0.06
General Government	4.1	3.2	2.7	0.36	0.28	0.23
Social Services	5.6	2.1	3.2	0.23	0.08	0.13
Other Sectors*	6.1	2.2	3.3	0.06	0.02	0.03
<b>Total</b>				<b>4.73</b>	<b>0.78</b>	<b>0.69</b>
<b>External Demand-Driven Sectors</b>						
Extractions	-1.1	-0.6	-1.0	-0.15	-0.08	-0.12
Suez Canal	12.0	12.7	8.4	0.37	0.38	0.28
Tourism	12.1	-19.5	-10.4	0.56	-0.76	-0.52
<b>Total</b>				<b>0.78</b>	<b>-0.46</b>	<b>-0.36</b>
				<b>5.51</b>	<b>0.32</b>	<b>0.33</b>

\* Including water; sanitation; and information and insurance.



Source: Based on the Ministry of Planning data.

The potential real GDP growth\* in 2011/2012 Q1 was estimated at 3.9 percent, while the actual growth (seasonally adjusted) registered 0.2 percent, thus denoting the underperformance of the economic sectors; i.e. they were by far under capacity. As a result, GDP negative gap (3.7 percent) persisted in the quarter under review, compared with the preceding quarter, and the actual GDP growth retreated to 0.2 percent from 0.3 percent (seasonally adjusted).

\* The trend component was calculated on the basis of the quarterly data of both GDP and a set of economic sectors during the period of 2001/02 -2010/11, by applying the approach of Hodrick-Prescott Filter. After that, the cyclical component which reflects the output gap was driven.

**Actual Growth Rates (Seasonally Adjusted)  
GDP Gap of Main Economic Sectors**

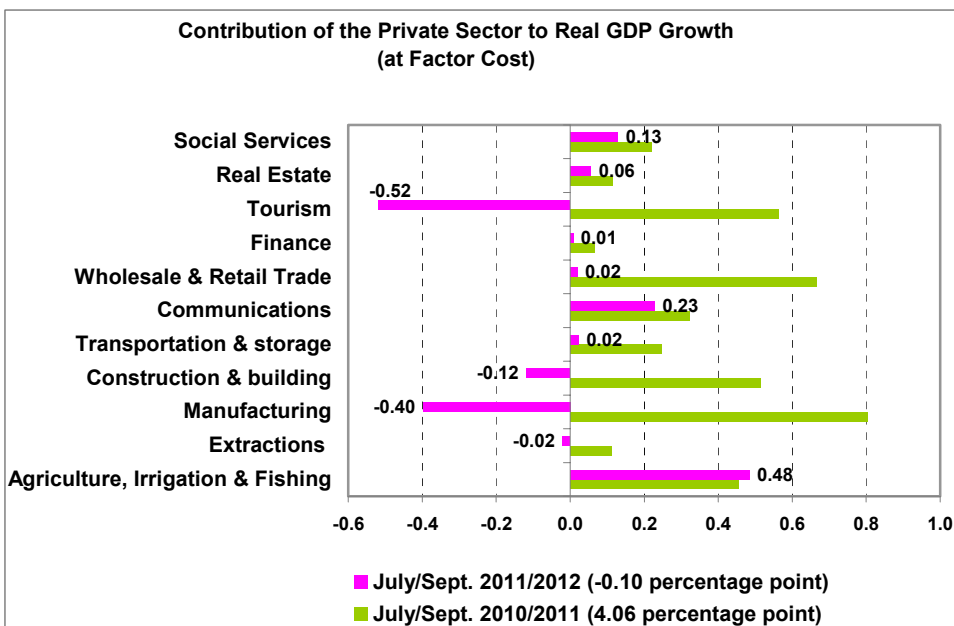
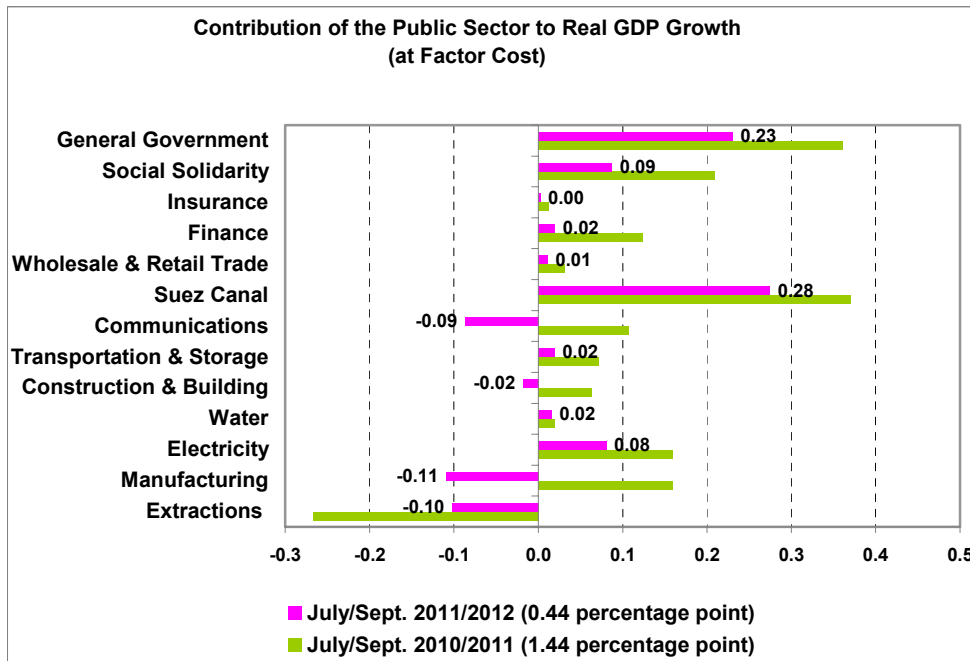
	Actual Growth Rate (%)			GDP Gap Business Cycle (%)		
	Q1 2010/11	Q4 2010/11	Q1 2011/2012	Q1 2010/11	Q4 2010/11	Q1 2011/2012
Communications	12.5	2.2	3.8	2.2	-7.3	-5.4
Construction and building	12.8	0.3	-2.7	3.4	-8.1	-10.9
Electricity	7.4	2.5	5.1	2.0	-2.7	0.0
Extractions	-1.0	-0.8	-0.9	-3.8	-3.3	-3.4
Finance	5.0	1.6	0.9	0.6	-2.5	-3.2
General government	4.5	3.0	2.9	0.5	-0.8	-0.9
Tourism	13.5	-17.5	-14.2	8.5	-21.3	-17.9
Manufacturing	6.3	-3.9	-3.6	2.9	-6.9	-6.5
Real estate	4.6	2.9	2.2	0.8	-0.7	-1.4
Suez Canal	12.5	11.8	9.0	9.3	8.5	5.7
Wholesale and retail trade	7.7	2.1	0.2	3.4	-2.0	-3.8
Transportation and storage	7.4	3.4	0.8	2.0	-1.6	-4.1

Source: Based on the Ministry of Planning data.

By applying the said methodology to the different economic sectors, the major sectors could be divided into two categories in terms of performance during the first quarter of 2011/2012, relative to the preceding quarter (April/June 2010/2011). The sectors of the first category are those whose business cycles are still in recession, while the second includes the sectors that, although in recession, have shown signs of recovery. In the first category, the key sectors that have remained in recession were construction and building, transportation and storage, wholesale and retail trade, real estate, finance, extractions and the general government, as their negative output gaps have widened. In respect of the other sectors that have relatively better performed, their negative output gaps narrowed, especially tourism, communications, and manufacturing. It is noteworthy that electricity has achieved a higher actual growth, which is required to reach the potential growth according to the sector's available operational capacity. In contrast, the performance of the Suez Canal slackened as evidenced by the shrinkage in its output gap, though it continued to be positive.

In this setting, the recession experienced by the Egyptian economy was above all the result of the disruption of the business cycles of the domestic demand-driven sectors, along with some other sectors reliant on external demand, particularly tourism.

As for the **public and private sectors' contributions to the GDP growth** (0.3 percent), the public sector added 0.4 percentage point (against 1.4 point). On the other hand, the private sector's contribution was negative (-0.1 percentage point against positive 4.1 points), because of the underperformance of tourism, manufacturing, construction and building and the extractions. However, the negative contribution of the private sector was alleviated by the better performance of agriculture and irrigation. In the meantime, the retreat of the public sector's share was traced to the lower contributions of extractions, manufacturing, and communications.

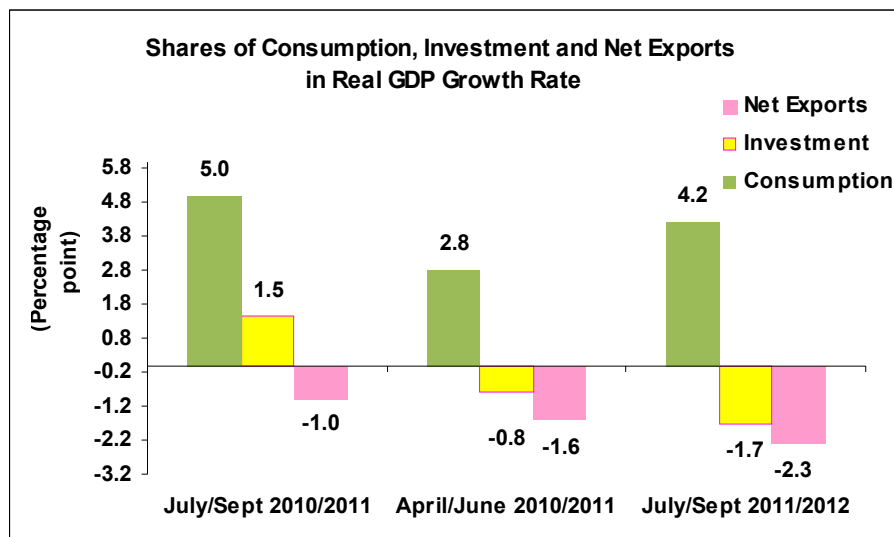


## 2- GDP by Expenditure (at 2006/2007 Market Prices)

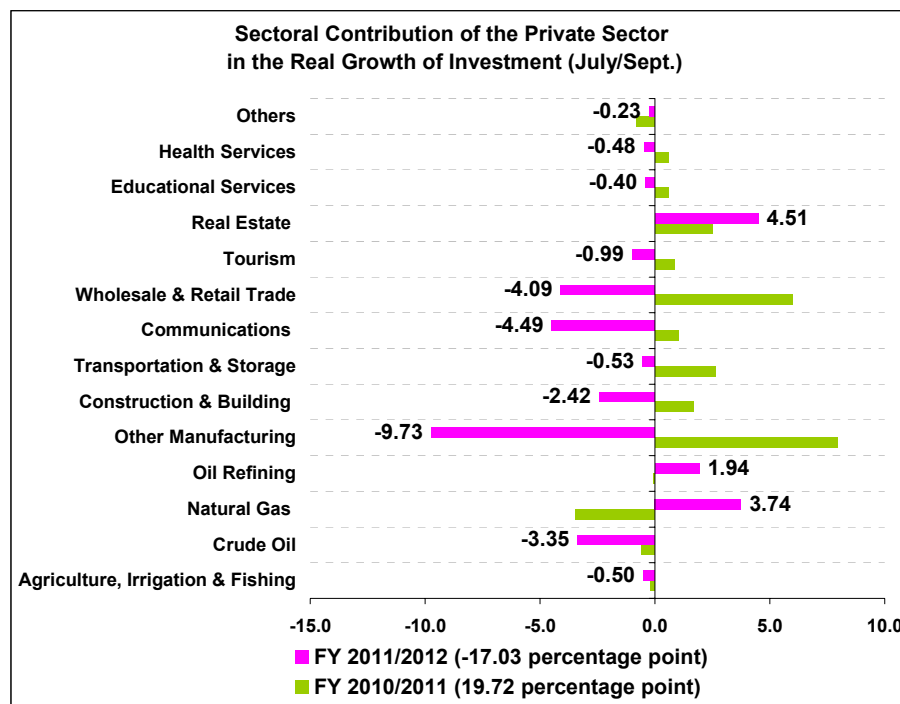
On the **demand side**, the slowdown in economic growth was primarily ascribed to the lower share of capital formation (including the change in stock) that registered a negative 1.7 point (against a positive 1.5 point). Another factor at work was the decline in the share of net external demand (exports of goods and services minus imports of goods and services) that recorded negative 2.3 points (against a negative 1.0 point). The share of private consumption also fell to 3.9 points from 4.6 points.

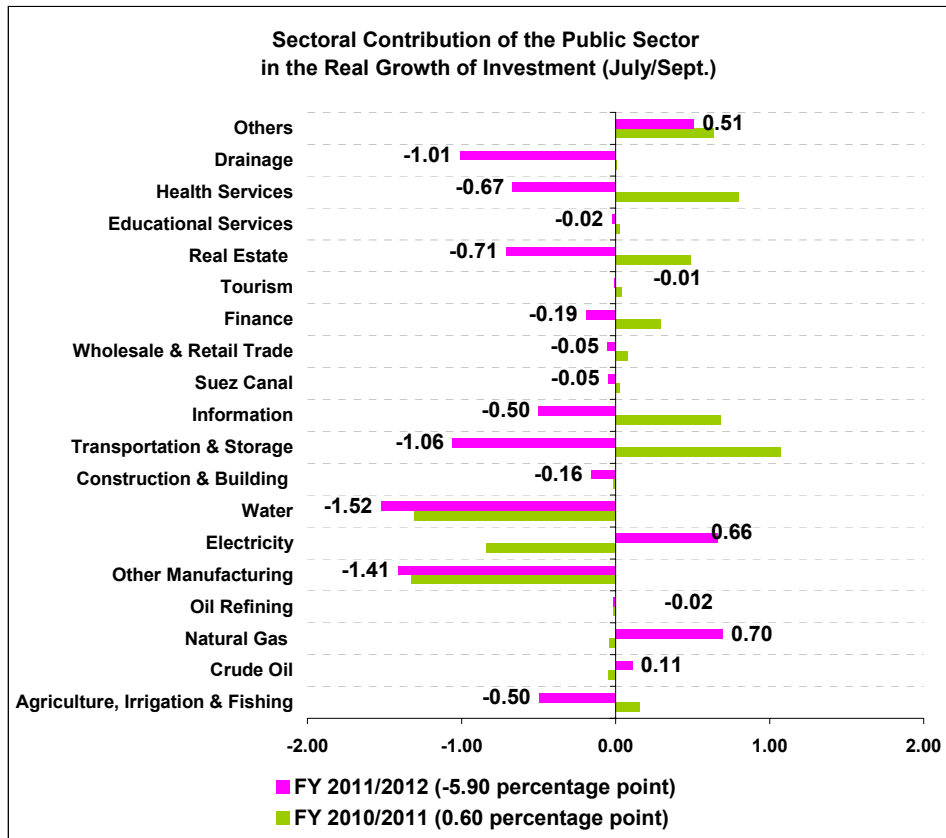
### **Growth Rates of Demand Components and their Share in Real GDP Growth**

	Growth Rate July/Sept. (%)		Share in GDP Growth July/Sept. (Percentage Point)	
	2010/11	2011/12	2010/11	2011/12
<b><u>1- GDP at Market Prices</u></b>	<b><u>5.5</u></b>	<b><u>0.2</u></b>	<b><u>5.5</u></b>	<b><u>0.2</u></b>
<b><u>2- Domestic Demand</u></b>	<b><u>6.3</u></b>	<b><u>2.4</u></b>	<b><u>6.5</u></b>	<b><u>2.5</u></b>
<b><u>A- Final Consumption</u></b>	<b><u>5.7</u></b>	<b><u>4.7</u></b>	<b><u>5.0</u></b>	<b><u>4.2</u></b>
Private	6.0	5.0	4.6	3.9
Public	3.3	2.8	0.4	0.3
<b><u>B- Capital Formation (Including Change in the Stock)</u></b>	<b><u>10.1</u></b>	<b><u>-11.4</u></b>	<b><u>1.5</u></b>	<b><u>-1.7</u></b>
<b><u>3- Net External Demand</u></b>	<b><u>-32.4</u></b>	<b><u>-57.8</u></b>	<b><u>-1.0</u></b>	<b><u>-2.3</u></b>



**Implemented investments** (at 2006/2007 prices) stood at LE 27.0 billion, down by 22.9 percent in the reporting quarter, compared with an increase of 20.3 percent in the corresponding quarter a year earlier. The retreat of investments was due to the slowdown of the private sector-led investment growth (negative 17.0 points against positive 19.7 points). The sectors that accounted for most of the decline were manufacturing, communications and IT, and wholesale and retail trade. At the same time, the public sector registered a negative contribution of 5.9 points against a positive contribution of 0.6 point. The major public sectors that experienced a slowdown in their investments were water and sanitation; other manufacturing; and transportation and storage.





Sectoral distribution of implemented investments ran as follows: 21.7 percent for extractions, 8.3 percent for manufacturing, 6.6 percent for electricity, 2.7 percent for water, 2.3 percent for agriculture, and 0.8 percent for constructions and building. Social services and production sectors accounted for 31.3 percent and 26.3 percent, respectively.



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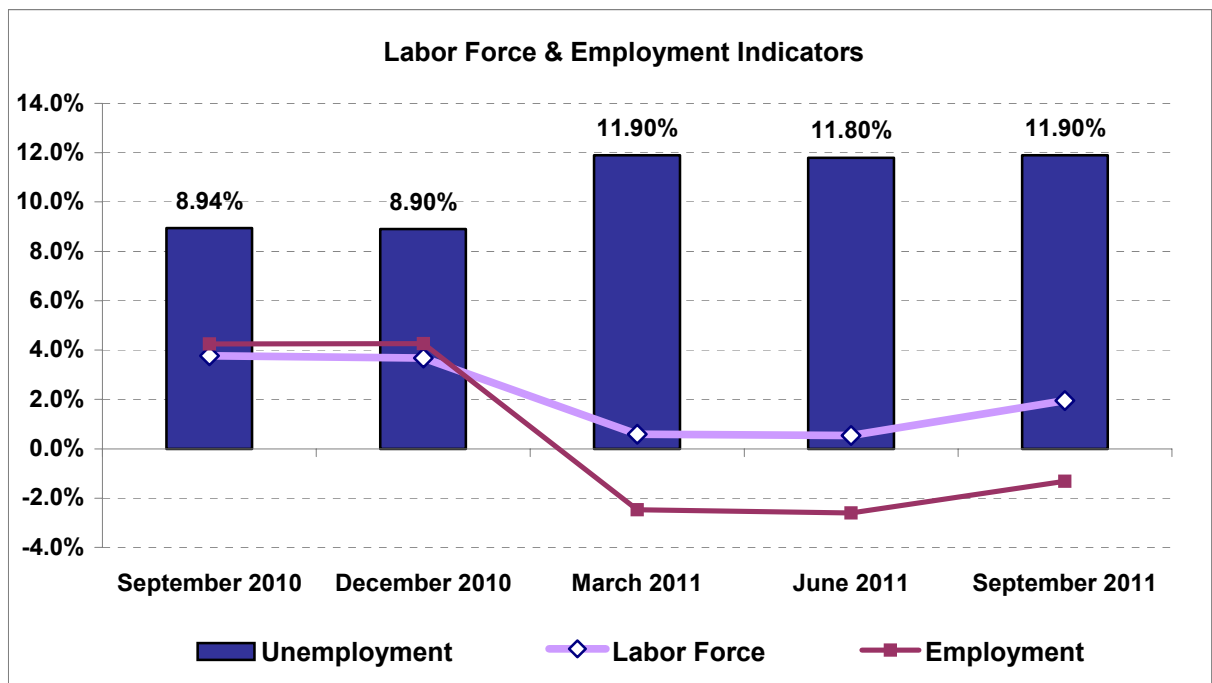
## 1/2- Employment and Unemployment

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According to Labor Force Survey (LFS) data, unemployment slightly rose to 11.9 percent in the first quarter of FY 2011/2012, from 11.8 percent in the preceding quarter (end of June 2011), and 8.9 percent in the corresponding quarter (end of Sept. 2010). It is observed that the rise in unemployment was ascribed to the high rate of jobless females (23 percent in the reporting period against 23.4 percent), compared with 8.7 percent for males (against 4.7 percent). On the other hand, the annual growth of labor force accelerated by some 2.0 percent at end of Sept. 2011, compared with 0.5 percent at end of June 2011, and 3.8 percent at end of Sept. 2010. On the other hand, there was an improvement in the growth rate of employment, registering a negative 1.3 percent at end of Sept. 2011 (against a negative 2.6 percent at end of June).

The number of employed males rose in the reporting period by 282 thousand or 1.5 percent above the level of the end of June 2011, while that of females fell by 15 thousand or 0.3 percent, bringing the total number of the employed to 23.5 million at end of Sept. (males and females represented 18.9 million and 4.6 million, respectively).

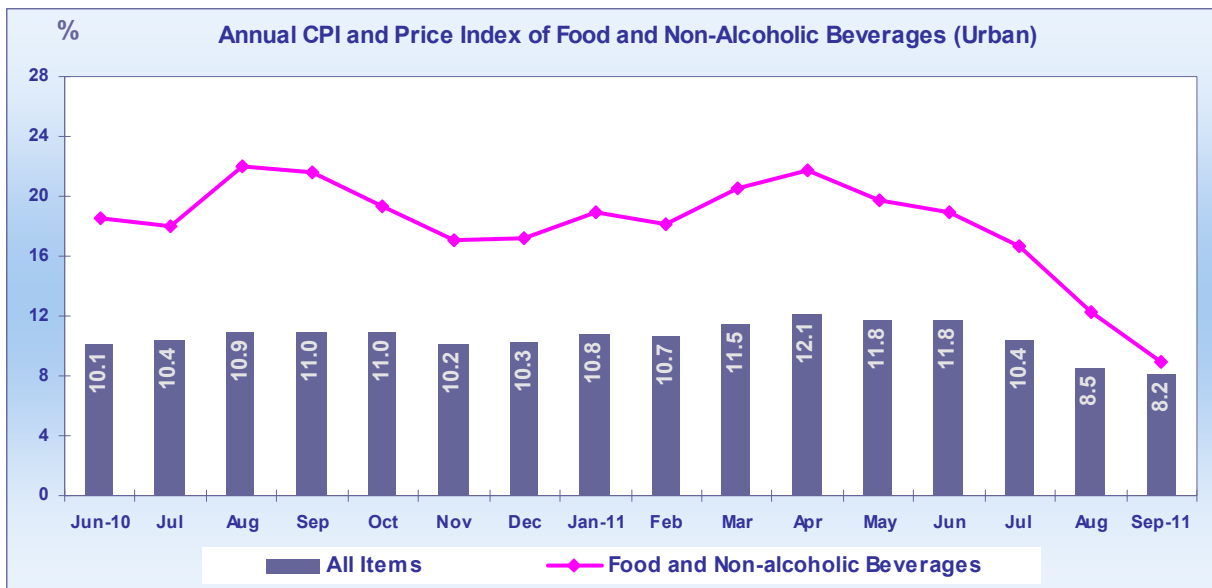


Source: Labor Force Survey (LFS) data, released by CAPMAS.

## **1/3 – Inflation**

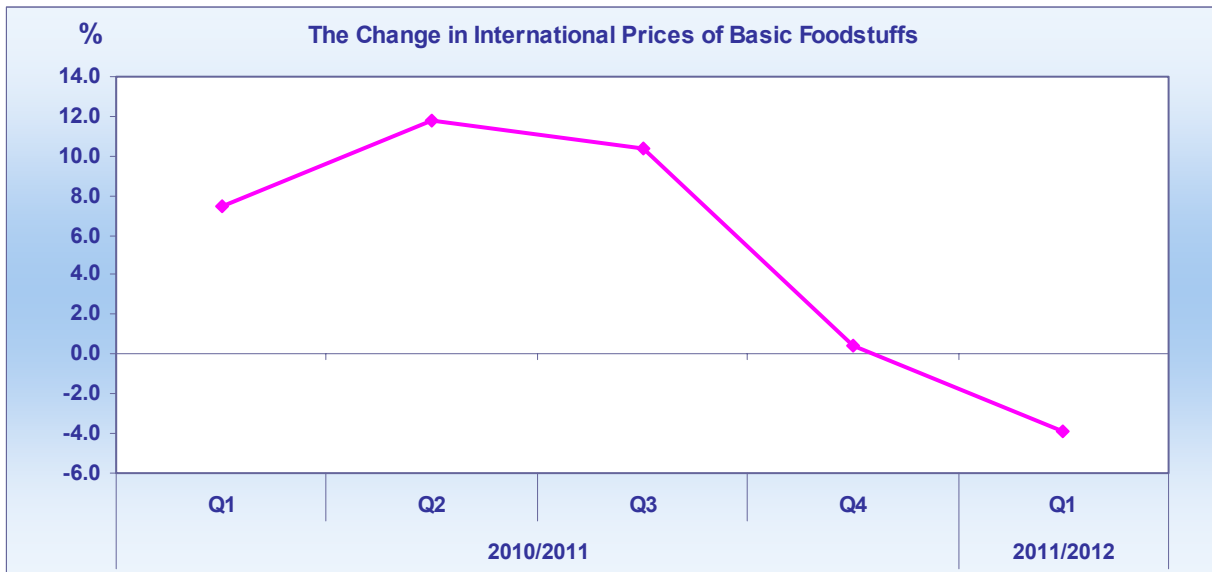
### **First: Consumer Price Index (CPI)**

According to the data of CAPMAS, the annual headline CPI inflation (urban) decelerated in the period under review to 3.8 percent, from 7.2 percent in the corresponding period a year earlier, owing to slowing prices of the group of food and non-alcoholic beverages whose share in headline inflation dropped to 2.2 percentage points, from 6.0 points. Decreases were also noticed in tobacco and narcotics (0.3 point against 1.0 point) and communications (-0.1 point against nil). Conversely, the share of housing, water, electricity, gas and fuel went up (1.0 point against nil) and so did the two groups of furnishings, and culture and recreation (0.1 point against nil for each), while the contributions of the rest of the CPI groups remained broadly at the same level of the corresponding period.



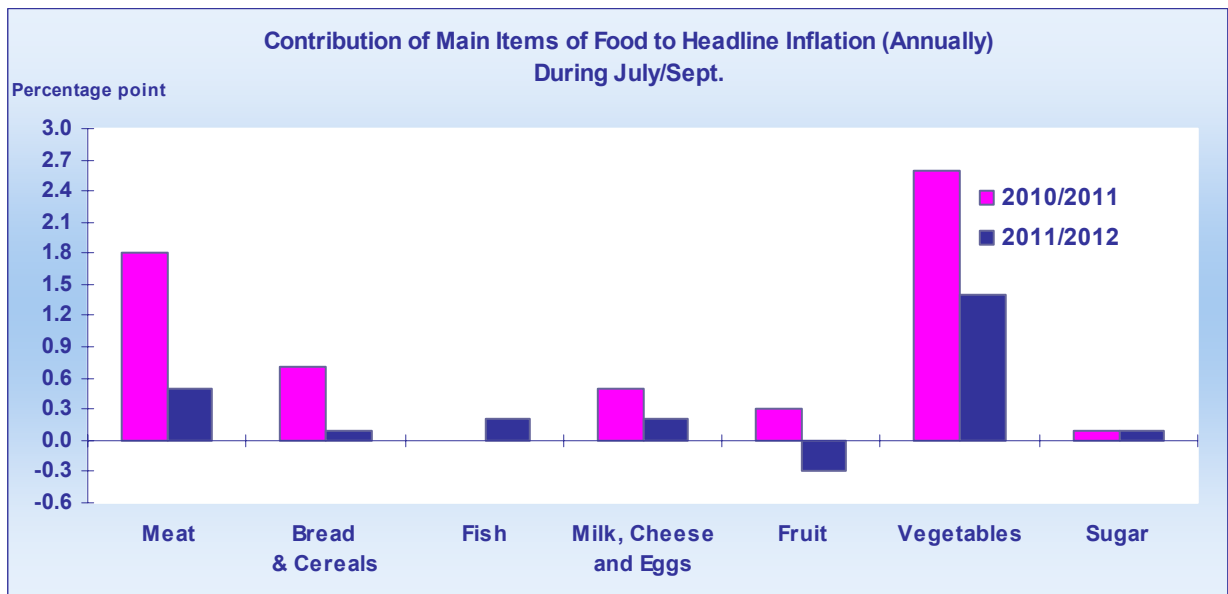
Source: CAPMAS.

The lower contribution of food and non-alcoholic beverages followed the decline in the inflation rate of the group to 4.9 percent (from 14.5 percent). That decline came on the back of the noticeable decrease in world food prices, registering a negative rate of 3.9 percent in the first quarter of FY 2011/2012, relative to the preceding quarter.



Source: IMF

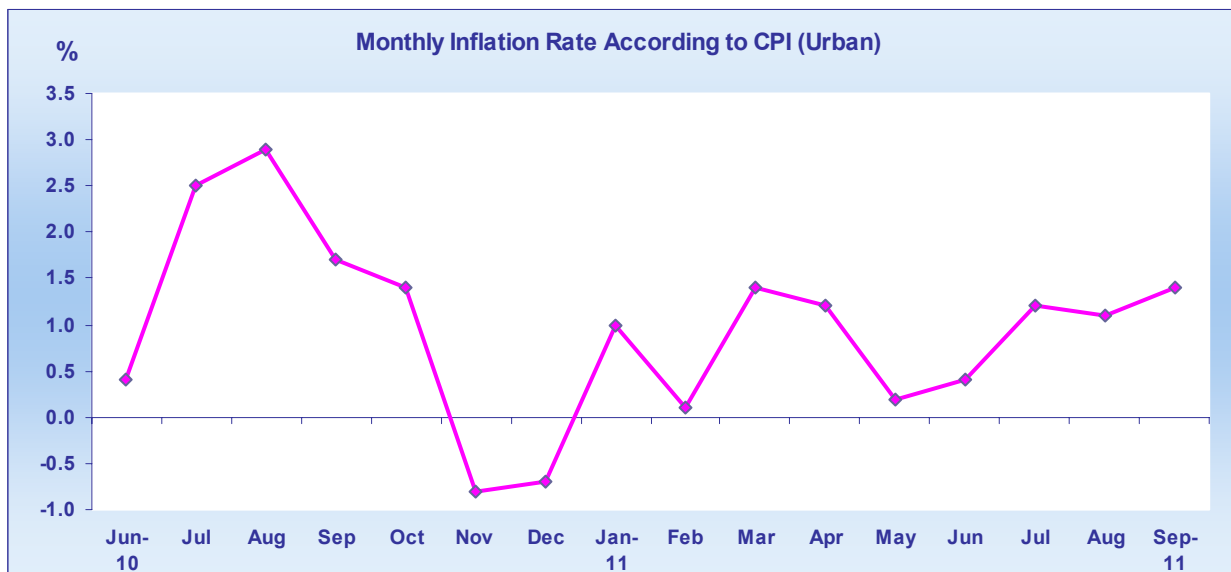
The above fall in the share of food and non-alcoholic beverages was ascribed to the lower contributions of most subgroups, especially meat and poultry (0.5 point against 1.8 point), vegetables (1.4 point against 2.5 points), bread and cereals (0.1 point against 0.7 point), fruit (-0.3 point against 0.3 point), milk (0.2 point against 0.5 point), oil and fats (nil against 0.1 point). However, the share of the group of fish inched up (0.2 point against nil).



The following table illustrates the shares of the CPI groups (urban) in headline inflation in the periods of review and comparison:

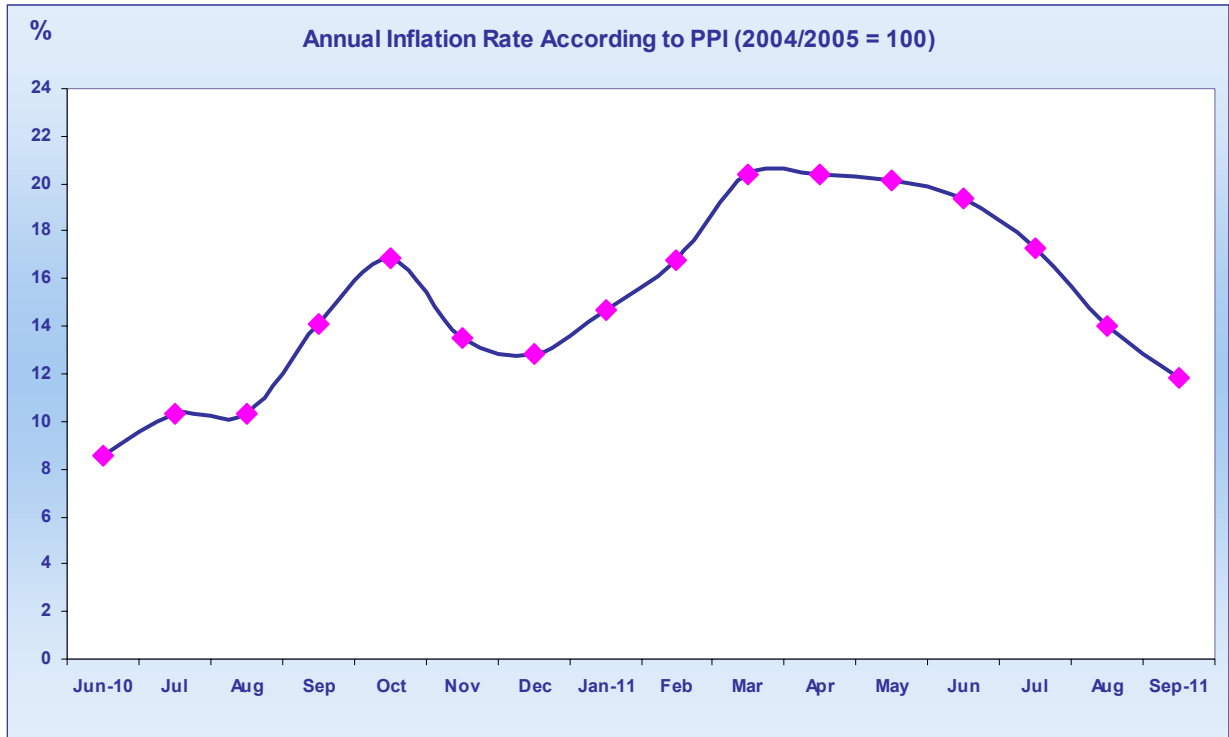
Main CPI Groups	Inflation Rate in July/Sept. (%)		Share in Headline Inflation in July/Sept. (Percentage Point)	
	2010/11	2011/12	2010/11	2011/12
	<b>General Index</b>	<b>7.2</b>	<b>3.8</b>	<b>7.2</b>
Food & non-alcoholic beverages	14.5	4.9	6.0	2.2
Alcoholic beverages, tobacco and narcotics	43.2	9.2	1.0	0.3
Clothing and footwear	2.0	1.7	0.1	0.1
Housing, water, electricity, gas & fuel	0.0	6.3	0.0	1.0
Furnishings, household equipment and routine maintenance	0.1	3.4	0.0	0.1
Health care	0.0	0.1	0.0	0.0
Transportation	0.3	0.7	0.0	0.0
Communications	0.0	-5.1	0.0	-0.1
Culture & recreation	0.3	4.6	0.0	0.1
Education	0.0	0.0	0.0	0.0
Restaurants & hotels	2.8	1.4	0.1	0.1
Miscellaneous goods & services	0.1	1.6	0.0	0.0

The CPI inflation (urban), on a monthly basis, declined to 1.2 percent on average during the period under review, from 2.4 percent in the period of comparison. Affected by the 2.4 percent drop in the monthly inflation of food and non-alcoholic beverages (compared with 6.4 percent), the monthly headline inflation reached its lowest level in August 2011, posting 1.1 percent, compared with 2.9 percent in the same month a year earlier.



## **Second: Producer Price Index (PPI)**

Following the same downtrend of the CPI, annual headline PPI inflation noticeably fell in the period under review, registering 1.1 percent, compared with 8.1 percent in the previous corresponding period.



The drop in PPI inflation was largely attributed to the decrease in the contribution of agriculture, forestry and fishing (0.2 percentage point against 6.1 points) especially vegetables (nil against 3.9 points). Another important factor was the drop in the share of manufacturing (0.5 point against 1.4 point) caused by the lower contribution of iron and steel (negative 0.1 point against 0.3 point); along with that of mining and quarrying (0.3 point against 0.5 point) due to the lower share of crude oil.

The following table shows the inflation rates and shares of PPI groups in headline inflation during the two periods of review and comparison.

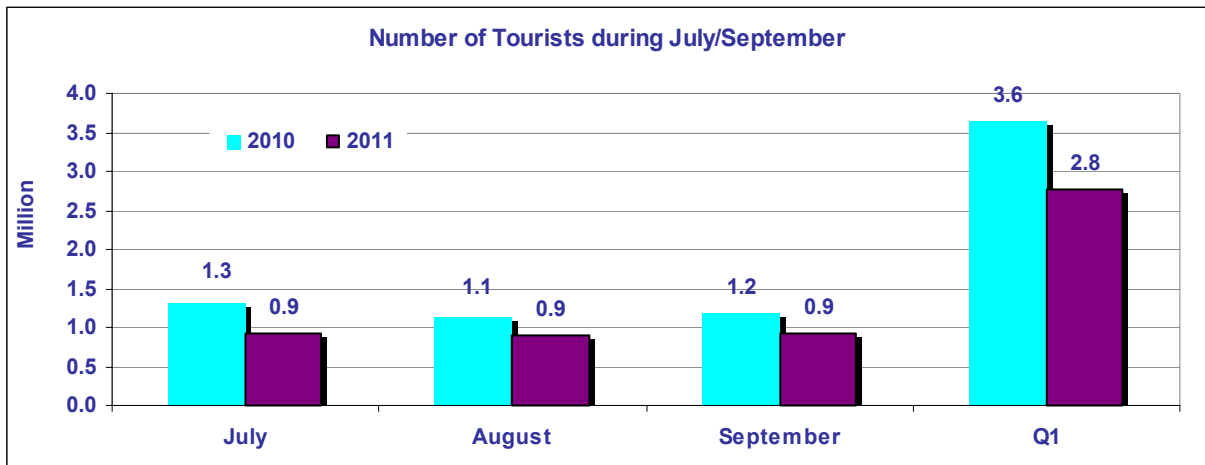
**Share of PPI Groups in Headline Inflation  
(2004/2005= 100)**

Main PPI Groups	Inflation Rate (%) <u>during July/Sept.</u>		Share in Headline Inflation (Percentage Point) July/Sept.	Share in Headline Inflation (Percentage Point) July/Sept.
	2010/11	2011/12	2010/11	2011/12
<b><u>General Index</u></b>	<b><u>8.1</u></b>	<b><u>1.1</u></b>	<b><u>8.1</u></b>	<b><u>1.1</u></b>
<b><u>1-Agriculture, Forestry and Fishing, of which:</u></b>	<b><u>18.4</u></b>	<b><u>0.5</u></b>	<b><u>6.1</u></b>	<b><u>0.2</u></b>
Cereals and leguminous crops	14.6	0.7	0.6	0.0
Rice	16.4	-14.3	0.2	-0.2
Vegetables	56.6	0.0	3.9	0.0
Fruit	11.3	0.7	0.8	0.0
Poultry and eggs	9.8	-1.1	0.4	0.0
Fish	2.8	5.2	0.1	0.1
<b><u>2-Mining and Quarrying, of which:</u></b>	<b><u>2.2</u></b>	<b><u>1.5</u></b>	<b><u>0.5</u></b>	<b><u>0.3</u></b>
Crude oil	2.9	1.7	0.7	0.5
Stone, sand and clay	1.1	4.7	0.0	0.0
<b><u>3- Manufacturing, of which:</u></b>	<b><u>3.9</u></b>	<b><u>1.5</u></b>	<b><u>1.4</u></b>	<b><u>0.5</u></b>
Processed food products, of which:	6.0	2.1	0.5	0.2
Oils and fats	0.0	0.1	0.0	0.0
Dairy products	7.6	0.1	0.1	0.0
Fertilizers	0.0	3.5	0.0	0.0
Wood & products	-3.0	4.0	0.0	0.0
Cement	0.0	0.2	0.0	0.0
Iron and steel	7.4	-1.6	0.3	-0.1
<b><u>4- Electricity and Gas, of which:</u></b>	<b><u>0.0</u></b>	<b><u>0.0</u></b>	<b><u>0.0</u></b>	<b><u>0.0</u></b>
Electric power generation, transmission and distribution	0.0	0.0	0.0	0.0
<b><u>5-Water Supply Activities</u></b>	<b><u>0.0</u></b>	<b><u>4.9</u></b>	<b><u>0.0</u></b>	<b><u>0.1</u></b>
<b><u>6-Transportation and Storage, of which:</u></b>	<b><u>0.0</u></b>	<b><u>3.0</u></b>	<b><u>0.0</u></b>	<b><u>0.0</u></b>
<b><u>7-Accomodation and Food Services, of which:</u></b>	<b><u>2.7</u></b>	<b><u>1.8</u></b>	<b><u>0.1</u></b>	<b><u>0.0</u></b>
Meal serving services in Limited- service facilities	1.5	0.0	0.0	0.0
<b><u>8-Information and Communications</u></b>	<b><u>0.0</u></b>	<b><u>0.0</u></b>	<b><u>0.0</u></b>	<b><u>0.0</u></b>

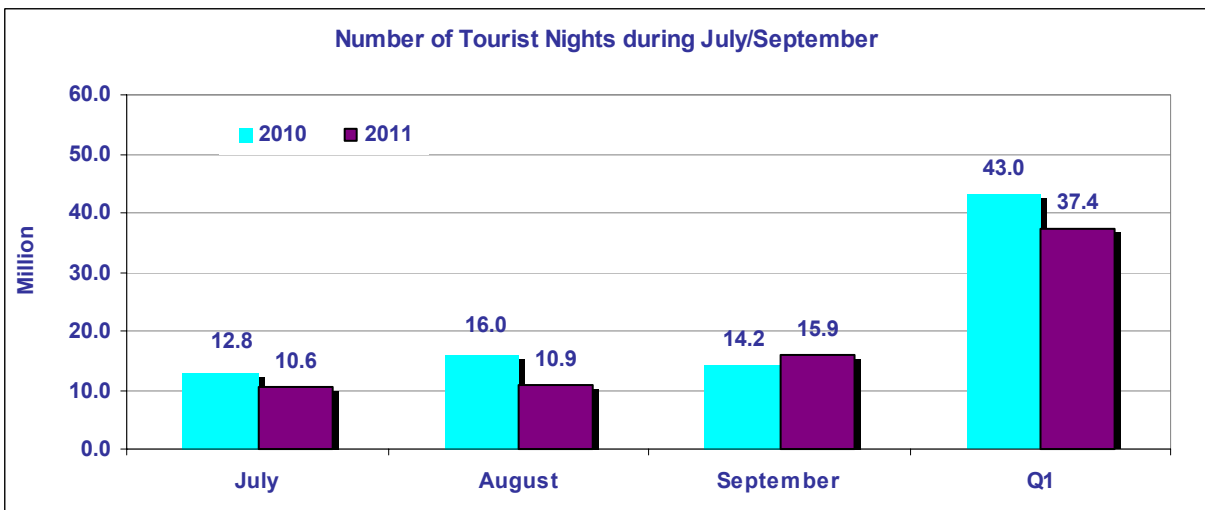
Source: CAPMAS.

## 1/4- Tourism

According to the statistics of the Ministry of Tourism, the number of visitors in 2011/2012 Q1 fell 24.0 percent (relative to the corresponding quarter a year earlier) recording only 2.8 million visitors (against 3.6 million). The number of tourist nights by departure also dropped by 12.9 percent to 37.4 million nights (against 43.0 million) despite the increase in the average stay per tourist from 11.8 nights to 13.6 nights. These indicators show that tourism has been hit hard by the political and security unrest in Egypt since the outbreak of the January 25<sup>th</sup> Revolution.



Throughout the period under review, the month of July 2011 was the lowest in terms of the number of visitors (28.2 percent), registering 936 thousand visitors (against 1.303 thousand visitors in July 2010), while the month of August was the lowest in terms of tourist nights (32.0 percent), registering 10.884 thousand nights (against 16.010 thousand nights in August 2010).



The slowdown of tourism business in Egypt led to a drop in its revenues by 26.0 percent to US\$ 2.7 billion (against US\$ 3.65 billion). The average spending per tourist a night also fell by 15.1 percent to US\$ 72.2 dollar per night (from 85 dollars in the corresponding period).

Also, during the period in question, tourism revenues added 1.0 percent to GDP registered in FY 2011/2012 at current market prices (against 1.5 percent in the period of comparison), and added 16.7 percent to total current receipts, including transfers (against 22.8 percent).

Investments directed to tourism industry amounted to LE 1.1 billion (compared with LE 1.6 billion in the corresponding period a year earlier) representing 2.4 percent of total implemented investments (against 2.8 percent). The private sector undertook the majority of these investments (90.9 percent or LE 1.0 billion).

### **Tourism Indicators**

<b>July/Sept.</b>	<b>2010/2011</b>	<b>2011/2012</b>	<b>Change + (-) %</b>
Number of arrivals (000s)	3631	2760	-24.0
Number of departures (000s)	42979	37420	-12.9
Average spending per tourist a night (US\$)	85.0	72.2	-15.1
Tourism revenues (US\$ billion)	3.65	2.70	-26.0
Current receipts, including transfers (US\$ mn)	16003	16202	1.2
Average tourist stay (night)	11.8	13.6	15.3
GDP at current prices (LE billion)*	1371.8	1570.0	14.4
GDP at current prices (US\$ billion)*	240.8	263.3	9.3
Average exchange rate during the year	5.698	5.962	4.6

Source: CBE, Ministry of Tourism and Ministry of Planning and International Cooperation.

\* GDP of the fiscal year.

## **Geographical Distribution of Tourism**

### **1- Number of Arrivals:**

In 2011/2012 Q1, visitors from all geographical groups decreased in terms of number, as compared with the corresponding quarter a year earlier. With a relative weight of 74.6 percent of total tourist flows, the **European group**



stayed in the lead, even though it registered a decline of 0.6 million tourists or 22.1 percent. **The Middle East group** ranked second, with a relative importance of 16.6 percent of total tourist flows where the number of visitors declined by 0.1 million or 21.6 percent.

### Number of Tourists

	<u>July/Sept.</u>					
	<u>2010/2011</u>		<u>2011/2012</u>		Change + (-)	%
	No. (000s)	Relative Weight	No. (000s)	Relative Weight		
<b><u>Total</u></b>	<b><u>3631</u></b>	<b><u>100.0</u></b>	<b><u>2760</u></b>	<b><u>100.0</u></b>	<b><u>-871</u></b>	<b><u>-24.0</u></b>
Europe	2642	72.8	2058	74.6	-584	-22.1
Middle East	583	16.1	457	16.6	-126	-21.6
Africa	132	3.6	100	3.6	-32	-24.2
The Americas	120	3.3	67	2.4	-53	-44.2
Asia and the Pacific	146	4.0	72	2.6	-74	-50.7
Others	8	0.2	6	0.2	-2	-25.0

### 2- Tourist Nights by Departure:

The **European group** ranked first, accounting for 61.8 percent of total tourist nights, though the number of nights spent by departures rolled back by 16.2 percent, relative to the corresponding period. The **Middle East group** ranked second, with a share of 26.6 percent, registering a decline of 1.4 percent. The remaining geographical groups witnessed a substantial decline in the number of tourist nights. African countries were an exception, recording a rise of 4.7 percent and a relative weight of 5.3 percent of total tourist nights.

### Number of Tourist Nights by Departures

	<u>July/Sept.</u>					
	<u>2010/2011</u>		<u>2011/2012</u>		Change + (-)	%
	No. (000s)	Relative Weight	No. (000s)	Relative Weight		
<b><u>Total</u></b>	<b><u>42979</u></b>	<b><u>100.0</u></b>	<b><u>37420</u></b>	<b><u>100.0</u></b>	<b><u>-5559</u></b>	<b><u>-12.9</u></b>
Europe	27620	64.3	23134	61.8	-4486	-16.2
Middle East	10099	23.5	9957	26.6	-142	-1.4
Africa	1891	4.4	1980	5.3	89	4.7
The Americas	1947	4.5	1389	3.7	-558	-28.7
Asia and the Pacific	1347	3.1	919	2.5	-428	-31.8
Others	75	0.2	41	0.1	-34	-45.3

The top ten markets exporting tourism to Egypt contributed 1.8 million visitors or 66.2 percent of the total number of visitors during July/Sept. 2011/2012, compared with 2.3 million visitors and 64.3 percent in the corresponding period a year earlier. Meanwhile, the number of tourist nights by departures reached some 23.6 million nights or 63.1 percent of total tourist nights, against 27.1 million nights and 63.1 percent of the total. (see the following two tables).

### Top Ten Markets in Terms of Arrivals

Country	<u>July/Sept.</u>		Country	<u>July/Sept.</u>	
	<u>2010/2011</u>			<u>2011/2012</u>	
	Number (000s)	%		Number (000s)	%
Russia	472	13.0	Russia	527	19.1
The United Kingdom	372	10.2	Germany	238	8.6
Italy	341	9.4	The United Kingdom	235	8.5
Germany	319	8.8	Italy	188	6.8
Poland	227	6.3	Poland	155	5.6
Libya	152	4.2	Libya	135	4.9
Saudi Arabia	138	3.8	Israel	90	3.3
France	133	3.7	Ukraine	88	3.2
Israel	105	2.9	Palestine	88	3.2
Austria	77	2.1	France	84	3.0
<b>Total</b>	<b>2336</b>	<b>64.3</b>	<b>Total</b>	<b>1828</b>	<b>66.2</b>
<b><u>Grand Total</u></b>	<b><u>3631</u></b>	<b><u>100.0</u></b>	<b><u>Grand Total</u></b>	<b><u>2760</u></b>	<b><u>100.0</u></b>

**Top Ten Markets in Terms of Tourist Nights  
by Departure**

<b>Country</b>	<b><u>July/Sept.</u></b>		<b>Country</b>	<b><u>2011/2012</u></b>	
	<b><u>2010/2011</u></b>			<b><u>Number</u></b>	<b><u>%</u></b>
	<b>Number (000s)</b>	<b>%</b>		<b>Number (000s)</b>	<b>%</b>
Russia	4559	10.6	Russia	4592	12.3
The United Kingdom	4417	10.3	Germany	3226	8.6
Germany	3881	9.0	The United Kingdom	3010	8.0
Italy	3300	7.7	Libya	2871	7.7
Saudi Arabia	2500	5.8	Italy	2060	5.5
Libya	2352	5.5	Saudi Arabia	1983	5.3
Poland	2034	4.7	Palestine	1711	4.6
France	1398	3.3	Sudan	1479	4.0
USA	1370	3.2	Poland	1462	3.9
Palestine	1292	3.0	Austria	1208	3.2
<b>Total</b>	<b>27103</b>	<b>63.1</b>	<b>Total</b>	<b>23602</b>	<b>63.1</b>
<b><u>Grand total</u></b>	<b><u>42979</u></b>	<b><u>100.0</u></b>	<b><u>Grand Total</u></b>	<b><u>37420</u></b>	<b><u>100.0</u></b>

## **2- Monetary and Banking Developments**

### **2/1- Monetary and Banking Policy and Monetary Aggregates**

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#### **2/1/1- Monetary Policy**

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Embracing price stability as the ultimate objective of the monetary policy, the CBE seeks to bring inflation to an appropriate and stable level that helps build confidence and sustain appropriate levels of investment and achieve the targeted economic growth.

The CBE adopted the overnight interbank interest rate as the operational target of the monetary policy, by applying a framework based on the corridor system, within which the ceiling is the overnight interest rate on lending from the bank, and the floor is the overnight deposit interest rate at the bank.

The decisions taken by the MPC in the two periodic meetings held during July/September 2011/2012 were responsive to the changes in inflation and the Committee's assessment of inflationary pressures. In these meetings (dated July 21 and August 25, 2011), the MPC decided to keep the CBE key interest rates (the overnight deposit and lending rates) and the lending and discount rate unchanged at 8.25 percent, 9.75 percent and 8.50 percent per annum, in order. These rates were kept applicable at the time of preparing this Review till the meeting of the Committee on October 13, 2011. However in its meeting on November 24, 2011, the MPC decided to raise the overnight deposit rate by 100 bps to 9.25 percent and the overnight lending rate by 50 bps to 10.25 percent. The lending and discount rate was also raised by 100 bps to 9.50 percent.

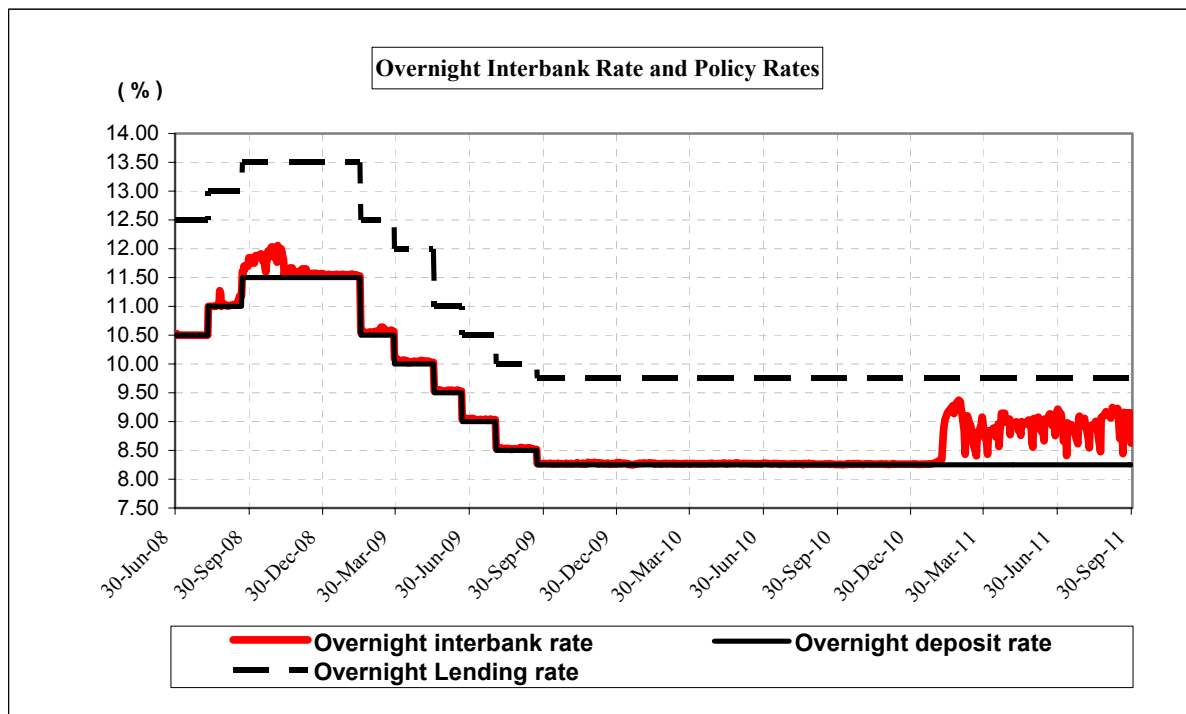
In light of the political transformation in Egypt during January, 25 Revolution, which influenced the pace of economic activity and the performance of financial markets, and in turn, liquidity in the market, the MPC (in its periodic meeting dated 10 March, 2011) decided to launch weekly repo operations on a regular basis under the operational framework of the CBE monetary policy, to provide adequate liquidity for banking system units in the face of potential liquidity pressures. The MPC set a one-week maturity for these operations at an interest rate to be determined in each meeting. An interest rate

of 9.25 percent per annum was determined by the Committee, and remained applicable till the end of September 2011. While this Review was under publication, the MPC decided in its meeting on Oct. 13, 2011, to keep the interest rate unchanged; yet this rate was raised by 50 bps to 9.75 percent in its meeting on Nov. 24, 2011.

The following table shows the CBE’s key interest rates according to the MPC’s decisions in its two meetings held during the period under review:

	<b>Overnight Deposit Interest Rate</b>	<b>Overnight Lending Interest Rate</b>	<b>Lending &amp; Discount Rate</b>
9 June 2011	8.25%	9.75%	8.50%
21 July 2011	Unchanged	Unchanged	Unchanged
25 August 2011	"	"	"

Due to the continued decrease in the balance of excess liquidity at the banking system, the weighted average of the overnight interbank interest rate rose during this period, hovering around the middle of the corridor (9 percent), as illustrated by the following chart:



The MPC's decisions led to the relative stability of the market interest rates<sup>+</sup> on customers' deposits, as the weighted average interest rate on deposits with maturities of three and six months and one year posted some 6.8 percent, 6.9 percent and 7.6 percent, respectively, in September 2011 (against 6.6 percent, 6.9 percent and 7.4 percent in June 2011). On the other hand, the average interest rate on loans of one year rose to 11.2 percent in September 2011, from 11.0 percent in June.

### **Open Market Operations:**

The period July/Sept. 2011 witnessed a decline in the outstanding balance of liquidity at end of July, during which the balance of market operations reached some LE 0.5 billion. Afterwards, this balance turned into a deficit of LE 3.8 billion at end of August 2011, due to a higher number of weekly repo operations conducted by banks. Yet, at end of Sept. 2011<sup>\*</sup>, this deficit reversed into a surplus of about LE 21.9 billion, because the end of this month coincided with the end of the reserve maintenance period when banks increasingly make overnight deposits at the CBE.

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<sup>+</sup> The data on interest rates (deposits and loans) were compiled using the Domestic Money Monitoring System (DMMS) launched in June 2010.

<sup>\*</sup> As banks lodged deposits at the CBE overnight in the amount of LE 23.1 billion on Sept., 30 and conducted one repo operation of LE 1.2 billion during the maintenance period ending Oct. 3, 2011.

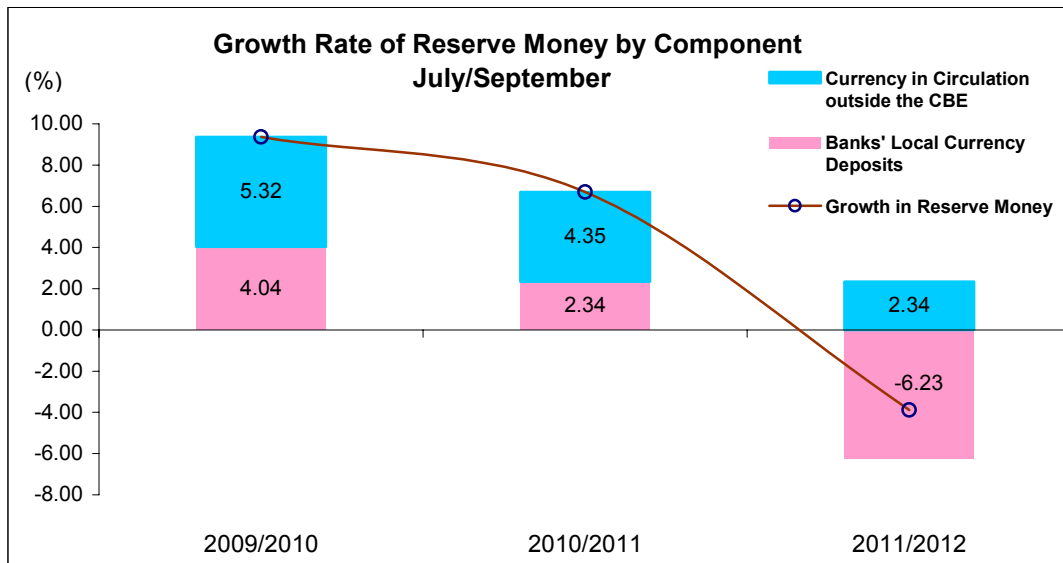
## 2/1/2- Reserve Money (M0)

Reserve money (M0) is also known as the monetary base or high-powered money. It is considered the base of money in its broader definition and is composed of money in circulation outside the CBE and local currency deposits of banks therein. As to the counterpart assets of reserve money, they consist of net foreign assets at the CBE and net domestic assets therein (including net claims on the government, net claims on banks and net balancing items).

Reserve money reached LE 241.2 billion at end of September 2011, down by LE 9.8 billion or 3.9 percent during July/Sept. 2011/2012 (against a rise of LE 13.6 billion or 6.7 percent during the corresponding period a year earlier). The decrease in reserve money was reflected in the decline in banks' local currency deposits by LE 15.7 billion or 21.7 percent, though it was subdued by the rise in currency in the circulation outside the CBE by LE 5.9 billion (3.3 percent) to LE 185.0 billion or 76.7 percent of reserve money at end of Sept. 2011.

### Reserve Money and Counterpart Assets

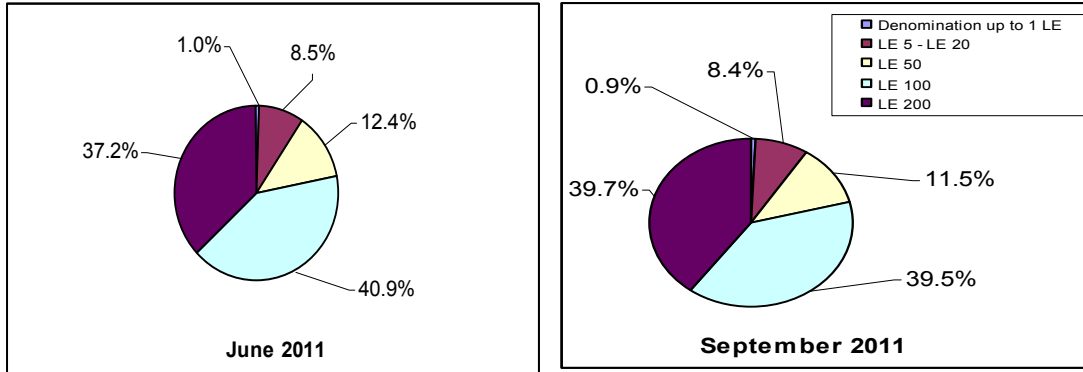
	Balances at End of Sept. 2011	Change in July/Sept. + (-)			
		2010/2011		2011/2012	
		Value	%	Value	%
<b><u>A- Reserve Money</u></b>	<b><u>241242</u></b>	<b><u>13584</u></b>	<b><u>6.7</u></b>	<b><u>-9750</u></b>	<b><u>(3.9)</u></b>
- Currency in circulation outside the CBE	184981	8826	6.1	5885	(3.3)
- Banks' local currency deposits	56261	4758	8.1	-15635	(21.7)
<b><u>B- Counterpart Assets</u></b>	<b><u>241242</u></b>	<b><u>13584</u></b>	<b><u>6.7</u></b>	<b><u>-9750</u></b>	<b><u>(3.9)</u></b>
<b><u>Net Foreign Assets</u></b>	<b><u>132030</u></b>	<b><u>1414</u></b>	<b><u>0.7</u></b>	<b><u>-15167</u></b>	<b><u>(10.3)</u></b>
Foreign Assets	141293	1449	0.7	-15038	(9.6)
Foreign Liabilities	9263	35	0.4	129	1.4
<b><u>Net Domestic Assets</u></b>	<b><u>109212</u></b>	<b><u>12170</u></b>	<b><u>94.8</u></b>	<b><u>5417</u></b>	<b><u>5.2</u></b>
Claims on the Government (Net)	147132	29224	36.3	44570	43.5
Claims on Banks (Net)	-2853	27612	95.2	-3000	(2040.8)
Net Balancing Items	-35067	-44666	46.2	-36153	(3329.0)



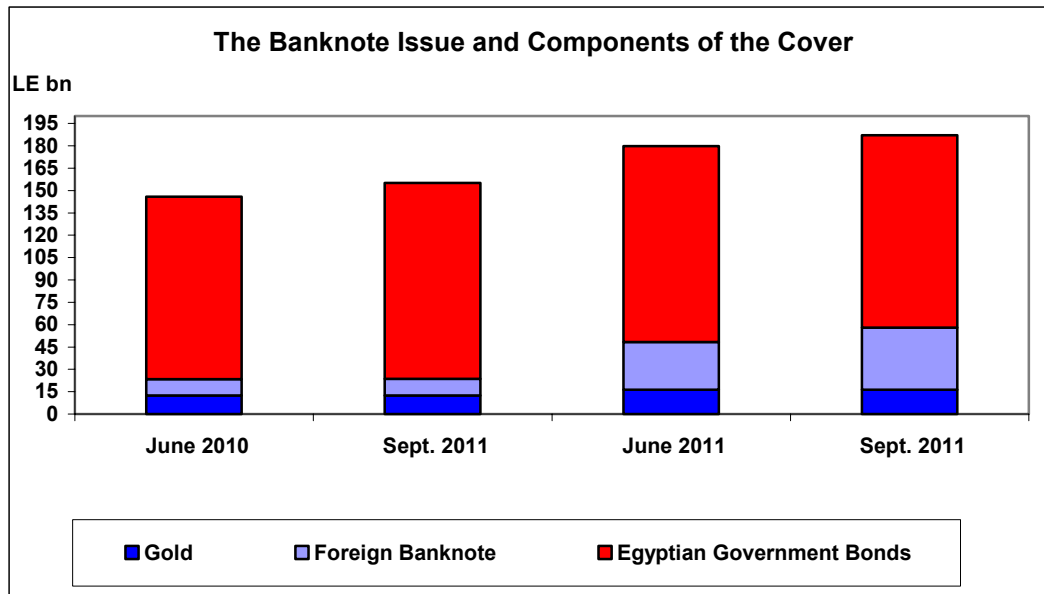
The breakdown of the currency in circulation outside the CBE by denomination showed a slight decrease in the relative importance of medium denominations (LE 5, LE 10 and LE 20), as they represented 8.4 percent of total currency in circulation at end of September 2011, against 8.5% at end of June 2011. Moreover, the relative importance of the LE 100 note declined from 40.9 percent to 39.5 percent and also that of the LE 50 note dropped from 12.4 percent to 11.5 percent. By contrast, the relative importance of the LE 200 note moved up from 37.2 percent to 39.7 percent. Accordingly, the relative importance of large denominations (LE 50, LE 100 and LE 200) mounted to 90.7 percent of the total currency in circulation at end of September 2011 (against 90.5 percent at end of June 2011). This mirrored the increasing value of transactions as a consequence of the higher prices. As a result, the average banknote value increased to some LE 37.2 at end of Sept. 2011, compared with LE 36.0 at end of June 2011.



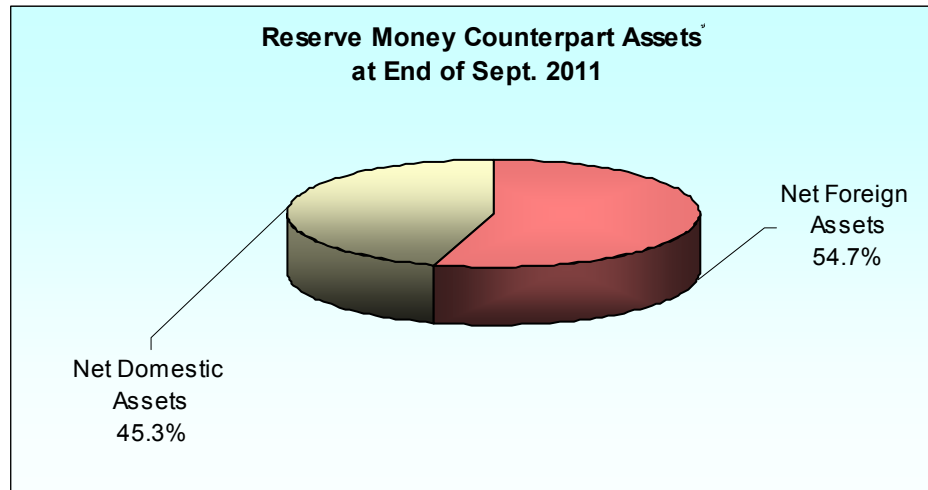
### The Relative Importance of Banknote Denominations



The pickup in the currency in circulation outside the CBE was due to the increase in the balance of banknote issue by LE 7.3 billion or 4.1 percent during July/September 2011/2012 (against a rise of LE 9.2 billion or 6.3 percent during the corresponding period of the previous FY) to reach LE 187.1 billion at end of Sept. 2011. As for the components of the issue cover, the value of gold made up the equivalent of LE 16.3 billion, Egyptian government bonds LE 129.1 billion, and foreign currencies of about LE 41.7 billion worth. Accordingly, the structure of the cover at end of Sept. 2011 ran as follows: 69.0 percent for government bonds, 22.3 percent for foreign currencies and 8.7 percent for gold.



The decrease in the counterpart assets of reserve money was attributable to the fall in net foreign assets and the pickup in net domestic assets. Net foreign assets made a negative contribution of 6.1 percentage points, offset by the positive contribution of net domestic assets (2.2 percentage points).



Net foreign assets at the CBE rolled back by LE 15.2 billion worth due to the drop of LE 15.1 billion worth in foreign assets at the CBE and the rise of LE 0.1 billion worth in foreign liabilities therewith. It is worth mentioning that foreign assets at the CBE retreated by the equivalent of LE 65.0 billion or 31.5 percent during January/September 2011.

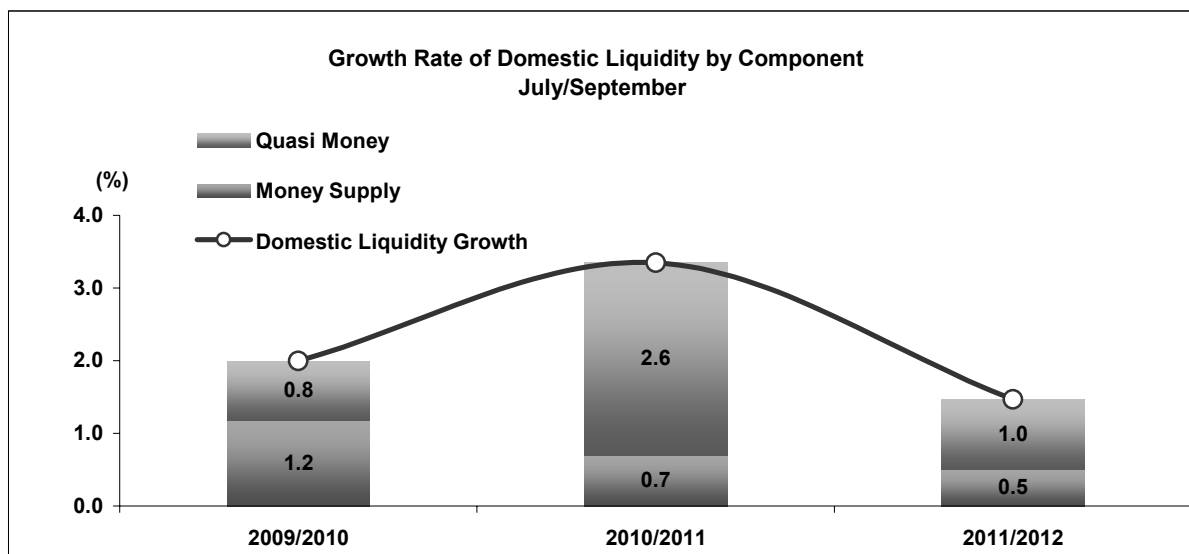
Net domestic assets at the CBE went up by LE 5.4 billion, as a result of the rise in the CBE's net claims on the government by LE 44.6 billion (due to the pickup in its claims on the government by LE 34.0 billion, and the drop in its deposits at the CBE by LE 10.6 billion). Moreover, the net balancing items had a contractional effect on reserve money, as they went down by LE 36.2 billion shifting into a negative balance of LE 35.1 billion. This was mainly ascribed to the LE 36.4 billion decline in the balance of open market operations, and the LE 0.2 billion rise in net unclassified assets and liabilities. The CBE's net claims on banks decreased by LE 3.0 billion, as an outcome of the decline in its claims on banks by LE 3.2 billion and in their foreign currency deposits at the CBE by the equivalent of LE 0.2 billion.

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### 2/1/3- Domestic Liquidity (M2) and Counterpart Assets

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Domestic liquidity (M2) consists of money in circulation outside the banking system and deposits at banks (in both local and foreign currencies). Domestic liquidity reached LE 1024.4 billion at end of September 2011, with a rise of LE 15.0 billion or 1.5 percent during July/September of FY 2011/2012 (against a rise of LE 30.7 billion or 3.3 percent during the same period a year earlier).

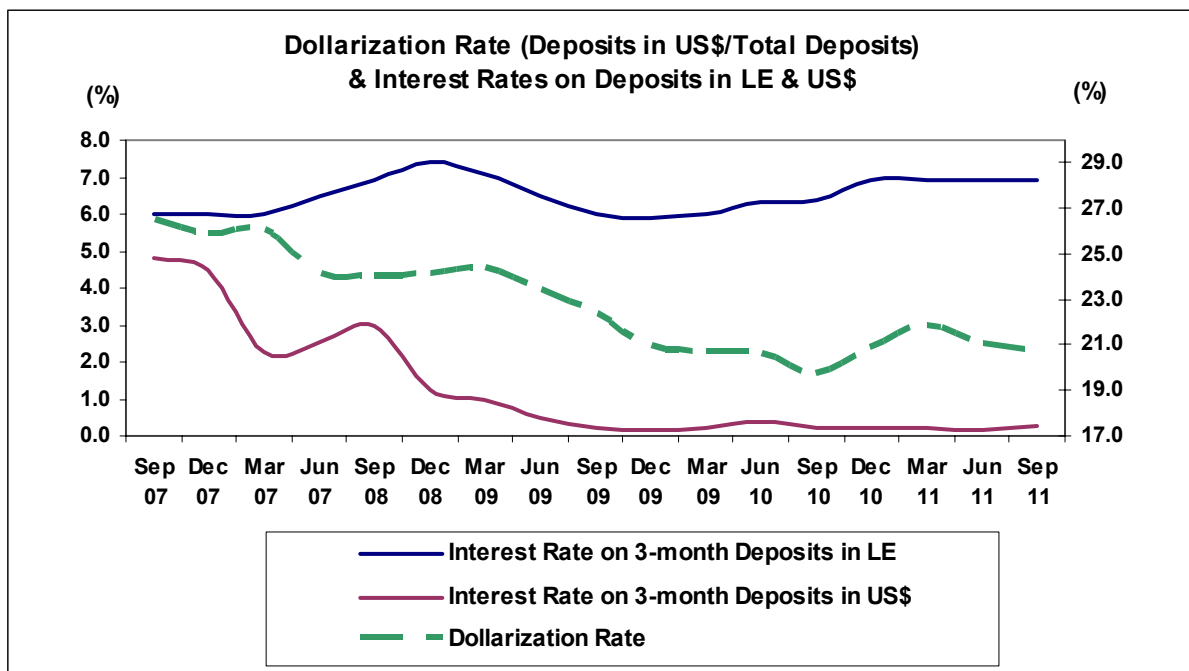


The pickup in domestic liquidity was reflected in the acceleration of money supply and quasi-money. Money supply scaled up by LE 5.1 billion or 2.0 percent (against LE 6.4 billion or 3.0 percent during the same period of the preceding year); recording LE 253.8 billion or 24.8 percent at end of September 2011. The rise in money supply was brought about by the increase in the currency in circulation outside the banking system by LE 6.3 billion or 3.7 percent and the decrease in local currency demand deposits at banks by LE 1.2 billion or 1.4 percent.

Quasi-money stepped up by LE 9.9 billion or 1.3 percent during the period (against LE 24.3 billion and 3.5 percent in the corresponding period of the previous FY), reaching LE 770.6 billion or roughly three quarters of domestic liquidity (75.2 percent) at end of September 2011. The increase was

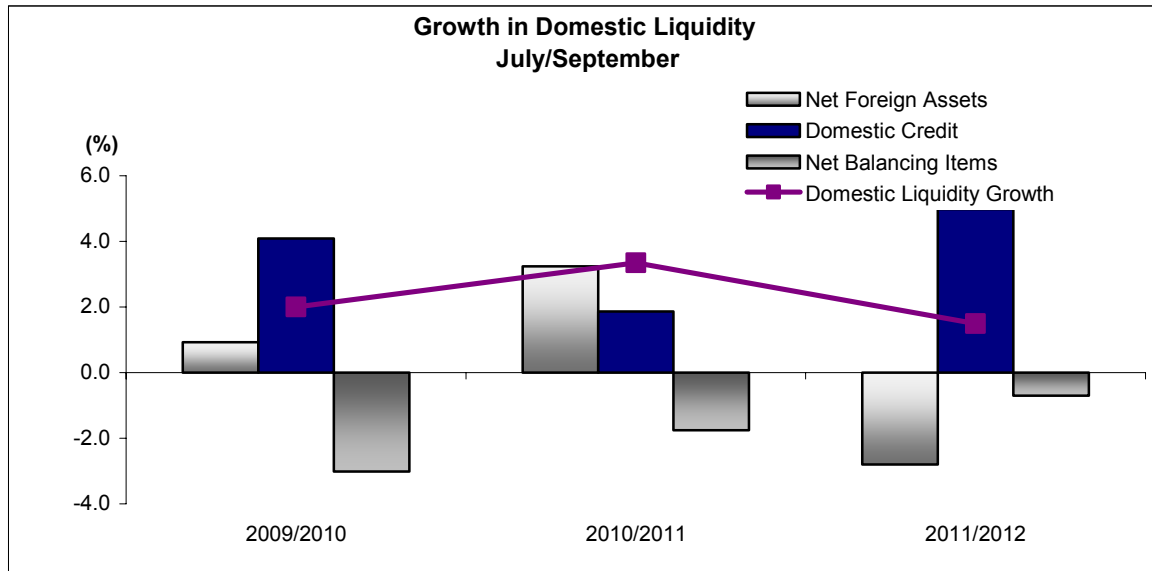
traceable to the growth of LE time and saving deposits and foreign currency deposits. In figures, LE time and saving deposits edged up by LE 9.8 billion or 1.7 percent, reaching LE 593.5 billion (representing 77.0 percent of quasi-money and 57.9 percent of total domestic liquidity) at the end of September 2011. The rise of LE 12.1 billion (2.4 percent) in LE time and saving deposits of the household sector to LE 512.5 billion; outpaced the overall increase in these deposits which was curbed by the decline of LE 2.3 billion in the deposits of both the public and private business sectors.

Foreign currency deposits increased by only LE 0.1 billion worth or 0.1 percent, amounting to LE 177.1 billion worth or 20.8 percent of total deposits at banks (dollarization rate) at end of September 2011 (against 21.0 percent at end of June 2011). This bore witness to the continued preference for the Egyptian pound as a saving instrument, particularly in the light of the higher interest rates on the LE relative to other currencies and the stability of the US dollar exchange rate vis-à-vis the Egyptian pound during the period.

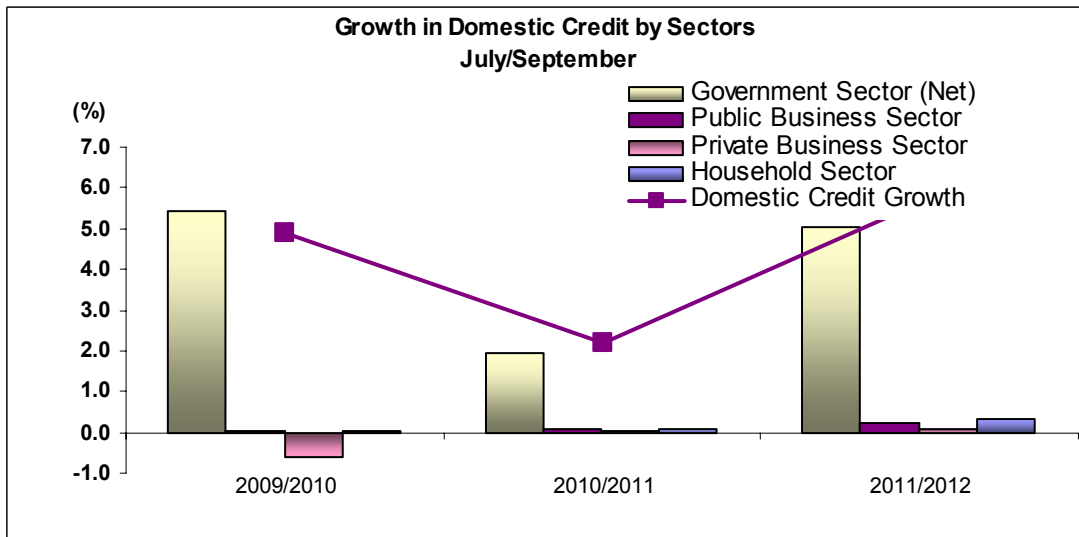


As to the growth of M2 by component, net domestic assets made a positive contribution of 4.3 percentage points, in contrast to the negative contribution of 2.8 points of net foreign assets. The rise in net domestic assets (LE 43.3 billion) came as a result of the rise of LE 50.4 billion or 5.6 percent of domestic credit

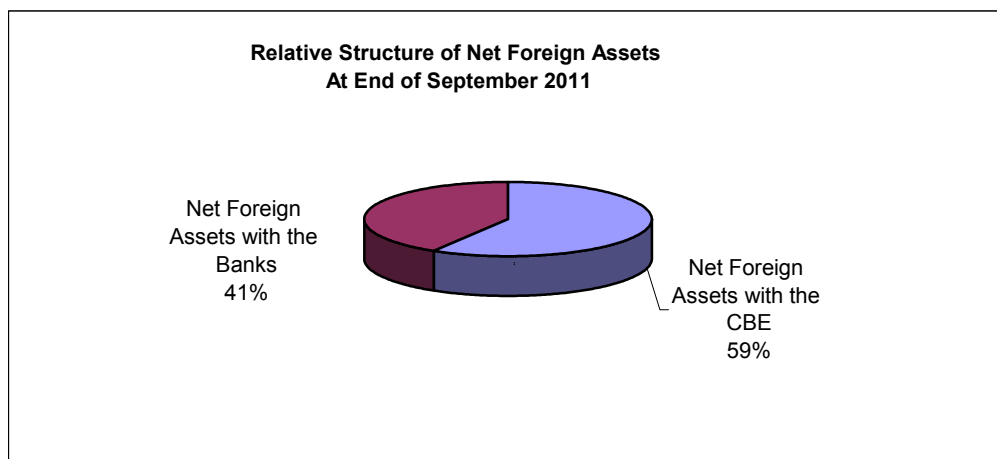
(against LE 17.1 billion or 2.2 percent during the period of comparison), to register LE 943.1 billion at end of September 2011. This was offset by the rise in the negative balance of net balancing items by LE 7.1 billion or 5.2 percent, to LE 143.9 billion.



The major recipient of domestic credit was the government sector with a share of around 89.3 percent, since claims on the government noticeably enlarged by LE 45.0 billion or 10.3 percent (against LE 15.2 billion or 4.7 percent), accounting for more than half of the credit granted by banks (some LE 482.3 billion or 51.2 percent) at end of September 2011. This uptrend manifests the rise in loans to the government by LE 33.7 billion and in banks' holdings of government securities and TBs by LE 4.2 billion, and the fall in its deposits at banks by LE 7.1 billion. The remarkable increase in net claims on the government was the result of financing a large part of the fiscal deficit by borrowing from the Central Bank during the relevant period.



The credit granted to the public business sector climbed by LE 1.9 billion or 5.7 percent (against LE 0.7 billion and 2.5 percent), bringing its indebtedness to LE 34.9 billion or 3.7 percent of the total. The share of the household sector also picked up by LE 2.9 billion or 2.9 percent during the period (against LE 0.8 billion or 0.8 percent), reaching LE 102.1 billion or 10.8 percent of the total. Such a rise is attributable to the sustained rapid growth of 5.0 percent of private consumption during the period (against 6.0 percent in the period of comparison), even though economic growth slowed down. Credit to the private business sector edged up by LE 0.6 billion or 0.2 percent (against LE 0.4 billion or 0.1 percent), to LE 323.8 billion or 34.3 percent of total domestic credit at end of September 2011.



Net foreign assets at the banking system remarkably shrank by LE 28.3 billion or 11.1 percent (compared to a rise of LE 29.7 billion or 10.5 percent), recording LE 225.3 billion at end of September 2011. The decline came as a result of the drop in net foreign assets at the CBE by LE 15.2 billion or 10.3 percent and at banks by LE 13.1 billion or 12.3 percent.

**Change in Foreign Assets and Liabilities  
at the Banking System**

	(LE mn)			
	<b>Change in July/Sept. + (-)</b>			
	<b>2010/2011</b>		<b>2011/2012</b>	
	Value	Growth (%)	Value	Growth (%)
<b><u>Net Foreign Assets at the Banking System</u></b>	<b><u>29736</u></b>	<b><u>10.5</u></b>	<b><u>(28241)</u></b>	<b><u>(11.1)</u></b>
<b><u>Net Foreign Assets at the CBE</u></b>	<b><u>1414</u></b>	<b><u>0.7</u></b>	<b><u>(15167)</u></b>	<b><u>(10.3)</u></b>
- Foreign assets	1449	0.7	(15038)	(9.6)
- Foreign liabilities	35	0.4	129	1.4
<b><u>Net Foreign Assets at Banks</u></b>	<b><u>28322</u></b>	<b><u>30.7</u></b>	<b><u>(13074)</u></b>	<b><u>(12.3)</u></b>
- Foreign assets	35995	29.1	(14521)	(10.4)
- Foreign liabilities	7673	24.4	(1447)	(4.4)

Noticeably, the net foreign assets at the banking system retreated during January/September 2011 by more than one quarter of their balance at end of December 2010. In figures, they rolled back by the equivalent of LE 80.0 billion or 26.2 percent, due to the drop in net foreign assets at the CBE by LE 66.2 billion worth (33.4 percent) and at banks by LE 13.8 billion worth (12.9 percent).

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## **2/1/4 – Payment Systems and Information Technology (IT)**

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The CBE went ahead with its efforts to upgrade the payment systems, enhance the soundness and stability of the financial system, reduce credit risks, and expedite payment settlements and ensure their reliability and confidentiality. The existence of a national payment system reinforced the financial stability of Egypt, especially amid the events of the Revolution, which in turn fed into the stability of the banking system. Prominent among the measures taken in this regard are the following:

### **The Payment Systems**

- The continued use of the RTGS system to perform interbank transfers among Egyptian banks. The RTGS serves also as a tool to monitor banks' accounts in EGP held at CBE and, in turn, assists Egyptian banks to manage their required reserve at CBE.
- The project of automating the payment of government employees salaries through cards is moving forward cooperatively with the Ministry of Finance after a transitional pause over the 25<sup>th</sup> of January Revolution. Such vast value of that project has been witnessed, particularly, minimizing the risks of cash transfers of salaries from banks to the related government units, especially after human tellers have been much of an exposure to attacks in some areas, in the wake of the Revolution.
- A revision of the ACH direct debit rules has been finalized. Direct debit services will be executed between EBC “Egyptian Banks Company for Technological Advancement” and commercial banks in Egypt. Undoubtedly, this service should facilitate the expansion of electronic-based payments.
- Government payments are being automated, in conjunction with the Ministry of Finance, to be executed through banks and the ACH, instead of paper cheques. The project is meant to enhance the procedural efficiency of, and tighten control on, government payments, in alliance with national budget. It is expected to inaugurate this project in Q4, 2012.



- The CBE is currently gearing to join the COMESA Clearing House. This initiative aims at enriching the commercial and financial exchange with the COMESA countries as a major contributor to the Egyptian national security. The relevant internal rules and procedures are under consideration by the Central Bank of Egypt, parallel to the sign-off of the related agreements with COMESA and the Central Bank of Mauritius.

### **Information Technology**

- In cooperation with some central banks at the European union, the CBE is currently in the process of introducing the “Enterprise Data Management” project (Analysis Phase). The project aims at working out a comprehensive analysis for establishing a central database for all supervision- and financial indicators-related data of the banking sector, to be accessible to decision makers at CBE sectors that are concerned with monetary and banking stability.
- The establishment of a permanent Disaster Recovery (DR) site for the CBE is on track, to be functional in emergencies as an alternative to the main center at El-Gomhoria building. This is intended to ensure the continuity of IT services, in a timely and accurate manner, taking into account that the DR site should meet the international standards. The site is to be located at the CBE building in Tanta, and a study was approved in this regard. The CBE, in cooperation with the project consultant are preparing the REP for the site preparation, providing that another RFP will be issued for IT equipment.
- In respect of the IT development plan at the Printing Press, the course of action to be taken to complement the development of the other three systems (accounts - monitoring of inventory - costs) is currently under consideration, together with modernizing the IT infrastructure by linking together networks in all the buildings of the Press. Conducting a “Gap Analysis” of the IT infrastructure at the Printing Press is also on the way to identify the gap between what is available and what is needed.
- Under the plan of developing the CBE branches and modernizing their IT applications, the accounting system of the CBE “CAS” started operation in Alexandria branch (as pertains to the operations of government accounts). The application of CAS to the other branches (Mohandessin and Port Said) is under consideration at present.

## **2/1/5- RTGS and SWIFT Local Services**

Data on local banking transfers under the RTGS system in 2011/2012 Q1, applied as of mid-March 2009, showed a decrease in the number and value of the executed messages, registering 309.1 thousand messages at a total value of LE 2338.9 billion (against 316.7 thousand messages and LE 3802.1 billion in 2010/2011 Q1).

### **RTGS and SWIFT Local Services in Local Currency**

<b>July/Sept.</b>	<b>Number of Messages (Unit)</b>	<b>Value of Transfers (LE mn)</b>	<b>Change</b>	
			<b>Number</b>	<b>Value</b>
2009/2010	263660	2793983	60591	2052679
2010/2011	316691	3802138	53031	1008155
2011/2012	309136	2338931	(7555)	(1463207)

According to the statistics of the CBE Automated Clearing House, (included in the RTGS since its inception), the number of exchanged papers scaled down in the reporting quarter to 3.1 million (from 3.2 million in the corresponding quarter a year earlier), though their value rose to LE 162 billion (from LE 154.1 billion). As a result, the average value per paper inched up to LE 52.7 thousand (from LE 48.3 thousand).

### **CBE Automated Clearing House Activity**

<b>July/Sept.</b>	<b>Number of Papers (Thousand)</b>	<b>Value of Papers (LE mn)</b>	<b>Change (%)</b>	
			<b>Number</b>	<b>Value</b>
2009/2010	3106	135772	8.6	(1.9)
2010/2011	3193	154102	2.8	13.5
2011/2012	3072	162014	(3.8)	5.1

Transactions executed in foreign currencies under the Fin-Copy system, via SWIFT, rose to 3.4 thousand, compared with 3.2 thousand, albeit their value declined to US\$ 16.6 billion (from US\$ 19.6 billion).

### **SWIFT Local Activity in US Dollar**

<b>July/Sept.</b>	<b>Number of Messages (Unit)</b>	<b>Value of Transfers (US\$ mn)</b>	<b>Change</b>	
			<b>Number</b>	<b>Value</b>
2009/2010	2532	14111	(1233)	(14852)
2010/2011	3179	19624	647	5513
2011/2012	3405	16601	226	(3023)

## **2/2- Banking and Credit Developments**

### **2/2/1- Banking Reform**

In continuation of the banking reform program, the first phase of which was launched in September 2004 and finalized in 2008, the CBE is currently implementing the second phase (2009-2011). This phase aims at raising the efficiency and soundness of the Egyptian banking sector, and enhancing its competitiveness and ability for risk management, so that it can perform its role in financial intermediation in a way beneficial to the national economy, and achieve the targeted development. The second phase of the reform program is based on a number of pillars, namely:

- Preparing and implementing a comprehensive program for the financial and administrative restructuring of specialized state-owned banks (the Principal Bank for Development and Agricultural Credit, Egyptian Arab Land Bank, and Industrial Development and Workers Bank of Egypt), which is expected to positively affect these banks' performance in the short run.
- Following up periodically on the results of the first phase of restructuring commercial state-owned banks (the National Bank of Egypt (NBE), Banque Misr (BM) and Banque du Caire (BdC)). The follow-up showed that the first phase of the banking sector reform program (2004-2008) had already borne fruit and positively affected the performance of those banks. In the second phase, all requirements necessary for enhancing the efficiency of said banks -in terms of financial intermediation, risk management, human resources, and IT- were met to ensure the continued improvement of their financial performance and competitiveness.
- Applying Basel II standards in Egyptian banks to enhance their risk management practices. In this context, a protocol had been signed with the European Central Bank and seven European central banks to provide a three-year technical assistance program launched in January 2009, to implement Basel II requirements in the Egyptian banking sector. It is worthy to note that the strategy of the CBE in implementing Basel II framework, which was announced for Egyptian banks and the relevant

parties in an extensive meeting held in Oct. 2009, is based on two main principles; simplicity and consultation with banks, to ensure banks' compliance with these standards. According to the above-said strategy, Basel II standards should be phased in gradually over the following phases:

- The first phase (January-June 2009) focused on the capacity building of the CBE's core team and elaboration on the Egyptian strategy for Basel II implementation. **This phase was successfully completed.**
- The second phase (July 2009-June 2011) - the pivotal phase of the reform program - covers extensive coordination with the banking sector, through discussion papers related to the most important topics and selection of the most appropriate methods for application in Egypt, taking into consideration similar experiences in other countries that have implemented Basel II. Moreover, the quantitative impact of the possible consequences of Basel II standards was measured before the mandatory application. **That phase was also successfully completed.**
- The third phase (July-December 2011) will focus on the fine-tuning of future supervisory regulations related to Basel II, taking into account the legal aspects and development of corrective action plans commensurate with the different types of banks, according to the simulation results for each bank on a case by case basis. The draft regulations and some relevant proposals for banks that may require further actions to help them abide by the established minimum requirements of the capital adequacy standard have already been prepared. A study of the qualitative impact was also conducted on a sample of banks related to the level of internal audit in preparation for the issuance of related supervisory regulations. In addition, some of the resources provided by the EU have been used to develop the regulatory performance of the Supervision Sector. Moreover, a parallel run of existing regulations will be applied upon issuance, and a new data warehousing framework will be implemented to support the future updated supervisory regime.

- The fourth phase (implementation is under way) - a parallel run of Basel II and the existing regulations on capital adequacy will be applied upon issuance. Moreover, the data warehousing framework will be completed.
- Adopting an initiative promoting the development and growth of banking activities/services catering and access to finance for various sectors, especially small- and medium-sized enterprises (SMEs). In this context, to encourage banking credit to small- and medium-sized enterprises (SMEs), the CBE exempted banks' deposits -equivalent to the size of loans extended thereby to finance SMEs- from the reserve requirement ratio (14 percent, reduced to 12 percent during Q1 2012). It is noteworthy that poor access to adequate, timely and reliable statistical data and information is one of the main obstacles to the development and finance of small-and medium-sized enterprises (SMEs). Hence, the Central Bank of Egypt and the Egyptian Banking Institute (EBI), in collaboration with the Central Agency for Public Mobilization and Statistics (CAPMAS), embarked on a field survey of small-and medium-sized enterprises (SMEs) covering all the governorates of Egypt, on the basis of the full count approach. The first phase, conducted in Al Sharqiya Governorate, had been completed, and in the light of its results, the survey was carried out in the rest of the governorates. It is worthy to mention that all governorates were surveyed up to December 2011. A database will be set up and is to be periodically updated. The database is expected to be inaugurated in February 2012 on the EBI website.
- Revising the regulations of applying the international governance rules at the Egyptian banking sector and the CBE. In this context, regulations on bank governance (as will be stated in detail later on) were approved by the CBE Board, with the aim of helping banks to set/develop their governance systems. Before issuing the said regulations, they were submitted to officials in the Egyptian Financial Supervisory Authority (EFSA) within the framework of coordination of the regulatory authorities of the financial sector.

Preparations for the second phase of the banking reform program have proceeded, following the successful implementation of the first phase, which was centered on four pillars: (1) consolidation and privatization of the banking sector, (2) financial and managerial restructuring of state-owned banks, (3) addressing the non-performing loans issue, and (4) upgrading the Supervision Sector at the CBE.

As for **the first pillar**, some voluntary and state-forced mergers took place, leading to a decrease in the number of banks operating in Egypt from 57 at end of December 2004 to 39 banks at end of December 2008 up till the end of the reporting period. Under this program, 80 percent of the share of the capital of the Bank of Alexandria was sold to Italy's Sanpaolo Bank, besides the divestiture of the shareholdings of state-owned banks in a number of joint venture banks.

Regarding **the second pillar**, state-owned banks were restructured under a comprehensive and time-lined program, designed by the Banking Reform Unit at the CBE. The program was intended to develop the practices of all departments and technological systems, besides establishing new departments, particularly for risk management, information technology (IT), and human resources.

Concerning **the third pillar**, to address the problem of non-performing loans, the CBE's NPL Management Unit worked out a variety of approaches and programs that helped settle more than 90 percent of NPLs (excluding debts of the public business sector). With regard to the non-performing loans of public business sector enterprises to public banks, about 62 percent was repaid in cash to the public commercial banks. As for the remaining debts (38 percent), an agreement was signed on 14/9/2009 whereby the in-kind repayment of the outstanding debt was made by the end of June 2010.

A program to **reform the Supervision Sector** was devised to achieve the following targets: enhance the efficiency of this sector by benefiting from the international best practices, and apply the concept of risk-based supervision to ensure the sector's robustness and soundness. Furthermore, efforts were exerted to recruit highly qualified staff versed in advanced technology and enhance the efficiency of human cadres to be capable of managing this key sector.

It is worthy to note that the successful and timely implementation of the first phase of the CBE's banking reform program has helped this sector to weather the adverse effects of the global financial crisis and to deal efficiently with the current circumstances.

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## **2/2/2- Supervision Sector**

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Being the regulator of banks in Egypt, the CBE aims to ensure the soundness of banks' financial positions and evaluate their performance from the perspective of risk-based supervision. In addition, it ascertains banks' compliance with the established regulatory standards, including the minimum reserve requirement and liquidity ratios, the maximum limits of a bank's exposure to a single customer along with his related parties, and exposures abroad, as well as the asset-liability matching in terms of maturity and currency. This is in addition to a number of qualitative standards that ensure the soundness of banks' performance and the safety of depositors' funds, including governance rules; information systems efficiency rules; and eligibility and competency criteria for officials and managers of key sectors at banks.

The implications of the recent international financial crisis bore out that the instructions and reform policies adopted by the CBE to restructure banks, raise their capital and strengthen their risk management systems were instrumental in containing the effects of this crisis. Moreover, the CBE had thoroughly monitored the financial crises in many countries and especially in the euro zone, so as to be capable of making immediate decisions - when necessary- to counteract the spillovers in due time.

On its Board session on 5 July 2011, the CBE issued a decision on banks' governance rules, regarding the formation of a bank's board of directors, the clear specification of its responsibilities and obligations, and the role of board committees, as well as the supervisory committee. Banks were required to set/develop their governance systems according to these rules and to disclose the aggregate amount (on monthly average basis for the year) of the income of the top twenty paid employees (salaries and remunerations combined) starting from the financial statements for the FY ending 2011. This comes within the CBE's continuous pursuit to develop the banking sector and to maintain its integrity and stability through the application of international best practices by banks,

including supporting the governance systems and internal control at banks and enhancing the role of regulatory entities. As such, each bank shall apply these rules, in accordance with the volume and complexity of its activities, and strategy as well as capacity for risk management no later than 1 March 2012. In case a bank fails to abide by any of these rules, the matter should be referred to the CBE, along with reasonable justifications.

The aforementioned governance rules focused mainly on the following:

- A clear specification of the responsibilities and obligations of the members of the board of directors, while emphasizing the board's role in questioning the senior management.
- The role and formation of board committees.
- The supervisory role of the board over risk management systems and internal control.
- Setting effective policies for salaries and remunerations as well as the conflict of interests management policy.
- The principle of transparency and disclosure of important non-financial information, apart from financial information.

In this respect, the CBE's Board of Directors approved - on its session of 6 April 2004- the competency criteria for chairmen, board members and executive directors of banks to ensure their qualifications for the posts. Competency criteria were modified on 24 November 2009, where a new criterion was introduced, prohibiting any official to simultaneously combine between two positions as a senior manager in a bank and a member of the board of directors of another bank. The new criterion was applicable to future nominations, with the exception of those banks entirely owned by a bank. It intended to prevent any conflict of interests, in compliance with good governance practices. In addition, interviews are made with the chairmen, deputy chairmen, delegated members, executive board members of banks and executive directors to ensure their eligibility for the positions they are nominated for, with a particular attention being paid to candidates for risk- and compliance-related positions.



As for foreign nominees at banks (board members and executive directors), a criterion was set, whereby the regulatory authority of the parent bank, or the bank where the nominee was last employed (as the case may be) is to be consulted about that nominee, to identify his/her eligibility for the vacant position.

In this context, the register of banks witnessed the addition of three chairmen, two deputy chairmen and delegated members, two deputy chairmen, one (executive) board member, eight (non-executive) board members at banks, one manager for the credit department and two chief officers for representation offices in Egypt.

In line with the CBE policy that promotes the growth and geographical expansion of banks by opening new branches nationwide, the applicable criteria for approving the establishment of new branches/agencies for banks were revised, with a view to organizing and simplifying the relevant procedures. Moreover, a number of guidelines were set for applicant banks that give due regard to the soundness of banks' financial position, internal control systems, the efficiency of their information systems and capital adequacy to ensure that they can better face the risks arising from the expansion in their activities. It is to be noted in this respect that at the time of preparing this Review, twenty new branches of ten banks were added to the register of banks.

Recently, banks have been eager to provide e-banking services to keep pace with the technological progress in this field. Such services are either traditional or innovative (effected via electronic networks) and had been regulated earlier by the rules issued by the CBE Board of Directors on 28 February 2002. Later, on 2 February 2010, the CBE Board of Directors approved the regulations governing the operation of payment orders via mobile phones in Egypt. Furthermore, the CBE is currently updating the rules of e-banking operations and the rules regulating the electronic payment services, in order to limit the risks of banks' exposure as a result of offering such services. In this context, ten banks have been licensed to offer e-banking services including internet balance checking, electronic bill display and payment, electronic bank statements and SMS notifications for the account transactions.

To organize dealing in the Forex market in Egypt and maximize savings received from workers abroad, Forex dealers, and money transfer companies in Egypt were subjected to off-site supervision, according to the Law of the Central Bank, Banking Sector and Money. In this respect, it is worthy to note that while the Review is being prepared, 12 branches of existing Forex dealers were registered, thus bringing the total number to 460 nationwide.

Moving to tourism services, the CBE - pursuant to the above-mentioned Law - has licensed shops in customs areas at airports to sell in foreign currencies along with the Egyptian pound, with the aim of covering part of the State's resources of foreign currencies and encouraging tourism. As such, two shops were granted such a license, bringing their total number to 81 shops at the end of the period of preparing this Review. Moreover, two more shops in the free zones were granted such a license, thus bringing their total number to 25 shops.

As part of the ongoing efforts made under the Supervision Sector's reform to enhance the efficiency and transparency of the credit registration system, the Italian and French experiences were identified with respect to the practical applications of the credit registration system in cooperation with Banca D'Italia (Central Bank of Italy) and Banque De France (Central Bank of France). Experts from both banks have provided key recommendations in this respect, to increase the competency and efficiency of the credit registration system and thus help in taking sound credit decisions when offering credit. It is worth mentioning that the Department has recently resumed its role of inspecting banks through the inspection teams in accordance with the supervision plan to make sure that banks comply with the rules governing the credit registration.

As regards on-site supervision, the CBE made progress with its plan for the inspection of the banking sector units (banks) and Forex dealers. Under this plan, each bank is inspected (either in whole or in part), taking into account its current conditions and the level of its risks and the quality of its products and activities. Furthermore, the main concern was to check on the external transfers made by Egyptian banks and identify their purposes and parties, being guided in this respect by the relevant instructions of the CBE to help take immediate corrective actions as deemed necessary.

In addition, the system of specialization-based examination was adopted to enable bank inspection to be conducted by inspectors specialized in the relevant activities (e.g. retail banking, market risks, IT, etc.). That approach is meant to render the inspection process more effective and in-depth by providing a thorough risk profile of the inspected bank, and monitor progress on the execution of corrective actions in collaboration with off-site supervision.

The inspection reports made lately have helped to upgrade the risk management framework in several banks and further the application of the international best practices in this field. In addition, the cooperation agreement with the European Union has been used for the benefit of developing on-site inspection especially as regards Basel applications and improving the level of internal audit at Egyptian banks.

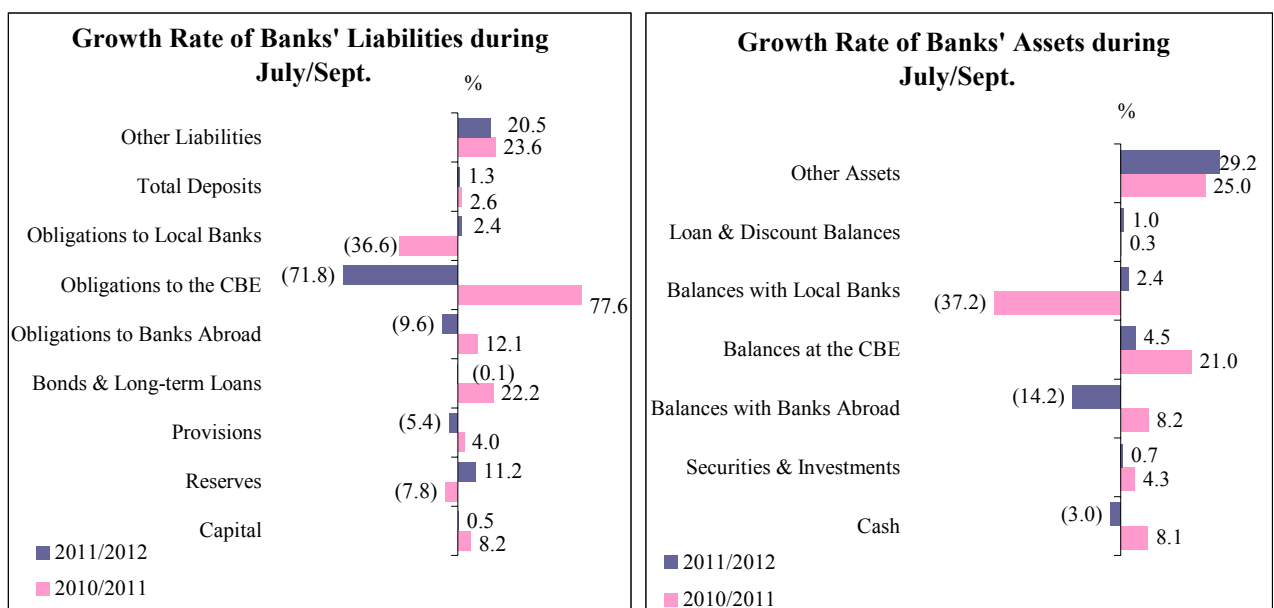
On the other hand, the Supervision Sector at the CBE continued to cooperate with the supervisory and judicial authorities in settling the complaints filed by bank customers and providing the required banking expertise.

## 2/2/3- Overview of Banks' Aggregate Financial Position

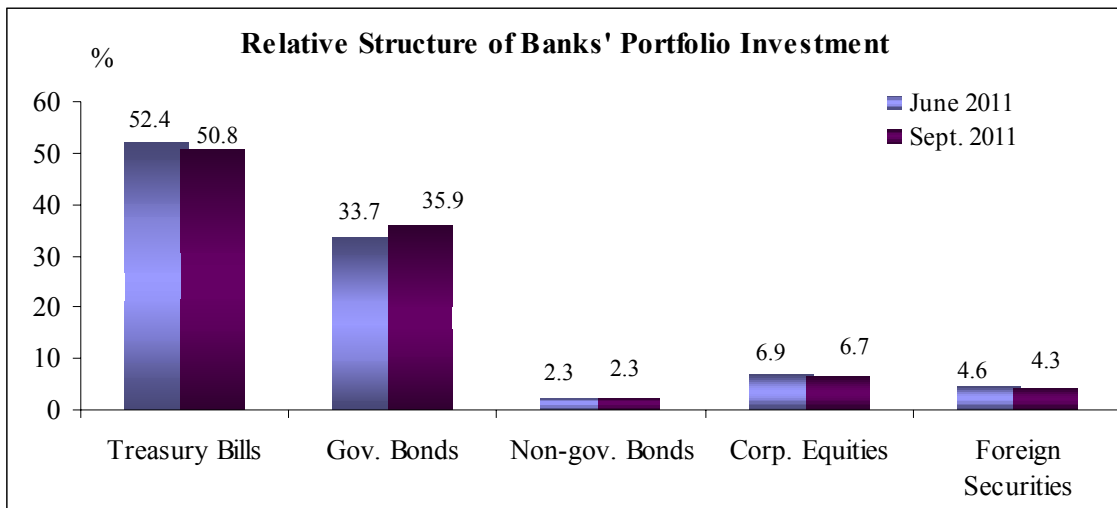
During 2011/2012 Q1, the aggregate financial position of registered banks operating in Egypt (39 banks) increased by LE 26.4 billion or 2.1 percent (against LE 74.8 billion or 6.1 percent in the corresponding quarter a year earlier) ending the quarter at LE 1.3 trillion.

**On the liabilities side**, nearly half of the rise (48.3 percent) stemmed mainly from the pickup in deposits at banks, which grew by LE 12.7 billion or 1.3 percent (against a rise of LE 23.3 billion or 2.6 percent), posting LE 969.8 billion and constituting three quarters (74.8 percent) of the aggregate position at end of Sept. 2011. Increases were also seen in banks' equities (by LE 2.8 billion or 3.4 percent) and in other liabilities (by LE 21.9 billion or 20.5 percent). In contrast, decreases were noticed in obligations to local banks by LE 6.5 billion, in banks' provisions by LE 3.0 billion, and in obligations to banks abroad by LE 1.5 billion.

**On the assets side**, increases were seen in local banks' balances by LE 4.9 billion, in lending and discount balances by LE 4.8 billion, banks' investment in securities and bills by LE 3.4 billion, and in other assets by LE 27.3 billion or 29.2 percent. That increase was somewhat held back by the decrease in balances with banks abroad by LE 13.6 billion worth or 14.2 percent, and in cash balances by LE 0.4 billion.



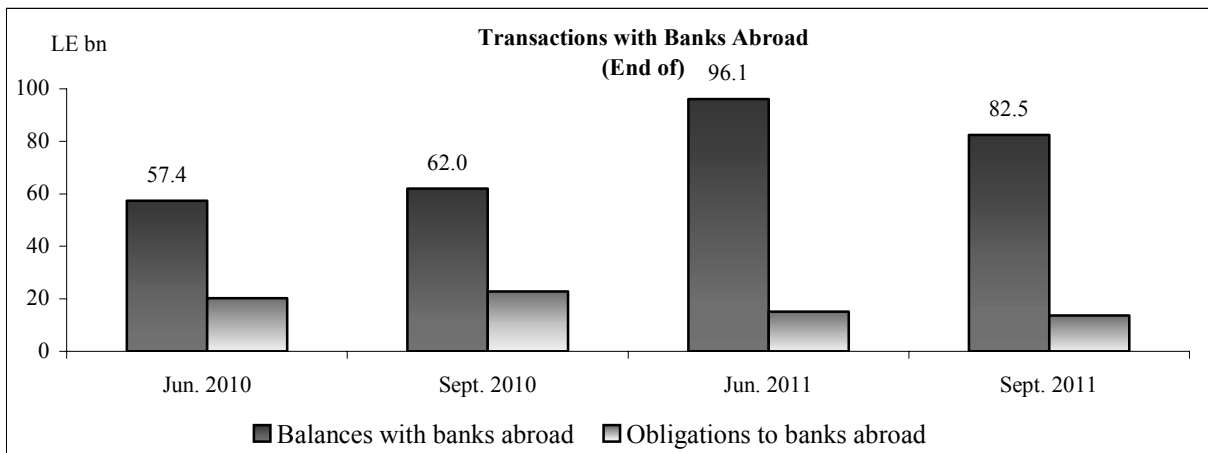
The rise in banks' investments in securities and bills was primarily attributed to the surge in government bonds by LE 11.5 billion. Such a rise, however, was mitigated by the drop in the volume of investments in treasury bills by LE 5.9 billion, in foreign securities by LE 1.0 billion worth, in corporate equities by LE 0.9 billion, and in non-government bonds by LE 0.3 billion.



## **2/2/4- Interbank Transactions in Egypt**

### **2/2/4/1- Transactions with Banks Abroad**

During July/Sept. 2011/2012, banks' transactions with their correspondents abroad showed a decline in their net credit balances by the equivalent of LE 12.2 billion or 15.0 percent, bringing their net balances with banks abroad to LE 68.8 billion worth at end of Sept. 2011 (against LE 80.9 billion worth at end of June). The decline was ascribed to the fall in their balances with banks abroad by the equivalent of LE 13.6 billion, and the decrease in their obligations thereto by LE 1.4 billion worth.

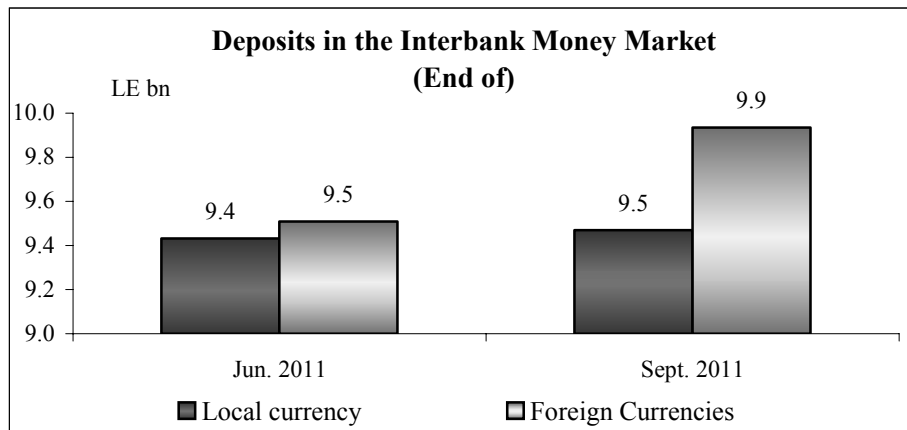


**Transactions with Banks Abroad**

At End of	(LE mn)							
					<b>Change During the Period</b>			
	June 2010	Sept. 2010	June 2011	Sept. 2011	<b>July/Sept.</b>			
				<b>2010/2011</b>		<b>2011/2012</b>		
				Value	%	Value	%	
<b>Net Position</b>	<b>37066</b>	<b>39277</b>	<b>80912</b>	<b>68757</b>	<b>2211</b>	<b>6.0</b>	<b>(12155)</b>	<b>(15.0)</b>
Balances at banks abroad	57371	62049	96080	82467	4678	8.2	(13613)	(14.2)
Obligations to banks abroad	20305	22772	15168	13710	2467	12.1	(1458)	(9.6)

**2/2/4/2- Transactions in Egypt**

The volume of transactions in the interbank money market (in terms of deposits) scaled up by LE 0.5 billion or 2.4 percent in the reporting period (against a decline of LE 7.3 billion and 37.2 percent in the period of comparison) to stand at LE 19.4 billion at end of September 2011. The rise came on the back of the surge in foreign and local currency deposits by the equivalent of LE 0.4 billion and LE 0.1 billion, respectively.



**2/2/5- Deposits**

Deposits at banks (including government deposits) grew by LE 12.7 billion or 1.3 percent (against LE 23.3 billion), to stand at LE 969.8 billion or 74.8 percent of banks' aggregate financial position at end of September 2011. Significantly, the increase in local currency deposits outpaced the total increase in deposits. In detail, local currency deposits rose by LE 13.2 billion or 1.8 percent to LE 738.1 billion, thereby exceeding three quarters of banks' deposits (76.1 percent) at end of Sept. 2011. In contrast, deposits in foreign currencies retreated by LE 0.5 billion worth or 0.2 percent, to post LE 231.7 billion worth

at end of Sept. 2011, attesting to the continued preference for saving in local currency, especially given the higher interest rates on local currency deposits than those on foreign currencies.

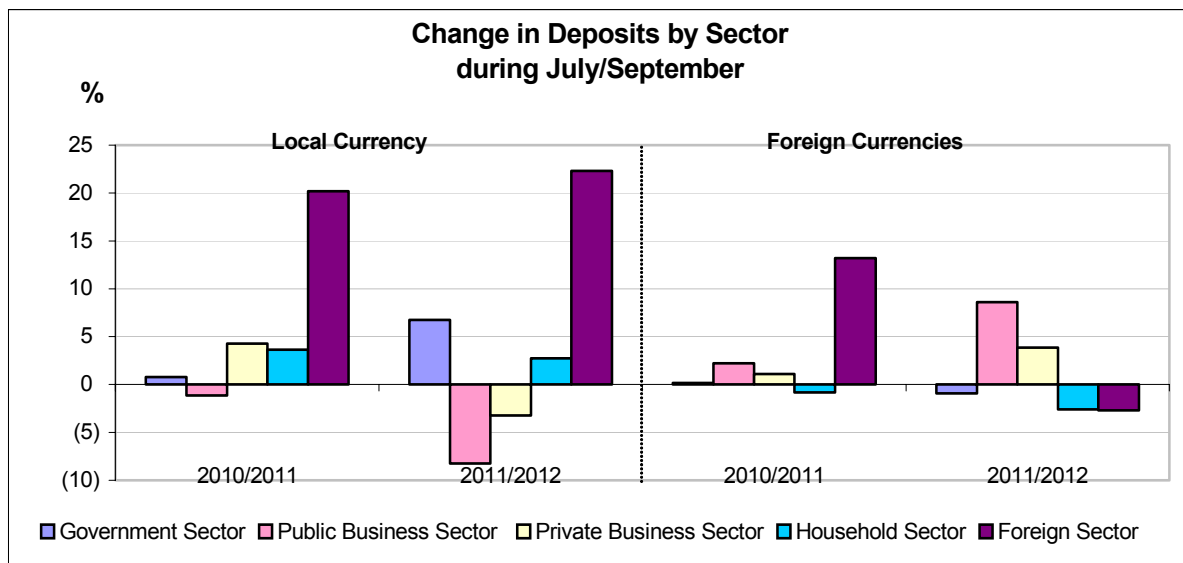
**Deposits with Banks by Sector**

(LE mn)

<u>At End of</u>	<u>Local Currency</u>		<u>Foreign Currencies</u>	
	<u>June 2011</u>	<u>Sept. 2011</u>	<u>June 2011</u>	<u>Sept. 2011</u>
<b>Total</b>	<b>724878</b>	<b>738078</b>	<b>232159</b>	<b>231702</b>
Government sector	56728	60556	51403	50925
Public business sector	29278	26861	7549	8199
Private business sector	103965	100605	60241	62552
Household sector	532032	546541	109248	106409
External sector	2875	3515	3718	3617

The household sector was the key contributor to the increase in **local currency deposits** (74.0 percent). Its deposits in local currency soared by LE 14.5 billion or 2.7 percent, to LE 546.5 billion, representing 74.0 percent of total LE deposits at end of Sept. 2011. Likewise, deposits of the government sector scaled up by LE 3.8 billion or 6.7 percent, to LE 60.6 billion, while the external sector's deposits increased by only LE 0.6 billion. Conversely, deposits of the private business sector retreated by LE 3.3 billion or 3.2 percent, and so did those of the public business sector by LE 2.4 billion or 8.3 percent.

**Foreign currency deposits** declined mainly because of the decrease in the deposits of the household sector by the equivalent of LE 2.8 billion, of the government sector by LE 0.5 billion worth, and of the external sector by LE 0.1 billion worth. Conversely, deposits of both private and public business sectors scaled up by the equivalent of LE 2.3 billion and LE 0.6 billion, respectively.



## 2/2/6- Lending Activity

Banks' lending and discount balances amounted to LE 479.0 billion (representing 37.0 percent of total assets and roughly half of banks' deposit balances (49.4 percent) at end of Sept. 2011, up by LE 4.8 billion or 1.0 percent in the period under review, compared with LE 1.4 billion or 0.3 percent in the corresponding period a year earlier. The rise was attributable to the surge in the balances granted in local currency by some LE 5.3 billion or 1.6 percent, to LE 333.1 billion or 69.5 percent of total lending and discount balances at end of Sept. 2011, and the decrease in those granted in foreign currencies by LE 0.5 billion worth or 0.3 percent, to LE 145.9 billion worth.

### **Change in Loans by Sector During July/Sept.**

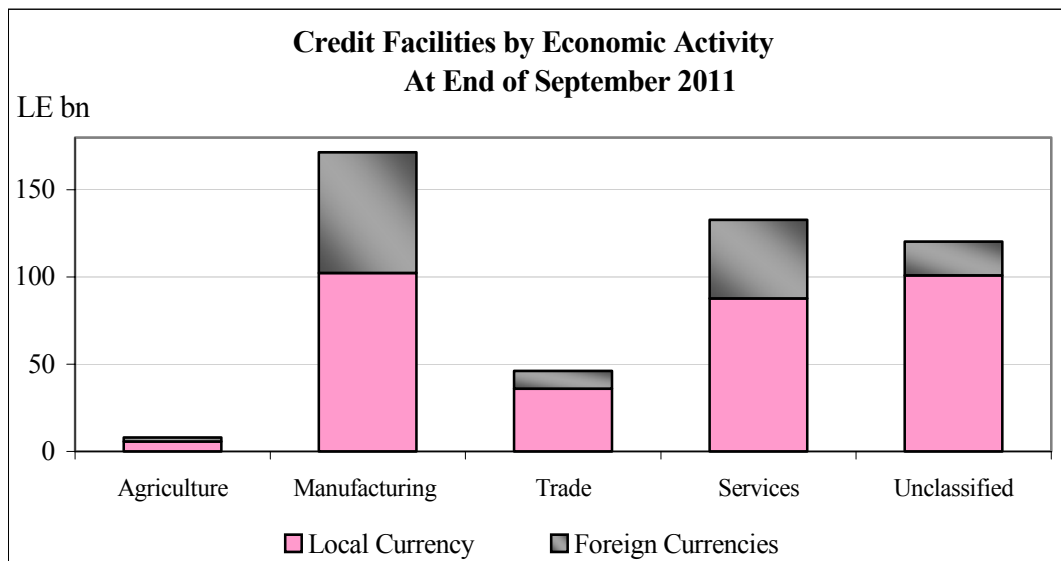
	(LE mn)			
	<u>2010/2011</u>		<u>2011/2012</u>	
	Local Currency	Foreign Currency	Local Currency	Foreign Currency
<b><u>Total</u></b>	<b><u>1834</u></b>	<b><u>(427)</u></b>	<b><u>5282</u></b>	<b><u>(465)</u></b>
Government sector	3566	(5848)	(535)	(1240)
Public business sector	867	(133)	1912	(15)
Private business sector	(3175)	1827	516	1098
Household sector	521	240	3428	(522)
External sector	55	3487	(39)	214

Lending and discount balances **in local currency** scaled up, primarily due to the pickup in loans extended to the household sector by LE 3.4 billion or 3.6 percent, against a rise of LE 0.5 billion or 0.6 percent in the corresponding period a year earlier. Likewise, loans to the public business sector increased by LE 1.9 billion or 7.8 percent compared with LE 0.9 billion or 4.1 percent. Add to this the increase in loans granted to the private business sector by LE 0.5 billion or 0.3 percent (against a decline of LE 3.2 billion or 1.7 percent in the period of comparison), to post LE 188.3 billion or 56.5 percent of the total at end of Sept. 2011. However, loans to the government sector rolled back by some LE 0.5 billion or 2.9 percent, compared with a rise of LE 3.6 billion or 23.2 percent in the period of comparison.



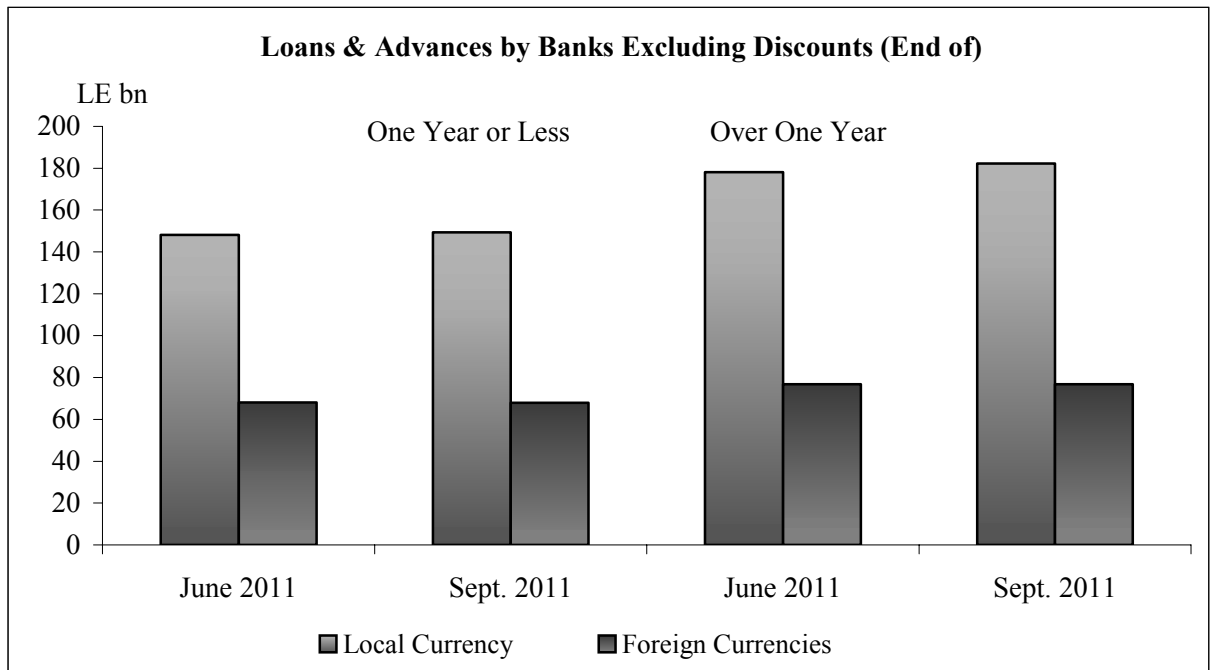
Lending and discount balances **in foreign currencies** decreased by LE 0.5 billion worth or 0.3 percent in the reporting period (compared with a drop of LE 0.4 billion worth or 0.3 percent in the period of comparison), to reach LE 145.9 billion worth at end of Sept. 2011. The decline that took place in the period under review was mainly ascribed to the decrease in loans to the government sector by the equivalent of LE 1.3 billion or 5.7 percent, and the household sector by the equivalent of LE 0.5 billion or 16.9 percent. That decline was mitigated by the increase in loans extended to the private business sector by LE 1.1 billion worth and the external sector by LE 0.2 billion worth.

The relative breakdown of loans (local and foreign currencies) by economic activity indicates that the manufacturing sector was the major recipient, with a share of 35.8 percent of the total at end of Sept. 2011. Services came next with a share of 27.7 percent, then unclassified sectors (including the household) with 25.1 percent, trade with 9.6 percent and agriculture with only 1.8 percent.



At end of Sept. 2011, loans and advances (excluding discounts) offered by banks (by maturity) registered LE 476.3 billion, growing by LE 5.0 billion or 1.1 percent during the period under review. That rise came on the back of the growth in long- term loans ( more than one year) by LE 4.1 billion or 1.6 percent (as an outcome of the increase in local currency loans by LE 4.2 billion, and the

decrease in foreign currency loans by LE 0.1 billion worth). On the other hand, the increase in short-term loans (one year or less) reached merely LE 0.9 billion or 0.4 percent, owing to the surge in loans in local currency by LE 1.1 billion, and the drop in those in foreign currencies by LE 0.2 billion worth.



### **3- Non-Banking Financial Sector\***

In 2011/2012 Q1, efforts continued to develop regulations and supervision over the capital market and to protect dealers' rights. To this end, the EFSA Board of Directors issued Decision No. 60/2011, amending articles No. (4), (9) and (29) of the listing and delisting rules of securities on the Egyptian Exchange. The amendments introduced to Articles (4) and (9) aim at facilitating the procedures of listing companies' shares, as well as unifying the parties responsible for listing and offering shares on the Egyptian Exchange. This shall be done through a disclosure report on the offering of new companies. Within this context, Article (4) states that any company which has listed shares or GDRs, should notify the Exchange before the beginning of the next trading session, of any amendments to the information provided in the disclosure report. Moreover, Article (9) stipulates that the ratio of offered shares shall not be less than 10% of the company's total shares according to the disclosure report mentioned above. In addition, the number of a company's shareholders shall not be less than 100. A 5% of free trading shares should also be available to help provide the liquidity needed for securities to be listed.

An amendment was made to Article (29) of the listing rules, in light of what has been observed by EFSA about the tendency of many companies to announce purchasing treasury shares without actual execution of such purchase, depending on the fact that the purchase price is not announced and that purchase is made through the open market, a fact that may lead to improper practices by some companies. The amendment, therefore, aimed at obliging all listed companies, when executing a purchase order for treasury share, to clearly state in that order the purchase price. The order will be executed through special operations market, rather than the open market. Accordingly, the quantity and price of shares being purchased by the company will be disclosed to all market dealers. Moreover, the order can not be cancelled, so long as it has been announced on the Exchange. In addition, the amendment stipulates that the reasons for the purchase must be recorded in the BOD's minutes, a step that is meant to further disclosure. The amendment also sets a maximum limit for purchasing treasury shares (10% of the company's shares) and facilitates the selling of these shares after a retention period of three months at least, as the selling decision will be issued by the company's BOD, and not the extraordinary general assembly.

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\* Source: EFSA and monthly reports of the EGX.

As part of EFSA's efforts to boost liquidity, activate trading on the Egyptian Exchange and support the securities brokerage industry, the Authority decided to reduce the amount of the security deposit placed by brokerage firms at Misr for Central Clearing, Depository and Registry (MCDR) against practising the "intraday trading mechanism". The new regulations oblige brokers to provide whatever document proving the placement of one million EGP -as a minimum- (instead of five million EGP) at any clearing bank authorized by MCDR. Alternatively, brokers may submit a bank letter of guarantee in the same amount of the security deposit to MCDR, under the account of the firm's cash settlement of transactions conducted in accordance with the said mechanism. Also, the regulations governing the intraday trading mechanism state that the daily transactions of a brokerage firm shall be four times the value of the security deposit, taking into account the trading currency of the firm.

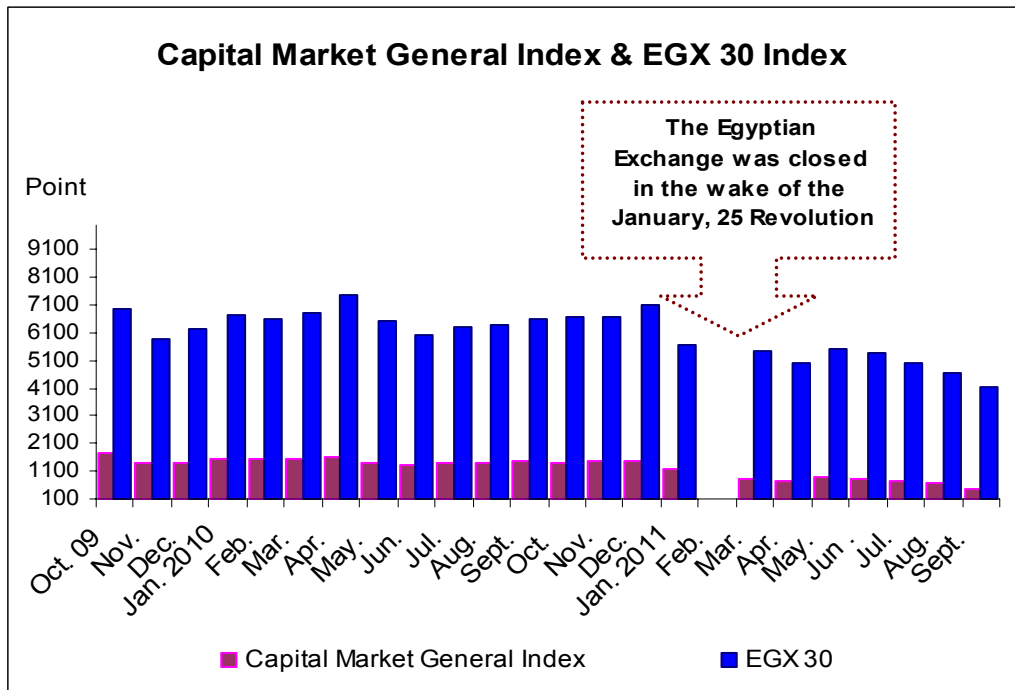
On the other hand, EFSA addressed the Egyptian Exchange and MCDR to provide the legal framework that allows for trading in subscription rights listed on the Exchange, in a manner that can enable old shareholders, unwilling to subscribe for capital increase shares, to receive cash payments for their subscription rights. MCDR was also addressed to inform EFSA of the procedures of depositing and listing of subscription rights for capital increase shares and cancellation mechanism by the end of the subscription period. Furthermore, EFSA requested to be notified of the procedures of coordination between a clearing company and banks that receive subscriptions, to verify the availability of all mechanisms required for the performance of clearing and settlement operations of subscription rights.

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### **3/1- Stock Market**

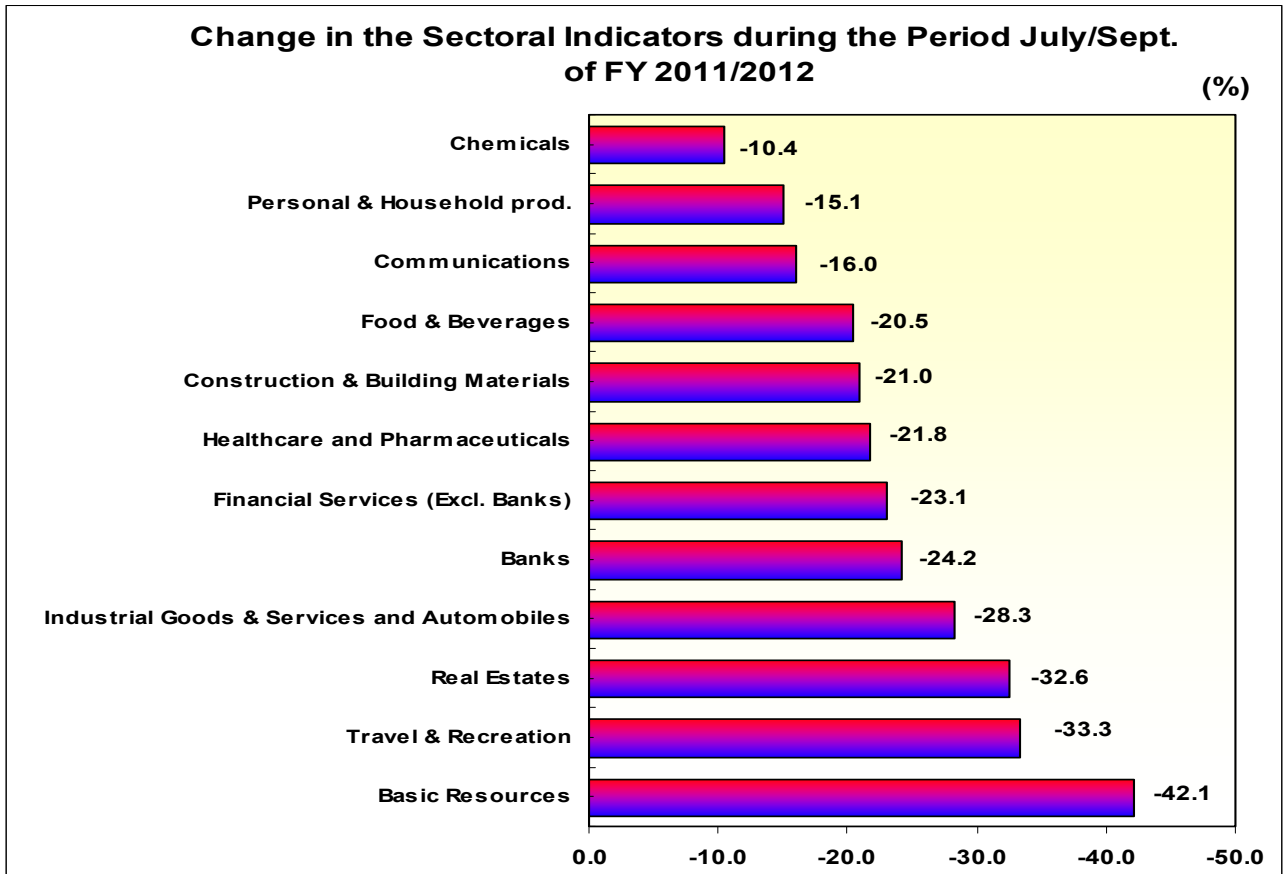
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In 2011/2012 Q1, the benchmark EGX 30 Index moved down by 23.0 percent, ending the quarter at 4137.4 points, compared with 5373.0 points at end of June 2011. The drop came on the back of the high sales by foreign investors and institutions amid the political events in Egypt. The two other indices (EGX 70 and EGX 100) fell 27.2 percent and 27.3 percent, respectively, recording 458.4 points and 707.7 points at the end of Sept. 2011, against 629.6 points and 972.9 points, in order, at end of June. Similarly, the capital market general index plunged 44.2 percent, posting 474.3 points at end of Sept. 2011, against 850.5 points at end of June.



### Sectoral Indicators

The reporting quarter witnessed a decline in all sectoral indicators. The basic resources indicator was the worst performer (declining 42.1 percent), followed by tourism and recreation (33.3 percent), real estates (32.6 percent), and finally chemicals (10.4 percent).



**The primary market:** the number of new issues approved by EFSA during July/September 2011/2012 reached 738, at a total value of LE 8.3 billion (against 750, at a value of LE 15.3 billion in the corresponding period of the previous FY). Issues for establishing business reached 452 in number (61.2 percent of the total number of issues), at a value of LE 1.6 billion. The number of issues for capital increases of existing companies reached 286, totaling LE 6.7 billion (80.5 percent of total issues).

The listing activity on the EGX showed that the number of listed companies mounted to 214 at end of Sept. 2011 (from 211 at end of June). The nominal capital of these companies also rose by 0.7 percent to LE 145.6 billion (from LE 144.7 billion). Their market capitalization, however, decreased by 20.1 percent to LE 319.2 billion at end of Sept. 2011 (from LE 399.8 billion at end of June), due to the fall in the prices of most shares on the EGX.

The value of issued and listed bonds surged by LE 14.1 billion or 6.3 percent in the period under review, posting LE 239.0 billion at end of Sept. 2011 (against LE 224.8 billion at end of June). This came on the back of the LE 14.5 billion rise in the value of Egyptian treasury bonds (primary dealers or PD bonds), to register LE 221.3 billion or 92.6 percent of the total value of listed bonds at end of Sept. 2011. By contrast, corporate bonds rolled back by LE 0.3 billion.

**The secondary market:** the relevant three indicators (number of transactions, and number and value of traded securities) pointed to a decline. The number of transactions dropped by 535 thousand or 27.0 percent, to stand at 1449 thousand, and so did the number of traded securities (shares and bonds) by 1688 million or 25.6 percent, registering 4904 million papers. Likewise, their value decreased by LE 27.2 billion or 46.0 percent, to LE 32.1 billion.

Share transactions accounted for the bulk of trading on the EGX during the quarter under review (82.1 percent of total transactions, against 72.3 percent in the corresponding quarter a year earlier). In the meantime, trading in bonds represented 17.9 percent of the total (against 27.7 percent).

### Trading in Securities

<b>July/Sept.</b>	<b>2010/2011</b>	<b>2011/2012</b>
<b><u>No. of Transactions (000s)</u></b>	<b><u>1984</u></b>	<b><u>1449</u></b>
A- Shares, bonds and mutual funds' certificates (listed)	1959	1429
B- Shares, bonds and mutual funds' certificates (unlisted)	24	18
C- Small and Medium Enterprises Market (NILEX)*	1	2
<b><u>No. of Traded Securities (mn)</u></b>	<b><u>6592</u></b>	<b><u>4904</u></b>
A- Shares, bonds and mutual funds' certificates (listed)	5978	4610
B- Shares, bonds and mutual funds' certificates (unlisted)	610	283
C- Small and Medium Enterprises Market (NILEX)*	4	11
<b><u>Value of Transactions (LE mn)</u></b>	<b><u>59296</u></b>	<b><u>32050</u></b>
A- Shares, bonds and mutual funds' certificates (listed)	54697	29201
B- Shares, bonds and mutual funds' certificates (unlisted)	4554	2806
C- Small and Medium Enterprises Market (NILEX)*	45	43

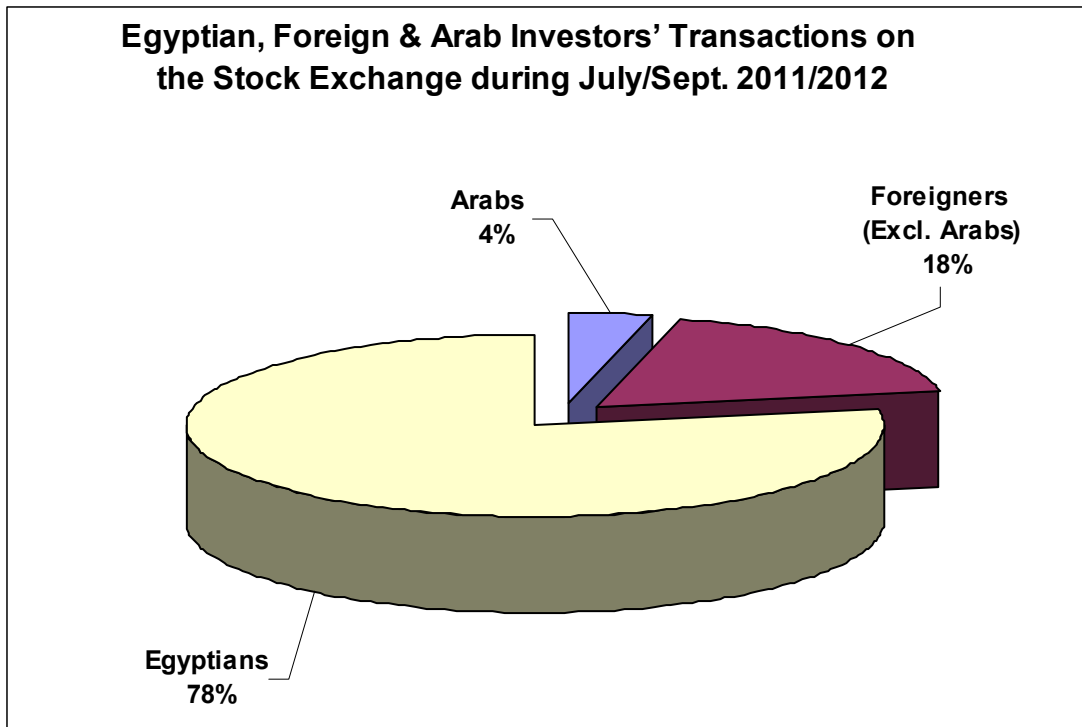
Source: EFSA- monthly reports of the EGX.

\* Trading on NILEX started on June 3, 2010.

Turning to the **market of small and medium enterprises (NILEX)**, the number of listed companies reached 19 and the market capitalization of listed shares on NILEX amounted to some one billion Egyptian pound at end of Sept. 2011. In Q1 of 2011/2012, traded securities reached 11 million papers, through 2124 transactions, at a value of LE 43 million.

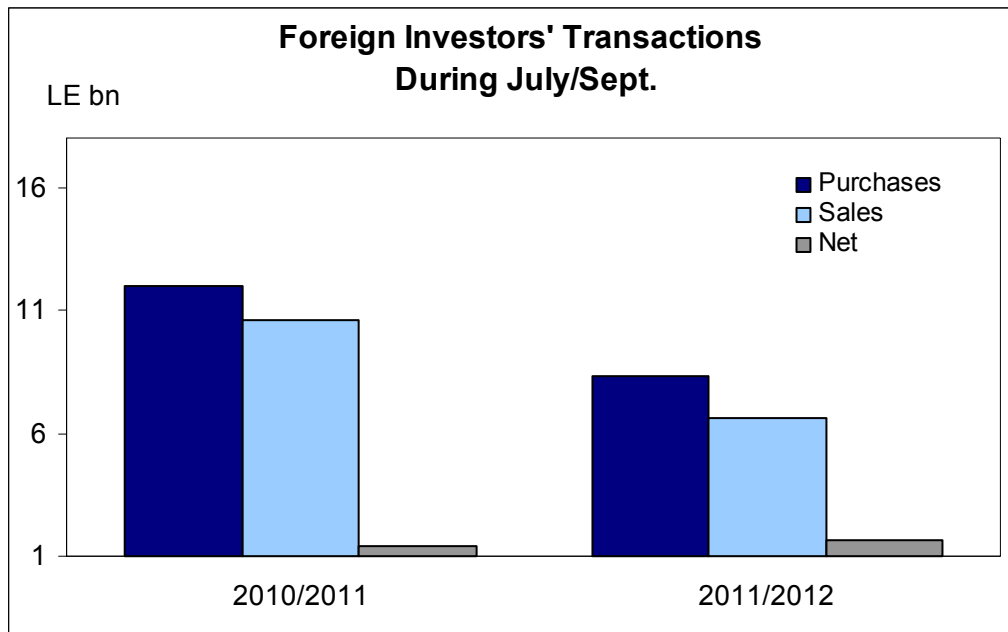
### **Investors' Transactions**

Breakdown of the transactions on the EGX in the reporting quarter ran as follows: Egyptian investors carried out 78 percent of total transactions; foreigners (non-Arabs) carried out 18 percent; and Arab investors 4 percent.



Foreigners' transactions on the EGX stepped down by 33.8 percent, posting LE 14.9 billion (against LE 22.6 billion).





In 2011/2012 Q1, dealings of foreigners (non-Arabs) unfolded net sales of some LE 348.5 million (compared with net purchases of LE 1.7 billion in the corresponding quarter a year earlier), while those of Arab investors recorded net purchases of LE 153.6 million (compared with net sales of LE 144.9 million, excluding bargains).

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### **3/2- Mutual Funds**

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The number of mutual funds reached 77 at end of Sept. 2011 (74 were open-end and 3 close-end), against 70 funds at end of Sept. 2010 (67 were open-end and 3 close-end).

## **4- Public Finance and Domestic Public Debt**

### **4/1- Consolidated Fiscal Operations of the General Government**

The state budget for FY 2011/2012 has been shaped by the exceptional circumstances that Egypt went through in the aftermath of the Revolution. Amid such events, government obligations and burdens increased. In this juncture, the budget was geared towards stimulating the Egyptian economy, while achieving social justice, upgrading social services, especially for the poor and low-income brackets, compensating the victims of the Revolution and increasing the number of families benefiting from the social security pension; after raising its amount. Within this context, the public spending bill was expected to hit some LE 490.6 billion, up by LE 87.4 billion or 21.7 percent above the estimates and by about LE 98.5 billion or 25.1 percent above the actual figure a year earlier. Concurrently, public revenues were projected to rise by LE 63.8 billion or 22.3 percent above the estimated figure, and by LE 90.0 billion or 34.7 percent above the actual figure of the previous FY, to post LE 349.6 billion.

The budget for FY 2011/2012 has been outlined within the framework of a number of reform measures and decisions related to expenditures and revenues. On the expenditures side, the government has embarked on a scheme for the management of public finance, including a project for the auditing of - and internal control on - financial data, reform of the wages system and creation of new job opportunities. This is in addition to considering the restructuring of subsidies, especially for low-cost housing and supply commodities, and stimulating government investments, particularly in the key sectors.

On the revenues side, foremost of the measures taken were streamlining the collection of taxes and customs duties, and combating tax evasion, so as to boost customs revenues and the collected sales taxes. This is in addition to highly qualifying tax officers and setting criteria for sound tax examination, along with the immediate examination of certain issues pertaining to foreign companies in Egypt. A new tax bracket was introduced in the income tax structure, whereby income tax on individuals and the profits of open-ended investment companies was raised 5 percent, for any taxable income exceeding LE 10 million per annum. Also, tax rates on local and imported cigarettes was raised 10 percent, and the ceiling of the annual tax exemption on wages and salaries was increased from LE 9 thousand to LE 12 thousand per annum.

Hereunder are the estimates of the consolidated fiscal operations of the general government in FY 2011/2012, and a follow-up of their execution during the first quarter of the year:

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**4/1/1- Estimates of the Consolidated Fiscal Operations  
of the General Government**

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**Budget Sector**

Revenues of the budget sector for FY 2011/2012 were projected to roughly score LE 349.6 billion (22.3 percent of GDP), with a rise of LE 90.0 billion or 34.7 percent over the actual figure of FY 2010/2011. Tax revenues were estimated at about LE 232.2 billion or 66.4 percent of the total estimated revenues. Accounting for 47.5 percent of budgeted tax revenues, taxes on income and business profits were expected to collect LE 110.3 billion. Taxes from the oil sector were estimated at some LE 50.6 billion or 45.8 percent of taxes on income and business profits, while taxes on incomes from individuals, corporations and Suez Canal Authority brought about the remainder. In the meantime, taxes on goods and services were projected to generate LE 85.2 billion or 36.7 percent, and customs receipts LE 18.0 billion or 7.8 percent of total tax revenues. Taxes on property were estimated to add LE 15.0 billion or 6.5 percent.

Other revenues, mainly property income, proceeds of selling goods and services, financing investments and other miscellaneous taxes were estimated at LE 107.4 billion or 30.7 percent of total revenues. Moreover, capital and current grants were projected to reach about LE 10.0 billion during FY 2011/2012.

Estimated expenditures registered LE 490.6 billion (31.2 percent of GDP), up by 25.1 percent, and by about LE 98.5 billion compared with the actual figure a year earlier. Compensations, including wages, of civil servants were estimated at some LE 117.5 billion or 24.0 percent of total expenditures (including all periodical allowances and incentives, along with the costs of reforming the pay structure of employees of the administrative system of the state). Interest payments on external and domestic public debts were estimated at LE 106.3 billion, making up 21.7 percent of total expenditures. Subsidy allocations for oil products were estimated at LE 95.5 billion or 19.5 percent of total expenditures (to counterbalance the higher world prices and address

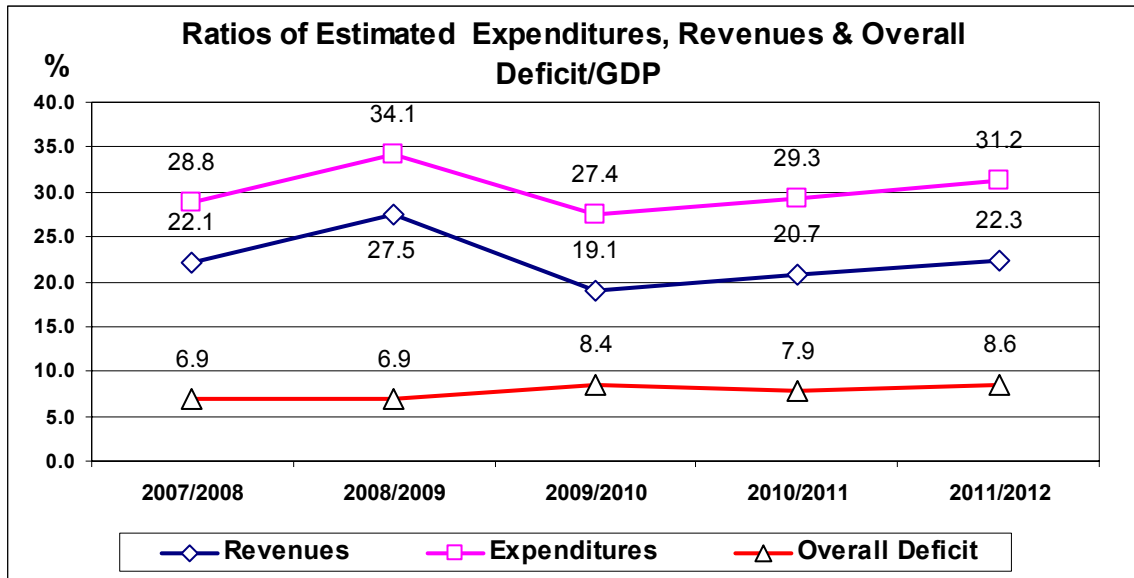
potential bottlenecks in the supply of petroleum products); while an amount of LE 18.9 billion or 3.8 percent were set aside for commodity subsidies (to offset world price hikes and raise wheat procurement price (per ardeb) to encourage the cultivation of wheat in response to increasing consumption). Other subsidy allocations got around LE 18.5 billion, of which LE 10.0 billion were directed to the National Social Housing Project, while the rest went mainly to electricity, farmers, export promotion, industrial training, interest payments on concessional lending for housing projects, medical treatment of Egyptians at the expense of the government, water supply companies, passenger transport, industrial zones, military production, student health insurance, medicines and infant formula, Upper Egypt development, and other miscellaneous items. Moreover, grants, social benefits and some other expenditures were estimated at some LE 20.1 billion.

Investments of the administrative system, local administration and service authorities were projected to post LE 47.2 billion (up by 24.3 percent over the actual figure of the prior FY), mostly earmarked for the projects of the key sectors to spur growth and reverse the economic downturn.

(LE mn)

	<u>2007/2008</u>	<u>2008/2009</u>	<u>2009/2010</u>	<u>2010/2011</u>	<u>2011/2012</u>
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Estimate</b>
Total Revenues	221404	282505	268114	259617	349647
Total Expenditures	282290	351500	365987	392097	490590
Cash Deficit	60886	68995	97873	132480	140943
Net Acquisition of					
Financial Assets	236	2831	165	-2120	-6663
Overall Deficit	61122	71826	98038	130360	134280
Primary Deficit	10594	19016	25705	49279	27981

Against this background, the cash deficit of the state budget in FY 2011/2012 was estimated at LE 140.9 billion (9.0 percent of GDP), whereas net acquisition of financial assets was estimated at negative LE 6.7 billion. Accordingly, the overall budget deficit was projected to reach LE 134.3 billion (8.6 percent of GDP). On the other hand, the primary budget deficit was expected to be LE 28.0 billion (only 1.8 percent of GDP). Evidently, interest payments on the domestic and external public debt (LE 106.3 as already mentioned) have weighed heavily on the budget deficit, given that interest payments on domestic debt accounted alone for LE 101.6 billion or 20.7 percent of total government expenditure.



In FY 2011/2012, finance for the overall budget deficit, along with some miscellaneous external and domestic repayments, was expected to come from banking and non-banking domestic sources (LE 117.1 billion and LE 34.8 billion, respectively).

### **Budget Sector, NIB and SIFs**

Adding the fiscal operations of SIFs and NIB to the budget sector's, total revenues would reach LE 391.0 billion, and total expenditures LE 527.4 billion. Thus, the cash deficit was expected to hit LE 136.4 billion (8.7 percent of GDP). With the addition of the estimated net acquisition of financial assets (negative LE 7.0 billion) to the cash deficit, the overall deficit would amount to LE 129.4 billion or 8.2 percent of GDP.

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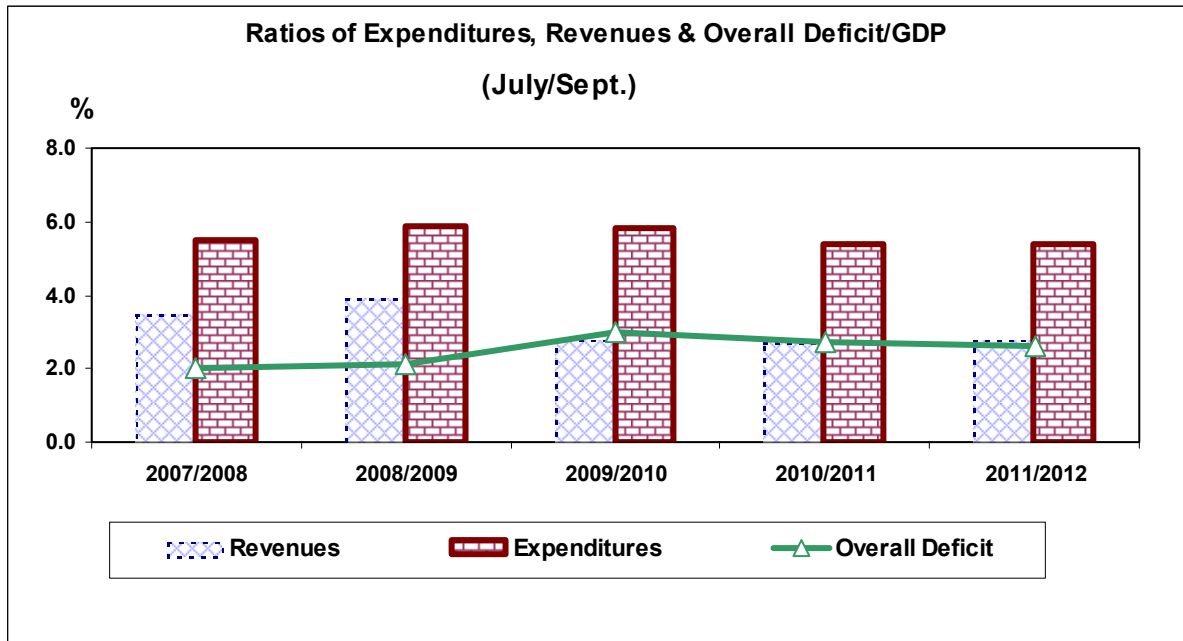
## **4/1/2- Follow-up of the Execution of the Consolidated Fiscal Operations of the General Government**

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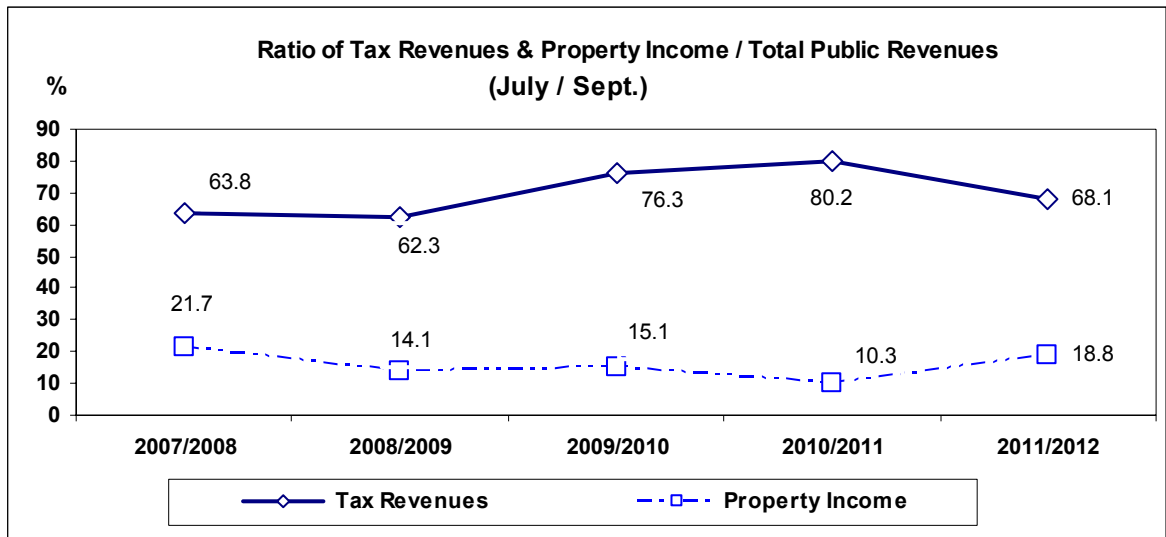
### **Budget Sector**

According to the preliminary data of the Ministry of Finance regarding the follow-up on the actual figures of the budget sector in 2011/2012 Q1, collected revenues totaled some LE 43.8 billion or 2.8 percent of GDP, while

total expenditures made up LE 84.4 billion or 5.4 percent of GDP. Therefore, the overall budget deficit posted LE 41.4 billion (2.6 percent of GDP) in the period under review.



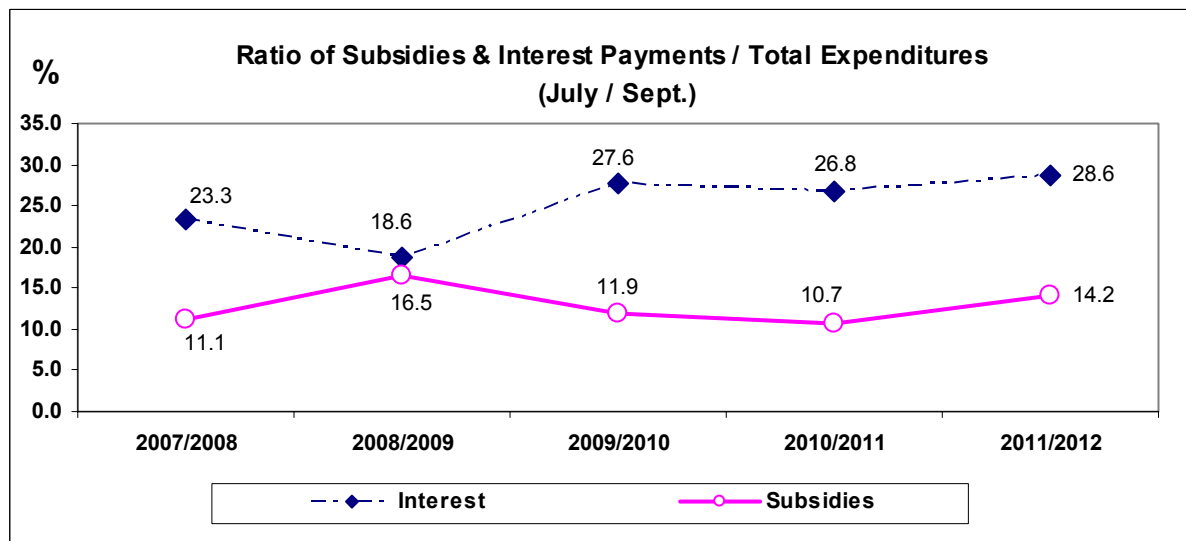
Registering LE 43.8 billion, or 2.8 percent of GDP, public revenues grew by some LE 7.0 billion or 19.0 percent (compared with LE 3.7 billion and 11.4 percent in the period of comparison). A substantial part of the increase in revenues (63.1 percent) was generated by property income, which scaled up by about LE 4.4 billion, posting LE 8.2 billion. This was attributed to the increase in the property income of SCA, CBE and some other economic authorities and companies. Tax revenues edged up by LE 0.3 billion or 1.0 percent (against LE 4.3 billion and 17.2 percent), recording LE 29.8 billion. Such a rise was ascribed to the increase in some items of taxes on income and business profits, SCA and taxes on property. On the other hand, collected taxes from some other units on income and business profits retreated. A decline was also noted in the proceeds from the sales tax, customs duties, and from other miscellaneous taxes.



Grants from foreign governments surged to LE 2.9 billion during the period, compared with LE 39 million during the corresponding period of the preceding FY.

Total expenditures increased by LE 10.1 billion or 13.6 percent, standing at LE 84.4 billion (5.4 percent of GDP).

A considerable part of the increase in expenditure (59.3 percent) emanated from the surge of LE 6.0 billion (28.1 percent) in wages and compensations for employees, which posted LE 27.3 billion. Thus, they swallowed the major part of 62.2 percent of revenues and made up 32.3 percent of current government spending.



Weighing heavily on the budget, interest payments of public debt rose by LE 4.2 billion or 20.9 percent, to score LE 24.1 billion (28.6 percent of current government spending). Also, subsidies, grants and social benefits reached LE 17.1 billion, up by LE 4.5 billion or 36.3 percent.

On the other hand, declines were observed in some items, especially investments (down by LE 2.3 billion to LE 4.7 billion), other miscellaneous expenditures (by LE 1.9 billion), and purchases of goods and services (by LE 0.4 billion to LE 3.3 billion).

In light of the above developments, the overall fiscal deficit widened by LE 4.2 billion to LE 41.4 billion (2.6 percent of GDP) during the reporting quarter, against LE 37.2 billion (2.7 percent of GDP) in the quarter of comparison. The budget deficit was financed in full, along with some miscellaneous domestic and external repayments, mostly from local sources, especially banking finance.

### **Budget Sector, NIB and SIFs**

When adding the fiscal operations of the NIB and SIFs to those of the budget sector, revenues would total LE 52.9 billion (3.4 percent of GDP), up by 20.7 percent.



**Execution of the Consolidated Fiscal Operations  
of the General Government  
(Budget Sector, NIB and SIFs)  
(Total Revenues)**

(LE bn)

	Budget Sector	Relative Structure %	<u>July/September 2011/2012</u>		Relative Structure %	Execution Ratio/Total Estimate for the Year %
			Execution Ratio/Total Estimate for the Year %	Budget Sector, NIB & SIFs		
<b><u>Total Revenues</u></b>	<b><u>43.8</u></b>	<b><u>100.0</u></b>	<b><u>12.5</u></b>	<b><u>52.9</u></b>	<b><u>100.0</u></b>	<b><u>13.5</u></b>
<b><u>Tax Revenues</u></b>	<b><u>29.8</u></b>	<b><u>68.1</u></b>	<b><u>12.8</u></b>	<b><u>29.8</u></b>	<b><u>56.4</u></b>	<b><u>12.8</u></b>
Taxes on Income and Profits	8.3	18.9	7.5	8.3	15.7	7.5
From EGPC	0.0	0.0	0.0	0.0	0.0	0.0
From SCA	2.6	5.9	20.3	2.6	4.9	20.3
From CBE	0.0	0.0		0.0	0.0	
Other entities	2.0	4.5	9.7	2.0	3.8	9.7
Payable by Individuals	3.7	8.5	14.0	3.7	7.0	14.0
Taxes on Property	3.1	7.0	20.5	3.1	5.8	20.5
Taxes on Goods and Services	14.9	34.1	17.5	14.9	28.3	17.5
Taxes on International Trade (Customs)	3.3	7.4	18.1	3.3	6.2	18.1
Other Taxes	0.2	0.5	6.6	0.2	0.4	6.6
<b><u>Grants</u></b>	<b><u>2.9</u></b>	<b><u>6.7</u></b>	<b><u>29.4</u></b>	<b><u>2.9</u></b>	<b><u>5.5</u></b>	<b><u>29.4</u></b>
<b><u>Other Revenues</u></b>	<b><u>11.1</u></b>	<b><u>25.3</u></b>	<b><u>10.3</u></b>	<b><u>20.2</u></b>	<b><u>38.1</u></b>	<b><u>13.5</u></b>
Property Income	8.2	18.8	11.6	9.4	17.8	12.3
Selling Proceeds of Goods and Services	2.1	4.8	12.9	2.1	4.0	12.9
Financial Investments	0.4	0.9	2.9	0.4	0.8	2.9
Others	0.4	0.8	5.5	8.3	15.5	19.7

Source: Ministry of Finance.

Percentages are calculated in terms of LE million.

By adding the fiscal operations of SIFs and NIB to those of the budget sector, total expenditures would scale up by 14.8 percent, posting LE 96.9 billion (6.2 percent of GDP).

**Execution of the Consolidated Fiscal Operations  
of the General Government  
(Budget Sector, NIB and SIFs)  
(Total Expenditure)**

(LE bn)

	Budget Sector	Relative Structure %	July/September 2011/2012		Relative Structure %	Execution Ratio/Total Estimate for the Year %
			Execution Ratio/Total Estimate for the Year %	Budget Sector, NIB & SIFs		
<b><u>Total Expenditure</u></b>	<b><u>84.4</u></b>	<b><u>100.0</u></b>	<b><u>17.2</u></b>	<b><u>96.9</u></b>	<b><u>100.0</u></b>	<b><u>18.4</u></b>
<b><u>Wages &amp; Compensations of Employees</u></b>	<b><u>27.3</u></b>	<b><u>32.3</u></b>	<b><u>23.2</u></b>	<b><u>27.6</u></b>	<b><u>28.5</u></b>	<b><u>23.2</u></b>
<b><u>Purchases of Goods and Services</u></b>	<b><u>3.3</u></b>	<b><u>3.9</u></b>	<b><u>10.9</u></b>	<b><u>3.3</u></b>	<b><u>3.5</u></b>	<b><u>11.0</u></b>
<b><u>Interest</u></b>	<b><u>24.1</u></b>	<b><u>28.6</u></b>	<b><u>22.7</u></b>	<b><u>21.2</u></b>	<b><u>21.9</u></b>	<b><u>22.0</u></b>
<b><u>Subsidies, Grants and Social Benefits</u></b>	<b><u>17.0</u></b>	<b><u>20.2</u></b>	<b><u>10.8</u></b>	<b><u>31.9</u></b>	<b><u>32.9</u></b>	<b><u>15.8</u></b>
Subsidies	12.0	14.2	9.0	12.0	12.4	9.0
Grants	1.5	1.8	24.1	1.5	1.6	24.1
Social benefits	3.3	4.0	24.2	18.2	18.7	31.4
Others	0.2	0.2	4.4	0.2	0.2	4.4
<b><u>Other Expenditure</u></b>	<b><u>8.0</u></b>	<b><u>9.5</u></b>	<b><u>25.2</u></b>	<b><u>8.1</u></b>	<b><u>8.3</u></b>	<b><u>25.4</u></b>
<b><u>Purchases of Non-Financial Assets (Investments)</u></b>	<b><u>4.7</u></b>	<b><u>5.5</u></b>	<b><u>10.0</u></b>	<b><u>4.8</u></b>	<b><u>4.9</u></b>	<b><u>10.0</u></b>

Source: Ministry of Finance.

Percentages are calculated in terms of LE million.

The cash deficit of the consolidated fiscal operations of the general government in the relevant period reached LE 44.0 billion. By adding the net acquisition of financial assets (LE 2.6 billion) to the cash deficit, the overall deficit would post LE 46.6 billion or 3.0 percent of GDP, constituting 36.0 percent of the overall deficit estimated for the whole year.

**Execution of the Consolidated Fiscal Operations  
of the General Government  
(Budget Sector, NIB and SIFs)  
(Cash and Overall Deficit/Surplus & Financing Sources)**

(LE bn)

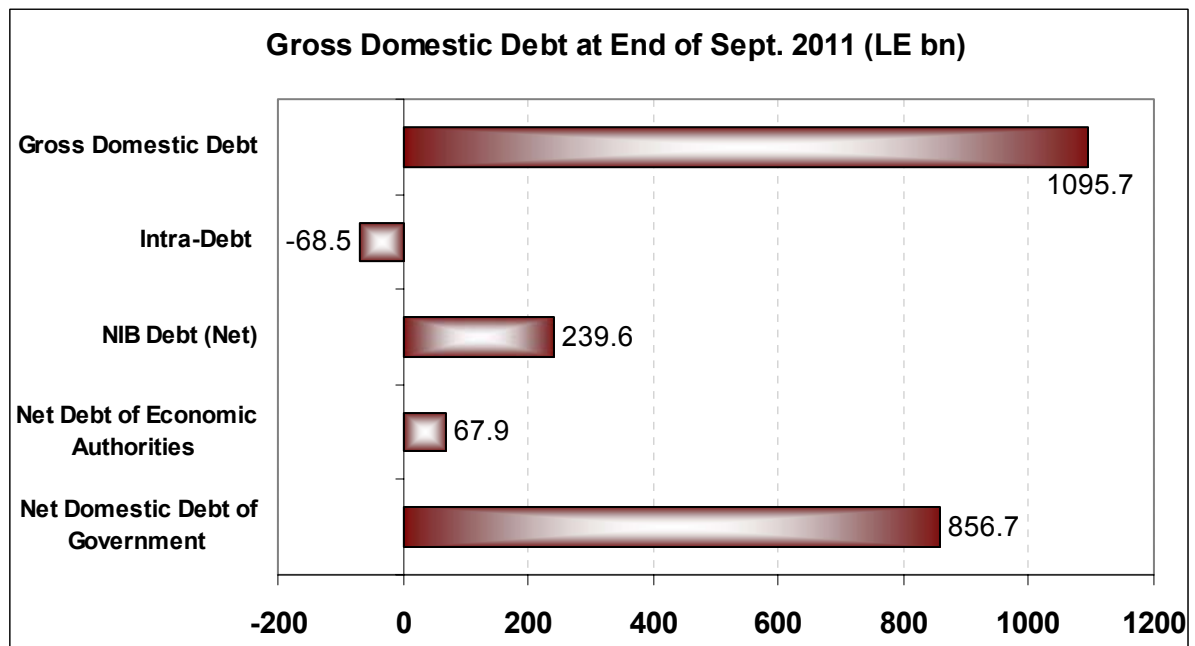
	Budget Sector	Relative Structure %	July/September 2011/2012			Execution Ratio/Total Estimates for the Year %
			Execution Ratio/Total Estimates for the Year %	Budget Sector, NIB & SIFs	Relative Structure %	
<b><u>Total Revenues</u></b>	<b><u>43.8</u></b>			<b><u>52.9</u></b>		
<b><u>Total Expenditures</u></b>	<b><u>84.4</u></b>			<b><u>96.9</u></b>		
<b><u>Cash Deficit</u></b>	<b><u>40.6</u></b>			<b><u>44.0</u></b>		
Net Acquisition of Financial Assets	0.8			2.6		
<b><u>Overall Deficit</u></b>	<b><u>41.4</u></b>			<b><u>46.6</u></b>		
<b><u>Financing Sources</u></b>	<b><u>41.4</u></b>	<b><u>100.0</u></b>	<b><u>30.8</u></b>	<b><u>46.6</u></b>	<b><u>100.0</u></b>	<b><u>36.0</u></b>
<b><u>Domestic Financing</u></b>	<b><u>48.6</u></b>	<b><u>117.4</u></b>	<b><u>32.0</u></b>	<b><u>51.0</u></b>	<b><u>109.3</u></b>	<b><u>32.9</u></b>
Banking	45.8	110.6	39.1	45.9	98.5	39.1
Non-Banking	2.8	6.8	8.0	5.1	10.8	13.4
<b><u>External Borrowing</u></b>	<b><u>-6.1</u></b>	<b><u>-14.8</u></b>	<b><u>37.0</u></b>	<b><u>-6.1</u></b>	<b><u>-13.1</u></b>	<b><u>37.0</u></b>
<b><u>Others</u></b>	<b><u>-0.1</u></b>	<b><u>-0.3</u></b>	<b><u>7.7</u></b>	<b><u>2.7</u></b>	<b><u>5.9</u></b>	<b><u>-29.4</u></b>
<b><u>Reclassification Differences</u></b>	<b><u>-0.1</u></b>	<b><u>-0.1</u></b>	<b><u>=</u></b>	<b><u>-0.1</u></b>	<b><u>-0.1</u></b>	
<b><u>Difference between Treasury Bills Face Value &amp; Present Value</u></b>	<b><u>-1.9</u></b>	<b><u>-4.6</u></b>	<b><u>=</u></b>	<b><u>-1.9</u></b>	<b><u>-4.0</u></b>	
<b><u>Discrepancy</u></b>	<b><u>1.0</u></b>	<b><u>2.4</u></b>	<b><u>=</u></b>	<b><u>1.0</u></b>	<b><u>2.0</u></b>	

Source: Ministry of Finance.

Percentages are calculated in terms of LE million.

#### 4/2- Domestic Public Debt

By the end of September 2011, domestic public debt amounted to LE 1095.7 billion (69.8 percent of GDP - at current market prices), up by LE 50.8 billion or 4.9 percent during the FY 2011/2012. It consists of the sum total of net government debt, public economic authorities' debt and that of the National Investment Bank (minus intra-debts of public economic authorities and the government to the NIB).



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#### 4/2/1- Debt of the Government (Net)

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**The government's domestic debt** (net basis) registered LE 856.7 billion (54.6 percent of GDP) at end of September 2011, up by LE 48.6 billion or 6.0 percent during FY 2011/2012. The increase was an outcome of the LE 2.8 billion pickup in the balances of treasury bills and bonds and the LE 39.9 billion decline in the credit position of net government balances at the banking system (owing to the expansion in government loans by LE 43.6 billion against a relatively feeble increase in its deposits by LE 3.7 billion). Add to this the government borrowing of LE 6.1 billion from other local entities. Meanwhile, credit facilities from the Social Insurance Funds declined by LE 0.2 billion.

## Net Domestic Debt of the Government

Balances at End of	<u>June</u> <u>2011</u>		<u>September</u> <u>2011</u>		(LE bn ) Change (+)- July/Sept. 2011/2012
	Value	%	Value	%	
<b><u>Net Domestic Debt</u></b>	<b><u>808.1</u></b>	<b><u>100.0</u></b>	<b><u>856.7</u></b>	<b><u>100.0</u></b>	<b><u>48.6</u></b>
<b><u>- Balances of Bonds &amp; Bills*</u></b>	<b><u>916.9</u></b>	<b><u>113.5</u></b>	<b><u>919.7</u></b>	<b><u>107.4</u></b>	<b><u>2.8</u></b>
• Notes and bonds, of which,	560.8	69.4	569.8	66.5	9.0
Tradable on exchanges	218.5	27.0	228.9	26.7	10.4
• Treasury bills	356.1	44.1	349.9	40.9	(6.2)
<b><u>- Borrowing from other Entities</u></b>	<b><u>2.0</u></b>	<b><u>0.2</u></b>	<b><u>8.1</u></b>	<b><u>1.0</u></b>	<b><u>6.1</u></b>
<b><u>- Facilities from the SIFs</u></b>	<b><u>2.4</u></b>	<b><u>0.3</u></b>	<b><u>2.2</u></b>	<b><u>0.2</u></b>	<b><u>(0.2)</u></b>
<b><u>- Net Balances at the Banking System</u></b>	<b><u>-113.2</u></b>	<b><u>-14.0</u></b>	<b><u>-73.3</u></b>	<b><u>-8.6</u></b>	<b><u>39.9</u></b>
• Credit facilities	46.0	5.7	89.6	10.4	43.6
• Deposits (-)	159.2	19.7	162.9	19.0	3.7
Net domestic government debt/GDP (%)	58.9		54.6		

Source: Ministry of Finance, CBE, and NIB.

Ratios are calculated in terms of LE million.

\* Including treasury bonds; housing bonds; bonds denominated in foreign currencies with public commercial banks; the 5 percent ratio retained from profits of corporations subject to Law No. 97 of 1983 for purchasing government bonds; the holdings of resident financial institutions (banking system and insurance sector) of bonds floated abroad; and the SIFs bonds against transferring NIB debt to the Public Treasury.

The increase of LE 2.8 billion in the balances of government bonds and bills was an outcome of:

A- The pickup in the balance of government bonds by LE 9.0 billion to LE 569.8 billion at end of September 2011, as a result of the following developments:

1- The LE 14.5 billion rise in the Egyptian Treasury bonds in 2011/2012 Q1, represented in:

- The issuance of the 59<sup>th</sup> tranche of 2-year bonds on 26 July 2011 at a value of LE 3.0 billion and an annual interest rate of 13.10 percent. The tranche was increased by LE 5.0 billion (LE 2.5 billion on 16 August 2011 and LE 2.5 billion on 6 September) on the same conditions of issuance, thus raising its total value to LE 8.0 billion.

- The issuance of the 60<sup>th</sup> tranche of 3-year bonds on 2 August 2011 at a value of LE 3.0 billion and an annual interest rate of 13.35 percent. The tranche was increased by LE 7.0 billion (LE 2.5 billion on 16 August 2011, LE 2.0 billion on 23 August and LE 2.5 billion on 6 September) on the same conditions of issuance, thus driving up the total value of these bonds to LE 10.0 billion.

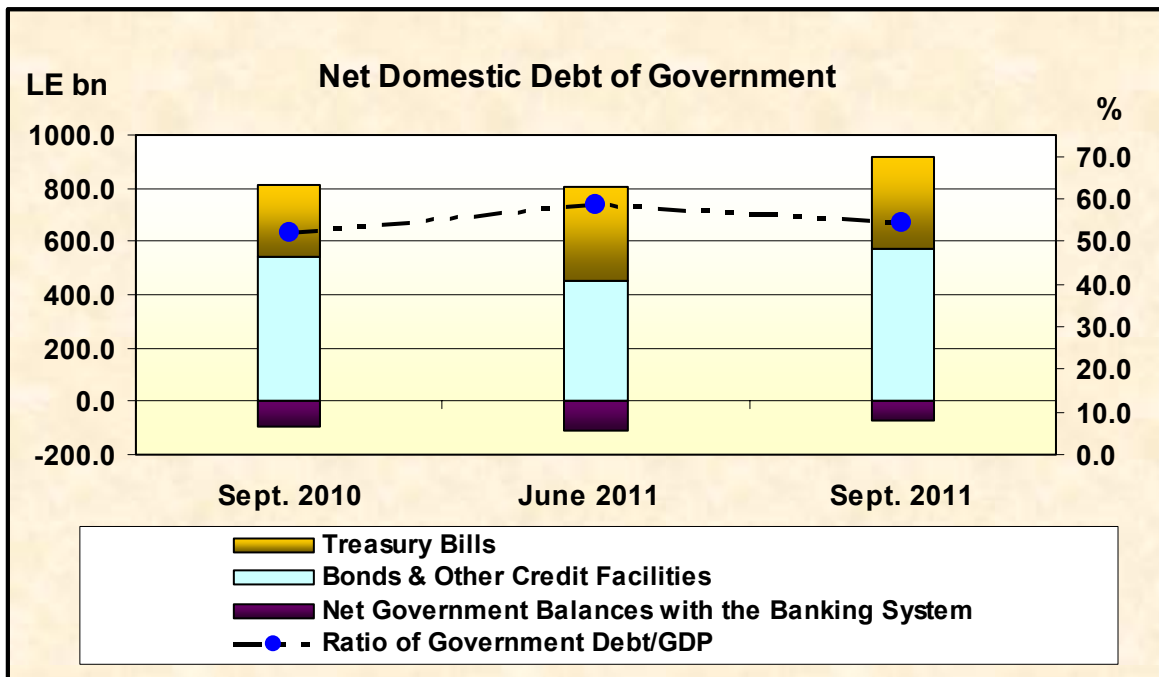
- The redemption of the 41<sup>st</sup> tranche on 7 July 2011, at a value of LE 3.5 billion.

2- The pickup in the balances of LE bonds issued abroad by LE 0.1 billion worth.

3- The LE 1.5 billion decrease in the non-interest bearing bonds issued on 1 July 2009, to bring down its value to LE 7.6 billion in August 2011.

4- The retreat in the balances of US dollar bonds issued abroad by the equivalent of LE 4.1 billion.

B- The LE 6.2 billion fall in the outstanding balances of treasury bills to LE 349.9 billion at end of September 2011 (against LE 356.1 billion at end of June).



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#### **4/2/2- Debt of Public Economic Authorities (Net)**

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In 2011/2012 Q1, **net debt of the public economic authorities** edged up by LE 1.6 billion, to post LE 67.9 billion at end of Sept. 2011. The rise was traceable to the increase in their borrowing from the National Investment Bank by LE 1.0 billion and their net borrowing from the banking system by LE 0.6 billion (due to the retreat in their claims to, and deposits at, the banking system by LE 9.8 billion and LE 10.4 billion, respectively).

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#### **4/2/3- Debt of the National Investment Bank (Net)**

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At end of September 2011, **net debt of the NIB** (including the intra-debt) reached some LE 239.6 billion, up by LE 1.4 billion in July/Sept. 2011/2012. The rise was due to the expansion in NIB's total invested resources by LE 1.1 billion to LE 241.9 billion at end of September 2011 and the decline in its deposits at the banking system by LE 0.4 billion.

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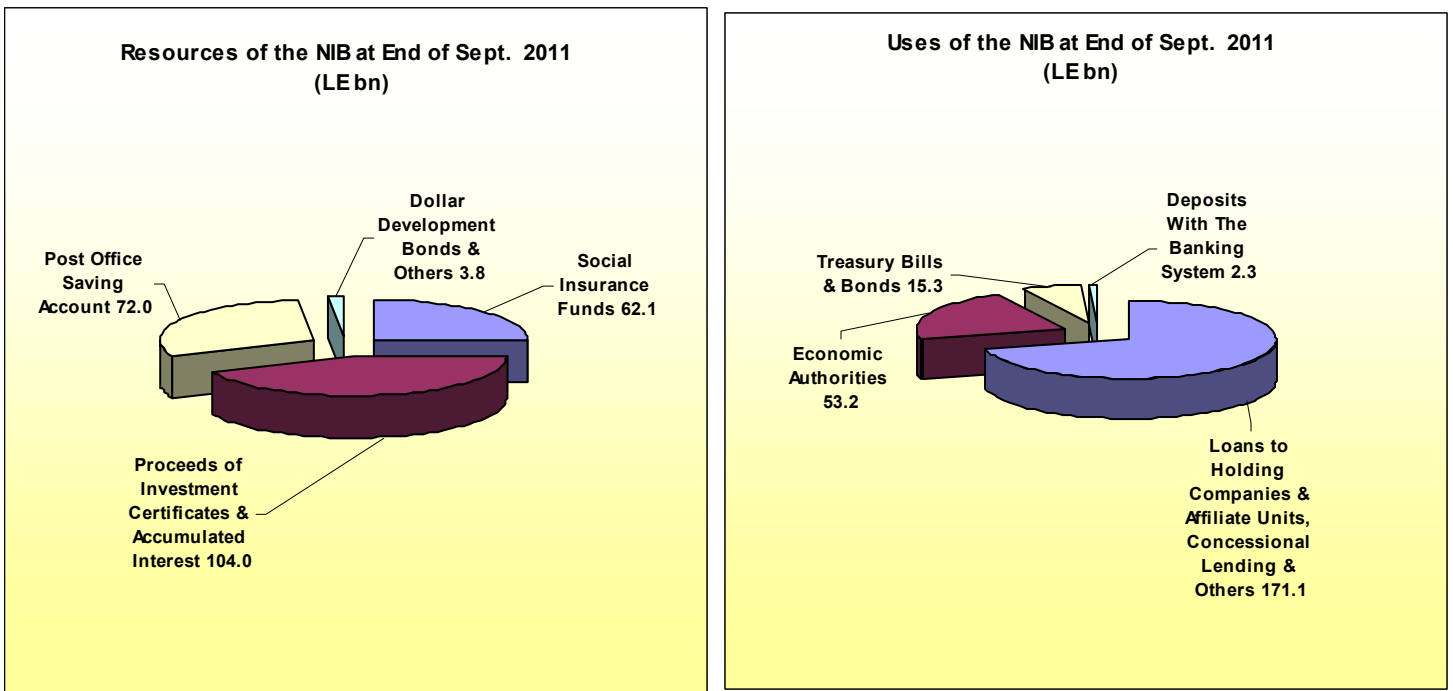
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#### **4/2/4- Intra-Debt**

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The intra-debt of public economic authorities and the government to NIB reached about LE 68.4 billion at end of September 2011, against LE 67.7 billion at end of June. Loans extended by the NIB to these authorities posted about LE 53.2 billion, with an increase of LE 1.0 billion in 2011/2012 Q1, while NIB's investments in government securities (bills and bonds) reached some LE 15.3 billion, down by LE 0.3 billion.



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#### **4/2/5- Domestic Public Debt Service**

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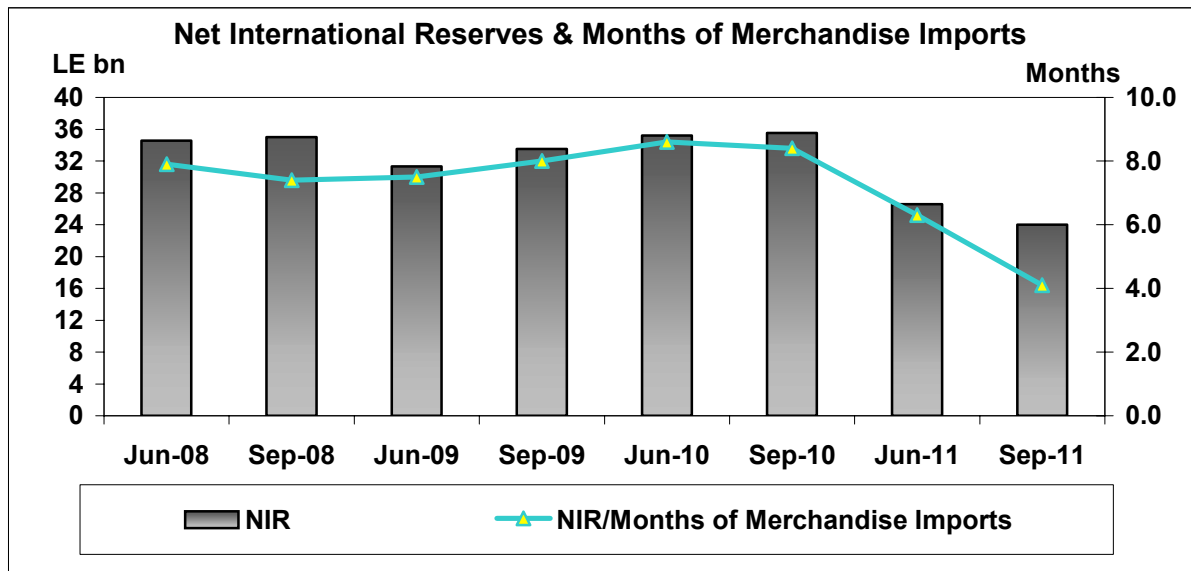
Debt service reached LE 24.1 billion in 2011/2012 Q1, up by LE 4.2 billion over the respective quarter of the previous fiscal year. The bulk of that increase came from the rise in principal repayments by LE 4.1 billion to LE 23.0 billion. Interest payments also rose by LE 28 million to LE 1.1 billion. The ratio of debt service to GDP stood at 1.5 percent in both the reporting period and the period of comparison, whereas the ratio of debt service to public revenues increased to 55.0 percent (from 54.1 percent).



## 5- External Transactions

### 5/1- Foreign Exchange Market and NIR

The CBE kept up its successful management of the foreign exchange market through the dollar interbank system. The market managed to prudently and efficiently address the crisis it had encountered in the wake of the revolution. A follow-up of the developments of the LE exchange rate versus the US dollar shows that the weighted average of the US dollar in the interbank market posted LE 5.9657 at end of Sept. 2011 (against LE 5.9690 at end of June) with a slight increase of 0.1 percent in the value of the EGP in the period under review. At the time of preparing this Review, the US dollar exchange rate reached LE 6.0319 at end of Dec. 2011. Notably, during Jan./Dec. 2011, the Egyptian pound depreciated against the US dollar by 3.8%.



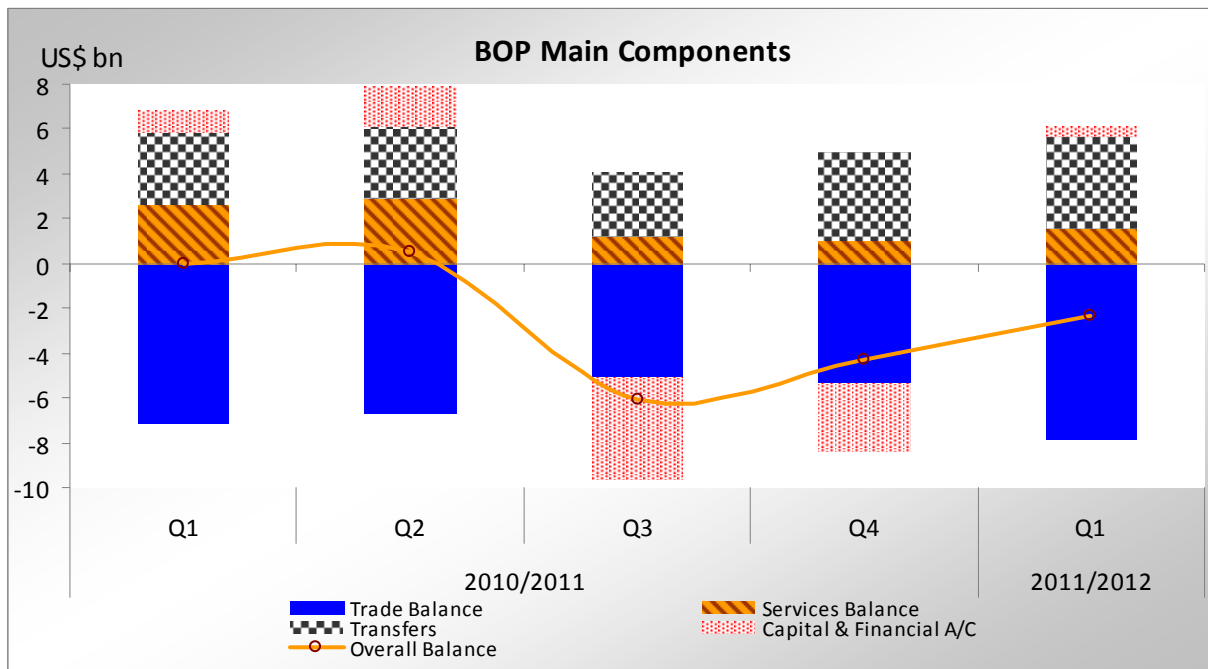
Net international reserves (NIR) at the CBE dropped by US\$ 2.6 billion or 9.6 percent in July/Sept. 2011/2012, ending the quarter at US\$ 24.0 billion (against US\$ 26.6 billion at end of June 2011). NIR receded by about one third relative to the end of Dec. 2010, falling by US\$ 12.0 billion or 33.3 percent in the first nine months of 2011. This was mainly traced to the repercussions of the Egyptian revolution, which led to the withdrawal of investments by foreigners in treasury bills and securities from the Egyptian Exchange, in addition to the retreat in tourism revenues and FDI.

NIRs covered around 4.9 months of merchandise imports till the end of Sept. 2011. At the time of preparing this Review, NIR continued to show a downtrend, standing at US\$ 18.1 billion at end of December 2011, thereby covering 3.7 months of merchandise imports.

### 5/2- Balance of Payments\*

In 2011/2012 Q1, the BOP registered an overall deficit of US\$ 2.4 billion (against an overall surplus of US\$ 14.7 million in the respective quarter a year earlier), leading to a decline in NIR at the CBE. The deficit is attributed to the lingering effects of the transformational events in Egypt and Arab region on Egypt's transactions with the external world, which drove down tourism revenues and foreign investment flows to Egypt, as shown below:

- Tourism revenues dropped 26 percent, below the level of July/Sept. 2010/2011, registering merely US\$ 2.7 billion (against US\$ 3.7 billion), on the back of the decline of 24 percent in the number of tourists and 12.9 percent in tourist nights, as well as the fall in the average tourist spending per night to US\$ 72.2 from US\$ 85. Obviously, this was one of the major reasons behind **the jump in the current account deficit, from US\$ 1.3 billion to US\$ 2.2 billion.**
- A turnaround occurred in the investment portfolio in Egypt; from a net inflow of US\$ 5.9 billion to a net outflow of US\$ 1.7 billion. Hence, **this principally caused the net inflows of the capital and financial account to drop to US\$ 502.4 million from US\$ 1.0 billion.**



\* Based on the IMF's BOP Manual, Fifth Edition, Sept. 1993.

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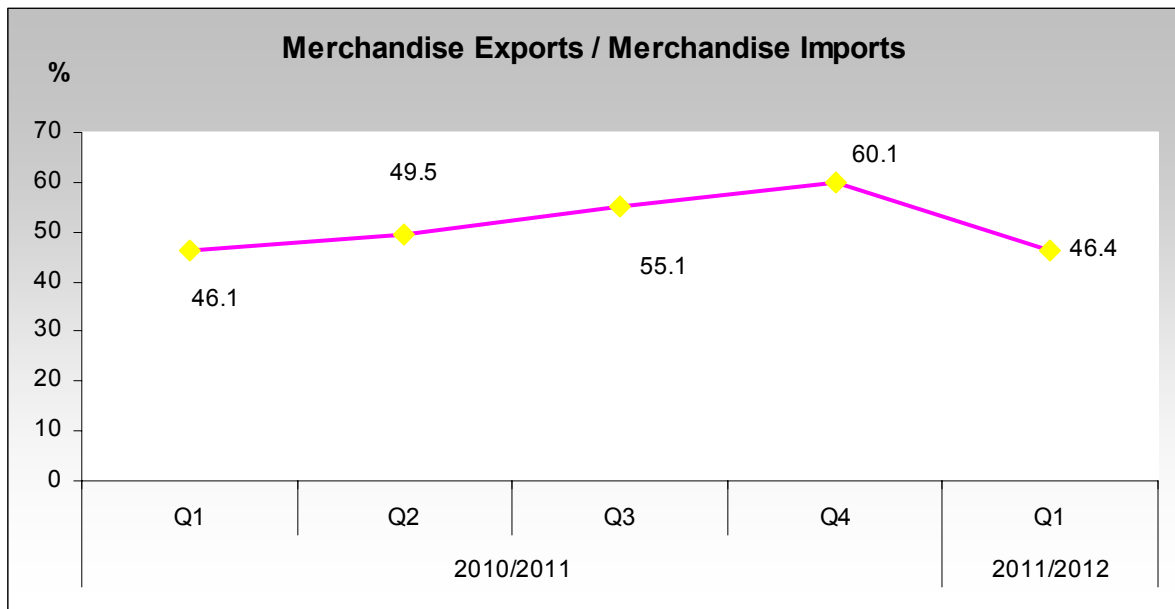
### 5/2/1- Trade Balance

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Rising 9.7 percent, the trade deficit registered US\$ 7.8 billion (3.0 percent of GDP) in July/Sept. 2011 because of:

- The 10.2 percent rise in import payments, to score US\$ 14.6 billion, fueled by higher oil imports (37.0 percent) and non-oil imports (5.2 percent).
- The 10.9 percent pickup in export proceeds, to stand at US\$ 6.8 billion, supported by the increase in oil exports (15.8 percent) and non-oil exports (6.7 percent).



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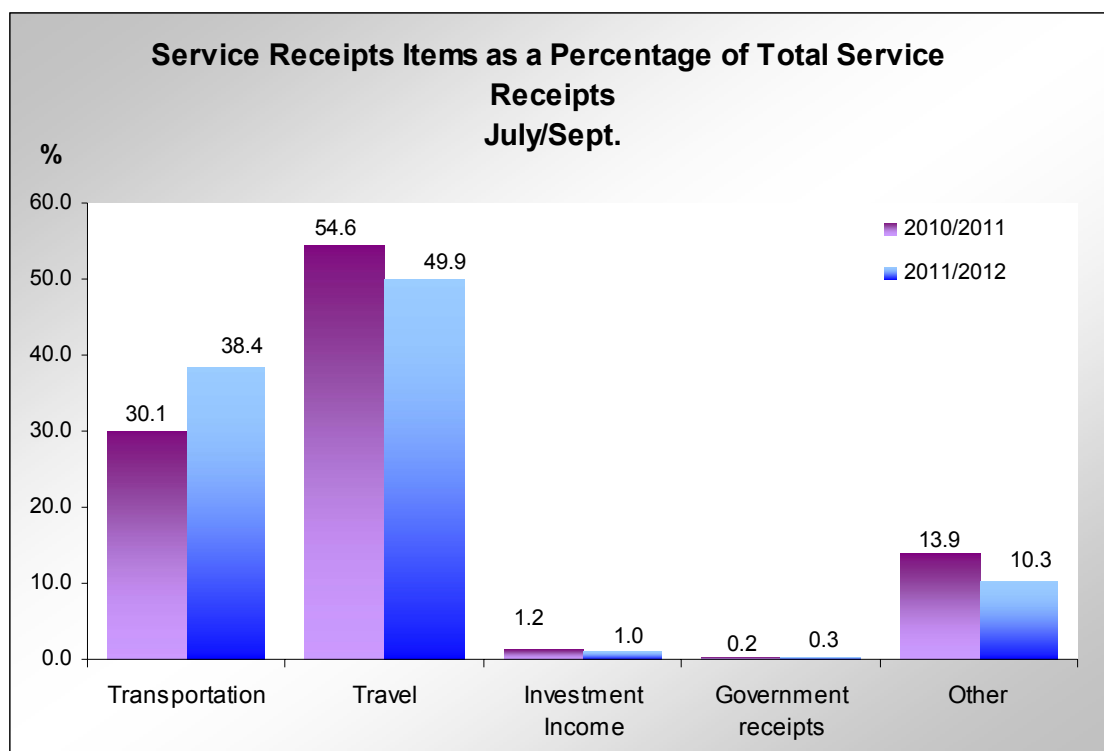
### 5/2/2- Balance of Services and Transfers

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#### A. Balance of Services

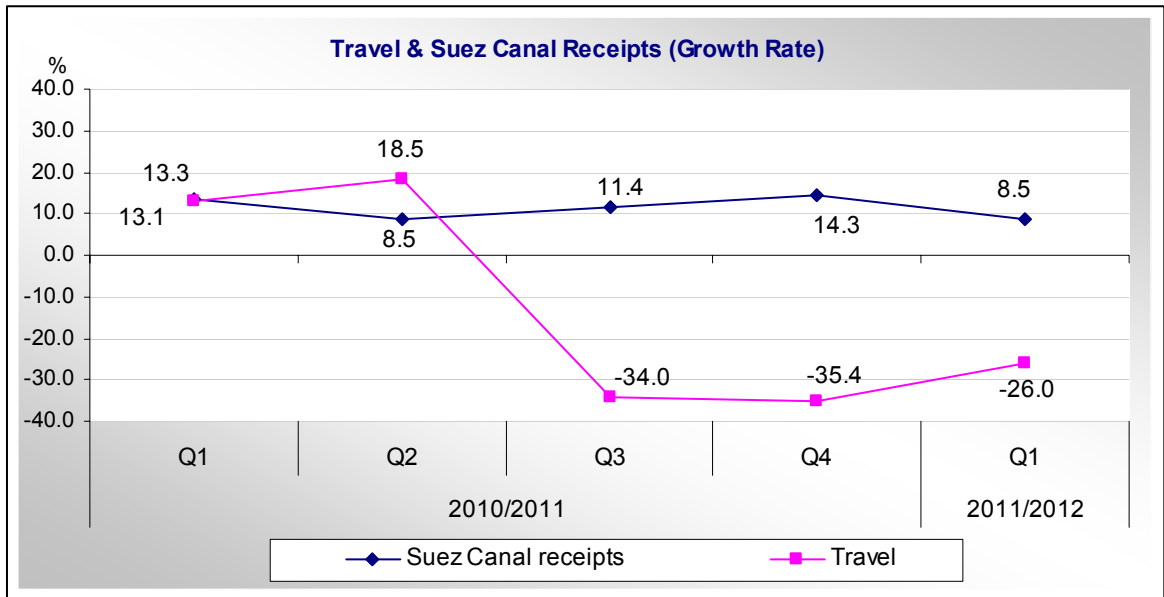
**The services surplus** sharply fell by 38.2 percent, to US\$ 1.6 billion in 2011/2012 Q1 (against US\$ 2.6 billion in the corresponding quarter a year earlier), reflecting the drop in services receipts and payments, as shown below:



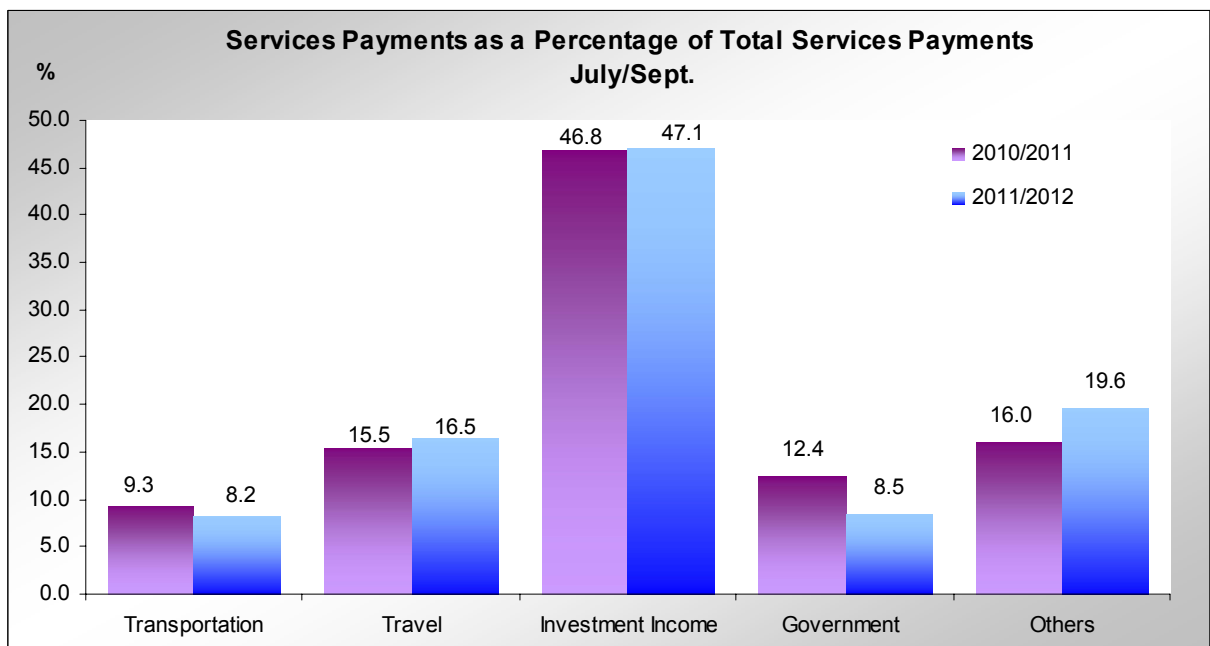
1- **Services Receipts** decreased 19.2 percent, to US\$ 5.4 billion (against US\$ 6.7 billion), on the back of the following developments:

- Tourism revenues fell 26.0 percent to US\$ 2.7 billion, owing to the 12.9 percent retreat in tourist nights, and the drop in the average tourist spending per night from US\$ 85.0 to US\$ 72.2 in the period under review.
- Investment income receipts rolled back by 31.7 percent, registering only US\$ 56.0 million (against US\$ 82.0 million), primarily because of the drop in both direct and portfolio investment income.
- Other service receipts notably shrank by 40.0 percent to US\$ 558.4 million (from US\$ 930.5 million), as a result of the decline in the invisible receipts of the oil sector, and the receipts of construction and contracting, and communication services.

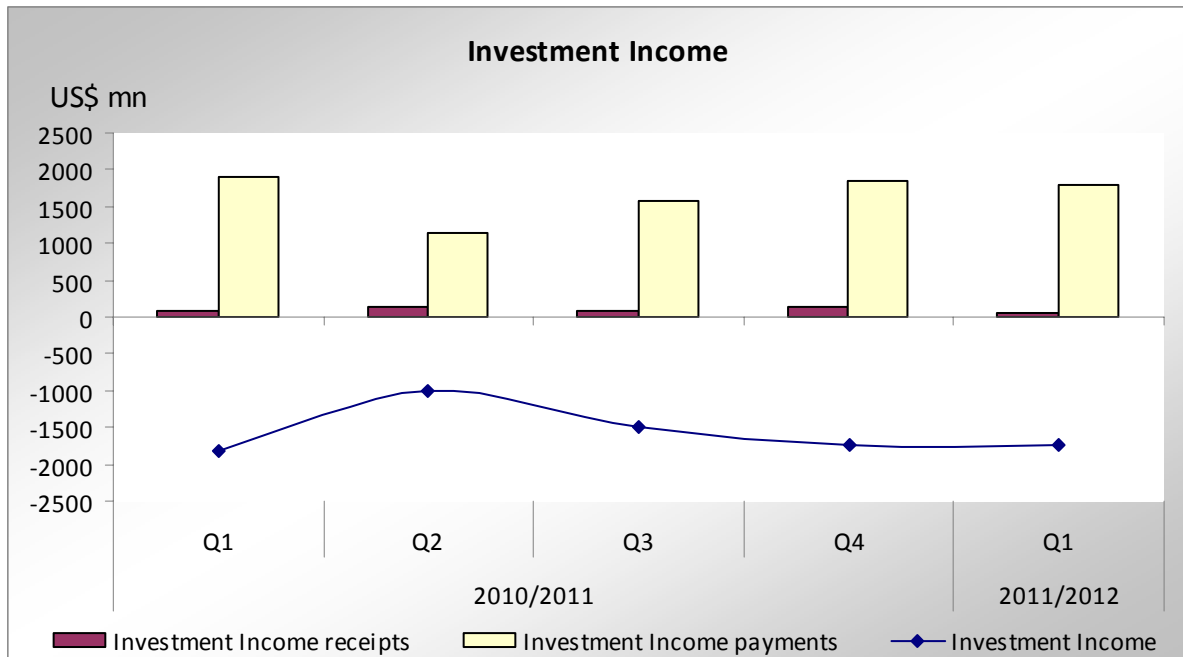
On the other hand:



- Transportation receipts increased 3.1 percent to US\$ 2.1 billion, driven by the 8.5 percent rise in Suez Canal earnings and the higher receipts of Egyptian navigation companies.
  - Government receipts mounted 23.0 percent, due to the higher expenses of the Arab League, international institutions, and foreign embassies in Egypt.
- 2- It is to be noted that the services balance did not run a deficit, thanks to the 7.0 percent **decrease in the service payments** to US\$ 3.8 billion (against US\$ 4.1 billion), as an outcome of the following factors:-



- Government expenditures rolled back by 36.3 percent, as a direct result of the decline in the expenses of Egyptian embassies, and medical treatment abroad.
- Investment income payments declined by 6.2 percent, to only US\$ 1.8 billion, because of the drop in the profit transfers of non-oil foreign companies operating in Egypt.

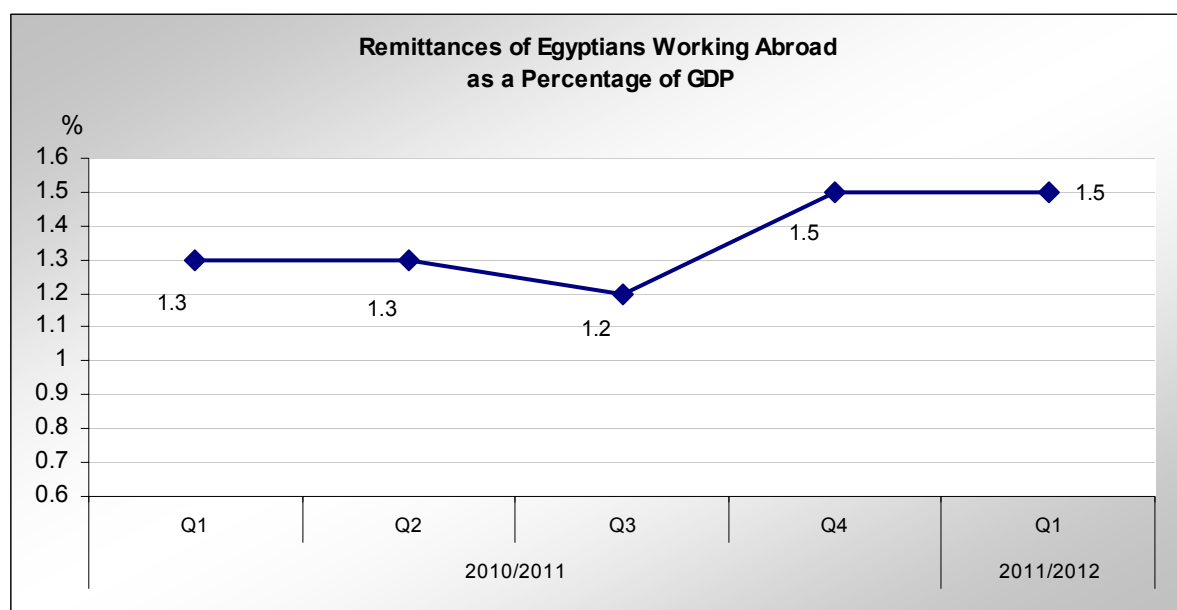


- Transportation payments fell by 17.8 percent to US\$ 312.4 million, owing to the decline in all items, particularly the transfers by foreign navigation and aviation companies and Egyptian navigation companies, the payments of SUMED pipeline, and transfers for hiring airplanes from abroad.
- Travel payments decreased by 0.9 percent to US\$ 626.8 million, owing to lower payments of tourism companies and hotels to abroad, lower travel allowances for government employees seconded abroad, and lower expenses of tourism and medical treatment abroad.

However, other service payments moved up 14.1 percent to US\$ 743.9 million, driven by the increase in the transfers by foreign oil companies to abroad.

## B. Net Unrequited Transfers

Net unrequited transfers accelerated by 25.6 percent, to US\$ 4.0 billion, spurred by the pickup in net private transfers (mainly remittances of Egyptians working abroad) by 31.2 percent, to register US\$ 4.0 billion (against US\$ 3.1 billion). Concurrently, net official transfers retreated to US\$ 15.9 million, reflecting lower grants to the Egyptian government.



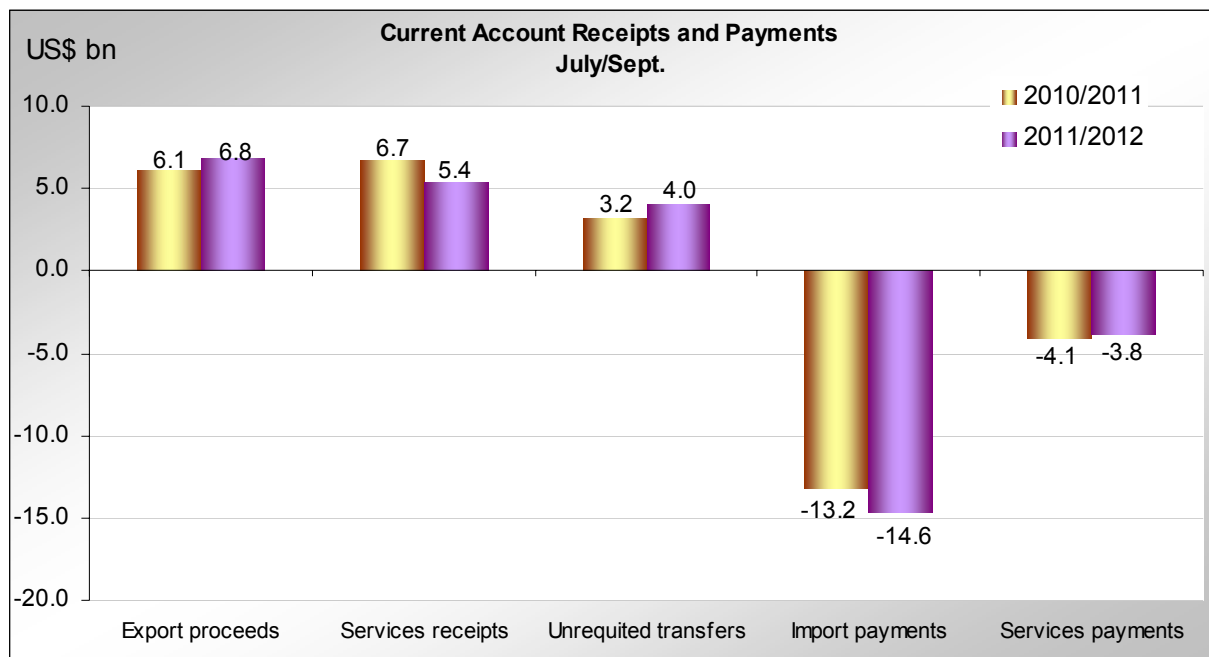
### Net Current Transfers (Unrequited)

(US\$ mn)

	<u>July/September</u>		<u>Change</u>	
	2010/2011	2011/2012	Value	%
<b><u>Net Current Transfers (Unrequited)</u></b>	<b><u>3205.4</u></b>	<b><u>4026.4</u></b>	<b><u>821.0</u></b>	<b><u>25.6</u></b>
<b><u>1- Official Transfers (Net) (a+b-c)</u></b>	<b><u>148.4</u></b>	<b><u>15.9</u></b>	<b><u>-132.5</u></b>	<b><u>-89.3</u></b>
a- Inward cash grants	2.9	3.7	0.8	27.6
b- Other inward grants	146.9	33.6	-113.3	-77.1
c- Official outward transfers	1.4	21.4	20.0	1428.6
<b><u>2- Private Transfers (Net) (a+b-c)</u></b>	<b><u>3057.0</u></b>	<b><u>4010.5</u></b>	<b><u>953.5</u></b>	<b><u>31.2</u></b>
a- Workers' remittances	3119.4	4067.0	947.6	30.4
b- Other transfers	20.9	24.9	4.0	19.1
c- Private transfers abroad	83.3	81.4	-1.9	-2.3

Given the above developments, the current account deficit widened by 66.6 percent to US\$ 2.2 billion (from US\$ 1.3 billion), owing to the pickup in current payments by 6.2 percent to US\$ 18.4 billion, while current receipts rose by 1.2 percent merely to post US\$ 16.2 billion.

The following chart clarifies current receipts and payments in both the reporting and previous corresponding periods:



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### **5/2/3- Capital and Financial Account**

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In FY 2011/2012 Q1, the net inflow of **capital and financial account** retreated to US\$ 502.4 million (from US\$ 1.0 billion), as an outcome of the following developments:

- 1- Portfolio investment in Egypt\* shifted from a net inflow of US\$ 5.9 billion to a net outflow of US\$ 1.7 billion, as foreigners sold their holdings of securities, especially Egyptian TBs, thus giving rise to a net outflow of US\$ 1.4 billion (contrasted to a net inflow of US\$ 4.7 billion).

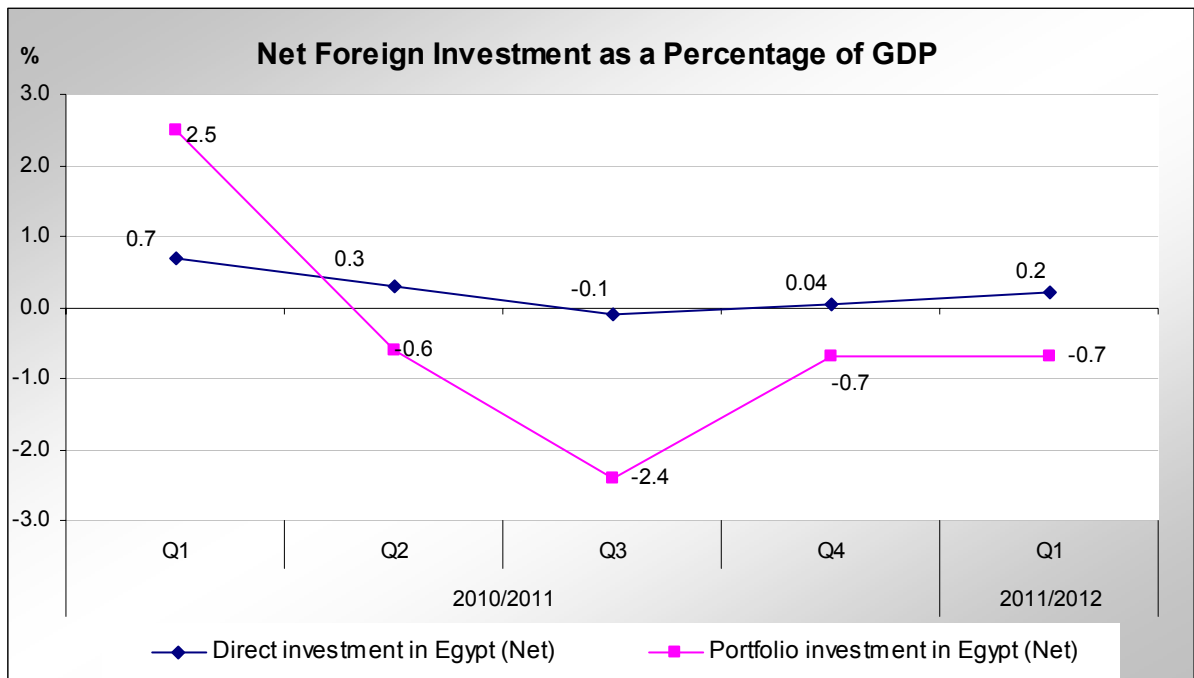
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\* Representing foreigners' dealings in securities and Egyptian bonds and notes.



2- Net foreign direct investment in Egypt\*\* fell by 72.4 percent, registering a modest net inflow of US\$ 440.1 million in the said period (against US\$ 1.6 billion), as a confluence of the following developments:

- Net foreign direct investments in the oil sector switched from a net inflow of US\$ 575.7 million, to a net outflow of US\$ 412.4 million.
- Net greenfield investments declined to US\$ 521.9 million (compared to US\$ 978.3 million in the period of comparison).
- Privatization proceeds (selling of companies and local productive assets to non-residents) went up to US\$ 293.9 million (from US\$ 19.2 million).



The following chart illustrates the sectoral distribution of the total FDI flows in Egypt during the reporting and comparison periods. Data analysis shows no change in the distribution pattern, as the oil sector remained the main recipient (67.2 percent of FDI), followed by the manufacturing sector (15.4 percent), and the agricultural sector (a higher share of 2.7 percent). The share of the services sector retreated to 2.7 percent.

\*\* FDI represents foreign investors that own 10 percent or more of the capital of any resident economic entity, or have an effective voice in its management. In Egypt, a foreign investor's equity participation shall be at least 10 percent or more of the capital of any enterprise.

(US\$ mn)

Sector	2010/2011	July/September		Contribution (%)
		Contribution (%)	2011/2012	
<b><u>Total FDI flows to Egypt</u></b>	<b><u>3122.3</u></b>	<b><u>100</u></b>	<b><u>2697.8</u></b>	<b><u>100.0</u></b>
<b>Oil</b>	<b>2069.7</b>	<b>66.3</b>	<b>1812.6</b>	<b>67.2</b>
<b>Manufacturing</b>	<b>551.7</b>	<b>17.7</b>	<b>415.0</b>	<b>15.4</b>
<b>Agriculture</b>	<b>16.9</b>	<b>0.5</b>	<b>72.4</b>	<b>2.7</b>
<b>Construction</b>	<b>17.0</b>	<b>0.5</b>	<b>5.0</b>	<b>0.2</b>
<b>Services</b>	<b>151.2</b>	<b>4.9</b>	<b>71.8</b>	<b>2.7</b>
Real Estate	24.0	0.8	36.7	1.4
Finance	54.8	1.8	18.7	0.7
Tourism	5.0	0.2	5.4	0.2
Communication & IT	1.0	0.0	1.0	0.0
Other Services	66.4	2.1	10.0	0.4
<b><u>Undistributed</u></b>	<b><u>315.8</u></b>	<b><u>10.1</u></b>	<b><u>321.0</u></b>	<b><u>11.8</u></b>

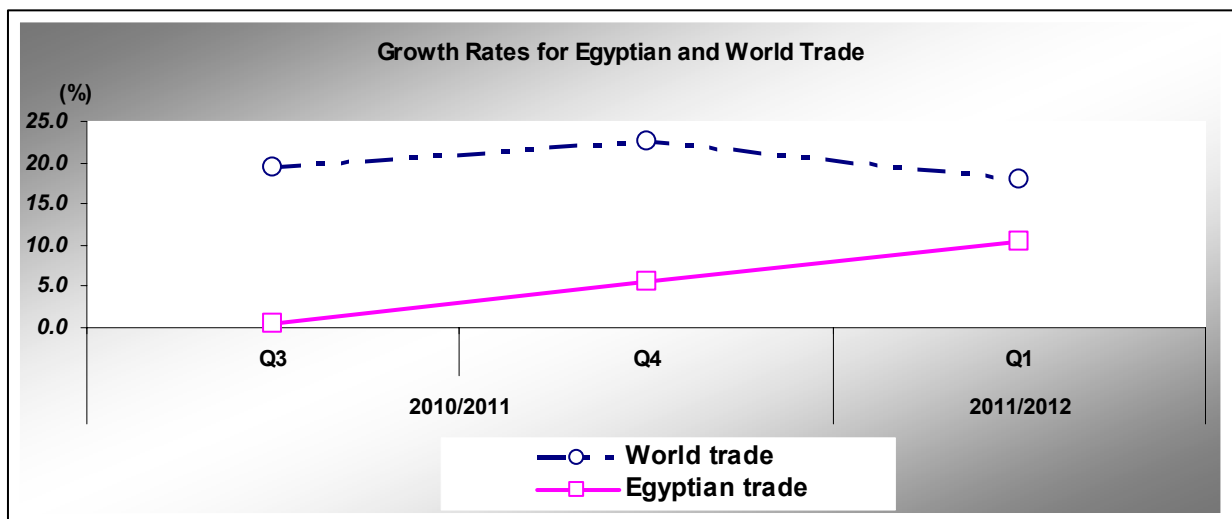
- 3- Other assets and liabilities (the change in banks' foreign assets and liabilities, the CBE's non-reserve foreign assets and liabilities and the counterpart of some items included in the current account) posted a net inflow of US\$ 1.7 billion (against a net outflow of US\$ 6.0 billion).
- 4- Medium- and long-term loans and facilities showed a net repayment of US\$ 455.2 million (against US\$ 641.4 million), as total repayments rose to US\$ 792.7 million (from US\$ 769.6 million), whereas total disbursements rose to only US\$ 337.5 million (from US\$ 128.2 million).

### 5/3- External Trade

In July/Sept. 2011/2012, Egypt's external trade picked up by 10.4 percent, to stand at US\$ 21.4 billion (8.1 percent of GDP), while world trade\* grew by 17.9 percent.

The trade deficit widened by 9.7 percent, to register US\$ 7.8 billion (3.0 percent of GDP), against US\$ 7.1 billion, due to the following factors:

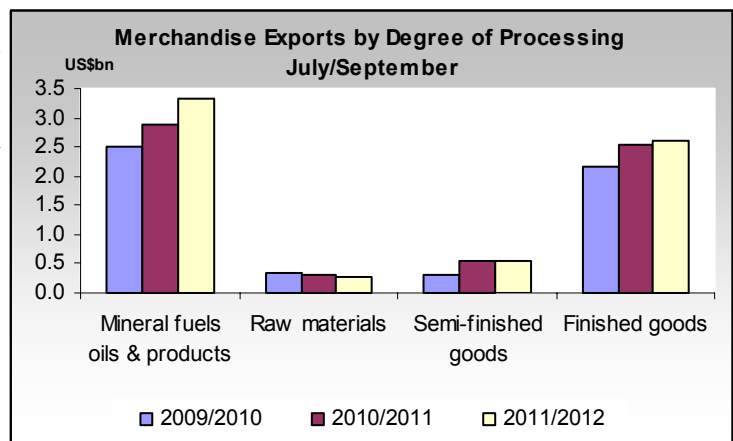
- The rise in imports by 10.2 percent, to stand at US\$ 14.6 billion (oil imports rose by 37.0 percent and non-oil imports by 5.2 percent).
- The pickup in exports by 10.9 percent, to reach US\$ 6.8 billion (oil exports increased by 15.8 percent and non-oil exports by 6.7 percent).



### 5/3/1- Structures of Export Proceeds and Import Payments

#### A- Merchandise Export Proceeds by Degree of Processing\*\*

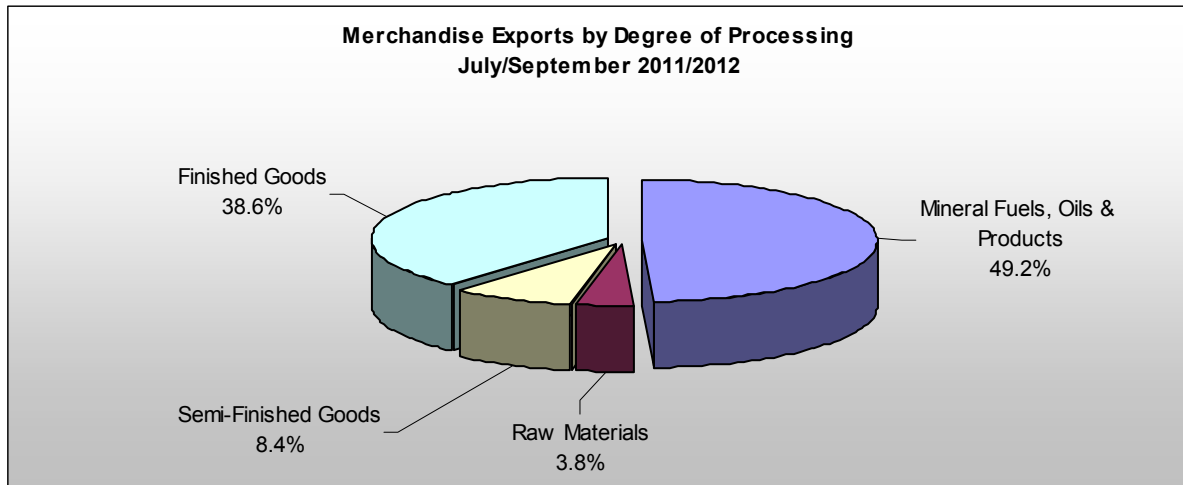
Merchandise exports rose by 10.9 percent to US\$ 6.8 billion, as a result of the hike in all merchandise groups: semi-finished goods (32.5 percent), mineral fuels, oils and products (15.3 percent), raw materials (9.0 percent) and finished goods (3.0 percent).



\* Source: Global Trade Flow Index – Q3 -2011 edition.

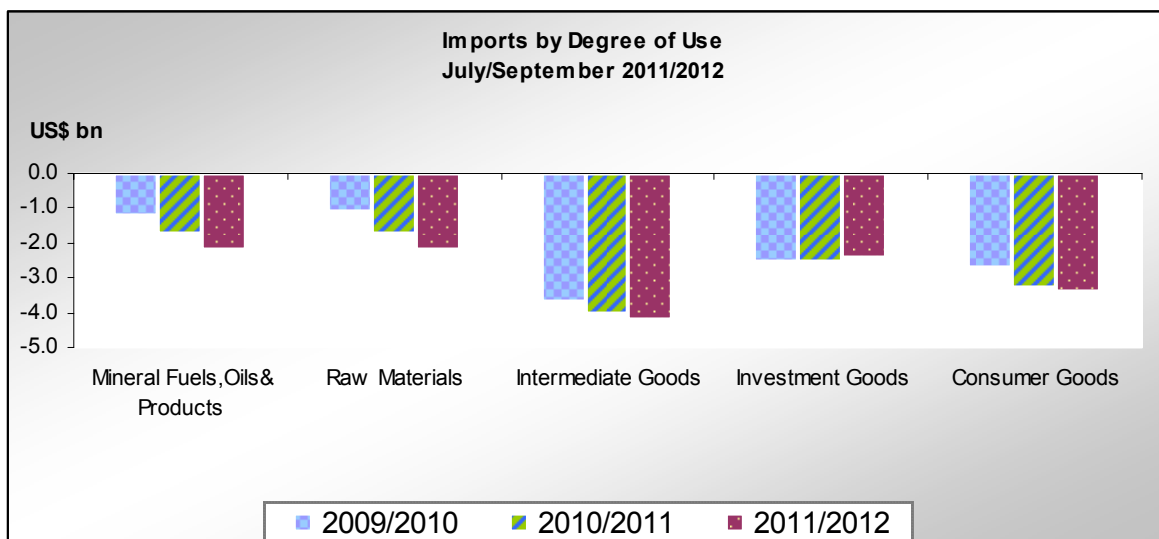
\*\* Table (5/2) in the Statistical Annex shows the distribution of merchandise exports.

Mineral fuels, oils and products earned US\$ 3.3 billion (49.2 percent of total export proceeds) and finished goods US\$ 2.6 billion (38.6 percent of the total). Semi-finished goods achieved US\$ 0.6 billion (8.4 percent) and raw materials US\$ 0.3 billion (3.8 percent).



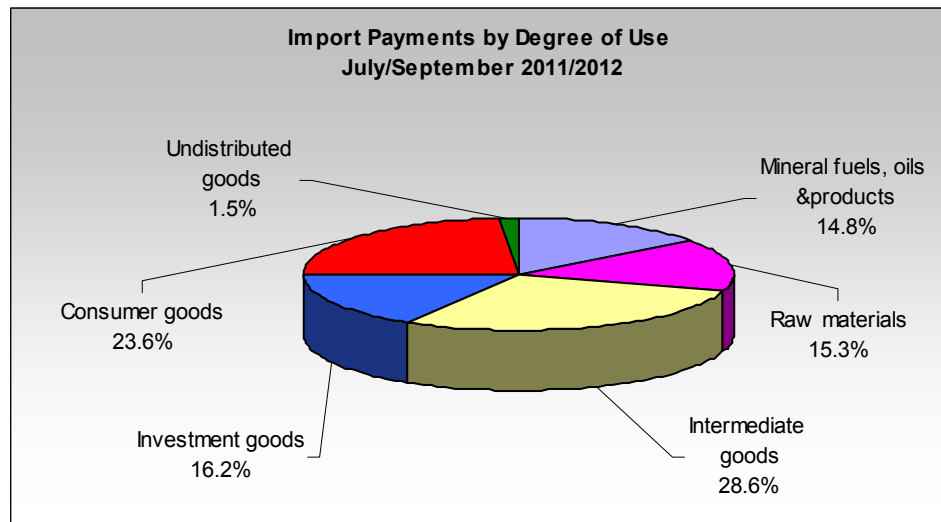
**B- Import Payments by Degree of Use\***

Imports augmented by 10.2 percent to US\$ 14.6 billion, due to the hike of imports of most merchandise groups: raw materials (31.0 percent), mineral fuels, oils and products (27.3 percent), consumer goods (5.8 percent) and intermediate goods (5.4 percent). On the other hand, imports of investment goods declined by 7.0 percent.



\* Table (5/3) in the Statistical Annex shows the distribution of merchandise imports.

Intermediate goods recorded US\$ 4.2 billion, representing 28.6 percent of total imports during the period under review. Consumer goods registered US\$ 3.4 billion or 23.6 percent of the total, investment goods US\$ 2.4 billion or 16.2 percent, and raw materials US\$ 2.2 billion or 15.3 percent. Mineral fuels, oils and products accounted for US\$ 2.2 billion or 14.8 percent of total imports.



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### **5/3/2- Sectoral Distribution of Merchandise Transactions**

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In 2011/2012 Q1, distribution of exports and imports in terms of sectors shows an equal contribution of both the private and public sectors to total export proceeds (45.2 percent each), while the share of the investment sector was as low as 9.6 percent.

Concerning imports, the private sector came in the forefront (67.6 percent), followed by the public sector (23 percent) and finally the investment sector (9.4 percent).

#### **A- The Private Sector**

Export earnings of this sector moved up by 10.8 percent to US\$ 3.1 billion (against US\$ 2.8 billion). Finished goods made up 75.0 percent of the total exports of this sector. The main exports were fertilizers; ready-made garments; chemicals; cotton textiles; miscellaneous edible preparations; cast iron and semi-finished products; iron and steel products and soap, detergents and artificial waxes.

Likewise, imports of this sector stepped up by 5.4 percent to US\$ 9.9 billion in the period under review (against US\$ 9.4 billion in the previous corresponding period). Imports of intermediate goods constituted 35.6 percent of the sector's total imports. The key imports were iron and steel products; organic and inorganic chemicals; pharmaceuticals; wheat; plastics and articles thereof; car accessories and spare parts; cranes, bulldozers and parts thereof and oil products.

### **B- The Public Sector**

Export earnings of the public sector edged up by 16.7 percent, to US\$ 3.1 billion (against US\$ 2.6 billion in the previous corresponding period). Its main exports were crude oil and products (95.3 percent of its total exports); aluminum products; cast iron and semi-finished products; coal; aluminum (unalloyed); cotton yarn; plastics and articles thereof; cotton textiles and cotton.

Imports of this sector also rose by 20.4 percent to US\$ 3.4 billion (against US\$ 2.8 billion). Mineral fuels, oils and products represented 52.9 percent of the sector's total imports. The key imports were crude oil and products; motors, generators, transformers and parts thereof; animal and vegetable fats, greases and oils and products; wheat; tobacco; pharmaceuticals; parts of railway and tramway locomotives or rolling stock equipment; and raw sugar.

### **C- The Investment Sector**

Export earnings of the investment sector dropped by 10.1 percent to only US\$ 649.8 million (against US\$ 723.0 million). Of its total exports, oil products represented 49.9 percent and finished goods 36.3 percent. The chief exports were oil products; cotton textiles; ready-made garments; cast iron and semi-finished products; carpets and other floor coverings; pharmaceuticals; fertilizers; ceramic products; organic and inorganic chemicals and plastics and articles thereof.

On the other hand, imports of this sector mounted by 25.8 percent to US\$ 1.4 billion (against US\$ 1.1 billion); of which intermediate goods made up 29.3 percent of its total imports. The major imports were edible vegetables, roots and tubers; oils and products; maize; car accessories and spare parts; animal and vegetable fats, greases and oils and products; cranes, bulldozers and parts thereof; iron ores and organic and inorganic chemicals.

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### 5/3/3- Geographical Distribution of Merchandise Transactions\*

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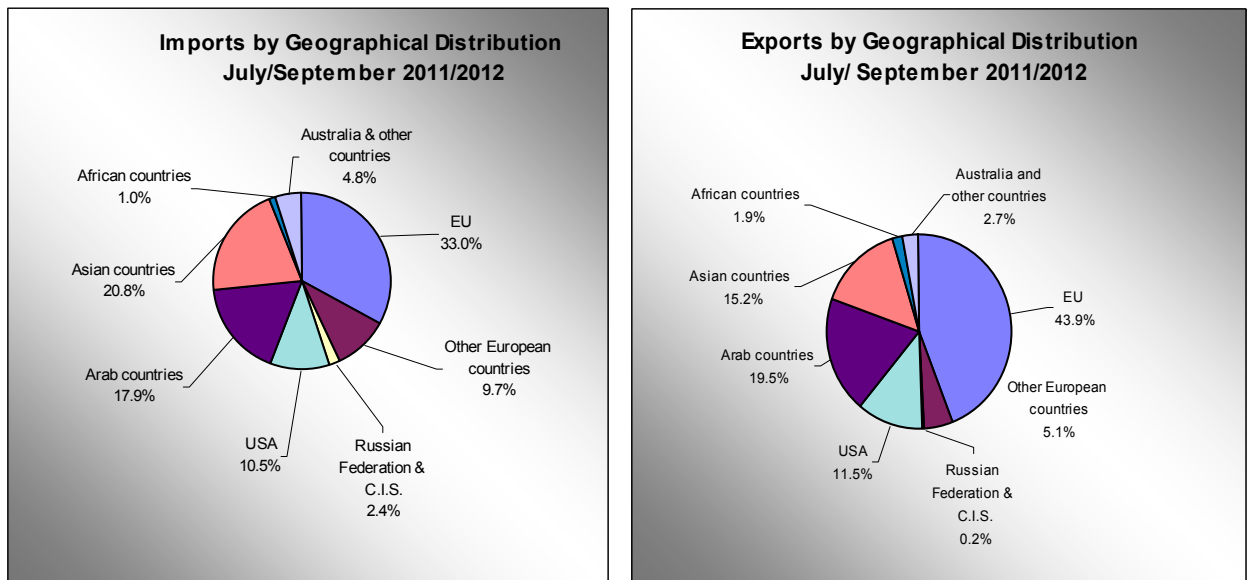
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The geographical distribution of exports and imports in 2011/2012 Q1 reveals that the EU was Egypt's main trade partner, accounting for 43.9 percent of total export earnings and 33.0 percent of total import payments. The Arab countries came next with 19.5 percent and 17.9 percent, respectively, then Asian countries with 15.2 percent and 20.8 percent.

On top of Egypt's main export markets came Italy, followed by the USA, India, UK, and UAE, where they collectively represented 50.9 percent of total export earnings.

As for the major exporting countries to Egypt, the USA ranked first followed by China, Kuwait, Germany, UK and Switzerland (these countries combined represented 42.2 percent of total imports).

**The following chart shows the relative importance of export proceeds and import payments by economic groupings:**

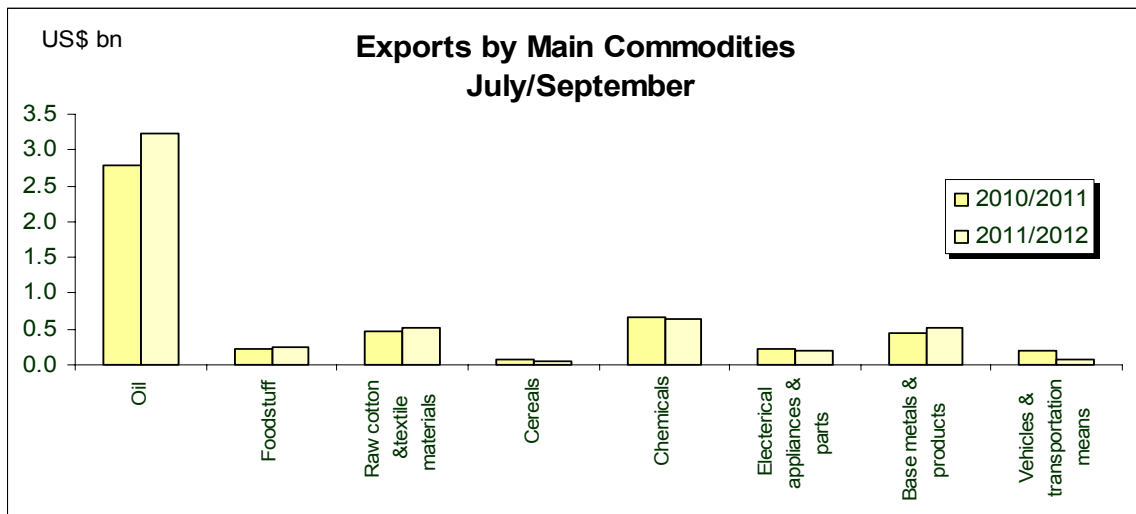


\* Table (5/4) of the statistical annex shows the geographical distribution of exports and imports.

## 5/3/4- Breakdown of Trade by Main Commodity

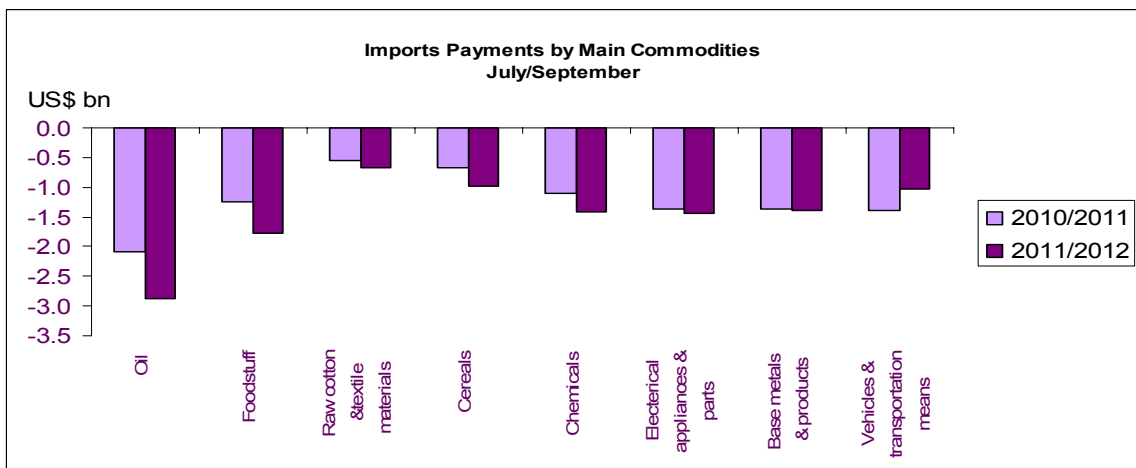
### A- Export Proceeds:

The breakdown of exports by main commodities shows that crude oil and products came first, representing 47.8 percent of total exports during the period, followed by chemicals (9.5 percent), then base metals and products (7.7 percent).



### B- Import Payments:

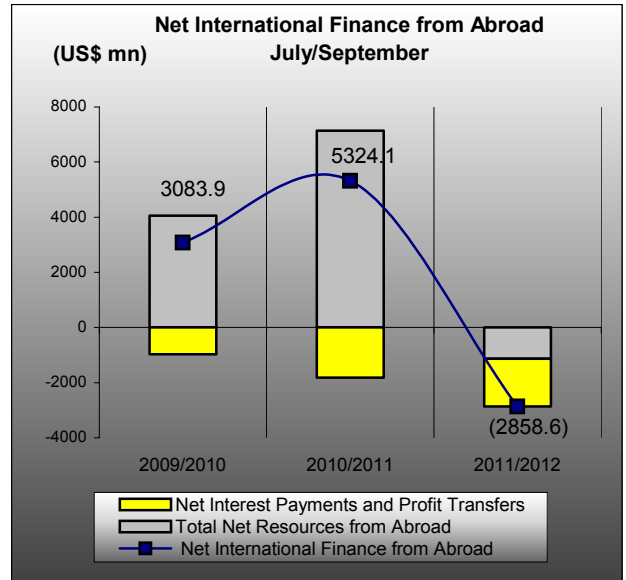
The breakdown of imports by main commodities indicates that crude oil and products ranked first, representing 19.7 percent of the total imports during the period. The group of foodstuffs (excluding cereals) came next with 12.2 percent, then electrical appliances, motors and equipment and parts thereof (9.9 percent).





## 5/4- International Finance

Declining by US\$ 8.2 billion in the first quarter of 2011/2012, international finance registered a net outflow of US\$ 2.9 billion, compared to a net inflow of US\$ 5.3 billion in the respective quarter a year earlier. It was traced, above all, to the drop of US\$ 8.3 billion in the total net resource inflows, to post a net outflow of US\$ 1.1 billion (against a net inflow of US\$ 7.1 billion). Another factor at work was the decline of US\$ 92.7 million in net flows of interest payments and profit transfers, to register an outflow of US\$ 1.7 billion (against US\$ 1.8 billion).



That was ascribable to the following main factors:

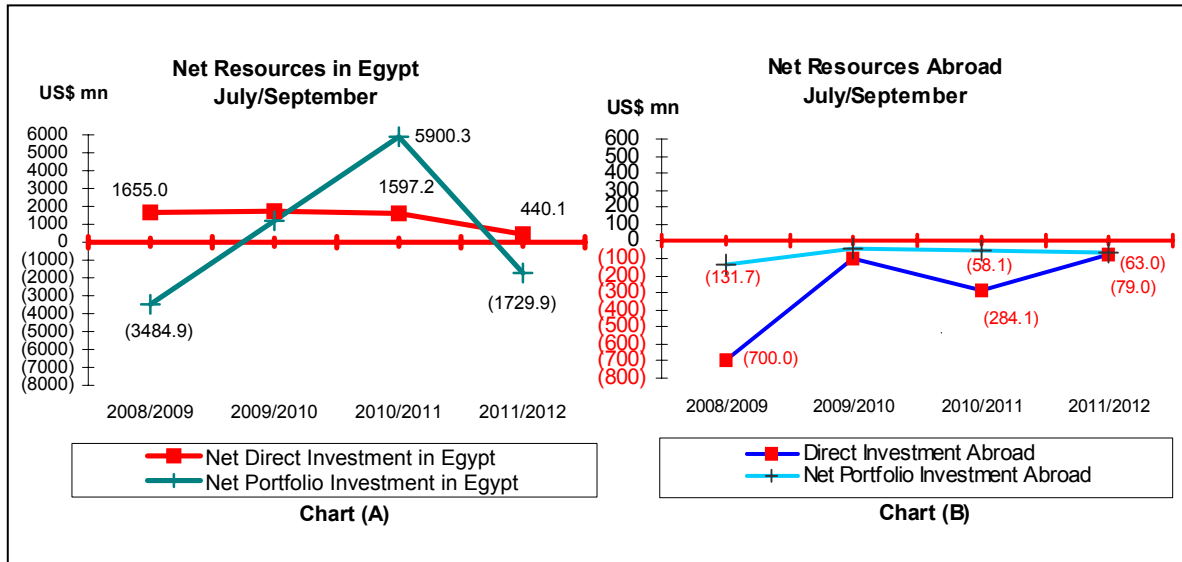
### **A) Total Net Resource Inflows:**

- Total net foreign investment (direct and portfolio) in Egypt [Inflows - Chart (A)] decreased by US\$ 8.8 billion, recording, as such, net outflows of US\$ 1.3 billion. Portfolio investment\* in Egypt shrank by US\$ 7.6 billion (affected by foreigners' liquidation of their portfolio in the Egyptian market), reversing into net outflows of US\$ 1.7 billion in the reporting period, from net inflows of US\$ 5.9 billion in the period of comparison. Likewise, net FDI in Egypt contracted by US\$ 1.2 billion to only US\$ 440.1 million (against US\$ 1.6 billion).
- Total net foreign investments (direct and portfolio) abroad [Outflows - Chart (B)] decreased by US\$ 200.2 million, unfolding net outflows of US\$ 142.0 million, as a result of the decline of foreign direct investment abroad by US\$ 205.1 million to reach US\$ 79.0 million. In the meantime, portfolio investments abroad increased by US\$ 4.9 million, registering US\$ 63.0 million.

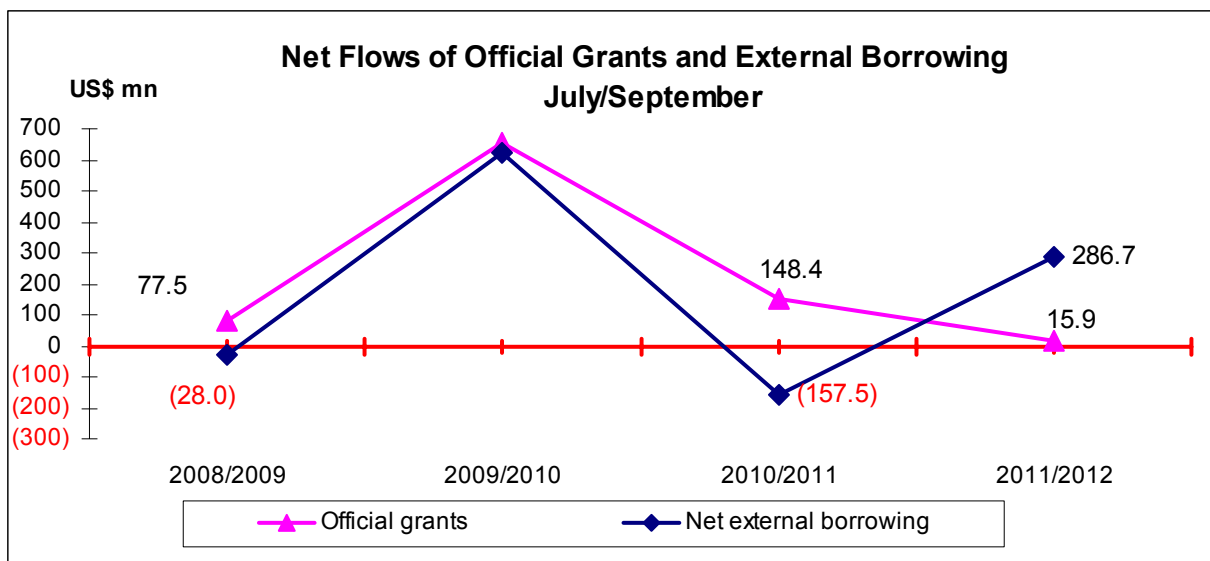
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\*Including net foreign investments in Egyptian TBs that represented inflows of US\$ 4.7 billion and sovereign bonds issued abroad in the amount of US\$ 3.1 billion held by non-residents.

The following chart illustrates the developments in net foreign investments (direct and portfolio) in Egypt and abroad in July/September 2011/2012 and the corresponding periods of the previous three years.



- Net external borrowing (medium, long, and short-term loans and facilities) rose, unfolding net disbursements of about US\$ 286.7 million during the period under review (against net repayments of US\$ 157.5 million), because of the US\$ 203.2 million increase in loans and facilities disbursements.
- Net official grants shrank by US\$ 132.5 million, amounting to US\$ 15.9 million.



**(A) Total Flows of Interest Payments & Profit Transfers:**

Total interest payments and profit transfers decreased by US\$ 92.7 million to post an outflow of US\$ 1.7 billion (compared with US\$ 1.8 billion), primarily due to the drop in FDI net profit, posting an outflow of US\$ 1.4 billion (against US\$ 1.5 billion).

**International Finance from Abroad (Net)**

	(US\$ mn)		
	<b><u>July/September</u></b>		
	2010/11	2011/12 <sup>+</sup>	Change (-)
<b><u>Net International Finance from Abroad (A-B)</u></b>	<b><u>5324.1</u></b>	<b><u>(2858.6)</u></b>	<b><u>(8182.7)</u></b>
<b><u>A-Total Net Resources from Abroad</u></b>	<b><u>7146.2</u></b>	<b><u>(1129.2)</u></b>	<b><u>(8275.4)</u></b>
1- Official grants (net)	148.4	15.9	(132.5)
2- External borrowing (net)	(157.5)	286.7	444.2
3- Direct investment in Egypt (net)	1597.2	440.1	(1157.1)
4- Portfolio investment in Egypt (net)	5900.3	(1729.9)	(7630.2)
5- Direct investment abroad	(284.1)	(79.0)	205.1
6- Portfolio investment abroad (net)	(58.1)	(63.0)	(4.9)
<b><u>B- Interest Payments and Profit Transfers (Net)</u></b>	<b><u>(1822.1)</u></b>	<b><u>(1729.4)</u></b>	<b><u>92.7</u></b>
1- Interest on external loans and facilities	(178.6)	(184.1)	(5.5)
2- Interest on banking deposits at Egyptian banks (net)	36.7	29.5	(7.2)
3- Profit transfers of direct investment (net)	(1493.8)	(1366.0)	127.8
4- Profit transfers of portfolio investment (net)	(186.4)	(208.8)	(22.4)

<sup>+</sup> Provisional.

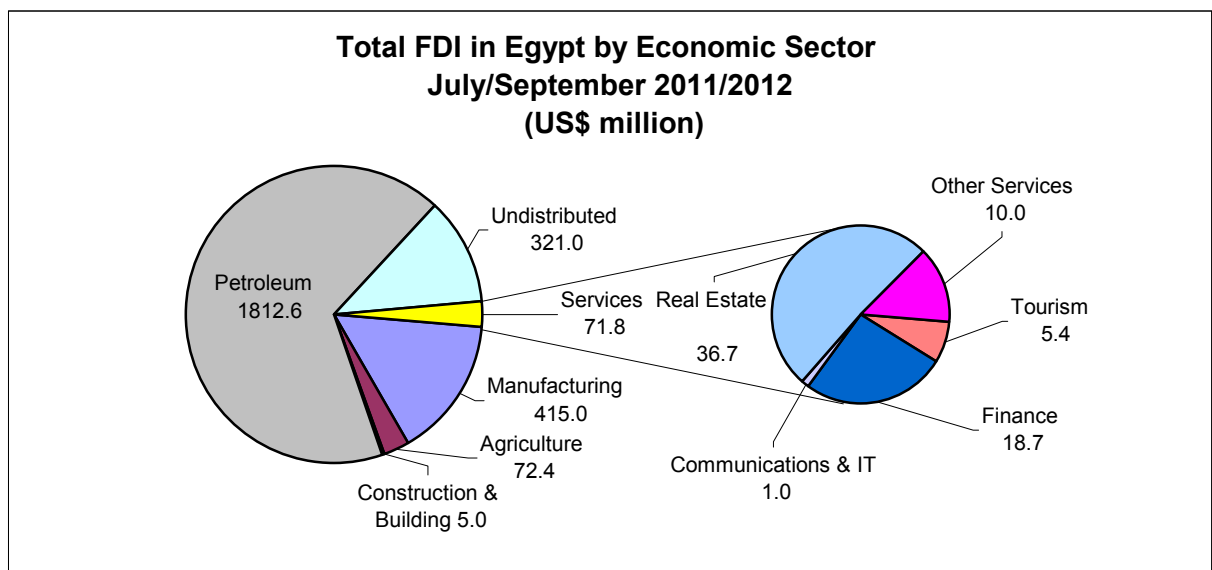
**5/4/1 - Foreign Direct Investment (FDI) in Egypt\***

Net FDI in Egypt contracted by 72.4 percent during July/September 2011/2012, posting merely US\$ 440.1 million (against US\$ 1.6 billion in the previous corresponding period). This was mainly an outcome of the rise of 48.0 percent in capital repatriation to US\$ 2.3 billion, and the decline of 13.6 percent in total investment inflows to only US\$ 2.7 billion.

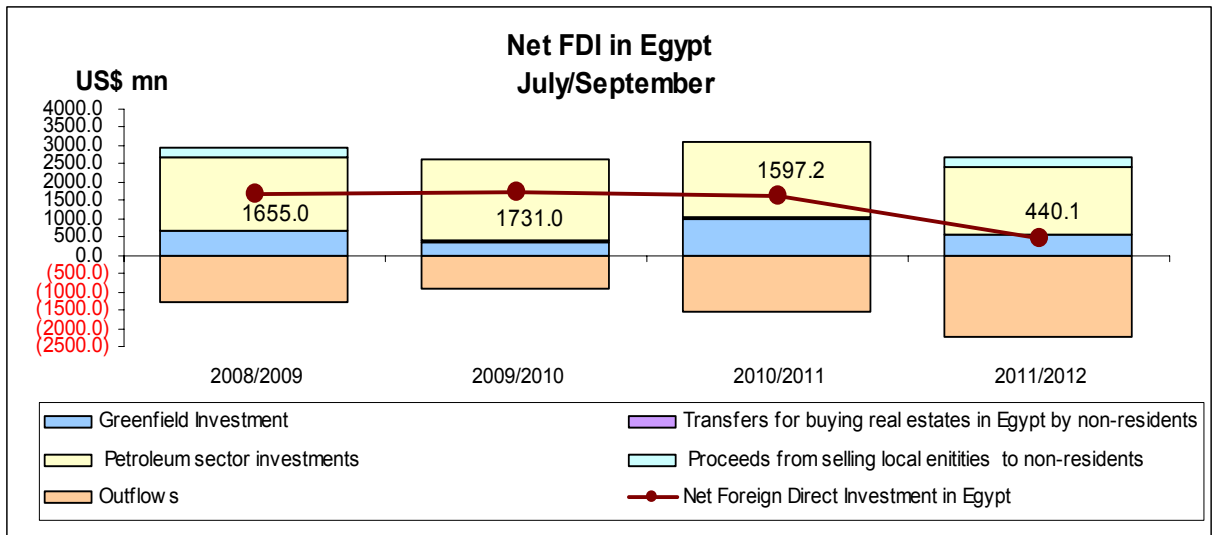
\* FDI is a category of international investment that implies the existence of a long-term relationship between a resident in a given economy and an enterprise resident in another economy, in which a direct investor owns 10 percent or more of the ordinary shares or voting power in an incorporated enterprise, or its equivalent in an unincorporated enterprise. (Source: IMF's BOP Manual, Fifth Edition)

The downtrend of investment inflows was more conspicuous in the inflows from the USA (down by US\$ 276.8 million to only US\$ 150.5 million, against US\$ 427.3 million), mostly directed to oil investments (80.7 percent). Similarly, inflows from the European Union dropped by US\$ 186.3 million to only US\$ 2.1 billion, and from the rest of the world by US\$ 57.3 million to only US\$ 108.0 million. In contrast, inflows from the Arab countries moved up by US\$ 95.9 million to US\$ 314.6 million, given that a portion of 72.9 percent represented greenfield investments.

The **sectoral distribution** of total FDI inflows in Egypt in July/September 2011/2012 denoted that inflows to the petroleum sector accounted for 67.2 percent of the total. The bulk of these inflows came from the EU with a share of 86.9 percent, particularly the UK (64.1 percent) and Belgium (13.4 percent). The USA provided 6.7 percent, the Arab countries 3.2 percent (the UAE shared with 1.6 percent, and Saudi Arabia and Qatar with 0.4 percent each), and the rest of the world 3.2 percent, especially Switzerland (1.2 percent) and Ukraine (1.0 percent).



The breakdown of **total FDI inflows** to Egypt by investment purpose showed that petroleum investments ranked first as stated above, with a share of US\$ 1.8 billion (67.2 percent of the total). Greenfield investments came next, with a contribution of about US\$ 554.6 million (20.61 percent), then real estate investments with US\$ 36.7 million (1.4 percent).



## Geographical Distribution of FDI in Egypt

(US\$ mn)

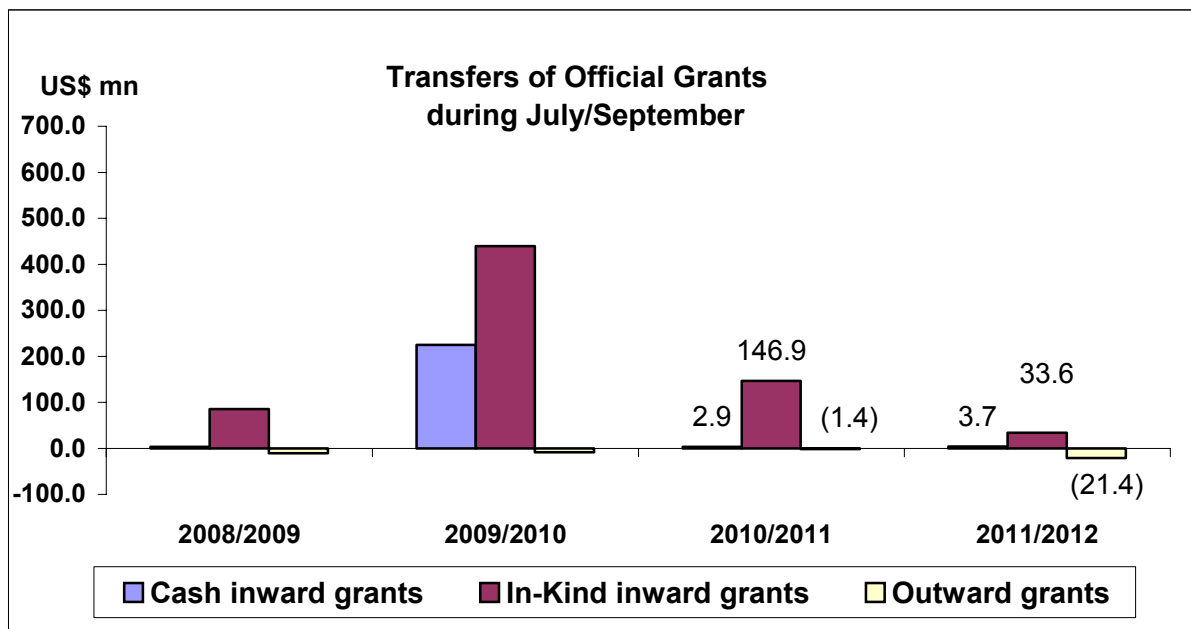
	<u>July/September</u>		<b>Change</b>
	<b>2010/2011</b>	<b>2011/2012*</b>	
<b><u>Flows of FDI in Egypt (Net)</u></b>	<b><u>1597.2</u></b>	<b><u>440.1</u></b>	<b><u>(1157.1)</u></b>
<b><u>Total Inflows</u></b>	<b><u>3122.3</u></b>	<b><u>2697.8</u></b>	<b><u>(424.5)</u></b>
<b>USA</b>	<b>427.3</b>	<b>150.5</b>	<b>(276.8)</b>
<b>EU Countries</b>	<b>2311.0</b>	<b>2124.7</b>	<b>(186.3)</b>
Germany	43.4	85.5	42.1
France	29.1	73.0	43.9
UK	1887.7	1299.1	(588.6)
Italy	35.2	70.8	35.6
Greece	12.1	3.2	(8.9)
Spain	25.3	8.3	(17.0)
The Netherlands	85.7	36.6	(49.1)
Belgium	184.1	251.7	67.6
Luxemburg	0.1	0.1	0.0
Sweden	0.3	294.2	293.9
Austria	0.6	1.2	0.6
Cyprus	2.9	0.2	(2.7)
Romania	0.3	0.0	(0.3)
Ireland	2.2	0.0	(2.2)
Poland	0.5	0.8	0.3
Estonia	0.2	0.0	(0.2)
Hungary	1.3	0.0	(1.3)
<b>Arab Countries</b>	<b>218.7</b>	<b>314.6</b>	<b>95.9</b>
Saudi Arabia	112.8	20.2	(92.6)
UAE	42.8	140.1	97.3
Tunisia	0.2	2.5	2.3
Algeria	6.4	3.8	(2.6)
Kuwait	5.0	8.9	3.9
Lebanon	2.9	7.3	4.4
Libya	2.1	0.1	(2.0)
Jordan	0.8	0.8	0.0
Bahrain	16.6	110.1	93.5
Qatar	15.6	17.3	1.7
Oman	3.3	1.6	(1.7)
Yemen	6.2	0.5	(5.7)
The Sudan	0.1	0.0	(0.1)
Others	3.9	1.4	(2.5)
<b>Other Countries</b>	<b>165.3</b>	<b>108.0</b>	<b>(57.3)</b>
Switzerland	24.1	32.4	8.3
Japan	0.7	9.0	8.3
Canada	3.1	4.3	1.2
China	17.0	3.3	(13.7)
Australia	2.1	0.1	(2.0)
India	0.1	1.4	1.3
Turkey	3.5	2.5	(1.0)
Norway	0.3	2.8	2.5
Other countries	114.4	52.2	(62.2)
<b><u>Capital Repatriation**</u></b>	<b><u>(1525.1)</u></b>	<b><u>(2257.7)</u></b>	<b><u>(732.6)</u></b>

\* Provisional.

\*\* It means that a direct investor recovers his full or partial share in the capital of an investment enterprise - in case of partial or full disposal - and transfers part, or all, of it abroad.

### 5/4/2 - External Official Grants

The following chart reveals a retreat of net transfers of official grants (cash and in-kind) to US\$ 15.9 million in July/Sept. 2011/2012 (against US\$ 148.4 million a year earlier), brought about by low grant inflows. Hence, inflows of in-kind grants rolled back by US\$ 113.3 million or 77.1 percent to US\$ 33.6 million. On the other hand, inflows of cash grants slightly increased by US\$ 0.8 million or 27.6 percent to only US\$ 3.7 million in the period under review. Likewise, official grants to abroad rose by US\$ 20.0 million to US\$ 21.4 million against US\$ 1.4 million.



According to the data of the Ministry of International Cooperation, total **new grant commitments** in July/September 2011/2012 shrank by US\$ 182.3 million or 81.6 percent to only US\$ 41.0 million, particularly due to the fall of commitments with the European Commission, the USA and the World Bank.

## Official Grants: New Commitments and Net Actual Flows

(US\$ mn)

	<u>July/September</u>			
	<u>2010/2011</u>	<u>2011/2012*</u>	<u>2010/2011</u>	<u>2011/2012*</u>
	<u>Actual Flows</u>		<u>Commitments</u>	
<b><u>Net Inflows</u></b>	<b><u>148.4</u></b>	<b><u>15.9</u></b>		
<b><u>Inflows:</u></b>	<b><u>149.8</u></b>	<b><u>37.3</u></b>	<b><u>223.3</u></b>	<b><u>41.0</u></b>
USA	141.9	32.0	161.6	15.5
European Union		0.5		
Japan	1.4			
Germany	5.9	4.3	17.8	20.5
The Netherlands				
Norway			6.2	
China		0.3		
Canada	0.2	0.1		
Austria	0.4			
World Bank			11.9	3.0
European Commission			25.8	2.0
Other countries & organizations		0.1		
<b><u>Outflows</u></b>	<b><u>(1.4)</u></b>	<b><u>(21.4)</u></b>		

\* Provisional.

**Sectoral distribution** of grant commitments showed that grants to the services sector were directed to the insurance and social solidarity services, education and health, and financial intermediary services. Meanwhile, the productive sectors accounted for one quarter of the value of these commitments.

## Breakdown of Official Grant Commitments by Beneficiary

(US\$ mn)

	<u>July/September</u>				
	<u>2010/2011</u>	<u>%</u>	<u>2011/2012*</u>	<u>%</u>	<u>Change</u>
<b><u>Total</u></b>	<b><u>223.3</u></b>	<b><u>100.0</u></b>	<b><u>41.0</u></b>	<b><u>100.0</u></b>	<b><u>(182.3)</u></b>
<b><u>Productive Sectors</u></b>	<b><u>58.5</u></b>	<b><u>26.2</u></b>	<b><u>10.2</u></b>	<b><u>24.9</u></b>	<b><u>(48.3)</u></b>
Agriculture and irrigation	32.7	14.6	2.8	6.8	(29.9)
Energy & electricity	25.8	11.6	4.7	11.5	(21.1)
Water & Sanitation	0.0	0.0	2.7	6.6	2.7
<b><u>Services Sectors</u></b>	<b><u>164.8</u></b>	<b><u>73.8</u></b>	<b><u>30.8</u></b>	<b><u>75.1</u></b>	<b><u>(134.0)</u></b>
Financial intermediaries & supporting activities	24.6	11.0	0.3	0.7	(24.3)
Insurance and social solidarity	0.0	0.0	10.9	26.6	10.9
General government	61.9	27.7	0.0	0.0	(61.9)
Education and health	78.3	35.1	4.5	11.0	(73.8)
Others	0.0	0.0	15.1	36.8	15.1

\* Provisional.



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### **5/4/3- External Debt**

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External debt (public and private - all maturities) retreated by US\$ 907.8 million to US\$ 34.0 billion at the end of September 2011 (against US\$ 34.9 billion at the end of June 2011). This decrease was ascribable to the following factors:

- The depreciation of most currencies of borrowing versus the US dollar by US\$ 495.3 million worth.
- The realization of net repayments of US\$ 87.0 million of loans and facilities.
- The decline in the balances of Egyptian bonds and notes issued in global markets due to the purchase of part of them (US\$ 138.6 million) by some resident entities, and the repayment of US\$ 186.9 million for the 2<sup>nd</sup> tranche of dollar-denominated sovereign bonds (holdings of non-residents), falling due in July 2011\*.

The public sector was the major obligor, with a share of 94.2 percent of the total (US\$ 32.0 billion) at the end of September 2011, while the private sector accounted for the remaining 5.8 percent (US\$ 2.0 billion).

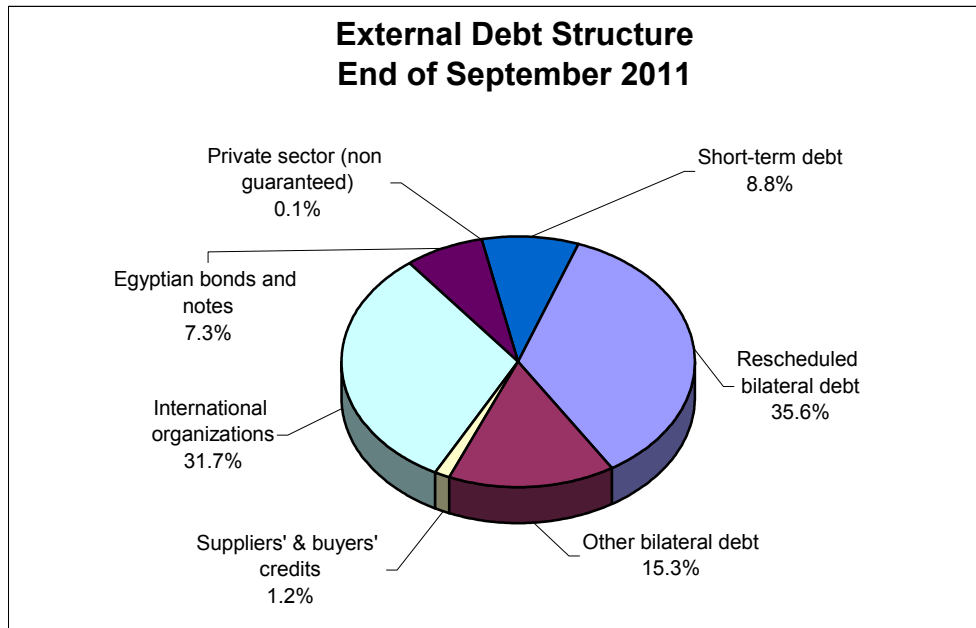
### **External Debt Components\*\***

The breakdown of external debt by maturity indicated that medium- and long-term loans and facilities (guaranteed and non-guaranteed) accounted for 91.2 percent (US\$ 31.0 billion) of the total external debt in the period under review, of which long-term debt represented US\$ 30.5 billion, and medium-term debt made up US\$ 499.5 million (mostly in LE bonds issued abroad). Short-term debt accounted for the remaining 8.8 percent or US\$ 3.0 billion.

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\*The Egyptian government issued the dollar-denominated bonds in the global markets for the first time in July 2001, in an amount of US\$ 1.5 billion over two tranches: The 1<sup>st</sup> tranche amounting to US\$ 500 million (5-year maturity) fell due in July 2006 and was fully repaid and the 2<sup>nd</sup> tranche amounting to US\$ 1 billion (10-year maturity) fell due in July 2011. The holdings of resident institutions (banking system and insurance sector) accounted for US\$ 813.1 million (domestic debt), and the holdings of non-residents posted US\$ 186.9 million (representing external debt).

\*\* The structure of Egypt's external debt by currency of debt repayments and external commitments is one of the key indicators used by the CBE to determine the structure of international reserves by currency.



- About US\$ 16.7 billion of long-term debt<sup>\*\*\*</sup> is owed to Paris Club members (49.0 percent of total debt). Meanwhile, debt to countries other than Paris Club members reached about US\$ 1.1 billion (3.1 percent).
- Debt to international and regional organizations reached some US\$ 10.8 billion (31.7 percent of the total debt) at the end of September 2011, down by US\$ 14.0 million below the end of June 2011.
- The stock of Egyptian bonds and notes (holdings of non-residents) amounted to US\$ 2.5 billion, constituting 7.3 percent of the total external debt. That figure comprised the following:-
  - Guaranteed government securities reached US\$ 1.3 billion issued by the Egyptian government in September 2005 and falling due in September 2015;
  - US\$ 322.7 million of LE bonds issued in July 2007 and reaching maturity in July 2012; and
  - Treasury bills of US\$ 922.9 million issued abroad in April 2010 and maturing as two tranches in 2020 and 2040.
- Non-guaranteed debt of the private sector reached only US\$ 17.5 million.

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<sup>\*\*\*</sup> Representing bilateral loans (rescheduled and non-rescheduled) and suppliers' and buyers' credits.

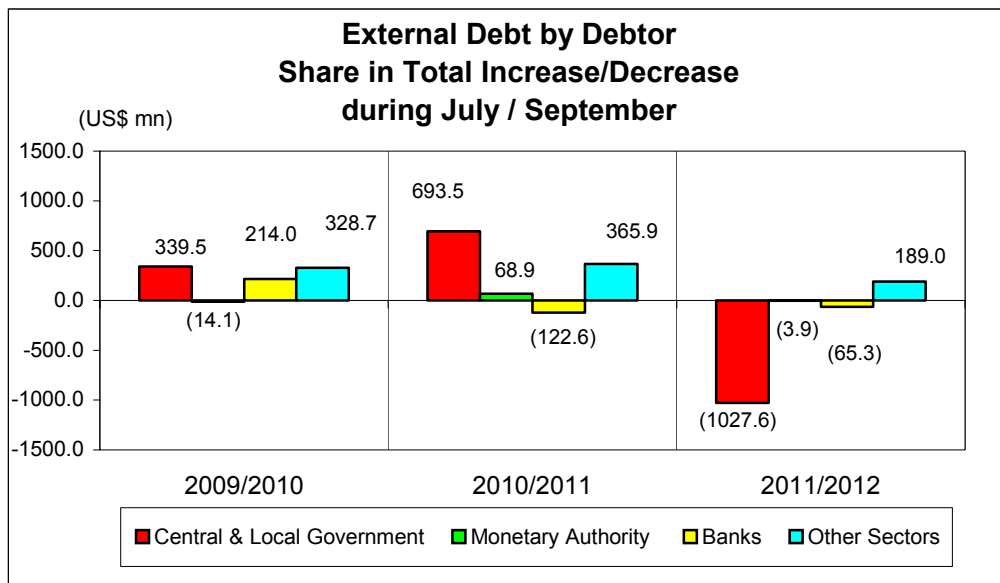
– Short-term debt balance surged by US\$ 228.4 million to US\$ 3.0 billion, of which 62.0 percent was owed by the private sector. That rise was an outcome of the increase in short-term trade facilities by 14.2 percent to US\$ 2.0 billion and the fall in non-residents’ short-term deposits by 2.6 percent, to US\$ 947.4 million.

### **External Debt by Debtor**

The breakdown of external debt by debtor at the end of September 2011 indicated the decline in the debt of:

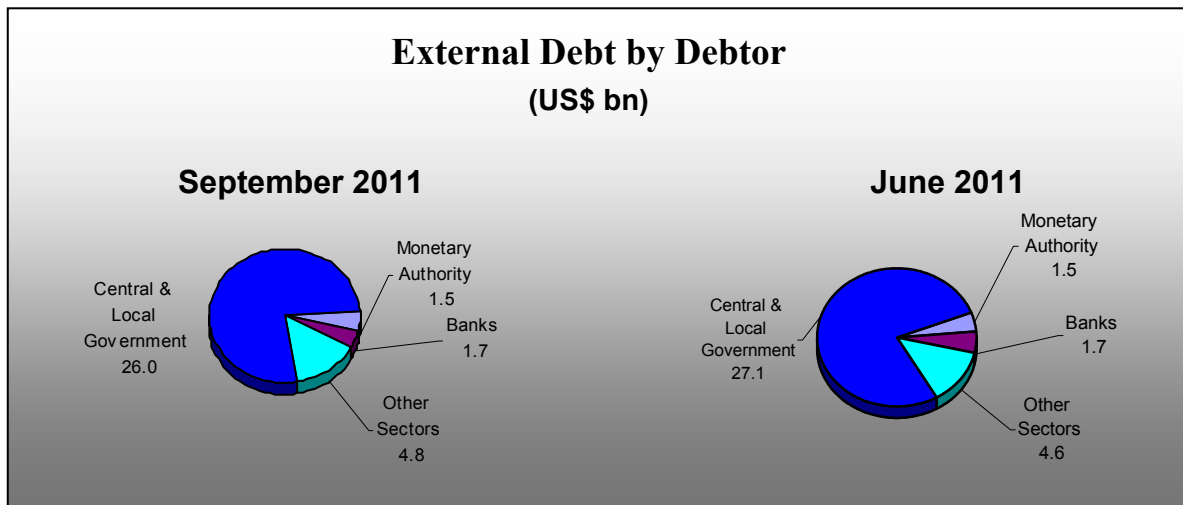
- The central and local government by US\$ 1.0 billion to only US\$ 26.0 billion;
- Banks by US\$ 65.3 million worth, to US\$ 1.7 billion.
- The monetary authority\* by US\$ 3.9 million to US\$ 1.5 billion.

On the other hand, the debt of other sectors increased by US\$ 189.0 million to US\$ 4.8 billion.



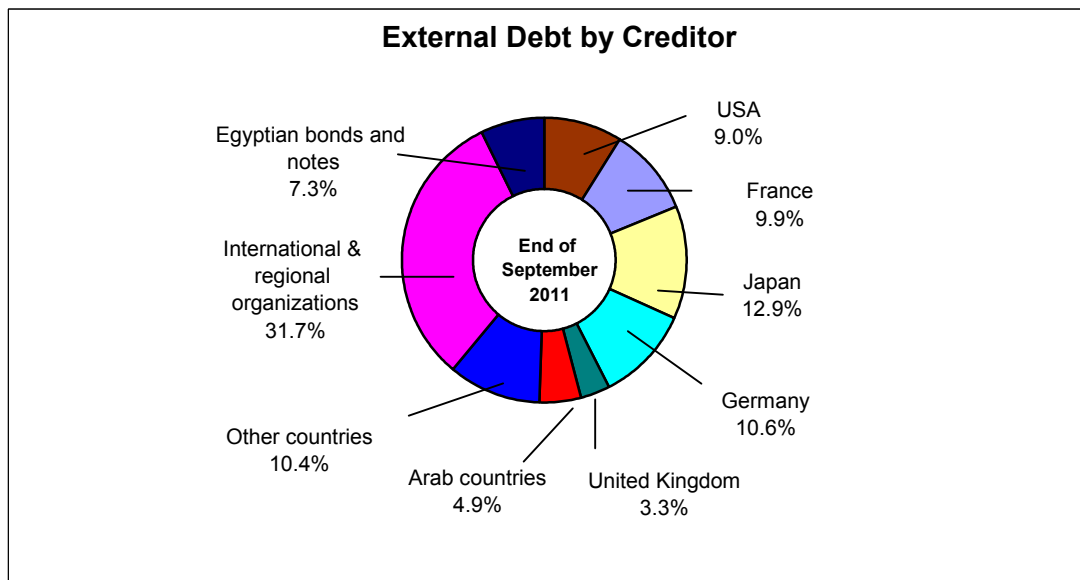
The aforementioned developments affected the structure of external debt by debtor. Hence, the share of the monetary authority rose to 4.5 percent, and the other sectors to 14.0 percent. On the other hand, the share of banks decreased to 4.9 percent and the central government to 76.6 percent of total external debt. This indicates that the Egyptian government debt accounted for the majority of external debt.

\* Including the SDR allocations of US\$ 898.5 million from the IMF.



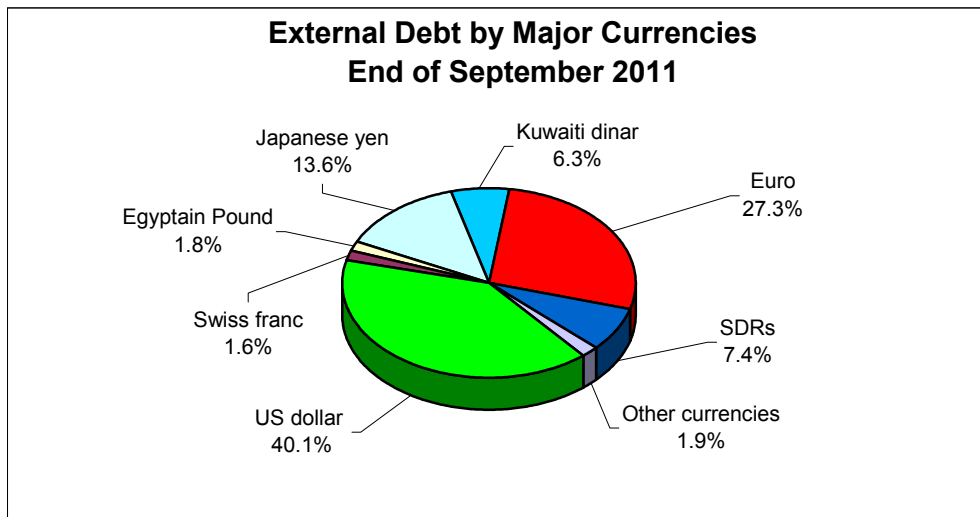
### External Debt by Main Creditor

The breakdown of external debt by creditor showed that 42.4 percent of the total debt balance was owed to the four major member countries of Paris Club, namely Japan (12.9 percent), Germany (10.6 percent), France (9.9 percent) and USA (9.0 percent). The debt owed to Arab countries represented 4.9 percent, mainly due to Kuwait (2.6 percent), Saudi Arabia (0.9 percent) and the UAE (0.5 percent).



### **External Debt by Currency of Borrowing**

The distribution of external debt by currency of borrowing showed that the US dollar was the main currency of borrowing, with a relative importance of 40.1 percent, because of outstanding obligations in the US dollar to creditors other than the USA. The euro ranked second with a relative importance of 27.3 percent, followed by the Japanese yen (13.6 percent), the SDRs (7.4 percent) and the Kuwaiti dinar (6.3 percent). These currencies combined represent 54.6 percent of the total and the rest of the currencies 5.3 percent, of which the Egyptian pound accounts for 1.8 percent.

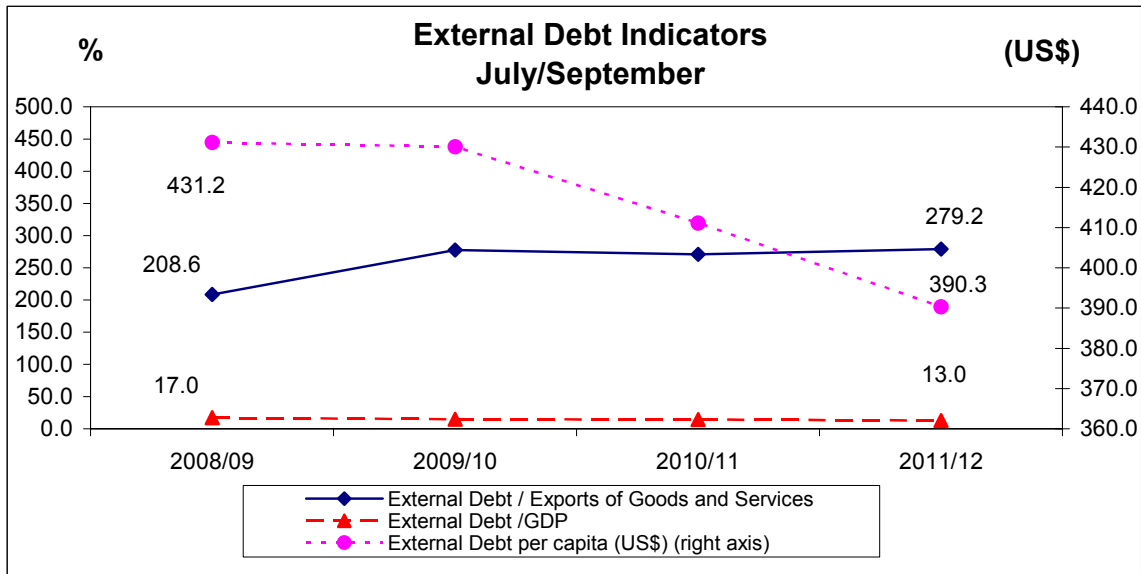


### **Debt Service**

External debt service (medium- and long-term) rose by US\$ 211.9 million, amounting to US\$ 1.2 billion during July/September 2011/2012. That was an outcome of the rise in principal repayments by US\$ 210.0 million to US\$ 979.6 million, and the fall in interest payments by US\$ 1.9 million to US\$ 235.1 million.

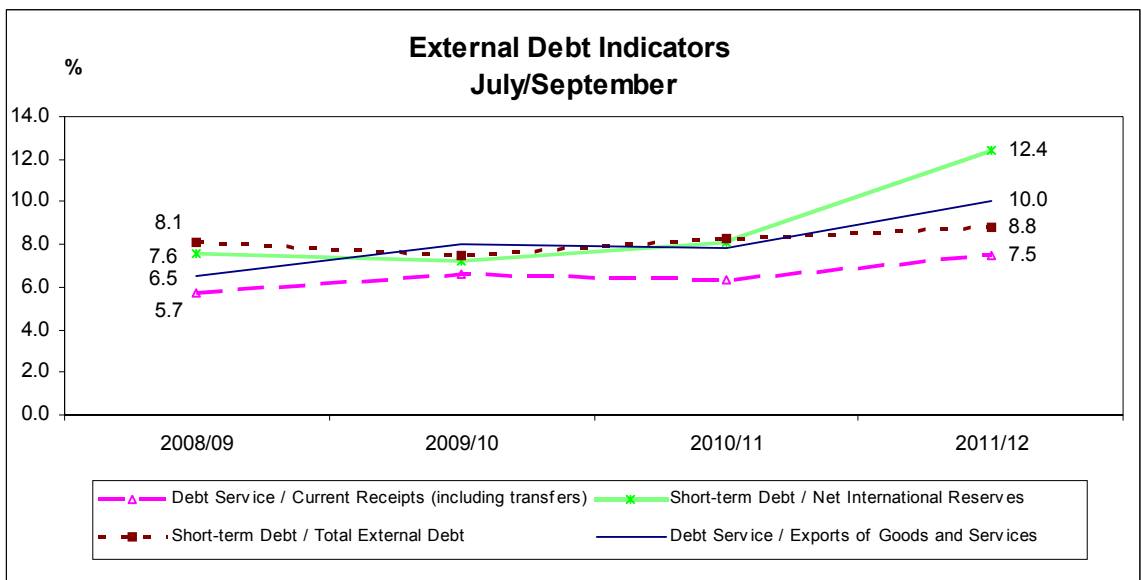
### **Main External Debt Indicators**

The main **external debt indicators** denoted merely a slight increase, due to the pickup in debt service payments, on the one hand, and the fall in exports of goods and services in the reporting period, on the other hand. Accordingly, the ratio of the debt service to the exports of goods and services climbed to 10.0 percent (against 7.8 percent in the previous corresponding period).



Likewise, the ratio of short-term debt to NIR rose to 12.4 percent (from 8.1 percent), and its ratio to total debt to 8.8 percent (from 8.3 percent).

Conversely, external debt balance/GDP dropped to 13.0 percent (from 14.4 percent), and the external debt per capita to US\$ 390.3 (from US\$ 411.1).



The following chart highlights the external debt indicators of Egypt, relative to the countries of other economic regions. According to World Bank classification, Egypt's debt indicators were within safety limits. The external debt-to-GDP ratio (15.2 percent) is considered one of the best world levels that

ranged between 15.3 percent for the developing Asian economies and 66.0% for Eastern and Central Europe. Recording 5.7 percent, the ratio of external debt service to the exports of goods and services was less than the global levels -as cited in the IMF's World Economic Outlook, published in September 2011- that ranged between 11.0 percent (for sub-Saharan Africa) and 55.8 percent (for Eastern and Central Europe) for 2011.

### **Main External Debt Indicators in Egypt Relative to Other Regional Groups**

Region	External Debt/GDP		External Debt/Exports of Goods and Services		Debt Service/Exports of Goods and Services	
	2010	2011	2010	2011	2010	2011
	Eastern & Central Europe	65.5	66.0	179.2	164.2	59.7
Asia	15.3	15.3	48.8	47.5	18.5	20.0
Latin America & the Caribbean	21.2	20.1	102.5	93.1	31.2	29.2
Sub-Saharan Africa	22.8	21.5	65.5	57.6	15.8	11.0
Middle East & North Africa	31.9	27.1	65.9	52.4	17.2	15.3
Egypt*	15.9	15.2	71.0	71.4	5.5	5.7

Source: World Economic Outlook – Sept. 2011, Statistical Annex.

\* According to BOP data - CBE.

### **New Commitments on Loans and Facilities**

In July/September 2011/2012, **new commitments** on loans and facilities reached US\$ 1 billion (mostly commitments with international and regional organizations that represented US\$ 980 million or 92.6 percent of total commitments, whereas commitments on bilateral loans recorded US\$ 77.8 million or 7.4 percent of the total). Hence, total commitments grew by US\$ 541.3 million above the level of the previous corresponding period, because of the new loan commitments with the African Development Bank and World Bank.

## **Annex**



## **Statistical Section**

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### **(1) Indicators of Development and Economic Growth**

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- (1/1) GDP at Factor Cost by Economic Sector (at 2006/2007 Prices)
- (1/2) GDP by Expenditure
- (1/3) Consumer Price Index (Urban) (January 2010=100)
- (1/4) Producer Price Index (2004/2005=100)

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### **(2) Monetary Aggregates**

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- (2/1/1) CBE Financial Position: Reserve Money and Counterpart Assets
- (2/1/2) Banking Survey: Domestic Liquidity and Counterpart Assets
- (2/1/3) Banking Survey: Deposits in Local Currency
- (2/1/4) Banking Survey: Deposits in Foreign Currencies
- (2/1/5) Banking Survey: Foreign Assets and Liabilities
- (2/1/6) Banking Survey: Domestic Credit and Other Items (Net)
- (2/1/7) Total Saving Vessels
- (2/1/8) Bank Lending and Discount Balances to Business Sector

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### **Financial Sector**

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- (2/2/1) Structure of the Egyptian Banking System as at 30/9/2010
- (2/2/2) Local Mutual Funds Authorized and Operating as at 30/9/2010

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### **Activity of the Banking System**

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### **Central Bank of Egypt**

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- (2/3/1) Note Issued by Denomination
- (2/3/2) Currency in Circulation outside CBE by Denomination
- (2/3/3) CBE: Transactions via RTGS and SWIFT

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## **Banks**

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- (2/4/1) Aggregate Financial Position
- (2/4/2) Deposits by Maturity
- (2/4/3) Deposits by Sector
- (2/4/4) Deposits by Economic Activity
- (2/4/5) Portfolio Investments by Sector
- (2/4/6) Lending and Discount Balances by Sector
- (2/4/7) Credit by Sector
- (2/4/8) Lending and Discount Balances by Economic Activity

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## **Interest Rates**

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- (2/5/1) Discount and Interest Rates on Deposits and Loans in Egyptian Pound
- (2/5/2) Domestic Interest Rates on 3- Month Deposits in Major Currencies
- (2/5/3) Interest Rates on Treasury Bills (Weekly Weighted Averages)

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## **(3) Non-Banking Financial Sector**

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- (3/1) Companies Listed on the Egyptian Exchange
- (3/2) Trading in Shares on the Egyptian Exchange
- (3/3) Trading in Bonds on the Egyptian Exchange
- (3/4) Foreigners' Transactions on the Egyptian Exchange
- (3/5) Global Depository Receipts (GDRs)
- (3/6) Outstanding Balance of Treasury Bills (Quarterly)
- (3/7) Outstanding Balance of Treasury Bills (Weekly)
- (3/8) Outstanding Balance of Treasury Bonds

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**(4) Public Finance & Domestic Public Debt**

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- (4/1) Consolidated Fiscal Operations of the General Government  
(Expenditures)
- (4/2) Consolidated Fiscal Operations of the General Government  
(Revenues)
- (4/3) Summary of the Consolidated Fiscal Operations of the General  
Government
- (4/4) Gross Domestic Debt
- (4/5) National Investment Bank (Resources & Uses)

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**(5) External Transactions**

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- (5/1) Balance of Payments (US\$)
- (5/2) Exports by Degree of Processing
- (5/3) Imports by Degree of Use
- (5/4) Regional Distribution of Exports and Imports
- (5/5) Average LE Exchange Rates
- (5/6) External Debt by Type
- (5/7) Distribution of External Debt by Main Currencies

**(1/1) GDP at Factor Cost by Economic Sector  
At 2006/2007 prices**

(LE mn)

Sectors	July / September								
	<u>2010/2011</u>			<u>2011/2012</u>			<u>Growth Rate %</u>		
	Public	Private	Total	Public	Private	Total	Public	Private	Total
<b>Total GDP</b>	<b>80132.9</b>	<b>141308.0</b>	<b>221440.9</b>	<b>81096.3</b>	<b>141079.4</b>	<b>222175.7</b>	<b>1.2</b>	<b>-0.2</b>	<b>0.3</b>
Agriculture, Irrigation & Fishing	4.3	34367	34371.3	4.5	35439.0	35443.5	4.7	3.1	3.1
<b>Extractions</b>	<b>22860.0</b>	<b>5412.0</b>	<b>28272.0</b>	<b>22634.0</b>	<b>5367.0</b>	<b>28001.0</b>	<b>-1.0</b>	<b>-0.8</b>	<b>-1.0</b>
Oil	10225.0	1834.0	12059.0	10211.0	1832.0	12043.0	-0.1	-0.1	-0.1
Gas	12539.0	2846.0	15385.0	12326.0	2798.0	15124.0	-1.7	-1.7	-1.7
Others	96.0	732.0	828.0	97.0	737.0	834.0	1.0	0.7	0.7
<b>Manufacturing Industries</b>	<b>5558.0</b>	<b>28563.0</b>	<b>34121.0</b>	<b>5316.0</b>	<b>27682.0</b>	<b>32998.0</b>	<b>-4.4</b>	<b>-3.1</b>	<b>-3.3</b>
Oil refining	992.0	740.0	1732.0	915.0	725.0	1640.0	-7.8	-2.0	-5.3
Others	4566.0	27823.0	32389.0	4401.0	26957.0	31358.0	-3.6	-3.1	-3.2
<b>Electricity</b>	<b>2918.0</b>	<b>301.0</b>	<b>3219.0</b>	<b>3097.0</b>	<b>294.0</b>	<b>3391.0</b>	<b>6.1</b>	<b>-2.3</b>	<b>5.3</b>
<b>Water</b>	<b>705.0</b>	<b>0.0</b>	<b>705.0</b>	<b>740.0</b>	<b>0.0</b>	<b>740.0</b>	<b>5.0</b>	<b>0.0</b>	<b>5.0</b>
<b>Sanitation</b>	<b>177.0</b>	<b>0.0</b>	<b>177.0</b>	<b>185.0</b>	<b>0.0</b>	<b>185.0</b>	<b>4.5</b>	<b>0.0</b>	<b>4.5</b>
<b>Construction &amp; Building</b>	<b>1267.0</b>	<b>9666.0</b>	<b>10933.0</b>	<b>1227.0</b>	<b>9404.0</b>	<b>10631.0</b>	<b>-3.2</b>	<b>-2.7</b>	<b>-2.8</b>
<b>Transportation &amp; Storage</b>	<b>2199.0</b>	<b>7561.0</b>	<b>9760.0</b>	<b>2242.0</b>	<b>7612.0</b>	<b>9854.0</b>	<b>2.0</b>	<b>0.7</b>	<b>1.0</b>
<b>Communications</b>	<b>2745.0</b>	<b>5678.0</b>	<b>8423.0</b>	<b>2552.8</b>	<b>6183.3</b>	<b>8736.1</b>	<b>-7.0</b>	<b>8.9</b>	<b>3.7</b>
<b>Information</b>	<b>165.0</b>	<b>319.0</b>	<b>484.0</b>	<b>169.0</b>	<b>329.0</b>	<b>498.0</b>	<b>2.4</b>	<b>3.1</b>	<b>2.9</b>
<b>Suez Canal</b>	<b>7257.0</b>	<b>0.0</b>	<b>7257.0</b>	<b>7866.0</b>	<b>0.0</b>	<b>7866.0</b>	<b>8.4</b>	<b>0.0</b>	<b>8.4</b>
<b>Wholesale &amp; Retail Trade</b>	<b>867.0</b>	<b>21001.0</b>	<b>21868.0</b>	<b>892.0</b>	<b>21043.0</b>	<b>21935.0</b>	<b>2.9</b>	<b>0.2</b>	<b>0.3</b>
<b>Finance</b>	<b>5511.0</b>	<b>3051.0</b>	<b>8562.0</b>	<b>5556.0</b>	<b>3069.0</b>	<b>8625.0</b>	<b>0.8</b>	<b>0.6</b>	<b>0.7</b>
<b>Insurance</b>	<b>527.0</b>	<b>165.0</b>	<b>692.0</b>	<b>533.0</b>	<b>169.0</b>	<b>702.0</b>	<b>1.1</b>	<b>2.4</b>	<b>1.4</b>
<b>Social Solidarity</b>	<b>7739.0</b>	<b>0.0</b>	<b>7739.0</b>	<b>7933.0</b>	<b>0.0</b>	<b>7933.0</b>	<b>2.5</b>	<b>0.0</b>	<b>2.5</b>
<b>Tourism</b>	<b>85.0</b>	<b>10923.0</b>	<b>11008.0</b>	<b>86.0</b>	<b>9776.1</b>	<b>9862.1</b>	<b>1.2</b>	<b>-10.5</b>	<b>-10.4</b>
<b>Real Estate</b>	<b>144.0</b>	<b>5508.0</b>	<b>5652.0</b>	<b>144.0</b>	<b>5633.0</b>	<b>5777.0</b>	<b>0.0</b>	<b>2.3</b>	<b>2.2</b>
Real Estate Ownership	93.0	2894.0	2987.0	94.0	2981.0	3075.0	1.1	3.0	2.9
Business Services	51.0	2614.0	2665.0	50.0	2652.0	2702.0	-2.0	1.5	1.4
<b>General Government</b>	<b>19221.0</b>	<b>0.0</b>	<b>19221.0</b>	<b>19732.0</b>	<b>0.0</b>	<b>19732.0</b>	<b>2.7</b>	<b>0.0</b>	<b>2.7</b>
<b>Social Services</b>	<b>183.6</b>	<b>8793.0</b>	<b>8976.6</b>	<b>187.0</b>	<b>9079.0</b>	<b>9266.0</b>	<b>1.9</b>	<b>3.3</b>	<b>3.2</b>
Education	0.0	2373.0	2373.0	0.0	2449.0	2449.0	0.0	3.2	3.2
Health	175.0	2717.0	2892.0	178.0	2812.0	2990.0	1.7	3.5	3.4
Others	8.6	3703.0	3711.6	9.0	3818.0	3827.0	4.7	3.1	3.1

Source: Ministry of Planning.

**(1/2) GDP by Expenditure during July/September**  
**( At 2006/ 2007 prices )**

	<u>Value at LE bn</u>		<u>Structure %</u>		<u>Growth Rate %</u>	
	2010/2011	2011/2012	2010/2011	2011/2012	2010/2011	2011/2012
<b><u>1-GDP at Market Price (2+5-6)</u></b>	<b><u>231.2</u></b>	<b><u>231.8</u></b>	<b><u>100.0</u></b>	<b><u>100.0</u></b>	<b><u>5.5</u></b>	<b><u>0.2</u></b>
<b><u>2- Total Domestic Expenditure (3+4)</u></b>	<b><u>240.2</u></b>	<b><u>246.0</u></b>	<b><u>103.9</u></b>	<b><u>106.1</u></b>	<b><u>6.3</u></b>	<b><u>2.4</u></b>
<b><u>3- Final Consumption</u></b>	<b><u>205.2</u></b>	<b><u>215.0</u></b>	<b><u>88.8</u></b>	<b><u>92.8</u></b>	<b><u>5.7</u></b>	<b><u>4.7</u></b>
Final private consumption	180.0	189.1	77.9	81.6	6.0	5.0
Final government consumption	25.2	25.9	10.9	11.2	3.3	2.8
<b><u>4- Gross Capital Formation</u></b>	<b><u>35.0</u></b>	<b><u>31.0</u></b>	<b><u>15.1</u></b>	<b><u>13.3</u></b>	<b><u>10.1</u></b>	<b><u>-11.4</u></b>
Investments	35.0	27.0	15.1	11.7	20.3	-22.9
Change in stock	0.0	4.0	0.0	1.6	..	..
<b><u>5- Exports of Goods &amp; Services</u></b>	<b><u>65.0</u></b>	<b><u>63.1</u></b>	<b><u>28.1</u></b>	<b><u>27.2</u></b>	<b><u>10.0</u></b>	<b><u>-2.9</u></b>
<b><u>6- Imports of Goods &amp; Services</u></b>	<b><u>74.0</u></b>	<b><u>77.3</u></b>	<b><u>32.0</u></b>	<b><u>33.3</u></b>	<b><u>12.3</u></b>	<b><u>4.5</u></b>

Source: Ministry of planning.

..Not available

**(1/3) Consumer Price Index (Urban) (Jan. 2010 = 100) \***

Groups	Relative Weights	<u>2010</u>		<u>2011</u>		<u>Inflation Rate (%)</u>	
		<u>June</u>	<u>Sept.</u>	<u>June</u>	<u>Sept.</u>	<u>July/Sept.</u> 2010/2011	<u>2011/2012</u>
<b><u>General Index</u></b>	<b><u>100.00</u></b>	<b><u>102.4</u></b>	<b><u>109.8</u></b>	<b><u>114.5</u></b>	<b><u>118.8</u></b>	<b><u>7.2</u></b>	<b><u>3.8</u></b>
Food & Non-Alcoholic Beverages	39.92	105.9	121.3	126.0	132.2	14.5	4.9
Alcoholic Beverages, Tobacco and Narcotics	2.19	100.0	143.2	169.9	185.5	43.2	9.2
Clothing & Footwear	5.41	100.0	102.0	102.2	103.9	2.0	1.7
Housing , Water, Electricity, Gas & Fuel	18.37	99.3	99.3	100.4	106.7	0.0	6.3
Furnishings, Household Equipment & Routine Maintenance of the House	3.77	102.6	102.7	105.2	108.8	0.1	3.4
Health Care	6.33	100.0	100.0	101.9	102.0	0.0	0.1
Transportation	5.68	100.6	100.9	101.7	102.4	0.3	0.7
Communications	3.12	99.9	99.9	100.0	94.9	0.0	-5.1
Recreation & Culture	2.43	102.4	102.7	108.4	113.4	0.3	4.6
Education	4.63	100.0	100.0	124.3	124.3	0.0	0.0
Restaurants & Hotels	4.43	100.2	103.0	112.4	114.0	2.8	1.4
Miscellaneous Goods & Services	3.72	100.7	100.8	103.2	104.8	0.1	1.6

Source: Central Agency for Public Mobilization and Statistics (CAPMAS) (Monthly CPI Bulletin).

\* The 9<sup>th</sup> series of CPI was introduced in August 2010. The weights involved in the formation of the Index were taken from the results of the 2008/2009 survey of income, expenditure and consumption using January 2010 as a base period.

**(1/4) Producer Price Index (2004/2005 = 100)**

Groups	Relative Weights	<u>2010</u>		<u>2011</u>		<u>Inflation Rate (%)</u>	
		<u>June</u>	<u>Sept.</u>	<u>June</u>	<u>Sept.</u>	<u>July/Sept.</u> 2010/2011	<u>2011/2012</u>
<b><u>All Items</u></b>	<b><u>100.0</u></b>	<b><u>160.9</u></b>	<b><u>173.9</u></b>	<b><u>192.1</u></b>	<b><u>194.3</u></b>	<b><u>8.1</u></b>	<b><u>1.1</u></b>
Agriculture, Forestry and Fishing	25.1	210.9	249.8	261.4	262.6	18.4	0.5
Mining and Quarrying	21.8	147.8	151.1	201.5	204.5	2.2	1.5
Manufacturing Industries	38.9	149.6	155.5	165.0	167.4	3.9	1.5
Electricity, Gas, Steam and Air Conditioning Supply	2.3	140.3	140.3	140.3	140.3	0.0	0.0
Water Supply, Sewerage, Waste Management and Remediation Activities	2.0	146.5	146.5	146.5	153.7	0.0	4.9
Transportation and Storage	2.8	124.8	124.8	127.3	131.1	0.0	3.0
Accommodation and Food Service Activities	5.0	110.6	113.6	125.1	127.3	2.7	1.8
Information and Communication Activities	2.1	112.5	112.5	112.5	112.5	0.0	0.0

Source: Central Agency for Public Mobilization and Statistics (CAPMAS) ( Monthly PPI Bulletin issued every two months ).

## (2/1/1) CBE Financial Position: Reserve Money and Counterpart Assets

	(LE mn)							
	<u>2008</u>		<u>2009</u>		<u>2010</u>		<u>2011</u>	
End of	Sept.	June	Sept.	June	Sept.	June	Sept.	
<b><u>Reserve Money</u></b>	<b><u>178091</u></b>	<b><u>175104</u></b>	<b><u>191497</u></b>	<b><u>203071</u></b>	<b><u>216655</u></b>	<b><u>250992</u></b>	<b><u>241242</u></b>	
Currency in circulation outside CBE *	120913	126268	135583	144253	153079	179096	184981	
Banks' deposits in local currency	57178	48836	55914	58818	63576	71896	56261	
<b><u>Counterpart Assets</u></b>	<b><u>178091</u></b>	<b><u>175104</u></b>	<b><u>191497</u></b>	<b><u>203071</u></b>	<b><u>216655</u></b>	<b><u>250992</u></b>	<b><u>241242</u></b>	
<b><u>Net Foreign Assets</u></b>	<b><u>187077</u></b>	<b><u>171732</u></b>	<b><u>173334</u></b>	<b><u>190234</u></b>	<b><u>191648</u></b>	<b><u>147197</u></b>	<b><u>132030</u></b>	
<b><u>Foreign Assets</u></b>	<b><u>188652</u></b>	<b><u>173055</u></b>	<b><u>182139</u></b>	<b><u>198605</u></b>	<b><u>200054</u></b>	<b><u>156331</u></b>	<b><u>141293</u></b>	
Gold	8695	9385	9385	12393	12393	16343	16343	
Foreign securities	172955	150556	154116	162247	167404	114608	101396	
Foreign currencies	7002	13114	18638	23965	20257	25380	23554	
<b><u>Foreign Liabilities</u> <sup>+</sup></b>	<b><u>1575</u></b>	<b><u>1323</u></b>	<b><u>8805</u></b>	<b><u>8371</u></b>	<b><u>8406</u></b>	<b><u>9134</u></b>	<b><u>9263</u></b>	
<b><u>Net Domestic Assets</u></b>	<b><u>-8986</u></b>	<b><u>3372</u></b>	<b><u>18163</u></b>	<b><u>12837</u></b>	<b><u>25007</u></b>	<b><u>103795</u></b>	<b><u>109212</u></b>	
<b><u>Net Claims on Government</u></b>	<b><u>101571</u></b>	<b><u>68613</u></b>	<b><u>94308</u></b>	<b><u>80611</u></b>	<b><u>109835</u></b>	<b><u>102562</u></b>	<b><u>147132</u></b>	
Claims; of which:	175828	146899	164474	150288	182528	189620	223608	
Government securities	123123	121708	130771	121533	130597	130597	129097	
Deposits	74257	78286	70166	69677	72693	87058	76476	
<b><u>Net Claims on Banks</u></b>	<b><u>42437</u></b>	<b><u>334</u></b>	<b><u>8810</u></b>	<b><u>29010</u></b>	<b><u>56622</u></b>	<b><u>147</u></b>	<b><u>-2853</u></b>	
Claims	62458	21786	29938	49863	77225	23496	20287	
Deposits in foreign currencies	20021	21452	21128	20853	20603	23349	23140	
<b><u>Other Items (Net)</u> <sup>+</sup></b>	<b><u>-152994</u></b>	<b><u>-65575</u></b>	<b><u>-84955</u></b>	<b><u>-96784</u></b>	<b><u>-141450</u></b>	<b><u>1086</u></b>	<b><u>-35067</u></b>	

Source : Central Bank of Egypt.

\* Including subsidiary coins issued by the Ministry of Finance.

+ According to the updated statistical treatment adopted by the IMF, SDR allocations are to be classified as foreign liabilities rather than capital accounts, as of August 2009.



**(2/1/2) Banking Survey: Domestic Liquidity and Counterpart Assets**

	( LE mn )						
	<u>2008</u>	<u>2009</u>		<u>2010</u>		<u>2011</u>	
End of	Sept.	June	Sept.	June	Sept.	June	Sept.
<b><u>1- Domestic Liquidity</u></b>	<b><u>777871</u></b>	<b><u>831211</u></b>	<b><u>847808</u></b>	<b><u>917459</u></b>	<b><u>948172</u></b>	<b><u>1009411</u></b>	<b><u>1024430</u></b>
<b><u>A- Money Supply</u></b>	<b><u>177641</u></b>	<b><u>182991</u></b>	<b><u>192759</u></b>	<b><u>214040</u></b>	<b><u>220472</u></b>	<b><u>248707</u></b>	<b><u>253802</u></b>
Currency in circulation outside the banking system	112984	118146	127479	135209	143799	167887	174133
Demand deposits in local currency	64657	64845	65280	78831	76673	80820	79669
<b><u>B- Quasi-Money</u></b>	<b><u>600230</u></b>	<b><u>648220</u></b>	<b><u>655049</u></b>	<b><u>703419</u></b>	<b><u>727700</u></b>	<b><u>760704</u></b>	<b><u>770628</u></b>
Time & saving deposits in local currency	440268	481054	493662	545303	569542	583732	593542
Demand and time & saving deposits in foreign currencies	159962	167166	161387	158116	158158	176972	177086
<b><u>2- Counterpart Assets</u></b>							
Net foreign assets <sup>+</sup>	274385	254134	261819	282408	312144	253500	225259
Domestic credit	621486	695326	729295	775268	792347	892766	943115
Other items (net) <sup>+</sup>	-118000	-118249	-143306	-140217	-156319	-136855	-143944

Source : Central Bank of Egypt.

+ According to the new classification of SDR allocations referred to in Table (2/1/1)

## (2/1/3) Banking Survey: Deposits in Local Currency

	(LE mn)							
	<u>2008</u>		<u>2009</u>		<u>2010</u>		<u>2011</u>	
End of	Sept.	June	Sept.	June	Sept.	June	Sept.	
<b><u>Total Deposits in Local Currency</u></b>	<b><u>504925</u></b>	<b><u>545899</u></b>	<b><u>558942</u></b>	<b><u>624134</u></b>	<b><u>646215</u></b>	<b><u>664552</u></b>	<b><u>673211</u></b>	
<b><u>1- Demand Deposits</u></b>	<b><u>64657</u></b>	<b><u>64845</u></b>	<b><u>65280</u></b>	<b><u>78831</u></b>	<b><u>76673</u></b>	<b><u>80820</u></b>	<b><u>79669</u></b>	
Public business sector *	6068	7145	5768	8938	7385	6670	5925	
Private business sector	33735	33240	33300	41246	38729	43324	40618	
Household sector	25636	25235	26707	29510	31279	31645	34013	
Minus: Purchased cheques & drafts	782	775	495	863	720	819	887	
<b><u>2- Time and Saving Deposits</u></b>	<b><u>440268</u></b>	<b><u>481054</u></b>	<b><u>493662</u></b>	<b><u>545303</u></b>	<b><u>569542</u></b>	<b><u>583732</u></b>	<b><u>593542</u></b>	
Public business sector *	22856	21654	23415	23788	24964	22608	20936	
Private business sector	75532	71076	74855	73183	80594	60736	60078	
Household sector	341880	388324	395392	448332	463984	500388	512528	

Source : Central Bank of Egypt

\*Including all public sector companies subject or not to Law No. 203 for 1991.

**(2/1/4) Banking Survey : Deposits in Foreign Currencies**

	(LE mn)						
	<u>2008</u>		<u>2009</u>		<u>2010</u>		<u>2011</u>
End of	Sept.	June	Sept.	June	Sept.	June	Sept.
<b><u>Total Deposits in Foreign Currencies</u></b>	<b><u>159962</u></b>	<b><u>167166</u></b>	<b><u>161387</u></b>	<b><u>158116</u></b>	<b><u>158158</u></b>	<b><u>176972</u></b>	<b><u>177086</u></b>
<b><u>1- Demand Deposits</u></b>	<b><u>27896</u></b>	<b><u>32050</u></b>	<b><u>30807</u></b>	<b><u>33901</u></b>	<b><u>34013</u></b>	<b><u>41298</u></b>	<b><u>41253</u></b>
Public business sector *	1507	1334	922	1055	1115	1248	1189
Private business sector	18158	21104	20109	22313	22342	26039	26419
Household sector	8369	9712	9883	10673	10622	14077	13718
Minus: Purchased cheques & drafts	138	100	107	140	66	66	73
<b><u>2- Time and Saving Deposits</u></b>	<b><u>132066</u></b>	<b><u>135116</u></b>	<b><u>130580</u></b>	<b><u>124215</u></b>	<b><u>124145</u></b>	<b><u>135674</u></b>	<b><u>135833</u></b>
Public business sector *	7993	7401	8032	5419	5503	6301	7009
Private business sector	38644	37217	35049	32594	33176	34202	36134
Household sector	85429	90498	87499	86202	85466	95171	92690

Source: Central Bank of Egypt

\* Including all public sector companies subject or not to Law No. 203 for 1991.

## (2/1/5) Banking Survey: Foreign Assets and Liabilities

	(LE mn)							
	<u>2008</u>		<u>2009</u>		<u>2010</u>		<u>2011</u>	
End of	Sept.	June	Sept.	June	Sept.	June	Sept.	
<b><u>Net Foreign Assets</u></b>	<b><u>274385</u></b>	<b><u>254134</u></b>	<b><u>261819</u></b>	<b><u>282408</u></b>	<b><u>312144</u></b>	<b><u>253500</u></b>	<b><u>225259</u></b>	
<b><u>Foreign Assets</u></b>	<b><u>303411</u></b>	<b><u>282913</u></b>	<b><u>297689</u></b>	<b><u>322209</u></b>	<b><u>359653</u></b>	<b><u>295480</u></b>	<b><u>265921</u></b>	
Central Bank of Egypt	188652	173055	182140	198605	200054	156331	141293	
Banks	114759	109858	115549	123604	159599	139149	124628	
<b><u>Foreign Liabilities</u></b>	<b><u>29026</u></b>	<b><u>28779</u></b>	<b><u>35870</u></b>	<b><u>39801</u></b>	<b><u>47509</u></b>	<b><u>41980</u></b>	<b><u>40662</u></b>	
Central Bank of Egypt <sup>+</sup>	1575	1323	8806	8371	8406	9134	9263	
Banks	27451	27456	27064	31430	39103	32846	31399	

Source: Central Bank of Egypt

+ According to the new classification of SDR allocations referred to in Table (2/1/1)

## (2/1/6) Banking Survey: Domestic Credit and Other Items (Net)

	(LE mn)						
End of	<u>2008</u>	<u>2009</u>		<u>2010</u>		<u>2011</u>	
	Sept.	June	Sept.	June	Sept.	June	Sept.
<b><u>1- Domestic Credit</u></b>	<b><u>621486</u></b>	<b><u>695326</u></b>	<b><u>729295</u></b>	<b><u>775268</u></b>	<b><u>792347</u></b>	<b><u>892766</u></b>	<b><u>943115</u></b>
Net claims on the government (A+B-C)	207687	273122	310727	326141	341319	437337	482312
A-Securities	291217	397804	421924	440410	438244	542792	546946
B-Credit facilities	83637	55939	66142	68140	89033	98826	132538
C-Government deposits	167167	180621	177339	182409	185958	204281	197172
Claims on public business sector *	28251	33146	33506	29985	30727	32981	34856
Claims on private business sector	302170	304470	300342	326350	326748	323241	323834
Claims on household sector	83378	84588	84720	92792	93553	99207	102113
<b><u>2- Other Items (Net)</u></b>	<b><u>-118000</u></b>	<b><u>-118249</u></b>	<b><u>-143306</u></b>	<b><u>-140217</u></b>	<b><u>-156319</u></b>	<b><u>-136855</u></b>	<b><u>-143944</u></b>
Capital accounts <sup>+</sup>	-141450	-148332	-150493	-170877	-168878	-146543	-152013
Net unclassified assets and liabilities	23450	30083	7187	30660	12559	9688	8069

Source: Central Bank of Egypt

\* Including all public sector companies subject or not to Law No. 203 for 1991.

+ According to the new classification of SDR allocations referred to in Table (2/1/1)

**(2/1/7) Total Saving Vessels**

	(LE mn)							
	<u>2008</u>		<u>2009</u>		<u>2010</u>		<u>2011</u>	
End of	Sept.	June	Sept.	June	Sept.	June	Sept.	
<b><u>Total Saving Vessels</u></b>	<b><u>743760</u></b>	<b><u>803063</u></b>	<b><u>738450</u></b>	<b><u>794350</u></b>	<b><u>820435</u></b>	<b><u>855132</u></b>	<b><u>865670</u></b>	
<b><u>Savings at the Banking System</u></b>	<b><u>600230</u></b>	<b><u>648220</u></b>	<b><u>655049</u></b>	<b><u>703419</u></b>	<b><u>727700</u></b>	<b><u>760704</u></b>	<b><u>770628</u></b>	
Time & saving deposits in local currency	440268	481054	493662	545303	569542	583732	593542	
Demand and time & saving deposits in foreign currencies	159962	167166	161387	158116	158158	176972	177086	
<b><u>Net Sales of Investment Certificates</u></b>	<b><u>78630</u></b>	<b><u>81262</u></b>	<b><u>83401</u></b>	<b><u>90931</u></b>	<b><u>92735</u></b>	<b><u>94428</u></b>	<b><u>95042</u></b>	
<b><u>Post Office Saving Deposits</u></b>	<b><u>64900</u></b>	<b><u>73581</u></b>	<b><u>Not available</u></b>	<b><u>Not available</u></b>	<b><u>Not available</u></b>	<b><u>Not available</u></b>	<b><u>Not available</u></b>	

Source: Central Bank of Egypt

(2/1/8) Bank Lending and Discount Balances to Business Sector

Public Business Sector \*

(LE mn)

End of	<u>2008</u>		<u>2009</u>		<u>2010</u>		<u>2011</u>	
	Sept.	June	Sept.	June	Sept.	June	Sept.	
<b><u>Total</u></b>	<b><u>28039</u></b>	<b><u>32880</u></b>	<b><u>33218</u></b>	<b><u>29812</u></b>	<b><u>30546</u></b>	<b><u>32688</u></b>	<b><u>34584</u></b>	
<b><u>In Local Currency</u></b>	<b><u>20159</u></b>	<b><u>23725</u></b>	<b><u>25126</u></b>	<b><u>21051</u></b>	<b><u>21918</u></b>	<b><u>24560</u></b>	<b><u>26472</u></b>	
Agriculture	9	3	4	3	109	105	105	
Manufacturing	9300	13167	11478	9258	9008	10167	11209	
Trade	4333	4098	4547	1737	1662	918	1225	
Services	6517	6457	9097	10053	11139	13370	13933	
<b><u>In Foreign Currencies</u></b>	<b><u>7880</u></b>	<b><u>9155</u></b>	<b><u>8092</u></b>	<b><u>8761</u></b>	<b><u>8628</u></b>	<b><u>8128</u></b>	<b><u>8112</u></b>	
Agriculture	-	-	-	-	-	-	-	
Manufacturing	3676	4176	3085	3294	3143	2237	1903	
Trade	772	1281	1434	1566	1419	934	865	
Services	3432	3698	3573	3901	4066	4957	5344	

Source: Central Bank of Egypt

\* Including all public sector companies subject or not to Law No. 203 for 1991.

(2/1/8) Bank Lending and Discount Balances to Business Sector (Contd.)

Private Business Sector

(LE mn)

End of	<u>2008</u>		<u>2009</u>		<u>2010</u>		<u>2011</u>	
	Sept.	June	Sept.	June	Sept.	June	Sept.	
<b><u>Total</u></b>	<b><u>270570</u></b>	<b><u>267885</u></b>	<b><u>263216</u></b>	<b><u>287148</u></b>	<b><u>285800</u></b>	<b><u>284755</u></b>	<b><u>286369</u></b>	
<b><u>In Local Currency</u></b>	<b><u>171294</u></b>	<b><u>177107</u></b>	<b><u>172851</u></b>	<b><u>185694</u></b>	<b><u>182519</u></b>	<b><u>187810</u></b>	<b><u>188326</u></b>	
Agriculture	5186	4718	4061	4461	3986	6294	5668	
Manufacturing	64709	74053	71278	76229	75092	78448	79234	
Trade	39556	39881	39041	49486	37936	36265	34904	
Services	61843	58455	58471	55518	65505	66803	68520	
<b><u>In Foreign Currencies</u></b>	<b><u>99276</u></b>	<b><u>90778</u></b>	<b><u>90365</u></b>	<b><u>101454</u></b>	<b><u>103281</u></b>	<b><u>96945</u></b>	<b><u>98043</u></b>	
Agriculture	1833	2145	2071	1534	1591	2314	2188	
Manufacturing	45801	41240	42230	53355	53278	48550	48594	
Trade	17562	13356	13999	13563	14356	9508	9115	
Services	34080	34037	32065	33002	34056	36573	38146	

Source: Central Bank of Egypt



### (2/2/1) Structure of Egyptian Banking System

End of	Number of Banks Operating in Egypt	Number of Branches
September 2008	40	3320
June 2009	39	3443
September 2009	39	3462
June 2010	39	3502
September 2010	39	3523
June 2011	39	3573
September 2011	39	3591

Source : Central Bank of Egypt.

(2/2) Local Mutual Funds Authorized and Operating as at 30/9/2011

Fund Name	Fund Manager	Par Value (LE)	Net Asset Value (LE) at End of June 2011	Net Asset Value (LE) at End of Sept. 2011
<b>Open-end Balance Funds</b>				
National Bank of Egypt I + Banque Misr I	AI Ahly Fund Management	10	37.22	33.82
National Bank of Egypt II	Concord International Investments	100	97.10	87.53
EI Watany Bank of Egypt	AI Ahly Fund Management	100	77.99	70.26
National Bank of Egypt V	Hermes Fund Management	100	120.12	112.09
AI-Massi	AI Ahly Fund Management	10	9.25	8.31
Credit Agricole Egypt IV (AI Theqa)	Hermes Fund Management	100	95.35	84.85
Kheir Fund	HC Securities	100	-	100.90
NSGB (Tawazon)	Beltone Asset Management	10	9.08	8.47
	Beltone Asset Management	100	94.46	87.08
<b>Open-end Equity Funds</b>				
Credit Agricole Egypt I	Hermes Fund Management	100	180.04	139.85
Bank of Alexandria I	Hermes Fund Management	100	171.46	131.66
Arab Misr Insurance Group ++	Prime Investments Fund Management	100	137.54	119.93
Banque Misr II	Concord International Investment	66.67	43.79	37.81
Banque de Caire	Hermes Fund Management	10	42.83	32.81
Export Development Bank I (EI-Khabeer)	HC Securities	33.33	63.44	49.30
Suez Canal Bank I	HC Securities	500	252.00	196.53
Credit Agricole Egypt II	Hermes Fund Management	100	87.67	67.07
Egyptian Gulf Bank	Hermes Fund Management	100	118.55	89.64
Banque Misr III	HC Securities	100	358.27	275.74
Shield Fund +++	Arab African Investment Management	50	102.88	89.55
Misr Iran Development Bank I	HC Securities	100	299.08	233.75
National Bank of Egypt III++++	HC Securities	100	66.40	53.17
Commercial International Bank II (Istethmar)	CI Capital Asset Management	100	59.99	49.79
Piraeus Bank-Egypt I	Phoneix Kato Asset Management	100	92.68	82.31
Housing & Development Bank (AI-Taameer)	Prime Investments Fund Management	100	89.57	77.52
ABC Bank	Delta Rasmala	100	77.71	63.85
Suez Canal Bank II (AI-Agyal)	Beltone Asset Management	10	8.54	6.90
Blom Bank	Prime Investments Fund Management	100	88.98	77.07
Pharos Fund I	Pharos Asset Management	100	88.91	75.54
Pioneers Fund I	Amual for Financial Investments	100	88.84	76.09
Misr AI Mostakbal	HC Securities	10	-	10.03
Belton Traded Equity Fund (Insight)	Beltone Asset Management	10	7.99	6.82
NSGB (Tadawol)	HC Securities	100	-	99.50
<b>Open-end Fixed Income Funds</b>				
Credit Agricole Egypt III	Egyptian Fund Management Group	1000	1037.44	1059.47
Misr Money Mareket	Beltone Asset Management	10	17.46	17.84
Commercial International Bank I (Osoul)	CI Capital Asset Management	100	166.74	170.34
Misr Iran Development Bank II	HC Securities	1000	1000.46	1022.55
Bank of Alexandria II	EFG-Hermes	10	15.17	15.50
National Bank of Egypt IV	AI Ahly Fund Management	100	148.04	151.08
National Societe Generale Bank (Themar)	EFG-Hermes	100	145.41	148.54
Export Development Bank II	Delta Rasmala	100	144.14	147.27
ABC Bank (Mazaya)	Beltone Asset Management	10	11.76	12.01
HSBC Egypt Bank Fund (Kol Youm)	Beltone Asset Management	100	117.65	120.18
AAIB( Juman)	Arab African Investement Management	100	117.26	119.65
Piraeus bank- Egypt II	Phoneix Kato Asset Management	10	11.67	11.91
Audi Bank Fund	EFG-Hermes	10	11.65	11.90
Banque du Caire II (EI Kahera EI Youmy)	Beltone Asset Management	10	11.39	11.64
Blom Bank Fund II	CI Capital Asset Management	100	113.89	116.23
AI Watany Bank of Egypt Fund (Eshrak)	NBK Capital Asset Management Egypt	10	11.10	11.33
Arab Bank Fund (Youmati)	Beltone Asset Management	10	11.08	11.32
Housing & Development Bank (Mawared)	Prime Investments Fund Management	10	11.00	11.21
Bank of Alexandria III	EFG-Hermes	10	10.77	11.04
Principal Bank for Development & Agricultural Credit (Hasad)	HC Securities	10	10.88	11.12
Arab Investment Bank Fund I	EFG-Hermes	10	10.80	11.04
Egyptian Gulf Bank Fund (Tharaa)	Prime Investments Fund Management	10	10.21	10.30
CIB (EI Thabet)	CI Capital Asset Management	100	-	100.59
<b>Open-end Islamic Funds</b>				
Faisal Islamic Bank	EFG-Hermes	100	87.41	67.06
AI Baraka Bank Egypt	EFG-Hermes	100	63.89	50.30
Faisal Islamic Bank - CIB (AI Amman)	CI Capital Asset Management	100	44.59	36.63
Banque Misr IV	HC Securities	100	68.59	55.74
Sanabel Fund	Prime Investments Fund Management	100	73.08	63.31
Egyptian Saudi Finance -National Bank of Egypt (Bashayer)	AI Ahly Fund Management	100	69.87	63.16
EI Watany Bank of Egypt(Alhayah)	EI Watany Capital Asset Management	10	9.49	8.22
Arab Investment Bank Fund II (Helal)	Cairo Funds Management	100	100.30	100.37
<b>Mixed Income Funds</b>				
AI Rabeh Fund	Prime Investments Fund Management	100	100.98	101.08
<b>Open-end Islamic Balanced Funds</b>				
AI Baraka Bank - Egypt (AI Motawazen)	AT. Asset Management	100	96.33	85.94
<b>Closed-end Funds</b>				
Orient Trust	Egyptian Investment & Finance Co.	1000	1223.14	1187.76
Misr Direct Investment Fund	AI Ahly Development & Investment	1000	1035.00	1035.00
Arab Land Direct	Prime Investments Fund Management	1000	695.78	657.76
<b>Capital Guaranteed Funds</b>				
Misr Bank (EI Omr Fund)	Cairo Funds Management	100	233.51	238.73
<b>Capital Protected Funds</b>				
CIB Fund (Hamaya)	CI Capital Asset Management	100	102.84	104.73
<b>Asset Allocator Funds</b>				
Societe Arab Int'l Banque I +++++	Prime Investments Fund Management	100	390.84	338.63
Societe Arab Int'l Banque II	Prime Investments Fund Management	100	270.22	230.16
<b>Foreign Currency Funds</b>				
Misr Money Market (\$)	Beltone Asset Management	10\$	10.70\$	10.71\$
Misr Money Market (Euro)	Beltone Asset Management	10 €	10.75 €	10.76 €
<b>Fund of Funds</b>				
Misr Iran Development Bank III (Wafi)	EI Rashad Asset Management	10	8.92	8.11
National Bank of Egypt VII	EI Rashad Asset Management	100	84.30	76.77

Source: Monthly Bulletin of Egyptian Stock Exchange.

+ The fund's document has been split into ratio of 1: 50 as of 29/11/2007. The fund has also changed its structure from Balanced to Equity during the period (12 March 2009 - 4 February 2010).

++ The document has been split into ratio of 1:5 as of 10/11/2009.

+++ The name of Misr International Bank fund has changed to Shield Fund starting from 2/4/2006 and the document has been split into a ratio of 1:2 on the same date. The par value has also changed from LE 100 to LE 50.

++++ The fund has changed its type effective from 18/8/2011 to become an open-end equity fund instead of an open-end balanced fund.

+++++ The fund's document has been split into ratio of 1: 5 and the par value has also changed from LE 500 to LE 100 as of 29/3/2007.

**(2/3/1) Note Issued by Denomination**

(LE mn)

End of	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>			
	Sept.	June	Sept.	June	Sept.	June	Sept.
<u>Currency By Denomination</u>	<u>121919</u>	<u>127625</u>	<u>137333</u>	<u>145914</u>	<u>155138</u>	<u>179794</u>	<u>187129</u>
PT 25	185	160	245	184	178	161	156
PT 50	356	309	308	294	299	303	299
LE 1	905	772	754	845	871	909	900
LE 5	1489	1309	1905	1619	2550	2738	2749
LE 10	3433	2991	3400	2930	3359	2983	2972
LE 20	7880	6419	6692	5619	6510	9950	10371
LE 50	25120	23045	22072	18836	18770	22350	21575
LE 100	57494	61561	67455	69299	70427	73444	74007
LE 200 *	25057	31059	34502	46288	52174	66956	74100

Source: Central Bank of Egypt

\* The LE 200 note has been in circulation as of May 2007.

## (2/3/2) Currency in Circulation Outside CBE by Denomination

	(LE mn)							
	<u>2008</u>		<u>2009</u>		<u>2010</u>		<u>2011</u>	
End of	Sept.	June	Sept.	June	Sept.	June	Sept.	
<b><u>Total</u></b>	<b><u>120913</u></b>	<b><u>126268</u></b>	<b><u>135583</u></b>	<b><u>144253</u></b>	<b><u>153079</u></b>	<b><u>179096</u></b>	<b><u>184981</u></b>	
Subsidiary Coins & Notes*	281	287	292	306	311	324	333	
PT 25	182	158	244	184	178	161	156	
PT 50	347	308	308	292	298	302	299	
LE 1	896	770	752	843	868	907	898	
LE 5	1424	1257	1827	1495	2434	2654	2693	
LE 10	3286	2911	3290	2844	3291	2886	2904	
LE 20	7628	6297	6513	5480	6246	9672	9893	
LE 50	24932	22898	21831	18704	18457	22246	21281	
LE 100	57100	60867	66635	68641	69576	73269	73091	
LE 200+	24837	30515	33891	45464	51420	66675	73433	

Source: Central Bank of Egypt

\* Issued by the Ministry of Finance

+ The LE 200 note has been in circulation as of May 2007.

**(2/3/3) CBE: Transactions via RTGS and SWIFT**

During	Fiscal Year					July/September	
	2006/2007	2007/2008	2008/2009	2009/2010	2010/2011	2010/2011	2011/2012
<u>Local Currency Transactions via RTGS*</u>							
1- Automated Clearing House (ACH)							
Number of transactions (thousand)	10481	11724	12062	12994	13012	3193	3072
Value of transactions (LE mn)	356900	483113	548038	584546	626757	154102	162014
2- Other Transactions via RTGS**							
Number of transactions (in unit)	525236	700668	897205	1191374	1248692	316691	309136
Value of transactions (LE mn)	2280198	3092401	5294357	13274677	15879701	3802138	2338931
<u>Foreign Currency Transfers (Dollar Interbank Transactions) via the Fin-Copy System***</u>							
Number of transactions (in unit)	12070	13925	12365	12204	15066	3179	3405
Value of transactions (US\$ mn)	78997	105587	83019	70008	88052	19624	16601

Source: Central Bank of Egypt.

\* The RTGS was launched on 15 /3/ 2009.

\*\* Including corridor operations and deposits for monetary policy purposes as of 15/3/2009.

\*\*\* This service was introduced on 19/ 9/ 2004.

**(2/4/1) Banks : Aggregate Financial Position**

	( LE mn )							
	<u>2008</u>		<u>2009</u>		<u>2010</u>		<u>2011</u>	
End of	Sept.	June	Sept.	June	Sept.	June	Sept.	
<b><u>Assets</u></b>								
Cash	11485	11128	12070	12448	13459	14830	14378	
Securities & investments in TBs	219146	332597	348061	405895	423444	474176	477618	
Balances with banks in Egypt, of which:	250323	173482	184166	200719	231385	117010	121883	
Loans and discounts	1259	775	646	729	954	885	941	
Balances with banks abroad, of which:	86038	77120	79758	57371	62049	96080	82467	
Loans and discounts	4782	1869	1699	2004	1547	1398	1740	
Loan and discount balances	422706	429957	429793	465990	467397	474139	478956	
Other assets	87404	67709	79913	78232	97769	93455	120783	
<b>Assets =Liabilities</b>	<b>1077102</b>	<b>1091993</b>	<b>1133761</b>	<b>1220655</b>	<b>1295503</b>	<b>1269690</b>	<b>1296085</b>	
<b><u>Liabilities</u></b>								
Capital	39215	41550	43294	46598	50423	59049	59346	
Reserves	17628	21371	21076	28486	26273	22056	24536	
Provisions	71281	69748	70917	70418	73228	55106	52135	
Bonds & Long-term loans	22644	22045	22107	21697	26518	26180	26141	
Obligations to banks in Egypt	59423	31004	34172	53881	73218	28171	21621	
Obligations to banks abroad	14982	18195	17461	20305	22772	15168	13710	
Total deposits	755020	809694	821675	892492	915782	957037	969780	
Other liabilities, of which:	96909	78386	103059	86778	107289	106923	128816	
Cheques payable	4801	3576	3613	4764	4525	5143	9756	

Source : Central Bank of Egypt

(2/4/2) Banks : Deposits by Maturity

( LE mn )

End of	<u>2008</u>		<u>2009</u>		<u>2010</u>		<u>2011</u>	
	Sept.	June	Sept.	June	Sept.	June	Sept.	
<b><u>Total Deposits</u></b>	<b><u>755020</u></b>	<b><u>809694</u></b>	<b><u>821675</u></b>	<b><u>892492</u></b>	<b><u>915782</u></b>	<b><u>957037</u></b>	<b><u>969780</u></b>	
Demand deposits	103240	102853	101969	119518	119987	130087	130501	
Time & saving deposits and saving accounts	619640	673048	686847	738650	762577	789407	801428	
Blocked or retained deposits	32140	33793	32859	34324	33218	37543	37851	
<b><u>Local Currency Deposits</u></b>	<b><u>558475</u></b>	<b><u>598587</u></b>	<b><u>616723</u></b>	<b><u>686052</u></b>	<b><u>708970</u></b>	<b><u>724878</u></b>	<b><u>738078</u></b>	
Demand deposits	73184	69262	69794	84152	84458	86967	87281	
Time & saving deposits and saving accounts	466468	509156	527319	580020	603322	615839	627673	
Blocked or retained deposits	18823	20169	19610	21880	21190	22072	23124	
<b><u>Foreign Currency Deposits</u></b>	<b><u>196545</u></b>	<b><u>211107</u></b>	<b><u>204952</u></b>	<b><u>206440</u></b>	<b><u>206812</u></b>	<b><u>232159</u></b>	<b><u>231702</u></b>	
Demand deposits	30056	33591	32175	35366	35529	43120	43220	
Time & saving deposits and saving accounts	153172	163892	159528	158630	159255	173568	173755	
Blocked or retained deposits	13317	13624	13249	12444	12028	15471	14727	

Source : Central Bank of Egypt.

(2/4/3) Banks : Deposits by Sector

( LE mn )

End of	<u>2008</u>		<u>2009</u>		<u>2010</u>		<u>2011</u>	
	Sept.	June	Sept.	June	Sept.	June	Sept.	
<b><u>Total Deposits</u></b>	<b><u>755020</u></b>	<b><u>809694</u></b>	<b><u>821675</u></b>	<b><u>892492</u></b>	<b><u>915782</u></b>	<b><u>957037</u></b>	<b><u>969780</u></b>	
<b><u>Local Currency Deposits</u></b>	<b><u>558475</u></b>	<b><u>598587</u></b>	<b><u>616723</u></b>	<b><u>686052</u></b>	<b><u>708970</u></b>	<b><u>724878</u></b>	<b><u>738078</u></b>	
Government sector	49359	49564	54911	58496	58944	56728	60556	
Public business sector *	28925	28800	29184	32726	32349	29278	26861	
Private business sector	109197	104250	108093	114372	119270	103965	100605	
Household sector	367516	413558	422099	477842	495263	532032	546541	
Foreign sector **	3478	2415	2436	2616	3144	2875	3515	
<b><u>Foreign Currency Deposits</u></b>	<b><u>196545</u></b>	<b><u>211107</u></b>	<b><u>204952</u></b>	<b><u>206440</u></b>	<b><u>206812</u></b>	<b><u>232159</u></b>	<b><u>231702</u></b>	
Government sector	34018	41481	41026	45618	45682	51403	50925	
Public business sector *	9499	8735	8954	6474	6619	7549	8199	
Private business sector	56802	58321	55157	54907	55518	60241	62552	
Household sector	93798	100210	97382	96875	96088	109248	106409	
Foreign sector**	2428	2360	2433	2566	2905	3718	3617	

Source : Central Bank of Egypt

\* Including all public sector companies subject or not to Law No. 203 for 1991.

\*\* Including counterpart deposits of USAID .



**(2/4/4) Banks : Deposits by Economic Activity**

	( LE mn )							
	<u>2008</u>		<u>2009</u>		<u>2010</u>		<u>2011</u>	
End of	Sept.	June	Sept.	June	Sept.	June	Sept.	
<b><u>Total Deposits</u></b>	<b><u>755020</u></b>	<b><u>809694</u></b>	<b><u>821675</u></b>	<b><u>892492</u></b>	<b><u>915782</u></b>	<b><u>957037</u></b>	<b><u>969780</u></b>	
<b><u>Local Currency Deposits</u></b>	<b><u>558475</u></b>	<b><u>598587</u></b>	<b><u>616723</u></b>	<b><u>686052</u></b>	<b><u>708970</u></b>	<b><u>724878</u></b>	<b><u>738078</u></b>	
Agriculture	5055	6323	6950	5072	4513	3792	3616	
Manufacturing	36271	37537	37685	38302	41220	38119	37111	
Trade	23050	20850	22357	27829	25312	24304	21788	
Services	55784	53846	55980	64895	66824	62311	60310	
Unclassified sectors	438315	480031	493751	549954	571101	596352	615253	
<b><u>Foreign Currency Deposits</u></b>	<b><u>196545</u></b>	<b><u>211107</u></b>	<b><u>204952</u></b>	<b><u>206440</u></b>	<b><u>206812</u></b>	<b><u>232159</u></b>	<b><u>231702</u></b>	
Agriculture	1099	904	792	930	729	771	883	
Manufacturing	24668	27757	27877	23772	23697	24876	24915	
Trade	12184	12046	9734	11065	10817	14182	14929	
Services	28659	25848	24571	25767	26770	28529	28959	
Unclassified sectors	129935	144552	141978	144906	144799	163801	162016	

Source : Central Bank of Egypt

**(2/4/5) Banks : Portfolio Investments by Sector+**

( LE mn )

End of	<u>2008</u>		<u>2009</u>		<u>2010</u>		<u>2011</u>	
	Sept.	June	Sept.	June	Sept.	June	Sept.	
<b><u>Total</u></b>	<b><u>219146</u></b>	<b><u>332597</u></b>	<b><u>348061</u></b>	<b><u>405895</u></b>	<b><u>423444</u></b>	<b><u>474176</u></b>	<b><u>477618</u></b>	
<b><u>In Local Currency</u></b>	<b><u>185305</u></b>	<b><u>297194</u></b>	<b><u>313160</u></b>	<b><u>338834</u></b>	<b><u>329315</u></b>	<b><u>442648</u></b>	<b><u>448451</u></b>	
Government sector	154317	262044	277272	303297	292131	407814	414894	
Public business sector *	1381	1338	1392	1052	1047	980	950	
Private business sector	29577	33755	34439	34394	36047	33764	32517	
Household sector	-	-	-	-	-	-	-	
Foreign sector	30	57	57	91	90	90	90	
<b><u>In Foreign Currencies</u></b>	<b><u>33841</u></b>	<b><u>35403</u></b>	<b><u>34901</u></b>	<b><u>67061</u></b>	<b><u>94129</u></b>	<b><u>31528</u></b>	<b><u>29167</u></b>	
Government sector	13777	14051	13880	15579	15516	4382	2955	
Public business sector *	-	-	-	-	-	-	-	
Private business sector	4717	5532	5334	5597	5728	5475	5534	
Household sector	-	-	-	-	-	-	-	
Foreign sector	15347	15820	15687	45885	72885	21671	20678	

Source : Central Bank of Egypt

+ Excluding CBE notes.

\*Including all public sector companies subject or not to Law No. 203 for 1991.

**(2/4/6) Banks : Lending and Discount Balances by Sector**

	( LE mn )							
	<u>2008</u>		<u>2009</u>		<u>2010</u>		<u>2011</u>	
End of	Sept.	June	Sept.	June	Sept.	June	Sept.	
<b><u>Total</u></b>	<b><u>422706</u></b>	<b><u>429957</u></b>	<b><u>429793</u></b>	<b><u>465990</u></b>	<b><u>467397</u></b>	<b><u>474139</u></b>	<b><u>478956</u></b>	
<b><u>In Local Currency</u></b>	<b><u>275899</u></b>	<b><u>295192</u></b>	<b><u>295330</u></b>	<b><u>313654</u></b>	<b><u>315488</u></b>	<b><u>327764</u></b>	<b><u>333046</u></b>	
Government sector	8783	12946	14062	15389	18955	18191	17656	
Public business sector *	20158	23725	25125	21051	21918	24560	26472	
Private business sector	171294	177107	172851	185694	182519	187810	188326	
Household sector	74352	78827	81589	90266	90787	96112	99540	
Foreign sector	1312	2587	1703	1254	1309	1091	1052	
<b><u>In Foreign Currencies</u></b>	<b><u>146807</u></b>	<b><u>134765</u></b>	<b><u>134463</u></b>	<b><u>152336</u></b>	<b><u>151909</u></b>	<b><u>146375</u></b>	<b><u>145910</u></b>	
Government sector	22149	17802	18377	23995	18147	21611	20371	
Public business sector *	7880	9155	8092	8761	8628	8127	8112	
Private business sector	99276	90778	90365	101454	103281	96945	98043	
Household sector	9026	5762	3208	2526	2766	3095	2573	
Foreign sector	8476	11268	14421	15600	19087	16597	16811	

Source : Central Bank of Egypt

\*Including all public sector companies subject or not to Law No. 203 for 1991.

**(2/4/7) Banks : Credit by Sector**

	( LE mn )							
	<u>2008</u>		<u>2009</u>		<u>2010</u>		<u>2011</u>	
End of	Sept.	June	Sept.	June	Sept.	June	Sept.	
<b><u>Total</u></b>	<b><u>641852</u></b>	<b><u>762554</u></b>	<b><u>777854</u></b>	<b><u>871885</u></b>	<b><u>890841</u></b>	<b><u>948315</u></b>	<b><u>956574</u></b>	
<b><u>In Local Currency</u></b>	<b><u>461204</u></b>	<b><u>592386</u></b>	<b><u>608490</u></b>	<b><u>652488</u></b>	<b><u>644803</u></b>	<b><u>770412</u></b>	<b><u>781497</u></b>	
Government sector	163100	274990	291334	318686	311086	426005	432550	
Public business sector *	21539	25063	26517	22103	22965	25540	27422	
Private business sector	200871	210862	207290	220088	218566	221574	220843	
Household sector	74352	78827	81589	90266	90787	96112	99540	
Foreign sector	1342	2644	1760	1345	1399	1181	1142	
<b><u>In Foreign Currencies</u></b>	<b><u>180648</u></b>	<b><u>170168</u></b>	<b><u>169364</u></b>	<b><u>219397</u></b>	<b><u>246038</u></b>	<b><u>177903</u></b>	<b><u>175077</u></b>	
Government sector	35926	31853	32257	39574	33663	25993	23326	
Public business sector *	7880	9155	8092	8761	8628	8127	8112	
Private business sector	103993	96310	95699	107051	109009	102420	103577	
Household sector	9026	5762	3208	2526	2766	3095	2573	
Foreign sector	23823	27088	30108	61485	91972	38268	37489	

Source : Central Bank of Egypt

\* Including all public sector companies subject or not to Law No. 203 for 1991.

**(2/4/8) Banks : Lending and Discount Balances by Economic Activity**

	( LE mn )							
	<u>2008</u>		<u>2009</u>		<u>2010</u>		<u>2011</u>	
End of	Sept.	June	Sept.	June	Sept.	June	Sept.	
<b><u>Total</u></b>	<b><u>422706</u></b>	<b><u>429957</u></b>	<b><u>429793</u></b>	<b><u>465990</u></b>	<b><u>467397</u></b>	<b><u>474139</u></b>	<b><u>478956</u></b>	
<b><u>In Local Currency</u></b>	<b><u>275899</u></b>	<b><u>295192</u></b>	<b><u>295330</u></b>	<b><u>313654</u></b>	<b><u>315488</u></b>	<b><u>327764</u></b>	<b><u>333046</u></b>	
Agriculture	5626	5137	4498	4856	4412	6800	5818	
Manufacturing	78203	94674	91387	94810	96818	100646	102433	
Trade	43888	44079	43588	51241	39689	37186	36129	
Services	72300	69766	72440	70931	82189	85578	87729	
Unclassified sectors	75882	81536	83417	91816	92380	97554	100937	
<b><u>In Foreign Currencies</u></b>	<b><u>146807</u></b>	<b><u>134765</u></b>	<b><u>134463</u></b>	<b><u>152336</u></b>	<b><u>151909</u></b>	<b><u>146375</u></b>	<b><u>145910</u></b>	
Agriculture	1853	2165	2091	1554	1591	2314	2187	
Manufacturing	71000	61808	62043	79423	73167	70744	69179	
Trade	18344	14646	15440	15134	15781	10445	9980	
Services	38102	39117	37259	38084	39512	43180	45179	
Unclassified sectors	17508	17029	17630	18141	21858	19692	19385	

Source : Central Bank of Egypt

(2/5/1) Discount and Interest Rates on Deposits and Loans  
in Egyptian Pound

(Annually %)

End of	Discount Rate	Average Interest Rates in Banks**				Interest Rate on Investment Certificates		Interest Rate on Post Office Saving Deposits*
		More than one-month and less than or equal to three-month deposits	More than three-month and less than or equal to six-month deposits	More than six-month and less than or equal to one year deposits	Less than or equal to one year loans	Simple Return	Of increasing certificate value	
<b>January 2009</b>	11.50	7.30	7.60	8.30	12.60	10.00	9.50	9.50
February	10.50	7.30	7.60	8.30	12.60	"	"	"
March	10.00	7.10	7.50	8.30	12.40	"	"	"
April	10.00	7.00	7.30	8.20	12.30	"	"	"
May	9.50	6.70	7.10	7.90	12.30	"	"	"
June	9.00	6.50	7.00	7.80	12.10	"	"	"
July	9.00	6.20	6.90	7.50	12.10	"	"	9.00
August	8.50	6.10	6.60	7.30	12.00	"	"	"
September	"	6.00	6.50	7.10	11.60	9.50	9.00	"
October	"	5.90	6.40	6.90	11.40	"	"	"
November	"	5.90	6.30	6.80	11.30	"	"	"
December	"	5.90	6.30	6.70	11.00	"	"	"
<b>January 2010</b>	"	5.90	6.40	6.70	11.10	"	"	"
February	"	5.90	6.40	6.70	11.00	"	"	"
March	"	6.00	6.40	6.70	11.10	"	"	"
April	"	6.00	6.40	6.70	11.10	"	"	"
May	"	5.90	6.50	6.80	11.20	"	"	"
June	"	6.30	6.90	7.30	11.10	"	"	"
July	"	6.30	6.90	7.20	11.10	"	"	"
August	"	6.30	6.90	7.20	10.90	"	"	"
September	"	6.40	7.00	7.20	10.90	"	"	"
October	"	6.60	6.90	7.30	11.00	"	"	"
November	"	6.60	6.90	7.30	10.90	"	"	"
December	"	6.60	6.90	7.20	10.70	"	"	"
<b>January 2011</b>	"	6.50	6.90	7.30	10.70	"	"	"
February	"	6.50	6.90	7.20	10.60	"	"	"
March	"	6.50	6.90	7.30	10.70	"	"	"
April	"	6.60	6.90	7.30	10.80	"	"	"
May	"	6.70	6.90	7.40	10.80	"	"	"
June	"	6.60	6.90	7.40	11.00	"	"	"
July	"	6.70	6.90	7.60	11.00	"	"	"
August	"	6.70	6.90	7.60	11.10	"	"	"
September	"	6.80	6.90	7.60	11.20	"	"	"

Source: Central Bank of Egypt and the Egyptian National Post Authority

\* Up till June 2008, the deposits remaining for more than one year earned an additional 0.25% interest rate, but this was abolished as of July 2008.

\*\* As of June 2010, maturities have been changed and the data on interest rates (on deposits and loans) have been compiled according to the Domestic Money Monitoring System (DMMS).

**(2/5/2) Domestic Interest Rates on 3-Month Deposits  
in Major Currencies**

**( Annually % )**

End of	US Dollar		Sterling Pound		Euro	
	Min.	Max.	Min.	Max.	Min.	Max.
<b>January 2009</b>	0.83	1.03	0.92	1.17	1.13	1.38
February	0.90	1.10	0.82	1.07	0.86	1.11
March	0.88	1.08	0.47	0.72	0.55	0.80
April	0.69	0.89	0.62	0.87	0.63	1.13
May	0.31	0.51	0.43	0.68	0.52	1.02
June	0.41	0.61	0.62	0.87	0.66	1.16
July	0.29	0.49	0.31	0.56	0.33	0.83
August	0.18	0.38	0.15	0.35	0.26	0.76
September	0.12	0.29	0.15	0.22	0.16	0.66
October	0.13	0.28	0.15	0.41	0.20	0.54
November	0.12	0.26	0.15	0.43	0.20	0.54
December	0.11	0.25	0.15	0.42	0.20	0.53
<b>January 2010</b>	0.11	0.24	0.15	0.43	0.18	0.49
February	0.11	0.25	0.16	0.45	0.18	0.48
March	0.13	0.28	0.16	0.45	0.17	0.47
April	0.15	0.32	0.17	0.46	0.18	0.47
May	0.24	0.53	0.18	0.50	0.19	0.51
June	0.24	0.53	0.18	0.51	0.20	0.53
July	0.21	0.47	0.19	0.52	0.25	0.66
August	0.14	0.30	0.18	0.50	0.25	0.66
September	0.13	0.28	0.18	0.51	0.25	0.66
October	0.13	0.28	0.18	0.52	0.29	0.78
November	0.13	0.28	0.18	0.52	0.29	0.78
December	0.14	0.30	0.19	0.53	0.28	0.75
<b>January 2011</b>	0.14	0.30	0.19	0.54	0.30	0.79
February	0.14	0.31	0.20	0.56	0.31	0.83
March	0.14	0.30	0.20	0.57	0.35	0.93
April	0.12	0.27	0.20	0.57	0.40	1.06
May	0.11	0.25	0.21	0.58	0.41	1.11
June	0.11	0.24	0.21	0.58	0.44	1.18
July	0.11	0.25	0.21	0.58	0.47	1.25
August	0.14	0.31	0.22	0.61	0.44	1.18
September	0.16	0.36	0.24	0.66	0.45	1.19

Source: National Bank of Egypt.

**(2/5/3) Interest Rates on Treasury Bills  
(Weekly Weighted Averages)**

(%)

		91 days	182 days	252 days	259 days	266 days	273 days	280 days	343 days	350 days	357 days	364 days	371 days
<b><u>July 2011</u></b>													
First week	(5/7)	12.112	..	..	..	..	12.887	..	..	..	..	..	..
Second week	(12/7)	11.934	12.632	..	..	12.816	..	..	..	..	..	12.900	..
Third week	(19/7)	11.839	12.544	..	12.757	..	..	..	..	..	12.851	..	..
Fourth week	(26/7)	11.756	12.385	..	..	..	..	..	..	12.781	..	..	..
<b>Monthly Average</b>		11.910	12.520	..	12.757	12.816	12.887	0.000	0.000	12.781	12.851	12.900	0.000
<b><u>August 2011</u></b>													
First week	(2/8)	11.874	12.424	..	..	..	12.858	..	..	..	..	12.847	..
Second week	(9/8)	11.995	12.529	..	..	12.943	..	..	..	..	12.939	..	..
Third week	(16/8)	11.907	12.475	..	12.912	..	..	..	..	12.979	..	..	..
Fourth week	(23/8)	11.928	12.481	..	..	..	12.932	..	..	..	..	12.979	..
	(30/8)	11.995	12.552	..	..	12.981	..	..	..	..	12.985	..	..
<b>Monthly Average</b>		11.940	12.492	..	12.912	12.962	12.895	0.000	0.000	12.979	12.962	12.913	0.000
<b><u>September 2011</u></b>													
First week	(6/9)	12.053	12.639	..	12.983	..	..	..	..	13.078	..	..	..
Second week	(13/9)	..	12.952	..	..	..	..	..	..	..	..	13.600	..
Third week	(20/9)	12.930	13.239	..	..	..	13.842	..	..	..	13.822	..	..
Fourth week	(27/9)	13.024	13.338	..	..	13.830	..	..	..	13.882	..	..	..
<b>Monthly Average</b>		12.669	13.042	..	12.983	13.830	13.842	0.000	0.000	13.480	13.822	13.600	0.000

Source: Central Bank of Egypt.



### (3/1) Companies Listed on the Egyptian Exchange

End of	<u>2008</u>	<u>2009</u>		<u>2010</u>		<u>2011</u>	
	Sept.	June	Sept.	June	Sept.+	June+	Sept.+
<b>Number of Companies (in Unit)</b>	<b>380</b>	<b>333</b>	<b>323</b>	<b>215</b>	<b>213</b>	<b>211</b>	<b>214</b>
On the Official Schedules	120	119	119	115	0	0	0
On the Unofficial Schedules	259	213	203	100	0	0	0
On the Temporary Schedule*	1	1	1	0	0	0	0
Number of Shares (mn)	20950	22430	22392	29002	29804	32364	33053
Nominal Value of Capital (LE mn)	143351	149587	147846	134748	140108	144699	145643
Market Value of Capital (LE mn)	622159	463644	564667	410144	447857	399756	319248

#### The Market of Medium and Small Enterprises (Nilex)\*\*

Number of Companies (in Unit)				10	16	18	19
Number of Listed Shares (mn)				49	110	152	173
Total Value of Traded Shares (LE mn)				83	22	14	12
Market Value of Capital (LE mn)				407	601	1007	995

#### The Egyptian Exchange Indices\*\*\*

EGX 20 Capped	7631.9	6590.8	7814.8	6925.6	7479.3	5888.1	4522.2
EGX 30	7059.2	5702.9	6761.7	6033.1	6634.3	5373.0	4137.4
EGX 70		623.1	929.8	527.7	660.6	629.6	458.4
EGX 100			1405.5	908.7	1077.3	972.9	707.7

Source: Monthly Bulletin of Egyptian Exchange.

\* Companies which have not adjusted their statuses according to the new listing rules.

\*\* Trading in the Nilex Started on 3/6/2010.

\*\*\* The Egyptian Exchange CASE 30 Index was renamed EGX 30, while the EGX 70 index was introduced as of March 2009 to cover the biggest 70 companies other than the 30 constituent companies of EGX 30. EGX 100 was also introduced, encompassing those companies constituting EGX 30 and EGX 70, as of August 2009. EGX 20 Capped was also introduced in October 2011, which includes the most active 20 companies listed on the Egyptian Exchange. The index was computed as of the 1st of February 2003.

+ The scheduling of the number of companies has been amended according to the EFSA's BOD decision no. 50 for 2009

regarding the listing and de-listing rules of securities on the Egyptian Exchange. A time was given for companies to readjust their status.

### (3/2) Trading in Shares on the Egyptian Exchange

	<u>During July/September</u>					
	<u>2010/2011</u>			<u>2011/2012</u>		
	Number of Transactions (Unit)	Amount (Thousand)	Market Value (mn)	Number of Transactions (Unit)	Amount (Thousand)	Market Value (mn)
<b><u>In Egyptian Pound</u></b>	<b><u>1938784</u></b>	<b><u>6402492</u></b>	<b><u>40330</u></b>	<b><u>1417752</u></b>	<b><u>4758961</u></b>	<b><u>25413</u></b>
Floor Transactions	1915104	5803426	37061	1399821	4489867	22929
Over the Counter Trading	23680	599066	3269	17931	269094	2484
<b><u>In Foreign Currencies (US Dollar)</u></b>	<b><u>44270</u></b>	<b><u>169432</u></b>	<b><u>415</u></b>	<b><u>28921</u></b>	<b><u>127338</u></b>	<b><u>148</u></b>
Floor Transactions	43854	158698	212	28671	113767	94
Over the Counter Trading	416	10734	203	250	13571	54
<b><u>In Foreign Currencies (Euro)</u></b>	<b><u>1</u></b>	<b><u>48</u></b>	<b><u>18</u></b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>0</u></b>
Floor Transactions	0	0	0	0	0	0
Over the Counter Trading	1	48	18	0	0	0

Source : Egyptian Financial Supervisory Authority (EFSA) - Monthly Report of the Capital Market.

### (3/3) Trading in Bonds on the Egyptian Exchange

	<u>During July/September</u>					
	<u>2010/2011</u>			<u>2011/2012</u>		
	Number of Transactions (Unit)	Amount	Market Value (LE Thousand)	Number of Transactions (Unit)	Amount	Market Value (LE Thousand)
<b><u>In Egyptian Pound</u></b>	<b><u>328</u></b>	<b><u>15995425</u></b>	<b><u>16424247</u></b>	<b><u>346</u></b>	<b><u>5917041</u></b>	<b><u>5713216</u></b>
Floor Transactions	328	15995425	16424247	346	5917041	5713216
Over the Counter Trading	0	0	0	0	0	0
<b><u>In US Dollar</u></b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>0</u></b>
Floor Transactions	0	0	0	0	0	0
Over the Counter Trading	0	0	0	0	0	0

Source : Egyptian Financial Supervisory Authority (EFSA) - Monthly Report of the Capital Market.

### (3/4) Foreigners' Transactions on the Egyptian Exchange

	<u>During July/September</u>			
	2010/2011		2011/2012	
	Egyptian Pound	US Dollar	Egyptian Pound	US Dollar
<b><u>Net Number of Transactions (Unit)</u></b>	<b><u>49082</u></b>	<b><u>1240</u></b>	<b><u>-1941</u></b>	<b><u>-3463</u></b>
Purchases	235936	9688	164156	4451
Sales	186854	8448	166097	7914
<b><u>Net Volume of Securities (mn)</u></b>	<b><u>117</u></b>	<b><u>1</u></b>	<b><u>122</u></b>	<b><u>-6</u></b>
Purchases	907	36	769	16
Sales	790	35	647	22
<b><u>Net Value of Securities (mn)</u></b>	<b><u>1684</u></b>	<b><u>-42</u></b>	<b><u>1725</u></b>	<b><u>-11</u></b>
Purchases	11717	53	8197	18
Sales	10033	95	6472	29

Source : Egyptian Financial Supervisory Authority (EFSA) - Monthly Report of the Capital Market.

### (3/5) Global Depository Receipts (GDRs)

Company	Order & Date of Offering	Depository Bank	Sub Custodian Bank	Conversion Ratio	Volume on Offering Date (000s)	GDRs Listed on Global Exchanges		Corporate Stocks Issued on Egyptian Exchange	
						Price (\$) at end of		Price (LE) at end of	
						June-11	Sept.-11	June-11	Sept.-11
Comercial International Bank / Egypt (CIB)	July-96	Bank of New York	CIB / HSBC	1.00	9999	5.06	3.80	29.76	22.92
Suez Cement	July-96	Bank of New York	CIB / HSBC	1.00	7310	7.50	7.50	39.25	27.81
Paints & Chemicals Industries (Pachin)	Oct.-97	Bank of New York	CIB / HSBC	3.00	6297	2.80	2.80	38.42	38.17
EFG-Hermes	Aug.-98	Bank of New York	HSBC / CIB	0.50	4324	6.84	5.40	20.10	16.74
Ezz Steel	June-99	Bank of New York	CIB / HSBC	0.33	573	32.50	32.50	10.61	5.90
Holding Company for Financial Investments (Lakah Group)*	July-99	Bank of New York	CIB / HSBC	0.33	35000	0.44	0.44	-	-
Orascom Telecom Holding (OT)**	July-00	Bank of New York	CIB / HSBC	0.20	11713	3.46	2.75	4.08	3.32
Orascom Construction Industries (OCI)***	Aug.-02	Bank of New York	CIB / HSBC	1.00	50	45.95	35.75	269.64	212.92
Egypt Lebanon Ceramics (Lecico)	Nov.-04	Bank of New York	CIB / HSBC	1.00	8796	4.10	3.50	15.08	6.31
Telecom Egypt	Dec.-05	Bank of New York	CIB / HSBC	0.20	8522	12.69	12.31	14.93	14.81
Naeem Holding	Feb.-08	Bank of New York	CIB / HSBC	0.25	5625	1.44	1.12	0.36	0.28
Palm Hills Development	May-08	Bank of New York	CIB / HSBC	0.20	5435	5.30	5.125	2.33	1.25
G B Auto	May-09	Bank of New York	CIB	0.20	100	25.52	20.95	30.46	25.00
Remco for Touristic Villages Construction	May-10	JPMorgan	HSBC	0.20	1000	-	-	3.35	2.04

Source: Monthly Bulletin of the Egyptian Exchange.

\* Last closing price was on 3 March 2005 as no trading has occurred after this date.

\*\* The conversion ratio has changed to be 5 shares: 1 GDR, as of 12 April 2007.

\*\*\* The conversion ratio has changed to be 1 share: 1 GDR, as of 7 May 2009.

(3/6) Outstanding Balance of Treasury Bills (Quarterly)

(LE mn)

End of	91 days	182 days	252 days	259 days	266 days	273 days	280 days	343 days	350 days	357 days	364 days	371 days	Total
<b><u>2005</u></b>													
March	0	34550	-	-	-	-	-	-	-	-	82358	-	116908
June	2750	23900	-	-	-	-	-	-	-	-	98257	-	124907
Sept.	8900	22350	-	-	-	-	-	-	-	-	71726	-	102976
Dec.	5500	22600	-	-	-	-	-	-	-	-	67816	-	95916
<b><u>2006</u></b>													
March	6000	24100	-	-	-	-	-	-	-	-	69016	-	99116
June	7100	26500	-	-	-	-	-	-	-	-	69544	-	103144
Sept.	9900	27500	-	-	-	-	-	-	-	-	69957	-	107357
Dec.	8200	27000	-	-	-	-	-	-	-	-	71157	-	106357
<b><u>2007</u></b>													
March	11000	26000	-	-	-	-	-	-	-	-	73657	-	110657
June	9000	27500	-	-	-	-	-	-	-	-	82157	-	118657
Sept.	8500	31500	-	-	-	-	-	-	-	-	90657	-	130657
Dec.	12000	33000	-	-	-	-	-	-	-	-	100957	-	145957
<b><u>2008</u></b>													
March	10500	32500	-	-	-	-	-	-	-	-	106457	-	149457
June	6800	33000	-	-	-	-	-	-	-	-	106639	-	146439
Sept.	17000	42500	-	-	-	-	-	-	-	-	105940	-	165440
Dec.	14500	48500	-	-	-	28000	-	-	-	-	114940	-	205940
<b><u>2009</u></b>													
March	9500	51500	-	-	-	55500	-	-	6000	-	97940	-	220440
June	6021	43119	-	6000	-	77500	-	-	15000	3000	88440	-	239080
Sept.	11000	28990	-	6000	-	88500	-	-	18000	15000	82890	-	250380
Dec.	8480	32767	-	6000	10025	79442	-	-	18000	32419	64618	-	251751
<b><u>2010</u></b>													
March	20000	47264	6000	-	16025	69442	-	-	19000	39419	68118	-	285268
June	13000	46867	6000	3000	27025	45442	-	-	15000	45169	64618	-	266121
Sept.	19000	45000	15000	3000	26000	39000	-	-	21000	42169	58618	-	268787
Dec.	9975	54250	12000	3000	27500	42500	3500	-	31500	38250	59390	-	281865
<b><u>2011</u></b>													
March	22500	71250	15000	7000	28500	39000	3500	-	31500	41750	56890	3500	320390
June	33000	78000	7325	16500	30250	41866	3500	2785	36840	43552	58985	3500	356103
Sept.	22000	78000	4325	23250	35250	36366	0	2785	40665	43202	60585	3500	349928

Source : Central Bank of Egypt.

**(3/7) Outstanding Balance of Treasury Bills (Weekly)**

(LE mn)													
	91 days	182 days	252 days	259 days	266 days	273 days	280 days	343 days	350 days	357 days	364 days	371 days	Total
<b><u>July 2011</u></b>													
First week (5/7)	32500	75500	7325	16500	27250	40366	3500	2785	36840	43552	58985	3500	348603
Second week (12/7)	33000	75000	7325	16500	30750	40366	3500	2785	33840	40552	59485	3500	346603
Third week (19/7)	33500	75500	7325	20000	30750	40366	3500	2785	33840	44052	59485	3500	354603
Fourth week (26/7)	34000	74000	7325	20000	29250	37366	3500	2785	37340	44052	59485	3500	352603
<b>End of Month</b>	<b>34000</b>	<b>74000</b>	<b>7325</b>	<b>20000</b>	<b>29250</b>	<b>37366</b>	<b>3500</b>	<b>2785</b>	<b>37340</b>	<b>44052</b>	<b>59485</b>	<b>3500</b>	<b>352603</b>
<b><u>August 2011</u></b>													
First week (2/8)	34000	74000	4325	20000	26250	40366	3500	2785	37340	44052	62985	3500	353103
Second week (9/8)	35000	72500	4325	20000	29750	40366	3500	2785	34340	44552	59985	3500	350603
Third week (16/8)	34000	70000	4325	21500	29750	40366	3500	2785	36665	44552	59985	3500	350928
Fourth week (23/8)	34000	69500	4325	21500	29750	43866	3500	2785	36665	44552	63085	3500	357028
(30/8)	33500	69500	4325	21500	31750	43866	3500	2785	33665	42952	60085	3500	350928
<b>End of Month</b>	<b>33500</b>	<b>69500</b>	<b>4325</b>	<b>21500</b>	<b>31750</b>	<b>43866</b>	<b>3500</b>	<b>2785</b>	<b>33665</b>	<b>42952</b>	<b>60085</b>	<b>3500</b>	<b>350928</b>
<b><u>September 2011</u></b>													
First week (6/9)	33000	69000	4325	23250	31750	41366	0	2785	37165	42952	60085	3500	349178
Second week (13/9)	30500	69500	4325	23250	31750	41366	0	2785	37165	42952	63585	3500	350678
Third week (20/9)	29500	69500	4325	23250	31750	39866	0	2785	37165	43202	60585	3500	345428
Fourth week (27/9)	22000	78000	4325	23250	35250	36366	0	2785	40665	43202	60585	3500	349928
<b>End of Month</b>	<b>22000</b>	<b>78000</b>	<b>4325</b>	<b>23250</b>	<b>35250</b>	<b>36366</b>	<b>0</b>	<b>2785</b>	<b>40665</b>	<b>43202</b>	<b>60585</b>	<b>3500</b>	<b>349928</b>

Source: Central Bank of Egypt.

**(3/8) Outstanding Balance of Treasury Bonds\***

**End of Sept. 2011**

<b>Tranche</b>	<b>Date of Issue</b>	<b>Value (LE bn)</b>	<b>Interest Rate%</b>	<b>Duration</b>	<b>Maturity &amp; Due Date</b>
<b><u>Bonds under the Primary Dealers System **</u></b>					
Eleventh	26/10/2004	5.0	11.500	7 years	26/10/2011
Twelveth	16/11/2004	5.0	11.625	10 years	16/11/2014
Fourteenth	18/01/2005	1.0	11.400	20 years	18/01/2025
Eighteenth	20/09/2005	6.0	9.100	7 years	20/09/2012
Twenty First	15/11/2005	5.0	9.300	10 years	15/11/2015
Twenty Third	24/01/2006	6.0	8.850	7 years	24/01/2013
Twenty Seventh	29/05/2007	2.0	9.450	7 years	29/05/2014
Twenty Eighth	25/09/2007	2.0	8.450	7 years	25/09/2014
Twenty Ninth	23/10/2007	2.0	8.600	8 years	23/10/2015
Thirtieth	13/11/2007	5.0	8.550	6 years	13/11/2013
Thirty First	22/01/2008	3.0	8.700	8 years	22/01/2016
Thirty Second	12/02/2008	1.5	9.150	10 years	12/02/2018
Thirty Third	19/02/2008	3.0	9.200	6 years	19/02/2014
Thirty Fourth	27/05/2008	3.0	10.650	7 years	27/05/2015
Thirty Fifth	10/06/2008	2.0	10.950	8 years	10/06/2016
Thirty Sixth	13/01/2009	6.0	12.000	3 years	13/01/2012
Thirty Seventh	10/02/2009	6.0	12.000	5 years	10/02/2014
Thirty Eighth	14/04/2009	5.0	10.550	5 years	14/04/2014
Thirty Nineth	28/04/2009	6.0	10.350	3 years	28/04/2012
Fortieth	09/06/2009	6.0	11.000	7 years	09/06/2016
Fourty Second	28/07/2009	6.0	10.800	4 years	28/07/2013
Fourty Third	11/08/2009	6.0	10.450	3 years	11/08/2012
Fourty Fourth	15/09/2009	5.1	10.900	5 years	15/09/2014
Fourty Fifth	29/09/2009	6.0	10.900	4 years	29/09/2013
Fourty Sixth	24/11/2009	2.0	12.170	4 years	24/11/2013
Fourty Seventh	08/12/2009	6.5	12.500	5 years	08/12/2014
Fourty Eighth	15/12/2009	5.1	12.800	6 years	15/12/2015
Fourty Nineth	05/01/2010	8.0	12.350	3 years	05/01/2013
Fiftieth	16/02/2010	13.5	12.600	7 years	16/02/2017
Fifty First	02/03/2010	10.0	12.250	5 years	02/03/2015
Fifty Second	06/04/2010	9.5	11.350	3 years	06/04/2013
Fifty Third	06/07/2010	10.0	11.550	3 years	06/07/2013
Fifty Fourth	20/07/2010	7.5	12.550	5 years	20/07/2015
Fifty Fifth	03/08/2010	5.5	13.000	10 years	03/08/2020
Fifty Sixth	05/10/2010	11.5	11.600	3 years	05/10/2013
Fifty Seventh	19/10/2010	7.5	12.350	5 years	14/09/2015
Fifty Eighth	18/01/2011	3.0	11.630	3 years	18/01/2014
Fifty Nineth	26/07/2011	8.0	13.100	2 years	26/07/2013
Sixtieth	02/08/2011	10.0	13.350	3 years	02/08/2014
<b>Total</b>		<b>221.2</b>			

\* According to Law No. (4) for 1995.

\*\* This system was put into force as of July 2004, in virtue of the Minister of Finance's Decree No. 480 for 2002 and the provisions governing it, issued by the Minister of Finance's Decree No. 723 for 2002, in accordance with the provisions of Article (7) of Law No. 92 for 2004.



**(4/1) Consolidated Fiscal Operations of the General Government**  
**( The Budget Sector, NIB and SIFs )**  
**(Total Expenditures)**

( LE mn )

	2011/2012			
	Estimates		3 Months (Actual)	
	The Budget Sector	The Budget Sector, NIB & SIFs	The Budget Sector	The Budget Sector, NIB & SIFs
<b><u>Total Expenditures</u></b>	<b><u>490590</u></b>	<b><u>527421</u></b>	<b><u>84403</u></b>	<b><u>96929</u></b>
<b><u>Compensation of Employees</u></b>	<b><u>117497</u></b>	<b><u>119103</u></b>	<b><u>27256</u></b>	<b><u>27622</u></b>
Salaries and wages	85229	86682	22547	22885
Social contributions	10095	10222	2708	2733
Other	22173	22199	2001	2004
<b><u>Purchases of Goods and Services</u></b>	<b><u>30255</u></b>	<b><u>30553</u></b>	<b><u>3286</u></b>	<b><u>3346</u></b>
Goods	13005	13030	1278	1283
Services	12611	12821	1741	1781
Other	4639	4702	267	282
<b><u>Interests</u></b>	<b><u>106299</u></b>	<b><u>96652</u></b>	<b><u>24114</u></b>	<b><u>21235</u></b>
Foreign interests	4664	4664	1086	1086
Domestic interests	101635	91988	23028	20149
To NIB &SIFs	20167	0	4640	0
To others	81468	91988	18388	20149
<b><u>Subsidies, Grants and Social Benefits</u></b>	<b><u>157755</u></b>	<b><u>201944</u></b>	<b><u>17055</u></b>	<b><u>31896</u></b>
<b><u>Subsidies</u></b>	<b><u>132928</u></b>	<b><u>132928</u></b>	<b><u>11972</u></b>	<b><u>11972</u></b>
To GASC	18884	18884	4791	4791
To petroleum	95535	95535	5400	5400
To others	18509	18509	1781	1781
<b><u>Grants</u></b>	<b><u>6375</u></b>	<b><u>6375</u></b>	<b><u>1539</u></b>	<b><u>1539</u></b>
<b><u>Social Benefits</u></b>	<b><u>13766</u></b>	<b><u>57955</u></b>	<b><u>3337</u></b>	<b><u>18178</u></b>
Contribution to SIFs	10700	0	750	0
Other	3066	57955	2587	18178
<b><u>Other</u></b>	<b><u>4686</u></b>	<b><u>4686</u></b>	<b><u>207</u></b>	<b><u>207</u></b>
<b><u>Other Expenditures</u></b>	<b><u>31623</u></b>	<b><u>31750</u></b>	<b><u>7982</u></b>	<b><u>8072</u></b>
Defense	25290	25290	7173	7173
Other	6333	6460	809	899
<b><u>Purchases of Non-Financial Assets(Investments)</u></b>	<b><u>47161</u></b>	<b><u>47419</u></b>	<b><u>4710</u></b>	<b><u>4758</u></b>
Fixed assets	42802	43060	4328	4376
Others	4359	4359	382	382

Source: The Ministry of Finance .

**(4/2) Consolidated Fiscal Operations of the General Government  
( The Budget Sector, NIB and SIFs )**

(Total Revenues)

( LE mn )

	2011/2012			
	Estimates		3 Months (Actual)	
	The Budget Sector	The Budget Sector, NIB & SIFs	The Budget Sector	The Budget Sector, NIB & SIFs
<b><u>Total Revenues</u></b>	<b><u>349647</u></b>	<b><u>390998</u></b>	<b><u>43845</u></b>	<b><u>52902</u></b>
<b><u>Tax Revenues</u></b>	<b><u>232232</u></b>	<b><u>232232</u></b>	<b><u>29838</u></b>	<b><u>29838</u></b>
<b><u>Taxes on Income, Profits</u></b>	<b><u>110322</u></b>	<b><u>110322</u></b>	<b><u>8305</u></b>	<b><u>8305</u></b>
From EGPC	50569	50569	0	0
From SCA	12805	12805	2600	2600
From CBE	0	0	0	0
From other units	20554	20554	1998	1998
Payable by individuals	26394	26394	3707	3707
<b><u>Taxes on Property</u></b>	<b><u>15030</u></b>	<b><u>15030</u></b>	<b><u>3088</u></b>	<b><u>3088</u></b>
<b><u>Taxes on Goods and Services</u></b>	<b><u>85245</u></b>	<b><u>85245</u></b>	<b><u>14949</u></b>	<b><u>14949</u></b>
<b><u>Taxes on International Trade</u></b>	<b><u>18002</u></b>	<b><u>18002</u></b>	<b><u>3256</u></b>	<b><u>3256</u></b>
<b><u>Other Taxes</u></b>	<b><u>3633</u></b>	<b><u>3633</u></b>	<b><u>240</u></b>	<b><u>240</u></b>
<b><u>Grants</u></b>	<b><u>9974</u></b>	<b><u>9974</u></b>	<b><u>2928</u></b>	<b><u>2928</u></b>
Current	6463	6463	2910	2910
Capital	3511	3511	18	18
<b><u>Other Revenues</u></b>	<b><u>107441</u></b>	<b><u>148792</u></b>	<b><u>11079</u></b>	<b><u>20136</u></b>
<b><u>Property Income</u></b>	<b><u>70746</u></b>	<b><u>76674</u></b>	<b><u>8222</u></b>	<b><u>9407</u></b>
From EGPC	37770	37770	0	0
From SCA	16951	16951	4203	4203
From CBE	2570	2570	3012	3012
From economic authorities	1919	1919	459	459
From companies	5514	5514	146	146
Other ( from EGPC & TML )*	264	264	0	0
Other	5758	11686	402	1587
<b><u>Sales of Goods and Services</u></b>	<b><u>16396</u></b>	<b><u>16396</u></b>	<b><u>2108</u></b>	<b><u>2108</u></b>
<b><u>Financing Investment</u></b>	<b><u>14002</u></b>	<b><u>14002</u></b>	<b><u>400</u></b>	<b><u>400</u></b>
<b><u>Other</u></b>	<b><u>6297</u></b>	<b><u>41720</u></b>	<b><u>349</u></b>	<b><u>8221</u></b>

Source : The Ministry of Finance .

\* third mobile license

**(4/3) Summary of Consolidated Fiscal Operations of the General Government**  
( The Budget Sector , NIB and SIFs )

( LE mn )

	2011/2012			
	Estimates		3 Months (Actual)	
	The Budget Sector	The Budget Sector, NIB & SIFs	The Budget Sector	The Budget Sector, NIB & SIFs
<b>Total Revenues</b>	<b>349647</b>	<b>390998</b>	<b>43845</b>	<b>52902</b>
<b>Total Expenditures</b>	<b>490590</b>	<b>527421</b>	<b>84403</b>	<b>96929</b>
Cash Deficit	140943	136423	40558	44027
Net Acquisition of Financial Assets	-6663	-7033	814	2576
Overall Fiscal Balance	134280	129390	41371	46603
<b>Financing Sources</b>	<b>134280</b>	<b>129390</b>	<b>41371</b>	<b>46603</b>
<b>Domestic Financing</b>	<b>151946</b>	<b>154975</b>	<b>48568</b>	<b>50957</b>
<b>Banking Financing</b>	<b>117135</b>	<b>117366</b>	<b>45771</b>	<b>45922</b>
Central Bank	-49471	-49471	44309	44309
Other Banks	166606	166837	1462	1613
<b>Non- Banking Financing</b>	<b>34811</b>	<b>37609</b>	<b>2797</b>	<b>5035</b>
NIB	-1187	0	-255	0
SIFs	2380	0	1805	0
Other	33618	33618	2954	2954
NIB Borrowing	0	3991	0	3788
Special Accounts for Economic Authorities	0	0	-1707	-1707
<b>Blocked Account Used in Amortizing Part of CBE Bonds</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Foreign Borrowing</b>	<b>-16531</b>	<b>-16531</b>	<b>-6120</b>	<b>-6120</b>
<b>Arrears</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Others, of which :</b>	<b>-1385</b>	<b>-9304</b>	<b>-106</b>	<b>2736</b>
Special Accounts for Budget Entities	0	0	0	0
<b>Financing Effects for Eliminations</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Exchange Rate Revaluation</b>	<b>0</b>	<b>0</b>	<b>-56</b>	<b>-56</b>
<b>Net Privatization Proceeds</b>	<b>250</b>	<b>250</b>	<b>0</b>	<b>0</b>
Privatization Proceeds	500	500	0	0
Treasury Contribution to the Fund	250	250	0	0
<b>Difference between Treasury Bills Face Value &amp; Present Value</b>	<b>0</b>	<b>0</b>	<b>-1886</b>	<b>-1886</b>
<b>Foreign Debt Reclassification Diff. and Related FX Diff.</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Discrepancy</b>	<b>0</b>	<b>0</b>	<b>971</b>	<b>971</b>
Cash deficit (surplus) as a percentage of GDP	9.0%	8.7%	2.6%	2.8%
Overall fiscal balance as a percentage of GDP	8.6%	8.2%	2.6%	3.0%
Revenues as a percentage of GDP	22.3%	24.9%	2.8%	3.4%
Expenditures as a percentage of GDP	31.2%	33.6%	5.4%	6.2%

Source : The Ministry of Finance .

#### (4/4) Gross Domestic Debt

End of	(LE mn)					
	June 2010	Sept. 2010	June 2011	Sept. 2011	Change + (-) during July/Sept. 2010/2011	2011/2012
<b>Gross Domestic Debt (1+2+3-4)</b>	<b>888661</b>	<b>938878</b>	<b>1044914</b>	<b>1095722</b>	<b>50217</b>	<b>50808</b>
<b>1- Net Domestic Debt of Government (A+B+C+D)</b>	<b>663818</b>	<b>718779</b>	<b>808113</b>	<b>856681</b>	<b>54961</b>	<b>48568</b>
<b>A- Balances of Bonds &amp; Bills</b>	<b>779232</b>	<b>812418</b>	<b>916976</b>	<b>919783</b>	<b>33186</b>	<b>2807</b>
Treasury bonds with the CBE	121533	130596	130596	129096	9063	(1500)
Local currency bonds with public sector banks	4000	4000	4000	4000	0	0
Bonds offered abroad *:					0	0
US\$	6005	5967	7583	3438	(38)	(4145)
LE	3808	3797	3954	4078	(11)	124
Egyptian treasury bonds	159767	181267	206767	221267	21500	14500
Government notes to compensate for the actuarial deficit in social insurance funds	2000	2000	2000	2000	0	0
Housing bonds	114	121	115	118	7	3
Foreign currency bonds with public sector commercial banks	11883	11882	0	0	(1)	0
The equivalent of the retained 5% of corporate profits to purchase government bonds	1764	1764	1830	1830	0	0
Bonds of the Insurance Funds (against the transfer of NIB debt to the Treasury)	202237	202237	204028	204028	0	0
Treasury Bills	266121	268787	356103	349928	2666	(6175)
<b>B- Borrowing from other entities</b>	<b>0</b>	<b>1500</b>	<b>2000</b>	<b>8056</b>	<b>1500</b>	<b>6056</b>
<b>C- Credit Facilities from the Social Insurance Funds</b>	<b>2343</b>	<b>2343</b>	<b>2343</b>	<b>2143</b>	<b>0</b>	<b>(200)</b>
<b>D- Net Government Balances with the Banking System</b>	<b>-117757</b>	<b>-97482</b>	<b>-113206</b>	<b>-73301</b>	<b>20275</b>	<b>39905</b>
<b>2- Borrowing of Economic Authorities (Net)</b>	<b>67771</b>	<b>67313</b>	<b>66290</b>	<b>67881</b>	<b>(458)</b>	<b>1591</b>
Net Balances of Economic Authorities with the Banking System	16302	15050	14149	14706	(1252)	557
Borrowing of Economic Authorities from NIB **	51469	52263	52141	53175	794	1034
<b>3- NIB Debt (Net)</b>	<b>222205</b>	<b>220813</b>	<b>238179</b>	<b>239606</b>	<b>(1392)</b>	<b>1427</b>
NIB Debt	227715	228031	240851	241923	316	1072
Deposits of the NIB with the banking system (-)	5510	7218	2672	2317	1708	(355)
<b>4- NIB Intradebt</b>	<b>65133</b>	<b>68027</b>	<b>67668</b>	<b>68446</b>	<b>2894</b>	<b>778</b>
Government debt to the NIB (investments in government securities)	13664	15764	15527	15271	2100	(256)
Loans of economic authorities to NIB	51469	52263	52141	53175	794	1034

Source: Central Bank of Egypt - Ministry of Finance - National Investment Bank.

\* ( Holdings of resident financial institutions in Egypt represented in the banking system and the insurance sector ).

\*\* Apart from the interest payments due on the NIB.

**(4/5) National Investment Bank ( Resources and Uses )**

End of	(LE mn)					
	June	Sept.	June	Sept.	Change + (-) during July/Sept.	
	2010	2010	2011	2011	2010/2011	2011/2012
<b><u>Liabilities :of which</u></b>	<b><u>227715</u></b>	<b><u>228031</u></b>	<b><u>240851</u></b>	<b><u>241923</u></b>	<b><u>316</u></b>	<b><u>1072</u></b>
. Social Insurance Fund for Gov. Employees	31613	31613	32982	32982	0	0
. Social Insurance Fund for Pub. & Priv. Business Sectors Employees	27384	27384	29663	29143	0	(520)
. Proceeds from investment certificates	91134	92818	94635	95279	1684	644
. Accumulated interest on investment certificates (Category A)	8648	8668	8747	8726	20	(21)
. Proceeds from US dollar development bonds	10	9	9	9	(1)	0
. Post office savings	64837	65837	71978	71978	1000	0
. Others*	4089	1702	2837	3806	(2387)	969
<b><u>Assets :of which</u></b>	<b><u>227715</u></b>	<b><u>228031</u></b>	<b><u>240851</u></b>	<b><u>241923</u></b>	<b><u>316</u></b>	<b><u>1072</u></b>
. Loans to economic authorities	51469	52263	52141	53175	794	1034
. Investments in government securities (bills and bonds)	13664	15764	15527	15271	2100	(256)
. Deposits of the NIB with the banking system	5510	7218	2672	2317	1708	(355)
. Lending to holding companies and affiliate units, concessional loans, and others (NIB debt minus its intradebt)	157072	152786	170511	171160	(4286)	649

\* Including deposits of the private insurance funds, saving certificates, and loans & deposits of various entities.

(5/1) Balance of Payments

(US\$mn)

	July/Sept.				Change (-)
	2010/2011*		2011/2012*		
	Value	%	Value	%	
<b><u>Balance of Current Account</u></b>	<b><u>(1305.6)</u></b>		<b><u>(2175.1)</u></b>		<b><u>(869.5)</u></b>
<b><u>Balance of Current Account (Excluding Transfers)</u></b>	<b><u>(4511.0)</u></b>		<b><u>(6201.5)</u></b>		<b><u>(1690.5)</u></b>
<b><u>Receipts</u></b>	<b><u>12797.4</u></b>	<b><u>100.0</u></b>	<b><u>12175.9</u></b>	<b><u>100.0</u></b>	<b><u>(621.5)</u></b>
Export proceeds**	6102.0	47.7	6764.8	55.6	662.8
Transportation, of which	2014.5	15.7	2076.3	17.0	61.8
<i>Suez Canal dues</i>	<i>1254.1</i>	<i>9.8</i>	<i>1360.4</i>	<i>11.2</i>	<i>106.3</i>
Travel	3653.2	28.6	2701.7	22.2	(951.5)
Investment income	82.0	0.6	56.0	0.4	(26.0)
Government receipts	15.2	0.1	18.7	0.2	3.5
Other receipts	930.5	7.3	558.4	4.6	(372.1)
<b><u>Payments</u></b>	<b><u>17308.4</u></b>	<b><u>100.0</u></b>	<b><u>18377.4</u></b>	<b><u>100.0</u></b>	<b><u>1069.0</u></b>
Import payments**	13235.7	76.5	14587.9	79.4	1352.2
Transportation	380.0	2.2	312.4	1.7	(67.6)
Travel	632.3	3.6	626.8	3.4	(5.5)
Investment income, of which	1904.1	11.0	1785.4	9.7	(118.7)
<i>Interest paid</i>	<i>184.4</i>	<i>1.1</i>	<i>187.0</i>	<i>1.0</i>	<i>2.6</i>
Government expenditures	504.3	2.9	321.0	1.7	(183.3)
Other payments	652.0	3.8	743.9	4.1	91.9
<b><u>Transfers</u></b>	<b><u>3205.4</u></b>	<b><u>100.0</u></b>	<b><u>4026.4</u></b>	<b><u>100.0</u></b>	<b><u>821.0</u></b>
Private (net)	3057.0	95.4	4010.5	99.6	953.5
Official (net)	148.4	4.6	15.9	0.4	(132.5)

\*Preliminary figures.

\*\*Including the exports & imports of free zones.

(5/1) Balance of Payments (Contd.)

(US\$mn)

	July/Sept.	
	2010/2011*	2011/2012*
	Value	Value
<b><u>Capital &amp; Financial Account</u></b>	<b><u>1032.3</u></b>	<b><u>502.4</u></b>
<b><u>Capital Account</u></b>	<b><u>-7.9</u></b>	<b><u>-20.5</u></b>
<b><u>Financial Account</u></b>	<b><u>1040.2</u></b>	<b><u>522.9</u></b>
Direct Investment Abroad	-284.1	-79.0
Direct Investment in Egypt (Net)	1597.2	440.1
Portfolio Investments Abroad	-58.1	-63.0
Portfolio Investments in Egypt (Net), Of which :	5900.3	-1729.9
Bonds	722.7	-325.5
<b>Other Investments</b>	<b>-6115.1</b>	<b>1954.7</b>
<b><u>Net Borrowing</u></b>	<b><u>-163.6</u></b>	<b><u>286.7</u></b>
Medium -and Long -Term Loans	-630.0	-459.0
Drawings	114.6	313.2
Repayments	-744.6	-772.2
Medium -Term Suppliers Credit	-11.4	3.8
Drawings	13.6	24.3
Repayments	-25.0	-20.5
Short -Term Suppliers Credit (Net)	477.8	741.9
<b><u>Other Assets</u></b>	<b><u>-6557.5</u></b>	<b><u>1911.9</u></b>
CBE	-21.7	15.5
Banks	-6323.7	2421.3
Other	-212.1	-524.9
<b><u>Other Liabilities</u></b>	<b><u>606.0</u></b>	<b><u>-243.9</u></b>
CBE	0.0	-4.4
Banks	606.0	-239.5
<b><u>Net Errors &amp; Omissions</u></b>	<b><u>288.0</u></b>	<b><u>-683.4</u></b>
<b><u>Overall Balance</u></b>	<b><u>14.7</u></b>	<b><u>-2356.1</u></b>
<b><u>Change in Reserve Assets, Increase (-)</u></b>	<b><u>-14.7</u></b>	<b><u>2356.1</u></b>

Source: CBE.

\* Preliminary figures.

**(5/2) Exports by Degree of Processing \***

	July/September				(US\$ mn)
	2010/2011		2011/2012**		Change(-)
	Value	%	Value	%	
	<u><b>Total ***</b></u>	<u><b>6102.0</b></u>	<u><b>100.0</b></u>	<u><b>6764.8</b></u>	<u><b>100.0</b></u>
<b><u>Fuels , Mineral Oils &amp; Products</u></b>	<u><b>2887.1</b></u>	<u><b>47.3</b></u>	<u><b>3330.1</b></u>	<u><b>49.2</b></u>	<u><b>443.0</b></u>
Crude oil	1270.0	20.8	1765.0	26.1	495.0
Petroleum products ****	1523.6	25.0	1468.7	21.7	(54.9)
Coal & types thereof	9.9	0.2	13.3	0.2	3.4
<b><u>Raw Materials</u></b>	<u><b>238.8</b></u>	<u><b>3.9</b></u>	<u><b>260.3</b></u>	<u><b>3.9</b></u>	<u><b>21.5</b></u>
Cotton	28.3	0.5	18.9	0.3	(9.4)
Potatoes	5.3	0.1	14.4	0.2	9.1
Edible fruits & nuts	25.7	0.4	18.6	0.3	(7.1)
Oil seeds & oleaginous fruits, medicinal plants & plants for manufacturing	9.2	0.2	9.0	0.1	(0.2)
Spices & vanilla	1.5	0.0	1.5	0.0	(0.0)
Medicinal plants	3.4	0.1	7.1	0.1	3.7
Citrus fruits	2.0	0.0	10.6	0.2	8.6
Raw hides & tanned leather	2.5	0.0	11.4	0.2	8.9
Flax, raw	0.2	0.0	0.0	0.0	(0.2)
Edible vegetables roots & tubers	34.0	0.6	50.3	0.7	16.3
Dairy products, eggs and honey	32.3	0.5	42.4	0.6	10.1
<b><u>Semi-finished Goods</u></b>	<u><b>422.9</b></u>	<u><b>6.9</b></u>	<u><b>560.2</b></u>	<u><b>8.3</b></u>	<u><b>137.3</b></u>
Carbon	34.3	0.6	53.2	0.8	18.9
Essential oils & resins	11.4	0.2	10.3	0.2	(1.1)



(5/2) Exports by Degree of Processing \* (Contd.)

	July/September				(US\$ mn)
	2010/2011		2011/2012**		Change(-)
	Value	%	Value	%	
Cotton yarn	44.6	0.7	21.3	0.3	(23.3)
Aluminium, unalloyed	9.3	0.2	30.2	0.4	20.9
Animal & vegetable fats, greases & oils & products	17.1	0.3	29.8	0.4	12.7
Synthetic fibers	16.4	0.3	12.8	0.2	(3.6)
Organic & inorganic chemicals	93.6	1.5	149.9	2.2	56.3
Cast iron & semi-finished products & rolled iron	102.0	1.7	135.1	2.0	33.1
Leather, tanned	9.7	0.2	5.2	0.1	(4.5)
Tanning or dyeing extracts	27.3	0.4	17.0	0.3	(10.3)
Plastic & articles thereof	48.6	0.8	88.4	1.3	39.8
<b><u>Finished Goods</u></b>	<b><u>2536.6</u></b>	<b><u>41.6</u></b>	<b><u>2612.9</u></b>	<b><u>38.6</u></b>	<b><u>76.3</u></b>
Milk & condensed cream	8.3	0.1	1.6	0.0	(6.7)
Dried onion	3.9	0.1	5.2	0.1	1.3
Rice	11.2	0.2	4.7	0.1	(6.5)
Vegetable & fruit preparations	7.6	0.1	11.7	0.2	4.1
Miscellaneous edible preparations	90.7	1.5	99.8	1.5	9.1
Manufactured tobacco and tobacco substitutes	16.3	0.3	18.1	0.3	1.8
Sugar and its products	41.8	0.7	21.4	0.3	(20.4)
Pharmaceuticals	106.7	1.7	93.5	1.4	(13.2)
Fertilizers	290.3	4.8	209.4	3.1	(80.9)
Cement*****	36.5	0.6	25.1	0.4	(11.4)

**(5/2) Exports by Degree of Processing \* (Contd.)**

	(US\$ mn)				
	July/September				
	2010/2011		2011/2012**		Change(-)
	Value	%	Value	%	
Extracts of essential oils & resins	9.3	0.2	21.1	0.3	11.8
Leather products	6.4	0.1	6.8	0.1	0.4
Rubber & articles	13.2	0.2	23.4	0.3	10.2
Paper, cardboard paper & articles thereof	70.3	1.2	63.2	0.9	(7.1)
Ceramic products	51.1	0.8	43.4	0.6	(7.7)
Cars, bicycles & tractors	43.1	0.7	34.7	0.5	(8.4)
Cotton textiles	121.9	2.0	169.6	2.5	47.7
Carpets & other floor coverings	42.1	0.7	50.2	0.7	8.1
Shoes & accessories	0.9	0.0	0.2	0.0	(0.7)
Ready-made clothes	182.5	3.0	200.1	3.0	17.6
Glass & glassware	65.0	1.1	52.7	0.8	(12.3)
Copper & articles	32.4	0.5	57.5	0.8	25.1
Aluminium articles	72.0	1.2	94.7	1.4	22.7
Articles of iron and steel	146.3	2.4	92.3	1.4	(54.0)
Wood & articles thereof and charcoal	5.2	0.1	3.3	0.0	(1.9)
Marble & granite	24.0	0.4	26.3	0.4	2.3
Articles of base metals	46.9	0.8	74.8	1.1	27.9
Optical appliances	37.0	0.6	12.7	0.2	(24.3)
Soap & Detergents, fabricated candles	81.1	1.3	88.9	1.3	7.8
<b>Miscellaneous Goods (Undistributed)</b>	<b>16.6</b>	<b>0.3</b>	<b>1.3</b>	<b>0.0</b>	<b>(15.3)</b>

Source: Central Bank of Egypt.

\* Commodities are classified according to the Harmonized System.

\*\* Provisional.

\*\*\* Include exports of free zones.

\*\*\*\* Include natural gas, and bunker & jet fuel.

\*\*\*\*\* Taking into consideration the Ministerial Decree No. 340 for 2009 Banning Cement Export from April, 13, to Sept. , 1 , 2009; and Decree No. 604 for 2009 regarding the Continual Ban of Cenmet Export till Oct. , 1 , 2010.

(5/3) Imports by Degree of Use \*

	(US\$ mn)				Change(-)
	July/September				
	2010/2011		2011/2012**		
	Value	%	Value	%	
<b>Total ***</b>	<b><u>13235.7</u></b>	<b><u>100.0</u></b>	<b><u>14587.9</u></b>	<b><u>100.0</u></b>	<b><u>1352.2</u></b>
<b>Fuels, Mineral Oils &amp; Products</b>	<b><u>1691.2</u></b>	<b><u>12.8</u></b>	<b><u>2153.2</u></b>	<b><u>14.8</u></b>	<b><u>462.0</u></b>
Petroleum products ****	1413.4	10.7	2068.6	14.2	655.2
Coal & types thereof	109.8	0.8	5.2	0.0	(104.6)
<b>Raw Materials</b>	<b><u>1698.0</u></b>	<b><u>12.8</u></b>	<b><u>2224.7</u></b>	<b><u>15.3</u></b>	<b><u>526.7</u></b>
Crude oil	683.0	5.2	804.0	37.3	121.0
Wheat	328.9	2.5	426.0	2.9	97.1
Maize	154.6	1.2	368.2	2.5	213.6
Tobacco	130.4	1.0	164.0	1.1	33.6
Metal ores	53.4	0.4	43.2	0.3	(10.2)
Iron, ore	118.2	0.9	193.2	1.3	75.0
Seeds & oleaginous seeds	93.7	0.7	125.4	0.9	31.7
Cotton	15.1	0.1	26.7	0.2	11.6
<b>Intermediate Goods</b>	<b><u>3963.2</u></b>	<b><u>29.9</u></b>	<b><u>4177.4</u></b>	<b><u>28.6</u></b>	<b><u>214.2</u></b>
Sugar, raw	58.4	0.4	180.7	1.2	122.3
Animal and vegetable fats, greases & oils and products	286.9	2.2	442.1	3.0	155.2
Cement	113.0	0.9	54.4	0.4	(58.6)
Organic & inorganic chemicals	395.7	3.0	554.6	3.8	158.9
Fertilizers	90.5	0.7	69.0	0.5	(21.5)
Tanning & dyeing extracts	72.6	0.5	74.4	0.5	1.8
Essential oils & resinoids	29.9	0.2	11.2	0.1	(18.7)
Plastic & articles thereof	350.2	2.6	323.8	2.2	(26.4)

**(5/3) Imports by Degree of Use\* (Contd.)**

(US\$ mn)

	July/September				Change(-)
	2010/2011		2011/2012**		
	Value	%	Value	%	
Wood & articles thereof	247.5	1.9	224.0	1.5	(23.5)
Paper, cardboard paper & articles thereof	236.1	1.8	274.8	1.9	38.7
Cotton textiles	34.9	0.3	44.5	0.3	9.6
Synthetic fibers	128.7	1.0	171.1	1.2	42.4
Ceramic products	81.1	0.6	81.4	0.6	0.3
Glass & articles	36.1	0.3	37.9	0.3	1.8
Iron & steel products	827.7	6.3	748.1	5.1	(79.6)
Copper & articles	82.9	0.6	101.0	0.7	18.1
Rubber & articles	108.0	0.8	120.2	0.8	12.2
Aluminium & articles	75.0	0.6	54.4	0.4	(20.6)
Articles of base metals	125.9	1.0	147.1	1.0	21.2
Parts & accessories of motor vehicles	506.0	3.8	395.4	2.7	(110.6)
<b>Investment Goods</b>	<b>2544.8</b>	<b>19.2</b>	<b>2367.8</b>	<b>16.2</b>	<b>(177.0)</b>
Pumps, fans & parts thereof	182.5	1.4	162.6	1.1	(19.9)
Machines and apparatus for ginning and spinning & parts thereof	23.7	0.2	13.5	0.1	(10.2)
Computers	217.8	1.6	207.5	1.4	(10.3)
Motors, generators, transformers & parts thereof	163.3	1.2	272.3	1.9	109.0
Parts of railway and tramway locomotives or rolling stock equipment	32.4	0.2	35.9	0.2	3.5
Tractors	8.3	0.1	7.5	0.1	(0.8)
Vehicles for transport of passengers	18.8	0.1	5.2	0.0	(13.6)
Vehicles for transport of goods	12.2	0.1	6.8	0.0	(5.4)

(5/3) Imports by Degree of Use\* (Contd.)

(US\$ mn)

	July/September				Change(-)
	2010/2011		2011/2012**		
	Value	%	Value	%	
Tools, implements, cutlery & spoons	65.3	0.5	69.6	0.5	4.3
Air conditioners	79.7	0.6	63.2	0.4	(16.5)
Cranes and bulldozers & parts thereof	313.3	2.4	359.7	2.5	46.4
Agricultural machinery	42.4	0.3	22.0	0.2	(20.4)
Printing machinery & parts	14.1	0.1	29.4	0.2	15.3
Electric appliances for telephones & telegraph	204.6	1.5	239.8	1.6	35.2
Optical appliances	137.1	1.0	119.5	0.8	(17.6)
<b>Consumer Goods</b>	<b>3255.9</b>	<b>24.6</b>	<b>3445.3</b>	<b>23.6</b>	<b>189.4</b>
<b>A - Durable Goods</b>	<b>872.8</b>	<b>6.6</b>	<b>639.5</b>	<b>4.4</b>	<b>(233.3)</b>
Household refrigerators & electric freezers	54.6	0.4	35.5	0.2	(19.1)
Televisions & parts thereof	44.1	0.3	41.8	0.3	(2.3)
Vehicles for transport of persons	304.5	2.3	134.5	0.9	(170.0)
Household electric-motor appliances	160.1	1.2	197.9	1.4	37.8
<b>B - Non-durable Goods</b>	<b>2383.1</b>	<b>18.0</b>	<b>2805.8</b>	<b>19.2</b>	<b>422.7</b>
Meat and edible offals	349.2	2.6	208.8	1.4	(140.4)
Fish, crustaceans, molluscs and others	69.7	0.5	69.9	0.5	0.2
Dairy products, eggs, poultry and honey	116.1	0.9	146.9	1.0	30.8
Edible vegetables roots & tubers	118.2	0.9	344.1	2.4	225.9
Tea	28.2	0.2	37.0	0.3	8.8

(5/3) Imports by Degree of Use\* (Contd.)

(US\$ mn)

	July/September				Change(-)
	2010/2011		2011/2012**		
	Value	%	Value	%	
Miscellaneous edible preparations	199.7	1.5	198.4	1.4	(1.3)
Pharmaceuticals	445.4	3.4	509.2	3.5	63.8
Insecticides	3.5	0.0	3.8	0.0	0.3
Residues of foodstuff industries & animal fodder	74.1	0.6	164.4	1.1	90.3
Live animals	42.9	0.3	37.5	0.3	(5.4)
Ready-made clothes	202.4	1.5	257.1	1.8	54.7
Cotton textiles	141.1	1.1	152.3	1.0	11.2
Sugar, refined and products	4.5	0.0	18.2	0.1	13.7
Lentils	14.5	0.1	14.9	0.1	0.4
Soap, detergents & artificial wax	33.9	0.3	128.4	0.9	94.5
<b>Miscellaneous Goods (Undistributed)</b>	<b>82.6</b>	<b>0.6</b>	<b>219.5</b>	<b>1.5</b>	<b>136.9</b>

Source: Central Bank of Egypt.

\* Commodities are classified according to the Harmonized System.

\*\* Provisional.

\*\*\* Including imports of free zones, and in-kind grants & loans.

\*\*\*\* Including gas, and bunker & jet fuel.

**(5/4) Regional Distribution of Exports and Imports**

(US\$ mn)

	July/September					
	Proceeds of Exports		Payments for Imports*		Trade Balance	
	2010/2011	2011/2012**	2010/2011	2011/2012**	2010/2011	2011/2012**
<b>Total ***</b>	<b>6102.0</b>	<b>6764.8</b>	<b>13235.7</b>	<b>14587.9</b>	<b>(7133.7)</b>	<b>(7823.1)</b>
European Union	2453.5	2968.5	4398.5	4813.8	(1945.0)	(1845.3)
Other European countries	329.3	343.0	1537.0	1412.9	(1207.7)	(1069.9)
Russian Federation & C.I.S	20.7	15.5	367.2	347.0	(346.5)	(331.5)
United States of America	870.9	780.9	1649.0	1524.9	(778.1)	(744.0)
Arab countries	1166.5	1318.2	1536.0	2616.7	(369.5)	(1298.5)
Asian countries (Non Arab)	815.1	1028.0	2949.1	3035.6	(2134.0)	(2007.6)
African countries (Non Arab)	142.7	125.6	162.9	140.1	(20.2)	(14.5)
Australia	4.5	3.7	97.3	62.5	(92.8)	(58.8)
Other countries & regions	298.8	181.4	538.7	634.4	(239.9)	(453.0)

Source: Central Bank of Egypt

\* Including in-kind grants and loans.

\*\* Provisional.

\*\*\* Including exports & imports of free zones.

**(5/5) Average Foreign Exchange Rates**

(In piasters per foreign currency unit)

<b>End of</b>	<b>June 2011</b>		<b>September 2011</b>	
<b>First: Interbank Rates US\$</b>				
Minimum	596.70		596.40	
Maximum	597.10		596.61	
Weighted average	596.90		596.57	
<b>Second: Market Rates</b>	<b>Buy</b>	<b>Sell</b>	<b>Buy</b>	<b>Sell</b>
US Dollar	595.58	598.49	595.25	598.21
Euro	861.15	865.41	810.14	814.35
Pound Sterling	953.70	958.54	931.03	935.79
Swiss Franc	713.18	716.84	663.83	667.50
100 Japanese Yen	740.58	744.57	775.98	780.04
Saudi Riyal	158.81	159.60	158.71	159.51
Kuwaiti Dinar	2161.81	2176.32	2150.48	2168.23
UAE Dirham	162.12	162.96	162.06	162.87
Chinese Yuan	92.14	92.59	93.03	93.52

Source : CBE daily exchange rates

The interbank Rates started at 23/12/2004



### (5/6) External Debt by Type

(US\$ mn)

End of	June 2011		September 2011 *		Change	
	Value	%	Value	%	Value (-)	%
<b>Total External Debt **</b>	<b>34905.7</b>	<b>100.0</b>	<b>33997.9</b>	<b>100.0</b>	<b>(907.8)</b>	<b>(2.6)</b>
1- Medium & Long term debt :	32148.2	92.1	31012.0	91.2	(1136.2)	(3.5)
Rescheduled bilateral debt +	12860.6	36.8	12086.7	35.6	(773.9)	(6.0)
ODA	7271.6	20.8	7092.8	20.9	(178.8)	(2.5)
Non-ODA	5589.0	16.0	4993.9	14.7	(595.1)	(10.6)
Other bilateral debt	5214.5	15.0	5208.1	15.3	(6.4)	(0.1)
Paris club countries	4211.3	12.1	4155.3	12.2	(56.0)	(1.3)
Other countries	1003.2	2.9	1052.8	3.1	49.6	4.9
Suppliers & buyers Credits	426.0	1.2	409.5	1.2	(16.5)	(3.9)
International & regional organizations	10808.6	30.9	10794.6	31.7	(14.0)	(0.1)
Egyptian bonds and notes	2821.0	8.1	2495.6	7.3	(325.4)	(11.5)
Private sector (Non guaranteed)	17.5	0.1	17.5	0.1	0.0	0.0
2- Short term debt :	2757.5	7.9	2985.9	8.8	228.4	8.3
Deposits	972.7	2.8	947.4	2.8	(25.3)	(2.6)
Other Facilities	1784.8	5.1	2038.5	6.0	253.7	14.2

Source: Loans & External Debt Department- CBE

\* Provisional.

\*\* The difference from World Bank data is in short-term debt.

+ According to the agreement signed with Paris club countries on 25/5/1991

**(5/7) Distribution of External Debt by Main Currencies**

End of	(US\$ mn)				
	June 2011		September 2011*		Change
	Value	%	Value	%	
<b>Total</b>	<b>34905.7</b>	<b>100.0</b>	<b>33997.9</b>	<b>100.0</b>	<b>(907.8)</b>
US dollar **	13731.9	39.4	13623.1	40.1	(108.8)
Canadian dollar	145.1	0.4	130.0	0.4	(15.1)
Australian dollar	117.5	0.3	99.6	0.3	(17.9)
Swiss franc	618.7	1.8	547.3	1.6	(71.4)
Sterling pound	203.3	0.6	182.0	0.5	(21.3)
Japanese yen	4480.4	12.8	4622.1	13.6	141.7
Danish krone	121.7	0.3	111.7	0.3	(10.0)
Norwegian krone	5.0	0.0	4.6	0.0	(0.4)
Swedish krona	28.1	0.1	24.3	0.1	(3.8)
Kuwaiti dinar	2111.6	6.1	2158.8	6.3	47.2
Saudi riyal	43.6	0.1	65.0	0.2	21.4
UAE dirham	30.4	0.1	32.4	0.1	2.0
Euro	10064.0	28.8	9266.9	27.3	(797.1)
Egyptain Pound	605.7	1.7	598.7	1.8	(7.0)
SDRs	2598.7	7.5	2531.4	7.4	(67.3)

Source: Loans & External Debt Department- CBE

\* Provisional.

\*\* Including other liabilities due in US dollar.

## Periodical Publications of the Central Bank of Egypt

<b>Name of Publication</b>	<b>Language</b>	<b>Periodicity</b>
1 -Monthly Statistical Bulletin	Arabic and English	Monthly
2 -Economic Review	Arabic and English	Quarterly
3 -Annual Report	Arabic and English	Every fiscal year
4 -External Position of the Egyptian Economy	English	Quarterly

**Note:**

- All publications of the Central Bank of Egypt are available on the CBE's website: [www.cbe.org.eg](http://www.cbe.org.eg)