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Economic Research Sector

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Main Macroeconomic Indicators of the Egyptian Economy 2012/2013

1) Area

Total (Thousand km^2)	1009.45
Populated (Thousand km^2)	76.9

2) Population and Employment

Internal Population on 1/7/2013 (million persons)	84.6
Annual Growth Rate (%)	2.5
Number of Employees (during the Quarter Ending June 2013) (million employees)	23. 6
Annual Growth Rate (%)	0.4

3) GDP at 2011/2012 Prices

GDP at Factor Cost (LE bn)	1539.6
Annual Growth Rate (%)	2.1
GDP at Market Prices (LE bn)	1608.6
Annual Growth Rate (%)	2.1

GDP by Sector (A+B)(percentage point) 2.1

A) Productive Sectors	**1.1**
Of which:	
Agriculture, Irrigation and Fishing	0.4
Manufacturing (Oil Refining & Others)	0.4
Construction and Building	0.3
B) Services Sectors	**1.0**
Of which:	
General Government	0.3
Wholesale and Retail Trade	0.3
Tourism	0.2
Communications	0.1
Real Estate	0.1

4) Annual Inflation Rate (%) (Month/ Corresponding Month of the Previous FY)	June 2012	June 2013
CPI (urban) (January 2010 = 100)	7.3	9.8
PPI by Economic Activity (2004/2005 = 100)	-3.7	8.4

5) Annual Discount and Interest Rates (%)	End of June 2012	End of June 2013
CBE Lending and Discount Rate	9.50	10.25
Interest Rates on TB Repos (7-days)	9.75	10.25
CBE Overnight Deposit and Lending Rates		
Deposit	9.25	9.75
Lending	10.25	10.75
Interest Rate on Deposits of More than One Month and up to Three Months	7.70	8.00
Interest Rate on One Year or Less Loans	11.90	12.60

6) US Dollar Exchange Rate Announced by CBE (PT/Dollar)	June 2012	June 2013
Buy and Sell Exchange Rates (Average of the Year)	600.8	645.5
End of the Year (Average Market Buy Rate)	604.6	701.2

7) Consolidated Fiscal Operations of the General Government	2012/2013 Actual (LE bn)
Total Revenues	403.6
Total Expenditures	644.1
Cash Deficit/Surplus	240.5
Net Acquisition of Financial Assets	6.4
Overall Deficit	246.9
Total Finance	246.9
-Domestic Finance	244.8
Banking	222.1
Non-Banking	22.7
-External Borrowing	20.3

-Others	19.8
-Revaluation Differences	11.4
-Net Privatization Proceeds	-
-Difference between TBs Face and Present Value	-6.8
-Discrepancy	-42.6
-Cash Deficit (Surplus) as a Percentage of GDP	13.7
-Overall Fiscal Balance as a Percentage of GDP	14.1
-Expenditures as a Percentage of GDP	36.7
-Revenues as a Percentage of GDP	23.0

8) Domestic Public Debt (LE bn)	End of June	
	2012	2013
Gross, of which:	**1238.1**	**1527.4**
-Government Debt (net)	990.5	1261.1
-Public Economic Authorities Debt (net)	63.1	63.3
-NIB Debt (net) Minus Intra-debt	184.5	203.0

9) Monetary Survey (LE bn)	End of June	
	2012	2013
Growth rate of domestic liquidity (M2) (%)	8.4	18.4
Growth rate of time and saving deposits in local currency (%)	8.6	14.8
Growth rate of deposits in foreign currencies (%)	5.1	20.5
Foreign currency deposits/Total deposits (dollarization rate) (%)	20.7	21.3
Credit to the private business sector/Total credit (%)	31.8	27.5
Net claims on the government/Total credit (%)	54.0	59.8
Credit to the household sector/Total credit (%)	10.4	9.5
Credit to the public business sector/Total credit (%)	3.8	3.2
Change in credit to the private business sector/Change in total credit (%)	9.8	10.7
Change in net claims on the government/Change in total credit (%)	78.6	82.8
Change in credit to the household sector/Change in total credit (%)	7.4	5.7
Change in credit to the public business sector/Change in total credit (%)	4.2	0.8
Loans/Deposits with banks (%)	49.5	46.3
Investment in securities, TBs and equity participations/Deposits (%)	54.3	55.1
Net international reserves (US$ mn) at end of the period	15534	14936
Number of months of merchandise imports covered by NIR	3.1	3.1

10) Balance of Payments (US$ bn)

	Fiscal Year 2011/2012	Fiscal Year 2012/2013
Current Account & Transfers	(10.1)	(5.6)
Trade Balance	(34.1)	(31.5)
Merchandise Exports	25.1	26.0
Oil and its Products %	44.8	46.2
Others %	55.2	53.8
Merchandise Imports	(59.2)	(57.5)
Intermediate Goods %	28.5	27.8
Investment Goods %	16.3	17.1
Consumer Goods %	23.1	22.5
Fuel, Raw Materials and Others %	32.1	32.6
Services Balance	5.6	6.7
Receipts, of which:	20.9	22.2
Transportation %	41.1	41.3
Travel %	45.1	43.9
Investment Income %	1.2	0.9
Payments, of which:	15.3	15.5
Transportation %	9.0	10.7
Travel %	16.3	18.9
Investment Income %	44.0	38.3
Transfers	18.4	19.3
Official %	3.4	4.3
Private %	96.6	95.7
Capital and Financial Account	1.0	9.7
Overall Surplus/(Deficit)	(11.3)	0.2

11) Outstanding External Debt

	June 2012	June 2013
Total External Debt (US$ bn)	**34.4**	**43.2**
Medium- & Long-Term External Debt / Total Debt (%)	91.5	83.7
Short-Term External Debt / Total Debt (%)	8.5	16.3
External Debt /GDP (%)	13.2	17.3

1- Macroeconomic Developments

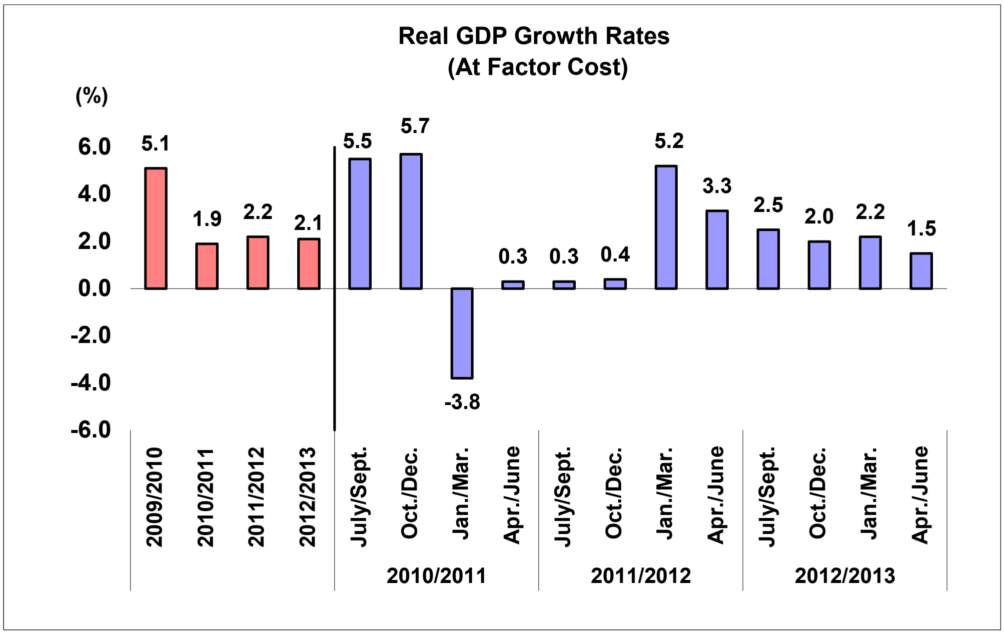
1/1- Gross Domestic Product (GDP)

The economic activity was adversely affected by the political events in FY 2012/2013. Real GDP growth remained sluggish (2.1 percent) throughout the year, following a similarly feeble growth rate of 2.2 percent in FY 2011/2012. Such an economic slowdown came on the back of the poor growth rate of 1.5 percent in Q4 (April/June 2013), against 3.3 percent in the same quarter a year earlier and 2.3 percent in July/March 2012/2013.

Real GDP *

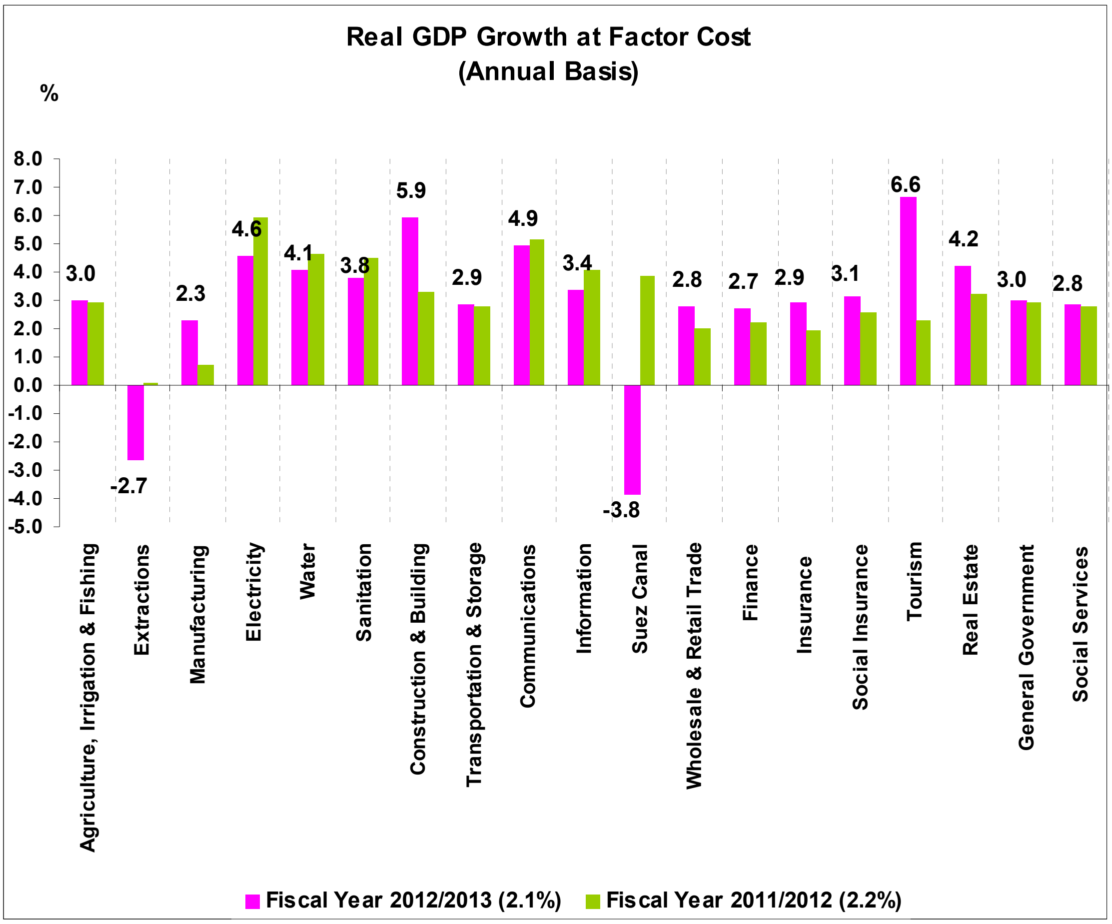
	Value (in LE bn)				Real GDP Growth (on an annual basis) (%)			
	FY		April/June		FY		April/June	
	2011/12	2012/13	2012	2013	2011/12	2012/13	2012	2013
GDP at factor cost and constant prices	1508.5	1539.6	381.2	386.8	2.2	2.1	3.3	1.5
Indirect taxes (net)	67.0	69.0	19.2	19.5	1.7	3.0	3.3	1.6
GDP at market prices	1575.5	1608.6	400.4	406.3	2.2	2.1	3.3	1.5

Source: Table (1/1) and (1/2) in the statistical annex.
* The base year is 2011/2012.



- GDP (at Factor Cost and 2011/2012 Prices)

On the supply side, the relative decline of GDP growth in FY 2012/2013, as compared with the previous FY, reflects modest performance of the key sectors, mainly extractions (declining from 0.01 percentage point to a negative 0.46 percentage point); the Suez Canal (from 0.13 point to a negative 0.08 point); and communications (from 0.22 point to 0.13 point). However, that decline was curbed by the relatively better activity of manufacturing (0.36 percentage point against 0.12 point); tourism (0.20 point against 0.09 point); and construction and building (0.26 point against 0.18 point).



On a quarterly basis, data indicates that the slowdown in real GDP growth occurred mainly in Q4 (April/June 2012/2013), registering 1.5 percent (against 3.3 percent in Q4 2011/2012 and 2.3 percent in July/March 2012/2013).

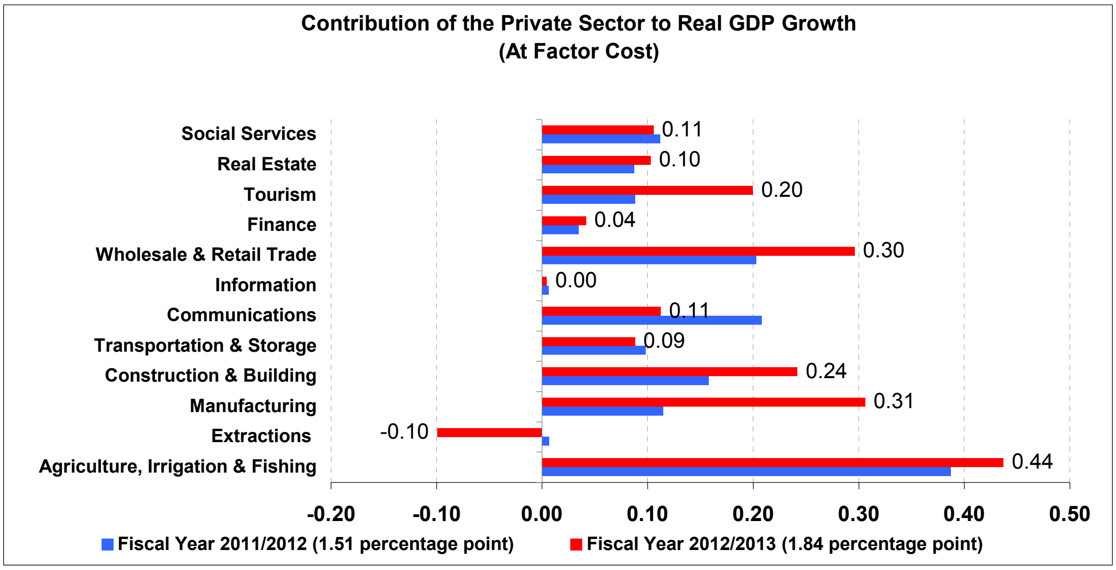
Real Growth Rates of Economic Activity Sectors and their Share in Real GDP Growth (At Factor Cost)

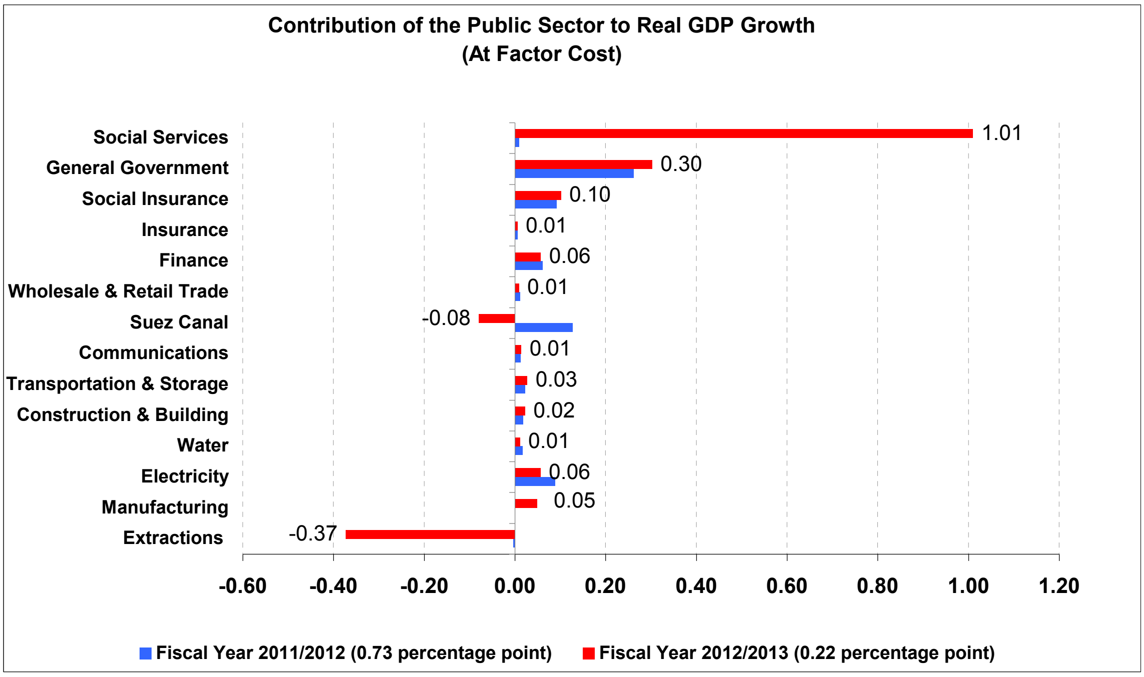
Sector	Sector Share in Real GDP Growth (Percentage Point) FY 2011/12	FY 2012/13	April/June 2011/12	April/June 2012/13	Growth Rate (%) FY 2011/12	FY 2012/13	April/June 2011/12	April/June 2012/13
	Domestic Demand-Driven Sectors							
Agriculture, irrigation and fishing	0.39	0.44	0.29	0.37	2.9	3.0	2.5	2.9
Manufacturing	0.12	0.36	0.63	0.24	0.7	2.3	3.8	1.4
Electricity	0.09	0.06	0.10	0.03	5.9	4.6	6.5	2.7
Construction and building	0.18	0.26	0.39	0.22	3.3	5.9	7.0	4.2
Transportation and storage	0.12	0.12	0.17	0.13	2.8	2.9	3.4	2.8
Communications	0.22	0.13	0.22	0.10	5.2	4.9	4.6	3.8
Wholesale and retail trade	0.21	0.30	0.33	0.27	2.0	2.8	3.1	2.7
Finance	0.09	0.09	0.08	0.09	2.2	2.7	2.3	3.2
Social insurance	0.09	0.10	0.09	0.10	2.6	3.1	2.5	3.1
Real estate	0.09	0.11	0.11	0.13	3.2	4.2	3.4	4.4
General government	0.26	0.30	0.25	0.38	2.9	3.0	2.8	3.3
Social services	0.12	0.11	0.10	0.11	2.8	2.8	2.4	2.9
Other sectors*	0.02	0.02	0.02	0.02	3.6	3.5	2.50	3.2
Total	**2.00**	**2.40**	**2.78**	**2.19**				
	External Demand-Driven Sectors							
Extractions	0.01	-0.46	0.13	-0.54	0.1	-2.7	1.00	-3.2
Suez Canal	0.13	-0.08	-0.08	-0.06	3.9	-3.8	-2.5	-2.80
Tourism	0.09	0.20	0.48	-0.14	2.3	6.6	15.4	-5.2
Total	**0.23**	**-0.34**	**0.53**	**-0.74**				
Grand Total	**2.23**	**2.06**	**3.31**	**1.45**	**2.2**	**2.1**	**3.3**	**1.5**

* Including the sectors of water, sanitation, information, and insurance.

On the supply side, the slowdown in Q4 2012/2013 (relative to the corresponding quarter) was mainly attributed to the poor performance of some key sectors. In specific, the share of extractions declined to a negative 0.5 point (from 0.1 point); tourism to a negative 0.1 point (from 0.5 point); manufacturing to 0.2 point (from 0.6 point); construction and building to 0.2 point (from 0.4 point); and communications to 0.1 point (from 0.2 point). However, this slowdown was mitigated by the higher contributions of agriculture (0.4 point against 0.3 point); and the general government (0.4 point against 0.3 point).

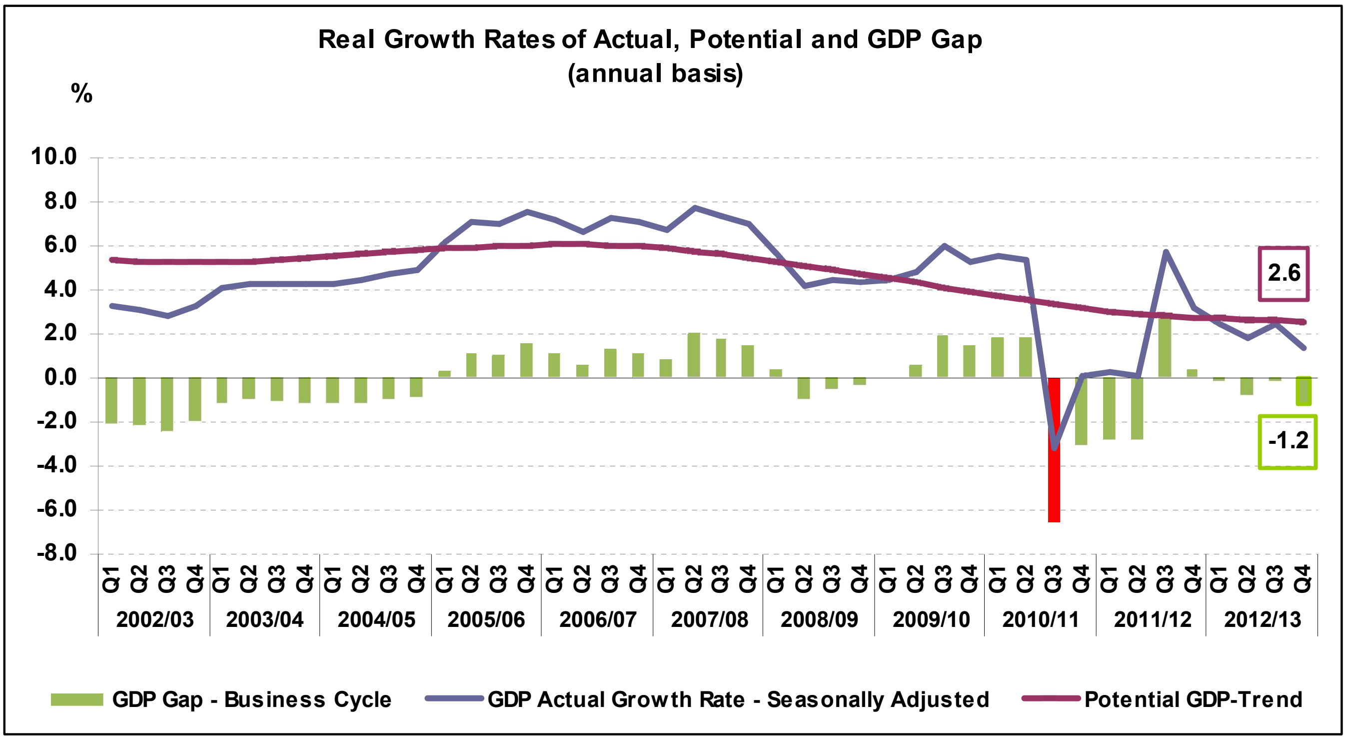
As for the public and private sectors' contributions to real GDP growth (2.1 percent), the share of the former retreated to 0.2 point (from 0.7 point a year earlier). The underperformance was clearly seen in the sectors of extractions and Suez Canal. On the other hand, the private sector added only 1.9 point (against 1.5 point) due to the better performance of agriculture; manufacturing; wholesale and retail trade; construction and building; and tourism.





GDP and Sectoral Analysis of Output Gap

As a result of the aforementioned developments, the output gap* widened to a negative 1.2 percent during Q4 2012/2013 (against a negative 0.2 percent in the previous quarter and a positive 0.4 percent in the same quarter a year earlier). The widening gap reflects the decrease in actual GDP growth (1.4 percent) in the period under review (against 2.4 percent in the period of comparison), given that the potential GDP amounted to 2.6 percent in the said two quarters. This was mainly ascribed to the underperformance of key economic sectors being the drivers of growth as mentioned earlier. In detail, the tourism sector achieved a negative gap of -7.1 percent (against 15.9 percent in the previous quarter and 13.4 percent in Q4 2011/2012). The manufacturing sector came next with only -0.3 percent (against 2.0 percent in the previous quarter and 1.9 percent in Q4 2011/2012); then Suez Canal with -4.4 percent (against -7.1 percent and -4.4 percent, in order).



* The trend component (which represents the potential or GDP growth trend) was calculated by using the quarterly data of both GDP and a set of economic sectors during Q1 of 2001/02 and Q4 of 2012/13, by applying the approach of Hodrick-Prescott Filter. Then, the cyclical component was derived, which reflects the output gap (the difference between the potential GDP growth rate and the actual GDP growth rate after excluding their seasonal effects).

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

Sector	Output Gap (Economic Business Cycle)			Actual GDP (%)		
	Jan./March	April/June		Jan./March	April/June	
	2012/2013	2011/2012	2012/2013	2012/2013	2011/2012	2012/2013
Real GDP	**-0.2**	**0.4**	**-1.2**	**2.4**	**3.1**	**1.4**
Communications	0.6	-1.9	-2.4	7.1	5.1	3.9
Construction and Building	5.3	0.4	-1.5	11.0	6.5	4.2
Electricity	-1.9	2.0	-1.9	2.7	6.9	2.7
Extractions	-5.4	0.1	-3.3	-5.6	0.2	-3.5
Finance	0.7	-1.0	0.2	3.5	2.0	3.0
Government	-0.2	-0.5	0.0	3.0	2.9	3.2
Tourism	15.9	13.4	-7.1	18.4	15.9	-4.7
Manufacturing	2.0	1.9	-0.3	3.5	3.5	1.2
Real Estate	1.6	-0.1	0.9	5.2	3.5	4.5
Suez Canal	-7.1	-4.4	-4.4	-5.5	-2.5	-2.9
Wholesale and Retail trade	0.8	-0.5	-0.5	3.6	2.4	2.3
Transportation	0.4	-0.8	-0.9	3.7	2.6	2.3

Source: Based on the Ministry of Planning data.

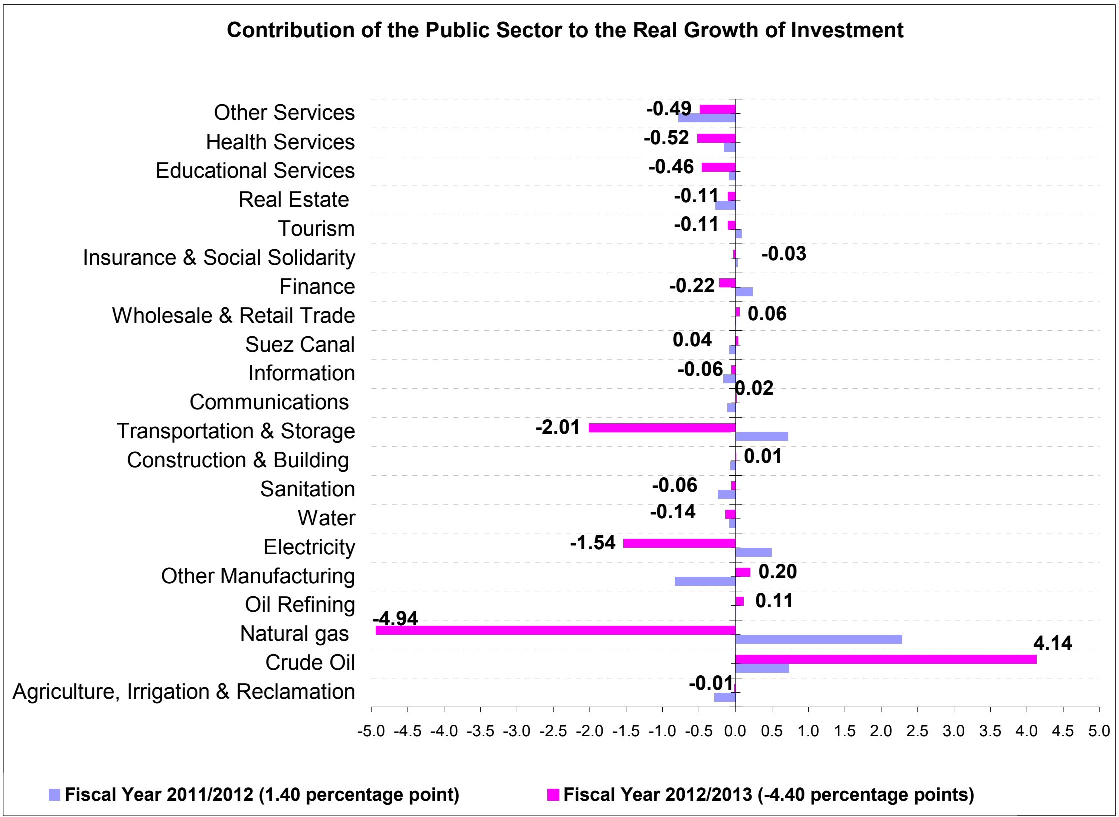
- GDP by Expenditure (at 2011/2012 Market Prices)

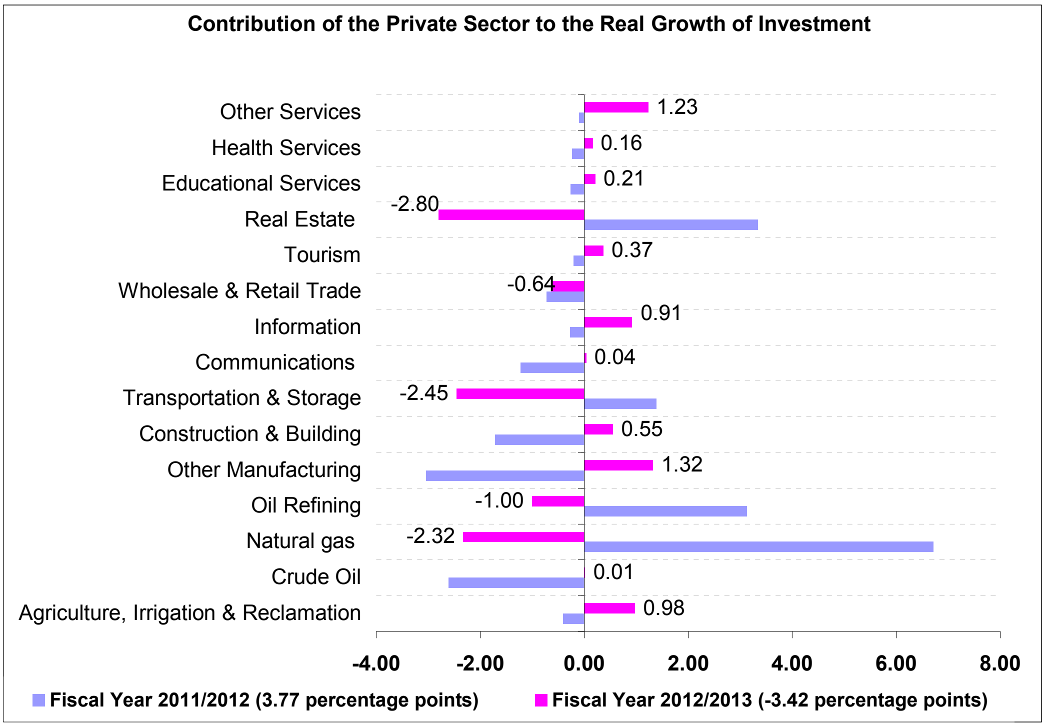
On the demand side, GDP growth (2.1 percent) in FY 2012/2013 reflects the contributions of both **domestic demand** (consumption and investment) that reached 1.1 point and **external demand** (exports of goods and services less imports of goods and services) that posted 1.0 point. The share of **domestic demand** was an outcome of both final consumption and capital formation. Final consumption added some 2.7 points, remaining as such the driving engine of growth. Capital formation shared with a negative 1.6 point, due to the retreat in fixed investments by 7.8 percent to LE 226.8 billion (14.1 percent of GDP). The retreat in investments was ascribed to the decrease in the contribution of the public sector that registered negative 4.4 points of the change rate of investments in FY 2012/2013 (due to the lower shares of many sectors, especially natural gas; transportation and storage; and electricity). Private investments also declined to negative 3.4 points (owing to the lower shares of most sectors, mainly real estate; transportation and storage; and natural gas).

Growth Rates and Share of Demand Components in Real GDP Growth at Market Prices

	Growth Rate (%)				Share in GDP Growth (Percentage Point)	
	FY		April/June		FY	April/June
	2011/12	2012/13	2012	2013	2012/13	2013
Real GDP Growth	**2.2**	**2.1**	**3.3**	**1.5**	**2.1**	**1.5**
1- Domestic Demand	**6.0**	**1.0**	**7.3**	**0.1**	**1.1**	**0.1**
A- Final Consumption	**6.0**	**2.9**	**6.2**	**3.5**	**2.7**	**3.1**
Private	6.5	2.8	6.7	3.4	2.3	2.6
Public	3.1	3.5	3.3	3.6	0.4	0.5
B- Capital Formation (Including Change in Stock)	**5.7**	**-9.6**	**11.3**	**-15.0**	**-1.6**	**-3.0**
2- Net External Demand	**93.0**	**-11.8**	**90.0**	**-14.9**	**1.0**	**1.4**
A- Exports of Goods and Services	-2.3	4.1	-5.8	-0.7	0.7	-0.1
B- Imports of Goods and Services	10.8	-1.1	10.2	-5.8	-0.3	-1.5

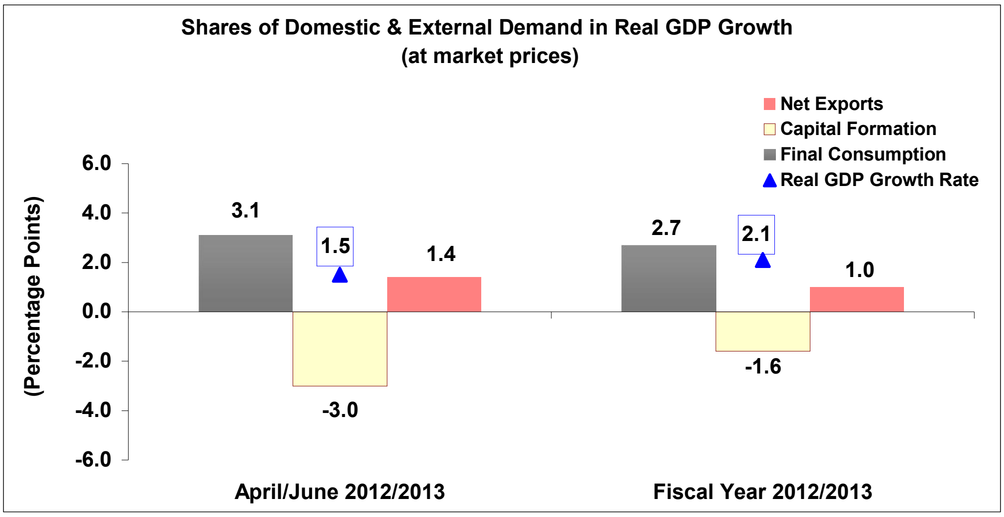
Source: Table (1/2) in the statistical annex.





The relative distribution of investments in the reporting period ran as follows: 24.3 percent in social services; 24.1 percent in extractions; 23.5 percent in productive services; 10.8 percent in electricity, water and sanitation; 10.6 percent in manufacturing; 3.4 percent in agriculture; 1.4 percent in construction and building; and 1.9 percent in other sectors. The 1.0 point contribution of **external demand** to GDP growth was supported by exports (0.7 point, with an annual growth of 4.1 percent); and the negative contribution of imports (a negative 0.3 point, with an annual decline of 1.1 percent).

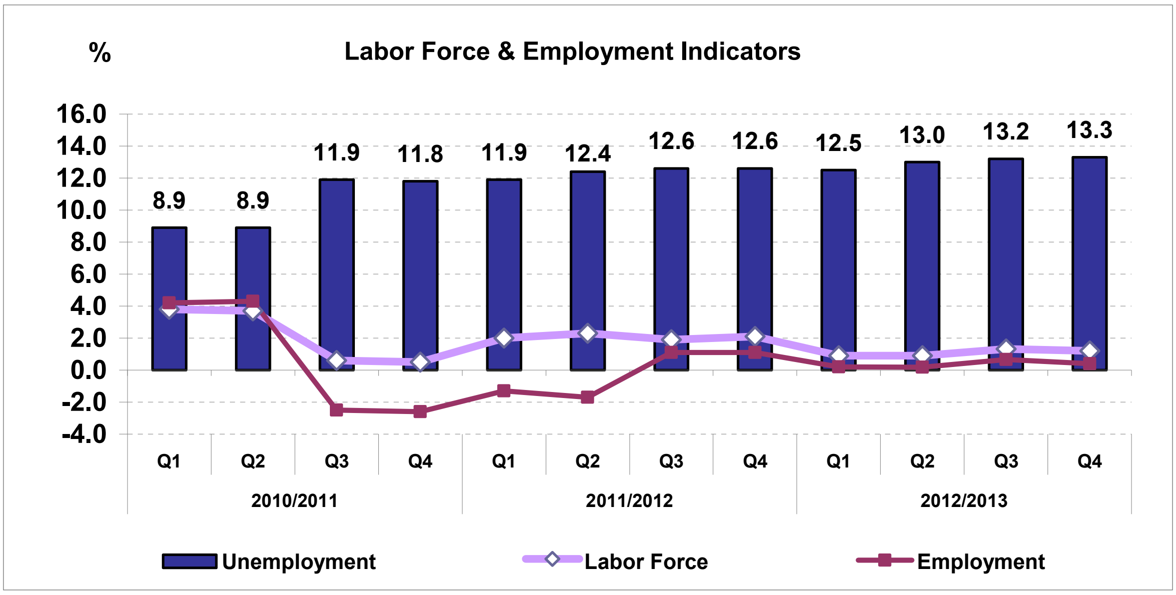
On a quarterly basis, GDP growth in Q4 was attributed to external demand that added 1.4 point (being the main propeller of growth in this quarter) and to domestic demand that contributed only 0.1 point. The contribution of external demand reflects the negative contribution of imports (-1.5 point), led by their contraction of 5.8 percent during the quarter in question. The improvement in the share of external demand could have been larger but for the negative contribution of exports (-0.1 point). The contribution of domestic demand resulted from the contributions of final consumption (3.1 points) and capital formation (negative 3.0 points), on the back of the retreat in fixed investments by 14.7 percent to LE 64.6 billion.



1/2 – Labor Force, Employment and Unemployment

According to CAPMAS quarterly Labor Force Sample Survey (LFSS) for Q4 2012/2013, the size of the labor force rose to 27.2 million persons, up by 316 thousand or 1.2 percent, compared with the same quarter of the previous FY. Moreover, the number of employed grew by 93 thousand persons to 23.6 million. The sector of agriculture and fishing continued to account for the lion's share of the total number of employed (27.5 percent against 26.9 percent). The number of unemployed also mounted to 3.6 million persons, up by 6.6 percent. As a result, unemployment accelerated to 13.3 percent in the last quarter of FY 2012/2013 (from 12.6 percent in the same quarter a year earlier).

The growth in unemployment was an outcome of the rise in jobless males to 9.8 percent (from 9.2 percent), and jobless females to 25.1 percent (from 24.1 percent). On the other hand, unemployment in the urban sections retreated to 15.9 percent (from 16.2 percent), and rose in the rural areas to 11.3 percent (from 9.8 percent).



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

1/3 – Cotton

Hereunder are the main developments witnessed in the cotton crop for the 2012/2013 season on the sides of supply and demand:

Area and Production

According to the estimates of the Cotton and Textile Industries Holding Company, cotton cultivated area reached about 340 thousand feddans, down by 35.2 percent as compared with the previous season. The area cultivated with long and medium-long staple varieties constituted about 90.6 percent of the total (against 81.2 percent), whereas extra-long staples constituted only 9.4 percent (against 18.8 percent).

Area and Production of Cotton Varieties

	Area (Thousand Feddans)				Change	Production (Thousand Metric Cantars)				Change	Average Productivity Cantars/Feddan	
	2011/12		2012/13		+ (-) (%)	2011/12		2012/13		+ (-) (%)	2011/12	2012/13
Total:	**525**	**100.0**	**340**	**100.0**	**(35.2)**	**3686**	**100.0**	**2165**	**100.0**	**(41.3)**	**7.0**	**6.4**
Extra-long staples	98	18.8	32	9.4	(67.6)	791	21.5	183	8.5	(76.9)	8.0	5.7
Long & long-medium staples	427	81.2	308	90.6	(27.8)	2895	78.5	1982	91.5	(31.6)	6.8	6.4

Source: Table (1/5) in the Statistical Annex.

The decrease in cotton cultivated area during 2012/2013 season was accompanied by a 41.3 percent decline in cotton output as compared with the previous season, reaching a total of 2.2 million metric cantars. The major part of the decline (2.0 million metric cantars) was in the long and medium-long staple varieties that decreased by 913 thousand metric cantars or 31.6 percent. Likewise, the output of extra-long staples retreated by 608 thousand metric cantars or 76.9 percent to 183 thousand metric cantars in the 2012/2013 season. Moreover, the average productivity per feddan fell to 6.4 cantars/feddan from 7.0 cantars/feddan a season earlier.

Total Supply and Demand

During the season in question, total cotton supply amounted to 3.2 million metric cantars, down by 23.9 percent below the level of the previous season. The retreat was attributed to the fall in both cotton output and imports. Cotton output fell by 41.3 percent to 2.2 million metric cantars (concurrent with a drop in cultivated area as mentioned earlier), and imports rolled back by 20.3 percent to 177 thousand metric cantars (against 222 thousand metric cantars), covering 13.2 percent of domestic consumption. The decline in cotton supply was curbed by the 199.3 percent rise in the opening stock to 847 thousand metric cantars (against 283 thousand metric cantars). On the other hand, total demand (domestic and external) on all cotton varieties reached 2.7 million metric cantars, down by 6.3 percent.

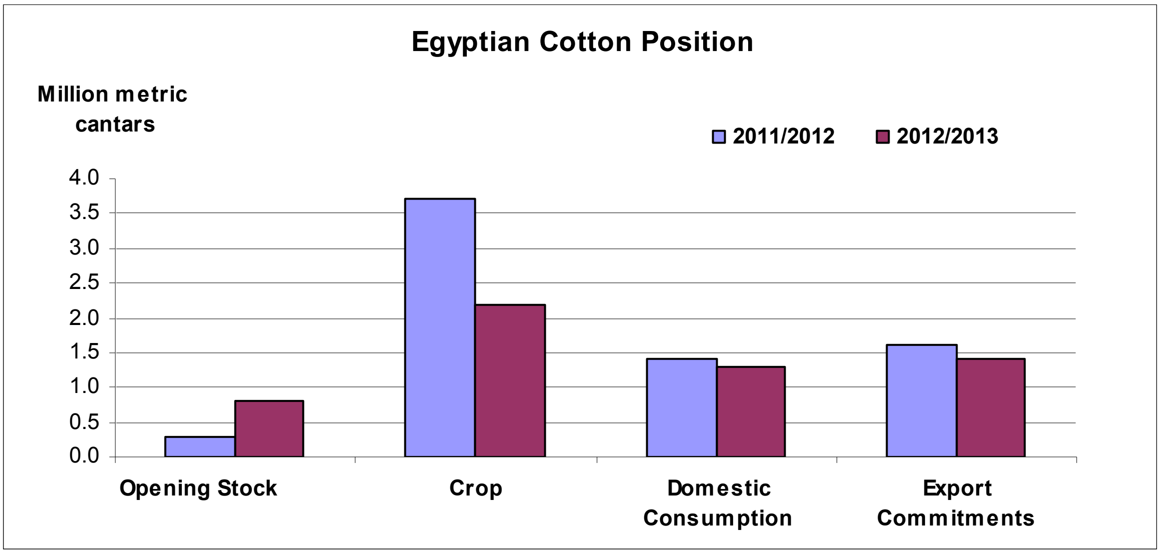
The decline was an outcome of the fall in both domestic consumption by 0.5 percent to 1.3 million metric cantars (against 1.4 million metric cantars), and export commitments by 11.4 percent to 1.4 million metric cantars (against 1.6 million metric cantars). Thus, total demand represented 85.7 percent of the total supply (against 70.0 percent), indicating a decline in the end of season carryover.

Total Supply and Demand

(thousand metric cantars)

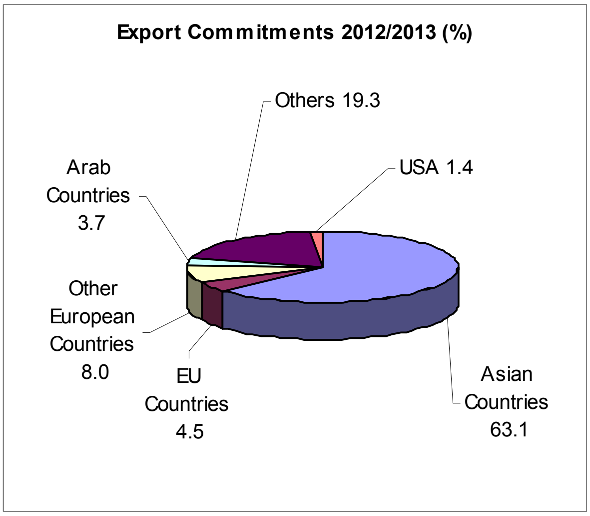
Season	2011/2012	2012/2013	Change + (-) %
Total Supply	**4191**	**3189**	**(23.9)**
Opening stock	283	847	199.3
Output (Crop)	3686	2165	(41.3)
Imports	222	177	(20.3)
Total Demand (Uses)	**2918**	**2733**	**(6.3)**
Domestic Consumption	1353	1346	(0.5)
Export Commitments (from the beginning of the season and up to the end of June)	1565	1387	(11.4)
Carryover at the End of the Season	**1273**	**456**	**(64.2)**

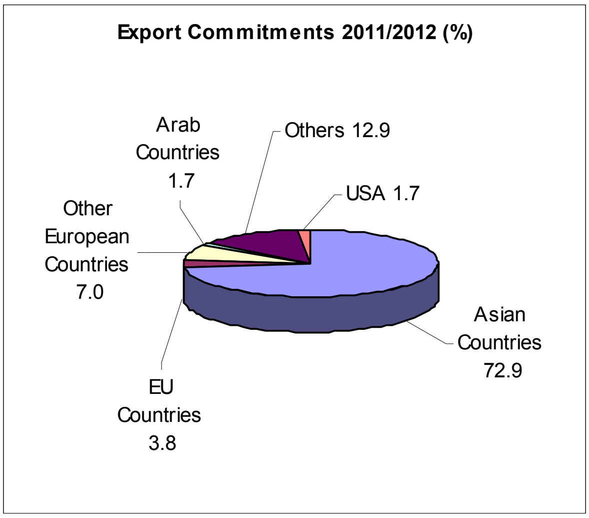
Source: Ibid.



Export Commitments

Total export commitments since the beginning of the season up to the end of June 2013 (on a preliminary basis) rolled back 11.4 percent to 1.4 million metric cantars (against 1.6 million metric cantars). Those commitments consisted of 991 thousand metric cantars of long staple varieties (71.4 percent), and 396 thousand metric cantars of extra-long staple varieties (28.6 percent).





The private sector companies accounted for the bulk of total commitments (79.9 percent), while the share of the public business sector was confined to 20.1 percent. The export price of extra-long staples reached 145.0 cent/libra on average in 2012/2013 season, while that of long staples averaged 134.0 cent/libra.

Export Commitments (Preliminary)
by Variety and Exporting Companies

(thousand metric cantars)

Season	**2011/2012 (1/9/2011 - 30/6/2012)**		**2012/2013 (1/9/2012 - 30/6/2013)**	
	Quantity	**Relative Importance (%)**	**Quantity**	**Relative Importance (%)**
1-Variety				
Total	**1565**	**100.0**	**1387**	**100.0**
Extra-long staples	489	31.3	396	28.6
Long staples	1076	68.7	991	71.4
2-Exporting Companies				
Total	**1565**	**100.0**	**1387**	**100.0**
Public business sector companies	232	14.8	278	20.1
Private sector companies	1333	85.2	1109	79.9

Source: Cotton and Textile Industries Holding Company.

As for export commitments by importer, the Asian countries (mainly India, China and Pakistan) came in the forefront, accounting for 63.1 percent of the total. The other European countries (mainly Turkey and Switzerland) came second with 8.0 percent, followed by the EU countries (particularly Italy and Germany) with 4.5 percent of the total. The Arab countries, headed by the UAE, Bahrain and Qatar, made commitments of 51 thousand metric cantars or 3.7 percent of the total. Commitments with the USA amounted to 19 thousand metric cantars or 1.4 percent of the total.

Export Commitments by Importer

As of the Beginning of the Season Up to the End of June	2010/2011	2011/2012	2012/2013
Total (thousand metric cantars)	**2211**	**1565**	**1387**
		Relative Importance (%)	
Total	**100.0**	**100.0**	**100.0**
Asian countries; of which	**61.7**	**72.9**	**63.1**
India	25.2	15.9	28.3
China	19.1	22.9	14.1
Pakistan	9.4	19.5	10.5
EU countries; of which	**7.3**	**3.7**	**4.5**
Italy	2.8	1.5	2.0
Germany	3.8	0.7	0.5
Other European countries; of which	**14.3**	**7.0**	**8.0**
Turkey	4.8	5.0	5.5
Switzerland	9.5	2.0	2.5
Belgium	-	0.1	0.1
USA	**2.4**	**1.7**	**1.4**
Arab countries	**4.6**	**1.8**	**3.7**
Bahrain	0.7	0.4	1.5
UAE	0.1	0.4	0.2
Libya	0.6	-	1.5
Others (including Free Zone Egypt)	**9.7**	**12.9**	**19.3**

Source: Table (1/6) in the Statistical Annex

Total World Supply and Demand

According to the estimates of the International Cotton Advisory Committee (ICAC) for the 2012/2013 season, compared with the preceding season, total world supply of cotton picked up 8.8 percent to 185.2 thousand bales (against 170.2 thousand bales). This rise was a dual effect of the increase in the opening stock by 46.5 percent to 64.6 thousand bales (against 44.1 thousand bales), and the decline in world production by 4.4 percent to 120.6 thousand bales (compared to 126.1 thousand bales). On the other hand, the ICAC forecasted a 2.4 percent hike in total world consumption to reach 107.1 thousand bales (against 104.6 thousand).

Consequently, total world consumption of cotton accounted for 57.8 percent of total supply in the 2012/2013 season (against 61.5 percent). This led to a 19.1 percent rise in the carryover at the end of the season reaching 78.1 thousand bales (against 65.6 thousand).

Position of World Cotton

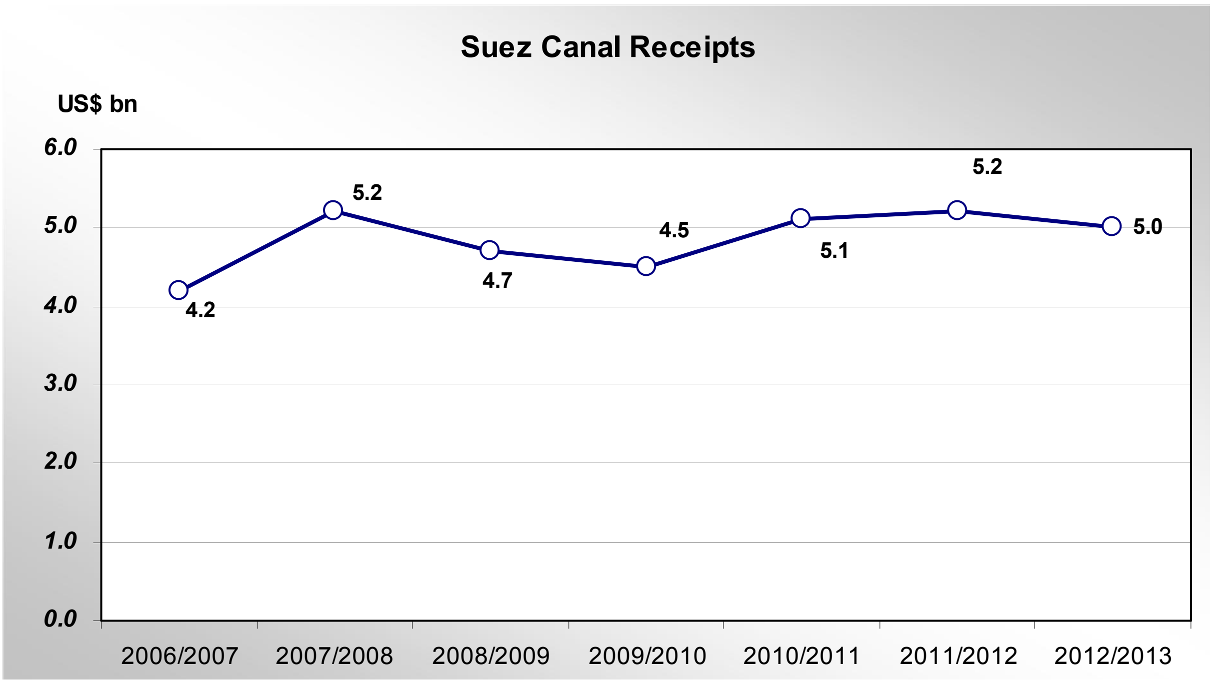
(thousand bales*)

Season	2011/2012 Estimate	2012/2013 Forecast	Change + (-) %
Total Supply	**170.2**	**185.2**	**8.8**
Opening stock	44.1	64.6	46.5
World production	126.1	120.6	(4.4)
World consumption	**104.6**	**107.1**	**2.4**
Carryover at the end of the season	65.6	78.1	19.1

Source: The Egyptian Cotton Gazette.
* World bale = 480 libras.

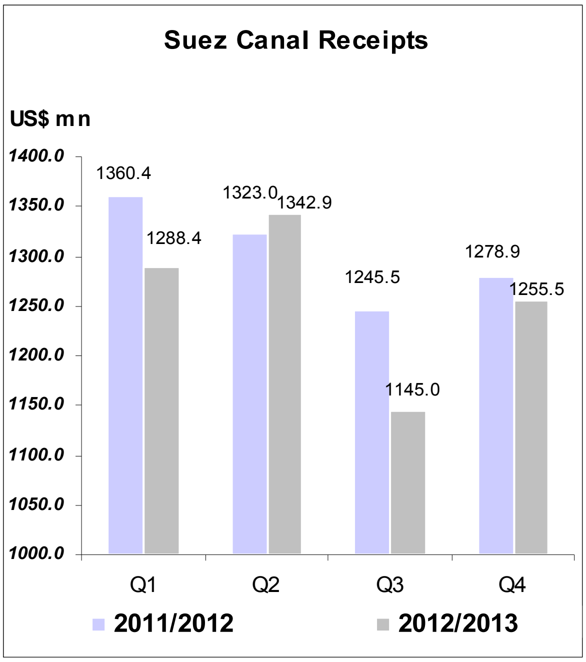
1/4- Suez Canal

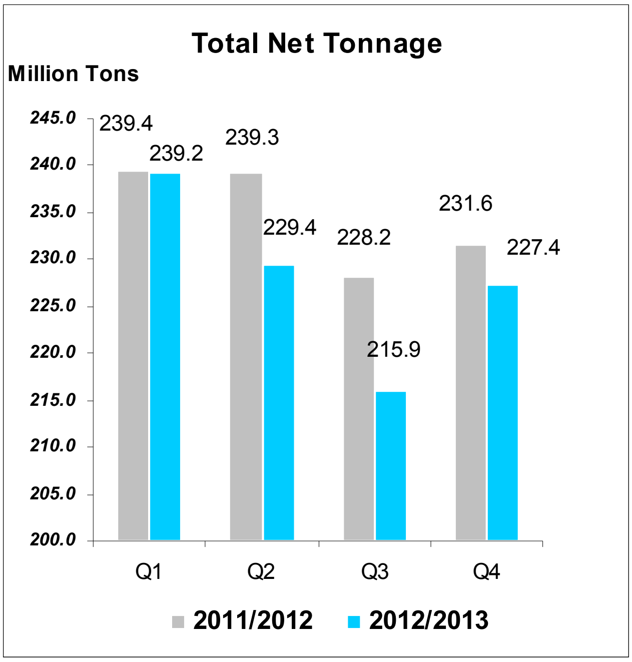
Suez Canal receipts fell by 3.4 percent to US$ 5.0 billion in FY 2012/2013 (against US$ 5.2 billion a year earlier), due to the depreciation of SDRs vis-à-vis the US dollar by 2.6 percent and the decline in net tonnage by 2.8 percent.



The decline in net tonnage, in FY 2012/2013, by 26.7 million tons or 2.8 percent to 911.9 million tons (against 938.5 million tons in the preceding FY) was ascribed mainly to the fall in net tonnage of ships other than oil tankers by 4.6 percent.

The following two charts illustrate the development in Suez Canal receipts and total net tonnage on a quarterly basis during FY 2012/2013 as compared with the previous FY.





Transiting ships declined during the reporting year, by 1000.0 to 16664. The drop was a result of the decrease in both the number of transiting ships (other than oil tankers) by 944 to 13104 or 78.6 percent of the total; and the number of oil tankers by 56 to 3560.

Traffic in Suez Canal

		2011/12	2012/13	Change (%)
<u>Total</u>				
Number		17664	16664	-5.7
Net tonnage	Million tons	938.5	911.9	-2.8
Average tonnage	Thousand tons	53.1	54.7	3.0
<u>Oil Tankers</u>				
Number		3616	3560	-1.5
Net tonnage	Million tons	131.4	141.9	8.0
Average tonnage	Thousand tons	36.3	39.9	9.9
<u>Other Ships</u>				
Number		14048	13104	-6.7
Net tonnage	Million tons	807.1	770.0	-4.6
Average tonnage	Thousand tons	57.5	58.8	2.3

Source: Suez Canal Authority.

The volume of cargo transiting the Canal (by destination) in FY 2012/13 rose by 5.7 million tons or 0.8 percent to 733.3 million tons (from 727.6 million tons a year earlier). That came on the back of the increase in the volume of southbound cargo by 9.1 million tons or 2.5 percent (mainly petroleum products). In the meantime, northbound cargo declined by 3.4 million tons or 0.9 percent.

Transiting Cargo by Destination

(million tons)

	2011/12	2012/13	Change	Change (%)
Total	**727.6**	**733.3**	**5.7**	**0.8**
Southbound:	**369.6**	**378.7**	**9.1**	**2.5**
Petroleum products	52.8	63.0	10.2	19.3
Cereals	25.0	22.4	-2.6	-10.4
Mineral fertilizers	12.9	8.7	-4.2	-32.6
Fabricated metals	16.7	18.8	2.1	12.6
Chemicals	10.1	10.3	0.2	2.0
Coal	2.3	3.9	1.6	69.6
Machinery and parts thereof	3.5	3.6	0.1	2.9
Metals and Ores	28.8	32.5	3.7	12.8
Others	217.5	215.6	-2.0	-0.9
Northbound:	**358.0**	**354.6**	**-3.4**	**-0.9**
Petroleum products	71.2	84.5	13.3	18.7
Cereals	0.5	0.4	-0.1	-20.0
Fertilizers	3.5	4.5	1.0	28.6
Fabricated metals	5.0	5.4	0.4	8.0
Chemicals	10.1	9.2	-0.9	-8.9
Coal	8.7	7.5	-1.2	-13.8
Machinery and parts thereof	3.9	3.7	-0.2	-5.1
Metals and Ores	4.4	2.4	-2.0	-45.5
Others	250.7	237.0	-26.4	-10.5

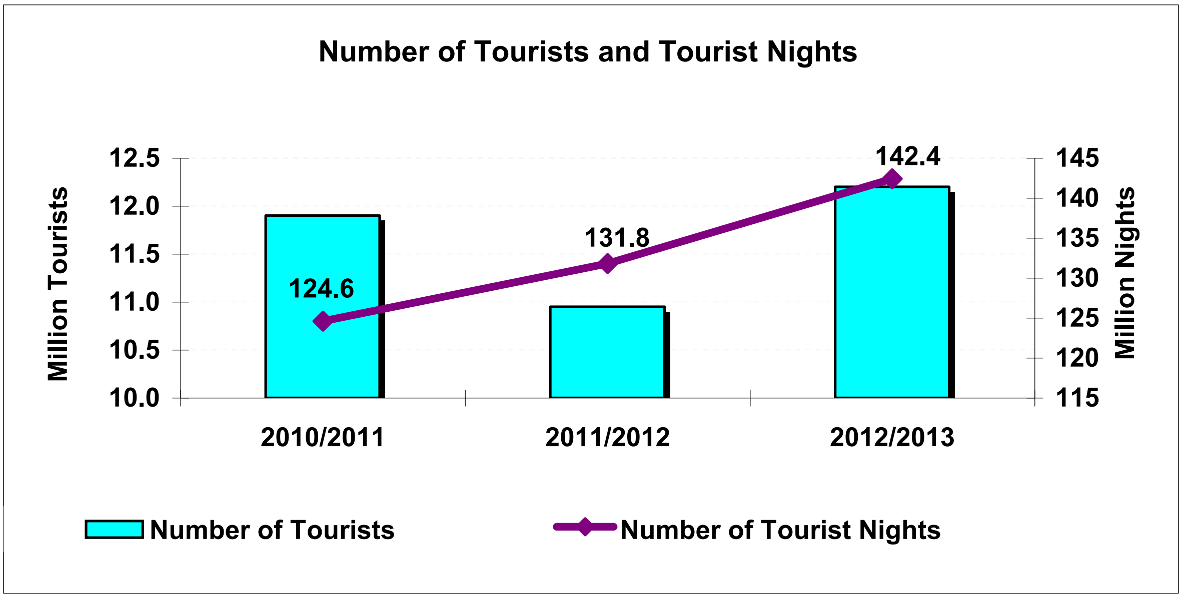
Source: Suez Canal Authority.

1/5- Tourism

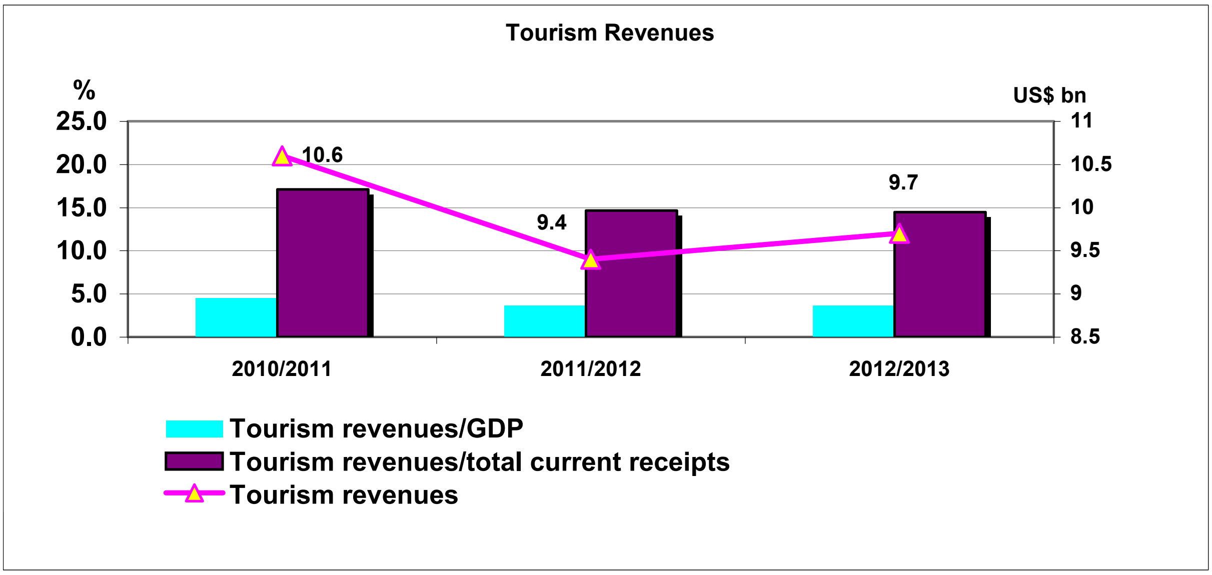
According to the statistics of the Ministry of Planning, real GDP of tourism sector grew to 6.6 percent during FY 2012/2013 (against 2.3 percent in the previous FY). Accordingly, the share of this sector amounted to 0.2 percentage point of the real GDP growth achieved in the reporting year (2.1 percent), compared with 0.09 percentage point. This increase came in spite of the retreat in the relative share of tourism in real GDP to 3.2 percent (from 3.9 percent). This was mainly ascribed to the noticeable decline in the real growth rate of the said sector to negative 5.2 percent during Q4 (April/June) of

2012/2013 (against 17.8 percent in the previous quarter and 15.4 percent in the same quarter a year earlier). Accordingly, tourism achieved a negative output gap of 7.1 percent in the said quarter as mentioned in Chapter (1) of this Review.

According to the statistics of the Central Agency for Public Mobilization and Statistics (CAPMAS) and the Ministry of Tourism, the slight improvement in tourism was mainly spurred by the rise in **the number of arrivals** in 2012/2013 by 11.5 percent (against a retreat of 8.2 percent in the previous FY) to reach 12.2 million. Another factor at work was the pickup in **the number of tourist nights** by departure by 8.1 percent (against 5.8 percent) to reach 142.4 million and the rise in the average visitor stay to 12.3 nights (from 12.0 nights).



Against this background, tourism revenues mounted by 3.5 percent (against a decrease of 11.0 percent) to US$ 9.7 billion during FY 2012/2013. These revenues represented 3.6 percent of GDP at current market prices (remaining at the same level of the previous year) and 14.5 percent of total current receipts including transfers (against 14.6 percent). The increase was achieved despite the decrease in the average spending per tourist a night to US$ 68.0 during the year under review (from US$ 71.5 in the year of comparison). This decrease was concentrated in Q4 2012/2013 in which it registered only US$ 60.1 (against US$ 74.4 in the same quarter a year earlier).



Investments in the tourism sector amounted to some LE 6.6 billion, constituting 2.7 percent of total investments in FY 2012/2013 (against LE 5.6 billion or 2.3 percent in the previous fiscal year). The private sector invested around 95.0 percent of the total, in the amount of LE 6.3 billion (against 89.8 percent at a value of LE 5.0 billion).

Tourism Indicators

FY	2011/2012	2012/2013	Change + (-) (%)
Number of arrivals (000s)	10953	12213	11.5
Number of tourist nights by departure (000s)	131769	142432	8.1
Tourism revenues (US$ bn)	9.42	9.75	3.5
Average tourist stay (night)	12.0	12.3	2.5
The average spending per tourist a night (US$)	71.5	68.0	(4.9)

Source: CAPMAS and the Ministry of Tourism.

Geographical Distribution of Tourist Flows

1-Number of Arrivals:

Total arrivals from all tourist markets increased by 11.5 percent during FY 2012/2013 as compared with the previous FY. The **European group** remained in the forefront, with a share of 73.1 percent of the total, as the number of arrivals therefrom rose by 0.8 million or 10.2 percent (against a retreat of 0.7 million or -7.9 percent a year earlier). The **Middle East group** ranked second with a share of 17.1 percent, as the number of arrivals therefrom scaled up by 0.3 million or 20.4 percent (against 0.1 million and 6.3 percent). Such an increase is considered the highest during the period following that of **other countries group**. **Asia and the Pacific** group recorded a rise of 0.07 million or 17.9 percent, against a retreat of 0.2 million or -33.3 percent.

Number of Arrivals

FY	2011/12		2012/13		Change +(-)	
	No. (000s)	Relative Weight	No. (000s)	Relative Weight	No.	%
Total	**10953**	**100.0**	**12213**	**100.0**	**1260.0**	**11.5**
Europe	8101	74.0	8925	73.1	824.0	10.2
Middle East	1739	15.9	2094	17.1	355.0	20.4
Africa	434	4.0	438	3.6	4.0	0.9
The Americas	283	2.6	288	2.4	5.0	1.8
Asia and the Pacific	374	3.4	441	3.6	67.0	17.9
Others	22	0.2	27	0.2	5.0	22.7

2- Tourist Nights by Departure:

During FY 2012/2013, the number of tourist nights by departure increased by 10.7 million or 8.1 percent to reach 142.4 million.

Number of Tourist Nights by Departure

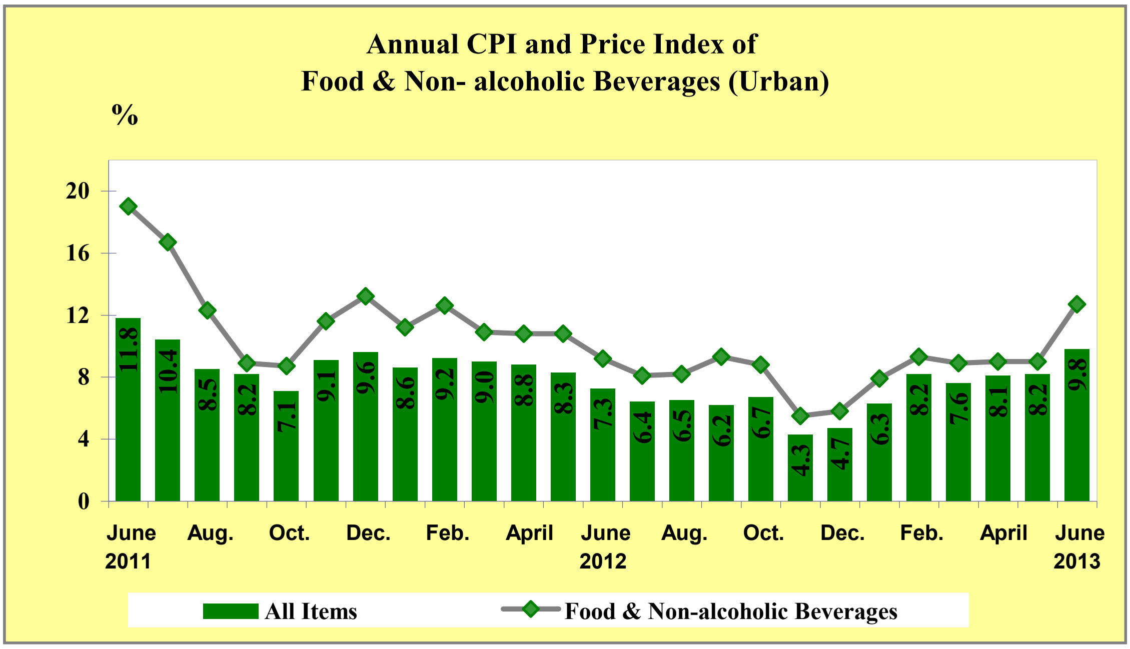
FY	2011/2012		2012/2013		Change +(-)	
	No. (000s)	Relative Weight	No. (000s)	Relative Weight	No.	%
Total	**131769**	**100.0**	**142432**	**100.0**	**10663.0**	**8.1**
Europe	86805	65.9	97827	68.7	11022.0	12.7
Middle East	30121	22.9	31615	22.2	1494.0	5.0
Africa	6289	4.8	5277	3.7	(1012.0)	(16.1)
The Americas	4337	3.3	3662	2.6	(675.0)	(15.6)
Asia and the Pacific	3893	3.0	3893	2.7	0.0	0.0
Others	324	0.2	158	0.1	(166.0)	(51.2)

As for the geographic distribution of tourist flows in terms of tourist nights by departure, most of the rise came from the **European group**, as the number of nights spent by departures of this group went up by 11.0 million or 12.7 percent during FY 2012/2013 (against an increase of only 2.9 million or 3.4 percent a year earlier). The **Middle East group** followed with a pickup of 1.5 million or 5.0 percent in the number of tourist nights (against 6.4 million or 26.9 percent). However, the increase in tourist nights was mitigated by the retreat in the number of nights of **the African group** by 1 million or 16.1 percent, then **the Americas group** by 15.6 percent and **other countries group** by 51.2 percent. As to the **Asian and Pacific group,** the number of tourist nights remained unchanged.

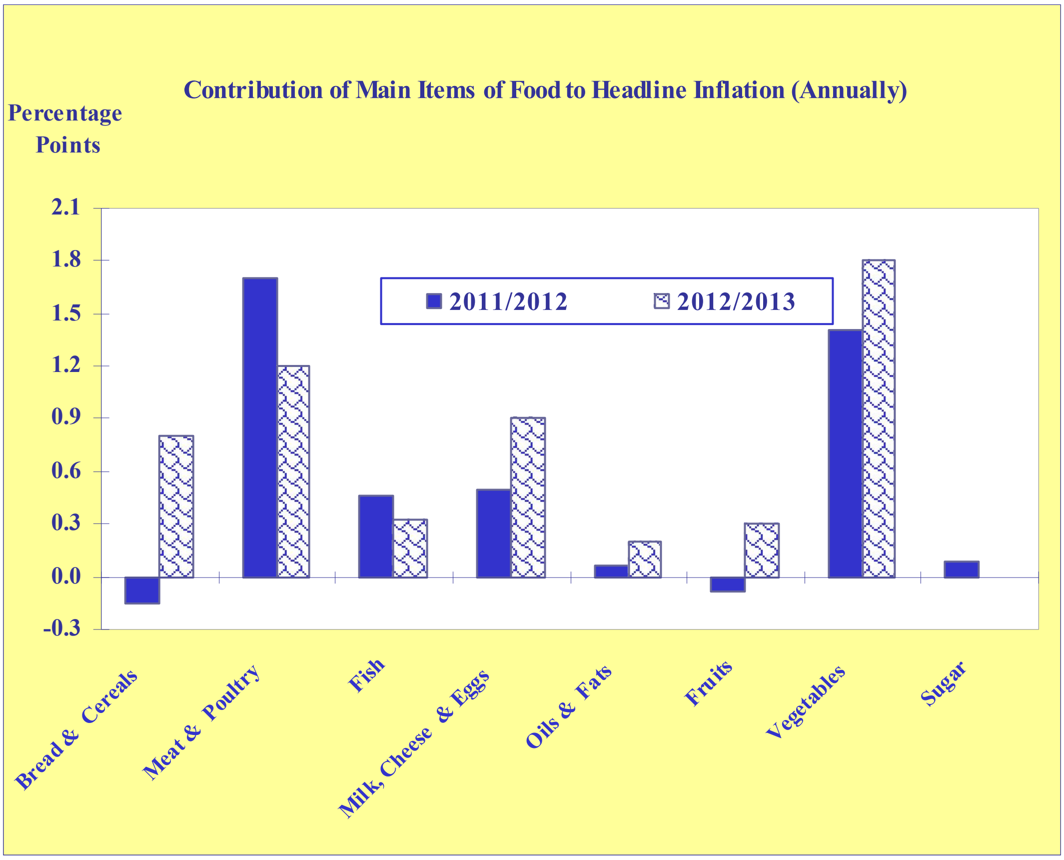
1/6- Inflation

Consumer Price Index (CPI)

The annual headline CPI (urban) inched up in 2012/2013, to post 9.8 percent in June 2013, against 7.3 percent in June 2012. The rise in headline inflation was largely driven by higher contributions of food and non-alcoholic beverages to 5.7 percentage points (against 4.1 percentage points); restaurants and hotels (0.9 point against 0.2 point); and healthcare (0.7 point against nil). Likewise, the shares of clothing and footwear; communications; and education stepped up by 0.1 point each.



Decreases were observed in the shares of housing, electricity, and fuel (0.8 point against 1.2 point); tobacco and narcotics (0.3 point against 0.6 point); and furnishings (0.2 point against 0.3 point). On the other hand, the shares of the rest of the groups remained unchanged.



Source: CAPMAS

The rise in the share of food and non-alcoholic beverages came on the back of higher contributions of most sub-groups, mainly bread and cereals (0.8 point against a negative 0.1 point); vegetables (1.8 point against 1.4 point); fruits (0.3 point against a negative 0.1 point); and milk, cheese and eggs (0.9 point against 0.5 point). By contrast, decreases were seen in the shares of the following sub-groups: meat and poultry (1.2 point against 1.7 point); fish (0.3 point against 0.5 point); and sugar (nil against 0.1 point).

The higher inflation rate during the reporting year was attributed to the depreciation of the Egyptian pound vis-à-vis the US dollar, leading to a rise in import costs. Add to this the political and security unrest in Egypt that negatively affected commodity supply in local markets, especially fuel and butane gas cylinders that witnessed several supply bottlenecks.

The following table illustrates the shares of CPI groups (urban) in headline inflation during the reporting year and the year of comparison:

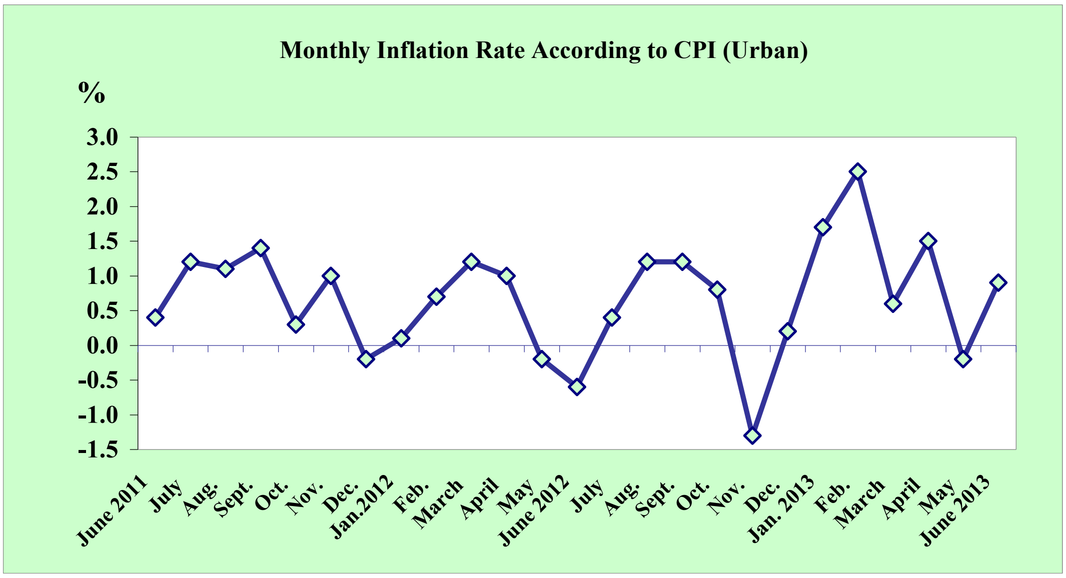
(January 2010 =100)

Main CPI Groups	**Inflation Rate (%) During FY**		**Share in Headline Inflation (percentage point) during FY**	
	2011/2012	**2012/2013**	**2011/2012**	**2012/2013**
General Index	**7.3**	**9.8**	**7.3**	**9.8**
Food & non-alcoholic beverages	9.2	12.7	4.1	5.7
Alcoholic beverages, tobacco and narcotics	18.8	7.7	0.6	0.3
Clothing and footwear	4.5	5.8	0.2	0.3
Housing, water, electricity & fuel	7.2	5.0	1.2	0.8
Furnishings, household equipment and routine maintenance	8.8	6.7	0.3	0.2
Healthcare	0.1	12.5	0.0	0.7
Transportation	2.8	2.6	0.1	0.1
Communications	-4.5	0.0	-0.1	0.0
Culture and recreation	8.6	7.6	0.2	0.2
Education	9.9	11.4	0.5	0.6
Restaurants and hotels	3.6	21.6	0.2	0.9
Miscellaneous goods and services	1.3	0.8	0.0	0.0

Source: Table (1/8) in the Statistical Section.

According to CPI (urban), **headline inflation (m/m)** accelerated to 0.8 percent on average in the reporting year (from 0.6 percent a year earlier). Moreover, it reached 0.9 percent in June 2013 against a negative 0.6 percent in June 2012.

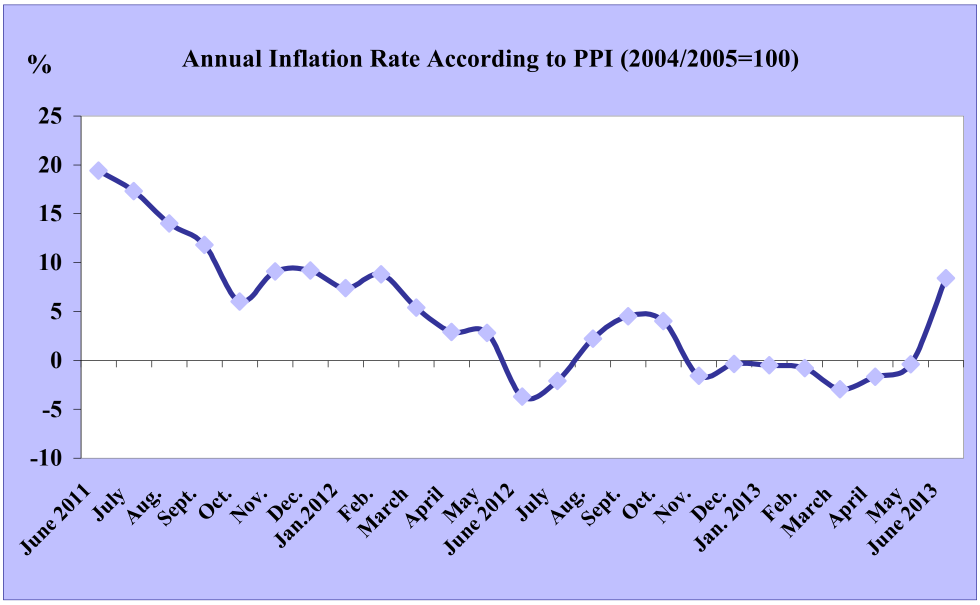
In Feb. 2013, headline inflation (m/m) registered its highest level (2.5 percent) in about three years (August 2010), on the back of the pickup in the monthly share of most of the CPI sub-groups, especially food and non-alcoholic beverages; restaurants and hotels; and healthcare.



Source: CAPMAS

Producer Price Index (PPI)

Taking an upward trend, similar to the CPI, annual headline PPI edged up to 8.4 percent from negative 3.7 percent.



The increase in PPI inflation was primarily due to higher contribution of agriculture and fishing (4.3 points against negative 2.3 points). The surge reflected the rise in the shares of most sub-groups, especially vegetables (2.5 points against negative 2.8 points); fruits (0.9 point against a negative 0.3 point); and poultry and eggs (0.4 point against 0.2 point).

Increases were also observed in the shares of mining and quarrying (1.5 point against negative 2.3 points); manufacturing (2.2 points against 0.6 point); electricity and gas (0.2 point against nil); and accommodation and food services (0.2 point against 0.1 point).

The following table shows the inflation rates and shares of PPI groups in headline inflation during the reporting year and the year of comparison:

Share of PPI Groups in Headline Inflation

(2004/2005=100)

Main PPI Groups	Inflation Rate (%) during FY		Share in Headline Inflation (Percentage Point) during FY	
	2011/2012	2012/2013	2011/2012	2012/2013
General Index	**-3.7**	**8.4**	**-3.7**	**8.4**
1- Agriculture and Fishing, of which:	**-6.7**	**13.1**	**-2.3**	**4.3**
Cereals and leguminous crops	6.5	6.4	0.3	0.3
Rice	-13.1	2.4	-0.2	0.0
Vegetables	-37.2	51.9	-2.8	2.5
Fruits	-4.7	13.9	-0.3	0.9
Poultry and eggs	5.3	9.8	0.2	0.4
Fish	14.1	1.8	0.3	0.0
2- Mining & Quarrying, of which:	**-10.1**	**6.8**	**-2.3**	**1.5**
Crude oil	-13.3	8.6	-3.8	2.2
Sand and stone	-0.7	9.5	-0.1	0.0
3- Manufacturing, of which:	**1.9**	**6.2**	**0.6**	**2.2**
Processed food products, of which:	4.0	4.2	0.3	0.4
Oils and fats	2.2	10.0	0.0	0.1
Dairy products	4.4	9.2	0.0	0.1
Fertilizers	-3.6	10.7	0.0	0.1
Wood & products	9.3	26.9	0.1	0.0
Cement	-3.1	17.6	0.0	0.2
Iron and steel	-7.9	11.0	-0.4	0.5
4- Electricity and Gas, of which:	**0.0**	**10.6**	**0.0**	**0.2**
Electric power generation, transmission and distribution	0.0	4.2	0.0	0.1
5- Water Supply Activities	**7.4**	**0.0**	**0.1**	**0.0**
6- Transportation and Storage, of which:	**3.0**	**0.0**	**0.1**	**0.0**
Land transport	0.0	0.0	0.0	0.0
7- Accommodation and Food Services, of which:	**3.4**	**6.0**	**0.1**	**0.2**
Meal serving services in limited service facilities	0.0	13.0	0.0	0.1
8- Information and Communications	**0.0**	**0.0**	**0.0**	**0.0**

Source: Table (1/9) in the Statistical Section

2- Monetary and Banking Developments
2/1- Monetary and Banking Policy and Monetary Aggregates

2/1/1- Monetary Policy

As the ultimate objective of the monetary policy is price stability, the CBE seeks to bring inflation to an appropriate and stable level conducive to building confidence, stimulating investment, and achieving the targeted economic growth.

The overnight interbank interest rate is considered the operational target of the monetary policy, whereby a framework based on the corridor system is applied, within which the ceiling is the overnight interest rate on lending from the Central Bank, and the floor is the overnight deposit interest rate at the Bank.

Hereunder are the main developments that took place during FY 2012/2013

1- Interest Rates

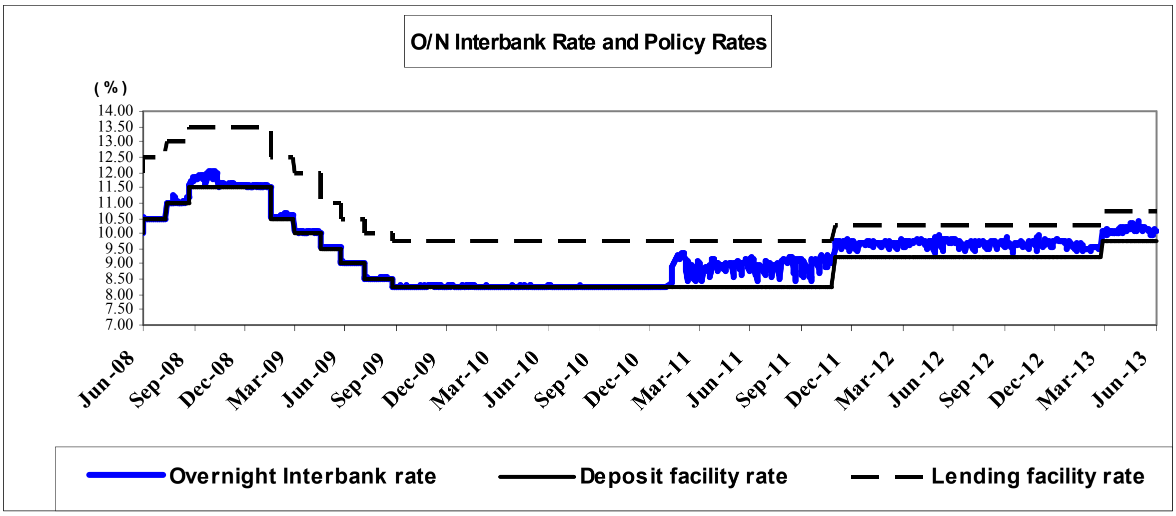
The decisions taken by the MPC in its eight periodic meetings held in FY 2012/2013 were responsive to the changes in inflation and the Committee's assessments of inflationary pressures. In the first five meetings, the MPC decided to keep the CBE's key interest rates (overnight deposit and lending rates), the CBE's discount rate, and the CBE's main operations rate unchanged. However, in its six meeting on 21 March 2013, the MPC decided to raise the overnight deposit and lending rates by 50 bps to 9.75 percent and 10.75, respectively, and the rate of the CBE's main operations (repos or deposit auctions, depending on the prevailing market liquidity conditions) by 50 bps to 10.25 percent. The discount rate was also raised by 75 bps to 10.25 percent. In the seventh and eighth meetings, these rates underwent no change.

The following table shows the developments in the CBE's key interest rates, the 7-day repo rate and the discount rate, pursuant to the decisions taken in the MPC meetings during the year:

Date \ Statement	Overnight Deposit Rate	Overnight Lending Rate	Main Operations Rate	Discount Rate
14 June 2012	9.25%	10.25%	9.75%	9.50%
26 July 2012	unchanged	unchanged	unchanged	unchanged
6 September 2012	unchanged	unchanged	unchanged	unchanged
18 October 2012	unchanged	unchanged	unchanged	unchanged
6 December 2012	unchanged	unchanged	unchanged	unchanged
31 January 2013	unchanged	unchanged	unchanged	unchanged
21 March 2013	9.75 %	10.75 %	10.25 %	10.25 %
9 May 2013	unchanged	unchanged	unchanged	unchanged
20 June 2013	unchanged	unchanged	unchanged	unchanged

At the time of preparing the Report at hand, the MPC decided in its meeting on August 1, 2013, to cut all rates by 50 bps. Accordingly, the CBE's overnight deposit and lending rates reached 9.25 percent and 10.25 percent, respectively, while its main operations rate and the discount rate posted 9.75 percent each.

Given the decline in the average liquidity deficit at the banking system which further shifted into a surplus in the second half of FY 2012/2013, the weighted average of the overnight interbank interest rate fluctuated up and down, hovering around the middle of the corridor in the reporting year (see the following chart).

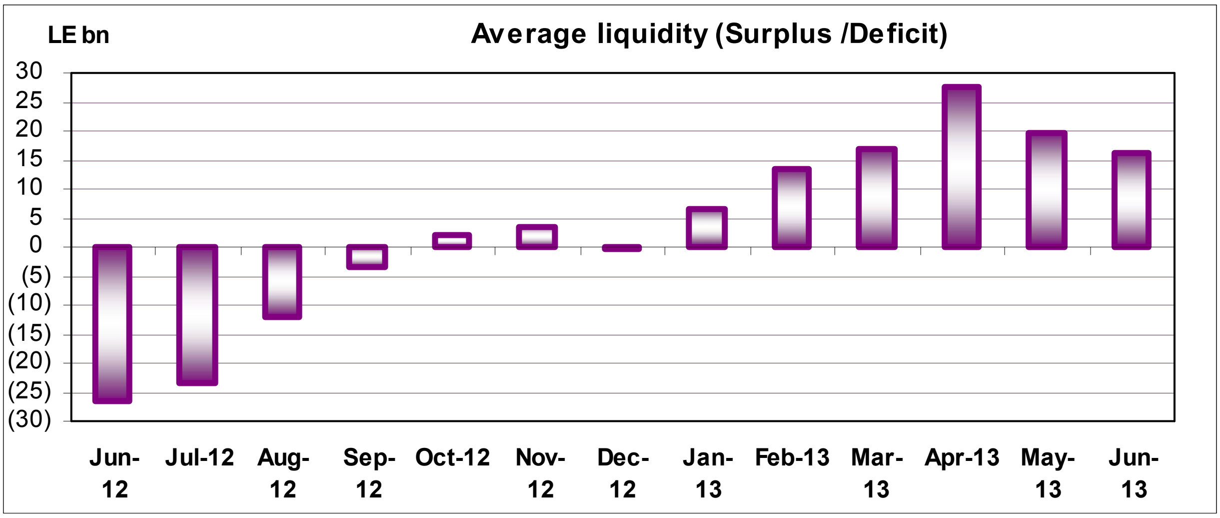


The MPC's decisions to raise the CBE's key interest rates have influenced the market interest rates, as the weighted average of the interest rate on three-month, six-month and one-year depo its rose to 8.0 percent, 8.1 percent and 9.3 percent, respectively, in June 2013 (against 7.7 percent, 7.6 percent and 8.4 percent in June 2012). In addition, the weighted average of the market interest rate on one-year loans increased to 12.6 percent* in June 2013 (from 11.9 percent in June 2012).

2- <u>Open Market Operations</u>

Aiming to strengthen the banking system amid the successive political events and the subsequent shortage of liquidity, the CBE’s Board of Directors took, in the second half of FY 2011/2012, a number of measures to address the shortage in local currency liquidity. It reduced the required reserve ratio (RRR) twice (from 14 percent to 12 percent and further to 10 percent). Moreover, the CBE continued to pump liquidity in local currency by expanding the operations of the seven-day repos.

With the start of FY 2012/2013, the CBE introduced the 28 day repos (as of July till October 2012). The decisions had borne fruit in the first half of the reporting year, as the average liquidity deficit of the banking system noticeably declined and shifted into a surplus in the second half of the year. This prompted the CBE to launch the seven-day deposit auctions from the 2nd of April till the 10th of June 2013 to absorb excess liquidity at the banking system. The following chart shows the average local currency liquidity (surplus/deficit) at banks during the year under review.



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* The interest rate on corporate loans after the application of DMMS

2/1/2- Reserve Money (M0)

Reserve money reached LE 317.9 billion at end of June 2013, up by LE 54.3 billion or 20.6 percent in FY 2012/2013 (against LE 12.7 billion and 5.1 percent a year earlier). The rise in reserve money was reflected in the growth of the currency in circulation outside the CBE. However, this rise was mitigated by the decline in banks' local currency deposits at the CBE.

Reserve Money and Counterpart Assets*

(LE mn)

	Balances at End of June 2013	Change during FY + (-) 2011/2012 Value	2012/2013 Value
A- Reserve Money	**317944**	**12676**	**54276**
- Currency in circulation outside the CBE	260849	25774	55979
- Banks' local currency deposits	57095	(13098)	(1703)
B- Counterpart Assets	**317944**	**12676**	**54276**
Net Foreign Assets	**38235**	**(71138)**	**(37824)**
Foreign assets	101685	(64163)	9517
Foreign liabilities	63450	6975	47341
Net Domestic Assets	**279709**	**83814**	**92100**
Claims on the government (net)	299806	62812	134432
Claims on banks (net)	-5811	(2853)	(3105)
Net balancing items	-14286	23855	(39227)

* Derived from the CBE's balance sheet.

The currency in circulation outside the CBE (the first component of reserve money) recorded a rise of LE 56.0 billion or 27.3 percent in the year under review (against LE 25.8 billion and 14.4 percent a year earlier), bringing its balance up to LE 260.8 billion at end of June 2013. The rise came as a reflection of the pickup in banknote issue by LE 56.7 billion, to stand at LE 264.1 billion.

Components of the note issue cover at end of June 2013 ran as follows: Egyptian government bonds made up LE 170.0 billion or 64.4 percent, foreign currencies LE 46.2 billion worth or 17.5 percent, foreign notes LE 30.7 billion or 11.6 percent, and gold LE 17.2 billion or 6.5 percent.

Banknote Issue*

(LE mn)

At End of June	Balance of Banknote Issue	Change during the Year Value	%
2009	127912	15207	13.5
2010	146220	18308	14.3
2011	180118	33898	23.2
2012	207824	27706	15.4
2013	264505	56681	27.3

* Including the subsidiary coins issued by the Ministry of Finance

The value of gold in the note issue cover decreased by LE 2.7 billion or 13.7 percent, following its annual revaluation at end of June 2013. The gold was evaluated at 85 percent of the average price of gold per ounce on London market at end of the fiscal year, or 85 percent of the average price of gold per ounce on London market in the last three months of the fiscal year (April-May-June), whichever was less.

The breakdown of the currency in circulation outside the CBE showed a continued rise in the relative importance of large denominations (LE 200, LE 100, and LE 50), reaching 95 percent of the total currency in circulation at end of June 2013 (against 93.2 percent at end of June 2012). The increase was due to the rise in the relative importance of the LE 200 note from 42.6 percent to 44.8 percent.

Currency in Circulation By Denomination*

(LE mn)

Denominations	June 2012		June 2013		Change during the FY +(-)	
	Value	Relative Importance	Value	Relative Importance	2011/2012	2012/2013
Total	**204870**	**100.0**	**260849**	**100.0**	**14.4**	**27.3**
Banknote in Circulation	**204519**	**99.8**	**260472**	**99.9**	**14.4**	**27.4**
PT 25	147	0.1	142	0.1	(8.7)	(3.4)
PT 50	296	0.1	292	0.1	(2.0)	(1.4)
LE 1	888	0.4	910	0.4	(2.1)	2.5
LE 5	1897	0.9	1839	0.7	(28.5)	(3.1)
LE 10	2797	1.4	2949	1.1	(3.1)	5.4
LE 20	7527	3.7	6465	2.5	(22.2)	(14.1)
LE 50	20629	10.1	24765	9.5	(7.3)	20.1
LE 100	82961	40.5	106192	40.7	13.2	28.0
LE 200	87377	42.6	116918	44.8	31.0	33.8
Subsidiary Coins	**351**	**0.2**	**377**	**0.1**	**8.3**	**7.4**

* Representing the difference between banknote issue and cash at the CBE vaults

Banks' local currency deposits at the CBE (the second component of reserve money) declined by LE 1.7 billion or 2.9 percent (against a drop of LE 13.1 billion and 18.2 percent) reaching LE 57.1 billion at end of June 2013.

The increase in reserve money was attributable to the pickup in net domestic assets and the fall in net foreign assets. The former made a positive contribution to reserve money growth (34.9 percentage points), and the latter made a negative contribution (14.3 points).

1- Net Domestic Assets

During FY 2012/2013, net domestic assets surged by LE 92.1 billion (against a rise of LE 83.8 billion), reaching LE 279.7 billion at end of June 2013. The surge was a result of the following developments:

Net Claims on the Government

CBE's net claims on the government rose by LE 134.4 billion. The rise was owed both to the pickup in its claims on the government by LE 148.2 billion or 57.8 percent (due to the LE 88.2 billion surge in government loans and the LE 60.0 billion rise in government securities), and the growth in government deposits at the CBE by LE 13.8 billion or 15.1 percent.

Net Balancing items

Net balancing items had a contractional effect on reserve money, as they retreated by LE 39.2 billion. The retreat was mainly attributed to the decrease in the balance of open market operations by LE 37.8 billion and the drop in unclassified net assets and liabilities by LE 1.4 billion.

Net Claims on Banks

CBE's net claims on banks decreased by LE 3.1 billion, due to the increase in its claims on banks by LE 5.0 billion and the rise in banks' foreign currency deposits therewith by LE 8.1 billion worth.

2- Net Foreign Assets

Net foreign assets at the CBE rolled back by LE 37.8 billion worth or 49.7 percent (against a decline of LE 71.2 billion worth and 48.3 percent), posting LE 38.2 billion worth at end of June 2013. The decline mainly reflected the rise in foreign liabilities which by far exceeded the growth in foreign assets.

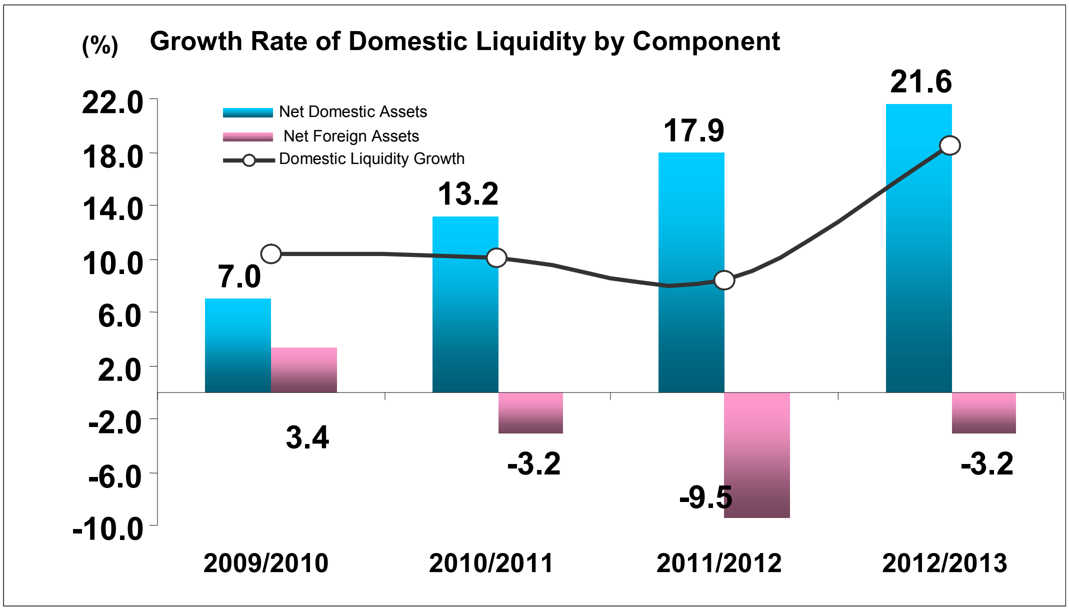
Specifically, foreign assets at the CBE went up by LE 9.5 billion worth or 10.3 percent in FY 2012/2013 (against a decline of LE 64.2 billion worth and 41.0 percent a year earlier) to register LE 101.7 billion at end of June 2013.

Likewise, foreign liabilities at the CBE augmented by LE 47.3 billion worth (against a rise of LE 7.0 billion worth) reaching LE 63.5 billion worth at end of June 2013, supported basically by the deposits of some Arab countries.

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

Domestic liquidity reached LE 1296.1 billion at end of June 2013, registering an increase of LE 201.7 billion or 18.4 percent during FY 2012/2013 (against LE 85.0 billion and 8.4 percent a year earlier). The rise was a dual effect of the increase in net domestic assets and the drop in net foreign assets. The former made a positive contribution of 21.6 percentage points to domestic liquidity growth, while the latter made a negative contribution of 3.2 points. About 57.8 percent of the increase in domestic liquidity was pronounced in local currency deposits with banks, which grew by LE 116.5 billion or 16.3 percent, to register LE 830.9 billion (almost two thirds of domestic liquidity) at end of June 2013. This is in addition to the rise in the currency in circulation outside the banking system by LE 47.0 billion or 24.2 percent, and the increase in foreign currency deposits by LE 38.2 billion worth or 20.5 percent.

The pickup in domestic liquidity reflects the growth in money supply and quasi-money. **Money supply (M1)** scaled up by LE 69.6 billion or 25.4 percent in the year in question (against LE 25.8 billion and 10.4 percent a year earlier), reaching LE 344.1 billion (26.5 percent of domestic liquidity) at end of June 2013. The rise in money supply was an outcome of the increase in both the currency in circulation outside the banking system, and in local currency demand deposits. The former rose by LE 47.0 billion or 24.2 percent (against LE 26.1 billion and 15.6 percent a year earlier), scoring LE 241.0 billion at end of June 2013.



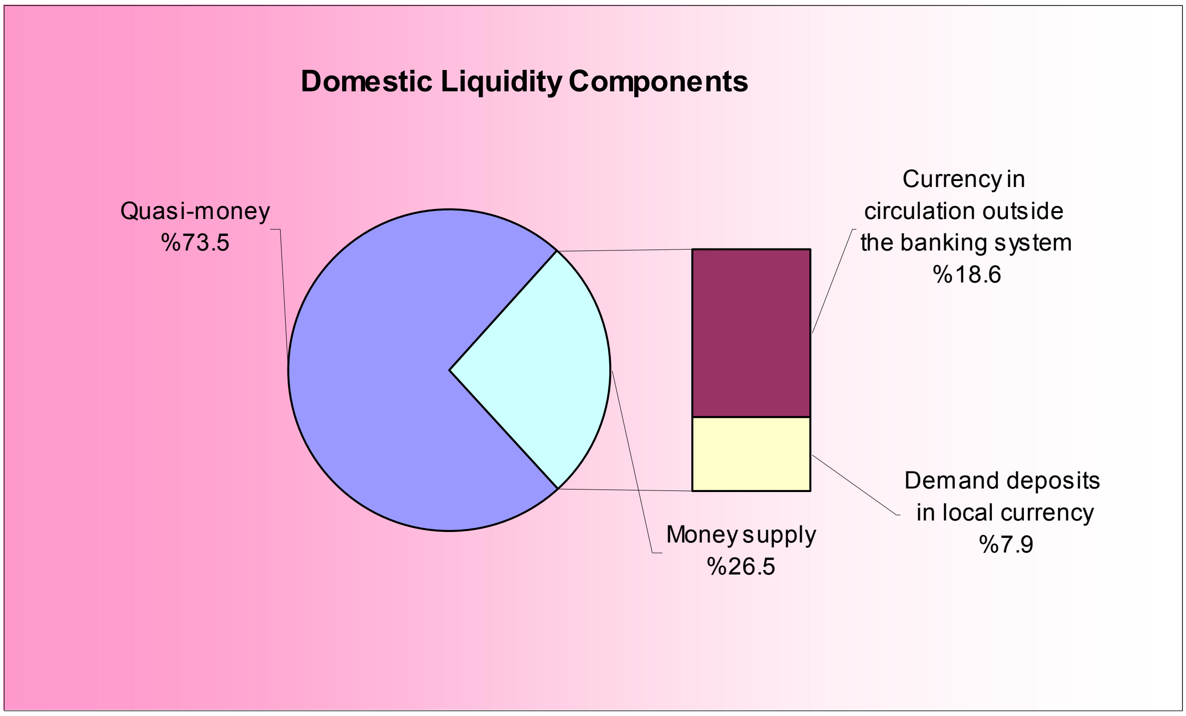
Local currency demand deposits increased by LE 22.6 billion or 28.1 percent during the reporting year (against a decline of LE 0.3 billion or 0.4 percent in the previous FY), reaching LE 103.1 billion at end of June 2013. The pickup came on the back of the rise in the deposits of the private business sector by LE 16.7 billion and of the household sector by LE 6.4 billion. Such a rise, however, was held back by the decline of LE 0.5 billion in the deposits of the public business sector.

Quasi-money (time and saving deposits in local currency plus demand and time & saving deposits in foreign currencies) augmented by LE 132.1 billion or 16.1 percent in the reporting year (against LE 59.2 billion and 7.8 percent a year earlier), scoring LE 952.0 billion (roughly three quarters of domestic liquidity) at end of June 2013. The rise reflected the growth in both LE time and saving deposits and foreign currency deposits.

LE time and saving deposits surged by LE 93.9 billion or 14.8 percent, to LE 727.8 billion or 76.4 percent of total quasi-money at end of June 2013. The increase resulted from the surge in the deposits of the household and private business sectors by LE 82.8 billion and LE 11.3 billion, respectively. In contrast, deposits of the public business sector shrank by LE 0.2 billion.

Foreign currency deposits (demand and time & saving) went up by LE 38.2 billion worth or 20.5 percent in the reporting year (against LE 9.1 billion and 5.1 percent in the previous FY), standing at LE 224.2 billion worth or 23.6 percent of total quasi-money. All sectors contributed to the said rise: deposits of the household sector grew by LE 22.3 billion worth, of the private business sector by LE 12.1 billion worth, and of the public business sector by LE 3.8 billion worth.

Against these developments, the ratio of foreign currency deposits/total deposits (dollarization rate) inched up from 20.66 percent at end of June 2012 to 21.25 percent at end of June 2013.



The increase in domestic liquidity was traced to higher domestic assets (net basis) by LE 236.1 billion or 25.2 percent (against LE 180.9 billion and 23.9 percent a year earlier), to stand at LE 1172.9 billion at end of June 2013.

The rise in net domestic assets was ascribed to the pickup in domestic credit by LE 270.6 billion or 25.2 percent (against LE 179.8 billion and 20.1 percent) to LE 1343.1 billion at end of June 2013. That rise was mitigated by the contractionary effect of net balancing items.

Change in Domestic Credit

(LE mn)

During FY	2011/2012		2012/2013	
	Value	Growth (%)	Value	Growth (%)
Net claims on government and public economic authorities	141317	32.3	223885	38.7
Claims on public business sector*	7639	23.2	2246	5.5
Claims on private business sector	17624	5.5	28949	8.5
Claims on household sector	13220	13.3	15494	13.8
Total Change	**179800**	**20.1**	**270574**	**25.2**

* Including companies that are subject or not to Law No. 203.

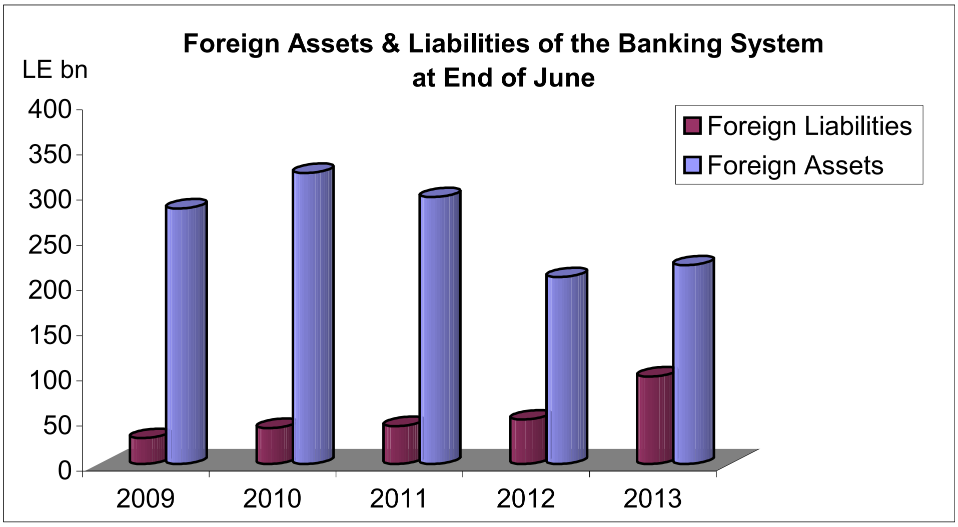
About 82.7 percent of the increase in domestic credit came from the surge in net credit to the government. To elaborate, net claims on the government (including public economic authorities) increased by LE 223.9 billion or 38.7 percent (against LE 141.3 billion and 32.3 percent), posting LE 802.5 billion or more than half of the domestic credit (59.8 percent) at end of June 2013. Such an increase was a reflection of the rise in both banks' holdings of government securities by LE 155.7 billion, and loans to the government by LE 90.4 billion, on the one hand, and the pickup in government deposits by LE 22.2 billion, on the other hand.

Credit to the private business sector stepped up by LE 29.0 billion or 8.5 percent in the reporting year (against LE 17.6 billion and 5.5 percent a year earlier), bringing its stock of debt to banks to LE 369.8 billion or 27.5 percent of total credit at end of June 2013.

Likewise, credit to the household sector scaled up by LE 15.5 billion or 13.8 percent (against LE 13.2 billion and 13.3 percent), raising its debts to LE 127.9 billion or 9.5 percent of total credit at end of June 2013. Credit extended to the public business sector climbed by LE 2.2 billion or 5.5 percent (against LE 7.7 billion and 23.2 percent), bringing its debts to banks to LE 42.9 billion or 3.2 percent of total credit at end of June 2013.

Net balancing items (the sum of capital accounts, interbank net credit and debit positions and those between banks and the CBE, and net unclassified assets/liabilities) had a contractionary effect on domestic liquidity during the year under review. Their negative balance soared by LE 34.5 billion, due partly to the fall in net unclassified assets and liabilities by LE 3.2 billion and partly to the increase of capital accounts by LE 31.3 billion.

Net foreign assets at the banking system (expressed in Egyptian pound) declined by LE 34.4 billion or 21.8 percent (compared to a decline of LE 95.9 billion and 37.8 percent), posting LE 123.2 billion at end of June 2013. The decline came on the back of (i) the drop in net foreign assets at the CBE by LE 37.8 billion (as its foreign liabilities increased by LE 47.3 billion, while its foreign assets increased by only LE 9.5 billion); and (ii) the rise of net foreign assets at banks by LE 3.4 billion (because of the increase in their foreign assets and foreign liabilities by LE 3.6 billion and LE 0.2 billion, in order).



2/1/4- Payment Systems and Information Technology (IT)

The CBE continued its efforts to upgrade the payment systems and information technology to boost the soundness and stability of the financial system and reduce credit risks, along with expediting payment settlements and ensuring their creditability and confidentiality. A step forward in this direction was the introduction of a national payment system. Among the measures taken in this regard were the following:

Payment Systems

- The continued application of the RTGS system to conduct interbank transfers among Egyptian banks. RTGS also serves as a tool for liquidity management, which, in turn, assists Egyptian banks to manage their required reserves at the CBE.

- The project of automating government payroll through cards is moving forward, in cooperation with the Ministry of Finance. A number of new governmental units were put into operation.

- The ACH direct debit service between banks and the Egyptian Banks Company (EBC) was activated. Such payment scheme will facilitate the expansion of electronic payments.

- Promoting the service of the National Debit Switch, via the Egyptian Banks Company (EBC). So far, the Switch average daily settlements reached LE 330 million.

- Increasing the number of, and encouraging dealing with, bank cards by expanding ATMs and Point of Sale terminals, in line with the CBE's policies in this regard. Accordingly, the banking market witnessed an annual increase in the number of cards ranging between 8 percent and 15 percent in the last three years. Also, the number of ATMs and POS terminals rose by 14 percent and 15 percent, in order, last year.

- The mobile payment service was launched by the National Bank of Egypt and the Housing and Development Bank. The new scheme aims at enhancing the financial inclusion and increasing the provision of banking services for the unprivileged.

- In collaboration with the Ministry of Finance, the CBE is in the process of transferring government payments (paper cheques) into electronic payments to be effected by banks through the Automated Clearing House. The project aims at upgrading government procedures and tightening control on government payments.

- The CBE is currently gearing to join the COMESA Clearing House. This initiative aims at enhancing the trade exchange with the COMESA countries, being crucial for the national security of Egypt. Related agreements have been signed with the COMESA and the Central Bank of Mauritius, which acts as the settlement bank. At present, the CBE is preparing the relevant internal rules and procedures and the required computer systems.

Information Technology

- The CBE has prepared the RFP for the fixtures and fittings of a permanent **Disaster Recovery (DR) site** for the CBE, to be functional in emergencies as a substitute for the main data center in El-Gomhoreya Building. This is intended to ensure the continuity of IT services. Furthermore, specialized companies have been invited for bidding.

- The CBE made an elaborate study of the needs of the IT (including the estimated cost) for the establishment of a "**Business Continuity Site"** designed to be accessible, in emergency cases, to the employees of the sectors of investment and external relations and their affiliate units, and the banking operations sector.

- In respect of the IT development plan at the Printing Press, the accounting system and the monitoring of inventory system were put into operation. Moreover, the upgrading of the costs system is being completed, together with modernizing the IT infrastructure of the Press. Under the plan of developing the CBE branches and modernizing their IT applications, the accounting system of the CBE "CAS" started operation in the branches of Alexandria and Port Said.

- The CBE has participated in the IT infrastructure installation and implementation project and has taken the necessary precautions to put **the GATS system**, for electronic government transfers, into operation. The project aims at enabling the Ministry of Finance to transform government payments to the CBE, payable to suppliers, into electronic (cashless) government payments through ACH system, then through the RTGS between banks.

- The IT infrastructure installation and implementation project has been launched and necessary precautions have been taken to put the "Straight Through Processing" system of the automated clearing house (ACH-STP**)** into operation. By linking the CBE to the interbank ACH, the project will enable it not only to receive electronic transfers from other banks, but also to automatically and directly affect government accounts on the CAS system therein. In this sense, the project will enhance the efficiency and expedite the settlement of government receipts processed through the ACH of banks.

- Yield Curve (a system of analyzing interest rates on treasury bills traded in the Egyptian market and publishing benchmark reports of weighted interest rates) has been already applied.

2/1/5- RTGS and SWIFT Local Services

Local bank transfers in Egyptian pound under the RTGS (effective mid - March 2009) showed a decrease in the number of executed messages to 1230.2 thousand in FY 2012/2013 (from 1298.8 thousand a year earlier). Their value, however, increased from LE 9402.3 billion to LE 12293.8 billion. Notably, such transactions included transfers of banks and clients and transactions of treasury bills, Misr for Central Clearing, Depository and Registry (MCDR), and the National Debit Switch, in addition to corridor operations and deposits for monetary policy purposes.

RTGS and SWIFT Local Services
(in Local Currency)

FY	Number of Messages (Unit)	Value of Transfers (LE mn)	Change during the Year + (-)	
			Number	Value
2009/2010	1191374	13274676	294169	7980320
2010/2011	1248692	15879701	57318	2605024
2011/2012	1298763	9402300	50071	(6477401)
2012/2013	1230197	12293779	(68566)	2891479

According to the statistics of the CBE Automated Clearing House that became part of the RTGS system since its inception, the number and value of exchanged papers scaled up to 13266 thousand (from 12829 thousand). Likewise, the value of these papers increased to LE 727.7 billion (from LE 661.2 billion). As a consequence, the average value per paper edged up to LE 54.9 thousand from LE 51.5 thousand.

CBE Automated Clearing House Activity

FY	Number of Papers (Thousand)	Value of Papers (LE mn)	Change Rate + (-)	
			Number	Value
2009/2010	12994	584546	7.7	6.7
2010/2011	13012	626757	0.1	7.2
2011/2012	12829	661196	(1.4)	5.5
2012/2013	13266	727677	3.4	10.1

Transactions executed in foreign currencies under the Fin-Copy system, via SWIFT, revealed a decrease in terms of the number and value. Specifically, their number amounted to 9.9 thousand, at a value of US$ 34.5 billion, against 14.1 thousand, at a value of US$ 62.3 billion, a year earlier.

RTGS and SWIFT Local Services
(in US Dollar)

FY	Number of Messages (Unit)	Value of Transfers (US$ mn)	Change during the Year + (-)	
			Number	Value
2009/2010	12204	70008	(161)	(13011)
2010/2011	15066	88052	2862	18044
2011/2012	14080	62321	(986)	(25731)
2012/2013	9885	34523	(4195)	(27798)

2/2 - Banking Developments

2/2/1- Banking Reform

The CBE finished the implementation of the banking reform program that lasted for 8 years and was implemented over two phases. The first phase was launched in Sept. 2004 and completed in 2008 and the second phase extended from 2009 to March 2012. The second phase aimed 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 rates. This phase was 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, the Egyptian Arab Land Bank, and the Industrial Development and Workers Bank of Egypt).

- Following up periodically the results of the first phase of restructuring the 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 had already borne fruit and positively affected the performance of these banks. In the second phase, the requirements for enhancing the efficiency of the said banks – in terms of financial intermediation, risk management, human resources, and IT – have been fully satisfied to ensure the continued improvement of their financial performance and competitiveness.

- Applying Basel II standards in Egyptian banks to become an integral part of Egypt's regulatory framework that aims at the following:
  - Enhancing the management of all risk types to ensure banking stability.
  - Managing capital more efficiently in order to address virtual risks.
  - Keeping pace with the international best practices, to help improve the competitiveness of the Egyptian banking system.

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 of simplicity and consultation with banks, to ensure the compliance of all banking system units with these standards. According to the above-said strategy, Basel II standards have been applied gradually over four phases, which aimed at the following (1) improving the technical skills of the CBE’s core team and devising a strategy for Basel II implementation, (2) 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 and (3) focusing on the fine-tuning of future supervisory regulations related to Basel II, taking into account the legal aspects and development of corrective action plans that commensurate with the different types of banks, according to the simulation results for each bank on a case-by-case basis.

As Basel standards develop and change in their own right, so as to cope with the challenges of the global banking market, the full implementation of Basel III standards is expected to take place in the global banking market by 2019. It is to be noted that while making arrangements for the application of Basel II, the CBE has been also considering Basel III applications in order to facilitate their future adoption in the Egyptian banking sector.

Within the framework of applying the above mentioned standards, the CBE's BoD approved in its session dated 18 Dec. 2012 the instructions for the minimum capital adequacy standard. At the same time, the CBE requires banks to observe the following:

- Banks operating in Egypt –excluding branches of foreign banks– are required to maintain a minimum capital adequacy ratio of 10 percent calculated as the ratio between the components of capital base (numerator) and the risk-weighted assets (denominator) to face credit, market and operating risks. Branches of foreign banks are subject to the regulations stated in the regulatory instructions, except for maintaining the aforementioned ratio.

- Banks operating in Egypt are required to apply the regulations contained in these instructions. For banks with fiscal year ending in December, these regulations shall be binding as of December 2012 and for banks with fiscal year ending in June, these regulations shall be binding as of June 2013. In addition, banks shall submit their data according to the previously issued regulations concerning capital adequacy in parallel with the new regulations during a transition period of up to six months to ensure the validity of the systems which guarantee the accuracy of data.

The instructions regarding the internal control systems at banks are scheduled to be issued in 2013. As for the risks of the **second pillar** of Basel's requirements, namely the concentration, liquidity, and interest rate risks in banking portfolio, the instructions thereof shall be issued after ensuring that banks comply with the late-issued instructions regarding **the first pillar** (the minimum capital adequacy requirement).

- Embracing 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 regard, the CBE exempted banks' deposits – equivalent to the size of direct loans and credit facilities extended thereby to finance SMEs – from the 14 percent required reserve ratio (RRR was decreased to 12 percent and further to 10 percent during Q1 and Q2 of 2012, respectively). Needless to say 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 CBE and the Egyptian Banking Institute (EBI), in collaboration with the Central Agency for Public Mobilization and Statistics (CAPMAS), embarked on a field survey of SMEs covering all the governorates of Egypt, on the basis of the full count approach. It is worthy to mention that all governorates were surveyed, up to December 2011. Moreover, the database has been inaugurated on the EBI website in February 2012.

2/2/2- Supervision Sector

The CBE conducts supervision over banks operating in Egypt to ensure their sound 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 bank's concentration of investments with a single customer, along with his related parties, and investments 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 – alongside the above – the soundness of banks' performance and the safety of depositors' funds. Among these standards are 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 crises bore out that the instructions and reform policies adopted by the CBE to restructure banks, raise their capital and strengthen their risk management systems proved highly instrumental in containing the effects of these crises. Moreover, the CBE had thoroughly monitored crises in many countries, especially in the euro area, so as to be capable of making immediate decisions - when necessary - to counteract the spillovers of the crisis in due time. After the 25th Jan. revolution, the CBE took a number of measures to promote trade, maintain the banking sector transactions, launch the mechanisms that enhance liquidity, encourage transfers from abroad, and set the regulations for importing staple goods.

Hereunder are the instructions issued by the CBE to all banks during the year under review:

- A circular dated 29 Dec. 2012 was issued to amend banks' currency equilibrium regulations (given that banks shall abide by the established regulations as of 30 Dec. 2012).

- A circular was issued on 14 January 2013 regarding setting a mechanism to prioritize client applications to purchase foreign currency via available resources at banks. Also, banks were permitted to refinance import operations for clients by providing temporary facilities in foreign currency until they meet their foreign currency requirements.

- Extending exemption from the minimum cash cover limit (50 percent) for all meat, poultry and sugar imports for an additional period, ending 30 June 2014. Moreover, a circular dated 4 Feb. 2013 was issued regarding exempting imports of additional products from cash margin (medicine, vaccines and related chemicals; infant formula; foodstuffs (wheat, oils and seeds); fodder (maize, soya beans and other requirements); and fertilizers and insecticides).

- A circular dated 4 Feb. 2013 was issued regarding transactions having priority in availing foreign currency for the imports of basic foodstuffs and supply commodities; production machinery, equipment and spare parts; intermediate goods, production requirements and materials; oil products and derivatives; medicine, vaccines and related chemicals; fertilizers, insecticides and requirements; and artificial greases and oils.

- A circular dated 13 March 2013 was issued regarding the CBE's initiative to support the tourism sector. In particular, the CBE decided to give more credit facilities to investors engaged in certain activities. This included the granting of a one-year grace period starting from the date of issuing the regulations, during which outstanding interest payments would be delayed. Banks were allowed to exercise their own discretion in taking appropriate decisions in this respect.

- In the context of encouraging Egyptians to transfer their savings to Egypt to be invested, whether in LE or in foreign currencies, it was decided on 4 February 2013 to allow natural Egyptian persons who transfer their savings from their accounts abroad to one of the banks in Egypt as of 10 February 2013 to retransfer the same amount to abroad, in the name of the transferring persons, at the time of liquidating all/part of their investments after submitting the proving documents. Each bank shall register the transfers of its customers as of the aforementioned date.

- A circular dated 13 March 2013 was issued to reactivate the mechanism for repatriating funds of foreign investors. The mechanism has been expanded to cover treasury bills and bonds together with the shares listed on the Egyptian Exchange (this mechanism was put into effect as of 17 March 2013).

- Setting regulations to tighten supervision on the exportation proceeds of the products mentioned in Decree no. 235/2013 of the Industry and Foreign Trade Minister dated 18 April 2013.

- Issuing additional instructions to tighten supervision on import documents received on a collection basis in the name of the client. In such a case, the client should present to the bank a true copy of the original custom release application form bearing the original customs seal and including the name of the bank that implemented the operation.

- Amending and updating the regulations related to a bank's share in money market funds and in fixed income funds and the amount of money to be invested in all of these funds.

- Setting the regulations for practicing bank insurance activity.

- Setting a contingency plan for banks to maintain cash balances sufficient to cover their deposit and debit operations for a period not less than 5 working days and to keep minimum cash reserves in each branch of the bank and in each ATM.

- Granting an initial approval for establishing the Nile Rating Company for small and medium enterprises rating.

At the time of preparing this Review, the CBE took the following measures:

- Opening account no. 306/306 (Support Egypt) at all banks in Egypt to receive deposits and donations from citizens and legal persons.

- Giving priority in availing foreign currency to clients who surrender their foreign currency earnings within the limit of the amount surrendered as of 1 August 2013.

- Ensuring that banks set aside any banknotes that do not comply with the specifications and making sure that these banknotes are not circulated by banks or by any other company that provide the services of cash sorting and ATM cash replenishment on behalf of banks.

- Unifying the disclosure periods for clients who delay their repayments at the CBE and the Egyptian Credit Bureau (I-Score).

The CBE continued to work on developing the banking system, and maintaining its soundness and stability by ensuring the application of international best practices by banks. Moreover, the recent successive crises have highlighted the importance of supporting the governance systems and internal control at banks and enhancing the role of the regulatory entities. Against this background, the CBE Board of Directors issued, on its session dated 5 July 2011, a Decision on banks' governance rules. Banks were required to set and develop their governance systems accordingly, in line with the size and complexity of their respective activities, policies and risk management capacity; no later than 1 March 2012. In case any bank fails to abide by any of these rules, the matter should be referred to the CBE for consideration, attached with reasonable justifications.

The aforementioned governance rules mainly focused on the following:

- A clear definition of the responsibilities and obligations of the members of the Board of Directors, besides emphasizing that the senior management is accountable to the Board;
- The roles of the Board's committees and their formation;
- The supervisory role of the Board on risk management and internal control systems;
- Formulation of effective policies for salaries and remunerations and for the management of conflict of interests; and
- The principle of transparency and disclosure of important financial and non- financial information.

At the time of preparing this Review, 79 BoD members and 42 executive directors were added to the register of banks pursuant to Article 43 of Law no. 88 of 2003 promulgating the Law of the Central Bank, the Banking Sector and Money and in compliance with the applicable fit and proper criteria.

In light of Article 32/3 of the aforesaid Law which states that the Governor of the Central Bank, following consent of the Board of Directors, shall approve the statute of the bank, and any modification thereto, certain articles of the statutes of 13 banks were modified during the year under review.

Moreover, 78 new branches of 21 banks were added to the register of banks in accordance with the regulations set by the CBE that give due regard to the soundness of banks' financial positions, 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. In light of the rules regulating the electronic payment services, 9 banks were licensed to offer some e-banking services during the year under review.

To organize dealing in the Forex market in Egypt, Forex dealers and money transfer companies operating in Egypt were subjected to off-site supervision, according to the Law of the Central Bank, the Banking Sector and Money. In this respect, it is worthy to note that during FY 2012/2013, the CBE Governor issued Decision no. 77 for 2012 to give a license to a new exchange dealer company. Moreover, 31 branches of existing Forex dealers were registered and a branch of an existing one was delisted, thus bringing their total number to 513 nationwide.

Moving to tourism services, the CBE - pursuant to the aforesaid Law - had already licensed shops in the customs areas at airports to sell in foreign currencies, alongside the Egyptian pound, with the aim of covering part of the State's resources of foreign currencies and encouraging tourism. The total number of licensed shops amounted to 82 at the end of FY 2012/2013. Also, the number of licensed shops in the free zones reached 27 shops at the end of the same period.

The CBE allows banks to participate in the establishment of different kinds of mutual funds. In this respect, 2 banks were allowed to proceed with the measures of establishing 2 new mutual funds. Moreover, in order to encourage individuals to save, banks in Egypt were allowed to issue saving systems of three years or more, with some privileges, to be able to raise their market interest rates above the short-term interest rates. As a result, banks were permitted to issue new saving systems. They were also allowed to make some adjustments to the existing systems, with the aim of increasing the volume of medium- and long-term savings, to help banks finance production and industrial enterprises.

The CBE has been keen to support the “primary dealers system” established by virtue of the Minister of Finance’s Decree No. 480 for 2002, by taking all means possible for its success, in view of its positive impact on the government stock market. According to this system, a number of banks are allowed to engage in the underwriting of the primary issues of government securities and to actively trade thereon in the secondary market. Within this context, the license was renewed for 15 banks to practice the primary dealers activity in view of their compliance with the regulations issued by the CBE Board in its Decision dated 6 June 2002.

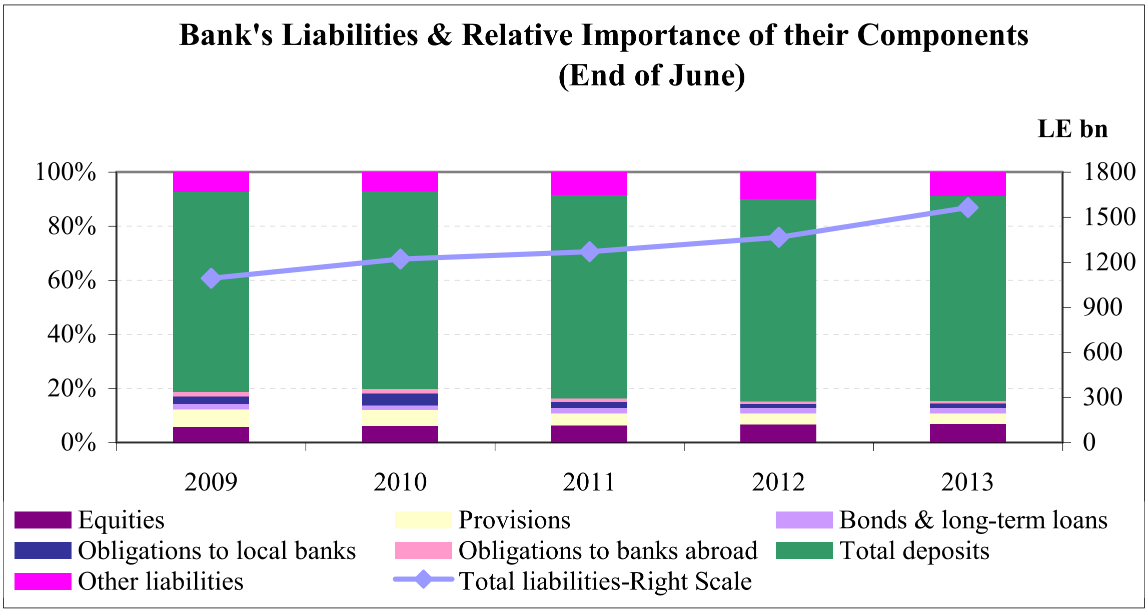
Concerning on-site supervision, it is worthy to note that during the period under review the Supervision Sector at the CBE made progress with its plan for inspection to ensure the robustness and soundness of banks' financial positions and guarantee the safety of depositors' funds. To this end, the inspection method was upgraded by assessing the risk level of each bank, its risk management capacity: and the capital adequacy ratio at different banks according to Basel II. This helped in upgrading the risk management framework in a lot of banks, updating their IT systems, enhancing their internal supervision and control systems and paying heed to the quality of credit granting, thereby reducing the volume of non-performing loans at banks.

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, and IT) that makes the inspection process more effective and in-depth. A technical bureau for the on-site supervision was established with the aim of providing any relevant technical support.

On the other hand, the On-site Supervision Department continues to play its supervisory role of monitoring banks compliance with the regulatory instructions issued by the CBE especially the instructions of money transfers abroad to maintain the country's reserves of foreign currency.

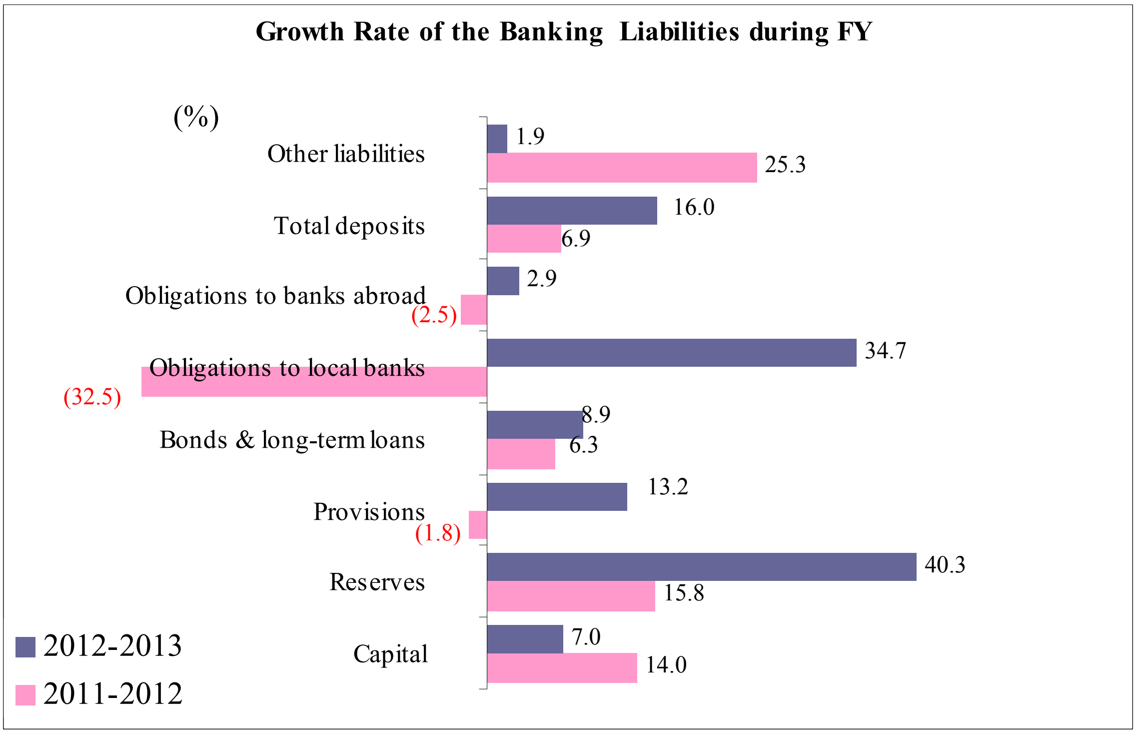
2/2/3- Overview of Banks' Aggregate Financial Position

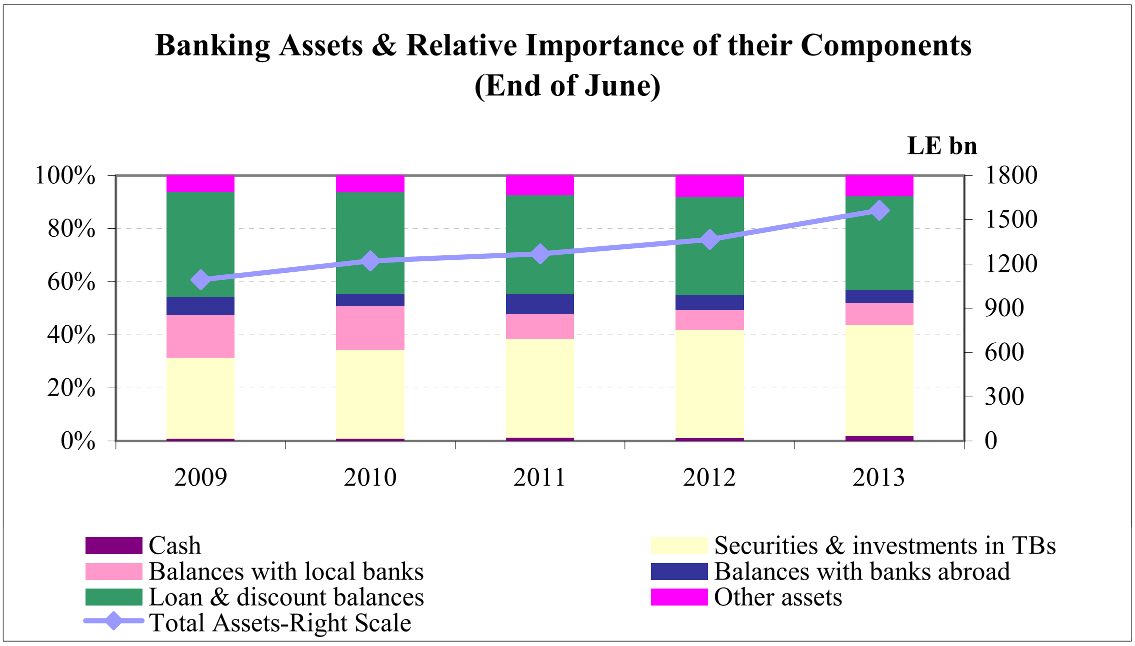
The aggregate financial position of registered banks operating in Egypt (40 in number)[*] posted LE 1563.8 billion at end of June 2013, up by LE 197.7 billion or 14.5 percent during FY 2012/2013, well above the figures of the previous FY (LE 96.5 billion and 7.6 percent).



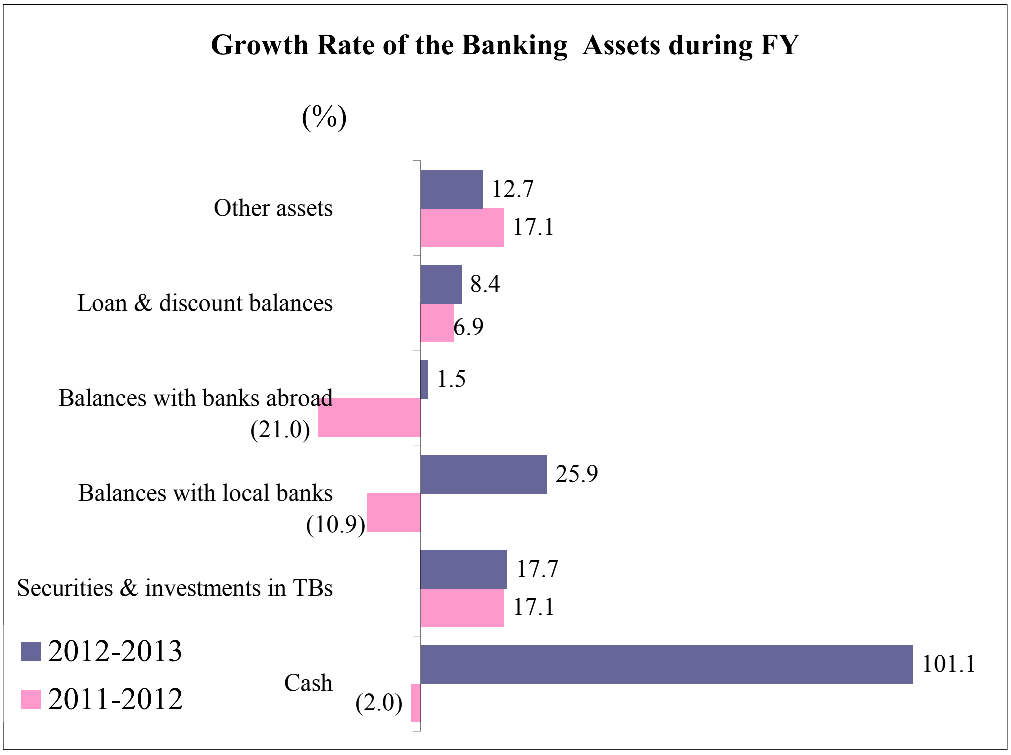
About 82.7 percent of the rise on the **liabilities side** stemmed from the pickup in deposits at banks (by LE 163.5 billion or 16.0 percent), to LE 1187.0 billion and 75.9 percent of the aggregate financial position of banks at end of June 2013. Increases were also seen in banks' equities (by LE 15.0 billion or 16.2 percent) and provisions by LE 7.1 billion or 13.2 percent. Obligations to banks in Egypt (including CBE) also rose by LE 6.6 billion or 34.7 percent, along with bonds and long-term loans by LE 2.5 billion or 8.9 percent, and other liabilities by LE 2.6 billion or 1.9 percent.

[*] The Arab International Bank was added to registered banks at the CBE as of 5/6/2012. During the period under review, the financial position data of banks does not include any data on the Arab International Bank's financial position.

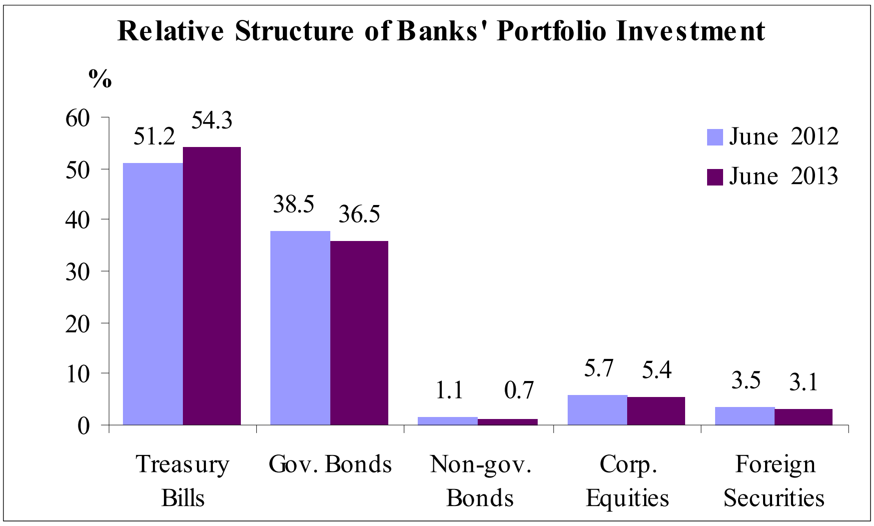

Growth Rate of the Banking Liabilities during FY
(%)
Other liabilities
1.9
25.3
Total deposits
16.0
6.9
Obligations to banks abroad
2.9
(2.5)
Obligations to local banks
34.7
(32.5)
Bonds & long-term loans
8.9
6.3
Provisions
13.2
(1.8)
Reserves
40.3
15.8
Capital
7.0
14.0
2012-2013
2011-2012


Banking Assets & Relative Importance of their Components
(End of June)
LE bn
100%
80%
60%
40%
20%
0%
1800
1500
1200
900
600
300
0
2009
2010
2011
2012
2013
Cash
Balances with local banks
Loan & discount balances
Total Assets-Right Scale
Securities & investments in TBs
Balances with banks abroad
Other assets

On the **assets side**, the increase mainly reflected the rise in banks' investments in securities and treasury bills by LE 98.5 billion or 17.7 percent to LE 653.9 billion, representing 41.8 percent of the aggregate financial position of banks at end of June 2013. Likewise, lending and discount balances increased by LE 42.4 billion or 8.4 percent to LE 549.1 billion, thereby constituting 35.1 percent of banks' aggregate financial position. In addition, balances with local banks (including CBE) rose by LE 27.1 billion or 25.9 percent, cash by LE 14.7 billion or 101.1 percent and so did balances with banks abroad by LE 1.1 billion worth or 1.5 percent and other assets by LE 13.9 billion or 12.7 percent.



The increase in banks' investments in securities and bills was largely ascribed to the rise in their investments in treasury bills by LE 70.5 billion, government bonds by LE 25.1 billion, and corporate equities by LE 3.3 billion, in addition to their investments in foreign securities by LE 1.1 billion worth. However, this increase was slackened by the retreat in non-government bonds investments by LE 1.5 billion.



2/2/4- Interbank Transactions

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

In 2012/2013, **transactions of local banks with correspondents abroad** unfolded a rise in their **net position** by the equivalent of LE 0.7 billion or 1.1 percent, to LE 61.8 billion worth at end of June 2013 (against LE 61.1 billion worth at end of June 2012). The rise was a dual effect of the expansion in both their balances with banks abroad and their obligations thereto, by the equivalent of LE 1.1 billion and LE 0.4 billion, in order.

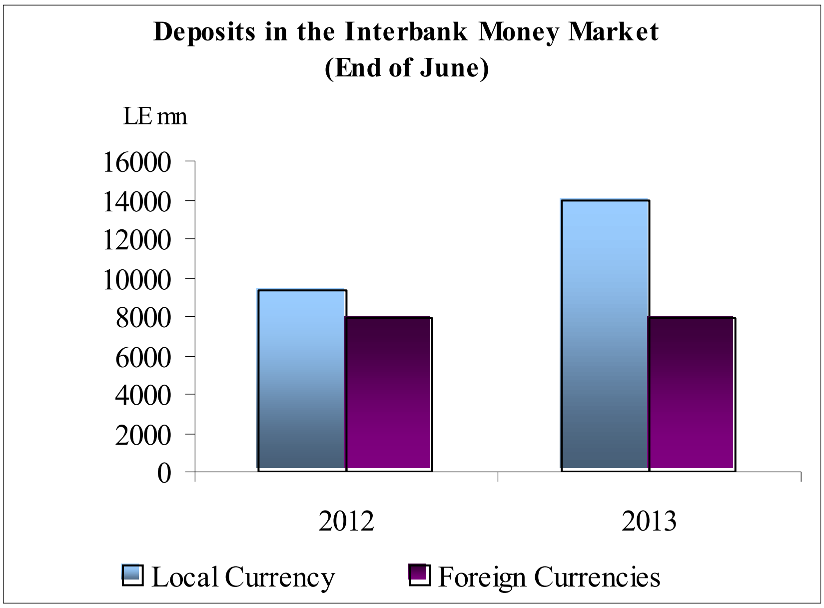
Transactions with Banks Abroad

(LE mn)

End of	June 2012	June 2013	Change in FY 2011/2012 Value	%	2012/2013 Value	%
Net Position	**61112**	**61790**	**(19800)**	**24.5**	**678**	**1.1**
Balances with banks abroad	75904	77012	(20176)	21.0	1108	1.5
Obligations to banks abroad	14792	15222	(376)	2.5	430	2.9

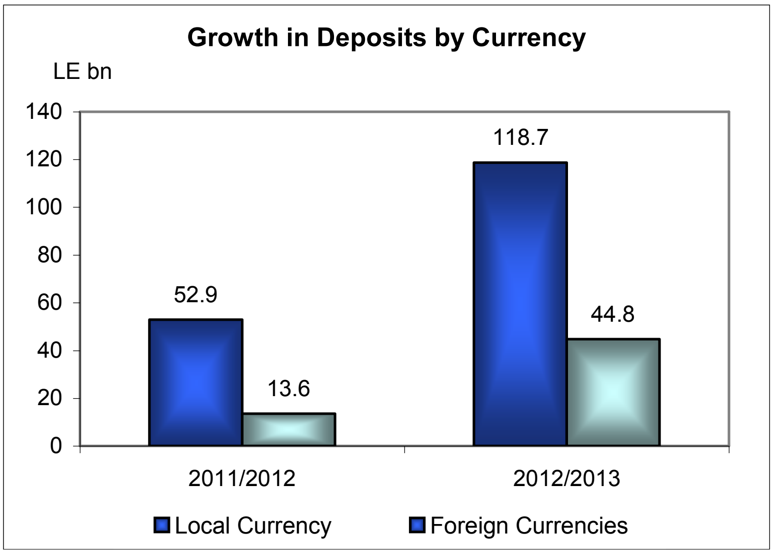
2/2/4/2- Interbank Transactions in Egypt

The volume of transactions in the interbank money market in Egypt (in terms of deposits) picked up by LE 4.5 billion or 26.4 percent (against a drop of LE 1.7 billion or 9.0 percent a year earlier), bringing total deposits to LE 21.8 billion at end of June 2013. The rise was an outcome of the LE 4.6 billion surge in local currency deposits and the drop of LE 0.1 billion worth in foreign currency deposits.



2/2/5- Deposits

Banks' deposits (including government deposits) grew, during FY 2012/ 2013, by LE 163.5 billion or 16.0 percent (against LE 66.5 billion or 6.9 percent in the previous FY), standing at LE 1187.0 billion or 75.9 percent of banks' aggregate financial position at end of June 2013. 72.6 percent of the increase resulted from the rise in local currency deposits by LE 118.7 billion or 15.3 percent, to LE 896.5 billion at end of June 2013. On the other hand, deposits in foreign currencies increased by LE 44.8 billion worth or 18.2 percent, to LE 290.5 billion worth at end of June 2013.



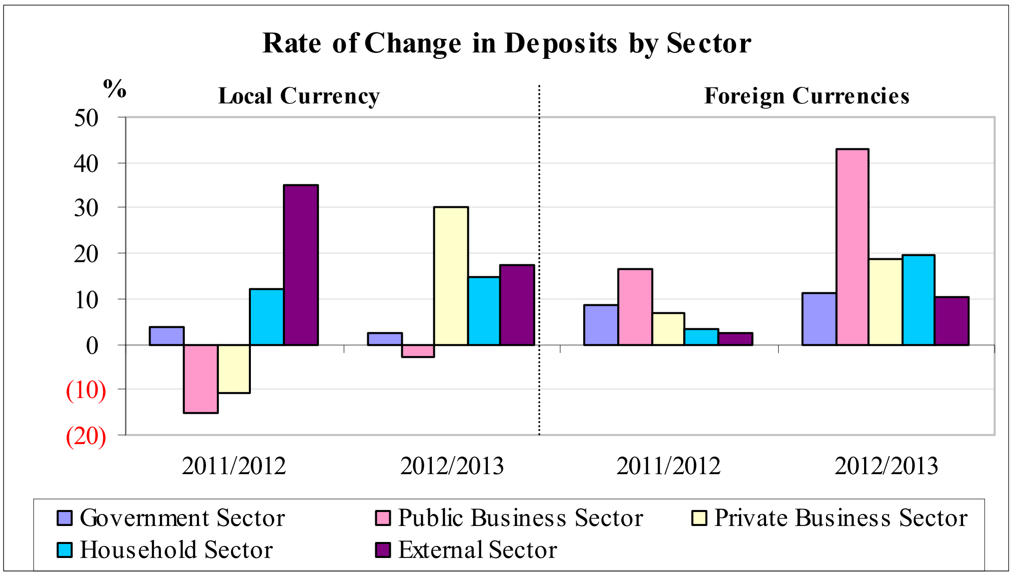
Deposits at Banks by Sector

(LE mn)

End of June	Local Currency			Foreign Currencies		
	2011	**2012**	**2013**	**2011**	**2012**	**2013**
Total	**724878**	**777806**	**896477**	**232159**	**245711**	**290508**
Government sector	56728	58930	60253	51403	55731	62017
Public business sector	29278	24843	24123	7549	8812	12593
Private business sector	103965	92697	120807	60241	64496	76572
Household sector	532032	597459	686740	109248	112859	135124
External sector	2875	3877	4554	3718	3813	4202

The household sector was the key contributor to the increase in **local currency deposits** (around three quarters of the rise or 75.2 percent). Its deposits in local currency scaled up by LE 89.3 billion or 14.9 percent to LE 686.7 billion, thereby representing 76.6 percent of total LE deposits at end of June 2013. Deposits of the private business sector rose by LE 28.1 billion or 30.3 percent, those of the government sector by LE 1.3 billion or 2.2 percent, and those of the external sector by LE 0.7 billion or 17.5 percent. In contrast, deposits of the public business sector retreated by LE 0.7 billion.

Turning to **foreign currency deposits** (expressed in local currency), their increase was attributed to the growth in the deposits of the household sector by LE 22.2 billion to LE 135.1 billion, making up 46.5 percent of total deposits in foreign currencies at end of June 2013. Likewise, those of the private business sector picked up by LE 12.1 billion, the government sector by LE 6.3 billion, the public business sector by LE 3.8 billion, and the external sector by LE 0.4 billion.



2/2/6- Lending Activity

Banks expanded their lending activity during the year, compared to the preceding FY. Their lending and discount balances grew by LE 42.4 billion or 8.4 percent (against LE 32.6 billion or 6.9 percent), to register LE 549.1 billion at end of June 2013, constituting 35.1 percent of total assets and 46.3 percent of total deposits.

Change in Bank Loans by Sector

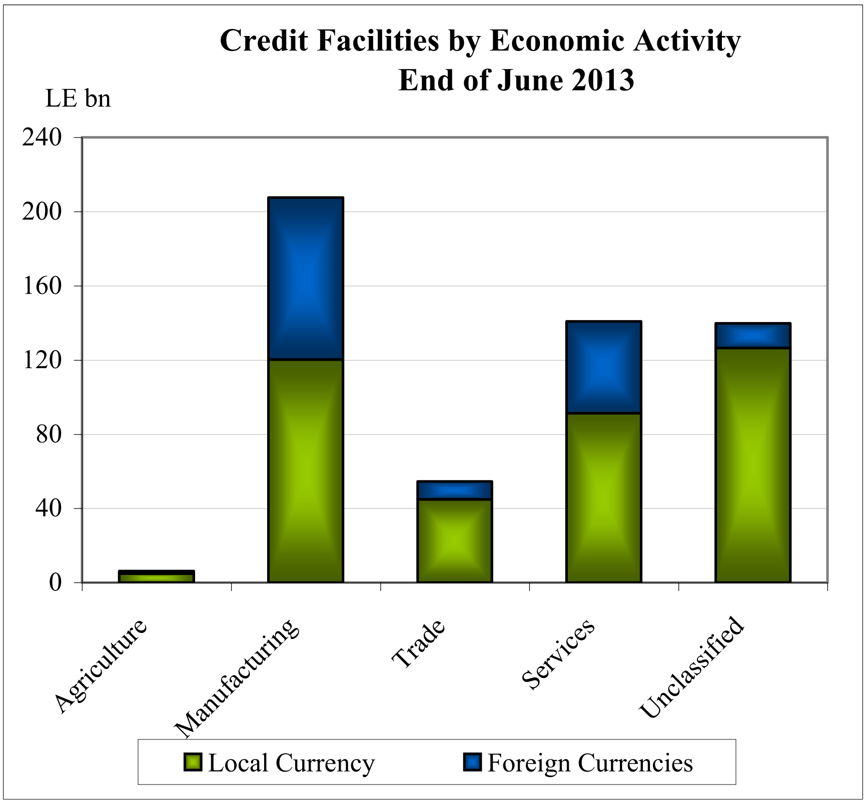
(LE mn)

	2011/2012		2012/2013	
	Local Currency	Foreign Currencies	Local Currency	Foreign Currencies
Total	**36411**	**(3814)**	**23705**	**18679**
Government sector	(3576)	(2637)	(3214)	5405
Public business sector	7021	709	2093	157
Private business sector	19524	107	9329	17484
Household sector	13626	(405)	15767	(274)
External sector	(184)	(1588)	(270)	(4093)

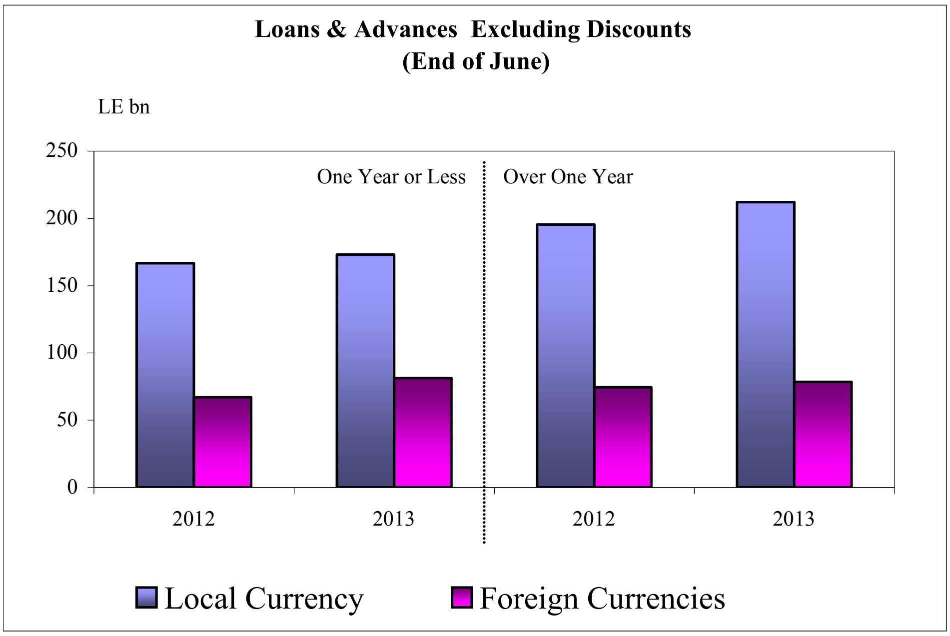
The pickup in the lending and discount balances came on the back of the rise in **local currency loans** by LE 23.7 billion or 6.5 percent, to LE 387.9 billion at end of June 2013, and in those extended in foreign currencies by LE 18.7 billion worth or 13.1 percent, to LE 161.2 billion worth. Accounting for around 66.5 percent of the increase in local currency loans, the share of the household sector rose by LE 15.8 billion or 14.4 percent (against LE 13.6 billion or 14.2 percent). Similarly, loans to the private business sector moved up by

LE 9.3 billion or 4.5 percent and to the public business sector by LE 2.1 billion or 6.6 percent. In contrast, loans to the government sector decreased by LE 3.2 billion and to the external sector by LE 0.3 billion. As for lending and discount balances in **foreign currencies**, the increase reflected the surge in loans extended to the private business sector by LE 17.5 billion worth or 18.0 percent, the government sector by LE 5.4 billion worth or 28.5 percent, and the public business sector by the equivalent of LE 0.2 billion or 1.8 percent. Such an increase was curbed by the decline in loans to the external sector by LE 4.1 billion worth or 27.3 percent, and to the household sector by LE 0.3 billion worth or 10.2 percent.

The relative distribution of loans by economic activity at end of June 2013 indicates that the manufacturing sector was the major recipient, with a share of 37.8 percent of total loans provided by banks in both local and foreign currencies. The services sector was the runner up (25.7 percent), followed by the unclassified sectors, including the household sector, (25.5 percent), then trade (9.9 percent) and agriculture (only 1.1 percent).



At end of June 2013, loans and advances (excluding discounts) by maturity registered LE 544.9 billion, indicating an increase of LE 41.7 billion or 8.3 percent during the year. The increase was due to the rise in long-term loans (more than one year) by LE 21.0 billion or 7.8 percent, (local currency loans expanded by LE 16.8 billion and foreign currency loans by LE 4.2 billion worth). Another contributing factor was the increase in short-term loans (one year or less) by LE 20.7 billion or 8.9 percent (foreign currency loans grew by LE 14.3 billion worth and local currency loans by LE 6.4 billion).



3- Non-Banking Financial Sector*

3/1- Regulatory and Legislative Developments

Presidential Decree no. 181 of 2012 was issued on 19/9/2012 deeming the Prime Minister as the minister responsible for enforcing the provisions of Law no. 10 of 2009 for Regulating Non-Banking Financial Markets and Instruments. On his part, the Prime Minister issued Decree no. 991 of 2012 on 27/9/2012, authorizing the Minister of Investment to assume the powers and duties of the minister responsible for enforcing the provisions of the said Law as of 3/8/2012.

In FY 2012/13, EFSA continued to update the regulations of the stock market. In this context, the EFSA's BoD issued Decision no. 49 of 2012 on 12/7/2012, amending Decision no. 81 of 2011 concerning the rules of listing securities issued by small and medium enterprises (SMEs). According to these amendments, a new item (no. 9) was added to Article (2) of the said Decision, clarifying that shares to be listed shall not be issued by companies operating in non-banking financial markets.

Out of its keenness to stimulate trading on EGX in a manner that better reflects the market's supply/demand, EFSA's Chairman approved on 14/8/2012 the new rules of the discovery session, proposed by the Exchange's BoD. The said rules aim at modifying the mechanism of calculating the price of securities in the discovery session as an opening price for securities in the trading session. The new rules state that changing the discovery price of a security requires the participation of at least 25 percent of the total number of brokerage companies that trade on a security on the demand side and their equivalent on the supply side in the last three months, with a minimum of five companies from each side. Pursuant to the new rules, the percentage of the allowed price limit to move up and down within the discovery session from the previous closing price shall be set after obtaining EFSA’s approval, provided that the price limit within the trading session shall be governed by the same regulations being applied now.

Also, EFSA's Chairman approved, on 28/8/2012, the amendments proposed by the EGX's BoD to the trading rules of the closing price determinants. The said rules aim at reducing the tangible fluctuations in the prices of securities that ensue from scant trading. According to the new amendments, the amounts of shares set for the closing price shall not be less than the equivalent of 0.5 percent

* Source: EFSA and the EGX's monthly reports.

of the daily average of the trading value of each share during the last three months, provided that the values of these shares shall not be less than ten thousand Egyptian pounds or their equivalent in foreign currencies, without prejudice to the provisions of Article no. 97 of the Executive Regulations of the Capital Market Law no. 95 of 1992. Add to this, the effect of the private transactions shall be excluded when calculating the average of the said trading. These averages shall be revised and recalculated every three months.

It is worthy to note that the previous rules shall be applied to the shares of SMEs listed on the tables of the EGX. In this context, EFSA addressed the EGX to modify the technical systems of trading to reflect the above-mentioned modifications, and upon finishing these modifications, EFSA shall be notified to set a date for putting these rules into effect.

In FY 2012/2013, EFSA's Chairman issued Decision no. 677 of 2012 on 23/9/2012, amending some provisions of EFSA's Chairman Decision no. 41 of 2007 regarding the regulations of registering financial advisors with EFSA.

As part of its efforts to upgrade the performance of the stock market, EFSA's BoD issued Decision no. 67 of 2012 dated 8/10/2012, regarding the mechanism of "intraday trading". The Decision includes the executive rules regulating the intraday trading. It also includes the guidelines set for the intraday contract signed between the brokerage company and its clients pursuant to the new rules. According to the above Decision, the EGX, and Misr for Clearance, Depository and Central Registry shall prepare the automated systems and technical requirements for the intraday trading mechanism. The EGX shall set the systems that regulate intraday trading, and shall immediately cancel any operation that violates that system during the trading session. The EGX shall notify the EFSA by the end of the trading session of all cancelled operations and the reasons for this cancellation. Also, Misr for Clearance, Depository and Central Registry shall undertake the settlement of cash and securities on a real time basis and the clearing and settlement of other related operations on the regular date of settlement. Moreover, the Decision obliges the brokerage companies willing to practise intraday trading to obtain EFSA's approval after fulfilling all of the requirements stated in the said Decision, and to adjust their positions within three months at the most from the date of enforcing this Decision.

It is to be noted that EFSA decided, on 23/5/2013, to reactivate the mechanism of intraday trading. The step was taken to complete the restoration of market mechanisms to their normal operation, after being suspended as a precautionary measure taken by EFSA and EGX in the wake of the 25th January Revolution.

Aiming at increasing the number of shareholders in listed companies, and reducing manipulation in the prices of securities in order to protect investors' rights, the EFSA's BoD issued two decisions. The first Decision (no. 68 of 2012) was issued on 8/10/2012, setting the requirements of technical structure and specifications of information systems needed for brokerage companies to provide the service of online trading. The second Decision (no. 58 of 2012) was issued on 26/12/2012, amending some listing and delisting rules of EGX-traded securities. The said Decision states that the issued and paid-up capital of the companies requesting to be listed on the EGX shall be increased to LE 50 million or its equivalent in other currencies. The Decision also states that the number of shareholders shall be raised from 100 to 500, given that the percentage of shares owned by each shareholder shall not exceed 1% of the offered shares upon listing.

Out of its keenness to regulate the issuance and exchange of global depository receipts (GDRs) with listed securities on the EGX, EFSA issued on 27/2/2013 two decisions (no. 8 and 9). Decision no. 8 of 2013 added a paragraph to Article 12 bis (1) of the rules of listing and delisting of securities on the EGX. The new paragraph states that "issued shares in the form of GDRs shall not exceed one third of the issued capital".

Decision no. 9 set the regulations for brokerage companies and portfolio management companies regarding exchanging GDRs with securities listed on the EGX. According to these regulations, brokerage companies should obtain EFSA’s approval on exchanging GDRs with listed securities on the EGX before conducting any transaction for any client. To get this approval, the issued and paid-up capital must exceed LE 20 million; and its average solvency ratio shall not be less than 10 percent of the obligations during the six months preceding the submission of the request for approval. The brokerage company shall establish a department specialized in trading in GDRs. The company shall abide by applying the regulations of EFSA and CBE regarding anti-money laundering and the financing of terrorism.

The regulations also state that brokerage companies shall operate via a foreign broker of securities licensed by the regulatory authority he is subject to. Moreover, these companies are required to submit data and reports related to dealings in GDRs to EGX. On the other hand, EFSA prohibited those companies from dealing in margin trading, short selling or any other system not approved by the competent Egyptian authorities. Cash settlements shall be executed in accordance with the rules and regulations issued by the CBE regarding dealing with foreign exchange and transfers abroad.

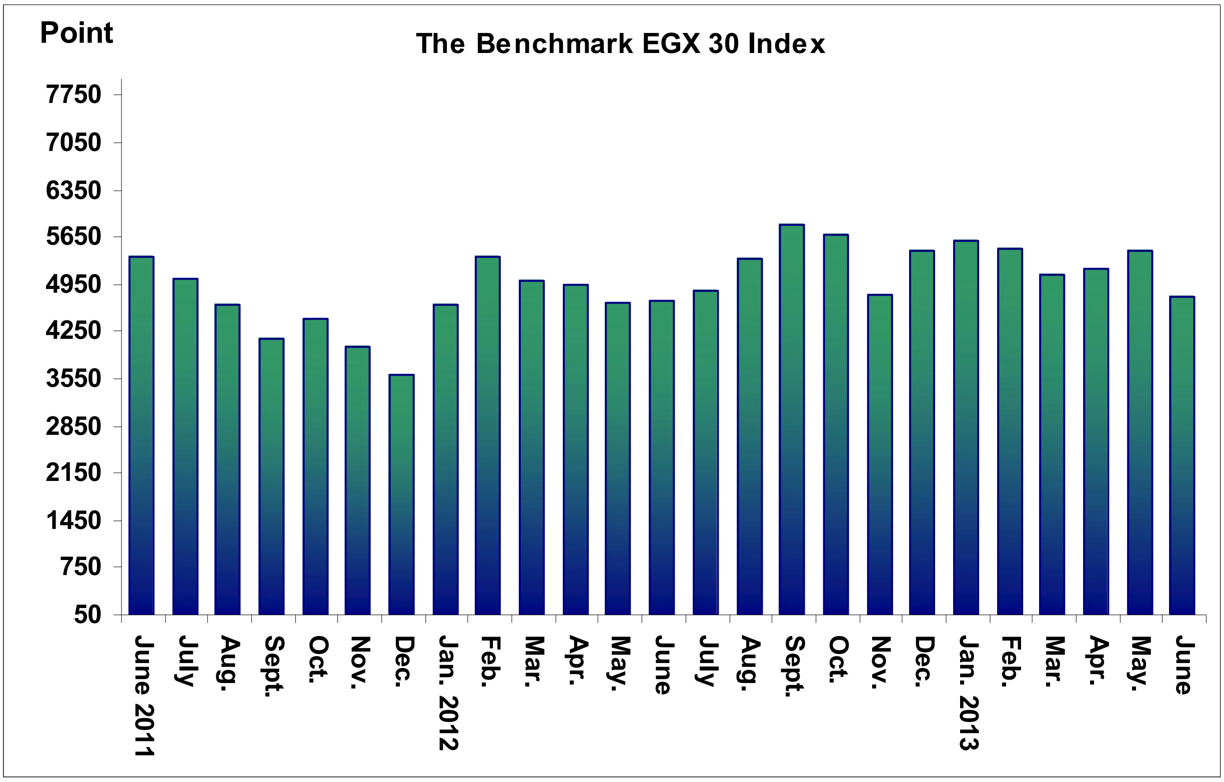
EFSA approved the regulations of issuing, converting and exchanging the GDRs with listed securities, previously approved by the EGX's BoD in its session dated 13/2/2013. According to these regulations, the applications for conversion to and from GDRs should be submitted to EGX through the companies and members of EGX. The company whose securities are listed on the EGX cannot convert its treasury shares to GDRs in exchange for listed securities on the EGX and vice versa. Any acquisition made by submitting buy offers of GDRs is not accepted, as the GDRs should be converted first to local securities. In addition, the depository bank and its local agent are committed not to dispose of the Egyptian securities held as a cover for GDRs and to abide by the provisions of Section 12 of the Executive Regulations of the Capital Market Law before making such conversions. The depository banks, their local agents and members of the Exchange should verify all clients' data at the level of the beneficiary owners (GDRs holders) and their related groups.

Within the framework of promoting the activity of dealers on EGX, EFSA's Chairman issued Decision no. 27 on 22/4/2013. According to this Decision, the increase in the amount of insurance imposed on brokerage companies for trading in GDRs in exchange for listed securities shall be equivalent to 0.001 percent of the company's average daily volume of trading in the last six months, and not less than LE 10 thousand.

In addition, the Ministry of Investment issued Decree no. 34 on 24/4/2013 regarding the rules and procedures governing the election of the EGX's BoD members from the representatives of the companies operating in securities and the companies that have listed securities on EGX.

3/2- Stock Market

As for the performance of the EGX in FY 2012/2013, its benchmark index (EGX 30) rose 0.9 percent, to 4752.2 points at end of June 2013 (from 4708.6 points at end of June 2012). In contrast, EGX 20 Capped declined 4.4 percent, recording 5210.7 points at end of June 2013. EGX 70 moved down, as well, by 14.7 percent to 360.2 points, and so did EGX 100 by 11.9 percent to 643.0 points.



Sectoral Indicators

The performance of sectoral indicators varied in FY 2012/2013. The sector of food and beverages outperformed the other sectors, with a rise of 56.4 percent, followed by healthcare and pharmaceuticals (23.9 percent). In contrast, travel and leisure recorded the sharpest decline by 31.9 percent, followed by financial services (excl. banks) by 31.1 percent.

Sector	Sectoral Indicators at end of June 2012	Sectoral Indicators at end of June 2013	Change (%) in FY 2012/13
Food and beverages	660.22	1032.64	56.4
Healthcare and pharmaceuticals	1146.50	1420.19	23.9
Basic resources	319.46	368.73	15.4
Communications	386.19	444.90	15.2
Banks	1236.05	1421.41	15.0
Personal and household products	378.60	423.37	11.8
Real estate	669.26	653.33	-2.4
Construction and building materials	1353.96	1305.82	-3.6
Chemicals	701.40	649.12	-7.5
Industrial goods and services & cars	927.18	797.03	-14.0
Financial services (excl. banks)	418.47	288.49	-31.1
Travel and leisure	244.97	166.88	-31.9

As for the primary market, the number of new issues approved by EFSA during FY 2012/2013 reached 3139, at a total value of LE 40.4 billion (against 3107 issues, at a total value of LE 38.1 billion a year earlier). Issues for establishing new businesses reached 2291 in number (73.0 percent of total issues), at a value of LE 6.4 billion. The number of issues for capital increases reached 848, at a total value of LE 34.0 billion (84.0 percent of total issues).

The listing activity on the EGX showed that the number of listed companies retreated to 210 at end of June 2013 (from 212 at end of June 2012). Meanwhile, the nominal capital of these companies increased 1.3 percent to LE 152.1 billion (from LE 150.1 billion). Conversely, their market capitalization decreased 5.3 percent to LE 321.7 billion or 18.3 percent of GDP in FY 2012/2013 (against LE 339.8 billion or 21.6 percent a year earlier), on the back of the decline in the prices of most shares traded on the EGX.

The value of issued and listed bonds surged LE 42.7 billion or 15.0 percent in FY 2012/2013, posting LE 328.0 billion at end of June 2013 (against LE 285.3 billion at end of June 2012). This was attributed to the rise of LE 44.4 billion in the value of Egyptian treasury bonds (primary dealers), to LE 315.0 billion or 96.0 percent of the total value of listed bonds at end of June 2013. In the meantime, corporate bonds fell by LE 0.8 billion and securitization bonds by LE 0.9 billion.

As for **the secondary market**, the three indicators of trading (number of transactions, number of securities and their value) showed increases. In detail, the number of transactions moved up by 30 thousand or 0.6 percent to 5438 thousand, and so did the number of traded securities (shares and bonds) by 10024 million or 44.9 percent, to 32.4 billion papers. Their value increased, as well, by LE 20.4 billion or 13.4 percent, to LE 173.3 billion.

Share transactions accounted for the bulk of trading on the EGX, representing 79.9 percent in the year under review (against 79.5 percent in the previous FY). Trading in bonds made up the remaining 20.1 percent of the total (against 20.5 percent).

Turning to the market of small and medium enterprises (NILEX), the number of listed companies reached 23, and the market capitalization of listed shares on NILEX amounted to LE 963 million at end of June 2013. Traded securities posted 95 million papers, through 36 thousand transactions, at a total value of LE 233 million during the year under review.

Trading in Securities

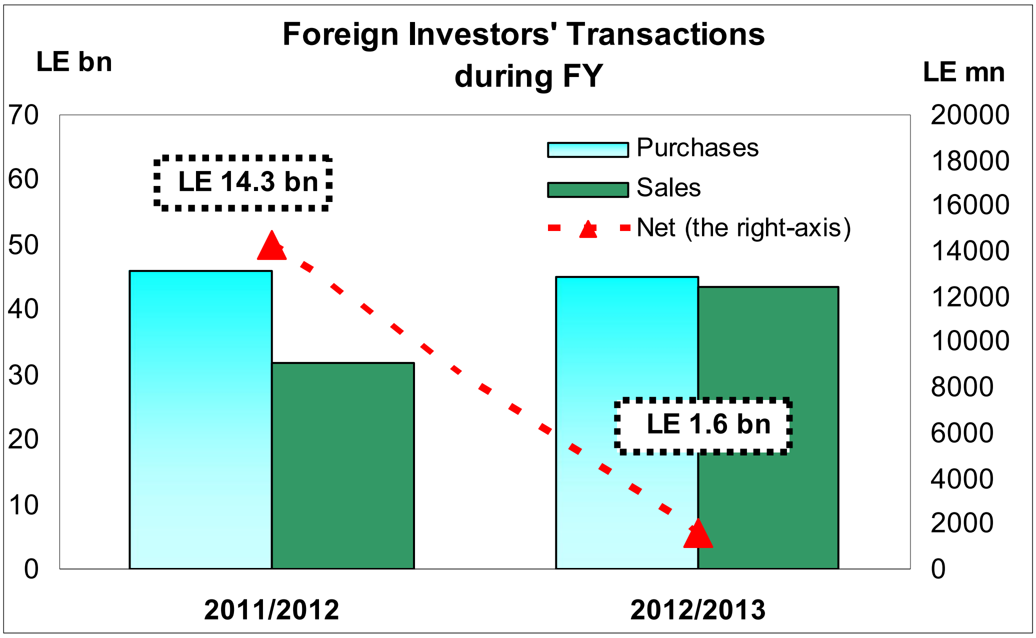
During FY	2009/10	2010/11	2011/12	2012/13
No. of Transactions (000)	**12116**	**7160**	**5408**	**5438**
A-Shares, bonds and mutual fund certificates (listed)	11383	7068	5334	5374
B-Shares, bonds and mutual fund certificates (unlisted)	733	84	54	28
C- Small and medium enterprises market (NILEX)*	-	8	20	36
No. of Traded Securities (mn)	**32880**	**23236**	**22344**	**32368**
A- Shares, bonds and mutual fund certificates (listed)	25362	21048	21182	30880
B-Shares, bonds and mutual fund certificates (unlisted)	7518	2166	1117	1393
C- Small and medium enterprises market (NILEX)	-	22	45	95
Value of Transactions (LE mn)	**441315**	**200578**	**152881**	**173319**
A- Shares, bonds and mutual fund certificates (listed)	312141	182890	137127	150855
B-Shares, bonds and mutual fund certificates (unlisted)	129174	17460	15572	22231
C- Small and medium enterprises market (NILEX)	-	228	182	233

Source: EFSA, EGX's Monthly Reports.

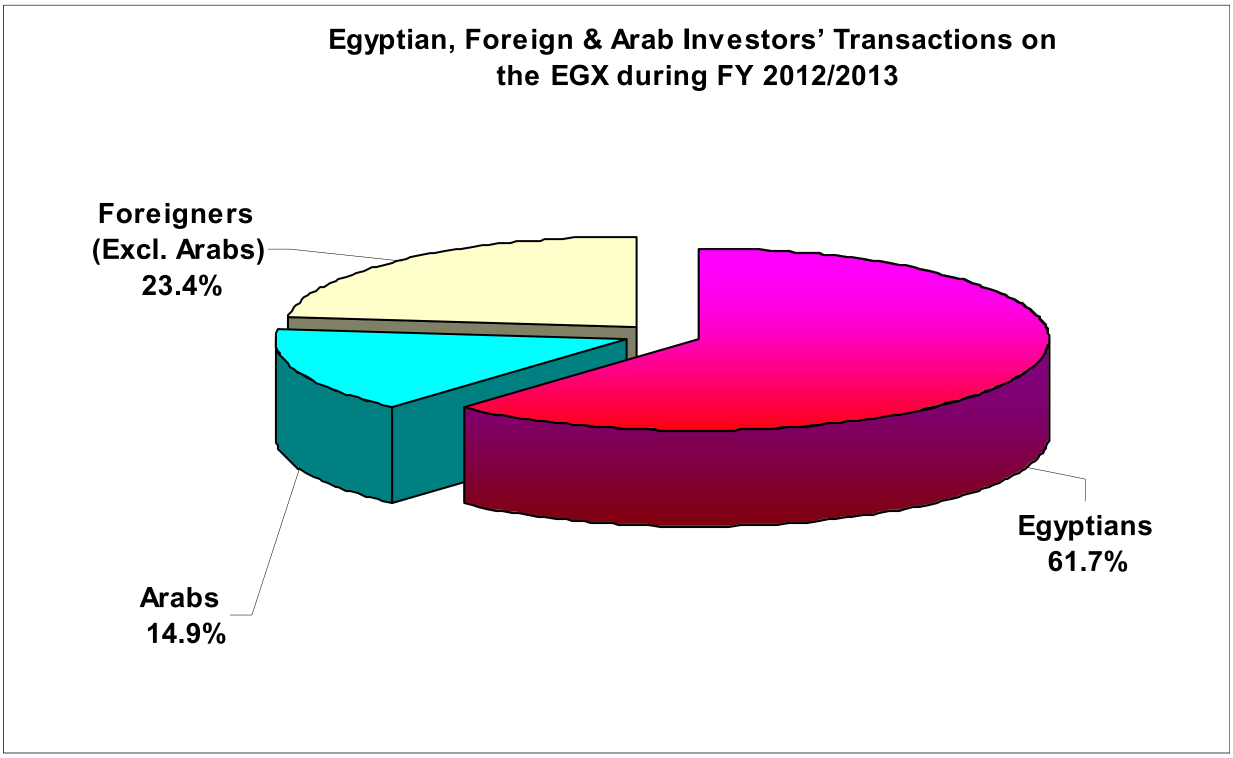
* Trading on NILEX started on 3 June 2010.

Investors' Transactions

Foreigners' transactions on EGX stepped up 13.7 percent during FY 2012/2013 compared with the previous FY, scoring LE 88.3 billion (against LE 77.7 billion). Their transactions resulted in net purchases of LE 1.6 billion (against LE 14.3 billion a year earlier).



Egyptians' trading on EGX accounted for 61.7 percent of total transactions during the reporting year. On the other hand, dealings of non-Arab foreigners represented 23.4 percent, while those of Arab investors made up 14.9 percent.



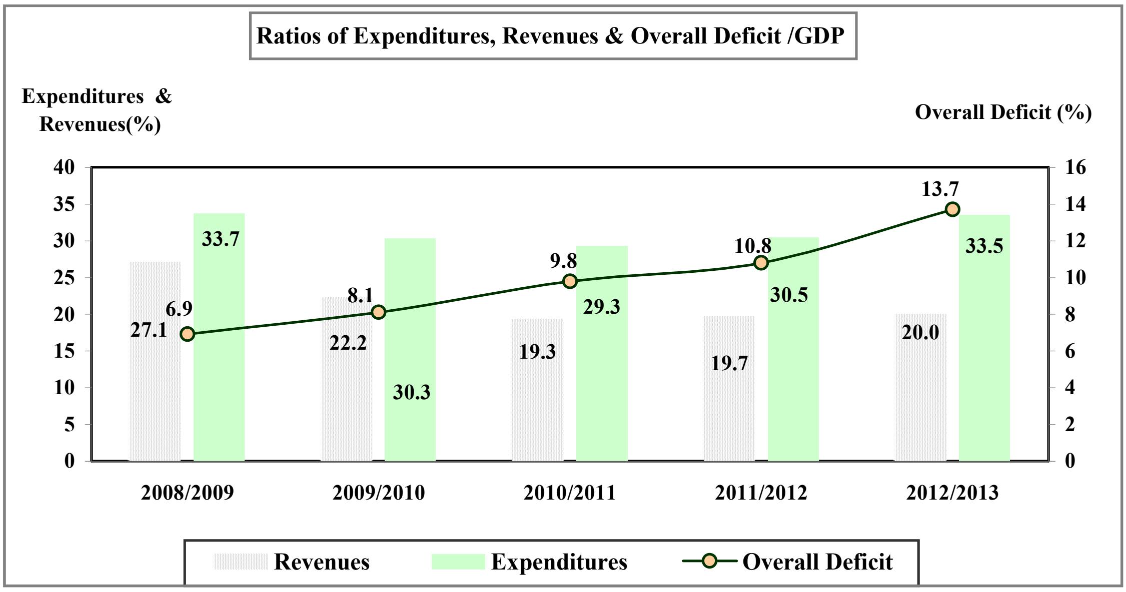
3/3- Mutual Funds

The number of mutual funds reached 84 at end of June 2013 (83 open-end and 1 close-end), compared with 85 funds at end of June 2012 (83 open-end and 2 close-end).

4- Public Finance and Domestic Public Debt
4/1- Consolidated Fiscal Operations of the General Government

According to the state budget for FY 2012/2013, total revenues increased 15.4 percent to LE 350.3 billion (20.0 percent of GDP), while total expenditures rose at a higher pace (24.9 percent) to LE 588.2 billion (33.5 percent of GDP).

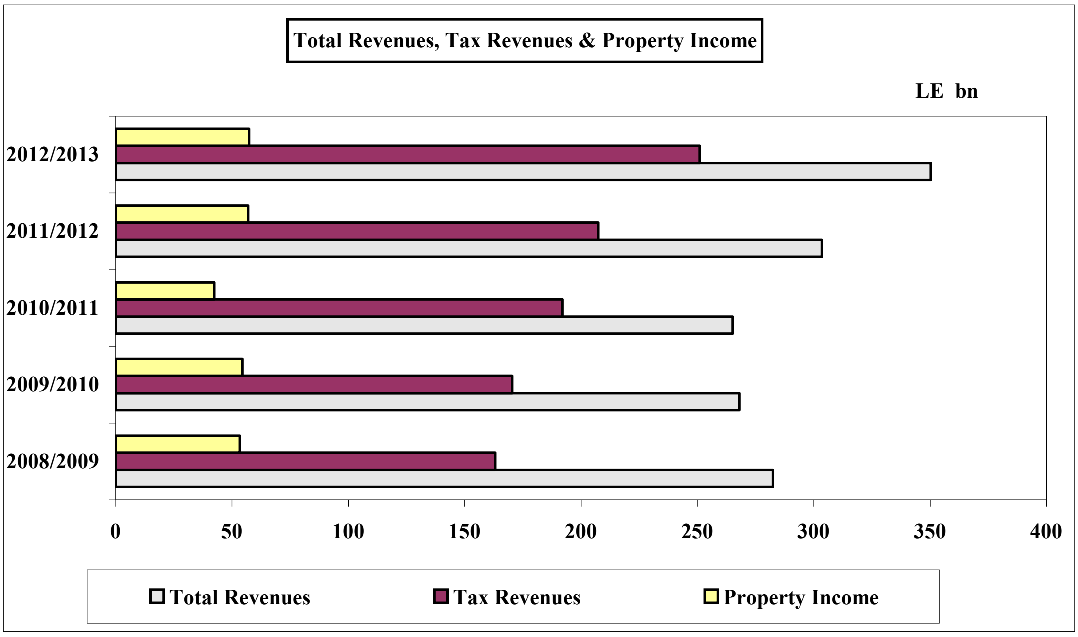
Accordingly, the overall budget deficit widened 43.8 percent in the reporting year, relative to the previous FY, to LE 239.7 billion or 13.7 percent of GDP (against LE 166.7 billion and 10.8 percent of GDP). The widening deficit indicated the growing burdens incurred by the government under the political circumstances in Egypt witnessed in the reporting year, associated with a higher pace of increase in expenditures than that in revenues, as mentioned above.



Hereunder is a follow up on the execution of the consolidated fiscal operations of the general government in FY 2012/2013, according to the data of the Ministry of Finance:

4/1/1- Budget Sector
(Administrative System - Local Administration –Service Authorities)

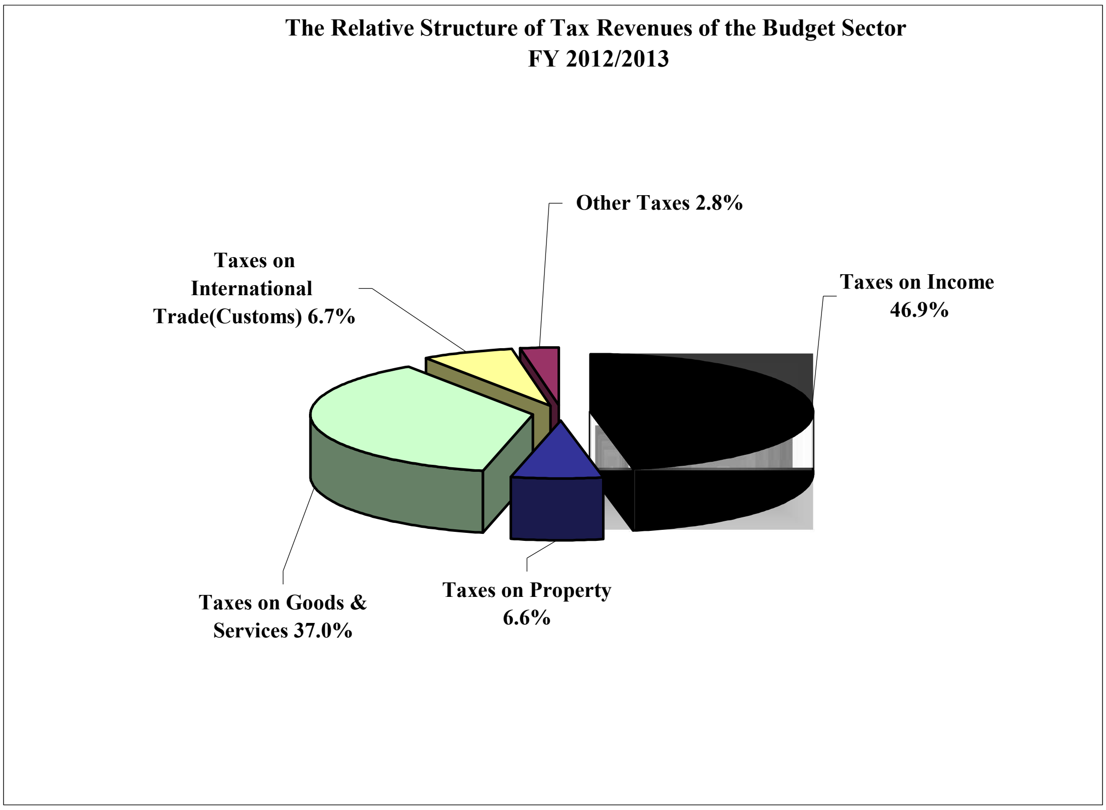
Public revenues rose by LE 46.7 billion or 15.4 percent to LE 350.3 billion, or 20.0 percent of GDP during FY 2012/2013. The rise was attributed mainly to the pickup in both **tax revenues** by LE 43.7 billion or 21.1 percent to LE 251.1 billion or 71.7 percent of total public revenues, and **non-tax revenues** by LE 7.9 billion to LE 94.0 billion.



About 79.8 percent of the increase in tax revenues came from the following items: **First, taxes on income and profits** accelerated by LE 26.5 billion or 29.1 percent (60.7 percent of the increase in tax revenues) due to the increase in all types of taxes under this item. Taxes collected from the EGPC came on top, accounting for 44.3 percent of the total increase in taxes on income and profits, followed by taxes collected from the CBE (31.3 percent), then taxes payable by individuals (17.1 percent).

Second, taxes on goods and services rose by LE 8.3 billion or 9.8 percent (representing 19.1 percent of the increase), spurred mainly by private consumption spending, thus remaining the key driver of economic growth since the outbreak of the 25th Jan. revolution in 2011.

However, the increase in total revenues was curbed by the decline in current and capital grants by LE 4.9 billion, and financing investments by LE 0.3 billion.



Consolidated Fiscal Operations of the General Government
(Budget Sector)
(Public Revenues)

(LE bn)

	2011/2012		2012/2013		Change +/-	
	Actual	Relative Structure	Actual	Relative Structure	Value	(%)
Total Revenues	**303.6**	**100.0**	**350.3**	**100.0**	**46.7**	**15.4**
Tax Revenues	**207.4**	**68.3**	**251.1**	**71.7**	**43.7**	**21.1**
• **Taxes on Income and Profits**	**91.2**	**30.0**	**117.8**	**33.7**	**26.5**	**29.1**
From EGPC	34.0	11.2	45.8	13.1	11.7	34.8
From SCA	11.8	3.9	12.2	3.5	0.4	3.0
From CBE	0.0	0.0	8.3	2.4	8.3	
Other entities	23.7	7.8	25.3	7.2	1.6	6.8
Payable by individuals	21.7	7.1	26.2	7.5	4.5	20.9
• **Taxes on Property**	**13.1**	**4.3**	**16.4**	**4.7**	**3.4**	**25.7**
• **Taxes on Goods & Services**	**84.6**	**27.9**	**92.9**	**26.5**	**8.3**	**9.8**
• **Taxes on International Trade (customs)**	**14.8**	**4.9**	**16.8**	**4.8**	**2.0**	**13.4**
• **Other Taxes**	**3.7**	**1.2**	**7.2**	**2.0**	**3.4**	**95.1**
Grants	**10.1**	**3.3**	**5.2**	**1.5**	**-4.9**	**-48.5**
Current	8.5	2.8	4.2	1.2	-4.3	-50.4
Capital	1.6	0.5	1.0	0.3	-0.6	-38.5
Other Revenues	**86.1**	**28.4**	**94.0**	**26.8**	**7.9**	**9.2**
Property Income from	**57.0**	**18.8**	**57.4**	**16.3**	**0.4**	**0.6**
EGPC	15.0	5.0	18.8	5.4	3.8	25.0
SCA	16.1	5.3	16.4	4.7	0.3	1.6
CBE	15.0	4.9	11.3	3.2	-3.7	-24.6
Economic Authorities	2.2	0.7	1.9	0.5	-0.3	-13.2
Companies	4.0	1.3	3.5	1.0	-0.5	-11.3
Other (EGPC, TML)	-0.5	-0.1	0.4	0.1	0.9	-167.6
Others	5.2	1.7	5.1	1.4	-0.1	-2.1
Selling Proceeds of Goods and Services	**17.8**	**5.9**	**22.7**	**6.5**	**4.9**	**27.6**
Financial Investments	**6.6**	**2.2**	**6.3**	**1.8**	**-0.3**	**-4.7**
Others	**4.7**	**1.5**	**7.6**	**2.2**	**2.9**	**62.3**

Source: Table (4/1) in the Statistical Annex.
Percentages are calculated in terms of LE million.

Total expenditures of the budget sector increased by LE 117.2 billion or 24.9 percent, registering LE 588.2 billion or 33.5 percent of GDP. Around 90.7 percent of the increase was concentrated in **five main items**, namely:

1- **Interest payments on domestic and external debt** mounted by LE 42.6 billion (36.3 percent of the rise in total expenditures) or 40.7 percent above the level of the previous FY, reaching LE 147.0 billion or 25.0 percent of total expenditures and absorbing 42.0 percent of total revenues. The sustainable increase in this item was partly attributed to the rise in the interest rate on 91-day bills and 182-day bills; and partly to the increase in the bills issued to finance part of the widening budget deficit, amid the events witnessed in Egypt since the outbreak of the 25^{th} Jan. Revolution.

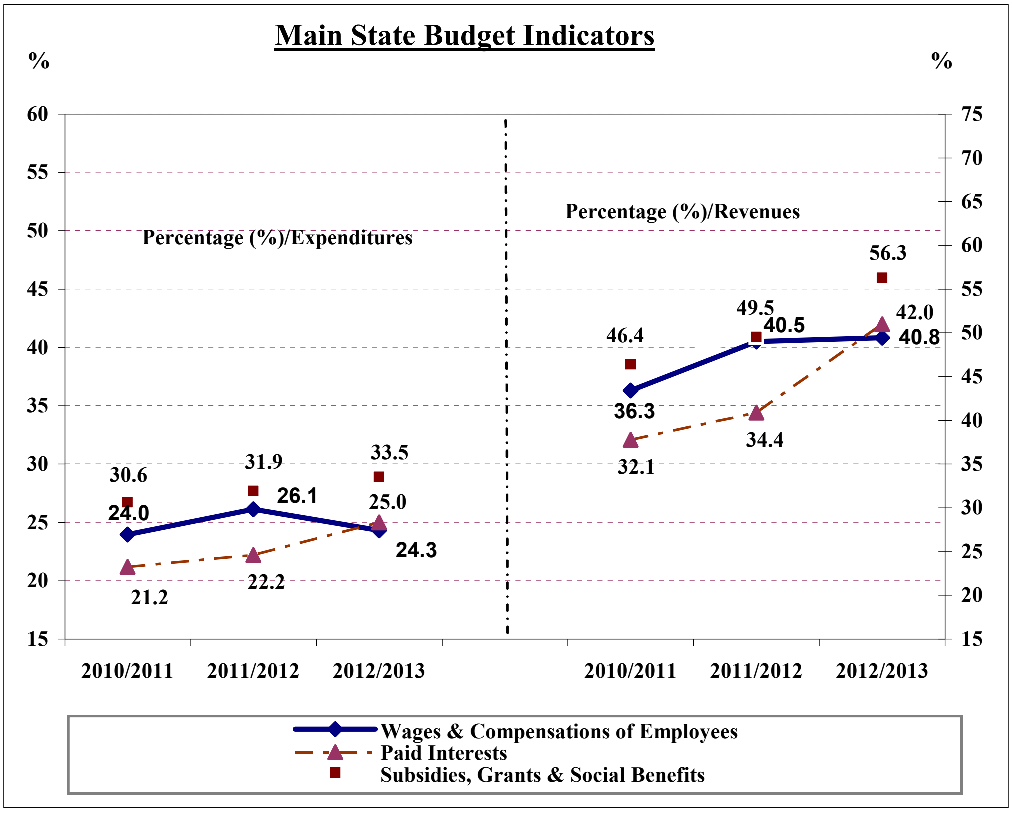
2- **Subsidies granted by the State to low-income brackets** augmented by LE 35.8 billion (30.6 percent of the rise in expenditures) or by 26.6 percent, totaling LE 170.8 billion, and consuming about half of the total revenues collected during the year under review. Most of the increase in expenditures (68.3 percent) went to oil subsidies in order to face the growing demand for oil products and the decline in the Egyptian pound versus the US dollar, under the unfavorable events in Egypt at that time.

3- **Wages and compensations of employees** rose by LE 20.1 billion (17.2 percent of the increase in expenditures) or by 16.4 percent to LE 143.0 billion (26.1 percent of current government spending), absorbing 40.8 percent of total revenues. Such a rise came on the back of the increase in the remuneration of employees of State administrations, as well as the costs of the annual raise granted to all civil servants starting July 2012. Add to this the costs of adding the social allowance to the basic salary, effective May 2013, and of the permanent appointment of temporary laborers.

4- **Other expenditures** scaled up by LE 4.2 billion (3.6 percent of the increase in expenditures) or 13.6 percent, to LE 35.0 billion, absorbing 10.0 percent of total revenues.

5- **Purchases of non-financial assets (investments)** went up by LE 3.6 billion (3.1 percent of the rise in expenditures) or 10.0 percent, bringing their value to LE 39.5 billion, and draining 11.3 percent of total revenues.

On the other hand, purchases of goods and services retreated by LE 0.2 billion or 0.6 percent to LE 26.7 billion.



Consolidated Fiscal Operations of the General Government
(Budget Sector)
(Public Expenditures)

(LE bn)

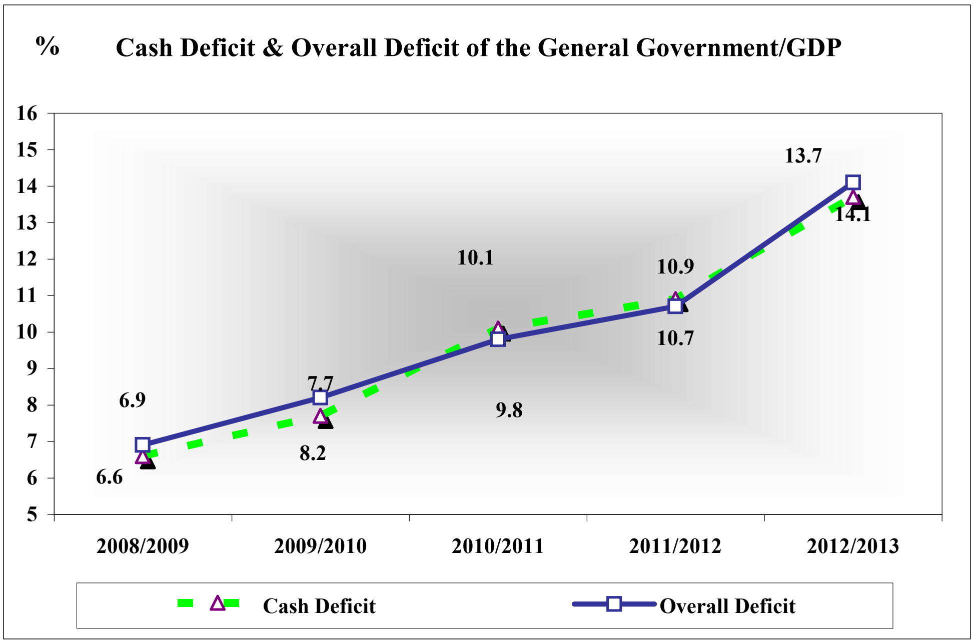
	2011/2012		2012/2013		Change +/-	
	Actual	Relative Structure	Actual	Relative Structure	Value	(%)
Total Expenditures	**471.0**	**100.0**	**588.2**	**100.0**	**117.2**	**24.9**
Wages & Compensations of Employees	**122.8**	**26.1**	**143.0**	**24.3**	**20.1**	**16.4**
Salaries & Wages	99.9	21.2	118.2	20.1	18.3	18.3
Insurance Benefits	11.6	2.5	13.7	2.3	2.0	18.0
Other	11.3	2.4	11.1	1.9	-0.2	-1.9
Purchases of Goods & Services	**26.8**	**5.7**	**26.7**	**4.5**	**-0.2**	**-0.6**
Goods	10.6	2.3	12.0	2.0	1.4	13.2
Services	11.5	2.4	11.3	1.9	-0.2	-1.9
Other	4.7	1.0	3.4	0.6	-1.4	-28.7
Interest	**104.5**	**22.2**	**147.0**	**25.0**	**42.6**	**40.7**
Domestic interests	101.1	21.4	143.1	24.3	42.1	41.6
To NIB & SIFs	20.4	4.3	22.8	3.9	2.4	11.6
To others	80.7	17.1	120.3	20.4	39.7	49.3
Foreign interests	3.4	0.8	3.9	0.7	0.5	14.0
Subsidies, Grants & Social Benefits	**150.2**	**31.9**	**197.0**	**33.5**	**46.9**	**31.2**
Subsidies	**135.0**	**28.7**	**170.7**	**29.0**	**35.8**	**26.6**
To EGPC	95.5	20.3	120.0	20.4	24.5	25.6
To GASC	30.3	6.4	32.5	5.5	2.2	7.5
Others	9.2	2.0	18.2	3.1	9.1	99.5
Grants	**5.3**	**1.1**	**5.0**	**0.9**	**-0.3**	**-5.5**
Social Benefits	**9.4**	**2.0**	**20.8**	**3.6**	**11.4**	**121.8**
Contribution to SIFs	6.2	1.3	16.4	2.8	10.1	163.7
Other	3.2	0.7	4.4	0.8	1.3	39.8
Other	**0.5**	**0.1**	**0.5**	**0.1**	**0.0**	**-10.2**
Other Expenditures	**30.8**	**6.5**	**35.0**	**6.0**	**4.2**	**13.6**
Defense	26.0	5.5	28.7	4.9	2.7	10.5
Other	4.8	1.0	6.3	1.1	1.5	30.5
Purchases of Non-Financial Assets (Investments)	**35.9**	**7.6**	**39.5**	**6.7**	**3.6**	**10.0**
Fixed assets	29.0	6.1	31.9	5.4	2.9	10.1
Other	6.9	1.5	7.6	1.3	0.7	9.6

Source: Table (4/2) in the Statistical Annex
Percentages are calculated in terms of LE million.

Against this background, the cash deficit reached LE 237.9 billion or 13.6 percent of GDP. Moreover, the overall budget deficit expanded by LE 73.0 billion to LE 239.7 billion or 13.7 percent of GDP (against LE 166.7 billion and 10.8 percent of GDP). The bulk of the overall deficit (92.3 percent or LE 221.3 billion) was financed by banking sources (60.6 percent from the CBE and 39.4 percent from commercial banks). In addition, LE 20.3 billion or 8.5 percent of the deficit was financed from external sources and the rest was financed from miscellaneous local sources. Also, some various local repayments were made.

4/1/2- Budget Sector, NIB and SIFs

Adding the fiscal operations of the NIB and SIFs to those of the budget sector during FY 2012/2013, collected revenues would surge by LE 53.3 billion to LE 403.6 billion, constituting 23.0 percent of GDP. Likewise, public expenditures would rise by LE 55.9 billion, to LE 644.1 billion or 36.7 percent of GDP.



Accordingly, the overall deficit of the consolidated fiscal operations of the general government reached LE 246.9 billion or 14.1 percent of GDP. This deficit was mainly financed by local sources.

Summary of Consolidated Fiscal Operations of the General Government (Budget Sector, NIB and SIFs)

(LE bn)

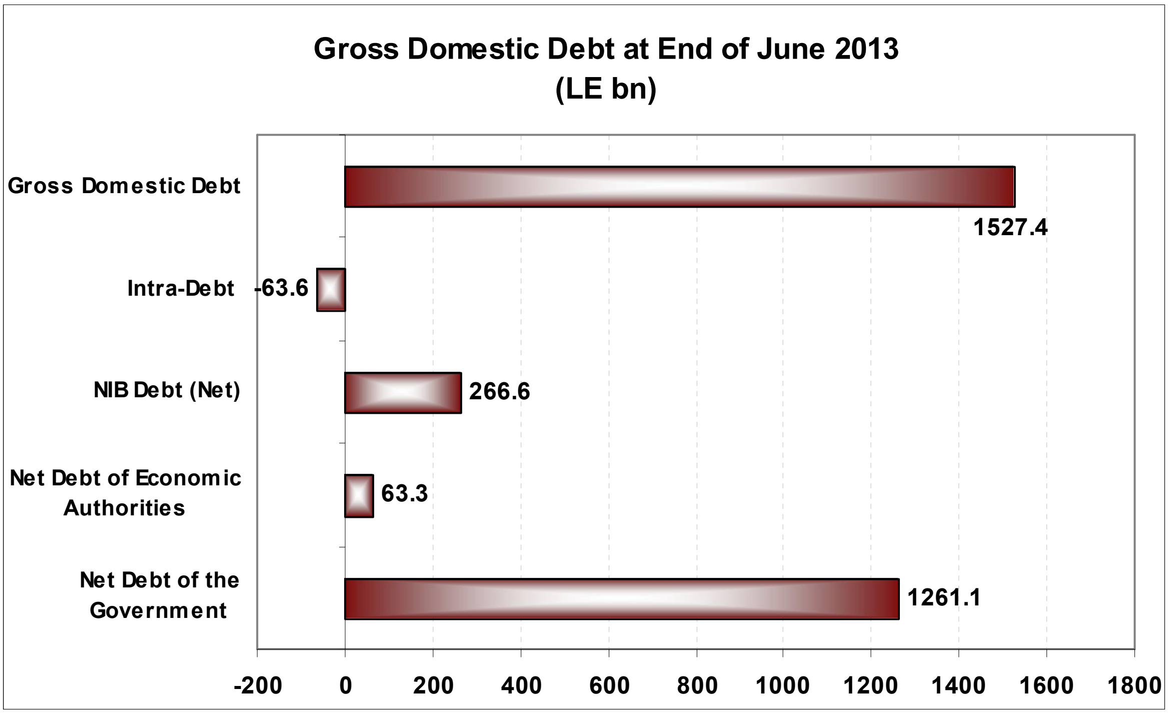
	2011/2012				2012/2013			
	Budget Sector	Relative Structure	General Government	Relative Structure	Budget Sector	Relative Structure	General Government	Relative Structure
Total Revenues	303.6		348.9		350.3		403.6	
Total Expenditures	471.0		516.4		588.2		644.1	
Cash Deficit	167.4		167.5		237.9		240.5	
Net Acquisition of Financial Assets	-0.7		-1.8		1.8		6.4	
Overall Deficit	166.7		165.7		239.7		246.9	
Financing Sources	166.7	100.0	165.7	100.0	239.7	100.0	246.9	100.0
Domestic Financing	182.4	109.4	184.0	111.1	270.6	112.8	244.8	99.2
Banking Financing	146.4	87.8	145.3	87.7	221.3	92.3	222.1	90.0
CBE	62.6	37.5	62.6	37.8	134.2	56.0	134.2	54.4
Other banks	83.8	50.3	82.7	49.9	87.1	36.3	87.9	35.6
Non-Banking Financing	36.0	21.6	38.7	23.4	49.3	20.5	22.7	9.2
NIB	-1.7	-1.0	0.0	0.0	-1.5	-0.7	0.0	0.0
SIFs	1.5	0.9	0.0	0.0	25.6	10.7	0.0	0.0
Other non-banking sources	37.6	22.5	37.6	22.7	25.0	10.4	25.0	10.1
NIB borrowing	0.0	0.0	2.5	1.5	0.0	0.0		-1.0
Special accounts for economic authorities	-1.4	-0.8	-1.4	-0.8	0.2	0.1	0.2	0.1
External Borrowing	-9.1	-5.4	-9.1	-5.5	20.3	8.4	20.3	8.2
Arrears	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Others, of which:	0.6	0.4	-2.0	-1.2	-13.1	-5.4	19.8	8.0
Special accounts for budget entities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financing Effects for Eliminations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Revaluation Differences	1.5	0.9	1.5	0.9	11.3	4.7	11.4	4.6
Net Privatization Proceeds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Difference between Treasury Bills Face Value & Present Value	-11.3	-6.8	-11.3	-6.9	-6.8	-2.8	-6.8	-2.7
Foreign Debt Reclassification Differences and Related FX Differences	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Unclassified	2.6	1.5	2.6	1.6	-42.6	-17.7	-42.6	-17.3

Source: Table (4/3) in the Statistical Annex.
Percentages are calculated in terms of LE million.

4/2- Domestic Public Debt

Domestic Public Debt

At end of June 2013, domestic public debt* amounted to LE 1527.4 billion or 87.1 percent of GDP at current market prices, up by LE 289.3 billion or 23.4 percent during FY 2012/2013.



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

Net government domestic debt expanded by LE 270.6 billion or 27.3 percent during FY 2012/2013 to LE 1261.1 billion (71.9 percent of GDP) at end of June 2013. The rise was a result of the LE 191.1 billion increase in the balances of treasury bonds and bills, and the net credit position of the government at the banking system of LE 66.5 billion (because of the rise in government loans and deposits by LE 84.9 billion and LE 18.4 billion, respectively). Add to this the increase in government borrowing from other local entities by LE 12.3 billion and the rise of the issued Egyptian US Dollar certificates by LE 1.2 billion. In the meantime, credit facilities from the SIFs decreased by LE 0.5 billion.

* Its balance equals the sum of net government debt, public economic authorities' debt and that of the National Investment Bank (NIB), minus intra-debts of public economic authorities and the government to the NIB.

Domestic Debt of the Government (Net)

(LE bn)

Balances at End of	June 2012		June 2013		Change + (-)
	Value	%	Value	%	2012/2013
Government Debt (Net)	**990.5**	**100.0**	**1261.1**	**100.0**	**270.6**
- Balances of Bonds and Bills +	**1078.2**	**108.9**	**1269.3**	**100.7**	**191.1**
• Bonds, of which:	669.6	67.6	786.0	62.4	116.4
Tradable on Exchanges	278.8	28.1	321.1	25.5	42.3
• Treasury bills	408.6	41.3	483.3	38.3	74.7
-Credit Facilities from SIFs	**1.7**	**0.2**	**1.2**	**0.1**	**(0.5)**
-Borrowing from Other Entities	**13.0**	**1.3**	**25.3**	**2.0**	**12.3**
-The Egyptian US Dollar Certificate	**0.2**	**0.0**	**1.4**	**0.1**	**1.2**
-Net Balances at the Banking System	**-102.6**	**-10.4**	**-36.1**	**-2.9**	**66.5**
• Credit Facilities	62.2	6.2	147.1	11.6	84.9
• Deposits (-)	164.8	16.6	183.2	14.5	18.4
Net Government Debt/GDP(%)	**62.9**		**71.9**		

Source: Table (4/4) in the Statistical Annex.
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 for 1983 for the purchase of government bonds; holdings of resident financial institutions in Egypt (the banking system and insurance sector) of bonds floated abroad; and the SIFs' bonds against the transfer of NIB debt to the Public Treasury.

The LE 191.1 billion rise in the balance of government bonds and bills was an outcome of:

A- The pickup in the balance of government bonds by LE 116.4 billion, to LE 786.0 billion at end of June 2013, as a result of:

1- The LE 44.9 billion rise in the balance of Egyptian treasury bonds in the reporting year, represented in:

- The issuance of the 79th tranche of three-year bonds on 7 May 2013, at a value of LE 0.5 billion and an annual interest rate of 14.830 percent. Afterwards, the value of this tranche was increased by LE 2.3 billion (LE 0.6 billion in May 2013 and LE 1.7 billion in June) on the same conditions of issuance, bringing its total value to LE 2.8 billion.

- The issuance of the 80th tranche of five-year bonds on 14 May 2013 at a value of LE 0.5 billion and an annual interest rate of 15.950 percent. Afterwards, the value of this tranche was increased by LE 2.1 billion (LE 1.0 billion in May 2013 and LE 1.1 billion in June) on the same conditions of issuance, bringing its total value to LE 2.6 billion.

- The issuance of the 81st tranche of seven-year bonds on 21 May 2013 at a value of LE 0.3 billion and an annual interest rate of 15.900 percent. Afterwards, the value of this tranche was increased by LE 1.5 billion in June 2013, on the same issuance conditions, bringing its total value to LE 1.8 billion.

- The increase of the 62nd tranche of seven-year bonds issued on 25 October 2011 at an annual interest rate of 14.5 percent, by LE 1.5 billion in April 2013 on the same conditions of issuance, bringing its total value to LE 5.4 billion.

- The increase of the 63rd tranche of five-year bonds issued on 25 October 2011 at an annual interest rate of 14.25 percent, by LE 2.0 billion in April 2013 on the same issuance conditions, bringing its total value to LE 8.8 billion.

- The increase of the 78th tranche of ten-year bonds issued in January 2013 at an annual interest rate of 16.300 percent, by LE 2.0 billion (LE 0.5 billion in April, LE 0.5 billion in May, and LE 1.0 billion in June 2013) on the same conditions of issuance, bringing its total value to LE 5.5 billion.

- The issuance of Egyptian treasury bonds at a value of LE 67.7 billion in July/March 2012/2013.

- The redemption of LE 35.5 billion of Egyptian treasury bonds (the 43rd tranche on 12 August 2012 at a value of LE 6.0 billion; the 18th tranche on 20 September 2012 at a value of LE 6.0 billion; the 49th tranche at a value of LE 8.0 billion; the 23rd tranche at a value of LE 6.0 billion; and the 52nd tranche at a value of LE 9.5 billion).

2- The issuance of three-year treasury bonds at a value of LE 60.0 billion on 24 June 2013 and an annual interest rate of 15.44 percent, to cover part of the cash deficit at the CBE.

3- The increase in the balance of SIFs bonds by LE 15.5 billion, as a result of issuing new bonds on 1/7/2012 (representing part of SIFs' claims on the Ministry of Finance).

4- The government's commitment to repay a debt of LE 2.6 billion to the New Urban Communities Authority, on behalf of Barwa Real Estate Company Q.S.C, against receiving this amount in cash during July/Dec., 2012/2013.

5- The increase in the balance of dollar-denominated bonds floated abroad by LE 1.7 billion worth.

6- The decrease in the balance of LE bonds floated abroad by LE 4.3 billion, after their redemption in July 2012.

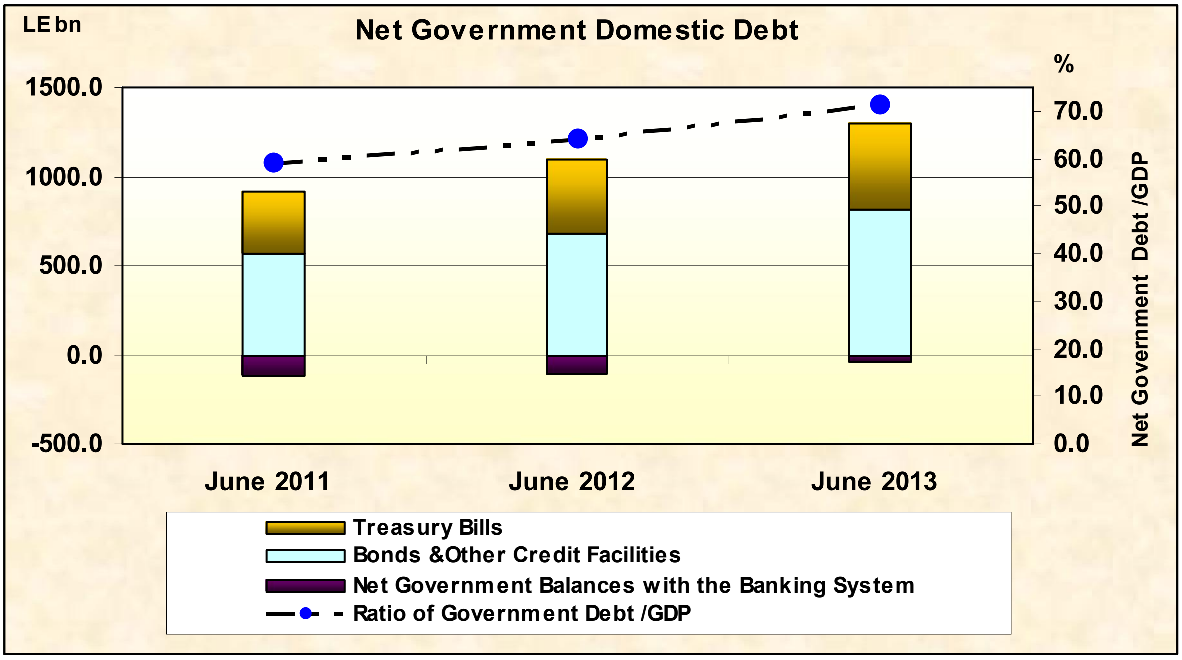
7- The redemption of LE bonds at public sector banks (LE 4.0 billion) on 31 March 2013.

B- The rise of the outstanding balance of treasury bills by LE 74.7 billion, to register LE 483.3 billion at end of June 2013, as a result of:

- The increase in the balance of the euro-denominated TBs issued in July/December 2012/2013, to post LE 10.5 billion worth at end of June 2013, due to the change in exchange rates.

- The increase of LE 11.7 billion worth in the outstanding balance of the dollar-denominated treasury bills, bringing their balance to LE 46.9 billion worth at end of June 2013.

- The LE 52.5 billion rise in the outstanding balance of treasury bills, issued in Egyptian pound, driving up the total balance of these bills to LE 425.9 billion at end of June 2013.

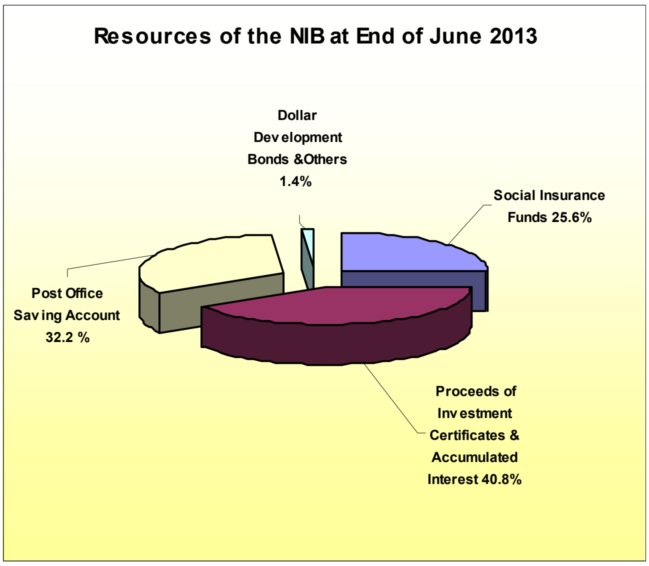


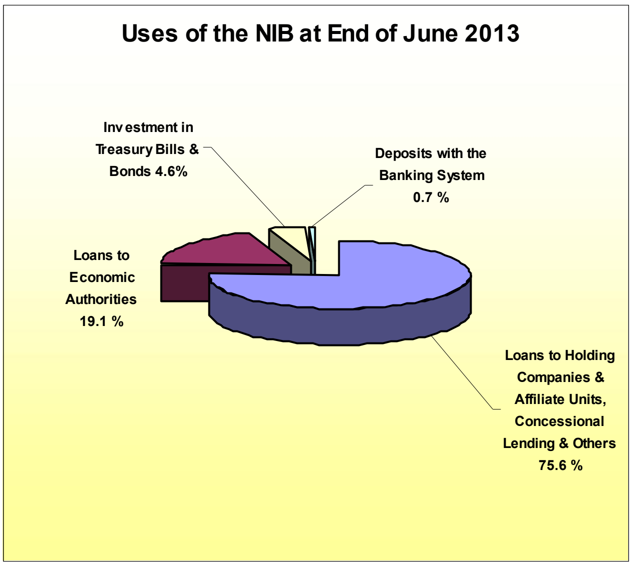
4/2/2 - Net Debt of Public Economic Authorities

Debt of public economic authorities (net basis) augmented by LE 0.2 billion during FY 2012/2013, to end the year at LE 63.3 billion. The increase was an outcome of the rise in their net borrowing from the banking system by LE 1.5 billion (mainly because of the pickup in their claims by LE 6.1 billion and deposits by LE 4.6 billion) and the decline in their borrowing from the NIB by LE 1.3 billion.

4/2/3 - Net Debt of the National Investment Bank

Net debt of NIB (including intra-debt) registered LE 266.6 billion at end of June 2013, with a rise of LE 15.6 billion during the year. The increase came on the back of the pickup in NIB total invested resources by LE 14.7 billion, to record LE 268.4 billion at end of June 2013, and the decline in its deposits at the banking system by LE 0.9 billion.





4/2/4 - Intra-Debt

The intra-debt of public economic authorities and the government to NIB amounted to LE 63.6 billion at end of June 2013 (against LE 66.5 billion at end of June 2012). To elaborate, NIB loans to these authorities registered LE 51.3 billion, with a decline of LE 1.3 billion during the year under review. NIB investments in government securities (bills and bonds) registered LE 12.3 billion, down by LE 1.6 billion during the year.

4/2/5 - Debt Service

Domestic public debt service reached LE 203.1 billion in FY 2012/2013, up by LE 80.9 billion, as compared with the previous FY. The increase mostly came from interest payments, which rose by LE 42.1 billion to LE 143.1 billion and from principal repayments (by LE 38.8 billion to LE 60.0 billion). As a result, the ratios of debt service to GDP and to total revenues climbed to 11.6 percent and 58.0 percent, respectively, during the reporting year, from 7.8 percent and 40.2 percent, in order, a year earlier.

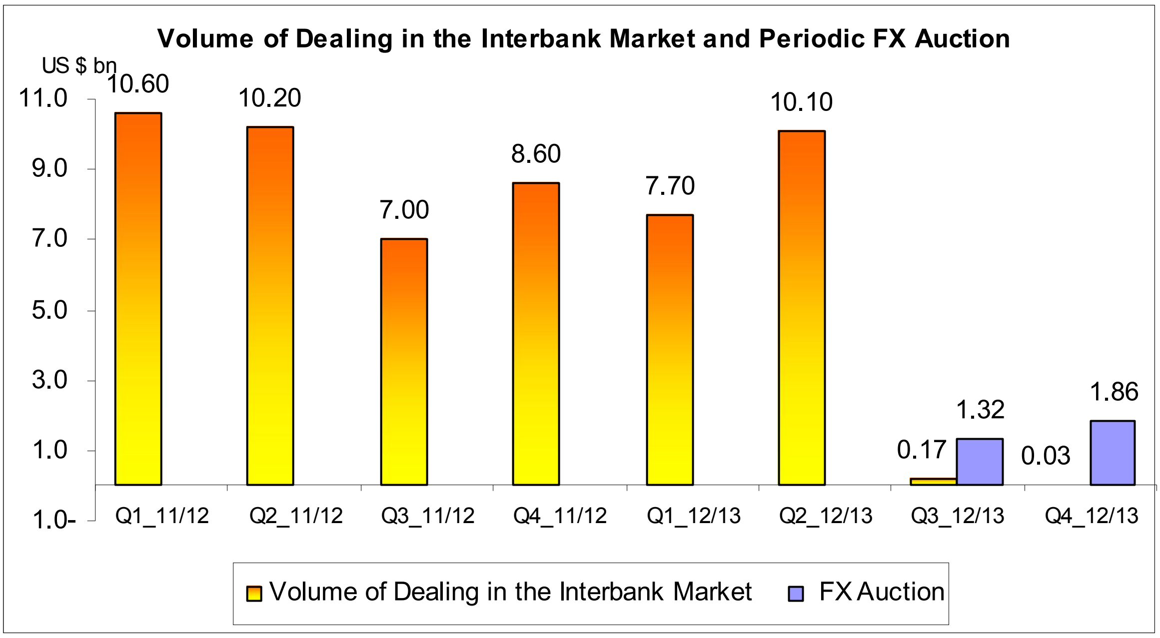
5 - External Transactions

5/1- Foreign Exchange Market and NIRs

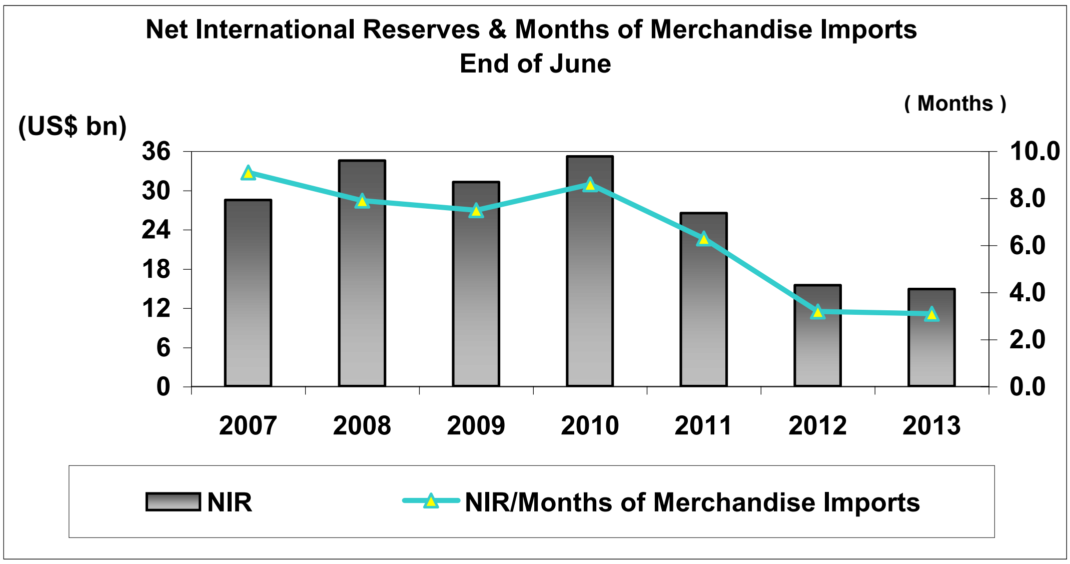
As part of its efforts to enhance the efficiency of the forex market, the CBE launched a new mechanism to support the foreign exchange interbank market. Via this mechanism, the CBE offers periodic FX auctions for banks to purchase and sell US dollars. This mechanism has been applied starting December 30, 2012, with the aim of regulating the forex market and preserving NIRs, after reaching critical levels. In addition, the CBE issued a number of decisions conducive to bolstering the confidence of market participants (Egyptians and foreigners). On February 4, 2013, the CBE issued a decision, allowing Egyptian persons, who transfer their savings from their accounts abroad to banks in Egypt, to retransfer the same amount to abroad. On 13 March 2013, the CBE decided to reactivate the repatriation mechanism of foreign investor funds and foreign investment fund, in addition to developing and expanding this mechanism to cover treasury bills and bonds, in addition to the stocks listed on the Egyptian Exchange.

The weighted average of the US dollar interbank rate posted LE 7.0094 at end of June 2013 (against LE 6.0590 at end of June 2012), with a 13.6 percent drop in the value of the Egyptian pound. While the present Economic Review was under preparation, the US dollar interbank rate recorded LE 6.8774 at end of Nov. 2013, with a 1.9 percent rise in the value of the Egyptian pound over the end of June 2013 level.

In FY 2012/2013, the volume of trade in the dollar interbank market amounted to US$ 18.0 billion (against US$ 36.4 billion in the previous FY), down by some 50 percent. Thus, the total volume of trade in the interbank market posted US$ 355.4 billion since its inception at the end of 2004 up to the end of June 2013. It is to be noted that this sharp decrease in the volume of trade has been pronounced since the second half of the reporting year, with the introduction of FX auctions mechanism at end of Dec. 2012. The volume of trade via this mechanism amounted to US$ 3.18 billion in the second half of the reporting year. (see the following chart).



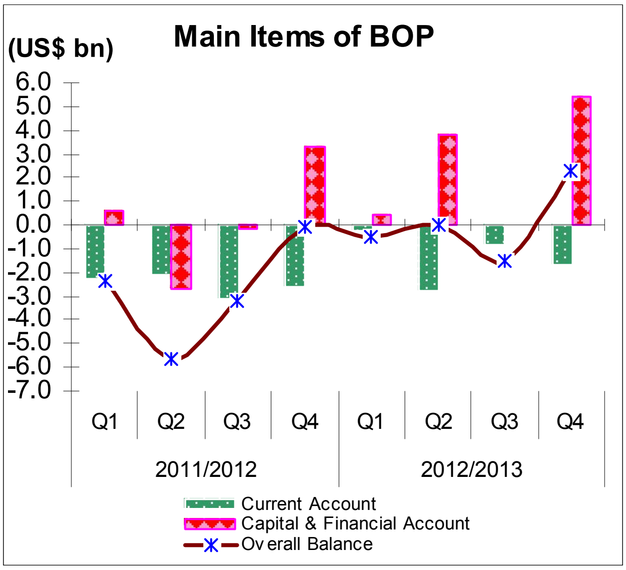
Net international reserves (NIRs) retreated by US$ 0.6 billion or 3.9 percent in FY 2012/2013, to US$ 14.9 billion at end of June 2013 (against US$ 15.5 billion at end of June 2012), covering 3.1 months of merchandise imports. At the time of preparing this Review, NIRs increased to US$ 17.8 billion at end of Nov. 2013 to cover 3.9 months of merchandise imports.



5/2: Balance of Payments*

For the first time since the 25th January Revolution, Egypt's transactions with the external world unfolded **an overall BOP surplus** of US$ 237.0 million in FY 2012/2013 (against an overall deficit of US$ 11.3 billion in the previous FY) as an outcome of the following two factors:

- The current account deficit shrank by 45.0 percent to US$ 5.6 billion (from US$ 10.1 billion);
- The capital and financial account achieved a higher net inflow of US$ 9.7 billion (against US$ 1.0 billion).



Hereunder are the major factors that positively affected the performance of BOP during the period under review:

- The retreat in the trade deficit by 7.6 percent to US$ 31.5 billion (from US$ 34.1 billion);

- The increase in **tourism revenues** by 3.5 percent to US$ 9.7 billion (against US$ 9.4 billion);

- The pickup in **transportation receipts** by 7.0 percent to US$ 9.2 billion (against US$ 8.6 billion), due to the rise in the receipts of Egyptian navigation and aviation companies. Such a rise compensated for the decrease in Suez Canal receipts (down by 3.4 percent to US$ 5.0 billion from US$ 5.2 billion);

- The rise in **remittances of Egyptians working abroad** by 3.9 percent to US$ 18.7 billion or 6.9 percent of GDP (against US$ 18.0 billion);

- The reversal of **portfolio investments** in Egypt to a net **inflow** of US$ 1.5 billion (from a net **outflow** of US$ 5.0 billion), mainly due to the issuance of bonds by the Egyptian government at a value of US$ 2.5 billion; and

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* Complied in accordance with the IMF's BPM5, September 1993.

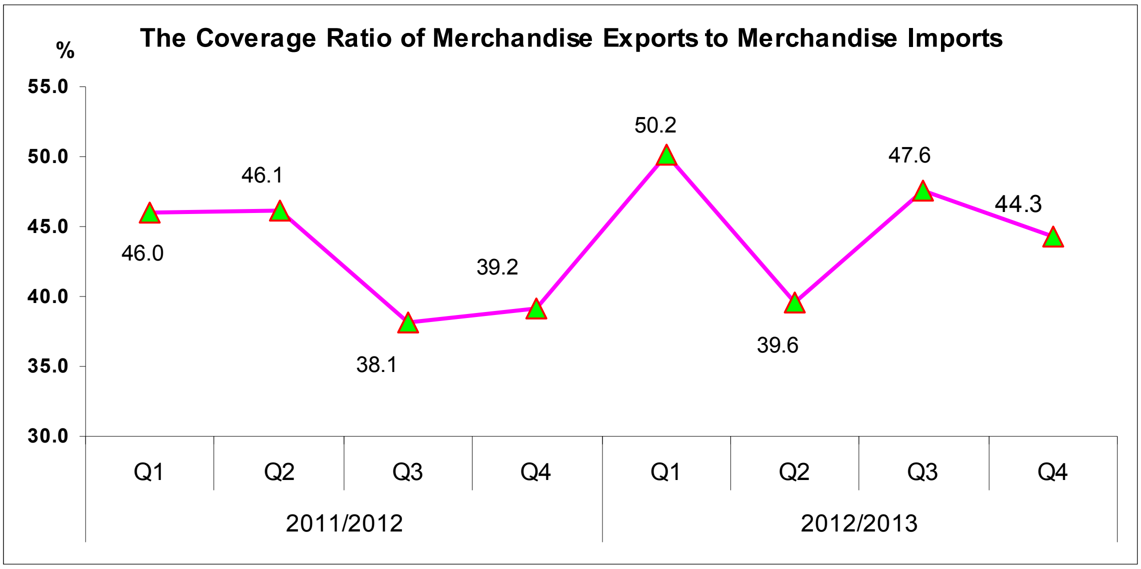
- **Other assets and liabilities** achieved a net inflow of US$ 4.9 billion (against US$ 2.3 billion), mainly due to the rise in deposits from some Arab countries.

5/2/1- Current Account

The **current account deficit** shrank by 45.0 percent, to US$ 5.6 billion (from US$ 10.1 billion). This was primarily attributed to the decrease in the trade deficit by 7.6 percent and the rise in the services and income surplus by 19.8 percent and unrequited transfers (net) by 4.7 percent. This can be elaborated as follows:

5/2/1/1- Trade Balance

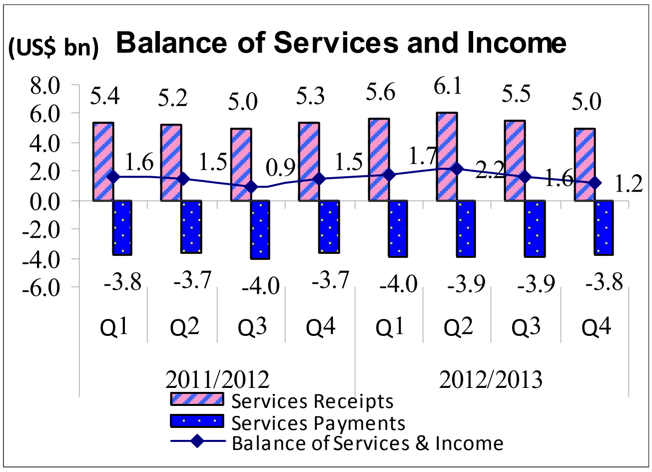
The **trade deficit** narrowed by 7.6 percent, posting only US$ 31.5 billion (11.6 percent of the GDP) against US$ 34.1 billion. This was an outcome of the 3.6 percent rise in export proceeds, to US$ 26.0 billion, due to the step-up in oil exports by 7.0 percent and the slight increase in non-oil exports by 0.9 percent. Import payments also retreated by 2.9 percent to US$ 57.5 billion as an outcome of the increase in oil imports by 6.1 percent and the decrease in non-oil imports by 5.1 percent. This will be shown in detail in the commodity structure of external trade.



5/2/1/2- Balance of Services and Income and Net Transfers

A - Balance of Services and Income

The balance of services and income surplus rose 19.8 percent to US$ 6.7 billion (from US$ 5.6 billion), as the increase in services receipts outpaced that in services payments. This can be elaborated as follows:



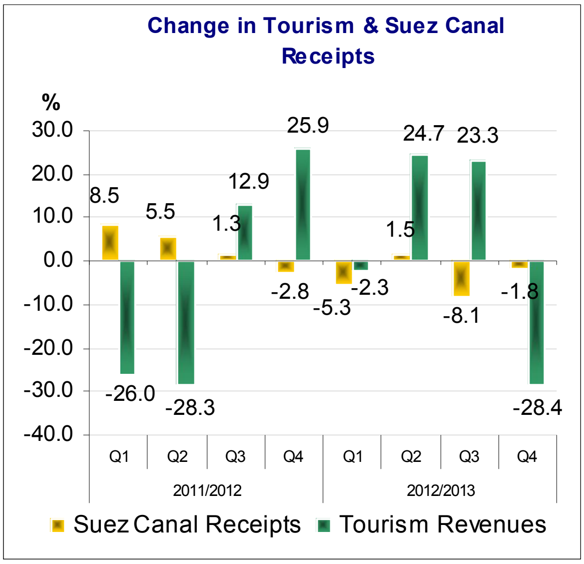
- **Services and income receipts**

Services and income receipts augmented by about 6.5 percent to US$ 22.2 billion (from US$ 20.9 billion), on the back of the increase in the following items:

- **Transportation receipts** by 7.0 percent to US$ 9.2 billion (from US$ 8.6 billion), due to the rise in the receipts of Egyptian navigation and aviation companies. Such a rise compensated for the decrease in Suez Canal receipts (down by 3.4 percent to US$ 5.0 billion from US$ 5.2 billion, due to the retreat in the value of SDRs vis-à-vis the US dollar by 2.6 percent and the decline in net tonnage by 2.8 percent);
- **Tourism revenues** by 3.5 percent to US$ 9.7 billion (from US$ 9.4 billion), supported mainly by the rise in the number of tourist nights by 8.1 percent to 142.4 million nights (from 131.8 million);
- **Other services receipts** by 13.0 percent to US$ 2.6 billion (from US$ 2.3 billion), as a result of the pickup in the receipts of construction and contracting services, communication services, commissions and agencies' fees, computer services and subscriptions for magazines and journals; and

- **Government services receipts** to US$ 437.6 million (from US$ 276.2 million), due to the rise in other government receipts and the expenses of foreign embassies in Egypt.

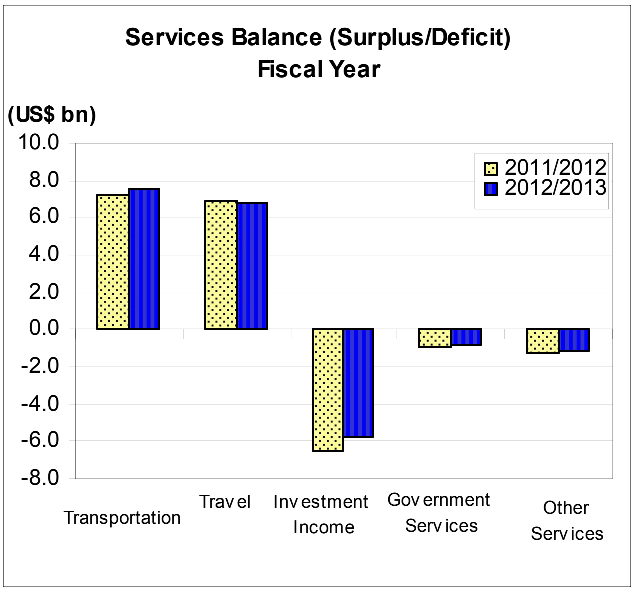
- On the other hand, **investment income receipts** rolled back 19.6 percent to US$ 197.8 million (from US$ 246.1 million) due to the decrease in direct investment income, especially profits transferred from banks' branches abroad and the interests on banks' deposits abroad.



Services and income payments

Services payments increased by 1.6 percent to US$ 15.5 billion (from US$ 15.3 billion), due to the increase in the following items:

- **Travel payments** by 17.3 percent to US$ 2.9 billion (from US$ 2.5 billion) because of the rise in visa card payments, payments of tourism companies and hotels abroad, and lottery pilgrims' fees;

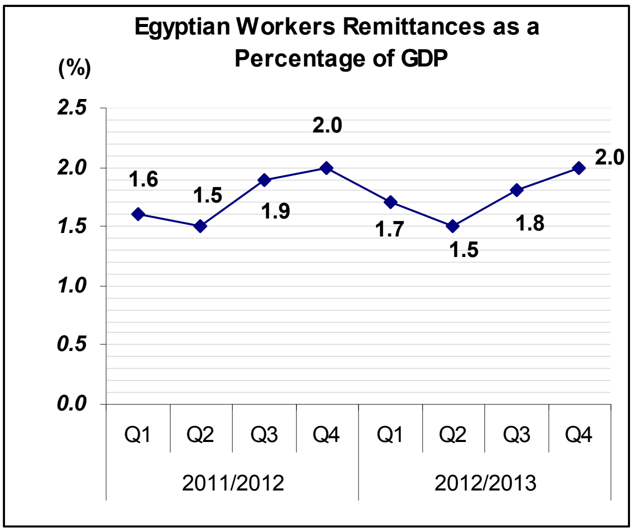


- **Transportation payments** by 20.6 percent to US$ 1.7 billion (from US$ 1.4 billion), mirroring the rise in the amounts transferred by foreign navigation companies, and the amounts transferred for renting planes from abroad and fixing planes at foreign airports;
- **Other services payments** by 6.0 percent to US$ 3.7 billion (from US$ 3.5 billion), on the back of the increase in the amounts transferred abroad by foreign oil companies, payments of construction and contracting services, royalties and license fees, and insurance service payments; and
- **Government expenditures** by 8.0 percent to US$ 1.24 billion (from US$ 1.15 billion), due to the pickup in other government expenditures.
- **By contrast, investment income payments** retreated by 11.6 percent to US$ 5.9 billion (from US$ 6.7 billion), because of the decrease in the profit transfers of foreign companies in Egypt, transfers of interest payments and dividends of bonds and securities.

B- Unrequited Current Transfers (Net)

Unrequited current transfers (net) increased by 4.7 percent to US$ 19.3 billion (from US$ 18.4 billion in the previous FY). This had a major role to play in driving down the current account deficit. The higher unrequited current transfers reflected the following increases:

- The step-up of 3.7 percent in **net private transfers**, to US$ 18.4 billion (against US$ 17.8 billion),consisting mainly of workers' remittances that scaled up by 3.9 percent to US$ 18.7 billion. Saudi Arabia ranked first with a share of 42.7 percent, followed by Kuwait (21.3 percent) then the UAE (12.2 percent); and



- The rise of 32.1 percent in **net official transfers** to US$ 835.6 million (from US$ 632.4 million), due to higher cash grants to the Egyptian government.

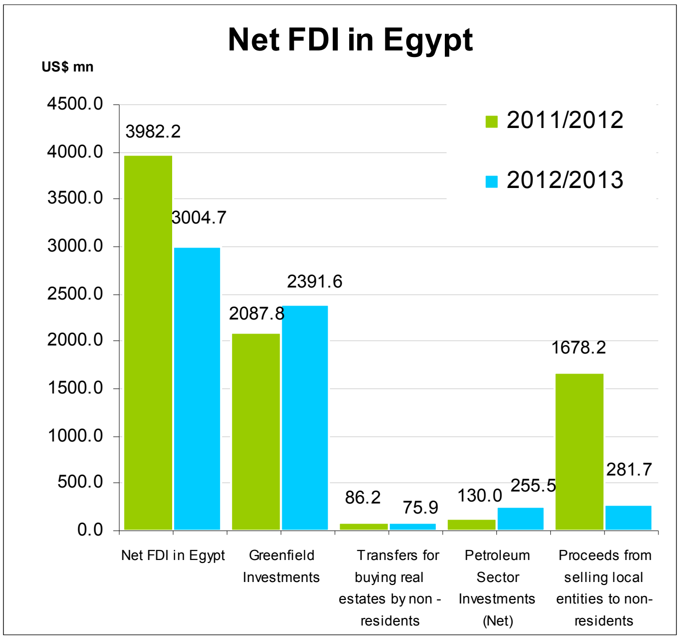
Unrequited Current Transfers (Net)

(US$ mn)

	FY		Change	
	2011/2012	**2012/2013**	**Value**	**%**
Unrequited Current Transfers (Net)	**18408.0**	**19267.9**	**859.9**	**4.7**
1- Official Transfers (Net) (a+b-c)	**632.4**	**835.6**	**203.2**	**32.1**
a- Inflows of cash grants	519.5	747.7	228.2	43.9
b- Other inflows of grants	174.5	153.7	(20.8)	(11.9)
c- Outflows of official transfers	61.6	65.8	4.2	6.8
2- Private Transfers (Net) (a+b-c)	**17775.6**	**18432.3**	**656.7**	**3.7**
a- Workers' remittances	17970.9	18668.0	697.1	3.9
b- Other transfers	112.7	89.6	(23.1)	(20.5)
c- Private transfers to abroad	308.0	325.3	17.3	5.6

5/2/2- Capital and Financial Account

Over FY 2012/2013, net inflows of the **capital and financial account** noticeably increased to US$ 9.7 billion (from US$ 1.0 billion), as a confluence of the following developments:



- The reversal of **portfolio investments in Egypt** to a net **inflow** of US$ 1.5 billion (from a net **outflow** of US$ 5.0 billion), mainly due to the issuance of bonds by the Egyptian government at a value of US$ 2.5 billion; and
- The decline in the net inflow of **foreign direct investment in Egypt** by US$ 1.0 billion to US$ 3.0 billion (from US$ 4.0 billion). This was an outcome of the decrease in the proceeds from selling local entities to non-residents, to register only US$ 281.7 million (against US$ 1.7 billion). Add to this the increase in the net inflows of both greenfield investments to US$ 2.4 billion (from US$ 2.1 billion) and of oil sector investments to US$ 255.5 million (from US$ 130.0 million).

The following table illustrates the sectoral distribution of total FDI flows to Egypt:

(US$ mn)

Economic Activity	FY 2011/2012	Share (%)	2012/2013	Share (%)
Total FDI Flows to Egypt	**11768.1**	**100.0**	**9614.0**	**100.0**
Oil	**7101.0**	**60.3**	**6606.5**	**68.7**
Manufacturing	**732.6**	**6.2**	**261.0**	**2.7**
Agriculture	**80.7**	**0.7**	**139.0**	**1.5**
Construction	**127.2**	**1.1**	**20.7**	**0.2**
Services, of which	**2196.6**	**18.7**	**739.8**	**7.7**
- Real estate	86.2	0.7	44.2	0.5
- Finance	212.7	1.8	379.2	3.9
- Tourism	41.7	0.4	20.9	0.2
- Communications and IT	1390.9	11.8	21.1	0.2
- Other services	465.1	4.0	274.4	2.9
Undistributed	**1530.0**	**13.0**	**1847.0**	**19.2**

- **Other assets and liabilities** (the change in bank foreign assets and liabilities; the CBE non-reserve foreign assets and foreign liabilities; and the counterpart to some items included in the current account) posted a net inflow of US$ 4.9 billion (against US$ 2.3 billion), mainly due to the rise in deposits transferred from some Arab countries.

- **Medium- and long-term loans and facilities** resulted in a net disbursement of US$ 136.7 million (against a net repayment of US$ 317.0 million), as an outcome of the increase in total disbursements to US$ 2.4 billion (from US$ 1.7 billion), and total repayments to US$ 2.3 billion (from US$ 2.0 billion).

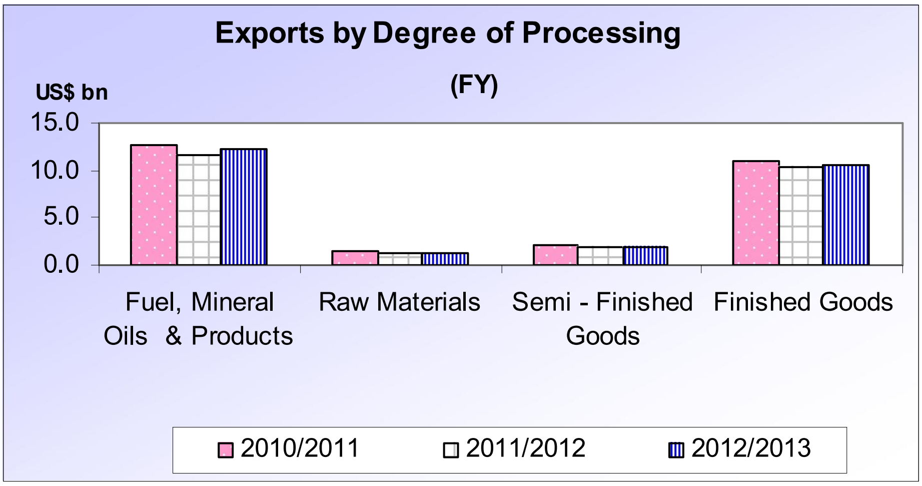
5/3- External Trade

In FY 2012/13, the volume of Egypt's external trade slightly declined by 0.9 percent to US$ 83.5 billion (against US$ 84.3 billion a year earlier). This resulted mainly from the decline in merchandise imports (US$ 1.7 billion) at a higher pace than that of merchandise exports (US$ 0.9 billion).

5/3/1- Structure of Export Proceeds and Import Payments

1-Export Proceeds by Degree of Processing*

During the year under review, merchandise exports increased by 3.6 percent to US$ 26.0 billion. This came on the back of the rise in the exports of all merchandise groups as follows: raw materials by 14.4 percent; fuel, mineral oils and products by 4.8 percent; semi-finished goods by 2.7 percent; and finished goods by 1.2 percent.



Hereunder is a detailed review of exports by different merchandise groups

A- Fuel, Mineral Oils and Products (46.8 percent of total exports):

Exports of this group scaled up 4.8 percent to US$ 12.2 billion (from US$ 11.6 billion), driven mainly by the 25.3 percent rise in the exports of crude oil (53.7 percent of the group's total exports), to US$ 6.5 billion. Conversely, exports of oil products (45.0 percent of the group's total exports) decreased 9.0 percent to US$ 5.5 billion.

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* Table no. (5/2) of the statistical annex shows the distribution of merchandise exports by degree of processing.

B- Finished Goods (40.3 percent of total exports):

Exports of finished goods inched up 1.2 percent to US$ 10.5 billion (against US$ 10.4 billion), reflecting higher exports of some goods, mainly, cotton textiles; gold, pearls and precious stones; iron and steel products; extracts of essential oils and resins.

C- Semi-Finished Goods (7.7 percent of total exports):

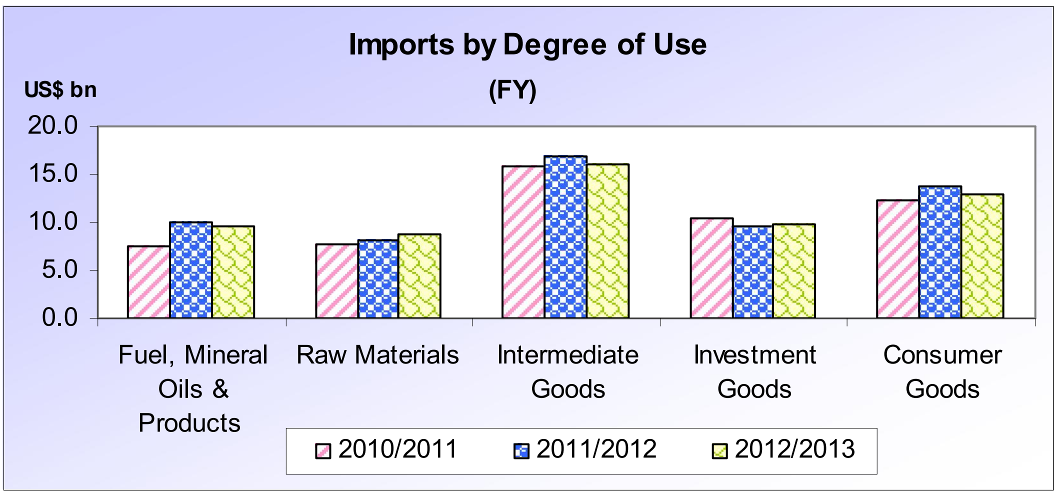
Exports of semi- finished goods moved up 2.7 percent to US$ 2.0 billion (from US$ 1.9 billion), particularly exports of plastics and articles thereof; dyeing and tanning extracts; and unalloyed aluminum.

D- Raw Materials (5.2 percent of total exports):

Exports of raw materials rose 14.4 percent, to US$ 1.3 billion (from US$ 1.2 billion), supported mainly by the exports of edible fruits and nuts; iron ores; potatoes; oil seeds and oleaginous fruits; and plants for medicinal and industrial uses.

2- Merchandise Imports by Degree of Use*

In FY 2012/2013, imports decreased 2.9 percent to US$ 57.5 billion (from US$ 59.2 billion), due to the decline in the imports of intermediate goods by 5.4 percent; consumer goods by 5.3 percent; and fuel, mineral oils and products by 4.0 percent. In contrast, imports of raw materials and investment goods increased by 7.3 percent and 1.9 percent, in order.



* Table no (5/3) of the statistical annex shows the distribution of merchandise imports by degree of use.

Hereunder is a detailed review of merchandise imports by different merchandise groups:

A- Intermediate Goods (27.8 percent of total imports):

Imports of intermediate goods fell 5.4 percent to US$ 16.0 billion (from US$ 16.9 billion), on the back of lower imports of cement; articles of base metals; fertilizers; and raw sugar.

B- Consumer Goods (22.5 percent of total imports):

Imports of this group decelerated by 5.3 percent to US$ 12.9 billion, (compared with US$ 13.7 billion), due to:

- The decline in the imports of **non-durable goods** by 8.7 percent, to US$ 9.7 billion (from US$ 10.7 billion), witnessed mainly in the imports of soap, detergents and artificial waxes; edible vegetables, roots and tubers; refined sugar and products; and livestock; and
- The rise in the imports of **durable goods** by 7.1 percent, to US$ 3.2 billion, due to higher imports of passenger cars; refrigerators and electric freezers.

C- Investment Goods (17.1 percent of total imports):

Imports of investment goods scaled up 1.9 percent, to US$ 9.8 billion (from US$ 9.6 billion). The rise was particularly manifest in the imports of passenger vehicles; railway and tramway locomotives or rolling stock equipment and parts thereof; pumps and fans and parts thereof; and cargo- transport vehicles.

D- Fuel, Mineral Oils and Products (16.5 percent of total imports):

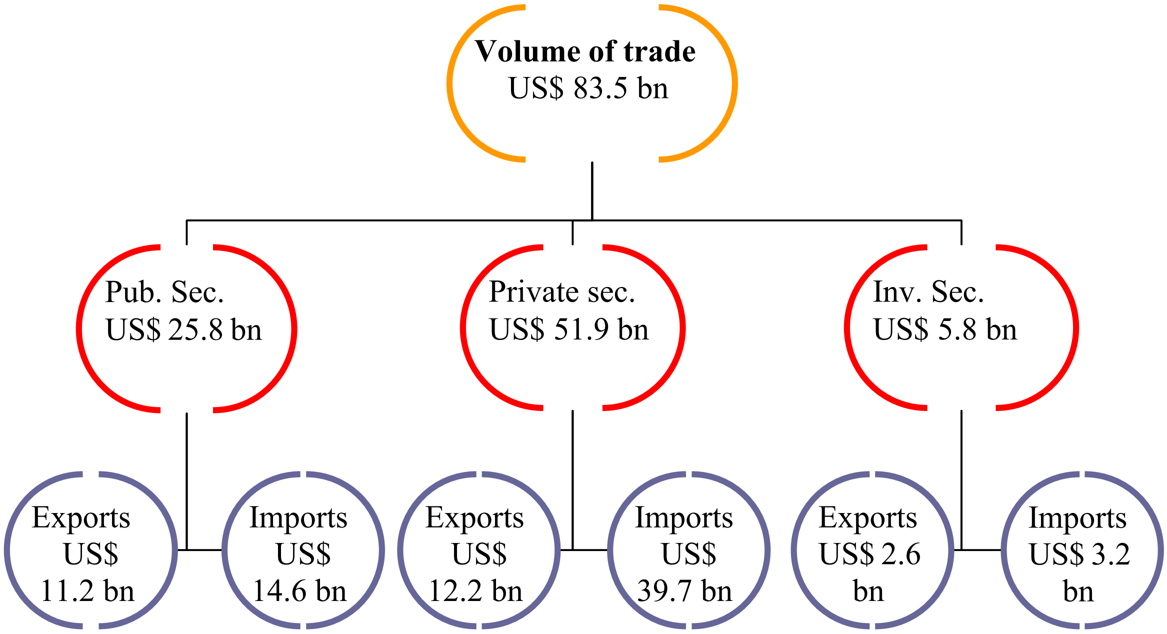
Imports of this group moved down 4.0 percent, to US$ 9.5 billion (from US$ 9.9 billion), as a main result of the 3.3 percent decrease in oil products (99.2 percent of the group's total imports).

E- Raw Materials (15.1 percent of total imports):

Imports of raw materials mounted by 7.3 percent, to US$ 8.7 billion (from US$ 8.1 billion), on the back of the higher imports of crude oil (by US$ 1.0 billion or 50.9 percent); metal ores; and oil seeds and oleaginous fruits.

5/3/2- Sectoral Distribution of Merchandise Transactions

At the level of economic sectors, the share of the private sector increased from 61.4 percent to 62.1 percent of total external trade. In addition, the share of the public sector remained unchanged at 30.9 percent, while that of the investment sector declined from 7.6 percent to 7.0 percent.



Below is a detailed review of export proceeds and import payments by economic sectors:

As for **export proceeds by economic sector,** the private sector accounted for 46.8 percent of total export proceeds, followed by the public sector (43.1 percent), and the investment sector (10.1 percent).

As for **import payments**, the private sector came in the forefront, with a share of 69.0 percent of total imports, followed by the public sector (25.5 percent), and the investment sector (5.5 percent).

A- Private Sector:

Export proceeds of the private sector inched up 1.0 percent, to US$ 12.2 billion (against US$ 12.0 billion). Finished goods represented 76.0 percent of the total exports of this sector. Its main exports were electric appliances; gold, pearl and precious stones; fertilizers; ready- made clothes; and cotton textiles.

In contrast, import payments of this sector went down 0.1 percent, to US$ 39.7 billion. That came as a result of the decline in the imports of both intermediate goods (35.5 percent of the sector's total imports) and consumer goods (28.7 percent) by US$ 0.5 billion each. Another contributing factor was the US$ 0.9 billion rise in the imports of fuel, mineral oils and products (5.3 percent of the sector's total imports).

B- Public Sector:

Exports of the public sector edged up 3.3 percent, to US$ 11.2 billion (against US$ 10.8 billion), driven by the 25.3 percent rise in crude oil exports (58.4 percent of the sector's total exports). The most salient exports of this sector were crude oil; aluminum articles; unalloyed aluminum; cotton; cotton yarn; and cotton textiles.

However, import payments of this sector scaled down by 4.0 percent, to US$ 14.6 billion (from US$ 15.2 billion), primarily due to the 14.1 percent drop in the imports of fuel, mineral oils and products (49.7 percent of the sector's total imports), driven by the lower imports of oil products (14.0 percent). Similarly, imports of some goods decreased such as: wheat; raw sugar; optical appliances; aluminum and its articles; and oil seeds and oleaginous fruits.

C- Investment Sector:

Export proceeds of the investment sector mounted by 19.0 percent to US$ 2.6 billion (from US$ 2.2 billion). The key exports were oil products (45.9 percent of the sector's total exports); cotton textiles; organic and inorganic chemicals; iron and steel products; ready-made clothes; and ceramic products.

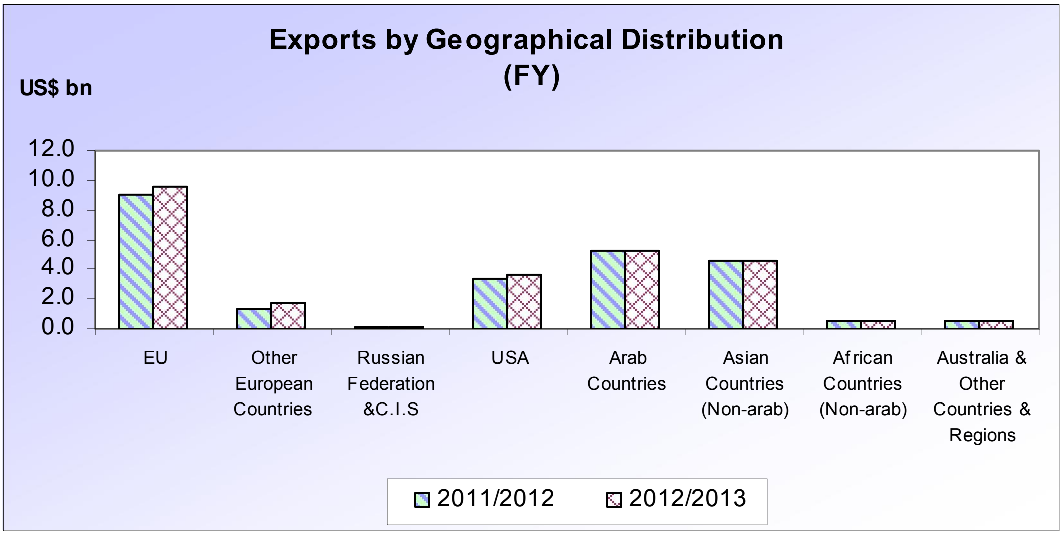
The sector's import payments dropped 25.2 percent to US$ 3.2 billion (against US$ 4.2 billion), reflecting the lower imports of all merchandise groups, especially; maize; edible vegetables, roots and tubers; animal and vegetable fats, greases and oils and products; cranes and bulldozers and parts thereof; oil products; crude oil; and organic and inorganic chemicals.

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

The geographical distribution of merchandise transactions showed that Egypt's volume of trade with the Russian Federation dropped by 18.5 percent, other European countries by 8.5 percent, the USA by 7.8 percent, the EU by 3.6 percent, and the African countries by 1.5 percent. By contrast, Egypt's trade with other economic groupings increased.

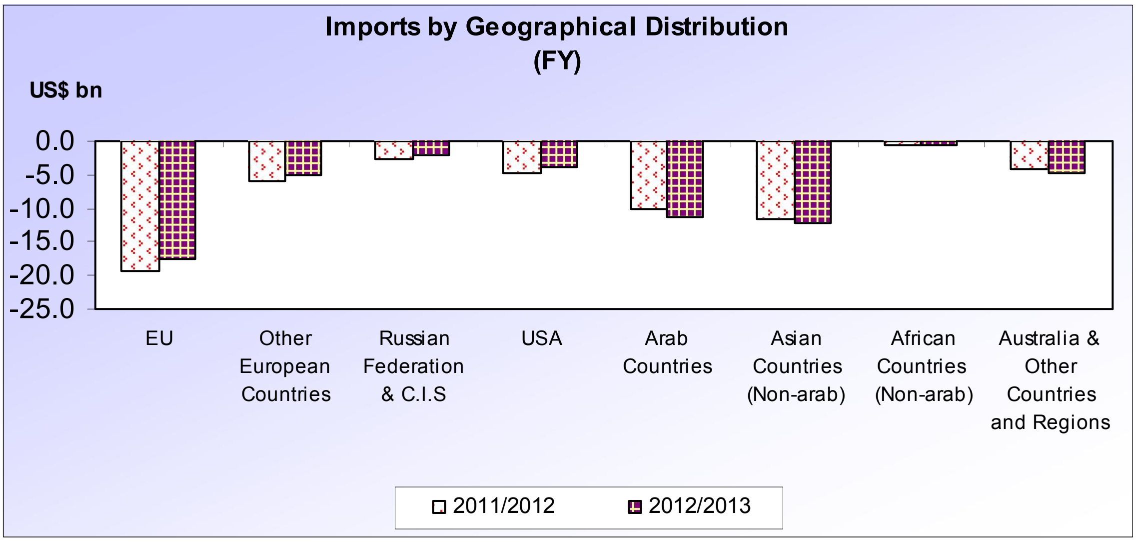
The order of countries in terms of the relative importance of trade exchange with Egypt ran as follows: The USA ranked first, accounting for 9.1 percent of the total, followed by Italy (8.0 percent), China (6.0 percent), the UAE (5.5 percent), Germany (5.1 percent) and India (4.4 percent).

According to the geographical distribution of merchandise exports, the EU countries ranked first (37.2 percent of total exports), followed by the Arab countries (20.0 percent), and the non-Arab Asian countries (17.6 percent). At the level of countries, Italy came on top, followed by the USA, India, the UAE, and UK (with a combined share of 47.3 percent of total exports).



Turning to imports, the EU countries came in the lead (30.7 percent), followed by the non-Arab Asian countries (21.0 percent), and the Arab countries (19.6 percent). At the countries level, China was the key exporter, followed by the USA, Germany, UAE, Kuwait, and Switzerland (with a combined share of 35.8 percent of total imports).

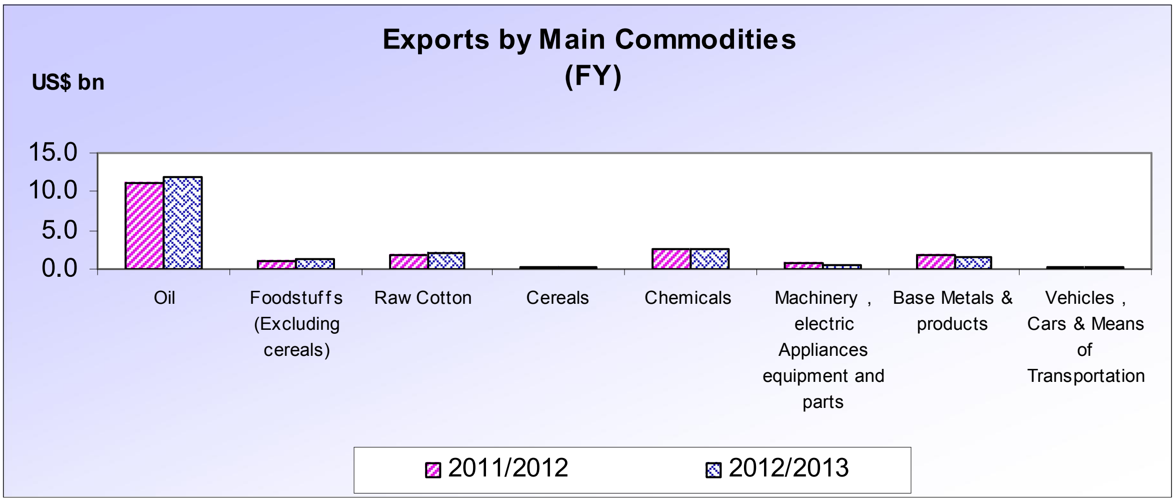
* Table (5/4) in the statistical annex shows the geographical distribution of exports and imports.



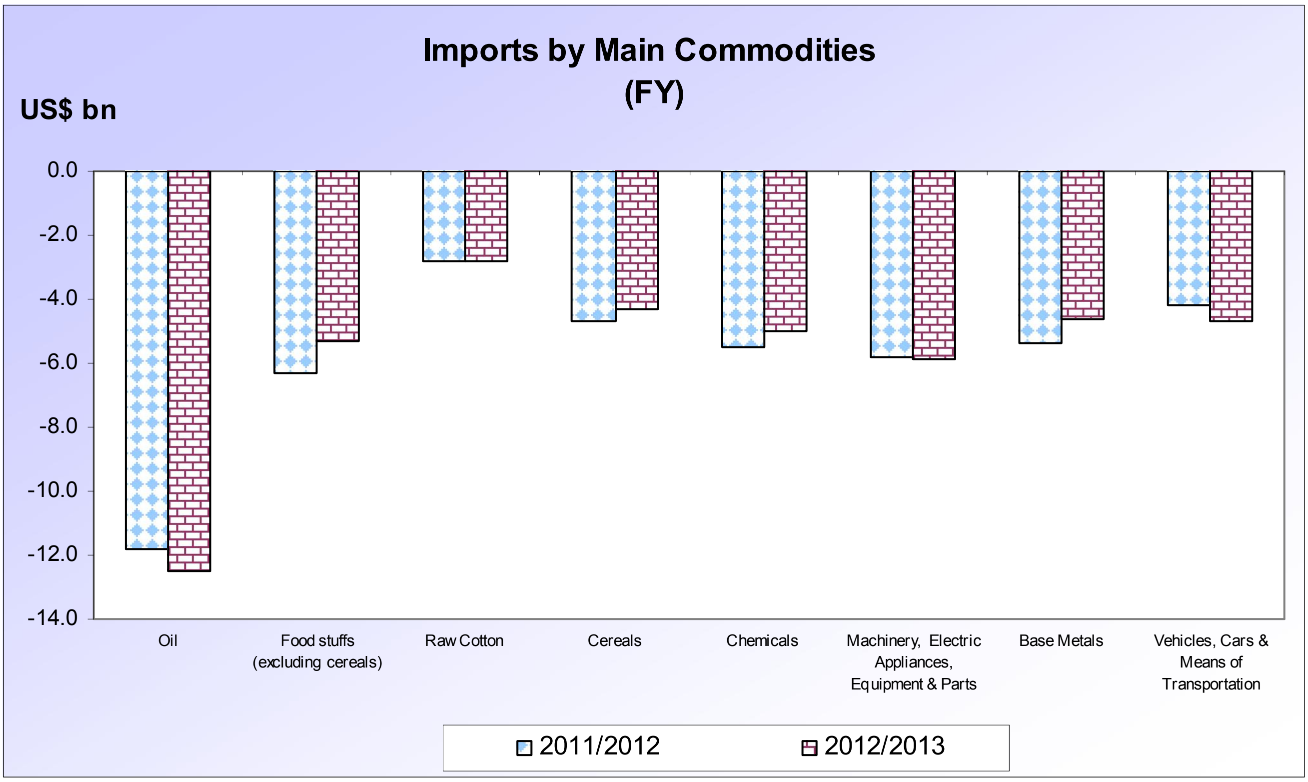
5/3/4- Breakdown of Trade by Main Merchandise Group

Trade volume of most merchandise groups dropped in FY 2012/2013, except for vehicles, cars and means of transportation; crude oil and products; and raw cotton and products. In figures, the share of crude oil and products in total external trade posted 29.3 percent; followed by chemicals (9.1 percent); foodstuffs (7.9 percent); machinery, electric appliances and equipment (7.7 percent); and base metals and products (7.4 percent).

Breakdown of merchandise exports by main commodity shows that crude oil and products ranked first, with a share of 46.2 percent of total exports, followed by chemicals (10.0 percent), and raw cotton and products (8.1 percent).

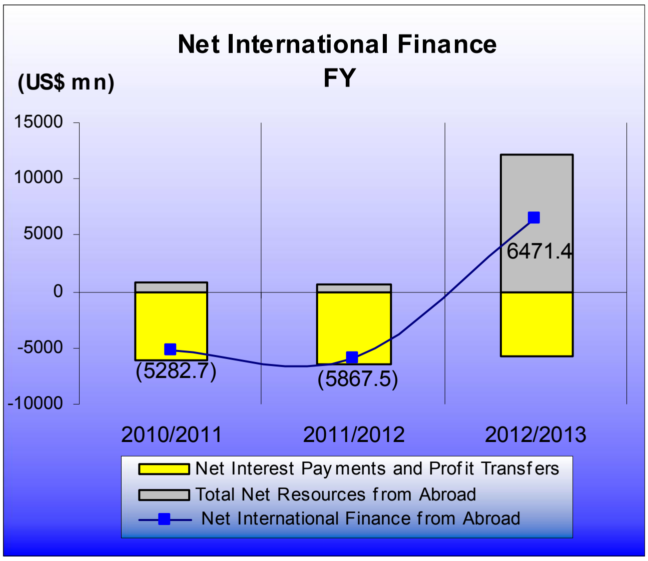


In terms of imports, crude oil and products topped the list, with a share of 21.7 percent, followed by machinery, electric appliances and equipment and parts with 10.3 percent; and foodstuffs (excluding cereals) with 9.2 percent.



5/4- International Finance

According to international finance data in FY 2012/2013, net inflows of resources from abroad augmented by US$ 11.6 billion, registering a net inflow of US$ 12.2 billion (compared with US$ 622.3 million a year earlier). Meanwhile, net flows of interest payments and profit transfers retreated by US$ 784.9 million, resulting in a net outflow of US$ 5.7 billion (against US$ 6.5 billion). Consequently, net international finance* **(inflows of resources from abroad plus flows of interest payments and profit transfers)** recorded an inflow of US$ 6.5 billion (compared with an outflow of US$ 5.9 billion in the preceding FY).



International Finance from Abroad (Net)

(US$ mn)

	FY 2011/12	FY 2012/13+	Change + (-)
Net International Finance from Abroad (A+B)	**-5867.5**	**6471.4**	**12338.9**
A- Net Resources from Abroad	**622.3**	**12176.3**	**11554.0**
1- Official grants (net)	**632.4**	**835.6**	**203.2**
2- External borrowing (net)*	**1430.9**	**7019.8**	**5588.9**
3- Foreign investments in Egypt	**-1043.1**	**4482.1**	**5525.2**
- FDI in Egypt (net)	3982.2	3004.7	(977.5)
- Portfolio investment in Egypt (net)	-5025.3	1477.4	6502.7
4- Foreign Investments Abroad	**-397.9**	**-161.2**	**236.7**
- Direct investment abroad (net)	-249.2	-183.6	65.6
- Portfolio investment abroad (net)	-148.7	22.4	171.1
B- Net Interest Payments and Profit Transfers	**-6489.8**	**-5704.9**	**784.9**
1-Interest on external loans and facilities	-509.3	-489.8	19.5
2-Net interest on deposits	113.9	105.9	(8.0)
3-Net profit transfers of FDI	-5470.7	-4963.7	507.0
4-Net profit transfers of portfolio investment	-623.7	-357.3	266.4

+ Provisional.
* Includes the deposits of non-residents.

* The report follows up the developments in all components of international finance which constitutes of two main elements: (1) net flows of external debt including net disbursements and repayments of external loans and facilities, and bonds issued in international markets; and (2) other non-debt generating items represented in net foreign investments abroad (direct and portfolio), and net official grants and aids extended to Egypt and those offered by Egypt to some countries. Net international finance from abroad is calculated by excluding transfers of interest on external facilities, loans and deposits to abroad as well as investment profit transfers to and from abroad.

Net international finance shifted to an inflow because of the following factors:

(A) <u>Net Inflows of External Resources:</u>

- **Net foreign investment in Egypt** (direct and portfolio) [inflows chart (A)] picked up by US$ 5.5 billion in FY 2012/2013, unfolding a net inflow of US$ 4.5 billion (against a net outflow of US$ 1.0 billion a year earlier). This was mainly attributed to the reversal of portfolio investments from an **outflow** of US$ 5.0 billion to an **inflow** of US$ 1.5 billion, on the one hand, and the retreat of net FDI in Egypt by US$ 977.5 million to record an inflow of US$ 3.0 billion (against US$ 4.0 billion), on the other hand.

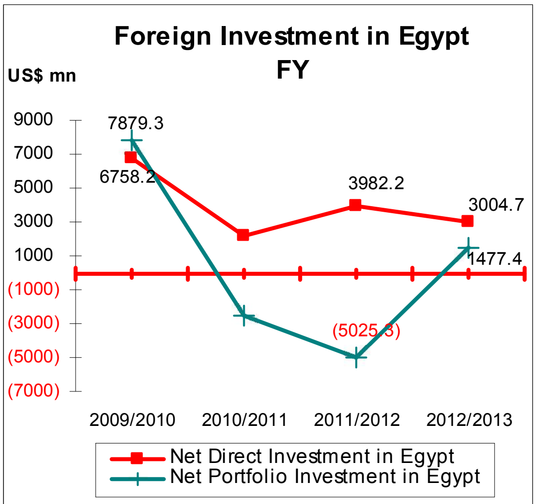


Chart (A)

- **Net foreign investments abroad** (direct and portfolio) [outflows chart (B)] declined by US$ 236.7 million, to stand at US$ 161.2 million due to the fall of net FDI abroad by US$ 65.6 million to only US$ 183.6 million, and the shift of net portfolio investments abroad to an inflow of US$ 22.4 million.

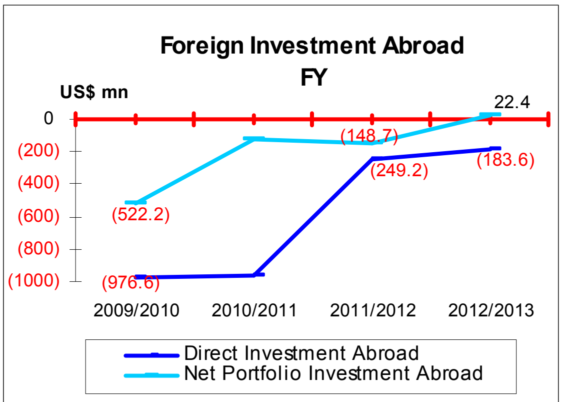
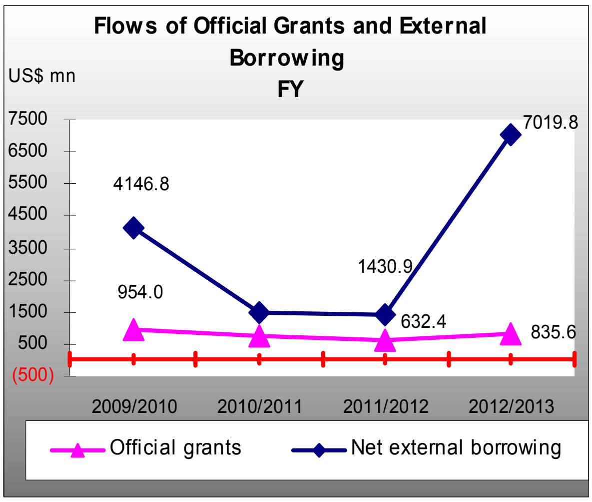


Chart (B)

- **External borrowing** (medium-, long- and short-term deposits, loans and facilities) realized an increase in net disbursements by US$ 5.6 billion during the year under review, to stand at USS$ 7.0 billion (against US$ 1.4 billion). This was a principal effect of the rise in disbursements of non-residents' deposits (all maturities) which reached US$ 6.5 billion during the year under review.



- **Net official grants** expanded to US$ 835.6 million, up by US$ 203.2 million.

(B) Net flows of interest payments and profit transfers:

Net outflows of interest payments and profit transfers of investment retreated by about US$ 784.9 million to achieve a net outflow of US$ 5.7 billion (against US$ 6.5 billion). This was mainly attributed to the US$ 507.0 million plunge in net FDI profit transfers, which posted an outflow of US$ 5.0 billion (against US$ 5.5 billion).

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

Net FDI in Egypt registered an inflow of US$ 3.0 billion during FY 2012/2013 (against US$ 4.0 billion in the previous year), down by US$ 977.5 million. This was mainly attributed to the drop in investment inflows by 18.3 percent and the decline in capital repatriation by 15.1 percent.

The fall in investment inflows during the said year was primarily attributed to the decline in flows from the EU by US$ 4.5 billion to US$ 5.0 billion (from US$ 9.5 billion). Meanwhile, flows from the USA increased by US$ 1.6 billion to US$ 2.2 billion (of which oil investments accounted for 91.9 percent). Likewise, flows from the Arab countries picked up by US$ 270.7 million to US$ 1.5 billion (41.9 percent of which went to greenfield investments) and flows from the rest of the world by US$ 519.4 million to US$ 1.0 billion.

The **sectoral distribution** of total FDI inflows during FY 2012/2013 showed that the petroleum sector received 68.7 percent of the total. The bulk of these flows came from the EU (60.6 percent), mainly UK (43.5 percent) and Belgium (10.8 percent); followed by the USA (30.4 percent); the Arab countries (5.2 percent), chiefly the UAE (2.5 percent), and Saudi Arabia and Qatar (0.8 percent each). Flows from the rest of the world came next with 3.9 percent, mainly Ukraine (0.7 percent) and Switzerland (0.5 percent). The services sectors had a share of 7.7 percent, followed by the manufacturing sector (2.7 percent).

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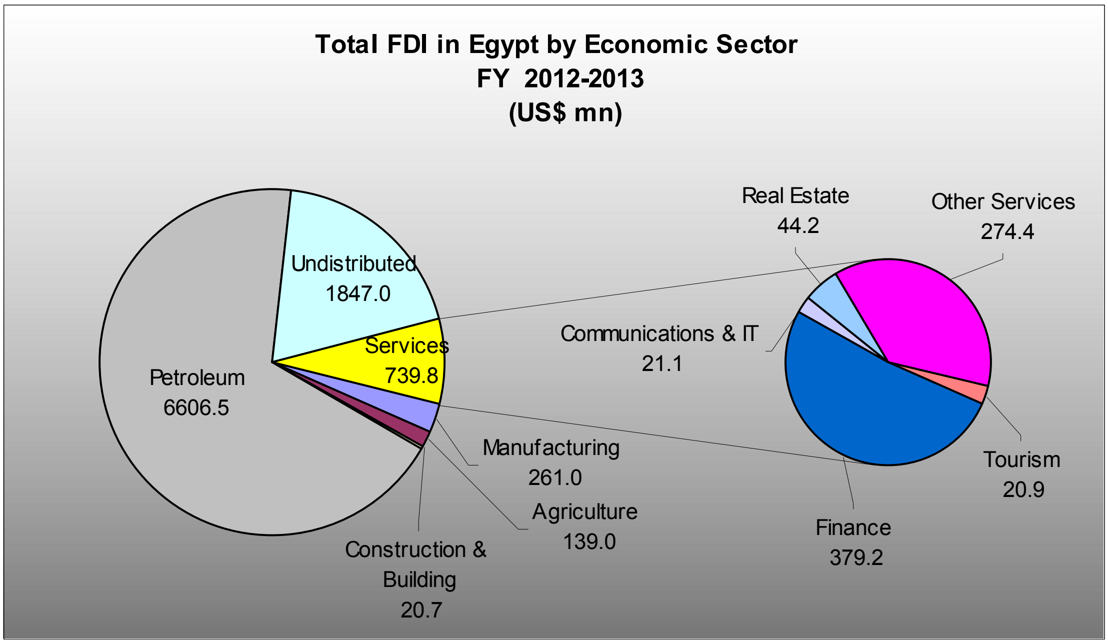
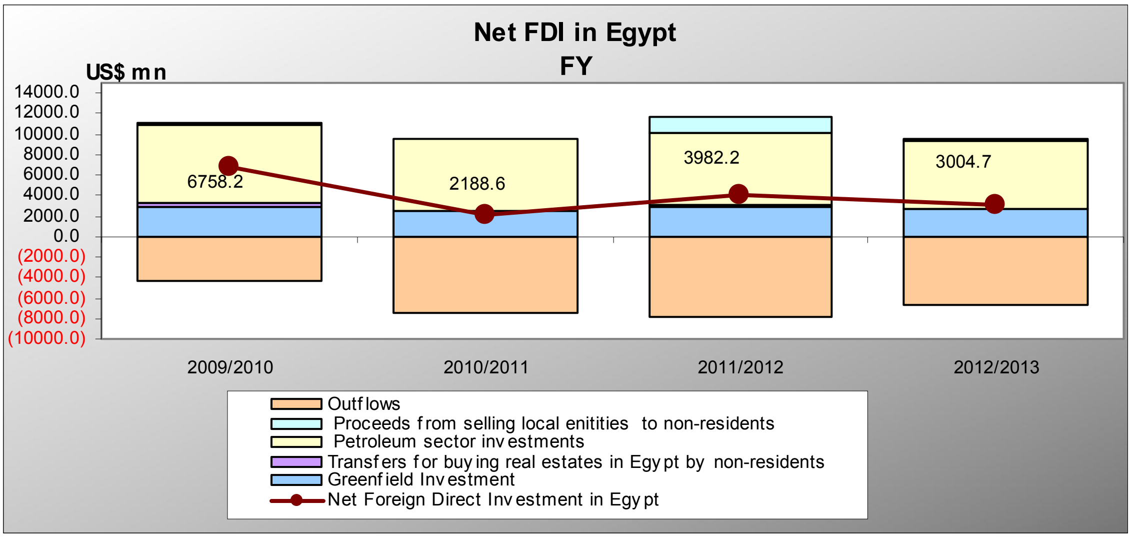
* FDI is a category of international investment that implies the existence of a long-term relationship between a resident in a given economy and an enterprise resident in another economy, in which a direct investor owns 10 percent or more of the ordinary shares or voting power in an incorporated enterprise,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



The breakdown of **total FDI inflows by investment purpose** revealed that petroleum investments ranked first as stated above, amounting to US$ 6.6 billion or 68.7 percent of the total. Greenfield investments came next with a share of US$ 2.6 billion (27.6 percent), followed by proceeds from selling local entities to non-residents with US$ 281.7 million (2.9 percent).



Geographical Distribution of FDI in Egypt

(US$ mn)

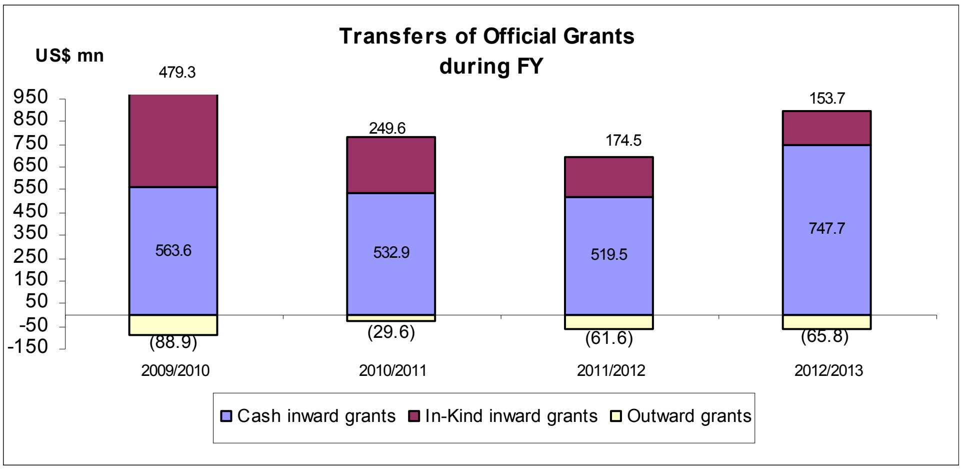
	FY		Change + (-)
	2011/2012	2012/2013*	
Net Flows of FDI in Egypt	**3982.2**	**3004.7**	**(977.5)**
Total Inflows	**11768.1**	**9614.0**	**(2154.1)**
USA	**577.6**	**2182.9**	**1605.3**
EU Countries	**9501.9**	**4952.4**	**(4549.5)**
Germany	202.5	186.4	(16.1)
France	315.6	266.1	(49.5)
UK	5819.7	3337.8	(2481.9)
Italy	193.3	75.1	(118.2)
Greece	55.6	18.4	(37.2)
Spain	61.0	30.4	(30.6)
The Netherlands	409.4	163.5	(245.9)
Belgium	2089.2	719.6	(1369.6)
Luxemburg	3.1	6.2	3.1
Denmark	3.3	18.4	15.1
Sweden	309.6	39.9	(269.7)
Austria	5.7	9.2	3.5
Cyprus	7.0	11.0	4.0
Others	26.9	70.4	43.5
Arab Countries	**1185.7**	**1456.4**	**270.7**
Saudi Arabia	240.4	191.7	(48.7)
UAE	559.8	480.6	(79.2)
Tunisia	5.5	2.0	(3.5)
Algeria	31.8	10.2	(21.6)
Kuwait	63.5	46.4	(17.1)
Lebanon	48.1	26.1	(22.0)
Lybia	5.3	5.0	(0.3)
Jordan	10.7	14.6	3.9
Bahrain	152.5	262.7	110.2
Qatar	34.9	375.6	340.7
Oman	13.3	10.9	(2.4)
Yemen	2.7	3.5	0.8
Sudan	0.6	1.1	0.5
Others	16.6	26.0	9.4
Other Countries	**502.9**	**1022.3**	**519.4**
Switzerland	124.8	115.4	(9.4)
Japan	36.7	98.4	61.7
Canada	29.2	10.2	(19.0)
China	73.6	48.8	(24.8)
Australia	2.1	4.4	2.3
India	53.3	68.2	14.9
Turkey	12.5	169.2	156.7
Norway	3.3	8.2	4.9
Other countries	167.4	499.5	332.1
Capital Repatriation**	**(7785.9)**	**(6609.3)**	**1176.6**

* Provisional.

** Capital repatriation (outflows) means that a direct investor recovers his 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 illustrates that net transfers of official grants (cash and in-kind) increased to about US$ 835.6 million during FY 2012/2013 (against US$ 632.4 million). The rise came on the back of the pickup in inward cash grants by US$ 228.2 million or 43.9 percent to US$ 747.7 million. Meanwhile, inward in-kind grants retreated by US$ 20.8 million to US$ 153.7 million. As for official grants transferred abroad, they slightly inched up by US$ 4.2 million to US$ 65.8 million (compared with US$ 61.6 million).



According to the data of the Ministry of International Cooperation, total **grant commitments** boosted by US$ 228.3 million to US$ 305.9 million during FY 2012/2013, due to the rise of new grant commitments with the USA, the European Commission, the EIB, China and the World Bank.

Official Grants: New Commitments and Net Actual Flows

(US$ mn)

	FY			
	2011/2012	2012/2013*	2011/2012	2012/2013*
	Actual Flows		Commitments	
Net Inflows	**632.4**	**835.6**		
Inflows, of which:	**694.0**	**901.4**	**77.6**	**305.9**
USA	139.9	324.8	15.5	190.0
Spain			1.3	
Japan	3.5	1.6	13.0	
Germany	24.0	61.3	20.5	
China	22.2	8.4	14.3	23.6
Canada	0.4	0.1		
Qatar	500.0	501.0		
Belgium	1.5	0.8		
Switzerland	1.4	0.1		
Denmark	0.7			
European Investment Bank				19.1
World Bank			3.0	12.0
European Commission			2.0	56.1
African Development Bank			4.0	
Other Countries & Organizations	0.4	3.3	4.0	5.1
Outflows	**(61.6)**	**(65.8)**		

*Provisional.

The sectoral distribution of the grant commitments showed that 86.8 percent of these grants went to the services sector (of which the general government received 62.1 percent). Meanwhile, productive sectors accounted for 13.2 percent, most of which went to agriculture and irrigation. (see the following table)

Breakdown of Official Grant Commitments by Beneficiary

(US$ mn)

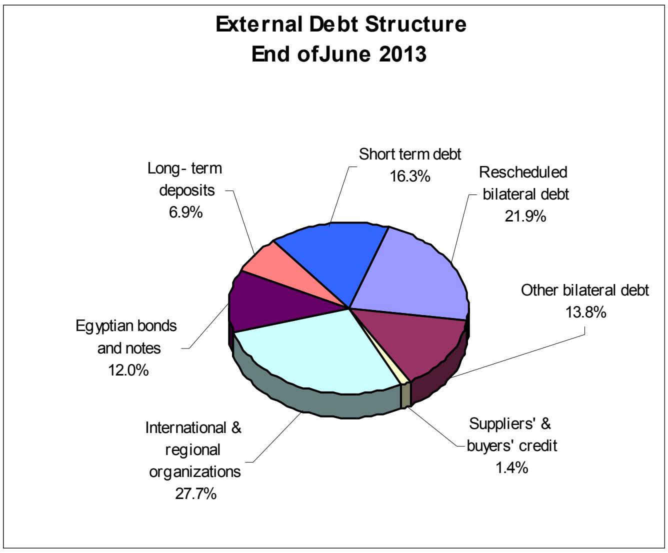
FY	2011/2012	Percent	2012/2013*	Percent	Change (+ -)
Total	**77.6**	**100.0**	**305.9**	**100.0**	**228.3**
Productive Sectors	**14.7**	**19.0**	**40.3**	**13.2**	**25.6**
Agriculture and irrigation	2.8	3.6	32.3	10.6	29.5
Energy & electricity	9.2	11.9	0.0	0.0	(9.2)
Manufacturing	0.0	0.0	0.3	0.1	0.3
Potable water & sanitation	2.7	3.5	7.7	2.5	5.0
Services Sectors	**62.9**	**81.0**	**265.6**	**86.8**	**202.7**
Transportation, communications and IT	0.6	0.8	6.7	2.2	6.1
Wholesale and retail trade	0.0	0.0	25.5	8.3	25.5
Financial intermediary & supporting services	1.2	1.5	0.0	0.0	(1.2)
Insurance and social solidarity	10.9	14.0	0.0	0.0	(10.9)
General government	0.7	0.9	190.0	62.1	189.3
Education and health	4.5	5.8	0.7	0.2	(3.8)
Others	45.0	58.0	42.7	14.0	(2.3)

*Provisional

5/4/3- External Debt

External debt (public and private - all maturities) increased by US$ 8.8 billion or 25.7 percent to US$ 43.2 billion at the end of June 2013 (against US$ 34.4 billion at the end of June 2012). The increase was attributed to the net disbursement of loans, facilities, deposits and bonds which reflected a rise of US$ 9.3 billion in debt stock. However, this increase was held back by the depreciation in most currencies of borrowing versus the US dollar, which resulted in a decline of US$ 527.8 million in the stock of debt.

A) <u>External Debt Structure</u>[*]



The breakdown of external debt by **original maturities** indicates that medium- and long-term debt (guaranteed and non-guaranteed) amounted to US$ 36.2 billion, accounting for 83.7 percent of total external debt at end of June 2013. To elaborate, long-term debt represented US$ 30.9 billion and medium-term debt US$ 5.3 billion. As for short-term debt, it reached US$ 7.0 billion or 16.3 percent of the total debt.

♦ **Hereunder is a detailed review of both medium- and long-term debt:**

- Around US$ 13.6 billion of long-term loans[**] (31.6 percent of the total debt) were owed to Paris Club members, while debt to countries other than Paris Club members reached US$ 2.4 billion or 5.5 percent.

- Debt to international and regional organizations posted some US$ 12.0 billion or 27.7 percent of the total at end of June 2013, with an increase of US$ 895.2 million above the end of June 2012.

- The balance of Egyptian bonds and notes floated abroad (held by non-residents) reached US$ 5.2 billion (12.0 percent of the total debt), including :

  - Guaranteed government bonds issued by the Egyptian government in September 2005, at a value of US$ 1.3 billion and falling due in September 2015.

  - Sovereign bonds issued abroad in April 2010, at a value of US$ 98.6 million, and falling due in two tranches in 2020 and 2040.

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[*] The structure of Egypt's external debt, according to currencies of borrowing and external obligations, is considered one of the main indicators used by the CBE to determine the structure of international reserves by currency.

[**] Representing the bilateral loans (rescheduled and non-rescheduled), in addition to buyers' and suppliers' credit.

- Government bonds issued abroad in June 2012, at a value of US$ 500 million, and reaching maturity in June 2017.

- Euro medium-term notes issued in May 2013, at a value of US$ 2.5 billion and maturing in eighteen months.

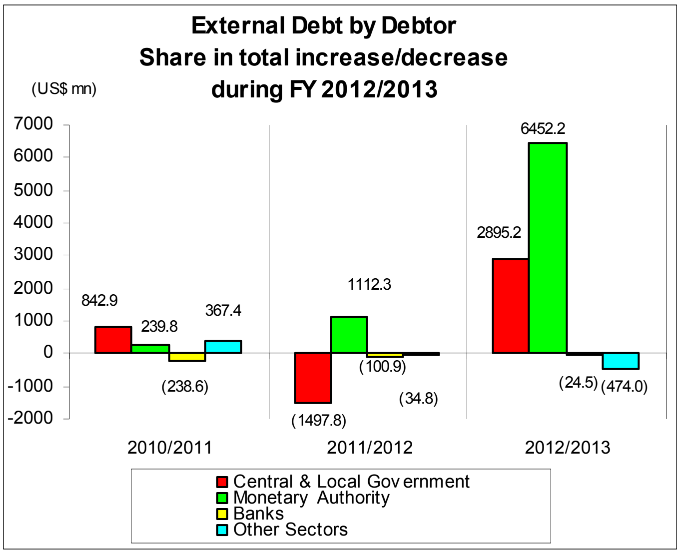
- Non-guaranteed debt of the private sector registered only US$ 17.3 million.

- Long-term deposits of the Arab countries held at the CBE reached about US$ 3.0 billion (6.9 percent of the total external debt).

♦ Meanwhile, **short-term debt** rose by US$ 4.1 billion to US$ 7.0 billion (16.3 percent of the total external debt). This was attributable both to the increase in short-term deposits of non-residents by US$ 4.4 billion to US$ 5.3 billion (including the Arab countries' deposits at the CBE) and the decrease in short-term trade facilities by 11.8 percent to US$ 1.7 billion.

B) External Debt by Debtor

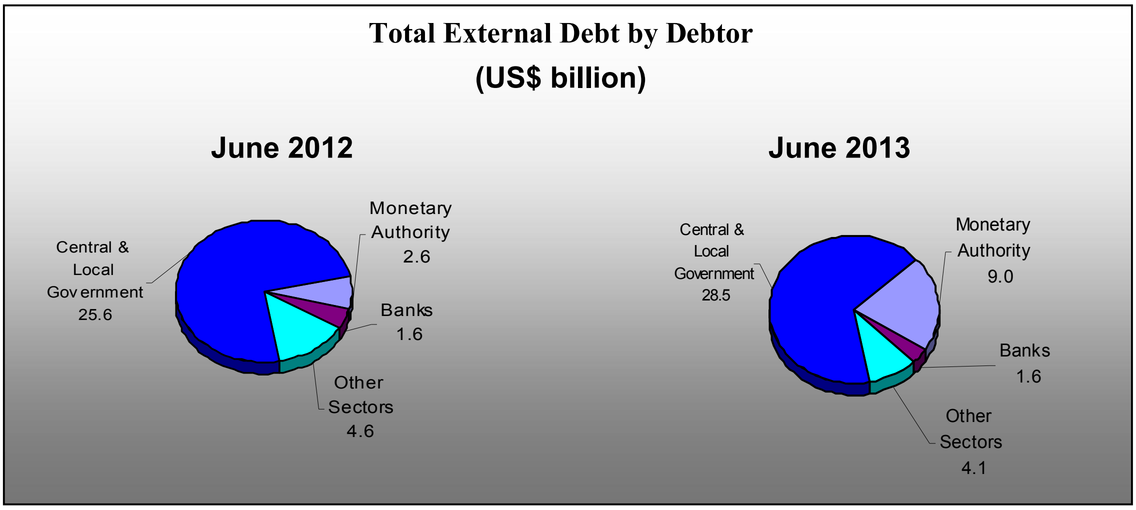
The breakdown of external debt by debtor at end of June 2013 showed the following:



- Debt of the central government scaled up by some US$ 2.9 billion to US$ 28.5 billion. Likewise, that of the monetary authority (the CBE) inched up by US$ 6.5 billion to US$ 9.0 billion (owing to the increase in the deposits from Arab countries at the CBE).

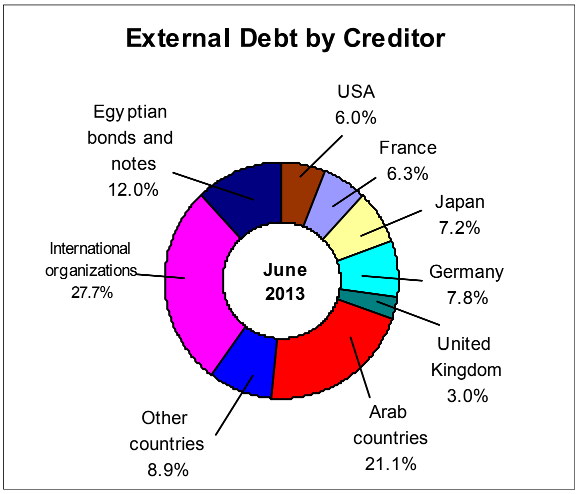
- Debt of banks declined by US$ 24.5 million to register US$ 1.6 billion. Debt of other sectors also decreased by US$ 474.0 million to US$ 4.1 billion.

The breakdown of **external debt by debtor** showed that despite the decline in its relative importance (from 74.4 percent at end June 2012 to 65.9 percent at end of June 2013), the central government remained the major obligor. The monetary authority (CBE) followed with 20.9 percent, up from 7.5 percent (owing to the higher deposits at the CBE, as aforementioned). The debt of banks represented 3.7 percent, while the debt of other sectors represented 9.5 percent.



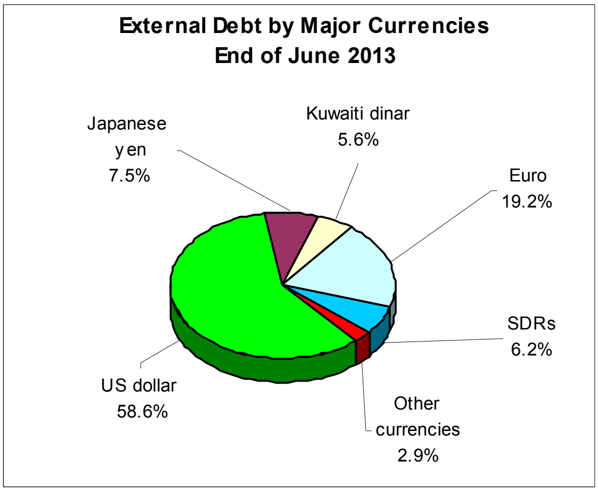
C) <u>External Debt by Main Creditor</u>

The breakdown of external debt by creditor revealed that 27.3 percent of the total debt was owed to the four main Paris Club members; namely Germany (7.8 percent), Japan (7.2 percent), France (6.3 percent), and the USA (6.0 percent). On the other hand, debt to international organizations accounted for 27.7 percent. Meanwhile, the Arab countries combined accounted for 21.1 percent, headed by Qatar (10.5 percent), then Libya (4.7 percent) and Saudi Arabia* (3.0 percent).



* Including a long-term deposit at the CBE from the Saudi Fund for Development (SFD) in the amount of US$ 1.0 billion, and excluding the US$ 500 million represented in Egyptian bonds issued by the Ministry of Finance for the Saudi Fund for Development.

D) External Debt by Borrowing Currency



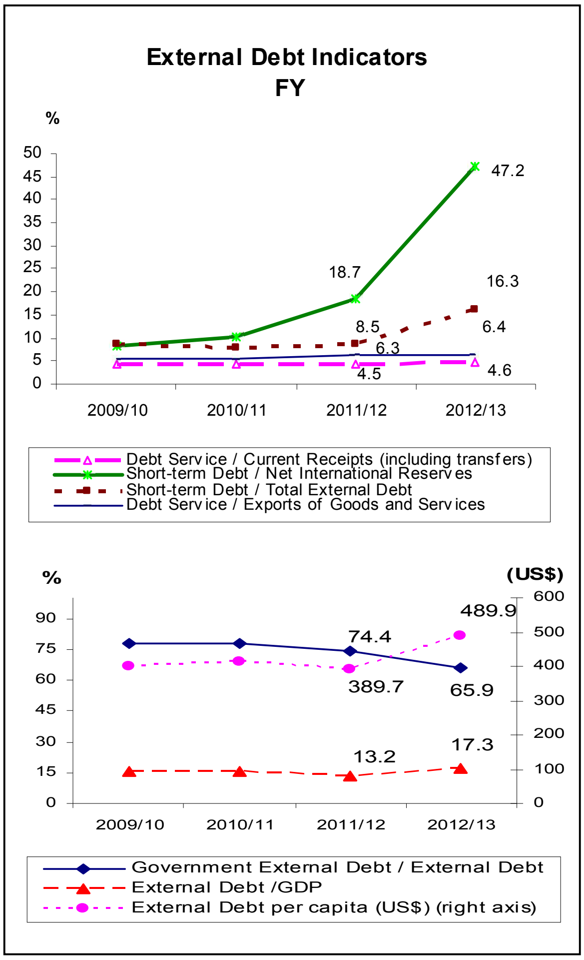
The distribution of external debt by main component currencies manifested that the US dollar was the main currency of borrowing, with a relative importance of 58.6 percent, because of the outstanding obligations in US dollar to creditors (countries and organizations) other than the USA. The euro came next with a share of 19.2 percent, then the Japanese yen (7.5 percent), the SDRs (6.2 percent) and the Kuwaiti dinar (5.6 percent). The said currencies combined - excluding the US dollar - represented 38.5 percent of the total, while other currencies made up 2.9 percent.

E) External Debt Service

During FY 2012/2013, the external debt service (medium- and long-term) accelerated by US$ 185.5 million, posting US$ 3.1 billion (against US$ 2.9 billion a year earlier). The increase was ascribed to the rise in principal repayments by US$ 200.5 million to US$ 2.4 billion and the drop in interest payments by US$ 15.0 million to US$ 643.3 million.

F) Main Indicators of External Debt

According to the **main indicators of external debt**, the ratio of total external debt /GDP rose to 17.3 percent (from 13.2 percent). Moreover, the external debt per capita went up to US$ 489.9 at end of June 2013 from US$ 389.7 at end of June 2012.



Short-term debt/international reserves also climbed to 47.2 percent at end of June 2013 (from 18.7 percent at end of June 2012) as a result of the rise in short-term debt by US$ 4.1 billion. Also, the ratio of short-term debt/total external debt increased from 8.5 percent to 16.3 percent.

Moreover, the ratio of debt service to export proceeds of goods and services and to current receipts increased to 6.4 percent and 4.6 percent, in order (against 6.3 percent and 4.5 percent, respectively).

According to the IMF classification, the indicators of external debt in Egypt showed that Egypt's external debt indicators stay within safety limits. The external debt indicator as a percentage of GDP (17.3 percent) came among the best global levels that ranged between 16.4 percent (for developing Asian countries) and 66.3 percent (for North and Central European countries). Moreover, by recording 6.4 percent, the indicator of debt service/export proceeds of goods and services was lower than global levels estimated for 2013 that ranged between 13.1 percent (for sub-Saharan Africa) and 54.9 percent (for North and Central Europe), according to the IMF World Economic Outlook issued in October 2013.

Main Debt Indicators in Egypt Vs. Economic Regions

Region	External Debt/ GDP		External Debt/ Exports of Goods & Services		Debt Service/ Exports of Goods & Services	
	2012	2013	2012	2013	2012	2013
North and Central Europe	67.4	66.3	161.6	160.1	58.3	54.9
Asia	15.2	16.4	50.1	54.2	23.6	24.5
Latin America and the Caribbean	23.7	24.5	106.5	111.2	31.5	30.3
Sub-Saharan Africa	24.9	24.6	67.6	68.0	12.1	13.1
Middle East and North Africa	24.2	25.5	47.9	49.7	13.0	14.8

Source: IMF World Economic Outlook, October 2013.

G) New Commitments on Loans and Facilities

In FY 2012/2013, new commitments on loans and facilities stood at US$ 3.8 billion. Specifically, bilateral loans registered US$ 2.4 billion or 64.0 percent of total commitments and loans from international and regional organizations posted US$ 1.4 billion or 36.0 percent. Thus, total commitments went up by US$ 1.1 billion as compared with the previous FY, due to the new loan commitments with France, Germany, Turkey and the European Investment Bank (EIB).

Annex

Statistical Section

(1) Indicators of Development and Economic Growth

(2) Monetary Aggregates

Financial Sector

Activity of the Banking System

Central Bank of Egypt

Banks

Interest Rates

(3) Non-Banking Financial Sector

(4) Public Finance & Domestic Public Debt

(5) External Transactions

(1/1) GDP at Factor Cost by Economic Sector
(At 2011/2012 prices)

(LE mn)

Sectors	2011/2012 Public	2011/2012 Private	2011/2012 Total	2012/2013 Public	2012/2013 Private	2012/2013 Total	Growth Rate (%) 2012/2013 Public	Growth Rate (%) 2012/2013 Private	Growth Rate (%) 2012/2013 Total
Total GDP	591638.7	916888.4	1508527.1	594940.0	944654.3	1539594.3	0.6	3.0	2.1
Agriculture, Irrigation & Fishing	39.1	218177.1	218216.2	41.2	224768.9	224810.1	5.3	3.0	3.0
Extractions	214565.0	47106.0	261671.0	208945.3	45755.3	254700.7	-2.6	-2.9	-2.7
Oil	93893.0	16726.0	110619.0	92725.0	16591.0	109316.0	-1.2	-0.8	-1.2
Natural gas	119969.0	25071.0	145040.0	115498.0	23700.0	139198.0	-3.7	-5.5	-4.0
Others	703.0	5309.0	6012.0	722.3	5464.3	6186.7	2.8	2.9	2.9
Manufacturing Industries	39109.0	199174.0	238283.0	39854.7	203792.7	243647.3	1.9	2.3	2.3
Oil refining	8594.0	8243.0	16837.0	8696.5	8599.7	17296.2	1.2	4.3	2.7
Others	30515.0	190931.0	221446.0	31158.1	195193.0	226351.1	2.1	2.2	2.2
Electricity	16322.0	2758.0	19080.0	17175.0	2783.5	19958.5	5.2	0.9	4.6
Water	4239.0	0.0	4239.0	4412.6	0.0	4412.6	4.1	0.0	4.1
Sewerage	1054.0	0.0	1054.0	1094.2	0.0	1094.2	3.8	0.0	3.8
Construction & Building	7883.0	59499.0	67382.0	8221.0	63144.6	71365.5	4.3	6.1	5.9
Transportation & Storage	15149.0	45364.0	60513.0	15559.1	46690.0	62249.2	2.7	2.9	2.9
Communications	12870.8	25799.3	38670.1	13089.0	27493.2	40582.2	1.7	6.6	4.9
Information	1072.0	1980.0	3052.0	1107.6	2047.1	3154.7	3.3	3.4	3.4
Suez Canal	31203.0	0.0	31203.0	30007.8	0.0	30007.8	-3.8	0.0	-3.8
Wholesale & Retail Trade	5221.0	161109.0	166330.0	5357.9	165576.6	170934.5	2.6	2.8	2.8
Finance	33441.0	16300.0	49741.0	34304.1	16776.0	51080.1	2.6	2.9	2.7
Insurance	3155.0	1637.0	4792.0	3245.4	1686.1	4931.5	2.9	3.0	2.9
Social Solidarity	48871.0	0.0	48871.0	50401.9	0.0	50401.9	3.1	0.0	3.1
Tourism	518.0	45265.0	45783.0	537.0	48277.3	48814.3	3.7	6.7	6.6
Real Estate	1624.0	36411.0	38035.0	1679.1	37961.7	39640.8	3.4	4.3	4.2
Real Estate Ownership	618.0	18831.0	19449.0	646.1	19897.7	20543.8	4.6	5.7	5.6
Business Services	1006.0	17580.0	18586.0	1033.0	18064.0	19097.0	2.7	2.8	2.7
General Government	153983.8	0.0	153983.8	158551.5	0.0	158551.5	3.0	0.0	3.0
Social Services	1319.0	56309.0	57628.0	1355.8	57901.2	59256.9	2.8	2.8	2.8
Education	0.0	16229.0	16229.0	0.0	16681.5	16681.5	0.0	2.8	2.8
Health	1259.0	17301.0	18560.0	1292.7	17838.7	19131.3	2.7	3.1	3.1
Others	60.0	22779.0	22839.0	63.1	23381.0	23444.1	5.2	2.6	2.6

Source : Ministry of Planning.

(1/2) GDP by Expenditure

(At 2011/ 2012 prices)

	Value at LE bn		Structure (%)		Growth Rate (%)	
	2011/2012	2012/2013	2011/2012	2012/2013	2011/2012	2012/2013
1- GDP at Market Price (2+5-6)	**1575.5**	**1608.6**	**100.0**	**100.0**	**2.2**	**2.1**
2- Total Domestic Expenditure (3+4)	**1708.1**	**1725.5**	**108.4**	**107.3**	**6.0**	**1.0**
3- Final Consumption	**1450.0**	**1492.2**	**92.0**	**92.8**	**6.1**	**2.9**
Final private consumption	1271.0	1307.0	80.7	81.3	6.5	2.8
Final government consumption	179.0	185.2	11.3	11.5	3.1	3.5
4- Gross Capital Formation	**258.1**	**233.3**	**16.4**	**14.5**	**5.7**	**-9.6**
Investments	246.1	226.8	15.6	14.1	5.2	-7.8
Change in stock	12.0	6.5	0.8	0.4	..	..
5- Exports of Goods & Services	**274.6**	**285.9**	**17.4**	**17.8**	**-2.3**	**4.1**
6- Imports of Goods & Services	**407.2**	**402.8**	**25.8**	**25.1**	**10.8**	**-1.1**

Source : Ministry of planning.

(1/3) Implemented Investments (Current Prices)

(LE mn)

	2011/2012					2012/2013				
	Government Sector	Economic Authorities	Public Companies	Private Sector	Total	Government Sector	Economic Authorities	Public Companies	Private Sector	Total
Total Investments	**35917.6**	**23720.6**	**32907.5**	**153522.5**	**246068.2**	**38070.0**	**24687.4**	**24287.9**	**154566.9**	**241612.2**
Agriculture, Irrigation & Reclamation	2544.3	128.2	0.2	2698.0	5370.7	2765.4	46.6	0.3	5434.0	8246.3
Crude Oil	0.0	4000.0	536.7	3538.0	8074.7	0.0	15233.6	442.8	3800.0	19476.4
Natural Gas	0.0	12086.2	2693.0	39512.0	54291.2	0.0	1691.0	1113.0	36000.0	38804.0
Other Extractions	3.5	0.0	0.0	0.0	3.5	0.0	0.0	0.0	0.0	0.0
Oil Refining	0.0	0.0	296.9	9972.0	10268.9	0.0	0.0	607.9	8000.0	8607.9
Other Manufacturing	119.4	3.5	2628.7	9505.0	12256.6	151.3	20.5	3295.6	13587.9	17055.3
Electricity	1083.4	824.6	16493.0	0.0	18401.0	790.1	434.9	14351.3	0.0	15576.3
Water	3901.2	1201.3	0.0	0.0	5102.5	3427.5	1648.3	0.0	0.0	5075.8
Construction & Building	73.0	0.0	736.8	890.0	1699.8	56.0	0.0	822.6	2400.0	3278.6
Transportation & Storage	7896.1	2426.6	7537.7	13034.0	30894.4	8952.2	2632.1	2167.2	7455.0	21206.5
Communications	467.3	11.8	0.0	13678.5	14157.6	390.4	160.2	0.0	14670.0	15220.6
Information	0.0	544.5	0.0	1600.0	2144.5	0.0	428.8	0.0	4100.0	4528.8
Suez Canal	0.0	290.5	0.0	0.0	290.5	0.0	410.5	0.0	0.0	410.5
Wholesale & Retail Trade	0.0	162.0	107.7	8520.0	8789.7	0.0	100.9	333.2	7400.0	7834.1
Financial Intermediaries	311.2	0.1	1126.4	0.0	1437.7	128.0	56.1	765.4	0.0	949.5
Insurance and Social Solidarity	0.0	70.8	0.0	0.0	70.8	0.0	0.0	0.0	0.0	0.0
Tourism	3.8	67.2	500.0	5000.0	5571.0	5.7	23.9	300.0	6300.0	6629.6
Real Estate	163.2	981.6	0.0	39000.0	40144.8	587.9	352.1	0.0	34200.0	35140.0
Educational Services	4379.4	133.3	0.0	2100.0	6612.7	3544.9	66.8	0.0	2800.0	6411.7
Health Services	2774.2	122.6	0.0	1850.0	4746.8	1599.8	111.5	0.0	2400.0	4111.3
Sewerage	4730.1	559.7	0.0	0.0	5289.8	4548.0	933.2	0.0	0.0	5481.2
Others	7467.5	106.1	250.4	2625.0	10449.0	6622.8	336.4	88.6	6020.0	13067.8
Settlements	0.0	0.0	0.0	0.0	0.0	4500.0	0.0	0.0	0.0	4500.0

Source: Ministry of Planning.

(1/4) Output of Main Crops

Crops	Production Unit	2011/2012 (Actual) Area (Thousand Feddans)	Average Productivity (Ardeb or Ton per Feddan)	Production (Thousand Ardeb)	Production (Thousand Ton)	2012/2013 (Provisional) Area (Thousand Feddans)	Average Productivity (Ardeb or Ton per Feddan)	Production (Thousand Ardeb)	Production (Thousand Ton)
Wheat	Ardeb	3182	18.720	56385	8458	3350	19.100	63985	9598
Barley	Ardeb	196	12.020	2356	283	179	12.900	2309	277
Maize Summer Crops	Ardeb	1839	24.148	44408	6217	2350	23.800	5593	7830
Nile Crops	Ardeb	252	19.210	4841	678	350	20.500	7175	1005
Millet Summer Crops	Ardeb	337	15.916	5364	751	373	16.100	6005	841
Nile Crops	Ardeb	3	14.670	44	6	7	14.750	103	14
Beans	Ardeb	131	17.190	2252	349	225	9.400	2115	328
Lentils	Ardeb	1	5.980	6	1	8	5.600	45	7
Groundnuts	Ardeb	149	18.383	2739	205	160	20.670	3307	248
Sesame	Ardeb	60	4.550	273	33	65	4.850	315	38
Rice	ton	1477	4.003	-	5912	1250	4.1	-	5125
Flax	ton	15	5.200	-	78	12	5.160	-	62
Soybeans	ton	17	1.530	-	26	25	1.400	-	35
Sunflower	ton	18	1.112	-	20	22	1.163	-	25
Sugar cane	ton	326	47.699	-	1555	320	49.688	-	15900
Sugar beet	ton	339	20.687	-	7013	435	22.805	-	9920
Vegetables	ton	2070	10.893	-	22548	2080	10.556	-	21956
Onion	ton	142	12.831	-	1964*	169	17.515	-	2960**
Fruits	ton	1542	6.173	-	9518	1501	6.360	-	9546
Cotton (seeds)	m.c***	333	5.600	1865(mc)	-	410	8.250	3383(mc)	533

Source : Ministry of Planning.

* Including 150 thousand tons of winter onion and 23 thousand tons of other seasonal onion.

** Including 135 thousand tons of winter onion and 12.3 thousand tons of other seasonal onion.

*** m.c = metric cantar

(1/5) Position of Egyptian Cotton

(Thousand metric cantars)

Season	Cultivated Area (Thousand Feddans)	Production			Opening Stock	Imported Cotton	Total Supply	Total Exports*	Domestic Consumption	Total Demand (utilized)	Average Productivity (Metric cantar per Feddan)
		Extra Long	Long & long meduim	Total							
	(1)	(2)	(3)	(4)=(2+3)	(5)	(6)	(7)=(4+5+6)	(8)	(9)	(10)=(8+9)	(11)=(4/1)
2002/2003	706	1316	4411	**5727**	2279	120	8126	**3649**	4140	**7789**	8.1
2003/2004	531	1168	2795	**3963**	24	1061	5048	**1137**	1412	**2549**	7.5
2004/2005	715	1551	4282	**5833**	370	1458	7661	**2837**	3247	**6084**	8.2
2005/2006	650	858	3161	**4019**	118	772	4909	**1865**	1936	**3801**	6.2
2006/2007	536	1058	3157	**4215**	337	656	5208	**1555**	1622	**3177**	7.9
2007/2008	575	815	3627	**4442**	1411	659	6512	**2584**	2535	**5119**	7.7
2008/2009	313	459	1647	**2106**	736	1373	4215	**381**	879	**1260**	6.7
2009/2010	288	257	1634	**1891**	436	1274	3601	**1560**	556	**2116**	6.5
2010/2011	375	556	2059	**2615**	226	840	3681	**2213**	646	**2859**	7.0
2011/2012	525	791	2895	**3686**	283	222	4191	**1807**	1353	**3160**	7.0
2012/2013	340	183	1982	**2165**	847	177	3189	**1387**	1346	**2733**	6.4

Source: Cotton, Spinning and Weaving Holding Company.

* From the beginning of the season till the end of June of the fiscal year.

(1/6) Cotton Export Commitments by Importing Countries

(Thousand metric cantars)

From the beginning of season till the end of June	2010/2011 Season		2011/2012 Season		2012/2013 Season	
	Quantity	Relative Importance	Quantity	Relative Importance	Quantity	Relative Importance
Export Commitments	**2210770**	**100.0**	**1565009**	**100.0**	**1387240**	**100.0**
Asian Countries	**1364480**	**61.7**	**1140280**	**72.9**	**875510**	**63.1**
India	556090	**25.2**	248330	15.9	392780	28.3
Pakistan	207500	9.4	305530	19.5	145410	10.5
China	422770	19.1	358630	22.9	195700	14.1
South Korea	24170	1.1	21330	1.4	1800	0.1
Japan	24190	1.1	9320	0.6	9010	0.6
Bangladesh	50360	2.3	151510	9.7	58070	4.2
Indonesia	12300	0.5	12110	0.8	6400	0.5
Taiwan	5280	0.2	4000	0.3	1300	0.1
Thailand	53280	2.4	11020	0.7	21100	1.5
Malaysia	8540	0.4	16500	1.0	43940	3.2
Singapore	0	0.0	0	0.0	0	0.0
Hong Kong	0	0.0	2000	0.1	0	0.0
EU Countries	**160760**	**7.3**	**57790**	**3.7**	**62030**	**4.5**
Italy	60900	2.8	24020	1.5	27890	2.0
Portugal	5280	0.2	5080	0.3	6010	0.5
Germany	84720	3.8	10670	0.7	13800	1.0
Greece	1200	0.1	2630	0.2	190	0.0
UK	0	0.0	6180	0.4	850	0.1
Slovenia	7260	0.3	6740	0.4	11340	0.8
Belgium	500	0.0	1910	0.1	1950	0.1
Hungary	0	0.0	560	0.1	0	0.0
Lativia	900	0.1	0	0.0	0	0.0
Other European Countries	**317060**	**14.3**	**109999**	**7.0**	**110300**	**8.0**
Switzerland	210490	9.5	32199	2.0	34180	2.5
Turkey	106570	4.8	77800	5.0	76120	5.5
The USA	**53160**	**2.4**	**27370**	**1.7**	**19320**	**1.4**
Arab Countries	**101140**	**4.6**	**27970**	**1.8**	**50680**	**3.7**
UAE	2500	0.1	5960	0.4	2750	0.2
Bahrain	15000	0.7	7000	0.4	19920	1.5
Morocco	3460	0.2	2500	0.2	0	0.0
Qater	66480	3.0	2220	0.1	2400	0.2
Libya	13700	0.6	0	0.0	21100	1.5
Syria	0	0.0	0	0.0	0	0.0
Tunisia	0	0.0	10290	0.7	4510	0.3
Other Countries	**45790**	**2.1**	**1500**	**0.1**	**21930**	**1.5**
Brazil	42180	1.9	1500	0.1	21490	1.5
Croatia	500	0.0	0	0.0	0	0.0
Eritrea	1110	0.1	0	0.0	0	0.0
South Africa	2000	0.1	0	0.0	0	0.0
Mexico	0	0.0	0	0.0	440	0.0
Free Market (Egypt)	**168380**	**7.6**	**200100**	**12.8**	**247470**	**17.8**

Source: Cotton, Spinning and Weaving Holding Company.

(1/7) Output of Main Industrial Products

Products	Unit	2010/2011			2011/2012		
		Public	Private	Total	Public	Private	Total
Refined sugar	Thousand tons	1358.4	699.4	2057.8	..	..	2160.7
Animal & poultry fodder	"	617.0	12762.1	13379.1	..	..	14048.0
Carbonated drinks	Box (million)	0.0	432.0	432.0	..	..	453.6
Cigarettes	Billion	77.7	14.4	92.1	..	..	96.7
Cotton yarn, fibran	Thousand tons	84.3	236.2	320.5	..	..	336.5
Wool yarn	"	7.0	28.0	35.0	..	..	36.5
Silk yarn	"	0.7	22.4	23.1	..	..	24.3
Synthetic fibres	"	3.3	105.9	109.2	..	..	114.7
Blankets	Million pieces	1.4	21.5	22.9	..	..	24.0
Ready-made clothes	" "	12.9	311.5	324.4	..	..	340.6
Cars	Units	9415.0	34212.0	43627.0	..	..	45808.0
Buses	"	341.0	7220.0	7561.0	..	..	7939.0
Lorries	"	678.0	27700.0	28378.0	..	..	29796.0
Washing machines	Thousands	7.0	1121.7	1128.7	..	..	1185.1
Refrigerators	"	6.8	1125.4	1132.2	..	..	1188.8
Electric lamps	Million	33.0	207.0	240.0	..	..	252.0
Butagaz heaters	Thousands	98.0	240.0	338.0	..	..	354.9
Water metres	Thousands	615.0	0.0	615.0	..	..	645.7
Etectric metres	Thousands	985.0	0.0	985.0	..	..	1034.2
Aluminium & sheets thereof	Thousand tons	320.5	0.0	320.5	..	..	336.5
Reinforcement iron	Thousand tons	133.7	5550.6	5684.3	..	..	5968.5
Cement	" "	3701.2	40183.2	43884.4	..	..	46078.6
Glass sheets	" "	35.3	170.9	206.2	..	..	216.5
Phosphatic fertilizers	" "	604.0	1006.4	1610.4	..	..	1690.9
Azotic fertilizers	" "	501.6	12675.0	13176.6	..	..	13835.4
Caustic soda	Thousand tons	157.5	0.0	157.5	..	..	165.4
Tyres	Thousands	768.6	5377.2	6145.8	..	..	6453.1
Laundry soap	Thousand tons	55.0	405.8	460.8	..	..	483.8
Toilet soap	Thousand tons	41.2	172.0	213.2	..	..	223.8

Source : Ministry of Planning.

.. Unavailable

(1/8) Consumer Price Index (Urban Population) (January 2010=100)*

Groups	Relative Weights	End of June			Inflation Rate (%) FY	
		2011	2012	2013	2011/2012	2012/2013
All Items	**100.0**	**114.5**	**122.8**	**134.8**	**7.3**	**9.8**
Food & Non-Alcoholic Beverages	39.92	126.0	137.6	155.0	9.2	12.7
Alcoholic Beverages & Tobacco	2.19	169.9	201.8	217.4	18.8	7.7
Clothing & Footwear	5.41	102.2	106.8	113.0	4.5	5.8
Housing,Water,Electricity,Gas & Other Fuel	18.37	100.4	107.7	113.1	7.2	5.0
Furnishings, Household Equipment & Routine Maintenance of the House	3.77	105.2	114.4	122.1	8.8	6.7
Health	6.33	101.9	102.0	114.8	0.1	12.5
Transportation	5.68	101.7	104.5	107.3	2.8	2.6
Communications	3.12	100.0	95.5	95.5	-4.5	0.0
Culture & Recreation	2.43	108.4	117.8	126.7	8.6	7.6
Education	4.63	124.3	136.6	152.2	9.9	11.4
Restaurants & Hotels	4.43	112.4	116.5	141.7	3.6	21.6
Miscellaneous Goods & Services	3.72	103.2	104.5	105.3	1.3	0.8

Source: Central Agency for Public Mobilization and Statistics (CAPMAS), (Monthry Bulletin of Consumer Price Index) .

* The 9th 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.

(1/9) Producer Price Index (PPI) (2004/2005 = 100)

Groups	Relative Weight	End of June			Inflation Rate (%) FY	
		2011	2012	2013	2011/2012	2012/2013
All Items	**100.0**	**192.1**	**185.0**	**200.5**	**-3.7**	**8.4**
Agriculture,Forestry & Fishing	25.1	261.4	243.9	275.9	-6.7	13.1
Mining & Quarrying	21.8	201.5	181.1	193.4	-10.1	6.8
Manufacturing	38.9	165.0	168.1	178.5	1.9	6.2
Electricity,Gas, Steam & Air Conditioning Supply	2.3	140.3	140.3	155.2	0.0	10.6
Water Supply, Sewerage,Waste Management & Remediation Activities	2.0	146.5	157.3	157.3	7.4	0.0
Transportation & Storage	2.8	127.3	131.1	131.1	3.0	0.0
Accommodation & Food Service Activities	5.0	125.1	129.3	137.0	3.4	6.0
Information & Communications	2.1	112.5	112.5	112.5	0.0	0.0

Source: Central Agency for Public Mobilization and Statistics (CAPMAS), the PPI Bi-monthly Bulletin as of September 2007 to replace the WPI Bulletin.

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

(LE mn)

End of June	2007	2008	2009	2010	2011	2012	2013
Reserve Money	**134126**	**169911**	**175104**	**203071**	**250992**	**263668**	**317944**
Currency in circulation outside CBE *	92174	111412	126268	144253	179096	204870	260849
Banks' deposits in local currency	41952	58499	48836	58818	71896	58798	57095
Counterpart Assets	**134126**	**169911**	**175104**	**203071**	**250992**	**263668**	**317944**
Net Foreign Assets +	**95372**	**180333**	**171732**	**190234**	**147197**	**76059**	**38235**
Foreign Assets	**160197**	**182021**	**173055**	**198605**	**156331**	**92168**	**101685**
Gold	6744	8695	9385	12393	16343	19979	17239
Foreign securities	108606	151175	150556	162247	114608	51524	34163
Foreign currencies	44847	22151	13114	23965	25380	20665	50283
Foreign Liabilities **	**64825**	**1688**	**1323**	**8371**	**9134**	**16109**	**63450**
Net Domestic Assets	**38754**	**-10422**	**3372**	**12837**	**103795**	**187609**	**279709**
Net Claims on Government	**117254**	**81872**	**68613**	**80611**	**102562**	**165374**	**299806**
Claims; of which:	192192	159697	146899	150288	189620	256605	404837
Government securities **	166724	123123	121708	121533	130597	178831	238831
Deposits	74938	77825	78286	69677	87058	91231	105031
Net Claims on Banks	**59512**	**77581**	**334**	**29010**	**147**	**-2706**	**-5811**
Claims	77270	97828	21786	49863	23496	22296	27259
Deposits in foreign currencies	17758	20247	21452	20853	23349	25002	33070
Other Items (Net) +	**-138012**	**-169875**	**-65575**	**-96784**	**1086**	**24941**	**-14286**

Source : Central Bank of Egypt.

* Including subsidiary coins issued by the ministry of Finance.

** The decrease in CBE's obligations in Foreign currencies, as well as the claims on government represented in securities and unclassified assets (net) due to the settelment of the rescheduled debts under Paris Club Agreement.

+ 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)

End of June	2007	2008	2009	2010	2011	2012	2013
1- Domestic Liquidity	**662688**	**766664**	**831211**	**917459**	**1009411**	**1094408**	**1296086**
A- Money Supply	**131290**	**170579**	**182991**	**214040**	**248707**	**274510**	**344100**
Currency in circulation outside the banking system	86860	104656	118146	135209	167887	194027	241011
Demand deposits in local currency	44430	65923	64845	78831	80820	80483	103089
B- Quasi-Money	**531398**	**596085**	**648220**	**703419**	**760704**	**819898**	**951986**
Time & saving deposits in local currency	377424	436268	481054	545303	583732	633858	727778
Demand and time & saving deposits in foreign currencies	153974	159817	167166	158116	176972	186040	224208
2- Counterpart Assets							
Net foreign assets	218629	303680 *	254134	282408	253500	157624	123198
Domestic credit	531314	570953 *	695326	775268	892766	1072566	1343140
Other items (net)	-87255	-107969	-118249	-140217	-136855	-135782	-170252

Source : Central Bank of Egypt.

* The settlement of the rescheduled debts under Paris Club Agreement.

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

(LE mn)

End of June	2007	2008	2009	2010	2011	2012	2013
Total Deposits in Local Currency	**421854**	**502191**	**545899**	**624134**	**664552**	**714341**	**830867**
1- Demand Deposits	**44430**	**65923**	**64845**	**78831**	**80820**	**80483**	**103089**
Public business sector *	6278	8698	7145	8938	6670	7363	6825
Private business sector	20681	34301	33240	41246	43324	39083	55804
Household sector	18378	24003	25235	29510	31645	34944	41401
Minus: Purchased cheques & drafts	907	1079	775	863	819	907	941
2- Time and Saving Deposits	**377424**	**436268**	**481054**	**545303**	**583732**	**633858**	**727778**
Public business sector *	17186	20736	21654	23788	22608	17480	17298
Private business sector	56823	85415	71076	73183	60736	53862	65141
Household sector	303415	330117	388324	448332	500388	562516	645339

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)

End of June	2007	2008	2009	2010	2011	2012	2013
Total Deposits in Foreign Currencies	**153974**	**159817**	**167166**	**158116**	**176972**	**186040**	**224208**
1- Demand Deposits	**26917**	**26581**	**32050**	**33901**	**41298**	**44965**	**55152**
Public business sector *	947	943	1334	1055	1248	980	1285
Private business sector	18453	17417	21104	22313	26039	29669	35412
Household sector	7689	8404	9712	10673	14077	14443	18535
Minus: Purchased cheques & drafts	172	183	100	140	66	127	80
2- Time and Saving Deposits	**127057**	**133236**	**135116**	**124215**	**135674**	**141075**	**169056**
Public business sector *	5774	8202	7401	5419	6301	7832	11307
Private business sector	30641	39785	37217	32594	34202	34827	41160
Household sector	90642	85249	90498	86202	95171	98416	116589

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)

End of June	2007	2008	2009	2010	2011	2012	2013
Net Foreign Assets	**218629**	**303680**	**254134**	**282408**	**253500**	**157624**	**123198**
1- Foreign Assets	**304968**	**330770**	**282914**	**322209**	**295480**	**206964**	**220039**
Central Bank of Egypt	160197	182021	173055	198605	156331	92168	101685
Banks	144771	148749	109859	123604	139149	114796	118354
2- Foreign Liabilities	**86339**	**27090**	**28780**	**39801**	**41980**	**49340**	**96841**
Central Bank of Egypt +	64825	1688 *	1323	8371	9134	16109	63450
Banks	21514	25402	27457	31430	32846	33231	33391

Source: Central Bank of Egypt.

+ According to the reclassification of the SDR allocations, as mentioned in the footnote of table (2/1/1).

* Due to the agreement between the CBE and the government, as mentioned in the footnote of table (2/1/1).

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

(LE mn)

End of June	2007	2008	2009	2010	2011	2012	2013
1-Domestic Credit	**531314**	**570953**	**695326**	**775268**	**892766**	**1072566**	**1343140**
Net claims on the government (A+B-C)	178323	174005	273122	326141	437337	578654	802539
A-Securities	278011	271788**	397804	440410	542792	677139	832770
B-Credit facilities	52151	67732	55939	68139	98826	111362	201787
C-Government deposits	151839	165515	180621	182408	204281	209847	232018
Claims on public business sector *	24446	26897	33146	29985	32981	40620	42866
Claims on private business sector	268607	291719	304470	326350	323241	340865	369814
Claims on household sector	59938	78332	84588	92792	99207	112427	127921
2-Other Items (Net)	**-87255**	**-107969**	**-118249**	**-140217**	**-136855**	**-135782**	**-170252**
Capital accounts+	-114534	-135401	-148332	-170877	-146543	-168778	-200057
Net unclassified assets and liabilities (Including net Interbank Debt and Credit Position)	27279	27432**	30083	30660	9688	32996	29805

Source: Central Bank of Egypt.

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

** Due to the settlement reached with the government on rescheduled debt under Paris Club Agreement.

+ According to the reclassification of the SDR allocations, as mentioned in the footnote of table (2/1/1).

(2/1/7) Total Saving Vessels

(LE mn)

End of June	2007	2008	2009	2010	2011	2012	2013
Total Saving Vessels	**655376**	**742177**	**803063**	**884085**	**955163**	**1028953**	**1178318**
Savings at the Banking System	**531398**	**596085**	**648220**	**703419**	**760704**	**819898**	**951986**
Time & saving deposits in local currency	377424	436268	481054	545303	583732	633858	727778
Demand and time & saving deposits in foreign currencies	153974	159817	167166	158116	176972	186040	224208
Net Sales of Investment Certificates	**68311**	**79354**	**81262**	**90931**	**94428**	**97745**	**102159**
Post Office Saving Deposits	**55667**	**66738**	**73581**	**89735**	**100031**	**111310**	**124173**

Source: Central Bank of Egypt.

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

Public Business Sector*

(LE mn)

End of June	2007	2008	2009	2010	2011	2012	2013
Total	**24188**	**26652**	**32880**	**29812**	**32688**	**40417**	**42667**
In Local Currency	**18097**	**19475**	**23725**	**21051**	**24560**	**31581**	**33674**
Agriculture	7	11	3	3	105	-	-
Manufacturing	9071	9066	13167	9258	10167	14465	15780
Trade	3986	4114	4098	1737	918	1651	1423
Services	5033	6284	6457	10053	13370	15465	16471
In Foreign Currencies	**6091**	**7177**	**9155**	**8761**	**8128**	**8836**	**8993**
Agriculture	-	-	-	-	-	-	-
Manufacturing	2611	3440	4176	3294	2237	1938	1247
Trade	880	709	1281	1566	934	955	624
Services	2600	3028	3698	3901	4957	5943	7122

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 June	2007	2008	2009	2010	2011	2012	2013
Total	**239312**	**258087**	**267885**	**287148**	**284755**	**304386**	**331199**
In Local Currency	**163292**	**167258**	**177107**	**185694**	**187810**	**207334**	**216663**
Agriculture	6922	5326	4718	4461	6294	4573	4852
Manufacturing	65453	62693	74053	76229	78448	92476	97492
Trade	33487	38342	39881	49486	36265	39245	43411
Services	57430	60897	58455	55518	66803	71040	70908
In Foreign Currencies	**76020**	**90829**	**90778**	**101454**	**96945**	**97052**	**114536**
Agriculture	929	843	2145	1534	2314	1398	1366
Manufacturing	34199	43349	41240	53355	48550	52260	63041
Trade	10944	14599	13356	13563	9508	7616	9063
Services	29948	32038	34037	33002	36573	35778	41066

Source: Central Bank of Egypt.

(2/2/1) Structure of Egyptian Banking System and Banking Density

End of June	Number of Banks Operating in Egypt	Number of Branches	Banking Density *
2007	41	3056	24.2
2008	40	3297	22.9
2009	39	3443	22.3
2010	39	3502	22.3
2011	39	3573	22.5
2012	40**	3610	22.7
2013	40	3651	22.9

Source : Central Bank of Egypt.

* Population in thousand / Banking unit.

** After including the Arab International Bank in the banks' record, and being under the supervision of the CBE as of 5/6/2012.

(2/2/2) Representation Offices of Foreign Banks in Egypt Registered with the CBE

(on June 30, 2013)

Name	Registration Date	Address
Al-Raghi Banking & Investment Corporation*	20/10/1993	19 Adly St.,2nd Floor , Apart. 59, Cairo.
The Bank of New York Mellon	27/10/1993	9 Abd El- Moneim Riad St., Dokki, Giza.
Commerz Bank AG.	31/05/1994	Building No. 2401 B, 1st Floor, Smart Village, Cairo-Alex. Highway (28 Km).
Monte dei Paschi di Siena S.P.A.	05/07/1994	10 Sarai EL- Gezeera St.,2nd Floor, Flat No. 5, Zamalek 11211,Cairo.
Union De Banques Arabes et Francaises (UBAF)	15/08/1994	4 Behlar Passage, Kasr El-Nil St., Cairo.
State Bank of India	03/10/1994	15 Kamel El-Shinnawy St., Garden City, Cairo.
Deutsche Bank AG.	10/11/1994	Building No. 47 Section 1, City Center, Misr El-Gadedah.
Intesa SanPaolo Spa.	13/03/1995	3 Abo Elfeda St., Zamalek, Cairo.
JP Morgan Chase Bank N.A.	05/08/1996	3 Ahmed Nessim St., Giza.
Bank of Tokyo Mitsubishi UFJ Ltd.	04/03/1997	Nile City Towers, South Tower, 10th Floor/C, Corniche El-Nil, Cairo.
UBS AG.	22/10/1997	International Trade Building, 1191 Corniche El-Nil St., 13th Floor, Cairo.
Credit Suisse AG.	16/03/1998	Ibn Shamer, 7/B, Giza.
Credit Industriel et Commercial, CIC.	22/07/1999	28 Sherif St., Cairo.
B.H.F Bank A.G.	02/08/1999	8 El-Sadd El-Aley St., Dokki, 12311,Giza.
Natixis	22/03/2000	El-Kamel Building, 54/B, Banks Zone, 6th of Oct.
Den Norske Bank*	27/05/2001	19 El-Gabalaya St., Zamalek,Cairo.
Bank of Valleta Plc.	10/07/2003	7 EL-Thawra Square, 7th Floor, Flat No.71, Dokki, Giza.
Sumitomo Mitsui Banking Corporation	19/01/2004	3 Ibn Kassir, Corniche El-Nile St., 14th Floor, Flat No. 6, Giza.
Standard Chartered Bank	12/09/2005	El Sheikha Fatma St., City Stars Towers, Star Capital (2), Office No. 21-22, Misr El-Gadedah, Cairo.
Sudanese Egyptian Bank	28/05/2008	4 Ahmed Basha St., 16th Floor, Garden City, Cairo.
China Development Bank Corporation	02/11/2009	Apartment (no. 1 & 2), Building 41, St. 18., Maadi, Cairo.
Türkiye İş Bankasi, A.Ş.	31/03/2010	Nile City Towers, North Tower, 27th Floor, Corniche El-Nil, Cairo.
CaixaBank S.A	08/07/2012	Nile City Towers, North Tower, 23rd Floor, Corniche El-Nil, Ramlah Boulak, Cairo.

Source : Central Bank of Egypt.

* Currently not operating

(2/2/3) Local Mutual Funds Authorized and Operating as at 30/6/2013

Fund Name	Fund Manager	Par Value (LE)	Net Asset Value (LE) at End of June 2012	Net Asset Value (LE) at End of June 2013
Open-end Balance Funds				
National Bank of Egypt I +	Al Ahly Funds Management	10	34.54	33.63
Banque Misr I	Misr Capital Investments	100	91.50	95.71
National Bank of Egypt II	Al Ahly Funds Management	100	68.91	67.88
El Watany Bank of Egypt	NBK Capital Asset Management - Egypt	100	127.76	139.81
National Bank of Egypt V	Al Ahly Funds Management	10	8.32	8.30
Al-Massi	Hermes Funds Management	100	95.83	103.29
Kheir Fund	Acumen Asset Management	10	9.89	10.52
Credit Agricole Egypt IV (Al Theqa)	HC Securities	100	110.34	112.58
NSGB (Tawazon)	Beltone Asset Management	100	89.28	99.64
Open-end Equity Funds				
Credit Agricole Egypt I	Hermes Funds Management	100	157.71	162.99
Bank of Alexandria I	Hermes Funds Management	100	143.31	152.33
Arab Misr Insurance Group ++	Prime Investments Fund Management	100	136.88	134.90
Banque Misr II	Misr Capital Investments	66.67	40.15	42.49
Banque de Caire	Hermes Funds Management	10	38.50	42.40
Export Development Bank I (El-Khabeer)	HC Securities	33.33	52.68	52.68
Suez Canal Bank I	HC Securities	500	213.21	211.29
Credit Agricole Egypt II	Hermes Funds Management	100	77.08	80.73
Egyptian Gulf Bank	Hermes Funds Management	100	100.56	108.19
Banque Misr III	HC Securities	100	301.22	311.34
Shield Fund +++	Arab African Investment Management	50	98.61	91.71
Misr Iran Development Bank I	HC Securities	100	261.91	261.27
National Bank of Egypt III++++	HC Securities	100	57.87	56.43
Commercial International Bank II (Istethmar)	CI Asset Management	100	54.65	52.08
Piraeus Bank-Egypt I	Piraeus Bank- Egypt Asset Management	100	90.75	91.35
Housing & Development Bank (Al-Taameer)	Prime Investments Fund Management	100	89.72	90.98
ABC Bank	Delta Rasmala Funds Management	100	72.31	75.42
Suez Canal Bank II (Al-Agyal)	Beltone Asset Management	10	6.97	6.55
Blom Bank	Prime Investments Fund Management	100	90.44	91.42
Pharos Fund I	Pharos Asset Management	100	81.86	85.96
Pioneers Fund I	Amwal for Financial Investments	100	78.13	74.91
Misr Al Mostakbal	HC Securities	10	12.00	12.73
Belton Traded Equity Fund (Insight)	Beltone Asset Management	10	5.87	5.53
NSGB (Tadawol)	HC Securities	100	103.02	104.83
Open-end Fixed Income Funds				
Credit Agricole Egypt III	Egyptian Fund Management Group	1000	1052.91	1051.73
Misr Money Mareket	Beltone Asset Management	10	19.23	21.39
Commercial International Bank I (Osoul)	CI Asset Management	100	183.47	204.39
Misr Iran Development Bank II	HC Securities	1000	1000.00	1050.03
Bank of Alexandria II	EFG-Hermes	10	16.70	18.56
National Bank of Egypt IV	Al Ahly Funds Management	100	162.31	179.28
National Societe Generale Bank (Themar)	EFG-Hermes	100	159.86	177.56
Export Development Bank II	Delta Rasmala Funds Management	100	158.57	175.78
ABC Bank (Mazaya)	Beltone Asset Management	10	12.87	14.29
HSBC Egypt Bank Fund (Kol Youm)	Beltone Asset Management	100	129.54	144.03
AAIB(Juman)	Arab African Investment Management	100	128.95	142.94
Piraeus bank- Egypt II	Piraeus Bank- Egypt Asset Management	10	12.76	14.12
Audi Bank Fund	EFG-Hermes	10	12.81	14.25
Banque du Caire II (El Kahera El Youmy)	Beltone Asset Management	10	12.53	13.93
Blom Bank Fund II	CI Asset Management	100	126.07	140.60
Al Watany Bank of Egypt Fund (Eshrak)	NBK Capital Asset Management - Egypt	10	12.19	13.52
Arab Bank Fund (Youmati)	Beltone Asset Management	10	12.20	13.57
Housing & Development Bank (Mawared)	Prime Investments Fund Management	10	12.03	13.33
Bank of Alexandria III	EFG-Hermes	10	11.79	13.03
Prinicipal Bank for Development & Agricultural Credit (Hasad)	HC Securities	10	11.99	13.27
Arab Investment Bank Fund I	EFG-Hermes	10	11.89	13.23
Egyptian Gulf Bank Fund (Tharaa)	Prime Investments Fund Management	10	10.71	11.54
Ahli United Bank (Tharwa)	Cairo Funds Management	100	103.47	114.77
CIB (El Thabet)	CI Asset Management	100	108.54	119.44
Al Watany Bank of Egypt Fund (Namaa)	NBK Capital Asset Management - Egypt	10	10.62	11.33
National Bank of Egypt VIII	Ahly Funds Managements	1000	1043.28	1133.65
Arab Investment Bank Fund III (Sanady)	HC Securities	10	10.67	10.37
AAIB(Gozoor)	Arab African Investment Management	10	10.28	11.41
EDBE III (Al Zahabi)	Prime Investments Fund Management	100	102.16	112.10

(2/2/3) Local Mutual Funds Authorized and Operating as at 30/6/2013 (Contd.)

Fund Name	Fund Manager	Par Value (LE)	Net Asset Value (LE) at End of June 2012	Net Asset Value (LE) at End of June 2013
Open-end Islamic Money Market Funds				
The United Bank Fund (Al Rakhaa)	CI Asset Management	100	101.10	111.81
Open-end Islamic Funds				
Faisal Islamic Bank	EFG-Hermes	100	70.44	68.15
Al Baraka Bank Egypt	EFG-Hermes	100	53.05	52.49
Faisal Islamic Bank - CIB (Al Amman)	CI Capital Asset Management	100	39.96	35.63
Banque Misr IV	HC Securities	100	61.10	59.55
Sanabel Fund+++++	HC Securities	100	71.46	70.92
Egyptian Saudi Finance -National Bank of Egypt (Bashayer)	Al Ahly Fund Management	100	60.77	58.64
El Watany Bank of Egypt(Alhayah)	NBK Capital Asset Management - Egypt	10	8.94	9.34
Arab Investment Bank Fund II (Helal)	Cairo Funds Management	100	103.42	94.53
Naeem Misr Fund	Naeem for Financial Investments	100	108.64	111.50
Al Wefak	HC Securities	10	8.79	8.53
Mixed Income Funds				
Al Rabeh Fund	Prime Investments Fund Management	100	102.37	108.98
Open-end Islamic Balanced Funds				
Al Baraka Bank - Egypt (Al Motawazen)	AT. Asset Management	100	84.91	79.95
Closed-end Funds				
Orient Trust++++++	Egyptian Investment & Finance Co.	1000	1134.38	-
Arab Land Direct	Prime Investments Fund Management	1000	685.51	679.01
Capital Guaranteed Funds				
Misr Bank (El Omr Fund)	Cairo Funds Management	100	253.62	263.14
Capital Protected Funds				
CIB Fund (Hamaya)	CI Capital Asset Management	100	112.05	121.79
Asset Allocator Funds				
Societe Arab Int'l Banque I +++++++	Prime Investments Fund Management	100	387.21	375.98
Societe Arab Int'l Banque II	Prime Investments Fund Management	100	265.40	257.88
Foreign Currency Funds				
Misr Money Market ($)	Beltone Asset Management	10$	10.75$	10.85$
Misr Money Market (Euro)	Beltone Asset Management	10 €	10.83 €	10.87 €
Fund of Funds				
Misr Iran Development Bank III (Wafi)	El Rashad Asset Management	10	8.21	8.64
National Bank of Egypt VII	Prime Investments Fund Management	100	76.89	77.82

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 Management Contract for Sanabel Fund Matured on 22 December 2011.

++++++ EGX has decided to suspend trading on the fund's certificates effective 21/02/2013 till the company sends the certificate's net asset value.

+++++++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 June	2007	2008	2009	2010	2011	2012	2013
Total	**93499**	**112705**	**127912**	**146220**	**180118**	**207824**	**264505**
Currency By Denomination+	**93240**	**112430**	**127625**	**145914**	**179794**	**207473**	**264128**
PT 25	144	147	160	184	161	147	143
PT 50	240	252	309	294	303	296	293
LE 1	565	608	772	845	909	890	913
LE 5	1071	1169	1309	1619	2738	1944	1902
LE 10	3470	2938	2991	2930	2983	2940	3192
LE 20	8796	7394	6419	5619	9950	7809	6654
LE 50	28152	25646	23045	18836	22350	21720	25017
LE 100	47552	54987	61561	69299	73444	83606	107212
LE 200*	3250	19289	31059	46288	66956	88121	118802
Subsidiary Denominations**	**259**	**275**	**287**	**306**	**324**	**351**	**377**

Source: Central Bank of Egypt.

+ Including coins denominations of 50, 100 piasters.

* The LE 200 note was put into circulation as of May 2007.

** Issued by the Ministry of Finance.

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

(LE mn)

End of June	2007	2008	2009	2010	2011	2012	2013
Total	**92175**	**111412**	**126268**	**144254**	**179096**	**204870**	**260849**
Subsidiary Coins & Notes*	259	275	287	306	324	351	377
PT 25	142	145	158	184	161	147	142
PT 50	234	242	308	293	302	296	292
LE 1	550	591	770	843	907	888	910
LE 5	987	1105	1257	1495	2654	1897	1839
LE 10	3323	2845	2911	2844	2886	2797	2949
LE 20	8553	7194	6297	5480	9672	7527	6465
LE 50	27967	25422	22898	18704	22246	20629	24765
LE 100	47136	54529	60867	68641	73269	82961	106192
LE 200+	3024	19064	30515	45464	66675	87377	116918

Source: Central Bank of Egypt.

* Issued by the Ministry of Finance.

+ The LE 200 note was put into circulation as of May 2007.

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

During FY	2006/2007	2007/2008	2008/2009	2009/2010	2010/2011	2011/2012	2012/2013
Local Currency Transactions via RTGS*							
1- Automated Clearing House (ACH)							
Number of transactions (thousand)	10481	11724	12062	12994	13012	12829	13266
Value of transactions (LE mn)	356900	483113	548038	584546	626757	661196	727677
2- Other Transactions via RTGS**							
Number of transactions (in unit)	525236	700668	897205	1191374	1248692	1298763	1230197
Value of transactions (LE mn)	2280198	3092401	5294357	13274676	15879701	9402300	12293779
Foreign Currency Transfers (Dollar Interbank Transactions) via the Fin-Copy System***							
Number of transactions (in unit)	12070	13925	12365	12204	15066	14080	9885
Value of transactions (US$ mn)	78997	105587	83019	70008	88052	62321	34523

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)

End of June	2007	2008	2009	2010	2011	2012	2013
Assets							
Cash	7705	10261	11128	12448	14830	14534	29227
Securities & investments in TBs of which:	176098	201858	332597	405895	474176	555326	653889
CBE notes	17617	-	-	-	-	-	-
Balances with banks in Egypt, of which:	217363	278185	173482	200719	117010	104269	131326
Loans and discounts	946	1307	775	729	885	978	953
Balances with banks abroad, of which:	124366	122792	77120	57371	96080	75905	77012
Loans and discounts	2836	2448	1869	2004	1398	2714	1800
Loan and discount balances	353746	401425	429957	465990	474139	506736	549120
Other assets	58645	68790	67709	78232	93455	109390	123275
Assets =Liabilities	**937923**	**1083311**	**1091993**	**1220655**	**1269690**	**1366160**	**1563849**
Liabilities							
Capital	33037	37576	41550	46598	59049	67345	72061
Reserves	12552	19763	21371	28486	22056	25539	35838
Provisions	53469	62314	69748	70418	55106	54127	61264
Long-term loans & bonds	26351	22285	22045	21697	26180	27840	30312
Obligations to banks in Egypt	82619	98699	31004	53881	28171	19009	25608
Obligations to banks abroad	10006	13327	18195	20305	15168	14792	15222
Total deposits	649953	747199	809694	892492	957037	1023517	1186985
Other liabilities, of which:	69936	82148	78386	86778	106923	133991	136559
Cheques payable	5801	4450	3576	4764	5143	4848	4850

Source : Central Bank of Egypt.

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

(LE mn)

End of June	2007	2008	2009	2010	2011	2012	2013
Total Deposits	**649953**	**747199**	**809694**	**892492**	**957037**	**1023517**	**1186985**
Demand deposits	78759	100569	102853	119518	130087	133704	167939
Time & Saving deposits and saving accounts	542982	612737	673048	738650	789407	851117	974286
Blocked or retained deposits	28212	33893	33793	34324	37543	38696	44760
Local Currency Deposits	**463320**	**552079**	**598587**	**686052**	**724878**	**777806**	**896477**
Demand deposits	50366	71971	69262	84152	86967	86742	110598
Time & Saving deposits and saving accounts	396351	460285	509156	580020	615839	666995	759515
Blocked or retained deposits	16603	19823	20169	21880	22072	24069	26364
Foreign Currency Deposits	**186633**	**195120**	**211107**	**206440**	**232159**	**245711**	**290508**
Demand deposits	28393	28598	33591	35366	43120	46962	57341
Time & Saving deposits and saving accounts	146631	152452	163892	158630	173568	184122	214771
Blocked or retained deposits	11609	14070	13624	12444	15471	14627	18396

Source : Central Bank of Egypt.

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

(LE mn)

End of June	2007	2008	2009	2010	2011	2012	2013
Total Deposits	**649953**	**747199**	**809694**	**892492**	**957037**	**1023517**	**1186985**
Local Currency Deposits	**463320**	**552079**	**598587**	**686052**	**724878**	**777806**	**896477**
Government sector	37233	44789	49564	58496	56728	58930	60253
Public business sector *	23464	29434	28800	32726	29278	24843	24123
Private business sector	77504	119716	104250	114372	103965	92697	120807
Household sector	321793	354119	413558	477842	532032	597459	686740
External sector **	3326	4021	2415	2616	2875	3877	4554
Foreign Currency Deposits	**186633**	**195120**	**211107**	**206440**	**232159**	**245711**	**290508**
Government sector	30329	33203	41481	45618	51403	55731	62017
Public business sector *	6721	9146	8735	6474	7549	8812	12593
Private business sector	49093	57202	58321	54907	60241	64496	76572
Household sector	98331	93653	100210	96875	109248	112859	135124
External sector **	2159	1916	2360	2566	3718	3813	4202

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)

End of June	2007	2008	2009	2010	2011	2012	2013
Total Deposits	**649953**	**747199**	**809694**	**892492**	**957037**	**1023517**	**1186985**
Local Currency Deposits	**463320**	**552079**	**598587**	**686052**	**724878**	**777806**	**896477**
Agriculture	2531	5673	6323	5072	3792	2820	3313
Manufacturing	23819	36169	37537	38302	38119	31985	46339
Trade	18354	23928	20850	27829	24304	21097	28685
Services	40529	59337	53846	64895	62311	55171	65026
Unclassified sectors	378087	426972	480031	549954	596352	666733	753114
Foreign Currency Deposits	**186633**	**195120**	**211107**	**206440**	**232159**	**245711**	**290508**
Agriculture	467	1002	904	930	771	935	1272
Manufacturing	21208	26223	27757	23772	24876	27775	35112
Trade	11824	10263	12046	11065	14182	15014	15199
Services	23216	30202	25848	25767	28529	27432	33695
Unclassified sectors	129918	127430	144552	144906	163801	174555	205230

Source : Central Bank of Egypt.

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

(LE mn)

End of June	2007	2008	2009	2010	2011	2012	2013
Total	**158481**	**201858**	**332597**	**405895**	**474176**	**555326**	**653889**
In Local Currency	**125981**	**168182**	**297194**	**338834**	**442648**	**494934**	**571204**
Government sector	96652	135129	262044	303297	407814	461821	536155
Public business sector *	761	1414	1338	1052	980	714	505
Private business sector	28568	31609	33755	34394	33764	32310	34469
Household sector	-	-	-	-	-	-	-
External sector	-	30	57	91	90	89	75
In Foreign Currencies	**32500**	**33676**	**35403**	**67061**	**31528**	**60392**	**82685**
Government sector	14636	13536	14051	15579	4382	36488	57784
Public business sector *	-	-	-	-	-	-	-
Private business sector	3474	4914	5532	5597	5475	4708	4575
Household sector	-	-	-	-	-	-	-
External sector	14390	15226	15820	45885	21671	19196	20326

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)

End of June	2007	2008	2009	2010	2011	2012	2013
Total	**353746**	**401425**	**429957**	**465990**	**474139**	**506736**	**549120**
In Local Currency	**248544**	**267166**	**295192**	**313654**	**327764**	**364175**	**387880**
Government sector	10788	9698	12946	15389	18191	14615	11401
Public business sector *	18097	19475	23725	21051	24560	31581	33674
Private business sector	163292	167258	177107	185694	187810	207334	216663
Household sector	55453	69838	78827	90266	96112	109738	125505
External sector	914	897	2587	1254	1091	907	637
In Foreign Currencies	**105202**	**134259**	**134765**	**152336**	**146375**	**142561**	**161240**
Government sector	15896	21460	17802	23995	21611	18974	24379
Public business sector *	6091	7177	9155	8761	8127	8836	8993
Private business sector	76020	90829	90778	101454	96945	97052	114536
Household sector	4485	8494	5762	2526	3095	2690	2416
External sector	2710	6299	11268	15600	16597	15009	10916

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)

End of June	2007	2008	2009	2010	2011	2012	2013
Total	**512227**	**603283**	**762554**	**871885**	**948315**	**1062062**	**1203009**
In Local Currency	**374525**	**435348**	**592386**	**652488**	**770412**	**859109**	**959084**
Government sector	107440	144827	274990	318686	426005	476436	547556
Public business sector *	18858	20889	25063	22103	25540	32295	34179
Private business sector	191860	198867	210862	220088	221574	239644	251132
Household sector	55453	69838	78827	90266	96112	109738	125505
External sector	914	927	2644	1345	1181	996	712
In Foreign Currencies	**137702**	**167935**	**170168**	**219397**	**177903**	**202953**	**243925**
Government sector	30532	34996	31853	39574	25993	55462	82163
Public business sector *	6091	7177	9155	8761	8127	8836	8993
Private business sector	79494	95743	96310	107051	102420	101760	119111
Household sector	4485	8494	5762	2526	3095	2690	2416
External sector	17100	21525	27088	61485	38268	34205	31242

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)

End of June	2007	2008	2009	2010	2011	2012	2013
Total	**353746**	**401425**	**429957**	**465990**	**474139**	**506736**	**549120**
In Local Currency	**248544**	**267166**	**295192**	**313654**	**327764**	**364175**	**387880**
Agriculture	6986	5758	5137	4856	6800	4822	4853
Manufacturing	80497	76793	94674	94810	100646	116282	120383
Trade	37476	42456	44079	51241	37186	41016	44834
Services	67035	71208	69766	70931	85578	91062	91262
Unclassified sectors	56550	70951	81536	91816	97554	110993	126548
In Foreign Currencies	**105202**	**134259**	**134765**	**152336**	**146375**	**142561**	**161240**
Agriculture	929	863	2165	1554	2314	1398	1366
Manufacturing	51399	67690	61808	79423	70744	71868	87255
Trade	11837	15319	14646	15134	10445	8571	9688
Services	33842	35594	39117	38084	43180	43024	49599
Unclassified sectors	7195	14793	17029	18141	19692	17700	13332

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 Rate 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	
January 2011	8.50	6.50	6.90	7.30	10.70	9.50	9.00	9.00
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	,,	,,	,,
October	,,	7.00	7.00	7.70	11.30	10.00	9.50	,,
November	9.50	7.10	7.00	7.70	11.40	11.50	11.00	,,
December	,,	7.20	7.10	7.80	11.80	,,	,,	,,
January 2012	,,	7.40	7.30	7.90	11.90	,,	,,	,,
February	,,	7.60	7.30	8.00	11.90	,,	,,	,,
March	,,	7.70	7.40	8.00	12.00	,,	,,	,,
April	,,	7.60	7.50	8.20	12.10	,,	,,	,,
May	,,	7.60	7.60	8.40	11.90	,,	,,	,,
June	,,	7.70	7.60	8.40	11.90	,,	,,	,,
July	,,	7.70	7.70	8.50	12.00	,,	,,	,,
August	,,	7.70	7.70	8.60	12.00	,,	,,	,,
September	,,	7.70	7.80	8.80	12.00	,,	,,	,,
October	,,	7.70	7.90	8.80	12.00	,,	,,	,,
November	,,	7.70	7.90	8.90	12.10	,,	,,	,,
December	,,	7.60	7.90	9.00	12.20	,,	,,	,,
January 2013	,,	7.60	7.80	9.00	12.10	,,	,,	,,
February	,,	7.80	7.80	9.10	12.20	12.50	12.00	,,
March	10.25	7.80	7.80	9.10	12.30	,,	,,	,,
April	,,	7.90	7.90	9.20	12.40	,,	,,	,,
May	,,	8.00	8.00	9.30	12.50	,,	,,	,,
June	,,	8.00	8.10	9.30	12.60	,,	,,	,,

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

* 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.
January 2011	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
October	0.19	0.41	0.25	0.69	0.46	1.22
November	0.23	0.49	0.26	0.72	0.42	1.13
December	0.26	0.56	0.27	0.75	0.40	1.07
January 2012	0.25	0.55	0.27	0.76	0.33	0.88
February	0.22	0.48	0.27	0.75	0.29	0.76
March	0.21	0.46	0.26	0.72	0.21	0.56
April	0.21	0.46	0.25	0.71	0.20	0.52
May	0.21	0.46	0.25	0.70	0.18	0.48
June	0.21	0.45	0.23	0.63	0.17	0.45
July	0.20	0.44	0.19	0.54	0.09	0.25
August	0.19	0.41	0.17	0.48	0.05	0.14
September	0.16	0.36	0.15	0.43	0.05	0.12
October	0.14	0.31	0.13	0.37	0.04	0.11
November	0.14	0.31	0.13	0.37	0.04	0.10
December	0.14	0.30	0.13	0.36	0.04	0.10
January 2013	0.14	0.29	0.13	0.36	0.04	0.12
February	0.13	0.28	0.13	0.36	0.04	0.10
March	0.13	0.28	0.13	0.35	0.04	0.11
April	0.12	0.27	0.13	0.35	0.04	0.10
May	0.12	0.27	0.13	0.35	0.03	0.09
June	0.12	0.27	0.13	0.36	0.04	0.12

Source: National Bank of Egypt.

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

	91 days	182 days	266 days	273 days	357 days	364 days
April 2013						
First week (2/4)	13.260	13.813	14.391	0.000	14.463	0.000
Second week (9/4)	13.805	14.279	0.000	14.772	0.000	14.788
Third week (16/4)	13.707	14.301	14.639	0.000	14.816	0.000
Fourth week (23/4)	13.317	14.082	0.000	14.201	0.000	14.581
(30/4)	13.018	13.579	13.743	0.000	13.973	0.000
Monthly Average	**13.421**	**14.011**	**14.258**	**14.487**	**14.417**	**14.685**
May 2013						
First week (7/5)	0.000	13.789	0.000	0.000	0.000	14.043
Second week (14/5)	13.927	14.498	14.703	0.000	14.739	0.000
Third week (21/5)	14.288	0.000	0.000	15.080	0.000	0.000
Fourth week (28/5)	14.008	14.363	14.693	0.000	14.824	0.000
Monthly Average	**14.074**	**14.217**	**14.698**	**15.080**	**14.782**	**14.043**
June 2013						
First week (4/6)	13.963	14.342	0.000	14.669	0.000	14.801
Second week (11/6)	13.992	14.379	14.719	0.000	14.839	0.000
Third week (18/6)	14.025	14.434	0.000	14.741	0.000	14.877
Fourth week (25/6)	14.211	14.478	14.883	0.000	14.906	0.000
Monthly Average	**14.048**	**14.408**	**14.801**	**14.705**	**14.873**	**14.839**

Source: Central Bank of Egypt.

(3/1) Companies Listed on the Egyptian Exchange

End of June	2007	2008	2009	2010	2011	2012	2013
Number of Companies (in Unit)	544	377	333	215	211	212	210
Number of Shares (mn)	14993	19859	22430	29002	32364	40019	40147
Nominal Value of Capital (LE mn)	121072	137974	149587	134748	144699	150106	152078
Market Value of Capital (LE mn)	601826	813341	463644	410144	399756	339768	321679
The Market of Medium and Small Enterprises (Nilex) *							
Number of Companies (in Unit)				10	18	21	23
Number of Listed Shares (mn)				49	152	190	228
Total Value of Traded Shares (LE mn)				83	14	7	9
Market Value of Capital (LE mn)				407	1007	1093	963
The Egyptian Exchange Indices **							
EGX 20 Capped	9286.2	10716.2	6590.8	6925.6	5888.1	5452.0	5210.7
EGX 30	7803.4	9827.3	5702.9	6033.1	5373.0	4708.6	4752.2
EGX 70			623.1	527.7	629.6	422.0	360.2
EGX 100				908.7	972.9	729.5	643.0

Source: Monthly Bulletin of Egyptian Exchange.

* 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 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.

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

During FY	2011/2012			2012/2013		
	Number of Transactions (Unit)	Amount (Thousand)	Market Value (mn)	Number of Transactions (Unit)	Amount (Thousand)	Market Value (mn)
Shares in (Egyptian Pound)	**5259032**	**21712372**	**117273**	**5283454**	**31647442**	**129032**
Floor Transactions	5206091	20632947	103130	5255636	30319381	113577
Over the Counter Trading	52941	1079425	14143	27818	1328061	15455
Shares in Foreign Currencies						
(US Dollar)	**128743**	**551996**	**683**	**118207**	**592360**	**1388**
Floor Transactions	127399	515887	460	117617	527815	392
Over the Counter Trading	1344	36109	223	590	64545	996
(Euro)	**12**	**1018**	**10**	**13**	**1**	**0.1**
Floor Transactions	0	0	0	0	0	0
Over the Counter Trading	12	1018	10	13	1	0.1
(Sterling Pound)	**1**	**132**	**0.1**	**0**	**0**	**0**
Floor Transactions	0	0	0	0	0	0
Over the Counter Trading	1	132	0.1	0	0	0
(Swiss Franc)	**2**	**6**	**0.2**	**0**	**0**	**0**
Floor Transactions	0	0	0	0	0	0
Over the Counter Trading	2	6	0.2	0	0	0

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

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

During FY	2011/2012			2012/2013		
	Number of Transactions	Amount	Market Value	Number of Transactions	Amount	Market Value
	(Unit)		(Thousand)	(Unit)		(Thousand)
Bonds in (Egyptian Pound)	**933**	**33487141**	**31228854**	**889**	**33096103**	**34739434**
Floor Transactions	933	33487141	31228854	889	33096103	34739434
Over the Counter Trading	0	0	0	0	0	0
Bonds in (US Dollar)	**0**	**0**	**0**	**0**	**0**	**0**
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

During FY	2011/2012		2012/2013	
	Egyptian Pound	US Dollar	Egyptian Pound	US Dollar
Net Number of Transactions (unit)	**-104562**	**-6323**	**6989**	**-3439**
Purchases	677076	21764	696896	23521
Sales	781638	28087	689907	26960
Net Volume of Securities (mn)	**-416**	**-11**	**-196**	**-18**
Purchases	3640	107	5305	107
Sales	4056	118	5501	125
Net Value of Securities (mn)	**14453**	**-24**	**1633**	**-7**
Purchasers	45223	128	44269	105
Sales	30770	152	42636	112

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

(3/5) Global Depository Receipts (GDRs)

GDRs Listed on Global Exchanges								Corporate Stocks Issued on Egyptian Exchange	
Company	Date of Offering	Depository Bank	Sub Custodian Bank	Conversion Ratio	Volume on Offering Date (000s)	Price ($) at end of Jun-12	Price ($) at end of Jun-13	Price (LE) at end of Jun-12	Price (LE) at end of Jun-13
Comercial International Bank/Egypt (CIB)	July-96	Bank of New York	CIB/HSBC	1.00	9999	4.27	4.10	25.96	29.87
Suez Cement	July-96	Bank of New York	CIB/HSBC	1.00	7310	7.50	3.06	21.00	21.50
Paints & Chemicals Industries (Pachin)	Oct.-97	Bank of New York	CIB/HSBC	3.00	6297	1.51	1.91	31.70	40.02
EFG-Hermes	Aug.-98	Bank of New York	HSBC/CIB	0.50	4324	3.30	2.10	10.15	7.42
Ezz Steel	June-99	Bank of New York	CIB/HSBC	0.33	573	32.00	3.31	6.99	7.86
Orascom Telecom Holding (OT)*	July-00	Bank of New York	CIB/HSBC	0.20	11713	2.50	2.68	3.04	3.92
Orascom Construction Industries (OCI)**	Aug.-02	Bank of New York	CIB/HSBC	1.00	50	40.50	34.38	248.57	240.82
Egypt Lebanon Ceramics (Lecico)	Nov.-04	Bank of New York	CIB/HSBC	1.00	8796	3.50	3.50	5.53	8.00
Telecom Egypt	Dec.-05	Bank of New York	CIB/HSBC	0.20	8522	10.80	8.21	13.30	11.48
Naeem Holding	Feb-08	Bank of New York	CIB/HSBC	0.25	5625	-	-	0.25	0.19
Palm Hills Development	May-08	Bank of New York	CIB/HSBC	0.20	5435	4.80	1.15	1.92	1.61
G B Auto	May-09	Bank of New York	CIB	0.20	100	-	-	20.84	27.01
Ramco for Touristic Villages Construction	May-10	JP Morgan	HSBC	0.20	1000	-	-	2.01	2.13
Orascom Telecom Media and Technology Holding	Jan-12	Bank of New York	CIB / HSBC	0.20	807593	-	0.28	1.48	0.39

Source: Monthly Bulletin of Egyptian Stock Exchange.

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

** The conversion ratio has changed to be 1 shares : 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
2007													
March	11000	26000	-	-	-	-	-	-	-	-	73657	-	110657
June	9000	27500	-	-	-	-	-	-	-	-	82157	-	118657
Sept.	8500	31500	-	-	-	-	-	-	-	-	90657	-	130657
Dec.	12000	33000	-	-	-	-	-	-	-	-	100957	-	145957
2008													
March	10500	32500	-	-	-	-	-	-	-	-	106457	-	149457
June	6800	33000	-	-	-	-	-	-	-	-	106639	-	146439
Sept.	17000	42500	-	-	-	-	-	-	-	-	105940	-	165440
Dec.	14500	48500	-	-	-	28000	-	-	-	-	114940	-	205940
2009													
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
2010													
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
2011													
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	-	2785	40665	43202	60585	3500	349928
Dec.	26500	73850	1325	18250	40250	44312	-	2785	33435	47709	64085	3500	356001
2012													
March	2707	86470	-	8750	48382	51899	-	2785	26435	56022	73608	-	357058
June	10000	84095	-	2000	48882	64899	-	-	16095	62969	84458	-	373398
Sept.	15500	72475	-	-	48882	73250	-	-	3270	70820	93358	-	377555
Dec.	12900	77900	-	0	50073	65298	-	-	-	79313	98258	-	383742
2013													
March	14000	81000	-	-	56073	69797	-	-	-	83000	102236	-	406106
June	30189	91639	-	-	56939	55290	-	-	-	91000	100790	-	425847

Source : Central Bank of Egypt.

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

(LE mn)

		91 days	182 days	266 days	273 days	357 days	364 days	Total
April 2013								
First week	(2/4)	15500	80400	60073	66297	83500	97736	403506
Second week	(9/4)	17500	83400	56573	65297	83500	100736	407006
Third week	(16/4)	19500	84900	59573	65297	83000	96736	409006
Fourth week	(23/4)	22000	86400	56073	64297	83000	102236	414006
End of Month		**24500**	**87900**	**59073**	**64297**	**84000**	**98736**	**418506**
May 2013								
First week	(7/5)	23500	88900	59073	60297	84000	102236	418006
Second week	(14/5)	24000	89400	62073	60297	84500	100236	420506
Third week	(21/5)	24000	87400	59073	58297	84500	100236	413506
Fourth week	(28/5)	25500	87748	62073	58297	86000	97736	417354
End of Month		**25500**	**87748**	**62073**	**58297**	**86000**	**97736**	**417354**
June 2013								
First week	(4/6)	26438	88958	58573	57297	86000	101736	419002
Second week	(11/6)	27189	90890	61073	57297	88000	98736	423185
Third week	(18/6)	28689	91390	57573	55290	88000	102736	423678
Fourth week	(25/6)	30189	91639	56939	55290	91000	100790	425847
End of Month		**30189**	**91639**	**56939**	**55290**	**91000**	**100790**	**425847**

Source: Central Bank of Egypt.

(3/8) Outstanding Balance of Treasury Bonds*

End of June 2013

Tranche	Date of Issue	Value (LE bn)	Interest Rate%	Duration	Maturity & Due Date
Bonds under the Primary Dealers System **					
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
Twenty First	15/11/2005	5.0	9.300	10 years	15/11/2015
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 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
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 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
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 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
Sixty first	18/10/2011	7.5	14.000	3 years	18/10/2014
Sixty second	25/10/2011	5.4	14.500	7 years	25/10/2018
Sixty third	25/10/2011	8.8	14.250	5 years	25/10/2016
Sixty fourth	17/01/2012	10.5	16.150	3 years	17/01/2015
Sixty fifth	17/01/2012	11.1	16.350	5 years	17/01/2017
Sixty sixth	03/04/2012	10.0	16.150	3 years	03/04/2015
Sixty seventh	03/04/2012	10.0	16.850	7 years	03/04/2019
Sixty eighth	03/04/2012	9.8	17.000	10 years	03/04/2022
Sixty ninth	10/04/2012	10.0	16.550	5 years	10/04/2017
Seventieth	03/07/2012	15.0	16.150	3 years	03/07/2015
Seventy first	14/08/2012	8.5	16.580	5 years	14/08/2017
Seventy second	21/08/2012	6.5	16.900	7 years	21/08/2019
Seventy third	18/09/2012	1.0	15.454	2 years	16/09/2014
Seventy fourth	09/10/2012	5.5	14.050	3 years	09/10/2015
Seventy fifth	13/11/2012	6.0	13.650	5 years	13/11/2017
Seventy sixth	13/11/2012	3.5	14.170	7 years	13/11/2019
Seventy seventh	01/01/2013	5.0	14.350	3 years	01/01/2016
Seventy eighth	01/01/2013	5.5	16.300	10 years	01/01/2023
Seventy ninth	07/05/2013	2.8	14.830	3 years	07/05/2016
Eighty	14/05/2013	2.6	15.950	5 years	14/05/2018
Eighty one	21/05/2013	1.8	15.900	7 years	21/05/2020
Total		**315.5**			

* 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 Revenues)

(LE mn)

During FY	2009/2010		2010/2011	
	The Budget Sector	The Budget Sector,NIB &SIFs	The Budget Sector	The Budget Sector,NIB &SIFs
Total Revenues	**268114**	**303361**	**265286**	**302010**
Tax Revenues	**170494**	**170494**	**192072**	**192072**
Taxes on Income & Profits from:	**76618**	**76618**	**89593**	**89593**
EGPC	32181	32181	34308	34308
SCA	9443	9443	10900	10900
CBE	0	0	0	0
Other Units	18591	18591	25330	25330
Payable by individuals	16403	16403	19055	19055
Taxes on Property	**8770**	**8770**	**9452**	**9452**
Taxes on Goods and Services	**67095**	**67095**	**76068**	**76068**
Taxes on International Trade	**14702**	**14702**	**13858**	**13858**
Other Taxes	**3309**	**3309**	**3101**	**3101**
Grants	**4332**	**4332**	**2287**	**2287**
Current	2352	2352	252	252
Capital	1980	1980	2035	2035
Other Revenues	**93288**	**128535**	**70927**	**107651**
Property Income from:	**54570**	**61618**	**42504**	**50137**
EGPC	25546	25546	21010	21010
SCA	12729	12729	15252	15252
CBE	205	205	498	498
Economic Authorities	1431	1431	1287	1287
Companies	3272	3272	3266	3266
Other (from EGPC &TML*)	4527	4527	-2912	-2912
Other	6860	13908	4103	11736
Sales of Goods and Services	**17212**	**17212**	**17405**	**17405**
Financing Investment	**8873**	**8873**	**8355**	**8355**
Other	**12633**	**40832**	**2663**	**31754**

Source:The Ministry of Finance .

* TML : Third Mobile Lisence.

(4/1) Consolidated Fiscal Operations of the General Government (Contd.)

(The Budget Sector, NIB and SIFs)

(Total Revenues)

(LE mn)

During FY	2011/2012		2012/2013	
	The Budget Sector	The Budget Sector,NIB &SIFs	The Budget Sector	The Budget Sector,NIB &SIFs
Total Revenues	**303622**	**348865**	**350322**	**403637**
Tax Revenues	**207410**	**207410**	**251118**	**251118**
Taxes on Income & Profits from:	**91245**	**91245**	**117762**	**117762**
EGPC	34075	34075	45816	45816
SCA	11800	11800	12150	12150
CBE	0	0	8290	8290
Other Units	23674	23674	25275	25275
Payable by individuals	21696	21696	26231	26231
Taxes on Property	**13089**	**13089**	**16453**	**16453**
Taxes on Goods and Services	**84594**	**84594**	**92924**	**92924**
Taxes on International Trade	**14788**	**14788**	**16771**	**16771**
Other Taxes	**3694**	**3694**	**7208**	**7208**
Grants	**10103**	**10103**	**5208**	**5208**
Current	8471	8471	4205	4205
Capital	1632	1632	1003	1003
Other Revenues	**86109**	**131352**	**93996**	**147311**
Property Income from:	**56996**	**67212**	**57356**	**67581**
EGPC	15027	15027	18785	18785
SCA	16118	16118	16375	16375
CBE	15012	15012	11317	11317
Economic Authorities	2207	2207	1915	1915
Companies	3991	3991	3539	3539
Other (from EGPC &TML*)	-534	-534	361	361
Other	5175	15391	5064	15289
Sales of Goods and Services	**17819**	**17819**	**22733**	**22733**
Financing Investment	**6595**	**6595**	**6282**	**6282**
Other	**4699**	**39726**	**7625**	**50715**

Source:The Ministry of Finance.

* TML : Third Mobile Lisence.

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

(LE mn)

During FY	2009/2010		2010/2011	
	The Budget Sector	The Budget Sector,NIB &SIFs	The Budget Sector	The Budget Sector,NIB &SIFs
Total Expenditures	**365987**	**396768**	**401866**	**440410**
Compensation of Employees	**85369**	**86377**	**96271**	**97558**
Salaries and Wages	70321	71247	78270	79377
Social Contributions	7850	7918	9103	9191
Other	7198	7212	8898	8990
Purchases of Goods and Services	**28059**	**28244**	**26148**	**26645**
Goods	11967	11986	9979	9998
Services	11442	11560	10716	10891
Other	4650	4698	5453	5756
Interest	**72333**	**62277**	**85077**	**76363**
Domestic:	69493	59437	81661	72947
To NIB & SIFs	19044	0	19140	0
To Other	50449	59437	62521	72947
Foreign	2840	2840	3416	3416
Subsidies, Grants and Social Benefits	**102975**	**142360**	**123125**	**168265**
Subsidies	**93570**	**93570**	**111211**	**111211**
To Petroleum	66524	66524	67680	67680
To GASC	16819	16819	32743	32743
To Other	10227	10227	10788	10788
Grants	**4380**	**4380**	**5319**	**5319**
Social Benefits	**4483**	**43868**	**6118**	**51258**
Contribution to SIFs	2400	0	3438	0
Other	2083	43868	2680	51258
Other	**542**	**542**	**477**	**477**
Other Expenditures	**28901**	**29047**	**31364**	**31554**
Defense	23453	23453	26484	26484
Other	5448	5594	4880	5070
Purchases of Non-Financial Assets (Investments)	**48350**	**48463**	**39881**	**40025**
Fixed Assets	39205	39319	33303	33447
Other	9145	9144	6578	6578

Source:The Ministry of Finance.

(4/2) Consolidated Fiscal Operations of the General Government (Contd.)
(The Budget Sector, NIB and SIFs)
(Total Expenditures)

(LE mn)

During FY	2011/2012		2012/2013	
	The Budget Sector	The Budget Sector,NIB &SIFs	The Budget Sector	The Budget Sector,NIB &SIFs
Total Expenditures	**470992**	**516422**	**588188**	**644080**
Compensation of Employees	**122818**	**124457**	**142956**	**145064**
Salaries and Wages	99926	101432	118196	120157
Social Contributions	11589	11706	13675	13804
Other	11303	11319	11085	11103
Purchases of Goods and Services	**26826**	**27079**	**26652**	**27155**
Goods	10599	10618	11994	12014
Services	11516	11708	11297	11474
Other	4711	4753	3361	3667
Interest	**104441**	**93401**	**146995**	**135331**
Domestic:	101023	89983	143099	131435
To NIB & SIFs	20398	0	22760	0
To Other	80625	8993	120339	131435
Foreign	3418	3418	3896	3896
Subsidies, Grants and Social Benefits	**150193**	**204454**	**197093**	**261760**
Subsidies	**134963**	**134963**	**170800**	**170800**
To Petroleum	95535	95535	120000	120000
To GASC	30282	30282	32551	32551
To Other	9146	9146	18249	18249
Grants	**5305**	**5305**	**5014**	**5014**
Social Benefits	**9367**	**63628**	**20778**	**85445**
Contribution to SIFs	6200	0	16351	751
Other	3167	63628	4427	84694
Other	**558**	**558**	**501**	**501**
Other Expenditures	**30796**	**31072**	**34976**	**35141**
Defense	26018	26018	28739	28739
Other	4778	5054	6237	6402
Purchases of Non-Financial Assets (Investments)	**35918**	**35959**	**39516**	**39629**
Fixed Assets	28997	29039	31931	32044
Other	6921	6920	7585	7585

Source:The Ministry of Finance.

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

(LE mn)

During FY	2009/2010		2010/2011	
	The Budget Sector	The Budget Sector,NIB &SIFs	The Budget Sector	The Budget Sector,NIB &SIFs
Total Revenues	**268114**	**303361**	**265286**	**302010**
Total Expenditures	**365987**	**396768**	**401866**	**440410**
Cash Deficit	97873	93407	136580	138400
Net Acquisition of Financial Assets	165	5479	-2120	-4262
Overall Fiscal Balance	98038	98886	134460	134138
Financing Sources	**98038**	**98886**	**134460**	**134138**
Domestic Financing	**101492**	**102415**	**144295**	**135903**
Banking Financing	**40263**	**39380**	**109583**	**107238**
Central Bank	11561	11561	22115	22115
Other Banks	28702	27819	87468	85123
Non- Banking Financing	**61229**	**63035**	**34712**	**28665**
NIB	3687	0	1861	0
SIFs	5176	0	10875	0
Other	53014	53014	21049	21049
NIB Borrowing	0	10669	0	6689
Special Accounts for Economic Authorities	-648	-648	927	927
Blocked Account Used in Amortizing Part of CBE Bonds	**0**	**0**	**0**	**0**
Foreign Borrowing	**2458**	**2458**	**5022**	**5022**
Arrears	**0**	**0**	**0**	**0**
Other, of which :	**347**	**273**	**3553**	**11623**
Special Accounts for Budget Entities	0	0	0	0
Financing Effects for Eliminations	**0**	**-1**	**0**	**0**
Exchange Rate Revaluation	**1328**	**1328**	**3922**	**3922**
Net Privatization Proceeds	**425**	**425**	**22**	**22**
Difference between Treasury Bills Face Value & Present Value	**-227**	**-227**	**-7419**	**-7419**
Foreign Debt Reclassification Diff. and Related FX Diff.	**0**	**0**	**0**	**0**
Discrepancy	**-7785**	**-7785**	**-14935**	**-14935**
Cash Deficit (Surplus) as a percentage of GDP (%)	**8.1**	**7.7**	**10.0**	**10.1**
Overall Fiscal Balance as a percentage of GDP(%)	**8.1**	**8.2**	**9.8**	**9.8**
Revenues as a percentage of GDP (%)	**22.2**	**25.1**	**19.3**	**22.0**
Expenditures as a percentage of GDP (%)	**30.3**	**32.9**	**29.3**	**32.1**

Source:The Ministry of Finance.

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

(LE mn)

During FY	2011/2012		2012/2013	
	The Budget Sector	The Budget Sector,NIB &SIFs	The Budget Sector	The Budget Sector,NIB &SIFs
Total Revenues	**303622**	**348865**	**350322**	**403637**
Total Expenditures	**470992**	**516422**	**588188**	**644080**
Cash Deficit	167370	167557	237866	240443
Net Acquisition of Financial Assets	-665	-1868	1853	6410
Overall Fiscal Balance	166705	165689	239719	246853
Financing Sources	**166705**	**165689**	**239719**	**246853**
Domestic Financing	**182411**	**184014**	**270624**	**244807**
Banking Financing	**146374**	**145320**	**221338**	**222087**
Central Bank	62574	62574	134177	134177
Other Banks	83800	82746	87161	87910
Non- Banking Financing	**36037**	**38694**	**49286**	**22720**
NIB	-1666	0	-1595	0
SIFs	1498	0	25646	0
Other	37590	37590	25034	25034
NIB Borrowing	0	2489	0	-2515
Special Accounts for Economic Authorities	-1385	-1385	201	201
Blocked Account Used in Amortizing Part of CBE Bonds	**0**	**0**	**0**	**0**
Foreign Borrowing	**-9062**	**-9062**	**20270**	**20270**
Arrears	**0**	**0**	**0**	**0**
Other, of which :	**622**	**-1997**	**-13148**	**19803**
Special Accounts for Budget Entities	0	0	0	0
Financing Effects for Eliminations	**0**	**0**	**0**	**0**
Exchange Rate Revaluation	**1533**	**1533**	**11357**	**11357**
Net Privatization Proceeds	**0**	**0**	**12**	**12**
Difference between Treasury Bills Face Value & Present Value	**-11376**	**-11376**	**-6791**	**-6791**
Foreign Debt Reclassification Diff. and Related FX Diff.	**0**	**0**	**0**	**0**
Discrepancy	**2577**	**2577**	**-42605**	**-42605**
Cash Deficit (Surplus) as a percentage of GDP (%)	**10.9**	**10.9**	**13.6**	**13.7**
Overall Fiscal Balance as a percentage of GDP(%)	**10.8**	**10.7**	**13.7**	**14.1**
Revenues as a percentage of GDP (%)	**19.7**	**22.6**	**20.0**	**23.0**
Expenditures as a percentage of GDP (%)	**30.5**	**33.5**	**33.5**	**36.7**

Source:The Ministry of Finance.

(4/4) Gross Domestic Debt

(LE mn)

End of June	2008	2009	2010	2011	2012	2013
Gross Domestic Debt (1+2+3-4)	**658307**	**755297**	**888715**	**1044898**	**1238119**	**1527377**
1- Net Domestic Debt of Government (A+B+C+D+E)	**478811**	**562327**	**663818**	**808113**	**990529**	**1261141**
A- Balances of Bonds & Bills	**568960**	**681838**	**779232**	**916976**	**1078162**	**1269289**
Treasury bonds with the CBE	122378	121708	121533	130596	178830	238830
Local currency bonds with public sector banks	4000	4000	4000	4000	4000	0
Bonds offered abroad *:						
US$	3750	4036	6005	7583	3834	5539
LE	112	3773	3808	3954	4279	0
Egyptian treasury bonds	78500	92500	159767	206767	270567	315478
Government notes to compensate for the actuarial deficit in social insurance funds	2000	2000	2000	2000	2000	2000
Housing bonds	117	116	114	115	111	106
Foreign currency bonds with public sector commercial banks	11126	11677	11883	0	0	0
The equivalent of the retained 5% of corporate profits to purchase government bonds	1636	1700	1764	1830	1905	1998
Bonds of the Insurance Funds (against the transfer of NIB debt to the Treasury)	198902	201248	202237	204028	204028	219507
Bonds of Barwa Real Estate Investment Company.	0	0	0	0	0	2566
Treasury Bills :	146439	239080	266121	356103	408608	483265
LE	146439	239080	266121	356103	373398	425847
US$	0	0	0	0	35210	46914
Euro	0	0	0	0	0	10504
B- Borrowing from other entities	**0**	**0**	**0**	**2000**	**13036**	**25348**
C - Credit Facilities from the Social Insurance Funds	**2343**	**2343**	**2343**	**2343**	**1725**	**1225**
D - The Masri Dollar certificate[x]	**0**	**0**	**0**	**0**	**193**	**1421**
E- Net Government Balances with the Banking System	**-92492**	**-121854**	**-117757**	**-113206**	**-102587**	**-36142**
2- Borrowing of Economic Authorities (Net)	**50123**	**52255**	**67771**	**66290**	**63112**	**63325**
Net Balances of Economic Authorities with the Banking System	-1156	2193	16302	14149	10457	11943
Borrowing of Economic Authorities from NIB **	51279	50062	51469	52141	52655	51382
3- NIB Debt (Net)	**189180**	**200754**	**222259**	**238179**	**251010**	**266595**
NIB Debt	193071	205560	227769	240851	253661	268388
Deposits of the NIB with the banking system (-)	3891	4806	5510	2672	2651	1793
4- NIB Intradebt	**59807**	**60039**	**65133**	**67684**	**66532**	**63684**
Government debt to the NIB (investments in government securities)	8528	9977	13664	15543	13877	12302
Loans of economic authorities to NIB	51279	50062	51469	52141	52655	51382

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 to the NIB.

[x] In order to support the national economy and finance the development plan, the National Bank of Egypt issued a new US dollar certificate in May 2012 for Egyptians resident abroad to invest their savings in the Egyptian market. The Masri Dollar Certificate is a three-year certificate, with a 4% annual return, and is not redeemable in the first six months. Its minimum purchase value is US$ 1000, with no ceiling.

(4/5) NIB Resources and Uses

(LE mn)

End of June	2008	2009	2010	2011	2012	2013
Liabilities :of which	**193071**	**205560**	**227769**	**240851**	**253661**	**268388**
Social Insurance Fund for Gov. Employees	29076	29638	31613	32982	34999	38499
Social Insurance Fund for Pub. & Priv. Business Sectors Employees	22632	24895	27384	29663	29765	30249
Proceeds from investment certificates	79232	81454	91134	94635	97904	102253
Accumulated interest on investment certificates (category A)	7509	8654	8648	8747	8005	7149
Proceeds from US dollar development bonds	152	11	10	9	7	6
Post office savings	49255	54487	64837	71978	78852	86382
Others*	5215	6421	4143	2837	4129	3850
Assets :of which	**193071**	**205560**	**227769**	**240851**	**253661**	**268388**
Loans to economic authorities	51279	50062	51469	52141	52655	51382
Investments in government securities (bills and bonds)	8528	9977	13664	15543	13877	12302
Deposits of the NIB with the banking system	3891	4806	5510	2672	2651	1793
Lending for equity participations, concessional loans, and others (NIB debt minus its intradebt)	129373	140715	157126	170495	184478	202911

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

(5/1) Balance of Payments

(US$ mn)

	FY				
	2011/2012*		2012/2013*		Change
	Value	%	Value	%	(-)
Balance of Current Account	**(10146.3)**		**(5582.1)**		**4564.2**
Balance of Current Account (Excluding Transfers)	**(28554.3)**		**(24850.0)**		**3704.3**
Receipts	**45944.1**	**100.0**	**48192.2**	**100.0**	**2248.1**
Export proceeds**	25071.9	54.6	25971.3	53.9	899.4
Transportation, of which	8585.0	18.7	9187.5	19.1	602.5
Suez Canal dues	*5207.8*	*11.3*	*5031.8*	*10.4*	*(176.0)*
Travel	9419.0	20.5	9748.3	20.2	329.3
Investment income	246.1	0.5	197.8	0.4	*(48.3)*
Government receipts	276.2	0.6	437.6	0.9	161.4
Other receipts	2345.9	5.1	2649.7	5.5	303.8
Payments	**74498.4**	**100.0**	**73042.2**	**100.0**	**(1456.2)**
Import payments**	59210.9	79.5	57513.3	78.7	(1697.6)
Transportation	1374.9	1.8	1658.7	2.3	283.8
Travel	2497.6	3.4	2928.8	4.0	431.2
Investment income, of which	6725.5	9.0	5948.1	8.2	(777.4)
Interest paid	*534.6*	*0.7*	*556.0*	*0.8*	*21.4*
Government expenditures	1151.9	1.5	1243.7	1.7	91.8
Other payments	3537.6	4.8	3749.6	5.1	212.0
Transfers	**18408.0**	**100.0**	**19267.9**	**100.0**	**859.9**
Private (net)	17775.6	96.6	18432.3	95.7	656.7
Official (net)	632.4	3.4	835.6	4.3	203.2

* Preliminary figures.

** Including the exports & imports of free zones.

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

(US$mn)

	FY	
	2011/2012*	2012/2013*
	Value	Value
Capital & Financial Account	**1022.9**	**9686.7**
Capital Account	**-96.0**	**-86.8**
Financial Account	**1118.9**	**9773.5**
Direct Investment Abroad	**-249.2**	**-183.6**
Foreign Direct Investment in Egypt (Net)	3982.2	3004.7
Portfolio Investments Abroad	**-148.7**	**22.4**
Portfolio Investments in Egypt (Net), Of which :	**-5025.3**	**1477.4**
Bonds	79.6	**2257.9**
Other Investments	**2559.9**	**5452.6**
Net Borrowing	245.8	578.6
Medium -and Long -Term Loans	-310.1	183.6
Drawings	1637.3	2168.6
Repayments	-1947.4	-1985.0
Medium -Term Suppliers Credit	-6.9	-46.9
Drawings	77.8	242.2
Repayments	-84.7	-289.1
Short -Term Suppliers Credit (Net)	562.8	441.9
Other Assets	1163.3	-857.7
CBE	28.0	-9.8
Banks	4365.7	2061.2
Other	-3230.4	-2909.1
Other Liabilities	1150.8	5731.7
CBE	1168.9	6452.6
Banks	-18.1	-720.9
Net Errors & Omissions	**-2155.0**	**-3867.6**
Overall Balance	**-11278.4**	**237.0**
Change in Reserve Assets, Increase (-)	**11278.4**	**-237.0**

* Preliminary figures.

Source: CBE.

(5/2) Exports by Degree of Processing *

(US$ mn)

	Fiscal Year				Change +(-)
	2011/2012**		2012/2013**		
	Value	%	Value	%	
Total ***	**25071.9**	**100.0**	**25971.3**	**100.0**	**899.4**
Fuels , Mineral Oils & Products	**11598.2**	**46.3**	**12154.9**	**46.8**	**556.7**
Crude oil	5211.0	20.8	6530.6	25.1	1319.6
Petroleum products ****	6014.0	24.0	5475.6	21.1	(538.4)
Coal & types thereof	39.3	0.2	39.6	0.2	0.3
Raw Materials	**1170.7**	**4.7**	**1339.0**	**5.2**	**168.3**
Cotton	135.1	0.5	120.3	0.5	(14.8)
Potatoes	53.5	0.2	92.7	0.4	39.2
Edible fruits & nuts	119.3	0.5	165.0	0.6	45.7
Oil seeds & oleaginous fruits, medicinal plants & plants for manufacturing	32.8	0.1	58.1	0.2	25.3
Iron ores	82.8	0.3	123.1	0.5	40.3
Medicinal plants	29.1	0.1	26.3	0.1	(2.8)
Citrus fruits	65.6	0.3	62.3	0.2	(3.3)
Raw hides & tanned leather	34.8	0.1	30.6	0.1	(4.2)
coffee	32.4	0.1	29.3	0.1	(3.1)
Frozen, chiled or fresh vegetables & plants	183.5	0.7	195.6	0.8	12.1
Dairy products, eggs and honey	175.8	0.7	177.1	0.7	1.3
Semi-finished Goods	**1943.4**	**7.7**	**1995.8**	**7.7**	**52.4**
Carbon	186.0	0.7	186.1	0.7	0.1
Essential oils & resins	40.6	0.2	26.8	0.1	(13.8)

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

(US$ mn)

	Fiscal Year				Change +(-)
	2011/2012**		2012/2013**		
	Value	%	Value	%	
Cotton yarn	92.8	0.4	91.2	0.4	(1.6)
Aluminium, unalloyed	88.6	0.4	113.7	0.4	25.1
Animal & vegetable fats, greases & oils & products	123.7	0.5	117.6	0.5	(6.1)
Synthetic fibers	30.0	0.1	22.0	0.1	(8.0)
Organic & inorganic chemicals	564.8	2.3	519.0	2.0	(45.8)
Cast iron & semi-finished products & rolled iron	383.4	1.5	254.4	1.0	(129.0)
Leather, tanned	24.9	0.1	17.4	0.1	(7.5)
Tanning or dyeing extracts	80.1	0.3	114.1	0.4	34.0
Plastic & articles thereof	297.0	1.2	459.9	1.8	162.9
Finished Goods	**10353.5**	**41.3**	**10477.6**	**40.3**	**124.1**
Electric appliances	1387.8	5.5	1214.9	4.7	(172.9)
Gold,pearls and precious stones	887.6	3.5	1026.7	4.0	139.1
Milk & condensed cream	19.5	0.1	64.5	0.2	45.0
Dried onion	19.2	0.1	18.6	0.1	(0.6)
Rice	31.0	0.1	52.9	0.2	21.9
Vegetable & fruit preparations	66.4	0.3	82.1	0.3	15.7
Miscellaneous edible preparations	416.9	1.7	390.5	1.5	(26.4)
Manufactured tobacco and tobacco substitutes	99.1	0.4	91.3	0.4	(7.8)
Sugar and its products	105.1	0.4	149.9	0.6	44.8
Pharmaceuticals	366.4	1.5	380.2	1.5	13.9
Fertilizers	853.8	3.4	850.1	3.3	(3.7)
Cement	148.4	0.6	157.8	0.6	9.4

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

(US$ mn)

	Fiscal Year				Change +(-)
	2011/2012**		2012/2013**		
	Value	%	Value	%	
Extracts of essential oils & resins	111.4	0.4	162.7	0.6	51.3
Leather products	20.9	0.1	23.6	0.1	2.7
Rubber & articles	97.5	0.4	78.1	0.3	(19.4)
Paper, cardboard paper & articles thereof	262.5	1.0	240.5	0.9	(22.0)
Ceramic products	183.1	0.7	196.6	0.8	13.5
Cars, bicycles & tractors	140.3	0.6	150.4	0.6	10.1
Cotton textiles	576.1	2.3	782.6	3.0	206.5
Carpets & other floor coverings	170.2	0.7	159.5	0.6	(10.7)
Shoes & accessories	0.6	0.0	2.9	0.0	2.3
Ready-made clothes	739.1	2.9	717.7	2.8	(21.4)
Glass & glassware	252.6	1.0	217.0	0.8	(35.6)
Copper & articles	245.5	1.0	224.3	0.9	(21.2)
Aluminium articles	309.8	1.2	213.5	0.8	(96.3)
Articles of iron and steel	282.4	1.1	389.3	1.5	106.9
Wood & articles thereof and charcoal	33.3	0.1	17.1	0.1	(16.2)
Marble & granite	102.5	0.4	89.0	0.3	(13.5)
Articles of base metals	203.8	0.8	171.0	0.7	(32.8)
Optical appliances	61.9	0.2	87.4	0.3	25.5
Soap & Detergents, fabricated candles	407.3	1.6	343.2	1.3	(64.1)
Miscellaneous Goods (Undistributed)	**6.1**	**0.0**	**4.0**	**0.0**	**(2.1)**

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.

(5/3) Imports by Degree of Use *

(US$ mn)

	Fiscal year				Change +(-)
	2011/2012**		2012/2013**		
	Value	%	Value	%	
Total ***	**59210.9**	**100.0**	**57513.3**	**100.0**	**(1697.6)**
Fuels, Mineral Oils & Products	**9872.1**	**16.7**	**9475.6**	**16.5**	**(396.5)**
Petroleum products ****	9723.6	16.4	9401.7	16.3	(321.9)
Coal & types thereof	51.9	0.1	31.2	0.1	(20.7)
Raw Materials	**8101.4**	**13.7**	**8693.9**	**15.1**	**592.5**
Crude oil	2050.9	3.5	3094.0	5.4	1043.1
Wheat	2273.7	3.8	2009.2	3.5	(264.5)
Maize	1422.2	2.4	1156.7	2.0	(265.5)
Tobacco	524.0	0.9	412.5	0.7	(111.5)
Metal ores	119.1	0.2	192.5	0.3	73.4
Iron ores	790.1	1.3	690.3	1.2	(99.8)
Seeds & oleaginous seeds	548.7	0.9	848.0	1.5	299.3
Cotton	51.8	0.1	51.3	0.1	(0.5)
Intermediate Goods	**16894.6**	**28.5**	**15984.8**	**27.8**	**(909.8)**
Sugar, raw	802.2	1.4	494.8	0.9	(307.4)
Animal and vegetable fats, greases & oils and products	1810.5	3.1	1533.7	2.7	(276.8)
Cement	91.8	0.2	25.8	0.0	(66.0)
Organic & inorganic chemicals	2045.7	3.5	1975.3	3.4	(70.4)
Fertilizers	293.0	0.5	176.2	0.3	(116.8)
Tanning & dyeing extracts	233.8	0.4	219.9	0.4	(13.9)
Essential oils & resinoids	48.4	0.1	43.2	0.1	(5.2)
Plastic & articles thereof	1389.5	2.3	1579.7	2.7	190.2

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

(US$ mn)

	Fiscal year				Change +(-)
	2011/2012**		2012/2013**		
	Value	%	Value	%	
Wood & articles thereof	1089.3	1.8	1120.5	1.9	31.2
Paper, cardboard paper & articles thereof	1075.8	1.8	1036.4	1.8	(39.4)
Cotton textiles	151.3	0.3	151.0	0.3	(0.3)
Synthetic fibers	717.1	1.2	697.6	1.2	(19.5)
Ceramic products	289.0	0.5	256.1	0.4	(32.9)
Glass & glassware	135.1	0.2	106.5	0.2	(28.6)
Iron & steel products	2840.0	4.8	2315.1	4.0	(524.9)
Copper & articles	537.7	0.9	511.7	0.9	(26.0)
Rubber & articles	570.9	1.0	630.6	1.1	59.7
Aluminium & articles	226.7	0.4	242.6	0.4	15.9
Articles of base metals	591.2	1.0	346.8	0.6	(244.4)
Parts & accessories of motor vehicles	1592.5	2.7	1828.7	3.2	236.2
Investment Goods	**9649.9**	**16.3**	**9835.7**	**17.1**	**185.8**
Pumps, fans & parts thereof	658.9	1.1	1037.2	1.8	378.3
Machines and apparatus for ginning and spinning & parts thereof	79.7	0.1	97.3	0.2	17.6
Computers	783.8	1.3	707.4	1.2	(76.4)
Motors, generators, transformers & parts thereof	1027.2	1.7	940.4	1.6	(86.8)
Parts of railway and tramway locomotives or rolling stock equipment	170.3	0.3	304.4	0.5	134.1
Tractors	49.3	0.1	42.5	0.1	(6.8)
Vehicles for transport of passengers	16.3	0.0	40.8	0.1	24.5
Vehicles for transport of goods	32.6	0.1	42.1	0.1	9.5

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

(US$ mn)

	Fiscal year				Change +(-)
	2011/2012**		2012/2013**		
	Value	%	Value	%	
Tools, implements, cutlery & spoons	271.2	0.5	236.5	0.4	(34.7)
Air conditioners	226.0	0.4	263.3	0.5	37.3
Cranes and bulldozers & parts thereof	1250.8	2.1	903.9	1.6	(346.9)
Agricultural machinery	89.7	0.2	98.9	0.2	9.2
Printing machinery & parts	101.4	0.2	100.8	0.2	(0.6)
Electric appliances for telephones & telegraph	1051.5	1.8	975.9	1.7	(75.6)
Optical appliances	560.7	0.9	586.2	1.0	25.5
Consumer Goods	**13661.0**	**23.1**	**12939.8**	**22.5**	**(721.2)**
A - Durable Goods	**2990.3**	**5.1**	**3202.1**	**5.6**	**211.8**
Household refrigerators & electric freezers	178.0	0.3	221.8	0.4	43.8
Televisions & parts thereof, videos and computer screens	405.3	0.7	336.2	0.6	(69.1)
Vehicles for transport of persons	736.7	1.2	1046.3	1.8	309.6
Household electric-motor appliances	712.2	1.2	639.0	1.1	(73.2)
B - Non-durable Goods	**10670.7**	**18.0**	**9737.7**	**16.9**	**(933.0)**
Meat and edible offals	865.2	1.5	979.6	1.7	114.4
Fish, crustaceans, molluscs and others	339.3	0.6	352.8	0.6	13.5
Dairy products, eggs, poultry and honey	629.7	1.1	548.3	1.0	(81.4)
Edible vegetables roots & tubers	642.4	1.1	280.9	0.5	(361.5)
Tea	180.1	0.3	239.7	0.4	59.6

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

(US$ mn)

	Fiscal year				Change +(-)
	2011/2012**		2012/2013**		
	Value	%	Value	%	
Miscellaneous edible preparations	933.6	1.6	798.7	1.4	(134.9)
Pharmaceuticals	2289.2	3.9	2222.4	3.9	(66.8)
Insecticides	21.6	0.0	32.1	0.1	10.5
Residues of foodstuff industries & animal fodder	423.7	0.7	343.8	0.6	(79.9)
Live animals	117.6	0.2	79.4	0.1	(38.2)
Ready-made clothes	994.0	1.7	962.3	1.7	(31.7)
Cotton textiles	735.5	1.2	774.2	1.3	38.7
Sugar, refined and products	41.3	0.1	24.5	0.0	(16.8)
Lentils	59.4	0.1	41.4	0.1	(18.0)
Soap, detergents & artificial wax	329.3	0.6	132.9	0.2	(196.4)
Miscellaneous Goods (Undistributed)	**1031.9**	**1.7**	**583.5**	**1.0**	**(448.4)**

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)

	Fiscal Year					
	Proceeds of Exports		Payments for Imports*		Trade Balance	
	2011/2012**	2012/2013**	2011/2012**	2012/2013**	2011/2012**	2012/2013**
Total ***	**25071.9**	**25971.3**	**59210.9**	**57513.3**	**(34139.0)**	**(31542.0)**
European Union	9071.0	9653.6	19282.4	17678.0	(10211.4)	(8024.4)
Other European countries	1418.7	1771.4	6099.9	5110.9	(4681.2)	(3339.5)
Russian Federation & C.I.S	107.4	151.5	2578.3	2038.5	(2470.9)	(1887.0)
United States of America	3431.1	3656.3	4814.8	3945.8	(1383.7)	(289.5)
Arab countries	5324.3	5204.8	10181.8	11266.0	(4857.5)	(6061.2)
Asian countries (Non Arab)	4620.4	4559.5	11675.9	12087.6	(7055.5)	(7528.1)
African countries (Non Arab)	499.1	451.6	505.0	537.3	(5.9)	(85.7)
Australia	22.2	22.8	427.3	356.8	(405.1)	(334.0)
Other countries & regions	577.7	499.8	3645.5	4492.4	(3067.8)	(3992.6)

Source: Central Bank of Egypt

* Including in-kind grants and loans.

** Provisional.

*** Including exports & imports of free zones.

(5/5) Average Foreign Exchange Rates for Egyptain pound

End of	June 2012		June 2013	
First: Interbank Rates US$				
Minimum	6.058		7.009	
Maximum	6.062		7.009	
Weighted average	6.059		7.009	
Second: Market Rates	**Buy**	**Sell**	**Buy**	**Sell**
US Dollar	6.046	6.075	7.012	7.048
Euro	7.515	7.552	9.123	9.171
Pound Sterling	9.397	9.444	10.664	10.723
Swiss Franc	6.256	6.289	7.418	7.464
100 Japanese Yen	7.611	7.651	7.070	7.110
Saudi Riyal	1.612	1.620	1.870	1.879
Kuwaiti Dinar	21.512	21.655	24.479	24.781
UAE Dirham	1.646	1.654	1.909	1.919
Chinese Yuan	0.951	0.956	1.142	1.148

Source : CBE daily exchange rates

The interbank Rates started at 23/12/2004

(5/6) External Debt

(US$ mn)

End of June	2007	2008	2009	2010	2011	2012	2013 +
Total External Debt*	**29898.0**	**33892.8**	**31531.1**	**33694.2**	**34905.7**	**34384.5**	**43233.4**
Rescheduled bilateral debt **	**14846.5**	**15606.4**	**14081.4**	**12599.3**	**12860.6**	**10983.3**	**9479.5**
ODA	7396.5	7787.8	7448.0	7054.6	7271.6	6654.6	5915.1
Non-ODA	7450.0	7818.6	6633.4	5544.7	5589.0	4328.7	3564.4
Other bilateral debt	**4346.0**	**4972.1**	**4824.2**	**4692.4**	**5214.5**	**5074.2**	**5982.2**
Paris Club countries	3630.1	4130.4	3978.3	3774.7	4211.3	3960.7	3589.1
Other countries	715.9	841.7	845.9	917.7	1003.2	1113.5	2393.1
International & regional institutions	**6815.2**	**7361.5**	**8168.8**	**9977.5**	**10808.6**	**11068.1**	**11963.3**
Suppliers' & buyers' credits	**791.6**	**763.5**	**323.6**	**313.5**	**426.0**	**405.0**	**586.4**
Egyptian bonds & notes	**1570.3**	**2651.8**	**1926.1**	**3079.5**	**2821.0**	**2900.7**	**5158.6**
Arab International Bank's deposit	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**1000.0**	**3000.0**
Private sector debt (non-guaranteed)	**78.9**	**18.2**	**83.0**	**77.2**	**17.5**	**51.3**	**17.3**
Short-term debt	**1449.5**	**2519.3**	**2124.0**	**2954.8**	**2757.5**	**2901.9**	**7046.1**
Deposits	536.0	1048.3	1156.1	1359.5	972.7	913.7	5293.4
Other short-term facilities	913.5	1471.0	967.9	1595.3	1784.8	1988.2	1752.7

Source: Central Bank of Egypt.

+ 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) External Debt Indicators

(%)

FY	2006/2007	2007/2008	2008/2009	2009/2010	2010/2011	2011/2012	2012/2013 +
External Debt / Exports (G & S) %	70.4	59.9	64.4	71.0	71.4	74.8	89.7
Debt Service (Principal & Interest) (US$ mn.) *	2936.4	2595.9	3119.8	2617.5	2799.2	2903.8	3089.3
Debt Service / Exports (G & S) %	6.9	4.6	6.4	5.5	5.7	6.3	6.4
Debt Service / Current Receipts %	5.9	3.9	5.5	4.5	4.5	4.5	4.6
Interest / Exports (G & S) %	1.5	1.4	1.5	1.4	1.3	1.4	1.3
External Debt /GDP	22.8	20.1	16.9	15.9	15.2	13.2	17.3
Short-term Debt / total external debt	4.8	7.4	6.8	8.8	7.9	8.5	16.3
Short-term Debt / Net International Reserves	5.1	7.3	6.8	8.4	10.4	18.7	47.2
External Debt per capita (US$)	398.5	450.0	418.6	399.2	413.6	389.7	489.9

+ Provisional

* includes interest payments on US dollar-denominated bonds and notes offered abroad.

(5/8) Distribution of External Debt by Main Currencies

(US$ mn)

End of	June 2012		June 2013*		Change
	Value	%	Value	%	(-)
Total	**34384.5**	**100.0**	**43233.4**	**100.0**	**8848.9**
US dollar **	15018.8	43.7	25354.7	58.6	10335.9
Canadian dollar	124.4	0.3	108.0	0.2	(16.4)
Australian dollar	93.4	0.3	68.3	0.2	(25.1)
Swiss franc	490.9	1.4	434.5	1.0	(56.4)
Pound sterling	167.7	0.5	145.0	0.4	(22.7)
Japanese yen	4380.1	12.7	3236.1	7.5	(1144.0)
Danish krone	96.6	0.3	91.7	0.2	(4.9)
Norwegian krone	4.2	0.0	3.9	0.0	(0.3)
Swedish krona	22.1	0.1	18.6	0.1	(3.5)
Kuwaiti dinar	2222.9	6.5	2414.3	5.6	191.4
Saudi riyal	71.6	0.2	98.3	0.2	26.7
UAE dirham	21.6	0.1	22.6	0.1	1.0
Euro	8383.6	24.4	8311.0	19.2	(72.6)
Egyptain Pound	562.5	1.6	237.0	0.5	(325.5)
SDRs	2724.1	7.9	2689.4	6.2	(34.7)

Source: Loans & External Debt Department- CBE

* Provisional.

** Including other outstanding obligations in US dollar.

Periodical Publications of the Central Bank of Egypt

Name of Publication	Language	Periodicity
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