

Section 3

DOMESTIC PRICES

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Table (4): Annual Inflation In Domestic Price Indices ^{1/ 2/ 3/}

Summary Profile
2009 - 2012

	2009				2010				2011				2012			
	CPI		PPI	CPI		PPI	CPI		PPI	CPI		PPI	CPI		PPI	
	Urban	Overall Egypt		Core	Urban		Overall Egypt	Core		Urban	Overall Egypt		Urban	Overall Egypt	Core	
January	14.3	14.0	14.7	-2.7	13.6	13.6	7.4	12.9	10.8	11.0	9.7	14.7	8.6	9.2	6.9	7.4
February	13.5	14.2	13.6	-7.6	12.6	12.5	6.9	13.1	10.7	10.8	9.5	16.8	9.2	9.9	7.3	8.8
March	12.1	11.6	11.2	-10.4	11.9	11.7	7.0	13.7	11.5	11.8	8.5	20.4	9.0	9.5	8.7	5.4
April	11.7	12.2	10.3	-11.8	10.8	10.8	6.6	15.9	12.1	12.4	8.8	20.6	8.8	9.3	8.4	2.8
May	10.2	9.8	8.5	-12.4	10.0	9.8	6.7	9.9	11.8	12.2	8.8	20.1	8.3	8.6	7.2	2.8
June	9.9	9.8	7.9	-12.0	10.1	10.0	6.7	8.6	11.8	12.1	8.9	19.4				
July	9.9	9.7	7.2	-13.4	10.4	10.4	7.1	10.3	10.4	10.7	8.7	17.3				
August	9.0	8.4	5.8	-8.4	10.9	11.5	8.2	10.3	8.5	8.8	7.0	14.0				
September	10.8	10.2	6.3	-6.7	11.0	11.7	7.6	14.1	8.2	8.5	8.0	11.8				
October	13.3	12.8	6.5	1.6	11.0	11.4	8.1	16.9	7.1	7.5	7.6	6.0				
November	13.2	12.9	6.6	8.7	10.2	10.2	8.9	13.5	9.1	10.0	7.0	9.1				
December	13.2	13.1	6.9	13.4	10.3	10.3	9.7	12.8	9.6	10.40	7.1	9.2				

Source: CAPMAS.

1/ Starting August 2009, CPI Urban data is based on the weights derived from 2008/2009 income and expenditure survey, and using January 2010 as a base month. Prior to this date, the basket and weights were derived from 2004/2005 income and expenditure survey taking January 2007 as a base month.

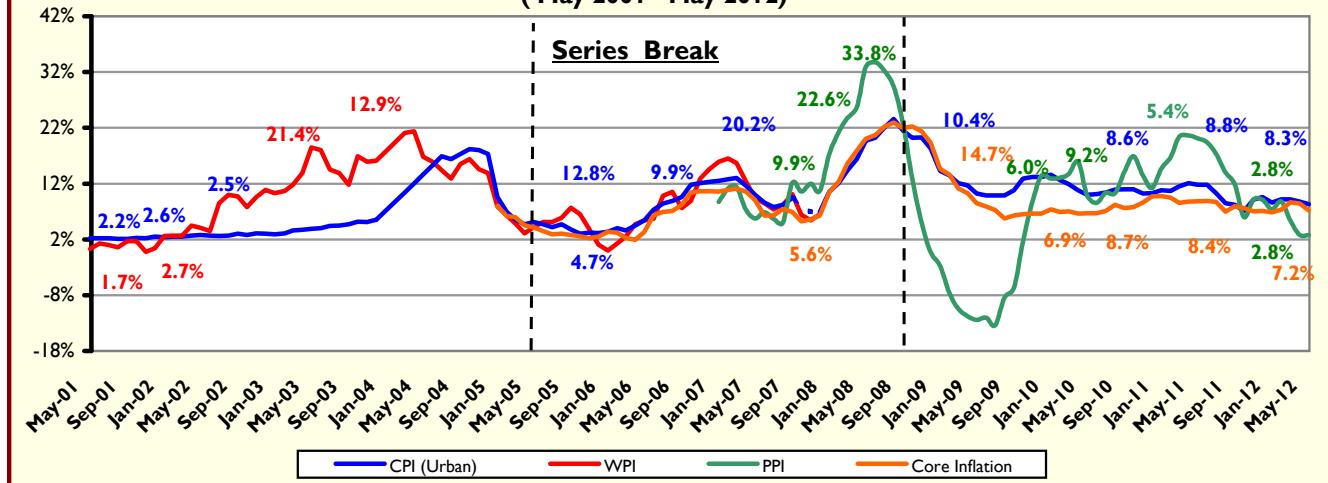
2/ The new series of Producer Price Index was issued by CAPMAS starting September 2007, using 2004/2005 prices of goods and services as a base period, and deriving sub-group weights from average values of agricultural, industrial and services production for the years 2002/2003 and 2003/2004. It is worth mentioning that Producer Price Index series before September 2007 are not available so far.

3/The Central Bank of Egypt launched "Core Inflation Index" derived from the CAPMAS headline CPI, however it excludes items characterized by inherent price volatility and those with managed prices, specifically 'fruits and vegetables' (6.9 percent of headline CPI basket) as well as 'regulated items' (18.7 percent of headline CPI basket).

4/ It is noteworthy that detailed data for the months April and May 2012 are not yet available .

DOMESTIC PRICES

Fig (7): Annual Inflation Rates
(May 2001 - May 2012)



Source: CAPMAS.

Table (5): Inflation in Consumer Prices ^{1/}
(Percent Change)

	Year on Year Quarterly 2/				Year on Year Monthly 3/				
	Jan-Mar 2011	July-Sep 2011	Oct-Dec 2011	Jan-Mar 2012	May-11	Feb-12	Mar-12	Apr-12	May-12
	11.0	9.0	8.5	8.9	11.8	9.2	9.0	8.8	8.3
CPI Inflation									
Food & Beverages	19.2	12.5	11.1	11.6	19.8	12.6	10.9	10.8	10.8
Tobacco	46.9	29.5	36.0	37.4	54.2	37.4	37.4	37.4	30.9
Clothing & Footwear	1.1	1.6	3.4	5.8	1.8	6.0	6.8	6.8	5.0
Housing, Water, Electricity and Fuel	0.1	3.3	8.9	9.1	1.1	8.6	10.2	8.7	7.2
Furniture and Equipment and Maintenance	2.8	4.6	5.9	6.5	2.2	6.4	6.7	6.7	8.7
Medical Care	1.5	2.0	0.8	0.5	1.9	0.7	0.3	0.1	0.1
Transportation Expenditures	1.3	1.4	1.3	1.8	1.6	1.3	2.9	2.9	2.8
Communication	1.0	-1.6	-5.1	-5.7	0.1	-7.7	-4.5	-4.5	-4.5
Entertainment	6.0	8.2	10.4	8.7	7.8	9.0	8.1	8.6	8.1
Education	24.3	24.3	9.9	9.9	24.3	9.9	9.9	9.9	9.9
Hotels and Restaurants	12.3	11.0	2.1	2.0	12.2	1.2	2.8	3.5	3.6
Miscellaneous	1.9	3.4	2.8	3.0	2.1	3.4	2.8	2.3	1.9

Source: CAPMAS.

1/ In urban areas.

2/ Change in index over the same quarter in the previous year. Starting the period October-December 2010, data are based on new CPI series recently published by CAPMAS which use January 2010 as a base month and assume new weights for sub-groups in accordance with 2008/2009 income expenditure survey.

3/ Change in index over the same month in the previous year . Starting August 2009, data are based on new CPI series recently published by CAPMAS.

Table (6): Inflation in Producer Prices According to Economic Activity Classification ^{1/ 4/}

(Percent Change)

	Year on Year Quarterly 2/				Year on Year Monthly 3/				
	Jan-Mar 2011	July-Sep 2011	Oct-Dec 2011	Jan-Mar 2012	May-11	Feb-12	Mar-12	Apr-12	May-12
Overall PPI Inflation	17.3	14.3	8.1	7.2	20.1	8.8	5.4	2.8	2.8
Agriculture, Forestry and Fishing	19.9	10.8	5.5	9.2	27.2	12.5	5.6	4.5	4.3
activities	21.5	11.3	5.4	9.0	29.4	12.6	5.0	--	--
Fishing and Aquaculture	1.0	4.4	6.1	11.6	1.2	11.4	14.1	--	--
Mining and Quarrying	28.3	35.6	19.6	12.9	37.5	16.0	9.3	0.0	0.4
Extraction of crude petroleum and natural gas	28.5	35.8	19.7	12.8	37.8	16.0	9.2	--	--
Other mining and quarrying	10.5	13.6	15.3	24.5	11.3	24.5	24.5	--	--
Manufacturing	11.9	8.8	5.9	3.4	8.8	3.1	3.7	3.4	2.9
Food products	17.3	10.0	4.6	2.8	12.4	2.0	4.4	--	--
Beverages	0.0	3.9	4.1	4.2	0.2	4.2	4.2	--	--
Tobacco products	53.4	6.7	6.7	8.3	54.0	7.9	7.9	--	--
Textiles	1.7	5.5	22.7	20.2	5.4	20.2	20.2	--	--
Wearing apparel	11.2	4.1	4.1	2.9	14.3	2.9	2.9	--	--
Leather and related products	3.4	4.1	0.6	0.6	3.5	0.6	0.6	--	--
Wood and wood products	15.2	16.6	19.8	7.5	13.5	5.1	6.0	--	--
Paper and paper products	4.0	2.7	4.6	3.5	2.9	3.5	3.5	--	--
Printing and reproduction of recorded media	-0.7	0.0	0.0	0.0	7.4	0.0	0.0	--	--
Coke and refined petroleum	4.3	7.7	5.6	4.8	4.1	4.6	4.8	--	--
Chemicals and chemical products	12.4	7.8	6.8	5.1	5.4	5.1	5.1	--	--
Pharmaceuticals, medicinal, chemical and botanical products	2.6	0.0	0.0	0.0	0.0	0.0	0.0	--	--
Rubber and plastic products	7.0	4.6	-1.0	-6.0	6.2	-6.0	-6.0	--	--
Other non-metallic mineral products	2.5	1.1	-7.0	-3.6	1.1	-3.7	-3.7	--	--
Basic Metals	29.4	19.8	10.0	-0.2	13.3	-0.2	-0.3	--	--
Fabricated Metal products, except machinery and equipment	1.7	4.8	2.2	1.0	4.1	1.0	0.9	--	--
Computer, electronic and optical products	-9.1	-5.9	3.2	3.2	-5.9	3.2	3.2	--	--
Electrical equipment	7.6	15.6	17.6	11.3	17.7	8.1	8.1	--	--
Machinery and Equipment, n.o.i	0.9	1.6	1.6	0.8	1.6	0.8	0.8	--	--
Motor vehicles, trailers and semi-trailers	1.0	2.1	4.5	4.5	2.1	4.5	4.5	--	--
Other transport Equipment	0.0	0.0	0.0	0.0	0.0	0.0	0.0	--	--
Furniture	0.0	0.2	0.4	0.4	0.0	0.4	0.4	--	--
Other manufacturing	30.3	34.5	21.9	20.8	23.3	23.8	17.5	--	--
Electricity, steam, gas and air conditioning supply	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Water supply, sewerage, waste management, and remediation activities	0.0	4.9	7.3	7.3	0.0	7.3	7.3	7.3	7.3
Water collection, treatment and supply	0.0	0.0	0.0	0.0	0.0	0.0	0.0	--	--
Waste collection, treatment and disposal activities	0.0	9.1	13.6	13.6	0.0	13.6	13.6	--	--
Transportation and storage	2.0	5.1	3.0	3.0	2.0	3.0	3.0	3.0	3.0
Land transport and transport via Pipelines	0.0	0.0	0.0	0.0	0.0	0.0	0.0	--	--
Water transport	0.0	0.0	0.0	0.0	0.0	0.0	0.0	--	--
Air Transport	2.4	5.9	3.5	3.5	2.4	3.5	3.5	--	--
Postal and courier activities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	--	--
Accommodation and Food Service Activities	22.2	11.3	-1.6	-3.6	13.1	-3.6	-3.6	3.4	3.4
Accommodation	23.6	11.1	-2.6	-7.1	11.7	-7.1	-7.1	--	--
Food and beverage service activities	19.7	11.6	0.0	2.7	15.7	2.7	2.7	--	--
Information and communications	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Source: CAPMAS.

-- Data unavailable.

1/ The new series of Producer Price Index was issued by CAPMAS starting September 2007, using 2004/2005 prices of goods and services as a base period, and deriving sub-group weights from average values of agricultural, industrial and services production for the years 2002/2003 and 2003/2004.

2/ Change in index over the same quarter in the previous year.

3/ Change in index over the same month in the previous year.

4/ It is noteworthy that detailed data for the months April and May 2012 are not yet available.

Table (7): Inflation in Producer Prices According to End Use Classification ^{1/}

	Year on Year Quarterly 2/				Year on Year Monthly 3/				
	Jan-Mar 2011	July-Sep 2011	Oct-Dec 2011	Jan-Mar 2012	Mar-11	Dec-11	Jan-12	Feb-12	Mar-12
Overall PPI Index	17.3	14.3	8.1	7.2	20.4	9.2	7.4	8.8	5.4
Fuel	4.3	7.7	5.6	4.8	4.4	6.0	5.1	4.6	4.8
Raw Materials	38.3	44.8	22.7	15.4	44.6	17.9	17.0	18.1	11.7
Intermediate Goods	11.9	9.0	4.5	0.4	12.0	2.8	1.0	0.2	0.1
Non-Durable Consumer Goods	14.0	4.8	2.9	6.9	18.0	8.8	6.6	9.6	4.6
Durable Consumer Goods	-1.9	3.6	5.9	6.5	-1.9	6.5	6.5	6.5	6.5
Capital Goods	16.3	9.1	9.4	4.5	16.8	9.4	5.3	4.1	4.1

Table (8): Inflation in Producer Prices According to Stage of Processing Classification ^{1/}

	Year on Year Quarterly 2/				Year on Year Monthly 3/				
	Jan-Mar 2011	July-Sep 2011	Oct-Dec 2011	Jan-Mar 2012	Mar-11	Dec-11	Jan-12	Feb-12	Mar-12
Overall PPI Index	17.3	14.3	8.1	7.2	20.4	9.2	7.4	8.8	5.4
Fuel	26.9	34.5	19.3	12.9	32.8	14.2	13.7	15.7	9.6
Cotton	89.5	89.5	-20.7	-20.7	89.5	-20.7	-20.7	-20.7	-20.7
Raw Materials	18.3	9.3	5.8	10.1	24.6	13.4	10.7	13.5	6.4
Semi-Finished Goods	8.7	5.0	2.2	1.2	6.1	2.1	0.6	0.6	2.6
Finished Goods	12.9	8.9	6.6	3.6	12.9	5.5	4.0	3.4	3.5

Source: CAPMAS.

1/ The new series of Producer Price Index was issued by CAPMAS starting September 2007, using 2004/2005 prices of goods and services as a base period, and deriving sub-group weights from average values of agricultural, industrial and services production for the years 2002/2003 and 2003/2004.

2/ Change in index over the same quarter in the previous year.

3/ Change in index over the same month in the previous year. It is noteworthy that detailed data for the months April and May 2012 are not yet available .

Table (9) : Exchange Rates

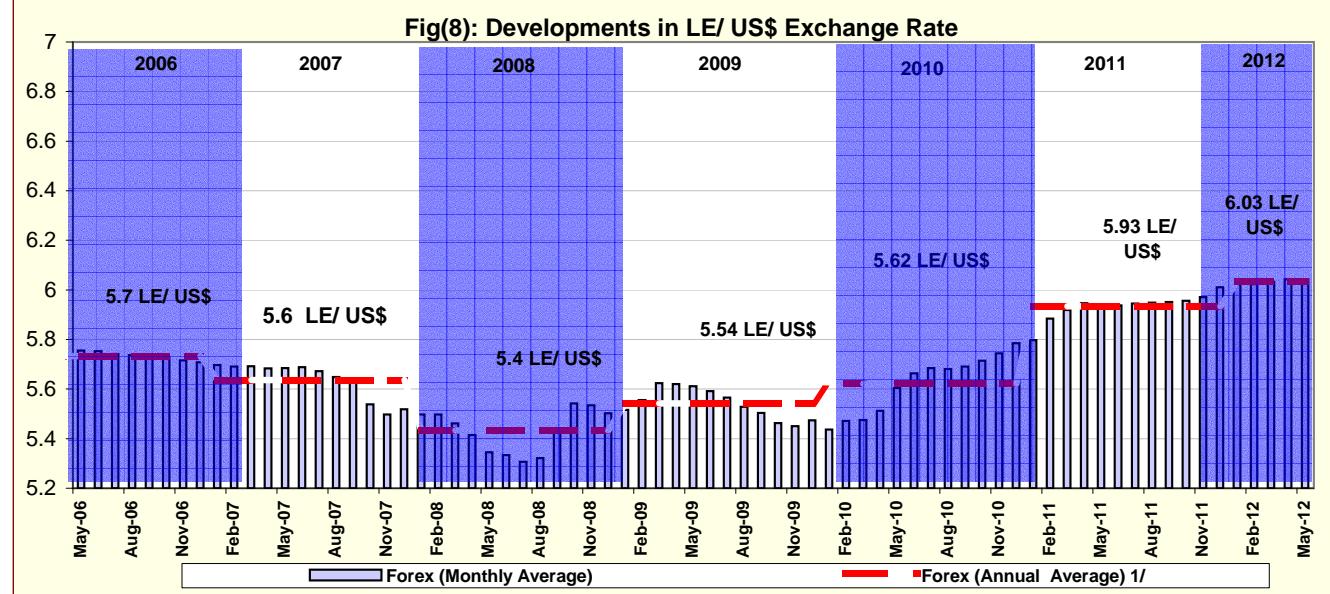
	Domestic Market			International Markets	
	(LE / currency units) ^{1/}			(US \$ / currency units)	
	US Dollar	Pound Sterling	Euro	Euro	Pound Sterling
Yearly Averages ^{2/}					
2003	5.861	9.595	6.654	1.132	1.636
2004	6.194	11.348	7.701	1.244	1.833
2005	5.779	10.569	7.226	1.246	1.821
2006	5.733	10.648	7.255	1.256	1.843
2007	5.636	11.448	7.836	1.370	2.002
2008	5.431	10.186	8.078	1.471	1.855
2009	5.542	8.764	7.804	1.394	1.565
2010	5.622	8.783	7.541	1.329	1.546
2011	5.933	9.507	8.253	1.393	1.604
Monthly Averages					
Jan-11	5.797	9.081	7.696	1.336	1.577
Feb-11	5.884	9.409	7.967	1.365	1.612
Mar-11	5.918	9.540	8.265	1.400	1.616
Apr-11	5.947	9.698	8.564	1.444	1.635
May-11	5.935	9.707	8.511	1.434	1.636
Jun-11	5.937	9.605	8.512	1.438	1.623
Jul-11	5.945	9.581	8.491	1.431	1.614
Aug-11	5.949	9.749	8.542	1.435	1.637
Sep-11	5.951	9.443	8.238	1.381	1.583
Oct-11	5.956	9.411	8.185	1.370	1.576
Nov-11	5.971	9.473	8.132	1.359	1.583
Dec-11	6.011	9.389	7.937	1.319	1.560
Jan-12	6.023	9.357	7.782	1.290	1.551
Feb-12	6.023	9.532	7.978	1.322	1.580
Mar-12	6.033	9.546	7.972	1.321	1.582
Apr-12	6.043	9.624	7.922	1.317	1.600
May-12	6.044	9.641	7.761	1.284	1.595

Sources: Central Bank of Egypt, Reuters and Oanda (www.oanda.com).

1/ Average of the Bid / Ask rates.

2/ Calendar year.

Fig(8): Developments in LE/ US\$ Exchange Rate



Source: Central Bank of Egypt and Reuters.

1/ Calendar year average.