

Section 3

DOMESTIC PRICES

Table (4) Annual Inflation In Domestic Price Indices-----	17
Table (5) Inflation in Consumer Prices (Percent Change)-----	18
Table (6) Inflation in Producer Prices According to Economic Activity Classification-----	19
Table (7) Inflation in Producer Prices According to End use Classification-----	20
Table (8) Inflation in Producer Prices According to Stage of Processing Classification-----	20
Table (9) Exchange Rates-----	21

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

Summary Profile
2008 - 2011

	2008				2009				2010				2011			
	CPI			PPI	CPI			PPI	CPI			PPI	CPI			PPI
	Urban	Overall Egypt	Core		Urban	Overall Egypt	Core		Urban	Overall Egypt	Core		Urban	Overall Egypt	Core	
January	10.5	11.5	10.4	17.2	14.3	14.0	14.7	-2.7	13.6	13.6	7.4	12.9	10.8	11.0	9.7	14.7
February	12.1	--	12.3	21.2	13.5	14.2	13.6	-7.6	12.6	12.5	6.9	13.1	10.7	10.8	9.5	16.8
March	14.4	15.8	15.6	23.7	12.1	11.6	11.2	-10.4	11.9	11.7	7.0	13.7	11.5	11.8	8.5	20.4
April	16.4	--	17.9	25.7	11.7	12.2	10.3	-11.8	10.8	10.8	6.6	15.9	12.1	12.4	8.8	20.6
May	19.7	21.1	20.0	32.9	10.2	9.8	8.5	-12.4	10.0	9.8	6.7	9.9	11.8	12.2	8.8	20.1
June	20.2	--	20.7	33.8	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	22.0	23.1	22.2	32.3	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	23.6	25.7	23.0	29.4	9.9	8.4	5.8	-8.4	10.9	11.5	8.2	10.3	8.5	8.8	7.0	14.0
September	21.5	22.2	22.0	22.6	11.4	10.2	6.3	-6.7	11.0	11.7	7.6	14.1	8.2	8.5	8.0	11.8
October	20.2	21.2	22.3	13.0	13.0	12.8	6.5	1.6	11.0	11.4	8.1	16.9				
November	20.3	20.9	21.4	5.1	12.9	12.9	6.6	8.7	10.2	10.2	8.9	13.5				
December	18.3	18.7	19.4	-0.3	13.5	13.1	6.9	13.4	10.3	10.3	9.7	12.8				

Source: CAPMAS.

--Data not available.

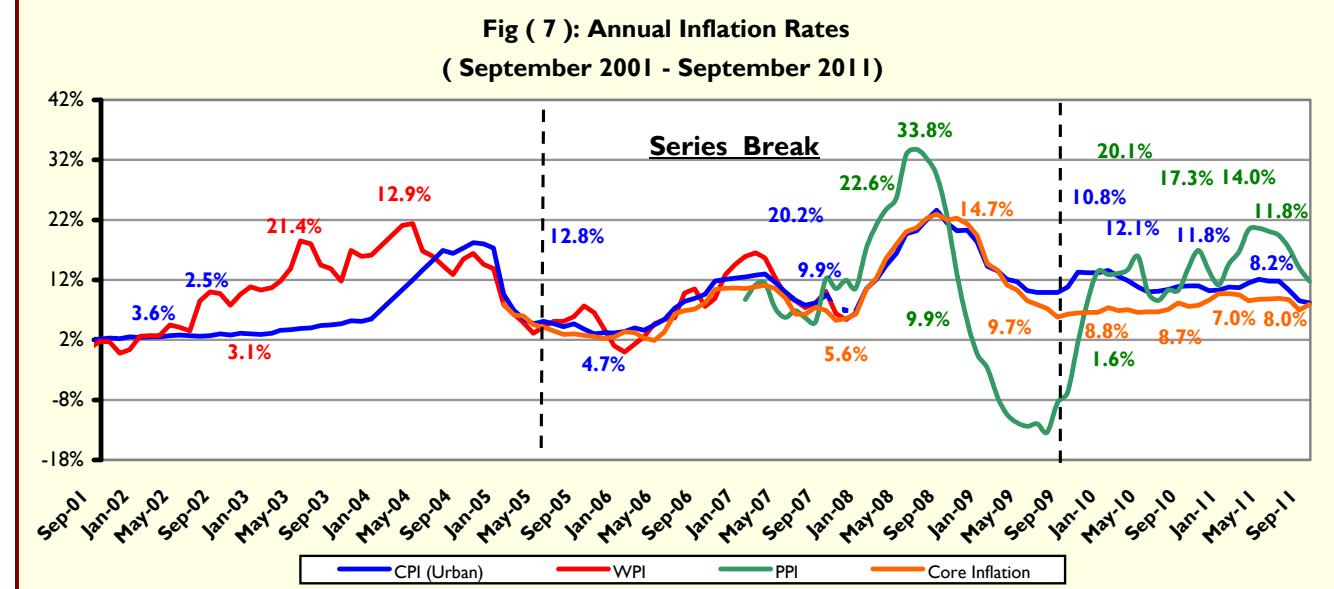
1/ Starting August 2009, CPI Urban data is based on the weights derived from 2008/2009 income and expenditure survey, and using January 2010 as a base month. Prior to this date, the basket and weights were derived from 2004/2005 income and expenditure survey taking January 2007 as a base month.

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).

DOMESTIC PRICES

Fig (7): Annual Inflation Rates
(September 2001 - September 2011)



Source: CAPMAS.

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

(Percent Change)

	Year on Year Quarterly 2/				Year on Year Monthly 3/				
	Jul-Sep 2010	Jan-Mar 2011	Apr-Jun 2011	July-Sep 2011	Sep-10	Jun-11	Jul-11	Aug-11	Sep-11
CPI Inflation	10.7	11.0	11.9	9.0	11.0	11.8	10.4	8.5	8.2
Food & Beverages	19.5	19.2	20.1	12.5	21.6	19.0	16.7	12.3	8.9
Tobacco	43.2	46.9	57.0	29.5	43.2	69.9	29.6	29.6	29.6
Clothing & Footwear	1.8	1.1	1.4	1.6	2.7	2.2	2.3	0.7	1.8
Housing, Water, Electricity and Fuel	0.6	0.1	0.9	3.3	0.6	1.1	1.2	1.2	7.4
Furniture and Equipment and Maintenance	3.0	2.8	2.0	4.6	3.2	2.5	3.9	3.9	5.9
Medical Care	0.0	1.5	1.9	2.0	0.0	1.9	2.0	2.0	2.0
Transportation Expenditures	0.8	1.3	1.4	1.4	0.9	1.0	1.4	1.4	1.5
Communication	-0.1	1.0	0.1	-1.6	-0.1	0.1	0.1	0.1	-5.0
Entertainment	2.9	6.0	6.8	8.2	2.2	5.9	6.4	7.9	10.4
Education	7.1	24.3	24.3	24.3	7.0	24.3	24.3	24.3	24.3
Hotels and Restaurants	2.6	12.3	12.2	11.0	3.4	12.1	12.4	9.9	10.7
Miscellaneous	11.5	1.9	2.3	3.4	11.6	2.4	2.7	3.3	3.9

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/}
(Percent Change)**

	Year on Year Quarterly 2/				Year on Year Monthly 3/				
	Apr-Jun 2010	Oct-Dec 2010	Jan-Mar 2011	Apr-Jun 2011	Jul-10	Apr-11	May-11	Jun-11	Jul-11
Overall PPI Inflation	11.4	14.4	17.3	20.0	10.3	20.6	20.1	19.4	17.3
Agriculture, Forestry and Fishing	9.5	20.4	19.9	27.3	10.4	30.8	27.2	23.9	16.9
activities	10.7	22.1	21.5	29.4	11.6	33.3	29.4	25.7	17.8
Fishing and Aquaculture	-2.6	0.4	1.0	1.5	-2.5	1.3	1.2	2.0	4.6
Mining and Quarrying	27.9	15.2	28.3	35.9	15.4	34.1	37.5	36.3	38.9
Extraction of crude petroleum and natural gas	28.3	15.3	28.5	36.2	15.4	34.4	37.8	36.6	39.2
Other mining and quarrying	1.8	10.5	10.5	11.3	11.9	11.3	11.3	11.3	13.7
Manufacturing	7.6	10.5	11.9	8.9	9.0	7.7	8.8	10.3	9.6
Food products	11.8	17.3	17.3	12.6	15.1	12.4	12.4	12.8	11.0
Beverages	0.2	0.1	0.0	1.4	0.2	0.2	0.2	3.9	3.9
Tobacco products	0.0	50.4	53.4	54.0	50.4	54.0	54.0	54.0	6.7
Textiles	5.7	1.1	1.7	5.4	1.6	5.4	5.4	5.4	5.5
Wearing apparel	0.5	9.9	11.2	14.3	10.5	14.3	14.3	14.3	4.0
Leather and related products	0.0	3.5	3.4	3.5	0.0	3.5	3.5	3.5	4.1
Wood and wood products	2.0	2.8	15.2	12.2	3.3	9.5	13.5	13.5	15.3
Paper and paper products	0.4	2.8	4.0	2.9	3.0	2.9	2.9	2.9	2.7
Printing and reproduction of recorded media	-0.8	-0.7	-0.7	7.4	-0.7	7.4	7.4	7.4	0.0
Coke and refined petroleum	-0.2	3.9	4.3	4.1	1.0	4.1	4.1	4.1	7.5
Chemicals and chemical products	13.4	8.3	12.4	5.4	8.5	5.4	5.4	5.3	7.5
Pharmaceuticals, medicinal, chemical and botanical products	3.4	2.6	2.6	0.0	2.6	0.0	0.0	0.0	0.0
Rubber and plastic products	-2.3	7.0	7.0	5.3	-2.8	3.6	6.2	6.2	4.6
Other non-metallic mineral products	4.4	2.5	2.5	1.0	2.2	0.9	1.1	1.1	1.0
Basic Metals	24.1	25.8	29.4	14.1	22.6	6.2	13.3	23.8	24.6
Fabricated Metal products, except machinery and equipment	14.1	1.2	1.7	4.4	12.7	4.3	4.1	4.8	5.5
Computer, electronic and optical products	-2.2	-9.0	-9.1	-5.9	-2.2	-5.9	-5.9	-5.9	-5.9
Electrical equipment	0.4	1.2	7.6	17.7	2.0	17.7	17.7	17.7	15.6
Machinery and Equipment, n.o.i	0.1	0.1	0.9	1.6	0.1	1.6	1.6	1.6	1.6
Motor vehicles, trailers and semi-trailers	0.6	1.0	1.0	2.1	0.6	2.1	2.1	2.1	2.1
Other transport Equipment	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Furniture	0.2	0.0	0.0	0.0	0.2	0.0	0.0	0.0	0.3
Other manufacturing	24.5	35.8	30.3	26.9	28.7	32.2	23.3	25.4	31.1
Electricity, steam, gas and air conditioning supply	22.0	6.4	0.0	0.0	22.0	0.0	0.0	0.0	0.0
Water supply, sewerage, waste management, and remediation activities	5.6	1.8	0.0	0.0	5.6	0.0	0.0	0.0	4.9
Water collection, treatment and supply	13.0	4.0	0.0	0.0	13.0	0.0	0.0	0.0	0.0
Waste collection, treatment and disposal activities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	9.1
Transportation and storage	0.5	2.0	2.0	2.0	0.0	2.0	2.0	2.0	5.1
Land transport and transport via Pipelines	3.4	0.0	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	0.0	0.0
Air Transport	0.0	2.4	2.4	2.4	0.0	2.4	2.4	2.4	5.9
Postal and courier activities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accommodation and Food Service Activities	-3.5	19.2	22.2	13.1	4.6	13.1	13.1	13.1	9.6
Accommodation	-7.9	17.9	23.6	11.7	2.1	11.7	11.7	11.7	8.5
Food and beverage service activities	5.1	21.5	19.7	15.7	9.0	15.7	15.7	15.7	11.6
Information and communications	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

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 August 2011 is 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/				
	Apr-Jun 2010	Oct-Dec 2010	Jan-Mar 2011	Apr-Jun 2011	Jul-10	Apr-11	May-11	Jun-11	Jul-11
Overall PPI Index	11.4	14.4	17.3	20.0	10.3	20.6	20.1	19.4	17.3
Fuel	-0.2	3.9	4.3	4.1	1.0	4.1	4.1	4.1	7.5
Raw Materials	26.5	24.1	38.3	47.9	18.1	45.1	49.6	49.6	50.8
Intermediate Goods	9.2	9.5	11.9	7.0	7.7	4.3	6.8	9.9	10.4
Non-Durable Consumer Goods	10.4	16.3	14.0	18.9	11.0	22.0	19.0	15.7	8.6
Durable Consumer Goods	3.6	-1.9	-1.9	3.8	3.6	3.8	3.8	3.8	3.6
Capital Goods	10.8	11.1	16.3	7.6	10.8	6.6	7.0	9.2	9.2

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

	Year on Year Quarterly 2/				Year on Year Monthly 3/				
	Apr-Jun 2010	Oct-Dec 2010	Jan-Mar 2011	Apr-Jun 2011	Jul-10	Apr-11	May-11	Jun-11	Jul-11
Overall PPI Index	11.4	14.4	17.3	20.0	10.3	20.6	20.1	19.4	17.3
Fuel	24.7	14.9	26.9	33.9	14.0	32.3	35.2	34.2	37.5
Cotton	-11.4	89.5	89.5	89.5	-11.4	89.5	89.5	89.5	89.5
Raw Materials	10.0	19.4	18.3	25.8	11.0	29.3	25.8	22.5	15.5
Semi-Finished Goods	6.5	9.4	8.7	6.1	8.2	6.3	6.2	6.0	5.7
Finished Goods	8.9	10.6	12.9	9.6	9.8	7.6	9.4	11.9	9.8

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 August 2011 is 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
Monthly Averages					
Aug-10	5.681	8.997	7.418	1.292	1.567
Sep-10	5.690	8.950	7.498	1.303	1.556
Oct-10	5.715	9.140	8.007	1.390	1.586
Nov-10	5.744	9.256	7.931	1.370	1.599
Dec-10	5.785	9.116	7.718	1.322	1.561
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

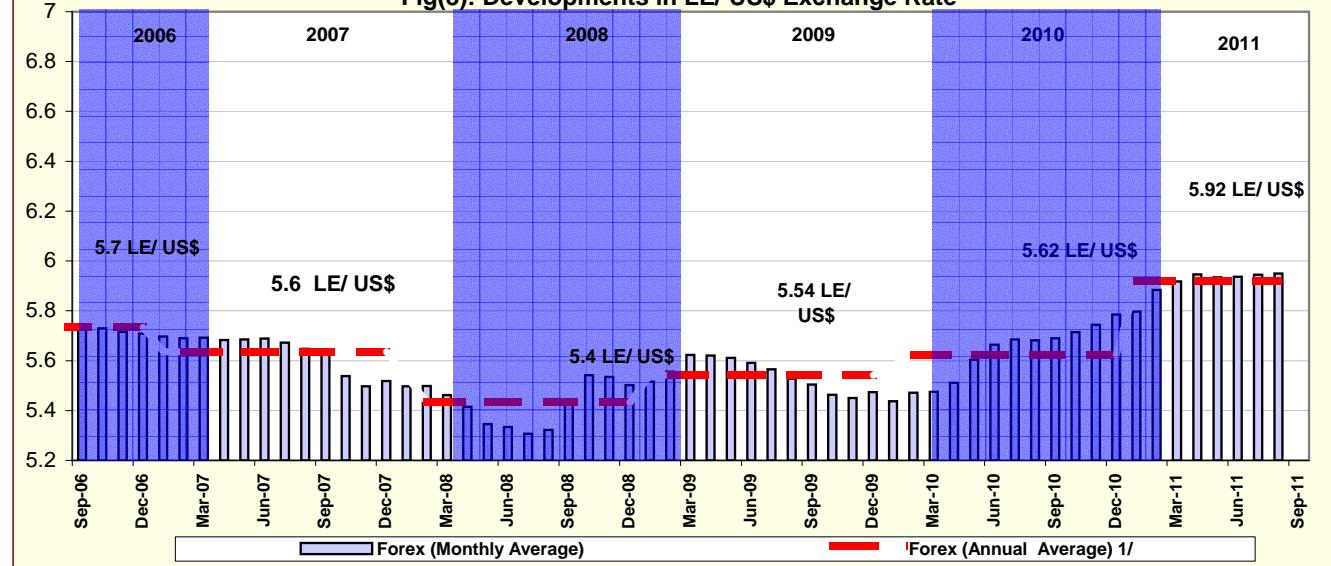
Sources: Central Bank of Egypt, Reuters and Oanda (www.oanda.com).

1/ Average of the Bid / Ask rates.

2/ Calendar year.

DOMESTIC PRICES

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



Source: Central Bank of Egypt and Reuters.

1/ Calendar year average.