

Section 6

MONETARY SECTOR

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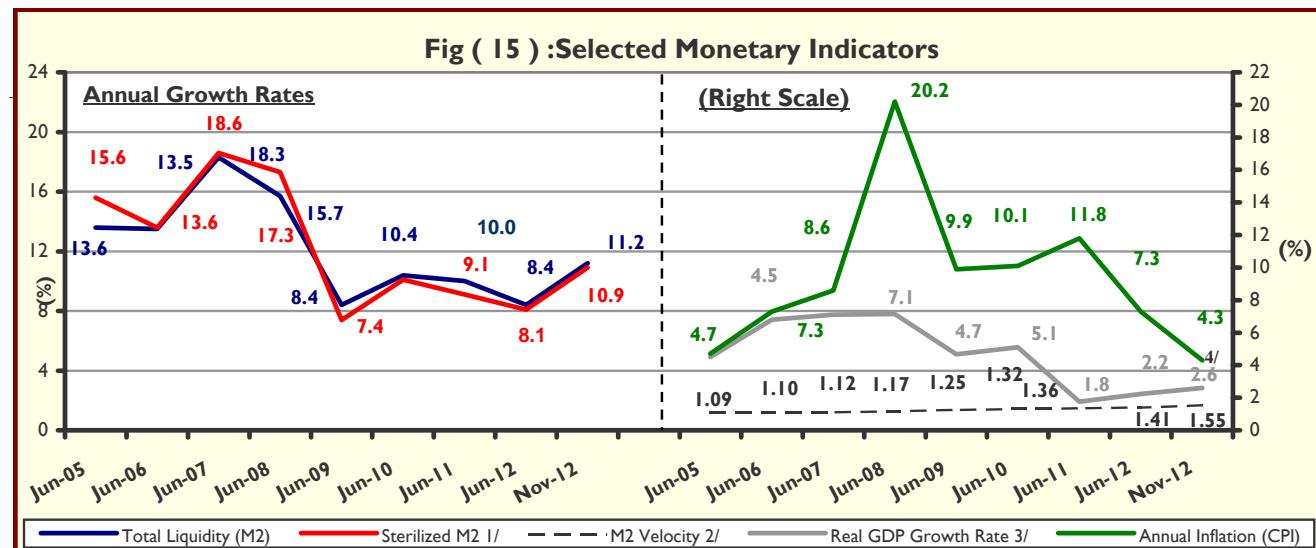
Table (24) : Developments in Main Monetary Aggregates
(November 2012)

	1 Month % Change	3 Month % Change	12 Month % Change	Full Year Average % Change ^{1/}
Net Foreign Assets (LE terms)	-4.7	-4.3	-29.0	-35.4
CBE NFA	-8.2	-9.5	-40.9	-49.2
CBE NIR	-2.8	-0.2	-23.9	-41.4
Banks NFA 2/	-1.8	0.1	-15.9	-13.5
Net Foreign Assets (US dollar terms)	-4.8	-4.7	-30.4	-36.8
CBE NFA	-8.3	-9.9	-42.0	-50.4
CBE NIR	-2.9	-0.6	-25.4	-42.7
Banks NFA 2/	-1.9	-0.3	-17.5	-15.4
Net Domestic Assets	1.0	4.0	21.3	23.3
Net Claims on Government and GASC	0.8	6.1	28.3	33.5
Claims on Public Companies	2.2	5.6	17.6	21.5
Claims on Private Sector	0.8	1.8	7.0	6.5
Total Liquidity (M2)	0.2	2.9	11.2	8.3
Money (M1)	-1.3	1.4	11.4	10.4
Quasi Money	0.8	3.4	11.2	7.7

Source: Central Bank of Egypt.

1/ Average year on year growth for twelve successive observations.

2/ Commercial, specialized, business and investment banks.



Source: Central Bank of Egypt.

1/ This concept neutralizes the impact of exchange rate movements on M2 by applying previous year's prevailing exchange rate to current period foreign currency component in total liquidity.

2/ According to the Ministry of Planning, GDP (at market prices) for 2012/2013 is projected to reach LE 1778 billion compared to a revised figure of LE 1542.3 billion in 2011/2012.

3/ Real Growth of GDP at market prices.

4/ Reflects Real GDP growth for the period July-September 2012/2013.

Table (25) : Monetary Survey
Assets and Liabilities of The Banking Sector
(November 2012)

(LE Millions)

	Nov-07	Nov-08	Nov-09	Nov-10	Nov-11	Aug-12	Sep-12	Oct-12 #	Nov-12 *
Net Foreign Assets 1/	225,935	250,927	263,883	304,944	207,061	153,731	149,982	154,358	147,052
	(25.4)	(11.1)	(5.2)	(15.6)	-(32.1)	-(36.7)	-(33.4)	-(30.4)	-(29.0)
Central bank (Net)	105,912	186,047	175,210	194,312	108,397	70,843	70,236	69,831	64,088
Foreign Assets	171,850	187,629	183,917	202,761	118,955	89,976	89,351	92,180	89,481
Foreign Liabilities	65,938	1,582	8,707	8,449	10,558	19,133	19,115	22,349	25,393
Banks (Net)	120,023	64,880	88,673	110,632	98,664	82,888	79,746	84,527	82,964
Foreign Assets	147,783	95,989	113,997	152,037	130,767	113,778	111,051	116,056	111,628
Foreign Liabilities	27,760	31,109	25,324	41,405	32,103	30,890	31,305	31,529	28,664
Net Domestic Assets of which:	478,696	533,874	590,174	658,311	824,635	961,536	974,350	990,295	1,000,445
	(17.6)	(11.5)	(10.5)	(11.5)	(25.3)	(23.0)	(21.9)	(22.4)	(21.3)
Net Claims on Government, and GASC 1/	188,416	229,404	310,500	355,771	508,614	615,055	634,011	647,353	652,702
National Currency	238,815	284,250	373,027	424,540	588,807	667,566	685,288	701,159	701,549
Foreign Currency	-50,399	-54,846	-62,527	-68,769	-80,193	-52,511	-51,277	-53,806	-48,847
Claims on Public Business Sector	27,214	28,801	34,870	31,935	37,438	41,662	41,895	43,059	44,011
National Currency	19,576	20,845	27,181	23,461	28,783	33,043	33,368	34,447	35,563
Foreign Currency	7,638	7,956	7,689	8,474	8,655	8,619	8,527	8,612	8,448
Claims on Private Sector 2/	346,385	389,446	384,929	426,197	431,574	453,497	456,430	458,433	461,884
National Currency	253,938	281,079	284,631	312,532	327,043	349,115	351,850	353,519	356,655
Foreign Currency	92,447	108,367	100,298	113,665	104,531	104,382	104,580	104,914	105,229
Other Items (net) 1/ 3/	-83,319	-113,777	-140,125	-155,592	-152,991	-148,678	-157,986	-158,550	-158,152
Total Liquidity (M2)	704,631	784,801	854,057	963,255	1,031,696	1,115,267	1,124,332	1,144,653	1,147,497
	(20.0)	(11.4)	(8.8)	(12.8)	(7.1)	(8.9)	(9.8)	(11.0)	(11.2)
Money (M1) 4/	149,178	176,249	198,403	224,890	258,379	283,817	282,854	291,684	287,886
	(26.8)	(18.1)	(12.6)	(13.4)	(14.9)	(9.1)	(11.4)	(12.2)	(11.4)
Currency in Circulation	95,062	113,757	131,081	145,053	178,162	202,586	198,097	205,080	202,783
Demand Deposits in Local Currency	54,116	62,492	67,322	79,837	80,217	81,231	84,757	86,604	85,103
Quasi Money	555,453	608,552	655,654	738,365	773,317	831,450	841,478	852,969	859,611
	(18.3)	(9.6)	(7.7)	(12.6)	(4.7)	(8.8)	(9.2)	(10.6)	(11.2)
Local Currency Time and Savings Deposits	398,183	441,433	499,938	581,350	594,227	643,869	653,308	662,454	666,137
Foreign Currency Demand Deposits	25,337	26,999	29,362	33,542	44,005	45,318	45,358	45,860	46,516
Foreign Currency Time and Savings Deposits	131,933	140,120	126,354	123,473	135,085	142,263	142,812	144,655	146,958

Source: Central Bank of Egypt.

() Percent change over previous year.

* Preliminary.

Revised.

1/ The agreement between CBE and Ministry of Finance to use part of the blocked account balance to retire part of the bonds outstanding on government to CBE became effective as of June 2008.

2/ Includes claims on private business sector and household sector.

3/ Includes capital accounts, unclassified net assets and liabilities, net interbank debt, and credit positions.

4/ Excludes drafts and checks under collection.

Table (25) : Monetary Survey (continued)
 (Memorandum Items)
 (November 2012)

	Nov-07	Nov-08	Nov-09	Nov-10	Nov-11	Aug-12	Sep-12	Oct-12 #	Nov-12 *
Net Foreign Assets (In Million US\$)^{4/}	41,098	45,447	48,416	53,087	34,675	25,342	24,670	25,367	24,147
Central bank NFA	19,266	33,696	32,147	33,827	18,152	11,678	11,553	11,476	10,524
Net International Reserves	53,092	45,734	50,013	54,558	36,443	28,496	27,815	29,040	28,317
Central Bank (Gross)	31,495	35,109	34,113	35,571	20,150	15,127	15,043	15,484	15,036
Banks (net)	21,833	11,751	16,269	19,260	16,523	13,664	13,117	13,891	13,623
Foreign assets	26,882	17,385	20,916	26,468	21,899	18,756	18,267	19,072	18,330
Foreign Liabilities	5,050	5,634	4,646	7,208	5,376	5,092	5,149	5,181	4,707
In Percent of Beginning of Money Stocks^{5/}									
Net Foreign Assets	1.1%	-6.9%	1.2%	2.5%	-4.6%	-0.4%	-0.7%	-0.3%	-1.0%
Net Domestic Assets	5.2%	9.2%	1.6%	2.5%	6.8%	2.3%	3.4%	4.9%	5.8%
Money (M1)	2.7%	0.7%	1.9%	1.2%	1.0%	0.9%	0.8%	1.6%	1.2%
Quasi Money	3.6%	1.6%	0.9%	3.8%	1.2%	1.1%	2.0%	3.0%	3.6%
Dollarization (% of Total Liquidity) ^{6/}	22.3	21.3	18.2	16.3	17.4	16.8	16.7	16.6	16.9
M2 Multiplier ^{7/}	4.85	4.79	4.48	4.34	3.99	4.34	4.47	4.27	4.34
M2 Velocity ^{8/}	1.27	1.33	1.41	1.42	1.49	1.59	1.58	1.55	1.55
M2 (annual percentage change)	20.0	11.4	8.8	12.8	7.1	8.9	9.8	11.0	11.2
Credit to private sector (annual percentage change) ^{9/}	13.1	12.4	-1.2	10.7	1.3	6.7	7.2	7.2	7.0
Exchange Rate ^{10/}	5.50	5.52	5.45	5.74	5.97	6.07	6.08	6.09	6.09

Source: Central Bank of Egypt.

* Preliminary.

Revised.

4/ Net Foreign Assets equals Central Bank NFA plus banks (net).

5/ Shows the annual percent change of selected aggregates in percent of total liquidity at beginning of fiscal year. This indicator is intended to show sources of money growth during the fiscal year in study.

6/ Denotes the ratio of foreign currency demand deposits and time and savings deposits to total liquidity. It excludes non-residents deposits which are counted in the net foreign assets line as well as government deposits.

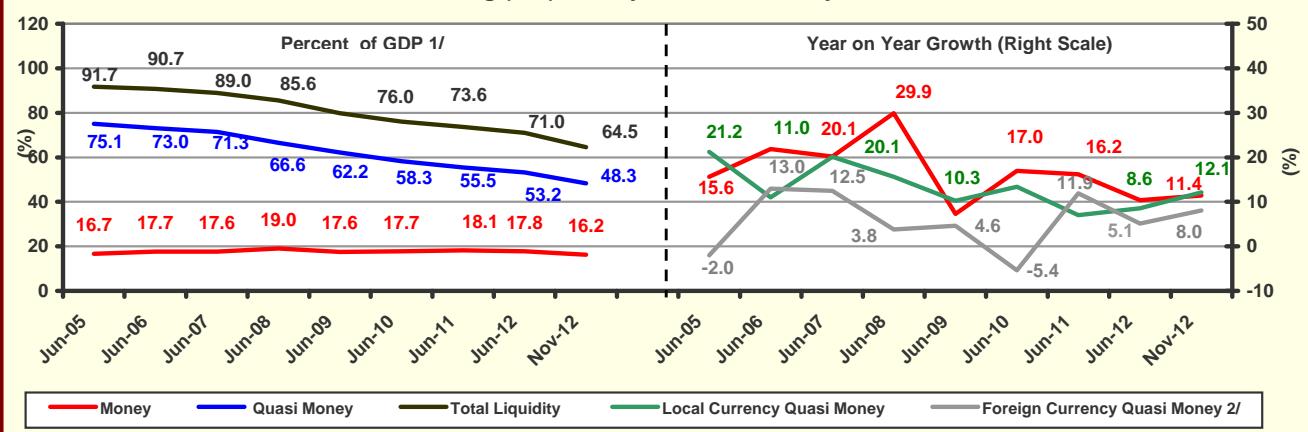
7/ M2 / Reserve Money.

8/ GDP / M2. According to the Ministry of Planning, GDP (at market prices) for 2012/2013 is projected to reach LE 1778 billion compared to a revised figure of LE 1542.3 billion in 2011/2012.

9/ Includes claims on private business sector and household sector.

10/ Starting January 2003 rates are based on buy rates only, while prior to that date rates were based on the average buy / sell rates.

Fig (16) : Money and Quasi Money



Source: Central Bank of Egypt.

1/ According to the Ministry of Planning, GDP (at market prices) for 2012/2013 is projected to reach LE 1778 billion compared to a revised figure of LE 1542.3 billion in 2011/2012.

2/ Foreign currency demand, and time and savings deposits.

Table (26) : Central Bank Reserve Money ^{1/}

(LE Millions)

	Nov-07	Nov-08	Nov-09	Nov-10	Nov-11	Aug-12	Sep-12	Oct-12	[#]	[*]
Reserve Money	145,173	163,803	190,794	221,924	258,471	256,705	251,723	268,250	264,302	
	(14.7)	(11.7)	(16.5)	(16.3)	(16.5)	(1.4)	(4.3)	(12.3)	(2.3)	
Currency in Circulation	100,717	121,122	139,453	155,660	190,352	214,650	209,952	216,926	213,228	
	(19.1)	(20.3)	(15.1)	(11.6)	(22.3)	(12.9)	(13.5)	(14.9)	(12.0)	
Banks LE Deposits with CBE	44,456	42,681	51,341	66,264	68,119	42,055	41,771	51,324	51,074	
	(5.7)	-2.61	(9.3)	(29.1)	(2.8)	-(33.4)	-(25.8)	(2.4)	-(25.0)	
Counter Assets:										
Net Foreign Assets ^{2/}	105,912	186,047	175,210	194,312	108,397	70,843	70,236	69,831	64,088	
	(44.2)	(75.7)	-(5.8)	(10.9)	-(44.2)	-(48.5)	-(46.8)	-(42.0)	-(40.9)	
Net Domestic Assets ^{2/}	39,261	-22,244	15,584	27,612	150,074	185,862	181,487	198,419	200,214	
	-(26.1)	(162.8)	(170.1)	(77.2)	(443.5)	(60.7)	(66.2)	(67.4)	(33.4)	
Net Claims on Government ^{3/}	116,571	92,558	102,433	101,920	158,019	192,668	196,622	209,667	202,521	
	(5.5)	-(20.6)	(10.7)	-(0.5)	(55.0)	(46.8)	(33.6)	(40.2)	(28.2)	
Claims	192,072	165,352	174,167	178,126	237,998	271,473	274,817	289,434	283,829	
	(12.3)	-(13.9)	(5.3)	(2.3)	(33.6)	(31.0)	(22.9)	(27.7)	(19.3)	
Securities	165,688	123,123	130,771	130,597	129,097	178,831	178,831	178,831	178,831	
Credit Facilities	26,384	42,229	43,396	47,529	108,901	92,642	95,986	110,603	104,998	
Deposits ^{4/}	75,501	72,794	71,734	76,206	79,979	78,805	78,195	79,767	81,308	
	(24.7)	-(3.6)	-(1.5)	(6.2)	(5.0)	(3.6)	(2.2)	(3.5)	(1.7)	
Net Claims on Banks	69,527	913	15,159	50,739	-2,048	-1,105	-1,655	-2,068	-1,655	
Net Balancing Items ^{5/}	-123,345	-115,715	-102,008	-125,047	-5,897	-5,701	-13,480	-9,180	-652	
Memorandum Items										
Reserve Money Velocity ^{6/, 7/}	6.17	6.36	6.32	6.18	5.97	6.93	7.06	6.63	6.73	

Source: Central Bank of Egypt.

() Percent change over same period in previous year.

* Preliminary.

Revised.

1/ Revised series due to the new accounting treatment of "Open market operations". Starting June 2003 data under the new treatment value of open market operations was excluded from banks deposits in local currency with the CBE and instead incorporated under net balancing items.

2/ The agreement between CBE and Ministry of Finance to use part of the blocked account balance to retire part of the bonds outstanding on government to CBE became effective as of June 2008.

3/ Includes net claims on public economic authorities and National Investment Bank (NIB).

4/ All government deposit accounts (including public economic and services authorities) were switched, as of December 2006, to the Treasury Single Account (TSA) at the Central Bank, pursuant to the Law no. 139 of 2006.

5/ Includes net unidentified assets and liabilities and open market operations.

6/ GDP / Reserve Money (M0).

7/ According to the Ministry of Planning, GDP (at market prices) for 2012/2013 is projected to reach LE 1778 billion compared to a revised figure of LE 1542.3 billion in 2011/2012.

Table (27) : Deposits With Banks ^{1/}

(LE Millions)

	Nov-07	Nov-08	Nov-09	Nov-10	Nov-11	Aug-12	Sep-12	Oct-12	Nov-12 *
Total Deposits	697,717	772,667	839,413	937,178	979,956	1,035,884	1,050,507	1,063,420	1,069,321
	(17.1)	(10.7)	(8.6)	(11.6)	(4.6)	(6.5)	(7.4)	(8.4)	(9.1)
In local currency	507,768	566,220	639,990	730,617	747,536	791,422	805,235	815,022	817,736
In foreign currency	189,949	206,447	199,423	206,561	232,420	244,462	245,272	248,398	251,585
Non Government Deposits ^{2/}	614,281	677,683	727,898	824,512	860,341	920,047	933,661	946,956	952,239
	(20.1)	(10.3)	(7.4)	(13.3)	(4.3)	(7.9)	(8.9)	(10.0)	(10.7)
In local currency	455,589	507,856	569,898	664,198	677,728	728,530	741,503	752,500	754,583
In foreign currency	158,692	169,827	158,000	160,314	182,613	191,517	192,158	194,456	197,656
Government Deposits	83,436	94,984	111,515	112,666	119,615	115,837	116,846	116,464	117,082
	-(1.3)	(13.8)	(17.4)	(1.0)	(6.2)	(-3.5)	(-3.2)	(-2.9)	(-2.1)
In local currency	52,179	58,364	70,092	66,419	69,808	62,892	63,732	62,522	63,153
In foreign currency	31,257	36,620	41,423	46,247	49,807	52,945	53,114	53,942	53,929
Memorandum Items									
(In Percent):									
Dollarization in Total Deposits	27.2	26.7	23.8	22.0	23.7	23.6	23.3	23.4	23.5
Dollarization in Non-Government Deposits	25.8	25.1	21.7	19.4	21.2	20.8	20.6	20.5	20.8
Dollarization in Government Deposits	37.5	38.6	37.1	41.0	41.6	45.7	45.5	46.3	46.1

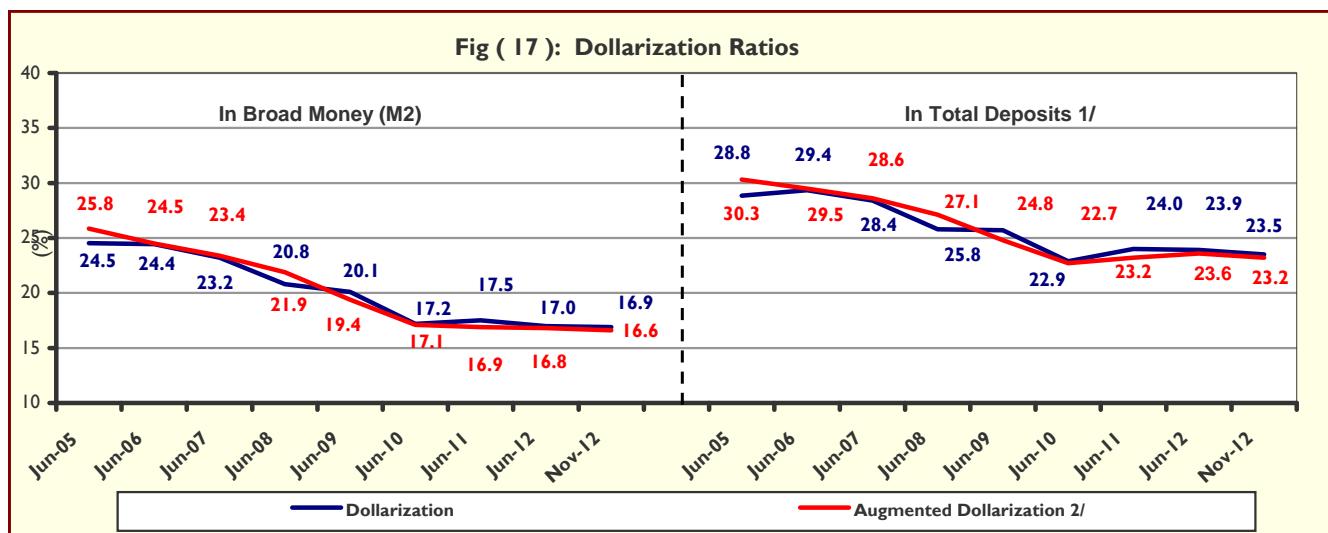
Source: Central bank of Egypt.

() Percent change over same period in previous year.

* Preliminary.

1/ Excludes deposits held with the Central Bank of Egypt.

2/ Includes deposits of private business sector, public business sector, household sector, and non-resident (foreign sector). Excludes drafts and checks under collection.



Source: Central Bank of Egypt.

1/ Excludes Deposits with CBE.

2/ "Augmented Dollarization" excludes the impact of exchange rate revaluation on dollarization ratios. For example in June-08, dollarization in total deposits would have been 27.1% instead of 25.8% if exchange rate was unchanged during the previous year.

Table (28) : Credit Provided By Banks ^{1/}

(LE Millions)

	Nov-07	Nov-08	Nov-09	Nov-10	Nov-11	Aug-12	Sep-12	Oct-12	* Nov-12
Total lending	377,798	428,916	433,162	474,669	486,314	505,501	508,424	509,469	511,598
	(10.7)	(13.5)	(1.0)	(9.6)	(2.5)	(6.1)	(6.2)	(5.8)	(5.2)
To Government ^{2/}	27,719	30,915	33,408	38,530	36,841	33,807	35,012	33,055	31,760
	(14.1)	(11.5)	(8.1)	(15.3)	-(4.4)	-(12.5)	-(7.9)	-(12.6)	-(13.8)
In local currency	10,421	8,433	14,225	19,962	17,089	13,902	13,459	13,306	12,306
In foreign currency	17,298	22,482	19,183	18,568	19,752	19,905	21,553	19,749	19,454
To Non-Government	350,079	398,001	399,754	436,139	449,473	471,694	473,412	476,414	479,838
	(10.5)	(13.7)	(0.4)	(9.1)	(3.1)	(7.7)	(7.4)	(7.3)	(6.8)
In local currency	246,802	277,753	282,414	301,229	324,758	349,778	351,799	354,580	357,892
In foreign currency	103,277	120,248	117,340	134,910	124,715	121,916	121,613	121,834	121,946
Memorandum Items (In Percent):									
Credit to private sector ^{3/} / Total Credit	85.6	86.1	84.3	85.2	84.8	85.1	84.9	85.1	85.2
Non Government Loans/ Deposits ^{4/}	57.0	58.7	54.9	52.9	52.2	51.3	50.7	50.3	50.4
Government Loans / Deposits	33.2	32.5	30.0	34.2	30.8	29.2	30.0	28.4	27.1
Foreign currency denominated credit to total credit	31.9	33.3	31.5	32.3	29.7	28.1	28.2	27.8	27.6
Government foreign currency denominated credit to total government credit	62.4	72.7	57.4	48.2	53.6	58.9	61.6	59.7	61.3
Non - government foreign currency denominated credit to total non-government credit	29.5	30.2	29.4	30.9	27.7	25.8	25.7	25.6	25.4

Source: Central Bank of Egypt.

() Percent change over previous year

* Preliminary.

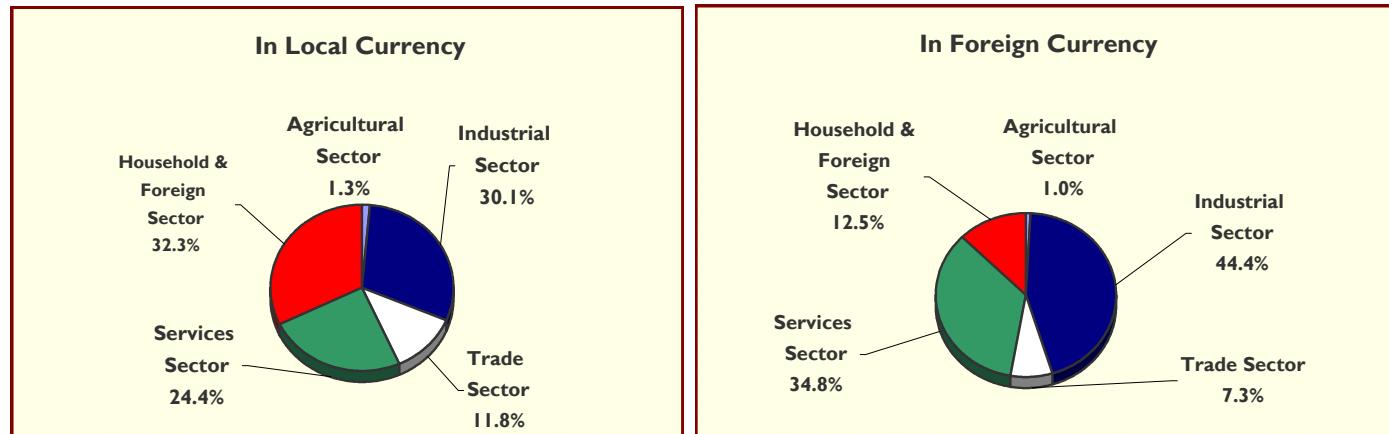
1/ Excludes credit provided by the Central Bank of Egypt.

2/ Includes central government and economic authorities.

3/ Includes private business sector, household sector, and non-resident (foreign sector).

4/ Non government sector includes public business sector, private business sector, household sector, and non resident (foreign sector).

Fig (18) : Sectoral Distribution of Non-Government Credit Facilities November-2012



Source: Central Bank of Egypt.

Table (29) : Domestic Interest Rates

	CBE Discount Rate ^{1/}	Lending Rate (Less than one year loans) ^{2/}	3 Months Deposit Rate ^{2/}	3 Months T-bills	Investment Certificates ^{1/} ^{3/}	Post office Saving Deposits ^{1/}
Yearly Average						
2002/2003	10.00	13.70	8.69	8.31	10.50	10.50
2003/2004	10.00	13.40	7.96	8.41 ^{1/}	10.50	10.50
2004/2005	10.00	13.39	7.66	10.12	10.50	10.50
2005/2006	9.00	12.71	6.53	8.82	9.50	9.50
2006/2007	9.00	12.64	6.01	8.65	10.00	9.50
2007/2008	10.00	12.22	6.09	6.97	10.00	9.50
2008/2009	9.00	12.39	7.03	11.32	10.00	9.27
2009/2010	8.50	11.35	5.97	9.86	9.58	9.00
2010/2011	8.50	10.84	6.52	10.20	9.50	9.00
2010/2012	9.50	11.63	7.26	13.38	10.92	9.00
Monthly Average						
Dec-11	9.50	11.80	7.20	14.08	11.50	9.00
Jan-12	9.50	11.90	7.40	13.86	11.50	9.00
Feb-12	9.50	11.90	7.60	13.83	11.50	9.00
Mar-12	9.50	12.00	7.70	13.83	11.50	9.00
Apr-12	9.50	12.10	7.60	13.95	11.50	9.00
May-12	9.50	11.90	7.60	14.29	11.50	9.00
Jun-12	9.50	11.90	7.70	14.60	11.50	9.00
Jul-12	9.50	12.00	7.70	14.33	11.50	9.00
Aug-12	9.50	12.00	7.70	14.21	11.50	9.00
Sep-12	9.50	12.00	7.70	13.43	11.50	9.00
Oct-12	9.50	12.00	7.70	12.61	11.50	9.00
Nov-12	9.50	12.10	7.70	12.39	11.50	9.00
Dec-12	9.50	--	--	13.05	11.50	9.00

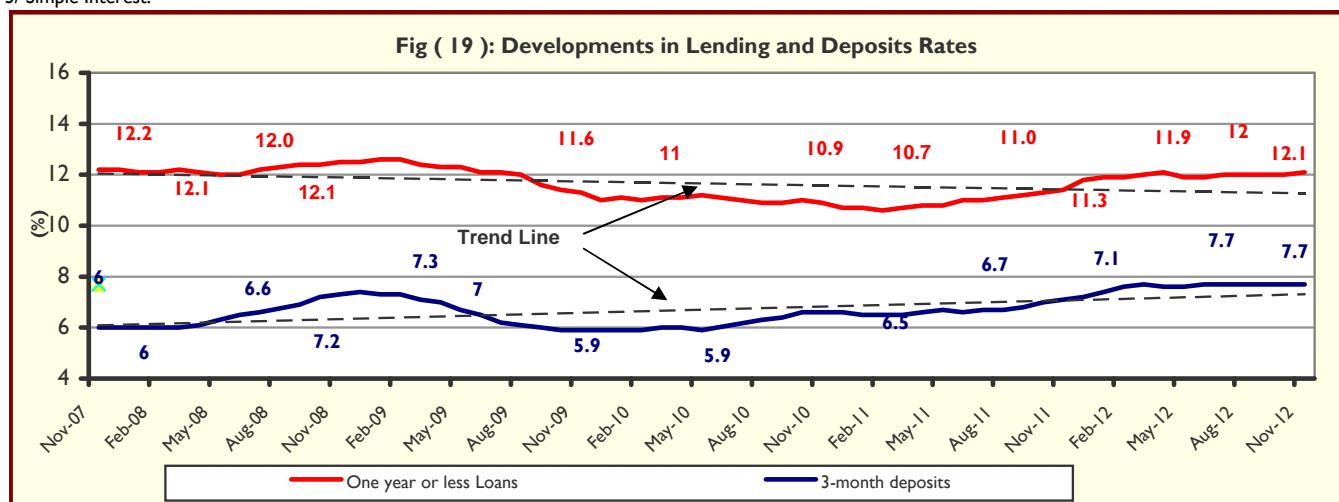
Source: Central Bank of Egypt.

-- Data unavailable.

^{1/} End of period rate.

^{2/} Starting September 2005, data reflects weighted average monthly interest rates for a sample of banks representing 80 percent of banking system operations. Prior to this date, figures reflect simple average weekly interest rates for most banks' operations.

^{3/} Simple Interest.



Source: Central Bank of Egypt.

Table (30) : Average Interbank Rates ^{1/}

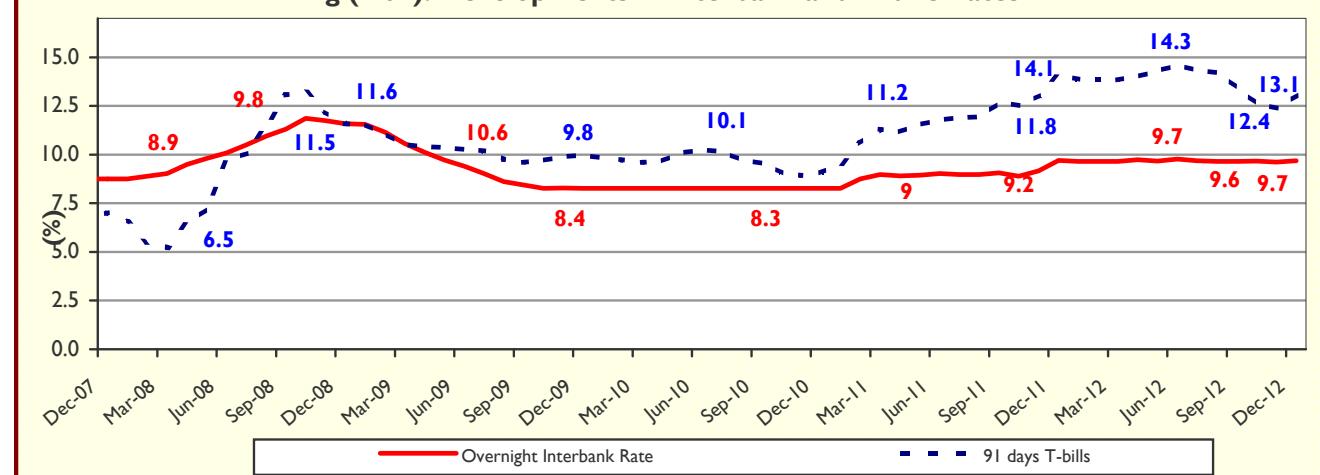
	Overnight	One Week	Month	More than One Month
Yearly Average				
2004	8.2	9.8	10.7	10.3
2005	9.5	10.1	10.4	10.7
2006	8.6	8.8	8.8	8.8
2007	8.8	8.9	9.0	9.1
2008	10.3	10.3	10.2	10.3
2009	9.5	9.5	9.1	9.6
2010	8.3	8.3	8.3	8.4
2011	9.0	9.2	9.5	9.5
2012	9.4	10.0	10.2	10.2
Monthly Average				
Dec-11	9.70	9.83	10.05	11.30
Jan-12	9.66	9.81	9.94	9.90
Feb-12	9.64	9.77	10.37	--
Mar-12	9.65	9.80	10.48	9.91
Apr-12	9.73	9.81	9.94	11.25
May-12	9.67	9.83	10.25	10.08
Jun-12	9.78	9.95	10.14	--
Jul-12	9.68	9.85	10.25	10.00
Aug-12	9.65	9.80	9.85	10.49
Sep-12	9.66	9.83	9.96	10.05
Oct-12	9.66	9.81	10.25	10.15
Nov-12	9.61	9.79	10.17	10.13
Dec-12	9.69	9.87	10.13	10.13

Source: Central Bank of Egypt.

-- Data not available.

1/ Starting March 2003, average interbank rate replaced CAIBOR average " Bid " rate. The interbank rate is considered to be a better measurement to market developments for its wider coverage of commercial , specialized, and investment banks'.

Fig (20) : Developments in Interbank and T-bills Rates



Source: Central Bank of Egypt.