

Section 6

MONETARY SECTOR

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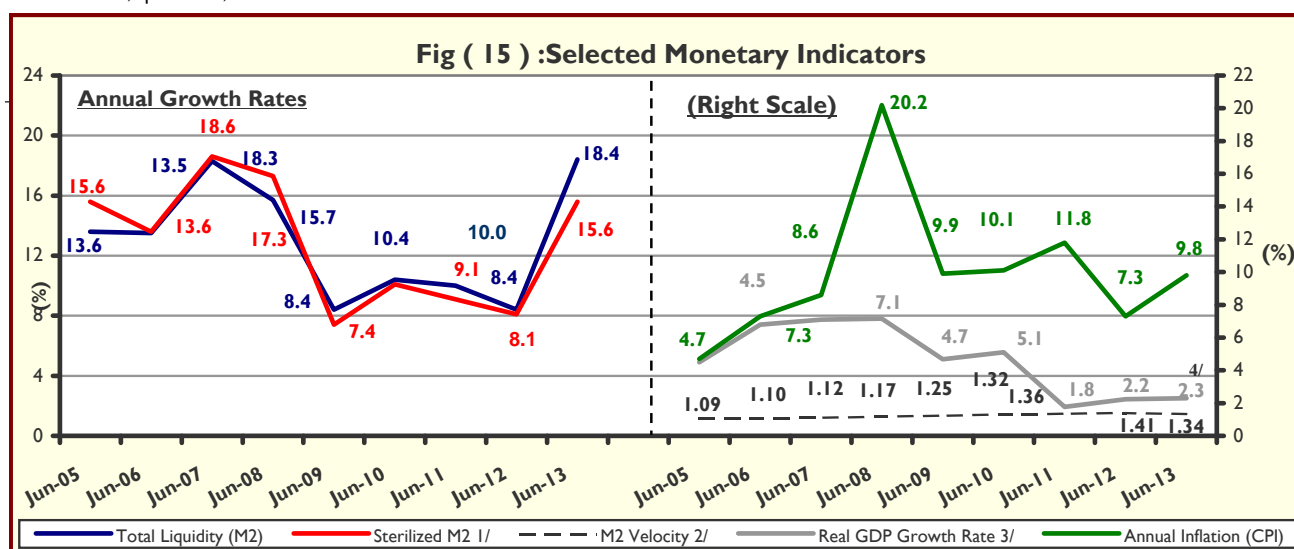
Table (24) : Developments in Main Monetary Aggregates
(June 2013)

	1 Month % Change	3 Month % Change	12 Month % Change	Full Year Average % Change ^{1/}
Net Foreign Assets (LE terms)	-11.1	-7.0	-23.7	-28.0
CBE NFA	-16.5	-13.4	-53.0	-48.3
CBE NIR	-6.6	14.8	11.3	-13.3
Banks NFA 2/	-8.7	-4.0	3.7	-7.5
Net Foreign Assets (US dollar terms)	-11.5	-9.9	-34.1	-33.0
CBE NFA	-16.8	-16.1	-59.4	-51.7
CBE NIR	-7.0	11.2	-3.9	-20.1
Banks NFA 2/	-9.0	-7.0	-10.5	-14.2
Net Domestic Assets	3.7	6.1	25.5	23.5
Net Claims on Government and GASC	2.8	7.2	39.2	33.6
Claims on Public Companies	-2.1	-2.8	5.5	13.6
Claims on Private Sector	1.0	2.6	9.8	8.4
Total Liquidity (M2)	2.1	4.8	18.4	13.7
Money (M1)	3.6	5.3	25.2	17.0
Quasi Money	1.6	4.6	16.1	12.6

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 2013/2014 is projected to reach LE 2050 billion compared to a revised figure of LE 1735 billion in 2012/2013.

3/ Real Growth of GDP at market prices.

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

**Table (25) : Monetary Survey
Assets and Liabilities of The Banking Sector
(June 2013)**

(LE Millions)

	Jun-08	Jun-09	Jun-10	Jun-11	Jun-12	Mar-13	Apr-13	May-13	Jun-13 *
Net Foreign Assets 1/	303,680	254,134	282,408	253,500	157,624	129,346	120,879	135,421	120,331
	(38.9)	-(16.3)	(11.1)	-(10.2)	-(37.8)	-(24.9)	-(26.7)	-(14.1)	-(23.7)
Central bank (Net)	180,333	171,732	190,234	147,197	76,060	41,282	34,794	42,839	35,760
Foreign Assets	182,021	173,055	198,605	156,331	92,169	85,362	93,204	105,994	99,209
Foreign Liabilities	1,688	1,323	8,371	9,134	16,109	44,080	58,410	63,155	63,449
Banks (Net)	123,347	82,402	92,174	106,303	81,564	88,064	86,085	92,582	84,571
Foreign Assets	148,749	109,858	123,604	139,150	114,796	120,776	119,977	125,707	118,351
Foreign Liabilities	25,402	27,456	31,430	32,846	33,232	32,712	33,892	33,125	33,780
Net Domestic Assets of which:	462,984	577,077	635,051	755,911	936,784	1,107,592	1,131,982	1,133,092	1,175,444
	(4.3)	(24.6)	(10.0)	(19.0)	(23.9)	(25.5)	(26.6)	(24.5)	(25.5)
Net Claims on Government, and GASC 1/	174,005	273,122	326,141	437,337	584,203	751,663	770,398	783,578	805,511
National Currency	223,359	338,200	388,592	524,335	644,024	801,276	822,116	830,581	854,429
Foreign Currency	-49,354	-65,078	-62,451	-86,998	-59,821	-49,613	-51,718	-47,003	-48,918
Claims on Public Business Sector	26,897	33,146	29,985	32,981	40,620	44,089	44,400	43,765	42,866
National Currency	19,719	23,991	21,223	24,853	31,784	34,864	34,902	34,412	33,873
Foreign Currency	7,178	9,155	8,762	8,128	8,836	9,225	9,498	9,353	8,993
Claims on Private Sector 2/	370,051	389,058	419,142	422,448	453,292	484,954	490,765	492,823	497,739
National Currency	265,815	286,988	309,567	316,938	348,848	367,329	371,656	373,167	376,213
Foreign Currency	104,236	102,070	109,575	105,510	104,444	117,625	119,109	119,656	121,526
Other Items (net) 1/ 3/	-107,969	-118,249	-140,217	-136,855	-141,331	-173,114	-173,581	-187,074	-170,672
Total Liquidity (M2)	766,664	831,211	917,459	1,009,411	1,094,408	1,236,938	1,252,861	1,268,513	1,295,775
	(15.7)	(8.4)	(10.4)	(10.0)	(8.4)	(17.2)	(18.3)	(18.8)	(18.4)
Money (M1) 4/	170,579	182,991	214,040	248,707	274,510	326,547	328,679	331,757	343,700
	(29.9)	(7.3)	(17.0)	(16.2)	(10.4)	(25.3)	(25.1)	(25.4)	(25.2)
Currency in Circulation	104,656	118,146	135,209	167,887	194,027	221,364	225,501	231,575	240,611
Demand Deposits in Local Currency	65,923	64,845	78,831	80,820	80,483	105,183	103,178	100,182	103,089
Quasi Money	596,085	648,220	703,419	760,704	819,898	910,391	924,182	936,756	952,075
	(12.2)	(8.7)	(8.5)	(8.1)	(7.8)	(14.6)	(16.1)	(16.7)	(16.1)
Local Currency Time and Savings Deposits	436,268	481,054	545,303	583,732	633,858	690,557	701,392	711,100	727,867
Foreign Currency Demand Deposits	26,581	32,050	33,901	41,298	44,965	54,749	56,380	56,298	55,152
Foreign Currency Time and Savings Deposits	133,236	135,116	124,215	135,674	141,075	165,085	166,410	169,358	169,056

Source: Central Bank of Egypt.

() Percent change over previous year.

* Preliminary.

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)
(June 2013)

	Jun-08	Jun-09	Jun-10	Jun-11	Jun-12	Mar-13	Apr-13	May-13	Jun-13 *
Net Foreign Assets (In Million US\$) ^{4/}	56,928	45,452	49,861	42,698	26,126	19,102	17,594	19,447	17,213
Central bank NFA	33,805	30,715	33,587	24,793	12,607	6,097	5,064	6,152	5,115
Net International Reserves	57,244	45,689	51,339	44,236	28,796	25,612	26,096	28,516	26,290
Central Bank (Gross)	34,572	31,310	35,221	26,564	15,533	13,424	14,426	16,039	14,922
Banks (net)	23,123	14,738	16,274	17,905	13,519	13,006	12,530	13,295	12,098
Foreign assets	27,884	19,648	21,823	23,437	19,027	17,837	17,463	18,052	16,930
Foreign Liabilities	4,762	4,911	5,549	5,532	5,508	4,831	4,933	4,757	4,832
In Percent of Beginning of Money Stocks ^{5/}									
Net Foreign Assets	12.8%	-6.5%	3.4%	-3.2%	-9.5%	-2.6%	-3.4%	-2.0%	-3.4%
Net Domestic Assets	2.9%	14.9%	7.0%	13.2%	17.9%	15.6%	17.8%	17.9%	21.8%
Money (M1)	5.9%	1.6%	3.7%	3.8%	2.6%	4.8%	4.9%	5.2%	6.3%
Quasi Money	9.8%	6.8%	6.6%	6.2%	5.9%	8.3%	9.5%	10.7%	12.1%
Dollarization (% of Total Liquidity) ^{6/}	20.8	20.1	17.2	17.5	17.0	17.8	17.8	17.8	17.3
M2 Multiplier ^{7/}	4.51	4.75	4.52	4.02	4.15	4.40	4.33	4.16	4.08
M2 Velocity ^{8/}	1.17	1.25	1.32	1.36	1.41	1.40	1.38	1.37	1.34
M2 (annual percentage change)	15.7	8.4	10.4	10.0	8.4	17.2	18.3	18.8	18.4
Credit to private sector (annual percentage change) ^{9/}	12.6	5.1	7.7	0.8	7.3	10.0	10.5	10.0	9.8
Exchange Rate ^{10/}	5.33	5.59	5.66	5.94	6.03	6.77	6.87	6.96	6.99

Source: Central Bank of Egypt.

* Preliminary.

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.

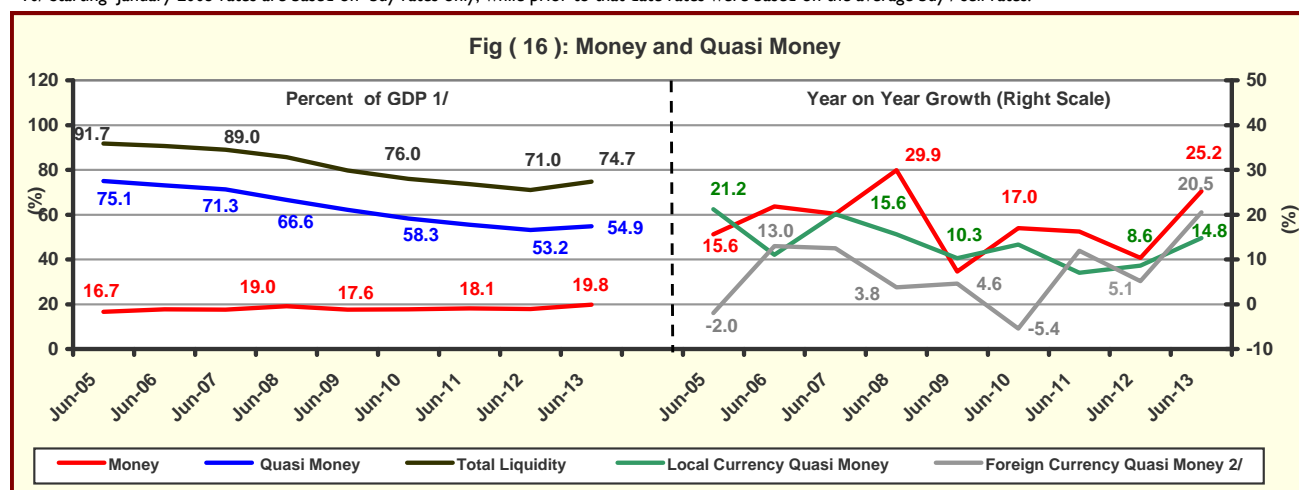
6/ Denotes the ratio of foreign currency demand deposits and time and savings deposits to total liquidity . It excludes non-residents deposits which are counted in the net foreign assets line as well as government deposits.

7/ M2 / Reserve Money.

8/ GDP / M2. According to the Ministry of Planning, GDP (at market prices) for 2013/2014 is projected to reach LE 2050 billion compared to a revised figure of LE 1735 billion in 2012/2013.

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.



Source: Central Bank of Egypt.

1/ According to the Ministry of Planning, GDP (at market prices) for 2013/2014 is projected to reach LE 2050 billion compared to a revised figure of LE 1735 billion in 2012/2013.

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

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

(LE Millions)

	Jun-08	Jun-09	Jun-10	Jun-11	Jun-12	Mar-13	Apr-13	May-13	Jun-13 [*]
Reserve Money	169,911	175,104	203,071	250,992	263,668	280,996	289,552	304,620	317,544
	(26.7)	(21.0)	(16.0)	(23.6)	(5.1)	(11.8)	(18.0)	(16.2)	(20.4)
Currency in Circulation	111,412	126,268	144,253	179,096	204,870	233,733	237,465	243,402	260,449
	(20.9)	(13.3)	(14.2)	(24.2)	(14.4)	(22.4)	(23.6)	(23.5)	(27.1)
Banks LE Deposits with CBE	58,499	48,836	58,818	71,896	58,798	47,263	52,087	61,218	57,095
	(39.4)	26.32	(7.1)	(22.2)	-(18.2)	-(21.7)	-(2.2)	-(6.0)	-(2.9)
Counter Assets:									
Net Foreign Assets ^{2/}	180,333	171,723	190,234	147,197	76,060	41,282	34,794	42,839	35,760
	(89.1)	-(4.8)	(10.8)	-(22.6)	-(48.3)	-(47.7)	-(56.3)	-(43.2)	-(53.0)
Net Domestic Assets ^{2/}	-10,422	3,372	12,837	103,795	187,608	239,714	254,758	261,781	281,784
	-(126.9)	(970.8)	(280.7)	(708.6)	(80.7)	(39.0)	(53.7)	(40.2)	(50.2)
Net Claims on Government ^{3/}	81,872	68,613	80,611	102,562	170,922	273,152	285,160	296,911	302,491
	-(30.2)	-(16.2)	(17.5)	(27.2)	(66.7)	(53.3)	(53.0)	(69.0)	(82.9)
Claims	159,697	146,899	150,287	189,621	256,847	370,307	386,735	396,779	406,238
	-(16.9)	-(8.0)	(2.3)	(26.2)	(35.5)	(43.6)	(44.9)	(53.9)	(58.3)
Securities	123,123	121,709	121,533	130,597	179,097	178,831	178,831	178,831	238,831
Credit Facilities	36,574	25,190	28,754	59,024	77,750	191,476	207,904	217,948	167,407
Deposits ^{4/}	77,825	78,286	69,676	87,059	85,925	97,155	101,575	99,868	103,747
	(3.9)	(0.6)	-(11.0)	(24.9)	-(1.3)	(22.1)	(25.9)	(21.7)	(13.7)
Net Claims on Banks	77,581	334	29,010	147	-2,706	-2,191	-6,122	-1,860	-1,973
Net Balancing Items ^{5/}	-73,988	-65,575	-96,784	1,086	19,392	-31,247	-24,280	-33,270	-18,734
Memorandum Items									
Reserve Money Velocity ^{6/, 7/}	5.27	5.95	5.94	5.47	5.85	6.17	5.99	5.70	5.46

Source: Central Bank of Egypt.

() Percent change over same period in previous year.

* Preliminary.

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 2013/2014 is projected to reach LE 2050 billion compared to a revised figure of LE 1735 billion in 2012/2013.

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

(LE Millions)

	Jun-08	Jun-09	Jun-10	Jun-11	Jun-12	Mar-13	Apr-13	May-13	Jun-13 [*]
Total Deposits	755,636	820,175	900,165	965,339	1,026,686	1,147,804	1,159,779	1,169,613	1,190,664
	(14.8)	(8.5)	(9.8)	(7.2)	(6.4)	(14.2)	(15.0)	(15.7)	(16.0)
In local currency	560,473	609,168	693,865	733,246	780,886	867,502	874,576	879,706	899,921
In foreign currency	195,163	211,007	206,300	232,093	245,800	280,302	285,203	289,907	290,743
Non Government Deposits ^{2/}	667,945	717,840	787,433	848,116	908,070	1,023,704	1,035,676	1,045,752	1,063,921
	(14.9)	(7.5)	(9.7)	(7.7)	(7.1)	(16.2)	(17.1)	(17.9)	(17.2)
In local currency	506,211	548,314	626,751	667,426	718,217	799,649	808,754	815,591	835,511
In foreign currency	161,734	169,526	160,682	180,690	189,853	224,055	226,922	230,161	228,410
Government Deposits	87,691	102,335	112,732	117,223	118,616	124,100	124,103	123,861	126,743
	(14.0)	(16.7)	(10.2)	(4.0)	(1.2)	-(0.05)	-(0.3)	(0.0)	(6.9)
In local currency	54,262	60,854	67,114	65,820	62,669	67,853	65,822	64,115	64,410
In foreign currency	33,429	41,481	45,618	51,403	55,947	56,247	58,281	59,746	62,333
Memorandum Items									
(In Percent):									
Dollarization in Total Deposits	25.8	25.7	22.9	24.0	23.9	24.4	24.6	24.8	24.4
Dollarization in Non-Government Deposits	24.2	23.6	20.4	21.3	20.9	21.9	21.9	22.0	21.5
Dollarization in Government Deposits	38.1	40.5	40.5	43.9	47.2	45.3	47.0	48.2	49.2

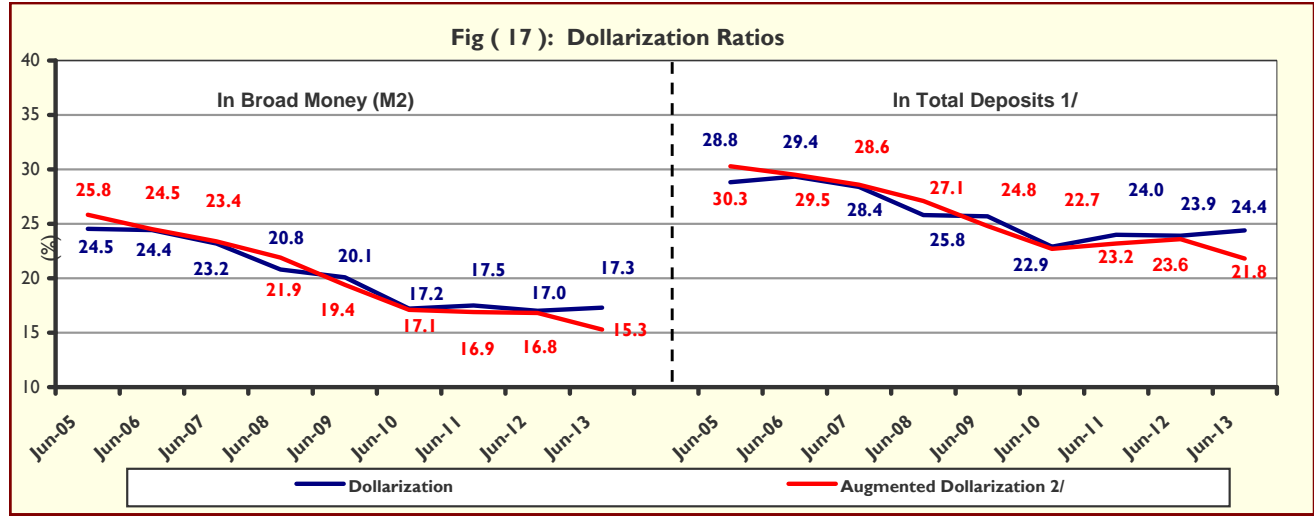
Source: Central bank of Egypt.

() 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)

	Jun-08	Jun-09	Jun-10	Jun-11	Jun-12	Mar-13	Apr-13	May-13	Jun-13 [*]
Total lending	401,425	429,957	465,990	474,139	506,736	536,748	543,165	545,640	549,120
	(13.5)	(7.1)	(8.4)	(1.7)	(6.9)	(8.2)	(8.9)	(8.6)	(8.4)
To Government ^{2/}	31,159	30,748	39,385	39,802	33,589	34,819	34,901	35,475	35,780
	(16.8)	-(1.3)	(28.1)	(1.1)	-(15.6)	(1.5)	(3.5)	(8.6)	(6.5)
In local currency	9,699	12,946	15,390	18,191	14,615	11,868	11,680	11,579	11,401
In foreign currency	21,460	17,802	23,995	21,611	18,974	22,951	23,221	23,896	24,379
To Non-Government	370,266	399,209	426,605	434,337	473,147	501,929	508,264	510,165	513,340
	(13.2)	(7.8)	(6.9)	(1.8)	(8.9)	(8.7)	(9.2)	(8.6)	(8.5)
In local currency	257,467	282,246	298,264	309,573	349,560	367,494	372,059	373,260	376,479
In foreign currency	112,799	116,963	128,341	124,764	123,587	134,435	136,205	136,905	136,861
Memorandum Items (In Percent):									
Credit to private sector ^{3/} / Total Credit	85.6	85.2	85.2	84.7	85.4	85.3	85.4	85.5	85.7
Non Government Loans/ Deposits ^{4/}	55.4	55.6	54.2	51.2	52.1	49.0	49.1	48.8	48.2
Government Loans / Deposits	35.5	30.0	34.9	34.0	28.3	28.1	28.1	28.6	28.2
Foreign currency denominated credit to total credit	33.4	31.3	32.7	30.9	28.1	29.3	29.4	29.5	29.4
Government foreign currency denominated credit to total government credit	68.9	57.9	60.9	54.3	56.5	65.9	66.5	67.4	68.1
Non - government foreign currency denominated credit to total non-government credit	30.5	29.3	30.1	28.7	26.1	26.8	26.8	26.8	26.7

Source: Central Bank of Egypt.

() Percent change over previous year

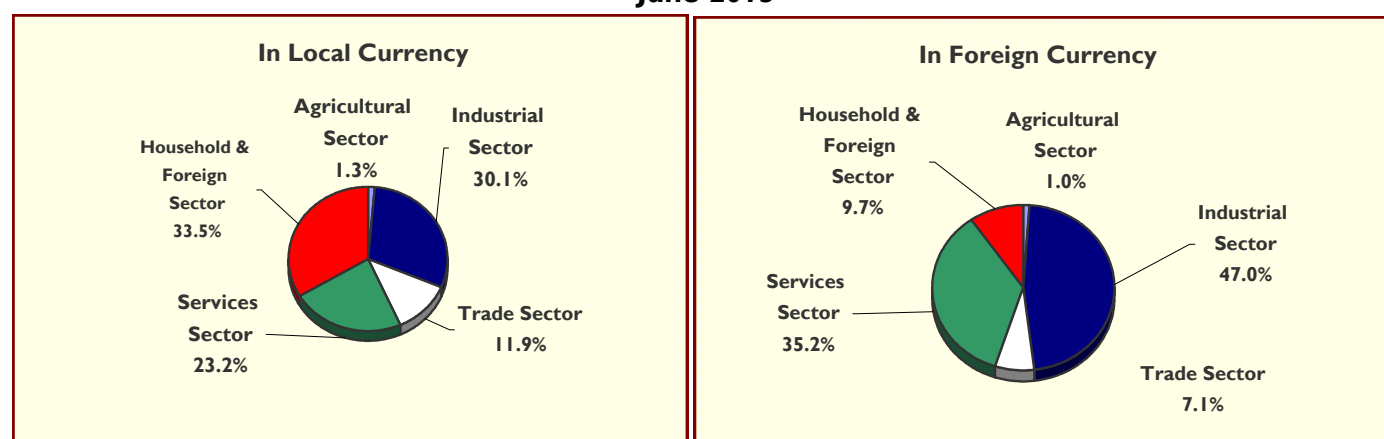
* Preliminary.

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
June-2013**

Source: Central Bank of Egypt.

Table (29) : Domestic Interest Rates

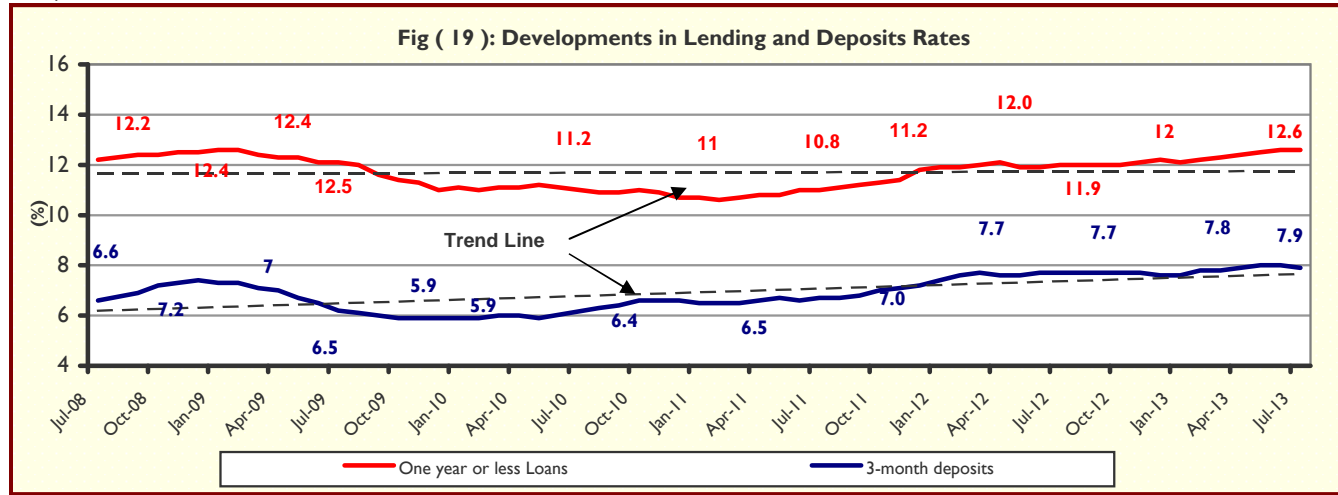
	CBE Discount Rate ^{1/}	Lending Rate (Less than one year loans) ^{2/}	3 Months Deposit Rate ^{2/}	3 Months T-bills	Investment Certificates ^{1/ 3/}	Post office Saving Deposits ^{1/}
Yearly Average						
2002/2003	10.00	13.70	8.69	8.31	10.50	10.50
2003/2004	10.00	13.40	7.96	8.41	10.50	10.50
2004/2005	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
2011/2012	9.50	11.63	7.26	13.38	10.92	9.00
2012/2013	10.25	12.20	7.77	13.35	11.92	9.00
Monthly Average						
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	12.20	7.60	13.05	11.50	9.00
Jan-13	9.50	12.10	7.60	13.18	11.50	9.00
Feb-13	9.50	12.20	7.80	12.82	12.50	9.00
Mar-13	10.25	12.30	7.80	12.67	12.50	9.00
Apr-13	10.25	12.40	7.90	13.42	12.50	9.00
May-13	10.25	12.50	8.00	14.07	12.50	9.00
Jun-13	10.25	12.60	8.00	14.05	12.50	9.00
Jul-13	10.25	12.60	7.90	13.34	12.50	9.00

Source: Central Bank of Egypt.

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.

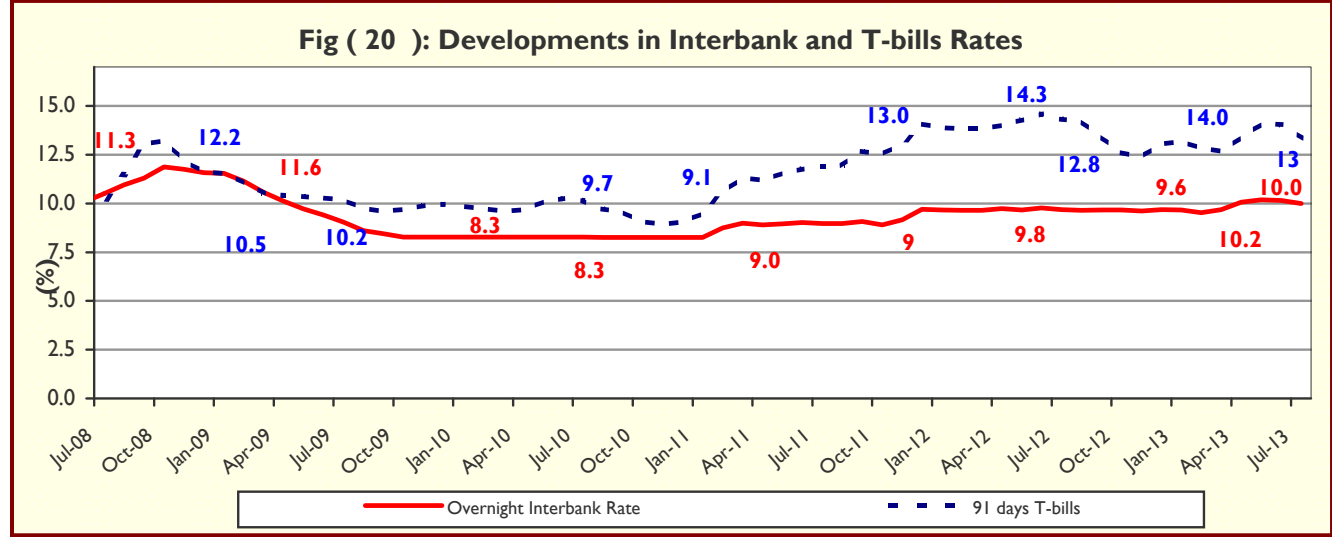
Table (30) : Average Interbank Rates ^{1/}

	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				
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
Jan-13	9.67	9.86	--	10.28
Feb-13	9.53	9.75	10.10	10.00
Mar-13	9.68	9.93	9.99	10.38
Apr-13	10.06	10.31	10.50	10.60
May-13	10.18	10.34	10.55	10.58
Jun-13	10.15	10.38	10.67	11.09
Jul-13	10.00	10.33	10.24	10.52

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'.



Source: Central Bank of Egypt.