

Section 7

FINANCIAL SECTOR & INVESTMENT

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Table (31): Capital Market Main Indicators ^{1/}

	Jun-06	Jun-07	Jun-08	Jun-09	Jun-10	Oct-10	Nov-10	Dec-10	Jan-11
EGX-30 Index (Previously CASE-30) ^{2/}	4,773	7,803	9,827	5,703	6,033	6,670	6,705	7,142	5,647
Monthly Return (%)	-11.0	0.4	-11.1	-3.8	-7.9	0.5	0.5	6.5	-20.9
Market Volatility ^{3/}	2.2	1.0	1.0	2.0	1.3	0.9	0.9	0.6	2.9
GDRs Index ^{4/}	411	621	651	--	--	--	--	--	--
Annual Return (%)	14.2	50.9	4.9	--	--	--	--	--	--
Monthly Return (%)	-9.2	8.4	-7.4	--	--	--	--	--	--
Market Capitalization ^{5/} (In LE Billion)	377	602	813	464	410	453	478	488	407
In % of GDP ^{6/}	61.0	80.8	90.8	44.5	34.0	32.9	34.7	35.4	29.5
Number of Companies	656	544	375	333	215	213	213	212	212
Traded Shares and Securities									
Value (In LE millions)	12,398	33,027	47,171	60,285	46,507	24,152	25,215	23,097	23,913
Monthly Change (%)	-48.2	9.2	-33.0	69.3	60.9	6.6	4.4	-8.4	3.5
Annual Change (%)	4.0	166.4	42.8	27.8	-22.9	-17.1	-77.2	-32.3	-20.8
Net Foreigners Purchases									
Value (In US\$ millions)	-43	-1,240	199	-106	43	135	144	116	-136
Volume (In thousand shares)	-6,997	-297,270	23,255	562	93,610	107,312	-77,508	38,995	-45,790
In % of Overall Trade	25	31	20	12	22	19	26	24	34
Other Indicators									
Diffusion Index ^{7/}	47.2	44.4	39.8	46.3	43.9	40.6	49.0	--	--
Price / Earning Ratio ^{8/ 9/}	14.3	21.9	15.7	11.5	12.6	14.1	14.1	14.7	12.3
Dividend Yield (%) ^{9/10/}	5.7	4.1	6.5	7.2	7.5	7.3	7.1	7.1	8.7
Turnover Ratio (%)	2.9	4.8	4.9	11.2	4.5	3.6	3.3	3.1	4.5

Source: The Egyptian Stock Exchange and Capital Market Authority.

-- Data unavailable.

1/ It is worth noting that data for February 2011 is not available due to the closure of the Egyptian Stock Exchange during the month.

2/ The biggest 30 companies in terms of liquidity and value. Index = 1000 on 1/1/1998.

3/ Calculated as standard deviation of daily returns during the period.

4/ The index is simple average of daily closing prices for eight GDRs listed on the London Stock Exchange.

5/ Calculated by multiplying outstanding number of shares by their prevailing market prices.

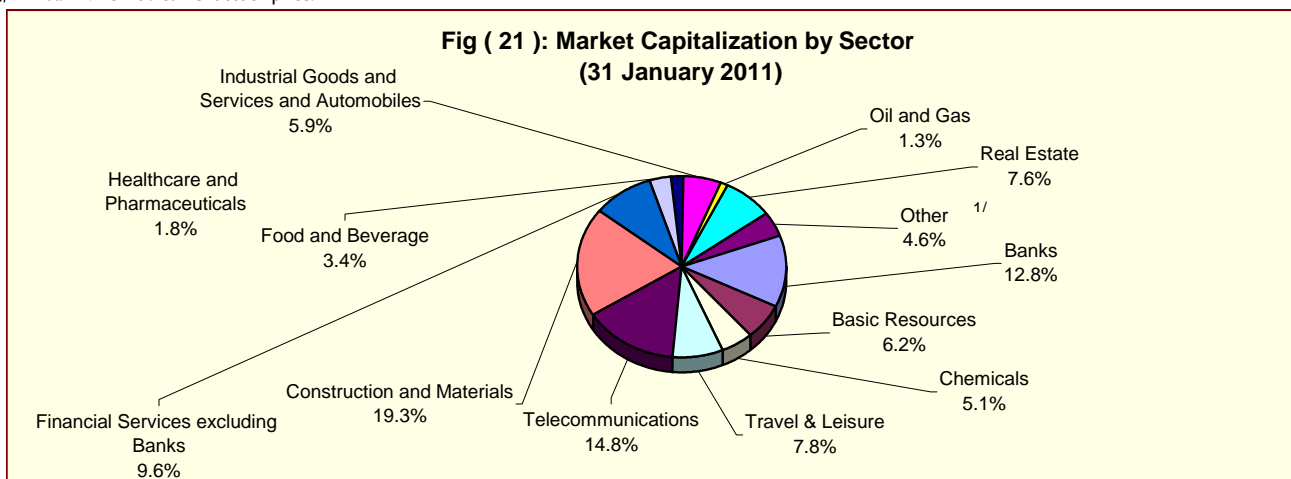
6/ Overall deficit excluding net acquisition of financial assets.

7/ Average of the index during the month. This measure denotes the overall rise in market trend. An index below 50 points signals a partial rise in registered stocks rather than an overall increasing market trend.

8/ Price / earning ratio, also known as the " Multiple " , is calculated by dividing the market price of each stock by its annual earnings.

9/ Calculated for the most active 50 companies.

10/ Annual dividends / current stock price.



Source: The Egyptian Stock Exchange Monthly Bulletin.

1/ Includes Electrical Equipment and Engineering, Media, Trade, Information Technology, Agriculture and Fishing, Paper, Packaging and Plastics, Mills and Storage, Miscellaneous Services, Retailers and Consumer Household Goods.

Table (32): Recent Acquisitions in the Egyptian Market
(August 2008 - January 2011)

Date	Acquirer	Security	Value (LE Million)	Percent Acquired (%)
Jan-11	Group of Investors	Pyramids Capital Securities Brokerage	2.0	10.0
Jan-11	Group of Investors	Beltone Financial Holding	64.8	89.2
Dec-10	National Development Bank	El Kahera El Watania Investment	33.9	24.8
Aug-10	Egyptian Holding Co. for Natural Gas (EGAS)	Natural Gas & Mining Project (Egypt Gas)	674.2	80.0
Aug-10	Sharm Dreams Holding for Tourism & Hotels	Rowad Misr Tourism Investment	62.9	10.12
Jul-10	Egyptian Company for Tourism & Hotels	Trouism Urbanization	56.6	65.29
Jan-10	Ahli United Bank-Bahrain	Ahli United Bank-Egypt	984.9	44.40
Jan-10	Soliman Group Holding for Financial Investments ^{1/}	Lord Import & Export	82.5	99.98
Jan-10	Soliman Group Holding for Financial Investments ^{1/}	Lord Precision Industries	95.7	96.87
Jan-10	Soliman Group Holding for Financial Investments ^{1/}	Lord International	65.1	99.98
Dec-09	Samcrete For Engineering Investment	Samcrete Misr	4071.0	99.60
Dec-09	Beltone Partners Holding Ltd	Beltone Financial Holding	72.6	99.80
Dec-09	El Gouna Transportation	International Hotels Holdings	1944.4	99.70
Dec-09	Group of Investors	Alkan Holding	12.5	12.70
Nov-09	Lafarge Building Materials Trading Egypt	Lafarge Cement -Egypt	15466.0	53.65
Aug-09	Olympic Group Financial Investments ^{2/}	Cairo Feeding Industries	66.4	98.80
Jun-09	Orascom for Fertilizers Factories Maintenance ^{1/}	Egyptian Fertilizers Company	3468.8	99.99
Apr-09	Global Investment And Management Group Limited	Mansoura for Resins and Chemicals Industries Co.	29.1	69.10
Apr-09	National Development Bank	National Glass & Crystal Co.	182.5	88.30
Mar-09	International Finance Corporation (IFC)	Bank of Alexandria	1106.8	9.75
Mar-09	An Indian Investor	Alexandria Medical Services	96.7	86.35
Dec-08	Red Sea Company for Steel	Misr National Steel-Ataqa	14.8	4.00
Dec-08	Red Sea Company for Steel	Misr National Steel-Ataqa	355.8	96.00
Dec-08	Group of Investors	General Engineering & Motor Company	2.6	42.60
Oct-08	Naeem Holding	Naeem Financial Investments	9.5	38.00
Sep-08	Mac Holding for Industries	Egyptian Sponge	19.2	28.80
Sep-08	Beltone Partners Holding Ltd	Beltone Financial Holding	68.6	99.86
Sep-08	Prime Industrial Holding	National Glass & Crystal Co.	192.1	88.32
Aug-08	Abu Dhabi Financial Services Co.	El Salam Brokerage Co.	21.0	70.00
Aug-08	The Egyptian Company for Textiles Manufacturing	Dice Sport & Casual Wear	88.0	60.00
Aug-08	Group of Investors	Chemicals for Modern Building International	19.4	48.50

Source: The Egyptian Stock Exchange Monthly Bulletin.

1/ Value in US Dollars

2/ A swap Deal.

**Table (33): Privatization Proceeds
(1991/1992- 2009/2010*)**

(LE Millions)								
	Law 203 Sales ^{1/}		Joint Venture Sales ^{2/}		Other Public Sector Sales		Total	
	Number	Value	Number	Value	Number	Value	Number	Value
1991 - June 1994	11	418	-	-	-	-	11	418
1994/1995	14	867	-	-	-	-	14	867
1995/1996	12	977	-	-	-	-	12	977
1996/1997	29	4595	-	-	-	-	29	4595
1997/1998	23	2487	-	-	-	-	23	2487
1998/1999	33	1824	-	-	-	-	33	1824
1999/2000	39	4694	1	14	1	14	40	4708
2000/2001	11	252	7	118	-	-	18	370
2001/2002	7	73	3	879	-	-	10	952
2002/2003	6	49	1	64	-	-	7	113
2003/2004	9	428	4	115	-	-	13	543
2004/2005	16	824	12	4819	-	-	28	5643
2005/2006	47	1843	17	7647	1	5122	65	14612
2006/2007	45	2774	7	1559	1	9274	53	13607
2007/2008	20	745	16	3238	-	-	36	3983
2008/2009 [#]	15	1130	2	83	-	-	17	1213
2009/2010*	-	-	4	50	-	-	4	50

FINANCIAL SECTOR
&
INVESTMENTS

Source: Ministry of Investment.
Revised

* Preliminary. It is noteworthy that the classical privatization program was put on hold most of the fiscal year 2008/2009 due to the preparation of the “Citizen Ownership Program”, that has been recently postponed in light of the impact of the global financial crisis on the market.

1/ Includes sale of unused land.
2/ All joint venture figures represent value of public sector stake.

Table (34): Performance of Emerging Markets S&P / IFCI Indexes ^{1/}

Rank	Emerging Market ^{2/}	Yield (%)	
		Monthly Change Jan-11	Cumulative Change (YTD) Jan-11
1	Hungary	11.8	11.8
2	Czech Republic	8.6	8.6
3	Russia	3.3	3.3
4	Taiwan	3.0	3.0
5	Korea	2.6	2.6
6	Poland	2.0	2.0
7	Malaysia	1.5	1.5
8	Morocco	1.3	1.3
9	China	-0.1	-0.1
10	Mexico	-2.7	-2.7
11	Brazil	-4.4	-4.4
12	Philippines	-8.2	-8.2
13	Turkey	-8.8	-8.8
14	Chile	-8.9	-8.9
15	Peru	-9.1	-9.1
16	Thailand	-9.2	-9.2
17	Indonesia	-9.7	-9.7
18	South Africa	-12.1	-12.1
19	India	-12.8	-12.8
20	Egypt	-20.1	-20.1

Source: The Egyptian Stock Exchange Monthly Bulletin.

1/ Based on Standard & Poor (S&P) / International Finance Corporation Index (IFCI). The index measures daily performance of the most active stocks on local stock exchanges, even if stocks are unavailable to foreign investors.

2/ Argentina has been removed from the S&P/ IFCI indices for Emerging Markets effective September 21, 2009, and Venezuela was removed from the S&P/ IFCI indices for Emerging Markets on April 11, 2007.

Table (35) : Distribution of Outstanding Treasury Bills by Holder

(LE Millions)

	Jun-06	Jun-07	Jun-08	Jun-09	Jun-10	Sep-10	Oct-10	Nov-10	Dec-10
Outstanding Balance	103,144	118,657	146,439	239,080	266,121	268,787	273,309	274,060	281,865
Foreign Customers	--	--	--	4,945	38,370	64,771	62,811	61,301	59,350
Companies dealing in Securities	11	0	17	988	800	1,150	1,092	1,142	1,282
Holding and Investment companies	190	111	71	5,208	5,926	7,592	7,500	6,850	6,719
Banks	83,400	76,271	100,063	194,929	176,520	149,868	155,390	155,249	165,898
Public banks	46,584	42,747	59,429	110,482	91,276	69,551	73,629	74,074	74,930
Private banks	36,416	31,964	38,783	67,570	66,530	62,790	65,634	65,668	75,330
Foreign banks- branches	--	--	--	9,222	10,748	10,518	9,199	9,178	8,971
National Investment Bank	400	1,560	1,851	2,715	2,749	2,209	1,977	1,503	1,202
Specialized banks	--	--	--	4,940	5,217	4,800	4,951	4,826	5,465
Insurance Companies	172	80	81	1,568	1,803	2,179	2,423	2,391	2,441
Public Sector	0	66	--	1,095	941	1,297	1,599	1,570	1,620
Private Sector ^{1/}	172	14	--	473	862	882	824	821	821
Mutual Funds	5,105	6,399	12,442	24,731	33,034	28,817	29,538	31,198	30,059
Insurance Funds	1,898	2,511	1,016	1,096	757	5,675	7,027	7,756	7,843
Housing & Construction Sector	--	--	--	168	197	328	288	163	250
Trade Sector	0.0	0.0	0.0	3.0	50.0	20	18	11	11
Manufacturing Sector	39	71	60	91	229	477	322	302	331
Financial Sector	--	--	--	42	531	409	486	703	772
Transporation, Electricity, Gas, and Health Sector	--	--	--	1	21	22	27	25	24
Household Sector	114	134	11	495	1,816	1,920	1,740	1,813	1,795
Oil & Mining Sector	--	--	--	2,010	1,922	1,031	947	922	712
Services Sector	251	299	112	94	850	888	1,038	1,231	974
Others ^{2/}	1,658	139	406	2,711	3,295	3,640	2,662	3,003	3,404

FINANCIAL SECTOR
&
INVESTMENTS

Source: Central Bank of Egypt.

-- Data not available.

1/ Includes private and foreign branches companies.

2/ Includes T-Bills worth LE 45 billion issued in favor of the Central Bank. Issuance was according to an agreement between the Central Bank of Egypt and the Ministry of Finance. This LE 45 billion T-bills were retired during first quarter of FY 2006/2007.

Table (36) : Securities Held by Banks ^{1/}

(LE Millions)

	Jun-06	Jun-07	Jun-08	Jun-09	Jun-10	Sep-10	Oct-10	Nov-10	Dec-10
Total Securities	193,965	176,098	201,858	332,597	405,895	423,444	432,608	440,585	441,179
In Local Currency	162,403	143,598	168,182	297,194	338,834	329,315	338,954	349,877	363,599
In Foreign Currency	31,562	32,500	33,676	35,403	67,061	94,129	93,654	90,708	77,580
Government Sector	131,213	111,288	148,665	276,095	318,876	307,647	317,013	327,987	341,747
In Local Currency (of which):	115,146	96,652	135,129	262,044	303,297	292,131	301,264	312,089	325,989
In Foreign Currency	16,067	14,636	13,536	14,051	15,579	15,516	15,749	15,898	15,758
CBE Notes (In Local Currency)	21,563	17,617	-	-	-	-	-	-	-
Public Business Sector	859	761	1,414	1,338	1,052	1,047	1,041	1,045	1,086
In Local Currency	859	761	1,414	1,338	1,052	1,047	1,041	1,045	1,086
In Foreign Currency	-	-	-	-	-	-	-	-	-
Private Business Sector	28,380	32,042	36,523	39,287	39,991	41,775	42,348	42,421	41,816
In Local Currency	24,835	28,568	31,609	33,755	34,394	36,047	36,592	36,653	36,434
In Foreign Currency	3,545	3,474	4,914	5,532	5,597	5,728	5,756	5,768	5,382
Foreign Sector	11,950	14,390	15,256	15,877	45,976	72,975	72,206	69,132	56,530
In Local Currency	0	0	30	57	91	90	57	90	90
In Foreign Currency	11,950	14,390	15,226	15,820	45,885	72,885	72,149	69,042	56,440

Source: Central Bank of Egypt.

-- No Issuance during the period.

1/ Excludes securities held by the Central Bank of Egypt.

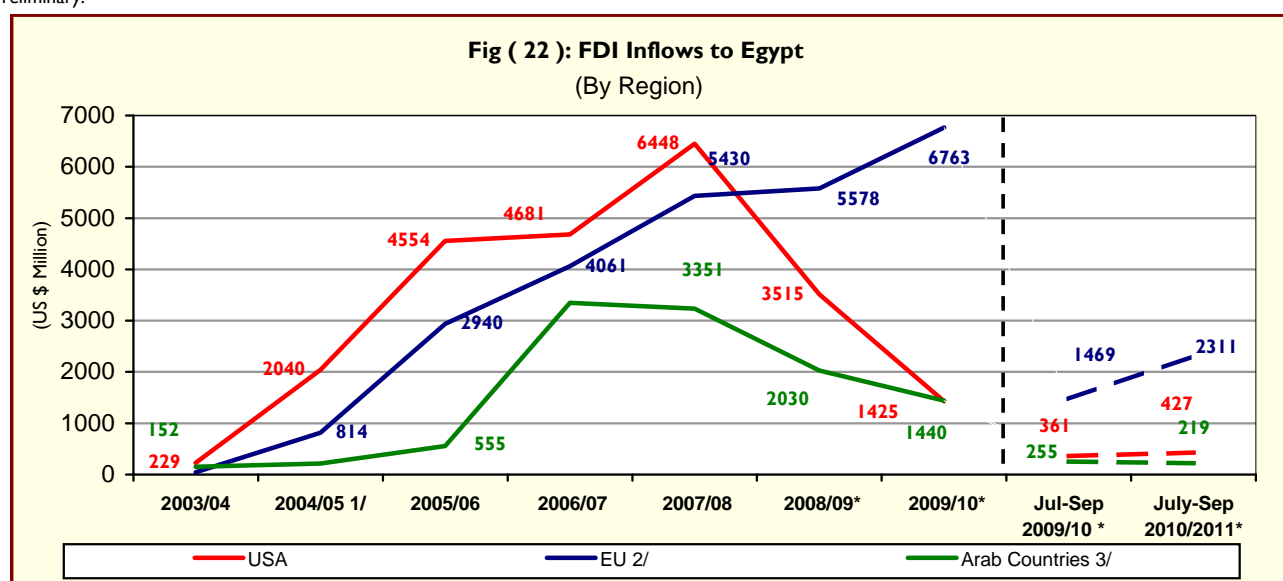
Table (37): Net Foreign Direct Investments By Countries

(US \$ Million)

	Annual Profile					Quarterly Profile			
	2005/06	2006/07	2007/08	2008/09	2009/10*	2009/10* Jul - Sep	2009/10* Jan - Mar	2009/10* Apr-Jun	2010/2011* Jul-Sep
Total Net Foreign Direct Investment	6111	11053	13237	8113	6758	1731	1706	2426	1597
I. Inflows (Of which)	9098	13084	17802	12836	11008	2627	2927	3466	3122
USA	4553.5	4681.3	6447.8	3515	1424.9	360.5	303.2	408.0	427.3
Germany	113.6	97.2	250.3	102.6	109.7	20.3	28.2	26.3	43.4
France	565.7	36.7	1302.7	254.3	286.2	98.5	29.8	116.6	29.1
U.K.	1724.7	2209.6	3239.3	3231.8	4926.1	936.1	1750.9	1371.8	1887.7
Spain	361.4	6.7	20.8	27	80.5	31.5	29.7	5.1	25.3
Netherlands	8.4	39.6	55.7	134	128.8	6.8	28.3	31.2	85.7
Saudi Arabia	99.0	204	365.4	514.1	323.4	48.5	136.0	101.0	112.8
U.A.E	63.0	3049.5	726.2	1037.4	303.5	69.7	99.9	75.6	42.8
Kuwait	72.5	24.8	1597.2	118	188.7	53.6	17.2	114.6	5.0
Bahrain	65.6	18.6	39.6	20.5	64.1	13.1	15.2	28.0	16.6
Oman	0.0	1.2	4.9	11.1	9.8	3.3	3.3	2.7	3.3
Switzerland	78.3	49.4	236	154.6	111.4	22.3	27.6	41.4	24.1
Other Countries	1392.2	2665.7	3516.3	3715.7	3051.0	962.9	457.2	1143.5	419.2
II. Outflows	-2987	-2031	-4566	-4723	-4250	-896	-1220	-1040	-1525

Source: Central Bank of Egypt

* Preliminary.



Source: Central Bank of Egypt.

* Preliminary.

1/ Includes investments worth US\$ 2638 million in the petroleum sector.

2/ Includes Austria, Belgium, Denmark, Cyprus, France, Germany, Greece, Italy, Luxembourg, Portugal, Romania, Spain, Sweden, The Netherlands and U.K.

3/ Includes Bahrain, Jordan, Kuwait, Lebanon, Libya, Oman, Qatar, Saudi Arabia, Tunisia, U.A.E. and others.