

Section 7

FINANCIAL SECTOR & INVESTMENT

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

	Jun-08	Jun-09	Jun-10	Jun-11 ^{1/}	Jun-12	Sep-12	Oct-12	Nov-12	Dec-12
EGX-30 Index (Previously CASE-30) ^{2/}	9,827	5,703	6,033	5,373	4,709	5,822	5,696	4,808	5,462
Monthly Return (%)	-11.1	-3.8	-7.9	-2.7	0.5	9.2	-2.2	-15.6	13.6
Market Volatility ^{3/}	1.0	2.0	1.3	1.2	2.6	1.2	1.6	2.7	2.0
Market Capitalization ^{4/} (LE Billion)	813	464	410	400	340	406	394	339	376
In % of GDP ^{5/}	90.8	44.5	34.0	29.2	22.0	22.8	22.2	19.1	21.1
Number of Companies	375	333	215	211	212	213	213	214	213
Traded Shares and Securities									
Value (In LE millions)	47,171	60,285	46,507	20,515	11,838 ^{11/}	24,814	14,668	13,197	13,292
Monthly Change (%)	-33.0	69.3	60.9	12.8	-64.3	85.0	-40.9	-10.0	0.7
Annual Change (%)	42.8	27.8	-22.9	-55.9	-42.3	145.8	48.5	67.9	29.2
Listed Bonds (LE Million)	84,547	97,586	171,665	224,837	285,311	310,520	317,965	--	--
Government ^{6/} , of which:	78,771	92,625	159,890	206,891	270,685	296,684	304,434	--	--
Bonds of the primary dealers	74,500	92,500	159,767	206,767	270,567	296,567	304,317	--	--
Companies	3,880	3,096	5,423	6,718	4,285	3,887	3,813	--	--
Securitization ^{7/}	1,869	1,865	6,352	6,228	5,341	4,949	4,718	--	--
Net Foreigners Purchases									
Value (In US\$ millions)	199	-106	43	-166	-62	-35	45	33	54
Volume (In thousand shares)	23,255	562	93,610	-59,994	-166,930	-87,887	48,750	8,871	56,801
In % of Overall Trade	20	12	22	20	19	18	21	18	21
Other Indicators									
Price / Earning Ratio ^{8/ 9/}	15.7	11.5	12.6	13.0	10.9	12.8	12.4	11.3	12.4
Dividend Yield (%) ^{9/10/}	6.5	7.2	7.5	7.5	8.4	8.3	8.3	9.4	8.6
Turnover Ratio (%)	4.9	11.2	4.5	3.7	1.5	4.4 ^{12/}	2.8	2.1	2.3

Source: The Egyptian Stock Exchange, the Capital Market Authority and the Central Bank of Egypt.

-- Data unavailable.

1/ It is worth noting that the Egyptian Exchange was closed from 28/1/2011 to 22/3/2011 due to the uprisings in Egypt.

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

5/ 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.

6/ Including Treasury bonds (encompassing primary dealers), housing bonds and development bonds.

7/ Securitization bonds were listed on the Egyptian Exchange as of September 2006.

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

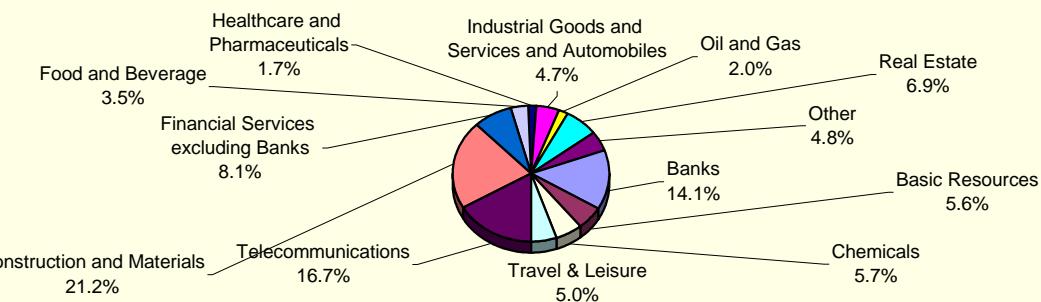
9/ Calculated for the most active 50 companies.

10/ Annual dividends / current stock price.

11/ This month has witnessed the execution of a deal on Egyptian Company for Mobile Services (Mobinil), with a total volume of 93.9 million shares worth LE 19 billion on 27 May 2012.

12/ After excluding deals

**Fig (21): Market Capitalization by Sector
(31 December 2012)**



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 -July 2012)**

Date	Acquirer	Security	Value (LE Million)	Percent Acquired (%)
Jul-12	Olympic Group Financial Investments	Delta Industrial Co. - IDEAL	104.6	6.5
May-12	MT Telecom SCRL	Egyptian Company for Mobile Services (Mobinil)	19019	93.9
Jan-12	Electrolux Counteracting Akitebolag	Olympic Group Financial Investments	37.7	1.5
Dec-11	Rawasy for Real Estate Investment	Namaa for Development and Real Estate Investment Co.	216.9	32.6
Dec-11	Kafela for Trade and Distribution	B-Tech	21.4	9.2
Dec-11	Orascom for Telecommunication, Media	Mobinil	866.0	20.0
Nov-11	Rawasy for Real Estate Investment	Namaa for Development and Real	445.0	66.9
Nov-11	Kafela for Trade and Distribution	B-Tech	203.8	87.8
Sep-11	Electrolux Counteracting Akitebolag	Olympic Group Financial Investments	2398.4	98.3
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

Source: The Egyptian Stock Exchange Monthly Bulletin.

1/ Value in US Dollars

2/ A swap Deal.

**Table (33): Main Privatized and - or Liquidated Companies
(From 1993-1994 until 30 November 2012)**

Method of Privatization	Number of Companies	Percentage Sold	Sales Proceeds (LE Millions)
Total	282		53,644
Majority through Public Offering, of which:	38		6,064
Helwan Portland Cement		52%	1,202
Ameriyah Cement		71%	768
Paints & Chemicals Industries Pachin		62%	692
Industrial &Engineering Projects		90%	299
Minority through Public Offering, of which:	23		11,003
Telecom Egypt		20%	5,122
Sidi Krir Petrochemicals		20%	1,626
Talaat Moustafa Group		4%	932
Eastern Tobacco		34%	549
Liquidation	34		--
Asset Sale	44		3,437
Anchor Investor, of which:	85		32,208
Bank of Alexandria		80%	9,274
Fertilized Egypt		46%	1,971
Suez Cement		33%	1,800
Employee Shareholder Association, of which:	33		932
Wadi Kom Ombo for Land Reclamation		100%	70
Arab Company for Land Reclamation		100%	61
General Company for Land Reclamation		100%	60
Gharbiyah Rice Mills		90%	51
Leasing	25		--

Source: Ministry of Investment and Stock Market Exchange Bulletin.

-- Data unavailable.

Table (33- continued): 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

Source: Ministry of Investment.

* 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/}	Monthly Change Dec-12	Yield (%)	Cumulative Change (YTD) Dec-12
1	South Africa	9.7		15.7
2	Egypt	8.8		42.4
3	Poland	8.6		33.9
4	Brazil	7.6		-0.3
5	Turkey	7.2		62.5
6	Russia	5.8		7.5
7	Peru	5.8		15.7
8	Czech Republic	5.5		-3.2
9	Thailand	5.4		38.9
10	China	5.3		16.9
11	Korea	4.7		19.2
12	Chile	4.1		11.3
13	Mexico	3.6		26.9
14	Malaysia	3.6		10.7
15	Philippines	2.6		42.7
16	Taiwan	1.6		13.7
17	Indonesia	1.1		3.5
18	India	0.6		23.0
19	Hungary	-2.5		19.4
20	Morocco	-4.3		-13.5

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-08	Jun-09	Jun-10	Jun-11	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12
Outstanding Balance	146,439	239,080	266,121	356,103	373,398	370,440	373,903	377,555	372,073
Foreign Customers	--	4,945	38,370	24,542	800	760	746	1,664	1,681
Companies dealing in Securities	17	988	800	1,034	1,212	1,274	1,340	1,442	1,395
Holding and Investment companies	71	5,208	5,926	8,966	17,876	17,515	17,825	17,523	15,072
Banks	100,063	194,929	176,520	250,102	257,119	248,787	247,020	248,921	243,189
Public banks	59,429	110,482	91,276	116,892	129,978	128,330	126,019	122,716	122,794
Private banks	38,783	67,570	66,530	110,319	105,451	104,406	104,982	109,332	104,713
Foreign banks- branches	--	9,222	10,748	9,304	16,597	11,820	11,724	13,469	12,730
National Investment Bank	1,851	2,715	2,749	820	100	75	72	76	76
Specialized banks	--	4,940	5,217	12,767	4,978	4,141	4,209	3,309	2,861
Foreign Exchange Bureaus	0	0	0	0	15	15	14	19	15
Insurance Companies	81	1,568	1,803	6,491	12,510	12,455	13,242	12,070	11,472
Public Sector	--	1,095	941	5,028	9,302	10,078	10,554	9,694	9,278
Private Sector ^{1/}	--	473	862	1,463	3,208	2,377	2,688	2,376	2,194
Mutual Funds	12,442	24,731	33,034	44,484	47,193	52,119	55,942	57,687	61,917
Insurance Funds	1,016	1,096	757	8,641	5,660	6,332	6,865	8,163	9,021
Housing & Construction Sector	--	168	197	441	686	622	596	540	548
Trade Sector	0.0	3.0	50.0	76.0	190	242	228	229	186
Manufacturing Sector	60	91	229	268	688	939	968		819
Financial Sector	--	42	531	300	127	131	146	134	145
Transportation, Electricity, Gas, and Health Sector	--	1	21	53	85	133	135	136	119
Household Sector	11	495	1,816	3,302	12,878	11,768	11,173	10,614	9,823
Oil & Mining Sector	--	2,010	1,922	1,898	2,405	3,100	3,473	3,403	3,119
Services Sector	112	94	850	1,871	1,280	1,384	1,044	1,087	1,035
Others ^{2/}	406	2,711	3,295	3,634	12,689	12,879	13,160	12,825	12,532

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

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

(LE Millions)

	Jun-08	Jun-09	Jun-10	Jun-11	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12
Total Securities	201,858	332,597	405,895	474,176	555,326	557,317	562,938	578,842	580,680
In Local Currency	168,182	297,194	338,834	442,648	494,934	496,437	498,949	515,383	517,000
In Foreign Currency	33,676	35,403	67,061	31,528	60,392	60,880	63,989	63,459	63,680
Government Sector	148,665	276,095	318,876	412,196	498,309	500,016	504,418	519,224	521,095
In Local Currency (of which):	135,129	262,044	303,297	407,814	461,821	463,261	464,452	479,682	481,412
In Foreign Currency	13,536	14,051	15,579	4,382	36,488	36,755	39,966	39,542	39,683
CBE Notes (In Local Currency)	-	-	-	-	-	-	-	-	-
Public Business Sector	1,414	1,338	1,052	980	714	708	740	807	786
In Local Currency	1,414	1,338	1,052	980	714	708	740	807	786
In Foreign Currency	-	-	-	-	-	-	-	-	-
Private Business Sector	36,523	39,287	39,991	39,239	37,018	36,955	38,250	39,244	39,152
In Local Currency	31,609	33,755	34,394	33,764	32,310	32,379	33,668	34,805	34,713
In Foreign Currency	4,914	5,532	5,597	5,475	4,708	4,576	4,582	4,439	4,439
Foreign Sector	15,256	15,877	45,976	21,761	19,285	19,638	19,530	19,567	19,647
In Local Currency	30	57	91	90	89	89	89	89	89
In Foreign Currency	15,226	15,820	45,885	21,671	19,196	19,549	19,441	19,478	19,558

Source: Central Bank of Egypt.

-- No Issuance during the period.

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

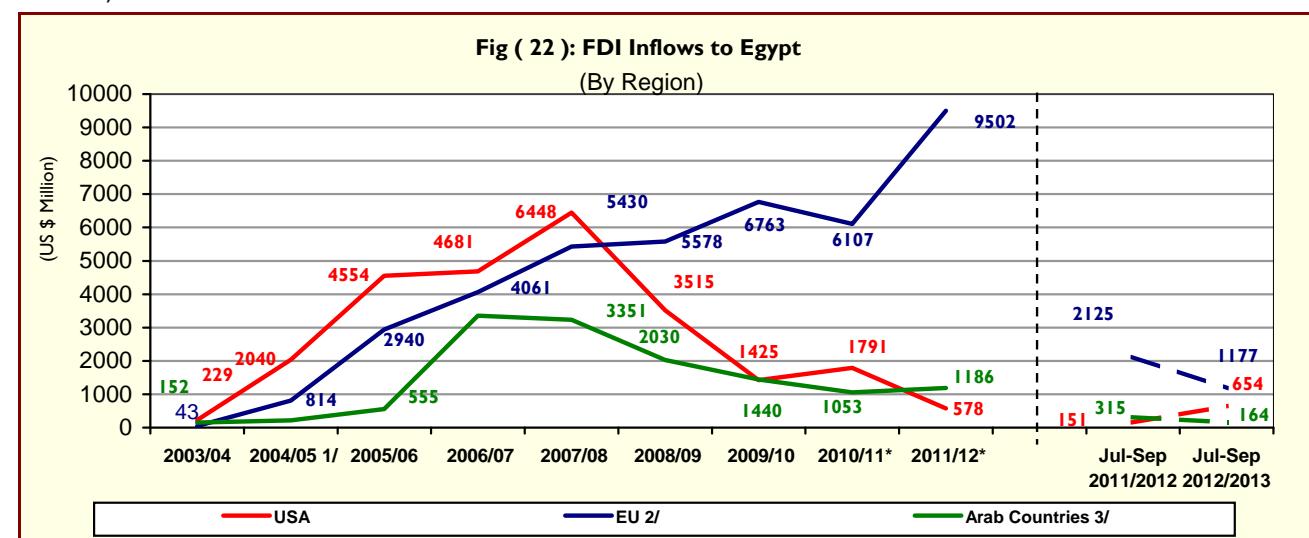
Table (37): Net Foreign Direct Investments By Countries

(US \$ Million)

	Annual Profile					Quarterly Profile			
	2007/08	2008/09	2009/10	2010/11*	2011/12*	2011/2012* Jul - Sep	2011/2012* Jan- Mar	2011/2012* Apr- Jun	2012/2013* July-Sep
Total Net Foreign Direct Investment	13237	8113	11008	2189	2078	440	636	1861	108
I. Inflows (Of which)	17802	12836	11008	9574	11768	2698	3134	4643	2255
USA	6447.8	3515	1424.9	1790.5	577.6	150.5	208.2	148.7	654.0
Germany	250.3	102.6	109.7	274.5	202.5	85.5	62.7	30.4	41.2
France	1302.7	254.3	286.2	227.0	315.6	73.0	110.8	50.6	97.2
U.K.	3239.3	3231.8	4926.1	4307.1	5819.7	1299.1	1970.6	2214.6	701.2
Spain	20.8	27	80.5	46.5	61.0	8.3	11.0	16.0	23.3
Netherlands	55.7	134	128.8	145.6	409.4	36.6	39.8	309.8	71.7
Saudi Arabia	365.4	514.1	323.4	206.3	240.4	20.2	79.6	31.4	35.3
U.A.E	726.2	1037.4	303.5	410.8	559.8	140.1	176.9	56.8	55.3
Kuwait	1597.2	118	188.7	58.6	63.5	8.9	17.3	21.8	11.8
Bahrain	39.6	20.5	64.1	66.2	152.5	110.1	12.6	21.8	25.7
Oman	4.9	11.1	9.8	11.9	13.3	1.6	5.0	4.2	0.8
Switzerland	236	154.6	111.4	158.8	124.8	32.4	16.3	26.2	68.1
Other Countries	3516.3	3715.7	3051.0	1870.6	2496.5	731.5	422.8	1710.9	469.7
II. Outflows	-4566	-4723		-7386	-9690	-2258	-2498	-2783	-2147

* Preliminary.

Fig (22): FDI Inflows to Egypt
(By Region)



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.