

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	Mar-13	Apr-13	May-13	Jun-13
EGX-30 Index (Previously CASE-30) ^{2/}	9,827	5,703	6,033	5,373	4,709	5,099	5,196	5,439	4,752
Monthly Return (%)	-11.1	-3.8	-7.9	-2.7	0.5	-7.1	1.9	4.7	-12.6
Market Volatility ^{3/}	1.0	2.0	1.3	1.2	2.6	1.3	0.9	1.0	1.9
Market Capitalization ^{4/} (LE Billion)	813	464	410	400	340	355	356	361	322
In % of GDP ^{5/}	90.8	44.5	34.0	29.2	22.0	20.5	20.5	20.8	18.6
Number of Companies	375	333	215	211	212	211	211	211	210
Traded Shares and Securities									
Value (In LE millions)	47,171	60,285	46,507	20,515	11,838 ^{11/}	27,460	8,903	9,989	10,836
Monthly Change (%)	-33.0	69.3	60.9	12.8	-64.3	120.8	-67.6	12.2	8.5
Annual Change (%)	42.8	27.8	-22.9	-55.9	-42.3	77.7	-25.7	-69.8	-8.5
Listed Bonds (LE Million)	84,547	97,586	171,665	224,837	285,311	326,550	319,691	--	--
Government ^{6/} , of which:	78,771	92,625	159,890	206,891	270,685	312,929	306,429	--	--
Bonds of the primary dealers	74,500	92,500	159,767	206,767	270,567	312,817	306,317	--	--
Companies	3,880	3,096	5,423	6,718	4,285	3,530	3,468	--	--
Securitization ^{7/}	1,869	1,865	6,352	6,228	5,341	5,091	4,794	--	--
Net Foreigners Purchases									
Value (In US\$ millions)	199	-106	43	-166	-62	218	-54	8	60
Volume (In thousand shares)	23,255	562	93,610	-59,994	-166,930	-29,654	-28,929	-12,993	83,149
In % of Overall Trade	20	12	22	20	19	69	25	21	32
Other Indicators									
Price / Earning Ratio ^{8/ 9/}	15.7	11.5	12.6	13.0	10.9	12.1	12.1	12.4	11.0
Dividend Yield (%) ^{9/10/}	6.5	7.2	7.5	7.5	8.4	9.9	7.9	7.5	8.5
Turnover Ratio (%)	4.9	11.2	4.5	3.7	1.5	2.6	1.6	1.5	1.5

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.

According to the Ministry of Planning, GDP (at market prices) for 2012/2013 is projected to reach LE 1735 billion compared to a revised figure of LE 1542.3 billion in 5/ 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.

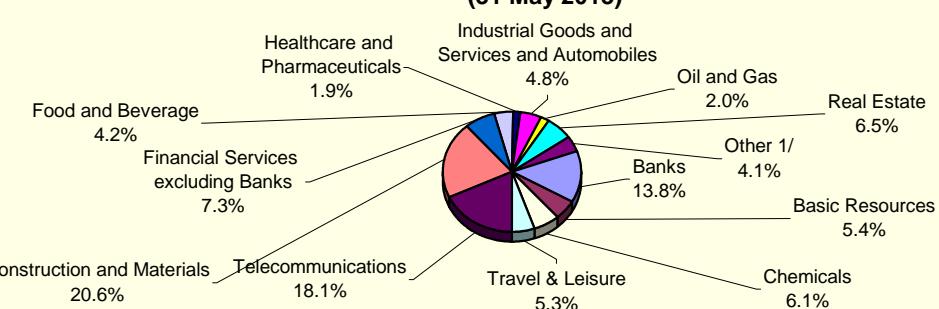
8/ Price / earning ratio, also known as the "Multiple", is calculated by dividing the market price of each stock by its annual earnings.

9/ Calculated for the most active 50 companies.

10/ Annual dividends / current stock price.

11/ The month of study 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.

**Fig (21): Market Capitalization by Sector
(31 May 2013)**



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 - March 2013)

Date	Acquirer	Security	Value (LE Million)	Percent Acquired (%)
Mar-13	Qatar National Bank	National Societe Generale Bank (NSGB)	16649.7	97.0
Dec-12	El Rateem for Development and Housing	Ruber Plastics	48.2	61.8
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)	19019.0	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	10.1
Jul-10	Egyptian Company for Tourism &Hotels	Trouism Urbanization	56.6	65.3
Jan-10	Ahli United Bank-Bahrain	Ahli United Bank-Egypt	984.9	44.4
Jan-10	Soliman Group Holding for Financial Investments ^{1/}	Lord Import & Export	82.5	100.0
Jan-10	Soliman Group Holding for Financial Investments ^{1/}	Lord Precision Industries	95.7	96.9
Jan-10	Soliman Group Holding for Financial Investments ^{1/}	Lord International	65.1	100.0
Dec-09	Samcrete For Engineering Investment	Samcrete Misr	4071.0	99.6
Dec-09	Beltone Partners Holding Ltd	Beltone Financial Holding	72.6	99.8
Dec-09	El Gouna Transportation	International Hotels Holdings	1944.4	99.7
Dec-09	Group of Investors	Alkan Holding	12.5	12.7
Nov-09	Lafarge Building Materials Trading Egypt	Lafarge Cement -Egypt	15466.0	53.7
Aug-09	Olympic Group Financial Investments ^{2/}	Cairo Feeding Industries	66.4	98.8
Jun-09	Orascom for Fertilizers Factories Maintenance ^{1/}	Egyptian Fertilizers Company	3468.8	100.0
Apr-09	Global Investment And Management Group Limited	Mansoura for Resins and Chemicals Industries Co.	29.1	69.1
Apr-09	National Development Bank	National Glass & Crystal Co.	182.5	88.3
Mar-09	International Finance Corporation (IFC)	Bank of Alexandria	1106.8	9.8
Mar-09	An Indian Investor	Alexandria Medical Services	96.7	86.4
Dec-08	Red Sea Company for Steel	Misr National Steel-Ataqa	14.8	4.0
Dec-08	Red Sea Company for Steel	Misr National Steel-Ataqa	355.8	96.0
Dec-08	Group of Investors	General Engineering & Motor Company	2.6	42.6
Oct-08	Naeem Holding	Naeem Financial Investments	9.5	38.0
Sep-08	Mac Holding for Industries	Egyptian Sponge	19.2	28.8
Sep-08	Beltone Partners Holding Ltd	Beltone Financial Holding	68.6	99.9
Sep-08	Prime Industrial Holding	National Glass & Crystal Co.	192.1	88.3
Aug-08	Abu Dhabi Financial Services Co.	El Salam Brokerage Co.	21.0	70.0
Aug-08	The Egyptian Company for Textiles Manufacturing	Dice Sport & Casual Wear	88.0	60.0

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 31 May 2013)**

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
Assiut Cement		100%	1,380
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*)**

	Law 203 Sales ^{1/} Number	Law 203 Sales ^{1/} Value	Joint Venture Sales ^{2/} Number	Joint Venture Sales ^{2/} Value	Other Public Sector Sales Number	Other Public Sector Sales Value	Total Number	Total Value	(LE Millions)
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 May-13	Yield (%)	Cumulative Change (YTD) May-13
1	Egypt	4.4		-9.7
2	Poland	3.3		-6.8
3	Malaysia	3.2		6.6
4	Hungary	2.3		0.6
5	Taiwan	0.9		4.9
6	China	0.3		-1.9
7	Korea	0.02		-4.8
8	Indonesia	-2.6		13.2
9	Czech Republic	-3.2		-18.1
10	India	-3.4		-2.9
11	Turkey	-4.6		4.8
12	Russia	-4.7		-10.6
13	Philippines	-5.1		15.7
14	Thailand	-5.2		11.1
15	Morocco	-5.5		-4.5
16	South Africa	-6.0		-14.2
17	Mexico	-6.6		-2.2
18	Brazil	-7.4		-7.6
19	Chile	-7.4		-6.2
20	Peru	-7.8		-21.7

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	Jan-13	Feb-13	Mar-13	Apr-13
Outstanding Balance	146,439	239,080	266,121	356,103	373,398	381,603	390,756	406,106	418,506
Foreign Customers	--	4,945	38,370	24,542	800	758	722	698	1,205
Companies dealing in Securities	17	988	800	1,034	1,212	1,204	1,412	1,062	905
Holding and Investment companies	71	5,208	5,926	8,966	17,876	14,628	13,890	11,495	9,681
Banks	100,063	194,929	176,520	250,102	257,119	257,149	263,898	278,408	291,374
Public banks	59,429	110,482	91,276	116,892	129,978	135,693	136,789	142,477	149,068
Private banks	38,783	67,570	66,530	110,319	105,451	106,096	110,129	116,818	120,994
Foreign banks- branches	--	9,222	10,748	9,304	16,597	12,279	13,641	14,780	15,135
National Investment Bank	1,851	2,715	2,749	820	100	67	0	0	0
Specialized banks	--	4,940	5,217	12,767	4,978	3,005	3,329	4,332	6,176
Foreign Exchange Bureaus	0	0	0	0	15	9	10	1	1
Insurance Companies	81	1,568	1,803	6,491	12,510	12,442	12,956	12,582	13,529
Public Sector	--	1,095	941	5,028	9,302	10,549	10,977	10,490	11,169
Private Sector ^{1/}	--	473	862	1,463	3,208	1,893	1,979	2,092	2,360
Mutual Funds	12,442	24,731	33,034	44,484	47,193	59,515	63,950	68,247	68,533
Insurance Funds	1,016	1,096	757	8,641	5,660	10,247	10,430	10,039	9,996
Housing & Construction Sector	--	168	197	441	686	461	466	470	354
Trade Sector	0.0	3.0	50.0	76.0	190	150	143	143	115
Manufacturing Sector	60	91	229	268	688	1,011	940	1,007	891
Financial Sector	--	42	531	300	127	115	125	124	171
Transportation, Electricity, Gas, and Health Sector	--	1	21	53	85	59	49	52	119
Household Sector	11	495	1,816	3,302	12,878	7,720	7,193	6,521	5,901
Oil & Mining Sector	--	2,010	1,922	1,898	2,405	2,350	2,646	2,907	3,206
Services Sector	112	94	850	1,871	1,280	444	488	804	547
Others ^{2/}	406	2,711	3,295	3,634	12,689	13,350	11,448	11,547	11,979

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-08	Jun-09	Jun-10	Jun-11	Jun-12	Jan-13	Feb-13	Mar-13	Apr-13
Total Securities	201,858	332,597	405,895	474,176	555,326	606,472	617,732	629,476	635,770
In Local Currency	168,182	297,194	338,834	442,648	494,934	528,701	539,130	551,245	556,590
In Foreign Currency	33,676	35,403	67,061	31,528	60,392	77,771	78,602	78,231	79,180
Government Sector	148,665	276,095	318,876	412,196	498,309	543,135	554,482	567,792	574,440
In Local Currency (of which):	135,129	262,044	303,297	407,814	461,821	491,724	502,137	515,007	520,407
In Foreign Currency	13,536	14,051	15,579	4,382	36,488	51,411	52,345	52,785	54,033
CBE Notes (In Local Currency)	-	-	-	-	-	-	-	-	-
Public Business Sector	1,414	1,338	1,052	980	714	688	694	686	697
In Local Currency	1,414	1,338	1,052	980	714	688	694	686	697
In Foreign Currency	-	-	-	-	-	-	-	-	-
Private Business Sector	36,523	39,287	39,991	39,239	37,018	40,781	40,824	40,119	40,180
In Local Currency	31,609	33,755	34,394	33,764	32,310	36,207	36,217	35,469	35,403
In Foreign Currency	4,914	5,532	5,597	5,475	4,708	4,574	4,607	4,650	4,777
Foreign Sector	15,256	15,877	45,976	21,761	19,285	21,868	21,732	20,879	20,453
In Local Currency	30	57	91	90	89	82	82	83	83
In Foreign Currency	15,226	15,820	45,885	21,671	19,196	21,786	21,650	20,796	20,370

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

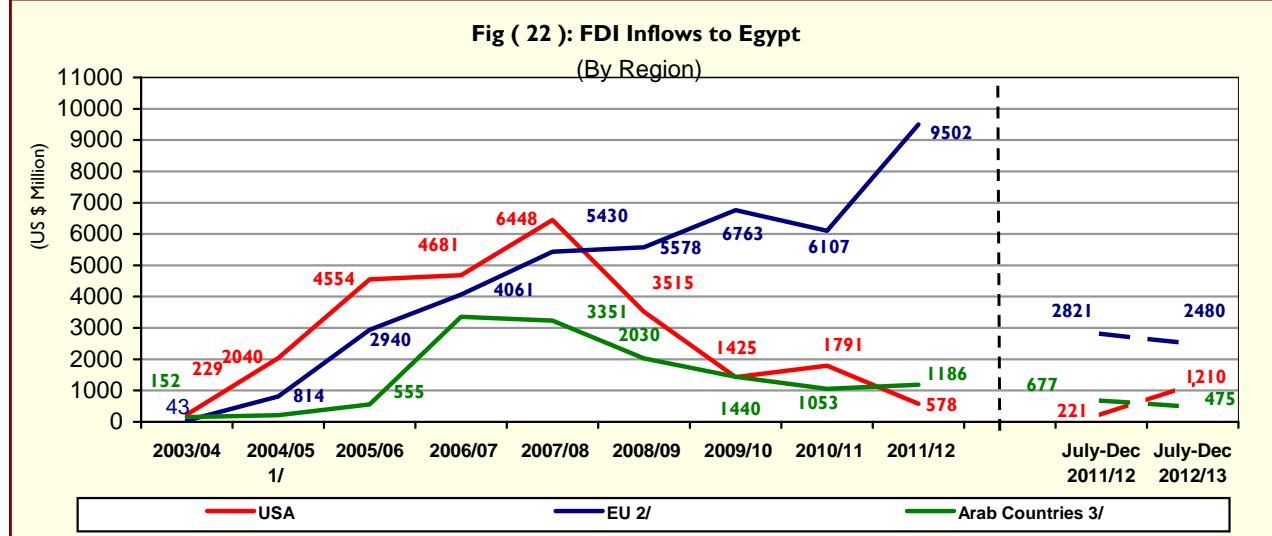
(US \$ Million)

	Annual Profile					Quarterly Profile			
	2007/08	2008/09	2009/10	2010/11	2011/12*	2011/2012 Oct- Dec	2011/2012 Apr- Jun	2012/2013 July- Sep	2012/2013* Oct-Dec
Total Net Foreign Direct Investment	13237	8113	6758	2189	2078	-858	1861	108	193
I. Inflows (Of which)	17802	12836	11008	9574	11768	1294	4643	2255	2464
USA	6447.8	3515	1424.9	1790.5	577.6	70.2	148.7	654.0	555.7
Germany	250.3	102.6	109.7	274.5	202.5	23.9	30.4	41.2	73.2
France	1302.7	254.3	286.2	227.0	315.6	81.2	50.6	97.2	46.6
U.K.	3239.3	3231.8	4926.1	4307.1	5819.7	335.4	2214.6	701.2	880.6
Spain	20.8	27	80.5	46.5	61.0	25.7	16.0	23.3	4.0
Netherlands	55.7	134	128.8	145.6	409.4	23.2	309.8	71.7	46.6
Saudi Arabia	365.4	514.1	323.4	206.3	240.4	109.2	31.4	35.3	55.2
U.A.E	726.2	1037.4	303.5	410.8	559.8	186.0	56.8	55.3	129.3
Kuwait	1597.2	118	188.7	58.6	63.5	15.5	21.8	11.8	7.6
Bahrain	39.6	20.5	64.1	66.2	152.5	8.0	21.8	25.7	38.7
Oman	4.9	11.1	9.8	11.9	13.3	2.5	4.2	0.8	2.1
Switzerland	236	154.6	111.4	158.8	124.8	49.9	26.2	68.1	16.3
Other Countries	3516.3	3715.7	3051.0	1870.6	2496.5	362.8	1710.9	469.7	608.3
II. Outflows	-4566	-4723	-4250	-7386	-9690	-2152	-2783	-2147	-2271

Source: Central Bank of Egypt.

* Preliminary.

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



Source: Central Bank of Egypt.

1/ It is noteworthy that FDI in 2004/05 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.