

Section 7

FINANCIAL SECTOR & INVESTMENT

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

	Jun-09	Jun-10	Jun-11 ^{1/}	Jun-12	Jun-13	May-13	Jul-13	Aug-13	Sep-13
EGX-30 Index (Previously CASE-30) ^{2/}	5,703	6,033	5,373	4,709	4,752	5,439	5,325	5,268	5,621
Monthly Return (%)	-3.8	-7.9	-2.7	0.5	-12.6	4.7	12.1	-1.1	6.7
Market Volatility ^{3/}	2.0	1.3	1.2	2.6	1.9	1.0	2.3	1.6	0.9
Market Capitalization ^{4/} (LE Billion)	464	410	400	340	322	361	357	355	378
In % of GDP ^{5/}	44.5	34.0	29.2	21.6	18.4	20.6	17.4	17.3	18.4
Number of Companies	333	215	211	212	210	211	210	210	209
Traded Shares and Securities									
Value (In LE millions)	60,285	46,507	20,515	11,838 ^{11/}	10,836	9,989	12,258	14,394	14,759
Monthly Change (%)	69.3	60.9	12.8	-64.3	8.5	12.2	13.1	17.4	2.5
Annual Change (%)	27.8	-22.9	-55.9	-42.3	-8.5	-69.8	-2.1	7.3	-40.5
Listed Bonds (LE Million)	97,586	171,665	224,837	285,311	328,030	324,018	315,707	--	--
Government ^{6/} , of which:	92,625	159,890	206,891	270,685	315,090	310,829	303,284	--	--
Bonds of the primary dealers	92,500	159,767	206,767	270,567	314,978	310,717	303,171	--	--
Companies	3,096	5,423	6,718	4,285	3,474	3,474	3,199	--	--
Securitization ^{7/}	1,865	6,352	6,228	5,341	4,466	4,715	4,224	--	--
Net Foreigners Purchases									
Value (In US\$ millions)	-106	43	-166	-62	60	8	-4	325	-5
Volume (In thousand shares)	562	93,610	-59,994	-166,930	83,149	-12,993	-42,733	-42,057	155
In % of Overall Trade	12	22	20	19	32	21	48	54	14
Other Indicators									
Price / Earning Ratio ^{8/9/}	11.5	12.6	13.0	10.9	11.0	12.4	12.2	12.1	13.0
Dividend Yield (%) ^{9/10/}	7.2	7.5	7.5	8.4	8.5	7.5	7.4	7.4	7.1
Turnover Ratio (%)	11.2	4.5	3.7	1.5	1.5	1.5	2.2	1.9	2.5

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.

5/ 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 1753 billion in 2012/2013.

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.

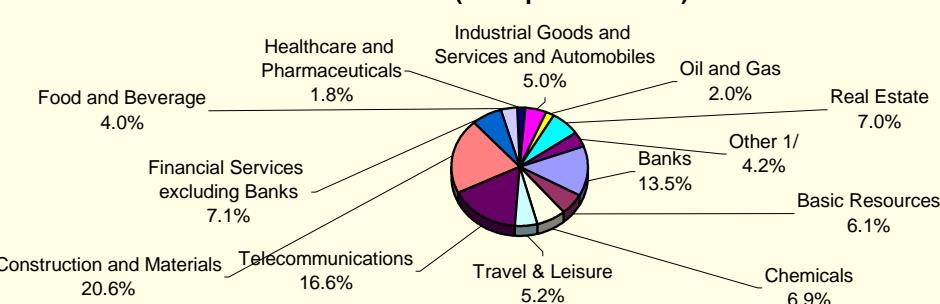
8/ Price / earning ratio, also known as the "Multiple", is calculated by dividing the market price of each stock by its annual earnings.

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
(30 September 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 - July 2013)

Date	Acquirer	Security	Value (LE Million)	Percent Acquired (%)
Jul-13	OCI NV	Orascom Construction Industries	11488.1	21.5
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 (Mobilnil)	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	Mobilnil	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	Tourism 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 30 September 2013)**

Method of Privatization	Number of Companies	Percentage Sold	(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*)

(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 Sep-13	Yield (%)	Cumulative Change (YTD) Sep-13
1	Turkey	13.0		-15.2
2	Brazil	12.1		-13.6
3	India	10.4		-16.0
4	Thailand	10.3		-2.7
5	Russia	9.7		-3.4
6	Egypt	7.8		-5.6
7	Czech Republic	7.6		-15.0
8	South Africa	7.1		-8.8
9	Korea	6.9		-0.1
10	Hungary	6.3		0.1
11	Chile	5.8		-15.8
12	China	5.5		1.9
13	Morocco	5.3		-4.1
14	Poland	4.9		-2.0
15	Philippines	4.8		-1.6
16	Malaysia	3.3		0.1
17	Taiwan	3.2		4.6
18	Mexico	2.8		-7.0
19	Peru	0.3		-30.3
20	Indonesia	-2.6		-19.5

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-09	Jun-10	Jun-11	Jun-12	Jun-13	Mar-13	Apr-13	May-13	Jul-13
Outstanding Balance	239,080	266,121	356,103	373,398	425,847	406,106	418,506	417,354	436,349
Foreign Customers	4,945	38,370	24,542	800	1,238	698	1,205	1,244	1,164
Companies dealing in Securities	988	800	1,034	1,212	762	1,062	905	929	772
Holding and Investment companies	5,208	5,926	8,966	17,876	11,444	11,495	9,681	10,690	11,196
Banks	194,929	176,520	250,102	257,119	302,380	278,408	291,374	287,980	314,269
Public banks	110,482	91,276	116,892	129,978	166,309	142,477	149,068	153,490	168,047
Private banks	67,570	66,530	110,319	105,451	117,408	116,818	120,994	117,763	125,234
Foreign banks- branches	9,222	10,748	9,304	16,597	11,159	14,780	15,135	10,568	13,768
National Investment Bank	2,715	2,749	820	100	0	0	0	0	0
Specialized banks	4,940	5,217	12,767	4,978	7,504	4,332	6,176	6,159	7,220
Foreign Exchange Bureaus	0	0	0	0	0	1	1	0	0
Insurance Companies	1,568	1,803	6,491	12,510	14,637	12,582	13,529	14,283	14,490
Public Sector	1,095	941	5,028	9,302	12,064	10,490	11,169	11,834	11,902
Private Sector ^{1/}	473	862	1,463	3,208	2,573	2,092	2,360	2,449	2,588
Mutual Funds	24,731	33,034	44,484	47,193	59,818	68,247	68,533	66,542	60,132
Insurance Funds	1,096	757	8,641	5,660	10,165	10,039	9,996	10,445	10,111
Housing & Construction Sector	168	197	441	686	358	470	354	352	351
Trade Sector	3.0	50.0	76.0	190.0	383.0	143	115	246	179
Manufacturing Sector	91	229	268	688	868	1,007	891	820	744
Financial Sector	42	531	300	127	214	124	171	218	214
Transportation, Electricity, Gas, and Health Sector	1	21	53	85	110	52	119	108	38
Household Sector	495	1,816	3,302	12,878	5,520	6,521	5,901	5,963	5,280
Oil & Mining Sector	2,010	1,922	1,898	2,405	3,685	2,907	3,206	3,661	3,792
Services Sector	94	850	1,871	1,280	509	804	547	543	496
Others ^{2/}	2,711	3,295	3,634	12,689	13,756	11,547	11,979	13,330	13,121

Source: Central Bank of Egypt.

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-09	Jun-10	Jun-11	Jun-12	Jun-13	Mar-13	Apr-13	May-13	Jul-13
Total Securities	332,597	405,895	474,176	555,326	653,889	629,476	635,770	636,206	653,260
In Local Currency	297,194	338,834	442,648	494,934	571,204	551,245	556,590	553,882	570,225
In Foreign Currency	35,403	67,061	31,528	60,392	82,685	78,231	79,180	82,324	83,035
Government Sector	276,095	318,876	412,196	498,309	593,939	567,792	574,440	575,052	592,883
In Local Currency (of which):	262,044	303,297	407,814	461,821	536,155	515,007	520,407	517,877	534,905
In Foreign Currency	14,051	15,579	4,382	36,488	57,784	52,785	54,033	57,175	57,978
CBE Notes (In Local Currency)	-	-	-	-	-	-	-	-	-
Public Business Sector	1,338	1,052	980	714	505	686	697	684	528
In Local Currency	1,338	1,052	980	714	505	686	697	684	528
In Foreign Currency	-	-	-	-	-	-	-	-	-
Private Business Sector	39,287	39,991	39,239	37,018	39,044	40,119	40,180	40,028	39,216
In Local Currency	33,755	34,394	33,764	32,310	34,469	35,469	35,403	35,238	34,717
In Foreign Currency	5,532	5,597	5,475	4,708	4,575	4,650	4,777	4,790	4,499
Foreign Sector	15,877	45,976	21,761	19,285	20,401	20,879	20,453	20,442	20,633
In Local Currency	57	91	90	89	75	83	83	83	75
In Foreign Currency	15,820	45,885	21,671	19,196	20,326	20,796	20,370	20,359	20,558

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

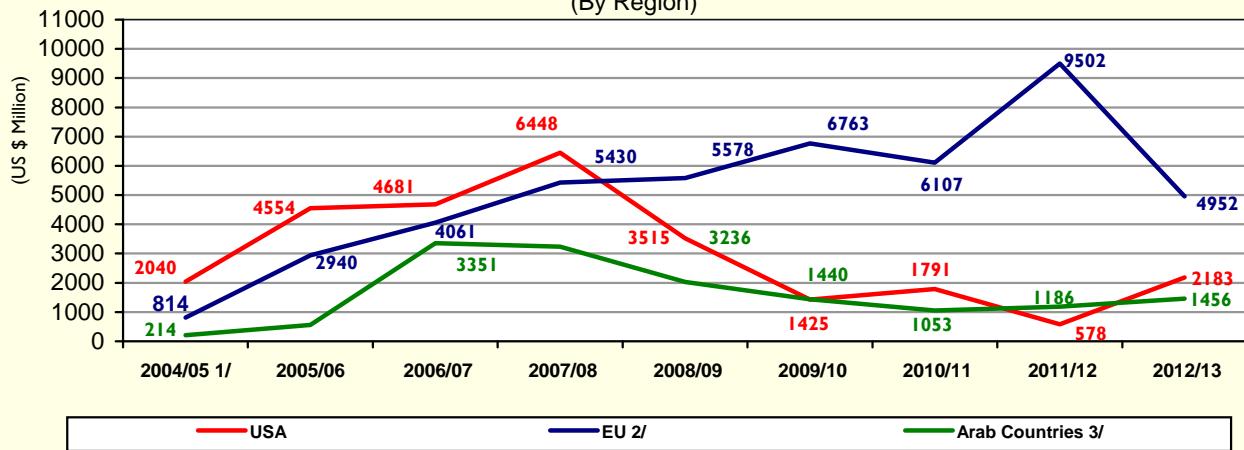
(US \$ Million)

	Annual Profile					Quarterly Profile			
	2008/09	2009/10	2010/11	2011/12	12/2013*	2012/2013 July-Sep	2012/2013* Oct-Dec	2012/2013* Jan-Mar	2012/2013* Apr-Jun
Total Net Foreign Direct Investment	8113	6758	2189	3982	3005	108	193	1075	1629
I. Inflows (Of which)	12836	11008	9574	11768	9614	2255	2464	2160	2735
USA	3515	1424.9	1790.5	577.6	2182.9	654.0	555.7	445.5	527.7
Germany	102.6	109.7	274.5	202.5	186.4	41.2	73.2	36.3	35.7
France	254.3	286.2	227.0	315.6	266.1	97.2	46.6	47.8	74.5
U.K.	3231.8	4926.1	4307.1	5819.7	3337.8	701.2	880.6	586.9	1169.1
Spain	27	80.5	46.5	61.0	30.4	23.3	4.0	1.3	1.8
Netherlands	134	128.8	145.6	409.4	163.5	71.7	46.6	27.8	17.4
Saudi Arabia	514.1	323.4	206.3	240.4	191.7	35.3	55.2	39.0	62.2
U.A.E	1037.4	303.5	410.8	559.8	480.6	55.3	129.3	69.3	226.7
Kuwait	118	188.7	58.6	63.5	46.4	11.8	7.6	13.3	13.7
Bahrain	20.5	64.1	66.2	152.5	262.7	25.7	38.7	156.4	41.9
Oman	11.1	9.8	11.9	13.3	10.9	0.8	2.1	4.3	3.7
Switzerland	154.6	111.4	158.8	124.8	115.4	68.1	16.3	12.3	18.7
Other Countries	3715.7	3051.0	1870.6	2496.5	2339.2	469.7	608.3	719.6	541.6
II. Outflows	-4723	-4250	-7386	-7786	-6609	-2147	-2271	-1085	-1106

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.